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

FIFTY-FIRST YEAR. JANUARY, 1897. VOLUME LIV., No. 1.

THE ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY to Congress is as usual a document that gives an intelligent and exhaustive view of the field of banking operations in the United States. Naturally much of the report is a reiteration and continuation of what has appeared without much effect upon legislation in previous years, but this continued reiteration strengthens the truth of all that has been said before, and brings it to bear with renewed cogency upon the minds of Congress and the general public.

The amendments of the organic law suggested by the Comptroller naturally become matters of necessity from the facts and figures collected through the operations of his office. They are based on the accurately prepared statistics, derived from reports made with the utmost care and formality to insure correctness. Probably in no public department in the world is there more power used with greater care and intelligence to secure the facts relative to the banking business than is constantly employed in the office of the Comptroller of the Currency. The suggestions of this official should therefore receive the attention of Congress.

The general inferences which he draws from the facts upon which he bases his daily judgments in particular cases must necessarily be of greater value than the comparatively hasty deductions which Congressmen might make from the same facts, biased as they are apt to be by local prejudice or favoritism for some personal measure.

The Comptroller deals with the banks of the whole country, not only in a purely statistical way, but necessarily at times interferes officially with their practical banking operations. He has his eye constantly on the dead line, which no bank can cross without seriously risking its continued existence. He knows the temptations, the accidents, the adverse financial laws, that constantly drive some banks in this direction. His judgment as to the methods of reducing these dangers must have more data to act upon than that of any other person in the United States, be he banking expert or otherwise. Besides the facts and figures which he publishes or will supply to any one who applies in a proper manner, he has the practical daily experience, impossible to impart, except in the form of deductions and suggestions.

The value of the amendments of the banking law, and the suggestions as to the relations between this law and other financial laws of the country, is therefore most obvious. Each one of them is a deduction from carefully prepared and reported statistics. They will be commented on in the order of their importance as it appears to the Editor of the MAGAZINE.

The sixth and seventh recommendations are that National banks be organized in places of less than 2,000 inhabitants with a capital of $25,000, and that National banks be permitted to establish branches in places where no National bank is already established and where the population does not exceed 1,000.

The argument underlying these recommendations is that the growth in the number and capital of National, State and private banks throughout the United States has kept pace with that of wealth and population and that this indicates in a general way the popularity of the banking business. But notwithstanding this recognition of the utility of banks as a whole by the business public, the National banks as such are made the subjects of general and sweeping denunciation. Complaints against the national system, the Comptroller says, were originally based upon its being an invasion of the rights of the States, but that this ground of protest has of late given way to another and that is the excessive capital required to organize even the smallest national association. The minimum of $50,000 capital makes it impossible to organize a National bank in many sections of the country on account of lack of this amount of surplus capital. Therefore the recommendation that the minimum capital be reduced to $25,000 in places with less than 2,000 inhabitants.

The recommendation of branch banks is a natural corollary of this reduction of the minimum capital, to supply banking facilities to a still smaller class of localities needing banking facilities. The subject is surrounded with difficulties, and yet the recommendations are in themselves excellent and should be carried into effect.

The Comptroller perhaps goes rather too far in assuming that the opposition due to State antipathy has been entirely superseded. It has more likely merged in the other objection to the national system, that it does not furnish needed facilities. The antagonistic reasoning is perhaps more like this: If there were no National banks then there would be less reason for keeping up Federal restrictions on the organization of State banks. If these restrictions were abrogated State banks could furnish greater facilities and use local credit with more advantage.

The National banks do not and can not under present law furnish these facilities, and their existence prevents the State banks from so doing. The opponents of the national system would gain the banking facilities by doing away with the system. The Comptroller seeks to remove their opposition by changing the law so as to enable National banks to accomplish the necessary result. This plan will not of course reconcile the State bankers, but it will go far to take away from them the constituency who now make the opposition of the State bankers very important. They now tell their actual and would-be customers that they must limit their accommodations because the Federal law in the interest of National banks prevents them from using their credit as effectually as they might. But if the field of action of the National banks was so enlarged as to accommodate these customers present and prospective, the reason for this form of attack would be removed.

The recommendations are in the right direction therefore, but they may not go far enough. The question of extending banking facilities so as to afford accommodation at the lowest possible rates of interest to the largest number of enterprising people whose capital may exist in rather intangible form, is a most difficult one. In all sections of the country there is a numerous class of small borrowers who cannot be accommodated by banks as at present constituted. These are obliged to go to the individual money lender who takes the risk the bank can not take, and charges interest accordingly. It is among this class of money lenders between the banks and this numerous class of borrowers of informal credit that the so-called money sharks are to be found. These men borrow from the banks and relend. They are often connected with the banks as officers, directors, stockholders or depositors. Whenever, justly or unjustly, they are accused of extorting excessive interest or of unduly taking advantage of debtors, they push the blame back on the banks and the banking system, and the mass of those who believe themselves rightly or wrongly to be oppressed blindly ascribe the blame to the banks and the laws that govern them.

The National banks from their high credit and superior safety, naturally, as a class, get the best and most numerously endorsed security, and the distressed debtor finally comes to look upon them as the part of the machine from which the unbearable pressure comes. The debtor in distress accuses the money shark, he in turn says the private or State bank is pressing him, these last say the national system makes it impossible for us to do otherwise.

Can this state of things be very much changed? Would it be better if the State banks were permitted to issue circulation? Is not the very largest profit from the use of money derived from the class of transactions that lies below the sphere of ordinary bank facilities? As long as human nature is as it is, will not the hard grinding attorney and constable be a necessity in the collection of debts? The banks share in the profits of this necessary business. They will always share in the abuse which is the concomitant of wringing money due from the extravagant or the unfortunate.

But though it is a hard school through which the enterprising poor man has to learn how to accumulate capital, it is the one in which all who have become capitalists have learned to be so. It sifts out the worthy from the failures, and the process can not probably be much improved upon.

It is probable, however, that while banks can not be relied upon to abrogate the ultimate causes of these complaints, measures like those recommended by the Comptroller will change their direction. The debtor in trouble through fault or misfortune will not be so easily deceived as to where the fault lies. FLEDGEBY cannot so easily convince the distressed TWEMLOW that it is RIAH the Jew who wants the principal of his debt. The debtor will learn the wholesome lesson that he must himself bear the burden of his misfortunes, his improvidence, his lack of energy or his folly, and that it will not lighten this burden to abuse the banks for forcing his creditor to press for payment.

The reduction of the minimum of capital and the establishment of branch banks will enable the National banks to do a great deal of business directly which they now do through State and private banks, and no doubt these classes of institutions will strongly oppose legislation of this kind.

The first, second and third recommendations of the Comptroller are in the nature of further restrictions upon the conduct of business by managers of national associations. These recommendations are founded upon an examination of the causes of failure of 330 National banks since the commencement of the system in 1863, the results of which examination are given in full in the report.

The Comptroller has found that the main cause of failure has been insufficient attention to their duties by officers and directors, in many cases lapsing into dishonesty.

Looking more deeply into the underlying reason for the existence of this mismanagement and neglect, it will no doubt be found to be in the system of free banking by general law as opposed to monopoly banking by charter. Nothing relieves the system of banking in the United States from the charge of monopoly, as does this list of failures. It must be expected that where men of no banking experience, who become possessed of sufficient capital, can start a bank and assume its management, that a certain proportion will prove failures. Monopoly banking being subjected to less competition can secure greater profits and employ a greater degree of skill in management. The failures in our National, State and private systems of banking are the price paid for freedom from monopoly. They must be expected under any possible degree of supervision. This is no reason for not aiding the vigilance of the Comptroller's office in any reasonable way.

The recommendations now made are, first, that the loans to executive officers and employees be restricted in amount, secured properly and only made after reference to the board of directors and separately recorded; second, that loans to directors not executive officers must be secured; third, that the directors be required to make an examination of the affairs of the bank once a year on a day selected by the Comptroller, and make to him a report thereof on a blank to be furnished. These are all very well in themselves. Generally speaking, however, any increase in restrictions imposed on National banks has a tendency to increase the distinction between them and all other banks. So long as banking capital can be employed with fewer restrictions in State banks the latter will tend to increase in numbers and National banks to decrease. Naturally the strongest and most select banks only will continue in the national system. If the same restrictions could be imposed on all bankers then this objection would not arise.

The first recommendation might be criticized on the ground that the President and Cashier are executive officers. The former is always and the latter frequently a director. Why should loans to them be restricted any more than to any other borrower?

The second recommendation seems superfluous, inasmuch as the law proposed could be evaded as readily as the present law, which we presume requires all loans to directors as well as to others to be properly secured.

The third recommendation might prove valuable in fixing the responsibility of directors in case of failure. It is to be feared, however, that it will have a tendency to make responsible men hesitate to accept the office.

The eighth and ninth recommendations are to reduce the tax on circulation to one-fourth of one per cent. per annum, and to permit the issue of circulating notes to an amount equal to the par value of bonds deposited. Congress should at once enact laws in accordance with these recommendations. They would give a more immediate impulse to business, with less debate, than any conceivable banking measure. (For the text of the Comptroller's Annual Report see pages 695-713 of the December number of the MAGAZINE.)

THE REPORT OF MR. CARLISLE, Secretary of the Treasury, printed elsewhere in this number, is so plain and convincing a statement of the financial situation of the United States that no one but a prejudiced partisan can fail to endorse in the main the conclusions he draws and the recommendations he makes.

Notwithstanding the deficit of revenue which has continued for the last fiscal year and which it is estimated will continue to prevail for the next if present business conditions remain unchanged, there is every reason to believe with the Secretary in the probability of an improvement in business conditions and such a consequent increase of revenue as will render any new imposition of taxes unnecessary. Therefore as Congress has waited so long without relieving the Government from the inconvenience of an inadequate revenue, it might as well remain inactive a little longer and let the country grow out of the difficulty without legislative assistance. And in advance of the advice given by the Secretary this seems to be the very course that Congress was about to adopt.

The report further contains some extremely judicious remarks upon the general subject of raising revenue, which, whether made the basis of action by the present or the next Congress, cannot fail to recommend themselves to all thinking men.

But it is not so much the province of the MAGAZINE to concern itself with that portion of the report relating to the tariff. It is in the recommendations of the Secretary with regard to the currency that more interest will be taken by our readers. In this portion of his report Mr. CARLISLE forcibly and clearly portrays the evils of the system of paper issues redeemable on demand by the Government. Not only the necessity of keeping up an adequate gold reserve at a great expense is deprecated, but also the pernicious consequences of the business interests of the country forming the habit of relying on this Government reserve to carry on our entire foreign trade. This consequence consists in the apprehensions excited by every diminution of the reserve, resulting in hoarding gold and currency and raising unduly the rates for money. The losses arising from these causes to the business community far exceed the great expense the Government is put to in issuing bonds to maintain the gold reserve.

The Secretary points out that since the resumption of specie payments in 1879 the entire volume of legal-tender notes and Treasury notes of 1890 has been redeemed in gold, and over ninety-eight millions of them have been redeemed twice over. To obtain the necessary gold the public debt has been increased to an extent requiring the payment of annual interest amounting to sixteen millions of dollars. The notes for the redemption of which this indebtedness has been incurred remain unpaid.

If this strain upon the finances of the country to maintain the legal-tender notes at par were to be the last, the process would have been ruinous enough. But there is every reason to think similar difficulty may repeatedly occur. An immense surplus in the Treasury kept up by heavy taxation will of course maintain the credit of the legal-tender notes, but this remedy is worse than bond issues, as it has a tendency to prevent any return to economy in appropriations.

A system of currency that entails heavy taxation or an increase of the public debt from time to time in order to secure public confidence in its redemption, ought certainly to be reformed.

Mr. CARLISLE advocates a retirement of the legal-tender notes so gradually as not to cause any apprehension of an undue contraction of the currency. He does not in this report recommend any bank-note system to take the place of the retired notes. In regard to the National banks he confines himself to the recommendations of the President and the Comptroller of the Currency, viz., branch banks, reduction of capital, and of taxation on circulation. Perhaps his experience with the diverse opinions of Congress when he was before that body at the last session to enforce the reasons for the recommendations as to reform of the banking system, which formed a part of his annual report for 1895, have made him despair of action in that direction.

There certainly is a conflict of interests, at least on the surface, between the various classes of banks in the United States that will render the passage of any general measure of bank currency reform difficult if not impossible.

On the whole this last financial utterance of the retiring Administration is as replete with sound knowledge and approved principles as any financial report since those of HAMILTON or GALLATIN.

THE QUESTION OF CURRENCY REFORM, if it is ever seriously taken up by Congress, can not be considered on narrow lines. If it is determined to retire Government notes and to relegate the currency issuing function to the banks, the interests not only of the National banks but of State and private banks will have to be taken under advisement.

By the last report of the Comptroller of the Currency there were in the United States on October 31, 1896, 3,679 National banks, 4,944 State banks and 3,552 private banks—in all 12,175. Besides there were 764 Savings banks that do very much the same kind of business.

The influence of 8,496 State and private banks will obviously have more weight than that of 3,679 National banks.

In giving the currency issues to banks the interests of all classes will have to be considered. The attempt to bring all the banks of the country under the present restrictions of the national banking law would, it seems probable, prove futile in Congress. The State and private banks do business in a more liberal manner than the National banks are allowed to do. They are not subjected to so many restrictions or to such a rigid system of reports or examinations. There is in consequence a larger number of failures among the banks outside of the national system, but not so appreciably larger as might be supposed from the comparative freedom from restrictions.

There is probably a limit to the effect of Government supervision in preventing failures. Beyond that point it does not produce sufficient additional results to justify the excess of examinations; while on the other hand they become a useless expense and an annoyance.

The time has passed when there is anything to be made by starting banks for fraudulent purposes. The commercial and banking laws of the several States are generally well administered, and irregularities are as a rule punished by the ordinary machinery of the law.

The repeal of the ten per cent. tax on State bank circulation would be an extreme measure in favor of State and private banks, but even among these there are many who would be hostile to such a measure. Probably the majority of the banks of the country, not only National but also State and private, would dread a measure that would certainly tend to unsettle credits all over the country.

The other extreme measure would be one requiring a deposit of bonds for all circulation issued by the banks under the formalities and regulations now made necessary by the national banking law. This would be difficult for the State and private banks to conform to and would increase the bank currency sufficiently to fill the gap caused by the retirement of the legal-tender notes.

A measure, to gain the support of the banking capital of the whole country, must be made up of provisions that will form a compromise between the unnecessary severities of the national banking law and the free license of issuing notes that would be given by the repeal of the ten per cent. tax.

It is to be hoped that no measure will be considered by Congress that does not have, to some extent at least, the approval of the banking community. The bankers of course do not object to a proper degree of restriction, if they can see some corresponding benefit. Many of the banking bills introduced in Congress seem to be drawn without much reference to the easily determined wants of the banks. They contain provisions that are calculated to arouse the opposition of the banks in that they seek to force them to give the Government an entirely unnecessary degree of interference with their affairs.

The two or more classes of banks in the United States, operating under different laws, can be brought under one uniform law if Congress sees fit to grant the necessary privileges with a moderate amount of restriction. The whole National Banking Act should be thoroughly revised, and the provisions distasteful to the State and private banks should be repealed. The provisions in the laws of each of the States that now work satisfactorily should be embodied in the revised national banking laws. To this should be added a provision for the issue of a safe and elastic currency, and every bank should be given power to establish branches in accordance with its capital. The completed measure should be such that all the banking capital of the country will find it to its advantage to seek investment under it.

A liberal treatment of banking capital by the laws of the country, while preserving necessary restrictions, will do much to insure permanent prosperity.

THE NON-ACTION OF THE PRESENT CONGRESS upon the important question of currency reform appears to be probable. The session closes March 4, and no one appears to have any well-grounded hope that in the next month and a half more will be accomplished than the passage of the ordinary appropriation bills, and perhaps the country will be agitated by the marking out of changes in the tariff to be made by the succeeding Congress.

Never before in the history of the United States was there a more pointed issue in any presidental campaign, or one so distinctly brought before the minds of the people. The friends of currency reform have the most emphatic right to claim that if the decision of the popular vote under a republican form of government ever has any weight, that the voice of the people in the last campaign makes it incumbent upon their Representatives and Senators in Congress to take up and as soon as possible place the financial laws of the country upon a sound and scientific basis.

The election of Mr. MCKINLEY should not be considered as a personal victory. His personal record or popularity had little to do with it. It was the principle of sound money and sound finance, as opposed to the conflicting monetary laws under which the nation, in spite of its resources and business energy, has been gradually led into a position of great financial danger, that aroused the majority of the people to make the decision they did. This result too was in great part due to the hope that reformative action would be prompt and immediate.

There are of course many specious excuses that can be made for the inaction of the present Congress. They are about to retire from power, they were elected under a different state of popular opinion, they do not desire to interfere with the work of their successors who come directly from the people. Above all, the short time that remains of their existence does not give scope for the proper consideration of so important a question as that of the currency.

It has been considered one of the defects of the Constitution that so long a time elapses between the election of Representatives and the date of the session of Congress. Unless an extra session is called more than a year intervenes between the one event and the other. It often happens that a Congress elected one November upon a given issue finds by the next December that this issue is practically dead. The individual Representative in such case is very apt to consider himself as bound to nothing that involves any great public question, and busies himself entirely with the merely private and local interests of his constituents, from attention to which he hopes to secure re-election. This state of things tends to make the House of Representatives a body devoted to petty measures tending to the direct or indirect emolument of its members, and to a very great extent indifferent to questions of universal importance.

The majority in the present Congress secured their elections in 1894 because of the dissatisfaction of the people with the Administration in power on account of the consequences of the financial panic of 1893. They were no doubt in their first session handicapped, both actually and politically, by the danger that their measures might be vetoed by a President of the opposite party. But in this second session they have the recent declaration of the popular voice to endorse them in passing a measure reforming the evils which affect the currency and this they can do with little fear of being opposed by the retiring Administration.

It should be the duty of Congress to carry out the will of the people, and there is no reason why a retiring Congress when necessity calls should not seek to embody this popular expression in their enactments as well as the Congress elected when the vote was cast. The necessity that some enactment looking to the reform of the existing monetary laws of the country should be at least attempted, lies in the danger that the real purport of the victory for sound money in November will be forgotten or belittled by the less important interests of politicians or of particular classes of the people. Already indications in this direction are becoming manifest. The different and opposing interests that see profit or loss in contemplated changes of the tariff are already filling the air with the din of their contentions.

Politicians who scent in tariff agitation a chance to make themselves of importance with the contending parties show a desire to minimize the dimensions of the agitation for currency reform. The defeated advocates of free silver are recovering from the first effects of their rout, and are claiming that it was a defeat hardly to be distinguished from a victory. And by the delay in clinching the declarations of the victorious platform in favor of sound money through legislative enactment, the advocates of so-called bimetallism are entitled to make this claim.

In fact the sole action taken in Congress since its meeting in December, in regard to the money question, has at this writing been far more encouraging to the advocates of silver than to those of the single gold standard. The Senate, in taking initiatory steps for the calling together of an international monetary conference to secure international bimetallism, was no doubt going through a solemn farce for a political purpose. It was good politics for the Republicans of the Senate to do this to help out the Colorado Senator who stood by them in the late campaign, and at the same time to reconcile as far as possible the shaky records of many other statesmen upon the silver question in the past with their present attitude of opposition to the free coinage of silver.

The old stalking-horse of an international monetary conference may well be called upon to revisit the glimpses of the moon, to serve this very useful purpose. But though the object of this action is manifest and the futility of any hope of bringing about the establishment of international bimetallism equally so, yet the effect on those desiring to keep up the agitation about silver will be immense. Anything that has the semblance of a fact in their favor is of great importance to these agitators. They have been living for years on allegations incapable of proof and prophecies equally incapable of fulfillment. An international monetary conference in the near future will be a bright bow of hope that will keep the silver party in board, clothing, lodging and washing for some time to come. Judging from claims made on less substantial grounds, it will afford them a fine opportunity to claim the victory in November.

In the face of this attitude of Congress it behooves the business men of the country, if they desire any real reform of the financial laws, to keep up the efforts necessary to secure it. The subject must not be allowed to drop. The sound money organizations should continue their efforts. The Indianapolis plan of united action among the commercial bodies and business men's associations of the United States is a good one and is the more opportune as the necessity for it becomes more manifest. The business men, bankers and capitalists, backed by the expression of the popular will in November, can now give Congress the benefit of their experience and advice without being accused of running counter to the interests and wishes of other classes. The public mind is subject to forgetfulness, and the success of currency reform depends upon continuous agitation wisely conducted.

REAL ESTATE SECURITY FOR BANK LOANS made by a commercial bank seems to be a subject upon which no fixed and rigid rules can be safely formulated. It is no doubt true that as a general principle all good bankers will avoid loading their institutions with assets which can not be readily converted into money, and all real estate in times of financial pressure is not as a rule a very convertible asset. Yet on the other hand good real estate is in many senses the very best security.

One alleged cause of the unpopularity of the National banks is that the provision of law preventing them from accepting real estate as security except in certain specific cases prevents them from giving accommodations to the agricultural classes, who generally have very little except land to offer as the basis of loans.

There is very little reason to question that the growth of State and private banks is due to the fact that they can and do make judicious loans to parties whose credit is almost wholly based on the possession of land.

Perhaps when the subject is carefully considered the assertion that a commercial bank should never make loans on the basis of real estate will be found to be at the present time at least altogether too broad, and it may follow that there is reason in the demand that the laws restricting National banks in this respect will bear considerable modification.

These laws were first enacted in 1863 and have been continued without change for thirty-three years. When the draft of the first national currency Act was made these restrictions were clipped almost entire from the free banking laws of Ohio and New York. Their presence in these laws was due to the abuses in the use of real estate as security which had arisen when the country was new, when there were vast tracts of land unsettled and uncleared and held simply for purposes of speculation. With the settlement of the country and the growth of cities and towns, the improvement of the wilderness into productive farms, many of the objections to this form of security have passed away.

There are still and always will be distinctions and grades in the value of real estate, but are there any more than exist between the different classes of stocks, bonds and other forms of investment? Real estate as well as all forms of property may be classed all along the line from gilt edged down to worthless. Bankers are permitted by law to use their own judgment as to making loans on all forms of collateral other than real estate.

There is no sweeping law, that because some stocks and bonds can not be readily converted into cash in times of stringency, they should eschew stocks and bonds altogether as collateral. There are losses also on commercial paper pure and simple, but this does not lead to the prohibition of loans upon it.

The mistake seems to have been in adopting a classification of real estate adopted during a period thirty-three years ago very unlike the present one in respect to the general value of land, and adhering to it without any allowance of just distinctions brought about by the improvement of this kind of property. That real estate as security for loans might not be left more to the judgment of the individual banker than it now is by law, can not be easily denied. The fact is that for a number of years the State bankers have exercised these powers of discrimination, and have loaned money on real estate of the proper character almost as freely as upon good stocks and bonds.

Neither is the basic proposition against bank loans on real estate, that it cannot be converted into cash in times of panic, altogether true. There is some real estate upon which money can be raised at any time as easily as upon the best classes of other securities. It all depends upon the situation and the state of the title. When the Second National Bank of New York city was near failure during the panic of 1884, one of the directors saved the bank by raising money on the security of the Fifth Avenue Hotel.

There is plenty of real estate in all our cities and towns and everywhere in the country that if the title is clear can be turned into money, or what is the same thing can be mortgaged for money, when it might be impossible to sell stocks and bonds. This is not, however, altogether the direction this consideration should take. If by a commercial bank is meant one that confines its business to the discounting or purchase of commercial paper, based on actual goods or commercial business, then of course all other forms of security for loans, accommodation paper, loans on collateral, etc., should be excluded. But there is no bank in the country, commercial or otherwise, that does business in this virtually exclusive manner. There is too much competition to permit it.

It therefore appears no more than just that banks of the ordinary character should be permitted to use their money in such safe and profitable ways as may offer in the locality in which they are located. If real estate readily convertible at any time is offered to a National bank, why should it be forbidden to accept it as a basis for loans any more than stocks or bonds of a good class? The State and private bankers, the trust companies, and of course the Savings banks, do this with approximate safety. Why should not the National banks be permitted to do the same?

The amount of land in the country makes it a very important item in the calculations of all business men. Of course many banks that have failed have been found to be loaded up with unsalable real estate, but as many more have had among their assets worthless stocks and bonds and uncollectible business paper. This is no argument whatever against the taking of good stocks and bonds as collateral and it should not be against taking good real estate.

The causes of failure in the cases where worthless assets of any kind are found always lie behind the taking in of such assets. A business man who has abused the confidence of the bank of which he may be an officer or director often attempts to cover up irregularities by handing in worthless stocks or bonds or real estate of no value. Real estate taken for debt is apt to be defective in title, heavily mortgaged, or of little intrinsic value, and this is for the very reason that if a business man has good real estate, he can always sell or mortgage it himself and pay his debts.

There is reason to believe, therefore, that the restrictions upon the free taking and holding of real estate by National banks tend to cause the very disasters they are supposed to prevent. The taking of real estate should, like the taking of all other forms of security, be left to the judgment of the management of the bank. Any bank management that would tie up its funds by loans on inconvertible real estate, if there were no legal restrictions, would do so notwithstanding these restrictions.

The parts of the national banking law relating to real estate loans and holding real estate should therefore be much remodelled or perhaps entirely abrogated.

THE REPORT OF THE DIRECTOR OF THE MINT for the fiscal year 1896 contains the statement that the standard silver dollars are being counterfeited. These spurious coins generally contain silver of practically the same weight and fineness as the genuine coins issued from the mints, and sometimes they contain a slightly greater amount of pure silver. The Director adds that counterfeiters can make 100 per cent. by putting in circulation coins of exactly the same weight and fineness as the genuine dollar.

The counterfeits already discovered have varied slightly from the genuine, but it is a common device of counterfeiters to make slight differences in their first issues either of paper or coined money. When these slight earmarks are taken notice of by experts and the public informed by publication, the counterfeiters then make the necessary corrections in their die and the public is likely to be more deceived than ever.

The making of false silver dollars of this kind involves the employment of considerable capital, and there is no limit to the extent to which the work might be carried on except the greater risk of detection in a large establishment. Within the borders of the United States, in the wilder portions of the country, a mint might be safely operated for a long time without detection, and across the border in British America, or in Mexico, this business might be carried on for a long time in safety.

The Director recommends the making of new designs for the silver dollar with letters instead of milling around the edges. While this might do for the future there would be so many dollars of the old pattern in circulation that the counterfeiters need not depart from the old design for years.

If counterfeiters of American coin are detected in foreign countries there would of course be no difficulty in bringing them to justice under the extradition laws now in force. If this work is permitted to go on extensively it might in the course of a few years depreciate the currency to some degree. In all probability the seriousness of the offense and its dangerous consequences to the monetary system will insure great efforts at detection and punishment. The Government itself can easily discover and throw out such counterfeits, knowing the peculiarities of its own dies, but they may entail great loss on an innocent public.

That the Government of the United States coins and makes legal tender a dollar of such inferior actual value that counterfeiters can use the required amount of silver and still make 100 per cent. profit on circulating the coins, is a fact that strongly condemns this part of our currency. Both the Government and the counterfeiters should find better employment than making dollars whose bullion value is worth but one-half of the face of the coin.

THE PRESIDENT IN HIS MESSAGE to Congress repeats the recommendation of the Comptroller of the Currency, that the banking law be amended to permit National banks to establish branches. The Comptroller suggests the restriction of branches to places having a population of less than one thousand, but the President merely says in small communities.

These qualifications are probably made to avoid the appearance of competition with State banks, but the main object of the establishment of branches would be defeated to a considerable extent by these restrictions. This object is to bring in new capital to places where the rates of interest are too high or where money can only be obtained through middlemen. If the rate of interest is to be generally reduced a wider competition than this must be allowed. To permit the establishment of branches only in places now destitute of banks would not relieve many localities where the existing banks have a practical monopoly.

Before Congress decides on this part of the Comptroller's recommendation, a list of all the cities, towns and villages and other places where a bank might be required should be drawn up, with the population of each as nearly as can be obtained, with the names of the existing banks, if any, in each place. This list can be readily made up from the BANKERS' DIRECTORY, which contains all the places in which banks are already located and also the names of many business localities which as yet have no banks, but where branches would probably be able to do a profitable business. Some additions might perhaps be made to the last-named class of localities.

It would be discovered from an examination of such a prepared list that there is much inequality in the distribution of existing banking capital. This inequality is the cause of the ready development of the natural resources of one section of the country, while natural resources of equal or superior value lie unexploited in another.

It would also be found that the criterion of population in places having no banks is not altogether a just one in deciding where branches of National banks are needed. And it is still more unjust to prevent their location in towns or villages or cities that already have banks. If there is any advantage in permitting branch banks, it consists in their capability of distributing capital, unused in one place, among other places where such capital is required.

The banks of the country to-day are intensely local. They are governed by local customs and traditions in the manner of loaning their money and in the rates of interest charged. Even if a bank borrows money from some other centre to loan at home, it uses it according to the existing customs in its own locality. If there are two or more competing banks in a place they arrange among themselves the terms of their competition, so that the public gets no benefit. That is, rates of interest may be very low in the eastern money centres and the banks in a western or southern town may have no difficulty in borrowing. They will not however be apt to borrow more than they can loan at the usual rate of interest charged in their locality. It is against their policy to lower the rate of interest. On the other hand the bank in the large money centre or elsewhere, where capital is plentiful and rates of interest low, no matter how eager it might be to do so, can not loan directly in the high interest sections. It must act through the solvent banks already established there. If it could establish an agency or branch of its own in those localities, it would at once be able to lower the interest rate prevailing there.

The effect of branches, if they are permitted to be freely established wherever there is a demand for capital, would be to equalize the interest rate throughout all parts of the country. Just as the introduction of the uniform National bank currency abrogated at once the rates of domestic exchange prevailing when the currency was furnished by local State banks, the free establishment of branches would equalize the interest rate. A rate of ten or twelve per cent. in one section and of one or two per cent. in another would become a thing of the past.

The establishment of branches without restriction would also tend to equalize the circulation of money. It would probably put an end to the excessive accumulation of funds in the money centres at one time, and undue stringency at another.

But none of these effects would be experienced if branches are to be established in the homœopathic doses suggested in the Comptroller's report, being excluded from places where banks of any kind already exist and confined to places having less than one thousand inhabitants.

The reason of these suggested restrictions is not difficult to find. The establishment of branch banks means a new kind of competition, and bankers think there is enough of this already. The Comptroller desires to reduce this to a minimum. He would not let the contemplated branches interfere with the bank capital already established in any locality whether represented by a National, State or a private bank, and would confine the operation of foreign capital to places having no capital of their own. Perhaps he considers that, securing this slight foothold, the branch system will have a chance to make its advantages so evident that there will be less opposition to its ultimate extension. There is some plausibility in this view, but on the other hand a project intrinsically valuable often has its reputation ruined by a trial under adverse or cramped conditions. If National banks saw little advantage in establishing branches in new and untried localities where the conditions were all unknown, this would at once be assumed as an unanswerable argument against the branch system. It would be said that it was not suited to our own institutions, and would probably be altogether abandoned.

It is therefore worth while to consider what the objections would be to granting the unlimited privilege to National banks of establishing branches in any place they saw fit to use their surplus capital. The first objection would naturally come from the banks now existing in places where the rates of interest are high. They would perceive at once that the surplus capital of places where rates were low would at once come into competition with them. They would therefore, on the principle of letting well enough alone, oppose this innovation with all their power. But in doing this they would in reality be acting on a superficial view of the merits of the subject. Banks doing business in a locality where the rate of interest is too high, because they employ only as much capital as can be used without lowering this rate, are

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in reality placing a check on the possible growth of the wealth and prosperity of the section they represent. With increased capital the business and industries of the surrounding population would thrive to a greater extent, and this in the end would increase the banking business, and the profits of all the banks. Moreover under present conditions many of these banks find use for all their capital during a portion of the time only. At some seasons of the year they keep large balances comparatively idle in the hands of their agents in the financial centres. In order to get high rates on a part of their capital for a part of the time, they have to take low rates on another part for the remainder of the year. There is no gain in this over taking a more moderate rate all the year around, which would be the result of the free competition of capital from all parts of the country which would take place in every locality if the unlimited establishment of branches by National banks were permitted. What would be apparently lost in one direction would be more than made good by the increased prosperity of the population using the banks.

Another objection would come from the banks other than National, because the National banks alone would enjoy the privilege of establishing branches. This would reveal at once the weakness of a State bank charter which can only grant power to do business within the State unless permitted to establish branches in other States by enabling Acts of those States. But as the national banking laws impose no bar to State banks entering the national system, if the privilege of establishing branches were found to be profitable any State or private bank could put itself on a par with the National banks by taking a Federal charter. The free branch system would thus tend to the homogeneity of the banks of the country. But even if these objections had any real validity, they should not be considered by Congress as of sufficient importance to defeat the free organization of branches by National banks.

The defect in the banking system for which the remedy of branches is proposed is that there are large sections of the country in which the natural resources are undeveloped because of the insufficiency of the capital at the disposal of the inhabitants. This insufficiency exists both where there are banks and where there are not. It is the benefit to be conferred on the people that is to be considered of prime importance. It has been also a cause of reproach to the banks that they can not as now organized supply capital to the extent needed at reasonable rates of interest. The branch system is advocated because it will benefit the country and at the same time lessen the unpopularity of the banks. The objections arising from the fear of competition are a part of the imperfection of the present system, and should not be suffered to stand in the way of improvement.

ANNOUNCEMENT.—The Fifty-fourth consecutive volume of the BANKERS' MAGAZINE begins with this issue. It has been thought proper to mark the event by a renewed effort to increase the value of the publication to the bankers of the country, who constitute the bulk of our patrons. This does not mean that the improvements in the contents of the MAGAZINE are to stop with the initial number of the year; on the contrary it is hoped to make each issue better than the one which preceded it.

The first of a series of articles treating of the great European banks is commenced in this number, and the series will be continued in several succeeding issues. As these papers have been prepared by European experts in banking and finance, and are to be especially illustrated, it is confidently expected that they will present the most concise and comprehensive outline history and analysis of the Banks of England, France and Germany ever published.

All of the special features that have achieved popularity in the past will be maintained, and several new and valuable ones will be added. The department devoted to the discussion of foreign banking and financial topics is a new feature that will prove of especial interest to American bankers.

The Department of Practical Banking has also been greatly improved by the addition of a number of State and National bank examiners, experienced bankers and expert accountants, to our regular staff of contributors. Bankers who may have new and tested forms of bookkeeping and improved methods of accounting as well as other safeguards and suggestions likely to be of service to their fellow bankers, are invited to furnish them for publication in this department.

Although the closing of the old year and the opening of the new have been marked by unpleasant developments in banking, in parts of the country, the MAGAZINE does not see any cause for alarm. Business conditions are in the main on a sound basis; the position of the country with reference to its foreign trade is exceptionally fortunate, and the Treasury situation, so far as the gold reserve is concerned, is more satisfactory than it has been for a long time.

The popular verdict of November, for which honor is due to the conservative States of the West and South, as well as the East, marked a distinct progress in the line of a sound currency, and this progress will go on until all the elements which are dangerous and a hindrance to prosperity will be removed from our financial system.

Aggressive work yet remains to be done in this direction, and it will be the aim of the BANKERS' MAGAZINE to continue to present the very best thought and the fullest information on the currency question, and to retain its position as the most practical and useful publication devoted especially to the banking interests.

CASH HOLDINGS OF THE BANKS.

In his recent annual report the Comptroller of the Currency has given the result of the inquiries sent out by him to all the banks and trust companies in the United States, requesting returns of the money and currency held by each on July 1, 1896.

The total number of banks to which the circular was sent was 12,962. Replies were received from 5,723 only, and the returns showed that these banks held money and currency amounting to $413,124,849. Of this $189,558,331 was gold and gold certificates, $8,254,612 silver dollars, $7,399,073 fractional silver, $39,663,596 silver certificates, $13,126,018 Treasury notes of 1890, $131,327,375 United States notes and currency certificates and National bank notes.

The returns made included 3,458 National banks and 2,265 State banks, and most of the larger banks were apparently included in these numbers, as the average cash per bank was $72,186.

To approximate the cash held by the remainder of the 12,962 which did not report the following method has been taken. Another statement given by the Comptroller of the Currency showing the resources of 9,456 banks for about the same date gives the total cash held at $512,341,963. This statement shows an increase of 3,733 banks over those sending in returns for July 1, and an increase of $99,217,114 in the cash held by 9,456 banks over that held by the 5,723. The 3,733 banks therefore appear to have held on an average $23,900 in cash as against the $72,186 average held by the 5,723 banks reporting for July 1. There still remain of the 12,962 banks in the country 3,506 not heard from at all, and the cash held by them will have to be estimated.

Inasmuch as the average cash of the 3,733 banks was but little over one-third of the average of the 5,723 banks, it seems fair to assume that the banks not reporting at all had as a rule a still smaller average, and although it is probably too large, this average cash held by each of the 3,506 non-reporting banks has been estimated at one-half of the average of the 3,733 group of banks, that is at $11,950.

On this estimate, and classifying the cash held on the basis of the percentage shown by the returns of the group of 5,723 banks that reported for July 1, the 12,902 banks of the country appear to have held cash classified as follows:

Gold coin and certificates	$254,008,163
Silver dollars	11,061,180
United States notes	175,978,682
National bank notes	81,886,617
Silver certificates	53,149,218
Treasury notes	17,588,864

The item of fractional silver has been omitted, as it is of comparatively little importance in the comparisons about to be instituted. The items given form as near an approximation as can be made, from the obtainable data, to the character of the money and currency actually held in all the banks of the country on July 1, 1896.

The reports of the Treasury for the same date show the character of the money in circulation outside of the Treasury but including that in the banks to have been as follows:

Gold coin and certificates	$498,449,242
Silver dollars	52,175,998
United States notes	257,297,358
National bank notes	215,331,927
Silver certificates	331,259,509
Treasury notes	95,817,361

In order to arrive at the actual money in the hands of the people, whether hoarded or in circulation, it is only necessary to subtract the items held by the banks from those reported by the Treasury as in circulation outside the Treasury. This being done the result showing character and amount of cash in the hands of the people is as follows:

Gold coin and certificates	$244,441,179
Silver dollars	41,114,818
United States notes	81,318,676
National bank notes	183,445,310
Silver certificates	278,110,291
Treasury notes	77,728,497

The larger part of the gold certificates was held by the banks, in fact the amount of these certificates held by the banks exceeded the amount said to be in circulation by the Treasury statement. This is explained by the fact that the gold certificates held by the banks are made up of two kinds, those issued by the Government and those issued on behalf of clearing-house associations. The bulk of the gold in the hands of the people was therefore in the form of coin. As very little of it is usually seen in circulation in any part of the country, except in California and some of the mining States, it is probably much of it hoarded and only paid out on extraordinary occasions. Assuming this to be so it will be seen that the greater part of the work of ordinary payments made from day to day must be done by the silver certificates and National bank notes.

Of $331,259,509 silver certificates $278,110,291 were in the hands of the people, or about eighty-four per cent. Of $215,331,927 National bank notes the percentage in the hands of the people was about eighty-five per cent. The following table shows the degree of popular circulation of each form of money:

	Outside Treasury.	*In hands of people.*	*Percentage of amount outside Treasury in hands of people.*
Gold	$498,449,242	$244,441,179	49
Silver dollars	52,175,998	41,114,818	80
United States notes	257,297,358	81,318,676	31
National bank notes	215,331,927	183,445,310	85
Silver certificates	331,259,509	278,110,291	84
Treasury notes	95,817,361	77,728,497	81

The gold and legal-tender notes are held in the greatest proportion by the banks. They hold this class of money for reserves and pay out in preference silver dollars, silver certificates, Treasury and National bank notes. The following table shows the amounts held by the banks and in the hands of the people with the totals and the percentage of the total that each item forms:

	In banks.	*Percentage of total.*	*In hands of people.*	*Percentage of total.*
Gold	$254,008,163	47	$244,441,179	27
Silver dollars	11,061,180	2	41,114,818	4
United States notes	175,978,682	33	81,318,676	9
National bank notes	31,886,617	6	183,445,310	22
Silver certificates	53,149,218	9	278,110,291	30
Treasury notes	17,588,864	3	77,728,497	8
Total	$543,672,724	......	$906,158,771	....

It will be observed that gold and legal-tender notes form about eighty per cent. of all the money held by the banks. This forms their reserve and is seldom disturbed. The remaining twenty per cent. is the fund from which most of the demands made on them are met. Every day about the same quantity is paid in as is paid out, and the reserves are only reduced when the demands for cash made on the bank happen to exceed the cash deposited. As gold is seldom used in ordinary transactions, the money used between the people and the banks is principally National bank notes and silver certificates, with a smaller amount of Treasury notes, legal-tenders and silver dollars.

It is also evident that the gold in the hands of the people forms a reserve, if it may be so called, which would be used in general circulation if it were not for the abundance of paper currency. If for instance the legal-tender notes were retired by the Government, how would it affect the situation as it stood on July 1, 1896. It would take $175,978,682 from the banks and $81,318,676 from the people, in all $257,297,358. The legal-tender notes would either be retired by an issue of bonds and these bonds might be sold for gold, or the Treasury might redeem the notes in gold. In either case the gold would take the place of the notes; there would be a greater tendency to circulate gold in ordinary cash payments, and the general stock of money would be rather increased than diminished by the transaction, as a part of the gold now hoarded would come into circulation. A retirement of the legal-tender notes would cause little if any contraction of the circulating medium in the hands of the people.

The Comptroller of the Currency in his investigation of the use of checks in the business of the country arrives at the general conclusion that eighty per cent. of the business of the country in which payments are made is carried on by the use of checks, the other twenty per cent. being settled by payments either in coin or currency. If the whole $906,158,771 of cash in the hands of the people were issued but once each day it would therefore represent twenty per cent. of the whole volume of receipts and payments. Adding the other eighty per cent of payments by check, and the whole daily volume of business would be $4,530,293,850. But of course all of this money is not used every day, while some of it is undoubtedly used many times over.

The clearings of the country might afford some test for estimating the daily volume of business if all checks passed through the clearing-houses. But probably a very large proportion of the checks daily drawn do not reach the clearing-houses.

If the proportion that the whole volume of business bears to the clearings could be even approximately ascertained then it would not be a difficult matter to arrive very nearly at the amount of money actually required to perform it. The quantity of money would be that necessary to make payments and maintain reserves. By reserves are meant not only Government and bank reserves but the money that every dealer, business man and individual citizen thinks it necessary to keep for any occasion that may arise, expected or unexpected. These reserves play a very important part in determining the amount of money required. The habits of people differ greatly and investigation might show different amounts so laid aside in different countries. No data have ever been collected, as yet, to show the average amount of cash carried by the people in their personal possession from day to day or the average reserve which without any idea of hoarding each one maintains to meet the unexpected.

It is plain that there is no lack of currency to supply all who require it for use, but scientific results as to the amount of money required for a given volume of business have not yet been reached. There is nothing that confuses the investigation more than a form of currency that is not redeemed when used. Checks make the payments for which they are drawn and are then cancelled. Their amount can be accurately traced and determined. When determined the volume of business done by them is known. If the currency of the country were issued by the banks, under some plan giving elasticity of issue and retirement, the rise and fall of the volume of the notes would be an index of the volume of business that could be relied on. But with legal-tender notes and silver certificates it is almost impossible to tell whether their volume is redundant or deficient.

IMPROVED BANKING METHODS.—As compared to the total number of banks, the per cent. of those suffering from defalcation is really very small; but the number of such cases might be still further reduced by the general adoption of the precautionary methods in use in the best managed banks.

In some of the most recent cases of this kind the sums embezzled have been very large, and the peculations have extended over a long period without discovery. The Union National Bank, of New Orleans, was robbed of $612,000 by two individual bookkeepers, assisted by outside parties. Had not the failure of another bank led to a run, their stealings might have gone on indefinitely without discovery.

An expert who examined the books of this bank has been engaged by the BANKERS' MAGAZINE to prepare a description of the methods used in concealing the frauds, and also a full explanation of the devices adopted by the reorganized bank to prevent the recurrence of similar crimes.

Every bank owes it to its depositors and stockholders to adopt the very best system of bookkeeping and management, and though the entire prevention of defalcations is impossible, their frequency and extent may be greatly circumscribed by employing the proper safeguards.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

EARNINGS AND EXPENSES.

To the shareholders in a bank no accounts are of greater interest than those relating to its expenses and earnings, and one would expect to find those accounts the most carefully kept.

But how little, as a rule, can the bank officer tell you about the details of the expenses and earnings of the institution under his care. Ask him what the bank's expenses are per year for salaries, rent, interest paid, taxes or other items of expenses, and he can tell you nothing by a ready reference to the books, but in most cases is compelled to make up a statement after long and laborious search through the journal, or among the expense tickets themselves. It is the same with regard to the earnings, discount, interest, rents, exchange, etc.

Sec. 5136 of the National Bank Act commits the general conduct of the business of a bank to the board of directors and authorizes them to adopt by-laws regulating the manner in which its business shall be transacted.

One of the important duties of the board, in my judgment, is that of prescribing the form of books of account and records to be used by the bank and also the several heads or subdivisions of accounts under which the business shall be kept. It is especially important that account of the earnings and expenses should be kept in the most systematic and detailed manner, so that complete information on any point can be easily and quickly obtained from the ledger without reference to any other book or record.

Expenses should be kept in an itemized form on the ledger, under at least three titles, viz.: "Current Expenses," which may include rent, light, heat, printing, stationery, etc., and also salaries, though these should properly form a separate division; "Taxes," which may include taxes paid Federal, State, county and city governments on the business itself as well as those paid upon bank building or other real estate; "Interest Paid," which may include interest paid on deposits, bills payable, interest rebated, etc. "Other Expenses," as attorney fees, court costs, examiners' fees, and other items of an unusual or extraordinary character.

Earnings should be kept in itemized form under at least six heads, viz.: "Discount," which should include all profit taken at the time a discount is made; "Exchange," which should include all sums derived from this branch of the business, and which may include collection charges; "Interest," which should include all sums collected on loans as interest accruing after maturity, interest on United States bonds; "Rents," which may include rents received from bank building or other real estate; "Premiums"; "Other Earnings," which may include sums received from unusual sources, as on items charged off, etc. Other sub-heads or divisions of both expenses or earnings could be made as deemed expedient.

These several accounts of expenses and earnings should be under the direction of the board of directors, and no counter entries (except for correction of errors) should be permitted to be made except at stated periods, and then only upon the order of the board of directors made at a meeting of the board and recorded in the minutes of their proceedings. The ledgers should be of the balance-column form, all entries carefully itemized so that the directors or the examining committee may readily inspect the accounts, scrutinize each item, and easily prove the footings. Monthly, quarterly, or half-yearly meetings of the board of directors should be held at which the Cashier should be required to submit a written statement of the earnings and expenses for the period just expired. This statement should be examined by the board, compared with the books and if found correct and satisfactory filed and spread upon the minutes as approved. The Cashier should then be directed to make proper entries in the books to carry all earnings to "Profit and Loss Account"; to charge all expenses to profit and loss, and if there were losses to be charged off they should be described and the Cashier instructed to charge them to profit and loss. The same rule should prevail regarding dividends and additions to surplus. The balance remaining in profit and loss should be carried unchanged until the next period came around. It would seem that were these rules strictly adhered to the directors would possess a much better knowledge of the condition of the bank and be forced to take an active part in its management. The Cashier would also by this means have at stated periods, at least, the formal assent of the directors to his acts, and be relieved of a large part of the responsibility imposed upon him under the customary methods. It is to be understood that these suggestions are not intended to dispense with discount and examining committees and a careful and regular performance of the duties belonging to such committees. It is especially desirable that the rule of no counter entries in these accounts be allowed. A violation of the rule has been known to have afforded opportunity for false entries and false statement of profits whereby the directors have been induced to declare dividends entirely unjustified by the actual condition of the bank.

The forms given herewith are offered as suitable for carrying out some of the suggestions here made. H. J. WHITMORE.

LINCOLN, Nebr.

FORM OF CASHIER'S SEMI-ANNUAL REPORT OF EARNINGS AND EXPENSES.

LINCOLN, Neb., Dec. 31, 1896.

To the Board of Directors of the Third National Bank of Lincoln, Nebr.

GENTLEMEN:—I beg to submit the following statement of the earnings and expenses of the Third National Bank of Lincoln, Nebr., for the six months ending Dec. 31, 1896, viz.:

Earnings.

Discount	$15,626.15	
Exchange	1,261.25	
Interest	3,258.80	
Rents	650.00	
Premiums	....	
Other earnings	1,625.85	
Total earnings during period		$22,422.05
Balance in profit and loss account from last period		1,725.12
Total undivided profits		$24,147.17

Expenses.

Current expenses	$2,650.00	
Taxes paid	118.00	
Interest paid	355.25	
Other expenses	300.00	
Total expenses		$3,423.25
Net undivided profits		$20,723.92

I would recommend that instructions be given to carry earnings to undivided profit (P. & L.) account; that expenses be charged to said account and the following losses be charged off, viz.:

....

....

Respectfully submitted,

...., *Cashier.*

FORM OF MINUTES OF DIRECTORS' PROCEEDINGS AT SEMI-ANNUAL MEETING ON REPORT OF CASHIER ON EARNINGS AND EXPENSES.

The Cashier, Mr. .... submitted a statement of the earnings and expenses of the bank for the six months ending ...., 189...., which was received, examined and upon motion approved and ordered spread upon the minutes of this meeting. Said statement is as follows, viz.:

....

....

On motion it was ordered that all earnings for the last six months be carried into profit and loss account, and that the expenses as shown by said report of the Cashier, aggregating the sum of $........................ be charged to said profit and loss account.

It was further ordered that the following items be charged to the profit and loss account, as losses, viz.:

....

....

It was further ordered that $........................ be transferred from profit and loss account to surplus, and that a dividend of .... per cent. payable .... be now declared, and the same charged to profit and loss account, and that the balance remaining in profit and loss account be so carried until the end of the next semi-annual period.

....

A THREE-COLUMN BALANCE LEDGER.

The object of the three-column balance ledger is to show the exact balance of the account at every posting. The ruling is the same as that of an ordinary ledger with the balance column set in the middle of the page. Some bookkeepers prefer to carry the additions in an extra column to the left as shown in the form. Others think it better to make the additions in lead pencil in the posting columns. This is more a matter of taste than of any special importance. The balance column is run as follows: The balance is placed at the head of the column on the same line as the first posting. The next posting, whether debit or credit, is made on the following line, and the balance which results from this posting is made at once and in ink in the balance column on the same line as the posting. Each posting, as it comes, is made on its own line, and the balance resulting therefrom is made in the balance column on the same line. It should be observed that the balances

[SAMPLE–THREE COLUMN BALANCE LEDGER]

John Doe and Co.

Date			Additions	Posting	Balance	Date			Additions	Posting
1897 Jan.					10 000 00	1897. Jan.	2	By Cash		10 000 00
	3			445 67	9 554 33					
	"			100 00	9 454 33					
	4			1 672 19	7 782 14					
					9 460 46		4			1 678 32
					9 727 64		"	Baxter		267 18
	5			900	8 827 64					
	6			434 61	8 393 03					
	"			1 800 75	6 592 28					
					9 840 44		7		15 193 66	3 248 16
	7		5 769 40	416 18	9 424 26					
					10 940 50		8	Discount		1 516 24
	9			618 94	10 321 56					
	"		11 005 59	4 617 25	5 704 31					
					6 130 48		9		17 136 07	426 17
	14	Balance		6 130 48						
				17 136 07						17 136 07
					6 130 48	Jan.	14	Balance		6 130 48

are to be made in ink and at the same time as the posting. Overdrafts are entered in *red ink*. The balance column can be proved at any time by adding the posting columns as shown in the form. The balance column has several advantages. It shows the balance at a glance at any moment, it makes it more difficult to juggle the account, and the executive officer can tell by glancing down the column exactly how the customer's account has been running. A proof sheet can be taken off the ledger quickly and at any date.

Another way of ruling this ledger is to throw the balance column to the right of the page instead of the center. Some prefer to have two balance columns alongside of each other, one for credit and the other for debit balances. For the general ledger two columns would be necessary.

DISCOUNTS FOR TRANSIENT CUSTOMERS.

It often happens that a bank will discount a note for a party who is not a regular depositor. What is the best and simplest manner of crediting the proceeds so as to preserve a record of the transaction and, at the same time, avoid filling up the individual ledger with a number of accounts that will have only this one discount entry? An easy way is to open an account on the individual ledger with the heading "Transient Discounts." Credit the net proceeds of the note to this account and give the man for whom the note is made a Cashier's memorandum check for the net proceeds. The man can get this check cashed at once at the paying teller's window or he can deposit it in his own bank or get a draft on New York with it or he may, for that matter, take it away with him and use it when he sees fit. When the check comes back to the bank it is charged to "transient discounts." The account "transient discounts" will always show how many of these checks are outstanding and for what amounts and, when it happens that all the checks are in, the account "transient discounts" will balance. The account will also show a complete record of the amounts that have been done for transient customers. A couple of forms are shown herewith. The memorandum checks used for this purpose should be distinctively printed and bound in a separate book, the stub of each check showing the drawees name, date, amount and so on. It may be added that the extended entry of the note showing the calculation in full is made on the regular discount book the same as if it were done for a regular customer.

TRANSIENT DISCOUNTS.

1897.							1897.						
Jan.	2	1		$1	464	73	Jan.	2	1	J. M. Robinson......	$1	464	73
	10	4		2	719	64		8	2	F. W. Merchant.....	1	641	15
	11	3			244	12		11	3	J. B. Jones...........		244	12
	11	2		1	641	15		11	4	J. W. Riggs.........	2	719	64
	9	5			469	17		9	5	A. G. Farmer.......		469	17
	10	6			964	73		10	6	F. W. Prince........		964	73
	14	8		1	672	14		10	7	Brown Mfg. Co......	4	261	73
	14	7		4	261	73		10	8	Hinds & Co..........	1	672	14
				$13	437	41					$13	437	41

Transient Discount Check.

No. 1. Jan 2, 1897. J. M. Robinson. $1464.73	CASHIER'S MEMORANDUM CHECK.	No. 1. GARDEN, Md., Jan. 2, 1897. HOME NATIONAL BANK OF GARDEN, MD. Pay to J. M. ROBINSON......................................or order, Fourteen hundred and sixty-four $\frac{73}{100}$ dollars. 1464\frac{73}{100}$. JOHN SMITH, *Cashier.*

FORM OF DAILY STATEMENTS.

On this interesting subject a National bank examiner writes as follows: "I have at hand the December number of the MAGAZINE in which you give a form for daily statement, which does not however appear to cover the ground sufficiently for all practical purposes, and I enclose a form which while it does not cover everything that we would like to see in daily statements still contains enough for general use. You will note that all items which enter into the calculation of legal reserve direct follow each other, thus making it convenient to calculate legal reserve daily in a few moments; and on the other side the items on which reserve is calculated also follow each other. No doubt the banks in the larger cities have these forms very complete but many country banks have very little method."

RESOURCES.

Loans and discounts		$95,000.00
Overdrafts		750.50
United States bonds to secure circulation....per cent		12,500.00
United States bonds to secure deposits....per cent		10,000.00
United States bonds on hand....per cent		5,000.00
Premium on United States bonds		2,750.00
Stocks, securities and claims		14,000.75
Banking house	$8,000.00	
Furniture and fixtures	2,000.00	10,000.00
Other real estate and mortgages		7,500.25
Due from approved reserve agents, viz.:		
National Bank of Republic, New York		6,280.10
First National Bank, Chicago		4,500.00
N. W. National Bank, Minneapolis		12,000.00
....		....
....		....
Cash on hand		11,500.70
Exchanges for clearing house		975.00
....		....
Cash items		400.00
....		....
Due from other National banks		1,259.80
....		....
Due from State and private banks		801.10
....		....
Five per cent. redemption fund		562.50
....		....
Current expenses	$2,275.00	
Taxes paid	1,800.80	
Interest paid	1,471.50	5,547.30
Cash short		9.00
Total		$201,337.00

Legal reserve to-day 28½ per cent.

LIABILITIES.

Capital stock paid in		$50,000.00
Surplus fund		10,000.00
Other undivided profits, viz.:		
Discount	$1,121.10	
Exchange	110.80	
Interest	2,280.75	
Premiums	....	
Rents	730.00	
Profit and loss	890.10	5,132.75
Due to approved reserve agents, viz.:		....
Shoe and Leather National Bank, Boston		730.60
....		....
....		....
Due to other National banks		12,000.00
Due to State and private banks		3,101.50
Dividends unpaid		50.00
Individual deposits, viz.:		
Subject to check	$45,875.05	
Demand certificates	11.10	
Time certificates	42,000.00	
Certified checks	11,500.00	
Cashiers' checks	305.50	99,691.65
....		....
United States deposits		8,000.00
Deposits of United States disbursing officers		1,880.50
....		....
Circulation		11,250.00
Notes and bills rediscounted		....
Bills payable		....
Cash over		....
Total		$201,337.00

DIFFERENCES IN EXCHANGES—AID FROM THE CLEARING-HOUSE.

It seems practicable to save much of the time now spent in looking for large differences in the exchanges by some method of tabulating such differences by the clearing-house.

There might be for instance a mimimum limit of one dollar fixed, all banks redeeming through the clearing-house being compelled to report at ten or before eleven A. M. any difference in excess of such limit in their exchanges of that date.

The clearing-house might then tabulate the differences and a copy of such table might be presented to each redeeming bank with their balances or receipts in the afternoon.

Any bank having a difference in their checks received similar to any difference in the table might then with a great probability of success look for their difference in that bank, and as above stated much time would be saved.

The expense of any such arrangement would probably be saved in supper money alone.

L. N. R.

On the same subject another correspondent writes as follows:

"As to the matter of differences in the exchanges our clearing-house has the following rule:

'All errors and claims arising out of the exchanges must be adjusted directly between the banks and not through the clearing-house.'

The rule works this way. Between a quarter and half-past nine the runner gets back to the bank with the checks that he has received at the clearing-house from the other banks. The checks are carefully ticked off by the list which comes with each package; the additions are also proved. If any error is found it is reported directly through the telephone to the sending bank, and the clearing-house has nothing at all to do with it. If the amount is trifling the sending bank, say, is to fix it, and our teller makes out a charge ticket and puts this ticket through the work as if it were a regular check on that bank. If the error is against us the sending bank makes out a charge ticket the same way. If the error is a large one our runner stops past the sending bank and exhibits the list and points out the error. We settle with the clearing-house the same as if the list were right. Suppose, for example, a check is listed ten dollars too much. We telephone the sending bank and tell them we will charge them ten dollars through the exchanges next day. It is true that in our settlement with the clearing-house we are charged the ten dollars, but we get it back again by charging it directly to the sending bank. If we choose we can have the runner call at the sending bank and get the ten dollars the same day. In the same way if a check is not good our runner takes it to the sending bank before eleven o'clock and gets the money for it. This system lets the clearing-house entirely out of the business of correcting errors. We have the following additional proof of the correctness of the amount charged us through the clearing-house. After the teller has examined the signatures and endorsements the checks go to the individual bookkeepers who list them on their cash-books. The summation of the individual cash-books proves the correctness of the clearing-house amount. If there is a disagreement it is looked up then and there. It does not take very long to discover the most obscure error."

Our Banking System.—The history of banking in this country shows the necessity for sound banking under modern conditions of the following requisities: Consolidation, practical or legal, of banking institutions; Government regulation and supervision, and uniformity of regulation. These qualifications our national banking system has, and it would be unwise to nullify their power by giving State banks greater opportunity for growth.

But there are serious defects in the national bank system. In the first place, it does not afford adequate banking facilities in agricultural communities. To remedy this defect the following reforms are advocated:

1. Provision for the establishment of branch banks. A small country village which could not put up the capital necessary to operate a separate bank might easily sustain a branch of a large city bank. A separate bank with smaller capital than now permitted would not be nearly so effective as a branch bank, for it would require a full equipment of officers and more capital than would be required for the branch. The branch would have the advantage, also, of actual identity of interests with the parent bank.

2. Introduction of the Scotch "cash credit" system or some similar safe plan to render borrowing easy to persons of small credit. This would greatly increase the usefulness of the system in the more backward sections of the country.

3. Either the abolition of the bond security system of issues or the extension of the limit to, say 125 per cent. of the par value of the bonds.—*Prof. Sidney Sherwood in "Review of Reviews."*

FOREIGN BANKING AND FINANCE.

The Charter of the Bank of France.

The bill extending the Charter of the Bank of France until the close of the year 1920, which was introduced in the French Chambers on October 31, has thus far had comparatively smooth sailing. The committee of twenty-two which was appointed on behalf of the various branches of the Chamber is unanimously in favor of the continuance of the existing banking system, although some of them desire amendments in the conditions governing the bank under the new charter. The only opposition to the extension of the charter came from the socialist deputies, none of whom were chosen on the committee. Fifteen of the committee favor the bill as it was introduced, and the demand for amendment appears to come rather from the conservatives than the radicals. M. Rouvier, one of the committee and the author of the bill presented several years ago, expresses the hope that the bank will apply the clause relative to the discount of agricultural paper with great prudence, in order not to tie up the resources of the bank for long periods. The committee made considerable progress at its first meeting. The proposal of the bill, for the payment to the State of one-eighth of the profits from the discount business, was amended so that the payments shall not fall below a fixed minimum. An amendment was adopted also, admitting a larger number of shareholders to the general assemblies of the bank. Under the present charter, small shareholders have no voice in the annual meetings, the voting power being limited to the two hundred shareholders with the largest holdings. A motion to limit the issue of notes to the amount of cash holdings was rejected. The committee seem disposed to accept the view laid down in the report of M. Cochery in submitting the bill to the Chambers, which contained the following:

"Between the existing system, perfected and complete, and that of a bank of State, our decision ought not to be doubtful. It has seemed to us that it would be a great imprudence to renounce the double guarantee which is afforded by an establishment independent in itself but placed under the supervision of the State, for the purpose of conferring on the State itself the privilege of issue and of the granting of credits, with all the responsibilities which would result from it. It is not only because the public administration would not have the necessary aptitude for weighing commercial credit and adapting the conditions of credit to the situation of the market, but especially because it would find itself assailed with demands and propositions of all sorts, tending to draw it away from the rules of prudence which a bank of issue should observe. Solicited to accord the support of its credit to private enterprises, exposed to the permanent temptation of covering deficits in the budget by new issues of notes, the State would run the risk of transforming the bank note by degrees into paper money and permitting to go abroad the metallic reserves which constitute one of the foundations of our credit and national power. In spite of the guarantees which might be given that the State would not be in fact led to such extremities, the danger would none the less exist. We ought not to weigh for a moment a system involving such possibilities against one tested by nearly a century of prudent management and subjected to the most severe and difficult tests."

Two plans are under discussion regarding the extension of agricultural credit. One of them proposes that the bank admit agricultural paper to discount with two signatures, for three, six, nine and twelve months, and that the endorsement of a syndicate be considered equivalent to two signatures. The other plan, proposed by M. Rouvier, proposes the creation of a distinct establishment for giving agricultural credits longer than the usual commercial credits. It is proposed to confer upon this new establishment the 40,000,000 francs which the bank has agreed to advance without interest to the Government. This plan would have the advantage that, in case of the failure of the scheme, the bank would not be compromised.

THE USE OF SILVER AND SMALL NOTES.

An interesting discussion took place at the last meeting of the Society of Political Economy of Paris, on November 5, on the question whether silver is preferable to bank notes of small denominations. The chief defender of small bank notes was Prof. N. C. Frederiksen, who declared that small notes were much more convenient than silver and had proved popular in the United States, Scandinavia and Canada. Silver, he maintained, was a bad reserve, whether in the hands of the public or the banks. It would be better to sell silver for the purpose of buying gold and to issue notes in its place. The mere permission granted by the Dutch Government to the Bank of Holland to sell silver, when the exchanges became unfavorable in 1882, effected an immediate restoration of confidence. Prof. Frederiksen referred to the unsuccessful efforts of Secretary Carlisle to force silver dollars into circulation in the United States, and combated the popular theory that small bills are dangerous during crises. He said that they were better kept in circulation and less frequently presented for redemption than the notes of large denominations. M. Raffalovich declared himself a partisan of small silver. He did not have much fear of counterfeiting, because of the difficulty of executing good counterfeits, and the dangers of putting them in circulation without detection. He found silver much more convenient than paper upon his last visit to Russia, and thought that it was better that the subsidiary money should possess half the intrinsic value it represented rather than none at all. M. Homberg did not regard the fact that small notes remained long in circulation as a recommendation. He believed that security against counterfeiting as well as the regulation of the volume of circulation depended upon the frequent return of the notes to the bank of issue. M. Mercet, in discussing the new project for the Charter of the Bank of France, expressed fears of the results of the large issues of small notes. The proposed increase of the limit of circulation to 5,000,000,000 francs he feared would result in the saturation of the circulating medium of the country, and that this danger would be increased by the issue of a large volume of small notes. One of the speakers suggested that the power of issuing small notes should be held in reserve as long as possible by any national bank which had not already used it, in order to form an available resource in a time of national or economic crisis.

Currency Reform in Austria-Hungary.

The Governments of Austria-Hungary are proceeding with the retirement of Government paper money and the strengthening of the gold standard in a manner which affords an instructive example to the United States. The Vienna correspondent of the "London Economist," in the issue of December 5, gives the following summary of proposed legislation:

"The experts of the Austrian and Hungarian finance departments have held a series of conferences in which the text of the new currency laws has been arranged. Preliminary arrangements were made between the Finance Ministers in the summer. There are at present four bills that will be laid before the Austrian Reichstrath and the Hungarian Reichstag. The first arranges for the withdrawal of the State notes still in circulation, amounting to 112 million florins. For the redeeming of this amount the old proportion will be maintained, and Austria's share will be 78.4 million florins, Hungary's, 33.6 millions, both amounts to be deposited in gold with the bank, which will give the Governments partly silver and partly bank notes in exchange. The notes of the State will be replaced by eighty million florins in notes of ten crowns each, and by thirty-two million florins in silver coins, worth five crowns each. Another bill provides for the coining of these five-crown silver pieces, a third bill makes arrangements for the printing of the ten-crown notes, and a fourth deals with the necessary changes in the currency and standard treaty between Austria and Hungary, necessitated by the currency reform."

Co-operative Associations in Germany.

The rapid growth of co-operative banking and trading associations in Germany from 1895 to 1896 is set forth in an interesting manner in the October number of *La Revue des Banques*. The whole number of the Schultze-Delitsch associations increased from 11,141 in 1895 to 13,005 on May 31, 1896. The popular banks increased from 6,417 to 8,069; the remaining increase was in other forms of co-operative societies. The number of the banking associations in 1889 was only 2,929, and in 1892, 4,401. Accounts have been received for the operations of the year 1895 from only 1,068 of these banks, with 525,748 members. They show credits granted to the amount of 1,659,705,785 marks ($400,000,000), a capital and reserve of 163,484,900 marks, and deposits of 467,127,041 marks. *La Revue des Banques*, in discussing these figures, declares that they demonstrate how great are the savings of the working classes and how important is the capital which is constituted by these savings. It is predicted that in the course of another century these co-operative banks will dispose of resources which will be enormous.

The Finances of Turkey.

M. Alfred Neymarck, a financier of high authority in Europe, suggests, in his own paper, *Le Rentier*, of November 27, 1896, that Turkish finances shall be taken in charge by an international commission such as that which controls the finances of Egypt. The history of this successful experiment in modern finance, which is not very widely known in the United States, is set forth by M. Neymarck as an object lesson for the powers in dealing with Turkey. Egypt was, in 1876, in a deplorable financial condition, staggering under the weight of heavy taxation, while a large portion of the taxes was dissipated by corrupt administration instead of going to meet the public obligations. A high officer of the English Treasury was sent to Egypt after the Government bought the Suez Canal shares of the Khedive, who recommended the unification of the debt, and the management of both the collection and disbursement of public funds by a board of control with English subordinates. The Khedive objected to this form of control, but accepted that of an international board, which energetically carried out the reforms recommended by the English official. The credit of the country was restored, its obligations were met, the funds which had fallen to thirty-seven per cent. were raised to par, and taxation was simplified and lightened. The large holdings of Turkish obligations in France, including the shares of the Imperial Ottoman Bank, and their quotation on the international exchanges, make it of great importance that something should be done to prevent the defalcation of interest and ensure their restoration to par. M. Neymarck suggests that an international commission of the Ottoman debt be established, composed of a representative from France, England, Germany, Russia, Austria and Italy, and possibly of Belgium and Holland. This commission would be charged with the investigation of Turkish finances, the unification of the debt, and the control of future collections, disbursements and loans. M. Neymarck regards such a solution of the problem as the only one which will do justice to all holders of Turkish securities and prevent manipulation by speculators and particular financial institutions.

THE CRISIS IN PORTUGAL.

Portugal has been subjected during the past few months to a severe crisis in exchange, which has recalled the panic of 1891. Gold has risen to a high premium, largely on account of the crisis in Brazil and the diminution of exports from Portuguese colonies, which would have placed gold at the command of the Lisbon market. The high price of gold bills, intensified by the monetary stringency in England, France and Germany, threatened to increase the burdens of the Treasury in the payment of interest on the debt held abroad and to cause grave perturbation to commerce. The Governor of the Bank of Portugal assembled the managers of the banks and the leading private bankers of Lisbon and secured an agreement that exchange on London should not be sold above 39⅜ and should not be bought below 39½. This agreement was to have continued until March 31, but it resulted in such a pressure upon the banks that they were obliged to suspend it. The agreement was in effect only about ten days and the bankers furnished £300,000 sterling in exchange, but the Treasury and the flour mills were able to make provision for their immediate wants, the latter for the purchase of foreign grain, and comparative calm fell upon the market when the banks were left free to buy and sell at their own terms. This fact strengthened the impression that the scarcity of bills of exchange was availed of by bullion dealers for speculative purposes. M. Georges Bourgarel, in discussing the results of the crisis in *l'Economiste Europeen* of November 28, says that the problem of agricultural and industrial exports has been considered with greater attention and that the public understand that its solution constitutes the correct means of alleviating the evils which affect the economic and financial situation. New markets are being sought for wines in the African colonies and in Brazil by sending special agents to those countries, similar efforts are being made to push the sale of olive oil, and the processes of extraction of the oil are being modified in order to permit competition with the oils of Italy.

The Spanish War Loan.

The prompt response of the Spanish people to the call for subscriptions for a popular loan of 400,000,000 pesetas has greatly strengthened the confidence of the Spanish Ministry in the resources of the country, although it has not had a marked effect in raising the rate of exchange of Spanish paper. Exchange with other countries is at a premium, which indicates a discount of 25 per cent. from the gold value of Spanish obligations. The new loan, which would be valued at about $80,000,000 if exchange were at par, is actually worth only about $60,000,000 in gold. The Spanish Government made several applications to foreign bankers before appealing to a popular subscription, and the feeling in Spain over the success of the loan and against "the usurers beyond the Pyrenees" is much like that in certain portions of the United States against "foreign syndicates." The Rothschilds, however, subscribed for 5,000,000 pesetas of the new loan and various Madrid brokers probably had other foreign orders. The total subscriptions were 594,000,000 pesetas, of which Madrid alone subscribed 305,489,000 pesetas. The apportionment was made upon the basis of awarding the full amount to those who subscribed for less than six shares. Subscribers for six shares received five, and those for more than six two-thirds of their subscription. The subscriptions were payable in installments, but the first payments brought 91 per cent. of the entire amount into the Treasury. An evidence that the savings of the Spanish people are greater than has been supposed is found in the fact that the advances at the Bank of Spain were only 70,000,000 pesetas ($14,000,000 at the gold parity) higher than usual. It is proposed to strengthen and readjust the finances of the Government with the proceeds of the loan, as well as to provide for military operations in Cuba. It was reported early in December that 150,000,000 pesetas would be devoted to reimbursement of the advances made by the Bank of Spain to the Treasury of Cuba; 100,000,000 pesetas to the redemption of Cuban bonds; 50,000,000 pesetas to the repayment of advances made by the Bank of Paris; 31,000,000 pesetas to the repayment of advances made by the Tobacco Company; and 20,000,000 pesetas to the payment of the cost of transport of the troops. If these plans are carried out, they will relieve the Bank of Spain from much embarrassment, add to the value of its circulating notes, and tend to raise the rates of exchange.

Banking and Financial Notes.

—Negotiations between the Governments of Austria-Hungary and the officials of the Austro-Hungarian Bank, regarding the renewal of the charter, which expires on December 31, 1897, are still going on. The Government is demanding a greater power of intervention in the affairs of the bank than the officials are disposed to grant. The bank does not wish to separate the two boards of directors at Vienna and Buda-Pesth to such a degree as to prevent unity of action in important matters. It also insists upon the right to fix the rate of discount without reference to the Government. It is probable that an agreement will be reached between the finance ministers of the two governments and the bank after a few more conferences.

—The demand for money and the reduction of the metallic reserves of the Swiss banks make it probable that they will shortly advance the discount rates to five per cent.

—Mr. Sprenger van Eyk, the Minister of Finance of Holland, in reply to an interrogatory during November, regarding the attitude of the Government towards international bimetallism, made the following statement to the Chambers: "The Government has already, on the occasion of the budget of 1895, expressed its readiness, as have preceding ministries, to do all which could be expected from it to contribute to the success of an international conference which should have for its object an agreement upon the subject of bimetallism. It seems to us impossible to give more efficient testimony of the interest which the monetary question inspires. Efforts which were inopportune on the part of the Government, in view of the object which it desires to see attained—that is, an international agreement upon an extended scale—would be useless and might easily do harm rather than good."

—The three banks of issue in Italy are making arrangements to found an institution, with a capital of 50,000,000 lire ($10,000,000), for assuming the locked-up assets which have come to them from the Roman bank as well as from their own operations. The capital of the new institution will be contributed, 30,000,000 lire by the Bank of Italy, 12,000,000 lire by the Bank of Naples, and 8,000,000 lire by the Bank of Sicily.

—Some criticism is being directed against the Bank of Belgium because of the disproportion between its liabilities and metallic reserve. The bank lost 3,800,000 francs in one week recently, while its circulation increased 16,900,000 francs. This reduced the proportion of cash to about twenty-one per cent. of the circulation. There was a gain in the metallic reserve during the week following this heavy loss and no serious alarm seems to have been excited. The discount rate of the bank has stood for some time at 3 p. c. C. A. C.

FINANCIAL PANIC IN JAPAN.—W. R. Townsend, the special agent recently sent to Japan by the San Francisco Bureau of Foreign Commerce to collect data with reference to matters affecting the interests of American manufacturers, has submitted his report. He says that in the last two months there has been a panic in Japanese financial circles, but the worst is now over. After the war with China speculation was rampant. Thousands of stock companies were floated and shares boomed. Everybody invested, but the collapse soon came. The native banks have shut down indiscriminately of late and merchants have received no accommodation. Heavy stocks of merchandise were thus thrown back on the market and warehouses are crowded.

Over 70 per cent. of the import business of Japan is controlled by foreign houses, a loss of 3 per cent. within three years. Little credit is allowed by importers. Freights from England and Continental Europe are lower than from America, consequently the bulk of the business is done with English, French and German houses. While there is a temporary stringency in the money market, there is no disposition to handicap industrial progress. The Railway Congress, which opened on December 14, will probably remain in session for two months. Already a hundred applications for charters for new railroads have been filed, and it is said that over forty will be granted. In the first week in December contracts were made for eighteen American locomotives. Heretofore English rolling stock has been used exclusively. Americans will shortly receive the privilege of filing applications for trade marks and patents, although little protection is promised in regard to the latter.

THE BANK OF ENGLAND.

ITS HISTORY, CONSTITUTION AND PRESENT MANAGEMENT.

With illustrations from photographs taken expressly for the BANKERS' MAGAZINE.

THE BANK'S HISTORY.

While the Bank of England may to some extent be regarded as the natural outcome of the important commercial and financial position attained by England in the nineteenth century, the immediate and precise causes connected with its establishment were of a somewhat different nature and reflecting against rather than in favor of British financial prestige.

A system of banking had of course existed in Great Britian for many years prior to the establishment of the National Bank in 1694; the business being carried on for the most part by men who were known as goldsmiths. Of such undoubted character and wealth were many of these men that immense sums in all were intrusted to their keeping by the British public, the usual rate of interest received being about six per cent. The greater part of these moneys deposited with the goldsmiths it became in time the general practice to advance to the crown at rates of interest higher than those originally paid to the public.

For years this plan worked well enough until during the reign of the Stuart monarch, Charles II., the English people learned by bitter experience the penalty of putting their "trust in Princes." The event of many years previously when Charles I. seized the money of private individuals, deposited in the mint—then at the Tower of London—was well-nigh forgotten, and the goldsmiths, content with exacting high rates from the Government of Charles II., were apparently not greatly anxious as to the security of the principal. Hume the historian relates, however, that in the year 1672 when the Court was in dire straits for money "the King had declared that the staff of Treasurer was ready for anyone who could find an expedient for supplying the present necessities. Shaftesbury dropped a hint to Clifford, which the latter immediately seized and carried to the King who granted him the promised reward together with a peerage. This expedient was the shutting up of the Exchequer and the retaining of all the payments which should be made into it."

As the result of this measure, which was so suddenly taken that practically no warning of the danger was given, confusion and panic prevailed; the goldsmiths, who had placed practically the whole of their funds with the Crown, were ruined and as a natural result their clients with them. A general outcry followed; but although the storm of indignation was such that the King was ultimately compelled to make a compromise by allowing six per cent. to the creditors, the actual principal (some three millions odd) was never repaid.

The blow thus given to the credit of the State was such that for many years it was difficult for succeeding monarchs to raise from their subjects any other moneys than were compulsory under the current laws of taxation. Such

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was the position in 1694 when the Bank of England was first founded. In that year the Government of William III. was greatly in want of funds to carry on the war with France, and the question of raising a large loan became a pressing necessity. At first, however, there appeared to be little hope of its being obtained. The faith of the people had been too rudely shaken twenty years previously for them to again readily entrust their "savings" to the Government.

At this juncture Wm. Paterson, a shrewd Scotchman—afterwards destined to failure in the Great Darien expedition—mooted the scheme which was to result in the establishment of the Bank of England. Briefly expressed, Paterson's plan was to apply to the business of banking the joint-stock principle. A company was to be formed and out of the capital raised a loan was to be made to the Government. After much opposition from many quarters—not least from the goldsmiths who probably feared the destruction of their business—the scheme for the establishment of such a company was approved, and on July 27 the Bank of England was incorporated by Royal Charter. Here is a brief analysis of this original Charter as recorded in Gilbart's "History and Principles of Banking:"

"The Act of Parliament by which the Bank was established is entitled, 'An Act for granting to their Majesties several duties upon tonnage of ships and vessels and upon beer, ale and other liquors; for securing certain recompenses and advantages in the said Act mentioned to such persons as shall voluntarily advance the sum of fifteen hundred thousand pounds towards carrying on the war with France.' After a variety of enactments relative to the duties upon tonnages of ships and vessels, and upon beer, ale and other liquors, the Act authorizes the raising of £1,200,000 by voluntary subscription, the subscribers to be formed into a corporation and be styled 'The Governor and Company of the Bank of England.' The corporation were to lend their whole capital to the Government, for which they were to receive interest at the rate of eight per cent. per annum and £4,000 for management; being £100,000 per annum on the whole. The corporation were not allowed to borrow or owe more than the amount of their capital, and if they did so the individual members became liable to the creditors in proportion to the amount of their stock. The corporation were not to trade in any 'goods, wares or merchandise whatever, but they were allowed to deal in bills of exchange, gold or silver bullion, and to sell any goods, wines or merchandise upon which they had advanced money, and which had not been redeemed within three months after the time agreed upon.'"

Notwithstanding the circumstance already alluded to of the weakened credit of the British Government, the scheme for the flotation of the Bank was a complete success, the whole of the subscription being made within a few days. As George Clare, in his "Money Market Primer," writing of this period, says:

"At this conjuncture however, the strong religious and political convictions of a part of the community came to the help of the country. In the city of London there were many wealthy men—dissenters mostly—who were willing rather than see the land once more delivered into bondage to place their whole fortunes at stake. It was proposed to raise £1,200,000 by public subscription and to lend the whole of it to the Government at eight per cent interest, the lenders to be incorporated by Royal Charter and to have power to *issue notes* on Government security to the extent of the sum lent. The idea of putting all their eggs into one basket was probably not quite relished by intending subscribers, but the capital was nevertheless soon raised. In those days good investments were after all a rarity, and the new undertaking, backed up as it was by the guarantee of a Government that seemed honestly bent on paying its way and supported by the best-known merchants of the City of London, appealed with success to the sentiments and to the pockets of capitalists, and by its happy combination of patriotism with eight per cent. gratified at once their love of country, their love of gain, and their hatred of tyranny and Popery."

It may be noted in passing that not only was this loan to the public of £1,200,000 the foundation of the Bank of England, but it was also practically the commencement of England's national debt.

ROYAL EXCHANGE, LONDON.

Opposite Bank of England, Threadneedle Street.

A few of the more important clauses of the original Charter of the Bank have their place here, and it is interesting to note that many of these points still remain the essentials of the present Constitution of the Bank. Among other items the Charter of July, 1694, provided:

"That the management and government of the corporation be committed to the Governor, Deputy Governor and twenty-four directors, who shall be elected between March 25 and April 25 of each year, from among the members of the company duly qualified.

That no dividend shall at any time be made by the said Governor and Company, save only out of the interest, profit or produce arising out of the said capital, stock or fund, or by such dealing as is allowed by Act of Parliament.

They must be natural born subjects of England or naturalized subjects; they shall have in their own name and for their own use severally, viz., the Governor at least £4,000, the Deputy Governor £3,000, and each director £2,000 of the capital stock of the said corporation.

That thirteen or more of the said Governors or directors shall constitute a court of directors for the management of the affairs of the company, and for the appointment of all agents and servants which may be necessary, paying them such salaries as they may consider reasonable."

Opposition to the Bank of England.

Mention has already been made of the fact that the scheme for the foundation of the Bank of England did not pass into law without a considerable amount of opposition, an opposition which was renewed again and again at successive periods when the time for the renewal of the Charter was at hand. From the day of its foundation to the present date no institution has probably been made the subject of more severe and even hostile criticism than has the Bank of England, and it may on the whole be said that not only has the Bank borne the ordeal well but at times has even thrived upon it. At no time in its history, perhaps, has this criticism and opposition had a more beneficial effect than was probably produced at the very commencement of its career. As we have already seen the scheme for the foundation of the Bank excited considerable natural opposition on the part of the goldsmiths

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who feared loss of both business and prestige, but the opposition was by no means confined to them alone. Francis's history of the Bank tells us that it appears from a pamphlet published by Mr. Godfrey, the first Deputy Governor, that "Some pretend to dislike the bank only for fear it should disappoint their majesties of the supplies proposed to be raised." That "all the several companies of oppressors are strangely alarmed and exclaim at the Bank and seem to be joined in a confederacy against it." That "others pretend the bank will join with the Prince to make him absolute." "That the concern had too good a bargain and that it would be prejudicial to trade." Another writer of that period, according to Francis, says, "Some prophetic politicians intimate their apprehensions that an institution of this kind would soon become a mere creature of Government; that on any sudden emergency, or even general panic, the Bank might be unable to answer the demands of its creditors; and that the future of the National bank must be attended with national ruin."

Looking back as one is able to do now upon the two hundred years of the Bank's existence, remembering the occasions when time after time the Bank of England has proved to be the very right hand of the British Government, and remembering, also, the many important periods of crisis in British finance when the Bank has been literally the saviour of the situation, these many arguments against its foundation are fraught with peculiar interest. But however extraordinary such opposition may now seem it can not by any means be regretted. There is no doubt that from the very first it served as a stimulus to those who were to initiate and guide its management. Openly expressed fears that the Bank's existence would prove a short and disastrous one doubtless stimulated the management to proceed with exceptional caution, and to establish the business of the company upon the soundest basis. All the hostility and scepticism heaped upon the new enterprise by the scheming and the ignorant alike resolved itself as it were into a challenge against the future of the Bank, a challenge which the directors accepted and gallantly maintained.

ROTUNDA OF THE BANK.

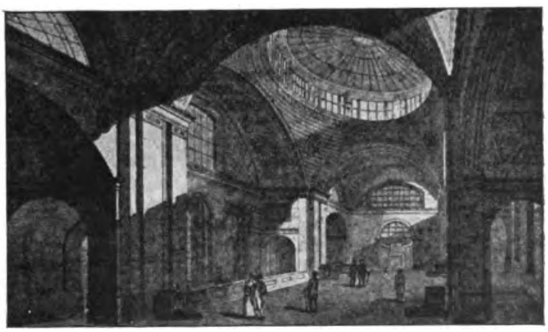
THE FIRST PREMISES AND RENEWED OPPOSITION.

Acting doubtless in this spirit of business caution the directors of the Bank of England made a comparatively humble start so far as their first premises were concerned. No trace of the present magnificent structure (of which an illustration, prepared especially for the BANKERS' MAGAZINE, is presented in this number) was to be found in the offices of the seventeenth century when the Bank was founded. First in Mercer's Hall which was occupied but a few months, and afterwards in Grocer's Hall (since razed to the ground) the Bank of England commenced its operations, which were conducted entirely in one room, directors, principals and clerks alike all sharing the same apartment, which is described by an essayist at that date as presenting "an animated scene of orderly activity." We shall refer later when speaking of the present condition of the Bank to the staff employed and the salaries paid. The following details taken from Francis's "History of the Bank of England" are interesting, as showing the total number of employees and salaries paid during the first year of the Bank's existence:

	Clerks.	Salary.
Secretary's office	3	£390
Accountants	11	1,120
Cash book	9	910
Discount office	3	250
Exchequer	2	160
Tellers	25	1,330
For silver, etc	1	180
	54	£4,340

It will be seen from the foregoing that even the high officials of the Bank could have received nothing very extraordinary in the way of salary, and as a matter of fact the largest amount received by the principal of any of the departments appears at that time not to have exceeded £250 per annum. The Bank therefore did not err on the side of extravagance at the commencement of its history.

The effect of the new Bank was evident within a short time from its commencement, and as affording an evidence of this it may be mentioned that within a few months of its establishment, rates of discount on foreign bills fell to a point considerably under the usurious rates to which the community had long been accustomed. Its effect as a powerful aid to the Government was also quickly experienced in the increased vigor with which the war with France was carried on. At the beginning of 1694 Government bills were at a discount of twenty-five to thirty per cent. The Bank, however, took these bills at par with the result that ere long the discount upon them actually gave way to a premium. Successes thus achieved, however, so far from quieting opposition merely directed it into fresh channels. The Bank of England had been essentially a Whig project, and when the importance of the undertaking was fully recognized organized attempts were made by the Tory party to establish a rival institution.



THE DIVIDEND OFFICE.

Some of the details connected with this rival scheme are worthy of notice here, illustrating as they do the bitterness of the controversy which raged around the Bank of England in its earliest years. Moreover, although in after years the renewal of the Bank charter frequently met with much opposition, the particulars about to be recorded apparently afford the only instance when any noteworthy attempt was really made to actually found a rival establishment.

Improving upon the idea of the Bank of England's original capital of £1,200,000, the Tory party in 1696 resolved to establish a much larger bank with about double the capital of the Bank of England. Such capital was to be advanced to the Government in a manner similar to that by the Bank already started, but its notes and so on were to be advanced entirely on the security of land at three per cent. Hence the new institution was to be called the "Land Bank." In spite of much natural opposition from the Bank of England—which was certainly entitled to consider the project as an infringement of its own Charter—the temptation of securing a new loan was too great for the Government of that day and the project was sanctioned by an official Act. But it was one thing to pass an Act of Parliament and quite another to find the necessary capital. It would seem either that the faith of the public in the new scheme or in the originators of it was of the smallest, for although the subscription list was headed with £5,000 on behalf of the King, the total of other subscriptions only just exceeded £2,000. The project was thus doomed to early failure.

Some idea of the bitterness which entered into the discussion between these two rival institutions is to be found in the pamphlets of that period. Francis, in his "Bank History," gives the following from one of them, which we reproduce here. While the humor is obvious, the ill feeling towards the Bank of England is yet more apparent. The tract or pamphlet was headed: "The Trial and Condemnation of the Land Bank at Exeter Change for Murdering the Bank of England at Grocer's Hall."

At this trial, a will is supposed to be produced reading as follows:

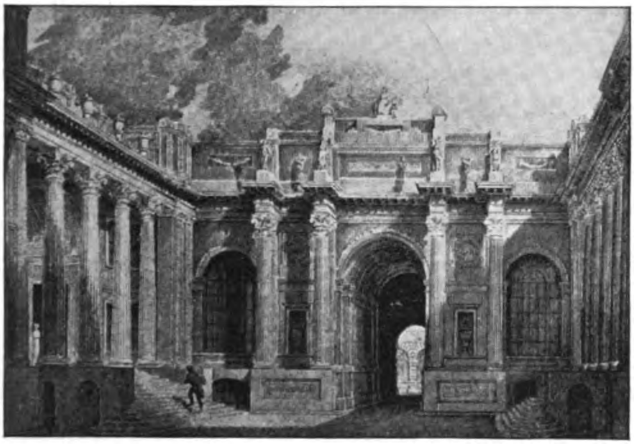
"Know all our creditors by these presents, that we, the Governor and Company of the Bank of England, being weak in body, through the wounds received from the Land Bank at Exeter Change, to whom we lay our death, but of as good sense as ever we were, finding ourselves impaired in our credit and reputation, and despairing of recovery, do make our Last Will and Testament. 1st. We bequeath our soul to the devil, in order to serve the publick out of our creditors' money; and as to the qualities of our mind, we dispose of them as follows, namely, all our skill in foreign exchanges, and our probity and candour in making up the accounts of the loss thereof, we give to all and every of our directors, except four or five, jointly and severally to hold to them, and to their successors, as heirlooms and indelible monuments of their skill and probity for ever. All our obstinacy and blunders we give unto our present Governor, upon trust, that he shall employ one equal part thereof, as one of the Lords of the Admiralty, and the other part thereof as Governor of the Bank of England. All our oaths, impudence, &c., we give unto our present Deputy Governor and our dear Sir Henry Furnese, to hold in joint partnership during their lives, and the survivor to have the whole. All our shuffling tricks we give to our dear Sir William Gore. All our cynicalness and self-conceit we give to our directors, Sir John Ward, and Sir Gilbert Heathcote, equally to be divided betwixt them, share and share alike, as tenants in common. All our blindness and fear we give unto our dear Obadiah Sedgwick—and we also give him £5 in money, to buy him a new cloth coat, a new half beaver hat, a second hand periwig and an old black sword, to solicit with in the lobby, and also to buy him a pair of spectacles to write letters to Lords with. As to the residue of our temporal estate, (besides the said £5,) we dispose thereof as followeth: Imprimis—We devise to our own members (when they shall have paid in their whole £100 per cent.) our fund of £100,000 per annum charged and chargeable, nevertheless, with the sum of £1,200,000 for which it stands mortgaged, by Bank bills, in full satisfaction of all their great expectations from the probity and skill of our directors, advising them to accept a redemption thereof by Parliament whenever they can have it. Item—All our ready moneys, before any of our debts are paid, we give to our executors, hereinafter named, in trust, that they shall, from time to time, until 1st August, 1696, lend the same into the Exchequer upon condition to defeat the establishment of the Land Bank; and from and after the said 1st August, then to lend out the same into the said Exchequer upon security of premises to establish our executors the next session, instead of the Land Bank and for such other premiums as our said executors can give to themselves for doing thereof. And we do direct our said executors to continue to stock and pensions already allowed to our past friends—they know where. And after all our ready money so disposed, we leave the residue of our effects for payment of bills and notes, at such days and hours, and in such manner and proportion, and with such preferences, as our executors shall think fit. And we do hereby constitute our directors executors of this our will giving each of them power, out of our cash, to discount their own tallies, bills and notes at par, and the bills and notes of other of our creditors at the highest discount they can get for the same. And our body we commit to be burned, with all privacy lest our creditors arrest our corpse. In witness whereof we have hereunto set our common seal 4th May, 1696."

To this effusion was appended the following supposed epitaph:

"Here lies the body of the Bank of England, who was born in the year 1694, died May 5, 1696, in the third year of its age. They had issue legitimate by their common seal 1,200,000 called Bank Bills, and by their Cashier two million sons of —— called Speed's notes."

Such is a specimen of the coarse and vulgar nature of the attacks upon the Bank in the seventeenth century, attacks which from all impartial histories appear never to have been based upon even the barest substratum of truth and to which the career of the Bank has from year to year given the most effective reply.

In 1697—three years after its establishment—we find difficulties surrounding



THE LOTHBURY COURT.

ing the Bank, difficulties which arose partly from the scheme of the Land Bank and still more from the recoinage of the silver. Into the first matter it is not necessary to enter here. While the recoinage was proceeding money became very scarce. Moreover the Bank was placed in this predicament. The old coins had been diminished by clipping and filing—many of the shillings it is stated contained only threepence in silver—and counterfeit coins had also been clipped and filed. This clipped money had been taken in by the Bank at full value and the natural consequence was that when the notes came in there was not sufficient cash to meet them. Announcement had therefore to be made that cash would only be paid in instalments of ten per cent. once a fortnight and afterwards three per cent. once in three months. To further meet the evil, calls of capital to the extent of twenty per cent. were made on the proprietary with the result that the first crisis in the Bank's history was successfully passed.

THE ACT OF 1708.

One of the next landmarks in the Bank's history is the Act of 1708, by which it was made unlawful for any association of more than six partners to carry on any banking business in England and Wales. The effect of this Act was to give the Bank of England a practical monopoly in joint-stock banking, a monopoly which it may be mentioned in passing, lasted for more than a century. While there is no doubt that the effect of this Act was greatly to restrain the progress of joint-stock banking in the country, it is perhaps a circumstance not wholly to be regretted at that stage of financial affairs in the country. It is certainly worth recording that although for more than a century the Bank enjoyed this exclusive monopoly, the privilege never appears to have been in any way abused—a statement which can be made in the case of few other monopolies.

In the year 1709, which was one of much financial stress to the British Government, fresh terms were entered into with the Bank of which the most important points were the reduction of interest upon the original £1,200,000 advanced to the Government from eight to six per cent., with an annual allowance of £4,000 for managing the national debt. The Bank was also allowed to increase its capital to over £4,000,000 and its Charter was renewed until the year 1733—a period which a few years later was, in recognition of the services of the Bank, extended to 1742.

The Year of the South Sea Bubble.

It has been stated on a previous page that the number of concerns introduced to actually rival the Bank of England have been few in number. Among them must be named the famous or rather infamous South Sea Co., which in the year 1720 was the means of producing one of the severest financial panics in England of which we have authentic account. With the details of the South Sea Bubble we are not now concerned. We have merely to note that not only did the Bank of England stand clear of all the reckless speculations entered into at that period, but during the height of the panic we learn that when credit on every side was failing and trade and commerce were well-nigh at a standstill, the Bank of England was described as the "one hope of the Nation," and the directors were persuaded, at the instance of Sir Robt. Walpole, to come forward and render assistance, which in one form and another was promptly done. Thus early in the Bank's history we find that the money market, which in times of calm was always ready to offer criticism upon the Bank, was only too glad to turn to it in times of need. Instances of such applications for assistance from the period of the South Sea Bubble in 1720 down to the Baring crisis of 1890 have been too numerous to be stated here. A few of the more noteworthy instances to be given later must suffice.

Removal to Larger Premises.

Prior to the year 1852, the court of directors had carried on their business in the hall of the Grocers' Company. Commencing their career as we have seen in an unostentatious manner a high position had been gained. With fifty-four assistants, whose duties and salaries we have already alluded to, the business of the Bank had prospered to such an extent that enlarged premises were absolutely necessary. Francis, in his history of the Bank, says:

"On January 20, 1732, it was unanimously resolved to erect a hall and office in Threadneedle Street; and the site chosen for the new edifice was that of the house and garden of Sir John Houblon, first Governor of the Bank. The structure was contracted for by Dunn & Townshend, eminent builders of the day, after designs by Mr. George Sampson. On Thursday, August 3, at one o'clock in the afternoon, the new building was commenced; a stone, on which the names of the directors were placed, being made the foundation for one of the pillars. Twenty gunieas were presented to the workmen for distribution; and on June 5, 1734, business was commenced in that edifice, the present importance of which is unparalleled in the history of monetary establishments. Notwithstanding the sagacity of those who governed its concerns, it may reasonably be questioned whether they imagined the time would ever arrive when its buildings would occupy three acres; when the movements of its Governors, in the words of the historiographer of London, would influence the whole body of the public, its offices expel a church from its site, and emulate the palaces of emperors; when their determination, according to Richard Cobden, would affect all the markets in the world; and the representatives of commerce in the East and the pioneers of trade and civilization in the West, watch earnestly and anxiously the proceedings of the directors of the Bank of England. 'I happened to be travelling in Turkey and Greece, in the spring of 1837,' said this gentleman, in his evidence on Banks of Issue, 'and I saw in the little island of Syra, the Greek merchants there, with their telescopes in their hands, looking out anxiously for the arrival of a vessel from Trieste, giving an account of the proceedings of the Bank of England, as a merchant on the exchange at Manchester would watch for the arrival of the mail to know what the next step to be taken by the Bank directors would be; and we know that in the message of the President of the United States in 1837 and in the addresses of some of the Governors of the States, New York in particular, the Bank of England was not only mentioned by name, but a considerable space given to the discussion of its policy.'"

Renewal of the Charter in 1742.

It is not necessary in completing this brief sketch of the Bank's history to relate the events surrounding each renewal of its Charter. Suffice it to say that from the date mentioned above down to the famous Act of 1844, of which we shall have to speak in detail later, the periods for the renewal of the Bank Charter were always (notwithstanding the growing recognition of the Bank's services to the State) made the occasions for driving a bargain with the Bank, and for renewed opposition from some section or other of the business community jealous of the Bank's privileges. In the year 1742, for example, a condition for the renewal of the Charter for twenty-two years was that the Bank should lend to the Government free of interest the sum of £1,600,000, a demand which was agreed to. By this Act of 1742 it may also be noted that the law made death the penalty for any persons forging, counterfeiting or altering any bank note, bill of exchange, dividend, warrant or any bond or obligation under the Bank seal. The numbers destined to pay this death penalty in later years was appallingly large.

A Narrow Escape for the Bank.

One of the penalties necessarily entailed by the growth of the Bank, and its importance to the State, was that in any periods of civil disorder it became a prominent and likely institution to be attacked by mob violence. Some recognition of this possibility, it will be seen from our illustration of the exterior of the Bank, is to be found in the enormous strength of the structure which in some respects may even be said to resemble a fort.

That the Bank was not destroyed at the time of the Gordon riots in 1772 may be said to be due more to chance than to anything else. As a matter of fact the riot from the very first was so badly organized by its leaders that the importance of an attack upon the Bank does not appear to have occurred to the rioters until almost at the close of the riots, and by that time the directors had been enabled to take such precautions that the feeble attack then attempted was easily repelled. The attack was made almost immediately after the burning of Newgate; but before the arrival of the rioters at the Bank the military had been summoned and were in readiness outside the walls of the establishment. A strong force including the officers of the Bank were also mustered inside, "old inkstands had been even cast into bullets, and an additional force was placed upon the roof to open fire upon the assailants." Such determined action was not lost upon the rioters whose attack proved a feeble and almost bloodless affair.

Ever since the danger then escaped by the Bank, a military force has slept within its walls. They enter the building about sunset and retire some time prior to the opening of the doors in the morning. A dinner is provided for the officer in charge.

Suspension of Specie Payments in 1797.

The reason for the suspension of specie payments by the Bank in the year 1797 may be briefly summed up in the statement that the directors at that period had two courses open to them, either to merely regard the interests of the proprietors whom they represented or to boldly acknowledge a still wider responsibility and loyally support the credit of the Government of that day, whose demands for monetary accommodation pressed severely upon the Bank. The latter course was adopted and whatever the Bank may have temporarily lost in prestige, owing to the suspension of specie payments which followed, was more than compensated for ultimately by the intimate relation which it was felt had been established between the State and the central banking institution.

It must not be supposed, however, that the loans advanced immediately prior to the suspension of specie payment were either recklessly made or lightly regarded. On the contrary the correspondence of that period between the officials of the Bank and the statesman, Wm. Pitt, testify to continued remonstrances from the Bank at the manner in which it was being crippled through the repeated demands made upon it by the Government. Here, for example, is the copy of an extract from communications between the Bank and the Government in July, 1796. In a letter from Mr. Pitt to the Governor of the Bank request is made for an advance of £800,000 on the consolidated fund, with the announcement that he will be compelled also to request a further advance of £800,000 on the same security in the following month. That the directors of the Bank perceived the gravity of the situation may be seen from the following memorial drawn up by them in reply to Mr. Pitt's letter:

"The Court of Directors of the Bank of England, fully sensible of the alarming and dangerous situation of the public credit of this Kingdom, and deeply impressed by the communication made to them by the Right Honorable William Pitt, are very willing and desirous to do everything in their power to support the national credit; but in complying with the request made them by the Right Honorable William Pitt, they think they should be wanting in their duty to their proprietors, and to the public, if that compliance was not accompanied with the following most serious and solemn remonstrance, which, for the justification of their court, they desire may be laid before his Majesty's cabinet: 'They beg leave to declare, that nothing could induce them, under the present circumstances, to comply with the demand now made upon them, but from the dread that their refusal might be productive of a greater evil; and nothing but the extreme pressure and exigency of the case can in any shape justify them for acceding to the measure; and they apprehend that, in so doing, they render themselves totally incapable of granting any further assistance to Government during the remainder of this year; and unable even to make the usual advances on the land and malt for the ensuing year, should those bills be passed before Christmas. They likewise consent to this measure in a firm reliance that the repeated promises so frequently made to them, that the advances on the Treasury bills should be completely done away, may be actually fulfilled at the next meeting of Parliament and the necessary arrangements taken to prevent the same from ever happening again, as they conceive it to be an unconstitutional mode of raising money, what they are not warranted by their charter to consent to, and an advance always extremely inconvenient to themselves.' "

The evening of Saturday, February 24, 1797, says Francis in his "History of the Bank of England," was a gloomy period for most of the merchants and traders of London.

"More than all must the directors of the Bank have felt their important and responsible position. They had seen during the week a heavy demand made on their diminished cash. They had marked their small stock of bullion decreasing day after day. They had witnessed and participated in the dismay which preyed upon the people. They knew that the demand would continue unless some method could be adopted to check it; and they felt that the period had arrived when, for the first time in their history, they must altogether cease payment of their notes; for the first time since 1697 they must fail in meeting the demands of their creditors. On the following day, Sunday, a cabinet council was held at Whitehall; and it is said that the only occasion in which the monarch violated the Sabbath was this great one. He attended the council at this important crisis; and the presence of royalty gave a high sanction to the proceedings. Immediately after the meeting the members of the Government, met the Governor, Deputy Governor, Mr. Thornton and Mr. Bosanquet in Downing Street, to inform them of the result of their deliberation, when the following resolution was communicated:"

At the Council Chamber, Whitehall, February 26, 1797, by the Lords of his Majesty's most honorable Privy Council:

"Upon the representation of the Chancellor of the Exchequer, stating that, from the result of the information which he has received, and the enquiries which it has been his duty to make, respecting the effect of the unusual demands for specie that have been made upon the Metropolis, in consequence of ill-founded or exaggerated alarms in different parts of the country, it appears, that unless some measure is immediately taken there may be reason to apprehend a want of sufficient supply of cash to answer the exigencies of the public service, that the directors of the Bank of England should forbear issuing any cash in payment, until the sense of Parliament can be taken on that subject, and the proper measures adopted thereupon for maintaining the means of circulation, and supporting the public and commercial credit of the Kingdom at this important conjuncture; and it is ordered that a copy of this minute be transmitted to the directors of the Bank of England; and they are hereby required, on the grounds of the exigency of the case, to conform thereto, until the sense of Parliament can be taken as aforesaid."

Great as was the excitement following the suspension of gold payments, the panic which followed was not so disastrous as might have been looked for and so far from the Bank suffering any lasting shock to its credit the reverse was before long experienced, for two things were made very apparent. The first was that payment would never have been suspended but for the loyal support given to the State, while an examination of the management of the Bank brought out in a very striking manner the real soundness of its position and the prudence and sagacity of its management. There is little doubt that a resumption of specie payments could have been made at a comparatively early date, but the Government, who by this time appear to have become alive to the immense importance of the Bank, passed a series of bills known as the "Restriction of Payments" Acts by which the return to full specie payments was successively deferred until 1821.

PEEL'S CURRENCY BILL.

The famous Act known as Peel's Currency Bill, passed in the year 1819, is another noted landmark in the Bank of England's history. By this Act it was provided that the Bank shall from February 1 to October 1, 1820, deliver on demand gold of standard fineness, not less than sixty ounces in exchange for bank notes at £4 1s. per ounce. From October 1, 1820, to October 1, 1821, the same plan to be adopted, but gold to be at the rate of

£3 19s. 6d. per ounce. From May 1, 1821, to May 1, 1823, the mint price of gold of £3 17s. 10½d. per ounce to be the rate with the adoption of the same plan, and from May 1, 1823, the notes to be paid in the gold coin of the Empire if required. The Bank however of its own will returned to full specie payment at an earlier date.

THE FINANCIAL PANIC OF 1825.

The precise causes leading up to the panic of 1825 must always remain a matter on which the opinion of finanial authorities differ considerably. All, however, are agreed in determining that the wholesale circulation of £1 notes by private bankers had much to do with it. The circulation by these means became redundant and prices of securities and commodities alike began to rise. In the year 1822 also a reduction had been accomplished in the rate of interest on a portion of the national debt and this fact alone possibly did something to stimulate the feverish rush which commenced for securities paying high rates of interest. From the nature and details of the mad speculations of the years 1823–25 it might almost seem that our modern species of company promoters and swindlers were then first generated. Certainly the schemes devised and the methods then employed are such as in modern times have hardly been improved (?) upon. Into the details of the speculation we need not enter here, being merely concerned with the part played at that period by the Bank of England. Projects innumerable were put forth to attract money from a guileless public, one, for example, it is stated, being the promotion of a company "to drain the Red Sea and recover the jewels left by the Egyptians in their passage after the Israelites." Besides such a scheme as that, "Deep Level" mining and other projects of the present day pale into commonplace affairs. In the crash which followed bank after bank in the country broke down. Prominent financial houses in London had to bend before the storm and that national bankruptcy must have followed but for the aid received from the Bank of England is shown by the testimony of men of that time. Some idea of the assistance afforded by the Bank may be gathered from the fact that during the height of the crisis the discounts of the establishment arose within a few weeks from five to fifteen millions sterling.

THE BANK'S MONOPOLY SURRENDERED.

In the year 1826 the Bank was practically compelled to relinquish its monopoly of joint-stock banking in the country. An Act of that year contained the following provisions:

1. Banks of an unlimited number of partners may be formed and carry on all descriptions of banking business by issuing notes and bills payable on demand, or otherwise, provided that such corporations or partnerships should not have any house of business or establishment as bankers in London, or at any place within sixty-five miles of London; and that each member of such corporation should be liable for all its debts of every description contracted while he was a partner, or which fell due after he became a partner.

2. No such banking company was to issue or re-issue, either directly or indirectly, within the prescribed distance, any bill or note payable to bearer on demand; or any bank post-bill; nor draw upon its London agents any bill of exchange payable on demand; or for any less sum than £50; but they may draw any bill for any sum of £50 or upwards payable in London or elsewhere, at any period after date or after sight.

3. Such banking companies are forbidden by themselves or their agents to borrow, owe or take up in London, or at any place within sixty-five miles of London, any sums of money or any of their bills or notes payable on demand; or at any time less than six months from

the borrowing therof; but they may discount in London or elsewhere any bill or bills of exchange, not drawn by or upon themselves or by or upon any person on their behalf.

4. The Bank of England was authorized to establish branches at any place in England.

5. The rights and privileges of the Bank of England were to remain intact and unaltered except so far as varied by the Act.

Thus it will be seen that the bank still retained its former rights within a radius of sixty-five miles from the Metropolis. At the time the Act was passed there is no doubt that in its spirit the directors of the Bank were certainly led to believe that no joint-stock bank should be allowed to open within that radius. Very soon after the bill had become law, however, it was decided that the letter of the Act permitted joint-stock banking in London provided such banks did not contract a note issue, and although strong remonstrances were made by the Bank of England directors the London, Westminster and other banks were speedily formed. The privileges of note issue within sixty-five miles from London it may be stated here is among the few provisions of the Bank Charter retained to the present day.

The Last Bank Charter.

A reference to the last occasion on which the renewal of the Bank Charter was discussed, must suffice to close our brief history of the Bank, while an examination of the Act of 1844 will also lead us at once to a consideration of the Bank as at present constituted, no really important enactment by law affecting it having been made since that date.

With regard to the renewal of the Charter, the important feature was that instead of the renewal being for a fixed period it was made for an indefinite time, provision being made that after 1855 the Charter shall be terminable at any time upon a notice of twelve months. This provision, at first demurred to by the directors of the Bank, was ultimately accepted and the sum of £120,000 was arranged to be paid annually by the Bank to the public, such amount to be deducted from the sum allowed by the Government to the Bank for the management of the national debt.

A. W. K.

London, January, 1897.

[The succeeding paper on the Bank of England, to be published in the February number of the Bankers' Magazine, will deal with the administration of the affairs of the Bank under the Bank Act of 1844, which marked a new epoch in British banking. The actual workings of both the Issue and Banking departments will be described at length, and the weekly statements fully analyzed. This will be of especial interest, showing as it does the practical operations of this great Bank under existing laws.

Other notable features of the concluding paper will be the relations of the Bank to the money market, and the means used to influence interest rates and to prevent the undue exportation of gold.

A description of the interior of the Bank will be given, and many valuable details as to its mangement and *personnel*.

A sketch of the present Governor of the Bank, and a portrait from a recent photograph, will also be presented in the February number.]

*THE COMPTROLLERS OF THE CURRENCY.

BIOGRAPHICAL SKETCHES OF ALL THE CHIEF SUPERVISING OFFICERS OF THE NATIONAL BANKING SYSTEM.

As a supplement to the steel-plate portraits of the Comptrollers of the Currency, heretofore sent to all subscribers to the BANKERS' MAGAZINE, the following brief biographical sketches of the several Comptrollers will be found of interest.

HUGH McCULLOCH.

Appointed May 9, 1863.

HUGH MCCULLOCH, the first Comptroller of the Currency, was born in Kennebunk, Me., December 7, 1808. His father was one of the large ship owners of New England who were ruined, or nearly ruined, by the War of 1812, and one of the first lessons that the son had to learn was that for whatever headway he made in the world he must depend on himself. His father was, however, able to pay the expenses of his preparatory education and of a little more than one year's study in Bowdoin College.

Leaving college in his sophomore year, he taught school for a couple of years, and having in this way earned and saved a few hundred dollars, he commenced to study law in Kennebunk. He completed his legal course in Boston, and in 1833 went west.

In June, 1833, he arrived in Fort Wayne, Indiana, which was then one of the few civilized points in a magnificent wilderness. Here he made his home until 1863.

In the autumn of 1835 he organized and became the Cashier and managing officer of the Fort Wayne branch of the State Bank of Indiana. The next year he became a director of the bank. He continued in these offices until the expiration of its charter in 1857.

In 1855 a new bank was chartered, and Mr. McCulloch became its President. Both banks were sound and solvent from their organization.

In May, 1863, Mr. McCulloch was appointed Comptroller of the Currency by President Lincoln, at the request of Secretary Chase. He was, from his banking experience, familiar with the field of action, but in accepting the office he had to make considerable pecuniary sacrifice.

He organized the office of the Comptroller of the Currency, but in permitting the establishment of new National banks he exhibited extreme conservatism. His reports for 1863 and 1864 show that he deprecated a too rapid growth of the system, by repressing the organization of new National banks, his policy being to encourage the conversion of the existing State banks into national associations. He recommended the amendments of the law of 1863,

*NOTE.—A brief history of the organization of the Bureau of the Comptroller of the Currency, and of its practical workings, will be given in the next number of the MAGAZINE.

made in 1864, by which pressure was brought on the State banks to secure their conversion.

In March, 1865, he was appointed Secretary of the Treasury. His attempt to retire the legal-tender notes, with a view to the early resumption of specie payments, was the striking feature of his administration. He at first received the support of Congress in this policy. But a great change in public opinion forced him to relinquish it. He retired from the Treasury, March 4, 1869, when General Grant became President. From 1870 to 1880 he was the head of a banking house doing business in New York and London. In 1880 he retired from business and lived thereafter on a farm in Maryland, near Washington, only once emerging from his retirement to resume for a brief period, at the reqnest of President Arthur, the office of Secretary of the Treasury. His death occurred May 24, 1895, near Washington, D. C.

FREEMAN CLARK.

Appointed March 21, 1864.

FREEMAN CLARK was born in Troy, N. Y., March 22, 1809, and commenced active life as a merchant. In 1837 he was elected Cashier of the Bank of Orleans at Albion, N. Y.

In 1845 Mr. Clark removed to Rochester and became President of the Rochester Bank, and Treasurer of the Monroe County Savings Bank, and later President of the Monroe County Bank. He also held the office of Treasurer and Director of the Rochester, Lockport and Niagara Falls Railroad; President and Treasurer of the Rochester and Genesee Valley Railroad Co.; Director of the Mobile and Ohio Railroad Co.; Treasurer and director of the Home Telegraph Co. and was a director of the Western Union Telegraph Co. He was also one of the first directors of the Fourth National Bank of the City of New York and also a trustee and subsequently Vice-President of the Union Trust Co. of New York city.

In addition to his extensive business connections Mr. Clark took an active part in political affairs. He was Vice-President of the Whig State Convention in 1850, and acted as President, and was a delegate to the Whig National Convention in 1852. He was Vice-President of the first Republican Convention in New York State in 1854. In 1856 he was a presidential elector and in 1862 was elected as a Representative from New York to the Thirty-eighth Congress, serving on the committees on Manufactures and Invalid Pensions.

Mr. McCulloch having been appointed Secretary of the Treasury, there was a vacancy in the Comptroller's office, and Mr. Clark was appointed to the position by President Lincoln, March 21, 1864.

At the end of his term as Comptroller Mr. Clark returned to New York State, where he continued to take a prominent part in political affairs. In 1867 he was elected to the New York State Constitutional Convention, and in 1870 he was elected a Representative to the Forty-second Congress and served on the Committee on Appropriations. In 1872 he was re-elected to the Forty-third Congress and was a member of the committee on Foreign Affairs.

His death occurred at Rochester, N. Y., June 24, 1887.

HILAND R. HULBURD.

Appointed July 24, 1866.

HILAND R. HULBURD was born in 1828 or 1829, at Worthington, near Columbus, Ohio. His father was the Reverend Hiland Hulburd, a Presbyterian clergyman of note.

Mr. Hulburd graduated at an early age from the Western Reserve College at Hudson, Ohio. He married the youngest daughter of Moses B. Corwin, of Urbana, Ohio, the latter being for many years a member of Congress, and brother of Thomas Corwin.

Mr. Hulburd studied law in the office of Anthony Howard Dunlevy, of Lebanon, Ohio, and was admitted to the bar. In 1855 he was appointed Registrar of the Bank Department of the State of Ohio. In 1865 he became Deputy Comptroller under Hugh McCulloch, and in 1866 was appointed Comptroller to succeed Freeman Clark, and continued in office until 1872. From 1872 until the date of his death he spent most of his time in New York city. During the last years of his life he was connected with the oil interests of Pennsylvania, having his office at 35 and 37 Broad street.

He lost his life in a notable marine disaster—the burning of the steamer Seawanhaka on Long Island Sound, June 28, 1880.

JOHN JAY KNOX.

Appointed April 24, 1872.

JOHN JAY KNOX, by reason of the length of his service in the Bureau, and the conspicuous ability which marked his administration of the affairs of the office, will always occupy a most prominent place among the distinguished occupants of the office. He served as Comptroller or Deputy continuously for a period of seventeen years.

Mr. Knox was born at Knoxboro, New York, March 19, 1828. He graduated at Hamilton College with the class of 1849.

His first practical knowledge of banking was obtained in the Bank of Vernon, N. Y., of which his father was President for more than twenty years. He afterwards assisted in organizing banks at Syracuse and Binghamton, under the free banking law of New York, thus becoming familiar with the theory and practice of that excellent law which was destined to be so largely embodied in the National Bank Act of later years.

In 1857, associated with his brother, Henry M. Knox, who afterwards became Public Examiner of Minnesota, he established a private bank at St. Paul, which they conducted for six years.

Mr. Knox came into prominence by his contributions to the financial discussion preceding the establishment of the national banking system, his papers on this subject having attracted the favorable attention of Secretary Chase. He thus early defined the essentials of paper currency to be: first, safety; second, elasticity; third, convertibility, and fourth, uniformity.

Mr. Knox began his service in the financial department of the Government as a clerk under Treasurer Spinner, but was soon transferred to the office of Secretary Chase as a disbursing clerk. He held this position for three years, and then went to Norfolk, Va., to become Cashier of the Exchange National Bank, but the climate of the South did not agree with him and he returned to Washington and was placed in charge of the Mint and Coinage correspondence of the Treasury. In 1866 he was sent to San Francisco to make an examination of the branch Mint in that city and performed his work so well that his report was included in the Annual Report of the Secretary of the Treasury for that year, and was favorably adverted to by Secretary McCulloch. The same year (1866) Mr. Knox examined the Mint at New Orleans and discovered a defalcation of $1,100,000 in the office of the Assistant Treasurer of the United States. While at New Orleans Mr. Knox acted for some time as Assistant Treasurer. He was appointed Deputy Comptroller by Secretary McCulloch in 1867, and in 1872 was appointed Comptroller by President Grant, and was twice reappointed.

It has been alleged that the so-called secret demonetization of silver in 1873 was due to the work of Mr. Knox. But a careful investigation will show that there was no secret about it. In consequence of his relation to the Mint service Mr. Knox prepared a bill codifying the Mint and Coinage laws, and on April 25, 1870, Secretary Boutwell submitted the bill to Congress. The reports accompanying the bill (there were two of these reports, one containing more than one hundred pages), were printed by order of Congress. The first report gave the reason for the discontinuance of the coinage of the silver dollar. It was fully discussed, and the paragraphs in the report covering this point were printed with headlines in capital letters.

As Comptroller Mr. Knox displayed great ability. His contributions to the literature of finance, embodied in his reports, in his numerous papers published in RHODES' JOURNAL, and in his public addresses, form a most valuable compendium of banking in this country.

Mr. Knox resigned his office on May 1, 1884, to become President of the National Bank of the Republic, New York, continuing in that position until his death, which occurred at his home in New York, February 9, 1892.

Among the well-known works by Mr. Knox are his "History of Banking in the United States," printed in RHODES' JOURNAL OF BANKING, and soon to be published in book form, and his "United States Notes."

HENRY W. CANNON.

Appointed May 12, 1884.

HENRY W. CANNON, who was appointed Comptroller on the resignation of Mr. Knox, was born at Delhi, N. Y., in 1850. After being educated at the schools in the vicinity of his birth, he became a clerk, and later was a teller in the First National Bank, of Delhi. In 1870 he accepted a position with the Second National Bank, of St. Paul, Minn., and the following year removed to Stillwater, in the same State, where he organized the Lumbermen's National Bank, of which he was Cashier and managing officer for thirteen years. While connected with the bank he was also identified with many other important business enterprises, being Secretary of the Chamber of Commerce, and Secretary, Treasurer and General Manager of the Gas and Water companies, whose affairs were prosperous and well managed.

Mr. Cannon, while engaged in banking in Minnesota, purchased and exchanged large amounts of Government bonds for his bank and others of that State, during the refunding operations of the Government, and also negotiated the sale of large amounts of bonds for the city of St. Paul.

Early in his term as Comptroller a panic was experienced by the banks of New York and several other cities, the situation requiring great care and discreet administration of the affairs of the Comptroller's office. These requirements were met by Mr. Cannon in a manner that enhanced his reputation as a financier. During his term the charters of nine hundred and seventy-one National banks, having a capital of more than $270,000,000, expired, most of them being renewed. His conduct of the affairs of the Bureau, and his views on the currency, were in accord with the high standard of his immediate predecessor.

Though urged by the President and Secretary of the Treasury to continue in office, he resigned February 1, 1886, to accept the position of Vice-President of the National Bank of the Republic, of New York. After serving in this capacity for several years he secured a large interest in the Chase National Bank, of which he is President. The success of the bank under his management has been remarkable, the volume of business showing continued gains.

President Harrison appointed Mr. Cannon as one of the representatives of the United States at the last International Monetary Conference, held at Berlin, for the purpose of considering means for the promotion of an international agreement in regard to the enlarged use of silver as money. He has also served upon the U. S. Assay Commission on various occasions, and is the author of a number of valuable pamphlets on monetary subjects. Mr. Cannon has frequently addressed organizations of bankers and various commercial bodies upon financial topics. In the panic of 1893, and in subsequent financial flurries, he has done important work as a member of the New York Clearing-House Committee in aiding the banks to allay excitement and uphold credit. Mr. Cannon is at present chairman of the above commmittee.

WILLIAM L. TRENHOLM.

Appointed April 20, 1886.

William Lee Trenholm, the sixth Comptroller of the Currency, was born in Charleston, S. C., February 3, 1836, and is the son of Geo. A. Trenholm, Secretary of the Treasury of the Southern Confederacy.

He was educated at the South Carolina College, and at once engaged in mercantile pursuits, becoming a partner in the commercial house of John Fraser & Co., of Charleston. Later he entered the firm of Trenholm Bros. & Co., of New York, and Fraser, Trenholm & Co., Liverpool, England, residing in that country for two years during his connection with the latter firm.

When the Civil War broke out, Mr. Trenholm entered the Confederate army and served throughout the war in the South Carolina State troops.

At the close of the war Mr. Trenholm again engaged in business at Charleston. He was on two occasions elected to public office on issues involving local commercial interests.

Mr. Trenholm early took ground against the Government purchases of silver and in favor of improving and popularizing the national banking system. His views on these subjects were presented so clearly and so ably as to attract public attention.

In November, 1885, Mr. Trenholm was appointed a Civil Service Commissioner, filling that office satisfactorily until his appointment as Comptroller of the Currency. The period embraced in his term of office was one of moderate prosperity to the banks and the country. One of the points that engaged the attention of the Comptroller at this time was the rapid payment of the public debt and the consequent decrease of security for National bank circulation. On August 12, 1886, the Comptroller held as security for circulation of National banks $103,351,650 of three per cent bonds, out of a total of $127,470,200 of such bonds outstanding. All these bonds were called for redemption before July 1, 1887, at an average rate of between nine and ten million dollars a month. The withdrawal of these bonds as a basis of circulation and the substitution of others bearing a higher rate of interest was a proceeding which required great tact, and Mr. Trenholm's administration of the office at this trying time did much to maintain the financial equilibrium.

Since his retirement from office Mr. Trenholm has been President of the American Surety Company, in New York, one of the leading surety companies of the country, having total capital and resources aggregating over $5,000,000.

EDWARD S. LACEY.

Appointed May 1, 1889.

EDWARD S. LACEY was born in Chili, Monroe county, N. Y., November 26, 1835. His grandfather, Samuel Lacey, was orderly sergeant and major of a regiment of Vermont infantry in the War of 1812. His father, Edward D. Lacey, filled several offices of trust and honor, and emigrated with his family to Michigan in 1842, and located at Charlotte, Eaton county.

Edward S. Lacey received a good common school education, which was supplemented by a course at Olivet College. When eighteen years of age he began his business career as salesman in a general store at Kalamazoo, Mich., where he remained for four years. Returning to his home he was elected register of deeds, a position he filled for two terms, when he formed a copartnership in the banking business with Hon. Joseph Musgrave. The private bank thus established was in 1871 succeeded by the First National Bank of Charlotte, of which Mr. Lacey was director and Cashier, and subsequently President.

He has been interested in many business operations, and has been uniformly successful. He took a prominent part in the construction of the Grand River Valley Railroad, of which he was a director and for many years treasurer.

Mr. Lacey was the first Mayor of Charlotte, and contributed largely to its systems of permanent improvements. He entered political life as a Republican, in 1860, and has occupied many positions of trust in his county and State. He was a delegate to the National Republican Convention in 1876, and elected in 1880 and 1882 to the Forty-seventh and Forty-eighth Congresses, from the Third Congress District of Michigan, and during the campaign of 1882 served acceptably as Chairman of the Republican State Committee of Michigan. He was an active and efficient member of the Committee on Coinage, Weights and Measures, and Postoffices and Post Roads while in Congress, and of the Assay Commission in 1884.

In the Forty-eighth Congress Mr. Lacey delivered a speech on the silver question which gave him conspicuous recognition among students of monetary questions at home and abroad. He declined to become a candidate for a third term, and decided to retire to private life. He was urged, however, for the United States Senate by his friends, and although their efforts in his behalf were unsuccessful he made a credible show of strength.

In 1889 he was appointed Comptroller of the Currency by President Harrison without any solicitation on his own part. His long experience as a banker eminently qualified him for this position, and the duties of the office were administered with great efficiency and ability. The policy he pursued toward the National banks was both vigorous and conservative, tending to the protection of shareholders and the public alike. He resigned in 1892 to accept the presidency of the Bankers National Bank, of Chicago, one of the most successful of the newer banks of that city.

Mr. Lacey has led a very busy life, and whether in the conduct of his own private business, in the service of his State, or the halls of Congress, he has been a close student of questions affecting the silver problem, the currency, and banking institutions of the country. His life work has been in the financial world, and the benefits that have resulted therefrom have been national in character and of manifest service to the country. Mr. Lacey was married in 1861 to Annetta C., daughter of Hon. Joseph Musgrave, of Charlotte, Mich.

ALONZO B. HEPBURN.

Appointed July 27, 1892.

ALONZO BARTON HEPBURN was born at Colton, N. Y., July 24, 1846. He entered Middlebury College in the class of 1871.

His first public office was that of School Commissioner in St. Lawrence county, which position he held for three and one-half years, resigning to take his seat in the New York Assembly, January 1, 1875. He was re-elected to the Assembly for five successive years, during which period he served on the Commitees on Railroads, Insurance, Judiciary, Ways and Means, and other important committees. His attention was devoted to business and financial interests rather than to politics.

He was the author of many important and salutary laws relating to insurance, railways, etc. As Chairman of the Insurance Committee he introduced, among other important measures, and secured the passage of a law making life insurance policies non-forfeitable after the payment of three annual premiums, and requiring the companies upon application to issue paid-up insurance to an amount which the surrender value of the policy would purchase at regular rates.

In 1883 Mr. Hepburn was appointed Receiver of the Continental Life Insurance Co., and closed up its affairs.

He was Chairman of the Railroad Investigating Commission, created at the instance of the Chamber of Commerce of the State of New York, took over six thousand pages of testimony, and reported to the Legislature several important measures which became laws—among them the Act creating the present Railroad Commission, an Act regulating the use of proxies, and an Act defining and regulating annual reports, compelling a continuous balance-sheet. Prior to this Act the railroad reports had been a source of confusion rather than of information to an investigator.

He was appointed Superintendent of the Banking Department of the State of New York in April, 1880, and held the office for more than three years. His administration of the affairs of this important office was conspicuously successful, as evidenced by the large increase of resources, reserve and surplus of the banks and trust companies during his term. There were no bank failures in the State of any importance during his incumbency.

In June, 1889, Mr. Hepburn was appointed National Bank Examiner for the cities of New York and Brooklyn, and made a most creditable record in this capacity.

President Harrison appointed Mr. Hepburn Comptroller of the Currency on July 27, 1892, the selection meeting with approval by the banking interests of the country, as his fitness for the place was generally recognized.

As Comptroller of the Currency Mr. Hepburn's course was characterized by that same judicious and conservative spirit that had previously marked his official career.

In his Annual Report for 1892 Mr. Hepburn recommended the funding of the public debt into bonds bearing a lower rate of interest, and having twenty, thirty and forty years to run, the bonds to be used as a basis for National bank circulation. He also took strong ground in favor of maintaining a sound national currency.

With the incoming of a new Administration Mr. Hepburn resigned his office to accept the presidency of the Third National Bank of New York. His management of that institution has greatly added to its prosperity. The increase in the bank's business under his careful direction is a strong proof of his capability as a managing officer. Mr. Hepburn is a banker of the best type, and is thoroughly well informed, both by study and experience, in regard to all the details of the business.

Mr. Hepburn furnished many valuable suggestions in forming what is known as the "Baltimore Currency Plan," proposed by the American Bankers' Association. He is in sympathy with all wise and well-directed efforts for promoting currency reform, and represented the Chamber of Commerce of the State of New York at the recent monetary convention at Indianapolis.

JAMES H. ECKELS.

Appointed April 3, 1893.

JAMES H. ECKELS was born at Princeton, Illinois, November 22, 1858. He attended the public schools of that city and graduated at the High School in 1876. In 1879 and 1880 he attended and graduated from the Albany, N. Y., Law School. In 1881 he commenced the practice of law at Ottawa, Illinois, and continued the same until April 3, 1893, when he was appointed Comptroller of the Currency by President Cleveland, to succeed Hon. A. B. Hepburn, resigned. He entered upon the duties of his office April 28.

Mr. Eckels was without any banking experience whatever, and his appointment was criticized on that ground at the time it was made.

Within little more than thirty days of his appointment the country was plunged into a violent financial panic, due to the fear that the Government would be forced to suspend gold payments. Failures of National, State and private banks followed in quick succession, rendering the year 1893 one of the most memorable in the history of bank failures in this country.

During this trying ordeal Mr. Eckels discharged the duties of his office with admirable skill, completely disarming the opposition invoked by the appointment.

His Annual Report for 1893 showed that 158 National banks, with a capital stock of $30,300,000, had suspended during the year. In the preparation of his Annual Reports Mr. Eckels has followed the best precedents of the Bureau, and has contributed a large amount of well-arranged information, statistical and otherwise, in relation to the banks of the country. Special investigations in regard to the proportion of checks and currency used in business transactions, and also as to the kinds of money on deposit in the banks, have formed interesting features of his reports.

Considering the very trying conditions prevailing at the beginning of his term, it must be said that Mr. Eckels has made a good officer, and aside from that fact he will bear comparison with any of his predecessors for the care and thoroughness of his reports and the soundness of his recommendations touching amendments to the currency and banking laws.

Mr. Eckels also performed a most valuable public service in the last presidential campaign, and for his work done at that time he deserves to share with Secretary Carlisle the honor of holding a large part of his party in line for sound money, thus preventing a free silver victory. His speeches on the currency issue were marked by great familiarity with the issues involved, and they undoubtedly had an important and beneficial effect in deciding the contest between the gold and silver standard.

Mr. Eckels is generally popular with the bankers of the country, and very many of them would be pleased to have him continue in office under the new Administration, if he so desires.

SHERMAN ON GREENBACKS.—In a letter addressed to Albert H. Walker, of Hartford, Conn., under date of Dec. 3, Senator Sherman thus expresses himself in regard to the proposed retirement of the legal-tender notes :

> MY DEAR SIR :—Your kind note of the 28th ult. is received. I do not sympathize with the movement proposed to retire United States notes from circulation. I believe it is easy to maintain a limited amount of these in circulation, without danger or difficulty. The maintenance in circulation of $346,000,000 United States notes, supported by a reserve of $100,000,000 gold, not only saves the interest on $246,000,000 of debt, but is a vast convenience to the people at large. The best form of paper money is that which is backed by the Government, and maintained at the specie standard. The absolute security of these notes was never called in question, after the resumption of specie payments in 1879, until the reserve was being trenched upon, to meet deficiences in current revenue, brought about by what is known as the Wilson Tariff law of 1894. Very truly yours,
>
> JOHN SHERMAN.

There can be no doubt as to Senator Sherman's ability to pronounce sound opinions in regard to the currency, but those who do not agree with him politically charge that he sometimes modifies his real opinions for the sake of political expediency. The position taken in the above letter would seem to afford some ground for this view.

BANK NOTE ENGRAVING.

The earlier specimens of bank-note engraving, as compared with the elaborate and artistic productions of the present day, were crude and rude indeed. Between the Continental notes of the Revolutionary period and the Government issues of to-day, and even between the bank notes of fifty years ago and the present National bank bills, there is almost as great a contrast as there is between "block-books" of the fifteenth century and the fine typographical products of the nineteenth century. In bank-note engraving America assumed the initiative and has steadily kept in advance of other countries. It is within the last two decades that the Bank of England discarded its simple, inartistic and easily counterfeited notes and adopted our advanced ideas. The Bank of France and those of other European countries have been equally slow in this line of progress.

Jacob Perkins, the inventor of engraving on steel, is also the father of bank-note engraving in this country. His discovery of the transferring process made it possible to produce, at reasonable cost, steel bank-note plates, with vignettes and decorations capable of almost infinite combinations, thus giving the banks throughout the country issues which by their beauty appealed to the eye and the taste and necessitated that counterfeiters should be first class engravers. Not but that counterfeiting has been frequent, for what one engraver has done another can do; but the constant progress in the art, and the introduction of intricate and expensive machinery for some portions of the work, have lessened the number and the danger of counterfeits year by year, while the art itself has now reached a point of perfection beyond which further progress seems impossible.

The invention of the transfer process, the introduction of the lathe work, the employment of superior designers and engravers, and the great demand for plates in every section, all competing with each other in issuing the handsomest bills, very soon made bank-note engraving a most important industry in this country. For awhile a half dozen or more concerns engaged in the business of supplying the bank notes and later was formed by the combination of these the American Bank Note Company, which has long held a monopoly of the business, as well as of the similar elaborate engraving of plates for checks, drafts, certificates of stock, bonds, etc. It also controls much of the other finer sort of engraving required by business men, corporations, and mining and manufacturing companies.

The processes of bank-note engraving are interesting. All the pictures, such as portraits, views, copies of celebrated paintings, or vignettes of whatever character, are engraved by first-class artists in line engravings upon small pieces of plate, which are softened and annealed. When the engraving is finished, and the proof satisfactory, the plate is hardened, and is then transferred to another plate, or more frequently to a steel cylinder, which, when hardened in turn, presents a raised impression, which will in a few minutes cut by pressure or by rolling under heavy pressure, a duplicate of the original plate on the plate finally to be used in printing. This is an important part, but by no means the whole of the work. Other portions of the plate for the note have been cut by machinery, and transferred to the plate; the "counters" on which the figures of the denomination of the note are printed have been put in by lathe-work patterns, and indeed the greater part of the plate itself, is now done by machinery, leaving, if anything, only the large figures indicating the denomination to be cut in by the engraver. The plate, thus completed by various transfers, is now hardened, and is ready for the printer. With numerous skilled workmen at work upon the different parts of a plate its production is now the work of but a few hours where the engraving of a vignette occupied days. The plates for printing, as made by the transfers, are thin plates of steel, with sometimes two, three, or four notes on a plate, and sometimes a single note. Notes of large denominations, one hundred dollars and upward, requiring fewer impressions than the lesser notes, are sometimes engraved on copper.

In printing from the plates, the same care is necessary as in the best plate printing, and special presses are used which will register every impression taken, so that not a single sheet can be abstracted by dishonest persons during the process. After printing, the sheets are dried, and are subsequently pressed under hydraulic pressure. The numbering of the notes with red or other colored figures is done by a curious machine, which itself appears to have some knowledge of figures and which counts accurately.

The present system of the United States Treasury and National bank notes has done away with the vast variety of designs formerly used by State banks. Whatever the face of the National bank note may display, as to State, city or name of bank, etc., the backs of all these bills, according to denomination, display the same designs, which, for different denominations, is a copy of one of the historical pictures in the rotunda of the Capitol at Washington.

STORIES ABOUT BANKERS.—In the Detroit, Mich., "Evening News," C. F. M. tells the following entertaining stories about bankers:

A receiving teller in a certain Detroit bank was balancing his cash at the close of the day's business, and set a pile of currency rather close to the wicket. The Cashier came along and thinking to impress the young man with the importance of being careful to guard against sneak thieving, he quietly slipped off the top package of $250, unnoticed by the teller, and took it to his own desk, where he put it in a pigeon hole, intending when the young man announced that he was short $250 in his cash to refund the money and preach a sermon on thoughtlessness. But unfortunately for the receiving teller, the Cashier's wife came in her carriage and invited the Cashier to have a drive before dinner. The Cashier took the drive and went home. The sermon was preached the following morning, after the young man had worked all night trying to find the shortage in his cash.

In the days of John P. Hogarth, National bank examiner, he was examining a bank in Detroit when he ran across an account that had been continuously overdrawn for three months. The Cashier was out of town and the President was temporarily holding down his chair, but like some other bank presidents he knew very little about the banking business.

"I see that Smith & Co.'s account is overdrawn," remarked Mr. Hogarth. "Now, that is wrong and should be stopped. You ought to have them make it good in some way."

"Certainly," replied the bank President, "I will attend to it the first thing in the morning."

Next day he sent for the head of the firm and said:

"Mr. Smith, your account is overdrawn several hundred dollars, and the bank examiner says it has got to be made good."

"Well, I don't know what to do," said Smith.

"It must be fixed up in some way," said the bank President. "Let me see—suppose you give us your check for the amount?"

This was agreeable to Smith, who left his check. Soon afterwards the bank examiner came in.

"Well," he said, "how about that overdraft?"

"Oh, that's all right," said the bank President. "Smith was in to-day and gave me his check for it."

The bank examiner discovered that Smith had gone to the window and deposited his own check. This made a corresponding debit and credit, and left the overdraft exactly where it was before!

Reynolds

GEORGE M. REYNOLDS.

GEORGE M. REYNOLDS, President of the Des Moines National Bank, of Des Moines, Iowa, whose portrait appears in this issue of the BANKERS' MAGAZINE, has received most flattering mention as a candidate for appointment by President-elect McKinley as Comptroller of the Currency.

That none but a trained banker, of sound and tried abilities, should be placed in this responsible position is so obvious a proposition as to require no elaborate argument to sustain it. Nor is the force of this statement at all lessened by the wise administration of the present occupant of the office, who was selected by the President despite his lack of practical knowledge of banking affairs. Though the experiment of choosing one not a banker as the head officer of the national banking system, with its vast responsibilities, proved a fortunate venture in this particular instance, the experiment is too hazardous to bear repetition. So intimately is the national banking system interwoven with the business interests of the country that an injudicious appointment in this department of the administrative affairs of the Government might easily work incalculable mischief in a very brief time.

The chief supervising officer of the National banks should be a banker, and not only that, but one whose financial ideas are matters of public record, and whose sagacity and executive ability have stood the test of practical experience.

Iowa is a typical American commonwealth, free from the taint of strange political delusions. Its people are, as a rule, prosperous and contented, and the almost unequalled fertility of its soil and the energy and industry of the people have furnished a solid basis for the legitimate growth of banking and other business enterprises.

Mr. Reynolds has therefore been fortunate in his environments, which have supplemented the stability of his character and his natural and acquired endowments in developing those business qualities so generally recognized and admired by those who know him best.

To the people of Iowa and the West Mr. Reynolds needs no introduction, for he is known by leading representatives of the banking men of the country. For several years he has been a regular attendant at the conventions of the American Bankers' Association, and at the last convention held in St. Louis was elected a member of its executive council.

Mr. Reynolds is a native Iowan and began his banking experience in 1879 at the age of seventeen as a clerk in the Guthrie County Bank, now the Guthrie County National Bank, of Panora, Iowa, of which his father was one of the organizers and in which he was largely interested. Mr. Reynolds, on account of his ability, was soon granted privileges seldom enjoyed by young men entering a bank, for at the end of the first year he was allowed to pass upon loans and assume other responsibilities which gave him valuable experience.

He remained with this bank for seven years, when in 1886, in order that he might have a wider field for the exercise of his abilities, he removed to Hastings, Nebraska, and with others organized a loan and trust company. He remained in Nebraska only two years, for he and his father having purchased the stock of those active in the management of the Guthrie County National Bank, Mr. Reynolds returned to Panora to assume the duties of Cashier of the bank in which he began his career. He occupied this position for five years and won for himself a reputation for ability and conservatism as a banker. His skill in the conduct of the affairs of this institution soon attracted the attention of bankers of larger cities, and he received many offers of more responsible positions.

In 1893 he accepted the cashiership of the Des Moines National Bank, of Des Moines, Iowa. He showed such skill in handling its affairs during the trying times of 1893 and the following year of depression in business that he was elected to the presidency of the bank in 1895. Mr. Reynolds has, by his wise management of this bank, not only made an enviable reputation as a careful, conservative and progressive banker, but has made the Des Moines National Bank one of the largest National banks in the State.

Mr. Reynolds is affable and courteous, keen in discernment, quick in decision and firm in the discharge of any duty. His candidacy for the comptrollership is urged not only by the press of the political, banking and business interests of Iowa, but he has the support of the Iowa delegation in Washington and many prominent public men in different sections of the country, and is endorsed by many of the influential bankers of the large cities, both East and West. It is generally believed that he has an excellent chance of receiving the appointment. As a student of financial and business problems, he has a thorough knowledge of the conditions prevailing in the different sections of the country, as well as the causes leading to them. If he should be appointed Comptroller, he would administer the affairs of the office in a manner acceptable to the Administration and satisfactory to the bankers and the people of the country.

A Liberal Banking System.—William L. Royall, of Richmond, Va., has written a letter to Chairman Walker of the House Committee on Banking and Currency, stating that what the South, North and West want is a liberal banking system rather than any particular system. Mr. Royall thinks that if amendments can be made to the National bank law abandoning the "requirement of Government bonds as a basis for circulation, and allowing the banks to issue notes upon their own assets up to the limit of their capital, but still subjecting them to the control of the national Government, we should never hear again about the financial question, but on the contrary, peace and content, so far as finances are concerned, would obtain in those regions."

Mr. Royall believes the entire Southern vote would be given to a bill allowing the Treasury to issue low-rate Government bonds to take up legal-tender and Treasury notes, providing such a bill would repeal the 10 per cent. tax on State bank notes.

In regard to this Chairman Walker said: "There is no difficulty in complying with the suggestions made by Mr. Royall, and at the same time strengthening rather than weakening the national system, providing the banks will assume *pro rata* the current redemption of the legal-tender notes in proportion to the notes the banks are allowed to issue against their assets. If any general bill is reported by the Banking and Currency Committee it will probably follow these lines.

The effect of abolishing the 10 per cent. tax on State banks, with the existence of the legal-tender notes, the Treasury notes, and the silver dollars, it would give us financial chaos. If they were not in existence it would give us a far better banking system than we have to-day.

With a very small tax, say two mills on the dollar, to create a safety fund, it would be in every respect as safe as the present system. There are in fact no currency notes issued by banks anywhere in the civilized world, that I can recall, that are not so issued, except in the United States."

THE DENATIONALIZED BANKING SYSTEM.

The madness and folly shown in popular remedies for the cure of financial ills are now a great wonder and form the subject of much ingenious speculation. When the time comes for history to pass its judgment upon this period of our national existence, it is a question whether the greater marvel will not be the madness and folly shown in persistent neglect of the just grievances of the people.

That the attachment of the South to the free silver movement is more a bychance than a genuine affection is demonstrated by the circumstances attending the renomination of President Cleveland. He was a known opponent of free silver and during his first term recommended the repeal of the Bland-Allison silver coinage Act. The professional politicians in great number were opposed to his renomination and brought to bear against it every available influence. At this juncture he publicly reiterated his antagonism to free coinage, but in spite of this popular support of his candidacy was so strong as to beat down the politicians and carry the convention.

What then turned popular sentiment in the South so strongly in favor of free silver that all the influence of the Administration and all the appeals of the northern wing of the Democratic party could not withstand it? The fact that every other resource seemed to have been exhausted and the only practical hope of decisive action on the currency question was that held out by the silver movement.

When the election of 1892 placed the Democratic party in control of every branch of the Government, the hope of the Southern people was high that something would be done to alleviate the conditions under which they labored and open to them the opportunities which the people of other sections enjoyed. Without understanding the case clearly, but with a distinct consciousness of unjust treatment, they put their trust in leadership without much consideration of details, as the people always do when they have the opportunity. The result was bitterly disappointing. Tariff reform degenerated into a mere scandal which excited only anger and disgust. Nothing was done to carry into effect the platform recommendation of the repeal of the prohibitory ten per cent. tax on State bank issues. So far as the currency question was concerned the efforts of the Administration had purely negative results. The silver purchase law was repealed and with it the increase of the volume of Treasury notes, but no alternative source of currency supply was opened. The only positive policy that touched the real grievance of the Southern people and which seemed to have practicability as a political movement, was that offered by the free silver propaganda. Is it any wonder then that the mass of the Southern people were willing to try it?

That they have a grievance in the oppressive regulations of the National banking law has long been admitted. That system was not founded on banking principles but with the special purpose of making a market for Government bonds. It based issues of National bank notes on a single kind of asset and taxed every other species of bank circulation out of existence. The issues were so conditioned as to take away from bank-note circulation all capacity of response to the varying requirements of trade, so that the baneful results which attend both plethora and famine are alternately produced. While the latter attracts most attention it may be doubted whether the former is not often the worse in its effects. The principles of management shown in the organization and conduct of some of the industrial trusts now so common, indicate a deep corruption of business enterprise, and there seems to be an intimate connection between such manifestations and the frequent accumulation in financial centers of piles of bank funds in excess of all legitimate business needs.

The necessity for the hard conditions imposed by the national banking law has long since passed away, but nothing has been done to relax them. On the contrary the efforts of the Government, sustained by heavy taxation, were for many years exerted to diminish as much as possible the quantity of the one asset available for note emissions.

Between 1881 and 1891 the bonded debt of the United States was reduced from $1,689,567,750 to $610,529,120. In 1873, when there were 1,940 National banks, with a capital amounting to $487,781,551, their note circulation was $344,582,812; in 1891, when the number of banks had increased to 3,573, with a capital of $665,-267,865, bank-note circulation had declined to $125,660,361. The process not only makes the asset scarce but at the same time makes it so costly that it does not pay to issue notes unless a high rate of interest can be exacted from borrowers.

While the law tends to extinguish the capacity of the banks to furnish supplies of currency, it at the same time contains provisions which restrict the usefulness of the banks. It is universally admitted that the South and Southwest contain large resources the development of which would naturally invite the extention of banking operations in that direction. Doubtless such would be the case but for a very peculiar provision of the law.

The national banking system is national only in name, while in fact it is rigidly confined to local fields of operation. All the usual business of a bank must be transacted at the place named in its charter. The courts have decided that under the law a bank can not even arrange to have checks upon it cashed anywhere else. No matter how bank funds may congest in cities or in particular sections, there is no way by which the banks of those sections can extend their transactions to regions where there is a greater demand for banking facilities. A transfer of funds from place to place goes on but it is by means of loans effected by banks whose local fields make such an active demand as to furnish two banking profits for the sake of obtaining the supply. The effect, according to Chairman Walker of the House Currency Committee, is to make the cost of loans and discounts in the South and West fully two per cent. above the normal rate.

The unfairness of these unnatural conditions imposed by law is an old story. In the 1874 edition of the American Encyclopedia it is remarked that "the distribution of national banking capital throughout the country is very unequal and based on no sound or equitable principles."

Many years have elapsed since then and the duty of the people to submit to this state of affairs is still more enlarged upon than the duty of the Government to reform it.

According to the report of the Comptroller of the Currency for 1895 there are 2,901 National banks with a capital of $536,725,832 in the North and Northwest and only 814 with a capital stock of $126,848,950 in the South and Southwest. The disparity is, however, much greater than would appear from these figures, for in the latter sections capital is massed in a few great cities and over the greater part of the vast area banks are few and small. There are only ten National banks in all Mississippi and only nine in Arkansas. In 1860 Louisiana was the fourth State in the Union in point of banking capital and the second in point of specie holdings, under a State banking law regarded by experts as a model of scientific legislation. And now with a population of 1,190,000 the capital stock of its National banks amounts to $3,660,000, little more than half the bank capital of Vermont with a population of 333,000!

Taking together every item of bank capability—the capital, surplus, and deposits of National banks, State banks, stock Savings banks, loan and trust companies and private banks—and we have such contrasts as these, in the ratio of bank funds to population: New Hampshire, $226.53; North Carolina, $9.56; Vermont, $153.44; Alabama, $7.40; Maine, $136.83; Arkansas, $6.90. The aggregate bank fund of all kinds for the thirteen Southern States amounts to $414,024,881. Pennsylvania alone has $661,176,881 and Massachusetts has $887,449,028.

But even that does not tell the story. Unless a community is large enough to support a bank of its own it is excluded by law from having any banking facilities. And so. over a large area of the South and Southwest, almost primitive conditions of barter prevail. Payments are made in kind, for there is no money. Instead of going to a bank for funds the farmer gets credit for goods at the country store or gets supplies from the commission merchant who handles his crops, submitting to charges at every step which cut a big hole in his profits at the best of times and in bad times leave him in debt. Unless the transactions of a community are carried on by money payments it cannot save or develop the interests which induce caution and conservatism in dealing with questions of financial policy. The report of the Comptroller of the Currency shows Savings bank deposits for New England amounting to $771,859,616; for the Middle States, $797,897,074; for the Southern States $9,618,848. The contrast explains the difference between the sections in their attitude toward the free silver movement.

Such is the so-called national banking system. Could there be a more effective arrangement to foster agrarian discontent and to incite popular movements menacing the stability of our institutions? HENRY J. FORD.

SEWICKLEY, Pa., Jan. 2, 1897.

LOANS OF THE UNITED STATES.—The first loan made by the United States was made payable in tobacco. The loan was authorized by a resolution of the Continental Congress on December 23, 1777. The length of the loan was indefinite, and the amount authorized was $10,000,000. The amount issued was $181,500, which sold at par, with interest at 5 per cent. This was received on June 4, 1777, from the Farmers General of France. The purpose to which the loan was applied was the "purchase of supplies and to aid in the building of cruisers to prosecute the War of the Revolution." The interest on $153,682.89, the balance of this loan, ceased on December 31, 1795, when it was merged into the general account of the French debt. In those days tobacco passed as currency between the colonies. In 1789 Secretary Hamilton found the Treasury without funds. On his own responsibility he negotiated a loan for $191,608.81. It sold at par with 6 per cent. interest. The first issue of this loan was on September 13, 1789, and June 8, 1790, was named as the date of final redemption, and the duties on imports and tonnage were set aside to meet it. The money was obtained from the Bank of New York and the Bank of North America. A third loan followed under the Act of Congress of March 26, 1796. It was negotiated by President Washington, and the amount issued was $55,000. The contract for the loan provided for its repayment on terms similar to those of the preceding loan, the revenues derived from duties on imports and tonnage being pledged for its redemption. There was in the Treasury at the time a sum not exceeding $50,000. Other loans followed in quick succession, and their history, as recited in Register of the Treasury Tillman's report, contains invaluable information for students of Government finances.

A most interesting and complete historical review of all the loans of the United States was begun in RHODES' JOURNAL for October, 1893, and will be continued in the BANKERS' MAGAZINE during the year 1897.

*THE BANK OF ENGLAND'S DISCOUNT RATE.

(Continued from December number, page 657.)

Effect of Changes in Rate.

Having briefly considered the cause of changes in the rate of discount, we will now study some of the effects. Of these the most important would be in relation to the commerce of this country, because, as we have seen, the greater part of our trade is carried on by means of borrowed capital.

Every change in the price of money must of necessity react upon the value of commodities. Merchants purchase goods on the presumption of being able to borrow capital at all times. If borrowing becomes difficult or disorganized, the whole trade of the country suffers. Of course, profits made on the purchase or sale of goods are considerably affected by the fluctuations in the rate. If a merchant has to pay a higher rate for the loan of capital than he has estimated in a contract, his profit might be reduced to nothing.

Trade would become restricted if they were abnormally high, because merchants would find it difficult to obtain a correspondingly higher value for their commodities.

If, however, we get low rates of interest, production would be stimulated, and, as a consequence, trade would be active, but a high rate of interest does not materially affect commerce, although great fluctuations may be detrimental.

A high rate would stop speculation, and this at times is beneficial to the country. It would be the means of preventing a certain amount of circulating capital being converted into fixed, that is, expended in the construction of railways, mines, docks, and other similar undertakings. In such cases capital would not be reproduced for a long term of years.

We find reference made in financial journals as to the price of capital in relation to trade. They inform us that at times the rate of discount should be reduced in order to afford relief to the mercantile community. This demonstrates how closely the trade of this country is associated with the value of money.

Mr. Bagehot has stated that "Lombard street is by far the greatest combination of economical power and economical delicacy that the world has ever seen." It is the centre or the money market of the whole world. All demands for capital are supplied from this centre.

If a foreign Government wishes to borrow capital, the rate of interest prevailing in Lombard street would first be ascertained. If the rate was high, the Government would wait for a more favorable opportunity. Every nation wishes to borrow cheaply, and therefore avoids a market where money is dear.

The English market has been invariably a cheap one for borrowers, and therefore foreign States have found it advantageous to borrow here, rather than in Paris, Berlin, or New York.

This is seen from the average rates since 1845:

1845-54	£3	8	8	1875-84	£3	3	8
1855-64	4	14	8	1885-94	3	3	2
1865-74	3	16	5				

* From "Banks and Banking," by H. T. Easton. London: Effingham Wilson.

The rate of interest allowed by the banks for money on deposit is determined by the bank rate. The London banks generally allow 1½ per cent. below bank rate unless the rate is very low, when there is only a difference of 1 per cent. We have explained elsewhere the reason of this difference. The London banks and discount houses announce in the daily papers their deposit rates the day after the bank rate is fixed.

If a high rate of interest is allowed, we should expect to see the deposits in banks increase, but if low the deposits would tend to decrease, because the depositors would naturally find other investments for their capital. It may, however, happen in consequence of the difficulty of finding employment for capital, and also in consequence of a want of confidence, the deposits in banks may increase, although the rate allowed is only ½ per cent.

The value of money in the London market soon affects the rates prevailing in other great commercial centres, such as Paris, Berlin, Vienna, Amsterdam, and New York. The changes in the bank rate are soon reflected in the foreign exchanges. Thus, with a high rate prevailing in the London market, we should observe that the exchanges would gradually tend in favor of this country. This is in consequence of capital being sent here for investment.

We might say that London is the great clearing-house of the world. More bills of exchange are drawn upon London than any other commercial centre, and such bills are a favorite investment on the Continent. The holders of such bills profit by the variation in the rates of exchange.

Mr. Goschen refers to this subject in his book on the foreign exchanges, thus: "We now come to the fact which it is very important clearly to appreciate, that at any moment there is in the hands of bankers and exchange dealers a large amount of bills on foreign countries, held partly for the purpose of speculating on a rise or fall in the price of bills, but to a very large extent solely for the sake of the interest which is to be made on them. Bills on England, owing to the high rate of interest which they often bear as compared with continental rates, are a favorite investment abroad. In Paris, Berlin, Frankfort, Hamburg, and other continental cities, the bills on England held by bankers and joint-stock companies often amount to many millions sterling, and a very large sum remains in their hands for several months, in fact from the time when the bills are drawn to the time when they fall due."

The changes in the rate of discount have a considerable effect on the Stock Exchange, where vast amounts of capital are lent fortnightly, and consequently such changes soon affect the value of securities. If rates are low, speculation increases and more purchases are effected. Various stocks are bought because the rates of interest on such stocks are higher than the rate which the borrowers pay to the banks.

Supposing £10,000 Colonial Stock is purchased and the stock bears 4 per cent. interest, and 2½ per cent. is paid for the loan of capital advanced on it, then the purchaser gets 1½ per cent. by the transaction if he is able to borrow from one settlement to another.

Again, a low rate encourages speculation, because, the brokers being able to borrow cheaply, there is a tendency for all securities to rise.

The rates charged for "carrying over" stock on the Exchange fluctuate with the bank rate of discount, and if such rates are high, speculation is checked and the price of securities falls. There is therefore a close connection between the rates for money and the price of securities.

We will briefly consider the effect upon some of the securities dealt in on the Stock Exchange. At the head of such securities would be British Government Funds, which are particularly sensitive to changes in the rate of interest. They form a floating security in the money market. The large financial houses are able to borrow capital from the banks against Consols, and, if the average rate of interest in the market is higher than the rate on Consols, there would be a tendency for the price to fall. The holders would prefer selling their stock and lending capital in the open market.

If, again, the banks offer a high rate of interest for deposits, the holders of Government Stock might prefer selling to get the higher rate. With a high market rate prevailing the banks would be inclined to sell Government Stock in order to lend the proceeds to bill brokers, and thus secure a more remunerative return for their capital.

Again, the price of Treasury and Exchequer Bills is largely affected by the market rates for money. These securities like Consols are utilized by discount houses as cover for advances made by banks to such institutions. We therefore find the price of these securities fluctuating with the market value for capital.

Mr. Giffen refers to this as follows: "There is a close connection between the short loan and the speculation in securities. The funds of the short loan market are employed partly in holding securities, and where these funds are diminished or increased from any cause, however temporary, there is an immediate effect on the price of some securities. But the great mass of securities will only be affected by more permanent changes in the rates obtainable for money in other markets."

In recent years the connection between the Stock Exchange and the banks has been of a more intimate character. It has been stated by the "Economist" that an additional £9,000,000 of capital was lent by the banks on the Stock Exchange for the year 1889.

Large amounts of stock are deposited with the banks by stockbrokers against money lent for the fortnightly account, a certain margin being provided to cover contingencies. When the settlement arrives, a fresh loan is made and the stock is carried over for another fortnightly period. It is easy to understand how the rates for money must affect the price of securities which have not been bought by the public, and therefore do not represent actual purchases or sales.

Credit is also an important force in connection with the Stock Exchange. If at any time a rumor gets abroad that the banks intend to refuse loans on certain securities, the price of such securities falls considerably. The withdrawal of loans by the banks from the Stock Exchange would have a most disastrous effect. It was stated quite recently that certain banks intended curtailing their loans on the Stock Exchange, and even that rumor almost created a panic.

Any increase in the value of money would tend to increase savings, and as a large portion of such savings would be invested on the Stock Exchange, prices would therefore rise. On the other hand, a low rate of interest would act as a check on savings, and this effect is reflected in the price of securities.

The value of money in the market does therefore exercise a great influence upon all interest-bearing securities.

A Look Ahead.—There are substantial reasons for hoping that the year 1897 will witness a revival in business in this country. Barring the continued deficit in the Government revenues, which will probably be remedied by the incoming Administration, and which is a cause of no immediate concern, the situation is most favorable. For the past year the net gold imports were more than $80,000,000, the Treasury gold reserve is near the $140,000,000 mark, and the volume of our exports is unusually large, an especially heavy increase in manufactured products being noted, the per cent. of this class of exports to the total now being the highest ever recorded. The foreign exchange situation has been so favorable that the year has been turned without gold exports, and large foreign borrowings on the security of sterling are reported.

Ainger,

GEN. D. B. AINGER.

COMMISSIONER OF THE MICHIGAN STATE BANKING DEPARTMENT.

Michigan is one of the Middle Western States having an efficient system of supervision of its State banking institutions. Failures of State banks are infrequent and indeed some of the chief commercial centres of the State have escaped such unwelcome visitations entirely at seasons when failures were common in other parts of the country. Careful supervision of the banks has contributed to this fortunate condition of affairs, but it is chiefly due to the general good management of the banks and to the stable business conditions that generally prevail throughout the State.

The total resources of the State banks of Michigan are nearly $100,000,000, and the office of supervising them is an important one. For several years past this work has been done very satisfactorily by Hon. T. C. Sherwood, who resigned recently to engage in active banking business. Upon his resignation Gov. Rich appointed Gen. D. B. Ainger, of Charlotte, as his successor. This appointment is one the fitness of which will, it is confidently expected, be made amply manifest in his discharge of the new duties devolving upon him. The MAGAZINE is pleased to be able to present a portrait of Commissioner Ainger in this issue.

Gen. Ainger has had a varied and interesting career. From his early manhood until the present time he has in several instances rendered honorable service to the United States Government. He has also served his own State with distinguished credit. He is a native of Ohio and was born at Bellevue, March 9, 1844.

He had not yet attained his majority when the War of the Rebellion began, and he enlisted as a private in the Twenty-third Ohio Infantry, a regiment in which he had as fellow soldiers Rutherford B. Hayes and William McKinley, both destined to serve in the future as Presidents of the United States.

After the war he became a newspaper publisher, and for twenty-five years published papers in Ohio and Michigan. Under President Hayes he held the position of Postmaster of Washington, D. C., and he retained that position under President Garfield. During the Administration of President Harrison, Gen. Ainger was appointed National Bank Examiner at large, by Comptroller Edward S. Lacey, in which capacity he had a wide and varied experience. He examined hundreds of banks in Ohio, Tennessee, Kansas, Oklahoma, Indian Territory, Maryland and Michigan, and the work was performed in a manner highly satisfactory to the department. It is claimed that his reports were particularly accurate and conscientious and that no bank which he examined failed afterwards without his reports having given warning of their unsafe condition. It was because of this experience and equipment that Governor Rich tendered him the appointment as Commissioner of Banking without solicitation on his part and the selection was highly commended in banking circles and by the press of the State. From 1887 to 1891 Gen. Ainger was Adjutant-General of the State of Michigan, having been appointed to that position by Gov. Luce. His long experience with business so exacting as the publication of newspapers, and in the discharge of public duties in the national and State offices which he has held, render him a well-equipped man for any public duty. For the past four years he has been Deputy Auditor-General of the State.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

NATIONAL BANKS—STATE STATUTE.

Supreme Court of the United States, November 30, 1896.

McCLELLAN *vs.* CHIPMAN. TRADERS' NAT. BANK *vs.* SAME.

A State statute forbidding conveyance of property in contemplation of insolvency is not in conflict with any of the provisions of the National Bank Act.

Mr. Justice WHITE delivered the opinion of the court.

Although these two cases were brought here by separate writs of error, they depend on the same facts, and involve the same legal question, and were passed upon by the court below in one opinion. (159 Mass. 368, 34 N. E. 379.) We shall therefore consider them together.

The Traders' National Bank, a corporation organized under the banking laws of the United States, carried on its business in the city of Boston. The firm of Dudley Hall & Co., composed of Dudley Hall and Dudley C. Hall, were likewise engaged in business in Boston, and were customers of the bank, having a deposit account therein. By an understanding between the bank and the firm, made to induce the latter to keep its deposit account with the former, the firm was to be considered as entitled to a line of discount on its paper to the extent of $20,000. On October 16, 1890, the partnership then being in the enjoyment of its full agreed-on discount, borrowed from the bank an additional sum of $12,500, which was evidenced by a note of Dudley C. Hall at one month, indorsed by the firm, and secured by the pledge of certain shares of the Ætna Mining Company and by two notes of that company, amounting to about $2,500. When this note matured, on November 16, 1890, a new demand note in an equal amount was given in renewal thereof, and was secured by the same collaterals. On December 17, 1890, payment of this note was demanded, and, the debtor being unable to meet it, a new note at two months was given, the sum thereof was passed to the credit of the firm, and the old note was debited, canceled, and surrendered. This new note was drawn, like the preceding one, by Hall, and indorsed by the firm, and was secured, not only by the same collaterals, but also by a conveyance of two pieces of land made by Dudley C. Hall to A. D. McClellan, a director of the bank, he giving to Hall a writing, in which it was declared that the conveyance was made for the sole purpose of securing the note held by the bank, and that on its payment the land would be retransferred. In March, 1891, the firm suspended payment, and the members thereof were adjuged to be insolvent under the insolvency laws of the State of Massachusetts, and made to their assignees an assignment of all their property, as required by the statutes of the State. In May the assignees brought a writ of entry against McClellan to recover the two pieces of land.

Sections 96 and 98 of chapter 157 of the Public Statutes of the State of Massachusetts, relied on by the assignees to sustain their action to recover the land, are as follows:

"Sec. 96. If a person, being insolvent or in contemplation of insolvency, within six months before the filing of the petition by or against him, with a view to give a preference to a creditor or person who has a claim against him, or is under any liability for him, procures any part of his property to be attached, sequestered or seized on execution, or makes any payment, pledge, assignment, transfer or conveyance of any part of his property, either directly or indirectly, absolutely or conditionally, the person receiving such payment, pledge, assignment, transfer or conveyance, or to be benefited thereby, having reasonable cause to believe such person is insolvent or in contemplation of insolvency, and that such payment, pledge, assignment or conveyance is made in fraud of the laws relating to insolvency, the same shall be void; and the assignees may recover the property or the value of it from the person so receiving it or so to be benefited.

Sec. 98. If a person, being insolvent or in contemplation of insolvency, within six months before the filing of the petition by or against him, makes a sale, assignment, transfer or other conveyance of any description of any part of his property to a person who then has reasonable cause to believe him to be insolvent or in contemplation of insolvency, and that such sale, assignment, transfer or other conveyance is made with a view to prevent the property from coming to his assignee in insolvency, or to prevent the same from being distributed under the laws relating to insolvency, or to defeat the object of, or in any way to impair, hinder, impede or delay the operation and effect of, or to evade any of said provisions, the sale, assignment, transfer or conveyance thereof shall be void, and the assignee may recover the property or the value thereof as assets of the insolvent. And if such sale, assignment, transfer or conveyance is not made in the usual and ordinary course of business of the debtor, that fact shall be *prima facie* evidence of such cause of belief."

The action was tried before a jury, and there was a verdict in favor of the surviving assignee, and exceptions were filed and allowed. While these exceptions were pending before the Supreme Judicial Court, the Traders' Bank filed its bill in equity against the surviving assignee of the estate of Dudley C. Hall and Dudley Hall and A. D. McClellan, setting up its right under the conveyance made to McClellan, the bringing of the writ of entry, and the fact that the bank had not been made party defendant therein. The bill charged that the complainant, as a National bank, was entitled to take the conveyance of the real estate to secure the debt of Hall, and that the provisions of the statutes of Massachusetts which were relied on by the assignees were in conflict with sections 5136, 5137, Rev. St. U. S. The bill prayed that the assignee and McClellan be permanently enjoined from proceeding under the writ of entry and the exceptions filed therein; that McClellan be ordered to apply the proceeds of the property to the payment of the note and loan secured thereby. After due pleading, the issues tendered were reported by the presiding justice for the consideration of the full court upon certain questions of law reserved, and the full court affirmed the verdict of the jury and judgment thereon in the writ of entry case, and dismissed the bill in equity.

So far as concerned the Federal question, the court held that there was no conflict between sections 5136 and 5137 of the Revised Statutes of the United States and sections 96 and 98 of chapter 157 of the Public Statutes of Massachusetts. Both cases were brought here by writ of error.

The only Federal question for our consideration is whether there was conflict between the statutes of the United States and the provisions of the general law of the State of Massachusetts referred to, and heretofore fully set out. Two propositions have been long since settled by the decisions of this court:

First. National banks "are subject to the laws of the State, and are governed in their daily course of business far more by the laws of the State than of the Nation. All their contracts are governed and construed by State laws. Their acquisition and transfer of property, their right to collect their debts, and their liability to be sued for debts, are all based on State law. It is only when the State law incapacitates the banks from discharging their duties to the Government that it becomes unconstitutional." (*National Bank* vs. *Com.* 9 Wall. 362.)

Second. "National banks are instrumentalities of the Federal Government created for a public purpose, and as such necessarily subject to the paramount authority of the United States. It follows that an attempt by a State to define their duties, or control the conduct of their affairs, is absolutely void, whenever such attempted exercise of authority expressly conflicts with the laws of the United States, and either frustrates the purpose of the national legislation, or impairs the efficiencies of these agencies of the Federal Government to discharge the duties for the performance of which they were created." (*Davis* vs. *Bank*, 161 U. S. 288.)

These two propositions, which are distinct, yet harmonious, practically contain a rule and an exception—the rule being the operation of general State laws upon the dealings and contracts of National banks; the exception being the cessation of the operation of such laws whenever they expressly conflict with the laws of the United States, or frustrate the purpose for which the National banks were created, or impair their efficiency to discharge the duties imposed upon them by the law of the United States. The provisions of the statutes of the United States upon which the plaintiffs in error rely are as follows:

"The national banking association may purchase, hold and convey real estate for the following purposes, and for no others:

* * * * * * * * * *

Second. Such as shall be mortgaged to it in good faith by way of security for debts previously contracted.

Third. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its dealings." (Rev. St. § 5137.)

The argument is that, as the statute permits National banks to take real estate for given purposes, therefore the Massachusetts law, which forbids a transfer of property, with a view to a preference, in case of insolvency, where the transferee has reasonable cause to believe that the transferror is insolvent or in contemplation of insolvency, in no way controls the contracts or dealings of a National bank. But this position denies the general rule just referred to, and amounts to asserting that in every case where a National bank is empowered to make a contract such contract is not subject to the State law. In the case in hand there is no express conflict between the grant of power by the United States to the bank to take real estate for previous debts and the provisions of the Massachusetts law, which, although allowing, as a general rule, the taking of real estate as a security for an antecedent debt, provides that it cannot be done under particular and exceptional circumstances. Nor is there anything in the statutes of the State of Massachusetts, here considered, which in any way impairs the efficiency of National banks, or frustrates the purpose for which they were created. No function of such banks is destroyed or hampered by allowing the banks to exercise the power to take real estate, provided only they do so under the same conditions and restrictions to which all the other citizens of the State are subjected, one of which limitations arises from the provisions of the State law which, in case of insolvency, seeks to forbid preferences between creditors. Of course, in the broadest sense, any limitation by a State on the making of contracts is a restraint upon the power of a National bank within the State to make such contracts; but the question which we determine is whether it is such a regulation as violates the Act of Congress. As well might it be contended that any contract made by a National bank within a State in violation of the State laws on the subject of minority or coverture was valid because such State laws were in conflict with the Act of Congress, or impaired the power of the bank to perform its functions. Indeed, reduced to its last analysis, the position here assumed by the plaintiffs in error amounts to the assertion that National banks, in virtue of the Act of Congress, are entirely removed, as to all their contracts, from any and every control by the State law. The argument that the concession of a right on the part of a State to forbid the taking of real estate by a National bank for an antecedent debt, under any circumstances, implies the existence of a power in the State to forbid such taking in all cases, begs the question, and amounts simply to a restatement of the proposition already answered. As long since settled in the cases already referred to, the purpose and object of Congress in enacting the National bank law was to leave such banks, as to their contracts in general, under the operation of the State law, and thereby invest them as Federal agencies with local strength, while at the same time preserving them from undue State interference wherever Congress, within the limits of its constitutional authority, has expressly so directed, or wherever such State interference frustrates the lawful purpose of Congress, or impairs the efficiency of the banks to discharge the duties imposed upon them by the law of the United States.

It is said that section 98 of the Massachusetts statutes is in conflict with the statutes of the United States in so far as it provides that, "If such sale, assignment, transfer or conveyance is not made in the usual and ordinary course of business of the debtor, that fact shall be *prima facie* evidence of such cause of belief;" that is, the belief on the part of the creditor of the insolvency of the debtor by whom the transaction was made. The reasoning is that, as the United States law allows the taking by a bank of real estate for an antecedent debt, and the State statute makes such taking of real estate *prima facie* evidence of a reasonable belief on the part of the bank of the insolvency of the debtor from whom the real estate is so taken, therefore the State law violates the National bank law, since it attributes to the doing of the act which the National bank law authorizes, a presumption which virtually annuls the contract unless proof be made to the contrary. But this view gives to the words "ordinary course of business" in the State statute a strained and unreasonable construction. The State statute does not provide that the mere fact that a security is taken for an antecedent debt renders the contract one not in the actual course of the debtor's business, thereby engendering the presumption of knowledge on the part of the creditor, but affixes such presumption only to cases where the particular nature of the dealings between the parties is such as to make the contract not one in the actual course of business, from which fact the statutory presumption arises. However, this objection does not arise on the record before us, since the Supreme Court of Massachusetts held that the effect of the charge of the trial court was substantially to instruct the jury that, before the plaintiff in the entry suit could recover, he must satisfy the jury by a preponderance of evidence that Hall, at the time of the conveyance, was insolvent.

The claim that the security vested in the bank by the conveyance of the land is taken away from it in violation of the United States law, because, under the Massachusetts law, a contract by a debtor giving a fraudulent preference to one creditor over another is voidable, and not void, is without merit. This contention concedes that, if the State law rendered the transaction void, there would be a valid exercise of State authority. But the power to do the greater necessarily carries with it the right to do the lesser. Nor is there anything in the opinion of this court in Davis *vs.* Bank, *supra*, which supports the argument of the plaintiffs in error. There the conflict between the State and the Federal law was found to be express and irreconcilable, bringing that case, therefore, under the exception to the general rule. The opinion carefully confined the ruling there made to such a case, so as to render it inapplicable in a case like the one now before it. It said:

"It is certain that, in so far as not repugnant to Acts of Congress, the contracts and dealings of National banks are left subject to the State law, and upon this undoubted premise, which nothing in this opinion gainsays."

And the whole opinion was qualified by this language:

"Nothing, of course, in this opinion is intended to deny the operation of general and undiscriminating State laws on the contracts of National banks, so long as such laws do not conflict with the letter or the object and purposes of congressional legislation."

Finding no conflict between the special power conferred by Congress upon National banks to take real estate for certain purposes and the general and undiscriminating law of the State of Massachusetts subjecting the taking of real estate to certain restrictions, in order to prevent preferences in case of insolvency, we conclude that the judgments of the Supreme Court of the State of Massachusetts were right, and they are, therefore, in both cases affirmed.

LIABILITY OF OFFICERS AND DIRECTORS—CONSTITUTIONAL PROVISIONS.

United States Circuit Court, District of Washington, September 29, 1896.

MALLON *vs.* HYDE.

The provision in the Constitution of the State of Washington that officers and directors of banks receiving deposits with knowledge that the bank is insolvent shall be individually liable for such deposits, is self-executing.

An action under this constitutional provision may be maintained by a depositor; the right of action does not inure to the bank nor become an asset of the bank which a Receiver is entitled to control.

This was an action to recover money deposited in an insolvent National bank, commenced in the Superior Court of the State of Washington for Spokane county, and removed to the United States Circuit Court by the defendants. The complaint alleged that the defendants are officers and directors of a National bank now in charge of a Receiver appointed by the Comptroller of the Currency; that they each assented to the reception of the money on deposit, by the bank, with full knowledge on their part that the bank was then insolvent, or in failing circumstances. The petition for removal states that, by the plaintiff's statement of his case in his complaint, it appears that there is a Federal question involved, for that the action is brought to enforce against the defendants a provision of the Constitution of the State of Washington making any officer or director of a banking institution in this State, who shall receive or assent to the reception of deposits after he shall have knowledge of the fact that his bank is insolvent, individually responsible for deposits so received, which the defendants claim to be either not applicable to National banks, or in conflict with the laws of the United States. Argued and submitted upon a motion to remand, and upon a general demurrer to the complaint.

HANFORD, *District Judge:* The points advanced in support of the demurrer are: First, the constitution does not create a right of action in favor of an individual depositor whose money has been taken in by an insolvent bank, and, until there shall be supplemental legislation providing means to enforce the same, this section of the constitution lies dormant; second, all depositors similarly situated have equal rights with the plaintiff, and as they are all creditors of the bank, and represented by the Receiver, the right of action, if any, exists only in favor of the Receiver, for the benefit of all.

It is my opinion that the obvious intent and purpose of the people of this State, as expressed in the section of the constitution under consideration, were to insure honesty in conducting the business of the moneyed institutions of the State, and the greatest possible degree of security to those who should become depositors therein; and to the extent of establishing permanently a rule of individual responsibility for losses resulting from bad faith, or deceit practised in dealing with customers of a bank, it was intended to not rely upon the legislature to make suitable laws. The section reads as follows (Article 12, § 12):

"Any President, director, manager, Cashier, or other officer of any banking institution who shall receive or assent to the reception of deposits after he shall have knowledge of the fact that such banking institution is insolvent or in failing circumstances, shall be individually responsible for such deposits so received."

This fixes individual responsibility clearly enough, and there is no necessity for legislation providing special means for its enforcement, since the general laws of the State are amply sufficient in affording a remedy by civil action for every case in which one person becomes legally responsible to another. The responsibility in such cases is not in favor of the State, nor the bank, nor its general creditors. It is for the benefit of those particular depositors whose money is taken under such circumstances as to constitute a fraud. The injury done by the fraudulent conduct of the bank officials is the basis of liability, and the injured party is the one entitled to redress. Therefore the right of action upon the liability does not inure to the bank, nor become an asset of the bank which a Receiver is entitled to control. This case is clearly distinguishable from *Wilson* vs. *Book* (13 Wash. 676, 43 Pac. 939), in which the Supreme Court of this State held that the additional liability imposed upon stockholders by the eleventh section of article 12 of the constitution is not a primary liability, but the stockholders of banking corporations are, to the extent prescribed, liable as sureties for the debts of the corporation, and that creditors can not sue them to enforce such limited liability without having first exhausted their remedy against the principal debtor, and that money collectible from stockholders belongs to the trust fund for the payment of debts, which a Receiver of an insolvent bank is entitled to receive and disburse. There is good reason for holding that the liability of stockholders, which was obviously intended to constitute a reserve fund to reinforce the capital of a banking corporation for the security of its creditors, should be recoverable by a Receiver appointed to take charge of its assets and settle with its creditors. I find no difficulty in bringing my mind to yield assent to the authority of that decision. But it does not appear to me to be applicable to a case involving responsibility to depositors for losses resulting from fraudulent concealment of the insolvent condition of a bank. Demurrer overruled.

TAXATION OF NATIONAL BANK STOCK—INJUNCTION—JURISDICTION OF FEDERAL COURT.

Circuit Court of the United States, Eastern District of Pennsylvania, September, 1896.

THIRD NATIONAL BANK OF PITTSBURG *vs.* MYLIN.

A National bank may maintain a suit in equity for an injunction to restrain State officers from collecting a tax illegally assessed upon its shares.

This was a suit in equity by the Third National Bank of Pittsburg against Amos H. Mylin, Auditor-General, and Samuel M. Jackson, Treasurer of the Commonwealth of Pennsylvania, to restrain them from collecting a tax assessed upon the shares of stock of said bank. Defendants filed a plea to the jurisdiction averring in substance that "these proceedings make, form and constitute an interference with the policy of the revenue laws of the Commonwealth of Pennsylvania," and that under the Act of March 13, 1811, the plaintiff had a remedy in the court of

Dauphin county, at Harrisburg. To this plea the bank filed a replication taking issue, and this was the only point argued.

ACHESON, *Circuit Judge:* It is hardly necessary to say that the merits of this controversy are not now to be considered. The plea goes only to the jurisdiction of the court. In disposing of it little need be said beyond a mere reference to some authorities, which, I think, are decisive against the plea. Undoubtedly the suit arises under the Constitution and laws of the United States, for the plaintiff's alleged rights for which protection is here sought are based upon the Fourteenth amendment to the Constitution, and upon section 5219 of the Revised Statutes of the United States. The construction and application of both are involved here. Most stress is laid upon the objection that this suit is really against the State of Pennsylvania, while not nominally so. But, according to the averments of the bill, the Act of assembly under which the defendants are proceeding is violative of the Fourteenth amendment to the Constitution, and also contravenes section 5219 of the Revised Statutes of the United States. If this be so, then the defendants, while claiming to act in their official capacities, are proceeding without lawful authority.

The case therefore falls directly within the principle of the decision of the Supreme Court of the United States in the case of *Osborn* vs. *Bank* (9 Wheat. 738), which was reaffirmed in *Pinnoyer* vs. *McConnaughy* (140 U. S. 1, 10, 11 Sup. Ct. 699), that, where grounds of equity jurisdiction exist, an injunction from a circuit court will lie to restrain a person who is a State officer from performing an act directed by an unconstitutional law of the State, when such act would destroy or violate the rights of the complainant.

Thus Mr. Justice Agnew, of the Supreme Court of Pennsylvania, sitting at *nisi prius*, held that the Auditor-General and Treasurer of the State could be restrained by injunction from collecting an illegal tax imposed by the State upon stockholders in a National bank (*Markoe* vs. *Hartranft*, 6 Am. Law Reg. [N. S.] 487).

A court of equity, at the suit of a National bank, will restrain the imposition and collection of an illegal State tax because of the trust relation in which the bank stands to its stockholders, and to avoid a multiplicity of suits (*Cummings* vs. *Bank*, 101 U. S. 153).

The present bill not only discloses these grounds for equitable relief, but also the further ground that a cloud upon the bank's title to real estate has been imposed or is threatened (*Union Pacific Railway Co.* vs. *City of Cheyenne*, 113 U. S. 516, 525, 5 Sup. Ct. 601).

The existence of a special statutory mode of redress under the law of the State is no bar to the equity jurisdiction of the circuit court of the United States (*Barber* vs. *Barber*, 21 How. 582, 592). To the foregoing authorities, which require the overruling of the plea, may be added the decision of the circuit court of appeals for this circuit in *Gregg* vs. *Sanford* (12 C. C. A. 525, 65 Fed. 151). And now, September 4, 1896, the plea is overruled, with leave to the defendants to answer the bill within thirty days.

LIABILITY OF STOCKHOLDER—TRANSFER OF STOCK—DELIVERY OF CERTIFICATES.

Supreme Court of Tennessee, October 28, 1896.

COX *vs.* ELMENDORF, *et al.*

Where a stockholder in a National bank transfers his stock and delivers the certificates thereof with a blank power of attorney duly executed to the President of the bank with a request that the President make the transfer on the books of the bank, and the President receives the same and promises to have the transfer made on the books, the transferrer will not be liable as a stockholder upon the subsequent failure of the bank, though the President neglects to make such transfer upon the books.

McALISTER, *J.*: On November 12, 1894, the First National Bank of Johnson City was adjudged insolvent by the Comptroller of the Currency, and complainant appointed Receiver of its assets. The capital stock of the bank was $60,000, divided into shares of the par value of $100 each. The bank was largely indebted, and in order to meet its liabilities the Comptroller of the Currency, under the provisions of the National Banking Act, ordered an assessment of the shares of stock belonging to the individual shareholders to the full measure of the capital stock of the company. This bill was filed by the Receiver against defendant Mrs. M. A. Elmendorf to enforce the collection of $2,000 assessed upon the defendant's stock in said bank. The bill charged that on November 12, 1894, when the bank failed, the defendant Mrs. Elmendorf was the owner of twenty shares of stock of the par value of $100 each, amounting to the sum of $2,000, which stood upon the books of the bank in her name, and that she had failed and refused to pay the said assessment. The defendant answered, and denied that she was the owner of the stock at the time alleged. The court of chancery appeals found the facts to be as follows, viz. :

"The proof shows that prior to January 22, 1894, Mrs. Elmendorf was the owner of said shares of stock, but she claims that on that day she sold and transferred the stock to one Preas, Mrs. Elmendorf having agreed to sell her stock to Dr. Preas in consideration of his taking up, or rather assuming, a debt of $1,050 which she owed to the bank, and a debt of $250 which she owed to another bank, and paying her the residue in money; and, Dr. Preas having made the necessary arrangements with the respective banks, Mrs. Elmendorf, in company with a kinsman, Mr. Cure, went into the First National Bank of Johnson City on January 22, 1894, and stated to the President, Mr. Crandall, that she had sold her stock, and wanted to transfer it. Thereupon the following indorsement on the back of the certificate was signed, to wit: 'For value received, the undersigned hereby assign and transfer unto J. H. Preas the twenty shares of the within-mentioned capital stock, and do hereby constitute and appoint ——— to be ——— true and lawful attorney irrevocably for and in ——— name and behalf to make the necessary transfers on the books of the company. Witness my hand and seal at Johnson City, January 22, 1894. [Signed] M. A. Elmendorf. Witness: J. W. Cure.' She handed her stock certificate, with this appearing on the back of it, to Mr. Crandall, the President of the bank, and told him she wanted him to make a proper transfer to Dr. Preas, and fix it up all right; and he said, 'All right; I will attend to it.' As a matter of fact, however, he did not make any transfer upon the books of the company or upon the stock register, and the same day, after this transaction, Dr. Preas went into the bank, and by an arrangement between him and Mr. Crandall, President of the bank, the stock certificate was attached as collateral to the note of $1,050 which Dr. Preas executed in assuming the previous debt of Mrs. Elmendorf. He subsequently sold the stock to Mr. Penland, and it was attached to a note that Penland owed the bank, and was in that condition when the bank failed. The stock certificate on its face provided that it was transferable only on the books of the corporation in person or by attorney, in accordance with the by-laws of the corporation, and on surrender of the certificate. It is proper to say that at the failure of the bank Mrs. Elmendorf's name still remained upon the stock register among the rest of the stockholders."

The question presented for determination is whether, upon the facts stated, Mrs. Elmendorf is liable, as apparent owner of the stock, for the assessment made by the Comptroller of the Currency.

In the case of *Whitney* vs. *Butler* (118 U. S. 660, 7 Sup. Ct. 62), the question before the court was "whether, under the statute and the facts especially found, the defendants were liable to be assessed for the debts, contracts, and engagements of the bank. The statute declares that the capital stock of a National bank shall be transferable on its books in such manner as may be prescribed in the by-laws or articles of the association; every person becoming a shareholder by such transfer succeeding in proportion to his shares to all the rights and liabilities of the prior holder (Rev. St. § 5139.)

The by-laws of this association provide that its stock shall be assignable only on its books, subject to the restrictions and provisions of the statute; that a transfer book be kept, in which all assignments and transfers of stock shall be made; that each certificate should state on its face that the stock is transferable only on the books of the bank; and that, when a transfer is made, the certificate shall be returned and canceled and a new one issued"

The court of chancery appeals found there had been no formal proof of the by-laws of the company in the present case, but that, for the purposes of this case, they assumed the statement in the stock certificate as sufficient proof of the by-laws upon this subject. In the case already cited Mr. Justice Harlan said:

"In the case before us the personal presence of defendants at the bank was not required in order to secure their release from liability as shareholders. Besides, the certificate of stock authorized them to act by attorney. Through their agents, the brokers who sold the stock, and through whom they received the money and paid for it, they surrendered the certificate and power of attorney to the President of the bank, he receiving them to acknowledge not only that defendants had parted with all title to the stock, and had been paid for it, but also that it had been purchased at public auction by Eager. He knew equally well that the surrender of the certificate and the delivery of the power of attorney and the certificate from the probate court could only have been for the purpose of having it appear, by means of a transfer on the books of the company. that Whitney's executors were no longer shareholders. The right to have the transfer made, and thereby secure exemption from further liability, was secured to the defendants both by the statute and by-laws of the bank. They did all that was required by law as preliminaries to such transfer. Nothing remained to be done except for some officer of the bank to make the necessary form of entry on its books. If, when the agents of defendants delivered the certificate and power of attorney to the President of the bank, the latter had given any intimation of a purpose not to make the transfer promptly, or had avowed any intention to postpone action until a sufficient amount of stock was obtained to fill Coburn's order, it may be that the failure of defendants to take legal steps to compel a transfer would. in favor of creditors of the bank, have been deemed a waiver of the right to an immediate transfer on the stock register. But no such intimation was given; no such avowal was made; no objection was made to the power of attorney as to the discharge of defendants from liability. So far as the records shows, nothing was said or done by the bank's officers to raise a doubt in the minds of defendants' agents that the transfer would be made at once."

The Court concludes, viz.: "We are of opiniont hat, within a reasonable construction of the statute, and of all the objects intended to be accomplished by the provision imposing liability upon the shareholders for the debts of National banks, the responsibility of the defendants must be held to have ceased upon the surrender of the certificates to the bank; that the delivery to its President of the power of attorney was sufficient to effect, and intended to effect, as that officer knew, a transfer of the stock on the books of the association to the purchaser."

In the case of *Snyder* vs. *Foster* (19 C. C. A. 414, 73 Fed. 186), it appeared that one Snyder subscribed for 50 shares of the stock of a National bank, borrowing the money to pay for them from Collins, the Cashier of the bank. As collateral security for the money so borrowed, Snyder indorsed over the certificate to Collins, and left it with him. A few months later, Snyder sold the stock to Collins for the amount of the loan and accrued interest, the certificate remaining in Collins' hands. The bank was solvent at the time, and so continued for five years, during which Collins collected the dividends on the stock, as shown by the bank's dividend books; but the stock was never actually transferred to Collins on the books of the bank. The by-laws of the bank provided that dividends should be paid to the stockholders in whose name the stock should stand; that certificates should be issued by the President and Cashier, and that, when stock was transferred, the certificate should be canceled, and a new one issued. Long after the sale of Snyder's stock to Collins, the bank became insolvent. An assessment was made upon the stockholders, and the Receiver of the bank, finding Snyder's name as a stockholder on the books of the bank, brought suit against him. Collins was dead at the time of the trial. It was held by the United States Circuit Court of Appeals for the Fifth circuit that it might be inferred as a fact from the evidence that the bank had notice of the transfer of the stock by Snyder to Collins, and the termination of Snyder's relations to the bank as a stockholder, from which fact the legal presumption would follow that the bank would cause such acts to be done in relation to the transfer as its officers were called on to do, and that the jury should be permitted to draw such inferences. Judge Boarman, in delivering the opinion of the court in the case last cited, made this observation respecting the case of *Whitney* vs. *Butler*, to wit: "It seems to have been the purpose of the court in that case to ground the opinion largely, if not entirely, on the broad doctrine that a shareholder in good faith, who has done all that a prudent business man should do, will not be held responsible for the neglect and carelessness of an officer of the bank."

We think these principles are conclusive of this case, and that Mrs. Elmendorf, having sold her stock, and in good faith surrendered the certificate to the President of the bank, with a blank power of attorney attached, upon the promise of that officer that he would attend to the transfer, she is absolved from any liability incident to the subsequent ownership of that stock by other persons, Affirmed.

COLLECTIONS—INSOLVENCY OF INTERMEDIATE COLLECTING AGENT.

Supreme Court of North Carolina, Nov. 24, 1896.

NAT. CITIZENS' BANK OF NEW YORK *vs.* CITIZENS' NAT. BANK OF RALEIGH.

Where paper is indorsed "for collection" the bank receiving payment thereof is liable for the amount to the owner, unless it has remitted the proceeds to the bank from which it received the paper before it had knowledge of that bank's insolvency.

MONTGOMERY, *J.:* The drawer of the check lived in Raleigh, N. C., and the payees lived in New York city. The check was deposited by the payees in the plaintiff bank, in New York, and by the plaintiffs sent on to the Bank of New Hanover, at Wilmington, N. C., with indorsement, "For collection for account of National Citizens' Bank of New York," the plaintiffs. The check was sent by the Bank of New Hanover to the defendant bank, at Raleigh, with the additional indorsement, "For collection, account of Bank of New Hanover, Wilmington, N. C." The defendant bank entered a credit on its books to the Bank of New Hanover, for the amount of the check, fifteen minutes before the registration of the deed of assignment made by the Bank of New Hanover on account of insolvency. The money was collected on the same day the credit was given. The balance on the reciprocal accounts between the New Hanover Bank and the defendant bank, after the credit of the amount of the check, was in favor of defendants. The plaintiff bank and the Bank of New Hanover kept no reciprocal accounts. On the contrary, the plaintiffs would send to the Bank of New Hanover matters for collection, and when collected the New Hanover Bank would remit the proceeds to the plaintiffs. The New Hanover Bank did not have on its ledger any account with the plaintiff bank. It kept only the record of its transactions with the plaintiffs on its collection register. Upon the facts (which his honor found by agreement), judgment was entered for the plaintiffs, and the defendants appealed from the judgment.

There was no error in the rendering of the judgment. The defendant saw, from the indorsements on the check, that it was the property of the plaintiffs, and that the New Hanover Bank was merely an agent to collect it for the plaintiffs. (*Boykin* vs. *Bank*, 118 N. C. 568.) If there ever had been any conflict in the decisions of this court on the subject-matter embraced in this opinion before the case of *Boykin* vs. *Bank*, *supra*, was decided, that opinion would seem to have resolved the doubt. It was held in that case, in substance, that, wherever it appeared on the face of a paper that it was in the possession of a bank for collection, the proceeds of the collection were the property of the owner, and that the actual collecting bank is liable to the owner in case of the insolvency of any intermediary bank which has received it for collection, unless the actual collector had remitted the proceeds, or its equivalent, to the bank from whom he received it, before he had knowledge of that bank's insolvency. Simply entering credits on mutual accounts between the actual collecting banks and their intermediaries will not protect the actual collector of such drafts and checks from the demands of the owner, under the circumstances of this case.

For their own convenience, it may be well for the banks and collecting agencies to observe such rules; but they will not be allowed to work injury and loss to owners of checks and drafts, who send them out to be collected and the proceeds returned to them. Of course, a bank which had received a check or draft from an agent bank of the principal would be protected, if it had sent to the agent, before the agent's known insolvency, or the principal's demand, the funds, or their equivalent, collected on the paper. We are aware that this is not the rule in all the States of the Union.

The counsel of the defendants read to us the opinion of the Supreme Court of Tennessee in the case of *Howard* vs. *Walker* (92 Tenn. 452), in which the opposite view of this subject is taken, but we will abide by our own decisions.

The contention of the defendants that the check was not the property of the plaintiffs can not be sustained. The complaint alleged that it was the property of the plaintiffs, and it was not denied in the answer, except by legal inference. The defendants averred that the title to the check, as a matter of law, passed out of the plaintiffs to the Bank of New Hanover, when the former sent it to the latter for collection.

This is not a sound proposition of law; for, as we have seen, the indorsement was restricted. The plaintiffs having been in possession of the check, and having alleged in their complaint that they were the owners of it, the presumption is that it was their property; and, this presumption not having been rebutted, the finding of his honor was correct. No error.

KNOWLEDGE OF OFFICER—WHEN NOT IMPUTED TO BANK.

Court of Errors and Appeals of New Jersey, November 17, 1896.

GRAHAM *vs.* ORANGE COUNTY NATIONAL BANK.

If an officer of a bank, who is also a member of its discount committee, take part in discounting a note made to him individually for an unlawful purpose in which he participated, his knowledge of such illegality is not imputable to the bank.

GARRISON, *J.:* The case upon which the court below directed a verdict for the plaintiff was this: Graham, the defendant in the suit, had made a note payable to and indorsed by G. W. Murray, which was discounted by the plaintiff. At the time the note was thus discounted, Murray, the payee of the note, was President of the plaintiff corporation, and, together with its Cashier, constituted the discount committee. The defense was that Murray knew that the note was given to raise funds for an illegal purpose, and that his knowledge was imputable to the bank. The law upon the subject of imputable knowledge is laid down by this court in the case of *Willard* vs. *Denise* (50 N. J. Eq. 482).

In the case before us Murray did not act at all for the bank. His conduct was actuated wholly by personal reasons; and, if he knew that he was taking part in an unlawful transaction, the bank can not be charged by his guilty participation.

This disposes of the only error assigned. The judgment will be affirmed.

COLLECTIONS—FAILURE TO NOTIFY INDORSER OF DISHONOR—LIABILITY OF BANK.

Supreme Court of Wisconsin, November 24, 1896.

MERCHANTS' STATE BANK *vs.* STATE BANK OF PHILLIPS.

A bank receiving paper for collection is liable to its customer for any loss resulting to him by reason of its failure to give the indorser notice of dishonor.

The sum which the customer is entitled to recover of the bank is *prima facie* the amount of the notes.

Plaintiff, as indorsee of notes due August 4, sent them to defendant bank for collection. Prior to their receipt by defendant, the bank building was burned, but on August 1 the bank resumed business, and notified the maker of the notes. The notes were not paid at maturity, but defendant failed to protest them for non-payment. The notes were returned to plaintiff August 8, and the indorsers were on that day notified by plaintiff of the non-payment. *Held*, that the defendant, having undertaken the collection of the notes, is not excused from liability for its negligence by reason of the confusion consequent upon the fire.

The plaintiff was the indorsee of several promissory notes made by the Jump River Lumber Company, which were payable at the defendant bank in Phillips, and became due on August 4, 1894. On July 26, 1894, the plaintiff mailed the notes to the defendant for collection. On July 27, 1894, and before the notes were received by the defendant at Phillips, the entire city of Phillips, including the defendant's banking house, was destroyed by fire. Defendant's vault was not destroyed, and on August 1, 1894, the defendant resumed business, in a tenative way, in a temporary structure. The notes were received, and entered upon the defendant's collection register, and the maker notified on August 1, 1894. They were not paid at maturity, and the defendant failed to protest them for non-payment. On August 8, 1894, the defendant returned the notes to the plaintiff, who at once notified the indorsers of their non-payment. The indorsers denied liability on the ground of the failure to give them timely notice of non-payment, and refused to pay them. They were all solvent persons. August 22, 1894, the estate of the maker of the notes went into the hands of a receiver. The plaintiff had judgment for the amount of the notes. The defendant appealed.

NEWMAN, *J.:* Three questions are presented on this appeal: (1) Were the indorsers discharged of liability by the failure of the defendant to notify them of the dishonor of the notes? (2) Was the failure of the defendant to notify the indorsers negligent under the circumstances? And (3) was the plaintiff entitled to recover the whole amount of the notes? It is certainly the law that, in general, notice of the non-payment of negotiable paper at maturity must be given not later than on the next day after its dishonor. (2 Am. & Eng. Enc. Law, 414; Daniel, Neg. Inst. [4th Ed.] §§ 1038, 1039.)

Longer delay in giving the notice can be excused only when prevented by overwhelming calamity or unavoidable accident. (*Id.* §§ 1067, 1068.) It is evident that no such cause prevented the defendant from giving such notice. The calamity which struck the defendant and the city of Phillips had nothing to do, apparently, with its failure to notify the indorsers. That was the work of a few minutes only, and directly in the line of the business which it had re-established after the fire. The indorsers were released by the failure to notify them of the dishonor of the notes. Probably it was within the defendant's option, under the circumstauces, whether it should undertake or reject the office of collecting these notes. But, having elected to undertake it, it was bound to the exercise of reasonable deligence in its performance. This it failed to do. This was negligence. The plaintiff is entitled to recover such sum as it has lost by reason of the defendant's negligence. That sum is, *prima facie* the amount of the notes. (Daniel. Neg. Inst. [4th Ed.] § 829.)

There was no evidence to mitigate damages. The indorsers were solvent; the maker is insolvent. It does not appear whether the maker's estate, now in the hands of a receiver, will pay any part of the note, nor how much it will pay. Perhaps it should have gone in mitigation, if it had been shown how much the dividends properly applicable thereto would pay. But no such proof was attempted. The plaintiff deposited the notes in court for the benefit of the defendant, so that it may be reimbursed so far as the proper dividends may go.

The defendant was not prejudiced by the failure of the plaintiff to proceed promptly against the maker. It does not appear that there was ground for an attachment by which advantage could be gained; and the time was too short to gain a preference by judgment and execution. No error is discovered. The judgment of the circuit court is affirmed.

NOTES EXECUTED BY CORPORATE OFFICERS—INDIVIDUAL LIABILITY—RECOVERY ON NOTE.

Court of Appeals of New York, October 20, 1896.

FIRST NATIONAL BANK OF CITY OF BROOKLYN *vs.* WALLIS, *et al.*

Where a note is that of the officers of a corporation individually, a bank discounting the same is not precluded from recovering against the makers, because it had first brought an action against the corporation thereon, deeming the note that of the corporation.

ANDREWS, *C. J.:* The character of the plaintiff as a *bona fide* holder of the note is not affected by any misconception it may have been under when it discounted it, as to the legal import of the promise; that is to say, whether the note was the obligation of the Wallis Iron Works, or of the persons who signed it in their individual names, with the addition of the names of their respective offices.

The bank discounted the note at the request of its customers, the payees, before maturity, paying full value, without inquiring as to the nature of the principal obligation, and it is entitled to enforce it against the defendants as individuals, if on its face it was their promise, and not the promise of the corporation of which they were officers.

It may be admitted that if the bank, when it discounted the paper, was informed or knew that the note was issued by the corporation, and was intended to create only a corporate liability, it could not be enforced against the defendants as individuals, who, by mistake, had executed it in such form as to make it on its face their own note, and not that of the corporation.

But, according to the rules governing commercial paper, nothing short of notice, express or implied, brought home to the bank at the time of the discount, that the note was issued as the note of the corporation, and was not intended to bind the defendants, could defeat its remedy against the parties actually liable thereon as promissors.

It appears that the bank discounted the note on the credit primarily of its customers, the payees, making no inquiry as to whether it was a corporate or individual obligation, and having no knowledge on the subject.

In law it was the individual note of the defendants (*Bank* vs. *Clark*, 139 N. Y. 308; *Bank* vs. *Clark*, 139 N. Y. 315), and the form of the promise is quite consistent with an intention to create an individual liability.

The fact that the bank sued the Wallis Iron Works on one of the notes of this kind is not a material circumstance. That note matured, and suit was brought thereon, subsequent to the discount of the note now in question. The view there entertained by the plaintiff of the legal nature of the obligation did not conclude the bank from enforcing the note now in question according to its real character.

If the fact of the former suit and the pleadings therein were admissible on the question of the knowledge of the bank, when it discounted the present note, that it was issued for and was intended as a corporate obligation, the existence of such knowledge has been negatived by the course of the trial.

We think the judgment is right, and it should, therefore, be affirmed. All concur. Judgment affirmed.

SET-OFF—COLLECTION.

Supreme Court of New Jersey, November 5, 1896.

STATE PEOPLE'S BANK AND TRUST COMPANY (Prosecutor) *vs.* TUFTS.

The relation between a bank and its general depositors is that of debtor and creditor, and the bank may set-off against a general deposit a debt due to it from the depositor.

A sent to a bank for collection a writing which appeared to be a note made by one of the bank's depositors, and indorsed by A to the bank for collection, payable to the order of A. Without trying to collect the note, the bank remitted to A the amount of the note, and charged the same to the depositor's account. The depositor really owed to A the amount of the note. *Held*, that the transaction operated as an assignment by A to the bank of the debt mentioned in the note, and that the bank could not recover from A the amount paid him, even though the note had been signed by the depositor's clerk without authority. (Syllabus by the Court.)

DIXON, *J:* This *certiorari* brings up a judgment of the Passaic common pleas, in rendering which the court, sitting without a jury, disallowed a set-off claimed by the defendant. This action of the court is now the subject of complaint. The set-off arose in this way: The plaintiff had sent to the defendant, an ordinary bank of deposit in Passaic, a note of which, with its indorsements, the following is a copy: "$67.50 Rutherford, N J, February 13, 1894. For value received, April 1, 1894, after date, I promise to pay to the order of James W. Tufts, sixty-seven dollars and fifty cents. The consideration of this and other notes is certain soda apparatus and appurtenances described in contract between me and the said James W. Tufts, bearing date January 8, 1894, and which I have received of said James W. Tufts. Nevertheless it is understood and agreed by and between me and the said James W. Tufts that the title to the above-mentioned property does not pass to me, and that until all said notes are paid the title to the aforesaid property shall remain in the said James W. Tufts, who shall have the right, in case of non-payment at maturity of either of said notes, without process of law to enter and retake immediate possession of the said property, wherever it may be, and remove the same. C. W. Knape, per MacNeil. Payable at the ——— Bank. Due April 1, 1894." Indorsed: "Pay People's Bank and Trust Company, for collection on my account. James W. Tufts, Boston, Mass." Attached to above note: "James W, Tufts, Boston: No protest. If not paid, ascertain reasons. Take this off before presenting."

Without making any attempt to collect the note from Knape, and without any solicitation on the part of the plaintiff, the defendant on April 4, 1894, sent to the plaintiff, in Boston, a draft on a New York bank for the amount of the note and charged the same to the general account of Knape, who was a depositor in the defendant bank. Some time afterward Knape, on being informed of the charge, by the balancing of his bank book, stated to the defendant that the signature to the instrument had not been authorized and would not be sanctioned by him, and he demanded that the charge be annulled. This had not been done at the time of the trial, nor had Knape sued the defendant for the amount of the charge. The plaintiff was first notified of the situation several months after the payment. The defendant now seeks to recover from the plaintiff the amount paid.

In arguing the cause before us, counsel for the defendant treats the writing upon the back of note as a commercial indorsement of negotiable paper. But evidently it is not of that character, for it neither transferred the title of the note, nor guaranteed payment. It was a mere delegation of authority to the defendant to collect the amount of the note for the plaintiff. The claim of the defendant against the plaintiff cannot be tested by the peculiar rules of the law merchant, but must depend on the general principles of the common law. Under these principles the most for which the defendant can contend, as a basis for its claim that the plaintiff shall return the money which it voluntarily paid him, is that it acted upon a false representation which it had a right to believe and act upon. Hence the question arises, was it shown in the court below that such a false representation had been made? Now, it seems to us that the only propositions on which the defendant acted are these: That Knape owed the sum stated in the note, and that, if the defendant paid that debt to the plaintiff, it could offset the same against Knape's deposit. On these points we find in the case no room for controversy. All the evidence produced at the trial tended to establish the proposition that, when the note was sent to the defendant, Knape owed the amount thereof to the plaintiff for the very consideration mentioned in the instrument; the only dispute there being as to whether MacNeil had authority to sign a note therefor. When the plaintiff accepted from the defendant payment of that debt, it passed, as a chose in action, to the defendant, as legal owner, whether the instrument was a valid note or not. (Gen. St. p. 2591, section 340 of the practice act); *Gerli* vs. *Manufacturing Co.* 57 N. J. Law, 432, 31 Atl. 401) The instrument identified the debt, and the indorsement became operative as an assignment thereof. In that situation the defendant, being Knape's debtor for the amount on general deposit (*Pott* vs. *Clegg*, 16 Mess. & W. 321; *National Bank* vs. *Insurance Co.* 104 U. S. 541), and being his creditor for the amount mentioned in the writing, was legally entitled to set off the one debt against the other, and could be made to pay to Knape the balance only (Gen. St. p. 3109, "Set-Off"; *Bank* vs. *Hughes*, 17 Wend. 94; *Falkland* vs. *Bank*, 84 N. Y. 145; *Bank* vs. *Jones*, 119 Ill. 407, 9 N. E. 885).

This right the defendant exercised, and having thus applied the debt to the satisfaction, *pro tanto*, of what it owed Knape, it cannot recover the same from the plaintiff. The judgment below was right, and is affirmed, with costs.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: IONIA, MICH., Dec. 11, 1896.

SIR:—A sends B his check on the First National Bank of S—— for $100. B deposits the check in the First National Bank of I—— and receives credit for same. The bank receiving

the check sends it to the First National Bank of D——, who in turn sends it to the First National Bank of S——, on whom it is drawn. The latter bank receives the check, charges it to A's account, and it is duly returned to A with his vouchers at the end of the month marked paid. The First National Bank of S—— returns to the First National Bank of D—— its draft on its correspondent in New York, but before the draft reaches New York the First National Bank of S—— suspends payment. Query: On whom does this loss fall? There is no question that due diligence was used by all parties. B claims that his check has been paid and that as the First National Bank of D—— accepted the draft from the First National Bank of S—— that the loss should fall on the First National Bank of D—— in whose hands the draft was when the bank suspends; that the transaction so far as he is concerned is ended when his check is paid; that B and the First National Bank of I—— are also released and can not be made creditors of the First National Bank of S——. Was the check really paid if the draft sent in payment was not good?

F. A. SESSIONS, *Cashier.*

Answer.—The fault by which the amount of the check was lost appears to have been that of the First National Bank of D, which sent the check to the bank on which the same was drawn. There are a number of recent authorities which hold that the drawee bank is not a suitable agent to which to transmit the check for collection; and that if it is shown that the amount of the check could have been collected had an independent agent been employed, the bank forwarding the check will be liable for the loss. (*Merchants' Nat. Bank* vs. *Goodman*, 109 Pa. St. 422; *Drovers' Nat. Bank* vs. *Provision Co.* 117 Ill. 100; *First Nat. Bank* vs. *Fourth Nat. Bank*, 56 Fed. Rep. 967; *German Nat. Bank* vs. *Burn*, 12 Colo. 539.) In this case it appears that the collection could have been made had the check been sent to some other bank in S: and the First National Bank of D would therefore seem to be liable for the amount. But under the rule which prevails in New York and many other States B would not look to the First National Bank of D, but could hold the First National Bank of I, which in turn would have recourse over against its correspondent. (*Montgomery County Bank* vs. *Albany City Bank*, 7 N. Y. 459.) Under the rule of the Iowa courts, however, his remedy would be directly against the bank at fault. (*Guelich* vs. *Nat. City Bank*, 56 Iowa, 454.)

Editor Bankers' Magazine: SPRINGFIELD, Mo., Jan. 6, 1897.

SIR:—Will you please inform me whether it would be a violation of the law for the Cashier of a State bank to endorse, as Cashier, the note of a customer and have the same discounted for him in another bank, when the same is done without risk or loss to the bank of which he is Cashier.

Answer.—It is apparent that the endorsement of such Cashier would be, so far as the bank is concerned, an accommodation endorsement; and the rule is well established that the officers of a corporation, whether a banking or other corporation, have no authority to execute or endorse paper for the accommodation of a third person. (Daniel on Negotiable Instruments, Sec. 386; *Aetna Nat. Bank* vs. *Insurance Co.* 50 Conn. 168; Morawitz on Corporations, Sec. 389.) It is plain therefore that the Cashier would have no right to make the endorsement indicated, and the bank taking a note so endorsed, with knowledge of the fact, could not hold the other bank liable upon the paper.

Editor Bankers' Magazine: CINCINNATI, Ohio, Dec. 29, 1896.

SIR:—Where a Cashier of a National bank is employed by the year, and the bank fails, can he recover of the Receiver the amount of his salary for the unexpired part of the year.

A. B. C.

Answer.—It has been held that the Cashier of a National bank can not be chosen for any stated term: but he holds his office at the pleasure of the board of directors. (*Westervelt* vs. *Mohienstecker*, 53 BANKERS' MAGAZINE, 674; *Harrington* vs. *Bank*, 1 Thompson and Cook, 361.) As, therefore, the time of his employment is not definitely fixed, there is no ground upon which he could recover for any period beyond that in which he was actually engaged in performing the duties of Cashier.

PENNSYLVANIA BANKERS' ASSOCIATION.

SECOND ANNUAL CONVENTION, HELD AT PITTSBURG, DECEMBER 16 AND 17, 1896.

The Pennsylvania Bankers' Association, which was organized at Philadelphia, December 17, 1896, met in annual convention at the Pittsburg Club Theatre, Pittsburg, December 17, the convention also continuing on the following day. In the absence of President R. H. Rushton, who was detained at his home in Philadelphia on account of illness, Thomas P. Day, Vice-President of the association, and Cashier of the People's National Bank, Pittsburg, presided.

After prayer by Rev. Mr. Young, of the First Presbyterian Church, Mayor H. P. Ford made an address welcoming the bankers to Pittsburg in cordial terms. Reuben Miller also addressed the bankers in behalf of the Pittsburg Clearing-House Association. In the course of his remarks he said:

From public speeches and in the press we too often hear and see the word banker used as if it were synonymous with robber or usurer; whereas, the truth is that the capital stock of our banks is in nearly every case an aggregation of small amount used and held by many individuals, and that the province and duty of the banker is to receive these small holdings as capital, and the other, and oftentimes larger amounts in deposit for the use of those, who, without such assistance, could not undertake to give employment to the many who constitute the bone and sinew of the land.

President Rushton's annual address was read by Mr. Day. It was in part as follows:

In the matter of membership the result of the first year has far exceeded the expectations of your officers. The names of 353 banks, bankers and trust companies appear upon its roster, which represents fully 50 per cent. of the active financial concerns of the State. In comparison with the field for work Group VIII. presents the largest membership figures, having 117 out of a possible 209, and Group VII. the lowest percentage, showing 21 out of 81, due to the delay in organization. The percentages of membership of the different groups, compared with the possible membership, are as follows: Group I, 37 per cent.; Group II, 40 per cent.; Group III, 48 per cent.; Group IV. 44 per cent.; Group V. 27 per cent.; Group VI. 50 per cent.; Group VII. 26 per cent.; Group VIII, 56 per cent.

The receipts of the association from dues amounted to $3,045, which sum has enabled the officers to push the work without embarrassment, and the close of the year's operations leaves a fair balance in the treasury. Thus far the dues have proved ample for the requirements of the association.

The work of the association is worthy of the best efforts of every person. In formulating and perfecting the rules by which the business of banking is to be conducted with economy, efficiency and safety, we shall not only be doing our duty to those we more immediately represent, but we will render most important service to the public. We know, from our individual experience, how absolutely true it is that there is no antagonism between capital and legitimate enterprise. It is our function to gather up and accumulate the surplus savings of the community, and to lend them out to those who can profitably make use of them. We are thus brought into touch with every branch of industry, and acquire an interest of our own in every other man's business. We share in their prosperity, and suffer with them in their adversity. By fostering enterprise; by lending credit to those worthy of confidence; by checking unwise speculation, and by refusing help to wild and hazardous schemes, we shall conserve and advance our own interests, and we will also be doing our part in promoting the prosperity of the people of Pennsylvania.

The reports of the secretary and treasurer were then read. The treasurer's report follows:

Treasurer's Report.

To the Pennsylvania Bankers' Association:

Gentlemen—I have the honor to submit the following report of my receipts and expenditures during the past year:

Received from banks and bankers—	
256 at $10 annual dues	$2,560.00
97 at $5 annual dues	485.00
Total	$3,045.00
Disbursements as per accompanying vouchers	2,533.99
Balance on hand	$511.01

Respectfully submitted,

Wm. L. Gorgas, *Treasurer.*

Resolutions were offered by William Hackett, of Easton, relating to the recommendations in the Annual Report of the Comptroller of the Currency, and referred to the council of administration. The resolutions were subsequently withdrawn by Mr. Hackett.

Col. Hugh Young, National Bank Examiner of the Pittsburg district, delivered an interesting and valuable address on "The Troubles and Anxieties of Bankers."

J. T. Brooks, Vice-President of the Pennsylvania Railroad Co., read a paper favoring the issue of all credit paper by the banks instead of by the Government.

Resolutions of regret for the absence of Comptroller Eckels, and expressing appreciation of his eminent services as Comptroller, were offered by Mr. Hackett and were adopted.

The following resolutions were offered by James H. Willock:

Resolved, That it is the sense of this association that the following changes should be made in the existing law:

First—The provisions of the Act of July 12, 1882, imposing limitations upon the reduction and increase of National bank circulation, should be repealed.

Second—The annual tax on circulating notes of National banks should be reduced from one per cent. to one-quarter of one per cent.

Third—National banks should be permitted to count the notes of other National banks as part of their legal reserve.

Fourth—National banks should be permitted to issue circulating notes to the par value of the bonds deposited, and such notes to be redeemable at the United States Treasury and their own counters in gold coin.

Fifth—United States legal-tender notes and Treasury notes of 1890, now in the Treasury, should be cancelled and destroyed forthwith; and, as fast as new circulation is taken out by National banks hereafter in excess of the amount now outstanding, the remaining United States and Treasury notes should be redeemed and not reissued.

Sixth—The recommendations of the Comptroller of the Currency, in his recent annual report to Congress, that in places of less than 2,000 inhabitants National banks should be permitted to organize with a capital stock of not less than $25,000, with a corresponding reduction of the United States bonds required to be deposited with the Treasurer, and that in towns and villages where the population does not exceed 1,000 inhabitants, and where no National bank is established, National banks may be permitted to establish branches, under proper regulations and restrictions, have our hearty approval.

After considerable discussion the fourth section of the resolution was amended to make the notes redeemable at the banks' own counters and not at the Treasury.

The form of statement from borrowers adopted by Group IX. of the New York State Bankers' Association was adopted by the convention.

Second Day's Session—Banquet.

The first business of the second day's session was the fixing of a time and place for holding the next convention. It will be held at Williamsport, in September.

The committee on nomination of officers prepared the following report, which was adopted:

President—Thomas P. Day, Cashier People's National Bank, Pittsburg.

Vice-President—William Hackett, Cashier Easton National Bank, Easton.

Secretary—A. D. Clark, Cashier Kane Bank, Kane.

Treasurer—S. R. Shumaker, Cashier First National Bank, Huntingdon.

The following delegates were chosen to represent the association at the next convention of the American Bankers' Association:

James C. Pinkerton, Assistant Cashier, Bank of North America, Philadelphia.

James H. Willock, President, Second National Bank, Pittsburg.

R. M. Henderson, President, Carlisle Deposit Bank, Carlisle.

H. C. Parsons, President, West Branch National Bank, Williamsport.

J. J. Foulkrod, Cashier Manayunk National Bank, Philadelphia.

David Jameson, Cashier Citizens' National Bank, New Castle.

J. A. Herron, Alexander & Co., Monongahela City.

D. S. Kloss, Cashier First National Bank, Tyrone.

The thanks of the convention were extended to the Duquesne and Pittsburg Clubs, for offering the use of their club houses, and to the Pittsburg Clearing-House Association, and to the presiding officers for their fidelity in administration.

After the business session the bankers visited East Pittsburg, Braddock and Homestead. At East Pittsburg the party took lunch at the club house, as the guests of George Westinghouse, after a tour of the Westinghouse industries had been made. The Edgar Thomson and Homestead steel works were also inspected.

The Pittsburg Clearing-House Association tendered a banquet to the delegates, at the Monongahela House, on Wednesday evening, December 16, which was a most enjoyable feature of the convention. W. R. Thompson acted as toastmaster, and introduced the several speakers of the evening in a particularly felicitous manner.

No Gold Certificates.—The following letter from the Secretary of the Treasury, addressed to Franklin Haven, President of the Merchants' National Bank, Boston, was made public on Dec. 14:

Sir:—Replying to your favor of the 24th of November, written in behalf of the Boston banks, asking for the issue of gold certificates, under the authority granted in section 12 of the Act of July 12, 1882, I am not yet prepared to give the necessary order.

After the reserve has once fallen below one hundred millions, and the issue of such certificates has been stopped, it is not certain that the Secretary of the Treasury, especially in view of existing conditions, would be justified in resuming their reissue. It has been the experience of the department in the past that the normal increase of the gold reserve caused by the exchange of paper currency for gold is checked by the issue of gold certificates, and in fact upon various occasions considerable amounts of gold have been withdrawn by the presentation of notes for redemption and immediately redeposited in exchange for gold certificates. Moreover, the House of Representatives in the Fifty-third Congress, at its third session, passed a bill discontinuing their issue entirely, and it is the intention of the department to present the subject again at a very early date. As the amount of gold reserve is largely determined from time to time by the available amount of paper in circulation, it seems inadvisable, at this time especially, to increase the volume of that currency by the issue of gold certificates. J. G. Carlisle, *Secretary*.

Recommendations in regard to legislation on this subject will be found in the Annual Report of the Secretary of the Treasury, printed elsewhere in this number.

Banking Legislation.—On January 11 the House passed the following: To amend the Act authorizing the appointment of receivers of National banks; providing that no National bank shall be organized in cities of 50,000 inhabitants with less than $200,000 capital; in cities of 30,000 with less than $100,000; in cities of 6,000 with less than $50,000, and in cities of 3,000 with less than $20,000.

WORLD OF FINANCE.

CURRENT VIEWS ON MONETARY AFFAIRS.

SOUTHERN BANKING NEEDS.

"The Evening Post" (New York) has been carrying on an interesting discussion of this topic in recent issues. In its correspondence some of the underlying reasons for the popularity of the free-silver idea have been pointed out. These are said to be the alternating plethora and scarcity of currency at certain seasons, and the inability of the farmers to secure loans on real estate. It is cited that a farmer will be refused a loan by a National bank on real estate security, on the ground that such loans are illegal. He is forced to go to a broker and get the money, paying 8 or 10 per cent. But the broker, who is in good credit at the bank, easily procures the money at 6 per cent.

A Southern correspondent of the "Post" says:

"Go into any country district in those sections and you will find that neighborhood trade goes on mostly without money. Payments are largely made in kind. Exchanges of service are effected by a loose and costly credit system revolving between the farmers and the cross-roads store. If there is a bank in the country town it is an agency by which the rich men of the locality can lay out their money at interest. Money may be borrowed on mortgages and perhaps some business accommodations can be obtained by traders, but of banking as an agency for financing the processes of agricultural production there is none. * * *

I have yet to meet the man who would not acknowledge that the quality of universal circulation at par possessed by National bank notes is a great improvement over the old State bank system. The true reason why the National bank system is disliked is that it is not really National in its provision of banking facilities. * * *

As for those who think that the first duty is to get rid of the greenbacks, let me ask them whether an instance can be found where a mass of Treasury notes which have taken the place of money as a circulating medium have been retired except in connection with an adequate provision of bank issues. At the close of the War of 1812 the operations of the Government were clogged and the whole fabric of industrial relations deranged by the outstanding issues of Treasury notes. The problem of disposing of them was solved by Alexander James Dallas in establishing the second Bank of the United States. As a matter of practical politics such a problem can be solved in no other way. Provide for the money supply and you have a free hand, for the people do not bother about the source of the supply if as a matter of practical experience they find sufficient forthcoming for reasonable needs. But until such provision is made it is not at all likely that any new attempt to retire the greenbacks will be any more successful than previous attempts have been. The way to cure our financial ills is by a reform of the National banking system, and I do not believe there is any other way."

The retirement of the Government legal-tender paper is only a preliminary step toward the complete reformation of the currency. To postpone the settlement of this issue will be to invite a renewal of the free-silver agitation which has so long vexed the people. Popular opinion has decided for the gold standard, and it is the immediate duty of Congress to make the verdict effectual.

THE BEST SYSTEM OF BANKING.

The National banking law, in my opinion, has afforded us the best system of banking ever inaugurated, and this same law modified, so as to admit to its provisions the State banks of the country, will be the best foundation upon which to build a currency for the future.—*John W. Faxon, First National Bank, Chattanooga, Tenn.*

NO HALF-WAY MEASURE WILL DO.

If experience can teach any lesson, it is that it would be an act of supreme madness to temporize further with financial folly. The way to cure the fiat money delusion is not by being subservient to it, but by reaching and removing the grievances which give to it the strength which makes it dangerous. The country needs a safe and stable banking system which will furnish an adequate supply of currency and will meet all the requirements of coin redemption. To obtain this reform no half-way measure will do.—*Pittsburg Chronicle-Telegraph.*

HAVE BRED EXTENSIVE DISASTER.

They who think Government legal-tender notes the cheapest form of credit currency have only to estimate the public and private losses of three years of distrusr and depression, and the infinitely greater losses we have escaped so narrowly. No shock of private credit ever bred disaster so extensive. It is the problen of the next generation to take the Government out of its perilous position as a great bank of issue, with inadequate reserves.—*Portland Oregonian.*

AN IMPORTANT ISSUE.

The solid South is broken, even the color line is broken. It is the most hopeful period that I have witnessed since the Civil War. Right-minded men may now lay away their prejudices with the struggle that just ended. Find out wherein we may reconstruct the financial system of the country, and then join together, and by the force of united public opinion bring about the removal of the artificial construction to our mutual benefit. Of all the issues which must come to the front in the immediate future, I believe that the reconstruction of the banking system is the most important. Had that been undertaken when it became so manifest to the few, as it did a few years since, we should have had no silver craze, or we might have been saved the disaster and panic of recent years.—*Edward Atkinson.*

BANKS AND THE CREDIT CURRENCY.

The common remark is heard, "If the Treasury notes shall be retired, money will be made scarce, and if bank notes are substituted, the bankers will control the volume of money." Mere nonsense! The Treasury notes are not money. They are credit. And credit of the costliest kind. The country has sacrificed hundreds of millions to maintain it. Now, the rational way is to substitute another kind of credit for Government credit. Substitute notes issued by responsible persons, whose business it will be to redeem them—thus relieving the Government of the burden. Tax private credit with this duty, instead of throwing it upon the public Treasury. For government has not that kind of credit which is available for the banking business. But there is immense private credit. It ought to be used; and, used, it ought to be held to strict accountability, under Government regulations. Then credit currency would be abundant enough. Observe that notes are but credit currency, whether issued by the Treasury or by banks. And credit currency must always be supported by the party that has issued it. Maintenance of the national Treasury as a bank of issue costs the country immense sums. The Treasury should be taken out of the banking business, and private capital should be called in as a basis of credit.—*Portland Oregonian.*

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
WASHINGTON, D. C., December 15, 1896.

SIR:—I have the honor to submit the following report:

RECEIPTS AND EXPENDITURES.

Fiscal Year 1896.

The revenues of the Government from all sources for the fiscal year ended June 30, 1896, were $409,475,408.

The expenditures for the same period were $434,678,654, showing a deficit of $25,203,245.

In addition to the ordinary revenues collected during the year the cash in the Treasury was increased by the following sums: From the sale of one hundred million four per cent. thirty year bonds issued under Act of January 14, 1875, $111,166,246, and from the issue of four per cent. bonds in liquidation of interest accrued on refunding certificates converted during the year, $4,130, making a total of $111,170,376. The securities redeemed during the year on account of the sinking fund were as follows:

Loan of 1882	$3,200
Loan of July and August, 1861	500
Loan of July and August, 1861, continued at 3½ per cent	2,000
Loan of 1863	500
Funded loan of 1881	3,200
Funded loan of 1891	58,150
Oregon war debt	50
Fractional currency and notes	8,283
National bank notes	5,257,466
Total	$5,333,349

As compared with the fiscal year 1895 the receipts for 1896 increased $19,102,205. There was a decrease of $4,015,852.21 in the ordinay expenditures.

Fiscal Year 1897.

The revenues of the Government for the current fiscal year are thus estimated upon the basis of existing laws:

From customs	$148,000,000
From internal revenue	150,000,000
From miscellaneous sources	20,000,000
From postal service	89,793,120
Total estimated revenues	$407,793,120

The expenditures for the same period are estmated as follows:

For the civil establishment	$107,000,000
For the military establishment	56,000,000
For the naval establishment	31,000,000
For the Indian service	11,500,000
For pensions	140,000,000
For interest on the public debt	37,000,000
For postal service	89,793,120
Total estimated expenditures	$472,293,120
Or a deficit of	64,500,000

Fiscal Year 1898.

It is estimated that upon the basis of existing laws the revenues of the Government for the fiscal year 1898 will be $421,227,076.

The estimates of appropriations required for the same period, as submitted by the several executive departments and offices are, exclusive of sinking fund, $466,946,047, or an estimated deficit of $45,718,970.

The foregoing estimates of receipts and expenditures for the fiscal year 1898 are made upon the assumption that there will be no substantial change in existing business conditions, and that the present scale of public expenditures will not be reduced. Such estimates, even when made under the most favorable circumstances, involve so many elements of uncertainty that they can be regarded only as showing probable results, but the difficulty of reaching satisfactory conclusions, especially as to the amount of receipts, is greatly increased at the present time by the unsettled condition of business, and the impossibility of foreseeing the changes that may occur before or during the year beginning on July 1, 1897. If our ordinary business activity should be resumed, and the consumption of articles subject to taxation should increase to its normal proportions, the receipts for that year will of course be much larger than is here estimated, and there may be in fact no deficiency in our revenues.

Operations of the Treasury.

According to the report of the Treasurer of the United States, the total available assets of the Treasury at the opening of business on July 1, 1895, were $812,627,722. Of this sum $579,247,863 represented deposits held for the redemption of outstanding certificates and Treasury notes, and the remainder, amounting to $233,379,859, constituted the general fund. At the close of business on June 30, 1896, the deposits held for the redemption of certificates and Treasury notes were $547,330,973, and the general fund $308,354,348, making a total of $855,685,321.

The aggregate receipts for the year as shown by the warrants, including the ordinary revenues, the proceeds of loans, and the deposits for certificates, were $820,852,810. The corresponding disbursements were $748,369,469. In the fifteen months ending with September the redemptions of United States notes and Treasury notes in gold amounted to $192,972,205. The net gains of gold to the Treasury during the same period, exclusive of the proceeds of the sale of bonds, were $98,138,902. Uncurrent gold and silver coins of the face value of $5,452,724 were transferred during the year from the Treasury to the mint for recoinage. The redemptions of National bank notes were nearly $108,000,000, the largest in ten years, and with the exception of three years, the largest since 1879.

Statistics of Foreign Commerce.

The following table, prepared by the Bureau of Statistics of this department, exhibits the principal features of the trade returns for the fiscal year 1896.

	1895.	1896.	+, Increase. −, Decrease.
Imports:			
Merchandise: Dutiable	$363,233,795	$369,757,470	+$6,523,675
Free	368,736,170	409,967,204	+41,231,034
Total	$731,969,965	$779,724,674	+$47,754,709
Per cent. dutiable	50.4	52.6	
Gold	$36,384,760	$33,525,065	−$2,859,695
Silver	20,211,179	28,777,186	+8,566,007
Exports:			
Merchandise: Domestic	$793,392,599	$863,200,487	+$69,807,888
Foreign	14,145,566	19,406,451	+5,260,885
Total	$807,538,165	$882,606,938	+$75,068,773
Gold	$66,468,481	$112,409,947	+$45,941,466
Silver	47,295,286	60,541,670	+13,246,384
Imports for consumption	$731,162,091	$759,694,084	+$28,531,993
Duties paid	147,901,218	156,104,599	+8,203,381
Ad valorem of duties:			
On dutiable ... per cent.	41.75	39.94	
On free and dutiable ... "	20.23	20.55	
Tonnage: Entered ... tons	19,294,915	20,987,046	+1,692,131
Cleared ... "	19,750,546	21,300,843	+1,550,297

The most gratifying features of this comparison of trade in the two years are to be found in the exports of domestic produce and merchandise, and in the revenue from custom duties on imports. It was in 1880 that the value of domestic exports passed for the first time the sum of $800,000,000, and only three times was that figure attained in the ten years from 1880 to 1889. Since 1890 the value of exports has not fallen below $830,000,000, except in the single year 1895. This increase in the aggregate value of exports has occurred in spite of a general and remarkable decline in the prices of the articles exported—a decline that has with few exceptions affected the entire range of domestic product. The conditions under which $863,200,000 were exported in 1896 are not unlike those of 1891, when the domestic exports were $872,200,000; but the excess of exports over imports in 1891 was only $27,354,087, while in 1896 it was $83,475,813. So large an excess of exports prepared the way for rates of foreign exchange more favorable to this country, and contributed largely to the recent heavy movement of gold from Europe to the United States in settlement of the trade balances. While the export of gold during the fiscal year 1896 was greatly in excess of the import, the import in 1897 promises to more than turn the scale in favor of this country.

In 1860 the value of domestic manufactures exported was $40,345,892, constituting about one-eighth of the total exports of domestic merchandise. In 1876 the value of this class of exports reached $100,000,000, and in the following year attained $133,983,549. From that year until 1890 there was little change in this value. From 1890 to 1893 there was a growth of about $20,000,000, and from 1893 to 1896 nearly $70,000,000 have been added—a remarkable increase, and making the manufactures more than twenty-six per cent. of the entire domestic export. The details of this movement will be found in the tables printed by the Bureau of Statistics of this department in the annual report on "Commerce and Navigation of the United States."

The average ad valorem rate of duties, under the tariff law of 1890, was about fifty per cent. The ad valorem rate in 1896 was 39.94 per cent., producing a revenue of $156,104,599 from imported goods. Imported sugar yielded $39,808,140.

The Currency.

The redemption of United States notes and Treasury notes in gold during the fiscal year amounted to $158,655,956 and the total exports of gold amounted to $112,409,947. During the months of August, September, October, November, and December, 1895, the withdrawals of gold from the Treasury by the presentation of notes for redemption amounted to $67,624,575; and on the 6th day of January, 1896, the reserve having been reduced to $61,251,710, a circular was issued calling for subscriptions for $100,000,000 in United States four per cent. bonds of the same date and character as those sold in February, 1895. The result of this was a sale of bonds to the amount of $100,000,000, maturing thirty years from February 1, 1895, bearing interest at four per cent. per annum, for which there was paid into the Treasury in gold coin and gold certificates on account of principal, premium, and interest, the sum of $111,166,232.65, making the average price $111.166, and the average rate of interest received by the purchasers 3.394 per cent. per annum.

Since March 1, 1893, United States bonds to the amount of $262,315,400 have been issued and sold for $293,481,894.90 in gold, while during the same time notes have been redeemed in gold to the amount of $457,039,855, and on the first day of December, 1896, there was free gold in the Treasury to the amount of $131,510,352. Since the resumption of specie payments on the 1st day of January, 1879, United States notes to the amount of $470,490,967, and Treasury notes issued under the Act of 1890, to the amount of $86,428,881, making $556,919,868 in the aggregate, have been redeemed in gold, and since August 1, 1893, Treasury notes to the amount of $35,-121,722 have been redeemed in silver, and the notes so redeemed have been cancelled and retired from circulation.

Making no deductions on account of the loss or destruction of notes, the total amount of United States currency in existence on the 1st day of December, 1896, was $468,358,296, consisting of $346,681,016 in United States notes, and $121,677,280 in Treasury notes of 1890, and, consequently, it appears that the entire volume of such notes has been once redeemed in gold, and more than $98,561,000 have been twice redeemed.

Retirement of the Legal-Tender Notes.

In former communications I have called the attention of Congress to this subject and have earnestly urged the necessity for early and effective legislation to provide for the permanent retirement of these notes as the only certain means of securing the stability of our currency and relieving the Government from periodical financial embarrassment, and, although I can add but little to the suggestions heretofore made, the matter is, in my opinion, of such vital importance as to justify a recurrence to it in this report. Our experience since the resumption of specie payments has so thoroughly demonstrated the impolicy of attempting to maintain the circulation of these notes as a permanent part of our currency, that further argument upon the question seems to be unnecessary, except for the purpose of again pressing the subject upon the attention of Congress and urging the prompt adoption of such measures as will, within a reasonable time, elimate this element of weakness from our system.

The use of these notes as a circulating medium compels the Government to provide a large gold reserve for their current redemption, and as they are reissued when redeemed, such reserve must be replenished from time to time, in order to afford the public a reasonable assurance that no default will be made in the discharge of our public obligations. The difficulty of procuring gold for this purpose is greatly increased at the very times when its possession is most necessary, and, consequently, the Government, being at such times entirely deprived of gold receipts from the ordinary sources of revenue, is compelled to issue and sell bonds upon terms less favorable than might be procured under other circumstances. The annual interest upon the addition to the public debt which has been made to procure and maintain the reserve amounts to $16,312,616, and the aggregate of the principal and interest at the maturity of the bonds will be more than $641,000,000, and yet the notes themselves, on account of which this enormons indebetdness has been incurred, will, if our present policy is maintained, remain unpaid. But it can not be safely assumed that this will be the whole measure of the burden imposed upon the people; because, if provision is not made for the cancellation of this currency, it is reasonably certain that emergencies will hereafter arise, from time to time, compelling the issue and sale of additional bonds to replenish the reserve, thus increasing our interest-bearing debt, without in the least diminishing our obligations on account of the notes.

The maintenance of a policy which necessarily imposes upon the Government the burden of furnishing gold at the public expense to all who may demand it for use or hoarding at home, or for export to other countries, can not be justified upon any ground of expediency or sound financial principle, and even if the periodical and frequently recurring demands for gold did not weaken the foundations of our entire currency system, thus impairing confidence and depressing business, it would nevertheless be the duty of all who are charged with any degree of responsibility for the adoption of proper financial methods to insist upon the reformation of our laws on this subject at the earliest possible day. The issue and redemption of circulating notes is not a proper function of the Treasury Department, or of any other department of the Government. While the Government has power to borrow money, it is not its duty to issue public obligations merely for the purpose of providing a paper currency for use in the transaction of business, nor has it the constitutional power, in my opinion, to make its promises legal tender in the payment of private debts. Such a policy, even if sanctioned by the Constitution, instead of imparting strength and stability to our currency system, seriously endangers it by the introduction of political and partisan considerations into the management of a subject which ought to be regulated entirely by the business interests of the people and by the laws of trade and the principles which control honest commercial intercourse.

Although the actual ability of the Government to redeem its notes promptly in gold coin may be undisputed, still the question whether they will be or ought to be so redeemed must always be open to public discussion, and it is well known that the constant agitation of this question during the past few years has upon several occasions greatly imperilled the safety of our entire currency system. So long as the United States notes remain in circulation, questions as to the mode and manner of their redemption, and as to the means of procuring and maintaining a coin reserve for that purpose, will be made political issues, and so long as these questions remain in politics public confidence in the stability of our currency must be more or less disturbed. Even if the agitation of these questions affected only the value of United States notes, the consequences would be sufficiently serious to justify a demand for their permanent retirement, but the character of our currency is such that whatever creates a doubt or suspicion concerning their prompt redemption in gold on presentation, necessarily impairs confidence in the whole volume of our circulation and inflicts much greater injury upon the public than could possibly result from the failure of ordinary banking institutions to redeem their paper. Every menace to the gold reserve, and every manifestation of a formidable public sentiment in favor of the redemption of our notes otherwise than in gold coin, at once alarms the whole business community, depresses trade and industry, and impairs the value of our public and private securities in all the markets of the world. There is but one absolutely certain way to remove this delicate and dangerous question from our party politics, and that is to retire and cancel the notes. All attempts to hoard them permanently by the Government must fail, for the obvious reason that our people will not consent to be taxed merely for the purpose of accumulating and holding a large and useless surplus in the Treasury. Besides, the notes must be withdrawn from circulation in order to be hoarded, and when withdrawn from circulation, it would be far more advantageous to the public to cancel them than to keep them on hand as a constant temptation to indulge in unnecessary and extravagant expenditures.

Future Dangers Prophesied.

We must not be deluded into a feeling of security by the fact that there has been a suspension of gold withdrawals during the last few months and a large accession to our stock of gold from abroad during the same time, because there is no sufficient reason to believe that this condition of affairs will be permanent, if our existing system is maintained. The favorable change in the rates of exchange which stopped withdrawals and exports and turned the current of gold shipments in our direction was due to causes having but little, if any, connection with our actual or prospective financial situation. These causes were temporary in their character, and can not reasonably be expected to operate in our favor for any great length of time while our currency remains in its present unsatisfactory condition. Fluctuations in the rates of exchange are producted by causes beyond the control of official power, and one of the misfortunes of our present situation is that whenever these rates reach a point at which it is more profitable to export gold than to purchase bills for the settlement of our balances abroad, the Government is compelled to furnish the gold, or fail to maintain the standard of value established by law; in fact, the abandonment of that standard, and the legal or practical recognition of silver as the basis of our monetary system would not relieve the Government from the obligation to procure coin by the issue of bonds, or otherwise, for the redemption of its notes. Until the notes are permanently retired, or the obligation to redeem in coin is wholly repudiated, a large reserve must be provided, and this reserve, whether it consists of gold or silver, being subject to the demands of all who desire to exchange notes for coin, must be replenished from time to time by such means as the Government is able to command. No system of coinage that can be devised will furnish the Government with either gold or silver, unless it pays for it with means already collected by taxation, or by contracting an indebtedness to be paid by the people in the future.

I am thoroughly convinced that the retirement and cancellation of United States notes of both classes, under such reasonable limitations and restrictions as to time and methods as Congress may see proper to prescribe, or as a prudent Secretary of the Treasury would adopt in the exercise of his official discretion, would not result, either permanently or temporarily, in an injurious contraction of the currency. No Government, however despotic, can prescribe the exact amount of currency its people shall use in the transaction of their business, and every attempt to regulate this subject by arbitrary rules in the form of legislation, or otherwise, is a departure from true economic principles. The people, if left free to conduct their business affairs in their own way, will always decide for themselves how much money they need, and, unless prevented by artificial obstructions, the necessary amount will always be supplied either from their own resources at home, or through exchanges abroad. The volume of business transacted determines the amount of money and credit required, and whenever the volume of business demands an additional supply of money or an extension of credit, the demand will certainly be complied with, provided the laws do not interfere to prevent it. As rapidly as our notes are redeemed and canceled, gold, or a currency as good as gold, will take their places in the circulation, if the interests of the country require it.

With a liberal commercial policy, promoting the profitable introduction of our large surplus products into the markets of other countries, and a sound currency system, promising safe investments for foreign capital in our domestic industries, we may confidently rely upon the operation of the natural laws of trade and finance for an abundant supply of good money to transact all the business of the people and fully develop the great resources at our command. As soon as the resumption of specie payments had become assured, and the agitation of that question had ceased, gold began to flow into this country in large amounts, and from 1878 to 1881, both years included, our net gain from imports alone was $179,748,592, but in addition to this, our available stock of this metal was considerably increased by our domestic production and by the renewed use of a great part of the coin previously hoarded by our people on account of its superiority in value over a depreciated paper currency. For a series of years there had been deficient crops in Europe, and the sale of our grain and provisions in foreign markets created a very large excess of exports of merchandise over imports, culminating in 1878 in a balance in our favor of $305,139,642, the largest that ever existed in a single year. No such balance has ever been approached in any year since, except during the current calendar year 1896. In eleven months the excess of exports of merchandise over imports has been $266,086,709; and to this should be added the net exports of silver, $44,985,015, making a total of $311,071,724, or nearly six million dollars more than the highest amount for any previous period of twelve months. It is scarcely possible that such changes can occur in the course of our international trade during the next few years as to prevent a large annual balance in our favor, and if these favorable results continue to be realized, and our currency system shall be placed upon a sound basis, experience and reason alike justify the conclusion that very considerable amounts of gold must be sent here to pay for our exported products, or that, even if this should not be the case, the demand upon our existing stock will cease, and our own production, amounting to not less than $45,000,000 per annum, will be permanently added to the volume of our circulation.

But without a reformation of our currency we can not safely rely upon permanent accessions to our stock of gold from abroad in settlement of trade balances in our favor, nor can we hope even to retain permanently the stock already in the country, as is conclusively shown by the experience of the last four years. During the four years from 1893 to 1896, both inclusive, our exports of merchandise and silver exceeded our imports by the amount of $376,408,057, and yet, during the same time our net exports of gold amounted to $201,003,708; or, in other words, we paid during this time to the people of other countries, $577,411,765 in merchandise and in silver and gold. Being a debtor nation, our favorable balances of trade will not bring us gold, or any other form of money, so long as we maintain a currency of doubtful value of stability, or continue an agitation which alarms foreign investors, and induces foreign creditors to demand the payment of their claims. Under such circumstances, all our balances are absorbed by the withdrawal of previous investments and the collection of previous debts.

Authority to Issue Bonds.

In my last annual report it was recommended that the Secretary of the Treasury should be authorized to issue from time to time bonds payable in gold, bearing interest at a rate not exceeding three per centum per annnm, and having a long time to run, and to exchange such bonds for United States notes and Treasury notes, upon such terms as might be most advantageous to the Government, or to sell the bonds abroad for gold whenever in his judgment it might be advisable to do so, and use the gold thus obtained in making redemptions of outstanding notes. The terms in which this recommendation was made, and the suggestions submitted in support of it, showed that it did not contemplate the retirement of all the outstanding notes at one time, but that the process should be so conducted as to avoid any danger of an improper contraction of the currency. Believing that this plan of redeeming the notes, and at the same time substituting an absolutely sound currency in place of them, promises the most certain means of accomplishing the desired result within a reasonable time, I adhere to the views then expressed; but the object to be attained is so essential to the future financial safety of the country that it ought not, in my judgment, to be defeated or abandoned simply on account of differences of opinion concerning the methods of securing it.

While an Act conferring express and plenary authority upon the Secretary to issue bonds and use them or the proceeds of their sale for the purpose of retiring a certain amount of the notes each year, would, in my opinion, be the most effectual and economical way to accomplish that object, it may be that so radical a measure would not receive the assent of Congress, in the present state of the public mind on the subject, and if so, it is submitted that, at the very least, authority should be given to retire and cancel a maximum amount of notes each year when voluntarily presented by the holders and redeemed in gold; and if the maximum amount fixed by Congress should not be retired and canceled in any year by redemptions out of the gold reserve, the Secretary of the Treasury should be clothed with authority to apply to that purpose any surplus funds in the Treasury, and in addition, if necessary, to issue the character of bonds above described to a sufficient amount to comply with the provisions of the law. The adoption of such a policy would give immediate assurance of a purpose to return within a reasonable period to a safe and elastic currency system, and would remove much of the doubt and uncertainty which have for many years disturbed the public mind and embarrassed the business of the people and the operations of the Government. No sudden or large contraction of the active currency could result from the execution of such a plan, because the redemptions would be made from time to time with money already withdrawn from circulation and held in the Treasury, except in cases where it might become necessary to issue and sell bonds in order to make the redemptions correspond to the amount required or authorized; and in all such cases contraction could be easily prevented by selling the bonds abroad and thus adding their proceeds to our domestic stock of money.

As already stated, without making allowance for the loss or destruction of notes in the hands of the people, the total amount of United States legal-tender notes in existence on December 1, 1896, was $468,358,296. On the same day the free gold in the Treasury amounted to $131,510,352, of which $100,000,000 was procured and is held solely for the purpose of being used in the redemption of notes, so that the additional sum required to provide for the retirement of all this currency would be, at the very highest estimate, $368,358,296, which includes $121,677,280 of Treasury notes issued under the Act of 1890. But if the $346,681,061 in old United States notes were retired, or even if provision were made for their permanent retirement by such methods as would insure the accomplishment of that result within a reasonable time, our currency system would be so improved and public confidence in its stability would be so strengthened that it might be found unnecessary to continue the redemption of the Treasury notes of 1890 in gold, and in that event the total amount to be so redeemed, deducting the reserve already on hand, would be $246,681,016. Treasury notes of 1890, as stated in the former part of this report, to the amount of $35,121,722 have been redeemed in silver since August 1, 1893, and the notes have been canceled. During the last fiscal year the redemptions of Treasury notes in gold amounted to $5,348,365, while during the same time the redemptions in silver amounted to $16,405,120, or more than three times as much.

These redemptions, and the consequent substitution of standard silver coin in place of the notes, have been gradually effected without creating any noticeable disturbance of the currency and without exciting any apprehension in the public mind, notwithstanding the precarious condition of our financial affairs during the time the process has been going on, and, in view of these facts, it appears not unreasonable to suppose that, under more favorable conditions, larger amounts of silver might be safely used for the same purpose, and all, or the greater part of, these notes be retired in the same way. The Act under which they were issued expressly requires the Secretary of the Treasury to coin a sufficient amount of the bullion purchased with them to provide for their redemption and to hold it in the Treasury for that purpose, thus clearly showing the intention of Congress to have them ultimately retired by substituting silver for them: and, in pursuance of this policy, such notes have been retired and canceled whenever the holders demanded, or were willing to receive, silver in exchange for them.

Redemption of National Bank Notes.

Whatever plan may be finally adopted for the retirement of United States notes and Treasury notes, it will fail to afford complete protection to the Government against demands for gold in the future, unless it includes a provision relieving the Treasury from the obligation to redeem National bank notes, except such as are worn, mutilated, or defaced, and the notes of failed banks, or requires these institutions to keep their five per cent. redemption fund in gold and to deposit gold coin for the withdrawal of bonds when circulation is to be surrendered or reduced. Prior to the Act of June 20, 1874, each bank was required to redeem its circulating notes at its own counter, and also to select, with the approval of the Comptroller of the Currency, a national banking institution located in some of the cities named in the Act, at which redemptions could be made, and the Treasury was not authorized or required even to redeem worn, mutilated, or defaced notes; but since the passage of that Act each national banking association has been required to keep on deposit in the Treasury of the United States, "in lawful money of the United States," a sum equal to five per cent. of its circulation, to be held and used for the redemption of its notes, and when such notes, assorted or unassorted, are presented in sums of one thousand dollars or any multiple of that sum, the Treasurer is required to redeem them "in United States notes." In view of these provisions of the existing law, it is clear that in case the United States notes should be withdrawn from circulation, some other method of redeeming the National bank currency must be adopted, and, in my opinion, the obligation should be imposed directly upon the banks themselves, or they should be required to keep the redemption fund on deposit with the Treasurer, in gold coin.

Whoever is permitted to furnish paper currency should be required to keep it good in the hands of the people, by furnishing the means for its prompt redemption in coin when demanded, and the retirement of the United States legal-tender notes will necessarily devolve this duty upon the banks of issue, whether they be organized under our present laws or under some improved system which will give greater elasticity to our currency and afford better opportunities for the employment of capital and commercial credit in banking institutions. Before the suspension of specie payments in 1861, and for many years after resumption, the banks supplied all the gold required by our people in the transaction of their domestic business and for the settlement of balances abroad, and when the Government is released from the obligation to hold a large reserve for the redemption of its own notes, they will again be able, without loss or inconvenience, to return to the former practice in this respect, and, by the use of their own means, keep their circulating notes at par with gold.

Amendments to the Banking Law.

For reasons which were submitted at some length in my last annual report, and which it is unnecessary to repeat, I recommended such amendments to the national banking laws as would permit the issue of circulating notes equal in amount to the face value of the bonds deposited and reduce the tax on notes to one-fourth of one per centum per annum, and that authority be given to establish branch banks for the transaction of all kinds of business now allowed, except the issue of circulating notes. These amendments would, in my opinion, greatly improve the system, by increasing its efficiency as a means of furnishing accommodations to the people in times of need and in localities where adequate banking facilities do not now exist. Unless the credit of the Government shall become more seriously impaired than there is now any reason to apprehend, our bonds will always be worth par in the market, and will, consequently, afford an ample guarantee for the safety of the notes issued against them; and, as the whole purpose of the law on this subject is to protect the note-holders against loss, it is difficult to see upon what ground the present limitation upon the issue of notes can be defended. When bonds to secure circulation can be procured only by the payment of a large premium, as has been the case for a great many years, the profits realized upon the notes are so small and so uncertain that banks prudently managed are generally unwilling to increase their issues in order to meet temporary demands for additional currency, and the result is that the supply remains substantially the same whether the demand be great or small. The essential element of elasticity can not be secured for this form of currency under our present laws, and is by no means certain that it can be secured under any system which requires the purchase and deposit of bonds to secure circulation.

An annual tax of one-fourth of one per cent. upon the circulation of National banks will produce a sum more than sufficient to defray the expenses of governmental supervision, and, as this is the only proper purpose for which such a charge can be imposed, I am decidedly of the opinion that it should be reduced to that rate. In whatever form such taxes may be assessed, they must ultimately become charges upon the people for the use of the currency, and, consequently, they ought not to exceed the amount required to maintain the service provided at the public expense.

The provision of the national banking law which prohibits the organization of any association with a capital of less than $50,000 and permits the organization of associations with this minimum amount only in places having a population of six thousand and less, deprives many communities of necessary local banking facilities and serves no useful purpose in maintaining the safety or efficiency of the system in other respects.

No good reason is perceived why this limitation upon the required amount of capital should not be reduced to $25,000, without regard to population. As all banks, whether their capital is large or small, are subject to the same legal restrictions and official supervision, it is evident that the number of people residing in the towns or cities in which they are located is wholly immaterial, and, therefore, the provision referred to is manifestly arbitrary and unnecessary. Many cities and towns, especially in agricultural regions, having comparatively a small population, although greatly in need of banking facilities, are unable to command sufficient capital to comply with the requirements of the present law and are consequently subjected to very great inconvenience and considerable loss in the transaction of their business. The amendment suggested, and a corresponding reduction of the amount of bonds required to be deposited under another provision of the statute, would afford a much needed measure of relief to such communities and contribute not a little to allay the feeling of discontent which evidently exists in some parts of the country on account of the unequal distribution of loanable funds. This modification of the law, and an amendment authorizing national banking associations having a designated amount of capital to establish and operate branches under such restrictions and limitations as Congress may see proper to prescribe, would afford opportunity for a practical extension of the system to all parts of the country, without in the least impairing its strength or efficiency. The branches ought not to be in any respect independent of the parent institutions, but should be mere agencies to receive and hold deposits, discount notes, purchase bills, and transact other business authorized by law, except the issue of circulating notes; and they should, of course, be subject to official inspection and to all the laws, rules, and regulations applicable to the kind of business in which they engage.

The propriety of prohibiting the issue of United States notes, Treasury notes, and National bank notes of lower denominations than ten dollars, in order to secure a larger and more permanent use of silver coins and certificates, has been urged upon Congress in all my annual reports, and the subject is again referred to only for the purpose of saying that the reasons heretofore stated in support of such a policy still exist and have been strengthened by the experience of each year.

It has been shown by experience that the effect of the provision contained in Section 12 of the Act of July 12, 1882, authorizing the issue of gold certificates has been to increase the difficulties of maintaining the free gold in the Treasury at or above the amount of the lawful reserve, and I recommend its repeal. The manifest purpose of the law was to accommodate citizens and financial institutions having gold coin on hand, by providing for its safe custody in the vaults of the Treasury and at the same time facilitating its practical use in the form of certificates, as a part of the active currency of the country, or in the reserves of the National and other banks. It was evidently supposed that its effect would be simply to increase the total gold holdings in the Treasury, without diminishing the amount of free gold; but it has been found that the privilege to make deposits and receive certificates is a constant temptation to present notes and withdraw free gold from the Treasury, to be redeposited for the benefit of the holders of the redeemed notes. Attention was called to this subject during the last Congress, and the House of Representatives passed a bill repealing the provision referred to, but it was not passed in the Senate.

To Hon. Thomas B. Reed, J. G. Carlisle, *Secretary*.

Speaker of the House of Representatives.

Insolvent Bank Dividends.—The Comptroller of the Currency has declared dividends as follows: First dividend of 10 per cent., First National Bank of Hillsborough, Ohio. Final dividend of 12¼ per cent., First National Bank of Texarkana, Texas, making 100 per cent. Final dividend of 15 per cent., Cherryvale National Bank, of Cherryvale, Kansas, making 35 per cent. Final dividend of 7½ per cent., First National Bank of Cedar Falls, Iowa, making 58½ per cent. Final dividend of 3 4-10 per cent., Newton National Bank, of Newton, Kansas, making 53 4-10 per cent.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

STATE OF NEW YORK.

BANKING DEPARTMENT, ALBANY, N. Y., Jan. 1, 1897.

To the Legislature:

The conditions prevailing throughout the fiscal year ended with September 30, 1896, trying to all business interests, were especially and peculiarly unfavorable to the satisfactory and remunerative conduct of moneyed corporations. Besides the general inactivity in trade and productive industries and the continued shrinkage of values, impairing the ability of customers and of shareholders to meet their engagements promptly, and often rendering ordinarily safe assets not easily convertible, with the consequence that embarrassment and losses were commonly experienced, the grave apprehension incident to a possible unwise result of the presidential campaign dictated the utmost conservatism in operations, so that if the worst should come there might be at least partial preparation for it. Investments and loans were thereby restricted, deposits diminished and discouragement imposed. It is not remarkable in these circumstances that insolvency was compelled during the year as to a single bank and one building and loan association out of nearly eight hundred institutions under the supervision of the Superintendent of Banks; but, rather, that escape from disaster was so general.

Besides these suspensions, however, four banks of deposit and discount, viz.; the Island Bank of Waddington, the Hydraulic Bank of Buffalo, and the East Side Bank and the Empire State Bank of New York city, went into voluntary liquidation for special or local reasons which made it unprofitable for them to continue business, while one bank reduced its capital in the sum of $1,500,000.

A showing so free from failures in such a year testifies impressively to the excellence of the State banking system and to the prudence, vigilance and ability with which the institutions in question are managed.

This commendation could be made more emphatic, however, if the banks in general would manifest less anxiety to apply their profits as fast as earned to the payment of dividends Indeed, a number do avoid this mistake, but stockholders commonly desire returns on their investments regularly and at as frequent periods as may be, and the impression prevails in many quarters that the declaration of large dividends establishes in the public mind the idea of strength and prosperity for an institution. But the fact is quite the reverse. The payment of a dividend is soon forgotten, while the size of a surplus or the amount of undivided profits remains always in evidence, and usually indicates the strength or weakness of institutions which have been organized and doing business any considerable length of time, and is the measure that the average customer or business man applies in forming judgment concerning them. As with an individual the spending of all his income is not the way to thrift and competency, so with a bank the division of profits does not create confidence or prepare for exigencies.

It is the part of wise banking to build up a strong surplus as a protection when losses come, and also that earning capacity may be increased. The law already recognizes the soundness of this view, and it might not be unwise to somewhat broaden the provision on the subject. But whether this be done or not, bankers ought themselves to more generally act voluntarily on the lines here suggested. The surplus ought always to be an earned one, however, and not one which the stockholders subscribed.

Since assuming the superintendency of the department it has been my fixed purpose to maintain the thoroughness of examinations established by my predecessor, and, if possible, to pursue with even more systematic pertinacity the work of requiring banks to "charge off" doubtful and uncollectible paper and other overrated and worthless assets, so that their published quarterly reports shall give to their customers and to the public their exact condition as it appears to the department from examinations made by it. While it is desirable that there shall be confidence in these institutions, that confidence should not rest upon any insecure basis, but be deserved and depend upon genuine stability and soundness.

The corps of examiners employed by the department includes men who are expert in banking methods, and in some cases surprisingly keen in detecting irregularities and discriminating between good and poor assets, and their work has been fruitful of good results. But this supervision can not be constant, and too much must not be expected from it. It is not, and in the nature of things it is impossible that it should be, altogether preventive of mistakes or of wrongs, and the directors of banks, who are immediately responsible for the success and safety of the investments of stockholders and the security of deposits, might advantageously supplement the investigations made by this department with searching examinations similarly conducted by themselves. * * *

As a partial offset to the banks that have withdrawn from business or reduced their capital, three new banks were organized under the State law during the fiscal year, viz.: The Citizens' Bank of Locke, the Madrid Bank and the Elmira City Bank, the first two with a capital of $25,000 each, and the third with a capital of $50,000. Having no depositors and undertaking no business, permission has been given from time to time to the Elmira City Bank to defer completion of the payment of its capital, but $35,000 of which has as yet been paid in.

The total number of State banks of deposit and discount transacting business at the close of the fiscal year was 218, a net decrease of two during the year. * * *

Total Resources.

The total resources of all the moneyed institutions under the supervision of this department, as shown by their last reports, are as follows:

Banks of deposit and discount, September 3, 1896	$278,795,005
Savings banks, July 1, 1896	806,751,426
Trust companies, July 1, 1896	396,917,238
Safe deposit companies, July 1, 1896	4,756,770
Foreign mortgage companies, January 1, 1896	25,574,560
Building and loan associations, January 1, 1896	50,168,683
Total	$1,557,963,682

This is an increase of $19,440,788 over the resources of the same class of institutions at corresponding dates in 1895.

New Banks.

The following table shows the number of new banks which were organized during the last fiscal year, together with the location, date of authorization and capital stock of each:

Name.	*Location.*	*Date of authorization.*	*Capital.*
Citizens' Bank of Locke, N. Y., The	Locke	Oct. 28, 1896	$25,000
Elmira City Bank*	Elmira	Oct. 30, 1896	50,000
Madrid Bank	Madrid	Jan. 28, 1896	25,000
Total			$100,000

* Capital unpaid, $15,000.

Recent Changes in the Banking Law.

Few changes were made in the Banking Law by the Legislature of 1896. They are thus summarized:

Adding to section 14 a provision specifically requiring foreign corporations doing business in this State, if engaged in receiving deposits in trust in this State (including building and loan associations), to deposit with the Superintendent securities to the amount of $100,000 each as security for the depositors with and creditors of such corporations in this State.

Providing that the restriction of subdivision 1 of section 25, forbidding a loan or discount by a corporaaion or banker exceeding one-fifth part of such banker's or corporation's capital stock and surplus, shall not apply to loans or discounts secured by collateral security worth at least fifteen per centum more than the amount or amounts loaned thereon; provided, however, that such loans or discounts on such collateral, or the discount of bills of exchange drawn in good faith against actually existing values, or commercial or business paper actually owned by the person negotiating the same, shall not exceed one-half the actual paid-in capital stock and surplus of such corporation or banker, including the loans first provided for in this section.

Prescribing that directors of trust companies shall make oath when elected or appointed affirming their eligibility as defined by the statute and assuming the obligations that attend the trust.

Authorizing Savings and loan associations to invest in the same kinds of securities, and under the same restrictions, as are allowed to Savings banks, any surplus moneys in their treasuries in excess of the amounts needed to meet the demand for temporary loans.

Supplying an omission in the law of 1892 by establishing conditions for the incorporation of mortgage, loan and investment companies, and defining the general powers of such companies.

Authorizing a reduction or an increase in the number of trustees of Savings bank corporations. Also adding the city of Springfield, Mass., and the city of Newark, N. J., to the list of municipalities in the securities of which Savings banks may invest.

CAPITAL.

The following table shows the amount of capital employed by the banks of deposit and discount and the individual bankers of this State on the 1st day of October, 1896, together with the decrease for the year:

Amount of capital September 30, 1895		$33,119,205
Capital subscribed in 1895, paid in since		41,495
Capital of banks organized during the year	$100,000	
Less amount not paid in	15,000	
		85,000
Increase of capital of bank previously organized		50,000
		$33,295,700
Capital of banks closed	$575,000	
Reduction of capital of bank previously organized	1,500,000	
		2,075,000
Capital stock September 30, 1896		$31,220,700
Capital stock September 30, 1895		33,119,205
Decrease for year (net)		$1,898,505

RESOURCES AND LIABILITIES.

* The resources and liabilities of the banks of deposit and discount as reported on September 3, were as follows:

RESOURCES.	*Sept. 3, 1896.*	*Dec. 9, 1896.*
Loans and discounts	$167,845,445	$163,423,157
Liability of directors as makers	5,572,019	5,960,704
Overdrafts	201,549	211,060
Due from trust companies, State, National and private bankers and brokers	19,977,267	26,554,322
Real estate	8,765,235	8,822,872
Bonds and mortgages	2,929,983	3,077,228
Stocks and bonds	15,909,374	14,731,852
Specie	13,312,198	16,154,721
United States legal-tender notes and circulating notes of National banks	18,500,557	19,905,659
Cash items	18,343,277	20,215,229
Loss and expense account	673,907	......
Assets not included under any of the above heads	1,763,445	1,634,390
Add for cents	764	661
Total	$273,795,005	$280,691,855
LIABILITIES.		
Capital	$31,220,700	$31,020,700
Surplus fund	19,942,816	19,400,612
Undivided profits	8,306,318	8,396,268
Due depositors on demand	181,828,696	185,710,087
Due to trust companies, State, National and private bankers and brokers	17,969,111	21,427,362
Due to individuals and corporations other than banks and depositors	424,697	......
Due Savings banks	11,968,674	13,088,090
Due Treasurer of the State of New York	1,220,873	1,130,807
Amount due not included under any of the above heads	910,778	517,604
Add for cents	342	325
Total	$273,795,005	$280,691,855

* For the purpose of comparison, the figures for December 9 have been added.—[EDITOR.

Securities and Cash Held in Trust.

Table showing securities and cash held in trust, deposited with the Superintendent of Banks in trust by the several banks, individual bankers and trust companies:

United States 2 per cent bonds	$120,000
United States 4 per cent. bonds	961,000
United States 5 per cent. bonds	1,000
United States 6 per cent. bonds	104,000
New York city 2½ per cent. bonds	525,000
New York city 3 per cent. bonds	1,375,000
Brooklyn city 3 per cent. bonds	370,000
Brooklyn city 3½ per cent. bonds	250,000
Brooklyn city 4 per cent. bonds	100,000
Buffalo city 3½ per cent. bonds	20,000
Niagara Falls city 4 per cent. bonds	20,000
Rochester city 3½ per cent. bonds	50,000
Bonds and mortgages	50,000
Cash	378
Total	$3,946,378

Financial Statement of the Banking Department.

Dr.		
To balance unexpended October 1, 1895, general fund	$244 83	
To appropriation (chapter 807, Laws of 1895):		
For salary of Superintendent	5,000 00	
For other salaries and expenses	19,000 00	
		$24,244 83
Cr.		
By salaries and other expenses		21,563 02
Balance unexpended October 1, 1896		$2,681 81

Recommendations.

Disclaiming disposition to antagonize the State Civil Service Commission, and indeed with express avowal of sympathy with the system in general, I nevertheless can not refrain from urging that the initiative of selection in cases of bank examiners could more wisely be given to the head of the banking department than restricted to the competitive civil service list. * *

Every institution under the supervision of this department, except the associations ordinarily known as co-operative Savings and loan associations, foreign mortgage and investment companies, Savings banks and safe deposit companies, are required to file bonds or securities with the Superintendent of Banks, to be held in trust by him as security for their depositors and creditors, or for application, if need be, to the payment of their respective charges for the support of the department.

While it is impracticable, and in most cases would be an unjustifiable hardship, to require the Savings and loan associations to deposit bonds or securities in large amounts, I can conceive of no good reason why a complete exception from the general rule should continue in their favor. Experience has shown that in a number of instances organizations of this character have closed up their business and dissolved without the fact coming to the knowledge of the department until long afterward, and while indebted to it for annual assessments, or for the expenses of examinations. Others still, neglectful of their obligations, fail for several successive years to reimburse the department for their proportion of the cost of its maintenance, and the sum goes uncollected because too small to be sued for in the Supreme Court.

I, therefore, suggest that the law be so amended as to require every such association to deposit money, or some approved security, in trust with the Superintendent of Banks, in amount to be fixed by the Superintendent, not exceeding $500, to be applicable, if need arises, as are the securities deposited by banks of deposit and discount.

Foreign mortgage and investment companies, and safe deposit companies, ought to be required to deposit securities in sums sufficient to guarantee their payment of charges for the support of the department—say, $1,000 each.

There is nothing in existing law to prevent a bank or trust company from organizing with a paid-in surplus, and, in some instances, such institutions have so organized. I think such a course contrary to public policy, and recommend that the law be so amended as to make it illegal. A subscribed surplus, paid in at the date of organization, is, in reality, of the character of capital, and there can be no good reason why it should not appear to be what in effect it is. Otherwise, to those not cognizant of the facts, it would be misleading, the natural assumption being that a surplus represents earnings, and, therefore, to the public it stands as the symbol of strength and prosperity. Of course, no such significance attaches necessarily to a subscribed surplus. Moreover, under existing law, stockholders in banks and trust companies are liable, equally and ratably, for all contracts, debts and engagements of such corporations to the full extent of the stock held by them in addition to the amount invested, whereas if half, or any proportion, of the capital be in the form of surplus, there might perhaps be a question of liability with reference to the part designated surplus. Evasion of the intent of the statute should not be possible in this manner, and accordingly I believe it would be best to prohibit the practice altogether.

INVESTMENTS FOR SAVINGS BANKS.

Strenuous effort is made annually by parties who desire to enlarge the market for securities not of the highest character to induce the Legislature to authorize a wider range of investments for Savings banks, and also by men whose judgment is mistaken, even if their motives be sincere, to compel these banks to undertake labors utterly impracticable, ostensibly in the interest of their depositors, but in reality likely to profit only a certain class of attorneys. No countenance should be given to such proposals. The best possible security can not be too good for the savings of the poor, and nothing in any degree hazardous or doubtful should be authorized. Nor should any arbitrary requirements be imposed in the conduct of Savings banks involving burdensome and unnecessary expense. The trustees of these institutions other than the officers receive no compensation except for specific service, and none of them can share in the earnings or profits of the banks. They are men of the highest character, taking responsibility and giving time from philanthropic motives, and every dollar that is added to the cost of bank work means a lessening of the dividends returned to the depositors, to whom all the assets belong.

The idea prevalent with some, that dormant accounts, *i. e.*, those that have been neither increased by deposits nor diminished by withdrawals in a period of twenty-two years, are used in erecting bank buildings or are converted to the benefit of trustees, is utterly without basis of fact, and such application of them would be entirely contrary to law. Such accounts are reported to this department annually, and inquiries are received by the Superintendent continually as to whether this man or that woman has a claim upon an account in any Savings bank. Upon presentation of proper proof of identity by any such claimant, or the heirs, opportunity is promptly afforded for recovery to be had. Interest thereon is credited regularly until the account becomes dormant, and, if the deposit is finally claimed, interest is paid to the date of settlement. The pressure to be permitted to see these lists of dormant accounts has been at times very great in the department, and, could it succeed, disreputable attorneys might reap a rich harvest by imposition or fraud.

Require Savings bank officers to advertise their dormant accounts, or once a year to notify by letter or postal card every depositor of the amount of his deposit, and an extremely burdensome expense to the institutions would be created, and the door be opened wide for fraud and robbery. Information of this sort is eagerly sought and audaciously used by men who prey upon their fellows, as is well illustrated by an authenticated instance in New York. A Savings bank depositor was approached by a swindler with announcement of a discovery that he was entitled to $2,500 (inferentially a claim of which the depositor was ignorant) and that it would be obtained from him for half the sum named. Of course the negotiation was conducted with cleverness of which the expert "confidence man" is master, and by plausible suggestion proceeded to a point where the depositor had to choose between surrendering half of his Savings-bank deposit or confessing himself a dupe and engaging in a law suit with at least the superficial proof against him. He accepted the first alternative and actually submitted to the robbery.

EXAMINATIONS BY DIRECTORS.

The recommendation already suggested in the earlier part of this report is here repeated, that the directors of every State bank be required by statute to create an examining committee who shall count the cash and examine all paper held by the bank at least as often as once in six months. Once in three months, or even once a month, would be still better as a matter of practice, though perhaps the frequency first suggested would be all that it is desirable to prescribe by statute. In most cases of country banks the expense would be nothing at all, and in city banks it need not be burdensome, while the resulting benefits would more than compensate for all trouble or cost.

RECEIVERS OF FAILED BANKS.

It would seem that the dignity of the State's authority, which should be supreme over the corporations created by it, and also the interests of stockholders and creditors of insolvent banks, associations, or moneyed institutions in general, would be best conserved by making impossible the recurrence of complications such as have developed in the case of the failed Murray Hill Bank. Section 18 of the Banking Law should be amended in a manner to shut out those under whose management a bank becomes so involved as to necessitate the closing of it by the Superintendent of Banks from exercising any further controlling influence in its affairs. I believe that that is the intent of the statute as it stands, but it should be made plain beyond the chance of misunderstanding. When the State acts the power of private individuals to intervene, and more especially of the very individuals whose misfortune or mismanagement rendered State action necessary, should be prohibited, so that they can have no standing whatever in court in a proceeding for a receivership or in any movement to forestall the action of the Attorney-General as prescribed by the statute.

Considerations of economy, avoidance of contention, and facility in meeting the various conditions that may arise, suggest as the best system yet devised for such exigencies the provisions comprehended in the National Banking Law on this point, and the Superintendent of Banks should have powers in this direction equal to those possessed by the Comptroller of the Currency. That is to say, after taking possession of the property and business of any corporation under section 17 of the Banking Law, the Superintendent should possess the authority to himself appoint a Receiver. While this might interfere with existing court prerogatives it would certainly save very largely in expenses, lessen litigation, and, in many instances, simplify future procedure in the case to the advantage of all concerned. There would then no longer remain any question as to the power to make collections, compound debts, and transact business generally, the doubt in regard to which now existing while litigation continues may easily result in losses.

Further still, this method would permit the question of reorganization, always arising, to be held open without prejudice or loss until it could be intelligently settled at leisure, for, having control in his own hands, the Superintendent would deliver to the stockholders at any time that they should show themselves qualified for reinstatement with regard for the public safety. Such reorganization is mooted in nearly or quite every case of insolvency that occurs, and the Superintendent, always preferring the success of the enterprise, must hesitate between prompt procedure in the interest of creditors, and delay in order to avoid complications and expense. If given the power here suggested, this dilemma need not be experienced, and every interest could be effectively guarded and quickly settled.

If there be objection to authorizing the method here suggested, I desire to emphasize most strongly the importance of at least providing by law that the officers of an institution, found by the Superintendent of Banks to be insolvent, shall not be permitted to rush into court in anticipation of the procedure which the statute requires the Attorney-General to institute, and thus virtually control the business which has been wrecked under their management. When it is remembered that such wrecking may comprehend criminal negligence or worse, requiring prosecution of the officers, additional reason for so providing becomes apparent and conclusive. FREDERICK D. KILBURN, *Superintendent of Banks.*

KANSAS.

OFFICE OF THE BANK COMMISSIONER,
TOPEKA, KAS.

Hon. E. N. Morrill, Governor of Kansas.

DEAR SIR:—In accordance with the provisions of section 28, chapter 43, of the Laws of Kansas of 1891, I transmit herewith my report, showing the condition of all State and private banks doing business in the State Sept. 1, 1896, together with information required by law.

There are at this date 283 State and 109 private banks which report to this office. During the period covered by this report there have been organized forty State and seven private banks; twenty-five State and twenty-three private banks have gone into voluntary liquidation, and have reported to this office that they have paid all depositors in full; nine State and two private banks have been placed in the hands of Receivers. While the number of failures during the last two years has been small the amount of their liabilities is quite large, aggregating about $600,000. I am pleased to state, however, that about one-half of these liabilities has been paid, and that the loss to creditors will probably be less than ten per cent. Owing to the fact that this department has no control over closed banks, I am unable to furnish any information showing the condition of these banks at this date. A large majority of these failures are due entirely to the misuse by its officers of the funds intrusted to the care of the bank, and in several instances embezzlement and all manner of frauds were committed. These frauds were usually covered up by false entries or by a failure to enter many transactions upon the books of the bank, thus deceiving this department with reference to the actual condition of such banks.

In every case the board of directors have been derelict in their duty to the stockholders and creditors, and I can not too severely condemn the practice indulged in by so many boards of directors of absolutly neglecting to perform their sworn duty. For their information I have caused to be published herein our law, which makes them individually liable. In the amendments to our law, which I refer to later, I have endeavored to make provisions which will secure from them proper attention to their duties and provide suitable punishment for a failure to do so.

It is not made the duty of the Bank Commissioner to prosecute violations of the provisions of our banking law, but I am of the opinion that a provision requiring the Commissioner, or his deputies, to file complaint with the county attorney against any bank officer who has been guilty of violating any of its provisions would have a wholesome effect. In one instance where the Cashier had repeatedly made false reports to my office, I made complaint to the county attorney, and a criminal action is now pending. If similar action was required in every such case, we could soon put a stop to the making of false statements.

During the present year the following banks, to wit: The Bank of Belle Plaine, the People's Bank of Moran, the Argonia State Bank and the Bank of Savonburg, were compelled to close their doors, but, by an agreement entered into between the respective bank and its depositors, the officers were continued in charge for the purpose of liquidating. In each case this arrangement has proved satisfactory, and, although unauthorized by law, will result in great saving to all parties interested.

Our present banking law, which provides for the supervision of State and private banks, and which created this office, has been in operation for over five years, and we should now be able to judge of its efficiency, and determine what, if any, changes are necessary and desirable in order to accomplish the objects for which it was enacted. At the time of its passage the system of bank supervision as applied to State and private banks was in its infancy, and in many Western States no attempt had been made in this direction. Indeed, many people doubted the wisdom of the State attempting to provide for their supervision, and under these circumstances the Legislature perhaps acted wisely in not attempting to enact a more stringent law. Our experience during the last five years has demonstrated that the system of State supervision contemplated by our law is a great benefit to the public, as well as the banks, and that, with certain amendments which this experience has proven are necessary, our law will enable the banking department to afford such protection to both depositors and stockholders as will prevent serious loss to either by reason of bank failures. I am of the opinion that where the State assumes the supervision of any business the public has a right to expect that such supervision shall be efficient and shall afford them reasonable protection.

Changes in the Banking Law.

In my last report I recommended such changes in our law as I deemed necessary, but the Legislature, or at least one branch thereof, failed to adopt same. Being still of the opinion that this subject demands the careful attention of the Legislature, I renew my recommendations, with such changes as my experience and observation during the last two years suggest proper. The amendments and additions to our present law which I deem necessary are so numerous that the adoption of an entirely new law will, in my opinion, be the better way to accomplish the change. I have therefore prepared, and transmit herewith, a draft of a new banking law, the adoption of which I recommend.

While a comparison of the proposed law with our present law will disclose the changes and additions and while the object and purpose of the same will be apparent to those familiar with the subject, I deem it not out of place to here enumerate some of the defects in our law, as follows:

No provision is made for the ownership of real estate by banks. Each should be permitted to own a building suitable for its business, of the value, including furniture and fixtures, of not to exceed one-third of the bank's capital.

The minimum capital at present is $5,000. This should be graduated according to the size of the town or city in which the bank is located. A bank with only $5,000 capital should not be permitted to transact business in a large town or city where it may secure a large amount of deposits. The capital should correspond with the volume of business.

No provision is made whereby a bank may reduce its capital.

No provision is made for the reorganization of National, State or private banks.

The powers and duties of private bankers are not defined.

The duties of the board of directors are not sufficiently defined.

Banks should be prohibited from investing in the stock of other banks or corporations.

The reserve of all banks should be kept on hand in cash, or deposited at commercial centers, subject to draft, and deposits in small banks outside of the State should be prohibited. Several bad failures have been caused by keeping large deposits in small banks outside of the State in which the officers were interested.

A penalty should be provided for violation of the section of our law prohibiting excess loans.

The officers of a bank should be prohibited from borrowing its funds except upon ample security, and subject to the same restriction as other borrowers. A majority of bank failures can be traced to misuse of its funds by the officers.

No penalty is provided for transacting a banking business without authority from the banking department.

The Commissioner has no power to revoke the authority of any bank under any circumstances.

The Commissioner has no power to require a bank to make good an impairment of its capital; as a result, a number of banks are showing a capital that does not exist.

No power is vested in the Commissioner to close a bank which keeps its reserve good, until its losses exceed its capital. This partakes of the nature of "locking the stable after the horse is stolen."

Upon taking possession of a bank, the Commissioner must immediately apply for the appointment of a Receiver. He should have power to place a suitable person in charge temporarily, for the purpose of arranging, if possible, for a settlement without the expense of a receivership.

Banks should be exempt from attachment and other legal process, whereby creditors may secure preference. When a bank fails, or is unable to meet the demands of its creditors, all its assets should be held for the benefit of all its creditors, and its business wound up as provided in our banking law.

Receivers of insolvent banks should be required to make reports to the Bank Commissioner, and such bank should also be subject to examination.

The double liability of stockholders should be enforced by the Receiver for the benefit of all creditors, and any collections on this account should be distributed among the creditors *pro rata*. Individual creditors should be prohibited from collecting this liability.

Insolvency, as applied to banks, should be defined by law.

The total investments of a bank should at no time exceed three times its capital and surplus. In this manner creditors will be protected against serious loss, and any bank should be satisfied with investments amounting to three dollars for every dollar of its capital and surplus.

Officers and stockholders should be restricted in the use of the bank's funds, and officers should be subject to severe penalty for using funds in violation of our law.

Bank officers should be prohibited from using the bank's name or incurring any liability in any other manner than through the proper discharge of its business.

Banks should be prohibited from borrowing money habitually, and should at no time be permitted to borrow an amount exceeding 50 per cent. of their capital. And in no case should collateral in excess of the amount borrowed be given as security therefor. Much trouble has been occasioned by banks habitually borrowing large sums of money for the purpose of reloaning same. This practice is not in keeping with good business principles, is fraught with many dangers, and should be restricted.

The examination fees provided by our present law are insufficient to defray the expense of the department. They should be increased sufficiently to make the department self-sustaining.

The defects in our present banking law enumerated above, and many others, are sought to be corrected in the proposed new law. I am convinced that they are necessary in order to give the public the protection it is entitled to.

Work of the Department.

The work of this department, although hampered by defects in our law, has in my opinion been conducted in a satisfactory manner, both to the public and the institutions under its control, and I desire to here express my thanks to my deputies, Mr. Frank Osborn and Mr M. A. Waterman, to whose faithful and efficient services the success of the department is largely due; and in this connection I will also state, that in not a single instance have they been deceived as to the condition of a bank, except in cases where the books of the bank did not contain a complete record of its transactions, and that bank failures under our present law do not indicate incompetence on the part of bank examiners, but are due to the fact that the law does not give the Commissioner power to act until the capital of a bank has been entirely wiped out by losses or otherwise, Our law should either be amended so as to clothe the Commissioner with sufficient power to protect the creditors of all banks or the office should be abolished. While I do not desire to be understood as suggesting that the banking department has not accomplished much good, for there is abundant proof to the contrary, I do believe that the time has arrived when the law should be amended so as to give the most efficient service to the public. If the law hereafter suggested is adopted, it will be an easy task for a banker to keep the affairs of his bank in proper condition, and should he fail to do so, it will be easy for the Commissioner to correct any evils that may occur.

In conclusion, I will say that the banks under the control of this department, with a very few exceptions, have their affairs in excellent condition. The objectionable item of overdrafts has been reduced over three-fourths since I took charge of this office. The item of borrowed money has also been reduced in about the same proportion. A large amount of losses sustained in former years has been charged off. Real estate and furniture and fixtures accounts have been reduced to correspond more merely to the present value. Their reserve is almost double the legal requirement, and, as a whole, these banks are in condition to meet any ordinary demands that may be made upon them. The present is therefore a favorable time to provide a more stringent law for their government.

The results referred to have been accomplished at the request of the Bank Commissioner, without any authority of law. Bankers have as a rule, out of courtesy, complied with every requirement of the department which had a tendency to improve their condition, and I here extend my thanks to them for the prompt and courteous treatment; but this department should not be compelled to rely upon the courtesy of any one when attempting to protect the great interests intrusted to the care of our banks. I have called attention to the defects in our banking law in this plain manner for the purpose of impressing upon the minds of the public, and especially the members of the Legislature, the very great necessity for amending same.

JNO. W. BREIDENTHAL,
Bank Commissioner.

Loans and Currency.—The interest-bearing debt of the United States, exclusive of the bonds issued in aid of the Pacific railroads, was increased during the twelve months ended November 1, 1896, in the sumof $100,002,900. There were issued and sold in pursuance of the public notice of January 6, 1896, $100,000,000 of bonds of the United States, dated February 1, 1895, and redeemable at the pleasure of the United States thirty years from that date, in coin of the standard value of July 14, 1870, with interest in such coin, payable quarterly, on the first days of February, May, August and November. While these bonds were dated February 1, 1895, in order to make them uniform as to their terms with the four per cent. bonds sold under the contract of February 8, 1895, they bore interest only from February 1, 1896, and the purchasers refunded to the Government the interest accrued from the last-mentioned date to the respective dates of payment. The average premium realized was 11.166, and the entire proceeds, principal and premium, as well as the accrued interest, were paid into the Treasury by the purchasers in United States gold coin or gold certificates. The principal and premium amounted to $111,166,246, and the accrued interest to $189,365. This transaction has been reported in detail to Congress. The four per cent. loan of 1907 was increased in the sum of $2,900 by the issue of bonds of that loan in settlement of accrued interest on refunding certificates of the Act of February 26, 1879, presented for redemption during the twelve months.

The estimated population of the United States November 1, 1895, was 70,378,000, and the per capita supply of money outside the Treasury was $22.72. The estimated population and per capita supply of money November 1, 1896, was 71,902,000 and $22.63 respectively.—*From the Annual Report of the Secretary of the Treasury.*

Savings Banks of Australasia.—A late number of the Journal of the Institute of Bankers, of New South Wales, contains the following statement in regard to the Savings banks of Australasia, prepared from figures supplied by the Actuary of the Melbourne Savings Bank:

COLONY.	*Deposits in general Savings banks.*	*Deposits in Government Savings banks.*	*Total deposits.*	*Rates of interest allowed.*
				Per cent.
Victoria	£4,328,776	£3,128,128	£7,456,904	2 @ 2½
New South Wales	3,951,874	4,121,700	8,073,574	3 @ 4
South Australia	2,836,346	....	2,836,346	3½ @
Queensland	....	2,326,896	2,326,896	3
Tasmania	533,089	114,995	648,084	3 @ 3½
West Australia	....	460,610	460,610	3¾
New Zealand	725,714	3,894,982	4,620,696	3, 3½ @ 4
Totals, 1896	£12,375,799	£14,047,311	£26,423,110	....
Totals, 1886	6,605,093	5,771,333	12,376,426	....

NEW YORK CITY BANK STOCKS.

Capital, Surplus, Highest and Lowest Prices of Stocks at Public Sales in 1896; Bid and Asked Prices; Per Cent. of Dividends, and Present Book Value of Stock.

Name of Bank.	*Capital.	*Surplus.	Public Sales in 1896. Highest.	Lowest.	Bid.	Asked.	Dividend—Per cent.	Book value
Bank of America	$1,500,000	$2,508,400	325 Dec. 8	313 April 8	315	330	14 J. & J.	267
American Exchange National	5,000,000	2,482,100	173 Nov. 25	166¾ Oct. 14	171⅛	173¾	7 M. & N.	150
Astor Place	250,000	356,800	246½ April 15	246½ April 15	230	......	6 J. & J.	243
Bowery	250,000	601,500	....	....	290	......	12 J. & J.	340
National Broadway	1,000,000	1,665,500	245 Feb. 28	227 Nov. 25	228	235	12 J. & J.	266
National Butchers and Drovers'	300,000	209,800	146 Feb. 13	131 Nov. 25	125	135	8 J. & J.	170
Central National	2,000,000	549,300	131 Dec. 28	120 Feb. 21	126	131	7 J. & J.	127
Chase National	500,000	1,500,000	....	....	350	......	10 J. & J.	400
Chatham National	450,000	960,300	302½ Nov. 25	292½ Mar. 27	295	305	16 Quar. J.	318
Chemical National	300,000	7,381,730	4,260 May 13	4,100 Dec. 16	4,000	4,300	150 Bi-Mo. J.	2,560
National Citizens'	600,000	413,600	135 Feb. 26	125 July 22	125	135	7 J. & J.	169
National City	1,000,000	3,582,300	....	....	550	......	14 M. & N.	458
Clinton	300,000	29,300	90 Dec. 23	65 Nov. 25	90	100	....	110
National Bank of Commerce	5,000,000	3,672,800	206 Dec. 8	195 Sept. 30	200	204	8 J. & J.	173
Colonial	100,000	48,100	....	....	115	125	....	148
Columbia	300,000	225,600	188 Mar. 18	185 April 1	175	......	8 J. & J.	175
Continental National	1,000,000	231,800	136½ Nov. 11	135 May 12	130	137	6 J. & J.	123
Corn Exchange	1,000,000	1,292,600	297 Mar. 11	286 May 27	285	295	12 F. & A.	239
East River National	250,000	141,200	139 Mar. 10	136 May 20	125	......	8 J. & J.	156
Eleventh Ward	100,000	224,000	....	....	......	......	8 J. & J.	324
First National	500,000	7,085,200	....	....	2,500	......	100 Quar. J.	1,507
Fifth National	200,000	374,200	255 Jan. 29	255 Jan. 29	275	......	12 J. & J.	257
Fifth Avenue	100,000	1,087,600	3,275 Feb. 19	3,025 Mar. 25	2,900	......	100 Quar. J.	1,187
Fourth National	3,200,000	2,110,300	185 Feb. 24	162½ Sept. 16	175	185	7 J. & J.	166
Fourteenth Street	100,000	48,700	....	....	......	......	6 M. & N.	148
Franklin National	200,000	37,300	85 April 8	70 Jan. 29	71	75	....	119
Gallatin National	1,000,000	1,648,009	310 Mar. 10	290 July 27	300	315	12 A. & O.	264
Gansevoort	200,000	34,700	90⅛ Mar. 11	90⅛ Mar. 11	90	100	....	117
Garfield National	200,000	708,300	....	....	400	......	....	454
German-American	750,000	298,000	107 Sept. 30	107 Sept. 30	108	112	6 F. & A.	139
German Exchange	200,000	606,600	360 Jan. 8	360 Jan. 8	......	360	16 May.	403
Germania	200,000	679,900	....	....	350	......	10 M. & N.	440
Greenwich	200,000	158,400	....	....	165	......	6 M. & N.	179
Hamilton	200,000	68,300	102¼ Mar. 4	102¼ Mar. 4	105	......	6 J. & J.	134
Hanover National	1,000,000	2,063,300	....	....	315	330	10 J. & J.	306
Hide and Leather National	500,000	108,100	91 Nov. 18	88 Mar. 4	85	95	....	122
Home	100,000	78,000	....	....	150	......	....	178
Hudson River	200,000	182,000	....	....	155	......	6 F. & A.	191
Importers and Traders' National	1,500,000	5,715,300	542 Feb. 3	534½ June 10	530	540	20 J. & J.	481

Irving National	500,000	855,600	141	May 27	187⅛	April 2	140	150	8 J. & J.	171
Leather Manufacturers' National	600,000	495,900	182⅛	Feb. 1	170	Nov. 16	170	......	10 J. & J.	183
Liberty National	500,000	206,700	....	....	....	...	128	......	....	147
Lincoln National	300,000	615,000	....	....	....	....	750	775	12 Quar. F.	805
Manhattan Company	2,050,000	2,146,200	212⅝	Dec. 9	203	Feb. 14	205	215	8 F. & A.	210
Market and Fulton National	900,000	1,026,700	225	Nov. 25	220	Nov. 20	215	225	10 J. & J.	214
Bank of Metropolis	300,000	803,200	....	....	....	....	425	......	12 J. & D.	368
Mechanics' National	2,000,000	2,209,400	201⅛	Feb. 19	185	Feb. 19	185	195	8 J. & J.	210
Mechanics and Traders'	400,000	278,600	140	Feb. 10	115	Oct. 7	130	135	7 J. & J.	170
Mercantile National	1,000,000	1,000,000	183	Feb. 8	173⅛	Nov. 25	170	180	6 J. & J.	200
Merchants' National	2,000,000	1,048,200	137	Feb. 1	131	Jan. 3	132	138	7 J. & J.	152
Merchants' Exchange National	600,000	185,900	115	Oct. 7	108	Sept. 23	110	......	6 J. & J.	131
Mount Morris	250,000	104,100	....	....	....	....	100	......	....	141
Mutual	200,000	88,700	....	....	....	....	100	......	....	144
Nassau	500,000	276,800	156	Jan. 17	150	Nov. 16	153	......	8 M. & N.	155
National Union	1,200,000	581,800	216	April 7	200	Dec. 16	200	210	....	148
Bank of New Amsterdam	250,000	233,500	....	....	....	....	200	......	....	193
Bank of New York National Banking Association	2,000,000	1,916,000	237	Mar. 26	230	Jan. 13	230	240	10 J. & J.	196
New York County National	200,000	422,700	....	....	....	....	650	......	8 J. & J.	311
New York National Exchange	800,000	71,700	100	June 24	100	June 24	......	......	6 F. & A.	124
Ninth National	750,000	350,100	112	July 24	108⅛	Oct. 22	110	115	6 J. & J.	147
Nineteenth Ward	100,000	28,200	125	May 15	123¼	May 6	110	......	6 J. & J.	128
National Bank of North America	700,000	593,000	132	May 13	125	April 4	130	......	6 J. & J.	185
Oriental	300,000	406,800	200	Jan. 15	191	April 15	175	......	10 J. & J.	235
Pacific	422,700	482,500	185⅛	Dec. 16	185⅛	Dec. 16	170	......	8 Quar. F.	214
National Park	2,000,000	3,253,500	276	Jan. 27	250	Sept. 4	255	265	10 J. & J.	263
People's	200,000	235,700	....	....	....	....	250	260	10 J. & J.	218
Phenix National	1,000,000	361,900	109	Mar. 10	101	Sept. 23	107	110	6 J. & J.	136
Plaza	100,000	105,900	....	....	....	....	190	......	....	206
New York Produce Exchange	1,000,000	318,100	....	....	....	....	115	......	6 A. & O.	131
National Bank of Republic	1,500,000	938,600	155	Mar. 13	139⅛	Aug. 14	145	155	8 J. & J.	163
Riverside	100,000	93,300	....	....	....	....	160	......	6 Quar. J.	193
Seaboard National	500,000	301,500	173	May 27	170	Feb. 27	168	175	6 J. & J.	160
Second National	300,000	632,600	485	Dec. 17	485	Dec. 17	425	......	12 J. & J.	321
Seventh National	300,000	105,400	105	Nov. 18	105	Nov. 18	100	......	6 J. & J.	135
National Shoe and Leather	1,000,000	105,430	97	June 19	90	Oct. 9	90	94	....	110
Sixth National	200,000	347,100	....	....	....	....	275	......	12 J. & J.	274
Standard National	200,000	31,100	....	....	....	....	100	......	....	116
Bank of State of New York	1,200,000	500,900	111⅛	Jan. 20	106	Aug. 26	108	112	6 M. & N.	142
State	100,000	48,100	....	....	....	....	......	......	....	148
Third National	1,000,000	260,600	110	April 23	100	Dec. 19	100	102⅝	....	126
Tradesmen's National	750,000	86,500	95	May 18	90	Nov. 6	93	95	....	111
Twelfth Ward	200,000	137,300	....	....	....	....	......	130	6 J. & J.	169
Twenty-third Ward	100,000	35,500	....	....	....	....	100	......	6 J. & J.	185
Union Square	200,000	251,400	....	....	....	....	185	195	....	225
United States National	500,000	589,800	205	April 1	200	April 1	175	......	....	218
Western National	2,100,000	420,600	116⅛	Dec. 17	110	July 31	114	117	....	120
West Side	200,000	323,400	....	....	....	....	275	......	12 J. & J.	261
Yorkville	100,000	92,900	....	....	....	....	175	185	....	193

* National banks, official reports of December 17; State banks, December 9.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Messrs. Dominick & Dickerman have admitted to partnership M. W. Dominick, for fourteen years their stock clerk, and also Bayard Dominick, Jr. The Chicago branch of this house has been closed, but connections for the transaction of Chicago business have been made with Breese & Cummings, of that city.

—William H. Duff has retired from the firm of Moore & Schley, and Geo. F. Casilear has been admitted to the firm.

—H. H. Swasey has been appointed Assistant Cashier of the National Union Bank of this city. He has been acting in that capacity for some time, but his formal appointment to the position is recent. Mr. Swasey was formerly assistant National bank examiner in this city under Mr. Kimball, and is one of the many young men brought up in the Fifth Avenue Bank who have risen to important positions in other financial institutions.

—The suit of William E. Dickerman, proprietor of a so-called "Counterfeit Detector," against Secret Service Agent George R. Bagg, was dismissed in the United States Circuit Court on Jan. 6. In August, 1895, Secretary Carlisle rescinded Dickerman's permit to have counterfeits in his possession for the purpose of instructing others as to their character. It is alleged that Dickerman failed to obey the Secretary's order, and that in November, 1895, counterfeits were taken from him in Philadelphia by Chief Hazen's order. In the same month Dickerman was arrested on a warrant sworn out by Agent Bagg. A counterfeit $10 bill was found in his possession at the time, it is alleged, by the secret service officers, but the grand jury failed to find an indictment against him. Dickerman brought suit for damages against Bagg in the State courts, but Bagg succeeded in having the case transferred to the United States Circuit Court.

In this connection it should be said that about the only practical safeguards against counterfeits are to be found in the information sent out from time to time by the Secret Service Division of the Treasury.

—Messrs. Rogers & Gould, 7 Wall Street, have favored the MAGAZINE with a copy of their "Daily Rates for Money," showing the rate for call loans at the New York Stock Exchange each day during the year, also the movement of gold each week and the changes in the bank reserves.

—The annual meeting and banquet of Group IX. of the New York State Bankers' Association will be held at the Hotel Manhattan, February 9.

—The assets of the Murray Hill Bank have been finally turned over to Miles M. O'Brien and Spencer Trask, as Receivers.

—The Mining Exchange of New York, a new institution where mining shares are dealt in, opened January 5, at 38 Broad street. The officers are: W. C. Dornin, president; Louis Ross, Vice-President; Charles M. Stead, treasurer.

—The stockholders of the Central National Bank, of New York, of which Edward Langdon is President, voted January 8 to reduce the capital of the institution from $2,000,000 to $1,000,000. The withdrawn capital will be returned to the stockholders. Reasons for the reduction have been previously given in this department.

—Herbert L. Denny has been admitted to the firm of Harvey Fisk & Sons.

—The report of the forty State banks in New York city, which have been filed with the State Banking Department as of December 9, show a prosperous condition of affairs as compared with the reports filed with the department some time before the election on September 3. The total resources of the New York city banks amount to $168,559,191, an increase during the quarter of $10,548,092. The undivided profits amounted to $3,752,360, an increase of $687,873. The amount due depositors increased $6,167,237, to $112,709,108. The total surplus decreased $877,334, to $11,887,700. The loans and discounts increased $181,064, to $92,303,292.

The amount of specie, United States legal tenders, and circulating notes and cash items was increased by nearly $7,000,000.

—An interesting circumstance is noted in connection with the recent payment of certificates of the receivers of the Northern Pacific Railroad Company, amounting to more than $4,000,000. The money was collected in the first instance by the Mercantile Trust Company through the American Exchange National Bank. That bank, despite the fact that it disbursed more than $4,000,000 on that account early in the same week, showed a cash reserve equal to 36 per cent. of its deposits, holding actually more cash than it did the previous week. This bank also furnished not long ago a striking illustration of the small amount of cash used in settling commercial transactions. It sent checks and other items to the clearing-house one morning aggregating more than $9,000,000, and received back a little more than that amount in checks on itself, so that it only required $60,000 in cash to settle the balance, or less than one-half of 1 per cent. of the total transactions aggregating $19,000,000.

– G. S. Whitson, heretofore Assistant Cashier of the National City Bank, has been elected Cashier of that institution to fill the vacancy caused by the death of Geo. D. Meeker. James Ross Curran has been appointed Assistant Cashier, and William A. Simonson, Second Assistant Cashier.

—The members of the Stock Exchange firm of Price, McCormick & Co., which was dissolved at the end of the year by mutual consent, have formed a new co-partnership under the old title, with Mr. Geo. Crocker, of San Francisco, as special partner.

—L. Turnure, Jr., has withdrawn from the firm of Lawrence Turnure & Co. on account of ill health.

—Felix M. Warburg and Otto H. Kuhn have been admitted into the firm of Kuhn, Loeb & Co.

—The annual statement of the Title Guarantee and Trust Co. shows surplus and profits December 31, 1896, of $2,052,748, against $1,273,829 a year ago. Capital stock is $2,500,000. The income from examination and guarantee of titles in 1896 was $640,621. In 1889 it was $368,434. In 1889 the amount of mortgages sold to investors was $6,697,288. Last year it was $21,622,127.

—Acting on a resolution passed at a meeting of the Clearing-House Association, Manager William Sherer has issued a circular letter to fifty-three banks, not full members of the association, calling upon them for weekly average statements. The plan was adopted as a measure of precaution to guard against weakness in the association through absence of trustworthy information in regard to the affairs of affiliated members. The dues of the non-members clearing through other banks have been raised from $200 to $500.

—A new banking firm has been established at 5 Bowling Green by M. Lemmi & Co.

—Francis L. Hine, Vice-President and director of the Astor Place Bank, has been appointed Cashier of the First National Bank, succeeding the late Ebenezer Scofield. James W. Conrow succeeds Mr. Hine as Vice-President of the Astor Place Bank, and Henry A. Patten has been elected Cashier.

—Changes in the Mercantile National Bank, made necessary by the retirement of its President, Wm. P. St. John, are now completed in the advancement of J. V. Lott to the position of Cashier, which place was some time ago made vacant by the election of Frederick B. Schenck to the presidency. Mr. Lott has been connected with the bank since 1882. He was the bank's Assistant Cashier. Emil Klein, the discount clerk, was made Assistant Cashier.

NEW ENGLAND STATES.

Boston.—A special committee of Massachusetts Savings bank treasurers has recently been investigating the condition of the Boston National banks, and the decision arrived at is that there should be a reduction both in number and capitalization. The committee consists of Henry Parkman and Alonzo H. Evans, of Boston; Philip A. Chase, of Lynn; Charles J. Holmes, of Fall River, and Edward P. Chapin, of Springfield, and their report was mailed January 3 to the several institutions. In Boston there are sixty National banks, and the committee is unanimous in the opinion that there are too many and an excessive amount of banking capital. They recommend that five or six banks be eliminated, consolidating as much of their good will, assets and business as possible, with a reduction of the total capital stock of at least one-half, which should be paid back to stockholders.

The committee does not think it wise to press immediate consolidation of any banks. There is a feeling, however, among the treasurers of the Boston Savings Banks having large holdings in National banks that action should be taken in this direction as early as possible.

Massachusetts Savings Banks.—Greenfield (Mass.) bank men claim that the shire town of Franklin leads all other towns and cities in the State and possibly in the country in the amount of Savings bank deposits in proportion to population.

The following table, which shows the population and deposits in the principal places in Western Massachusetts, will be found of interest:

	Population.	*Savings bank deposits.*		*Population.*	*Savings bank deposits.*
Springfield	51,500	$20,600,000	Westfield	10,600	$2,500,000
Greenfield	6,200	6,075,000	Amherst	4,800	2,100,000
Holyoke	40,000	4,800,090	Athol	7,300	2,000,000
Northampton	16,709	4,500,090	Easthampton	4,800	900,000
Ware	7,600	3,700,000	Orange	5,300	800,000
Pittsfield	20,000	8,600,000	Adams	9,200	700,000
North Adams	19,300	3,300,000	Great Barrington	4,600	500,000

Connecticut Bank Reports.—On Dec. 30, E. R. Doyle and Sidney Crofut, the bank commissioners, submitted to Governor Coffin their report for the year ending October 1, 1896. The assets of the Savings banks of Connecticut show a total of $159,426,133, an increase of $7,150,020. A gain of $6,337,432 is shown in the total deposits during the year. The State banks show that the total assets have decreased by $315,563, but there has been such a decrease in the undivided profits that there is a net gain of $30,416. The assets and liabilities of the State banks are $8,356,515. The trust companies show assets and liabilities of $7,522,380. The most important recommendation made by the commissioners is that urging reform in investments in that class of securities known as "special assessment bonds." The commissioners say:

"We desire to call your attention to a matter concerning which we have taken legal counsel. Some Savings banks have been investing in a certain class of securities called street improvement bonds, issued by the cities located principally in Western States, and the payment for which securities is predicated on the collection of assessments from abutting property on certain streets. It is the opinion of our legal advisers that, while this class of bonds may come technically within the letter of the statute, they did not come within the intent of the legislation in making a law authorizing Savings banks to invest their deposits in the authorized bonds of certain cities."

Maine Bank Reports.—The annual report of Bank Examiner Timberlake, made public Jan. 1, shows the banking institutions of Maine to be in a flourishing condition. They number 52 Savings banks, 18 trust companies and 34 loan and building associations. Their aggregate assets on Nov. 7 were $70,459,586, an increase from last year of $1,982,359.

New Bank in Hartford.—A movement is on foot to establish a new bank at Hartford, Conn., with $100,000 capital, with privilege to increase to $500,000.

National Bank Retires.—On Dec. 23 the Holliston (Mass.) National Bank voted to receive no more deposits, dating from Jan. 1. It is probable that another bank with smaller capital will be organized.

Going out of Business.—The Miners' Savings Bank, at West Stockbridge, Mass., will go out of business, and a Receiver will probably be appointed in February. The bank has lost a great deal of business in the past few years, which it is thought can not be regained.

Mass. Trust Companies.—In his recent inaugural address Gov. Wolcott made the following recommendation regarding the organization of trust companies:

"I concur with my immediate predecessor in asking the Legislature carefully to consider whether restrictive legislation is not needed relative to trust companies.

It would seem possible to frame a general Act, permitting the incorporation of such companies under proper restrictions and subject to the approval of the Savings Bank Commissioners, and this course would relieve the Legislature from the importunity of individual petitioners.

In any event I suggest extreme caution in granting charters, to the end that the public may be properly guarded from speculative and insecure financial methods, and in my opinion it will be found in the long run unwise to grant such charters except in cases where a considerable capital is ready to be embarked in the enterprise."

MIDDLE STATES.

Meeting of Bankers.—The annual meeting of Group VI. of the New York State Bankers' Association was held at the Fort Orange Club, Albany, N. Y., Dec. 10. Officers were chosen as follows:

Chairman, J. H. De Ridder, Cashier Citizens' National Bank, Saratoga Springs; Secretary Jonas H. Brooks, Cashier Albany City National Bank, Albany; Executive Committee, J. Irving Wendell, Cashier Merchants' National Bank, Albany; W. A. Wait, Cashier Glens Falls National Bank, Glens Falls; W. G. Hanson, President Union National Bank, Schenectady; F. P. Salmon, Cashier State Bank, Chatham.

William Kemp, President of the Mutual National Bank, of Troy, presided at the banquet and addresses were made by Judge Seymour Dexter, President of the New York State Bankers' Association, and President of the Second National Bank, Elmira, and by Wm. C. Cornwell, ex-president of the association, and President of the City Bank, of Buffalo. In discussing measures to further make the gold standard victory effectual, Mr. Cornwell spoke in part as follows:

"We need bank notes issued against assets and not against bonds, but this principle can be grafted on to the national system easily and beneficially, and we would so fall in line with other great and civilized nations.

Banks are the machines of trade. They are in daily touch with its most minute movement—automatically aware of its slightest need. The bank issuing notes depends upon its business depositor to take what he needs of them to pay out in the conduct of his business. This puts them into circulation. No more are taken out than business requires. Another business depositor, getting more of them than he needs, brings them to some other bank and deposits them. Under a proper system, bank notes are subject to daily redemption, just like checks, and the bank getting the notes will send them on to the issuing bank to get the money on them—just as if they were checks—so as to be prepared to redeem its own notes as they come in. The bank notes will thus circulate largely in the neighborhood where they are needed.

The increase in their number is regulated, consequently, by the requirements of trade, and the desire of the banks to get their own notes out because of the profit there is in them—the interest on them while they are out.

The decrease is effected by the pressure brought to bear by other banks who, striving to force their own notes out, send the notes of other banks in, and the total amount kept out can thus never be more than trade actually requires. The regulation of volume is automatic. There never can be inflation. There never can be contraction. When the crops are to be moved, the money will come out to move them. When the operation is over the bank currency returns as silently as it came. The whole movement is like the rise and fall of the resistless tide. We see thus the uses, the convenience, the essential propriety of notes issued by banks.

The Government bank has no depositors and can not get its notes into circulation through depositors as business needs them. It has no automatic method of getting information as to how much money is needed by trade, and could not act upon it if it had. The Secretary of the Treasury, ostensible manager of the banks, has his hands tied. The Government currency once out stays out. It drifts away from the towns of the West and South to the great cities of the East, and stays there to breed speculation from rotten plenty, while the farmers and merchants of the prairies and cotton fields are suffering from contraction.

Out of this agony of contraction and starving scarcity of money goes up the cry (and it is an honest cry) for more money. It grows ever and anon—it sweeps into a whirlwind—a wild appeal—the demagogue twists it to his foul purpose, and it becomes a call, now for silver, now for paper fiat, for unlimited issue, for lunacy and delirium.

Do you think you have quieted the cry for more money? It never will be quiet until these people with a legitimate want have that want supplied in a legitimate way."

Mr. Cornwell, in conclusion, expressed strong hopes of good results from the Indianapolis monetary conference.

New Bank Authorized.—On December 23 the Citizens' Bank, of Leroy, N. Y., capital, $50,000, was granted a certificate of authorization to do a discount and deposit business.

A Venerable ex-Cashier.—R. H. Thurman, for nineteen years Cashier of the First National Bank, of Troy, N. Y., is one of the very old and valued subscribers to the BANKERS' MAGAZINE, his subscription dating from 1853. He had also been a subscriber to RHODES' JOURNAL since 1880. The bank's charter expired in 1883, and the business was wound up in November, 1884. It did an exceedingly profitable business. Mr. Thurman was born in 1811, and had a long and prosperous career as a banker.

Philadelphia.—At a meeting held on December 15th the capital stock of the Investment Company of Philadelphia was reduced from $4,000,000 to $800,000. Notice had been given by the State Bank Commissioner that unless the reduction in capital was made the appointment of a Receiver would be necessary.

—Robert J. C. Walker, of the firm of Powers & Weightman, manufacturing chemists, has been elected a director of the Fourth Street National Bank, in place of Geo. F. Tyler, deceased.

—The annual meeting of the Bank Clerks' Mutual Benefit Association was held December 8. There are now 485 members. The treasurer reported a balance on hand of $38,009. Since organization $93,650 have been paid out to the families of deceased members.

Washington, D. C.—Charles J. Bell, President of the American Security and Trust Co., will be chairman of the committee having charge of the ceremonies at the inauguration of President McKinley.

New York Trust Companies.—A decision by the Attorney-General of New York, is to the effect that under the laws the reports of trust companies, which are filed with the local assessors each year for the purpose of taxation, should be filed on June 15, when moneyed corporations, other than banks, file their reports, instead of on July 1, when banking institutions file such reports with local assessors.

SOUTHERN STATES.

New Orleans, La.—An item in the news department of last month's MAGAZINE, intended to refer to the reopening of the Union National Bank, incorrectly gave the title as the "Southern" National. The resumption of the Union National seems to have taken place under most satisfactory conditions.

Bank Real Estate Taxable.—The Alabama Supreme Court has recently handed down an opinion in the case of the Jefferson County Savings Bank *vs.* the Collector of Jefferson, which is important to banks in that State. The bank was assessed in the amount of the capital stock alone, stock being assessed at par. The bank, however, owned certain real estate on which it declined to pay tax, claiming it was part of the capital stock. The decision holds that the real estate is liable to taxation separate from the capital stock. It will affect all of the banks of the State.

Change in Business.—Steele & Sparks, bankers at Georgetown, Texas, have transferred their deposits to the First National Bank, and will retire from the banking business.

Norfolk, Va.—The Citizens' Bank here is having plans prepared for a new bank building, to be a combination of bank and office building, nine stories high.

Bank Paying Off.—The failed Merchants' Bank of Atlanta, Ga., began payment of an installment of fifteen per cent. to depositors on Dec. 15.

Memphis, Tenn.—The title of the Bank of Commerce has been changed to the National Bank of Commerce.

Georgia Bankers Progressive.—The Georgia Bankers' Association has decided to enter into competition with the United States and the express companies in the transmission of money. Secretary Hillyer explains that the association will issue circular checks for not exceeding $50. These checks are payable at any bank in the association, or by any bank named on the back of the check.

Bank did not Suspend.—In the last issue of the MAGAZINE it was stated that the Citizens' Bank, Midlothian, Texas, suspended Nov. 30. This was an erroneous statement, as the bank simply discontinued business on Nov. 29, the business being unprofitable. Depositors were paid in full before the bank was closed and everything was entirely satisfactory to all parties concerned.

North Carolina Finances.—The total banking resources of North Carolina, according to a late report, are $20,000,000, in round numbers. This sum is divided as follows: 28 National banks, $10,624,000; 40 State banks, $6,428,000; 19 private banks, $1,617,000; 6 Savings banks, $1,289,400. The total banking capital exceeds $5,400,000. North Carolina has an interest-bearing debt amounting to $6,060,700, on which $297,628 annual interest is paid.

A Strong Southern Bank.—Attention is directed to the especially strong showing made in the statement of the South Texas National Bank, of Houston, to be found in the advertising pages of the MAGAZINE. That the bank is ably managed is evidenced by the fact that it has made a gain in its rate of net earnings at a period when many other banks report a falling off. The bank is well prepared to meet any possible demand that may be made upon it, having cash resources of $680,023—equal to its entire liabilities, except capital stock. While this statement is an evidence that the bank is pursuing a conservative policy, its management has been so capably conducted that the progress made by the bank has been entirely satisfactory to its directors and shareholders.

WESTERN STATES.

Kansas City, Mo.—The Kansas City bank clearings for the last month of 1896 were greater than for any other month of the year, and 6 per cent. more than for the corresponding month of 1895. It is claimed that Kansas City's bank clearings are larger, in proportion to population, than the clearings of any other city except New York.

Dakota Bankers Protest.—The executive committee of the South Dakota State Bankers' Association has decided to fight the collection of bank taxes on account of the 50 per cent. increase made by the State board of equalization. They claim the increase unconstitutional, urging that the board has no right to select a certain line of taxable property and raise its valuation without changing other classes.

Chicago.—The General Trust Co. of Illinois has filed articles of incorporation with $5,000,000 capital.

—The International Hypothecate Bank, of this city, has been incorporated in Iowa. Authorized capital, $10,000,000. It is proposed that the company shall transact a general mortgage banking business, act as agent, receiver, attorney and assignee, and issue debentures based on municipal loans to an amount not exceeding $200,000,000.

—Reports are current of the probable consolidation of some of the smaller National banks.

—On January 6 John W. Doane resigned as President of the Merchants' Loan & Trust Co.

—An important capture of forgers and bank swindlers was made in this city on January 6. They had succeeded in illegally obtaining considerable sums from banks in various cities. Their plan consisted in securing the signature of a victim and then forging it.

Candidate for Comptroller.—Geo. H. Ford, National bank examiner for Northern Ohio, is said to be a candidate for Comptroller of the Currency.

Responsibility of Directors.—Bank Examiner Kidd, of Wisconsin, recently sent out a letter to the banks of that State urging renewed vigilance on the part of directors. He says: "It is their business to know that the transactions of the bank with which they are connected are properly carried out, and that such methods should be adopted as will effectually prevent dishonesty and loose business practices. Attention is called to the fact that our courts are generally holding that directors are personally responsible for the proper management of their respective banks, and will be held liable for any losses that may occur where it can be shown that they have neglected their duty."

Nebraska Bank Resumes.—The First National Bank, Beatrice, Nebr., which has been closed since September 1, having complied with the conditions of the Comptroller of the Currency, and its capital being unimpaired, was permitted to resume business on December 17.

Denver, Colo.—The American National Bank, which has been in a state of suspense for some time, resumed business on January 7 with Julius A. Myers as President.

Colorado's Mineral Production.—The total value of the mineral production of Colorado for the year 1893 was: Gold, $17,512,385; silver, commercial value, $14,787,180; lead, $2,887,109; copper, $1,067,000; total, $36,253,674.

The output of gold fell $2,000,000 short of expectations, but, notwithstanding this disappointment, the State stands at the head of the list of producers of both gold and silver, California coming second with a gold record of $16,500,000, and Montana third, with $4,500,000 in gold and $10,000,000 in silver.

Des Moines, Iowa.—W. E. Shepherd, for three years Cashier of the American Savings Bank, has sold his interest in the bank to C. A. Crawford, of Sheboygan, Wis., who will succeed Mr. Shepherd.

Columbus, Ohio.—It is expected that at the annual meeting on January 13 the Ohio Savings Bank will formally change its organization into a National bank. Stock in the new bank will be placed at 110, and the total issue will be $400,000 or more.

—Changes have been effected in the National Bank of Columbus, a controlling interest having been purchased by local capitalists. An increase in the capital is probable.

Minneapolis, Minn.—E. W. Decker has been elected Cashier of the Metropolitan Bank, succeeding E. R. Gaylord, resigned. Prior to his promotion Mr. Decker was Asst. Cashier. He was also connected with the Northwestern National Bank for eight years.

—The volume of banking business done in Minneapolis for 1896 shows a large increase as compared with 1894-95. Over the year 1895 an increase is shown of about $21,574,493, and over 1894 of $85,000,000.

—David C. Bell, Receiver of the City Bank, gives notice to the creditors of that institution that he will be ready with another dividend on January 20. This will be the fourth dividend paid by the Receiver.

—The Bankers' Exchange Bank, one of the recently suspended banks, resumed business on January 7.

Too Many Kansas Banks.—State Bank Commissioner John W. Breidenthal, of Kansas, predicts that the number of banks in that State will decrease materially within the next two years. He says there are too many banks in Kansas for the amount of business transacted, and he advises consolidation wherever feasible. "It is simply a question of time whether many of these institutions shall go into voluntary liquidation or be forced to suspend," says the Commissioner, "and in order to prevent the latter, I have advised a general consolidation all over the State, especially in the smaller towns."

Detroit, Mich.—John H. Johnson, formerly Asst. Cashier, has been promoted to the cashiership of the Peninsular Savings Bank, in place of Joseph B. Moore, who declined re-election. Charles F. Lawson was chosen Assistant Cashier.

—The Union Trust Co. has re-elected its old board of officers.

—Collins B. Hubbard has been elected President of the Citizens' Savings Bank.

—The Preston National Bank recently reduced rates on banks' and bankers' money from 3 to 2½ per cent., and on certificates of deposit from 4 to 3 per cent. Old certificates will be renewed at 3½ per cent. Other banks will follow this reduction.

Bank Discontinued.—The officers of the Farmers and Citizens' Bank, Paola, Kan., having nearly all been elected to public offices, have decided to put the bank in liquidation.

Michigan Bank Change.—The State Savings Bank of Ionia, Mich., is the successor of the First National Bank. The officers are: V. H. Smith, President; O. S. Tower, Vice-President; F. A. Sessions, Cashier.

Probable Reorganization.—Consent is being asked of the shareholders of the State National Bank, St. Joseph, Mo., to reorganize under the State banking laws, reducing the capital from $500,000 to $200,000.

Dollar Wheat in Kentucky.—Kentucky farmers are probably not very sorry for the part they took in rebuking the free silver heresy, as may be inferred from the following newspaper despatch under date of Dec. 11:

"There are a few farmers in Woodford who are fortunate enough to have held their wheat and corn, and now they are reaping the benefit of advanced prices. Roger R. Early sold 2,500 bushels of wheat yesterday at $1 a bushel, and 1,500 barrels of corn at $1 a barrel. Some of the holders of wheat in this section expect to get $1.25 for wheat."

St. Louis.—The St. Louis United States Sub-Treasury became a member of the local Clearing-House Association on Jan. 3. This step has the approval of Secretary Carlisle, and will render unnecessary the annual transfer of about $100,000,000 between the banks and the Sub-Treasury.

Cashier Taylor Acquitted.—On Dec. 15, George A. Taylor, Cashier of the defunct Argentine (Kan.) Bank was discharged from custody, the charge of receiving deposits when the bank was in a failing condition being unsupported.

Superior, Wis.—This city has been a severe sufferer from bank failures in the last year or so. In view of this, officials of various banks are said to be interested in a plan to reorganize and consolidate with a capital of $310,000, sufficient to command the business of the flour mills and elevators, which now goes to Duluth.

PACIFIC SLOPE.

San Francisco.—The semi-annual statement of the Hibernia Savings and Loan Society, a mutual savings bank, under date of December 31, showed deposits of $34,524,952—the largest amount ever reported.

—At the date of the last report the total resources of the Savings banks of this city were $112,877,000. The deposits amount to $100,851,000.

—Since the discovery of gold in California in 1848 the State has produced an amount of the metal of the value of $1,368,429,278.

Montana's Mineral Output.—The value of the mineral output of Montana for the year 1896 was as follows: copper, $22,400,000; silver, $10,725,000; gold, $4,000,000; lead, $675,000; total, $38,300,000.

CANADA.

Interest Reduced.—Several banks doing business in Toronto have issued circulars to those who have savings deposits with them, stating that henceforth the interest of 3½ per cent. on such deposits will be reduced to 3 per cent. This is not to apply to money deposited on special receipts and agreed to be left in the bank for a certain time. Upon such amounts the interest will still be 3½ per cent. This arrangement has been carried out by some of the banks for a year or two past, but in the case of others its adoption is recent.

Bank Note Engraving.—The contract for the Dominion Government engraving has been awarded to a New York firm for a period of five years. The contract is worth about $600,000. The work consists of printing postage stamps, postal cards, etc. The New York company was the lowest bidder.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Alabama.—The Commercial Bank, of Selma, a State institution, made an assignment on December 30. The local depositors agreed to an extension, but it is understood that several New York banks, which were creditors for about $600,000, would not agree, and hence the assignment. The bank is one of the two leading ones in Selma. The suspension of the bank was followed by the suicide of G. B. Wilkins, the Vice-President.

California.—The Grangers' Bank, San Francisco, which went into liquidation over a year ago, will pay all depositors in full. A statement of the bank's condition is as follows: Assets, $631,179; liabilities, capital paid in, in coin, $533,783; due depositors, $56,395; due banks and bankers, $41,000; total, $631,179. Part of the amount due them has already been paid depositors.

Connecticut.—The Iowa Mortgage Co., Hartford, was placed in the hands of Wm. F. Fuller, Receiver, Jan. 2. It was organized in Iowa in 1882, and at Hartford in 1886. The sum of $318,756 is owing the company on guaranteed loans and $614,899 on loans unguaranteed. It is estimated that the appraised values of the properties back of the guaranteed loans will aggregate $950,000, and back of the unguaranteed loans $1,500,000.

Illinois—CHICAGO.—The past month has witnessed a number of bank suspensions here, the situation at one time closely bordering on a bank panic, but the excitement has now passed away.

On December 21 the National Bank of Illinois closed, as a result of its suspension from membership in the Chicago Clearing-House Association. The essence of the trouble with this bank was that the entire capital, $1,000,000 surplus, and undivided profits of $315,000 were practically loaned in one or two hands. The bank had advanced some $1,500,000 on Calumet Electric Railway stock, a property of momentarily, at least, doubtful security, while nearly $500,000 was loaned to E. S. Dreyer & Co., who in turn had spread their capital over an expanse completely out of their power to handle. Other large loans to individuals more than completed the sum of the bank's capital and surplus. On October 6 the total assets of the bank were placed at $15,539,442, and the deposit liabilities were $12,175,766, of which $8,547,588 was due to individuals and $3,628,178 to banks.

W. A. Hammond, 2d Vice-President of the bank, committed suicide on January 2. Benjamin B. Jones, a former paying teller, and Joseph H. Wilson, a former receiving teller of the bank, are charged with the embezzlement of $19,800. The crime was committed in the summer of 1895.

The Comptroller of the Currency has declared a dividend of 50 per cent. to the creditors, payable on January 20.

Wasmansdorff & Heineman closed on December 21, owing to the failure of the National Bank of Illinois.

On December 28 the Atlas National Bank discontinued business, the clearing-house agreeing to advance money to pay all claims. The statement made December 17 showed that it had loans amounting to $1,941,742, and deposits of $1,860,412. The immediate cause of trouble was the withdrawal of $400,000 of county funds, and complications growing out of the failure of the National Bank of Illinois.

The Dime Savings Bank, on account of close relations to the suspended Atlas National, was compelled to enforce the rule requiring ninety days' notice of withdrawals. It is probable that the bank will discontinue business. The institution was organized in 1869 as the Bank of Cairo. Three years later it was removed to Chicago and renamed the Dime Savings. It has remained continuously in business ever since, and was the oldest exclusive Savings bank in the city.

E. S. Dreyer & Co., an old-established banking firm, also suspended on Dec. 21. This failure will probably prove a disastrous one to creditors. With about $1,400,000 of liabilities, the cash on hand at the time of the failure was only $9,000. Charges of serious irregularities are made in the conduct of the mortgage business of the firm.

—On Dec. 28 Wm. M. & J. S. Van Nortwick, bankers at Batavia, assigned, owing to the closing of the Atlas National Bank, Chicago. Liabilities about $1,000,000 and assets, estimated, $750,000. They were also largely engaged in the manufacture of paper. William M. Van Nortwick borrowed $300,000 from the Atlas National Bank to complete the paper mills. The mills are bonded for $1,000,000, and a deal had been almost completed whereby some Boston and New York capitalists were to take the bonds.

—There was a temporary suspension of the Roseland Bank, Roseland, on account of the other failures, but an examination of the bank's condition showed it to be solvent and it has resumed business.

—John A. Prickett & Son, Edwardsville, assigned Dec. 14. Assets consist of about $15,000 in cash and $285,000 in real estate.

—The Calumet State Bank, at Blue Island, closed Dec. 24, making an assignment to Melville C. Eames. A statement was filed, showing that the assets are $87,669 and the liabilities $68,000. The failure was due to a run which followed the suspension of the National Bank of Illinois.

Iowa.—On Jan. 4 the First City Bank, Nora Springs, assigned to Byron Gammidge.

—On Dec. 10 a State bank examiner took possession of the Harlan State Bank. Its capital is reported at $50,000 and deposits $75,000. It is thought that the assets will pay the depositors and leave a little for the stockholders.

Michigan.—On Jan. 2 the bank examiner closed the Whitehall State Savings Bank, Whitehall. The last report issued shows about $80,000 in deposits and about $2,000 on hand; loans and discounts, $92,000; stocks, bonds and mortgages, $4,500; surplus, $1,000.

—Receiver Foster of the defunct People's Savings Bank of Lansing, has filed his report. It is estimated that the depositors will receive ten cents on the dollar.

Minnesota—St. Paul.—The temporary condition of semi-panic, which prevailed in this city and Minneapolis during the closing week of the old year and the beginning ot the new, was due chiefly to the Chicago bank failures.

On Dec. 22 the Bank of Minnesota suspended. In the past three years individual deposits had fallen off to a large extent. The bank was capitalized at $600,000 and was considered strong. Efforts are being made to reorganize. Wm. H. Lightner and Frank A. Seymour are in charge as Receivers. The bank is indebted to depositors in the sum of $2,341,000. As the capital stock is $600,000, and every stockholder is liable to twice the amount of his stock, it is pretty certain that depositors will be paid.

The Union Stock Yards Bank of South St. Paul, which cleared through the Bank of Minnesota, and was closely affiliated with it, also suspended.

On January 8 J. F. Fitzpatrick was appointed Receiver for the Bank of North St. Paul. Deposits, $21,000; assets, $35,000.

On January 4 the Germania, the Allemania and the West Side Banks, suspended.

The last official statement of the Germania Bank showed total resources of $1,625,768, $253,847 of this being in the building and $975,420 in loans and discounts. Liabilities $1,625,768, including $400,000 capital stock and $633,019 in time certificates of deposit. Deposits subject to check, $345,191.

The total resources of the Allemania, according to their report of the same day, were $1,061,009, including $706,842 of loans and discounts. Liabilities $1,061,009, including capital stock of $400,000 and deposits of $329,789.

The official statement of the West Side Bank, made to the State bank examiner on Dec. 17, is: Total assets, $217,014. Of this $150,000 was in loans and discounts and $28,000 in real estate. The total deposits were $113,546. The furniture and fixtures represented $2,200 and bills rediscounted $1,500.

—The Bank of Canton, at Canton, with a capital of $10,000, and the Citizens' Bank of Lanesboro, a small institution, both owned and operated by Field, Kelsey & Co., suspended business January 6.

—The National Bank of Commerce, Duluth, which had lost nearly $150,000 of deposits in the past four months, closed on December 11. Its last statement showed undivided profits of $10,000, deposits of $200,000, and loans and discounts of $375,000.

Minneapolis.—On December 29 the Columbia National Bank suspended. Liabilities, except capital, are $247,000, and assets $450,000.

The Scandia Bank closed on December 28. It was organized fifteen years ago by Mr. Grinager, a prominent Scandinavian politician, who died in 1893. It is officially estimated that the liabilities of the bank will aggregate $300,000, The assets consist largely of real estate, and loans and discounts, and with a reasonable realization will net, it is thought, above that amount, possibly reaching $350,000.

The Washington Bank closed on December 29. It had a capital of $100,000, and by its statement of December 17 had $507,145 loans and discounts, $14,228 overdrafts secured, $20,165 in stocks and bonds, $14,475 in real estate, and $88,272 cash on hand. Its deposits were $346,153; its certified checks, $112,587; bank deposits, $84,937.

The Bankers' Exchange Bank suspended December 30, but resumed business on January 7.

On December 30 Vice-President Geo. E. Maxwell applied for a Receiver for the Northern Trust Co., and Daniel Fish was appointed by the court. Mr. Maxwell, as Receiver of a building and loan association, had a deposit with the Northern Trust Co., which he demanded, and the demand being refused he applied for a Receiver.

Some of the bank failures at St. Paul and Minneapolis were due to bad management, resulting in impairment of capital, while others were due to runs by frightened depositors. There are probably enough perfectly solvent banks left in both cities to satisfactorily transact the present volume of business.

Missouri—KANSAS CITY.—Resumption of the failed Missouri National Bank is now thought to be improbable. An estimated deficit of $350,000 is reported in the actual value of the assets compared with the face value.

—The assignees of the Henry County Bank, Clinton, have made a report showing the following: Assets—notes, $139,467; real estate, $32,200; personal property, $20,166; cash on deposit, $5,876; total assets, $197,710. Liabilities, $132,763, leaving nearly $65,000 more assets than liabilities.

—The McCoy Banking Co., of Independence, went into voluntary liquidation December 28. The reason given is that its President, William McCoy, is too advanced in years to manage its affairs longer. The capital stock of the bank is $50,000. On August 10, when the last report was made, it owed to its depositors $55,180. Its outstanding loans amounted to $72,262.

Nebraska—OMAHA.—The Omaha Savings Bank closed January 2. The deposits had decreased enormously of late. The face value of assets almost reaches $1,100,000, and capital and surplus are $185,000. An approved bond has been given assuring the payment of all claims within four years, and the liquidation will be conducted by the officers.

—The First National Bank, Alma, capital, $50,000, was reported closed on January 9. Liabilities, $134,000, including $40,000 of State deposits.

New Mexico.—The San Juan County Bank, of Aztec, was closed on January 9, owing to poor business. Depositors will be paid through the Smelter City State Bank of Durango, Colo.

New York.—The First National Bank, Niagara Falls, organized in 1893, suspended on December 11. There had been heavy withdrawals of deposits, and changes in management recently. Assets and liabilities are about $300,000. The President of the bank accuses the Cashier of loaning about $80,000 to the president of the Street Railway Company, of the Cataract Milling Company, and a director of the power company, without the knowledge or consent of the directors or other officers of the bank.

North Dakota.—The Second National Bank, Grand Forks, suspended December 31. The last statement at the close of business December 17 showed loans and discounts, $158,086; due from National and State banks and approved reserved agents, $9,342; due to banks and depositors, $179,749; rediscounts, $4,600; capital stock paid in, $50,000; undivided profits, $4,000.

—The Merchants' National Bank, of Devil's Lake, closed January 4. The bank was organized in 1887 with $50,000 capital. Two or three years later E. Ashley Mears bought the controlling interest and increased the capital to $100,000. In 1892, when Mears' string of banks and other concerns went down, the affairs were put in the hands of John A. Percival, the stock being reduced to $50,000, but the recent hard times were too much for it. The last statement showed $47,000 deposits.

Ohio.—The firm of Jonathan Esterly & Co., Columbiana, has gone into the hands of Receivers. Jonathan Esterly died recently. Assets of the firm are about $200,000, and deposit liabilities, $165,000.

—The banking house of Smith, Holtz & Ranney, Greenspring, went into the hands of a Receiver on January 11. A misappropriation of $10,000 of the bank's funds is alleged.

Pennsylvania.—The First National Bank, of Hollidaysburg, suspended December 14, owing to a run. The bank was organized in 1863, is capitalized at $50,000, and is one of the oldest fifty-seven National banks in the United States. The officials say that the suspension is only temporary, and that the bank will be reopened without any financial loss to the depositors after the work of reorganization is completed.

—The Martinsburg Deposit Bank, of Martinsburg, and the Williamsburg Bank of Williamsburg, have also suspended. These two banks were branches of the First National Bank, Hollidaysburg, and were unincorporated.

The Martinsburg Deposit Bank was established in 1870, and had a capital of $25,000.

The Williamsburg Bank was controlled by Jack, Blair, Watson, Morrow & Co. Col. William Jack has been the President, and John Clark, of Williamsburg, the Cashier since its establishment in 1873. A capital of about $30,000 was used.

Rhode Island.—PROVIDENCE.—The creditors of Miller & Vaughn, insolvent bankers and brokers, have accepted an offer of fifteen cents on the dollar. Liabilities are $181,000.

South Dakota.—The new bank recently organized at Webster, is already insolvent. T. E. Egge, the moving spirit, collected 50 per cent. of the capital stock and deposited it in the Bank of Minnesota of St. Paul and the Columbia National Bank of Minneapolis. The new bank was to be of $20,000 capital, and to commence business January 1, 1897. Mr. Egge has given his personal note to the stockholders. The amount involved is $14,500.

Texas.—The Merchants and Planters' National Bank, of Bryan, was reported suspended on Dec. 24. It was established in 1889 with $100,000 capital.

—The recent failure of the Security Mortgage and Trust Co., Dallas, is reported. It is said that eastern creditors will lose more than $1,500,000.

Virginia.—The Commercial National Bank, of Roanoke, closed December 29, owing to a heavy run. On December 9, J. C. Davenport, Cashier, resigned, and his successor was elected. The matter was kept quiet until recently when Davenport left the city for his home in Charleston, W. Va., and it is stated that as soon as this became known a general run was made on the bank, and it was compelled to suspend. The deposits were less than $100,000.

Washington.—On January 12 the Seattle Savings Bank failed to open its doors, and on application of one of the directors, H. O. Shuey was appointed Receiver. The liabilities are $70,000, and the assets over $150,000.

Many of the deposits in this bank were withdrawn during the recent election excitement. As the deposits decreased the bank was compelled to dispose of its large line of warrants in order to keep its cash up to the required reserve. It is understood that the direct cause of the failure is due to the attempted withdrawal of county funds by the retiring county treasurer.

Wisconsin.—The German-American Bank, Portage, which was reported in an insolvent condition some time since, made an assignment on December 1.

—The Commercial Bank, Eau Claire, suspended January 7, and C. M. Buffington has been appointed Receiver.

—The Bank of Superior, doing business at Superior, assigned on December 28, to Henry S. Butler. The capital of the bank was $25,000, with a surplus of $6,000. The deposits were nearly $100,000, including $13,210 of city funds. This makes nearly $80,000 of public funds tied up in a week.

—The Bank of West Superior, capital $50,000 and $50,000 surplus, suspended December 23, as a result of the failures of the Bank of Minnesota and the National Bank of Illinois. At the November statement the bank had deposits of $78,947, and rediscounts of $1,505. The loans and discounts were $106,971; real estate assets, $43,419; bonds and securities, $5,391, and cash on hand, $22,259. Of this cash on hand, $20,000 was in the outside failures which compelled the institution to close. The officials say they expect to resume and pay depositors in full.

Indianapolis Monetary Conference.—The National Monetary Conference, in session at Indianapolis, on January 13, adopted the following declaration:

"This conference declares that it has become absolutely necessary that a consistent, straightforward, and deliberately planned monetary system shall be inaugurated, the fundamental basis of which should be:

First—That the present gold standard should be maintained.

Second—That steps should be taken to insure the ultimate retirement of all classes of United States notes by a gradual and steady process, so as to avoid injurious contraction of the currency or disturbance of the business interests of the country, and that in such retirement provision should be made for a separation of the revenue and note-issue departments of the Treasury.

Third—That a banking system be provided which should furnish credit facilities to every portion of the country and a safe and elastic circulation, and especially with a view to securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof."

The executive committee was empowered to work in behalf of legislation by the next Congress providing for the appointment of a National Monetary Commission. Failing to secure this legislation, the committee is authorized to select a commission of eleven members.

A more extended report of the conference, including the resolutions in full, will appear in the next number of the MAGAZINE.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5052—First National Bank, South McAlester, Indian Territory. Capital, $50,000.
5054—First National Bank, Thompson, Iowa. Capital, $50,000.
5055—Charlotte National Bank, Charlotte, North Carolina. Capital, $125,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

People's National Bank, McDonald, Pa.; by J. P. Scott, *et al.*
First National Bank, Paul's Valley, Ind. Ter.; by C. J. Grant, *et al.*

NEW BANKS, BANKERS, ETC.

CALIFORNIA.

JACKSON—Bank of Amador County.; Pres., V. W. Gaskill; Vice-Pres., F. C. Siebe; Sec. and Treas., A. J. Farron.

SAN DIEGO—American Exchange Bank; Pres., Benjamin Evans; Cas., N. T. Horton.

COLORADO.

DENVER—Pacific Trust Co.; capital, $100,000.

GEORGIA.

ATLANTA—Finance Banking Co.

UNADILLA—Unadilla Bank; capital, $15,000; Pres., R. L. Barfield; Vice-Pres. J. A. Wilson; Cas., R. L. Wilson.

ILLINOIS.

CHICAGO—John J. P. Odell & Co.

HERRICK—J. H. Sutton & Son; capital. $8,000.

SPRINGERTON—Citizens' Bank.

INDIANA.

MONTICELLO—Farmers' Bank; Pres., Gustavus Lowe; Cas., Harry Lowe.

INDIAN TERRITORY.

SOUTH MCALESTER—First National Bank; capital, $50,000; Pres., C. C. Hemming; Cas., E. T. Bradley.

IOWA.

ATLANTIC—Farmers' State Bank; Cas., D. P. Hogan.

HORNICK—Commercial Bank.

LE ROY—Exchange Bank (branch of Tiffin Bank, Garden Grove); Pres., C. S. Stearns; Cas., G. M. Russell.

MASSENA—Farmers' State Bank; Cas., D. P. Hogan.

ROCK VALLEY—Large Bros. (successors to William Mulhall); Pres., I. S. Large; Cas., John J. Large.

SHELL ROCK—Iowa State Bank; capital, $25,000; Pres., L. H. Sevarine.

THOMPSON—First National Bank; capital, $50,000; Pres., C. H. Kelley; Cas., F. W. Thompson.

KANSAS.

ARKANSAS CITY—Farmers' Savings Bank (successor to First National Bank); capital, $50,000.

GARNETT—Bank of Commerce; capital, $20,000; Pres., C. Q. Chandler; Vice-Pres., W. H. Sloan; Cas., E. E. Masterman.

KENTUCKY.

CAVE CITY—People's Bank.

MAINE.

DEXTER—Dexter Loan and Trust Co.

MARYLAND.

TOWSON—Commercial Collecting Co.; Mgr. and Treas., W. C. Cranmer.

MICHIGAN.

GRAND RAPIDS—Farmers and Mechanics' Bank; organizing.

IONIA—State Savings Bank (successor to First National Bank); capital, $50,000; Pres., V. H. Smith; Vice-Pres., O. S. Tower; Cas., F. A. Sessions.

OSCODA—Gowanlock & Dodds (successors to Iosco County Savings Bank); capital, $25,000.

MINNESOTA.

MAPLETON—Mapleton State Bank; capital, $10,700; Pres., John R. Norton; Cas., S. H. Whitney.

PINE CITY—First State Bank; Pres., Fred A. Hodge; Cas., P. H. McAllen.

MISSOURI.

MARYVILLE—Real Estate Bank; capital, $30,000; Cas., G. S. Baker.

PILOT GROVE—Harriman Bank Co.; capital, $5,000; Pres., W. P. Harriman; Vice-Pres., Russel Harriman; Cas., R. A. Harriman; Asst. Cas., Bert Harriman.

NEBRASKA.

GOTHENBURG—People's State Bank (successor to First National Bank); capital, $30,000; Pres., L. C. Lloyd; Cas., Con W. Lloyd; Asst. Cas., S. C. Lloyd.

NEW YORK.

NEW YORK CITY—M. Lemmi & Co.

WALDEN—National Bank of Walden; Pres., Geo. W. Stoddard; Vice-Pres., N. J. Fowler; Cas., W. C. Stevens.

NORTH CAROLINA.

CHARLOTTE—Charlotte National Bank (successor to Heath Bros.); capital, $125,000; Pres., B. D. Heath; Cas., W. H. Twitty.

CONCORD—Cabarrus Savings Bank; Cas., Jas. C. Gibson.

OHIO.

ORWELL—Orwell Banking Co.

PORT CLINTON—Magruder Bank Co.; capital, $25,000.

TOLEDO—Ohio Savings Bank and Trust Co.; capital, $150,000; Pres., David Robison, Jr.; Vice-Presidents, Dennis Coghlin and Geo. E. Pomeroy; Sec. and Treas., J. J. Robison.

OKLAHOMA.

CUSHING—Bank of Cushing; Pres., J. Hough; Cas., Frederick L. Pitman.

PERKINS—Payne County Bank.

SOUTH DAKOTA.

HETLAND—Hetland Bank (J. C. McClain.)

SISSETON—Sisseton State Bank; capital, $6,000; Pres., James Ross; Vice-Pres., G. J. Jenkins; Cas., H. S. Morris.

TENNESSEE.

CEDAR HILL—Cedar Hill Bank.

PIKEVILLE—Citizens' Bank; capital, $15,000; Pres., Will S. Loyd; Vice-Pres., F. M. Henry; Cas., Sam M. Pope; Asst. Cas., Joe W. Pope.

TEXAS.

DALLAS—Guarantee Savings and Trust Co.

EAGLE LAKE—Vineyard, Walker & Co.

VERMONT.

WATERBURY—Waterbury Savings Bank and Trust Co.

VIRGINIA.

DANVILLE—People's Savings Bank; Pres., W. P. Hodnett; Vice-Pres., C. C. Dula; Cas., W. F. Patton.

WASHINGTON.

ELLENSBURG—Miller & Hough; Pres., John S. Miller; Cas., Geo. S. Hough.

GOLDENDALE—First Bank (J. G. Maddock); successor to First National Bank.

WEST VIRGINIA.

SAINT MARY'S—Pleasants County Bank; capital, $50,000.

WISCONSIN.

DARIEN—Farmers' State Bank; capital, $15,000; Pres., Wm. K. Pattison; Cas., J. R. Eagan.

HUDSON—Bank of Hudson; capital, $25,000; Pres., Harry L. North; Vice-Pres., F. J. Carr; Cas., N. B. Bailey.

KENOSHA—Farmers' State Bank; Cas., H. B. Robinson.

MEDFORD—Commercial State Bank; capital, $25,000; Pres., F. D. Shaw; Cas., Lee H. Gibson; Asst. Cash., K. Andrews.

NEILLSVILLE—Victor E. Huntzicker; capital, $20,000.

CANADA.

BRITISH COLUMBIA.

KASLO—Bank of British Columbia.

SANDON—Bank of British North America (J. L. Retallack).

ONTARIO.

MOUNT FOREST—T. Clarke & Co.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

CAMDEN—Camden Bank; absorbed by Camden Bank and Mercantile Co.; capital, $18,000; S. J. Walling, Cas.

ARIZONA.

PHŒNIX—Phœnix National Bank; E. B. Knox, Asst. Cash.

COLORADO.

DENVER—American National Bank; resumed business; Julius A. Myers, Pres.—National Bank of Commerce; D. H. Dougan, Cas.

CONNECTICUT.

HARTFORD—Phœnix National Bank; Jas. A. Smith, director, deceased.

DISTRICT OF COLUMBIA.

WASHINGTON—Citizens' National Bank, and National Bank of the Republic; Geo. E. Lemon, director, deceased.

GEORGIA.

AMERICUS—Bank of Southwestern Georgia; John W. Wheatley, Pres., in place of Moses Speer, deceased.

AUGUSTA—Planters' Loan and Savings Bank; Wm. C. Wardlaw, Cas., in place of Chas. H. Ballard.

ILLINOIS.

CHICAGO—Union National Bank; David R. Forgan, Vice-Pres., in place of David Kelley; no 2d Vice-Pres. in place of David R. Forgan.——Dime Savings Bank; Ralph Metcalf, Treas., in place of Geo. W. Reed.——Merchants' Loan and Trust Co.; J. W. Doane, Pres., retired.

ROSELAND—Roseland Bank (closed December 21) resumed December 24.

VANDALIA—First National Bank; J. A. Gordon, Cas.

INDIANA.

GOSHEN—City National Bank; no Pres. in place of J. M. Latta, deceased.

LIBERTY—Union County National Bank; Henry Husted, Cas., deceased.

IOWA.

DES MOINES—American Savings Bank; C. A. Crawford, Cash., in place of W. E. Shepherd.

NORTH ENGLISH—Citizens' Savings Bank, and North English Savings Bank, consolidated under latter title; capital, $25,000; Geo. E. Swain, Cas.

RED OAK—State Savings Bank; merged into H. C. Houghton's Bank.

THOMPSON—Bank of Thompson; succeeded by State Bank.

WEST POINT—Bank of West Point; Lawrence Smith, Cas., in place of Wm. Singleton; J. A. Kreikenbaum, Asst. Cas.

KANSAS.

MORAN—People's Bank; reported resumed; capital, $10,000; S. C. Varner, Pres.; G. F. Smith, Vice-Pres.; S. C. Varner, Jr., Cas.

KENTUCKY.

CATLETTSBURG—Catlettsburg National Bank; James Trimble, Vice-Pres., in place of W. Honshell, deceased; G. H. Hampton, Asst. Cas.

LOUISVILLE—German Insurance Bank; W. H. Edinger, Pres., in place of Jos. J. Fisher, deceased.

RICHMOND—Madison National Bank; Walker Bennett, Pres., in place of A. R. Burman.

LOUISIANA.

NEW ORLEANS—Union National Bank (resumed); S. V. Fornaris, Pres.; S. E. Worms, 1st Vice-Pres.; S. Chalaron, 2d Vice-Pres.; A. Labarthe, Asst. Cas.

SHREVEPORT—McWilliams & McCutchen; J. G. Williams, deceased.

MAINE.

BATH—Marine National Bank; E. C. Hyde, Pres., deceased.

PORTLAND—Canal National Bank; Elias Thomas, Pres., in place of W. W. Thomas, deceased; Alfred H. Berry, Vice-Pres., in place of Elias Thomas.

WISCASSET—First National Bank; Andrew Lacy, Pres., in place of Henry Ingalls, deceased.

MARYLAND.

BALTIMORE—National Farmers and Planters' Bank; Richard D. Cornelius, Cas., deceased.

LAUREL—Citizens' National Bank; no Asst. Cas. in place of W. H. Harrison.

MASSACHUSETTS

BOSTON—Old Colony Trust Co.; Francis L. Higginson, director, resigned.——Lawson, Weidenfeld & Co.; Otis Kimball retired from firm.——Foote & French; Harris B. Stearns and Simpson C. Heald retired from firm.

LEOMINSTER—Leominster Loan and Trust Co.; Geo. M. Kendall, Pres.; H. G. Cloyes, Vice-Pres. and Treas.; L. J. Cloyes, Sec.

MICHIGAN.

ALPENA—Alpena National Bank; F. W. Gilchrist, Vice-Pres.

CHARLOTTE—First National Bank; Philip T. Vanzile, Pres. in place of Frank S. Belcher; Frank A. Hooker, Vice-Pres. in place of Andrew J. Ives; Fred S. Belcher, Asst. Cas.

DETROIT—Peninsular Savings Bank; John H. Johnson, Cas. in place of Joseph B. Moore; Chas. F. Lawson, Asst. Cas. in place of Jno. H. Johnson.

HUDSON—Boies State Savings Bank; Byron J. Foster, Cas. in place of James B. Thorn.

MINNESOTA.

FISHER—Bank of Fisher; L. C. Simons, Cas. in place of M. Sanaker, deceased.

MINNEAPOLIS—Metropolitan Bank; E. W. Decker, Cas. in place of E. R. Gaylord.——Bankers' Exchange Bank (closed Dec. 30) resumed business.

SHERBURNE—Bank of Sherburne; Harvey Harris, Asst. Cas.

MISSISSIPPI.

OKOLONA—John Trice Banking Co.; title changed to Okolona Banking Co.; capital, $50,000.

MISSOURI.

LOCKWOOD—Bank of Lockwood; H. Gilman & Son owners in place of Gilman, Burns & Co.

QUEEN CITY—Hays Banking Co. (incorporated); capital, $20,000.

UNIONVILLE—National Bank of Unionville; Peter Greggers, Vice-Pres. in place of Wm. Bradley, deceased.

NEBRASKA.

BEATRICE—First National Bank; authorized by Comptroller to resume business.

FREMONT—First National Bank; H. J. Lee, Vice-Pres. in place of S. B. Colson, deceased.

NEW HAMPSHIRE.

BRISTOL—Bristol Savings Bank; Geo. H. Calley, Pres. in place of Benjamim Perkins, resigned.

CLAREMONT—Claremont National Bank; John L. Farwell, Jr., Cas., resigned.

NEW JERSEY.

BORDENTOWN—Bordentown Banking Co.; J. Bingham Woodward, Pres. in place of Mallon Hutchinson, deceased.

CAMDEN—Camden National Bank; Francis C. Howell, Asst. Cas.

NEW YORK.

BROOKLYN—Brooklyn Trust Co.; Frederick C. Colton, Secretary in place of James Ross Curran.

CLAYTON—Exchange Bank; Jacob Putnam, Pres. in place of John Johnston, deceased.

FRANKLINVILLE—First National Bank; corporate existence extended until January 1, 1917.

NEW YORK CITY—Harvey Fisk & Sons; Herbert L. Denny, admitted to firm.——Eames & Moore; H. Ramsdell Moore, retired: firm name unchanged.——H. Knickerbacker & Co.; Robert Gibson admitted to Stock Exchange.——National City Bank; G. S. Whitson, Cas. in place of Geo. D. Meeker, deceased; J. R. Curran, Asst. Cas.; W. A. Simonson, Second Asst. Cas.——H. K. Burras & Co.; Benno Klopier, admitted to firm. ——Moore & Schley; Wm. H. Duff, retired; Geo. F. Casilear, admitted to firm.——James N. Brown & Co., dissolved by retirement of Henry R. Wilson; business continued under same name by James N. and Frank L. Brown.——Continental Trust Co.; Rudolph E. F. Flinsch, elected trustee.——L. Von Hoffmann & Co.; H. C. E. Hoskier, admitted to Stock Exchange.——First National Bank; F. L. Hine, Cas. in place of Ebenezer Scofield, deceased. —— Pacific Bank; Joseph M. Valentine, director, deceased.—Lawson, Wiedenfeld & Co.; Otis Kimball, retired from firm.——Astor Place Bank; James W. Conrow, Vice-Pres. in place of Francis L. Hine; Henry A. Patten, Asst. Cas.——E. B. Cuthbert & Co.; Wm. Euclid Young, retired from firm.——J. M. Ceballos & Co.; expired by limitation; business continued under same name by J. M. Ceballos.——C. H. White & Co.; Francis H. Southwick admitted to firm.——Mercantile National Bank; James V. Lott, Cas.; Emil Klein, Asst. Cas. in place of James V. Lott. ——Dominick & Dickerman; M. W. and Bayard Dominick, Jr., admitted to firm.—— Busk & Jevons; Lorenzo Daniels, admitted to firm.——National Union Bank; O. H. Payne, director, resigned.——Kuhn, Loeb & Co.; Felix M. Warburg and Otto H. Kuhn admitted to firm.——Schulz & Ruckgaber; partnership extended to Dec. 31, 1899.—— Price, McCormick & Co.; Geo. Crocker, admitted as special partner.——Charles Minzesheimer & Co.; expired by limitation; business continued under same name by Abraham Rosenfeld, F. H. Kohn, Chas. and C. C. Minzesheimer and Edward Sallinger. ——National Union Bank; Harry H. Swasey, Cas.——C. Schumacher & Co.; succeeded by Reitze, Stern & Schmidt.——Lawrence Turnure & Co.; L. Turnure, Jr., retired from firm.

SCHENECTADY — Mohawk National Bank; Jno. G. L. Ackerman, Cas., deceased.

SENECA FALLS—Exchange National Bank; James H. Gould, Pres., deceased.

SYRACUSE—Salt Springs National Bank; Geo. B. Leonard, Pres. in place of Fred. A. Howlett.

WEST WINFIELD—First National Bank; no Cashier in place of John O. Wheeler, deceased.

NORTH DAKOTA.

LARIMORE—First National Bank; J. B. Streeter, Jr., Pres. in place of Andrew J. Browne, deceased; H. C. Streeter, Cas. in place of J. B. Streeter, Jr.; no Asst. Cashiers in place of Hiram C. Streeter and Fred C. Gregg.

OHIO.

CLEVELAND—Cleveland Trust Co.; capital, $500,000; Pres., J. G. W. Cowles; E. G. Tillotson, Sec. and Treas.

FINDLAY—Farmers' National Bank; Jno. A. Scott, Acting Pres. in place of M. Gray; R. W. Moore, Asst. Cas. in place of W. J. Edwards.

XENIA—Citizens' National Bank; no Pres. in place of J. D. Edwards, deceased.

OREGON.

ROSEBURG—Douglas Co. Bank; O. F. Godfrey & Son, Proprietors.

PENNSYLVANIA.

ALLEGHENY—Nation's Bank for Savings; Christ. Schauer, Jr., Treas., deceased.

BRADFORD—Bradford National Bank: H. J. Haggerty, Cas. in place of S. P. Kennedy.

HOLLISDAYSBURG—First National Bank; W. R. Babcock, Pres. in place of William Jack.

PHILADELPHIA—Fidelity Insurance, Trust and Safe Deposit Co.; Thomas Dolan, elected director in place of Geo. F. Tyler, deceased. ——Citizens' Trust and Safe Deposit Co.; Moses M. Bayersdorfer, Vice-Pres., deceased.——Investment Co. of Philadelphia; capital stock reduced from $4,000,000 to $800,000.——Fourth Street National Bank; Robert J. C. Walker, elected director in place of Geo. F. Tyler, deceased.——Tacony Saving Fund, Savings, Deposit, Title and Trust Co.; W. T. Rawson, Asst. Secretary.

PITTSBURG—Monongahela National Bank; James W. Grove, Pres. in place of Thomas Jamison, deceased. —— Bond-American Bank; capital, $50,000; Edw. H. Burns, Pres.; John Eurug, Treas. —— Pittsburg Trust Co.; C. B. McVay, Pres. in place of C. C. Vandergrift, resigned.

TOWANDA—Citizens' National Bank; E. O. MacFarlane, Pres., deceased.

WAYNE—Wayne Title and Trust Co.; Louis H. Watt, Pres. in place of Dallas Sanders; Harry C. Hunter, Treas. and Sec.

WELLSBOROUGH—First National Bank; W. W. Miller, Vice-Pres.

YORK—First National Bank; W. A. Keyworth, Cas. in place of J. J. Frick.——York National Bank; J. J. Frick, Cas. in place of W. H. Griffith.

SOUTH CAROLINA.

HAMPTON—Bank of Hampton; incorporated.

TEXAS.

BOWIE—City National Bank; C. H. Boedeker, Asst. Cas.

BRECKENRIDGE—Ward & Black; succeeded by J. M. Ward.

GEORGETOWN—Steele & Sparks; deposits transferred to First National Bank.

PALO PINTO—Cunningham Bros.; succeeded by Banking House of Cunningham Bros.: J. L. Cunningham, Pres.

WICHITA FALLS—City National Bank; O. J. Kendall, Vice-Pres.; P. P. Langford, Cas., in place of W. L. Robertson; W. L. Robertson, Asst. Cas.

VERMONT.

BARTON—Barton National Bank; W. H. Blasdell, Vice-Pres., in place of B. M. R. Nelson, deceased.

VIRGINIA.

ROANOKE—Commercial National Bank; W. F. Penn, Cas., in place of J. C. Davenport.

WASHINGTON.

CHENEY—State Bank; W. D. Vincent, Pres.; J. T. Pronger, Cas.

SPOKANE—Spokane Clearing-House Ass'n; reorganized; M. M. Cowley, Pres.; P. M. Richards, Vice-Pres.; W. D. Vincent, Sec.; Geo. S. Brooke, Treas.

TACOMA—London and San Francisco Bank; S. M. Jackson, Mngr., in place of T. V. Wallace, deceased.

WISCONSIN.

SHEBOYGAN—Citizens' State Bank; Jacob T. Jagodnigg, Cas., in place of C. A. Crawford.

SHULLSBURG—First National Bank; J. M. Lehr, Cas., in place of John H. Savage.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

BRIDGEPORT—First National Bank; in voluntary liquidation, to take effect Jan. 1, 1897.

SELMA—Commercial Bank; assigned Dec. 30.

COLORADO.

DURANGO—Smelter National Bank; in voluntary liquidation, Dec. 14, 1896.

CONNECTICUT.

HARTFORD—Iowa Mortgage Co.; Wm. F. Fuller, Receiver.

ILLINOIS.

BATAVIA—Wm. M. & J. S. Van Nortwick.

BLUE ISLAND—Calumet State Bank.

CHICAGO—National Bank of Illinois; in hands of John C. McKeon, Receiver.——Wasmansdorff & Heineman.——E. S. Dreyer & Co.——Atlas National Bank.——Dime Savings Bank.

EDWARDSVILLE—John A. Prickett & Son; assigned.

IOWA.

HARLAN—Harlan State Bank.

NORA SPRINGS—First City Bank.

RED OAK—State Savings Bank; reported dissolved.

SIOUX CITY—Farmers' Trust Co.; in hands of G. H. Hollister, Receiver.——First National Bank; in hands of Lowrie C. Blanding, Receiver, Jan. 7.

KANSAS.

ARKANSAS CITY—National Bond and Debenture Co.; in voluntary liquidation.

CAWKER CITY—Farmers and Merchants' National Bank; in voluntary liquidation, by resolution to take effect Dec. 22, 1896.

CLAY CENTER—Farmers and Merchants' Bank; in voluntary liquidation.

EL DORADO—Exchange National Bank; in voluntary liquidation, by resolution of Dec. 17, 1896.

LYNDON—Exchange Bank; in voluntary liquidation.

PAOLA—Farmers' and Citizens' Bank; in voluntary liquidation.

PRESTON—State Bank.

MAINE.

AUBURN—American Banking and Trust Co.

MASSACHUSETTS.

HOLLISTON—Holliston National Bank; in voluntary liquidation by resolution to take effect Jan. 1.

WEST STOCKBRIDGE—Miners' Savings Bank.

MICHIGAN.

BIG RAPIDS—Big Rapids National Bank (heretofore in voluntary liquidation), in hands of John S. Lawrence, Receiver.

SAGINAW (East)—First National Bank of East Saginaw; in hands of Thomas A. E. Weadock, Receiver, Dec. 10, 1896.

WHITEHALL—Whitehall State Savings Bank.

MINNESOTA.

CANTON—Bank of Canton.

DULUTH—National Bank of Commerce.

LANESBORO—Citizens' Bank.

MINNEAPOLIS—Scandia Bank.——Columbia National Bank; closed Dec. 29.——Washington Bank; A. Ueland, Receiver.——Northern Trust Co.

NORTH ST. PAUL—Bank of North St. Paul; in hands of J. F. Fitzpatrick, Receiver.

ST. PAUL—Bank of Minnesota; closed Dec. 22, Wm. H. Lightner and Frank A. Seymour, Receivers.——Minnesota State Sav. Bank.——Germania Bank.——Allemania Bank; in hands of Maurice Auerbach, Receiver.——West Side Bank; assigned to Chas. Staples.

SOUTH ST. PAUL—Union Stock Yarks Bank (branch Bank of Minnesota, St. Paul); closed Dec. 22.

MISSOURI.

GOLDEN CITY—Aldrich Banking Co.

INDEPENDENCE—McCoy Banking Co.; in voluntary liquidation Dec. 28, 1896.

WESTPORT—Bank of Westport; in hands of W. E. Mabry, Receiver.

NEBRASKA.

ALMA—First National Bank.

CALLAWAY—Bank of Callaway; in voluntary liquidation.

CHAPMAN—Bank of Chapman.

CRETE Crete National Bank; in voluntary liquidation to take effect Jan. 1.

OMAHA—Omaha Savings Bank.

NEW HAMPSHIRE.

CLAREMONT—Sullivan Savings Institution; Francis C. Faulkner and Henry C. Sanders, Assignees.

NEW MEXICO.

AZTEC—San Juan Co. Bank.

NEW YORK.

HINSDALE—Wm. O. Leland.

NIAGARA FALLS—First National Bank; in hands of Harmer St. C. Denny, Receiver, Dec. 18, 1896.

SCHENEVUS—Chester's Banking and Exchange Office.

NORTH DAKOTA.

DEVIL'S LAKE—Merchants' National Bank; in hands of Chas. H. Springer, Receiver, Jan. 11.

FARGO—Citizens' National Bank; in hands of C. H. Anheier, Receiver, Jan. 7.

GRAND FORKS—Second National Bank; in hands of E. C. Tourtelot, Receiver, Jan. 7.

OHIO.

COLUMBIANA—J. Esterly & Co.; business closed on account of death of Jonathan Esterly.

GREENSPRING—Smith, Holtz & Ranney; in hands of J. W. Stinchcomb, Receiver. Jan. 11.

PENNSYLVANIA.

HOLLIDAYSBURG—First National Bank.

MARTINSBURG—Martinsburg Deposit Bank.

WILLIAMSBURG—Williamsburg Bank; assigned to John Clark, Dec. 14, 1896.

RHODE ISLAND

PROVIDENCE—Miller & Vaughan; out of business.

SOUTH DAKOTA.

EGAN—Bank of Egan (Geo. M. Smith & Co.) out of business.

TEXAS.

BRYAN—Merchants and Planters' National Bank.

DALLAS—Security Mortgage and Trust Co.; H. A. Kahler, Assignee.

FORT WORTH—Imboden Bros. & Co.; reported discontinued.

TYLER—First National Bank; in hands of Gus F. Taylor, Receiver, Dec. 17, 1896.

VIRGINIA.

ROANOKE—Commercial National Bank; in hands of Samuel Griffin, Receiver, Jan. 2, 1897.

WISCONSIN.

WEST SUPERIOR—Bank of West Superior; assigned to Henry S. Butler.

EAU CLAIRE—Commercial Bank; in hands of C. M. Buffington, Receiver.

CANADA.

ONTARIO.

WALKERTON—F. X. Messner, assigned.

MOUNT FOREST—Bank of Hamilton, discontinued.

The Havill Deposit Ledger.—A new style of deposit ledger has been patented by O. H. Havill, St. Cloud, Minn., which combines the best points of the old style deposit ledger with the advantages of the Boston system, and in addition has a "Ledger Index Balance Sheet," or extra leaf, bound in it every fifty pages, projecting four and one-half inches beyond the edges of the leaves. The debit and credit columns of this balance sheet are composed of silicate, which renders it easy to erase penciled amounts and rewrite other amounts without injury to the surface. The titles of the accounts are written in ink on the balance sheet; the balances are written in pencil.

By the use of this ledger a daily trial balance can be taken quickly and easily. If errors have been made they may be located by examining the active accounts only. But it is claimed that the use of this ledger reduces the chance of errors to the minimum. The ledger is commended by National bank examiners and banks that have used it. A description of its leading features may be found by consulting the advertising pages of this number.

Comptrollers of the Currency.—The following has been received from the Committee on Banking and Currency of the House:

"Please accept the thanks of the Committee on Banking and Currency for the engraving entitled "The Comptrollers of the Currency," which you kindly sent the committee. This is a very beautiful piece of work and will be thoroughly appreciated and admired, not only by the members of the committee as now constituted, but by others who will be members of the committee of future Congresses, as well as by the many visitors who visit our committee room daily. Requisition has been made for the suitable framing of the engraving, and it will be hung in a conspicuous place in the committee room."

U. S. NATIONAL BANK RETURNS—RESERVE CITIES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on December 17, 1896. These are published below in conjunction with the two preceding statements of October 6, 1896, and July 14, 1896. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

NEW YORK CITY.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$335,106,154	$314,156,682	$339,983,284
Overdrafts	230,437	267,011	187,943
U. S. bonds to secure circulation	17,889,000	23,504,500	23,047,000
U. S. bonds to secure U. S. deposits	1,220,000	1,220,000	1,220,000
U. S. bonds on hand	4,083,350	1,615,650	1,147,600
Premiums on U. S. bonds	2,021,710	2,218,913	1,881,666
Stocks, securities, etc	35,900,038	36,170,794	35,941,708
Banking house, furniture and fixtures	12,873,801	12,303,458	12,798,708
Other real estate and mortgages owned	1,584,016	1,580,744	1,645,557
Due from National banks (not reserve agents)	28,164,861	26,286,379	30,398,114
Due from State banks and bankers	4,490,130	4,183,203	4,515,696
Due from approved reserve agents	......	......	......
Checks and other cash items	2,067,097	2,020,641	1,960,425
Exchanges for clearing-house	42,279,016	41,646,922	49,287,611
Bills of other National banks	1,121,587	986,788	1,182,570
Fractional paper currency, nickels and cents	61,758	56,716	61,229
*Lawful money reserve in bank, viz.:			
Gold coin	13,576,699	13,895,591	14,082,424
Gold Treasury certificates	9,567,800	8,997,540	8,970,350
Gold clearing-house certificates	25,725,000	22,265,000	38,803,000
Silver dollars	93,441	75,699	72,434
Silver Treasury certificates	5,621,599	3,835,775	5,568,899
Silver fractional coin	462,225	492,252	453,181
Legal-tender notes	48,046,219	35,382,777	42,176,304
U. S. certificates of deposit for legal-tender notes	18,040,000	23,190,000	25,305,000
Five per cent. redemption fund with Treasurer	798,209	1,034,089	1,029,319
Due from U. S. Treasurer	643,523	515,258	906,413
Total	$611,664,677	$577,882,338	$642,626,550
LIABILITIES.			
Capital stock paid in	$50,450,000	$50,450,000	$50,600,000
Surplus fund	42,340,000	42,340,000	42,486,000
Undivided profits, less expenses and taxes paid	17,112,301	17,634,343	18,686,831
National bank notes issued, less amount on hand	14,912,707	20,685,232	20,176,990
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	129,674,509	118,761,233	145,974,388
Due to State banks and bankers	59,406,814	51,535,865	62,976,954
Dividends unpaid	204,553	149,653	92,323
Individual deposits	296,099,097	274,373,014	299,912,326
U. S. deposits	930,829	832,754	898,026
Deposits of U. S. disbursing officers	225,810	232,618	275,612
Notes and bills rediscounted	......	......	......
Bills payable	50,000	363,500	455,000
Liabilities other than those above stated	241,495	507,565	75,541
Total	$611,664,677	$577,882,338	$642,626,550
Average reserve held	29.70 p. c.	29.28 p. c.	32.13 p. c.

*The total lawful money reserve was $121,132,983 on July 14, 1896; $108,114,634 on October 6, 1896; $135,431,593 on December 17, 1896.

ALBANY, N. Y.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$7,596,518	$7,688,478	$7,731,639
Overdrafts	2,262	2,332	3,127
U. S. bonds to secure circulation	400,000	500,000	500,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......

ALBANY, N. Y.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Premiums on U. S. bonds	$27,500	$27,500	$27,500
Stocks, securities, etc	812,065	942,673	835,733
Banking house, furniture and fixtures	295,000	295,000	295,000
Other real estate and mortgages owned	22,403	26,516	29,165
Due from National banks (not reserve agents)	1,669,699	1,053,390	1,108,722
Due from State banks and bankers	337,941	121,701	134,939
Due from approved reserve agents	4,467,298	1,919,867	1,645,833
Checks and other cash items	133,082	99,111	37,508
Exchanges for clearing-house	138,324	124,724	109,239
Bills of other National banks	62,394	64,581	63,458
Fractional paper currency, nickels and cents	1,974	2,853	3,121
*Lawful money reserve in bank, viz.:			
Gold coin	422,500	476,587	455,312
Gold Treasury certificates	284,300	284,300	284,300
Gold clearing-house certificates	......	......	......
Silver dollars	20,855	17,410	21,671
Silver Treasury certificates	58,368	35,000	38,245
Silver fractional coin	19,259	23,581	26,508
Legal-tender notes	454,200	424,713	262,764
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	18,000	22,500	22,500
Due from U. S. Treasurer	......	2,000	......
Total	$17,288,947	$14,204,824	$13,326,290
LIABILITIES.			
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000
Surplus fund	1,397,000	1,398,000	1,398,000
Undivided profits, less expenses and taxes paid	166,672	179,654	179,701
National bank notes issued, less amount on hand	349,370	431,900	440,320
Due to other National banks	2,691,905	2,561,307	2,979,975
Due to State banks and bankers	1,439,305	1,175,781	1,895,048
Dividends unpaid	2,593	391	647
Individual deposits	9,620,361	6,836,051	4,810,858
U. S. deposits	36,213	38,100	43,963
Deposits of U. S. disbursing officers	13,786	11,899	6,036
Notes and bills rediscounted	21,738	21,738	21,738
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$17,288,947	$14,204,824	$13,326,290
Average reserve held	49.50 p. c.	34.60 p. c.	33.14 p. c.

* The total lawful money reserve was $1,254,482 on July 14, 1896; $1,261,592 on October 6, 1896; $1,088,801 on December 17, 1896.

BALTIMORE, MD.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$31,311,440	$31,483,505	$31,155,223
Overdrafts	14,270	24,846	28,608
U. S. bonds to secure circulation	3,160,000	3,160,000	3,160,000
U. S. bonds to secure U. S. deposits	202,000	202,000	202,000
U. S. bonds on hand	......	......	25,000
Premiums on U. S. bonds	366,514	365,631	369,828
Stocks, securities, etc	1,890,861	1,881,263	1,699,521
Banking house, furniture and fixtures	2,075,795	2,075,795	2,075,795
Other real estate and mortgages owned	166,347	166,196	157,286
Due from National banks (not reserve agents)	2,002,181	1,951,090	2,076,642
Due from State banks and bankers	391,509	351,993	329,355
Due from approved reserve agents	4,027,391	3,134,697	3,064,916
Checks and other cash items	101,814	97,111	112,289
Exchanges for clearing-house	1,451,199	1,573,313	1,473,840
Bills of other National banks	279,969	181,333	228,380
Fractional paper currency, nickels and cents	15,544	11,939	15,183
*Lawful money reserve in bank, viz.:			
Gold coin	1,652,420	1,835,498	1,790,580
Gold Treasury certificates	352,850	367,550	354,120
Gold clearing-house certificates	15,000	......	......
Silver dollars	51,837	46,206	61,546
Silver Treasury certificates	1,399,479	1,052,645	1,522,198
Silver fractional coin	55,439	59,510	91,400
Legal-tender notes	777,387	568,146	783,678
U. S. certificates of deposit for legal-tender notes	1,580,000	570,000	1,390,000
Five per cent. redemption fund with Treasurer	142,200	141,130	142,200
Due from U. S. Treasurer	2,000	5,170	7,175
Total	$53,485,452	$51,306,575	$52,316,860
LIABILITIES.			
Capital stock paid in	$13,243,260	$13,243,260	$13,243,260
Surplus fund	4,699,750	4,699,750	4,699,750
Undivided profits, less expenses and taxes paid	904,065	1,152,022	1,301,669
National bank notes issued, less amount on hand	2,773,850	2,814,300	2,800,520
State bank notes outstanding	4,606	4,606	4,606
Due to other National banks	4,490,194	4,677,704	5,261,028
Due to State banks and bankers	928,097	986,818	1,357,059

BALTIMORE, MD.—Continued.

LIABILITIES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Dividends unpaid	$171,173	$66,308	$51,308
Individual deposits	25,825,383	23,277,133	23,264,822
U. S. deposits	220,795	218,671	232,841
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	220,000	166,000	100,000
Liabilities other than those above stated	4,276	......	......
Total	$53,485,452	$51,306,575	$52,316,860
Average reserve held	36.50 p. c.	30.89 p. c.	35.31 p. c.

* The total lawful money reserve was $5,884,412 on July 14, 1896; $4,499,555 on October 6, 1896; $5,993,522 on December 17, 1896.

BOSTON, MASS.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$142,984,307	$140,603,679	$145,506,391
Overdrafts	87,539	90,249	96,450
U. S. bonds to secure circulation	11,872,000	11,747,000	11,547,000
U. S. bonds to secure U. S. deposits	265,000	265,000	265,000
U. S. bonds on hand	130,000	261,000	105,000
Premiums on U. S. bonds	1,266,252	1,260,640	1,198,917
Stocks, securities, etc	6,816,319	7,318,804	6,864,247
Banking house, furniture and fixtures	2,380,236	2,378,012	2,378,410
Other real estate and mortgages owned	435,974	436,707	436,031
Due from National banks (not reserve agents)	18,933,297	16,518,258	14,323,223
Due from State banks and bankers	530,628	403,359	516,762
Due from approved reserve agents	23,224,952	19,960,661	27,445,346
Checks and other cash items	383,230	377,474	403,851
Exchanges for clearing-house	7,744,680	7,991,627	7,877,090
Bills of other National banks	1,024,613	862,503	1,069,830
Fractional paper currency, nickels and cents	20,443	20,310	21,869
*Lawful money reserve in bank, viz.:			
Gold coin	5,609,948	5,822,273	6,704,912
Gold Treasury certificates	1,461,080	1,227,860	1,218,500
Gold clearing-house certificates	......	......	......
Silver dollars	81,479	88,006	79,724
Silver Treasury certificates	1,958,357	1,830,913	2,924,882
Silver fractional coin	149,727	162,375	171,451
Legal-tender notes	6,889,516	6,224,473	6,542,112
U. S. certificates of deposit for legal-tender notes	840,000	680,000	1,570,000
Five per cent. redemption fund with Treasurer	466,620	520,650	519,614
Due from U. S. Treasurer	142,882	50,118	181,214
Total	$230,289,294	$227,101,957	$239,967,872
LIABILITIES.			
Capital stock paid in	$50,750,000	$50,750,000	$50,750,000
Surplus fund	14,915,530	14,950,325	14,950,325
Undivided profits, less expenses and taxes paid	5,130,892	4,259,238	5,019,944
National bank notes issued, less amount on hand	10,093,480	10,336,077	10,141,390
Due to other National banks	28,311,206	31,459,320	34,302,064
Due to State banks and bankers	17,241,303	15,832,342	15,587,717
Dividends unpaid	34,740	177,901	37,477
Individual deposits	101,225,755	95,517,923	108,203,918
U. S. deposits	130,688	105,682	109,158
Deposits of U. S. disbursing officers	94,906	93,788	82,886
Notes and bills rediscounted	......	......	......
Bills payable	2,227,440	2,213,181	776,717
Liabilities other than those above stated	133,149	406,175	6,283
Total	$230,289,294	$227,101,957	$239,967,872
Average reserve held	32.93 p. c.	30.84 p. c.	35.07 p. c.

* The total lawful money reserve was $17,080,108 on July 14, 1896; $16,035,900 on October 6, 1896; $19,211,622 on December 17, 1896.

BROOKLYN, N. Y.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$10,540,839	$10,394,213	$11,215,136
Overdrafts	5,467	7,628	5,947
U. S. bonds to secure circulation	642,000	642,000	642,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	5,000	5,000	5,000
Premiums on U. S. bonds	52,875	52,500	52,500
Stocks, securities, etc	2,328,067	2,484,998	2,422,111
Banking house, furniture and fixtures	442,850	442,850	442,850
Other real estate and mortgages owned	215,580	233,360	247,458
Due from National banks (not reserve agents)	94,375	93,937	235,703
Due from State banks and bankers	89,779	105,148	109,997
Due from approved reserve agents	2,531,259	2,276,452	2,918,610
Checks and other cash items	79,648	73,851	106,940
Exchanges for clearing-house	656,556	900,315	1,169,535
Bills of other National Banks	194,748	230,305	232,362
Fractional paper currency, nickels and cents	7,475	6,328	8,334

BROOKLYN, N. Y.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
*Lawful money reserve in bank, viz.:			
Gold coin	$440,084	$553,590	$677,776
Gold Treasury certificates	184,000	243,000	185,000
Gold clearing-house certificates	......	......	......
Silver dollars	24,650	28,800	17,800
Silver Treasury certificates	318,700	426,358	299,282
Silver fractional coin	42,173	34,343	43,276
Legal-tender notes	1,298,123	1,138,845	1,315,823
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	28,890	28,890	28,890
Due from U. S. Treasurer	.....	......	......
Total	$20,427,096	$20,602,766	$22,581,835
LIABILITIES.			
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000
Surplus fund	2,240,000	2,240,000	2,240,000
Undivided profits, less expenses and taxes paid	415,708	488,694	537,557
National bank notes issued, less amount on hand	572,450	570,160	575,700
State bank notes outstanding	1,846	1,846	1,846
Due to other National banks	262,166	270,108	251,580
Due to State banks and bankers	240,776	206,810	477,170
Dividends unpaid	10,755	5,635	1,091
Individual deposits	15,096,515	15,242,123	16,942,652
U. S. deposits	165,279	174,244	172,609
Deposits of U. S. disbursing officers	49,266	26,317	28,292
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	20,331	25,331	1,337
Total	$20,427,096	$20,602,766	$22,581,835
Average reserve held	32.94 p. c.	32.41 p. c.	34.02 p. c.

* The total lawful money reserve was $2,311,681 on July 14, 1896; $2,424,936 on October 6, 1896; $2,538,457 on December 17, 1896.

CHICAGO, ILL.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$91,408,164	$82,355,060	$82,467,525
Overdrafts	422,794	242,942	266,963
U. S. bonds to secure circulation	1,650,000	1,450,000	1,450,000
U. S. bonds to secure U. S. deposits	550,000	550,000	550,000
U. S. bonds on hand	208,100	87,200	78,800
Premiums on U. S. bonds	97,500	76,000	76,000
Stocks, securities, etc	4,544,637	4,762,323	5,207,025
Banking house, furniture and fixtures	825,848	825,471	823,363
Other real estate and mortgages owned	986,982	719,707	721,446
Due from National banks (not reserve agents)	14,383,313	14,550,839	17,637,104
Due from State banks and bankers	3,604,551	4,310,958	4,052,812
Due from approved reserve agents	......	......	......
Checks and other cash items	32,332	60,329	65,976
Exchanges for clearing-house	4,245,852	4,116,686	4,829,461
Bills of other National banks	833,539	746,358	1,606,245
Fractional paper currency, nickels and cents	24,808	24,026	21,155
*Lawful money reserve in bank, viz.:			
Gold coin	14,353,992	12,475,155	14,410,596
Gold Treasury certificates	2,482,030	2,547,040	2,474,270
Gold clearing-house certificates	......	......	......
Silver dollars	160,725	170,047	191,261
Silver Treasury certificates	2,063,838	1,612,861	2,889,335
Silver fractional coin	223,032	208,257	203,176
Legal-tender notes	7,065,611	8,771,349	13,354,423
U. S. certificates of deposit for legal-tender notes	1,240,000	920,000	1,500,000
Five per cent. redemption fund with Treasurer	72,0 0	63,000	63,000
Due from U. S. Treasurer	103,032	81,210	114,582
Total	$151,602,136	$141,726,321	$155,054,524
LIABILITIES.			
Capital stock paid in	$21,400,000	$21,400,000	$21,400,000
Surplus fund	9,543,400	9,548,400	9,549,400
Undivided profits, less expenses and taxes paid	2,154,592	2,255,760	2,674,468
National bank notes issued, less amount on hand	1,032,615	1,067,515	1,008,115
Due to other National banks	29,671,705	25,836,245	32,981,773
Due to State banks and bankers	20,188,749	17,149,027	20,130,269
Dividends unpaid	24,183	20,201	31,954
Individual deposits	67,012,322	63,901,947	66,584,076
U. S. deposits	532,632	513,605	496,608
Deposits of U. S. disbursing officers	31,835	18,468	72,342
Notes and bills rediscounted	......	......	......
Bills payable	......	......	100,000
Liabilities other than those above stated	10,100	15,150	23,516
Total	$151,602,136	$141,726,321	$155,054,524
Average reserve held	29.32 p. c.	31.97 p. c.	38.07 p. c.

* The total lawful money reserve was $27,608,728 on July 14, 1896; $26,704,709 on October 6. 1896.; $35,023,061 on December 17, 1896.

CINCINNATI, OHIO.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$23,802,289	$22,080,065	$21,186,806
Overdrafts	24,942	16,025	18,817
U. S. bonds to secure circulation	5,071,000	5,322,500	5,344,500
U. S. bonds to secure U. S. deposits	850,000	850,000	850,000
U. S. bonds on hand	685,600	575,650	441,150
Premiums on U. S. bonds	697,125	695,644	693,078
Stocks, securities, etc	2,594,709	2,801,553	2,848,119
Banking house, furniture and fixtures	472,700	485,718	479,840
Other real estate and mortgages owned	58,848	56,833	100,507
Due from National banks (not reserve agents)	2,638,109	2,155,675	2,794,664
Due from State banks and bankers	547,128	587,788	631,265
Due from approved reserve agents	3,695,788	2,692,059	4,135,083
Checks and other cash items	195,513	173,669	144,167
Exchanges for clearing-house	184,358	271,105	193,101
Bills of other National banks	224,941	211,922	244,684
Fractional paper currency, nickels and cents	2,748	2,879	2,717
*Lawful money reserve in bank, viz.:			
Gold coin	817,654	857,187	975,547
Gold Treasury certificates	278,650	287,640	288,910
Gold clearing-house certificates	......	......	......
Silver dollars	72,178	56,464	57,640
Silver Treasury certificates	413,273	266,706	500,294
Silver fractional coin	18,419	18,567	19,100
Legal-tender notes	2,216,064	2,323,478	2,261,747
U. S. certificates of deposit for legal-tender notes	360,000	760,000	480,000
Five per cent. redemption fund with Treasurer	228,195	237,762	240,502
Due from U. S. Treasurer	6,500	10,850	1,400
Total	$46,156,736	$43,747,698	$44,879,140
LIABILITIES.			
Capital stock paid in	$8,000,000	$8,000,000	$8,000,000
Surplus fund	2,780,000	2,780,000	2,680,000
Undivided profits, less expenses and taxes paid	999,070	1,130,194	1,042,024
National bank notes issued, less amount on hand	4,506,197	4,780,177	4,795,200
Due to other National banks	5,778,681	4,722,999	5,634,087
Due to State banks and bankers	2,792,039	2,366,892	2,800,845
Dividends unpaid	13,780	6,066	3,837
Individual deposits	19,815,111	17,934,280	18,362,995
U. S. deposits	849,804	855,493	827,949
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	390,000	501,095	......
Liabilities other than those above stated	785,050	720,500	732,700
Total	$46,156,736	$43,747,698	$44,879,140
Average reserve held	32.20 p. c.	33.10 p. c.	37.69 p. c.

*** The total lawful money reserve was $4,176,238 on July 14, 1896; $4,569,992 on October 6, 1896; $4,583,239 on December 17, 1896.**

CLEVELAND, OHIO.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$26,827,143	$27,411,913	$26,311,249
Overdrafts	42,892	29,279	41,359
U. S. bonds to secure circulation	1,400,000	1,450,000	1,450,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	46,790	53,290	52,165
Stocks, securities, etc	675,431	676,431	710,028
Banking house, furniture and fixtures	509,971	509,971	508,500
Other real estate and mortgages owned	212,451	267,192	269,561
Due from National banks (not reserve agents)	1,561,425	1,470,199	1,827,767
Due from State banks and bankers	574,080	533,643	766,056
Due from approved reserve agents	2,613,460	2,351,267	3,498,616
Checks and other cash items	56,901	84,570	72,203
Exchanges for clearing-house	223,801	242,863	253,408
Bills of other National banks	125,291	132,128	142,362
Fractional paper currency, nickels and cents	4,850	6,432	4,887
*Lawful money reserve in bank, viz.:			
Gold coin	1,342,275	1,350,785	1,394,795
Gold Treasury certificates	244,000	243,000	236,000
Gold clearing-house certificates	......	......	......
Silver dollars	94,400	95,246	79,000
Silver Treasury certificates	119,000	115,040	104,280
Silver fractional coin	36,059	46,391	45,450
Legal-tender notes	967,600	1,013,270	759,051
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	60,760	64,880	63,100
Due from U. S. Treasurer	14,500	13,252	20,702
Total	$37,813,084	$38,221,046	$38,670,542

CLEVELAND, OHIO.—Continued.

LIABILITIES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000
Surplus fund	2,064,000	2,024,000	2,036,000
Undivided profits, less expenses and taxes paid	679,261	803,866	659,157
National bank notes issued, less amount on hand	1,246,680	1,292,410	1,284,470
Due to other National banks	2,540,361	2,154,598	2,304,326
Due to State banks and bankers	1,733,519	1,739,881	1,625,876
Dividends unpaid	2,285	2,082	1,793
Individual deposits	17,920,222	17,269,506	18,790,484
U. S. deposits	47,444	43,037	43,341
Deposits of U. S. disbursing officers	13,034	17,867	18,491
Notes and bills rediscounted	90,415	963,795	391,852
Bills payable	1,175,000	1,575,000	1,175,000
Liabilities other than those above stated	760,859	755,000	759,748
Total	$37,813,084	$38,221,046	$38,670,542
Average reserve held	27.70 p. c.	28.01 p. c.	31.22 p. c.

* The total lawful money reserve was $2,803,234 on July 14, 1896; $2,863,732 on October 1, 1896; $2,618,576 on December 17, 1896.

DES MOINES, IOWA.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$2,524,161	$2,158,319	$2,218,024
Overdrafts	18,448	16,593	25,285
U. S. bonds to secure circulation	292,200	292,200	292,200
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	13,000	13,000	13,000
Stocks, securities, etc	271,515	295,332	284,724
Banking house, furniture and fixtures	143,635	143,675	143,675
Other real estate and mortgages owned	89,191	89,003	91,102
Due from National banks (not reserve agents)	91,543	118,487	100,272
Due from State banks and bankers	38,763	41,224	30,941
Due from approved reserve agents	368,733	33.,641	337,631
Checks and other cash items	4,371	8,459	9,000
Exchanges for clearing-house	58,327	75,699	81,579
Bills of other National banks	16,841	30,293	26,059
Fractional paper currency, nickels and cents	882	829	671
*Lawful money reserve in bank, viz.:			
Gold coin	89,012	101,667	114,640
Gold Treasury certificates	1,170	2,110	2,290
Gold clearing-house certificates	......	......	......
Silver dollars	19,798	20,214	18,194
Silver Treasury certificates	4,904	13,263	8,921
Silver fractional coin	16,699	11,690	11,765
Legal-tender notes	180,353	118,167	233,062
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	13,117	13,094	13,094
Due from U. S. Treasurer	......	23	3,522
Total	$4,246,670	$3,898,990	$4,059,677
LIABILITIES.			
Capital stock paid in	$800,000	$800,000	$800,000
Surplus fund	236,000	236,000	236,000
Undivided profits, less expenses and taxes paid	59,075	43,655	56,255
National bank notes issued, less amount on hand	261,880	261,880	255,153
Due to other National bank	633,239	432,535	411,849
Due to State banks and bankers	940,571	826,679	929,476
Dividends unpaid	1,519	2,908	3,572
Individual deposits	1,234,384	1,145,588	1,362,370
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	30,000	24,244	......
Bills payable	50,000	100,500	15,600
Liabilities other than those above stated	......	25,000	......
Total	$4,246,670	$3,898,990	$4,059,677
Average reserve held	26.54 p. c.	28.75 p. c.	30.09 p. c.

* The total lawful money reserve was $311,937 on July 14, 1896; $267,112 on October 6, 1895; $388,892 on December 17, 1896.

DETROIT, MICH.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1396.*	*Dec. 17, 1896.*
Loans and discounts	$14,837,504	$14,800,830	$13,610,485
Overdrafts	18,834	27,938	6,353
U. S. bonds to secure circulation	1,350,000	1,423,000	1,450,000
U. S. bonds to secure U. S. deposits	300,000	300,000	300,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	157,500	155,500	150,500
Stocks, securities, etc	6,149	3,118	3,193

DETROIT, MICH.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec 17, 1896.
Banking house, furniture and fixtures	$39,788	$39,788	$39,788
Other real estate and mortgages owned	78,975	158,249	159,861
Due from National banks (not reserve agents)	761,097	824,961	866,787
Due from State banks and bankers	279,078	296,194	348,053
Due from approved reserve agents	2,301,574	2,166,424	3,530,364
Checks and other cash items	16,717	27,469	24,676
Exchanges for clearing-house	258,275	232,852	292,030
Bills of other National banks	171,173	104,209	185,159
Fractional paper currency, nickels and cents	13,004	15,041	15,111
*Lawful money reserve in bank, viz.:			
Gold coin	1,164,442	1,195,940	1,208,757
Gold Treasury certificates	24,110	10,630	10,860
Gold clearing-house certificates	......	......	......
Silver dollars	49,443	53,247	71,530
Silver Treasury certificates	155,424	92,338	152,599
Silver fractional coin	45,650	42,919	50,360
Legal-tender notes	653,054	464,096	647,973
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	60,750	62,072	65,160
Due from U. S. Treasurer	5,991	10,909	11,387
Total	$22,743,538	$22,507,231	$23,200,998
LIABILITIES.			
Capital stock paid in	$3,600,000	$3,600,000	$3,600,000
Surplus fund	618,000	618,000	618,000
Undivided profits, less expenses and taxes paid	429,758	432,815	480,147
National bank notes issued, less amount on hand	1,192,580	1,242,150	1,246,310
Due to other National banks	2,024,107	1,790,394	2,367,443
Due to State banks and bankers	3,845,294	3,941,928	4,463,635
Dividends unpaid	6,091	4,064	300
Individual deposits	10,572,942	10,389,261	10,115,052
U. S. deposits	252,940	235,273	274,516
Deposits of U. S. disbursing officers	46,892	65,615	35,587
Notes and bills rediscounted	54,931	67,727	......
Bills payable	100,000	120,000	......
Liabilities other than those above stated	......	......	......
Total	$22,743,538	$22,507,231	$23,200,998
Average reserve held	29.15 p. c.	27.31 p. c.	36.86 p. c.

* The total lawful money reserve was $2,092,124 on July 14, 1896; $1,859,170 on October 6, 1896; $2,142,080 on December 17, 1896.

HOUSTON, TEXAS.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$2,506,749	$2,258,134	$2,047,048
Overdrafts	28,205	117,881	152,465
U. S. bonds to secure circulation	200,000	200,000	200,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	22,233	21,933	21,900
Stocks, securities, etc	28,635	34,607	32,907
Banking house, furniture and fixtures	132,796	132,796	132,851
Other real estate and mortgages owned	38,426	35,239	35,375
Due from National banks (not reserve agents)	100,114	73,150	450,671
Due from State banks and bankers	21,862	37,879	36,758
Due from approved reserve agents	219,657	509,245	890,583
Checks and other cash items	3,889	2,194	1,287
Exchanges for clearing-house	......	......	......
Bills of other National banks	46,858	52,210	27,098
Fractional paper currency, nickels and cents	3,972	1,712	1,976
*Lawful money reserve in bank, viz.:			
Gold coin	150,126	190,619	272,577
Gold Treasury certificates	129,920	130,470	128,720
Gold clearing-house certificates	......	......	......
Silver dollars	39,732	44,701	39,150
Silver Treasury certificates	90,942	48,111	90,735
Silver fractional coin	21,654	9,653	12,365
Legal-tender notes	446,472	835,759	623,501
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	9,00	9,000	9,000
Due from U. S. Treasurer	......	......	......
Total	$4,291,247	$4,795,299	$5,256,972
LIABILITIES.			
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000
Surplus fund	540,800	540,800	540,800
Undivided profits, less expenses and taxes paid	65,905	88,728	123,795
National bank notes issued, less amount on hand	153,420	156,050	149,960
Due to other National banks	168,175	469,193	488,293
Due to State banks and bankers	63,597	220,915	424,895
Dividends unpaid	17,756	3,951	3,873
Individual deposits	2,077,503	2,065,432	2,318,958

HOUSTON, TEXAS.—Continued.

LIABILITIES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
U. S. deposits	$50,000	$50,000	$50,000
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	45,000	......
Bills payable	......	......	......
Liabilities other than those above stated	4,088	5,228	6,397
Total	$4,291,247	$4,795,209	$5,256,972
Average reserve held	50.15 p. c.	67.17 p. c.	74.57 p. c.

* The total lawful money reserve was $478,846 on July 14, 1896; $2,933,901 on October 6, 1896; $1,167,048 on December 17, 1896.

KANSAS CITY, MO.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$14,100,614	$12,016,458	$11,662,334
Overdrafts	113,898	190,276	114,321
U. S. bonds to secure circulation	400,000	400,000	350,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	34,000	33,500	29,000
Stocks, securities, etc	926,115	957,198	828,870
Banking house, furniture and fixtures	91,603	91,608	89,108
Other real estate and mortgages owned	373,500	385,500	380,861
Due from National banks (not reserve agents)	629,908	676,094	669,079
Due from State banks and bankers	693,434	979,085	1,112,838
Due from approved reserve agents	2,769,433	3,817,684	3,552,303
Checks and other cash items	111,633	75,439	101,926
Exchanges for clearing-house	484,559	595,222	535,527
Bills of other National banks	215,755	218,111	258,698
Fractional paper currency, nickels and cents	4,734	4,504	3,538
*Lawful money reserve in bank, viz.:			
Gold coin	1,038,747	1,183,570	1,056,475
Gold Treasury certificates	17,400	17,980	52,020
Gold clearing-house certificates	......	......	......
Silver dollars	121,435	70,026	91,979
Silver Treasury certificates	248,572	573,715	870,628
Silver fractional coin	29,078	21,877	28,035
Legal-tender notes	718,110	1,067,233	1,160,210
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	18,000	18,000	15,750
Due from U. S. Treasurer	22,015	18,000	16,100
Total	$23,262,053	$23,510,584	$23,079,594
LIABILITIES.			
Capital stock paid in	$3,550,000	$3,550,000	$3,300,000
Surplus fund	552,500	554,500	539,500
Undivided profits, less expenses and taxes paid	172,873	179,129	217,529
National bank notes issued, less amount on hand	360,000	360,000	315,000
Due to other National banks	3,906,562	4,110,933	4,626,701
Due to State banks and bankers	4,067,888	4,486,501	4,821,220
Dividends unpaid	34,388	1,803	1,508
Individual deposits	10,190,417	9,749,659	8,696,084
U. S. deposits	81,818	90,924	101,182
Deposits of U. S. disbursing officers	21,105	12,132	10,868
Notes and bills rediscounted	......	......	......
Bills payable	325,000	415,000	450,000
Liabilities other than those above stated	......	......	......
Total	$23,262,053	$23,510,584	$23,079,594
Average reserve held	30.48 p. c.	42.35 p. c.	43.54 p. c.

*The total lawful money reserve was $2,173,342 on July 14, 1896; $2,933,901 on October 6, 1896; $3,259,347 on December 17, 1896.

LINCOLN, NEB.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$1,685,654	$1,618,515	$1,722,325
Overdrafts	9,457	9,743	16,770
U. S. bonds to secure circulation	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	......	......	21,340
Premiums on U. S. bonds	6,000	6,000	5,500
Stocks, securities, etc	79,669	79,878	58,438
Banking house, furniture and fixtures	74,994	74,994	74,994
Other real estate and mortgages owned	79,319	82,478	82,391
Due from National banks (not reserve agents)	30,498	64,433	63,115
Due from State banks and bankers	89,878	25,883	54,187
Due from approved reserve agents	132,584	114,095	153,123
Checks and other cash items	17,521	30,766	9,968
Exchanges for clearing-house	16,697	17,533	15,200
Bills of other National banks	3,410	2,825	2,445
Fractional paper currency, nickels and cents	619	1,585	844

LINCOLN, NEB.—Continued.

Resources	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
*Lawful money reserve in bank, viz.:			
Gold coin	$111,785	$107,395	$183,710
Gold Treasury certificates	600	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	8,650	8,493	5,683
Silver Treasury certificates	3,002	4,000	2,218
Silver fractional coin	5,647	4,669	2,858
Legal-tender notes	46,872	26,706	37,791
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	6,750	6,750	6,750
Due from U. S. Treasurer	......	......	......
Total	$2,559,607	$2,431,746	$2,619,150
Liabilities.			
Capital stock paid in	850,000	850,000	$850,000
Surplus fund	135,000	85,000	85,000
Undivided profits, less expenses and taxes paid	20,922	27,226	28,277
National bank notes issued, less amount on hand	135,000	135,000	133,100
Due to other National banks	176,414	97,269	61,228
Due to State banks and bankers	147,397	102,966	96,159
Dividends unpaid	......	......	......
Individual deposits	967,080	1,045,302	1,310,283
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	93,793	48,685	26,301
Bills payable	14,000	40,295	28,800
Liabilities other than those above stated	......	......	......
Total	$2,559,607	$2,431,746	$2,619,150
Average reserve held	26.99 p. c.	23.96 p. c.	25.67 p. c.

*The total lawful money reserve was $176,556 on July 14, 1896; $151,263 on October 6, 1896; $182,255 on December 17, 1896.

LOUISVILLE, KY.

Resources.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$7,997,554	$7,774,286	$7,575,427
Overdrafts	36,634	24,406	23,512
U. S. bonds to secure circulation	1,275,000	1,375,000	1,775,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000
U. S. bonds on hand	......	......	200,000
Premiums on U. S. bonds	96,421	96,421	174,421
Stocks, securities, etc	320,500	302,792	335,416
Banking house, furniture and fixtures	195,892	195,892	195,567
Other real estate and mortgages owned	26,376	26,463	28,587
Due from National banks (not reserve agents)	589,426	614,621	608,691
Due from State banks and bankers	336,203	197,687	265,270
Due from approved reserve agents	1,466,644	968,277	1,550,416
Checks and other cash items	17,581	15,030	7,736
Exchanges for clearing-house	135,394	62,959	304,701
Bills of other National banks	86,858	101,577	224,235
Fractional paper currency, nickels and cents	3,338	5,163	1,195
*Lawful money reserve in bank, viz.:			
Gold coin	608,208	689,877	1,065,430
Gold Treasury certificates	22,800	23,080	5,000
Gold clearing-house certificates	......	......	......
Silver dollars	34,180	40,343	42,790
Silver Treasury certificates	34,598	40,000	......
Silver fractional coin	19,455	18,944	13,029
Legal-tender notes	389,711	725,337	458,735
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	57,055	54,635	79,465
Due from U. S. Treasurer	5,000	4,000	4,000
Total	$14,254,832	$13,856,799	$15,439,428
Liabilities.			
Capital stock paid in	$3,601,500	$3,601,500	$3,601,500
Surplus fund	714,000	719,000	719,000
Undivided profits, less expenses and taxes paid	169,741	232,405	209,796
National bank notes issued, less amount on hand	1,142,100	1,229,660	1,580,170
Due to other National banks	1,954,247	1,387,370	2,244,977
Due to State banks and bankers	1,568,717	1,434,300	1,655,578
Dividends unpaid	9,614	10,048	4,935
Individual deposits	4,571,131	4,594,032	4,834,577
U. S. deposits	387,961	183,637	277,820
Deposits of U. S. disbursing officers	111,329	316,301	221,708
Notes and bills rediscounted	2,100	99,341	13,063
Bills payable	......	59,200	69,000
Liabilities other than those above stated	2,390	......	7,299
Total	$14,254,832	$13,856,799	$15,439,428
Average reserve held	35.31 p. c.	36.90 p. c.	41.02 p. c.

*The total lawful money reserve was $1,108,953 on July 14, 1896; $1,537,581 on October 6, 1896; $1,584,984 on December 17, 1896.

MILWAUKEE, WIS.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$14,790,482	$13,845,771	$13,226,112
Overdrafts	74,808	85,054	84,751
U. S. bonds to secure circulation	920,000	920,000	920,000
U. S. bonds to secure U. S. deposits	390,000	390,000	390,000
U. S. bonds on hand	8,250	7,250	7,750
Premiums on U. S. bonds	141,959	141,959	139,659
Stocks, securities, etc	650,175	448,012	396,900
Banking house, furniture and fixtures	127,263	127,263	127,263
Other real estate and mortgages owned	25,000	27,522	27,522
Due from National banks (not reserve agents)	651,555	538,806	647,305
Due from State banks and bankers	389,885	249,608	364,165
Due from approved reserve agents	2,558,992	2,472,980	2,714,028
Checks and other cash items	3,138	2,998	10,715
Exchanges for clearing-house	283,724	366,951	336,373
Bills of other National banks	56,608	36,645	49,736
Fractional paper currency, nickels and cents	2,432	9,483	2,770
*Lawful money reserve in bank, viz.:			
Gold coin	2,070,680	2,037,107	1,787,170
Gold Treasury certificates	......	25,000	......
Gold clearing-house certificates	......	......	......
Silver dollars	46,131	36,065	55,102
Silver Treasury certificates	108,004	56,884	84,761
Silver fractional coin	23,817	19,993	15,057
Legal-tender notes	638,500	422,640	592,239
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	41,400	41,400	41,400
Due from U. S. Treasurer	143,577	97,718	16,650
Total	$24,146,380	$22,407,115	$22,037,432
LIABILITIES.			
Capital stock paid in	$3,250,000	$3,250,000	$3,250,000
Surplus fund	521,000	521,000	521,000
Undivided profits, less expenses and taxes paid	135,951	219,680	278,198
National bank notes issued, less amount on hand	827,000	828,000	823,900
Due to other National banks	1,544,698	1,898,140	2,109,671
Due to State banks and bankers	815,685	765,694	972,844
Dividends unpaid	1,237	412	250
Individual deposits	16,526,111	14,441,884	13,681,106
U. S. deposits	201,400	201,570	320,004
Deposits of U. S. disbursing officers	323,300	280,733	80,457
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$24,146,380	$22,407,115	$22,037,432
Average reserve held	30.43 p. c.	31.18 p. c.	33.55 p. c.

* The total lawful money reserve was $2,887,132 on July 14, 1896; $2,597,690 on October 6, 1896; $2,534,329 on December 17, 1896.

MINNEAPOLIS, MINN.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$11,393,509	$10,788,168	$11,217,563
Overdrafts	21,520	26,337	15,338
U. S. bonds to secure circulation	400,000	400,000	400,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	500	500	500
Premiums on U. S. bonds	31,845	31,532	31,582
Stocks, securities, etc	345,315	315,373	321,291
Banking house, furniture and fixtures	159,188	159,188	159,188
Other real estate and mortgages owned	303,751	303,410	307,108
Due from National banks (not reserve agents)	574,330	677,086	919,705
Due from State banks and bankers	346,273	455,924	535,214
Due from approved reserve agents	1,118,628	978,225	1,186,823
Checks and other cash items	45,582	31,417	51,765
Exchanges for clearing-house	534,399	850,872	600,849
Bills of other National banks	51,788	89,950	88,900
Fractional paper currency, nickels and cents	2,777	5,478	2,159
*Lawful money reserve in bank, viz.:			
Gold coin	863,647	943,192	889,452
Gold Treasury certificates	23,500	13,500	9,000
Gold clearing-house certificates	......	......	......
Silver dollars	28,069	29,212	41,197
Silver Treasury certificates	28,000	130,029	149,000
Silver fractional coin	18,689	16,815	30,028
Legal-tender notes	307,193	679,124	488,634
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	18,000	18,000	17,699
Due from U. S. Treasurer	5,524	......	3,442
Total	$16,672,033	$16,993,338	$17,516,389

MINNEAPOLIS, MINN.—Continued.

LIABILITIES	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Capital stock paid in	$5,200,000	$5,200,000	$5,200,000
Surplus fund	461,000	461,000	461,000
Undivided profits, less expenses and taxes paid	424,763	418,066	489,288
National bank notes issued, less amount on hand	301,150	330,150	324,150
Due to other National banks	1,395,732	1,568,580	2,089,183
Due to State banks and bankers	1,052,596	1,251,088	1,551,324
Dividends unpaid	6,202	13,612	886
Individual deposits	7,775,652	7,264,701	7,253,277
U. S. deposits	36,109	40,057	39,948
Deposits of U. S. disbursing officers	13,824	6,131	7,700
Notes and bills rediscounted	......	100,000	......
Bills payable	......	310,000	50,000
Liabilities other than those above stated	5,000	30,000	49,600
Total	$16,672,088	$16,993,388	$17,516,389
Average reserve held	27.42 p. c.	34.80 p. c.	31.96 p. c.

* The total lawful money reserve was $1,269,098 on July 14, 1896; $1,811,873 on October 6, 1896; $1,607,311 on December 17, 1896.

NEW ORLEANS, LA.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$12,172,835	$10,625,970	$11,349,709
Overdrafts	744,134	633,550	990,661
U. S. bonds to secure circulation	1,000,000	850,000	900,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	3,000	3,100	2,800
Premiums on U. S. bonds	68,370	50,870	55,870
Stocks, securities, etc	2,501,522	2,104,163	2,182,432
Banking house, furniture and fixture	674,258	503,698	619,239
Other real estate and mortgages owned	129,021	73,384	98,318
Due from National banks (not reserve agents)	339,861	353,677	620,649
Due from State banks and bankers	220,592	250,721	286,199
Due from approved reserve agents	1,440,073	1,009,721	2,037,718
Checks and other cash items	12,835	42,926	19,709
Exchanges for clearing-house	652,288	1,117,311	1,601,214
Bills of other National banks	99,182	57,765	57,610
Fractional paper currency, nickels and cents	7,681	3,376	4,387
*Lawful money reserve in bank, viz.:			
Gold coin	425,289	492,481	718,838
Gold Treasury certificates	169,610	119,650	119,500
Gold clearing-house certificates	......	......	......
Silver dollars	43,296	54,019	61,279
Silver Treasury certificates	584,160	1,018,620	746,653
Silver fractional coin	52,238	49,306	63,077
Legal-tender notes	1,282,894	1,027,248	930,958
U. S. certificate of deposit for legal-tender notes	......	......	285,000
Five per cent. redemption fund with Treasurer	44,620	38,250	40,500
Due from U. S. Treasurer	1,880	......	......
Total	$22,669,144	$20,479,813	$23,792,326
LIABILITIES.			
Capital stock paid in	$2,900,000	$2,000,000	$2,300,000
Surplus fund	2,440,000	2,260,000	2,260,000
Undivided profits less expenses and taxes paid	273,194	315,782	413,128
National bank notes issued, less amount on hand	897,195	762,645	796,695
Due to other National banks	1,061,710	912,095	1,480,699
Due to State banks and bankers	1,215,142	870,574	1,722,857
Dividends unpaid	37,458	10,574	11,248
Individual deposits	13,544,014	12,108,141	14,532,697
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	248,178	290,000	75,000
Bills payable	52,250	750,000	200,000
Liabilities other than those above stated	......	200,000	......
Total	$22,669,144	$20,479,813	$23,792,326
Average reserve held	27.79 p. c.	31.42 p. c.	32.74 p. c.

* The total lawful money reserve was $2,557,487 on July 14, 1896; $2,761,324 on October 6, 1896; $2,925,305 on December 17, 1896.

OMAHA, NEB.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$8,263,702	$7,191,954	$7,421,821
Overdrafts	104,373	95,926	79,575
U. S. bonds to secure circulation	730,000	730,000	730,000
U. S. bonds to secure U. S. deposits	450,000	450,000	450,000
U. S. bonds on hand	......	......	12,000
Premiums on U. S. bonds	101,000	99,625	101,471
Stocks, securities, etc	661,473	621,367	688,802
Banking house, furniture and fixtures	832,088	832,088	832,088

OMAHA, NEB.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Other real estate and mortgages owned	$424,068	$458,101	$478,364
Due from National banks (not reserve agents)	578,903	453,292	422,512
Due from State banks and bankers	503,041	379,636	611,387
Due from approved reserve agents	1,628,998	1,944,006	1,492,595
Checks and other cash items	121,470	66,636	113,292
Exchanges for clearing-house	497,399	317,402	348,370
Bills of other National banks	147,484	238,437	152,842
Fractional paper currency, nickels and cents	9,109	5,670	5,228
*Lawful money reserve, viz.:			
Gold coin	1,328,777	1,479,395	1,506,925
Gold Treasury certificates	1,010	1,360	2,020
Gold clearing-house certificates	......	......	......
Silver dollars	75,960	75,880	101,922
Silver Treasury certificates	91,586	162,991	150,805
Silver fractional coin	52,496	40,347	52,157
Legal-tender notes	461,847	1,176,590	920,350
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasury	32,230	32,460	32,630
Due from U. S. Treasury	990	......	690
Total	$17,098,025	$16,853,170	$16,707,802
LIABILITIES.			
Capital stock paid in	$3,750,000	$3,750,000	$3,750,000
Surplus fund	323,500	323,500	312,000
Undivided profits, less expenses and taxes paid	68,169	70,493	83,222
National bank notes issued, less amount on hand	653,595	656,995	656,995
Due to other National banks	2,128,043	2,031,047	1,965,069
Due to State banks and bankers	1,861,618	1,716,012	1,784,408
Dividends unpaid	3,735	543	483
Individual deposits	7,847,223	7,765,848	7,641,912
U. S. deposits	278,144	152,586	259,219
Deposits of U. S. disbursing officers	98,995	236,144	164,491
Notes and bills rediscounted	......	......	......
Bills payable	85,000	150,000	90,000
Liabilities other than those above stated	......	......	......
Total	$17,098,025	$16,853,170	$16,707,802
Average reserve held	35.01 p. c.	46.73 p. c.	41.43 p. c.

* The total lawful money reserve was $2,011,677 on July 14, 1896; $2,936,563 on October 6, 1896; $2,734,179 on December 17, 1896.

PHILADELPHIA, PA.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$88,230,372	$86,838,998	$85,739,612
Overdrafts	22,974	18,714	20,139
U. S. bonds to secure circulation	7,627,500	7,927,500	8,377,500
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	375,000	25,000	50,000
Premiums on U. S. bonds	824,899	800,441	870,963
Stocks, securities, etc	10,203,952	10,174,324	9,097,880
Banking house, furniture and fixtures	4,331,202	4,321,202	4,333,217
Other real estate and mortgages owned	635,788	630,506	662,749
Due from National banks (not reserve agents)	6,809,521	6,570,797	6,514,762
Due from State banks and bankers	1,224,424	1,132,096	1,387,110
Due from approved reserve agents	10,444,559	10,739,404	14,693,787
Checks and other cash items	1,199,818	1,092,250	927,177
Exchanges for clearing-house	8,690,732	8,271,634	7,884,505
Bills of other National banks	425,442	430,863	430,518
Fractional paper currency, nickels and cents	58,450	63,868	65,047
*Lawful money reserve in bank, viz.:			
Gold coin	1,660,891	1,213,440	1,476,135
Gold Treasury certificates	204,220	196,030	256,930
Gold clearing-house certificates	5,575,000	3,665,000	4,240,000
Silver dollars	282,648	226,844	256,777
Silver Treasury certificates	3,837,876	3,632,998	4,579,825
Silver fractional coin	269,897	265,265	337,478
Legal-tender notes	2,510,878	2,646,183	2,797,152
U. S. certificates of deposit for legal-tender notes	3,495,000	5,020,000	5,230,000
Five per cent. redemption fund with Treasurer	343,237	355,472	366,648
Due from U. S. Treasurer	117,411	43,910	127,008
Total	$159,601,697	$156,512,740	$160,932,895
LIABILITIES.			
Capital stock paid in	$21,965,000	$21,965,000	$21,965,000
Surplus fund	14,673,000	14,673,000	14,718,000
Undivided profits, less expenses and taxes paid	2,583,597	3,049,980	2,762,051
National bank notes issued, less amount on hand	6,687,795	7,071,355	7,193,032
Due to other National banks	18,625,338	17,209,596	18,505,137
Due to State banks and bankers	5,622,285	5,050,900	5,281,909
Dividends unpaid	87,743	40,192	53,158
Individual deposits	88,706,765	86,374,255	89,156,229

PHILADELPHIA, PA.—Continued.

LIABILITIES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
U. S. deposits	$208,783	$198,858	$196,509
Deposits of U. S. disbursing officers	1,035	1,901	2,074
Notes and bills rediscounted	50,352	93,140	......
Bills payable	395,000	785,000	800,000
Liabilities other than those above stated	......	......	299,783
Total	$159,601,697	$156,512,740	$160,932,885
Average reserve held	29.79 p. c.	30.24 p. c.	35.31 p. c.

*The total lawful money reserve was $17,836,410 on July 14, 1896; $16,865,760 on October 6, 1896; $19,184,292 on December 17, 1896.

PITTSBURG, PA.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$45,304,021	$43,923,195	$42,852,577
Overdrafts	68,956	82,950	65,301
U. S. bonds to secure circulation	4,810,250	4,960,250	5,160,250
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	......	500	700
Premiums on U. S. bonds	464,100	469,133	507,783
Stocks, securities, etc	2,749,815	2,832,447	2,830,514
Banking house, furniture and fixtures	3,193,250	3,230,566	3,242,106
Other real estate and mortgages owned	537,164	539,672	544,908
Due from National banks (not reserve agents)	1,702,288	1,233,882	1,438,583
Due from State banks and bankers	300,355	267,602	271,559
Due from approved reserve agents	3,889,238	3,613,378	3,156,464
Checks and other cash items	322,657	278,504	226,322
Exchanges for clearing-house	1,681,613	1,952,065	1,625,659
Bills of other National banks	283,428	338,006	268,012
Fractional paper currency, nickels and cents	14,203	18,525	17,618
*Lawful money reserve in bank, viz.:			
Gold coin	2,885,171	3,082,686	3,032,617
Gold Treasury certificates	398,220	387,280	375,770
Gold clearing-house certificates	......	......	......
Silver dollars	243,310	259,235	248,019
Silver Treasury certificates	641,974	625,760	721,598
Silver fractional coin	152,185	181,595	180,560
Legal-tender notes	2,044,351	2,332,774	2,324,006
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with treasurer	215,596	215,226	197,778
Due from U. S. Treasurer	130,960	42,525	32,713
Total	$72,233,112	$71,068,761	$69,541,368
LIABILITIES.			
Capital stock paid in	$12,100,000	$12,100,000	$12,100,000
Surplus fund	9,420,543	9,421,218	9,321,468
Undivided profits, less expenses and taxes paid	1,345,268	1,609,149	1,841,037
National bank notes issued, less amount on hand	4,287,572	4,422,222	4,582,302
Due to other National banks	5,303,774	4,690,565	4,516,738
Due to State banks and bankers	2,147,567	1,964,020	1,776,149
Dividends unpaid	124,194	56,323	60,146
Individual deposits	36,758,963	35,489,114	34,604,247
U. S. deposits	149,632	129,461	130,583
Deposits of U. S. disbursing officers	51,252	65,515	71,826
Notes and bills rediscounted	460,653	840,488	354,368
Bills payable	80,000	228,193	182,500
Liabilities other than those above stated	3,690	52,500	......
Total	$72,233,112	$71,068,761	$69,541,368
Average reserve held	25.81 p. c.	27.71 p. c.	27.27 p. c.

*The total lawful money reserve was $6,365,211 on July 14, 1896; $6,869,330 on October 6, 1896; $6,882,565 on December 17, 1896.

ST. JOSEPH, MO.

RESOURCES.	*July 14, 1896.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$2,718,·79	$2,493,742	$2,424,280
Overdrafts	21,509	15,154	12,016
U. S. bonds to secure circulation	200,000	200,000	200,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	3,500	3,500	3,500
Stocks, securities, etc	73,953	76,328	73,616
Banking house, furniture and fixtures	103,350	103,350	103,350
Other real estate and mortgages owned	35,096	47,643	47,363
Due from National banks (not reserve agents)	232,739	173,889	295,557
Due from State banks and bankers	71,233	57,351	85,439
Due from approved reserve agents	663,964	561,577	552,787
Checks and other cash items	24,185	30,347	19,538
Exchanges for clearing-house	42,552	49,836	70,324
Bills of other National banks	7,145	13,011	10,247
Fractional paper currency, nickels and cents	657	602	647

ST. JOSEPH, MO.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
*Lawful money reserve in bank, viz.:			
Gold coin	$187,192	$204,022	$161,707
Gold Treasury certificates	6,360	11,370	10,860
Gold clearing-house certificates	......	......	......
Silver dollars	21,502	18,802	18,562
Silver Treasury certificates	51,047	57,477	71,926
Silver fractional coin	4,716	5,897	5,265
Legal-tender notes	145,502	193,297	161,373
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	8,955	8,955	8,955
Due from U. S. Treasurer	1,700	1,100	2,900
Total	$4,675,191	$4,377,256	$4,389,316
LIABILITIES.			
Capital stock paid in	$850,000	$850,000	$850,000
Surplus fund	140,000	140,000	142,500
Undivided profits, less expenses and taxes paid	42,127	61,888	41,691
National bank notes issued, less amount on hand	179,100	179,000	179,100
Due to other National banks	846,519	273,636	273,469
Due to State banks and bankers	591,778	567,499	602,992
Dividends unpaid	3,918	1,079	672
Individual deposits	2,472,547	2,254,734	2,246,169
U. S. deposits	49,205	49,225	48,660
Deposits of U. S. disbursing officers	......	94	342
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	3,718
Total	$4,675,191	$4,377,256	$4,389,316
Average reserve held	35.02 p. c.	37.21 p. c.	36.57 p. c.

*The total lawful money reserve was $416,369 on July 14, 1896; $490,866 on October 6, 1896; $429,693 on December 17, 1896.

ST. LOUIS, MO.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$27,706,748	$26,197,678	$24,941,743
Overdrafts	35,195	44,627	31,474
U. S. bonds to secure circulation	1,402,000	1,402,000	1,677,000
U. S. bonds to secure U. S. deposits	525,000	525,000	500,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	173,500	170,250	184,500
Stocks, securities, etc	1,398,567	1,367,067	1,484,875
Banking house, furniture and fixtures	950,445	950,454	954,056
Other real estate and mortgages owned	173,141	178,114	171,447
Due from National banks (not reserve agents)	3,447,616	3,214,632	5,516,848
Due from State banks and bankers	696,953	871,881	994,963
Due from approved reserve agents	......	......	......
Checks and other cash items	114,181	92,036	89,240
Exchanges for clearing-house	1,258,172	1,137,439	1,348,618
Bills of other National banks	137,867	97,749	364,979
Fractional paper currency, nickels and cents	2,041	1,494	1,663
*Lawful money reserve in bank, viz.:			
Gold coin	1,765,175	2,343,743	2,059,390
Gold Treasury certificates	193,730	190,760	181,890
Gold clearing-house certificates	......	......	......
Silver dollars	19,381	31,575	46,424
Silver Treasury certificates	996,758	449,741	787,608
Silver fractional coin	25,475	22,480	25,619
Legal-tender notes	2,257,567	2,856,442	3,773,097
U. S. certificates of deposit for legal-tender notes	1,290,000	180,000	855,000
Five per cent. redemption fund with Treasurer	63,042	61,822	63,042
Due from U. S. Treasurer	16,250	1,000	18,200
Total	$44,648,758	$42,388,987	$46,066,678
LIABILITIES.			
Capital stock paid in	$9,400,000	$9,400,000	$9,400,000
Surplus fund	1,861,000	1,861,000	1,871,000
Undivided profits, less expenses and taxes paid	583,371	628,551	589,970
National bank notes issued, less amount on hand	1,250,340	1,260,540	1,490,530
Due to other National banks	6,949,783	6,705,241	8,356,981
Due to State banks and bankers	5,895,474	5,503,638	6,325,683
Dividends unpaid	2,363	1,717	4,972
Individual deposits	17,592,925	16,222,556	17,509,146
U. S. deposits	512,500	537,242	500,000
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	101,000	53,500	......
Bills payable	475,000	190,000	......
Liabilities other than those above stated	25,000	25,000	18,442
Total	$44,648,758	$42,388,987	$46,066,678
Average reserve held	26.01 p. c.	25.95 p. c.	31.84 p. c.

*The total lawful money reserve was $6,548,086 on July 14, 1896; $6,075,741 on October 6, 1896; $7,729,028 on December 17, 1896.

ST. PAUL, MINN.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$10,731,212	$10,450,811	$10,725,266
Overdrafts	10,063	16,704	12,864
U. S. bonds to secure circulation	252,000	252,000	252,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	......	......	......
Stocks, securities, etc	818,292	819,673	962,493
Banking house, furniture and fixtures	752,718	752,718	702,718
Other real estate and mortgages owned	175,479	175,481	75,138
Due from National banks (not reserve agents)	383,280	455,368	493,845
Due from State banks and bankers	129,092	208,266	217,233
Due from approved reserve agents	1,739,486	1,834,292	2,125,417
Checks and other cash items	84,090	88,828	88,215
Exchanges for clearing-house	329,510	384,661	412,651
Bills of other National banks	88,500	122,192	125,444
Fractional paper currency, nickels and cents	4,252	3,125	2,442
*Lawful money reserve in bank, viz.:			
Gold coin	2,152,885	1,947,879	2,152,142
Gold Treasury certificates	10,800	8,200	8,400
Gold clearing-house certificates	......	......	......
Silver dollars	61,663	82,713	69,728
Silver Treasury certificates	61,125	228,588	231,802
Silver fractional coin	18,156	38,537	30,289
Legal-tender notes	145,508	448,469	386,401
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	11,293	11,293	11,293
Due from U. S. Treasurer	21,346	8,056	24,210
Total	$18,455,756	$18,807,861	$19,584,998
LIABILITIES.			
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000
Surplus fund	1,055,000	1,055,000	1,055,000
Undivided profits, less expenses and taxes paid	896,113	898,373	1,062,065
National bank notes issued, less amount on hand	201,270	224,320	222,300
Due to other National banks	1,776,242	1,643,406	2,127,062
Due to State banks and bankers	1,401,861	1,241,346	1,786,532
Dividends unpaid	6,255	9,646	2,328
Individual deposits	8,840,060	9,485,486	9,054,834
U. S. deposits	293,175	132,651	205,677
Deposits of U. S. disbursing officers	171,753	317,629	269,198
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	14,025	......	......
Total	$18,455,756	$18,807,861	$19,584,998
Average reserve held	36.34 p. c.	39.44 p. c.	41.12 p. c.

*The total lawful money reserve was $2,450,137 on July 14, 1896; $2,754,386 on October 6, 1896; $2,878,762 on December 17, 1896.

SAN FRANCISCO, CAL.

RESOURCES.	July 14, 1897.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$7,025,026	$7,184,368	$7,019,299
Overdrafts	109,624	140,374	60,422
U. S. bonds to secure circulation	100,000	150,000	150,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	103,000	......	......
Premiums on U. S. bonds	27,675	10,500	12,660
Stocks, securities, etc	149,882	148,681	148,666
Banking house, furniture and fixtures	344,567	344,616	345,048
Other real estate and mortgages owned	34,033	33,922	33,440
Due from National banks (not reserve agents)	147,336	244,965	120,463
Due from State banks and bankers	296,061	328,694	525,638
Due from approved reserve agents	321,633	543,956	571,084
Checks and other cash items	......	......	8,290
Exchanges for clearing-house	206,324	227,139	131,318
Bills of other National banks	17,300	6,950	8,700
Fractional paper currency, nickels and cents	288	481	380
*Lawful money reserve in bank, viz.:			
Gold coin	1,476,502	2,398,180	2,560,477
Gold Treasury certificates	......	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	17,160	12,260	39,900
Silver Treasury certificates	4,464	35,425	22,159
Silver fractional coin	33,670	24,332	37,228
Legal-tender notes	12,520	7,000	7,300
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	4,500	6,750	6,750
Due from U. S. Treasurer	400	1,200	......
Total	$10,531,971	$11,899,816	$11,909,227

SAN FRANCISCO, CAL.—Continued.

LIABILITIES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Capital stock paid in	$2,500,000	$2,500,000	$2,500,000
Surplus fund	1,450,000	1,450,000	1,450,000
Undivided profits, less expenses and taxes paid	70,088	149,868	223,013
National bank notes issued, less amount on hand	45,000	71,500	90,000
Due to other National banks	521,972	602,691	584,768
Due to State banks and bankers	819,163	991,785	1,191,805
Dividends unpaid	13,775	1,250	50
Individual deposits	5,011,291	6,012,816	5,758,149
U. S. deposits	100,680	119,904	111,441
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$10,531,971	$11,899,816	$11,909,227
Average reserve held	32.25 p. c.	43.75 p. c.	47.30 p. c.

* The total lawful money reserve was $1,544,317 on July 14, 1896; $2,477,197 on October 6, 1896; $2,667,064 on December 17, 1896.

SAVANNAH, GA.

RESOURCES.	July 14. 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$1,164,179	$1,507,613	$1,439,608
Overdrafts	1,196	5,684	1,125
U. S. bonds to secure circulation	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	90,000	90,000	90,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	11,400	11,150	11,150
Stocks, securities, etc	66,715	66,765	66,183
Banking house, furniture and fixtures	67,239	67,239	67,239
Other real estate and mortgages owned	18,380	18,587	18,981
Due from National banks (not reserve agents)	81,772	82,638	58,182
Due from State banks and bankers	40,139	28,901	24,757
Due from approved reserve agents	54,239	88,851	139,983
Checks and other cash items	......	......	......
Exchanges for clearing-house	24,351	......	36,822
Bills of other National banks	24,597	20,000	25,000
Fractional paper currency, nickels and cents	1,193	1,880	940
*Lawful money reserve in bank, viz.:			
Gold coin	3,300	12,600	17,000
Gold Treasury certificates	......	1,000	......
Gold clearing-house certificates	......	......	......
Silver dollars	26,000	6,500	22,000
Silver Treasury certificates	150,000	27,000	43,486
Silver fractional coin	7,700	4,800	6,861
Legal-tender notes	80,000	55,000	50,000
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	4,543	4,543	4,543
Due from U. S. Treasurer	2	7	7
Total	$2,018,950	$2,152,263	$2,225,820
LIABILITIES.			
Capital stock paid in	$750,000	$750,000	$750,000
Surplus fund	225,000	225,000	225,000
Undivided profits, less expenses and taxes paid	36,322	47,294	58,824
National bank notes issued, less amount on hand	88,475	90,020	86,960
Due to other National banks	61,884	47,660	71,810
Due to State banks and bankers	106,122	146,279	101,532
Dividends unpaid	1,712	1,023	960
Individual deposits	656,437	510,733	601,623
U. S. deposits	231	3,670	13,940
Deposits of U. S. disbursing officers	86,025	80,563	74,151
Notes and bills rediscounted	......	25,019	16,019
Bills payable	......	225,000	225,000
Liabilities other than those above stated	6,739	......	......
Total	$2,018,950	$2,152,263	$2,225,820
Average reserve held	43.93 p. c.	28.20 p. c.	39.46 p. c.

*The total lawful money reserve was $267,000 on July 14, 1896; $106,900 on October 6, 1896; $139,347 on December 17, 1896.

WASHINGTON, D. C.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Loans and discounts	$8,028,322	$8,147,070	$8,090,981
Overdrafts	20,777	16,412	9,294
U. S. bonds to secure circulation	874,150	904,150	904,150
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	386,000	377,900	330,000
Premiums on U. S. bonds	68,174	68,917	61,159
Stocks, securities, etc	1,393,592	1,363,113	1,351,357
Banking house, furniture and fixtures	1,069,994	1,069,994	1,069,994

WASHINGTON, D. C.—Continued.

RESOURCES.	July 14, 1896.	Oct. 6, 1896.	Dec. 17, 1896.
Other real estate and mortgages owned	$56,133	$54,851	$53,059
Due from National banks (not reserve agents)	583,990	664,895	710,441
Due from State banks and bankers	384,901	478,215	472,002
Due from approved reserve agents	1,592,605	1,046,352	1,562,147
Checks and other cash items	125,834	259,331	146,352
Exchanges for clearing-house	181,963	205,891	197,798
Bills of other National banks	19,856	16,455	8,348
Fractional paper currency, nickels and cents	6,483	6,622	8,781
*Lawful money reserve in bank, viz.:			
Gold coin	616,506	776,462	864,652
Gold Treasury certificates	681,550	754,110	634,460
Gold clearing-house certificates	......	......	......
Silver dollars	13,755	15,062	8,962
Silver Treasury certificates	1,356,175	1,436,968	784,161
Silver fractional coin	28,062	18,271	88,023
Legal-tender notes	880,561	714,152	666,127
U. S. certificates of deposit for legal-tender notes	10,000	210,000	160,000
Five per cent. redemption fund with Treasurer	33,770	34,729	36,169
Due from U. S. Treasurer	......	1,310	......
Total	$18,513,178	$18,741,235	$18,268,418
LIABILITIES.			
Capital stock paid in	$3,075,000	$3,075,000	$3,075,000
Surplus fund	1,401,000	1,401,500	1,401,500
Undivided profits, less expenses and taxes paid	263,072	278,747	319,416
National bank notes issued, less amount on hand	681,615	706,645	710,095
Due to other National banks	316,869	329,157	318,973
Due to State banks and bankers	158,130	228,846	153,243
Dividends unpaid	7,676	4,911	2,993
Individual deposits	12,513,397	12,574,981	12,158,030
U. S. deposits	56,417	88,804	94,666
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	15,000	20,061	......
Bills payable	25,000	82,500	39,500
Liabilities other than those above stated	......	......	......
Total	$18,513,178	$18,741,235	$18,268,418
Average reserve held	42.12 p. c.	40.22 p. c.	39.48 p. c.

* The total lawful money reserve was $3,586,609 on July 14, 1896; $3,925,023 on October 6, 1896; $3,156,386 on December 17, 1896.

New Counterfeits—$10 National Bank Note.—On the Union National Bank of Detroit, Mich. Check letter B, series of 1882; W. S. Rosecrans, Register, C. N. Jordan, Treasurer; charter number 3487, bank number 3961, Treasury number B162032. It is a photographic production, printed on two pieces of paper of fair quality, pasted together, between which silk threads have been distributed. The back of the particular note under examination is upside down. The color of the Treasury and bank numbers is brick red, having been applied with pen or brush, as is the case with the chocolate tint of the seal, the green of the panel containing the charter number on back of note, and the maroon of the charter number and "series 1882," face of note. The color of the back of note, with the exception of the panel above referred to, is dull dark brown, while that of the face, except the numbers and seal, is the grayish brown tint peculiar to photographs. This note is the product of the same hand as the National Bank of Commerce, New York, note previously described, and should not deceive an ordinarily careful handler of money.

NEW COUNTERFEIT $20 U. S. SILVER CERTIFICATE.—Series 1891, check letter B, plate No. 6; J. Fount Tillman, Register; D. N. Morgan, Treasurer; portrait of Daniel Manning; small scalloped seal. This is a very dangerous counterfeit; the most noticeable defect is in the Treasury numbers, which, although of good color, are entirely too heavy and out of alignment. The fine shade lines of all the lettering are not clearly defined. The portrait of Daniel Manning does not stand out in relief as in the genuine, especially is this true of the hair, making it almost impossible to discern where the hair ends and the shade begins. The color of the seal is several shades lighter than the genuine. The parallel ruled lines in the panels containing the numbers are much broken and indistinct. The green ink used on back of note is too light, giving it a faded appearance. The knob or screw head of bracket in upper right corner, face of note, and which appears in the panel containing the Treasury number, has the appearance of having been added to the note with pen and ink, and is noticeably defective. The paper on which this counterfeit is printed is of good quality, the silk threads of the genuine being imitated by heavy pen and ink lines on back of note. The work on this note is similar in many respects to that of the $20 Silver Certificate, check letter C, plate number 5, previously described.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, January 4, 1897.

THE REASSEMBLING OF CONGRESS last month was in one sense an important event, although shorn of some of its significance by reason of the fact that the session will end on March 4 next, and that there is no possibility of any serious legislation by this Congress, which is in a state of deadlock on almost every prominent issue. The attempt of the Senate to adopt a resolution recognizing the independence of Cuba was the only sensation Congress inspired, and the attitude taken by the Secretary of State in opposition to the right of Congress to recognize a foreign state, added to the public interest thus aroused. The chance of a controversy with Spain over the matter was considered a bear point in Wall Street, and the stock market suffered a decline.

A long series of bank failures chiefly in the Northwest was the most unfavorable feature of the closing month of the year. The failure of the National bank of Illinois, located at Chicago, was the most serious, but this and all the other failures of financial institutions were the result of causes which existed for some time past. They may be considered the aftermath of a long period of depression which now appears to be nearly ended.

From various parts of the country there have been recent evidences of an awakening sentiment in favor of concentrating banking capital and resources which have been distributed too widely and among too many enterprises. In Boston a movement is now on foot to reduce the number of National banks in that city by consolidating some of them. An attempt in the same direction is proposed in Kansas and in some other of the Western States. During the period when prosperity was making every wheel whirl and every industry thrive, the growth of banking facilities was very rapid. The three years of depression since have severely tried some of the newer and weaker institutions and the elimination of some of them by absorbing them into other and stronger concerns would seem to be for the public good.

One of the most favorable incidents of the situation is the steady increase in the gold reserve of the Treasury. There was at the close of the month $175,000,000 of gold in the Treasury offset by less than $38,000,000 of gold certificates outstanding, leaving about $137,000,000 of gold actually owned by the Government. In January 1896, there was less than $50,000,000 net gold in the Treasury, and in January, 1895, less than $45,000,000.

The increase of gold in the Treasury vaults has naturally caused inquiry as to when the Government would resume the issue of gold certificates which was suspended early in 1893. The law directs that no certificates shall be issued when the gold in the Treasury held for the redemption of legal tenders falls below $100,000,000.

Under that law Secretary Carlisle suspended the issue of gold certificates, and he has decided that for the present he will not resume their issue. By this course the Secretary makes it easier to protect his gold reserve. Five years ago there were $163,000,000 of gold certificates outstanding, and although there was nearly $283,000,000 of gold in the Treasury the Government actually owned only about $120,000,000. With $108,000,000 less gold in the Treasury now the Government owns $17,000,000 more gold than it did in January, 1892.

There is less apprehension regarding gold exports than was entertained awhile ago. The large excess of exports of merchandise precludes an outward gold movement, unless another break in confidence causes the return from abroad of a large quantity of our securities. The small imports of merchandise, however, keep down the customs' revenues of the Government, thus causing a deficit, which is as fatal to the cash reserves of the Government as a demand for gold.

The exports of merchandise continue to be of extraordinary volume. The returns for the last month of the year are not in yet, but estimating the total for that month at $92,000,000, the same as in December, 1895, the aggregate for the calendar year 1896 will exceed $980,000,000; the largest for any previous year was $970,000,-000. recorded in 1891. In the following table we show the total exports of merchandise for the six and twelve months ended December 31, and the excess of mports or exports for the corresponding periods for each of the past seven years, December, 1896, being estimated the same as in 1895:

YEAR.	*Six months ended Dec. 31.*	*Excess.*	*Calender year.*	*Excess.*
1890................	$465,096,359	Exports, $52,826,185	$857,502,548	Exports, $34,104,822
1891................	551,125,195	" 155,450,274	970,509,646	" 142,188,703
1892................	459,267,707	" 50,064,293	988,420,660	" 97,489,705
1893................	487,711,294	" 168,659,878	876,108,781	" 99,859,857
1094................	420,672,970	" 80,308,235	825,102,248	" 148,789,307
1895................	437,997,280	" 27,925,824	824,862,475	" 23,190,789
1896................	536,599,828	" 221,458,339	961,211,825	" 296,414,779

The exports for the last six months of 1896 (December estimated) exceed in value those of any corresponding period excepting in 1891. The largest total for the last half of any year prior to 1891 was $477,000,000, in 1891 the exports reached $551,000,000, while in 1896 they were $536,000,000. The largest total recorded in the first half of any year is $479,000,000 in 1892. There is no record paralleling that of the last half of 1896 as to the excess of exports over imports. The balance for that period is $221,000,000. In the last half of 1879 the net exports were $216,000,000; after seventeen years that record is now beaten. For the calendar year 1896 the net exports were $296,000,000, and may have gone above $300,000,000. That comes close to the largest balance for any similar year. In 1878 the exports exceeded the imports by $305,000,000, the next largest total being recorded in the following year, when it reached $251,000,000. The latter is beaten in 1896 by $40,000,000 or more.

The brightest spot in the business situation for some time past has been our foreign trade. Generally, the year 1896 has been one unfavorable to commercial or industrial advancement. The exchanges of the New York Clearing-House banks in 1896 were nearly $1,000,000,000 less than in 1895, the figures for the two years being: 1896, $28,870,775,056; 1895, $29,844,796,924. Compared with 1894 there is an increase of nearly $4,500,000,000, but comparisons with earlier years show a greater decrease than the falling off from 1895. The bank clearings of the United States also show a decline from 1895. The completed returns have not yet been published, but outside of New York the loss will be about five per cent., or approximately $1,200,000,000, a decrease of more than $3,000,000,000 as compared with 1892.

But for the improvement in the latter part of 1896, the complete record would make a very unsatisfactory exhibit when compared with the previous year. The change for the better is strikingly shown in the statements of the New York banks. The deposits which at the close of 1895 were $501,000,000 fell to $481,000,000 in April, 1896, increased to about $506,000,000 in July, and fell to $438,000,000 in November. On December 26, they had risen to nearly $526,000,000, or $25,000,000 more than they were a year ago. In 1895, the deposits fell off more than $50,000,000. The following table shows the extreme range of deposits and surplus reserve in each of the past seven years:

YEAR.	*Deposits.*		*Surplus reserve.*	
	Highest.	Lowest.	Highest.	Lowest.
1890	$431,599,600	$376,746,500	$15,031,650	* $3,306,925
1891	455,806,800	383,491,500	24,089,775	3,102,750
1892	543,663,100	444,870,100	36,020,900	539,050
1893	506,437,800	370,802,400	80,815,150	* 16,545,375
1894	595,104,900	518,524,600	111,623,000	82,932,650
1895	577,223,300	500,822,800	45,880,450	13,413,450
1896	525,837,200	438,437,600	40,182,400	8,228,500

* Deficit.

The deposits reached the lowest point in three years on November 6. During the years 1894 and 1895, they never fell below $500,000,000, while in only two weeks of 1896, until December last, were they as much as that sum. The surplus reserve also reached its lowest point for three years in 1896. Loans, which in September 1895 aggregated $522,000,000, were only $442,000,000 in November last, but they have since increased to $487,000,000.

If the condition of general business is to be judged by the earnings of the railroads, the situation must be described as only "fair to middling." Railroad earnings have been declining of late although not enough probably to make the total for the year fall below that of 1895. At the end of November the gross earnings were about 2 per cent. larger than in 1895. Decreases have been reported by most of the roads in December, but some gain for the year will most likely be shown in the aggregate. Enormous decreases were reported in 1893 and 1894, and only a fraction of that loss was recovered in 1895, consequently 1896 will make a poor showing when compared with any recent year prior to 1894.

According to the record kept by the Chicago "Railway Age," 34 railroads with 5,441 miles of lines, and a total stock and bond capitalization of $275,600,000 were put into the hands of receivers. This is a more favorable result than was reported in 1892, 1893, or 1894. During the past year 58 railroads with 13,730 miles of lines and a capitalization of $1,150,000,000, were sold under foreclosure, but these sales are only the consummation of the disaster of previous years.

The construction work done on the railroads during the year indicates the extreme of depression in that industry. Only 1,802 miles of railway lines were built in 1896, which is about the same as in 1895. The mileage laid in each of those years is the smallest for any year since 1875. More active operations are expected in 1897, and only the financial and political troubles prevented a revival last year. The construction of railroad engines and cars in 1896 was very largely in excess of that of the previous year which may be considered a very favorable sign.

The coal and iron trades have reflected to some extent the influences that have controlled other industries. The anthracite coal producers by entering into an agreement to maintain prices saved the trade from total demoralization. The output was kept down to about 44,000,000 tons, a reduction of 2,000,000 tons as compared with 1895, but nearly 3,000,000 tons in excess of the tonnage of 1894. The iron trade declined in activity almost continuously from Jan. 1, to Oct. 1, the weekly output falling from 207,481 tons to 112,782 tons. In the last quarter of the year there has been a fair recovery, the output on December 1 being 142,278 tons, and at the close of the year about 145,000 tons. Prices are low and the prospect of an immediate advance is not encouraging. One of the latest announcements of the year was that the price of steel rails, which has been $28 for some time, is to be reduced to $25.

The stock market reached the extreme of depression during 1896, the average of prices of stocks reaching the lowest point touched in a number of years. There was a recovery which culminated about the middle of November, and a final decline of about five per cent., which leaves prices just about where they were at the beginning of the year. The business transacted at the Stock Exchange fell off considerably as compared with the previous year. The total transactions in each of the past five years were as follows:

	Stocks—Shares.	*State and railroad bonds.*	*Government bonds.*
1892	86,850,930	$501,398,200	$1,662,400
1893	77,984,965	299,372,327	2,021,450
1894	49,275,736	352,741,950	4,293,300
1895	66,440,576	495,904,950	7,046,250
1896	54,490,643	358,815,850	27,121,550

The listing of securities on the Stock Enchange in 1896 reached a higher aggregate than in many years past but more than sixty per cent. of the bonds and stocks listed were issued to replace old issues. There were $575,264,000 of bonds listed, of which $378,219,500 replaced old issues and $197,044,500 were new issues, and $609,590,215 of stocks, of which $499,979,200 were in place of old issues and $109,611,015 were new. The new issues of stock listed in 1895 were $108,812,101. Of the new bond issues $100,000,000 were Government bonds, leaving about $97,000,000 of other bonds. In 1895 the Stock Exchange listed $182,000,000 of new issues of bonds, of which $62,000,000 were Government bonds, leaving $120,000,000 of other bonds.

The business failures during the year were exceptionally large, and the totals are without parallel except in the panic years of 1893 and 1884. The failures numbered about 15,000, with liabilities of $250,000,000, the latter being about the same as in 1884. In 1893 the liabilities aggregated over $400,000,000. The failures were largely swelled in the last month of the year by the suspension of banking institutions. The bank failures during the year numbered one hundred and ninety-five, with liabilities approximating $50,000,000.

THE MONEY MARKET.—The last month in the year is usually a quiet one in the money market. At no time during the month did call money command more than 2½ per cent. while 1½ @ 2 per cent. was the ruling rate most of the time. There was little demand for time money and only a small supply of commercial paper. Money has been accumulating in the local banks and late in the month currency was flowing in from outside points quite freely. A more active demand for money soon after the beginning of the new year is anticipated, but the business situation is somewhat problematic as yet. At the close of the month call money ruled at 1½

MONEY RATES IN NEW YORK CITY.

	Aug. 1.	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	2 —2½	6 —8	3 —6	6 —	1 —3	1½—2½
Call loans, banks and trust companies	2 —3	6	6	12 —	3 —	2 —
Brokers' loans on collateral, 30 to 60 days	4 —4½	6 —8	6	12 —	3 —	3 —
Brokers' loans on collateral, 90 days to 4 months	5½—6	9 —11	6	10 —	3½—4	3½—
Brokers' loans on collateral, 5 to 7 months	6	10 —11	6	6 —8	4 —	4 —
Commercial paper, endorsed bills receivable, 60 to 90 days	5½—6	9	6½—7	8 —10	4 —4½	3¾—4
Commercial paper prime single names, 4 to 6 months	6 —7	....	7 —7½	8 —10	4½—5	4 —4½
Commercial paper, good single names, 4 to 6 months	7 —8	....	8 —9	8 —10	5 —6	4½—5½

@ 2½ per cent. with the average rate about 2 per cent., while banks and trust companies quote 2 per cent. as the minimum rate. Time money on Stock Exchange collateral was quoted at 3 per cent for 60 to 90 days, 3½ per cent. for four months, and 4 per cent. for five to seven months. For commercial paper the rates are 3¾ @ 4 per cent. for 60 to 90 days endorsed bills receivable, 4 @ 4½ per cent. for four months commission house and first-class four to six months single names and 4½ @ 5½ per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the foregoing table:

EUROPEAN BANKS.—The principal European banks last month suffered reductions in their gold holdings. The Bank of England lost nearly $9,500,000, the Bank of France $3,500,000, the Bank of Germany $2,000,000 and Austria-Hungary $1,500,000. Compared with a year ago the seven leading banks lost nearly $34,000,000 in gold, but the Bank of England lost $54,000,000 and France $7,500,000 while Austro-Hungary gained about $30,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	November 1, 1896.		December 1, 1896.		January 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£36,182,073	....	£36,050,848	....	£34,158,899	....
France	77,547,252	£49,224,443	77,284,863	£49,274,611	76,584,590	£49,130,797
Germany	28,051,600	14,025,800	28,964,000	14,482,000	28,505,450	14,252,750
Austro-Hungary	30,453,000	12,662,000	30,625,000	12,589,000	30,340,000	12,578,000
Spain	8,528,000	9,940,000	8,528,000	9,968,000	8,528,000	10,210,000
Netherlands	2,636,000	6,743,000	2,635,000	6,759,000	2,634,000	6,841,000
Nat. Belgium	2,666,000	1,333,000	2,701,333	1,350,667	2,736,667	1,368,833
Totals	£186,063,925	£93,928,243	£186,789,044	£94,423,278	£183,487,606	£94,380,880

MONEY RATES ABROAD.—There has been but little change in rates for money at European centers in the past month. The final rate in the principal market are a fraction higher than they were a month ago. At the close of the month the discount rate in London for 60 to 90 day bank bills was 3⅝ per cent. and the open market rate at Paris 2 per cent. and at Berlin and Frankfort 4¼ per cent.

MONEY RATES IN FOREIGN MARKETS.

	July 17.	Aug. 14.	Sept. 18.	Oct. 16.	Nov. 13.	Dec. 11.
London—Bank rate of discount	2	2	2½	3	4	4
Market rates of discount:						
60 days bankers' drafts	1—⅝	⅞—1	1⅞	2¼	3⅝	3⅛—¼
6 months bankers' drafts	1⅛—¾	⅞—11/16	1⅞—2⅛	2⅝	3⅛—3¼	2¾
Loans—Day to day	½	½	1	1½	3	2½
Paris, open market rates	1¾	1½	1⅞	2	1⅞	1¾
Berlin, "	2¼	2½	3¾	4⅜	4¼	4⅞
Hamburg, "	2⅛	2½	3¾	4⅜	4⅝	4⅞
Frankfort, "	2½	2½	3⅜	4½	4⅝	4⅞
Amsterdam, "	2¾	2½	2⅛	3	3⅛	3
Vienna, "	3¾	3¾	4	3⅞	3¾	3¾
St. Petersburg, "	6	6	5¼	5½	6	5¼
Madrid, "	5	5	5	5	5	4
Copenhagen, "	3½	3½	3½	4½	4½	4

FOREIGN EXCHANGE.—Rates for sterling exchange have been alternately weak and strong. At one time there was a prospect of a gold shipment to Berlin, but the matter fell through as the element of profit was lacking. The active demand for money at that center encouraged the expectation of such a shipment, but the present condition of foreign exchange suggests gold imports rather than exports at this time. Lower rates for sterling are looked for as considerable long exchange bought for investment some time ago will begin to mature. The market is in an abnormal condition for this season of the year, but the foreign trade movements offer a satisfactory explanation. The following table shows the condition of foreign exchange markets.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling. *60 days.*	Bankers' Sterling. *Sight.*	*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60 days.*
Dec. 5	4.83¾ @ 4.84	4.86½ @ 4.86¾	4.87 @ 4.87¼	4.83¼ @ 4.83½	4.82½ @ 4.82¾
" 12	4.83½ @ 4.83¾	4.86½ @ 4.86¾	4.87 @ 4.87¼	4.83 @ 4.83¼	4.82¼ @ 4.83
" 19	4.84 @ 4.84¼	4.87½ @ 4.87¾	4.88 @ 4.88¼	4.83½ @ 4.83¾	4.82¾ @ 4.83½
" 26	4.83½ @ 4.83¾	4.87 @ 4.87¼	4.87½ @ 4.87¾	4.83 @ 4.83¼	4.82¼ @ 4.83
Jan. 2	4.83¾ @ 4.84	4.86¼ @ 4.86½	4.87 @ 4.87¼	4.83 @ 4.83¼	4.82¼ @ 4.83

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Sept. 1.	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*
Sterling Bankers—60 days	4.82 — 2¼	4.82¾— 3	4.81½— 2	4.83¾— 4	4.83½— ¾
" " Sight	4.84 — 4¼	4.85¼— ½	4.84½— ¾	4.86¾— 7	4.86½— ¾
" " Cables	4.84½— 4¾	4.85¾— 6	4.85¼— ½	4.87 — ¼	4.87 — ¼
" Commercial long	4.81¼— ¾	4.82¼— ¾	4.81 — ¼	4.82¾— 3	4.83 — ¼
" Docu'tary for paym't.	4.81 — 1½	4.81½— 2½	4.80 — ¾	4.82½— ¾	4.82¼— 3
Paris—Cable transfers	5.20 —19⅜	5.18⅛— 7½	5.19⅝— 8¾	5.17½—	5.17½—
" Bankers' 60 days	5.22½— 1⅞	5.20⅝—	5.22½— 1⅞	5.20$\frac{1}{16}$—20	5.20 —19⅝
" Bankers' sight	5.20⅝—20	5.18¾— ⅛	5.20 — 9⅝	5.18⅛—	5.18⅛—
Antwerp—Commercial 60 days.	5.25⅝— 4⅜	5.23¾— ⅛	5.25 — 4⅜	5.23⅛— 2½	5.22½— 1⅞
Swiss—Bankers' sight	5.21¼— ⅝	5.18¾— ⅛	5.19⅝— 8¾	5.19⅝— 8¾	5.20 —19⅝
Berlin—Bankers' 60 days	94⅜— ½	94⅝— $\frac{11}{16}$	94$\frac{7}{16}$— ½	94¾— $\frac{13}{16}$	94⅞— $\frac{15}{16}$
" Bankers' sight	94⅞— 5	95$\frac{5}{16}$— ⅜	95⅛— $\frac{3}{16}$	95½— $\frac{9}{16}$	95$\frac{7}{16}$— ½
Brussels—Bankers' sight	5.20⅝—20	5.18¾—	5.20 —	5.18¾— $\frac{1}{16}$	5.18¾— ⅛
Amsterdam—Bankers' sight	40 — $\frac{1}{16}$	40$\frac{1}{16}$— ⅛	40 — $\frac{1}{16}$	40¼— $\frac{5}{16}$	40$\frac{3}{16}$— ¼
Kronors—Bankers' sight	26⅞— $\frac{15}{16}$	26$\frac{15}{16}$— 7	26⅞— $\frac{15}{16}$	27 — ⅛	27 — $\frac{1}{16}$
Italian lire—sight	5.60 —50	5.60 —50	5.57½—47½	5.55 —45	5.45 — 35

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Sept. 16, 1896.	*Oct. 14, 1896.*	*Nov. 11, 1896.*	*Dec. 30, 1896.*
Circulation (exc. b'k post bills)	£26,835,985	£27,445,550	£26,546,525	£26,021,850
Public deposits	6,814,798	5,420,991	5,393,967	6,826,887
Other deposits	50,263,036	47,706,184	43,509,134	42,218,882
Government securities	14,944,906	16,185,047	13,758,066	13,752,969
Other securities	28,347,085	27,986,077	27,329,644	27,137,985
Reserve of notes and coin	32,110,428	26,770,993	25,718,470	26,001,241
Coin and bullion	42,146,413	37,596,545	35,464,995	35,223,091
Reserve to liabilities	56⅛%	50¼%	52⅝%	52⅞%
Bank rate of discount	2½%	3%	4%	4%
Market rate, 3 months' bills	1¾@1⅞%	2⅝ @ 2¾%	3⅝@3¾%	3⅝ @ 3¾%
Price of Consols (2¾ per cents.)	109¾	108⅛	110¼	110¾
Price of silver per ounce	30⅛d.	29¾d.	29⅞d.	30d.
Average price of wheat	23s. 9d.	25s. 2d.	30s. 9d.	32s. 8d.

SILVER.—The London silver market has been very quiet throughout the month. No special influences have been at work to affect the price and so the fluctuations have been narrow and slightly downward in the latter part of the month. From 29⅞d. the closing price in November, there was an advance to 30d. which quotation

MONTHLY RANGE OF SILVER IN LONDON—1894, 1895, 1896.

MONTH.	1894. High	1894. Low.	1895. High	1895. Low.	1896. High	1896. Low.	MONTH.	1894. High	1894. Low.	1895. High	1895. Low.	1896. High	1896. Low.
January	31¾	30½	27$\frac{7}{16}$	27$\frac{3}{16}$	30½	30⅞	July	28$\frac{15}{16}$	28⅞	30⅝	30¼	31⅝	31⅜
February	30$\frac{11}{16}$	27½	27$\frac{11}{16}$	27¼	31$\frac{9}{16}$	30¾	August	30½	28$\frac{11}{16}$	30$\frac{9}{16}$	30¼	31⅜	30⅝
March	27⅞	27	30¼	27⅝	31$\frac{15}{16}$	31⅛	Septemb'r	30¼	29$\frac{3}{16}$	30$\frac{9}{16}$	30$\frac{7}{16}$	30$\frac{11}{16}$	30
April	29⅜	29⅛	30⅞	29⅞	31$\frac{3}{16}$	30$\frac{13}{16}$	October	29$\frac{9}{16}$	28$\frac{15}{16}$	31⅜	30⅝	30$\frac{5}{16}$	29¾
May	29¼	28$\frac{1}{16}$	30⅞	30$\frac{3}{16}$	31$\frac{3}{16}$	30$\frac{15}{16}$	Novemb'r	29$\frac{5}{16}$	28⅜	31	30⅝	30$\frac{3}{16}$	29¾
June	28$\frac{5}{16}$	28$\frac{5}{16}$	30$\frac{11}{16}$	30⅛	31$\frac{9}{16}$	31$\frac{3}{16}$	Decemb'r	28½	27$\frac{3}{16}$	30$\frac{11}{16}$	30	30	29$\frac{13}{16}$

ruled until the last week when the price declined to 29 13-16d. the lowest and final price of the month.

GOVERNMENT REVENUES AND DISBURSEMENTS.—For the first time since June, 1896, the Government reports an excess of receipts over disbursements for the month. The surplus is small, only $651,114, but it compares with a deficit of over $8,000,000 in November. The favorable showing is due mainly to the cutting down in expenditures, the total for the month, $25,206,000, being the smallest reported in any month since September, 1895. In November the total expenditures were $33,000,000. For the six months ended December 31 there is a deficit of $39,295,-731. This will be increased by a further deficit in January, as the interest payments will be large this month.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

Receipts. Source.	December, 1896.	Since July 1, 1896.	Expenditures. Source.	December, 1896.	Since July 1, 1896.
Customs	$10,779,412	$67,821,682	Civil and mis	$5,947,000	$54,965,754
Internal revenue	13,198,998	77,721,741	War	3,960,000	27,574,469
Miscellaneous	1,878,703	11,964,179	Navy	2,504,000	17,450,836
			Indians	988,000	6,197,012
			Pensions	11,450,000	71,957,773
Total	$25,857,114	$157,507,608	Interest	357,000	18,657,488
Excess of expenditures	*$651,114	$39,295,731	Total	$25,206,000	$196,803,335

* Excess of receipts.

UNITED STATES TREASURY CASH RESOURCES.

	Sept. 30.	Oct. 31.	Nov. 30.	Dec. 31.
Net gold	$124,124,282	$118,443,021	$130,407,237	$136,746,473
Net silver	16,643,222	14,079,505	17,162,998	18,742,601
U. S. notes	62,632,216	56,317,133	35,809,737	34,565,497
Miscellaneous assets (less current liabilities)	21,216,303	32,542,387	28,797,586	21,474,933
Deposits in National banks	16,443,281	16,110,047	15,828,924	16,085,955
Available cash balance	$241,059,305	$237,492,094	$228,006,484	$227,615,461

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

Month.	1895. Receipts.	1895. Expenditures.	1895. Net Gold in Treasury.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.
January	$27,804,400	$34,523,447	$44,705,967	$29,237,670	$32,529,340	$49,845,507
February	22,888,057	25,696,085	87,085,511	28,059,228	26,749,956	123,962,979
March	25,470,576	25,716,957	90,463,307	26,041,149	27,274,994	128,646,461
April	24,247,836	32,990,676	91,247,144	24,282,896	28,967,381	125,393,900
May	25,272,078	28,558,214	99,151,409	24,643,718	28,426,592	108,345,234
June	25,615,474	21,683,029	107,512,362	27,794,219	25,444,789	101,699,605
July	29,069,698	38,548,064	107,236,487	29,029,209	42,088,468	110,718,746
August	28,952,696	32,588,185	100,329,837	25,562,097	35,701,676	100,957,561
September	27,549,678	24,320,482	92,911,974	24,584,244	26,579,585	124,034,672
October	27,901,748	34,503,425	92,943,180	26,282,829	33,978,277	117,126,523
November	25,986,503	27,199,283	79,333,966	25,210,696	33,260,720	131,510,352
December	26,288,938	25,814,317	63,262,268	25,857,114	25,206,000	*136,746,473

* This balance as reported in the Treasury sheet on the last day of the month.

NATIONAL BANK CIRCULATION.—There was a slight increase in amount of National bank currency outstanding, but a decrease of $1,000,000 in the amount of Government bonds deposited to secure circulation, and of $759,000 in circulation based upon Government bonds. The lawful money on deposit to retire circulation was reduced $1,023,000 in December, making a reduction in twelve months of

$3,285,000. There was a net increase in bank notes outstanding during the past year of $21,948,560.

NATIONAL BANK CIRCULATION.

	Sept. 30, 1896.	*Oct. 31, 1896.*	*Nov. 30, 1896.*	*Dec. 31, 1896.*
Total amount outstanding	$233,552,080	$234,897,657	$235,312,103	$235,576,381
Circulation based on U. S. bonds	214,667,694	216,510,014	216,609,684	215,850,307
Circulation secured by lawful money	18,884,386	18,387,643	18,702,419	19,726,074
U. S. bonds to secure circulation:				
Four per cents. of 1895	35,804,550	36,531,650	36,910,050	37,981,550
Pacific RR. bonds, 6 per cent	9,949,000	10,386,000	10,391,000	9,521,000
Funded loan of 1891, 2 per cent	22,574,850	22,673,850	22,623,850	22,592,850
" " 1907, 4 per cent	154,515,950	155,473,000	155,530,900	154,626,400
Five per cents. of 1894	15,928,850	16,038,850	15,816,350	15,514,850
Total	$238,773,200	$241,103,350	$241,272,150	$240,236,150

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $1,850,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,033,000; 4 per cents of 1907, $12,135,000; 5 per cents. of 1894, $535,000, a total of $15,928,000.

The circulation of National gold banks, not included in the above statement, is $86,737.

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars	$ 60	......	Twenty marks	$4.75	$4.80
Mexican dollars	50¾	$ 51⅛	Spanish doubloons	15.50	15.70
Peruvian soles, Chilian pesos	46⅛	48	Spanish 25 pesos	4.79	4.83
English silver	4.86	4.87½	Mexican doubloons	15.55	15.75
Victoria sovereigns	4.87	4.89	Mexican 20 pesos	19.50	19.60
Five francs	94	97	Ten guilders	3.95	3.99
Twenty francs	3.86	3.91			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 29⅞d. per ounce. New York market for large commercial silver bars, 64⅝ @ 65⅛c. Fine silver (Government assay), 65 @ 65¾c.

NEW YORK CITY BANKS.—In five weeks from November 28 to January 2 the clearing-house banks of this city gained in deposits more than $40,000,000. In the

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Dec. 5	$472,441,800	$75,676,900	$82,299,000	$502,043,000	$82,464,400	$19,997,700	$681,863,000
" 12	483,506,500	76,648,100	84,109,500	516,605,000	31,606,300	19,841,300	576,340,300
" 19	487,016,000	77,251,600	86,920,600	523,589,900	33,274,700	19,797,100	623,405,200
" 26	487,673,800	76,768,000	89,001,200	525,837,200	34,309,900	19,760,000	489,251,300
Jan. 2	491,375,900	76,342,300	89,640,900	530,785,000	33,286,950	19,600,100	525,331,466

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,069,300	$15,939,675	$530,785,000	$33,286,950
February	546,965,200	36,751,500	490,447,200	39,623,400		
March	528,440,800	28,054,500	489,612,200	24,442,150		
April	504,240,200	13,413,450	481,795,700	17,005,975		
May	526,998,100	27,233,575	495,004,100	22,944,275		
June	566,229,400	41,221,250	498,874,100	22,230,675		
July	570,436,300	34,225,925	499,046,900	20,328,275		
August	574,304,500	40,917,175	485,014,000	17,728,600		
September	574,929,900	39,149,925	451,934,800	8,836,200		
October	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

previous three weeks, as mentioned in our December number, they gained $52.000,000. In two months, since the presidential election, therefore, $92,000,000 of deposits have gone into the New York banks. On the other hand nearly $50.000,000 have been added to the loans of these institutions during that time. Here is some evidence of improvement in the condition of trade and finance which may be further expanded in the new year. Compared with a year ago the banks have $39,000,000 more deposits, $26,000,000 more loans, $25,000,000 more reserve and $13,000,000 more surplus.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
December 5..	$162,463,000	$153,898,000	$9,676,000	$7,273,000	$9,979,000	$114,879,700
" 12..	163,877,000	154.859.000	9,843,000	7,972,000	10,061,000	96,179,800
" 19..	165,093,000	155,650.000	10,444,000	8,261,000	10,076,000	94,810,700
" 26..	164,850,000	151,681,000	10,402,000	8,572,000	9,963,000	74,963,300
January 2..	166,322,000	155,302,000	10,710,000	8,165,000	9,896,000	95,872,400

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
December 5............	$100,891,000	$100,364,000	$30,292,000	$6,885,000	$68,671,800
" 12............	100,590,000	100,850,000	30,936,000	6,999,000	56,623,500
" 19............	100,558,000	101,547,000	31,479,000	6,965,000	63,093,500
" 26............	100,409,000	99,426,000	29,670,000	7,040,000	51,353,300
January 2............	100,333,000	102,444,000	31,596,000	7,176,000	52,575,200

MONEY IN THE UNITED STATES TREASURY.—There was an increase in the total amount of cash in the Treasury in December of $20,000,000, but the Government issued $16,000,000 of certificates and Treasury notes making the gain in net cash of $4,000,000. The net gold in the Treasury increased more than $5,500,000. There is $175,000,000 of gold coin and bullion in the Treasury against which there are only about $38,000,000 of gold certificates outstanding.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1896.	*Nov. 1, 1896.*	*Dec. 1, 1896.*	*Jan. 1, 1897.*
Gold coin....................................	$83,378,392	$107,706,505	$117,557,275	$120,638,598
Gold bullion....................................	29,820,315	47,617,828	51,969,827	54,565,385
Silver Dollars....................................	364,083,702	381,361,339	382,972,296	384,584,572
Silver bullion....................................	124,612,532	113,064,557	112,137,954	110,815,247
Subsidiary silver....................................	12,764,321	14,632,846	14,570,200	14,215,766
United States notes....................................	115,825,143	89,730,690	71,975,533	85,318,258
National bank notes....................................	7,063,137	12,981,868	13,063,471	14,278,970
Total....................................	$737,547,542	$767,095,133	$764,246,556	$784,411,796
Certificates and Treasury notes, 1890, outstanding....................................	533,344,856	512,399,195	512,946,771	529,044,460
Net cash in Treasury....................................	$204,202,686	$254,695,938	$251,299,785	$255,367,336

MONEY IN CIRCULATION.—The amount of money in circulation increased last month $3,778,654 and the circulation per capita increased from $22.86 to $22.87. There was an increase in gold of about $1,000,000, an increase of $4,023,000 in Treasury notes of 1890, a decrease of $13,837,000 in United States notes, an increase of $11,860,000 in currency certificates, and a decrease of $951,000 in National Bank notes. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1896.	*Nov. 1, 1896.*	*Dec. 1, 1896.*	*Jan. 1, 1897.*
Gold coin	$484,728,547	$516,340,979	$516,729,882	$517,743,229
Silver dollars	59,205,927	58,190,802	58,493,845	58,581,819
Subsidiary silver	64,417,685	61,171,736	61,233,346	62,101,986
Gold certificates	49,936,439	38,197,309	38,016,749	37,887,439
Silver certificates	336,076,648	357,777,122	356,312,121	356,655,800
Treasury notes, Act July 14, 1890	115,728,769	83,959,764	80,147,901	84,171,221
United States notes	230,855,873	256,950,826	274,705,483	261,367,758
Currency certificates, Act June 8, 1872	31,605,000	32,465,000	38,470,000	50,330,000
National bank notes	206,653,836	222,002,576	222,335,419	221,384,148
Total	$1,579,206,724	$1,627,055,614	$1,646,444,746	$1,650,223,400
Population of United States	70,630,000	71,902,000	72,030,000	72,159,000
Circulation per capita	$22.36	$22.63	$22.86	$22.87

THE SUPPLY OF MONEY IN THE COUNTRY.—The total amount of money in the country exclusive of certificates and Treasury notes increased nearly $8,000,000 last month. The increase is almost entirely in gold, which shows a gain of $6,700,000. There was a gain in silver dollars of $1,700,000, and a decrease in silver bullion of $1,300,000, an increase of $500,000 in fractional silver, and of about $300,000 in National bank notes. The following statement shows the amount of each kind of money in the country on the dates mentioned :

TOTAL SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1896.	*Nov. 1, 1896.*	*Dec. 1, 1896.*	*Jan. 1, 1897.*
Gold coin	$568,106,939	$624,047,484	$634,287,157	$638,381,827
Gold bullion	29,820,315	47,617,328	51,969,827	54,565,385
Silver dollars	423,289,629	439,552,141	441,466,141	443,166,391
Silver bullion	124,612,532	113,064,557	112,137,954	110,815,247
Subsidiary silver	77,182,006	75,804,582	75,803,546	76,317,752
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	213,716,973	234,984,444	235,398,890	235,663,118
Total	$1,783,409,410	$1,881,751,552	$1,897,744,531	$1,905,590,736

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

FOREIGN TRADE MOVEMENTS.—The exports of merchandise continue to be exceptionally large, the total in November being $109,000,000, the largest since 1891, and only about $1,000,000 less than in November that year. The imports continue to be abnormally low, only about $50,000,000. The imports are $13,000,000 less than in the same month last year, while the exports were nearly $22,000,000 greater.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF NOVEMBER.	MERCHANDISE.			*Gold Balance.*	*Silver Balance.*
	Exports.	*Imports.*	*Balance.*		
1891	$110,103,537	$64,890,507	Exp., $45,213,030	Imp., $8,489,768	Exp., $2,411,194
1892	97,703,824	67,699,040	" 30,044,784	" 1,438,565	" 1,179,003
1893	91,659,698	49,263,863	" 42,396,335	" 4,139,832	" 3,247,190
1894	79,954,005	50,567,482	" 29,386,523	" 1,507,388	" 2,881,728
1895	87,312,581	63,344,817	" 23,967,764	Exp., 13,468,188	" 4,384,536
1896	109,091,937	50,038,052	" 59,053,885	Imp., 6,924,148	" 3,197,712
ELEVEN MONTHS.					
1891	850,573,750	758,872,920	Exp., 91,700,830	Exp., 39,880,821	Exp., 8,745,758
1892	850,874,842	775,804,599	" 75,070,243	" 47,741,921	" 11,363,914
1893	782,557,052	726,324,057	" 56,232,995	" 5,105,131	" 23,700,254
1894	740,225,402	614,177,510	" 126,047,892	" 71,787,924	" 34,316,519
1895	732,331,019	739,468,300	Imp., 7,137,281	" 57,895,388	" 38,271,098
1896	888,680,369	622,593,660	Exp., 266,086,709	Imp., 43,860,498	" 44,895,015

The excess of exports over imports was $59,000,000 for the month, and $266,000,000 for the eleven months ended November 30. The largest net balance for the same period in recent years was $126,000,000 in 1894. The gold movement has become small, the net imports being less than $7,000,000 in November, but the eleven months show a net import of nearly $44,000,000, the first year since 1890 that we gained gold from abroad. The preceding table shows the movements of merchandise, gold and silver for the month and eleven months ended November 30 for the past six years:

GOLD MOVEMENT FOR FOUR YEARS.

	1893-1894.		*1894-1895.*		*1895-1896.*		*1896-1897.*	
July	Imp.,	$5,776,401	Exp.,	$12,823,572	Exp.,	$3,296,067	Exp.,	$9,097,788
August	"	40,622,529	"	1,985,308	"	15,133,175	Imp.	2,086,997
September	"	5,242,083	Imp.,	418,118	"	16,674,609	"	34,098,060
October	"	1,072,919	"	519,851	"	76,857	"	27,617,915
November	"	4,189,832	"	1,507,388	"	18,468,188	"	6,924,148
December	Exp.,	1,908,300	Exp.,	9,424,439	"	14,170,899		
January	"	573,790	"	24,698,489	"	198,586		
February	"	1,068,835	Imp.,	4,067,008	Imp.,	9,375,389		
March	"	2,929,241	"	4,120,290	"	298,653		
April	"	9,402,110	"	2,029,761	Exp.,	2,662,498		
May	"	23,124,058	"	3,271,198	"	18,499,415		
June	"	22,376,872	"	1,968,750	"	6,077,897		
Year	Exp.,	$4.528.942	Exp.,	$30,984,449	Exp.,	$80,588,649		

UNITED STATES PUBLIC DEBT.—The public debt statement for December shows a decrease in the net debt, less cash in the Treasury, of $2,800,000. There was only a slight increase in the total debt, exclusive of certificates and Treasury notes, but the aggregate debt increased $18,000,000. The aggregate assets increased nearly $17,500,000 and the demand liabilities $15,000.000. The net cash balance increased about $3,000,000. Compared with a year ago the net debt has increased $44,600,000, or nearly one-half of the increase in the bonded debt.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1896.	*Nov. 1, 1896.*	*Dec. 1, 1896.*	*Jan. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,631,750	559,638,300	559,638,450	559,638,900
Refunding certificates, 4 per cent	50,310	46,280	46,170	45,890
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	62,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$747,361,960	$847,364.460	$847,364,520	$847,364,690
Debt on which interest has ceased	1,674,510	1,607,010	1,591,620	1,383,070
Debt bearing no interest:				
Legal tender and old demand notes	346,735,863	346,735,363	346,735,863	346,735,363
National bank note redemption acct.	22,659,734	18,474,380	18,544,249	18,876,333
Fractional currency	6,893,394	6,890,504	6,890,504	6,890,504
Total non-interest bearing debt	$376,288,992	$372,100,247	$372,170,117	$372,502,301
Total interest and non-interest debt.	1,125,325,462	1,221,071,717	1,221,126,257	1,221,249,961
Certificates and notes offset by cash in the treasury:				
Gold certificates	50,099,889	39,588,139	39,433,139	39,279,789
Silver "	345,702,504	366,463,504	367,903,504	370,883,504
Certificates of deposit	34,450,000	35,060,000	38,510,000	50,830,000
Treasury notes of 1890	137,771,280	123,229,280	121,677,280	119,816,280
Total certificates and notes	$568,023,673	$564,340,923	$567,523,923	$580.809,573
Aggregate debt	1,693,349,135	1,785,412,640	1,788,650,180	1,802,059.534
Cash in the Treasury:				
Total cash assets	787,578,447	836,676,221	835,961,579	853.463,551
Demand liabilities	609,551,247	603,103,460	610,604,481	625,143,172
Balance	$178,027,200	$233,572,761	$225,357,098	$228,320,379
Gold reserve	63,262,268	100,000,000	100,000,000	100,000,000
Net cash balance	114,764,932	133,572,761	125,357,098	128,320,379
Total	$178,027,200	$233,572,761	$225,357,098	$228,320,379
Total debt, less cash in the Treasury.	947,298,262	987,498,956	995,769,159	992,929,582

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of December, and the highest and lowest during the year 1896, by dates, and also, for comparison, the range of prices in 1895:

	YEAR 1895.		HIGHEST AND LOWEST IN 1896.		DECEMBER, 1896.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	23⅝	3½	18 —Nov. 4	8¼—Aug. 7	14⅞	12¼	14
• preferred	36⅛	16	28⅛—Feb. 24	14⅛—Aug. 7	23¾	20⅝	23⅛
Atlantic & Pacific	2	⅛	1 —Nov. 4	⅜—Jan. 7	¾	⅝	½
Baltimore & Ohio	66¾	32⅛	44 —Jan. 27	10⅛—Sept. 2	16⅛	12⅛	16⅛
Buffalo, Rochester & Pitts	24	19	25 —May 16	15 —Feb. 11	21	20½	21
Canadian Pacific	62½	33	62¾—May 27	52 —Jan. 4	56¼	54	54
Canada Southern	57½	42	51¾—Feb. 10	40¾—Aug. 7	50	45½	46
Central of New Jersey	116½	81⅛	110 —Nov. 4	87½—Aug. 10	105¼	98¾	100
Central Pacific	21⅝	12	16⅛—Nov. 27	13⅛—Aug. 22	15	15	15
Ches. & Ohio vtg. ctfs	23⅝	12½	18⅛—Nov. 10	11 —Aug. 8	17¼	15	15
Chicago & Alton	160	147	164 —Nov. 9	146 —Aug. 11	164	161	164
Chicago, Burl. & Quincy	92⅝	69	83¾—Nov. 10	53 —Aug. 7	79⅛	68⅛	69⅛
Chicago & E. Illinois	57	43¼	43 —Feb. 13	37½—Aug. 10	....	....	....
• preferred	106	90	100½—Mar. 5	90 —Aug. 11	....	....	....
Chicago Gas	78¼	49⅞	78¾—Nov. 7	44⅜—Aug. 8	77¼	70	73⅝
Chic., Milwaukee & St. Paul	78⅞	53⅞	80 —Nov. 4	59⅞—Aug. 10	75⅞	70	73⅛
• preferred	130	114¾	131 —Dec. 4	117½—Aug. 7	131	130	131
Chicago & Northwestern	107⅛	87⅜	106¼—Apr. 23	85⅛—Aug. 10	106⅜	100¼	102
• preferred	151	137	152 —Dec. 31	140¾—Aug. 28	152	152	152
Chicago, Rock I. & Pacific	84⅝	59	74⅞—Feb. 24	49¼—Aug. 7	70¼	64	65¾
Chic., St. Paul, Minn. & Om	46	28¾	49¼—Dec. 4	30⅛—Aug. 8	49¾	44¾	46¾
• preferred	123¼	104	133 —Dec. 14	117 —Jan. 7	133	129	133
Clev., Cin., Chic. & St. Louis	50	28	39½—Feb. 10	19½—Aug. 8	30⅛	25	26⅛
• preferred	97	83¾	90½—Feb. 20	73 —Aug. 7	84	74	74
Col. Coal & Iron Devel. Co	11½	3	4⅛—Jan. 16	¼—July 18	1	1	1
Col. Fuel & Iron Co	41½	20½	34¼—Feb. 24	14⅝—Aug. 7	25¾	22	24
Columbus & Hock. Val. Coal.	9⅛	2	6 —Dec. 12	⅜ · July 9	6	3¾	4¼
Col. Hocking Val. & Tol	27⅞	14⅜	20½—Nov. 10	12½—Aug. 10	19¾	16½	17
• preferred	69¾	55	60 —July 22	48 —Dec. 18	53¾	48	53¾
Consolidated Gas Co	161½	126	168 —Nov. 24	133 —Aug. 10	164½	136¾	138¾
Delaware & Hud. Canal Co	134⅞	118	129⅝—Feb. 11	114½—Aug. 10	128¼	115¼	116
Delaware, Lack. & Western	174	154	166 —June 5	138 —Aug. 10	160¼	155	158
Denver & Rio Grande	17¾	10	14 —Feb. 4	10 —Aug. 25	12½	12⅛	12⅛
• preferred	55¼	32¾	51 —Feb. 24	37 —Aug. 7	44	42	42
Edison Elec. Illum. Co., N. Y.	102¾	94	101½—Dec. 8	89 —Jan. 2	101½	100⅛	100⅞
Erie	....		17¾—Nov. 9	10¼—Aug. 7	15⅝	14	15
• 1st pref	....		41¾—Mar. 17	27 —July 29	36	33⅜	33⅜
• 2d pref	....		25 —Mar. 16	13 —Aug. 6	20¼	20	20
Evansville & Terre Haute	51	28	34½—Feb. 24	24 —Aug. 15	29	28	28
Express Adams	153	140	154 —Nov. 9	135 —Aug. 25	154	148	154
• American	119⅛	109	116 —May 25	105 —Aug. 18	113¼	109	109
• United States	50	36	48 —Apr. 24	35 —Aug. 25	45	40	45
• Wells, Fargo	115	95	101 —Feb. 15	80 —Aug. 14	100	96⅛	99½
Great Northern, preferred	134	100	122 —Nov. 24	108¼—Mar. 13	122	122	122
Illinois Central	106	81⅛	98 —Jan. 31	84⅛—Aug. 11	93½	92	92¾
Iowa Central	11½	5⅜	10¼—Feb. 8	5⅛—Aug. 13	8½	7¼	7¼
• preferred	38	19	38 —Apr. 23	19 —Aug. 7	29	25	25
Laclede Gas	33⅛	14½	30 —Apr. 27	17 —July 20	25⅛	21½	24½
Lake Erie & Western	28	15¼	22½—Feb. 5	12⅛—Aug. 10	18¾	16⅝	16⅝
• preferred	85	61	75 —Feb. 7	55½—Aug. 8	72	69	69
Lake Shore	153½	134½	156 —Dec. 8	134¾—Jan. 7	156	152	154
Long Island	88¼	83	84 —Jan. 7	40½—Dec. 31	54	40½	43
Long Island Traction	22	5	22 —Feb. 19	16 —Jan. 10	....	....	....
Louisville & Nashville	66⅛	39	55⅝—Feb. 24	37⅛—Aug. 26	51	45⅛	48
Louis., N. A. & Chic., Tr. ctfs	10¾	6	10½—Feb. 18	¼—Nov. 25	⅛	¼	¼
• preferred	29⅞	15½	24¾—Feb. 13	1 —Nov. 25	1¾	1⅜	1¼
Manhattan consol	119⅞	95	113½—Feb. 11	73¼—Aug. 13	97½	85½	89¼
Michigan Central	103	91¾	97⅞—Feb. 11	89 —Aug. 28	92½	90½	90½
Minneapolis & St. Louis	26¾	14	21¾—Feb. 21	12 —Aug. 21	19½	18	18½
• 1st pref	88	78	83 —Feb. 21	54 —Aug. 8	78	75½	78
• 2d pref	62	39½	53½—Apr. 22	30 —Aug. 10	49	47½	47½
Mobile & Ohio	27	13½	25 —Jan. 11	14 —Aug. 10	23	20½	22
Missouri, Kan. & Tex	19	9¼	14¾—Nov. 10	9¼—Aug. 6	13⅞	12⅝	13¼
• preferred	41	18¼	31⅛—Feb. 25	16 —July 20	29⅞	24	28¾

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1895. High.	Year 1895. Low.	Highest and Lowest in 1896. Highest.	Highest and Lowest in 1896. Lowest.	December, 1896. High.	December, 1896. Low.	December, 1896. Closing.
Missouri Pacific	42½	18⅝	29¾—Apr. 24	15 —Aug. 7	22⅞	18	20
Nash., Chat. & St. Louis	81½	64	70 —Oct. 2	70 —Oct. 2	....	....	....
N. Y. Cent. & Hudson River	104⅝	90	99¾—Feb. 25	88 —Aug. 6	95¾	92¼	93⅝
N. Y. Chicago & St. Louis	18¼	10	15 —Jan. 22	9 —Aug. 11	12¾	11½	11½
" 1st preferred	75	65	80 —Jan. 22	67½—July 28	71	71	71
" 2d preferred	34¼	20	35⅝—Apr. 13	20 —Aug. 10	29	28	29
N. Y., Lake Erie & Western	15⅝	7½	17¼—Feb. 20	13½—Jan. 7	....	....	....
" preferred	30	16	29 —Feb. 20	25 —Jan. 22	....	....	....
N. Y. & New England	65½	29	51¼—Jan. 28	35 —July 21	....	....	....
N. Y., New Haven & Hartf'd	218	174	186 —Feb. 10	160 —July 23	181	176½	178
N. Y., Ontario & Western	19¼	11¾	16⅝—Nov. 10	11⅛—Aug. 10	16	13⅞	14½
N. Y., Sus. & Western	14¾	6⅞	12 —Nov. 9	6 —Aug. 11	10	9½	9⅝
" preferred	43½	19⅞	31¼—Feb. 6	12 —Aug. 8	27	23	23½
Norfolk & Western	6½	1¼	12¾—Nov. 10	⅛—Apr. 29	11⅛	11⅛	11⅛
" preferred	19⅜	8	19¾—Nov. 10	4⅛—May 8	17⅛	15¾	15¾
North American Co.	7	2¾	6½—Feb. 24	3½—Aug. 7	5¼	4¾	4¾
Northern Pacific tr. receipts	8⅛	2½	16⅞—Nov. 9	¼—May 23	15⅛	12¼	14¼
" pref tr. receipts	27	10⅞	36 —Nov. 14	10 —Apr. 16	32¾	25¼	32⅝
Ohio & Mississippi	....		....	....	....	....	....
Ohio Southern	19½	4	....	....	....	....	....
Oregon Improvement	14¾	8	4¼—Jan. 4	¼—June 12	1	¾	¾
Oregon Railway & Nav	32	17	24 —Nov. 2	10 —Feb. 18	14	14	14
Oregon Short Line	11¾	3½	18⅛—Nov. 10	3⅛—Apr. 14	14⅛	14	14⅛
Pacific Mail	34½	20	31 —Feb. 10	15¼—Aug. 7	26⅛	22½	24½
Peoria, Dec. & Evansville	7¼	2	3⅞—Feb. 10	1¼—June 23	....	....	....
Phila. & Reading	22⅝	4⅝	31¾—Nov. 10	2⅝—Jan. 7	29⅞	23⅛	26⅝
Pitts., Cin. Chic. & St. Louis	22¼	12	18¼—Feb. 7	11 —Aug. 7	15	12	12
" preferred	60½	43⅛	50 —Feb. 27	40⅛—Aug. 12	53¼	53¼	53¼
Pitts. & Western, preferred	34¼	18	20⅝—Jan. 31	17 —Jan. 15	....	....	....
Pullman Palace Car Co	178¾	146	164 —Feb. 11	138 —Aug. 7	157½	150	151¾
Rio Grande Western	19⅞	15	18½—Feb. 10	16 —Feb. 8	....	....	....
" preferred	46¼	30	46¼—Feb. 10	39 —Jan. 27	....	....	....
Rome, Wat. Ogdens' g	120	112¾	118 —Dec. 29	108 —Sept. 15	118	117	118
St. Louis, Alton & T. H	68	35½	60½—Jan. 3	53 —Aug. 14	....	....	....
St. Louis & Southwestern	9¼	4⅛	5¾—Feb. 7	2⅞—Aug. 10	4¾	3½	3¾
" preferred	19⅞	8	13 —Feb. 26	6½—Aug. 7	10⅞	9	9
St. Paul & Duluth	35½	18	27½—Feb. 24	15 —Sept. 16	19½	18¾	18¾
" preferred	95	88	91 —Feb. 10	75 —Dec. 8	75	75	75
St. Paul, Minn. & Manitoba	116¾	104	115 —Jan. 11	105 —Aug. 11	113	113	113
Southern Pacific Co	26⅜	16¾	22¼—Jan. 14	14 —Nov. 6	17¼	14½	14⅞
Southern Railway	14⅞	7	11¾—Nov. 10	6½—Aug. 7	10⅞	8¾	9¼
" preferred	44⅛	22	33¼—Feb. 25	15½—Aug. 8	31⅝	23¼	26
Tennessee Coal & Iron Co	46⅝	13¼	34¾—Feb. 10	13 —July 20	29¾	24	25½
Texas & Pacific	14⅜	6⅞	12 —Nov. 10	5 —Aug. 7	10⅛	8	9
Toledo, A., A. & N. M	4¾	⅛	....	....	....	....	....
Union Pacific trust receipts	17½	4	12½—Nov. 4	3⅞—Jan. 25	11½	8	9
Union Pac., Denver & Gulf	8⅝	2¼	5½—Feb. 13	1⅛—July 29	2⅞	2½	2½
Wabash R. R	10½	5	8 —Nov. 9	4½—Aug. 7	7⅜	5⅞	6¼
" preferred	26½	12⅝	19¾—Feb. 24	11 —Aug. 7	17	13⅞	15¼
Western Union	95⅝	82½	90¼—Nov. 11	72¾—Aug. 10	87½	80⅞	83¼
Wheeling & Lake Erie	18¼	6⅞	13¼—Feb. 14	5¼—Aug. 27	8⅝	6	6⅝
" preferred	54⅞	29	40¾—Feb. 13	20⅝—Aug. 8	30½	27½	29¾
Wisconsin Central	7¾	2½	4⅝—Feb. 24	1⅝—Aug. 21	2¼	2	2¼
"Industrial" Stocks:							
American Co. Oil Co	30½	14	19 —Jan. 27	8 —July 20	13	9	11
" preferred	79⅞	59	68⅞—Feb. 14	37 —Aug. 10	54½	50	54
American Sugar Ref. Co	121⅝	86½	126⅝—Apr. 21	95 —Aug. 10	117⅝	108	110¾
" preferred	107	90¼	104 —May 27	92¼—Aug. 8	104	100½	101
American Tobacco Co	117	63	95 —Apr. 2	51 —Aug. 10	80½	73¼	78¾
" preferred	116	90	106 - Nov. 6	95 —Aug. 4	103	101	103
Dis. & Cattle Feed Co	25½	7⅞	20¾—Apr. 23	9¼—Aug. 7	....	....	....
General Electric Co	41	20	39½—Mar. 13	20 —July 16	33⅞	29	32½
National Lead Co	38	17½	28⅝—Apr. 21	16 —Aug. 10	25⅝	22	23
" preferred	94¾	73	92¾—Nov. 19	75 —Aug. 27	89	86	87
National Linseed Oil Co	31⅝	15	21¼—June 23	11⅛—Dec. 17	15¼	11⅛	13
National Starch Manfg. Co	12	5	7¾—Nov. 13	4¾—Jan. 14	....	....	....
U. S. Cordage Co	9	⅞	7⅜—Nov. 13	3¼—Aug. 31	6⅝	5⅛	5½
" preferred	17	1¼	14⅜—Nov. 13	6½—Aug. 31	12½	10⅛	10⅛
U. S. Leather Co	24¾	7	11⅞—Feb. 8	5½—July 16	9⅝	8	9
" preferred	97¾	58	69⅛—Feb. 14	41½—Aug. 10	62¾	57⅞	60⅝
U. S. Rubber Co	48	21	29 —Jan. 13	14½—Aug. 8	26¾	23	24⅝
" preferred	98½	75	89 —Jan. 15	65 —Oct. 12	82¼	76	76

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	73¾	Dec. 30,'96	74⅛	73	81,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	96,288,000	A & O	79⅛	Dec. 31,'96	79⅝	77¾	1,555,000
• adjustment, g. 4's	1995	51,728,000	NOV	43	Dec. 31,'96	43¼	40½	3,049,000
• Equip. tr. ser. A. g. 5's	1902	1,500,000	J & J	....	....	....	....	....
Chicago & St. Louis 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Colorado Mid.Tr.Co.cfs 1stg.6's	1936	2,636,000	J & D	77½	July 29,'95	....	....	....
• assented		3,714,000	......	69¾	Dec. 4,'96	69¾	69½	13,000
• Tr.Co.cfscons.g.4'sst'dgtd	1940	3,054,000	F & A	21	June 6,'96	....	....	....
• assented		1,842,000	......	17	Dec. 29,'96	20¼	17	22,000
Atlan. av. of Brook'n imp. g. 5's,	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	....	....	....	....	....
Atlan. & Pac. gtd. 1st g. 4's	1937	18,790,000	J & J	39	Dec. 29,'96	39	39	2,000
• 2d W. d. g. g. s. f. 6's	1907	5,500,000	M & S	92	July 23,'90	....	....	....
• Western div. inc	1910	10,500,000	A & O	1	Dec. 31,'96	1¾	¾	221,000
• div. small	1910		A & O	10	Mar. 17,'93	....	....	....
• Central div. inc	1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	108	Nov. 20,'96	....	....	....
• 5's, gold	1885–1925	4,956,000	F & A	90	Dec. 21,'96	90	90	16,000
• registered			F & A	87	May 11,'96	....	....	....
• eng. ctfs of deposit		5,044,000	......	....	....	....	....	....
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	108	July 2,'96	....	....	....
• registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	92	Nov. 24,'96	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	102	May 29,'96	....	....	....
• 1st c. g. 4½'s	1993	10,483,000	J & J	99½	Nov. 12,'96	....	....	....
• 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
• "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	97½	Dec. 3,'96	97½	97½	6,000
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
• coupons off		....	......	....	....	....	....	....
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	117⅛	Dec. 31,'96	117⅛	116½	38,000
• registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	114⅜	Dec. 24,'96	114⅜	114⅜	5,000
Brooklyn Elevated 1st gold 6s's,	1924	3,500,000	A & O	74	Dec. 29,'96	80	74	38,000
• 2d mtg. g. 5's,	1915	1,250,000	J & J	39	Dec. 16,'96	39	39	4,000
Union Elevated 1st g. g. 6's	1937	6,148,000	M & N	73	Dec. 29,'96	73¾	71	48,000
Seaside & Bkln Bdge 1st g. g. 5's.	1942	1,365,000	J & J	80	Mar. 31,'96	....	....	....
Brooklyn Rapid Transit g. 5's	1945	4,875,000	A & O	77¾	Dec. 24,'96	79⅝	74	198,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1.'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	96½	Dec. 23,'96	97	96½	22,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	120	Nov. 12,'96	....	....	....
• cons. 1st 6's,	1922	3,920,000	J & D	116	Dec. 31,'96	116½	116	4,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,349,000	A & O	100	Feb. 27,'96	....	....	....
• registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	105	Dec. 24,'96	105½	104½	28,000
• con. 1st & col. tst 5's	1934	6,425,000	A & O	102½	Dec. 16,'96	102½	102½	2,000
• registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g,	1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total for the month.

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	102	Dec. 21,'96	102	102	4,000
• 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	110⅞	Dec. 31,'96	110⅞	109½	64,000
• 2d mortg. 5's	1913	5,100,000	M & S	105¼	Dec. 19,'96	105½	104½	29,000
• registered			M & S	103¼	Apr. 7,'96	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	95	Dec. 2,'96	95	95	10,000
Chat., Rom. & Colu's gtg. g. 5's	1937	2,090,000	M & S	70	July 25,'93	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	....	F & A	....		....	....	....
• registered $1,000 & $5,000		7,000,000	F & A	....		....	....	....
• con. g. 5's	1945	....	M & N	90⅝	Dec. 31,'96	91	90	84,000
• con. g. 5's, reg. $1,000 & $5,000		16,500,000	M & N	....		....	....	....
Central Railroad of New Jersey,								
• 1st consolidated 7's	1899	3,836,000	Q J	105¾	Nov. 11,'96	....	....	....
• convertible 7's	1902	1,167,000	M & N	116	June 23,'96	....	....	....
• deb. 6's	1908	466,000	M & N	114	Apr. 2,'95	....	....	....
• gen. mtg. 5's	1987	41,604,000	J & J	118	Dec. 30,'96	118½	118	148,000
• registered			Q J	114½	Dec. 28,'96	116	114½	77,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	104⅛	Dec. 22,'96	104⅛	103¼	17,000
• mortgage 5's	1912	2,887,000	M & N	90	May 15,'96	....	....	....
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	116½	Dec. 24,'96	116½	116	22,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g'd bonds	1897	19,505,000	J & J	102⅝	Dec. 29,'96	103	102½	25,000
•	1898		J & J	103⅞	Dec. 30,'96	103⅞	103	95,000
• San Joaquin br., 6's	1900	6,080,000	A & O	102	Dec. 31,'96	102½	102	8,000
• Mtge. gold gtd. 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
Central Pacific land grant 5's	1900	2,506,000	A & O	99	Nov. 12,'96	....	....	....
• ext g 5s series A B C D	1898	5,598,000	J & J	102⅝	Dec. 10,'96	102⅝	102⅝	1,000
• Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	100	Oct. 28,'96	....	....	....
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
• 50 year m. gg. 5's	1938	4,800,000	A & O	92¼	Oct. 17,'96	....	....	....
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,300	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	105¼	Dec. 18,'96	105½	105¼	15,000
• 6's, g., Series A	1908	2,000,000	A & O	118	Dec. 28,'96	119	118	12,000
• Mortgage gold 6's	1911	2,000,000	A & O	118	Dec. 19,'96	118¾	118	23,000
• 1st con. g. 5's	1939	23,558,000	M & N	108	Dec. 31,'96	108	107	239,000
• registered			M & N	107	Dec. 30,'96	107¼	105	170,000
• Gen. m. g. 4½'s	1992	21,799,000	M & S	72¾	Dec. 31,'96	74⅞	71⅛	397,000
• registered			M & S	85	Dec. 30,'93	....	....	....
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	98	Dec. 28,'96	99¼	96½	128,000
• 2d con. g. 4's	1989	1,000,000	J & J	87½	Dec. 18,'96	87½	87	16,000
• Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
• Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	99¾	Dec. 29,'96	100	99	16,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
• 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	109	Nov. 23,'96	....	....	....
• 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104½	Dec. 7,'92	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	104	Dec. 30,'96	104	104	1,000
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	118⅝	Dec. 31,'96	118⅝	117½	107,000
• 5's, sinking fund	1901	2,315,000	A & O	103	Dec. 19,'96	103	103	1,000
• 5's, debentures	1913	9,000,000	M & N	97⅝	Dec. 30,'96	98	96	25,000
• convertible 5's	1903	15,263,900	M & S	100½	Dec. 31,'96	101½	100	38,000
• (Iowa div.) sink. f'd 5's	1919	2,811,000	A & O	101½	Sept. 21,'96	....	....	....
• 4's	1919	7,571,000	A & O	97	Dec. 30,'96	98	96	5,000
• Denver div. 4's	1922	6,141,000	F & A	94	Dec. 28,'96	94	93½	5,000
• 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
• Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....
• Nebraska extensi'n 4's	1927	26,730,000	M & N	87¾	Dec. 28,'96	89	87¾	44,000
• registered			M & N	90¾	July 10,'95	....	....	....
• Han. & St. Jos. con. 6's	1911	8,000,000	M & S	118	Dec. 21,'96	118	118	4,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	112	Dec. 31,'96	112½	112	3,000
• small bonds			J & D	112	Apr. 2,'96	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	123½	Dec. 28,'96	123½	122	7,00
" gen. con. 1st 5's	1937	7,487,000	M & N	100	Dec. 30,'96	102	99	117,000
" registered			M & N	104¼	Nov. 25,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	99⅞	Dec. 8,'96	99⅞	99⅞	1,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	105	Nov. 23,'96	....	....	....
" 2d 7 3-10 P. D.	1898	1,106,000	F & A	128⅛	Dec. 18,'96	128⅛	128⅛	1,000
" 1st 7's $ gold, R. div.	1902	3,796,500	J&J	125½	Nov. 4,'96	....	....	....
" 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
" 1st m. Iowa & M. 7's	1897	1,736,000	J & J	128¼	Dec. 24,'96	128¼	128¼	10,000
" 1st m. Iowa & D. 7's	1899	434,000	J & J	127½	Dec. 2,'96	127½	127½	....
" 1st m. C. & M. 7's	1903	2,393,000	J & J	125	Oct. 22,'96	....	....	....
Chicago Mil. & St. Paul con. 7's	1905	11,298,000	J & J	132	Dec. 24,'96	132	130	5,000
" 1st 7's, Iowa & D. ex.	1908	3,505,000	J & J	133	Dec. 24,'96	133	130¾	16,000
" 1st 6's, Southw'n div.	1909	4,000,000	J & J	117	Dec. 24,'96	117⅞	116½	6,000
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	110¼	Dec. 21,'96	110¼	110	10,000
" 1st So. Min. div. 6's	1910	7,432,000	J & J	118½	Dec. 31,'96	118½	117½	4,000
" 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	127¾	Dec. 12,'96	127¾	127¾	5,000
" 5's	1910	990,000	J & J	108	Dec. 21,'96	108	108	1,000
" Chic. & Pac. div. 6's	1910	3,000,000	J & J	118½	Dec. 11,'96	118½	118½	3,000
" 1st Chic. & P. W. 5's	1921	25,340,000	J & J	114¾	Dec. 31,'96	114¾	113¾	133,000
" Chic. & M. R. div. 5's	1926	3,083,000	J & J	109	Dec. 31,'96	109	108	35,000
" Mineral Point div. 5's	1910	2,840,000	J & J	104½	Oct. 21,'96	....	....	....
" Chic. & Lake Sup. 5's	1921	1,360,000	J & J	106½	July 16,'96	....	....	....
" Wis. & Min. div. 5's	1921	4,755,000	J & J	112	Dec. 30,'96	112¼	110⅞	26,000
" terminal 5's	1914	4,748,000	J & J	112	Dec. 28,'96	112½	112	10,000
" Far. & So. 6's assu.	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
" mtg. con. si'k. f'd 5's	1916	1,680,000	J & J	96	Jan. 7,'96	....	....	....
" Dakota & Gt. S. 5's	1916	2,856,000	J & J	109	Dec. 30,'96	109	109	5,000
" g. m. g. 4's, series A	1989	19,010,000	J & J	97½	Dec. 31,'96	97½	96¼	192,000
" registered		....	Q J	94½	Dec. 11,'95	....	....	....
" Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	115½	Oct. 8,'96	....	....	....
" 1st convt. 6's	1913	5,092,000	J & D	116	Dec. 11,'96	116	116	1,000
Chic. & North Pacific 1st g. 5's	1940	25,523,000	A & O	42	May 12,'96	....	....	....
" U. S. Trust Co. eng. ctfs.			......	40	Dec. 31,'96	44	40	71,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	140	Dec. 28,'96	140	139	45,000
" coupon gold 7's	1902	12,336,000	J & D	116	Dec. 28,'96	116	115¼	26,000
" registered d. gold 7's	1902		J & D	116	Dec. 31,'96	116	114¾	14,000
" sinking fund 6's	1879-1929	6,011,000	A & O	114	Dec. 18,'96	114	111¾	15,000
" registered			A & O	113	Dec. 23,'96	113	113	11,000
" 5's	1879-1929	7,301,000	A & O	109	Dec. 2,'96	109	109	1,000
" registered			A & O	105¾	Oct. 6,'96	....	....	....
" debenture 5's	1933	9,800,000	M & N	111	Dec. 31,'96	111	109¼	22,000
" registered			M & N	107½	Dec. 16,'96	107½	107	5,000
" 25 year deben. 5's	1909	6,000,000	M & N	105	Oct. 26,'96	....	....	....
" registered			M & N	104	May 15,'96	....	....	....
" 30 year deben. 5's	1921	9,800,000	A & O	105½	Dec. 9,'96	106	105½	20,000
" registered			A & O	107	Nov. 20,'95	....	....	....
" extension 4's	1886-1926	18,632,000	F A 15	101¼	Dec. 9,'96	101¼	101	8,000
" registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	107½	Dec. 19,'96	107½	107½	10,000
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,030,000	M & N	131	Dec. 30,'96	131	130	13,000
" con. deb. 5's	1907	436,000	F & A	104	May 13,'96	....	....	....
" ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	112	Dec. 21,'96	112	112	5,000
" Michigan div. 1st 6's	1924	1,281,000	J & J	127	Dec. 8,'96	127	127	2,000
" Ashland div. 1st 6's	1925	1,000,000	M & S	128	Dec. 16,'96	128	128	10,000
" income		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	131	Dec. 28,'96	131½	130	7,000
" 6's registered	1917		J & J	130	Dec. 10,'96	130	130	1,000
" exten. and collat. 5's	1934	40,391,000	J & J	104⅝	Dec. 31,'96	104⅝	103½	211,000
" registered			J & J	103½	Dec. 12,'96	103½	101	65,000
" debenture 5's	1921	4,500,000	M & S	94	Dec. 18,'96	96	92	10,000
" registered		....	M & S	......	....	....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	88½	June 12,'96	....	....	....
" 1st 2½'s	1905	1,200,000	J & J	65	Nov. 18,'96	....	....	....
" extension 4's		672,000	J & J	84	Oct. 14,'95	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	100	Nov. 25,'96	....	....	....
" small bond	1923	....	A & O	103	Apr. 26,'96	....	....	....

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Chic., St.P., Minn.& Oma.con. 6's	1930	13,413,000	J & D	128	Dec. 31,'96	127⅛	126⅝	26,000
{ Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	126	Dec. 15,'96	128	126	5,000
{ North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
{ St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	128	Dec. 10,'96	128	127⅛	3,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,234,000	M & N	106¼	May 15,'95	....	....	....
• gen'l mortg. g. 6's	1932	9,652,666	Q M	117¼	Dec. 18,'96	117¼	116	10,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
• coupons off			......			....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
{ • 2d g. 4½'s	1937	2,000,000	J & J	104	Nov. 10,'96	....	....	....
{ Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	108	Dec. 22,'96	108	107½	5,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A			....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for	1917	2,000,000	......	75	Dec. 24,'96	75	75	5,000
Clev., Cin., Chic. & St.L. gen.m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
{ • do Cairo div. 1st g. 4's	1939	5,000,000	J & J	93	Oct. 2,'95	....	....	....
{ St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	92½	Dec. 21,'96	93	92	7,000
{ • registered				90	June 10,'96	....	....	....
{ Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
{ White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
{ Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	91	Nov. 6,'96	....	....	....
{ Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,790,000	Q F	97	Dec. 11,'96	97	97	1,000
{ • registered				95	Nov. 15,'94	....	....	....
{ • con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
{ Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	105	Sept. 28,'96	....	....	....
{ Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	109	June 9,'96	....	....	....
{ Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J			....	....	....
{ Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	75	Dec. 21,'96	76	72¾	25,000
{ • income 4's	1990	4,000,000	A	18	Nov. 23,'96	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	106½	Dec. 18,'96	106½	105½	5,000
{ • consol mortg. 7's	1914	3,991,000	J & D	132	Sept. 16,'96	....	....	....
{ • sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
{ • gen. consol 6's	1934	3,205,000	J & J	124	Nov. 11,'96	....	....	....
{ • registered			J & J			....	....	....
{ Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	105	Aug. 18,'96	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	103	Dec. 31,'96	103	102	13,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	120½	July 21,'96	....	....	....
• registered			Q J			....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	117	Dec. 29,'96	117	116¼	29,000
• registered			M&S			....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	8,000,000	M & S	88	Dec. 31,'96	88	86	40,000
• gen. mort. g. 6's	1904	2,000,000	J & D	84½	Dec. 18,'96	86⅝	84½	41,000
• gen. lien g. 4's	1996	852,000	J & J			....	....	....
• registered, $5,000			J & J			....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Dec. 23,'96	128	128	1,000
{ Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	130	Jan. 4,'95	....	....	....
{ Morris & Essex 1st m 7's	1914	5,000,000	M & N	139½	Dec. 1,'96	139½	139½	3,000
{ • bonds, 7's	1900	281,000	J & J	112	Dec. 4,'96	112	112	5,000
{ • 7's	1871-1901	4,991,000	A & O	134	Sept. 3,'96	....	....	....
{ • 1st c. gtd 7's	1915	12,151,000	J & D	137	Dec. 19,'96	138	137	10,000
{ • registered			J & D	136	June 4,'93	....	....	....
{ N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	134	Dec. 17,'96	134	133	1,000
{ • const. 5's	1923	5,000,000	F & A	114	Nov. 30,'96	....	....	....
{ Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
{ • 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143½	Dec. 23,'96	143½	141¾	5,000
{ • reg	1917		M & S	137	Oct. 7,'96	....	....	....
{ Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	117	Aug. 18,'96	....	....	....
{ • registered			A & O	128½	Feb. 12,'94	....	....	....
{ • 6's	1906	7,000,000	A & O	112¾	Oct. 16,'96	....	....	....
{ • registered			A & O	115	July 29,'96	....	....	....
{ Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	146	Dec. 28,'96	146	144	5,000
{ • 1st r 7's	1921		M & N	146	Dec. 9,'96	146	146	5,000
Denver City Cable Ry. 1st g. 6's	1908	3,397,000	J & J	97½	Feb. 24,'93	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O			....	....	....
Denver Tramway Co. con. g. 6's	1910	1,219,000	J & J			....	....	....
Denver Met. Ry. Co. 1st g. g. 6's	1911	913,000	J & J			....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	90¾	Dec. 31,'96	90¾	90	55,000
• 1st mortg. g. 7's	1900	6,382,500	M & N	110	Dec. 15,'96	111¾	110	25,000
• impt. m. g. 5's	1928	8,103,500	J & D	85	Dec. 3,'96	85	85	3,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	December Sales. *High.*	December Sales. *Low.*	December Sales. *Total.*
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,080,000	A & O	18	Dec. 7,'96	18	18	6,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	100	Dec. 23,'96	100	100	3,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	102½	Dec. 31,'96	102½	100	5,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	102½	Dec. 28,'96	102½	102¼	1,000
" 2d extended 5's	1919	2,149,000	M & N	116	Dec. 10,'96	116	115	3,000
" 3d extended 4½'s	1923	4,618,000	M & S	109	Dec. 4,'96	110½	109	2,000
" 4th extended 5's	1920	2,926,000	A & O	114½	Dec. 4,'96	114½	114½	1,000
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	139	Dec. 30,'96	139	138	15,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	Dec. 31,'96	135	132½	22,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	132	Dec. 2,'96	135	132	5,000
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	104	Dec. 21,'96	104	104	3,000
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	110	Dec. 30,'96	111½	110	126,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	95¾	Dec. 31,'96	96⅝	92	273,000
" " registered			J&J	....	....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	65	Dec. 30,'96	65⅛	63½	319,000
" " registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	98	Nov. 12,'96	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	108¼	Dec. 28,'96	108¼	108¼	1,000
" 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	113	Dec. 31,'96	115	113	12,000
" 1st con. gold 5's	1939	2,100,000	M & N	84	Dec. 29,'96	84	82½	3,000
" Port Huron d 1st g 5's	1939	3,083,000	A & O	75	Nov. 30,'96	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	....	....	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	64½	Nov. 30,'96	....	....	....
Ft. Worth & Rio Grande 1st g 5's	1928	2,888,000	J & J	50	Sept. 12,'96	....	....	....
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	105	Apr. 6,'96	....	....	....
" 2d mortgage 7's	1905	1,000,000	J & D	95	Dec. 12,'96	95	95	2,000
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	89¾	Dec. 30,'96	91½	89½	129,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	76½	Nov. 20,'96	...	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	124	Oct. 1,'96	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,881,000	J & J	108⅞	Dec. 30,'96	109	108	5,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	100⅛	Dec. 3,'96	100⅛	100⅛	1,000
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	66¼	Dec. 4,'96	66⅝	66	22,000
" Deben. 6's p. & int. gtd.	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
" Deben. 4's p. & int. gtd.	1897	411,000	A & O	88	Mar. 28,'96	....	....	....
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	Aug. 17,'96	....	....	....
" registered			J&J	102½	Dec. 30,'95	....	....	....
" gold 3½'s	1951	2,490,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	103	Nov. 17,'96	....	....	....
" gold 4's regist'd			A & O	100	Dec. 23,'96	100	100	3,000

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	DECEMBER SALES. High.	Low.	Total.
" gold 4's	1953	24,679,000	M & N	99¾	Dec. 30,'96	100	99¼	7,000
" gold 4's registered			M & N			....	....	....
" 2-10 g. 4's	1904	4,806,000	J & J	99	June 10,'96	....	....	....
" 2-10 g. 4's registered			J & J			....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered			M & S			....	....	....
" West'n Line 1st g. 4's	1951	3,550,000	F & A	102	Dec. 17,'96	102½	102	5,000
" registered			F & A			....	....	....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10,'95	....	....	....
" registered						....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100½	Aug. 17,'96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27,'96	....	....	....
" 1st consol. 7's	1897	828,000	M & N	101¾	Nov. 18,'96	....	....	....
" gold 5's	1951	16,526,000	J D 15	118¼	Dec. 30,'96	119¾	118¼	6,000
" gold 5's, registered			J D 15	115	Oct. 25,'94	....	....	....
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	98½	June 16,'95	....	....	....
" registered			J & D			....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	100	100	2,000
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4,'96	28½	28½	1,000
" stamped						....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	101	Dec. 23,'96	101	101	3,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96	84	84	2,000
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	117	Dec. 29,'96	117	115½	24,000
" 2d mortgage 4½-5's	1909	6,593,000	M & S	71	Dec. 30,'96	71	70	3,000
" 3d mortgage 3-4's	1921	2,701,000	M & S	23	Dec. 18,'96	24½	22	30,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	96	Dec. 31,'96	97⅛	96	13,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O			....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	49	Dec. 12,'96	49	45	6,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	60	Mar. 30,'96	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	117¼	Dec. 24,'96	117⅝	117	10,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	102¼	Dec. 28,'96	102¼	102	11,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	103⅛	Dec. 23,'96	103⅛	103⅛	5,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	103½	Nov. 18,'96	....	....	....
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	124	124	5,000
Lake Shore division b. 7's	1899	1,355,000	A & O	104⅞	Nov. 10,'96	....	....	....
" con. co. 1st 7's	1900	14,890,000	J & J	114⅛	Dec. 30,'96	114½	113¾	26,000
" con. 1st registered	1900		Q J	111¾	Dec. 15,'96	111¾	111	5,000
" con. co. 2d 7's	1903	24,692,000	J & D	118½	Dec. 29,'96	118¾	117½	7,000
" con. 2d registered	1903		J & D	117	Dec. 5,'96	117	117	2,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21,'96	109	109	1,000
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J			....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	102½	Dec. 21,'96	102½	102	3,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	110¼	Dec. 17,'96	110¼	110¼	1,000
" registered			A & O	108	Sept. 29,'96	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
" registered	1933		J & J			....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96	....	....	....
" registered			M&S			....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O			....	....	....
" " g. gtd 5's	1914	1,250,000	A & O			....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	116½	Dec. 29,'96	117	115¾	135,000
" registered			M&S			....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104	Dec. 12,'96	104	104	5,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	119	Dec. 28,'96	120	118½	15,000
Long Island gen. m. 4's	1938	3,000,000	J & D	75½	Dec. 31,'96	90	75	23,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	89	Nov. 30,'96	....	....	....
" g. 4's	1932	325,000	J & D			....	....	....
" deb. g. 5's	1934	1,500,000	J & D			....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	98	Dec. 5,'96	98	98	6,000
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96	....	....	....
N. Y. & Man. Beach 1st 7's	1897	500,000	J & J	102½	Apr. 15,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,226,000	A & O	102	Dec. 30,'96	102½	102	10,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S			....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....		....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....		....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	25½	Sept. 11,'96	....	....	....
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9⅛	Dec. 5,'96	9⅜	9⅛	5,000
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	105	Dec. 28,'96	105	104½	30,000
" Cecilian branch 7's	1907	600,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	117½	Dec. 14,'96	118	117	6,000
" 2d 6's	1930	1,000,000	J & J	99½	Oct. 21,'96	....	....	....
" E., Hend. & N. 1st 6's	1919	2,070,000	J & D	112½	Dec. 18,'96	112½	112½	5,000
" general mort. 6's	1930	10,486,000	J & D	116	Dec. 21,'96	117	114½	10,000
" Pensacola div. 6's	1920	580,000	M & S	106	Dec. 24,'96	106	106	3,000
" St. Louis div. 1st 6's	1921	3,500,000	M & S	118	Aug. 28,'96	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	111¼	Dec. 23,'96	111¼	111¼	2,000
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	95	Dec. 29,'96	97	95	10,000
" Unified gold 4's	1940	14,994,000	J & J	80	Dec. 31,'96	80	78⅝	66,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,870,000	F & A	94⅞	Oct. 26,'96	....	....	....
" collateral trust g. 5's	1931	5,129,000	M & N	101	June 1,'96	....	....	....
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104	Nov. 10,'96	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	85	Apr. 22,'96	....	....	....
South & N. Ala. con. gtd. g. 5's	1936	3,678,000	F & A	93	Dec. 30,'96	93¾	92	5,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	87	Dec. 23,'96	87	86½	10,000
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....		....	....	....
Louisv'e, New Alb. & Chic. 1s 6's	1910	3,000,000	J & J	109½	Dec. 9,'96	109½	109	3,000
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	86	Dec. 9,'96	89	86	8,000
" eng. Tr. Co. ctf. gen. g. 5's	1940	2,600,000	M & N	40	Dec. 9,'96	40	40	3,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	23,783,000	A & O	95¼	Dec. 23,'96	95¼	94½	92,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....		....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....		....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	119¼	Dec. 28,'96	119¼	118½	28,000
" 2d 6's	1899	4,000,000	M & N	105	Dec. 31,'96	105	104½	18,000
Mexican Central.								
" con. mtge. 4's	1911	58,908,000	J & J	67½	Jan. 31,'96	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	71¼	Dec. 31,'96	72⅝	71	144,000
Mexican Nat. 1st gold 6's	1927	11,532,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped		....	....	....		....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	8	Dec. 31,'96	8	8	20,000
Mexican Northern 1st g. 6's	1910	1,383,000	J & D	....		....	....	....
" registered			J & D	....		....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	115	Dec. 18,'96	115	114½	14,000
" 1st con. 5's	1902	2,000,000	M & N	108	Dec. 31,'96	108	108	5,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	105	July 30,'96	....	....	....
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....		....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's	1926	5,500,000	F & A	....		....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	140¼	June 3,'96	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	100	Dec. 30,'96	100½	98¾	32,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	121	Oct. 31,'96	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121	Dec. 14,'96	121	121	5,000
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....		....	....	....

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Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	81¾	Dec. 31,'96	83¼	80¾	265,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	60½	Dec. 31,'96	60¾	55½	474,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	72½	Dec. 21,'96	72½	72½	10,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	62	Oct. 30,'96	....	....	....
" Dal. & Waco 1st g.g. 5's	1940	1,340,000	M & N	70	Dec. 17,'96	70	70	5,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	...	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	92	Dec. 30,'96	92½	90	15,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	85	Dec. 30,'96	85	85	5,000
" 3d mortgage 7's	1906	3,828,000	M & N	103	Dec. 15,'96	103	103	8,000
" trusts gold 5's	1917	14,376,000	M & S	70	Aug. 14,'96	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	45	July 28,'96	....	....	....
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	100	Dec. 10,'96	100	100	5,000
" 2d extended g. 5's	1938	2,573,000	F & A	104½	Dec. 18,'96	104½	102½	7,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mount. 1st ex. 5's	1897	4,000,000	F & A	101½	Dec. 8,'96	101½	101½	9,000
St. Louis & I'rn Mount. 2d 7's	1897	6,000,000	M & N	101½	Dec. 16,'96	101¾	100¾	22,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	100	Oct. 14,'96	....	....	....
" Cario, Ark. & T. 1st 7's	1897	1,450,000	J & D	99¾	Dec. 10,'96	99¾	99½	7,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	74	Dec. 24,'96	76	74	81,000
" stamped gtd gold 5's	1931	6,945,000	A & O	80	May 5,'96	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	....	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	117	Dec. 18,'96	117	117	12,000
" 1st entension 6's	1927	974,000	J & D	112	May 1,'96	....	....	....
" gen. mortgage 4's	1938	9,470,500	Q J	67½	Dec. 31,'96	69	67	186,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	128	July 23,'95	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	130	Dec. 23,'96	130	128	58,000
" 2d 6's	1901	1,000,000	J & J	107¾	Apr. 27,'95	....	....	....
" 1st cons. g. 5's	1928	5,094,000	A & O	100	Dec. 29,'96	100	98	78,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	121	Dec. 31,'96	121	119	31,000
" 1st registered	1903		J & J	116½	Dec. 30,'96	119⅞	116½	42,000
" debenture 5's	1904	10,000,000	M & S	105	Dec. 31,'96	106	105	15,000
" debenture 5's reg.			M & S	105	Dec. 17,'96	105⅝	105	9,000
" reg. deben. 5's	1889-1904	1,000,000	M & S	104	Nov. 6,'96	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	102	Dec. 23,'96	102	102	5,000
" registered	1905		J & D	101¼	Dec. 3,'96	101⅝	101¼	7,000
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	101½	Dec. 31,'96	102	100¾	12,000
" registered			M & N	100¾	May 12,'96	....	....	....
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	110¾	Dec. 9,'96	110¾	110¾	10,000
" 7's registered	1900		M & N	111¼	Dec. 29,'96	111¼	111¼	5,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	100	Nov. 25,'96	....	....	....
" reg. certificates			F & A	....	....	....	....	....
West Shore 1st guaranteed 4's		50,000,000	J & J	107	Dec. 30,'96	107¾	106½	143,000
" registered			J & J	104	Dec. 31,'96	106	103¼	146,000
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	105½	Dec. 24,'96	105½	105½	12,000
" registered			J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J	....	....	....	....	....
" registered		....	J & J	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....	....	....	....	....
" small bonds series B		33,100	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....	....	....	....	....

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R. W. & Og. con. 1st ext. 5's...	1922	9,081,000	A & O	116⅛	Dec. 31,'96	118	116⅛	20,000
Nor. & Montreal 1st g. gtd 5's..	1916	130,000	A & O	....	....	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.	1918	375,000	M & N	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's.	1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..	1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's.	1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D	....	....	....	....	....
N. Y. & Putnam 1st gtd g. 4's .	1993	4,000,000	A & O	108	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.	1937	19,425,000	A & O	108¼	Sept. 25,'96	....	....	....
" registered.................			A & O	103¾	Dec. 30,'96	104¼	103¼	138,000
N. Y. & New England 1st 7's......	1905	6,000,000	J & J	116	Aug. 7,'96	....	....	....
" 1st 6's....................	1905	4,000,000	J & J	112¼	Oct. 23,'96	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.	1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000		15,007,500	A & O	136½	Dec. 11,'96	136½	135	23,000
" small certifs............$100		1,430,000	......	130½	May 29,'96	....	....	....
N. Y. & Northern 1st g. 5's.......	1927	1,200,000	A & O	119	Dec. 16,'96	119	118	10,000
N.Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	108½	Dec. 30,'96	108½	107	54,000
" Refunding 1st g. 4's.....	1992	8,125,000	M & S	89½	Dec. 29,'96	89⅞	88½	142,000
" Registered......$5,000 only.		....	M & S	83⅜	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.	1937	3,750,000	J & J	103¼	Dec. 31,'96	103¼	100½	35,000
" 2d mortg. 4½'s.........	1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's........	1940	2,300,000	F & A	73¼	Dec. 29,'96	73¼	71	70,000
" term. 1st mtg. g. 5's...	1843	2,000,000	M & N	103	Nov. 11,'96	....	....	....
" registered..........$5,000			M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's..	1942	3,000,000	J & D	89	Dec. 11,'96	89½	89	10,000
Midland R. of N. Jersey 1st 6's.	1910	3,500,000	A & O	118	Dec. 30,'96	118	116½	19,000
N.Y., Texas & Mexico g. 1st 4's..	1912	1,442,500	A & O	....	....	....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..	1921	15,806,000	J & J	116½	Dec. 31,'96	116½	115	68,000
" registered.................			J & J	116	Nov. 27,'96	....	....	7,000
" J.P.M.&Co. eng ctf dep....		24,605,000	......	115¼	Dec. 21,'96	115¼	115¼	5,000
" resistered.................		....	......	....	....	....	....	....
" g.2d l gt s f g 6's Tr.Co.c.ass.		19,000,000	......	117	Dec. 29,'96	117½	116½	119,000
" g.3d l gt s f g 6's Tr.Co.c.ass.		11,408,000	......	75	Dec. 23,'96	78	75	108,000
" l'nd gt con g 5's Tr.Co.c.ass.		44,900,000	......	54¼	Dec. 30,'96	55½	52¼	834,000
" col ts 6's g nts J.P.M.&Co.c.		9,450,000	......	96	Dec. 30,'96	96	95¼	185,000
Spok.&Pal.eng.cfs. 1st si.f.g.6's.	1936	1,766,000	M & N	75	Sept. 23,'96	....	....	....
St. Paul & N. Pacific gen 6's....	1923	7,985,000	F & A	124¼	Dec. 31,'96	124¼	124¼	10,000
" registered certificates....			Q F	122⅞	May 18,'96	....	....	....
Helena & Red M'tain 1st g. 6's..	1937	400,000	M & S	100	Dec. 30,'91	....	....	....
Dul.& Man. 1st g. 6's, en Tr. Co. ctfs " 10 p c purchase price paid		1,619,000	J & J	82½	Dec. 21,'96	82½	82	5,000
" Dak. di. 1st s. f'd g. 6's, " Tr. Co. ctfs. stamped.		1,418,000	......	80⅝	Dec. 31,'96	81⅛	80¼	7,000
N. Pacific Term. Co. 1st g. 6's..	1933	4,090,000	J & J	107¾	Dec. 29,'96	108½	107	141,000
N.P.&Mon.J.P.M.&Co.cf.1 g.6's.	1938	5,256,000	M & S	42	Dec. 30,'96	42¾	42	43,000
Cœur d'Alene 1st gold 6's......	1916	360,000	A & O	104	May 5,'92	....	....	....
" gen. 1st g. 6's..........	1938	878,000	M & S	102	Jan. 2,'92	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's.	1997	73,816,500	Q J	85⅝	Dec. 31,'96	85⅝	84¾	829,000
" registered.................			Q J	....	....	....	....	....
Norfolk & Southern 1st g. 5's....	1941	750,000	M & N	103	Nov. 16,'96	....	....	....
Norfolk & Western gen. mtg. 6's.	1931	7,283,000	M & N	119	Dec. 15,'96	119	119	5,000
" New River 1st 6's........	1932	2,000,000	A & O	106½	Oct. 20,'96	....	....	....
" imp'ment and ext. 6's...	1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off.................		....	......	....	....	....	....	....
" Tr.Co.ctfs adjtmnt mtg 7's.....................	1924	1,488,000	Q M	78	Dec. 21,'96	78	78	5,000
" Tr. Co. ctfs eqpmnt g.5's....		4,066,000	......	82	Apr. 24,'96	....	...	....
" Tr. Co. ctfs gold 5's......	1990	8,875,000	J & J	64	Dec. 17,'96	64	64	5,000
" Tr.Co. ctts Nos. above 10,000		3,200,000	J & J	64	Dec. 17,'96	64	64	....
" Tr.Co.ctfs Clinch V.div.g.5's		2,475,000	......	55	Feb. 7,'96	....	....	....
" Tr. Co. ctfs Md. & W. div. 1st g. 5's....	1941	6,809,500	J & J	67	Dec. 14,'96	67	66	18,000
" Sci'o Val & N.E. 1st g.4's,	1989	5,000,000	J & N	81	Dec. 29,'96	83	81	27,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	....	....	....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...	1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc..1920	800,000	O	....	....	....	....	....
Ogdensburg & L. Chapl. inc. small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's...1898	3,435,000	J & J	105	Dec. 23,'96	105	105	2,000
" consolidated 7's..........1898	3,066,000	J & J	105	Dec. 21,'96	105	105	5,000
" 2d consolidated 7's.......1911	2,952,000	A & O	111	Dec. 18,'96	115	111	11,000
" 1st Springf'd d. 7's.......1905	1,984,000	M & N	98	Dec. 15,'96	98	98	1,000
" 1st general 5's............1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's........1936	2,000,000	J & D	101	Dec. 9,'96	101	101	5,000
" gen. mortg. g 6's.........1937	2,428,000	A & O	85	Dec. 16,'96	85	85	5,000
Ohio Southern 1st mortg. 6's....1921	3,924,000	J & D	93⅝	Dec. 24,'96	95½	93	135,000
" gen. mortg. g 4's.........1921	1,543,000	M & N	17	Dec. 8,'96	18¼	17	63,000
" gen. eng. Trust Co. certs...	1,255,000	......	17	Dec. 8,'96	18	17	79,000
Omaha & St. Lo. Tr Co. cts. 1st 4's.1937	2,717,000	......	45	Dec. 30,'96	45	45	....
Oregon & California 1st g 5's....1927	18,842,000	J & J	71½	Sept.17,'96	....	....	....
Oregon Improvement Co. 1st 6's.1910	743,000	J & D	87½	Dec. 14,'96	90	86	13,000
" eng.Tr. Co. ctfs. of dep.....	3,828,000	......	86	Dec. 16,'96	88½	85	58,000
" con. mortg. g 5's.........1939	2,911,000	A & O	18	Dec. 22,'96	21	17½	1,261,000
" Trust Co. certificates......	3,638,000	......	18¼	Dec. 15,'96	19⅝	17¼	363,000
Oregon Ry. & Nav. 1st s. f. g. 6's..1909	4,900,000	J & J	113½	Dec. 31,'96	113¾	112¼	174,000
Oregon R. R. & Nav.Co.con. g 4's.1946	15,174,000	J & D	80	Dec. 31,'96	80½	79⅝	332,000
Paducah, Tenn. & Ala. 1st 5's....1920	....	......	....	....	....	....	....
" Issue of 1890................	1,815,000	J & J	....	....	....	....	....
" Issue of 1892................	617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's.........1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.							
Penn. Co.'s gtd. 4½'s, 1st.......1921	19,467,000	J & J	111	Dec. 29,'96	111¾	111	32,000
" reg.....................1921		J & J	110	Nov.17,'96	....	....	....
Pitts., C. C. & St. Louis con. g 4½'s							
" Series A 1940	10,000,000	A & O	108¾	Dec. 30,'96	109	108½	15,000
" Series B 1942	10,000,000	A & O	108¾	Dec. 21,'96	108¾	108¾	12,000
" Series C 1942	2,000,000	M & N	106	Dec. 31,'96	107	106	10,000
" Series D gtd. 4's.......1945	4,863,000	M & N	101	Sept.19,'96	....	....	....
Pitts., C. & St. Louis 1st c. 7's..1900	6,863,000	F & A	111	July 14,'96	....	....	....
" 1st reg. 7's............1900		F & A	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's..1912	2,917,000	J & J	140¼	Apr. 23,'96	....	....	....
" 2d 7's..................1912	2,546,000	J & J	135	Nov. 20,'96	....	....	....
" 3d 7's..................1912	2,000,000	A & O	128	Aug.26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's..1932	1,506,000	A & O	115½	July 9,'96	....	....	....
" registered...............	....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's..1900	1,505,000	M & N	112	Dec. 8,'96	112	111	7,000
" Series A...............1942	3,000,000	J & J	113½	Apr. 18,'95	....	....	....
" 4½ Series B...........1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 1st gtd. 7's.1897	1,899,000	J & J	103¼	Dec. 16,'96	103¼	103¼	5,000
" 2d 7's..................1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
" 2d gtd. 7's.............1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g 1941	3,355,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's...1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	......	108	June 25,'95	....	....	....
con. sterling gold 6 per cent...1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered...1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent 1919	4,998,000	M & S	....	....	....	....	....
" registered.................		Q Mch	....	....	....	....	....
con. gold 4 per cent 1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s 1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	112	Dec. 1,'96	112	112	1,000
Del.R. RR.& BgeCo 1stgtdg.4's,1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's.1920	1,287,000	J & J	101½	Dec. 17,'96	101¾	101	10,000
" Evansville div. 1st 6's..1920	1,470,000	M & S	101	Dec. 10,'96	101	101	1,000
" Tr. Co. ctfs. 2d mort 5's.1926	1,778,000	M & N	26½	Dec. 1,'96	26½	26½	2,000
Peoria & Pekin Union 1st 6's....1921	1,500,000	Q F	109½	June 6,'94	....	....	....
" 2d m 4½'s................1921	1,499,000	M & N	75	Dec. 15,'96	75	75	2,000

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Phil. & Read. gen. g 4's Tr. Co. ctf's. assented		46,121,000	......	81⅞	Dec. 31,'96	82	79½	1,973,000
" registered		....	......	79¾	Nov. 18,'96	....	....	....
" 1st pref. inc. Tr. Co. certfs. all instal. pd		23,663,000	......	45½	Dec. 31,'96	48⅝	43½	856,000
" 2d pref. inc. Tr. Co. certfs. all instal. pd		15,810,000	......	34¾	Dec. 31,'96	37½	31¼	590,000
" 3d pref. inc	1958	21,634,462	F	18¼	Feb. 7,'96	....	....	....
" 3d pr. in. con	1958			4¼	Oct. 24,'96	....	....	....
" Tr. Co. ctfs all instal. pd				32¾	Dec. 31,'96	35⅝	31½	478,000
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	94½	Dec. 23,'96	94½	93½	11,000
" 1st cons. 5's	1943	786,000	J & J	83½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	75¾	Dec. 28,'96	76	73	33,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	79⅞	Sept. 9,'95	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	75½	Dec. 30,'96	77	75	141,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	87	87	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63	Dec. 3,'96	63	62½	10,000
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Joseph & Grand Island 1st 6's	1925	553,000	M & N	48	Dec. 31,'96	....	....	....
" Cent. Tst Co. ctfs of deposit		6,447,000	......	50	Nov. 27,'96	50	47½	5,000
St. Joseph & Grand Is'd 2d inc.	1925	1,680,000	J & J	4¼	Dec. 11,'95	5	3	31,000
" Coupons off		....	......	2	Dec. 10,'96	2	2	3,000
Kansas C'y & Omaha 1st g. 5's	1927	2,940,000	J & J	37½	Oct. 16,'95	....	....	....
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	104	Dec. 31,'96	104	102½	6,000
" registered			J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	102	Dec. 22,'96	102	101	5,000
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
" 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
" 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	112	Nov. 23,'96	....	....	....
" 2d g. 6's, Class B	1906	2,766,500	M & N	112	Dec. 24,'96	112	110½	10,000
" 2d g. 6's, Class C	1906	2,400,000	M & N	111½	Nov. 12,'96	....	....	....
" 1st g. 6's P. C. & O	1919	1,041,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's	1931	7,807,000	J & J	110¾	Dec. 30,'96	111	109½	60,000
" gen. g. 5's	1931	12,293,000	J & J	96⅛	Dec. 24,'96	97	96⅛	74,000
" 1st Trust g. 5's	1987	1,099,000	A & O	90	Dec. 17,'96	90	90	2,000
" Trust Co. cefs for Cons. 4's all installments paid		1,450,700	A & O	64	Nov. 30,'96	....	....	....
Ft. Smith & Van B. Bdg. 1st 6's	1910	335,000	A & O	104	Oct. 15,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	100	Jan. 19,'95	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	64⅞	Dec. 31,'96	66¾	64½	444,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	67½	Dec. 21,'96	69	67⅛	48,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	26	Nov. 30,'96	....	....	....
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	90	Aug. 8,'96	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000,000	A & O	103	Dec. 28,'96	103	102	9,000

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St. Paul, Minn. & Manito'a 1st 7's	1909	357,000	J & J	109	Dec. 30,'96	110	109	5,000
" small			J & J	106	July 29,'84	....	....	....
" 2d 6's	1909	8,000,000	A & O	118	Dec. 29,'96	118	117½	11,000
" Dakota ext'n 6's	1910	5,676,000	M & N	116¾	Dec. 28,'96	116¾	116	9,000
" 1st con. 6's	1933	13,344,000	J & J	124	Dec. 28,'96	124	124	4,000
" 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
" 1st c. 6's, red'd to 4½'s		20,323,000	J & J	105	Dec. 31,'96	105	104	6,000
" 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
" Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	87½	Dec. 31'96	87½	86	8,000
" registered			J & D	89	Aug. 19,'95	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	115¾	Dec. 28,'96	115½	115	5,000
" 1st 6's, registered			J & J	....	....	....	....	....
" 1st g. g. 5's	1937	2,700,000	J & J	103	Dec. 18,'96	103	103	5,000
" registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	104¾	Nov. 28,'96	....	....	....
" registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	106¾	Dec. 10,'96	106¾	106¾	10,000
" registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	57¼	Dec. 30,'96	57½	56	197,000
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	114	July 24,'95	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
" assessment paid			F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's	1919	5,250,000	M & N	93½	Dec. 11,'96	93½	93½	5,000
South'n Pac. of Ariz. 1st 6's	1909-1910	10,000,000	J & J	95	Dec. 17,'96	95½	95	32,000
South. Pac. of Cal. 1st 6's	1905-12	30,677,500	A & O	106½	Dec. 18,'96	106½	106½	5,000
" g 5's	1888-1938	652,000	A & O	85½	May 19,'94	....	....	....
" 1st con. gtd. g 5's	1937	18,402,000	M & N	86¾	Dec. 5,'84	86¾	86⅝	8,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	84¼	Dec. 31,'96	84¼	82¾	110,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	105¼	Dec. 31,'06	105½	104½	95,000
Southern Railway 1st con. g 5's	1994	25,889,000	J & J	91¾	Dec. 31,'96	92¼	89	910,000
" registered			J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	89⅞	Dec. 29,'06	90½	89⅞	5,000
" registered			M & S	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	109	Oct. 27,'96	....	....	....
Atl. & Char. Air Line, 1st 7's	1897	500,000	A & O	121¾	May 25,'92	....	....	....
" income	1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	111	Dec. 8,'96	111	110½	2,000
" divisional g 5's	1930	3,106,000	J & J	112	Dec. 22,'96	112	111	5,000
" con. 1st g 5's	1956	12,770,000	M & N	107	Dec. 31,'96	107¾	106¼	138,000
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	110	Nov. 5,'96	....	....	....
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	113¼	Dec. 11,'96	114¼	113¼	23,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	120½	Dec. 18,'96	120½	119	69,000
" equip. sink. f'd g 5's	1909	1,328,000	M & S	98½	Apr. 30,'96	....	....	....
" deb. 5's stamped	1927	3,368,000	A & O	93	Nov. 16,'96	....	....	....
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4-5's	1921	950,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	99	Dec. 15,'96	99	99	1,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	96	Nov. 27,'96	....	....	....
W. O. & W. 1st cy. gtd. 4's	1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	114	Dec. 30,'96	114	112½	18,000
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	100½	Sept. 12,'94	....	....	....
" 1st con. g. 5's	1894-1944	4,500,000	F & A	102	Oct. 30,'96	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	108	Feb. 19,'96	....	....	....
abine d. 1st 6's	1912	2,575,000	M & S	107½	Apr. 16,'96	....	....	....
" on. m. g 5's	1943	1,620,000	F & A	93	Dec. 28,'96	94½	92¾	98,000

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Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	3,784,000	M & S	107	May 14,'96	....	....	....
" 1st gold 5's..............2000	21,049,000	J & D	85¼	Dec. 31,'96	86	84	125,000
" 2d gold income, 5's......2000	23,227,000	MAR.	19¾	Dec. 30,'96	22	18¼	559,000
Third Avenue 1st g 5's...........1937	5,000,000	J & J	123	Dec. 30,'96	123	121½	20,000
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	107½	Dec. 31,'96	107½	107½	3,000
" 1st M. g 5's West. div...1935	2,500,000	A & O	107½	July 25,'96	....	....	....
" gen. g. 5's..........1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's.1990	2,340,000	A & O	78	Dec. 22,'96	78⅛	78	6,000
Toledo, Peoria & W. 1st g 4's....1917	4,900,000	J & D	70¼	Dec. 18,'96	71	70⅛	9,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's.1916	8,234,000	M & N	69½	Dec. 21,'96	70	66	20,000
Ulster & Delaware 1st c. g 5's....1928	1,852,000	J & D	100	Dec. 30,'96	100	100	2,000
Union Pacific 1st 6's..............1896	27,229,000	J & J	103	Dec. 30,'96	103	102½	32,000
" eng. Tr.Co.cfs. ex mat cps		......	102	Dec. 18,'96	102¼	101½	159,000
" 1897		J & J	103	Dec. 7,'96	103	102½	18,000
" eng.Tr.Co. cfs. ex mat cps		......	103	Dec. 31,'96	103	101½	43,000
" 1898		J & J	103	Dec. 31,'96	103⅛	103	91,000
" eng.Tr.Co. cfs. ex mat cps		......	103	Dec. 29,'96	103¼	102	229,000
" 1899		J & J	103	Dec. 31,'96	103¼	103¼	2,000
" eng.Tr.Co. cfs. ex mat cps		......	103	Dec. 22,'96	103⅛	101½	28,000
" collat. trust 6's........1908	3,963,000	J & J	96½	Nov. 27,'96	....	....	....
" 5's.......................1907	4,970,030	J & D	75	Dec. 3,'96	75	75	1,000
" g 4½'s.....................1918	2,058,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs........		......	45	Dec. 11,'96	47	45	20,000
" gold notes,6's stampd,1894	8,566,000	F & A	100	Dec. 29,'96	101½	97½	993,000
" Ext. sink'g f'd g 8's..1899	2,070,000	M & S	87½	Dec. 18,'96	90	87½	34,000
" eng. Tr. Co. certifs........	1,391,000	......	93	Apr. 24,'96	....	....	....
Kansas Pacific 1st 6's...........1895	1,461,000	F & A	107	Dec. 9,'96	107	107	2,000
" eng.Tr.Co. cfs. ex mat cps	779,000	......	....	....	....	....	....
" 1st 6's...................1896	2,169,000	J & D	110	Dec. 24,'96	110	109	10,000
" eng.Tr.Co. cfs. ex mat cps	1,894,000	......	95	Dec. 8,'96	95	95	3,000
" Denver div. assd. 6's..1899	2,973,000	M & N	118	Dec. 31,'96	113	111	21,000
" eng.Tr.Co. cfs. ex mat cps	2,914,000	......	98½	Dec. 15,'96	98½	98½	8,000
" Tr.Co. ctfs. 1st con. 6's1919	10,664,000	......	66	Dec. 22,'96	70½	65	86,000
Cent. Br. Un. Pac. f'd cpns 7's.1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's.......1905	4,070,000	Q F	27	Dec. 15,'96	28	25	13,000
At., Jewell Co. & West. 1st 6's..1905	542,000	Q F	27	Dec. 7,'96	27	27	1,000
U. P., Lin. & Colo. 1st gtd g. 5's.1918	4,480,000	A & O	24½	Dec. 30,'96	25	24½	6,000
" Den.&Gulf 1st c. g.5's.1939	15,801,000	J & D	35	Dec. 18,'96	37½	34¾	114,000
Or.S.L.&U.N.Tr.Co.ctsist cn.g.1919	10,792,000	A & O	65⅝	Dec. 14,'96	66½	63¾	31,000
" assented......	....	......	....	....	....	....	....
Oregon Short Line 1st 6's.......1922	3,538,000	F & A	113	Dec. 29,'96	113	111	30,000
" Trust Co. ctfs of dep.....	11,898,000	......	111	Dec. 31,'96	111¼	109¼	166,000
Utah & Nor'n R'y 1st mtg 7's..1908	689,000	J & J	118	Dec. 23,'96	118	115	114,000
" gold 5's................1926	1,877,000	J & J	100	May 14,'96	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's.1909	1,496,000	J & J	63¾	Dec. 24,'96	65½	62¾	10,000
" Tr.Co. ctfs.ext. 1st 7's.1909	1,924,000	J & J	64	Dec. 21,'96	66	64	15,000
Wabash R.R. Co., 1st gold 5's....1939	31,664,000	M & N	106	Dec. 31,'96	106¾	105½	291,000
" 2d mortgage gold 5's..1939	14,000,000	F & A	70	Dec. 30,'96	72½	69¾	130,000
" deben. mtg series A..1939	3,500,000	J & J	....	....	....	....	....
" series B.................1939	25,740,000	J & J	22	Dec. 16,'96	22	22	7,000
" 1st g.5's Det.& Chi.ex.1940	3,500,000	J & J	99	Dec. 29,'96	99	96	39,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's.................1908	1,000,000	A & O	104¼	Dec. 30,'96	104¼	104¼	4,000
Western N.Y. & Penn. 1st g. 5's..1937	10,000,000	J & J	107½	Dec. 30,'96	107¾	106½	8,000
" gen g. 2-3-4's............1943	10,000,000	A & O	45½	Dec. 29,'96	47½	45	15,000
" inc. 5's...................1943	10,000,000	Nov.	13	Dec. 16,'96	13½	13	60,000
West Va. Cent'l & Pac. 1st g. 6's.1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's....1926	3,000,000	A & O	97	Nov. 21,'96	....	....	....
" Wheeling div. 1st g. 5's.1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
" exten. and imp. g. 5's...1930	1,624,000	F & A	91	May 8,'96	....	....	....
" consol mortgage 4's....1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's1937	2,364,000	J & J	33	Oct. 29,'96	....	....	....
" eng. Trust Co. certificates.	9,636,000	......	38¼	Dec. 30,'96	40	38	60,000
" income mortgage 5's...1937	7,775,000	A & O	7⅛	Nov. 13,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
American Cotton Oil deb. g. 8's..	1900	3,068,000	Q F	107¼	Dec. 12,'96	107¼	105¼	6,000
Am. Spirit Mfg. Co. 1st g. 6's....	1915	2,000,000	M & S	74½	Dec. 31,'96	75½	71	165,000
Am. Water Works Co. 1st 6's....	1907	1,600,000	J & J	105	July 6,'91	....	....	....
" 1st con. g. 5's............	1907	1,000,000	J & J	100½	May 13,'89	....	....	....
Barney & Smith Car Co. 1st g. 6's.	1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's.	1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's.	1945	12,336,000	M & M	105½	Dec. 31,'96	106	105⅝	205,000
B'klyn Wharf & Wh. Co. 1st g. 5's.	1945	17,500,000	F & A	99½	Dec. 31,'96	101	99½	44,000
Chic. Gas Lt & Coke 1st gtd g. 5's.	1937	10,000,000	J & J	95¼	Dec. 31,'96	95¼	95	19,000
Chic. Junc. & St'k Y'ds col. g. 5's.	1915	10,000,000	J & J	107	Nov. 23,'96	....	....	....
Colo. Coal & Iron 1st con. g. 6's..	1900	2,954,000	F & A	98	Dec. 21,'96	98½	97	27,000
Colo. C'l & I'n Devel. Co. gtd g. 5's.	1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off.................		....		....	....	....	....	....
Colo. Fuel Co. gen. g. 6's..........	1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Consolidated Coal conv. 6's......	1897	1,250,000	J & J	100	Oct. 31,'96	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's....	1936	4,346,000	J & D	84	Dec. 18,'96	85½	84	36,000
Detroit Gas Co. 1st con. g. 5's....	1918	2,000,000	F & A	75½	Dec. 31,'96	75½	74½	30,000
Edison Elec. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	110½	Dec. 29,'96	110½	109¾	17,000
" 1st con. g. 5's............	1995	2,130,000	J & J	106⅞	Dec. 31,'96	106⅞	105	195,000
" Brooklyn 1st g. 5's......	1940	1,000,000	A & O	110	Dec. 17,'96	110	110	2,000
" registered..................			A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.....								
" 1st con. g. 5's............	1932	2,500,000	M & S	114	Dec. 14,'96	114	114	1,000
Equit. Gas & Fuel, Chic. 1st g. 6's.	1905	2,000,000	J & J	98	Dec. 12,'96	98	98	5,000
Erie Teleg. & Tel. col. tr. g s fd 5's.	1926	1,000,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's...	1922	8,750,000	J & D	91	Dec. 31,'96	91½	90	32,000
Grand Riv. Coal & Coke 1st g. 6's.	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.	1926	1,090,000	J & J	107½	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.	1931	1,755,000	M & S	110	Dec. 4,'96	110	110	1,000
Hoboken Land & Imp. g. 5's.....	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...	1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's......	1910	7,000,000	A & O	92	Oct. 2,'95	....	....	....
Iron Steamboat Co. 6's...........	1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Int'r Cond & Insul Co. deb. g. 6's..	1925	500,000	A & O	81	Oct. 16,'95	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	93	Dec. 30,'96	93½	92½	93,000
" small bonds.................				97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's....	1919	1,250,000	M & N	....	....	.. .	....	....
Manh. Bch H. & L. lim. gen. g. 4's.	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.	1918	2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
" registered..................			M & N					
Mich. Penins. Car Co. 1st g 5's...	1942	2,000,000	M & S	59½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's....	1911	1,957,000	M & N	111½	Dec. 18,'96	111½	111½	8,000
Nat. Starch Mfg. Co., 1st g 6's...	1920	3,837,000	J & J	98	Dec. 12,'96	98½	98	5,000
Newport News Shipbuilding & Dry Dock 5's............	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
			......	....	....	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.	1904	2,100,000	M & N	106	Oct. 12,'96	....	....	....
" 2d 6's.....................	1904	2,500,000	J & D	104	Dec. 23,'96	104	103½	14,000
" 1st con. g 6's............	1943	4,900,000	A & O	100	Dec. 21,'96	100	100	71,000
Peoria Water Co. g 6's......	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's....	1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's.....	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....
So. Y. Water Co. N. Y. con. g 6's..	1923	478,000	J & J	102½	June 3,'96	....	....	....
Spring Valley W. Wks. 1st 6's....	1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.	1946	3,000,000	F & A	74⅞	Dec. 31,'96	79½	69½	209,000
" " inc. g. 5's.	1946	7,500,000	......	25	Dec. 31,'96	25	25	2,000
Sun. Creek Coal 1st sk. fund 6's..	1912	400,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Date.	December Sales. High.	Low.	Total.
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,299,000	A & O	85	Dec. 1,'96	85	83	7,000
" Bir. div. 1st con. 6's...1917	3,490,000	J & J	88	Dec. 24,'96	89¼	88	43,000
Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's...1910	2,434,000	F & A	92	Dec. 3,'95	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	111¾	Dec. 30,'96	111¾	111	22,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Union deb. 7's.....1875-1900	3,720,000	M & N	110	Apr. 10,'96	....	....	....
" 7's, registered...........1900		M & N	106	Sept. 30,'96	....	....	....
" debenture, 7's......1884-1900	1,000,000	M & N	105	Aug. 25,'96	....	....	....
" registered....................		M & N	....	....	....	....	....
" col. trust cur. 5's.......1938	8,405,000	J & J	108	Dec. 29,'96	108	106½	13,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	866,000	J & J	68	Dec. 23,'96	68¼	68	8,000
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

NAME Principal Due.	Amount.	Int'st Paid.	Year 1896. High.	Low.	December Sales. High.	Low.	Total.
United States 2's registered........Opt'l	25,364,500	Q M	96	91	96	95½	4,000
" 4's registered.............1907	559,634,000	J A J&O	110½	104¾	110½	109	62,000
" 4's coupon..................1907		J A J&O	112½	106	112½	110½	50,000
" 4's registered.............1925	162,315,400	Q F	120⅝	111¾	120⅝	120	47,000
" 4's coupon..................1925		Q F	120¾	111¼	120⅝	119	1,462,000
" 5's registered.............1904	100,000,000	Q F	114	109	114	113¾	2,000
" 5's coupon..................1904		Q F	114½	108½	114	113⅝	200,000
" 6's currency..................1897	9,712,000	J & J	103¼	103¼	....	....	......
" " 1898	29,904,952	J & J	105	103	....	....	......
" " 1899	14,004,560	J & J	107½	105	....	....	......
" 4's reg. cer. ind. (Cherokee)1896	1,660,000	MAR	....	....	....	....	......
" " 1897	1,660,000	MAR	....	....	....	....	......
" " 1898	1,660,000	MAR	....	....	....	....	......
" " 1899	1,660,000	MAR	....	....	....	....	......

Gold and Silver Coinage.—The Director of the Mint reports the coinage of $4,363,165 gold and $2,551,968 silver during December. Of the silver coinage $1,700,250 was in standard dollars. The total coinage for the year 1896 was $47,052,561 gold and $23,089,899 silver.

	1895. Gold.	Silver.	*1896.* Gold.	Silver.
January	$3,698,300	$574,000	$12,914,600	$65,000
February	6,143,800	491,000	1,240,000	1,500,000
March	2,866,102	573,537	1,540,555	1,683,531
April	4,639,300	595,000	1,500,000	1,831,000
May	4,163,938	440,503	2,857,200	1,826,490
June	1,750,000	440,043	2,471,217	1,550,693
July	2,910,000	277,000	2,918,200	1,092,000
August	3,672,200	748,000	3,315,000	2,686,000
September	7,543,573	473,167	3,140,923	2,754,185
October	7,215,700	820,000	5,727,500	2,844,010
November	6,916,300	190,169	5,064,700	2,305,022
December	8,097,145	75,592	4,363,165	2,551,968
Year	$59,616,357	$5,698,011	$47,052,561	$23,089,899

BANKERS' OBITUARY RECORD.

Ackerman.—John G. L. Ackerman, county treasurer of Schenectady county, and Cashier of the Mohawk National Bank, Schenectady, N. Y., died December 21, aged about forty-five years.

Bancroft.—Reuben F. Bancroft, Vice-President of the Central Trust Co., Philadelphia, and one of the oldest iron manufacturers of that city, died December 10.

Brinckerhoff—Charles C. Brinckerhoff, Vice-President of the Institution for the Savings of Merchants' Clerks, New York city, died December 17.

Champlin.—Mortimer H. Champlin, at one time teller in the National Exchange Bank. and for about twenty years teller in the Roger Williams National Bank, and Assistant Manager of the Clearing-House Association, Providence, R. I., died January 7, aged forty-two years. He was widely known and admired for the many admirable traits of his character.

Cornelius.—Richard D. Cornelius, Cashier of the National Farmers and Planters' Bank, Baltimore, committed suicide by drowning, January 4. There was a shortage of $60,000 in his accounts.

Fischer.—J. J. Fischer, President of the German Insurance Bank, Louisville, Ky., died December 23.

Gossler.—James M. Gossler, Cashier of the Lebanon (Pa.) National Bank, is reported to have shot himself fatally January 11.

Gould.—James H. Gould, President of the Exchange National Bank, Seneca Falls, N. Y., and also president of the Gould Manufacturing Co., died December 30, aged fifty-two years.

Husted.—Henry Husted, Cashier of the Union County National Bank, Liberty, Ind., took his own life on January 2. He served in the late war as a lieutenant, had been a county officer, and was Cashier of the bank for twenty-three years.

Hyde.—E. C. Hyde, President of the Marine National Bank, Bath, Me., died December 26.

Ingalls.—Hon. Henry Ingalls, President of the First National Bank, Wiscasset, Me., since its organization, died December 10.

Johnston.—John Johnston, President of the Exchange Bank, Clayton, N. Y., and at one time prominently identified with navigation interests on the St. Lawrence River, died December 22, aged eighty years.

Kaiser.—John G. Kaiser, an old resident of St. Louis, and a director of the Franklin Bank, of that city, died January 7.

MacFarlane.—E. O. MacFarlane, President of the Citizens' National Bank, Towanda, Pa., died January 6.

Plummer.—Hezekiah Plummer, President of the Lawrence (Mass.) Savings Bank, died January 11. He was connected with numerous enterprises, and was a large owner of property.

Shoemaker.—Robert Shoemaker, a director of the Consolidation National Bank, Philadelphia, and a prominent business man, died December 17.

Smith.—Major R. Augustine Smith, Vice-President of the Nassau Bank, New York city, uary 9, aged seventy-six years.

Walker.—Gen. Francis A. Walker, President of the Massachusetts Institute of Technology, the author of several works on finance, and a well-known advocate of international bimetallism, died at Boston, January 5, aged fifty-six years. He was the Superintendent of the Tenth Census, and enjoyed a wide reputation for his scientific attainments.

Wheeler.—John O. Wheeler, for the past twenty-seven years Cashier of the First National Bank, West Winfield, N. Y., and well known as an upright and enterprising business man, died December 23.

Woodrow.—Benjamin Woodrow, one of the oldest settlers of Jasper county, Iowa, and a leading owner of the Jasper County Bank, at Newton, died January 7, aged ninety-two years.

THE

BANKERS' MAGAZINE.

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

FIFTY-FIRST YEAR. FEBRUARY, 1897. VOLUME LIV., No. 2.

REFORM OF THE MONETARY SYSTEM of the United States to be effectual must be conducted on lines that are now very well understood. The Treasury should retire from the banking business, and the function of issuing the paper currency of the country should be placed entirely in the hands of the banks. The banking laws should be so arranged that there will be no inducement to banking capital to prefer one system of banking to another. That is, the best features of national banking should be retained and such other restrictions added and privileges granted as will induce all banking capital to range itself under the Federal laws, thus creating a really homogeneous system. At the same time these laws should tend to equalize the rate of interest throughout the country and afford adequate security to the bank note holder, and retain the present security to the depositor.

Propositions have been made which if combined and carried out will accomplish satisfactorily all of these results. There are, however, some details that, while they do not affect the broader outlines of the plan, are yet of much importance in securing a perfect circulating medium. One of these is the extent to which the issue of notes should be regulated by their denominations.

It is a well-known fact that paper currency of the same denominations as coined money drives the latter out of circulation. Thus the circulation of notes of less than five dollars prevents silver dollars from circulating. The circulation of notes of five, ten and twenty dollars drives out the gold coinage of the same denomination, and the use of fractional paper currency of less than one dollar would lessen or prevent the circulation of silver change.

The chief reason for this, other things being equal, is perhaps the greater convenience of the paper money. If convenience alone were to be considered it might be concluded that it would be more advantageous to use paper altogether for the circulating medium. But there are reasons why this should not be accepted as conclusive in favor of paper money of the smaller denominations. The smaller the denomination of money the more rapidly it circulates, and the less it is taken care of by the holders. As a consequence it wears out faster and there is a greater loss to the public. Its constant use tends to keep it in a mutilated and unhealthy condition liable to spread disease. Moreover, as paper money is not real but only representative, it is important that the country should at all times keep on hand a stock of real or coined money in order that the actual basis of credit should not be lost sight of.

If paper money alone is used, therefore, the stock of coined money available for use when needed tends to diminish or disappear altogether. In the case of fractional notes this last reason is of less importance, but the consideration of wear and tear and condition is of greater.

With notes of one dollar and less than five, the objection is that they prevent the circulation of silver dollars which the United States has since 1878 minted and has on hand. Notes of five dollars and up to twenty prevent the circulation of gold coin. In their case the reasons pro and con become more intricate. What may be lost by the destruction of the paper money is in this case made up by the prevention of abrasion of the gold coin, and the relative convenience of such notes is much greater than in the case of notes of smaller denominations.

The proportions of the several denominations of paper notes should therefore be adjusted so as to afford the least loss to the public from notes disappearing from wear and tear, to threaten the least danger to the general health, or what is the same thing, to maintain the whole paper currency in a bright and healthy and entire condition, and further, to so adjust it that room may be found for the circulation of an adequate stock of coined money both of silver and gold.

As to fractional notes there can be little question that the present system of subsidiary silver will be maintained, because of its general fitness and acceptability, notwithstanding the convenience of fractional notes for that form of business conducted by mail where the single payments are fractional parts of the dollar. Paper fractional currency issued during and subsequent to the war resulted in an estimated loss of about eight millions of dollars to the public.

Another controversy will come in regard to the notes of denominations less than five dollars. In the field occupied by money of this denomination, there are now silver dollars, legal-tender notes, and silver certificates, and a few surviving National bank notes, although no such denominations of National bank notes have been issued since

1879. There may also be some debate as to whether the five dollar note might not wisely be taken from circulation so as to afford a field for five dollar gold pieces.

In order to see to what extent each of the denominations about which controversy is likely to occur are circulated, it will be interesting to examine the statistics given in the public documents on the subject.

In the year 1874 National bank and legal-tender notes were the only forms of paper money in circulation issued in denominations of less than twenty dollars. The total amount of these two kinds of money outstanding in June, 1874, was $731,785,806, and of this $63,164,791 was in one and two dollar notes, a little over eight per cent. The law provided that after the resumption of specie payments, which took place January 1, 1879, the National banks should issue no notes of a less denomination than five dollars. In 1878, the year previous, the total circulation of National bank and legal-tender notes was $765,068,909, and of these $56,076,837 was in denominations of one and two dollars, between seven and eight per cent. In that year the coinage of silver dollars and the issue of silver certificates began, but in no denominations less than ten dollars. Of the silver dollars $1,209,251 were in actual circulation on July 1, 1878. By July 1, 1887, the amount of silver dollars in circulation had increased to $55,548,721 out of a total coinage of $277,445,767, about twenty per cent.

In 1887 a law went into effect permitting the issue of silver certificates in denominations of one, two and five dollars. In 1888 the circulating medium, made up of legal-tender and National bank notes and silver certificates, reached $986,240,579, of which $56,076,837, or between five and six per cent., consisted of notes of one and two dollars. At the same time there were in circulation $55,527,396 silver dollars, increasing the proportion of money in one and two dollar denominations to over ten per cent. of the whole circulation. The silver dollars in circulation were reduced to seventeen per cent. of the total coinage. This decrease may be fairly ascribed to the effect of issuing the silver certificates in small denominations. In 1894 the paper circulation was made up of legal-tender and Treasury notes, National bank notes and silver certificates, and aggregated a total of $1,169,891,623. The one and two dollar notes in circulation were chiefly Treasury notes and silver certificates, $60,823,384 out of a total of $66,877,563. The proportion of the last named sum of one and two dollar notes to the total circulation was between five and six per cent., as in 1888. There was in circulation $52,564,662 in silver dollars, which made the money of small denominations bear a proportion of about ten per cent. to the total circulation. The percentage of silver dollars in circulation to the amount coined was reduced to less than ten per cent., showing the extent to which the small silver certificates superseded the dollars in six years.

The result of the above conditions is that the proportion of one and two dollar notes and circulating silver dollars bears a percentage of between eight and ten per cent. to the whole circulation, and therefore that if there were no one and two dollar notes issued, silver dollars would circulate to the amount of about $100,000,000.

The Treasury notes, legal-tender and National bank notes and silver certificates on Jan. 1, 1897, outstanding amounted to $1,008,-892,185, calculated on the same basis as the figures previously given.

A similar method of procedure will show that the five dollar notes outstanding from 1874 to 1894 have always been very close to 20 per cent. of the total paper circulation. If these notes were abolished, taking the total paper circulation on January 1, 1897, as a basis, the amount of other money required to supersede them would be about $200,000,000. If this field were taken by coin, probably three-quarters would be occupied by five dollar gold pieces, $150,000,000, and the other quarter by silver dollars.

It is therefore highly probable that if no notes less than ten dollars were issued either by the banks or the Government, that coin to the amount of $300,000,000 would be required to supply the needs of the community for doing the business requiring lower denominations of money, viz., $150,000,000 of silver dollars and $150,000,000 of five-dollar gold pieces.

It can thus be seen how important it becomes, if Government notes are to be withdrawn and bank notes substituted, to settle in what denominations they shall be issued in order to retain a good working reserve of coin in the country after the reserve held by the United States Treasury is abolished. If the silver certificates are retained, as they will probably have to be, they should not be issued in denominations less than twenty dollars. This would leave the whole ten dollar note field open to the banks, and as much of the field comprising the twenties, fifties, one hundreds, etc., as the silver certificates failed to supply. The latter might be held almost entirely as reserves and thus placed out of the way of the bank circulation. The monetary laws of Canada provide for the issue of Dominion notes in the larger and smaller denominations and leave the intermediate denominations for the use of the banks.

A proper arrangement of the manner in which the various denominations of the notes shall be issued or withheld, based on a study of their actual behavior in circulation during the last thirty years, will point out a way of utilizing the silver dollars now coined, of taking care of the silver certificates, and of keeping a coin reserve continually within reach when required.

THE MONETARY CONFERENCE held at Indianapolis on Jan. 12 and 13 was a gathering of delegates from all sections of the country to take action for maintaining and strengthening the popular demand for the reform of the currency laws of the United States voiced at the election in November.

The action taken by the conference may be summed up as follows: The maintenance of the present gold standard; the retirement of all classes of United States notes without disturbance to the business interests of the country; the provision of a banking system that can furnish credit facilities to every portion of the United States and that will equalize the rate of interest in all sections.

The executive committee was empowered to work for legislation authorizing the appointment of a national monetary commission, and failing in this to themselves select a commission of eleven members.

The object of the conference was to arouse the business men and commercial bodies of the country to organized and concerted action in order to remove the hindrances which now restrict the free use of capital by the people.

There are already indications that the efforts of the conference will to some extent be viewed with disfavor by the politicians and legislators who regard themselves as the only true source from which all ideas and plans for the good of the people should emanate. These last are jealous of the power entrusted to them by the popular vote and they are antagonistic to any pressure brought to bear on them by methods outside of politics, although it may be in the direct line indicated by the elections which placed them in power. This feeling is not at all unnatural and can only be overcome by diplomatic methods.

Already criticisms of the Indianapolis conference are heard on the same lines as those made on the action of the American Bankers' Association at its convention in St. Louis last fall. This criticism is to the effect that bankers and business men should attend to their own affairs and not interfere with politics. Political organs insinuate that after all the Indianapolis gathering was only a convention of bankers and capitalists looking out for their own interests—the usual appeal to the unpopularity of capital with the great majority who do not possess it. The legislators and politicians place themselves on the high ground that they must legislate for the whole people and not for particular classes. Just as they refused to be influenced by COXEY and his army, so they must not listen in the least to the importunities of grasping corporations or wealthy capitalists. They must sit impartial on their high eminence and like a many-headed Olympian Jove let the rain of their wisdom be withheld or permitted to fall alike upon the rich and the poor, the just and the unjust.

All of this is claptrap, but it has its dueinfluence upon the voters of the country, and the chief business of a politician is to conciliate the classes whose votes can be counted upon to keep them in power.

Any positive action in any direction may afford advantages to political opponents. The chance of any congressman securing fame and continued power by wise legislation is very small. There are only a few bold enough to take the risks of personally identifying themselves with any measure. The great majority let these braver ones pull the chestnuts from the fire for them. The committees of Congress, through which all legislation must be introduced, afford a method by means of which individual responsibility can be avoided. Each member personally can have real pressure legitimately brought to bear on him only through his constituents. The general good of the country may, beyond the peradventure of a doubt, be involved in the enactment of a measure, but the share of each separate constituency in this general good may be so minute that they care very little whether their representative interests himself in its favor or not. The degree of direct benefit to individual citizens from particular legislation is so variant, some apparently receiving a large share and the majority little, it is always easy to defeat any proposition by exciting the jealousies which necessarily accompany any distribution.

Therefore, a plan of monetary reform is readily retarded by making prominent the immense benefit its results will be to the bankers and capitalists. The impecunious classes easily listen to the argument that if it is enacted their profits will be overshadowed by those of classes already wealthy, and that if it be not, the losses for themselves will not amount to much. These arguments in favor of doing nothing are difficult to overcome because of their inertness.

THE ATTITUDE OF THE CONGRESSMEN who addressed the conference was plainly monitory; that it would not do to force views on a Congress that had views and pride of its own. There was virtual agreement as to the necessary reforms to place the monetary system of the United States on a satisfactory basis, but considerable hesitation as to the best methods of effecting them. There was a great deal of vagueness in the minds of the delegates as to the possibility of influencing legislation in the right direction. It was this vagueness verging almost on despair that led to the adoption of resolutions in favor of creating a monetary commission, either by congressional action or by action of the executive committee. When men don't know what else to do they appoint a commission. Anybody can investigate and report. Representative FOWLER told the delegates plainly that he did not think a commission would be of any service, that it would only lead to delay. But on the other hand he did not suggest any definite course, except generally to agitate, to stir up their home constituencies. Possibly this may be done, but the amount of work involved is immense and it could not be accomplished if it be left to the unaided efforts of the delegates or men of similar class each in his own field.

The conference therefore has not seemed to accomplish much so far, only in fact made a beginning. It has however made a beginning from which much may be evolved, if the work is continued with intelligence and energy.

If the Editor of the MAGAZINE may be allowed to suggest, the following practical course might, it would seem, have some chances of success. The executive committee appointed by the conference should not waste time in securing a monetary commission appointed by congressional authority. Such a commission would, as Mr. FOWLER suggested, only delay matters. It would moreover take away from the executive committee all power to work, in fact would practically supersede it. When appointed it might be a year or more in making its report, which when made might prove as practically useless as numerous preceding investigations of monetary reform.

In fact a good plan for monetary reform ought not to take long in the formulating. The data are all at hand and the conditions required well understood.

The committee might at once appoint its own commission to formulate a plan. It should contain the main points endorsed by the resolutions of the conference. This however is only preparatory.

There are many men of eminent ability who would no doubt be willing to make the required sacrifice of time and labor necessary to the formulation of a wise and well-considered plan that would command popular support. But while the members of the commission might be expected to serve for no other reward than would come to them for performing a public duty, and aiding in the solution of a most important public question, manifestly there would be a considerable amount of legitimate expenses involved in the proceedings of the commission which should be met by public contribution.

The executive committee should therefore do what the national committees of the political parties always do, solicit the funds necessary to meet this expense. The commercial bodies of the country, the corporations, the banks, the business men, and all individuals who desire to see the finances on a sound basis, should be called upon to furnish funds. It would soon be seen whether there were those in the country in sympathy with monetary reform, and whether this professed sympathy is a mere sentiment or not.

If in addition to the deliberative labors of the commission a campaign of popular education is to be undertaken, the funds raised should be large, as the expenses of carrying on an educational propaganda in each congressional district will be considerable. Some prominent man in each district should be selected to carry on the work there. Meetings should be held in the different parts of each district and the benefit of monetary reform to the mass of the people explained.

After the plan has been introduced in Congress, the influential men of each district should be induced to get up petitions and letters to their representative in Congress to vote for the bill. At the same time delegations should be sent by the committee before the congressional committee who may have the bill in charge. As it is necessary to combat the inactivity of Congress, the committee should have headquarters in Washington and conduct its campaign from that point. In fact, the Congress must be influenced by the same methods by which it was elected—the pressure of public opinion demanding a sound currency. The only way in which they can be influenced is by keeping before them constantly the wishes of the people.

Such a campaign will undoubtedly involve a legitimate expenditure of money. But it must be remembered that no important movement can be carried to a successful issue without incurring expense. Even the Salvation Army cannot exist without money. There can be no expression of popular opinion throughout so extensive a country as this without organization, and no organization without expenditure. Practical methods for advancing the most righteous causes require money. No authority in the country can have so great prestige in calling for the assistance necessary and proper to the accomplishment of the ends sought by the Indianapolis conference as the executive committee. It was a non-partisan body made up of delegates representing the commercial bodies and all the thrifty and enterprising classes, guided by the honest intention of putting the monetary laws of the United States in a condition to benefit every man rich or poor struggling to maintain or better his condition.

THE FAILURES AND SUSPENSIONS OF BANKS, National and State, are symptomatic of the rigor with which liquidation has been going on during the period of depression since 1893. The failures of the year 1893 itself were supposed to have weeded out the weak banks, and probably if business had revived there would have been an end to such disasters, but the continued depression has at last proved fatal to others that by timely assistance were barely able to survive the shock of 1893.

During the year 1896, according to the report of the Comptroller of the Currency, there were only twenty-eight new National banks organized, or eighteen per cent. of the average yearly number since the inauguration of the system. This alone indicates the lack of demand for banking facilities under existing conditions.

The report comes from Boston that on account of the excess of banking capital there will have to be consolidation among some of the institutions there. The banks all over the country are complaining of the want of profitable business. This is due not to bad management, but to the shrinkage of all other business. Nevertheless there now exists a condition of things that will expose any weak spots that exist. The only course for a solvent well-managed bank that can not meet expenses is to go into liquidation and let its stockholders have their money to put into something that will bring an income.

The reports of failures and suspensions are not at all alarming. The fact that there are not more of them, under the circumstances, is surprising.

The most trying, if not the worst, period in an era of financial depression following a monetary and business crisis is very sure to be just before the revival of business enterprise. Hope deferred maketh the heart sick. The time goes on and patience is tried more and more. It was the same during the depression following the crisis of 1873, lasting until 1879. It had been again and again prophesied that business would revive. There was continued agitation during the years 1875–78 upon the money question and repeated attempts were made to repeal the Resumption Act. When this Act finally went into effect on January 1, 1879, there was no immediate boom. In fact there were the same taunts made in the early part of 1879 that have been heard since the election of McKinley—why don't prosperity come, etc.

All through the spring of 1879 business conditions were bad. There were some failures, and considerable sales of American securities. It was not until June and July that the revival of business really began. No conditions exactly repeat themselves. From 1875 to 1879 there was an increasing belief that the Government would redeem its legal-tender notes in gold on January 1, 1879. There is now no such decisive turning point to be expected. A declaration for the maintenance of the present gold standard was made by the popular vote in November, and it is hoped that Congress, either at the present session or perhaps at an extra session to be called by President McKinley, will do something for currency reform.

It is plain that in 1879 a definite change in monetary conditions was followed within a reasonable time by a revival of business after a depression which had lasted nearly six years. The importance of making some change in the present monetary system becomes more and more apparent. After 1873 the people realized the danger of engaging in any extensive enterprise with a currency constantly fluctuating in relation to the true standard. Under conditions of depression they desired an absolutely certain basis before the renewal of extensive business operations. They felt that profits would be small at first and that such changes in the value of the currency as occurred before specie payments made them impossible might prevent any profit at all.

Under the present laws the trouble with the currency is not its fluctuation as compared with the gold standard, but its liability to be locked up or expanded without regard to the wants of business. The fault with the irredeemable currency before 1873 was not noticed while business was booming. It required a crisis and the subsequent depression to impress this fault on people's minds. Once impressed they would do no extensive business until the dangerous defect was removed. In the same manner the crisis of 1893 has taught people to be careful how they expand their business with a currency liable to be redundant one day and not to be had at all on the next. They will not be reassured and give free scope to enterprise until this liability to sudden stringency in the money market has been removed.

If Congress, therefore, does not do something to radically remedy this defect it will be vain to look for much improvement for a long time to come. In 1879 the people had only to wait until legislation already enacted went into operation on a fixed date. Now they will have to wait for the slow operations of their legislators. Business does not commence to boom with those who handle the greatest enterprises. These use the smallest part of the money or resources of the land. The great bulk of all business is done in small amounts by the masses of the people. Each one has his own little enterprise which, as his profits are small and easily swept away, he hesitates to launch until everything looks secure. No wonder the banks are comparatively idle and that many liquidate and some fail while these conditions last.

THE COMPTROLLER OF THE CURRENCY is appointed by the President, on the recommendation of the Secretary of the Treasury, and confirmed by the Senate. His term of office is five years. It has been held that the length of this term, one year longer than that of the President, was an indication that Congress intended that the Comptroller's office should be protected from sudden change upon the occurrence of changes in the Administration. Undoubtedly it was in the mind of Congress that the duty of managing the banking laws was a delicate one, and that the officer charged with this duty should to a certain extent feel a degree of independence of removal.

The law further provided that he should make his report directly to Congress and not to the Secretary of the Treasury (though his bureau formed a part of the Treasury Department) nor to the President.

But the law also placed the Comptroller under the general direction of the Secretary, and his appointment by the President in a broad sense made him liable to removal by that officer.

Generally speaking the power to appoint implies the power to remove, although restrictions may be placed on this power of removal either by fixing a definite length of term or by providing that removals shall not be made except for cause. These restrictions on the power of the President are always, in practice, more apparent than real. For as a matter of fact the President's desire to remove an official for causes or reasons satisfactory to himself can not be easily or practically opposed. For instance, a Comptroller of the Currency of a different party from an incoming Administration, would have an extremely difficult and unpleasant time in maintaining himself in office (although his fixed term of five years had not expired) against the expressed wishes of the new President. The Comptroller under such circumstances would find that he could not control or maintain discipline among his subordinates. He would not be able to associate officially with others of his rank in the Treasury Department, and would in fact find all his rulings and decisions liable to overturn and obstruction. The Secretary of the Treasury could deprive him of all power or prestige, and there are no men of character who would submit to the petty annoyances and real restrictions which would be the concomitant of such a situation.

The history of the office, as may be gathered from the brief lives of the Comptrollers of the Currency which appeared in the January number of the MAGAZINE, shows that the fixed term of five years has had little to do with their actual tenure of office.

HUGH McCULLOCH, the first Comptroller, held the office for less than two years—from May, 1863, to March, 1865. On the latter date he was appointed Secretary of the Treasury and made no objection to surrendering the remainder of his term as Comptroller. FREEMAN CLARK, the second Comptroller, occupied the office for a little over a year only, as it appears he preferred a more active political career. HILAND R. HULBURD was appointed Comptroller and served one full term. He was reappointed for another term, but resigned in about a year for personal reasons. JOHN JAY KNOX held the office through two full terms and part of a third, when he resigned to accept the presidency of a New York city bank.

Up to this time—1884—there had been no political reason why the Administration should wish to remove a Comptroller. LINCOLN, JOHNSON, GRANT, HAYES, GARFIELD and ARTHUR were all elected by the Republican party.

HENRY W. CANNON was appointed by President ARTHUR in 1884, and consequently when President CLEVELAND was inaugurated in March, 1895, he had served hardly one of the five years of his term. Mr. CANNON was not a partisan in any sense, and his wide experience in banking matters and his capacity as a banker and financier were especially valuable to the representatives of a party so long out of power taking up duties to which they were entirely unaccustomed. He served nearly one year longer under an Administration of differing political views, and then insisted on resigning to accept a bank presidency in New York city. WM. L. TRENHOLM, appointed on Mr. CANNON'S resignation, served until the inauguration of President HARRISON, in 1889, about three years only of the full term for which he was appointed. EDWARD S. LACEY served three years only and retired to accept the presidency of a bank in Chicago. ALONZO B. HEPBURN held the office less than one year, when President HARRISON was succeeded by President CLEVELAND. He resigned to free the hands of the incoming Administration, also to accept a bank presidency. JAMES H. ECKELS was appointed in April, 1893, and when President McKINLEY is inaugurated he will have served a little less than four years of his full term.

The *resume* just made shows that the men who have the reputation and ability to fill the office of the Comptroller of the Currency are more likely to be sought for by the office than to make any undignified effort to retain it. With hardly an exception the retiring Comptrollers have been tempted to resign by higher political position or by more lucrative opportunities in private life. Not one Comptroller has left official life simply by lapse of his official term.

The Comptrollership has been a remarkable stepping-stone to the position of bank President. This is not in the least accidental. For the office is one in which a man of good character and abilities must necessarily make a national reputation for administrative ability of the kind needed in conducting important financial institutions.

Any salary the Government offers, even to its most highly-paid public officials, except the President, is much inferior to the salaries paid to competent managers by financial institutions of the first rank. If, therefore, a man with the ability fit to adequately perform the complex and important duties of the Comptrollership is to be retained for any length of time, the salary must be increased.

But this very insufficiency of salary is the best guarantee for that rotation in office dear to the political heart. Moreover, it would be impossible to increase the salary of one officer without doing the same for all officials of the same grade.

It is highly probable, therefore, that with the coming change of Administration there will be a change in the office of the Comptroller of the Currency. Mr. ECKELS, like his predecessors in office, will no doubt be tempted by offers from financial institutions of the first rank to bring to their management the experience he has gained and the abilities he has trained in his four years incumbency as Comptroller of the Currency.

In the selection of a new Comptroller the President should be guided by the experience of the past. The man to be selected should have knowledge of banks and banking, and yet not be simply or merely a banker. For while the office may be the best of training-schools for a competent manager of a great financial institution, the mere fact of being an officer in an ordinary bank does not premise any great administrative qualities fitting for the Comptrollership. The man should be a business man in his ideas of careful and economical management. He should also have been successful in whatever he has hitherto attempted, whether on a large or small scale. Success in private life is an almost sure criterion of success as a public official.

The Comptroller's office, in view of the anticipated agitation in favor of currency reform, will be of greater importance than ever during the next few years. The new Comptroller should be in sympathy with this agitation and be able to use the statistical and other resources of his office to advance it.

THE SELECTION OF LYMAN J. GAGE to be Secretary of the Treasury under the incoming Administration has been received with general satisfaction by the banking and other business interests of the country. As President of the First National Bank, of Chicago, Mr. GAGE has established a high reputation for financial sagacity, and he has been so actively and successfully identified with other great business enterprises as to leave no doubt as to his qualifications for thoroughly grasping the administrative details of the Treasury Department. From a personal standpoint, also, Mr. GAGE'S appointment is not only above criticism, but is wholly commendable.

Heretofore the future financial secretary has expressed himself in favor of retiring the legal-tender notes by the issue of long-time bonds bearing a low rate of interest, the bonds to be used as security for bank-note circulation. Ultimately Mr. GAGE hopes to see a bank currency based upon something like the "Baltimore Plan," but he thinks such a reform must be secured by the process of evolution and not by immediate legislation on this line. Such is the view held by many of the most conservative bankers and business men of the country. It will doubtless be found that any wise plan for improving the currency will receive the active support of the new Secretary of the Treasury, whether it be on the lines marked out by himself or by any other step calculated to accomplish the same result—the gradual withdrawal of the Government paper and the establishment of a better system of bank currency.

It is important, also, to note that Mr. GAGE is not in favor of a tariff policy that will continue the present heavy annual deficits. He believes that the Government should be provided with an adequate revenue. Some doubt has been expressed as to his agreement with Major MCKINLEY'S views on the tariff, but he has declared himself to be in substantial accord with the protectionist theory of the President-elect.

Mr. GAGE as President of the First National Bank of Chicago is better off as far as salary is concerned than he will be as Secretary of the Treasury, but having risen as high in his chosen profession as is possible, he may so desire to have the additional glory of serving his country that salary will be no object. The bank, too, is not likely to suffer by his absence, as among its subordinate officers there are men who have been steadily increasing their reputation for banking talent throughout the country.

The selection of Mr. GAGE is a compliment to the bankers of the country, among whom no one, either East or West, has a greater popularity or a higher reputation for sagacity or administrative ability. The Treasury portfolio at this time however is perhaps the least desirable of all the cabinet positions. The deficiency in the revenues, the difficulty of maintaining the gold reserve, and the tendency of Congress to extravagant appropriations will make the position of Secretary of the Treasury anything but a bed of roses for the most skillful incumbent. Two Secretaries of the Treasury, Judge FOLGER under ARTHUR and Mr. MANNING under CLEVELAND, undoubtedly had their lives shortened by the wear and tear of the office. Although some of the labor these unfortunate gentlemen had to undergo has perhaps been removed by the operations of the civil service law, yet there are the other anxieties mentioned as now likely to continue which did not exist to so great an extent in their day. But of course it is more or less the duty of every citizen to respond when his country calls for his services, and men are doubtless as patriotic as they ever were. It will be of great importance to the cause of financial and currency reform to have the finances of the Government administered by a man in sympathy with this movement, and undoubtedly Mr. GAGE is such a man.

IMPRISONING THE GREENBACKS.

The main obstacle to currency reform is to be found in the diversity of the monetary institutions of the country. The interests of State and private banks are in some respects opposed to those of the national system. It is generally conceived to be of importance that the demand for this reform shall not be ascribed to the banks and bankers of the country. Those who are interested in the success of the recent monetary conference at Indianapolis are anxious to show that it was by no means a conference of the bankers, but of the commercial bodies and business men.

The truth is that the bankers themselves are not so interested in the reform as are the enterprising and energetic citizens who desire to put the financial machinery of the United States in the best possible condition for the advancement of their own interests, present and future.

The Indianapolis conference was not one of bankers, or called in their interests, and yet attempts have already been made to discredit it by the charge that it was virtually a bankers' convention. This, of course, is the usual demagogic appeal to the blind envy of the masses manifested towards all the machinery for the accumulation of capital, although it may be equally beneficial to every citizen who may desire to take advantage of these facilities for improving his condition.

The thrifty and enterprising people know that a good monetary system, which necessarily includes a good system of banks, will develop the resources and increase the prosperity of all alike. It was the representatives of these people who comprise the great and even overwhelming majority of the population of the United States who met at Indianapolis to devise means to induce Congress to grant the necessary legislation.

The plan which seems now to meet with the most favor is to retire the legal-tender and Treasury notes by the instrumentality of the banks, and at the same time give the banks the means of issuing a safe and elastic currency. The Government under this plan is to receive the notes now largely held as reserves by the banks, and issue in exchange a long-time bond bearing three per cent. interest. The notes received in exchange for the bonds are to be cancelled. The banks are then to deposit the bonds and receive circulation upon them, bearing a certain percentage to the par value of the bonds, and in proportion to the capital of each bank. The result would be that the Government notes would be retired and bank notes would take their place.

This plan is simple and can be carried out with very little change in the present national banking laws. Standing alone, however, it will not induce the banks doing business outside of the national system to enter the system. To induce State and private banks to convert into National banks will require other modifications of the national banking law, and without sufficient other inducement to the State and private banks to support the national system, these banks would probably strenuously oppose this plan. The modifications that would render the Federal banking laws satisfactory to the banks now doing business under the general laws of the State are in the general line suggested by the Comptroller of the Currency and the Secretary of the Treasury in their last reports to Congress; viz., a reduction of the capital required to enter the system, and the privilege of establishing branches.

There should also be some change in the national banking law relative to loans on real estate. With these changes State and private banks would no doubt be willing to place themselves under the national banking law and to take out circulation.

The percentage of circulation permitted on the bonds must of course be such as will afford an adequate profit. As high as one hundred and twenty-five per cent. has been suggested.

The objection to this plan which will have the most weight is the one usually made to the retirement of the Government notes—that it is exchanging a non-interest bearing debt for one bearing interest. This argument is more plausible than sound, inasmuch as the Government has had and may have again to increase its interest-bearing debt to keep up the gold reserve which is absolutely necessary to keep its demand notes at par. By the exchange of legal-tender and Treasury notes for three per cent. bonds, it would once for all accomplish what it might have to do repeatedly if these notes are kept in circulation. In fact, it has already issued interest-bearing debt at four and five per cent. to obtain gold to keep the greenbacks outstanding sufficient to have retired them all. The greenbacks under the present system, while nominally non-interest bearing, may be the cause of repeated increases of the interest-bearing debt. There is no limit apparent. The exchange for three per cent. bonds and the cancellation of the notes would put an end to this source of loss to the country.

But while it is true that the objection mentioned is without much weight intrinsically, yet its plausibility makes it dangerous when used in Congress by an opponent of the plan.

The conversion of Government notes into bank notes can be accomplished without giving rise to this objection, if the plan suggested by the Editor of the BANKERS' MAGAZINE at the convention of the American Bankers' Association in Baltimore should be adopted. This was in substance that the banks be permitted to deposit the Government legal-tender notes with the Treasurer for cancellation and receive one hundred and twenty-five thousand dollars or perhaps one hundred and thirty-five thousand dollars in circulation for every one hundred thousand dollars in legal-tender notes deposited. The percentage of circulation authorized should allow a profit to the banks at least equal to that they could obtain by exchanging for three per cent. bonds. The Government would guarantee the bank notes in case of failure of the bank or voluntary liquidation to the extent of the legal-tender notes deposited. For the security of the excess of notes, there would be the first lien on all the assets of the bank and a safety fund made up by contributions of one-quarter of one per cent. annually on the circulation issued by each bank.

The effect of this plan would be to retire the greenbacks at once without any increase in the interest-bearing debt.

The banks would become the creditors of the Government to the extent of the legal-tender notes deposited by them. The Government, however, would have at least twenty years in which to pay the debt to the banks, and in the meantime pay no more interest than it does now. If any catastrophe should occur so that through failures or liquidations the Government had to pay its indebtedness to the banks faster than its surplus revenues would permit, the worst that could happen would be the issue of bonds to secure the money to do it. But such a contingency is very improbable.

On the other hand it can make no difference to the banks as to profit whether they deposit three per cent. bonds, as a basis for circulation, or more simply deposit the legal-tender notes themselves which they would give for the bonds, if the profits in either case are made equivalent by the percentage of circulation to be received for issue.

If the three per cent. bonds went to a premium the banks would want to retire circulation and withdraw them, whereas by the plan above mentioned this motive for expanding or contracting bank currency with the state of the bond market would be taken away.

The United States could every year set aside a portion of its surplus revenue to form a sinking fund which, at the end of a given period, not less than twenty years, would pay the banks for all the legal-tender notes deposited by them. This sinking fund could be invested in United States bonds and stop interest on another portion of the interest-bearing debt.

If the $345,538,979 of legal-tender and Treasury notes in circulation outside of the Treasury on January 1, 1897, were all deposited by the banks, a surplus of $17,276,948 per year would pay them all in twenty years. In the meantime the banks would carry the debt for the Government and on the credit of it, at 135 per cent. circulation, could issue notes to the extent of $466,477,621. If so much was not required, the legal-tender notes not deposited by the banks and left in circulation would be so reduced that a very small gold reserve would be required to protect them, and they would be gradually absorbed for circulation purposes as the number of banks increased with the natural growth of the country.

Another objection to the issue of three per cent. bonds would be the fact that complaint would be made if the general public were not permitted to exchange greenbacks for them on equal terms with the banks. This would tend to put them at a premium, and while the object of retiring the legal-tender notes might be accomplished, that of securing an elastic bank circulation to succeed the retired legal-tender notes might be defeated.

There is reason to think that any bond that could be issued by the Government as a basis for bank circulation might, within a few years, rise in value, just as all other United States bonds have hitherto done, and render the circulation liable to contraction. On the other hand, legal-tender notes will probably be at a slight premium for circulation purposes, which will at once take them out of circulation.

The deposit of legal-tender notes themselves for cancellation, in order to create a credit on the books of the Treasury upon which a bank becomes entitled to issue circulation equal to one hundred and thirty-five per cent. of that credit, to be further protected by a safety fund, is much more direct and simple than the investment of the legal-tender notes in bonds and the deposit of these bonds as a basis for circulation. In fact it is the simplest of all, and runs much more easily into what is known as the Baltimore plan of issuing circulation to a certain percentage of the capital of the bank based upon the security of its general assets.

OBSTACLES TO INTERNATIONAL BIMETALLISM.

I.

The strongest card played by Mr. Bryan in the late presidential contest was in holding up to the public the fact that advocates of the gold standard had condemned their own policy by professing to favor an international agreement for the purpose of giving silver the freedom of the mints. It is a well-known fact that many advocates of international bimetallism have been actuated by no other motive than to dodge a troublesome issue. But no doubt thousands of sound money men have been led by this ruse into the belief that international bimetallism is a desirable and necessary thing. Already a number of journals and magazines are urging the new Administration to take steps towards the assembling of another monetary conference. Every effort of this sort is a confession that the present monetary standard of the civilized world is unsound and unstable, and an invitation to the cheap-money crowd to continue the war for free coinage at the ratio of 16 to 1. If we are to avoid another presidential issue over the standard of value and the triumph of the silver forces, we must cease the clamor for international bimetallism. At least sound money men should not be a party to this demagogic and mischievous proposition.

As a matter of fact international bimetallism is no more desirable than bimetallism by the United States alone; and if it were ever so desirable it ought not to be attempted, for the reason that it is impossible.

Financiers, statesmen and economists are pretty well agreed that to maintain two metals in circulation under a system of free coinage is an impossibility. It has been attempted in every civilized country time and again, and every effort to establish bimetallism has inevitably resulted in monometallism.

Can the Gresham Law be Circumvented?

However, many advocates of an international agreement believe that the operation of the Gresham law (which is that of two legal-tender moneys the least valuable will oust the other) could be circumvented by an agreement among the great nations of the world to coin gold and silver at a fixed ratio. They argue that if all the great powers were to coin these metals the demand for them would be uniform and constant, and hence their relative values would remain the same. In the second place, they argue, that if one metal should rise relatively to the other, the Gresham law could not come into play, because the dear metal would have no foreign market to fly to. "For whither would it go," says the economist Gide, "seeing that in every country it would be subjected to the same law. If in France an ox could not be sold for more than one sheep, all oxen would assuredly be sold abroad; but if abroad, too, they were treated exactly on the same footing, they would remain where they were."

The fallacy of this reasoning is twofold. In the first place, variations in the value of the two metals could not be checked by international or even universal agreement. The same laws govern the value of gold and silver that govern the value of everything else. The quantity of anything remaining the same, its value will vary if any change takes place in our estimate of its utility, or in other words, if any change takes place in our desire for it. Our estimate of the utility of a thing remaining the same, the value of it will vary if there is any change in supply. The present market ratio between gold and silver expresses the social appraisement of the metals. The quantity of them being what it is the desire for them respectively is as 30 to 1. The fixing of an international coinage ratio of 16 to 1 would probably enhance somewhat the utility of silver, as that would be the preferable money for debt clearing. But there is no reason for believing that the increased use of the white metal would cause it to rise sufficiently to equal gold at a 16 to 1 ratio. If the nations of the earth can by passing silver through the mints make 16 lbs. of it equal to one of gold, why may they not do the same with iron or lead or paper?

Under an international system of bimetallism the same causes which now operate to make silver unpopular and cheap would still be in force. Gold would continue to be preferred for large payments and foreign trade would continue to be conducted upon a gold basis, although gold were at a high premium. Business men would everywhere be just as adverse as ever to carrying the heavy, bulky white metal in their pockets and lugging it to and from the banks. In spite of all mint edicts the ladies would probably continue to prefer one gold watch, ring or breastpin to sixteen of such fashioned in silver. As long as the people prefer one pound of gold to sixteen of silver, so long will a legal ratio of 16 to 1 be false and inoperative.

There is one way, and only one, by which the nations of the world could maintain a fixed ratio between gold and silver. That is by some sleight of hand whereby exactly the same quantity of them should be dug from the earth every year, and at the same time no change should take place in the taste or fashion of the people, and no consequent change of notions respecting the relative utility of those metals. But before governments undertake to do this, I recommend to them the problem of perpetual motion, the squar- of the circle and the chaining of the rainbow.

The second fallacy of the international bimetallists consists in supposing that the Gresham law could not operate because there would be no inducement to export one of the metals to a foreign country. It is not necessary for one of them to cross the Atlantic in order to be ousted from circulation in the meaning of that law. If by universal agreement an ox and a sheep be declared of equal value in settling debts, that fact would not prevent men from preferring to pay their obligations in sheep, which can be raised at less cost than oxen. Under such dual standard oxen would never be used as money at all, and sheep would constitute the only medium of exchange. The disappearance of oxen from circulation would not imply that they had migrated to some foreign country, and the fact that they were no longer used as money would not impair their value as beef, nor affect the demand for tenderloin steaks and rib roasts.

Some economists believe that international bimetallism would really make a sort of single compound metal standard, as though the two metals were dug from the earth already joined together at the ratio of 16 to 1. But if they were to be dug from the earth in that way and the people preferred one pound of gold to sixteen pounds of silver, they would melt down the mass to get the yellow metal and sell it at a premium.

The value of the two metals can no more be equalized by an international ratio than the value of a sheep and an ox can be made the same by tying their tails together. Hence the only effect of international free coinage of gold and silver would be to place the civilized countries upon the silver standard. Then all the world would be on the same monetary basis and all the business of the world would be done with one metal, except perhaps the payment of international balances. That is exactly what bimetallists dread and wish to avoid. Would it not be better to leave matters as they are?

JEROME DOWD.

DURHAM, N. C.

II.

National bimetallism is now thoroughly discredited the world over. For many years it has found no responsible advocate in Europe, and in the late election it was repudiated by the conscience and intelligence of the American people.

International bimetallism, however, is a very different thing, and was in nowise involved in the campaign. Indeed, international bimetallism is unquestionably stronger to-day than it has ever been in the past or is likely to be in the future, for the present marvellous burst in the output of gold will rob the bimetallist of his chief argument. No one can hereafter be frightened into bimetallism from fear of a scarcity of gold.

In England there is considerable bimetallic sentiment among college professors, Indian officials and manufacturers, whose trade with silver-using nations has been somewhat hampered by violent fluctuations in exchange and the fall in the price of silver, but Mr. Gladstone unquestionably voiced the conviction of an overwhelming majority of the governing class in his memorable speech against bimetallism, delivered in the House of Commons, February 28, 1893, and at the last session of Parliament Sir Michael Hicks-Beach, Chancellor of the Exchequer, speaking for the present Government, said: "But we are all agreed in this, that we should not be justified in proposing or accepting a departure from the gold standard of the United Kingdom."

English bimetallists are strenuous and vocal and seem to be more powerful than they are. The monometallists for the most part are silent and passive, confident that gold monometallism is not seriously threatened by mere academic discussion. They have rightly insisted that the burden of proof lies on the bimetallists, and that a system of currency that has become established by a natural process of evolution and is entrenched in the usages and conservative instincts of the commercial and financial world, is not likely to be overthrown by the desultory attacks of ideologists.

As there seems to be considerable sentiment in favor of our Government calling another international monetary conference, it may not be unprofitable to state some of the obstacles to international bimetallism.

COMMERCIAL CLASSES SATISFIED WITH GOLD MONOMETALLISM.

The chief obstacle lies in the fact that the commercial and financial classes of England, Germany, France and the United States are satisfied with gold monometallism. And with reason. There is a strong presumption in favor of a system that has become established by the operation of natural causes. Gold has become the standard of the civilized world, not through international monetary conferences, not as a result of political campaigns, not by concerted legislative enactment, but by its own inherent fitness. It became the standard in fact by the free choice of the commercial and financial world before it was made so in law. The legislatures simply registered an existing fact. It was a natural process of evolution—another case of the survival of the fittest. Gold has never stood in need of statesmen who were "friendly" to it. It has claimed no "natural rights." No nation has ever closed its mints or changed its mint ratio for fear of being overrun by gold. It came to be preferred to silver simply because it was more stable in value and more convenient. Silver is 15½ times as heavy as gold and 28½ times as bulky proportionally to value. Gold takes far less room in the bankers' vaults, it can be more easily carried from bank to bank, it can be more cheaply shipped from one country to another in the settlement of international balances, it can be more quickly and easily counted and handled, and owing to its modes of occurrence in nature it is less variable in value. These natural qualities of gold have decided the battle of the standards. There was no conspiracy, no concerted action, but simply an unconscious selection by the commercial and financial world of the more convenient and less variable metal. This inextinguishable preference of the business world for gold would prove fatal to the maintenance of a parity between the two metals at any ratio. Legislatures can establish a ratio and make silver a legal tender, but they can not overcome the preference of men for gold, because they cannot legislate out of existence those physical qualities of gold which are the cause of that preference. They can not prevent men from contracting specifically in gold. Such contracts are now made for fear bimetallism will be established. If it were established they would be made to guard against a loss from the depreciation of silver that would surely follow a disruption of the league. For a like reason and because it can be more conveniently kept in their vaults, banks would pay out silver and retain gold as they do to-day. Shippers would always be willing to pay a premium for gold equal to the difference in the cost of shipping the two metals. Again, this natural and well-founded preference for gold and the certainty that it would be silver and not gold which would depreciate upon a termination of the convention, would cause extensive hoarding of gold.

For these reasons gold would probably always command a small premium under a bimetallic *regime*, and the business world would suffer from the inconvenience of two kinds of money circulating concurrently but not at a parity.

England Another Stumbling-Block.

An insurmountable obstacle to international bimetallism lies in the fact that England is firmly wedded to gold monometallism, and England confessedly holds the key to the international monetary situation. Neither France nor Germany would think of joining a bimetallic league of which England was not a member. The resolute hostility of England has caused every international monetary conference to result in nothing but futile academic discussion. Nor can we expect that England will change her attitude, for there are excellent reasons beyond those purely economic why she should hold fast to gold monometallism. She is the only country of the proposed bimetallic league without a large quantity of full legal-tender silver, and she is largely a creditor nation. It is therefore highly probable that she would be flooded with silver. Again, there is a very grave probability that the moment Parliament voted in favor of bimetallism capitalists would call in all their loans subject to call in the hope of getting gold before it should go to a premium, and for the purpose of investing in silver. This would inevitably cause panic and widespread bankruptcy. The fact that the Charter of the Bank of England requires that four-fifths of the metallic reserve against which its notes are issued shall be gold, is another serious obstacle. The adoption of bimetallism would necessitate a change in this provision, but such a change would meet with determined opposition from a class which is all powerful in England. Although England is the banking center of the world primarily because she has larger foreign debts and credits growing out of her world-wide commerce and carrying trade than any other country, her commanding position in the financial world is in no small degree due to the sense of security that is everywhere felt in her present monetary system. She will never hazard her present position by trying any doubtful monetary experiments.

Indifference of Other Nations.

There is no bimetallic sentiment whatever in Norway, Sweden, Denmark or Switzerland. It is highly improbable that they would join the league even with England a member. The monetary condition of Russia and Austria would keep them from joining a bimetallic league. For many years they have made great sacrifices to be able to resume specie payments on a gold basis, and are even now in the midst of the process. The temptation for them to remain outside and draw gold from the members of the league would be irresistible. Then, too, the strategic advantage of having an immense war-chest of gold would alone be sufficient to hold Russia back from the bimetallic experiment. Another strong deterrent as respects Russia is the fact that she has a public debt amounting to over a billion dollars specifically payable in gold.

Remaining outside the league, the capacity of these nations to absorb gold would be almost certain to render the bimetallic experiment unsuccessful.

The Question of a Proper Ratio.

Perhaps the greatest obstacle to bimetallism is the impossibility of agreeing upon a ratio that would insure possible success. There would be no chance of permanent success unless the ratio adopted approximately corresponded with the relative cost of producing the two metals. The French ratio of 15½ to 1 does not satisfy this requirement, and yet it is the only ratio upon which an international agreement could be based, because France, Germany and the United States would not consent to the adoption of a ratio that would necessitate the recoinage at a loss of their large stocks of silver coins.

Bimetallism Merely a Theory.

The conservatism of the commercial and financial classes is alone sufficient to prevent the adoption of bimetallism. They know that no such revolutionary experiment could be tried without introducing an element of uncertainty and distrust that would seriously hinder trade. Bimetallism presents itself to them in the hateful form of a theory, and its advocates can give them simply the assurance of an *a priori* probability that gold and silver would circulate concurrently at par. Bimetallists are like Mark Twain's scientists. They do a wholesale business of theory on a retail capital of fact. When we consider the probable operation of bimetallism we are confessedly in the region of pure speculation. The experience of the past can not guide us, for no such experiment was ever tried. The bimetallic *regime* of France is irrelevant, for France conformed her mint ratio to the commercial ratio. The French experiment, in so far as it is revelant at all, is a warning, for it broke down as soon as there was a material change in the relative production of gold and silver. As Jevons has well said:

"It may be safely said that the question of bimetallism is one which does not admit of any precise and simple answer. It is essentially an indeterminate problem. It involves several variable quantities and many constant quantities, the latter being either inaccurately known, or in many cases altogether unknown. The present annual supplies of gold and silver are ascertained with fair approach to certainty, but the future supplies are matters of doubt. The demand for the metals, again, involves wholly unknown quantities, depending partly upon the course of trade, but partly also upon the action of foreign peoples and governments, about which we can only form surmises. * * * When we pursue an inquiry of this complex and indeterminate kind, it resolves itself into endless hypotheses as to what will or will not happen. Nevertheless, it does not follow that because statistical science fails us, we can come to no practical conclusion; on the contrary, from the very vagueness and uncertainty of the subject may emerge a conviction that it is best to do nothing at all."

We do not know what the future relative cost of producing gold and silver will be; nor to what extent the commercial world would contract specifically in gold; nor the extent of the monetary demand for gold outside the bimetallic area; nor the future industrial demand for gold; nor the extent to which gold would be hoarded; nor the disruptive effects of international jealousy, distrust and war; nor the effects of issuing irredeemable paper money by any of the contracting parties. Yet in this ignorance we can not arrive at that degree of certainty as respects the working of bimetallism which we should possess before trying an experiment the failure of which would entail such far-reaching and disastrous consequences. It is a dictate of ordinary prudence that before making so momentous a change we should be convinced of its wisdom beyond a reasonable doubt. As a failure of bimetallism would leave behind an immense stock of depreciated silver the experiment is not one that should be tried with a light heart. As Dr. Lexis, the leading economic authority of Germany, has said:

"An experiment in bimetallism, however, would surely be a vivisection performed on the body politic, which might prove to be ominous in its consequences throughout the whole social organism. Therefore, putting aside all the scientific interests involved, out of consideration for the general welfare, I feel it necessary most earnestly to give warning before the experiment is undertaken. In foolhardy temerity such an experiment would hardly find its parallel."

THEORIES OF THE BIMETALLISTS.

The fact that most gives the nations pause when bimetallism is proposed is the strong probability that it would result in silver monometallism. That is, silver would become the standard of value, while gold would circulate at a premium and gradually, if existing conditions continued, go out of circulation altogether. This on the assumption that the ratio adopted were 15½ to 1—the only possible one. As the commercial ratio is about 31 to 1, silver would be greatly overvalued at the mints. This factitious price would immensely stimulate its production. We can understand what would happen from our experience under the Sherman law. Probably not less than $300,000,000 of silver would be offered at the mints the first year. What effect would this immense addition to the world's currency have upon the gold now in circulation? Would it drive it out? Certainly not at once. There is too much of it and bimetallism is not proposed except on condition that the league include all the great commercial and gold-using nations. There would therefore be no great area outside the league to which gold could be sent. Being confined within the bimetallic basin gold would perforce circulate with silver and according to the bimetallic theory of compensation it would have to circulate at par or nearly so. It is maintained that the compensatory action of bimetallism would bring about the concurrent circulation of the two metals at par in this wise. Silver being overvalued at the mint there would be an immense demand for it as money. This increased use of silver as money would correspondingly lessen the demand for gold. Gold would therefore fall in value until an equilibrium was established between the two metals at the mint ratio.

There are three incontestable facts that would prevent the operation of this beautiful theory of the bimetallists. First, the fact that the two metals are not equally well fitted to discharge all the functions of money would prevent the full operation of this compensatory action. Gold is so much more convenient for large payments and shipment abroad that it would command a small premium for these uses. Again, the large demand for gold created by contracts expressly payable in gold and the monetary demand outside the league would prevent its fall. Yet again, the industrial demand for gold would prevent its fall to an equality with silver at the ratio of 15½ to 1. As Prof. Hadley has said: "It is more than likely that the whole gold product of the world could be used in the arts, leaving silver alone to perform the functions of money, without so far lowering the demand for gold and increasing that for silver as to make their price ratio as low as 16 to 1."

Just here it may occur to the reader that a fall in gold would not be necessary to secure the concurrent circulation of the two metals at par, as silver would rise to an equality with gold at the mint ratio. International bimetallism would perhaps accomplish this for a time, but the test of bimetallism is its ability to keep the two metals in circulation at par permanently. For a time the ratio adopted is not very important, but unless the ratio roughly corresponds with the relative costs of producing the two metals their parity could not be permanently maintained, for the value of money, like every other commodity, is ultimately determined by its cost of production. Now, the ratio 15½ to 1 would give so great an advantage to silver that it would be brought to the mints in far greater quantities than gold. At first the dollars coined would have the same purchasing power as the present dollar, but with the gradual inflation of the currency their value would fall until it corresponded with the cost of production. Would gold and silver keep together in this fall so as to circulate at a parity? No. Long before the silver dollar reached its cost of production it would pass the point at which gold could be profitably minted. In other words, assuming that the present relative cost of production continues, gold and silver could not circulate at par permanently at the ratio of 15½ to 1 because silver could fall further in value and still be more profitably minted at that ratio than gold.

INTERNATIONAL CONFERENCE WOULD BE A FARCE.

The obstacles that have been stated would render ineffectual an international monetary conference. Such a gathering has come to be a broad farce. The leading nations sent representatives to the last conference merely out of civility, and there has been no change of sentiment since 1892. Even so thorough-going and able an advocate of bimetallism as the late General Walker admits in his recent book on international bimetallism the futility of calling another conference.

But assuming the desirableness of another conference, there are cogent reasons why we should not take the initiative in calling it. The conferences of 1878 and 1892 assembled upon our invitation and that of 1881 upon the joint invitation of France and the United States. Obvious considerations of propriety demand that we should allow others to take the initiative in the future. Then again, we are largely indebted to Europe and are the largest producer of silver in the world. An invitation from us, therefore, wears too much the aspect of a scheme to enrich ourselves at the expense of the other nations. Nor are European statesmen ignorant of the fact that our public men advocate bimetallism more from a desire to placate the western vote than from a reasoned and disinterested conviction of its utility. Finally, and above all, political prudence should silence our politicians on the subject of bimetallism. Every word uttered in favor of international bimetallism is an acknowledgment that gold monometallism is an evil to be remedied and so gives moral support to those who urge independent action on the part of our Government. When we consider how alarmingly strong are the forces of social and economic unrest in our country, as shown by the last election, it seems sheer fatuity in our public men to talk of international bimetallism instead of strengthening the conservative forces by insisting on the want of any relation between the gold standard and existing business depression.

Let us have peace. What the business world needs is to be freed from apprehension of revolutionary changes. Talk of international bimetallism creates uncertainty and distrust and thereby deadens enterprise. Let us turn from futile monetary discussion to strenuous industrial endeavor. Let us address ourselves with renewed hope to the exploitation of our marvellous natural resources, well assured that so long as we have the same standard of value as the great commercial nations who are our chief customers and our chief competitors, no great harm can befall us from that source. Above all, what befits us as a nation, now that our days of joyous expansion are over and our life is becoming close and difficult, is to learn well the much-needed lessons of political and business conservatism.

MARK B. DUNNELL.

MINNEAPOLIS, Minn.

PRIVATE BANK SUPERVISION.—The question of compelling private banking institutions to submit to State control and supervision is under consideration in Connecticut, a bill having been introduced in the Legislature with this end in view. It is difficult to see why all banks of discount and deposit in a particular State should not be placed under the same restrictions in the conduct of their business. If supervision is a benefit, the private banks should share it; if it is a hardship, they ought to bear their part of it.

LOANS TO CORPORATIONS—LIABILITY OF STOCK-HOLDERS.

[Substance of an Address by John J. Crawford, before Group VII., New York State Bankers' Association.]

GENTLEMEN :—I do not imagine that when you come to make a loan to a corporation, you include among the collaterals upon which you make the loan the liability of the stockholders; and I suspect that if you have ever had to fall back upon that security you have found it rather illusive. I imagine, also, that you have found it a matter of lending upon a law-suit; for I think it is the common experience that every stockholder regards it as a liability which he is justified in escaping. There would be no use in pursuing a stock-holder, unless he were a man of property; and usually it happens that the stockholder sought to be held liable has paid up his subscription in full, and he thinks that he ought not to be called upon to pay anything more. He feels as though he were being held liable for the debts of other people. He is disposed, therefore, to contest the matter, if his lawyer can show him any mode of escape. His disputing such a liability can not affect his credit, and one of the strongest inducements to pay is thus removed. In some cases, too, the liability is a hardship, and works great injustice. At the session of the New York Legislature in 1895 a bill was passed both by the Senate and Assembly which, among other things, restricted the liability of stockholders to the amounts unpaid upon their own stock. This bill did not, however, receive the approval of the Governor.

There are two kinds of stockholders' liability. The first kind is that which exists independently of any express provision of the statute. In equity the amount which remains unpaid upon the subscriptions for capital stock is treated as an asset of the corporation, and the courts have held that a judgment creditor of a corporation may, by an ordinary creditor's bill, recover from the stockholders the amount unpaid upon their shares, and that the creditors may do this though by the terms of the subscription payments were to be made only as called for by the directors of the corporation. This liability exists independently of statute, and is a general rule applicable to all corporations. In this State, however, the subject is now almost entirely regulated by statute.

You are doubtless aware that all of the corporation laws have been recently revised. This revision includes many features of the old statutes, but many of the old laws have been materially changed, and many provisions have been added which were not in the former law. In order that I may make myself clear as to what I shall say hereafter, permit me to explain the general scope of these laws. There is, first, the General Corporation Law, which is applicable to all corporations and divides them into four classes; namely, municipal corporations, stock corporations, non-stock corporations and mixed corporations. The next statue is the Stock Corporation Law, which is applicable to all corporations having a capital stock. Stock corporations are divided into moneyed corporations, transportation corporations and business corporations. The general provision fixing the liability of stockholders is in the Stock Corporation Law. That law provides as follows:

"The stockholders of every stock corporation shall, jointly and severally, be personally liable to its creditors, to an amount equal to the amount of the stock held by them respectively, for every debt of the corporation, until the whole amount of its capital stock issued and outstanding at the time such debt was incurred shall have been fully paid."

The liability, you will observe, is for every debt of the corporation. This includes, of course, loans.

A stockholder may be held liable for the debts of the corporation, though the full amount of his own subscription has been paid. Before he can be relieved of liability all the other stockholders must have paid up their subscriptions as well. It is not required, however, that the entire amount of capital stock shall have been paid up in full. It is only the stock issued and outstanding that must have been so paid up. Hence, if any of the subscriptions have been cancelled, the failure to pay up these subscriptions does not impose a liability on the stockholders, if all the subscriptions uncancelled have been paid up. So if stock has been issued and has been returned to the corporation and has been cancelled, there is no liability. But it would not be possible for the stockholders to escape liability by cancelling stock or subscriptions after the debt has been contracted. If you make a loan to a corporation before the capital stock issued and outstanding has been paid up in full, all the persons to whom any of the stock has been issued are liable for the amount until that stock has been paid up. Should the stock be paid up after the loan was made, but before its maturity, this would probably relieve the stockholders. But after the debt has once matured the liability has become fixed, and the stockholders could not escape that liability by a subsequent act.

Under the Manufacturing Companies' Act the stockholders were not relieved from liability until the capital had been paid up and a certificate of payment had been filed. The filing of a certificate is not now required. It was a provision which sometimes worked great hardship, for in a number of cases stockholders were held liable after the capital had been fully paid up, merely because there had not been a compliance with this formality. Persons dealing with the corporation very rarely looked for the certificate before they gave credit, and it was only looked for after the corporation had become insolvent.

It is not necessary that the capital shall have been paid up in money. It may be paid in property of any kind that the corporation is authorized to hold; but this property must be taken at a fair and proper valuation. If the valuation placed upon it is excessive, then it would be deemed that the stock is not paid up in full and the stockholders will be liable for the debts of the corporation. Whether the valuation is a fair one is a matter which is usually submitted to the jury, and if they find that the valuation was excessive they are authorized to return a verdict against the stockholder.

A question of some concern to you, perhaps, is whether a person holding stock as collateral security is deemed a stockholder, and liable for the debts of the corporation. The terms of the statute expressly exempt such persons from liability, and under a former statute it was held that though the stock had been transferred into the name of the pledgee, yet he might show that he held the stock only as collateral security. This would probably be held to be the rule under the stock corporation law, though whenever transfers are made in the name of the pledgee, it is much the safer and better course for him to have the transfer show the capacity in which he holds the stock. It has been held under the National Banking Act that the words "as pledgee" are sufficient to relieve the transferee from liability, and clearly those words, or such words as "as collateral" would be sufficient under the law of this State.

The statute also exempts from liability any person holding stock as executor, administrator, guardian or trustee, unless he shall himself have voluntarily invested the trust funds in such stock. Where the investment is not voluntarily made by the person so acting in a representative capacity the liability is fastened upon the estate, and such estate is liable in like manner and to the same extent as the testator, intestate or ward or person interested in such trust fund would have been if he had been living and competent to act and to hold the said stock in his own name.

Now let us see what you must do to enforce the liability of a stockholder. The first step is to get a judgment against the corporation; then you must issue execution on that judgment and have the execution returned unsatisfied. The object of requiring the creditor to exhaust his remedy in the first instance by judgment and execution against the corporation is to protect the stockholders from being called upon until an effort to collect from the principal debtor is shown to be unavailing. If the corporation has been dissolved, or is in the hands of a Receiver, so that you can not get a judgment against it, this requirement will be dispensed with; but then as the whole assets of the corporation are in the custody of the law for equal distribution, your action must be in equity and in behalf of all of the creditors.

The judgment against the corporation fixes the amount of the debt and the liability of the corporation to pay it, and these facts do not have to be again established in the suit against the stockholder.

The statute provides that no stockholder shall be personally liable for any debt of the corporation not payable within two years from the time it is contracted. It is not probable that any of you gentlemen would make a loan for a longer period than two years. Perhaps, however, you might make demand loans which would be carried for that length of time. But I think there would be no doubt of your right to hold the stockholders in that case; for what the statute evidently contemplates by debts not payable in two years is something very different from this.

There is another provision of the statute as to time, which is much more likely to affect you, and that is the provision that the action against the corporation must have been brought within two years after the debt becomes due. If you indulge the corporation for a longer time than two years, you lose your recourse against the stockholders. And if you wish to hold a person who has ceased to be a stockholder, you must bring your action against him within two years from the time he has terminated his relation with the corporation.

FURTHER CONSIDERATIONS OF OUR CURRENCY PROBLEM.

One of the beneficial results of the presidential contest of 1896 has been to call the attention of everyone to the condition of our national finances.

In the summer of 1893, when the menace to public credit caused by the continued accumulations of silver in the Treasury had become apparent and had sent the first wave of a panic over the commercial world, public opinion was aroused and forced Congress to stop its accumulation. So twenty years before it was only after a severe panic followed by extreme business depression that public opinion brought about the resumption of specie payments, in 1879.

Whenever a crisis in our financial affairs occurs public opinion, if rightly directed, will naturally be on the side of honest money and a sound currency. We should therefore take advantage of the present popular interest to place our monetary conditions upon a substantial and permanent basis. A nation can not always subsist on the heroic virtues in finance, any more than in other fields, and the adoption of some makeshift policy now may delay a thorough reform for another thirty years, with all the consequent distress necessarily resulting from such a course.

Paper Currency and the Gold Reserve.

Our paper currency in circulation at the present time consists of about $275,000,000 of legal-tender notes, $222,000,000 of National bank notes, $356,000,000 of silver certificates and $38,000,000 of gold certificates. To these must be added over $80,000,000 of legal-tender notes, issued for the purchase of silver bullion under the Act of July 14, 1890. The national banking currency has been steadily replaced by silver certificates. From 1868 to 1887 the National bank notes issued and outstanding exceeded three hundred million dollars; from 1881 to 1883 exceeding three hundred and fifty millions, and since that time there has been a steady decrease in National bank currency and a practically corresponding increase in the amount of silver certificates.

The security for the payment of these several issues of notes, amounting to nearly one billion dollars, directly or indirectly depends upon the credit of the Government. The payment of the original legal-tender notes is secured by the maintenance of a special deposit of gold coin in the Treasury approximately equal to one-third of the issue. The National bank notes are indirectly guaranteed by the Government through the deposit by the banks of Government bonds exceeding in face value, and largely exceeding in market value, the issue of notes. The gold and silver certificates are secured respectively by the deposit of equal amounts (nominal value) of gold or silver coin or bullion, held for the redemption of such certificates.

The Treasury notes of 1890 are the promises of the Government. The Act under which they were issued provides that there shall remain in the Treasury at all times an amount of silver coin or bullion equal in nominal value to the notes, issued and outstanding, for which they are issued. It further declares that it is the policy of the United States to keep gold and silver at a parity at the present ratio.

The startling fact appears, therefore, that the Government is floating a billion of dollars of paper currency on an average specie basis of one hundred millions in gold and five hundred millions in silver.* It is this fact that has made the great accumulation of silver so portentous. The silver being worth but little more than one-half its nominal value, the operation of the well-known law, that the cheaper money always excludes the dearer, would, if the coinage of silver continued, cause the withdrawal of gold so rapidly as to force the Government to abandon its gold reserve and pay the legal-tender notes in silver. Having for the time being, at least, escaped this danger, we we should now place it beyond the possibility of recurrence. As long as the legal-tender note issue exists in its present form the danger is present. Any doubt cast upon the ability to maintain specie payments in gold, or possibly any excessive or redundant issue of paper money, will cause the withdrawal of gold.

A reform of our currency is imperative, and such reform must lie along the lines of a banking law. The currency must be safe. It should be uniform in all parts of the country and it should be elastic. The first two requisites absolutely preclude the idea of "free banking." The assumption that only the community in which "wild-cat" banks exist suffer from their existence is fallacious. Their bills are distributed to all parts of the country, and when a suspension occurs note holders far and wide suffer. A relapse to such a system would be insufferable.

The present National Bank Act was adopted in 1864, primarily as a measure for disposing of Government bonds. It has, however, in most respects proved itself an exceedingly sound and convenient system, and it may be doubted whether there would have been any considerable agitation for its modification had not the rapid reduction of the national debt threatened soon to remove the security upon which its issue was based. It always, however, furnished in connection with the legal-tenders a more or less plausible argument to certain agitators that the Government not only furnished the banks a currency, but at the same time paid them for its issue through the interest received on the bonds deposited, and this argument might have some force if it came to the question of issuing bonds solely as a basis for the currency. There is one thing that the National Banking Act has accustomed the American people to which they will never be prepared to forego. That is a currency equally good in all parts of the country, no matter how small or insignificant the institution from which it emanates. This is due to the Government guarantee, and it may well be doubted if anything else can supply this certainty. Any national banking Act must provide for the safety of notes issued not only by the banks of large cities, carried on by men of the greatest financial experience and sagacity, but also for those situated in regions remote from money centers, and carried on by persons of little experience. The only guide to which we can point is our own experience

*At present the amount of gold coin and bullion in the Treasury is considerably more than the average, and the amount of greenbacks outstanding, less. There was on December 1, 1896: Gold coin, $117,557,275; gold bullion, $51,969,827; standard silver dollars, $382,972,296; subsidiary silver, $14,570,200; silver bullion, $112,187,954.

with the State banks prior to 1860. While in conservative communities there was no difficulty, by means of frequent redemption, in keeping notes circulating at par, notes issued outside of such communities circulated at a discount. A governmental guarantee, as we have seen in our present currency, not only obviates the necessity of a large number of redemption agencies, thus minimizing the amount of gold needed for such purposes, but it effectually eliminates from the credit of the note all question of the character of its parentage.

The one serious objection to our national banking system, however, is its want of elasticity in the note issues. Any issue of currency, based solely on Government securities, can not respond to the necessities of trade and commerce, expanding as the necessities of trade require and receding when the demand is over. There thus, under our present system, comes to be a more or less fixed volume of currency, productive of inflation and over-speculation at certain periods, followed, when the volume has been absorbed by inflated values, by forced contractions and panics.

The Bank of England removes the objection to such a currency by providing that beyond the currency issued on the Government debt, additional currency shall be issued upon the deposit of gold. Its note issue based upon securities is now only about one-third of its total issue. It maintains its gold reserve by increasing its interest rate as gold is withdrawn, and thus attracts to itself the gold which would otherwise flow away. There are many obvious reasons why it would not only be impossible, but undesirable, to attempt to engraft this system upon ours. There are, however, many faults in our banking system, such as the restrictions upon the amount of circulation which may be retired within a given time; the time that must elapse before an increase is permitted to a bank which has reduced its circulation; and the time necessary to secure any temporary increase, all of which tend to make the system irresponsive to the wants of trade.

THE BALTIMORE CURRENCY PLAN.

At the convention of the American Bankers' Association, held in Baltimore in October, 1894, a plan was presented to and approved by the convention which in many of its characteristics was subsequently recommended by the Secretary of the Treasury and by the Comptroller of the Currency, and is popularly known as the "Baltimore Plan." This, briefly, is that National banks shall be allowed to issue bills, under such regulations as the Government may prescribe, up to a certain fixed percentage of their capital, on their own credit, and that a further temporary or "emergency issue" may be made in times of stress. The plan also provides for each bank keeping a coin reserve sufficient to provide for the redemption of its own bills, and, in addition to this, for the accumulation of a redemption fund with the Government for the ultimate protection of the note holder.

An obvious criticism of this plan is that it places all banks in the same class, the strongest being made to contribute to such redemption fund in the same proportion as the weakest. In any system not dependent upon a governmental guarantee there must be frequent redemption of the notes in order that they may be kept at par with coin. This is not only admitted, but it is maintained by those who desire to see the currency removed as far as possible from governmental control that frequent redemption is necessary to healthful banking. Why is it desirable except as a necessary measure under a free currency system has never been explained. It certainly involves great cost of transportation (a very important item to the smaller country banks) as well as loss of interest during transportation and redemption, and makes necessary a much larger coin reserve than would be requisite if redemption were at a single reserve centre.

But aside from this it may well be doubted whether under the diverse conditions present in this country any system not strictly dependent upon a governmental guarantee, backed by an adequate coin reserve, will furnish the security necessary to perfect safety. No other system ever has done it in this country except within limited areas, and such a guarantee has under much more trying conditions than any we are likely again to experience. Not for a moment since the resumption of specie payments in 1879 has there been any question that all bills, whether issued by the Government or by the banks, would be redeemed in coin upon demand. It is true there has been some doubt lately whether such redemption would be in gold or in silver, but whatever our system, bank notes will be redeemed in the coin of the country, and as we have seen gold redemption continued even when the gold reserve had sunk to less than ten per cent. of the total issue of paper. The silver in the Treasury was a burden instead of a help. It was only the medium of payment which became doubtful, and the accumulation of so large a proportion of the reserve in silver could not fail to be productive of doubt.

Menace of the Legal-Tender Notes.

Then, too, the existence of nearly five hundred millions of legal-tender notes, either outstanding or subject to reissue, is something to be counted with. In their present form they are a constant menace, not so much from any question as to their redeemability, or now, even their redeemability in gold; but because they offer a constant temptation to legislative manipulation and extension, and bear no relation to our business needs. They do not constitute "fiat money" in any fair sense of that term, for they possess no fictitious value and do not pretend to be what they are not. The promise to pay which they contain is always fulfilled upon demand. But whether for good or ill, no proposition which involves the issue of bonds for their retirement would stand the least chance of passing Congress either now or in the immediate future, nor would one for their gradual retirement through the cancellation of the notes received in payments to the Government. While the absolute removal of these notes may be impossible, we may be able so to amalgamate their issue with that of the National bank notes and coin certificates as to remove them from the domain of politics to that of the business world, and thus to cause their issue and redemption to be authorized strictly by the necessities of business.

Prejudice against the National Banks.

Another element which must be given its full weight, but which is too often overlooked (except by politicians) in any consideration of currency reform, is the undeniably widespread jealousy among a large portion of the public of banks and particularly of National banks. For this the obscurity of the present system is largely responsible. If the public could clearly understand that the banks were paying to the Government a fair percentage of the profits resulting from the circulation, a different feeling would be engendered. The fact that the banks on account of the high premium on the bonds derive but little profit from their circulation does not fully do away with the prejudice. The profit to the Government from the issue of legal tenders can easily be appreciated. If the banks were to pay the Government interest directly for the notes, that could equally be understood.

SUGGESTIONS FOR A BANK CURRENCY.

In a previous article on this subject the present writer suggested, as a modification of the "Baltimore Plan," that the Government should issue to National banks notes up to a certain percentage of their capital upon their credit alone, without the deposit of bonds, they to pay therefor a low rate of interest; and that succeeding issues to a greater percentage of their capital be made upon a steadily increasing rate of interest and sufficiently high to keep the issue at the lowest point, except in times of panic or when extraordinary conditions demand a temporary increase of circulating medium, or in places where the rates of interest were high and banks could afford to pay the increased rate for increased circulation.

Such a currency should be issued by the Government directly to the banks. It could well be of a uniform character, not printed on separate plates, and could thus be issued to any bank immediately upon requisition, and could as readily be retired. A debit and a credit account would be kept with each bank and the interest due from it would always be easily ascertainable. The notes should be guaranteed by the Government, and preferably not be legal tender, but should be receivable for all dues to the Government and should be redeemable at the Sub-Treasury in the City of New York, the monetary centre of the country.

The interest received from the issue would not only provide an adequate redemption fund, but should furnish a substantial revenue to the Government, and such a revenue would be contributed in exact proportion to the risk assumed in the guarantee. The law should also provide for the maintenance of a redemption fund in gold coin of, say, one-third of the total issue with a further provision that whenever this fund sunk below a certain amount (say twenty per cent.) bonds should be sold to replenish it, and when the sum exceeded a certain proportion (say forty per cent. of the note issue) bonds should be bought. The law should further provide that any bank could receive notes to any amount without interest upon the deposit of gold coin or bullion of an equal amount in the Treasury.

PRACTICAL OPERATIONS OF THE PLAN.

Now let us see how such a system would work in actual practice. The highest capitalization attained by the National banks was about $700,000,000, in 1892. With the retirement of the legal tenders and silver certificates and the consequent increased demand for National bank notes, it would probably largely increase. Let us suppose that the ordinary requirement of business was a note circulation of $600,000,000, that a minimum requirement was $400,000,000, and that on extraordinary occasions as much as $800,000,000 or $900,000,000 might be necessary. With the normal issue of $600,000,000 the normal reserve would be one-third, or $200,000,000. Now let us suppose a somewhat sudden increase in the demand for currency, induced by the necessity of moving large crops or from other causes, to the extent of $200,000,000, or $800,000,000 in all. The interest rate to banks would be increased by operation of law; banks would raise their rates to their customers, and gold would be attracted to this country precisely as it is attracted to London when the Bank of England increases its rate. Banks at the money centers would prefer to deposit gold and take currency to use for transportation within the country, rather than to pay the extra interest required by law for an increased issue on their capital account. That gold would be deposited in exchange for currency we know, not only from the constant experience of the Bank of England, but notably from our own experience, in the autumn of 1896, when a large part of the gold flowing to this country found its way into the Treasury in exchange for notes, thus saving cost of transportation. We may thus safely assume, in case of such an increase as we have supposed, that at least one-half of the increase in currency would be on a coin basis. Instead of $600,000,000 of notes with a coin reserve of $200,000,000, we should have, therefore, $800,000,000 of notes with a coin reserve of $300,000,000. If the demand for currency was still greater and went beyond the total capitalization of the banks, the proportionate deposit of gold, and consequent percentage of reserve, would be increased.

Now, with this state of things, let us suppose the demand for money to be reduced. The first notes to be retired would be those issued at the highest rates of interest. These, of course, being retired by the banks would draw no gold from the Treasury. It would only be those among the last retired that would cause the withdrawal of gold. This process would continue until all notes above the issue of $600,000,000 had been retired, and until the gold deposited for notes in response to a more profitable demand abroad had been withdrawn. The note issue would then be approximately at its normal condition of $600,000,000, with a coin reserve of $200,000,000. But let us suppose on account of business depression at home, even this amount exceeded the needs of the commercial world. Such excess of circulating medium would first make itself felt in a reduced rate of interest. In obedience to the well-known law that as between countries upon a gold basis gold always goes where it is needed and to that one paying the most for its use, and away from the country having more than the needs of business require, foreign exchange would rise and gold would be demanded for export. A portion of this would be taken from the Treasury, but as in case of a rise in interest, the same rule would apply and banks at the money centers would generally export their own gold, and retire their notes without drawing gold from the Treasury, thus saving themselves the interest paid on the note issues. Let us, however, suppose the extreme of depression in which the monetary needs were a circulation of only $400,000,000 involving a continued retirement of $200,000,000 of paper. If our hypothesis be correct, probably not more than one-half of this would cause the withdrawal of gold, and we should then have a coin reserve of $100,000,000, or twenty-five per cent. of the currency issue.

In ordinary times there would be no considerable demand for gold from the Treasury, and the coin reserve would be maintained within the limits we have named without extrinsic aid. From the time of the resumption of specie payments on January 1, 1879, to the passage of the Sherman Act, July 14, 1890, only about $28,000,000 of legal tenders had been presented for redemption in gold. The currency would increase as the needs of business required and recede when not needed, and at the same time the coin reserve would naturally and automatically advance and recede with equal step. But even were a much larger amount of gold withdrawn, causing the reserve to sink below twenty per cent. of the circulation, what would be the result? Either one of two things would happen. The supply of gold would be replenished from the ordinary payments to the Treasury, or bonds would be sold for the purpose. When there is confidence in the maintenance of the gold reserve, payments to the Government are largely made in gold, and this would be deposited in exchange for notes, thus increasing the percentage of gold reserve. If there were still a deficit in the reserve, under the operation of law, bonds would be sold to increase it; and these bonds would always be sold at times when there was a redundancy of currency, and consequently at times of a low rate of interest, therefore commanding a high price, and would be bought at times of a high rate of interest and at a low price. It would be immaterial whether the bonds were sold for gold or bills, as, in the former case, the reserve would be increased, and in the latter, the amount of currency outstanding decreased, and as a point would be reached below which the currency could not go, the result would be the same.

Taking the Government Out of the Banking Business.

The most obvious criticism of any plan that involves a currency issued by the Government is that it does not take the Government "out of the banking business." But this is largely a contention about words. England, Germany and France, the only nations at all commensurate with ours in commercial importance, are each much more truly in "the banking business" as stockholders or managers of the principal banks of their respective countries, and this was the condition of the United States for the greater portion of the time until the veto of the charter of the United States Bank by Andrew Jackson in 1832. The real question is not an exchange of epithets about fiat money or the banking business, but it is what is the best national policy in regard to currency. Probably a great majority of the people of the country would accept the postulate that the currency issue should depend solely upon the business needs, and should be removed as far as possible from the machinations of politicians, and should be based upon an adequate reserve in gold. A smaller number, but probably still a considerable majority, would favor a governmental guarantee of some kind, as giving a security to every note not otherwise attainable, and would also look with extreme jealousy upon any proposition that looked towards giving the exclusive control of the currency issue to any system of banks, State or national. The above modifications of the "Baltimore Plan," it is believed, will satisfy all of these conditions. The currency issue would be as absolutely dependent upon business needs as if issued solely by the banks, and vastly more so than if issued by State banks, for the "wild-cat" expansion which would inevitably result from the renewal of State banks of issue would not indicate business needs. The interest paid for the currency by the banks would tend to keep the volume down, and at the same time permit a larger proportionate issue to the smaller banks in those localities where the profit upon circulation is an important consideration, and where the legitimate demands of business require it. The reserve would be built up and maintained by the profits of the issue itself, and the surplus profits would prove a large and proper source of governmental revenue. The banks, instead of being regarded by many as leeches upon the Treasury, would be recognized as its supporters. The note holder would have all the security of a safety fund plus a governmental guarantee, and the Government would be paid, according to insurance methods, in proportion to the risk it assumed.

There are several corollaries that naturally flow from such a consideration of monetary reform which should be considered. There should be a Banking Department of the Treasury, with branches in different parts of the country, at which the accounts of banks within their respective districts should be kept, and from which notes to such banks should be issued, and to which they could be surrendered, thus expediting the issue and withdrawal of currency, and minimizing the cost of transportation. This department should be as distinct from the other departments of the Treasury as the Issue Department is from the Banking Department of the Bank of England. The reserve should not be confused with or counted as a part of the general balance in the Treasury. If it became necessary to sell bonds for the maintenance of the reserve, they should be of a special issue, and should be charged against the Banking Department, and should so appear in all Treasury statements. No deficit could well occur in this department, but should it, then it should be provided for in the same manner as a deficit in the other departments of State, and its profits should be covered into the general Treasury balance in the same manner. The law should also provide that gold could be deposited in the Banking Department by any other department of the Government, including the Treasury, in exchange for notes which could be paid out for ordinary expenses or used for remittances. This would not only be a convenience to the several departments, but would assist materially in the maintenance of the reserve.

Should a system of a nature similar to that outlined above be adopted, reliance might confidently be placed upon the patriotism and good faith of the American people to maintain it in its entirety. Whenever the issue between honesty and dishonesty has been made clear there has never been any doubt as to the result. It is only when issues are confused in the public mind that danger becomes imminent. With notes bearing the direct guarantee of the Government to pay in gold coin on demand, all the dictates of honesty would unite in maintaining a reserve sufficient to make such promises good. It would be a constant object lesson in national integrity, and the patriotic and conservative sentiment of the country would so crystallize about it that it would be removed from the danger of serious attack.

What to Do with the Silver in the Treasury.

In connection with this subject, although not dependent upon this system more than upon any other, some provision should be made for the surplus accumulation of silver now in the Treasury. The silver coinage is now, and can be for many years to come, nothing but a token coinage, the coins circulating at much more than their intrinsic value, and when enough of them have been coined for that purpose, the surplus of bullion should be disposed of and the proceeds used to build up a stronger gold reserve. The existence of this great surplus of silver is the greatest danger that threatens the country to-day. Compared to it the greenbacks are innocuous.

Another corollary or sub-corollary, in the consideration of monetary reform, is the use of gold and silver coin in the smaller transactions of everyday life. It was frequently asked during the canvass of 1896, "Who, except bankers, ever has a gold coin?" Gold was called "the money of the rich" in contradistinction to silver, "the poor man's money." The fact that practically no one, for the last generation, has ever had any gold in his possession has educated the popular mind to regard it as more or less of an abstraction so far as daily money needs are concerned, and gives to the demagogue his strongest argument. The public should be educated in the opposite direction. Even the inconvenience of carrying silver should be endured for the sake of the educating influence of carrying gold. If no note were issued of a less denomination than ten dollars, gold and silver would be the money of daily transactions. Deposits in the smaller banks throughout the country would be largely in coin. The comparative merits of the two metals, and the relative necessities of their use, would be in daily evidence. Had this course been pursued since the resumption of specie payment in 1879, we may confidently assume that we should never have had any troublesome silver question in the nineties.

CHARLES T. HAVILAND.

NEW YORK, Jan. 28.

THE REAL CAUSE OF THE TROUBLE.—Senator Peffer, of Kansas, who is shortly to retire from the public view as a statesman of the Populist school, has discovered the real trouble with our monetary system, which he thus sets forth in the February "Forum:"

> The trouble with our monetary system is that we are trying to do an impossible thing. You might as well undertake to haul a ton of hay on a bicycle as to do a hundred billion dollars' worth of business on a hundred million dollars' worth of gold coin. The only way a gold standard can be securely maintained is to use no more credit paper of any kind whatsoever than could be redeemed in gold if all were presented for payment at one time; and that, we all know, is utterly impracticable. As before stated, we have not gold enough to supply more than 1 per cent. of our daily needs for money. We use ninety-two dollars' worth of private credit, six dollars' worth of Government credit, and two dollars' worth of coin in every one hundred dollars' worth of business we transact with the National banks. The simple truth is, we have long outgrown the metallic-money system, and we shall have to invent something better. If men want to trade in gold, let them do so; that is in every way legitimate; for gold is a commodity, and a useful one in many ways. But, as the New York Board of Trade said in a resolution, December 9, 1896, "a sound credit system is a necessary element to the stability of confidence." Money, in whatever form, is but credit coined. The wise thing for us to do is to "establish a sound credit system"; and there is no credit among us equal to that of the Government of the United States. That, wisely used, is sufficient for all monetary purposes. In addition to its simplicity and naturalness, it would be a guaranty of loyalty next only to the ownership of their homes by the people.

The fact that the people of the country are "obliged" to use their own personal paper (checks, etc.,) in ninety-two per cent. of their business transactions, is conclusive evidence to the Kansas Senator that there is not money enough in the country. It has not occurred to Senator Peffer that even with an unlimited supply of his Government paper money, the people might continue to use checks and drafts because of their greater economy, safety and convenience. That so large a part of business transactions is now so effected is one of the strongest proofs of the efficiency of banking machinery in promoting the business of the country.

FOREIGN BANKING AND FINANCE.

Increase of Postal Savings Funds.

A good deal of attention is being attracted in Great Britain and France to the enormous increase in the funds deposited in the postal Savings banks, and the fact is not regarded with unmixed gratification. The laws of both countries permit the investment of these savings in the public securities, and several evils are foreseen from this policy. In the case of Great Britain, deposits in the post office Savings banks were £67,634,807 in 1890 and did not increase more than £5,000,000 per year until 1894, when they advanced from £80,597,641 the previous year to £89,266,066. The figures at the close of 1895 were £97,869,000, and on September 26, 1896, they are reported by the London "Bankers' Magazine" at £106,078,515. The danger most feared in Great Britain from this enormous diversion of popular savings into the channels of the Treasury is the effect upon local banking. Money which would otherwise go into the banks and furnish the means of carrying on local business is thus drained away to London, the banks are likely to find their deposits shrinking, and local enterprise will be crippled and finally destroyed.

The danger which has attracted the most attention in France has also begun to be felt in Great Britain. This is the fictitious value given to the public securities by the steady market created for them under the savings laws. The present policy in Great Britain, the "Bankers' Magazine" declares, simply forwards the money received to be invested in the public funds and by so doing has raised the price of the funds to a point which precludes investments being made at a price which would secure the Government from loss on their Savings banks transactions. In France the purchase of public funds has reached such an amount that Prof. Claudio Jannet pointed out as long ago as 1892 that the Government could not go on buying securities at the existing rate of capitalization and paying four per cent. interest on the savings deposits without becoming practically insolvent on the savings fund account. The only protection against insolvency which the Government has enjoyed thus far is based upon the assumption that deposits will steadily exceed withdrawals. If a long period of business depression or a shock to confidence should disappoint this expectation, the securities could not be marketed without a heavy loss. The bare entry of the postal Savings banks upon the market as sellers instead of buyers of the public funds would destroy the market which had raised their prices and every successive offer would carry the tumbling prices lower and lower. It has been suggested in England that the method of discouraging deposits be adopted which is already employed in France and Belgium—the reduction of the rate of interest when the deposit exceeds a fixed maximum.

British Banking Capital.

The usual careful summary of the changes in banking capital in Great Britain and Ireland during the past year is presented in the January number of the London "Bankers' Magazine." The capital and reserve funds of the British and Irish banks have not increased very rapidly during the past three years. There is a net loss of £168,476 for 1896 as compared with 1895, and the combined losses of 1894 and 1896 nearly offset the increase in 1895. These figures do not indicate an unsatisfactory condition in banking, but simply that a larger volume of transactions is being handled with the same capital as four years ago. The total capital reported by banks which publish accounts is now £85,484,000 and the reserve funds are £39,440,300, making a total of £124,924,300. Of this amount the private and joint-stock banks of England possess £54,415,000 of capital and £27,238,000 in reserve funds; the Bank of England possesses £14,553,000 in capital and £3,000,000 in reserve funds; the Scotch banks show £9,302,000 in capital and £5,927,000 in reserve funds; the Irish banks, £7,109,000 in capital and £3,177,300 in reserve funds, and the small remainder belongs to the Isle of Man. Many of the reductions of capital during recent years have been due to the consolidation of old banks and the purchase of the shares of the smaller banks by the larger ones which have absorbed them.

The apparent increase in banking capital in the twenty-one years ending with 1896 is £23,374,723 and the increase in reserve funds is £17,561,260, making a total of £40,935,983. These figures are for the whole of the United Kingdom, but £23,467,619 of the increase in capital and £14,922,254 of the increase in reserve funds, making a total of £38,889,873, is on account of England and Wales. The net loss in capital in the other portions of the Kingdom is largely due to the failure of the City of Glasgow Bank in Scotland in 1878. The percentage of increase in capital and reserve funds for the twenty-one years is but little short of fifty per cent. These figures are not altogether accurate, however, since the increases are partly due to the publication of accounts by private banks which did not publish them in 1876. There was a marked increase in these publications in 1891 and 1892 which resulted in a nominal addition of £11,265,205 to the banking capital and reserve of the Kingdom. The figures of actual transactions by the banks have not yet been fully compiled. Attention is again being attracted in England to the narrow pivot of the banking reserve of the Bank of England, upon which turns the entire credit system of the country. This reserve, which ran as high as £40,996,678 for the week ending February 26, 1896, was reduced on November 4 to £25,470,787.

Increasing the Currency of India.

The Government of British India are proposing an increase of the limit of secured circulation by the the amount of 2,000,000 tens of rupees ($6,000,000). The present limit to which notes may be issued against securities is 60,000,000 rupees. The remainder of the circulation has to be covered by deposits of coin in the Indian Treasury. The combined circulation based upon securities and coin has increased from an average of 151,807,113 rupees in 1889 to 311,111,406 rupees in 1895, and the pressure for currency has become such that the Treasury has been obliged to restrict its operations in order to prevent a commercial crisis. It is proposed to transfer 20,000,000 rupees to the Treasury balances and to issue new securities of the three per cent. guaranteed loan, which will be deposited in the issue department of the Treasury. The power to issue bank notes was taken away from the Indian banks in 1861 and the present currency system is conducted by the Treasury and modeled upon that of the issue department of the Bank of England. A considerable proportion of the notes issued reached the fiscal department of the Treasury for taxes and their withdrawal from active circulation has been one of the occasions of recent monetary stringency.

The Banking Policy of Uruguay.

The Government of Uruguay has issued a decree directing the withdrawal of the circulation of the London and River Plate Bank within six months. The fact was announced at the meeting of the shareholders on December 15, 1896. The reason for this action is the creation of the new National Bank, which is to be given the monopoly of the note issues of the country. The measure is not looked upon with favor by European investors, because of the fear that the control of the bank by the State will be abused for over-issue of paper. The chairman of the board of directors of the London and River Plate Bank, in discussing the subject at their annual meeting, declared that Uruguay had always had the advantage of a fixed and sound currency and claimed that the bank had been mainly instrumental in providing it. The London and River Plate Bank never took advantage of the decrees authorizing the suspension of specie payments, and its notes gradually circulated throughout the republic and are now received as readily as gold. The circulation of the Monte Video branch on September 30, 1896, amounted to £612,-090. The amount is less than three per cent. of the liabilities of the bank, but it was intimated by Chairman Drabble that a cautious policy would be required on the part of the branch if the country was to embark upon the policy of issuing its own paper money.

The Control of the Stock Exchanges.

The regulation of the stock exchange seems to be attracting attention in every country of Europe. The subject has been more or less discussed in the French Chambers, and the new German law on the subject went into effect on January 1. The German law is causing perturbation in the Berlin market, and it is anticipated that it will greatly increase the risk of stock operations. An advisory committee of bankers has been formed to study the operations of the law and devise means of guarding against its dangers. Leading brokerage and banking firms are refusing to put their names on the official register of stock brokers, preferring to conduct their business under private agreements even at the risk of having their contracts declared "gambling contracts," and legally void, upon the appeal of one of the parties to the courts.

The Parliament of Belgium has been discussing a law regarding gambling contracts which is more moderate and intelligent than many propositions which have been made on the subject, if it should be found capable of enforcement. This law declares that "future" sales are recognized as legitimate, when they are intended to be executed, but that bets or stock gambling are null and void, as contrary to public policy. Such a bet is defined as a bargain in which it is the intention of the parties to exclude actual delivery and which is limited to margins upon the rise or fall of quotations. Such a bet is not to be presumed, however, but must be proved by him who charges it. All promises, pledges, margins, and commissions based upon such gambling are declared null, but the nullity is not to affect the rights of a third party acting in good faith. Penalties are provided for bets and gambling contracts. The Government of Roumania established an official regulation of Bourse in 1881, which simply drove the brokers to the making of private contracts. The official agents of exchange are not even able to fix their quotations except by consulting private dealers. The present ministry propose a modification of the law of 1881, which will abolish official monopoly, but will provide for public regulation of stock exchange contracts.

The commission appointed by the Hungarian Government to make an inquiry in the management of the stock market, began its work on December 21 at Buda-Pesth under the presidency of Baron Daniel, Minister of Commerce. President Daniel declared that the Government had firmly decided upon a policy of reform and expected the commission to acquit itself with zeal and freedom. Four questions were proposed for consideration. The first dealt with the relations between the Bourse and the Government under existing law, with a view to determining whether new legislation was necessary. The second question bears upon the management and organization of the Bourse. There seems to be a general desire for the admission to the Bourse of some representatives of the agricultural interest. The question of admission to the Bourse and the manner of ensuring the responsibility of its members was considered at length on the second day of the sitting. The commission adjourned until January without taking up the other questions.

Agricultural Credit in India.

The special report of the eminent English economist, Prof. F. A. Nicholson, who was charged by the Government with studying the subject of introducing land and agricultural banks into the Presidency of Madras, has recently been published at the capital of that province. The report reviews the experiments in agricultural credit already made in India and compares them with those made in other countries of Europe, for the purpose of historical and economic deductions. Mr. Nicholson recommends the creation of local societies and union among the laborers for the mutual extension of credit in preference to large central land or mortgage banks or banks created by the Government. He thinks that defects in the existing system might be remedied by government regulation, fixing the maximum of loans, the character of the guarantees, rotation in the boards of directors, and careful inspection of accounts on behalf of shareholders. He proposes an Act of 121 articles to supplement the Indian Companies Act of 1882.

Local lenders to the agricultural population of India have been accustomed to the exaction of interest ranging from 9 to 18 per cent. per year, 12 per cent. being considered moderate and reasonable. The Hindoo peasants in many localities have endeavored to protect themselves against such exaction by the organization of the *Chit* system and the *Nidhis*, or associations of mutual credit. The *Chit* system involves a combination of say fifty peasants who engage to pay into a common fund one rupee per week for fifty consecutive weeks, constituting thus a weekly pool of fifty rupees ($16). The determination of the order in which the weekly pools are distributed is made by lot, and the effect of this arrangement is to stimulate membership in these pools in the hope of drawing an early lot and obtaining the use of the money throughout the year. The net result is simply to stimulate the saving of fifty rupees per year for some special purpose, aside from the chances of obtaining the early use of it. It is stated that the members seldom fail to complete their fifty payments, in spite of the temptation to neglect them to which those who drew an early lot might be exposed. The *Nidhis*, of which the first was founded in 1850 by the native employees of a court of justice at Madras, require monthly payments of one rupee per month for 84 months. Each subscriber is supposed to receive at the end of the period 102½ rupees, representing the capital and the interest earned on building loans. A good many difficulties have been encountered in the administration of these societies, including bad loans and thefts, and it is with a view to minimizing such evils that the amendments of the Act of 1882 are proposed.

Banking and Financial Notes.

—The report of the commission which has been considering the proposed extension of the charter of the Bank of France has been completed and presented to the Chambers. The commission has suggested two changes which have become a subject of negotiation between the bank and the Ministry of Finance. One of these changes gives the Government authority to terminate the charter upon notice of something over a year, and the other proposes that the amount paid to the Government shall never fall below a fixed minimum. There appears to be little doubt that the extension of the charter will be voted by the Chambers without great opposition.

—The Italian Senate has recently been discussing the projected law regarding the banks which has already passed the lower chamber. The security of the circulation is being sought by the English method of separating the issue department from the banking department. The Bank of Italy, the largest of the three existing banks of issue, will guarantee its notes to the amount of 300,000,000 lire ($60,000,000) in gold, amounting to fifty per cent. of the authorized issue. The remainder of the circulation will be covered by national securities.

—Argentine finances have not yet been extricated from the evil effects of paper inflation and expanded credit. An effort has been making to unify the public debt, but there is much distrust of Dr. Romero, the National Finance Minister, and Senator Pellegrini made a luminous exposition of his errors in a parliamentary speech towards the close of November. The result was the appointment of a sub-committee to frame an entirely different budget from that proposed by Dr. Romero. The sub-committee succeeded in figuring out a surplus only by making excessive estimates of increased receipts from existing sources of revenue, and by including in the receipts $15,000,000 from the liquidation of the National Bank, which it is not thought can be recovered.

—The new issues of capital offered for subscription in the United Kingdom during 1896 were larger than for any year since 1889. The offerings of this sort were £49,141,000 in 1893, £91,835,000 in 1894, £104,690,000 in 1895 and £152,807,000 in 1896. The issues for 1896 included £20,989,000 in foreign government loans, £18,162,200 in breweries and distilleries, £17,187,100 in cycles and appliances, £7,735,000 in home railways, £5,448,000 in Indian and Colonial railways, £4,633,300 in foreign railways, £8,851,900 in manufacturing companies, £9,284,900 in stores and trading companies, and £15,268,100 in mining companies.

—The new Bourse law in Germany subjected the Imperial Bank to a severe strain during the closing weeks of 1896 and the opening of the new year.

The bank was compelled to increase its note circulation during the last week of 1896 by 46,000,000 marks ($11,000,000), and suffered a net loss during the year in its gold stock of 11,000,000 marks, in spite of the importation of 100,-000,000 marks. The Austro-Hungarian Bank extended assistance to the Berlin market to the extent of 100,000,000 ($48,000,000) in gold and gold bills. The bank was subjected to some criticism for this action, because it is usual for Vienna to receive assistance from Berlin at this time. The defenders of the bank declared that as gold resumption had not been legally established in Austria-Hungary, and the embarrassment of the Berlin market was likely to have an injurious effect upon Vienna, the gold could not be better utilized than in the way in which it was actually employed. The stringency in Berlin has since subsided, and the bank rate has been reduced to four per cent.

—The plan for a governmental bank authorized by the Swiss Chambers has been referred to a popular vote, under the Swiss system of the referendum. The vote will take place on February 28. Several of the commercial bodies have expressed an opinion hostile to the new institution, but the state socialists and allied parties are giving it a cordial support.

—A provision of the new charter of the Bank of Austria-Hungary authorizes the issue of notes for ten crowns ($2). They will replace Government notes of similar denominations which are being gradually withdrawn. There has been some complaint in Austria of the scarcity of small notes, which have come to be preferred by long usage to coin, as in the United States.

C. A. C.

WILL GOLD GO ABROAD.—Discussing the probability of gold shipments from the United States in the near future "The Statist" (London) says:

It is often said that as the value of the exports for the whole year 1896 exceeded the value of the imports by sixty-five millions sterling, other countries are indebted to the United States, instead of the latter being indebted to the rest of the world, and therefore that there will be no occasion to ship gold. The answer is, that if gold was never shipped except in payment of debt, the gold demand would be very much smaller than it is, and the gold movements would be trifling. Gold will be shipped from the United States, firstly, because it will be profitable to send it; and, secondly, because the circulation is redundant. It seems to be generally agreed that Mr. McKinley will call an extra session of Congress for the purpose of introducing a tariff bill, and that in consequence the reform of the currency will be postponed till the regular session next December. If that happens the currency will remain redundant and gold will be shipped, provided, of course, something entirely unforeseen does not occur. But the shipments we are anticipating will not be the result of distrust, and therefore need not occasion alarm. They will be the natural outcome of the existing condition of affairs.

The publication quoted believes (but not upon just grounds, we think) that the New York bankers are taking unusual measures to prevent gold exports. On this point it comments as follows:

The wiser course, we venture to think, would be to continue the educating process which was so actively and successfully carried on last year. They have an object-lesson which will help them do so, if they put it plainly and boldly before the public. From the figures given above it is as clear as the sun at noonday that money is redundant and that enterprise is checked; and all this is the result of the silverite campaign last year, as well as of the unwise silver experiment that ended in 1893.

What more effective argument could they require? Fiat money has been created in great excess. It caused alarm, brought on two crises, and even now, when the good sense of the people has declared against further unwise experiments, it is depressing business and preventing new enterprises. The superabundance of money does not raise prices, as the inflationists asserted it would; on the contrary, it has injured every interest in the country, and more especially it has injured the working classes. That, at all events, is the line of argument we should adopt if we were resident in the United States, and had the duty imposed upon us of helping to spread sound opinions upon economic subjects.

THE BANK OF ENGLAND.

ITS HISTORY, CONSTITUTION AND PRESENT MANAGEMENT.

(Concluded from the January number of the MAGAZINE, page 53.)

THE BANK ACT OF 1844.

The following are the more important points to note in the Bank Act of 1844. A mere enumeration of them must suffice here as they will form the groundwork of our examination of the present constitution and management of the Bank.

(1) It was provided by the Act that for the future the "Issue Department" should be kept absolutely distinct from that of the "Banking Department."

(2) It was further enacted that weekly accounts showing the position of each department should be published.

(3) The issue of notes was limited to such a sum as the Bank may hold in bullion (of which a fifth part may be silver) in addition to a sum of £14,000,000 (increased since that date to £16,000,000) issued on securities, whereof the debt due by the public to the Bank formed part. Provision was made, however, that in the event of any issuing bank in the provinces relinquishing its right of issue, the Bank of England might increase its own issue to the extent of two-thirds of the lapsed issues.

(4) By the Act of 1844 it was also provided that the Bank was to be compelled to purchase any amount of gold offered to it at a certain fixed rate; or in other words to receive on deposit any quantity of gold at a certain rate in exchange for Bank notes.

THE BANK OF ENGLAND AT THE PRESENT DAY.

An Exposition of its Balance-Sheet.

From Clause 2 in the Bank Act of 1844, it will be seen that it was provided that for the future the Bank of England should issue a weekly statement showing its position, and by way of gaining a clear insight into the present constitution and working of the Bank we cannot, perhaps, do better than take a specimen balance-sheet and deal with each item appearing thereon.

The first thing we notice about this return is that the Bank is separated into two departments—the Issue Department and the Banking Department, the figures in each being kept entirely separate.

Before examining in detail the actual figures of our specimen return, it will be necessary that we clearly understand the difference between these two departments. We have seen that this division into the two offices dates from the Bank Act of 1844.

Prior to that year, in the crash that followed on a speculation in corn and stocks, many of the provincial bankers succumbed, and the holders of their notes, finding themselves in possession of worthless paper, raised a general

COPY.

BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 VICT. cap. 32, for the Week ending on Wednesday, the 2nd day of December, 1896.

ISSUE DEPARTMENT.

	£		£
Notes Issued	49 858 615	Government Debt ..	11 015 100
		Other Securities....	5 784 900
		Gold Coin & Bullion.	33 058 615
		Silver Bullion	——
	£ 49 858 615		£ 49 858 615

Dated the 3rd day of December, 1896.

H. G. BOWEN, *Chief Cashier*.

BANKING DEPARTMENT.

	£		£
Proprietors' Capital.	14 553 000	Govt Securities	13 752 969
Rest	3 147 260	Other Securities....	26 451 442
Public Deposits— (including Exchequer. Savings Banks, Commissioners of National Debt, and Dividend Accounts)	6 133 585	Notes	23 702 380
Other Deposits	42 448 987	Gold & Silver Coin .	2 522 893
7 Day & other Bills	146 852		
	£ 66 429 684		£ 66 429 684

Dated the 3rd day of December, 1896.

H. G. BOWEN. *Chief Cashier*.

cry of "over issue," demanding Government interference. Their idea of this interference was that the actual note issue should be kept down to a lower level, but the wiser of the community recognized that the evil might not necessarily lie in the mere extent of the note issue so much as in the lack of adequate protection to the note holders *in the form of reserves of gold held against notes.* The argument of these individuals tersely put was this: Only let it be insured that the notes shall be promptly paid upon presentation, and the *extent* of the note circulation can be trusted to take care of itself. This was the true businesslike view of the matter, and indeed it may be said to have formed the basis for Mr. Peel's suggestion that the division should be made between the two departments. These offices he directed should be kept wholly distinct for the future.

The Issue Department, which was of course the new one, was to take over the whole of the Bank notes then in circulation, and as assets against this issue of notes, securities to the amount of £14,000,000 were to be transferred from the Banking to the Issue Department. Thus at the date of the establishment of the Issue Department the total number of notes permitted to be issued against securities was £14,000,000. For the future it was enacted that any additional notes issued must be represented by actual bullion held, of which one-fifth part only might be in silver.

The only exception or saving clause to this rule was in the case of lapsed note issues of provincial banks, which the Bank was allowed to absorb to the extent of two-thirds of the whole, which might then be issued against securities held. Inasmuch as the sum of £11,015,100 under the head of these securities is represented by the total advance made from the Bank to the British Government, the note issue up to that point may practically be considered as a State issue guaranteed by the Government. For a further sum of £5,784,900 (as shown in the above return) the Issue Department is responsible and holds convertible securities against it. For every additional note issued beyond this total of £16,800,000, standard gold must be deposited in the vaults. As a matter of fact no silver is stored in the Issue Department, as it cannot be legally tendered for a £5 note.

From the foregoing remarks it will be recognized that the work of the Issue Department is a purely mechanical one. It can not be said, perhaps, that neither profit nor loss is shown on the working of the department, but on the other hand the profit must certainly not be described as ordinary banking profit. The Issue Department has practically no incentive to acquire gold or to increase its issue. It is in fact not a free agent, the law making it the servant of the public, compelling it to take at a fixed price all gold which may be offered.

By the legislation of 1844 it is enacted that all persons shall be entitled to demand from the Issue Department Bank notes in exchange for gold bullion at the rate of £3 17s. 9d. per ounce of standard gold, the person tendering to be at the expense of melting and assaying it. It is therefore the Bank's duty to give gold for notes and notes for gold whenever required.

The coinage of gold at the Mint being quite gratuitous in England, it may be wondered why the holder of gold should not go direct to the Mint and receive what is known as the Mint price of gold, namely, £3 17s. 10½d. per ounce. As a matter of fact, however, all imports of gold are lodged in the Bank, as the holder by going to the Mint would have to wait perhaps some considerable time before he received his gold in the form of sovereigns, thus entailing a considerable loss of interest, to say nothing of the inconvenience. Therefore, practically all the gold received here and not bought in the open market goes direct to the Bank, where immediate payment in notes is given.

With regard to *sales* of gold the Bank is left free by the law to make its own bargain, and when the demand for the metal is sufficiently strong to absorb all available supplies from other quarters, the Bank usually raises its selling price. Thus it will be seen that both in the matter of buying and selling the gold an apparent profit of something like one and-a-half pence per ounce is secured, though, as we have said, it can not be considered as a banking profit, neither is it necessarily *all* profit, the Bank having to be compensated for trouble and expense in sending the gold to the Mint in case of its conversion into coin. No more bars are minted than is found absolutely necessary, the Bank keeping them as far as possible in the form in which they are received. As an instance of the profits sometimes arising out of this department it may be stated that the recent shipment from the Bank to New York of many millions of eagles is generally believed to have been a profitable transaction, the coin being sold at a high price owing to the stress of the demand; while they were probably bought by the Bank at a cheap rate when gold was streaming from America.

Mr. Clare, in his work on the "Money Market," says:

"To the Issue Department the ebb and flow of gold from and into the country is a matter of indifference. If gold comes in, its printing presses strike off so many more notes; if gold goes out, notes return and are cancelled. In either case its account balances as before, and its position remains the same.

So utterly improbable is the contingency of a 'run' on this department as to be hardly worthy of a serious consideration. It might, no doubt, occur in the event of foreign invasion, and as a matter of fact did once happen in the last century, when the news reached London that the Highlanders, under the Pretender, had advanced as far as Derby. But, apart from this exceptional instance, public confidence in the note has never been shaken; and in time of panic even, when every other 'promise to pay' is discredited, the circulation, instead of falling off, invariably increases."

It need, perhaps, scarcely be said that by no means all the buying and selling of gold which takes place in this country is effected through the agency of the Bank. From the difference existing between the Mint price and the Bank price for bar gold it will be readily seen that there is a sufficient margin to leave considerable scope for buyers and sellers of gold to effect bargains between themselves by which each party shall be the gainer through not having to resort to the Bank.

Turning to the Banking Department we find that speaking generally the construction of this department does not fundamentally differ from that of other banking establishments except perhaps in three important respects:

(1) It has the privilege of keeping the balance of the Government.

(2) It is the banker of all the other banks.

(3) No interest is allowed on the moneys deposited.

Having briefly outlined the general nature of the two departments, we shall best arrive at a clear understanding of the nature of the Bank's operations by saying a few words about each of the items contained in the balance-sheet given on a previous page.

There is little which calls for comment in the figures of the Issue Department. It will be seen that the original note issue of £14,000,000 has grown to the enormous total of £49,858,615, but in no way of course has the original Act restricting the issue been broken. As compared with the original amount of £14,000,000, against which notes were at first allowed to be issued, we now find the total to be £16,800,000. The difference of £2,800,000 is entirely accounted for by the fact that it represents two-thirds of the note issues of provincial banks which have lapsed (from various causes).

The remaining £33,058,615 is represented, as ordained by the Act, by actual gold coin and bullion held in the vaults. So much for the figures of the Issue Department.

Turning to the items of the Banking Department the first thing which strikes us is the enormous growth which has taken place in the Proprietors' capital. Commencing as we have seen in the year 1694 with a capital of £1,200,000, the whole of which was advanced to Government, the figures have expanded during the two centuries to the present total of £14,553,000, of which £11,015,100 now figures as a permanent loan to the Government. In addition to this enormous capital, which exceeds not only that of any other bank in the world but even the united capital of the State banks of France and Germany, a reserve of more than £3,000,000 has been accumulated, and a position of strength is thus shown which in itself commands confidence from the depositors. As a matter of comparison it may be stated that while the capital and reserve of one of our largest joint-stock banks shows a proportion to its deposits of about twenty per cent., the proportion in the case of the Bank of England is frequently as high as forty per cent. and has on occasions been over fifty per cent.

In one respect, however, the very size of the Bank's capital may be considered as a drawback. In these days, when competition enters into banking as well as other occupations, it will be seen that in the matter of dividends to be paid the directors of the Bank of England are handicapped as compared with their competitors whose capital is usually much smaller, while the proportion of deposits is actually greater, this latter circumstance being of course due to the fact that the joint-stock banks allow interest on their deposits.

Taking the items of the Banking Department in the order shown in the balance-sheet, we have now spoken of the first two, namely, the Proprietors' capital and the "Rest," or Reserve. We now come to the points in which, as we have already indicated, the Bank differs in a sense from other banking establishments. Under the head of Public Deposits we find in our specimen balance-sheet a total of £6,133,585. This account kept at the Bank by the British Government is the largest single account possessed by any one bank, and the average balance kept by the Government is on a par with its size, averaging as it is believed to do from three to four millions. The figures, as may be supposed, fluctuate according to the period of the year. The largest total is usually reached at the March quarter when the revenue is coming in fast. At the beginning of the year payment of the dividend on the funds causes a sharp drop, but from then to the end of March the receipts usually exceed the outgoing by many millions.

Under the head of other deposits are grouped the whole of the Bank's liabilities to the general public including the entire balances kept by the respective banks. Prior to the year 1877 it was the custom to show the bankers' balances as distinct from those of the general public. Since that time, unfortunately, the practice has been discontinued, and no means are now furnished of definitely ascertaining the proportion which bankers' balances bear to the total of other deposits. In connection with the present heavy total of other deposits it may be mentioned that about ten millions is, at the date of our specimen balance-sheet, an exceptional sum lying at the Bank to the credit of Japan—being in fact a part of the indemnity funds—and it is no mean compliment to the Bank that against a portion of this amount notes are actually issued in Japan with the same confidence as if the money were in their own country. The small item of £147,000, under the head of seven day and other bills, bears its explanation on the surface.

Turning to the assets side of the balance-sheet we find the whole of the Bank's investments represented by £13,752,969 in Government securities and £26,451,442 in "other securities." The first amount includes investments in securities on which the interest is guaranteed by the British Government. This item fluctuates more widely than might be supposed, one reason being that prior to the disbursement of the quarterly dividends on the funds the Government frequently borrows large amounts from the Bank on what are known as "Deficiency Bills," and these go to temporarily swell Government securities. Under the head of "Other Securities" are embraced all the Bank's investments in stocks other than British funds. In "Other Securities" would doubtless be included all investments in Indian, colonial and corporation stocks, railway debentures, etc., together with sums due by bill brokers, and all other assets, including probably the value of the Bank's premises in London and elsewhere. Like Government securities this amount also greatly fluctuates, for when the outside market, being short of funds, applies to the Bank for advances, the stock or bills deposited for the amount borrowed appears under "Other Securities." The total amount of notes and coin—which in the specimen balance-sheet amounts to £26,225,273—constitutes what is known as the Reserve. Of this most important item in the whole return we shall speak more fully when showing the intimate relation existing between the Bank's operations and the course of the London money market.

The Relation of the Bank to the Money Market.

Having briefly glanced at the general meaning of the various items in the weekly return of the Bank, it now remains for us to note the relation which exists between the Bank's operations and the London money market. We shall then be the better able to judge of the effect produced on the market by the fluctuations in the various items of the weekly balance-sheet.

It is frequently stated now-a-days that the Bank of England no longer possesses that control over the market which it exerted during the first century and a half of its existence. To a certain extent of course this is true; but only to a certain extent. With the introduction of joint-stock banking into the Metropolis some sixty years ago the power of the Bank may be said to have been on the wane so far as the effect of its *normal* official rate of discount is concerned; in other words, with the introduction of many rival establishments, all possessing smaller capital than the Bank, the discount business has become more and more distributed among the younger establishments who in this respect have been able to successfully compete with the Bank of England.

But if in the matter just indicated the Bank of England's normal discount rate is no longer the powerful factor which it once was, it may be fairly stated that in all other essential respects the Bank not only continues to hold the paramount position in the money market, but when occasion serves is still able to control the market in a thoroughly practical manner.

The main explanation of this important position held by the Bank is to be found in the fact that it is at once the custodian not only of all the bankers' balance-sheets but of *the entire cash reserve of the United Kingdom.*

We have seen that under the head of "Other Deposits" are included all the surplus balances of the private and joint-stock banks. The country banker uses to the utmost his cash balances and then forwards the unused surplus to his London agent, who failing to find adequate employment for it sends it to swell his balance at the Bank. On these bankers' balances no interest is of course allowed, and the remarkable position is thus presented of the Bank obtaining the control of many millions of money belonging to its rival institutions, on which not a farthing of interest is paid. Why this absolute trust in the Bank of England? it may be asked. Why should not many of the larger outside banks resolve to keep their unused stores of bullion in their own vaults? The answer to this question is partly suggested in the brief history we have been able to furnish of the Bank's career. Not only have the two centuries of its existence served to establish an absolute trust in the wisdom and integrity of its management, but all past experience has shown that although not actually a State bank it has practically all the wealth and credit of the British Government behind it, and that whatever else may happen in times of financial storm *the Bank of England is likely to be safeguarded.*

One glance at the panic of 1866 (the year of the Overend & Gurney failure) will show in what form this Government assistance may be rendered. The panic of 1866 was attended by the usual fierce runs on the private and joint-stock banks who in turn had to draw so heavily on their balances at the Bank, and had moreover to borrow in addition so heavily from that institution, that on May 11 the available stock of cash held by the Bank in London and all the branches was down to £3,000,000 with every prospect of the whole amount disappearing by the following day. The Government was forthwith applied to for special power *to issue extra supplies of notes* against securities, and on the evening of the same day the following letter, signed by Earl Russell and Mr. Gladstone was received:

> "If the directors of the Bank of England, proceeding upon the prudent rules of action by which their administration is usually governed, shall find that in order to meet the wants of legitimate commerce it be requisite to extend their discounts and advances upon approved securities, so as to require issue of notes beyond the limit fixed by law, Her Majesty's Government recommend that this necessity should be met immediately upon its occurrence and in that event they will not fail to make application for its sanction."

The mere announcement of this extended power of the Bank sufficed to allay the panic, and within a short period affairs had so far returned to their normal condition that the extra note issue was cancelled.

An actual example of this extension of the note-issuing power of the Bank will perhaps serve to make the matter perfectly clear. During the crisis of 1857 the reserve had fallen to so low a point that the directors of the Bank on the night of November 11 applied to the Government for aid. Consent being obtained for the necessary extension of the whole issue (which then stood at £14,475,000), the directors then transferred two millions of Government securities from the Bank to the Issue Department and then issued notes against the same. Thus, on the following week the Bank Return read as follows:

Issue Department.

Notes issued	£22,554,595	Government debt	£11,015,100
N.B.—Of which two millions are issued under the authority of the letter from the First Lord of the Treasury and the Chancellor of the Exchequer.		Other securities	5,459,900
		Gold coin and bullion	6,079,595
		Silver bullion	....
	£22,554,595		£22,554,595

Banking Department.

Proprietors' capital	£14,553,000	Government securities	£6,407,134
Rest	3,433,500	Other securities	30,299,270
Public deposits	5,483,881	Notes	1,148,185
Other deposits	13,959,165	Gold and silver coin	404,501
Seven day and other bills	829,544		
	£38,259,090		£38,259,090

By the week following this return confidence had been considerably restored, the reserve rose to two and a half millions and the directors of the Bank were soon in a position to cancel the temporary loan.

Thus it will be seen that bankers have excellent reasons for keeping their surplus balances with the Bank of England instead of in their own vaults. In the first place, by doing so and showing the same in their published balance-sheets, they command more confidence from the public than they would do otherwise. In the second place they have a central fund on which to draw at the close of each day when by means of a single check the settlement of balances between banker and banker is effected, and in the third and last place by placing their unused money with the Bank free of interest they trust in times of financial stress to secure from the directors of the Bank that necessary assistance in the way of loans and discounts without which a collapse would then be inevitable. *In all periods of crises the directors never fail to render the market this assistance*, though of course, as a matter of prudence, the rate of interest is raised in proportion to the demand.

It would be impossible to over-estimate the importance of the Bank's Reserve, for as we have said it is the ultimate cash reserve of the entire country. This is so well explained in the work of Mr. George Clare, to which we have already alluded, that we cannot do better than quote the passage here:

"The explanation turns on the law of legal tender. According to law a tender of payment (of any sum above forty shillings) is not valid unless made in the current gold coin of the realm, or (what is the same thing) in Bank of England notes. Every creditor, therefore, has the right to insist on payment in gold.

In all ordinary circumstances trade payments are effected by check, and this dormant right is all but lost sight of: nevertheless, all our buying and selling, all our borrowing and lending, is based on the principle that debts are payable in gold.

Now, the class of debts that exercises the greatest influence over the state of credit is that owing by bankers to their customers, and these alone (to say nothing of the indebtedness of merchants one to another) exceed by hundreds of millions sterling the whole stock of gold that the country possesses. The sum due on December 31, 1889, by the banks of the United Kingdom, under the head of Deposit and Current Accounts, was estimated by the 'Economist,' on the basis of the balance-sheets published by the joint-stock establishments, at, in round numbers, £600,000,000; while our whole stock of legal tender does not probably exceed £126,000,000, viz.: Gold currency, estimated (at the outside) at £110,000,000; Bank of England notes issued against securities, £16,000,000; total, £126,000,000; and of these £126,000,000 it is quite likely that half to two-thirds are in actual circulation among the public, leaving a balance of, say, £50,000,000 or £60,000,000 available for banking purposes.

Of this fund the lion's share is held by the Bank of England, which keeps an average of £13,000,000 in its coffers; and the remainder is scattered about among the tills of the hundreds of banks throughout the United Kingdom. For every pound deposited with the Bank of England, nine shillings are kept in cash and eleven shillings are invested in securities; but if the above figures are approximately correct, it follows that, for every pound deposited with other banks, less than two shillings is the average set aside to meet withdrawals.

This can not be called a reserve. The meaning of "reserve" is a fund set apart for use at an emergency (an extraordinary fund for extraordinary occasions), but the cash held by bankers is their till money, the stock-in-trade necessary for their every-day transactions. What they regard as a reserve is something very different. The reserve, properly so-called, of a provincial banker consists of readily convertible securities, such as Consols, etc., of money 'at call' with the London brokers, of a credit-balance in the books of the London agent, and in some cases of a balance at the Bank of England as well. The same is true of the London banker. His actual reserve consists, not of a store of cash locked up in his strong-room, but of money at call, a balance at the Bank, and a bundle of securities.

So long as the central fund holds out, these reserves are of course just as good as cash, and are more easily managed than an accumulation of notes and coin; but the point is that they are not actually cash, and that though the banks have borrowed unheard-of sums, which they promise to repay in gold or notes on demand, they hold no gold or notes wherewith to pay, but depend on obtaining their supply, when wanted, from someone else.

All of them without exception rely, directly or indirectly, on the Bank, and not one is able to meet an unusual demand for cash out of its own resources. Whenever or wherever such a demand may spring up it must fall on the reserve. If trade revives in the North, and more gold is wanted to pay wages, the London agent must supply it; if a banker in the South has reason to fear a "run," and wants more notes to strengthen his till, the London agent must supply them. But the stock of cash kept by the London agent is adapted only to his known requirements, and is not meant to meet unforeseen demands; consequently he draws a check, and sends across to the Bank for the money.

In America, if a banker accepts deposits, the national banking law insists that for every $4 lodged in his hands he shall set aside $1 in coin, or its equivalent; but in this country the law takes no cognizance of a banker's duty in that respect, and leaves him at liberty to keep as much, or as little, legal tender as he pleases. It forbids him to put forth a single note beyond the amount assigned to him in 1844, but is silent on the subject of deposits; and while the State-controlled liability to the public of all the banks in the United Kingdom (excluding the Bank of England), amounts on their authorized issue to £14,000,000, their uncontrolled liability on current and deposit accounts amounts to £600,000,000.

Practically, the whole of this vast sum is payable in gold on demand, but on the assumption that only a very small proportion will be asked for at any one time, bankers have locked up over 900 per cent. of it in bills of exchange, securities, loans, etc., and only the Bank of England pretends to keep up a large store of legal-tender money.

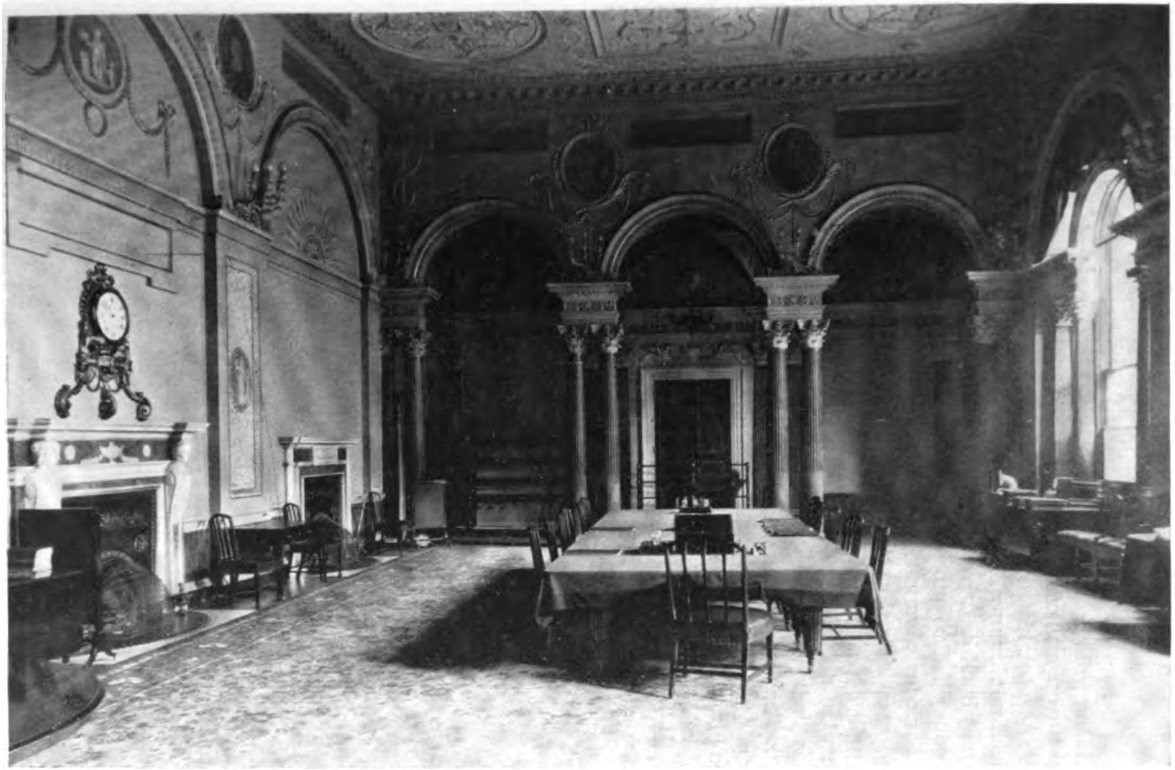
The millions of notes and gold lying in its vaults are therefore the ultimate and sole cash reserve of the whole country, and, if the Bank lost that reserve, neither the banks which depend upon it, nor the customers which depend on the banks, would be able to keep their engagements.

On it, in short, reposes the entire fabric of English credit."

How the Undue Exportation of Gold is Checked.

Enough has been said to make clear the close relation existing between the constitution of the Bank and the open market, but a word is required to show the means employed by the Bank from time to time to obtain control of the market.

Usually the occasion arises from inconvenient exports of gold from this country. As we have seen, the Bank being the custodian of so important a thing as the cash reserve of the country, is virtually compelled to see to it that the amount of gold held bears a high proportion to its liabilities. When, therefore, the exports of gold have reached a point which threaten the maintenance of this proportionate reserve, measures must be taken to arrest the outflow. This is usually effected by advances in the official rate of discount by which it is hoped the outside market rates will also be raised to such a point that gold will be attracted to London from other countries for the sake of the higher interest ruling.



COURT-ROOM OF THE BANK OF ENGLAND.

From a recent photograph; reproduced by the courtesy of the "Bankers' Magazine," London.

A moment's consideration will show that whether the outside market promptly responds to such action of the Bank, must entirely depend upon the extent to which it is independent of the Bank. That is to say, if "outside" supplies of cash as indicated in "Other Deposits" are very high, it follows that notwithstanding successive rises in the official rate of discount, the market will continue to pursue its own course and the available supply of money being greater than the volume of bills seeking investment, discount rates in the open market will remain low notwithstanding the rise in Bank rate. *Per contra*, if market supplies of cash are poor the response to a rise in the official minimum will be immediate, for the simple reason that, knowing that it may itself be driven at any moment to the Bank for loans, the market will be compelled to quote a higher rate than that which it will be charged by the Bank for advances.

Now, supposing that the first condition prevails, viz., a condition of an over-supplied money market accompanied by an inconvenient foreign drain of gold, what action is to be taken by the Bank to get control of the market? Successive advances in the official rate, we will imagine, have failed to cause the market to respond, because of the plethora of money, and gold continues to flow out of the country. There is only one course open: the Bank must itself go into the market and borrow some of this surplus money. This is usually done by the Bank selling through its official broker Consols for cash and buying them back for the account. With the payment received for the Consols sold, the Bank absorbs the plethora, and market rates at once respond to the operation. The amount ultimately borrowed from the Bank probably compensates for any loss occasioned in the buying and selling of Consols, while more important still, the rise in market rates of discount has the desired effect of arresting the exports of gold and in time attracting fresh supplies.

Such is a brief glance at some of the more important ways in which the operations of the Bank are linked not only with the London money market, but as a necessary consequence with the money markets of the world. It can scarcely be said then that the Bank remains otherwise than an all-powerful factor in the money markets of the world.

Within the Walls of the Bank.

If the exterior of the Bank of England, as shown in our illustration in the January number of the Magazine, be somewhat gloomy and forbidding, there is much that is attractive and interesting within its walls.

Entering within the massive gateway in Threadneedle street, shown in the illustration, we find ourselves in a paved yard around which are doors leading to various wings of the establishment, which covers an entire area of nearly four acres. On the left is an archway through which may be seen a garden which in the springtime presents a really beautiful appearance and with its fountain playing forms a unique spot situated in the very heart of "streaming London's central roar." Overlooking the garden on one side is the Private Drawing Office, while on the opposite side among other rooms is the celebrated Court-Room where the courts of the Bank are held. By the courtesy of the "Bankers' Magazine" (London) we are able to reproduce here an excellent photograph recently taken showing a portion of this room.

ALBERT GEORGE SANDEMAN,
Governor of the Bank of England.

Near to the Court-Room are situated the private rooms of the Governor and Deputy Governor.

The present Governor, Mr. Albert George Sandeman—whose portrait will be found above—was born in London in the year 1833, and had passed through but three years of his teens when he left school and at once entered on the business of his life. This early entrance into the office or warehouse was truly characteristic of those days, but it is interesting to note that the new Governor is not sure of the advisability of pitchforking a boy into city life at an unduly early age where it can be avoided. In the main he is strongly of the opinion that university education affords a splendid training for the counting-house, especially for one likely to become a principal, although, of course, he has lived too long in the world not to realize that the making of manhood does not really depend upon this or that favorable environment, but that men are in a great degree the architects of their own fortunes. Mr. Sandeman himself is a good illustration of this, for despite his lack of a purely academic training, he has elbowed his way through the crowd, and his business life has been highly and honorably successful. The Governor of the Bank is the senior partner of the firm of Geo. G. Sandeman, Sons & Co. of St. Swithin's Lane. At the early age of twenty Mr. Sandeman was sent out to Portugal to manage his firm's house in Oporto.

For several years he was Chairman of the London Dock Company, and it was during his chairmanship that the important joint working agreement between the London and St. Katharine and the East and West India Dock Companies was carried into effect. The high position of High Sheriff of Surrey was also held by him in 1872. He was first elected a director of the Bank in 1866—a year memorable for the collapse of Overend, Gurney & Co.

Having made acquaintance, as it were, with the Governor, we will glance hurriedly round some of the more important sections of the interior of the Bank, noting at the same time the purposes to which these offices are divided.

The work of the Bank, roughly speaking, divides itself into these three heads:

The Management of the National Debt.

The Issue of Bank Notes.

The Banking Department.

To commence with the last named, the following are the important rooms to be mentioned: The Public Drawing Office, which has the management of all the Government accounts; the Private Drawing Office, in which arrangements are made for the conduct of all private accounts kept with the Bank. This room—one of the finest in London—contains a special division for bankers whose daily checks entered in this department reach colossal figures. About 110 clerks are employed in the Private Drawing Office alone. In the Dividend Pay Office the dividends on the Funds, bank stock and other stocks specially inscribed at the Bank are paid. According to "Hankey on Banking," published in 1887, the dividends then paid were upon seventy-five stocks, the warrants numbering about 380,000 and the coupons representing a value of about £33,000,000 and a capital stock of about £930,000,000.

An important department also to note is the Discount Office, where the Bank discounts bills for and makes advances to its own private customers and also transacts the same kind of business with the bill brokers at times when outside supplies of cash are running short.

When considering the Banking Department of the Bank of England it may be mentioned that there are two London branches of the Bank, besides others at the more important trade centres of the Kingdom. The issue of notes, however, is confined entirely to the head office in London.

The Issue of Bank Notes.

The following extracts from Mr. Hankey's work already alluded to will give a good insight into the arrangements connected with the issue of Bank notes:

"The paper required in their manufacture has for many years been made at Messrs. Portal's mills at Laverstock, Hampshire, and about 15,000 reams are usually supplied to the Bank yearly, each ream of 500 pieces of paper making 1,000 notes, the paper being generally kept for six months before it is taken into use. The dies from which the water-mark is made, as well as the plates used in printing the notes, are all manufactured at the Bank, where also the notes are printed. The Chief Cashier regulates the quantity of notes required to be printed, and sends orders to the printing office for the number he deems requisite. The notes, which were formerly printed by two distinct processes, are now completed by one operation. When the Chief Cashier from time to time orders the issue of fresh Bank notes, he gives the Chief Accountant notice thereof, specifying how many are to be prepared, and the dates they will respectively bear. The accountant immediately opens a general credit for the amount of the new creation of notes, and at the same time prepares books in his own department, called ledgers, numbered and dated to correspond with the notes in question, in which a separate credit is opened for every individual note made.

The notes being now ready for use are drawn from the Treasury, as occasion may require, by the Chief Cashier, whether for London or branch bank issues, and passed into the Issue Department, from which they are issued to the public, to the bankers, to the banking offices of the house, and to the respective branches, so that this department is cognizant of, and virtually responsible for, the issue of all the notes circulated by the Bank of England. There are two principal ways in which notes get into circulation. In the first place, notes are issued to any one in exchange for gold bullion; and, secondly, any person having a drawing account at the Bank has only to draw a check, and on its presentation he will be paid the whole or any part of the amount on his account in notes, or notes and gold, as he may prefer. Every note issued is entered by its number and date in the books of the Issue Department, and these books being all duly balanced at the close of each day, all the remaining notes (including those considered as broken cash, in the hands of the pay-clerks, and deposited each night in the Treasury) are returned every evening to the Cashier, whose account will then show the number of notes issued in the course of the day. Simultaneously with this process, another will have been in operation through the day, and in the same department, viz., the exchange of notes for gold. The Bank note being a promise to pay the amount thereof in gold on demand, any one bringing notes to the Bank is entitled to make this demand, and during each day large amounts of gold are given in exchange for notes. The Cashier's daily account, therefore, will show the number of notes received back again by the Bank in this way, as well as all paid in to account by parties having drawing accounts at the Bank. A similar account in abstract of all notes exchanged for gold, or gold exchanged for notes, and of notes paid or received in the banking offices, is kept by the Accountant of the Bank, whose accounts must agree daily with those of the Cashier.

It has already been mentioned that as the notes are from time to time numbered and dated for issue, the accountant is made acquainted therewith, and that he prepares ledgers containing a separate credit for every note issued. When the notes are returned again to the Bank for payment, these individual credits are cancelled by the date of the return of each respective note being posted in the ledger against the number corresponding with that borne by the note itself. Thus it will be seen that the amount of the credits closed, or, in other words, the number of notes paid in, being deducted from the circulation account, will show at the close of each day the actual number and amount of the notes remaining in circulation.

When notes are received by any Bank clerk they are at once cancelled, which is accomplished by tearing off the corner bearing the signature of the Chief Cashier, and subsequently they are further defaced by the amount placed in the left hand corner being punched out. When cancelled and written off in the books of the Accountant's Office, the notes—which will previously have been separated into amounts and dates, and sorted numerically—are tied up in parcels varying from 800 to 1,500, and each individual note will have upon the face of it a stamped mark, which will bear such reference to the balance-sheets of the day as will enable a clerk in the space of a few minutes to state by whom and when the said note was paid into the Bank. These parcels are then deposited in the Accountant's Library, and put away in boxes containing from five to six bundles of 1,000 notes each, and are preserved for five years, at the expiration of which period they are burnt upon the premises. During these five years any note can be referred to and the particulars of payment ascertained, provided sufficient description can be given as to the number, date and amount. The number of notes paid into the Bank and cancelled daily varies from about 32,000 to 78,000, giving an average of about 50,000 a day. In the library just mentioned there are 13,500 boxes containing the bundles of Bank notes, and the notes themselves generally amount to the almost incredible number of 80,000,000, any one of which can be referred to in about four or five minutes. The whole of this vast and expensive arrangement is maintained for the convenience of the public, that they may have the opportunity of tracing Bank notes, should occasion arise. As far as the Bank is concerned the notes might be destroyed as soon as they have been paid, and the obligation expressed upon them thus fulfilled."

It may be mentioned in connection with the note issue that while the Bank pays to the Government something like £200,000 for the privilege of issuing notes, the actual profit arising from the same probably does not exceed one-half of that amount.

The Gold Weighing-Room.

All gold paid into the Bank is weighed in a room called the "Gold Weighing-Room," a brief account of which is given in the work previously quoted from. In this room are sixteen machines (the invention of Mr. Cotton, a former Governor of the Bank) constantly at work. It is merely necessary to keep them fed with sovereigns and half-sovereigns, and the whole process of weighing and dividing the light from the full-weight coins is performed automatically by the machines, at the rate of about 2,000 an hour each, and with a degree of accuracy and precision that could not possibly be attained by manual labor. In this manner, in the year 1885, £25,087,250 worth of gold coin was weighed and sorted, and the number of individual pieces amounted to 27,272,760. As each gold coin paid into the Bank is very accurately weighed, to the daily average of about 89,125, and those found to be light are cut, the current weight of the circulation is to a considerable extent preserved.

The machines are kept in motion by an atmospheric engine, connected with the steam engine, and the light coins are immediately cut, to be remelted.

Management of the National Debt.

The management of the national debt is thus described by Mr. Hankey, writing in the year 1887:

"To carry out the management of the national debt, it is estimated that about 175 persons are constantly employed, with an additional staff of about thirty when the dividends are paid. Ten rooms are entirely devoted to the purpose, and upwards of 1,700 books are in constant use. The remuneration made to the Bank for this service is regulated by an Act of 1861, and amounts at the present time to about £200,000 per annum. The number of transfers is about 96,000 in the course of the year, and this operation alone necessitates 192,000 alterations of accounts, because for every transfer made the amount must be taken from one account and added to another. This is one instance out of many of the work involved in this department of the Bank. Again, at the making-up of the dividend books, every single account must be agreed, the interest calculated, the tax estimated and deducted, and the net sum to be paid ascertained; and as a single mistake in any one of these operations would throw out the balance, it must be discovered and set right."

In concluding our brief glance at the internal arrangements of the Bank we may mention that apart from the Governor and the Board of Directors the chief officers in the Bank are the Chief Accountant, Mr. Stuchbury, the Chief Cashier, Mr. H. G. Bowen, the Secretary, Mr. Glennie, and the Chief of the Discount Office, Mr. H. N. Search.

We quote again from Hankey :

"The Governors are elected annually by the proprietors of Bank stock, having been first selected by the Court of Directors from their number, but not necessarily in rotation.

They are usually re-elected after one year's service, so that they almost invariably serve for two years each, the Deputy Governor succeeding the Governor, and their attendance is, as a rule, constantly required. Matters of daily routine, such as questions relating to discipline, are generally referred, in the first instance, to the Deputy Governor; while all communications between the Government and the Bank, and all matters affecting the principle of management, are referred, usually, direct to the Governor, who is the final appeal in all cases requiring decision, which the heads of departments may not consider themselves justified in settling. The directors are in like manner elected annually by the proprietors.

The vast proportions of the whole establishment may be summed up in a few general remarks. As a building it covers nearly four acres of ground, and bears an estimated rental of £70,000 a year. Upwards of 1,160 persons are employed, including those at the branches, the porters, mechanics, machine-boys, etc., and the salaries and wages amount to nearly £290,000 a year, besides pensions to superannuated officers of about £44,000 more. The almost universal mode of subordinate government is by a Principal and Deputy Principal to each office, whilst in some of the larger offices there are Superintendents in addition. The Principals exercise control in their own offices, and once in each quarter have direct communication with a Committee of Directors, when they are encouraged, and in fact required, to make a full report of the working of their several sections of the house; but ordinarily they report only to the head of the department they may be under, who if necessary communicates immediately with the Governors. The most complete subordination and the strictest discipline are insisted upon amongst the body of clerks. Their work is not excessive, but it is expected that it will be (and indeed it generally is) performed with punctuality, zeal and gentlemanly behavior."

The Bank and Its Critics.

Although the active opposition which surrounded the Bank of England in its earlier days, together with much of the bitterness of criticisms, are now things of the past, the Bank having, so to speak, lived them down, there is still probably no institution in the country so severely and constantly criticized as is the "Old Lady of Threadneedle Street."

That such should be the case is not, perhaps, surprising, considering the arduous and peculiar responsibilities attaching to those who guide its affairs. As a private corporation the directors have to concern themselves directly and in the first place with the interests of their proprietors; while at the same time, as a result of the importance of the institution they control, they must of necessity take upon themselves what amounts to a public office, that of guarding the surplus wealth—the reserve cash store of the British nation.

Just a glance at the nature of present day criticism may throw additional light on the present position occupied by the Bank, while at the same time it will bring this article to a fitting close.

From the peculiarly high position occupied by the Bank, and through the confidence which it always enjoys with the Government of the day, the directors are, naturally enough, often in possession of valuable information necessary to those who have by the necessity of their position to frequently shape the course of the money market and partly, perhaps, because the banking community cherishes a kind of jealousy of this superior knowledge, it does not forget to be prompt to censure what appears to them as the slightest error of judgment on the part of the directors.

If the Bank rate is advanced unexpectedly, the directors are accused of being "nervous, mere children, old women, frighteners of the market, enemies to trade," etc., etc.

Should the Bank on the other hand be slow to make what in the opinion of the market is a necessary advance in the rate, the question is asked, Are the directors aware of the responsibilities of their position as custodians of the reserve of the country?

It might have been supposed that the experience of the past would suffice to answer most of these criticisms, but from intimate acquaintance with most of the banking and discount establishments of London I can only say that a certain cheap kind of abuse of the Bank is almost as popular with some as is the abuse of the Government.

The Bank of England has on the whole been fortunate during the many years of its existence in possessing servants of exceptional honor and probity. There may, perhaps, have been some occasional exceptions here and there. When such instances do occur, and provided the loss be confined to the Bank itself, the banking and financial community is supremely happy. It affects to be terribly shocked and pained, but the sorrow is chastened by a smug complacency very thinly disguised. Articles appear on the "Paralytic Bank of England," and a general tone is adopted from which it might be imagined that the whole institution was mismanaged and the public interests were in some way seriously affected.

Your readers will, I think, be interested in one of the latest of modern criticisms on the Bank's action, because your country was, so to speak, "at the bottom of it." On September 10 last, when gold had commenced to flow from London to New York, the Bank suddenly raised its rate of discount from 2 per cent., at which it had remained for over two years, to 2½ per cent.

The general outcry was tremendous. Consols and other investment stocks fell heavily within a few days and the Bank's action was daily assailed in city conversation. "The alteration was unnecessary," it was said. "The demand for gold for the States would be over in no time. The Bank was needlessly wrecking the stock markets. There would certainly be no further change. The market was being unnecessarily frightened," and so on *ad infinitum*.

To-day the wisdom of the Bank's action is unquestioned. In the first place the directors had more correctly gauged than had the market the probable extent of America's gold requirements; but their action went deeper than that. The successive changes in the Bank rate which followed revealed the fact that owing to the long continued cheapness of money such an enormous Stock Exchange speculation had been entered into—it was indeed time that by an alteration in the official rate some kind of indication should have been thrown out to reckless speculators that the time had come to "shorten sail."

Perhaps the most recent up-to-date criticism on the Bank is contained in a grumble that it is too go-ahead and is competing with other banks unfairly. As a writer in the "St. James' Gazette" well puts it:

"The sort of criticism that most often descends upon the Bank is not any definite attack upon its constitution or its officers, but a vaguely expressed grumble at all its ways and at whatever it may or may not be doing. There was a day when it sat still and took any business that came to it; and then it was vituperated as a sleepy-headed old stick-in-the-mud. Recently it has been launching out and competing for business, especially in its country branches; and the rest of the banking world holds up its hands in virtuous indignation and raises a howl, as if the Bank were precluded by its position from any attempt at extending its connections, and as if its desire for new business were not only a most undignified descent into the arena of every-day competition but a confession of serious weakness."

Speaking in this vein the other day at a meeting of shareholders, the Chairman of one of the ordinary banks was enabled to coin a phrase when he stated that the Bank was nowadays such an eager competitor for business that it must no longer be called the "Old Lady of Threadneedle Street," but "the new woman of the money market." A. W. K.

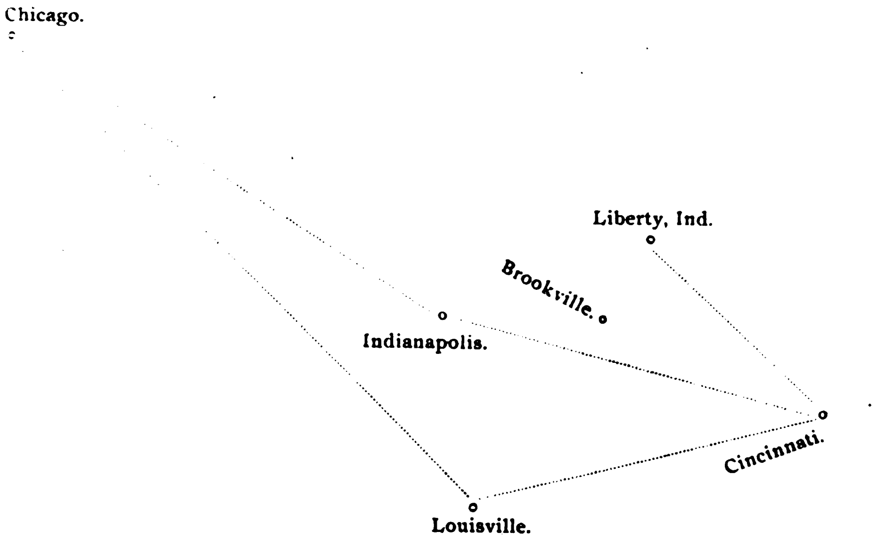
LONDON, Jan., 1897.

The tables of reference consulted and quoted from in the above article are: "The History of the Bank of England," by John Francis; "Hankey on Banking"; "A Money Market Primer and Key to the Exchanges," by George Clare; "Palgrave's Dictionary of Political Economy"; "A History of Banking of all the Leading Nations" (Journal of Commerce, New York); "Gilbart's History and Principles of Banking"; "The Bankers' Magazine" (London), etc.

PRACTICAL BANKING DEPARTMENT.

ZIGZAG JOURNEYS OF CHECKS.

The Third National Bank, of Cincinnati, Ohio, has issued a pamphlet illustrating the devious windings of checks deposited for collection. This is an abuse that is a common one, and many remedies have been proposed. It has its origin in undue competition, in the willingness of banks to receive checks on remote points and at once credit them to the depositor as so much



CHECK FOR $29.50 ON BROOKVILLE, IND.

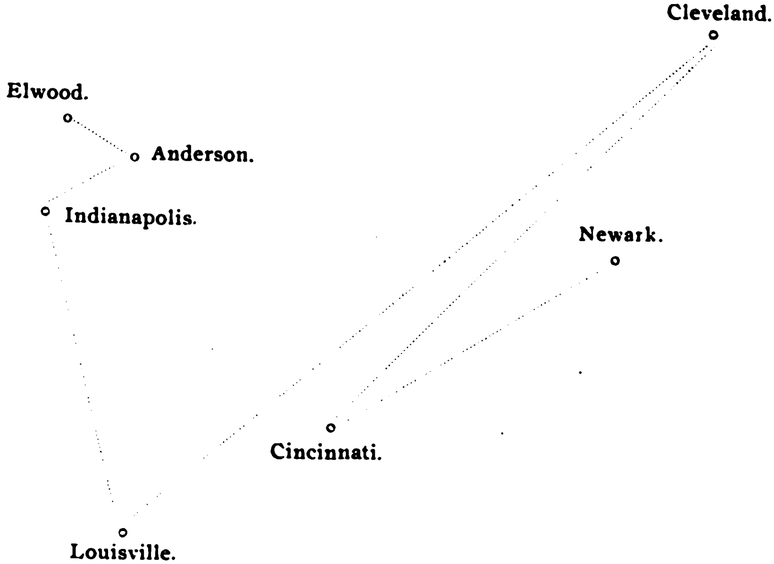
Started at Liberty, Ind., about eighteen miles from Brookville, and went over the following route: Liberty to Cincinnati; Cincinnati to Indianapolis; Indianapolis to Chicago; Chicago to Louisville; Louisville to Cincinnati. The Third National Bank, of Cincinnati, returned the check to the Louisville Bank, and does not know its subsequent fate, dismissing it with the observation that "the poor thing had already travelled more than 800 miles."

cash, making no deductions for the cost of collection. So long as there are banks that will do this work for nothing, the depositors can not be blamed for availing themselves of the opportunity to get something for nothing. To avoid the expense of direct collection, the checks are sent to "par points," thus making some curious journeys, as shown in the accompanying diagrams.

There is another phase of this subject that should be borne in mind—the risk of losing the face of the check in case of failure of the drawee bank. It has been frequently held that the sending of checks by such circuitous routes is not exercising that diligence in their presentment which the law requires.

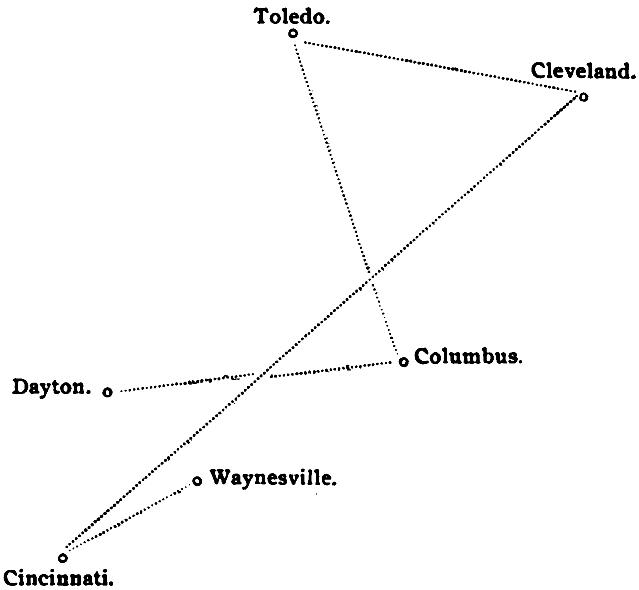
In the case of *Gifford* vs. *Hordell*, reported in RHODES' JOURNAL OF BANKING, January, 1895, page 35, the Supreme Court of Wisconsin decided that the indorser of a check is absolutely discharged if presentment be not made in a reasonable time. The Supreme Court of Nebraska also held in the case of *First National Bank of Wymore* vs. *Miller* that the forwarding of checks by a circuitous route would operate to discharge the indorser. (RHODES' JOURNAL OF BANKING, April, 1895, page 435.)

The Wisconsin case was commented on in a recent issue of the "Journal



CHECK FOR $5 ON NEWARK, OHIO.

Started at Elwood, Ind.; reached Newark twelve days after its date by the following route: Elwood, Ind., to Anderson, Ind.; Anderson to Indianapolis; Indianapolis to Louisville; Louisville to Cleveland; Cleveland to Cincinnati; Cincinnati to Newark, Ohio.

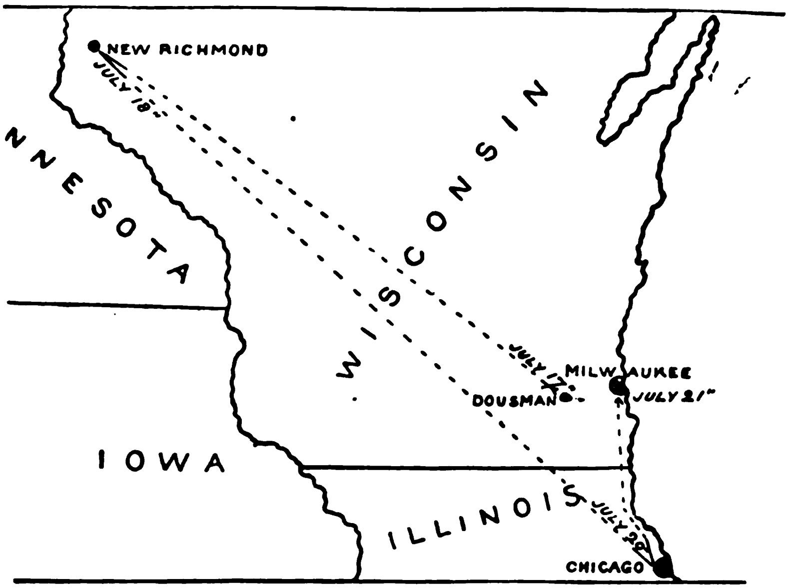


CHECK FOR $2 ON WAYNESVILLE, OHIO.

Started at Dayton, Ohio; reached Waynesville ten days after its date, as follows: Dayton to Columbus; Columbus to Toledo; Toledo to Cleveland; Cleveland to Cincinnati; Cincinnati to Waynesville.

of the Canadian Bankers' Association," which illustrated the route traversed by this check by the map reproduced below.

The facts in the case were as follows: Checks drawn on a bank in Milwaukee and indorsed by the defendant were delivered to the agent of the plaintiff at Dousman, Wis., on July 17, and on the same day were sent by such agent to the plaintiff at New Richmond, Wis., and were received by the plaintiff on July 18 at 5 P. M. Plaintiff, on the same day, delivered them to the Manufacturers' Bank of New Richmond, which immediately mailed them to its Chicago correspondent, having no Milwaukee correspondent. The



Chicago correspondent forwarded them to Milwaukee, where they were presented to the drawee bank on July 21. The court held that there was not due diligence in presenting the checks for payment.

The formation of clearing-houses for the collection of country checks has been frequently discussed in the conventions of bankers' associations, but so far, apparently, without practical results.

RECONCILEMENT OF ACCOUNTS.

The form for reconciling accounts between banks, presented on page 685 of the December number, has been approved by many of our readers. On the two following pages are given the same forms filled out, in order to more fully illustrate their workings. They were made to reconcile by the two western banks named, the balances on their books with the balance of the First National Bank, Chicago, as of date November 30, 1896, as per statement from the latter bank. It will be noticed that with the methods observed in these forms, it does not matter in which bank the overdrafts appear, for after the entries are made in checking up the monthly statements the proof is always shown by addition only. In several recent heavy bank defalcations it has been discovered that the accounts of correspondents have been manipulated, and there is no doubt that the methods of handling these accounts are, in many cases, susceptible of great improvement.

First National Bank In Account with Western National Bank - Denver

Chicago RECONCILEMENT OF ACCOUNT TO Nov 30 1896

LIST OF FLOATING DRAFTS.

Date.		Items.	Amount.	Date.		Items.	Amount.	No.	Amount.	No.	Amount.
1896 Nov	30	Your Balance, to our Credit.	40150 62	Nov	30	Our Balance, to your Debit.	31920 68	81.209	500		
		Our Balance, to your Credit.				Your Balance, to our Debit.		2420	750		
								590	800		
		We Debit (not in your account).				We Credit (not in your account).		1	450		
"	25	Bal Rem't 1000$	250	"	26	Coll. your L 23	529 50	2	325		
"	27	"	2200					6	1008		
"	28	Transfer from K.C.	5000	"	30	" " " 27th	482 65	7	400 90		
"	30	Remit	306 57					8	529 30		
								9	1022 90		
	30	Reg. your L 27th	75					Totals			
								11/27	2082 35		
								28	2079 25		
								30	2862 10		
		You Debit (not on our Books).				You Credit (not on our Books).					
"	28	Conform. fd	400	"	28	Stock Yards acct. Jones	2500				
"	30	Tel. on coll. L 25th	65								
				"	30	Ret. for Nov	65 90				
						Drafts Afloat.	12809 80				
		PROOF.	48308 53			PROOF.	48308 53		12809 80		

DO NOT OMIT DATES.

First National Bank In Account with Bank of Jones & Co
Chicago RECONCILEMENT OF ACCOUNT TO Nov 30 1896

LIST OF FLOATING DRAFTS.

Date.		Items.	Amount.	Date.		Items.	Amount.	No.	Amount.	No.	Amount.
		Your Balance, to our Credit,		1896 Nov	30	Our Balance, to your Debit,	1110 25				
		Our Balance, to your Credit,			"	Your Balance, to our Debit,	1050 75				
		We Debit (not in your account),				We Credit (not in your account),					
Nov	26	Rec Rent of 500-	90					4810	25		
					28	Col "N York" 25	250	5062	100		
	28	Remittance	950		30	" " 27	125	80	90		
								1	50		
	29	"	509 10					2	70 25		
								3	175		
	30	Transfer from KC	2000					4	200		
		" " St Louis	1000					5	200		
								6	100		
	"	Exchange on N York 27th	25					7	70 15		
		You Debit (not on our Books),				You Credit (not on our Books),					
	29	Ret'd items, on N 25th	500	"	29	Rediscount Brown note	1000				
	"	Disct. "Brown note"	15								
	30	Int on overdraft	2 05								
						Drafts Afloat,	1080 40				
		PROOF.	4616 40			PROOF.	4616 40		1080 40		

DO NOT OMIT DATES.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

NATIONAL BANKS—GUARANTY OF MORTGAGES.

U. S. Circuit Court of Appeals, Eighth Circuit, Nov. 16, 1896.

FARMERS AND MERCHANTS' NATIONAL BANK *vs.* SMITH.

A National bank has no power to act as a broker in selling farm mortgages for a commission.

The Cashier of a National bank has no authority to bind the bank by a guaranty of a mortgage bond.

This was an action brought against the Farmers and Merchants' National Bank, of Fremont, Neb., upon a guaranty in the following form:

"For a valuable consideration we hereby guarantee the payment of interest and principal upon a certain loan for $8,000 made to Stephen H. Elwood and Gusta (Lurta) Elwood, of date July 1, 1888, due July 1, 1893, secured by mortgage upon land in Holt County, Nebraska. Dated Fremont, Nebraska, November 17, 1888.

Farmers and Merchants' National Bank,
C. H. TONCRAY, *Cashier*.
C. H. TONCRAY."

Before Caldwell, Sandborn and Thayer, Circuit Judges.

THAYER, *Circuit Judge* (omitting part of the opinion): Treating the suit, then, as an action to enforce the contract of guaranty, we turn to consider whether the trial court, on the state of facts disclosed by the testimony, properly instructed the jury that the plaintiff was entitled to recover. The guaranty was signed in behalf of the bank by C. H. Toncray, Cashier, to secure the payment of a mortgage bond which he had caused to be executed and negotiated for his individual use and benefit. It was so executed without the knowledge or sanction of any officer of the bank other than the Cashier, and without authority to execute an obligation of that character for such a purpose. In view of the fact that the guaranty was executed by the Cashier without any actual authority, the first question which deserves consideration is whether it is binding, in any event, upon the defendant bank.

Counsel for the defendant in error contend, in substance, that the execution of the guaranty was within the apparent powers of the Cashier, and that the defendant bank is estopped from denying his authority to execute it, provided the guaranty was signed and delivered in behalf of the bank for a sufficient consideration. With reference to this contention it may be said that, so long as a National bank confines itself to the kind of business which it is authorized to transact, one who has dealings with it is entitled to presume, unless he has notice to the contrary, that its Cashier is empowered to draw and certify checks and drafts, to transfer by indorsement commercial paper of all kinds which is in the bank's possession, to guaranty the payment of notes and bills which the bank sells or rediscounts for its own benefit, and to do many other acts which, for present purposes, need not be specially enumerated.

These are acts which Cashiers customarily do and perform, and persons dealing with them without notice of any limitation of their powers may properly assume without inquiry that they have the right to do such acts and to exercise such powers. (*Merchants' Bank* vs. *State Bank*, 10 Wall. 604, 650; *People's Bank* vs. *National Bank*, 101 U. S. 181; *Fleckner* vs. *Bank*, 8 Wheat. 338, 356; *Wild* vs. *Bank*, 3 Mason, 505, Fed. Cas. No. 17,646; *Cooke* vs. *Bank*, 52 N. Y. 96, 115; *Farmers and Mechanics' Bank* vs. *Butchers and Drovers' Bank*, 16 N. Y. 125, 133, 134; *Houghton* vs. *Bank*, 26 Wis. 663; Thomp. Corp. §§ 4789–4791, 4815.)

But the doctrine aforesaid has no application in those cases where a bank is known to be carrying on a kind of business which it is not authorized to transact. If a person enters into a business transaction with a National bank, or any other corporation, he is bound to take notice of the nature and extent of its corporate powers, and of the purpose for which it was organized; and if the transaction in question is in excess of those powers he has no right to presume without inquiry that a guaranty executed by its Cashier, or by any other officer, in the course of such transaction, is executed with the sanction and approval of the corporation.

No Act done by an officer of an incorporated company in furtherance of a business venture which is outside of the company's corporate powers can be said to be an Act which is within the scope of the apparent or customary powers of such officer, and to be binding upon the corporation for that reason. A bank may well be held responsible to a third party for an Act done by its Cashier in the prosecution of the legitimate business of the bank which was within the apparent scope of his powers, although it was in fact unauthorized by the corporation.

A bank may also be held responsible to a third party for a wrongful and unauthorized act of its Cashier which has the appearance of being within the scope of his ordinary duties, and not *ultra vires*, although by reason of some extrinsic fact, such as the purpose for which the act is done, which is unknown to the party with whom he deals, the act done is in excess of the legitimate functions of the corporation. (*Farmers and Merchants' Bank* vs. *Butchers and Drovers' Bank*, 16 N. Y. 125, 130; *Houghton* vs. *Bank*, 26 Wis. 663; Thomp. Corp. §4806.)

But when a transaction in which a bank is for the time being engaged is known to the person dealing with it to be outside of the legitimate sphere of its operations, no reason is perceived why a person dealing with the Cashier under such circumstances should be allowed to indulge in any presumptions as to the Cashier's authority. He is advised by the very nature of the transaction that all acts done and performed in relation thereto are beyond the power of the corporation, and, if he expects to hold the corporation liable on any contract or obligation entered into by the Cashier or other officer in the course of that transaction, he should at least see to it that such contract or obligation is approved by the board of directors or other governing body. (*Bank* vs. *Graham*, 79 Pa. St. 106; *Moores* vs. *Bank*, 111 U. S. 156, 4 Sup. Ct. 345; Thomp. Corp. §§ 4754, 4755.)

In the case in hand there was evidence which tended to prove, even if it did not conclusively show, that Isaac E. Smith, the original plaintiff's testator, when he purchased the mortgage bond in controversy, was well aware that it did not belong to the defendant bank, but that it had simply undertaken to negotiate a sale of the same for a commission in that behalf paid to it by the mortgagor. In other words, there was evidence tending to show that he knew that the bank was engaged in the brokerage business. Walker & Co., who acted ostensibly as agents for the defendant bank in negotiating the sale of the mortgage bond, evidently understood that it did not belong to the bank. The members of that firm, in consequence of their prior dealings with the bank, were advised that the bank, in offering the bond for sale, was acting solely in the capacity of a broker. They do not claim, and there is no evidence in the record which tends to show, that they represented to the purchaser of the bond that it was the property of the bank, or that the bank was selling it for its own account; it does appear, however, that Walker & Co. exhibited to him, prior to the sale, an application for the loan in question, dated July 7, 1888, made on a printed form, which was signed by Elwood and wife, the mortgagors, and was verified before C. H. Toncray as a notary public.

In addition to this request for the loan, which was made by the mortgagors, the purchaser also had before him the bond and mortgage, which were executed on printed forms, and both of which bore the following statement: "Negotiated by the Farmers and Merchants' National Bank, Fremont, Nebraska." Under these circumstances, it is necessary to conclude that when the plaintiff's testator purchased the security in question he was well aware that it did not belong to the bank, and that the bank was engaged in the business of selling such securities on commission. From the nature of the transaction we do not see that any other inference could fairly be drawn. The representation contained on the face of the mortgage that it was "negotiated by the Farmers and Merchants' National Bank," and the other circumstances to which we have adverted, would naturally lead any one to infer that in the particular transaction the bank was acting in the capacity of a broker, and that it probably had become engaged, quite extensively, in that line of business. Such, indeed, was the fact. For several years the bank had made a practice of selling farm mortgages on commission, and from some passages found in the correspondence between Toncray and Walker & Co. it would seem that the deceased, Isaac E. Smith, had been one of its best customers.

Concerning the power of the defendant bank to engage in the business of selling mortgage bonds on commission, little need be said, because it does not seem to be claimed that such a power could be lawfully exercised by the bank. The brokerage business is entirely distinct from the business of banking which it was authorized to transact. If a National bank can lawfully act as a broker in selling farm mortgages for a commission, no reason is perceived why it may not act in the same capacity in selling any other species of property, real or personal. The National Bank Act does not, in terms, or by necessary implication, authorize National banks to act as brokers in negotiating the sale of securities, and it is generally agreed that they cannot lawfully engage in such business. (*Weckler* vs. *Bank*, 42 Md. 581; *Wiley* vs. *Bank*, 47 Vt. 546; *First Nat. Bank of Lyons* vs. *Ocean Nat. Bank*, 60 N. Y. 278; *Talmage* vs. *Pell*, 7 N. Y. 328.)

The case disclosed by the record, then, is briefly as follows: The plaintiff's testator bought the mortgage bond in controversy from the defendant bank through its ostensible agents, Walker & Co., either knowing, or having sufficient reason to believe, that the bank was acting merely in the capacity of a broker for the mortgagors. He was affected with knowledge that the bank could not lawfully act in that capacity, and that the transaction in question was *ultra vires*. After the purchase was made, and the money was paid, he accepted a guaranty of the loan, executed by C. H. Toncray as Cashier, to guard against a loss which might be sustained owing to the existence of prior incumbrances on the mortgaged premises.

The Cashier acted wholly without authority in executing the guaranty, and the plaintiff's testator made no inquiry as to his authority, but relied on the assumption that the act was within the scope of his ordinary duties. The bank received no part of the proceeds of the sale of the mortgage bond, and has not profited to any extent by the unauthorized act of its Cashier.

In view of the foregoing considerations, we are of the opinion that the defendant bank is not bound by the alleged guaranty which the Cashier assumed to execute in its name, and that the bank is not estopped from denying the Cashier's authority to execute it. When the plaintiff's testator accepted the guaranty, he was not dealing with the bank under such circumstances as warranted him in assuming without inquiry that it was executed and delivered with the sanction and approval of the board of directors, but he was dealing with it under conditions which conveyed notice that, if the bank had in fact undertaken to dispose of the security in question, its action in that regard was in excess of its lawful powers.

ULTRA VIRES ACT—PURCHASE AND SALE OF GOODS—RECEIPT OF BENEFIT BY BANK.

United States Circuit Court of Appeals, Eighth Circuit, November 5, 1896.

AMERICAN NATIONAL BANK *vs.* NATIONAL WALL PAPER COMPANY.

Where a bank receives and retains the benefits of the purchase and sale of goods by its Cashier for its account, with full knowledge of the circumstances, it can not set up as a defense in an action against it for the value of the goods that the Cashier acted without authority in making the purchase.

Nor can it in such case set up as a defense that the transaction was in excess of the powers of the bank.

Before Caldwell, Sandborn and Thayer, Circuit Judges.

In error to the Circuit Court of the United States for the District of Nebraska.

The American National Bank of Denver, the plaintiff in error, was a creditor of A. Gauthier, a wall-paper and paint merchant doing business in Denver, in a sum exceeding $14,000. To secure payment of this sum, the bank attached the entire stock of its debtor, which was afterwards sold under the attachment by the sheriff, and purchased by the bank, or by one of the bank's agents or officers in trust for the bank. Not being able to effect a lump sale of the stock, the bank was compelled to sell the goods at retail, and to secure a proper agency for that purpose it caused a corporation to be organized, styled the A. Gauthier Decorating Company, to whom it turned over the stock, to be managed and sold for the benefit of the bank. To work off the old stock successfully, it was necessary to buy fresh goods from time to time. These fresh goods were ordered in the name of the A. Gauthier Decorating Company, from the defendant in error.

CALDWELL, *Circuit Judge* (omitting part of the opinion): It is commonly supposed that banks and bank Cashiers represent the highest type of business honor and integrity, and generally this high opinion is fully justified; but the correspondence between the plaintiff and this bank through its Cashier reveals on the part of the bank and its Cashier that vulgar type of dishonesty of obtaining goods on credit, and then refusing to pay for them, and a court of justice is deliberately asked to put its seal of approbation on this method of doing business. It is said the court should do this for the protection of the bank's stockholders, but we know of no principle of law or morals that would justify the court in holding that a bank can obtain the property of the citizen by promising to pay for it, and, after obtaining it, convert it into money, and put the money in its vault, and then refuse to pay for the property upon the ground that such action would be prejudicial to its stockholders, or that it had no legal right to purchase the property. If it had no right to purchase the property, it should return it or its proceeds. The stockholders of the bank have no legal or moral right to profit by such illegal or dishonest acts of the bank at the expense of the innocent merchant whose property it has appropriated.

The bank seeks to escape paying for the goods upon two grounds. The first is that the Cashier acted without authority of the bank. This, as we have seen, is an error of fact; but, assuming the Cashier, who had long held that position in the bank, and who still holds it, did act in the premises without sufficient authority from the bank, that circumstance constitutes no defense to this action upon the facts of this case. The Cashier acted in good faith towards the bank. He did not appropriate to himself the goods purchased for the bank in the name of the A. Gauthier Decorating Company. They were sold, as was contemplated when they were purchased, along with the stock purchased by the bank at sheriff's sale, and the proceeds of the sale received and retained by the bank, after it had full knowledge of the circumstances under which the goods were purchased, if it did not have that knowledge before. The law on this state of facts is well settled, and is thus stated by Judge Thompson:

"It is a general principle in the law of agency that, where one person assumes, without authority, to make a contract for another, and that other receives the benefits accruing from the contract, and elects to retain them after being possessed of knowledge of the circumstances under which they have been procured from the other contracting party, he is thereby estopped from repudiating the contract without restoring the benefits and putting the other party in *statu quo*. This principal is applicable in its fullest sense to corporations, which, from their nature, can act only through the instrumentality of agents. If, therefore, an officer of a corporation, or other person, assuming to have power to bind the corporation by a given contract, enters into the contract for the corporation, and the corporation receives the fruits of the contract, and retains them after acquiring knowledge of the circumstances attending the making of the contract, it will thereby become estopped from afterwards rescinding or undoing the contract. In other words, by retaining the fruits of the unauthorized contract with knowledge of the circumstances which entitle it to its election either to affirm or disaffirm it, the corporation ratifies the contract, and makes it good by adoption. Speaking generally, and voicing the weight of judicial authority, the corporation is in like manner estopped by retaining, with knowledge, the fruits of the contract, from pleading *ultra vires* as a defense to an action thereon; that is, from setting up as a defense to an action to compel the performance of the contract on its part that it was without power to enter into it." (Thomp. Corp. § 5258.)

It is next said that the bank had no authority under its charter to buy and sell goods, and that any purchase of goods by the bank, or any one for it, was *ultra vires*, and did not bind the bank. We entertain no doubt of the bank's right to purchase the A. Gauthier stock at the sale thereof on the judgment in its favor; and the right to purchase to save a pre-existing debt due the bank carried with it by necessary implication the right to sell the goods so purchased. How the bank should proceed to dispose of the goods purchased at the attachment sale, and whether, in order to sell that stock to the best advantage, it could rightly buy fresh goods to mingle with it, we need not inquire; for, conceding that it had no right to purchase any goods, not even those purchased at the attachment sale, its liability to pay for the goods purchased from the plaintiff is not affected on the facts of this case. "The great mass of judicial authority," says Judge Thompson, "seems to be to the effect that, where a private corporation has entered into a contract in excess of its granted powers, and has received the fruits or benefits of the contract, and an action is brought against it to enforce the obligation on its part, it is estopped from setting up the defense that it had no power to make it." (Thomp. Corp. § 6016.) Continuing the subject, the learned author further says it is a general principle of law that no party will be permitted to set up the defense of *ultra vires* while retaining the fruits or the benefit of the contract. This doctrine rests upon the unanswerable ground thus stated in Pennsylvania by Mr. Justice Porter: "A man who has enjoyed a privilege has no right to say that because he ought not to have enjoyed it he will not pay for it. However unlawful the act, it would be unsound policy to give him this immunity." (Id. § 6015.) The reason of the rule is that honesty and fair dealing are the highest public policy, and that a private corporation, which is a mere collection of individuals, is no more privileged to repudiate its engagements, and act dishonestly, than a single individual is. (Id. § 6017.)

Where, therefore, a corporation purchases property contrary to a prohibition, or without an authorization in its charter, it cannot retain the property, and refuse to pay the price, or set up the defense of *ultra vires* when sued for the same. (Id. § 6018.)

The authorities supporting the text of the learned author are too numerous to require citation. The doctrine has become familiar learning.

LIABILITY OF STOCKHOLDERS—JURISDICTION OF FEDERAL COURT—STATUTE OF LIMITATIONS.

United States Circuit Court, District of Nebraska, November 24, 1896.

THOMPSON *vs.* GERMAN INSURANCE COMPANY, *et al.*

A suit by the Receiver of a National bank to enforce the liability of the shareholders in a case arising under the laws of the United States, and, where the amount involved exceeds $2,000, is within the jurisdiction of the United States Circuit Court.

The fact that such a suit is based upon a Federal statute does not except it from the operation of the State statute of limitations.

The statute begins to run as soon as the assessment becomes due and payable.

SHIRAS, *District Judge:* From all the allegations of the bill filed in this case, it appears that the complainant is the Receiver of the Central Nebraska National Bank, of Broken Bow, duly appointed to that position by the Comptroller of the Currency; that on July 13, 1892, the Comptroller made an assessment of 90 per cent. upon the face value of the shares of the capital stock of said National bank, the same being declared to be due and payable on August 3, 1892. The bill in this case was filed on October 5, 1896, more than four years after the assessment was made, and after the amount thereof was declared to be due and payable by the terms of the assessment order. The bill, in substance, charges that the German Insurance Company was one of the original shareholders in said bank, having subscribed for and taken 100 shares of the capital stock, of the par value of $100 per share, and that subsequently, with knowledge of the insolvent condition of the bank, the insurance company had transferred said shares to other parties, made defendants herein, for the express purpose of escaping the statutory liability existing against the shareholders of insolvent National banks.

The purpose of the bill is to ascertain and fix the liability for the assessment made by the Comptroller. the several parties to whom the stock has been transferred being made parties defendant. The amount of the assessment sought to be collected is $9,000.

To this bill demurrers have been interposed, and in support thereof it is first urged that the circuit court of the United States has not jurisdiction of the matter. The controversy is clearly one arising under the laws of the United States, the liability sought to be enforced being one created by the statutes of the United States; and, as the amount involved exceeds $2,000, exclusive of interest and costs, jurisdiction exists in this court, under the express provisions of the Acts of Congress of 1887 and 1888.

The next ground urged in support of the demurrers is that the bill, upon its face, shows that the proceeding is barred by the lapse of time under the provisions of the statutes of the State of Nebraska, which provide that, except in cases for the recovery of real property, actions upon contracts not in writing, express or implied, and actions upon a liability created by statute, other than a penalty or forefeiture, must be brought within four years after the right of action has accrued. (Comp. St. Neb. 1895, §§ 5599–5601.)

The first question for decision is whether the provisions of the State statute can be relied upon as a bar to a liability created by a statute of the United States. This question, it seems clear to me, has been finally and fully answered by the ruling of the supreme court in *Campbell* vs. *Haverhill* (155 U. S. 610). It had long been an unsettled problem whether an action for the infringement of a patent was subject to be barred by the statute of limitations of the State wherein the suit was brought, and the circuit courts were divided in opinion thereon. The supreme court, in *Campbell* vs. *Haverhill*, held that the State statute was applicable, although the right of action was created by the statute of the United States, and the Federal courts alone had jurisdiction over actions based upon the statute.

Relying upon the doctrine announced in that case, I hold that the fact that this proceeding is based upon a Federal statute does not except it from the operation of limitations. The fact that this is a proceeding in equity is likewise of no avail against the applicability of the State statute, it being settled, by repeated decisions of the court of appeals in this circuit, that the bar of the statute will be enforced, when applicable, in equity as well as at law. (*Railway Co.* vs. *Sage*, 1 C. C. A. 256, 49 Fed. 315; *Rugan* vs. *Sabin*, 3 C. C. A. 578, 53 Fed. 415; *Hayden* vs. *Thompson*, 17 C. C. A. 592, 71 Fed. 60.)

On behalf of complainant, it is further suggested that, in substance, this is a proceeding in which the United States is interested, in such sense that the statute will not be held applicable, upon the familiar doctrine that the statute of limitations is not usually held applicable to suits brought by the sovereign power. The proceeding is not in the name of the United States. It is not brought, on behalf of the United States, to enforce any sovereign or governmental right or claim. The proceeding is in the name of the Receiver, and is brought to enforce collection of the assessment made upon the stockholders for the benefit of the creditors of the insolvent bank; and the rule sought to be invoked cannot be applied, because the United States is not a party to the proceeding. In cases of this character the Receiver is acting as the trustee and representative of the creditors of the bank, and, as against the creditors, the statute is available. (*Case* vs. *Terrell*, 11 Wall. 199; *Scott* vs. *Armstrong*, 146 U. S. 499.)

It is also claimed, on behalf of complainant, that the running of the statute was ended when the insolvent bank was put in liquidation,—the thought being, if I correctly apprehend counsel, that the whole process of liquidation, including suits to collect the assets of the corporation, and including therein the assessments made upon the stockholders, is to be deemed to be one proceeding, the same being of a nature to interrupt the running of the statutory period; and in support of this view the case of *Richmond* vs. *Irons* (121 U. S. 27) is cited. In that case a bill was filed by a judgment creditor of an insolvent bank to enforce his rights as a creditor, and it was in form a bill for the benefit of all the creditors who might come in and join in the proceeding, and the bill expressly prayed that the liability of the stockholders might be ascertained and enforced. It was held by the supreme court that, when other creditors made themselves parties to this proceeding, it must be deemed to be, in their behalf, one continuous suit, so that the running of the statute was interrupted when the original bill was filed.

The difference in the facts of that case and the one at bar makes the ruling in the former case inapplicable to the question arising on the present record. In *Richmond* vs. *Irons* the bill was, in effect, filed on behalf of all creditors, to reach the assets of the bank; and the court held that, so long as any portion of these assets remained undistributed, any creditor could make himself party to the proceedings, so as to share in future distributions, and that, as the bill filed sought to enforce the liability of certain stockholders, the filing thereof prevented the running of the statute in favor of all creditors who subsequently became parties to the bill.

In that case the suit in equity to enforce the statutory liability was filed before the bar of the statute had accrued, and the ruling of the supreme court is simply to the effect that the bill was filed for the benefit of all creditors who subsequently joined in the proceeding. In the case at bar no suit was commenced until after the expiration of four years after the assessment was made by the Comptroller. It is well settled that the statute begins to run from the date the call or assessment becomes due and payable. (*Hawkins* vs. *Glenn*, 131 U. S. 319, 9 Sup. Ct. 739; *Glenn* vs. *Liggett*, 135 U. S. 533, 10 Sup. Ct. 867; *Glenn* vs. *Marbury*, 145 U. S. 499, 12 Sup. Ct. 914; *Ligget* vs. *Glenn*, 2 C. C. A. 286, 51 Fed. 381.)

The contention of complainant is that the putting of the bank into liquidation, and the act of the Comptroller in making the assessment of 90 per cent. upon the capital stock, is the equivalent of the filing of the creditor's bill in the case of *Richmond* vs. *Irons*, and that thereby the running of the statute was prevented. The act of the Comptroller in making the assessment created a right of action against the stockholders, but it was not the institution of a suit for the enforcement of the right of action thus called into being. When the assessment became due and payable the Receiver possessed the right to enforce payment thereof by the appropriate proceedings in court. As soon as this right of action accrued to the Receiver, the statute of limitations began to run in favor of the stockholders, and the full period to complete the bar had terminated before this suit was brought.

In *Richmond* vs. *Irons* the creditors' bill filed in the court was for the purpose of enforcing the right of action against the stockholders. In the case at bar the act of the Comptroller in making the assessment created a right of action against the stockholders, but the Comptroller did not nor could he grant an order enforcing this right of action. The remedy for the enforcement of the right was by an appropriate action in court, and it is this remedy which may be barred by the lapse of time, and in my judgment the bar has become effectual in this case, in that it appears that under the statute of Nebraska actions of this character must be brought within four years from the time the right of action accrues, and the bill shows that this proceeding was not commenced within that period after the assessment became due and demandable.

Upon this ground, therefore, the demurrers are sustained, and the bill is dismissed, at cost of complainants.

LIABILITY OF STOCKHOLDERS—ACTION BY RECEIVER.

Supreme Court of Minnesota, December 16, 1896.

MINNEAPOLIS BASEBALL CO. *vs.* CITY BANK, *et al.*

Under the laws of Minnesota the Receiver of a bank (except where appointed upon the application of the Superintendent of Banks) has no authority to enforce the individual liability of the stockholders.

START, *C. J.:* This action was originally commenced against the defendant bank alone, on January 15, 1896, under the provisions of Gen. St. 1894, c. 76, for the sequestration of its assets, and the appointment of a Receiver. On the following day the appellants herein filed their cross bill or complaint, as creditors of the bank, seeking thereby to enforce the double liability of its stockholders for its debts, alleging therein a cause of action against them, and naming them as parties defendants. The appellants then moved the court for an order joining the stockholders as defendants, and requiring them to answer the cross bill. The trial court denied the motion without prejudice, and with leave to renew it, upon the ground that it was not advisable to proceed against the stockholders until it became apparent that the assets of the corporation would not pay its debts in full.

On January 28, 1896, David C. Bell was appointed Receiver of the property and assets of the defendant corporation and to take charge of its property and effects, with power to collect, sue for, and recover the debts and the property that belonged to the defendant.

On March 30, 1896, it was apparent that the assets of the corporation were insufficient to pay its debts, and the appellants renewed their motion to bring in the stockholders to answer their cross bill. Thereupon the court made its order requiring the bank and the Receiver to show cause on April 4, 1896, why the motion should not be granted.

On April 3, 1896, the Receiver filed what is designated as a "supplemental complaint" (it is difficult to classify it), asking that the stockholders be made parties to the action, and to answer his complaint wherein he sought to enforce their individual liability.

Upon the hearing of the motion of the appellants, on the next day, the Receiver opposed it, and claimed that the stockholders should be made parties, and required to answer his complaint, and not that of the creditors.

The Court thereupon made its order denying the motion of the appellants, and its further order directing the stockholders to be made parties on the application of the Receiver, and to answer his complaint. The appellants appealed from each order. Their motion was denied, on the sole ground that the Receiver was the proper party to enforce the personal liability of the stockholders.

If such is the case, and he is authorized by law to enforce the liability of the stockholders for the debts of the corporation, then the order should be affirmed. We say "order" because, practically, there was but one; for the refusal to bring the stockholdrs in on the appellant's cross bill, and ordering them joined on the Receiver's commission or complaint, might properly have been included in one order.

The only question, then, in this case, is, Has a Receiver of a corporation appointed in sequestration proceedings under Gen. St. 1894, c. 76, authority to enforce the personal liability of stockholders for the debts of the corporation? We answer the question in the negative.

[The Court here reviewed a number of authorities.]

It appears from this summary of the decisions of this court that unpaid stock subsciptions, property transferred by the corporation in fraud of its creditor, and capital fraudulently withdrawn, are assets in the hands of the Receiver as to creditors, though not as to the corporation except as to the first, and he may recover them, because they were at one time assets of the corporation, and as to creditors they remain so; but that, as to the liability of stockholders for the corporate debts, it is not, and never was, a corporate asset, for it is due directly to creditors; and that the Receiver cannot enforce it, in the absence of a statute authorizing him to do so. This conclusion is also supported by the authority of the text writers. (Morse, Banks, §696; Thomp. Stockh. §342; Cook, Stockh. & Corp. Law, §218; 2 Mor. Priv. Corp. §869.)

The action of the Receiver in this case in seeking to enforce the liability of the stockholders was gratuitous, and the stockholders were not bound to litigate the question of their liability with him. If it be desirable, in order to secure a speedy, economical, and practical method of enforcing the liability, to invest the Receiver with such power, it must be done by statute. This has already been done in cases where the Receiver of an insolvent banking corporation is appointed on the application of the Superintendent of Banks. Such a Receiver is expressly authorized to enforce the individual liability of stockholders. (Laws 1895, c. 145, §20.) While the liability of the stockholders must be enforced on the application of creditors, and not on that of the Receiver, except in cases where the statute otherwise provides, yet it does not follow that the trial court has not the same control of the litigation as if it was conducted by the Receiver.

The creditor who first takes action to have such liability enforced, whether he is plaintiff or subseqnently comes into the action, has no exclusive right to control the litigation; and, whenever the stockholders are once brought into the action, the trial court should so far control the conduct of the litigation as to conserve and protect the rights and equities of both creditors and stockholders.

Whether it may not be feasible in this case to substitute the appellants' complaint for that of the Receiver, and let the answers of the stockholders stand as answers to the substituted complaint, whereby a saving of time and expense may be made, is a question we are, for obvious reasons, not in a position to determine, and leave the matter for the consideration of the trial court.

If it shall be impracticable or illegal to make the substitution, then the district court will make its order, bringing in the stockholders to answer the cross bill or complaint of the appellants.

Orders reversed, and case remanded, with instructions to proceed in accordance with this opinion.

NATIONAL BANKS—INCREASE OF CAPITAL—COMPTROLLER'S CERTIFICATE —FRAUD OF OFFICERS—IRREGULARITIES IN PROCEEDINGS.

United States Circuit Court, W. D., Missouri, October 19, 1896.

LATIMER *vs.* BARD, *et al.*

The finding and certificate of the Comptroller of the Currency that the capital stock of a National bank has been increased in a specified sum cannot be assailed in an action by the Receiver to enforce the individual liability of the stockholders.

The officers of the bank in taking the necessary steps for increasing the stock, act as the agents and trustees of the stockholders, who cannot be heard to assert the wrong of such officers to defeat the claims of innocent third persons.

The National Bank Act confers upon the National banks the abstract power to increase their capital stock, and such power exists independently of the separate steps required to be taken by the stockholders in the exercise of the power; and hence any irregularities or informalities in the exercise of that power may be waived by the subscriber.

These were actions by W. A. Latimer, Receiver of the First National Bank of Sedalia, against William E. Bard. Jr., and others, stockholders in such bank, to recover the amount of an assessment made by the Comptroller of the Currency. It appeared, by the answer, that the original capital of the bank was $100,000; that on September 6, 1890, the shareholders, by a note of the owners of two-thirds thereof, resolved to increase the capital in the sum of $150,000, so as to make it $250.000, instead of $100.000, as theretofore; that subsequently certificates for the increase were issued to the subscribers therefor; that thereafter, on January 17, 1891, the Comptroller of the Currency of the United States duly certified that said bank had increased its capital in the sum of $150,000, with his approval thereof, and further that the whole amount of such increase had been paid in. It further appeared that the defendants received the certificates representing the stock subscribed and paid for by them prior to October 25, 1890; that during the years 1891 and 1892 the defendants, as such stockholders, received dividends on their stock amounting in the aggregate to 18 per cent. thereof; that, notwithstanding the apparent conformity with all the provisions of the Acts of Congress relating to the increase of stock, in point of fact at least one-third of the amount of such increased stock was subscribed for by the officers of the bank, who subsequently issued certificates to themselves therefor, without paying anything for the same.

It was further alleged in the answer that no profits were made by the bank after the defendants subscribed for the increased stock, and that the dividends which they received, as stated, were paid to them out of the capital which they had paid in; that the officers of the bank falsely and fraudulently represented to the defendants, at the time of taking their subscriptions and receiving their money, that the bank was solvent, that the increase had been lawfully made, and that the same had been fully paid in; that these statements were false, and known to be false by the officers of the bank when making them; that the defendants made their subscriptions and paid in the amount thereof and took their certificates in implicit reliance upon such statements; that the defendants had no knowledge of the falsity thereof, or of the false entries made as aforesaid, or of the alleged illegality of the increase of stock, until after the Comptroller of the Currency made the assessment against the stockholders on April 18, 1895, and by the exercise of ordinary care could not have discovered or known the truth; that immediately on discovering the facts, after the assessment was made against them, they tendered to the plaintiff the amount received by them as dividends as aforesaid, and offered to deliver up their stock to him, also. To this answer a demurrer was interposed.

ADAMS, *District Judge* (omitting part of the opinion): The defendants' counsel do not rely upon the false representations as such of the officers of the bank, as a defense, but, in argument, contend solely that the increase of capital was void because the whole amount of such increase was not in good faith paid in, and that the defendants are entitled to invoke such fact as a defense to this action against them.

The only question for consideration, therefore, is whether or not the alleged fraudulent action of the officers of the bank in figuring out an apparent surplus entitling them as holders of the original stock to a dividend, and appropriating the same to themselves and using it in paying up their quota of the increased stock, rendered invalid and void the entire increase. The national banking law (section 5142, Rev. St. 1878), and the amendment of May 1, 1886 (24 Stat. 18), provide, in effect, that three facts must concur to constitute a valid increase of the capital stock of a national banking association: First, a vote of shareholders owning at least two-thirds of the original capital; second, the whole amount of the increase must be paid in; third, the Comptroller of the Currency, by his certificate specifying the amount of increase of such capital, must approve thereof, and certify to the fact of its payment. The pleadings in this case show the requisite vote of shareholders and the requisite certificate of the Comptroller. The case shows, by fair inference from the facts pleaded and law necessarily applicable thereto, that the bank, by and through its proper officers, advised the Comptroller, among other things, that the increased capital had been duly paid in. Acting upon this advice, and such other information as to him seemed requisite, the Comptroller approved the increase, and made the necessary certificate that the amount of the increase had been duly paid in as part of the capital of the banking association.

If there was nothing else in this case, I would hold that the action of the Comptroller, as last stated, is conclusive of the question of fact certified by him, and that the defendants are not at liberty, in this collateral proceeding, to open the same. The Comptroller occupied a position *quasi* judicial in its character. His finding and certification of the fact now in question was an exercise of the judicial function, and ought not to be disturbed except upon some appropriate direct proceeding to that end.

In the case of *Casey* vs. *Galli* (94 U. S. 673) the Receiver of a national banking association sought to recover from a stockholder the amount of an assessment duly made by the Comptroller. The stockholder, among other defenses, set up the fact that the banking association was created under the provisions of the national banking law permitting a State bank to be converted into a National bank, and that two-thirds of the capital stock never authorized the conversion and never accepted the organization certificate, as required by the Act of Congress as conditions precedent to such conversion. Section 18 of the Act provides that when the Comptroller shall give to such association a certificate under his hand and official seal that the provisions of the Act have been complied with, and that it is authorized to commence the business of banking under it, the association shall be deemed to be a national banking association, the same as if originally organized under the Act.

The Supreme Court, in passing on the case, says:

"The plea denies the regularity of the proceedings in the single particular that the owners of two-thirds of the capital stock of the bank did not authorize the directors of said bank to convert it into a national banking association nor to accept an organization certificate as such banking association."

After alluding then to the admission contained in the pleadings that the Comptroller's certificate was duly made, the court says:

"The plea proposes to go behind the certificate and contradict it. This cannot be done. The Comptroller was clothed with the jurisdiction to decide as to the completeness of the organization, and his certificate is conclusive upon the subject for all purposes of this litigation. It has the same effect, and for the same reason, as his determination and order with respect to the amount to be collected from such stockholders in the event of the failure of the association. No question can be raised in this collateral way as to either. In *Thatcher* vs. *Bank* (19 Mich. 196). it is held 'that whether there was any defect in the process of organization was a question for the Comptroller to decide, and that his certificate of compliance with the requirements of the Act of Congress removes any objection which might otherwise have been made to the evidence upon which he acted.' In this we concur."

The case of *Smelting Co.* vs *Kemp* (104 U. S. 686) is a leading case on the conclusiveness of the findings of executive officers of the Government upon matters referable by the law to them. In the opinion in the last-mentioned case it is said:

"In that respect they (officers of one of the executive departments) exercise a judicial function, and therefore it has been held in various instances by this court that their judgment as to matters of fact properly determinable by them is conclusive when brought to notice in a collateral proceeding. Their judgment in such cases is, like that of other special tribunals upon matters within their exclusive jurisdiction, unassailable except by a direct proceeding for its correction or amendment."

To the same effect, also, are the cases of *Barden* vs. *Railroad Co.* (154 U. S. 288), and *United States* vs. *Winona & St. Paul Railroad Co.* (15 C. C. A. 96, 67 Fed. 948).

Applying the principles of the foregoing cases, it seems to me clear that the action of the Comptroller of the Currency in certifying that the whole amount of the increase of stock had been paid in, with his approval of the increase, so partakes of the judicial character that it cannot be assailed in this proceeding. In reaching this conclusion it must be borne in mind that the particular matter which, by the answer, is relied upon as a defense, is, by the Act of Congress, pointedly referred to the Comptroller for his finding and certification. If, therefore, the finding of any executive officer of the Government, in any case, is to be treated as conclusive (except as against direct attack), it seems to me his finding and certificate of this fact ought to be. The important and diverse business interests of a bank, and the welfare of its stockholders and creditors, demand, in my opinion, that a matter of fact so affecting each and all of these features as the stockholders' relations to the bank, and their liability to its creditors, should be fixed, clearly and definitely, by some decisive authority, and this is what I think Congress undertook to do in requiring the Comptroller of the Currency to find and certify to the fact in question, and as a result thereof to give his approval to the increase. The foregoing is decisive of the demurrer in this case, but as other important questions have been argued by counsel I will briefly advert to them.

[The Court then found that defendants had been guilty of laches.]

Again, the officers of the bank, in taking the necessary steps for increasing its stock, acted as the agents and trustees of the parties interested in such increase. Their acts are the acts of their principals, and while they may be held to individual liability to their *cestuis que trustent* for breaches of their trust, neither they nor their principals ought to be heard to assert their own wrong to defeat the claims of innocent third parties who acquired rights upon the faith of what was apparently done. Under such circumstances the equities of creditors are greater than those of defrauded principals even, and to permit such principals now to deny their liability would defeat the ends of justice and work a legal wrong. (*Ogilvie* vs. *Insurance Co.* 22 How. 380; *Railway Co.* vs. *McCarthy*, 96 U. S. 258; *Bank* vs. *Hawkins*, 18 C. C. A. 78, 71 Fed. 371; *Duffield* vs. *Iron Works*, 64 Mich. 293.)

It is further argued by defendants' counsel that the entire increase of stock in question was *ab initio* void, and hence that no question of estoppel can arise against the defendants in the case. They say it was *ultra vires* and void because one of the essential and statutory requirements was not complied with, namely, "the whole amount of the increase was not paid in." They contend that the paying in of the whole amount of the increase was a fundamental prerequisite to a lawful and valid increase, and that the failure so to have done, as pleaded by defendants, renders the increase absolutely void. This argument proceeds entirely upon the alleged want of power in the bank. Notwithstanding the views already expressed concerning the conclusiveness of the Comptroller's certificate, I will briefly consider this view of the case.

Counsel rely mainly on the cases of *Winters* vs. *Armstrong* (37 Fed. 508) and *Delano* vs. *Butler* (118 U. S. 634), in the last of which the Supreme Court says:

"It appears that three things must concur to constitute a valid increase of the capital stock of a national banking association: First, that the association, in the mode pointed out in its articles and not in excess of the maximum provided for by them, shall assent to an increased amount; second, that the whole amount of the proposed increase shall be paid in as a part of the capital of such association; and third, that the Comptroller of the Currency, by his certificate specifying the amount of such increase of capital stock, shall approve thereof and certify to the fact of its payment."

This language was used prior to the amended Act of May 1, 1886, and would necessarily be somewhat modified now, if treating of the same subject under the provisions of the amended Act; but for all the purposes of the argument in question this circumstance is immaterial. The argument is that these three several requirements are expressions of or limitations upon the fundamental power conferred upon the bank to increase stock, and that the failure to comply with either of these requirements, in an attempted increase, renders the consummation void for want of fundamental authority therefor. It must be conceded at the outset that if the sovereign authority never conferred power upon the bank to increase its stock at all there was no valid increase in this case, no valid subscriptions by the defendants to such increase, and no liability on their part by reason of any certificates therefor which they may have received; and in such case no acquiescence, laches, or estoppel on the part of the defendants as subscribers to such stock, can work any liability against them. (*Scovill* vs. *Thayer*, 105 U. S. 143; *Implement Co.* vs. *Stevenson*, 18 C. C. A. 661, 66 Fed. 633.) Inquiry must therefore be first made as to whether the requirement that the whole amount of the increase must be paid in relates to the abstract power to increase, or to the performance of that power.

Section 5142, Rev. St. 1878, provides as follows:

"Any association formed under this title may, by its articles of association, provide for an increase of its capital from time to time, as may be deemed expedient, subject to the limitations of this title. But the maximum of such increase to be provided in the articles of association shall be determined by the Comptroller of the Currency; and no increase of capital shall be valid until the whole amount of such increase is paid in, and notice thereof has been transmitted to the Comptroller of the Currency, and his certificate obtained specifying the amount of such increase of the capital stock, with his approval thereof, and that it has been duly paid in as part of the capital of such association."

This section was amended by the Act of May 1, 1886 (24 Stat. 18). The first section of this amended Act reads as follows:

"That any National banking association may, with the approval of the Comptroller of the Currency, by the vote of shareholders owning two-thirds of the stock of such association, increase its capital stock, in accordance with existing laws, to any sum approved by said Comptroller, notwithstanding the limit fixed in its original articles of association and determined by said Comptroller; and no increase of the capital stock of any national banking association either within or beyond the limit fixed in its original articles of association shall be made except in the manner herein provided."

In considering the question of "abstract power," it is well at the outset to clearly understand what is meant by the expression. It is said in the case of *Bank* vs. *Hawkins* (18 C. C. A. 80, 71 Fed. 370):

"An Act is *ultra vires* a corporation when it is beyond and outside of the scope of the powers conferred by its founders, when the corporation is without authority to perform it under any circumstances or for any purpose."

In other cases it is held, and it is generally so understood, that, if any way is provided by law for accomplishing a desired purpose, power in the abstract may be said to exist for doing it.

The statutory provisions above quoted undoubtedly provide some way for increasing the capital stock of a national banking association, and certainly authorize the increase under certain circumstances and subject to certain requirements. They therefore provide "abstract power," as already defined, for doing the act. The steps to be taken in effecting the increase are enumerated in the acts, but these, with the exception of the approval of the Comptroller of the Currency, do not in my opinion concern the question of abstract power to do the act, but relate exclusively to the method of performance or the exercise of the power granted. *Scovill* vs. *Thayer*, *supra*, was an action to recover an unpaid balance due on subscription to increase stock. According to the laws of Kansas, where the corporation there under consideration was organized, any corporation might increase its stock to any amount not exceeding double its authorized capital. After exhausting this power in making one increase which fully doubled its authorized capital, the corporation attempted, by taking the steps required by law for the lawful increase of stock, to further increase its capital. The Supreme Court held that this attempted second increase presented a clear case of want of power in the abstract, which no acquiescence, laches, or estoppel could cure.

Implement Co. vs. *Stevenson* (*supra*) presents another instance of total want of power to make the increase. An attempt was made here to increase stock of a corporation to an amount in excess of the statutory limit, and the circuit court of appeals followed the doctrine of *Scovill* vs. *Thayer*, but in the opinion drew a sharp distinction between that case and others involving a defective or informal exercise of the power granted, holding that in the latter case a stockholder may estop himself from denying the validity of the stock or his liability therefor.

Veeder vs. *Mudgett* (95 N. Y. 295) is a case in which the Court of Appeals of New

York says: "The abstract power [to increase the stock] did exist, and there was a way in which the increase could lawfully be made, and the creditors could without fault believe that the increase had been lawfully effected, and the necessary steps had been taken," and holds, notwithstanding failure to comply with certain requirements of the statute relating to increase of capital stock, that the stockholders, by voting for such increase, accepting their proportion of it, and dividends upon it, and by holding it out as a component part of the capital, are estopped from denying the legality of the increase.

In *Chubb* vs. *Upton* (95 U. S. 665) it appears that the holders of the original capital stock never authorized the increase, and other such irregularities occurred as, between the stockholders and the company, might have subjected the increase to annulment by a direct proceeding; yet the Court says:

"All this does not alter the fact that there was an attempted alteration of the company, under the form of law, approved by the Attorney-General, with an increased capital, in the organization and management of which the defendant took part; that he paid his money, received his certificate of stock, attended meetings, voted, acted as an officer, and, so far as the records shows, never repudiated his position at any time, even to the time of the trial. If successful, he would have shared in its profits. He may have been the dupe and victim of the action of others; he may have been an accomplice; at all events, he was so far an actor in the affair that he cannot escape the consequences of his position."

As a result of a careful examination of all the cases bearing on this question, I am constrained to hold that the statutes of the United States confer the abstract power upon national banking associations to increase their capital to such a limit as might be approved by the Comptroller of the Currency, and that this power, as such, exists independently of the separate steps required to be taken by the shareholders in the exercise of the power; and that any irregularities, informalities, or defects in the exercise of the general power, like that set up as a defense to this action, may be waived by the subscriber; and that the defendants in this case, by their laches and conduct, have so waived it, and are estopped from availing themselves of the irregularity complained of by them. The demurrer must be sustained.

STOCK—LIEN—BY-LAWS.

Supreme Court of Michigan, December 24, 1896.

CITIZENS' STATE BANK OF MONROEVILLE *vs.* KALAMAZOO BANK.

Under the statute of Michigan (3 How. Ann. St. § 2208a8), which provides that "no transfer of stock shall be valid against a bank so long as the registered holder thereof shall be liable as principal debtor, surety, or otherwise, to the bank for any debt due," a purchaser of registered bank stock cannot compel a transfer of the stock on the books of the bank, where the former owners are members of a firm which is indebted to the bank.

The lien of the bank is not waived by a by-law which provides that holders of stock desiring to sell shall give the bank an option to purchase.

LONG, *C. J.:* The defendant, as a banking corporation organized under the general banking laws of this State, asserted its lien under that law, which provides: "The shares of stock of such bank shall be deemed personal property, and shall be transferred on the books of the bank in such manner as the by-laws thereof may direct; but no transfer of stock shall be valid against a bank so long as the registered holder thereof shall be liable as principal debtor, surety or otherwise, to the bank for any debt which shall be due and unpaid, nor in such case shall any dividend, interests or profits be paid on such stock so long as such liabilities continue, but all such dividends, interest or profits shall be retained by the bank and applied to the discharge of such liabilities; and no stock shall be transferred on the books of any bank without the consent of the board of directors, where the registered holder thereof is in debt to the bank for any matured and unpaid obligations." (3 How. Ann. St. § 3208a8.) It was and is insisted that this statute was not intended to give a lien upon the stock of the banking corporation to secure the payment of any such indebtedness as is involved in defendant's contention, but that the statute refers to debts created with the banking corporation after its organization as such. The certificates of stock provide that they shall be transferable "only on the books of the company, personally, or by attorney, on the surrender of the certificate."

By-law 12 of the defendant bank is as follows: "Any stockholder desiring to sell his or her shares of stock in this corporation shall notify the President or Cashier of such fact, and give him and the board of directors ten days to purchase or find a purchaser for said stock; at the expiration of ten days time, the stockholder may sell at pleasure."

It is insisted that this by-law is a waiver of the statutory lien in defendant's behalf. It is also insisted that if it shall be found that the defendant bank had a *prima facie* lien upon this stock to secure the payment of a co-partnership indebtedness for which Dwiggins and Starbuck as co partners might be liable, nevertheless complainant, as the assignee of that stock, is entitled to have the stock transferred upon the books of the company, subject to such lien, and until a foreclosure thereof, in order that it may vote the stock and have a voice in the management of the affairs of the bank.

At the hearing the defendant claimed and offered proofs, which were objected to, tending to show that at the time of the sale of the assets of the Kalamazoo County Bank of Dwiggins, Starbuck & Co., that co-partnership guaranteed the payment of the commercial paper and accounts turned over by it to the defendant bank upon its organization as a banking corporation; that the defendant did business directly with the Citizens' Bank of Edwardsburg and the Union Bank of Richland, both of which were co-partnerships in which Zimri Dwiggins, some of defendant's officers, and others were interested, until those banks failed, in May, 1893; that at that date they owed defendant as follows: The Citizens' Bank of Edwardsburg $806.34, and the Union Bank of Richland $1,319.32.

To recapitulate complainant's claim, it is insisted: (1) That it was entitled, upon the proofs, to the transfer of the stock as prayed. (2) That if defendant might, under the statute, claim a lien as against this stock, such lien was waived by the form of the stock certificate and defendant's by-law No. 12. (3) That the decree, in any event, is erroneous in so far as it adjudicates a lien as against complainant's stock. (4) That defendant is not entitled to a foreclosure of this alleged lien, and that the decree of the court below was in that respect correct. (5) That, assuming defendant had a *prima facie* lien on the stock, complainant is entitled to have the stock registered upon the books of the bank, subject to the lien, when established. It was held in *Michigan Trust Co.* vs. *State Bank of Michigan*, decided at present term (9 N. W. 645), that third parties purchasing stock of a registered holder could not compel a transfer of the stock upon the books of the bank issuing it, when it appeared, at the time of such demand of transfer, that the registered holder of such stock was liable as principal debtor, surety, or otherwise to the bank for any debt which should at that time be due and unpaid. In the present case it appears that the debt was due and unpaid at the time the demand was made; so this case upon that point is ruled by the case cited. The reasons are fully set out in that case.

The contention that registered holders are members of a co-partnership, and that the indebtedness is due from such co-partnership and not from the holders of the stock individually, has no force, as we must give some meaning to the term "or otherwise." The statute is plain, and covers all indebtedness, whether as principal debtor, surety, or otherwise. The rule under such statutes, where a lien is created, is that the lien is a general one, and secures all debts, due from stockholders or firms of which they are members, even when the debts grow out of transactions not connected with their shares, and though the stockholders are but sureties for debts, and though they are created after the transfer without notice to the corporation. (23 Am. & Eng. Enc. Law, p. 698.) This doctrine is fully supported.

So we say of this statute it is broad enough to cover the indebtedness here claimed. We are of the opinion that it was the intent of the Legislature in the passage of this statute to create a lien upon the registered stock for all such debts; that when the debt matured and remained unpaid, and the stock remained in the name of the registered holder upon the books of the bank, he could not, and a third party could not, compel the transfer of the stock upon the books of the bank, until the lien was paid and discharged. This question was substantially disposed of in *Michigan Trust Co.* vs. *State Bank of Michigan* at present term (69 N. Y. 645).

It is not necessary to decide in this case whether a lien was created upon the stock when the debt to the bank arose; and we only hold that it became a lien when the indebtedness matured and remained unpaid; that at that time it became and was a prior lien over any lien acquired by a third party by transfer of the stock prior to that time. The party taking a transfer of bank stock must be held to know that it was subject to any debt at the bank where the stock is registered, and when that debt matures the bank has the right to enforce that lien. (*National Bank* vs. *Watsontown Bank*, 105 U. S. 220; 1 Cook. Stock, Stockh. & Corp. Law, § 530.)

We need go no further in the present case upon the facts proved.

PRESIDENT—POWER TO ADJUST CLAIM.

Supreme Court of Indiana, December, 16, 1896.

FIRST NATIONAL BANK OF INDIANAPOLIS *vs.* NEW.

Where a President of a bank is held out to the public as empowered to attend to all the business of the bank, he has authority to adjust a claim in favor of the bank by taking an assignment of a judgment, and such adjustment is valid if the agreement is afterwards carried into effect.

This was an action by the First National Bank of Indianapolis against John C. New upon a promissory note.

The defendant interposed as a defense, among others, that he had been discharged from liability upon the note by an adjustment under which a judgment against one John Hanna held and owned by him had been assigned to the bank.

Howard, *J.* (omitting part of the opinion): To enable appellee to succeed in his defense, it was necessary for him to prove (1) the parol agreement averred to have been made between him and the bank when he executed the note, according to the terms of which agreement he was to be relieved of all liability on the note as soon as he should assign to the bank the judgment referred to; and (2) that the agreement so made was carried out by the assignment of the judgment, and its acceptance by the bank in discharge of his obligation on the note. The evidence of the appellee is to the effect that the agreement made at the signing of the note was with William H. Morrison, then President of the bank. It is contended very earnestly that Mr. Morrison, as President, had no power to make such an agreement on the part of the bank, inasmuch as the making of such an agreement was out of the ordinary course of the business of the bank, and, consequently, beyond the scope of his agency as President.

Many extracts are made from the by-laws to show that the power claimed to have been exercised by him in making the contract was not given to the President. Numerous authorities, also, are cited to show that the President of a bank can not have such power. It is true that, except as otherwise specifically provided in the charter, the business of a bank is in charge of its board of directors, and, without their authority to do so, the President can not bind the bank in any unusual manner, or in any undertaking lying outside of its customary routine business. (1 Morse, Banks, § 144.)

But, as said by the same text writer, such unusual authority to the President may be given, not only by a formal vote of the board of directors, but also "by the existence of such facts as constitute a public holding out, and warrant the public in believing that the undertaking is within the scope of his legitimate delegated authority." (*Id.* See, also, *National State Bank* vs. *Vigo Co. National Bank*, 141 Ind. 252, 40 N. E. 799; *Evansville Public Hall Co.* vs. *Bank of Commerce*, 144 Ind. 84, 42 N. E. 1097.)

In this case, as the evidence shows, and as also expressly stated in the third finding of the court, Mr. Morrison was held out to the public as fully empowered to attend to all the business of the bank. Those dealing with the bank were therefore warranted in believing that he was authorized to attend to such general business with the public as might be transacted by the directors themselves. That would, of course, include such an adjustment of a claim in favor of the bank as was contemplated in this case, provided only the agreement was afterwards carried into effect.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: ——, Jan. 22, 1897.

SIR:—On December 11, 1896, we received for collection and returns from a bank that we shall designate as M, a note on ——, for $1,223.32, due December 23, 1896. Their printed instructions read: "Protest all paper unless otherwise instructed." On December 21, 1896, M wired us as follows: "Hold without protest for fifteen days after maturity, note of ——, due December 23, $1,223.32, sent you December 8." We held the note until January 7, 1897, and then it not being paid and having no further instructions from M, we had the note protested. Now M says we had no business protesting the note and refuses to pay the fees. We presume the only question is the construction of M's telegram. What do you think about it?

ASSISTANT CASHIER.

Answer.—The language of the telegram was somewhat ambiguous. It might have meant that the note was not to be protested at maturity, or it might have meant that it was not to be protested at all. It is not perfectly clear that the bank sending the telegram intended that there should be no protest at the end of the fifteen days; and in cases of doubt the proper course is to protest, especially where the general instructions are, as in this case, to protest all paper unless otherwise instructed. It might very well have been that the indorsers consented to extend the time fifteen days, in which case there might be some question as to whether they were not discharged from liability if they were not given notice of the dishonor at the expiration of that time. Besides, the notary's certificate is evidence of demand and dishonor, and affords a very convenient mode of proving such fact.

Editor Bankers' Magazine: ST. CLOUD, Minn., Jan. 29, 1897.

SIR:—A party doing business with us, named A, owned a note made by B to order of C, endorsed by C to A. Note was made and dated at a small town reached by express company only. A brought the note to us to be sent for collection, stating that he wanted to send it to that town to either have it paid, get C to waive protest, or else have it protested. We told him the bank could not handle it as there was no bank at said town to whom we could send it. He then asked if we would not figure up the interest and send it by express for him, he being an illiterate man. We took the note, ten days before it was due, and sent it by express (without our endorsement or stamp on it) with the instructions he gave. We heard nothing further from note (although we made several inquiries of express agent about it) until thirty

days after it was due, when it was returned with a protest notice dated twenty-nine days after note was due, and a bill of fees and express charges. We returned note and papers to A. It appears from protest notice that maker of note was not a resident then of that town, and could not be presented with the note. Now, supposing no action had been taken by A to collect the note after it was returned to him, would this bank be liable in any way for the amount of the note; or supposing maker of note was not good, could any action be sustained against us whether we took the note as a regular collection or not? CASHIER.

Answer.—It appears from the statement of our correspondent that the bank did not undertake to make the collection; but, on the contrary declined to assume any such duty, and undertook merely to carry out the instructions of the owner of the paper, and sent it by express as directed by him. Under such circumstances, it is clear that the bank could not be held liable for any neglect on the part of the express company. Had the bank received the note for collection in the usual way, then it would be liable for the default of the express company, which would be deemed the agent of the bank, and not the sub-agent of the owner of the paper. (*Steeissguth* vs. *Nat. American Bank*, 43 Minn. 50.)

Editor Bankers' Magazine: **REDFIELD, S. D., Jan. 27, 1897.**

SIR:—A bank at D, remits us with other items for credit a check of K for $20, drawn on the Bank of F. We credit and send to our correspondent at M, who gives us credit for it and forwards a credit slip in the usual form, at the bottom of which is the following notice: "For the collection of all items payable outside of this city, the Bank of M will observe due diligence in its endeavor to select responsible agents, but will not be liable in case of their failure or negligence, or for loss of items in the mails." Some time after, the Bank at M writes us that K's check has been misplaced or lost, and asks for a duplicate, which we try by correspondence to secure, and so inform them. After waiting what seemed to the bank at M a sufficient time, they now write that they have charged the item to our account. Have they the right to do so, and if so, can we in turn charge it back to the bank at D? CASHIER.

Answer.—Assuming that the bank remitting would be bound by the notice on the credit slip sent by the bank at M, nevertheless, after the check had passed into the possession of the latter bank, such bank would be *prima facie* liable for the same, and the burden would be upon it to show that there had been no neglect on its part. It has no right to cancel the credit given for the check until it has shown itself to be without fault in the matter.

Editor Bankers' Magazine: **OWEGO, N. Y., Jan. 25, 1897.**

SIR:—A bank in New York State sends a note of $600 to a bank in Florida. The note was paid to the bank in Florida, which sent its draft on New York city, dated nine days before it was received by the New York State bank. The latter sent it to the New York correspondent, and it came back protested, the Florida bank having failed. Would not the Florida bank be considered an agent only, and be obliged to pay the amount of the note in full?

F. E. BROCKWAY.

Answer.—This would depend upon the form of the indorsement, or upon all the circumstances of the case, or the course of dealing between the banks. If the note was indorsed by the remitting bank "for collection," as was very likely the case. then it is clear that such bank is entitled to recover the proceeds as a trust fund, and is not required to prove its claim as a creditor of the Florida bank. (*Commer-mercial Nat. Bank* vs. *Armstrong*, 148 U. S. 50; *Bank of Metropolis* vs. *First Nat. Bank of Jersey City*, 19 Fed. Rep. 658.)

Editor Bankers' Magazine: **NEW YORK, Jan. 14, 1897.**

SIR:—I notice in the December number of the BANKERS' MAGAZINE, page 678, that a decision was recently rendered in Iowa to the effect that a bank may charge against the account of an insolvent depositor any notes the bank may hold of said depositor, even though the notes may not be due. I would like to ask if this is not altogether a new ruling, and if there are any circumstances whereby the same action could be taken in this State?

SUBSCRIBER.

Answer.—The rule is not a new one, but has been applied in a number of cases. (See the cases cited in the opinion.) In this State it has been held that the rule will not apply where the depositor has made an assignment. (*Fera* vs. *Wickham*, 135 N. Y. 223.) If, however, the depositor is actually insolvent, but has not made an assignment, the rule of equitable set-off will apply. (*Lindsay* vs. *Jackson*, 2 Paige, Ch. 581.

BANKING AND COMMERCE IN CANADA.

QUARTERLY REVIEW OF THE CANADIAN BANK RETURNS.

The close of the year is always a time when what has been transacted during that period is likely to be reviewed, but as a review of the first three quarters has already appeared in these columns it will hardly be necessary to go beyond the October returns.

The September returns give indications of an active or slow season's business. This year the outlook was fairly promising and these indications were generally realized. When we compare the October figures with the same month a year ago we find a very satisfactory showing. The note circulation increased $3,302,974 over September and $1,284,122 over October, 1895. The October statement shows the amount $35,955,150. Deposits payable on demand increased during the month of October, 1896, $1,485,685. This refers to mercantile deposits merely deposited for convenience. Deposits payable after notice, most of which bear interest, increased during the same month $2,089,254, and during the year the total deposits increased over six millions. The total deposits in institutions under Government direction or control were on October 31 as follows:

Chartered banks	$192,838,305
Post-office and Government Savings banks	47,200,527
Province of Quebec Government Savings banks	14,300,091
Loan companies on December 31, 1896	19,945,943
Total	$274,284,866

The increase in deposits since 1892 is about twenty-seven millions. This is certainly not a bad showing when taken in consideration with the population of the country.

The amount due to banks and agencies in foreign countries and in Great Britain showed an unusual tendency. The latter recorded a falling off to the extent of $2,865,890. While formerly little change was noticeable, within the year the amount was reduced by over one-half.

The total liabilities at the end of October stood at $239,978,040, an increase of $5,167,437, and over the same month a year ago $2,607,844. Note circulation and deposits may be credited with this increase. The amount of specie and Dominion notes held by the banks at the close of the month was also slightly larger than shown at the close of September. Balances due from banks and agencies in foreign countries declined for the month $665,090, and during the year over one and a half millions, while balances due from banks and agencies in Great Britain show an increase during the month of $260,127 and during the year $5,542,249.

In municipal and other securities the changes are not great, but in railway securities the increase in investments was about one and a quarter millions.

Call loans on stocks and bonds are again recovering and have an upward tendency, but a reduction of $3,249,331 is noticeable since October, 1895.

Current loans on mercantile paper increased $4,200,189 during the month and stand at nearly twelve and a half millions more than last year. Overdue debts are favorable to a better showing. The total assets increased $5,248,155 during October, and over the same date a year ago $3,863,840.

STATISTICAL ABSTRACT OF CANADIAN CHARTERED BANKS—COMPARISON OF THE IMPORTANT ITEMS.

ASSETS.	Dec. 31, 1896.	Nov. 30, 1896.	Dec. 31, 1895.	Increase and decrease for month.	Increase and decrease for year.
Specie and Dominion notes	$23,819,000	$23,118,409	$24,202,379	Inc., $700,591	Dec., $383,379
Notes of and checks on other banks	9,016,940	9,441,263	9,115,065	Dec., 424,323	Dec., 98,125
Due from banks and agencies in foreign countries	16,743,355	18,230,126	17,897,593	Dec., 486,771	Dec., 1,154,238
Due from banks and agencies in United Kingdom	9,585,038	10,126,734	8,175,874	Dec., 541,696	Inc., 1,409,164
Canadian municipal securities and British provincial or foreign or colonial, other than Dominion	10,623,247	9,719,885	9,743,259	Inc., 903,362	Inc., 879,988
Railway securities	11,875,189	11,758,440	10,893,702	Inc., 116,749	Inc., 981,487
Loans on stocks and bonds on call	14,030,962	14,216,843	17,089,307	Dec., 185,881	Dec., 3,058,345
Current loans to the public	210,522,074	212,906,674	202,088,259	Dec., 2,384,600	Inc., 8,433,815
Overdue debts	3,988,746	3,979,866	4,412,237	Inc., 8,880	Dec., 423,491
Total assets	$329,692,255	$333,077,531	$322,184,801	Dec., $4,885,276	Inc., $7,507,454
CAPITAL.					
Capital stock paid up	$61,731,354	$61,425,769	$62,196,391	Inc., $5,585	Dec., $465,037
Reserve fund	26,670,799	26,438,799	27,665,799	Inc., 232,000	Dec., 995,000
LIABILITIES.					
Bank notes in circulation	$33,095,784	$35,262,599	$32,565,179	Dec., $2,166,815	Inc., $530,605
Balance due to Dominion Government	3,208,402	2,523,818	4,894,352	Inc., 684,584	Dec., 1,685,950
Balance due to Provincial governments	2,260,126	2,856,325	2,299,932	Dec., 596,199	Dec., 39,806
Deposits of the public payable on demand	70,529,211	70,051,597	67,452,397	Inc., 477,614	Inc., 3,076,814
Deposits of the public payable after notice	126,101,012	126,791,355	119,667,176	Dec., 690,343	Inc., 6,433,836
Deposits payable on demand or after notice between banks	2,644,940	2,751,050	2,959,409	Dec., 108,973	Dec., 314,469
Due to banks and agencies in foreign countries	341,530	169,207	219,541	Inc., 172,323	Inc., 121,989
Due to banks and agencies in the United Kingdom	2,834,450	2,346,270	4,326,912	Inc., 488,180	Dec., 1,492,462
Total liabilities	$241,828,840	$244,015,473	$235,238,020	Dec., $2,186,633	Inc., $6,590,820
MISCELLANEOUS.					
Directors' liabilities	$7,960,665	$8,019,857	$8,274,874	Dec., $59,192	Dec., $314,209
Greatest amount of bank notes in circulation at any time during month.	35,429,816	37,268,492	35,014,003	Dec., 1,838,676	Inc., 415,813

Deposit with Dominion Government for security of note circulation (amount required being five per cent. on average maximum circulation for year ending June 30, 1896), $1,846,218. The reduction in capital is caused by the Ontario Bank having reduced capital from $1,500,000 to $1,000,000.

The greatest amount of bank notes in circulation at any time during the month was nearly one million more than was required to conduct the business a year ago. So that taking the year 1896 altogether, Canadians had little to complain of. To the increased price of wheat much of the credit of better times has been given. Be that as it may, certainly October, 1896, made a respectable showing.

The November returns were late in coming to the public, but show a strong tendency to hold continuous trade The figures vary but little from October, but the changes are tending downwards. The crops by this time have been harvested and to a great extent sold, and the increased price of wheat kept the movement of money up. There will be, of course, a holding back by many expecting a still larger increase at a later date. It may be said that the Canadian Northwest has experienced better times and better future prospects than for many years. The decrease in bank notes in circulation was only $692,551. That is somewhat less than the average of former years.

It is gratifying to find that the November returns show notes in circulation $899,853 higher than at the end of November, 1895. Deposits continue to increase, the returns for the month under review showing a gain of over four millions; deposits payable on demand, $2,738.762; deposits payable after notice, $1,265,885, and during the year the increase has been over nine millions. The amounts due to banks and agencies in foreign countries and Great Britain declined nearly one and a half millions within the year, but owing to the accumulation of deposits liabilities show an increase of over four millions, and over five and a half millions during the year, and stand at the end of November, $244,015.473. Specie and Dominion notes declined. but notes and checks between banks increased largely, showing that activity in business prevailed.

A large amount additional found its way to foreign countries, the increase reaching $2,292,047, which lessens the amount for the year. But balances due from the same source in Great Britain, though not increasing during the month, foot up a large margin for the year.

As in the former month permanent stocks and debentures varied but little, but loans on stocks continued to increase. Current loans decreased for the month one and a quarter millions, but the yearly increase comes to nearly eleven millions. Overdue debts continue favorable and total assets show the steady growth of the banks' resources, which at the end of November had reached $333,077,581.

The greatest amount of bank notes in circulation at any time during the month was $37,236,492, being an increase over the prior month of $941,009 and during the year $1,038,723.

The figures for December, the closing month of the year, would be unusual for that month if showing other than a declining tendency. Whatever may be added to the circulating medium through the holiday trade is not sufficient to fill up the hiatus caused by the completion of the crop and produce movement. The close of navigation and the withdrawing of attention from active business by many during the greater part of the month tend to lessen expenditures, which is plainly but not unusually shown in the December figures.

The falling off of $2,166,815 in the amount of bank notes in circulation, though not unusual for this month, is a large quantity to be taken from active operation. However. it is gratifying to find the amount still over half a million above the figures of last year.

It is noticeable that the deposits, though having increased so largely during the year, have remained about normal during the month, demand deposits increasing, and those withdrawable after notice decreasing. It would seem as if the people withdrew cash for holiday use and after serving this purpose it was returned again for a future emergency. Indeed, little need be said in relation to the December figures as they are so plainly set forth in the abstract. The figures given are an improvement on those of last year, and had it not been for the fear of a tariff revision, no doubt a better state of things would exist to-day. Importers bring in only what they are compelled to buy and in such quantities that there shall not be much on hand when the changes, whatever they may be, shall be put in operation.

The lack of sleighing throughout the month of December has also had its effect upon trade in Canada, as it has been an established rule for the farmers to hold back as much of their products as possible to be marketed after the sleighing puts in its appearance.

Condition of the National Banks of the United States.

RESOURCES.	*Dec. 13, 1895.*	*Oct. 6, 1896.*	*Dec. 17, 1896.*
Loans and discounts	$2,020,961,792	$1,876,591,716	$1,883,407,457
Overdrafts	20,587,845	16,677,123	17,753,653
U. S. bonds to secure circulation	210,479,500	237,391,650	239,346,340
U. S. bonds to secure U. S. deposits	15,358,000	15,798,000	15,808,000
U. S. bonds on hand	8,655,900	9,342,500	8,406,550
Premiums on U. S. bonds	16,698,340	17,629,994	17,641,942
Stocks, securities, etc	198,383,321	188,995,352	189,701,636
Banking house, furniture and fixtures	78,697,728	78,046,817	78,325,325
Other real estate and mortgages owned	25,574,482	27,408,155	27,736,020
Due from National banks (not reserve agents)	131,007,238	111,830,935	125,382,562
Due from State banks and bankers	33,341,627	29,583,299	32,141,784
Due from approved reserve agents	203,002,116	190,077,533	219,966,660
Checks and other cash items	12,939,318	13,913,129	13,138,402
Exchanges for clearing-house	86,557,507	76,760,416	84,976,088
Bills of other National banks	17,114,290	18,055,536	18,583,392
Fractional paper currency, nickels and cents	925,289	966,835	925,400
Lawful money reserve in bank, viz:			
Gold coin	113,843,400	114,921,270	118,631,050
Gold Treasury certificates	20,936,090	19,706,620	19,192,210
Gold clearing-house certificates	33,465,000	26,096,000	43,197,000
Silver dollars	6,984,382	6,721,871	6,975,625
Silver Treasury certificates	25,878,323	28,057,695	32,144,649
Silver fractional coin	5,605,274	5,305,176	5,400,174
Legal-tender notes	99,209,423	110,494,730	118,898,612
U. S. certificates of deposit for legal-tender notes	31,440,000	31,840,000	37,080,000
Five per cent. redemption fund with Treasurer	9,194,625	10,373,622	10,411,548
Due from U. S. Treasurer	1,744,071	1,209,333	1,889,686
Total	$3,423,534,328	$3,263,685,313	$3,367,115,772
LIABILITIES.			
Capital stock paid in	$656,956,245	648,540,325	647,186,395
Surplus fund	246,177,563	247,690,074	247,339,567
Undivided profits, less expenses and taxes paid	94,501,758	88,652,759	95,792,337
National bank notes issued, less amount on hand	185,151,344	209,944,019	210,689,965
State bank notes outstanding	63,504	60,343	60,393
Due to other National banks	302,721,578	289,043,388	317,860,025
Due to State banks and bankers	167,302,670	146,058,794	168,635,962
Dividends unpaid	1,091,869	1,665,571	962,120
Individual deposits	1,720,550,241	1,597,891,058	1,639,688,398
U. S. deposits	9,699,120	11,091,241	11,822,671
Deposits of U. S. disbursing officers	4,059,468	4,080,236	3,597,205
Notes and bills rediscounted	11,359,771	14,881,060	8,099,591
Bills payable	20,492,304	20,431,426	12,805,832
Liabilities other than those above stated	3,405,889	3,654,963	2,585,271
Total	$3,423,534,328	$3,263,685,313	$3,367,115,772

THIRTY YEARS OF WAR CURRENCY.

[From an address by William C. Cornwell, President the City Bank, Buffalo, at the banquet of the Boston Merchants' Association, Boston, January 15, 1897.]

Apparently all conditions are favorable for prosperity at this time. And yet, notwithstanding all this, Europe will not deal in our securities except on speculation, that is by buying and selling one day and selling and buying the next. In other words, Europe does not yet invest and prosperity has not yet come.

Unsound Currency Delays Prosperity.

The trouble is that we have not yet settled the silver question—we have not made secure beyond doubt a permanent gold standard. We have made a great popular declaration which is a first and most important step, but it is not enough. The underlying reason for continued uncertainty is our unsound currency, and until this is remedied we cannot hope for solid prosperity.

The channels of trade are filled with a currency which in principle is unscientific and unsound—currency of a kind which was first emitted in the dark days of the republic under the pressure of an advancing enemy and an empty treasury, but which was condemned even then, with tremendous energy, by the sound and patriotic statesmen of that great day.

"The notes to be emitted will be lepers in the commercial world from the hour they are brought into it," was Roscoe Conkling's prophetic condemnation.

Before this, through the struggles of nearly a century, paper fiat money had been strictly avoided. Poor and weak as the nation was in 1812, it had gone through that war without resort to it. And in 1862, rich and strong, the great mistake was made of reliance upon legal tender. In spite of strenuous opposition, the bill passed. It authorized the issue of $150,000,000 of greenbacks. It passed with solemn assurance on the part of those who advocated it that it was only temporary—a first offense, and that we dare not repeat it. Not three months later another issue of $150,000,000 was made, with little opposition, and not long after still another.

As a result of the legal tender forced loan, the currency of the nation sank in value, slowly but surely, and for seventeen years was the football of speculation. For eleven years there was a mad carousal of inflation and high prices and, in 1873, a disastrous settling day. Millions and millions were wiped out and six long years of hard times ensued.

During this period earnest attempts were made to retire and cancel the legal tenders. Retirement was twice begun and as quickly stopped by the cry of the rag money contingent. And when, in 1879, we safely accomplished resumption, this illegitimate expedient of war, the greenback, became the corner stone of our monetary structure, and to-day the parity with gold of all the other of the millions and millions of American values depends upon the parity of the greenback.

The $346,000,000 greenbacks in circulation were forbidden to be cancelled, and ordered to be paid out whenever taken in. Backed as they were by the $100,000,000 reserve and many more millions in the Treasury and by the expanding credit and growing wealth of the nation, their true character was hidden and they became beloved of the people. Like many other popular idols, however, they were unworthy of the confidence placed in them. They are just as false in principle to-day as when, at their birth, they received the hesitant acceptance or open denunciation of the statesmen of war times. False friends in prosperity, they have proven bitter enemies when revenue was declining and confidence was ebbing. Their fierce attacks upon the gold reserve have three times in three years brought us to the brink of insolvency, and they lurk to-day, behind more favorable conditions, ready at any time to renew the fearful operations of the endless chain.

There is under our remarkable system only one place in the United States where gold can surely be obtained. That place is the United States Treasury. The greenback demand note payable in gold, once paid, must be paid out again, each time clutching the gold and depleting the Treasury.

All the fatal machinery for depleting the gold reserve is still in splendid working order. Since the resumption of specie payments up to the present time, every dollar of the whole issue of greenbacks has been paid once in gold, and one-third of the issue has been paid twice, and yet the whole amount is still in existence.

A great popular election has declared unmistakably for a gold basis, but nothing thus far has been done to assure such a basis. We are still at the edge of the precipice. All the evil forces still exist to push us off.

Our dependence to-day, after more than thirty years, is still upon the old war currency; upon a small issue of over-secured and rigid National bank notes, the outcome of war needs and an enormous Government issue, partly fiat silver intrinsically worth fifty cents on the dollar, and partly fiat paper which is constantly threatening the gold reserve and checking confidence. No thinking citizen can doubt, in view of the facts presented, that something should be done with our currency.

Currency Reform.

I believe that the plan of reform should be presented by an expert commission of the highest ability obtainable. I am confident that such a body of men would have little difficulty in agreeing promptly as to the main points, and in soon arranging details. There can be no harm, however, in considering at this time the principal features of reform.

There is, I believe, but little difference of opinion among earnest thinkers on the question as to what should be done first. Practically all are agreed that the greenbacks and the Treasury notes should be retired. Many people ask the question, "Why cannot a great Government with unlimited resources for taxation best maintain the note issue, which affects the daily life of the people?"

The Government bank has no depositors and cannot get its notes into circulation through depositors as business needs them. It has no automatic method of getting information as to how much money is needed by trade, and could not act upon it if it had. The Secretary of the Treasury, ostensible manager of the bank, has his hands tied. The Government currency once out, stays out. It drifts away from the towns of the West and South to the great cities of the East, and stays there to breed speculation from unnatural plenty, while the farmers and traders of the prairies and cotton fields are suffering from contraction.

Out of this agony of contraction and starving scarcity of money goes up the cry (and it is an honest cry) for more money.

Do you think you have quieted the cry for more money? It never will be quiet until these people with a legitimate want have that want supplied in a legitimate way. What are we going to do about it? Is there no way of meeting this demand?

Sound Way to Meet It.

There is only one sound way to meet it and that is through the bank note based on the general assets of the bank, and not on specially deposited bond security, as is the case with National bank notes.

Our National bank notes lack the vitalizing element of a good bank note—that of daily redemption. Being secured by a special deposit, and over secured at that, nobody ever takes the trouble to redeem them, and the fine character which the redemption test gives is lost.

Inflation rushed them up to $360,000,000 when Congress set a limit. After that, lack of profit rushed them down to $120,000,000, and contraction of the currency would have been the result if the fiat silver dollars had not taken their place.

We need in this country a currency especially sensitive in the quality of elasticity, besides being absolutely secure. On account of great field and forest production, we require at certain seasons of the year a rapid and substantial increase in our medium of exchange, the volume of which should, to avoid inflation, as rapidly shrink when the need is past.

The currency of a country should be based upon actual possessions, upon wealth, not upon public debt, such as Government or State bonds. Commerce itself furnishes a perfect basis for itself under natural laws. Sound commercial banks are the custodians of the products of the labor of the people, and these products represent mainly all there is of wealth in a nation. The experience of the last fifty years among nations of high civilization proves that commercial assets, the representatives of these products, are the highest form of security for note circulation.

Notes issued by properly capitalized and inspected banks to the extent of a proportion (possibly in the future the whole) of their paid-up capital and made a first lien upon these commercial assets, have behind them the only true scientific basis for circulation in a country like ours—the basis being the product of the energy, the muscle and brain of our people. Trade consists in the exchange of these products. Banks are the natural facilitators of such exchange. They hold, in short bills receivable, the paper representatives of the products themselves. As by the increase of products, trade increases, so scientifically and naturally there is provided in an increase of assets a larger basis for note circulation. The means then to move the crops, that operation which produces the great annual money-squeeze in this country, is furnished by the crops themselves. What better basis for bank notes can be created than these quick assets, the sixty and ninety day bills of millions of people. These are the things that are paid in panics when everything else is in default.

The volume of such bank notes is absolutely regulated by trade, and no more of them can stay out than trade needs. Let us examine this operation. The bank issuing its own notes depends upon its business depositors or borrowers to take such of its notes as they need in their business. They in turn pay them out and the notes go the rounds until deposited in some other bank. All bank notes received by other banks, under this system, are treated just as though they were checks.

That is, any bank getting the notes of another bank will promptly send them in, every day, and get the money for them, so as to be prepared to meet its own notes, which it is continually seeking to put out. But it will not dare to put its own notes out beyond its power, daily, to redeem them.

The increase in the number of bank notes is regulated, consequently, by the requirements of trade, and the desire of the banks to get their own notes out because of the profit there is in them—the interest there is on them when they are out.

The decrease is effected by the pressure brought to bear by other banks who, striving to force their own notes out, send the notes of other banks in, and the total amount kept out can thus never be more than trade actually requires. The regulation of volume is automatic. There can never be inflation. There can never be contraction. When the crops are to be moved, the money will come out to move them. When the operation is over with, the bank currency returns as silently as it came. The whole movement is like the rise and fall of the resistless tide.

As far as security is concerned the statistics of the Comptroller's office show that if every National bank in the United States since the inception of the system had issued against assets the currency which it did issue against bonds, and a guaranty fund much smaller than the one proposed hereafter had been maintained, every dollar of notes of failed banks would have been redeemed in full throughout the whole period.

Graft this principle upon the national system, which is great in every quality except that of circulation. Abolish or reduce the tax on circulation. Drop the United States bond special security—adopt the general security principle, which is in such successful operation in Canada, making the note a first lien on all assets, including double liability of stockholders, limiting its issue to a percentage of capital with a five per cent. guarantee fund maintained. All notes to be printed by the Government as now; all notes to be redeemable daily in gold, by the banks themselves, and through redemption agencies at the financial centers throughout the United States.

The question of whether all banks, small as well as great, should issue currency, is one to be carefully considered. My own opinion is that only banks of large capital should issue notes and should have branches so that the smaller towns would get the fullest benefit. The idea put forth by Mr. B. E. Walker of the Canadian Bank of Commerce at our New York State Bankers' meeting seems to me exceedingly fit; namely, to allow all banks of not less than $1,000,000 capital to issue notes, and also to have branches, but such branches to be located only in the State in which the head banks are respectively established; banks, however, with $10,000,000 capital and with head offices in New York city to be allowed branches in all parts of the Union.

By pledge of general security, the principle of elasticity thus scientifically carried out, under the fire test of daily redemption, would suppress inflation and foster enterprise in the South and West as well as in the North and East. Rates for money would be equalized and lessened, and new regions would be constantly developed. The immense saving of interest by this method would, eventually, benefit the whole people.

Branches established in the small communities would, even without deposits at first, begin at once to develop the region covered. It would not be necessary to wait for deposits, as the bank notes could be loaned out at once on good security. Crops could be grown and cattle fed and goods conveyed to market by this means in communities where now they are barren of money and enterprise is stagnant. The people benefited would soon learn to deposit money, and thrift and wealth would follow. Without the note-issuing and branch system such things are almost impossible. The dearth of money and credit in these far-off communities would be banished, populist fallacies would diminish, and the cry for free silver would die out.

Instead of a war currency, devised not for the purposes of trade, but to appease the sharp tooth of gaunt necessity, and clung to long years after the least excuse for its existence had vanished—a currency clumsy, inadequate, unscientific and dishonest, partly founded upon a war debt, but mostly the debt itself made legal tender—or added to in kind and variety as the years went by—all of it unsuited to our needs; instead of all this, we should have at last a currency secure, elastic, uniform and convertible into gold on demand, and Commerce in the United States would once more confidently resume her sway.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

COMMONWEALTH OF MASSACHUSETTS.

OFFICE OF THE BOARD OF COMMISSIONERS OF SAVINGS BANKS,
STATE HOUSE EXTENSION, BOSTON, Jan. 9, 1897.

To the Honorable the Senate and House of Representatives in General Court assembled:

The Board of Commissioners of Savings Banks, in accordance with the provisions of statute, respectfully submits its twenty-first annual report, relating to the condition of the institutions under its supervision. The number of such institutions is at present 350, with aggregate assets of about $617,000,000.

Part I., herewith submitted, gives the statistics and condition of the following institutions, viz.:

One hundred and eighty-seven Savings banks and institutions for savings, with assets of $481,995,826.

Thirty-two trust companies, with assets of $110,372,753.

Two trust companies in hands of Receivers.

Three Savings banks in hands of Receivers.

Since date of last report, two Savings banks, one trust company and three co-operative banks have commenced business.

The Malden Trust Company and the Worcester Collateral Loan Association having begun business since October 31, the date on which the annual returns of the various institutions are made up, no returns of these institutions are submitted.

INSTITUTIONS CHARTERED BUT NOT YET COMMENCED BUSINESS.

The Dorchester Safe Deposit and Trust Company, Boston.
The Fidelity Trust Company, Boston.
The Fitchburg Loan, Trust and Safety Deposit Company, Fitchburg.
The Hyde Park Trust Company, Hyde Park.
The Pynchon Safe Deposit and Trust Company, Springfield.

DIVIDENDS.

The following table shows the rates of dividends paid during the year, in comparison with those paid during the year ending October 31, 1895:

Dividends Paid during the Year ending October 31, 1896.	*Increase.*	*Decrease.*
3* Savings banks paid at the rate of 3 per cent	2	....
5 " " " " 3½ "	No change.	
2 " " " " 3¾ "	2	....
157† " " " " 4 "	....	1
1 " " " " 4⅛ "	No change.	
7 " " " " 4¼ "	5	....
10 " " " " 4½ "	....	3
1 " " " " 4¾ "	1	....
No " " " " 5 "	....	2
No " " paid an extra dividend	....	2

* Including the Bay State Savings Bank, Worcester, which having recently commenced business, paid only one dividend (1½ per cent.) during the year.
† Including the Dorchester Savings Bank, which having recently commenced business, paid only one dividend (2 per cent.) during the year.

The Newton Centre Savings Bank, which commenced business during the year, has not declared any dividends.

The total amount of dividends declared was $16,835,008—an increase of $809,114 over the previous year, notwithstanding the fact that in 1895 extra dividends were declared to the amount of $121,826, whereas during the past year no extra dividends have been declared.

Aggregate Statement of Liabilities and Assets, Showing Increase or Decrease, as Compared with the Year ending October 31, 1895.

Liabilities.

Classification.	Amount Oct. 31, 1896.	Increase.	Percentage of increase.
Deposits	$453,220,257.27	$13,950,396.12	3.18
Guaranty fund	19,044,522.24	982,979.76	5.44
Undivided Earnings	9,561,199.07		
Due on incomplete mortgage loans	93,138.12	635,727,87	6.99
Sundry liabilities	76,709.77		
Total	$481,995,826.47	....	....

Assets.

Classification.	Amount Oct. 31, 1896.	Increase.	Decrease.	Percentage of Investments to Total Assets.
Public funds	$69,460,753.99	$1,633,827.53	....	14.41
Loans on public funds	2,176,378.65	816,847.00	....	.45
Bank stock	28,435,188.88	....	$553,732.30	5.90
Loans on bank stock	2,004,349.63	129,052.37	....	.42
Railroad bonds	49,379,499.05	802,946.82	....	10.24
Loans on railroad bonds	240,550.00	36,200.00	....	.05
Loans on railroad stock	1,001,232.84	170,632.84	....	.21
Railroad notes	3,245,000.00	2,795,000.00	....	.67
Real estate for banking purposes	4,048,965.63	224,564.50	....	.84
Real estate by foreclosure	1,818,083.13	273,892.37	....	.38
Loans on real estate	201,965,142.39	8,656,307.35	....	41.91
Loans on personal security	91,793,373.27	2,046,836.91	....	19.04
Loans to counties, cities or towns (notes)	10,174,142.31	....	1,087,599.92	2.11
Loans on depositors' books	44,997.05	....	8,947.20	.01
Sundry assets	575,799.04			
Expense account	183,927.63	70,271.76	....	.16
Cash on hand:—				
In banks, on interest $13,253,990.28				
In banks, not on interest ... 509,479.45				
In office 1,669,973.25	15,433,442.98	....	436,496.28	3.20
Total	$481,995,826.47	....	....	......

The total number of open accounts by which the aggregate deposits of $453,220,257 are represented is 1,340,668,—an average to each account of $338.06; the previous year the average was $337.25 and the number of accounts was 1,302,479.

The number of deposits made during the year was 1,225,089 and the sum deposited was $78,916,530; as compared with the previous year, there was an increase of 10,918 in number of deposits made and a decrease in the amount deposited of $1,851,988.

The average sum deposited during the past year was $64.42,—a decrease of $2.10, as compared with the year before.

These figures make it appear that the banks continue to be the depositories of people of limited means, and also indicate that such people have not been able to lay by so much as they did the previous year.

The number of withdrawals during the year was 1,050,329 and the amount withdrawn was $81,751,390,—an average to each of $77.83; an increase of 88,124 in number, of $7,441,605 in amount and of 60 cents in the average.

The amount withdrawn exceeded the amount deposited by $2,834,860.

In 1893, the year of the panic in financial circles, the withdrawals exceeded the deposits by over $6,000,000; with this exception, the past year is the only year since 1879 when the deposits have not exceeded the sums withdrawn.

Taking into account the assets and liabilities of the Brookfield Savings Bank and the Millis Savings Bank, statements of which banks were included in our last, but which are omitted in the present report (both banks being in the hands of a Receiver), the aggregate deposits show an increase of $14,008,756 and the total assets an increase of $15,626,534, a compared with last year.

During the year ending Oct. 31, 1895, the increase in deposits was $22,491,843 and the increase in assets was $24,085,457.

Increase in Aggregate Deposits.

From the following statement it appears that the increase in aggregate deposits is not as large in the banks located in Boston as in those located in other parts of the Commonwealth.

Sixteen banks in Boston, holding 31.41 + per cent. of the aggregate deposits, show only 25.77 + per cent. of the total gain.

Fifty-nine banks in cities other than Boston, holding 45.59 + per cent. of the aggregate, show a gain of 48.47 per cent. of the total gain.

One hundred and twelve banks in the towns and villages, holding 23.00 + per cent. of the aggregate, show a gain of 25.76 + per cent. of the total gain.

Investments.

A reference to the statement of assets will disclose the fact that the net increase in investments is covered by the items of public funds and loans thereon, of railroad bonds and railroad notes, and loans on real estate, all of which are generally estimated by conservative, careful investors as among the safest.

The increase of $273,892 in real estate held by foreclosure is not a pleasing exhibit, but the amount is perhaps no larger than was to be expected, in view of the large amount of loans which are held by the banks and the depression in business.

The ratio which this item bears to the aggregate assets is about three-eighths of one per cent., being about the same proportion as existed in 1891, 1892 and 1894, but considerably exceeding the ratio in 1893, when it was about one-fourth of one per cent.

The investment in bank stock is reduced from last year in the amount of $553,732.

During the year 35 banks bought an aggregate of 1,670 shares of bank stock, 15 banks sold an aggregate of 1,055¼ shares of bank stock, and the reduction of capital in several associations eliminated 5,797⅞ shares.

Loans on personal security show an increase of $2,046,836; notwithstanding this, the aggregate amount is a smaller per cent. of the total assets than has been the case in any year, with one exception (1894), during the past ten years.

The following table shows a comparison of this item with the return of a year ago: from this it will be observed that a slightly larger proportion is supplemented by collateral than in the previous year:

	1895.	*1896.*
Amount loaned on personal security, with collateral	$44,352,154.00	$45,573,539.58
Amount loaned on personal security, without collateral	45,394,382.36	46,219,833.69
	$89,746,536.36	$91,793,373.27

The items of cash on hand and on deposit in National banks show a decrease as compared with the previous year of $436,496; these items amount in the aggregate to $15,433,442, which is 3.20 per cent. of the entire assets of the banks; the percentage for the preceding four years was as follows, viz.: In 1892, 3.35; in 1893, 3.43; in 1894, 4.04; in 1895, 3.40.

These facts would seem to effectually disprove the current idea that the banks were hoarding money just previous to the national election.

Banks Connected with Other Institutions.

Of the thirteen banks incorporated within the past seven years, at least six have been established in the rooms, or directly connected with the business rooms, of other financial institutions.

When the charters of some of these banks were applied for, it was distinctly stated to the committee on banks and banking that they were not to be in any way connected with another financial institution; this statement was no doubt made in good faith, but subsequent developments caused the parties interested to change their minds as well as their plans, and the banks were established under conditions which, if foreseen by the committee, might have caused it to make an adverse report on the petitions.

It is a well-established opinion among business men generally that no two moneyed institutions should conduct their business in the same room and with the same active officers; experience, however, not only in this Commonwealth but elsewhere, has demonstrated that it is impossible to procure legislation looking to the separation of institutions already connected. We believe, however, in the light of recent occurrences, that an Act should be passed prohibiting any bank hereafter incorporated from occupying rooms in any way connected with another bank or trust company.

The founders of the excellent Savings bank system of this Commonwealth intended that the banks should be the safe, trusted depository of the poorer classes, who had no other means of investing their savings: it was not expected banks would be incorporated to boom towns or villages, to furnish a position for some one not otherwise employed, as a channel for placing loans or securities, or to help out the business of some other institution.

When it is proposed to start a Savings bank in a place where a sufficient number of public-spirited men of good judgment and some financial experience cannot be found who are ready to aid in defraying the expenses of starting a bank, and willing thereafter to devote the required time, without compensation, to its management, it is the opinion of this board that a Savings bank in that locality is not called for.

Business of the Banks.

The annexed statement gives in tabulated form the statistics of the business of the banks for the year, and also shows the increase or decrease in the several items, as compared with the previons year:

	Oct. 31, 1896.	*Increase.*	*Decrease.*
Number of open accounts	1,340,668	38,189	....
Average amount to the credit of each account	$338.06	$0.81	....
Number of deposits	1,225,089	10,918	....
Number of withdrawals	1,050,329	88,124	....
Amount deposited (not including dividends)	$78,916,530.70	....	$1,851,948.19
Average of deposits	64.42	....	2.10
Amount withdrawn (including dividends)	81,751,390.90	$7,441,605.14	....
Average of withdrawals	77.83	.60	....
Amount of expenses	1,134,581.43	53,969.73	....
Total earnings	21,798,078.08	1,201,854.86	....
Total ordinary dividends	16,835,008.38	930,941.65	....
Total extra dividends	None.	....	121,826.71
Number of loans on an amount not exceeding $3,000	64,170	2,370	....
Number of loans upon real estate security	72,656	2,736	....

Trust Companies.

At the last session of the General Court four companies were incorporated, only one of which, the Malden Trust Company, has commenced business.

In the case of that company the board holds the sworn certificate of its officers that the capital stock was duly paid in in cash, but as stated elsewhere no report has yet been required of the company.

The provisions of chapter 413 of the Acts of 1888, relating to trust companies, are that "no business shall be transacted by the corporation until the whole amount of its capital is subscribed for and actually paid in;" there is no provision, however, requiring proof of this having been done, and we would recommend that no company hereafter be allowed to begin business until it has lodged with this board a certificate of its organization and the payment of its capital, and received the authorization of the board.

Under the provisions of the statute regarding Savings banks, the officers of such institutions are required to be sworn; no such provision, however, exists in the law regulating the business of trust companies, and it is suggested that an amendment thereto be adopted, requiring the officers to be sworn for the faithful discharge of their duties.

The added experience of another year serves to intensify the board in its belief that too many trust companies have been incorporated within the past few years.

Of the 32 companies now doing business in this Commonwealth, only 11 have established a trust department, most of the others doing a business almost identical with that of National banks.

As the law stands at present a trust company when incorporated may organize with a capital of $100,000, an amount so small that it is comparatively easy to obtain; the managers of one of these small companies can then secure control of, or enter into business arrangements with, one or more equally small National banks, at greater or less distance from the place where the trust company is located, and thus succeed in floating securities, in "kiting" checks, or in other irregular business which cannot be readily discovered, or when discovered not readily traced, owing to the fact of the two classes of institutions being unoer different supervision, the National bank examiners not being able to trace transactions through the trust companies, nor this board those through the National banks. This fact opens an element of danger to both classes of institutions.

The provisions of the State law regarding the business of trust companies are more liberal than are the provisions of the National law in relation to banks; hence, no doubt, the many applications for the incorporation of trust companies.

The legitimate business of a trust company requires a large capital and a broad field of operations, which can be found only in the principal financial centres, and in such localities the ground is already well covered.

In localities where legitimate business requires additional banking capital, all the facilities required can be obtained by an organization under the National Banking Act; and this board becomes every day more decided in its opinion (frequently heretofore expressed) that, if the Commonwealth is to maintain the stability and high standing of its moneyed institutions no more small trust companies (which are merely State banks) should be incorporated.

The board, therefore, again recommends that the law regarding trust companies be amended, and the minimum of capital be fixed at $500,000.

STARKES WHITON, WILLIAM D. T. TREFRY,
WARREN E. LOCKE,
Board of Commissioners of Savings Banks.

STATE OF MAINE.

To the Honorable Henry B. Cleaves, Governor, and the Executive Council of the State of Maine:

In compliance with the provisions of law, I have the honor to present the fortieth annual report of this department, relating to the condition of the institutions under my supervision.

The total number of these institutions in the State at the present time is 104, divided as follows: 52 Savings banks; 18 trust companies; 34 loan and building associations.

The aggregate amount of assets held by these institutions on the seventh day of November, 1896, was $70,459,586, while that reported for the twenty-third day of November, 1895, was $68,477,226, an increase of $1,982,359 during the official year.

The total assets of the National banks now doing business in Maine, including their deposits and circulation, as shown by the report of the Comptroller of Currency for 1895, are $36,941,561. This makes the entire banking capital of the State $107,401,147. It will be seen from these figures that the capital invested in our State banking institutions is nearly twice that of the National banks located in Maine. The importance of these State institutions becomes at once apparent from the fact that the amount of their assets is more than one-fifth as much as the entire State valuation.

The continued prosperity and growth of our banking institutions, under the trying conditions of the past year, more than ever demonstrate the confidence the public has in them, and the firm basis on which they are established.

The banks to a great extent represent the capital of a community. Capital is the potent influence that controls all business affairs; it can not be created by any provision of law, but it may be dissipated by unwise legislation. It is invested only where there are assurances of its safe return, and those who control it are quick to see dangers that threaten, and to protect themselves by withdrawing it from business.

I commend the management of all the institutions under the supervision of this Department, for the skill with which they have conducted affairs during these trying times, and congratulate them and all interested on the bright outlook for the future.

SAVINGS BANKS.

The history of these institutions is one of much interest, being closely interwoven with that of the commercial growth and business prosperity of our State. With the exception of the years 1876 to 1879, they have constantly increased in the number of depositors and amount of deposits.

The following table shows the number of banks, the number of depositors, the average amount for each depositor, and the average for each inhabitant in the State for each period of ten years from 1866 to 1896.

	1866.	*1876.*	*1886.*	*1896.*
Number of banks	18	60	54	52
Number of depositors	19,786	90,621	114,691	163,115
Amount of deposits	$3,946,433.82	$27,818,764.70	$37 215,071.40	$57,476,895.88
Average for each depositor	199.45	306.97	324.48	352.37
Average for each inhabitant	6.28	44.37	57.37	86.94

This remarkable and almost uninterrupted increase in the number of depositors and amount of deposits during this period, is an evidence of the industry and thrift of our people.

DUTIES.—The most important duty of a Savings bank is to encourage economy amongst our people, and thereby not only add to the wealth of the State, but to the comfort and future welfare of depositors. It is for this purpose that our State has established a system of Savings banks, just as it has schools to educate the young, hospitals to care for the sick, and asylums to protect the unfortunate. As well might the school cease to educate, the hospital to care for the sick, or the asylum to receive the unfortunate, as for a Savings bank to cease encouraging the savings of the small sums that those of moderate circumstances are able to set aside for future use.

No Savings bank should refuse deposits of this kind, however much difficulty it may have in profitably investing them, or however much additional expense and labor may thereby be incurred. Should it fail in this respect, it has failed to accomplish the chief end for which created. It is the duty of the banks, not only to receive all deposits of this class that are offered, but they should, by every method that may suggest itself, encourage them, and thus fulfill the purpose for which established.

A few thousand dollars thus saved each year, that would otherwise have been wasted, will in time add materially to the wealth of our State and to the comfort of our people. On the other hand, accumulating the capital of the wealthy in our Savings banks would be of no special advantage to the public, and might be a positive injury by thus withholding it from legitimate business enterprises.

SAVINGS BANKS—COMPARATIVE STATEMENT.

The following table shows the condition of our Savings banks on November 7, 1896, as compared with that of November 23, 1895.

RESOURCES.	1895.	1896.
United States and District of Columbia bonds	$4,128,800	$5,282,950
Public funds of Maine	845,538	895,029
Public funds out of Maine	15,426,223	14,306,960
Railroad bonds of Maine	4,434,008	4,449,707
Railroad bonds out of Maine	11,120,043	11,230,488
Corporation bonds of Maine	3,312,292	3,233,799
Corporation bonds out of Maine	434,582	537,454
Railroad stock of Maine	582,359	600,534
Railroad stock out of Maine	385,853	421,073
Corporation stock of Maine	377,942	411,976
Corporation stock out of Maine	118,770	116,971
National bank stock of Maine	2,399,819	2,439,549
National bank stock out of Maine	226,483	185,875
Other bank stock of Maine	87,720	112,850
Loans on collateral	4,240,745	4,635,095
Loans to corporations	1,212,379	1,389,585
Loans to municipalities	213,072	283,261
Loans on mortgages of real estate	7,267,979	7,363,660
Real estate	979,926	1,037,036
Furniture and fixtures	35,611	38,368
Premium account	465,778	469,456
Expense account	16,044	14,153
Other resources	43,980	42,495
Cash	1,009,800	1,244,047
Total resources	$59,365,755	$60,719,379
LIABILITIES.		
Deposits	$56,376,143	$57,476,895
Reserve fund	1,979,925	2,031,042
Special reserve fund	47,465	55,597
Undivided profits	921,684	1,103,350
Other liabilities	40,536	52,493
Total liabilities	$59,365,755	$60,719,379

Number of depositors	160,216	163,115
Number of depositors whose balance is less than $2,000	156,120	158,855
Amount of same	$45,966,603	$46,627,233
Number of depositors whose balance is $2,000 or more	4,096	4,260
Amount of same	$10,389,540	$10,849,662
Average rate of dividend (approximate)	.0379	.0372
Amount of dividends paid	$2,064,443	$2,096,927
Municipal taxes paid	16,332	17,510
State tax	387,595	381,208

It will be seen from the above that the number of depositors has increased 2,899, and the amount of deposits, $1,100,751 during the period covered by this report.

The aggregate of reserve and undivided profits now amounts to $3,134,398, being an increase of $232,783 over that of 1895. This is an amount about equal to five and one-half per cent of the deposits.

The average balance now standing to the credit of depositors is $352.37, an increase of $0.50 over that of last year.

There are about forty thousand more depositors in our Savings banks than the total number of votes cast at our gubernatorial election.

It also appears from the annual examinations of these institutions, that the estimated market value of their resources above all liability for deposits, earned dividends and State tax, is $6,029,946.

INVESTMENTS—The increase in investments during the year has been largely confined to Government bonds, although there has been an encouraging increase in the amount of loans and investments in Maine.

The favorable price at which Government bonds could be purchased, and the fact that they are exempt from taxation, have led the banks to invest freely therein during the past two years. The net income from these investments is small, but their absolute safety and the fact that they give quick assets, make them especially desirable for the banks to hold.

The present amount of loans and investments within the State of Maine held by the Savings banks is, approximately, $26,164,585, while that of 1895 was $25,365,284. It thus appears that the banks now have a larger percentage of their funds invested in Maine than ever before. This is due in some degree to the difference in the rate of taxation upon investments made at home and those made out of the State, but also to the fact that trustees are now, more than ever before, disposed to invest near home, so that they can make a personal examination, or get some reliable information regarding the value of the security taken.

During the past six months the banks have been carrying a large amount of cash on hand and on deposit, not only to guard against any panic that might result from the agitation of the currency question, but also because of the feeling of uncertainty as to the future value of securities. That condition of affairs has passed, and the necessity again comes for the banks to invest their funds.

In making investments the trustees of different institutions should not only strictly comply with the provisions of law, but should also carefully investigate as to the value of every security before it is purchased. No loan or investment should be made unless the trustees have the fullest confidence in the security, and as a rule only when they are unanimously in favor of it. Trustees cannot afford to make themselves personally responsible for losses that may occur on loans and investments not authorized by statute. They should seek conscientiously to do their duty within the limits prescribed by the law, invest the funds of the banks where they feel confident they will be absolutely safe, and then pay such dividends as earnings will warrant. The safety of the principal is of far more importance to the depositors than the amount of dividends received.

EARNINGS AND DIVIDENDS.—The total earnings of the Savings banks for the past year have been, approximately, $2,461,361, being but four and one-tenth per cent. on the average amount of deposits. From these earnings all dividends, taxes and expenses are paid. The amount of dividends paid depositors has been $2,096,927, an increase of $32,464 over 1895. The average rate of dividends paid for the present year has been .0372, while that of 1895 was .0379.

The income derived from securities within the range of investments permitted by law is steadily decreasing. Many of the bonds purchased by the banks upon a much more favorable basis than can now be obtained will soon mature. There is therefore a general feeling amongst those interested that there must be a further reduction in the rate of dividends paid, to meet this reduction in the earnings of our banks.

The present premium account carried by the banks is $469,456, an amount greater than one-fifth of the reserve. In many instances the banks have not charged off from their earnings from year to year a proper proportion of this liability. Before paying dividends care should be taken to reduce this account so that it will disappear at the same time the securities mature for the purchase of which it was created.

Trustees should not discount future earnings to pay dividends. Securities that are worth more than par are the ones the banks are most likely to hold until they mature, and the estimated value gradually disappears as they approach maturity. While a statement based upon this "estimated market value" of securities shows a fund that would be available if it was necessary for the bank to close up its affairs, such a fund, however, is not a resource that should be taken into consideration in determining the amount of earnings or the rate of dividends to be paid.

In declaring dividends, trustees should take such profits as are actually earned and collected, carry therefrom the necessary amount to reserve, charge off the proper proportion of the premium account, deduct all losses and expenses, and then divide the balance among the depositors. This is the only safe rule to follow and one from which no board of trustees should ever deviate.

Expenses.—The aggregate expenses, including salaries of officers, rents, and all other items, excepting taxes, is $130,650; this makes the average annual cost of management about one-fifth of one per cent., or about two mills on each dollar of assets. In no instance have I seen anything but the most economical management on the part of the trustees. They have usually been more prudent than officers of other banking institutions in which the amount thus saved would go to themselves and other stockholders, in dividends. The fact that in conducting the affairs of their several institutions they are acting as trustees in handling trust funds, leads them to avoid every unnecessary expense.

Taxes.—The total cost of the management of our Savings banks is only about one-third of the amount annually paid by them to the State in taxes.

The amount of the Savings bank tax for the present year is $381,208, being a decrease of $6,387 from that paid in 1895. The decrease in the amount of this tax for the past two years is $16,526. During the same time, the deposits have increased $2,945,672, and the State tax would therefore have increased also, had it not been that the banks in the meantime had bought $4,156,150 of Government bonds. As there is no prospect that Government bonds can be purchased on such favorable terms in the future as they have in the past, it is safe to predict, unless there is a change in the rate, the tax will from this date gradually increase.

In 1872 the first law levying a State tax upon deposits in Savings banks was enacted. It provided for the payment of one-half of one per cent. upon the average amount of deposits, not including the reserve and undivided profits. At that time banks were able to obtain Government bonds and first-class municipal securities at prices that would yield a net income of from seven to nine per cent., and were paying seven per cent. annually in dividends to depositors. Under those conditions, this rate of taxation was not considered burdensome. In his report for that year, the bank examiner, however, rightly said that the sum realized from this tax was more than could be obtained from property of the same amount and character by municipal taxation.

No one questions the propriety of collecting from this class of property its just portion of the necessary revenues of the State. Care should be taken, however, that the amount is not excessive, and that this fund, made up as it is, contributes no more than the same class of property otherwise invested.

Your attention has already been called to the fact that the total number of depositors in these banks is 163,115, and the average amount standing to the credit of each is only $352.37. Of this number there are 126,614 having five hundred dollars or less standing to their credit, the average to each being only $124.10. Thus it is clearly shown that this fund is made up largely from the small savings of those in moderate circumstances.

Our State bank examiners have without exception taken the ground that a low rate of taxation would in the end be more advantageous to the State, and, considering the source from which these small sums were obtained, would only be just to depositors. When the State tax was reduced, in 1883, from one per cent. to three-quarters of one per cent., the increase in deposits very soon made up for the reduction in the rate, and the revenue of the State was not decreased. In his report immediately following this reduction, the bank examiner said: "The figures seem to justify the opinion expressed in the last annual report, that a reasonable reduction in the rate of taxation would increase rather than diminish the revenue to the State. The amount of tax the Savings banks will pay into the treasury next year is likely to greatly exceed that of any previous year." If this was true in the past, when banks were able to earn five to nine per cent. on investments and pay five to seven per cent. dividends, how much more forcible is the conclusion now when safe investments cannot be found within the limitations prescribed by statute that will pay on the average more than four and one-tenth per cent., and while banks are paying an average dividend of but .0372.

In 1872, when a tax was first imposed upon Savings bank deposits, the rate of the State tax levied upon all taxable property was five mills, while the rate for 1896 was but two and one-quarter mills. The annual saving to the taxpayers by this reduction, based upon the present valuation of the State, is nearly one million dollars. In 1893 when the last change was made in laws regulating the tax on Savings bank deposits, the rate of the State tax on other property was two and three-quarter mills, one-half a mill more than the present rate. This difference in rate is a saving of over $160,000 annually to the taxpayers. Thus it appears that, while the tax levied by the State upon other property has gradually decreased since 1872, the tax upon deposits in Savings banks has been increased from one-half of one per cent. on the average amount of deposits alone, to a tax of substantially seven-eighths of one per cent. upon the deposits, reserve and undivided profits.

The total revenues of the State for the year 1896 will be, approximately, $1,500,000. The principal items which make up this amount are as follows:

Direct tax of two and one-fourth mills	$731,941.70
Tax on Savings banks	381,208.07
Tax on railroad companies	152,869.72
Tax on insurance companies and fees (estimated)	45,000.00
	$1,311,019.49

Thus it appears that the Savings banks are paying more than one-half as much as the amount of the direct tax assessed by the State upon the taxable property therein, and over one-fourth of the entire revenue of the State from all sources.

I have carefully examined the laws of other States in relation to the taxation of Savings bank deposits, and have communicated with the bank commissioners in many of them for the purpose of ascertaining their views on the subject. With two exceptions, none of these States have so high a rate of taxation as that in force here, and the bank commissioners in those are urging the necessity of a reduction in rates. They claim that the payment of the present high tax is crippling their banks, and diminishing their deposits, thus seriously affecting the financial prosperity of their States. In quite a number of the States, deposits in Savings banks are wholly exempt from taxation, and their bank commissioners claim that the results clearly show the wisdom of this policy. The commissioner of one of the largest States writes me: "Deposits are not, never have been, and in my judgment never will be, taxable in this State, unless some urgent necessity for raising the revenues should exist, hitherto unknown in our history."

There is no prospect that the rate of interest upon loans and investments will increase in the near future, but rather that they will still continue to decrease. Securities purchased by the banks when rates of interest were higher than now are fast maturing. Dividends have gradually decreased until now the average rate is as low as depositors are likely to accept without withdrawing their funds. The rate of taxation upon other taxable property in the State has been materially decreased, while the rate upon Savings bank deposits has been increased. The amount of the tax collected from Savings banks seems to be out of proportion with that derived from other sources. In other States, having more liberal laws regulating the affairs of Savings banks, deposits have increased more rapidly than in ours.

Taking into consideration all these facts, I most earnestly recommend a reduction in the rate of taxation upon Savings bank deposits. The result of every investigation I have made only confirms my opinion that the present rate is too high. I believe that such a reduction would not only be just to depositors, but would ultimately be for the best interests of the State. Feeling, therefore, that this is a matter of utmost importance, I have treated it at length, giving the reasons that have led me to this conclusion.

Trust and Banking Companies.

There are now eighteen trust and banking companies doing business in the State, one having been added to the number during the year.

The Livermore Falls Trust and Banking Company was organized July 27, 1895, but its capital stock was not subscribed and it did not commence business until January 1, 1896. The amount of its capital stock is $50,000, fully paid in, and it has accumulated during the year over $50,000 in deposits. It is located in a section of the State that is rapidly increasing in population, wealth, and business industries. With proper management I predict for it a successful future.

At the time I examined the Oxford County Loan Association, I found it had a large amount of accrued interest uncollected; that it had, during the year, paid the interest on its debentures outstanding and charged the same to the loss account. The officers of the institution assured me that they had no doubt of being able to collect a large portion of this interest outstanding at an early date. I therefore instructed them to open an accrued interest account and also to credit the same to profit and loss.

COMPARATIVE STATEMENT.—The following table shows the standing and condition of the trust and banking companies November 7, 1896, as compared with that of November 23, 1895.

RESOURCES.	1895.	1896.
Demand and time loans	$2,934,141	$3,148,208
Mortgages of real estate	1,021,218	912,485
Stocks and bonds	1,524,718	1,670,917
Trust investments	154,954	143,823
Real estate owned	182,653	212,225
Due from other banks and bankers	180,477	198,580
Expense account	10,390	16,998
Furniture and fixtures	86,559	84,532
Cash on hand and on deposit	317,109	391,574
Other resources	229,373	274,239
Total resources	$6,641,586	$7,048,760
LIABILITIES.		
Capital stock	$1,460,900	$1,511,400
Surplus	197,700	221,700
Undivided profits	134,075	165,740
Time deposits	2,196,060	2,490,940
Demand deposits	1,640,706	1,644,827
Certificates of deposit	204,704	215,958
Debentures outstanding	106,300	106,300
Trust department	155,120	143,978
Unpaid dividends	1,315	1,683
Deposits for coupons	5,140	7,307
Treasurers' checks outstanding	4,765	5,369
Due other banks and bankers	63,476	48,947
Bills payable	131,650	129,450
Rediscounts	2,937	6,000
Other liabilities	336,735	349,157
Total liabilities	$6,641,586	$7,048,760

This is an increase of $50,500 in capital stock, $55,665 in the surplus and undivided profits, $310,254 in the deposits, $251,537 in loans and investments, and $407,173 in the total assets, of these institutions during the year. The aggregate of time deposits and certificates of deposit is $2,706,898. In most instances the banks pay interest upon this last amount at rates varying from two to five per cent. per annum. Their returns to this department show that they have thus paid during the year to depositors the sum of $97,718, making the average rate paid about the same as the dividends paid on deposits in Savings banks.

The total amount of dividends paid to stockholders during the year is $77,227. This would be an average rate of about five per cent. on the entire capital stock of these institutions, and is an average of about six per cent. on the stock of those that actually paid dividends. Taking into consideration the fact that this stock is all subject to taxation in the municipalities where the stockholders reside, it can be seen that the net income to the holder, even taking into account the increase in surplus, is but little more than that received by depositors. This additional amount is not more than sufficient to compensate stockholders for the additional risk and liability incurred over and above that of depositors either in these institutions or in Savings banks.

The ability and fidelity with which the business of these institutions has been conducted, and the steady growth and improvement in their general condition, reflect great credit upon the officials who have had their affairs in charge.

While these companies are under the same supervision as Savings banks, the nature of their business is more like that of National banks. The capital they have accumulated is used largely in local enterprises and in the development of the business interests of our State. Their loans and investments are not restricted like those in Savings banks, and they are able to furnish capital for many enterprises in which Savings banks are not authorized by law to invest.

Each class of these institutions is in a greater or less degree beneficial to the public, and their success and growth show that there is room for both. While Savings banks, by encouraging industry, thrift and economy, are doing a most valuable work, trust companies, by a more extended use of their funds, are furnishing capital for many new and important industries within our State.

Receivers.

The Receivers of the Orono and Richmond Savings banks have made reports of their doings, as required by law.

The Receiver of the Orono Savings Bank has paid no dividend since November, 1895, which was mentioned in the annual report of this department for that year. He has in his hands assets amounting to about $20,000, and it is expected that he will be enabled to pay another dividend to depositors during the coming year.

The Receiver of the Richmond Savings bank paid, October 26, 1896, a dividend of twenty per cent., amounting to $17,131.19, making in all seventy per cent. paid to depositors to this date. He still has a small amount of assets in his hand, and it is expected he will be able to pay a final dividend and close up the affairs of the institution during the year.

During the year 1895 the license of the Granite State Provident Association, of Manchester, New Hampshire, was suspended by this department.

Foreign Corporations.

A license has been granted, under the provisions of Chapter 131, Public Laws of 1891, to each of the five following foreign corporations to sell or negotiate their obligations in this State during the year ending December 1, 1896, viz.:

Iowa Loan and Trust Company, of Des Moines, Iowa.

Maricopa Loan and Trust Company, of Phoenix, Arizona.

Middlesex Banking Company, of Middletown, Connecticut.

Nebraska Loan and Trust Company, of Hastings, Nebraska.

Security Mortgage and Trust Company, of Dallas, Texas.

It is impossible for me to make a personal examination of the foreign corporations that apply for a license under this law. My action in issuing or refusing such licenses is based largely upon the sworn statements furnished by the companies, and not upon any personal knowledge of the institutions. I have, however, intended to exclude all not of well-known standing and financial integrity. Investors are requested to examine carefully these statements and act on their own judgment in making their investments, and not upon the strength of any license granted.

Duties of this Department.

In the following table is given the total number of institutions under the supervision of this department and amount of their assets for every year for the past twelve years.

Year.	Savings Banks.		Trust Companies.		Loan and Building Associations.		Total.	
	No.	*Assets.*	*No.*	*Assets.*	*No.*	*Assets.*	*No.*	*Assets.*
1885	54	$37,364,394	2	....	2	....	58	$37,364,394
1886	54	39,475,138	2	$ 763,945	4	....	60	40,239,084
1887	55	41,283,614	5	1,300,771	10	$ 93,613	70	42,677,999
1888	55	43,786,168	6	1,870,192	15	187,967	76	45,844,328
1889	55	47,030,526	9	2,765,862	19	319,042	83	50,115,431
1890	54	50,901,527	10	3,629,895	24	633,059	88	55,164,482
1891	53	53,550,871	12	4,279,477	30	1,032,301	95	58,862,650
1892	52	56,838,263	13	4,866,324	29	1,460,198	95	63,164,781
1893	52	56,701,437	14	5,175,032	29	1,830,159	95	63,706,628
1894	51	57,761,918	15	5,835,807	31	2,193,956	97	65,791,682
1895	52	59,365,755	17	6,641,586	33	2,469,884	102	68,477,226
1896	52	60,719,379	18	7,048,760	34	2,691,446	104	70,459,586

This table shows to some extent the increasing duties of this department. This increase comes not only from the additional number of institutions to be examined, but also from the larger amount of assets found therein. It would require all of the time of one person to perform properly the duties incident to the examinations alone, and this is at present but a small portion of the work required of the bank examiner. Under the present method of assessing the taxes upon Savings banks, the collection of the returns and the appraisal of every security held by them twice each year has largely increased my duties.

Respectfully submitted,

Fremont E. Timberlake, *Bank Examiner.*

Augusta, Dec. 1, 1896.

MISSOURI.

To the Honorable the Thirty-ninth General Assembly of the State of Missouri:

In obedience to the provisions of section 1 of an Act to provide for the examination of banks and trust companies, approved March 22, 1895, I have the honor to make the following report: The law having no emergency clause went into effect June 21, and by July 1, 1895, two examiners were appointed, necessary blanks prepared, and the examination of banks was begun. At that time there were in existence 494 incorporated State banks, 96 private banks, and 7 trust companies, subject to examination by this department. Since that time 725 examinations have been made, 28 banks have been permanently closed by the State, 4 have been closed by the State and permitted to resume, and 20 banks have from various causes gone into voluntary liquidation and been dissolved.

In the meantime, there have been 41 banks organized in the State, so there are at this time in existence and doing business in this State 484 incorporated banks, 90 private banks and 6 trust companies subject to examination by this department, a total of 580. The trust companies which receive deposits, but which are exempted from such examination by the law, upon condition that they shall be examined by the State Department of Insurance, consist of 4.

For information, I may add that there are now 68 National banks doing business in this State. The last official statement of the financial condition of the banks in the State of Missouri, gave grand totals as follows:

RESOURCES.		LIABILITIES.	
Loans and discounts undoubtedly good on personal or collateral security	$60,857,567	Capital stock paid in	$21,263,116
Loans and discounts undoubtedly good on real estate security	6,958,108	Surplus fund on hand	8,497,356
Overdrafts by solvent customers	1,027,414	Deposits subject to draft at sight by banks and bankers	3,574,995
United States bonds on hand	183,481	Deposits subject to draft at sight by individuals and others	55,578,125
Other bonds and stocks at their present cash market price	6,026,648	Deposits subject to draft at given dates	16,318,074
Real estate at present cash market price	3,524,846	Bills payable and bills rediscounted	715,943
Furniture and fixtures	700,237		
Due from other banks, good on sight draft	14,368,334		
Checks and other cash items	1,817,353		
National bank notes, legal tender United States notes and gold and silver certificates	7,136,292		
Gold coin	3,270,501		
Silver coin	577,880		
Total	$105,947,612	Total	$105,947,612

When examination began there was a great deal of careless banking, and apart from that there were many banks in bad condition as the results of the stringent times that have prevailed since 1893. Out of the fifty-seven banks that have closed in the last eighteen months a number of them had been getting in worse and worse condition for several years past.

WEAK INSTITUTIONS.

In this connection, it may not be improper to state what is a fact, that there are too many banks in the State for the amount of business to be transacted. In some places banks are maintained where a pencil and paper and two minutes calculation will show that the profits which can reasonably be expected from the amount of business will not equal the expense of the institution on modest lines. Some of these banks necessarily resort to illegal rates of interest in order to keep their heads above water. In some places where it is questionable as to whether or not one bank should be maintained, there are two. How this condition of affairs is to be remedied I do not know. The convenience of banks in communities is not to be underrated, and yet it would appear better in many instances to go a few miles further for banking facilities than to encourage the maintenance of banks which can barely live. In this connection, the inquiry presents itself as to whether or not it would be wise to increase the requirements as to capital stock. Private banks are permitted to organize with $5,000, and incorporated banks with $10,000. By the time the banking building, furniture and fixtures necessary to conducting these institutions is paid for but little capital is left remaining. I would not be taken as discriminating against the smaller banks in favor of the larger ones, yet where institutions are of the fiduciary character, the line of demarkation should be drawn in favor of safety to the persons who entrust their funds to the keeping thereof. At least, if present conditions are to continue, the greatest care should be taken to preserve intact, as much as possible, the capital stock by moderate charges for banking houses, furniture and fixtures, the gradual elimination of the last item and provision in the law requiring banks when they declare a dividend first to set apart to the surplus fund ten per cent. of their net earnings.

Amendments Suggested.

I would say in regard to the general banking law that it needs amendment in several particulars. While making this statement I would deprecate any radical changes in the present statutes. If it be true that other banking systems as a whole are more perfect than that of Missouri, yet they have grown to be so by gradual improvement. Laws of this kind are evolutions which grow out of the experience of the communities for whose benefit they are enacted, and I am decidedly of the opinion that it would be unwise to substitute for our Missouri statutes an entirely new system which would be unfamiliar to the public and to the persons who must do business under them.

The changes needed are rather to clarify than to substantially alter our present laws. Section 2748, which covers the duties of directors, should be made more comprehensive. It should distinctly require that boards of directors shall meet at least once per month and pass upon all the affairs of the bank, particularly bills receivable and bills payable, and keep a written record of their proceedings. This section should also forbid the borrowing of money by the bank except with the consent of the board of directors, and it should inhibit the borrowing of moneys of the bank by any director unless with the knowledge of the board of directors.

This is the rock upon which most wrecked banks have foundered. It may be too radical to provide that directors shall not be permitted to borrow the funds of the bank at all, but it is certainly no more than a reasonable safeguard that such loans shall only be made with the knowledge of the board of directors. While this provision seems simple, moderate and conservative, yet an inner view of what has occurred with banks which have failed because of undue borrowing by directors shows that if this had been the law, few, if any, such failures would have taken place. In most cases where disaster of this kind has overtaken institutions it has been caused by one or two of the directors with one or two of the officers having gradually come to using more and more of the bank's money, until reckless speculations have involved them and the institution in financial ruin.

It has come under my observation that where reckless borrowing has been done by the banks in most instances it has come about through the active officers of the bank, without the knowledge or consent of the majority of the board of directors.

There are other and minor amendments to the banking law which might be made with profit, and some of which have already been suggested to the General Assembly in the preparation and introduction of bills; but I can state it to be my belief, after an experience with bank supervision for the past eight years, and examination for the past two years that if the General Assembly will adopt the amendments suggested as to directors borrowing the funds of the bank, as to the clearing up the section to prevent excessive loans, and as to setting apart 10 per cent. of earnings to surplus, these provisions alone, within a short period, will work a revolution which will place the banks of Missouri in an infinitely better condition than they have ever before been in their history. A. A. Lesueur, *Secretary of State.*

Jefferson City, Jan. 27.

Insolvent Bank Dividends.—The Comptroller of the Currency has declared dividends as follows:

First dividend, 10 per cent., Grand Forks National Bank, Grand Forks, N. D.; first dividend, 20 per cent., First National Bank of Mount Pleasant, Mich.; first dividend, 25 per cent., First National Bank of Eddy, New Mexico; first dividend, 50 per cent., National Bank of Illinois, Chicago; second dividend, 10 per cent., National Bank of Jefferson, Tex.; second dividend, 10 per cent., First National Bank of Starkville, Miss.; second dividend, 10 per cent., First National Bank of Kearney, Neb., and fifth dividend, 20 per cent., First National Bank of Redfield, S. D.

A Trustworthy Publication.—The Bankers' Magazine is a trustworthy publication, giving a great variety of banking news from month to month, and interesting comment on financial matters. Many of its articles are most instructive.—*Indianapolis News.*

Is Unusually Interesting.—The Bankers' Magazine improves with every issue. The current number is unusually interesting. It is the best publication of its class in the country. —*Pittsburg Chronicle.*

CLEARINGS FOR BANKS NOT MEMBERS OF THE NEW YORK CLEARING-HOUSE.

In order to protect the banks from loss that act as clearing-house agents for non-members of the New York Clearing-House Association, the clearing-house committee at a meeting held on December 28, Henry W. Cannon, President of the Chase National Bank, chairman presiding, passed the following resolution:

Resolved, That weekly average statements in accordance with the following form be required hereafter from all banks, non-members, whose checks are exchanged at the New York Clearing-House, and that the manager be requested to notify said banks to forward such statements to the clearing-house at the close of business on Friday of each week.

According to the blank form of statement the banks are required to report their daily average amount of loans, discounts, and investments; the average amount of specie on hand; the average amount of legal-tender notes and bank notes on hand; the average amount on deposit with clearing-house agent; the average amount on deposit with other New York city banks and trust companies; the average amount of deposits, and the average amount of circulation.

Following is a list of the fifty-three New York city and other banks that clear through members of the clearing-house, and come within the terms of the resolution quoted above:

LIST OF CLEARING AGENTS FOR NON-CLEARING-HOUSE BANKS.

BANK.	*Clearing-House Agent.*	*Cap. and Surplus.*	*Deposits.*
Astor Place	Corn Exchange Bank	$606,800	$2,467,000
Bank of New Amsterdam	Merchants' Nat	483,000	1,619,000
Clinton	Nat. Park	329,000	956,000
Colonial	Third Nat	148,100	518,500
Columbia	Irving Nat	525,600	2,069,000
Eleventh Ward	Bank of Republic	324,000	1,035,700
Fourteenth Street	N. Y. Nat. Exchange Bank	148,700	846,700
Franklin Nat	Merchants' Exchange Nat	237,300	395,000
Gansevoort	Third Nat	234,700	661,900
Hamilton	Mercantile Nat	268,300	899,700
Hide and Leather Nat	Mechanics' Nat	608,100	1,408,600
Home	Fifth Nat	178,000	521,500
Hudson River	Corn Exchange	382,000	955,800
Mt. Morris	American Exchange Nat	354,100	1,709,500
Mutual	Gallatin Nat	288,700	1,004,000
19th Ward	Shoe & Leather	128,200	757,700
Plaza	Central Nat	205,900	896,600
Riverside	Manhattan Co	193,300	586,600
Standard Nat	Hanover Nat	231,100	561,000
State	Bank of North America	148,100	1,189,700
Twelfth Ward	Gallatin Nat	337,300	1,100,100
Twenty-third Ward	Gallatin Nat	135,500	656,900
Union Square	Nat. Park	451,400	2,029,300
Yorkville	Merchants' Exchange Nat	192,900	861,200
	BROOKLYN.		
Bedford	First Nat	269,000	1,135,000
Broadway	Merchants' Exchange Nat	206,000	1,100,000
Brooklyn	Merchants' Nat	482,000	1,500,000
Eighth Ward	Third Nat	125,000	250,000
Fifth Avenue	Bank of Republic	150,000	350,000
Fulton	Corn Exchange	400,000	1,000,000
Kings County	Bank of North America	240,000	730,000
Manufacturers' Nat	First Nat	577,000	3,000,000
Mechanics'	Bank of New York	1,000,000	2,500,000
Mechanics and Traders'	First Nat., Brooklyn	250,000	930,000
Nassau Nat	Mechanics' Nat	600,000	2,700,000
National City	Mechanics' Nat	900,000	3,000,000

North Side	First Nat., Brooklyn	$200,000	$640,000
People's	First Nat., Brooklyn	150,000	635,000
Queens County (L. I. City)	Hanover Nat	181,000	1,563,000
Schermerhorn	Manhattan Co	155,000	375,000
Seventeenth Ward	First Nat., Brooklyn	185,000	340,000
Sprague Nat	U. S. Nat	390,000	1,140,000
Twenty-sixth Ward	Nat. Bank of Republic	167,000	525,000
Union	Third Nat	158,000	210,000
Wallabout	First Nat., Brooklyn	145,000	500,000
HOBOKEN.			
First Nat	American Exchange Nat	462,000	1,750,000
Second Nat	Nat. Park	200,000	840,000
JERSEY CITY.			
First Nat	American Exchange Nat	1,065,000	4,000,000
Hudson Co. Nat	Merchants' Exchange Nat	729,000	1,875,000
Second Nat	Fourth Nat	632,000	1,355,000
Third Nat	Phenix Nat	342,000	1,000,000
STATEN ISLAND.			
Bank of Staten Island	U. S. Nat	63,000	400,000
First Nat	Nat. Bank of Republic	156,000	600,000

The Currency Reform Movement.

As the Indianapolis Monetary Conference was held so near the date of publication of the last number of the MAGAZINE, it was impossible to present a full report of the meeting. The declaration of principles was printed in the January number, page 124. The resolutions, adopted on January 14, were as follows:

Resolved, That fifteen members of this conference be appointed by the chairman to act as an executive committee while this convention is not in session with full power of this convention. The executive committee shall have the power to increase its membership to any number not exceeding forty-five, and five members thereof shall at all times constitute a quorum of said committee.

The executive committee shall have special charge of the solicitation, receipt, and disbursement of contributions voluntarily made for all purposes; shall have power to call this convention together again when and where it may seem best to said committee to do so; and said committee shall continue in office, with power to fill vacancies, until discharged at a future meeting of this convention.

Resolved, That it shall be the duty of this executive committee to endeavor to procure at the special session of Congress, which it is understood will be called in March next, legislation calling for the appointment of a monetary commission by the President to consider the entire question and report to Congress at the earliest day possible, or failing to secure the above legislation, they are hereby authorized and empowered to select a commission of eleven members according to rules and plans seth forth in the suggestions submitted to the convention by Mr. Hanna, of Indianapolis, as follows:

Article I. The committee shall consist of eleven members, to be named by the executive committee appointed by this convention. The executive committee shall have power to fill vacancies in the commission as they may occur.

Article II. The first meeting of the committee shall be held at time and place to be designated by the executive committee of this convention in a call to be issued therefor, and at such a meeting the commission shall organize by the election of such officers and the adoption of such rules and by-laws for its own government as may be agreed to by a majority of its members; and thereafter it shall be governed by such rules and by-laws subject to these articles.

Article III. All rules and by-laws of the commission and all its proceedings shall be directed toward the accomplishment of the objects of its creation, which are to make a thorough investigation of the monetary affairs and needs of this country in all relations and aspects, and to make appropriate suggestions as to any evils found to exist and the remedies therefor, and no limit is placed upon the scope of such inquiry or the manner of conducting the same, excepting only that the expenses thereof shall not exceed the sums set apart for such purposes by the executive committee.

Article IV. The executive committee of the convention shall use so much of the voluntary contributions made to it as may be available for that purpose to defray all necessary expenses of the commission, and shall notify the commission from time to time of the amounts so available, in order that it may regulate its expenditures accordingly, and no liability shall attach to said commission or to this convention beyond the amount so notified.

Article V. When the labors of this commission have been completed as far as practicable, the executive committee, if it deems it advisable, shall issue a call to bring this convention together again at a time and place designated in such call; and at the meeting so convened the committee shall make report of its doings and suggestions in such manner and form as it shall deem best adapted to present the same to this convention and its members for action; and if legislation is deemed advisable, shall accompany such report with a draft of such bill or bills providing for such legislation.

Resolved, That all resolutions and communications as to methods of currency reform which have been presented to this convention be referred to such commission when formed.

OPEN LETTERS FROM BANKERS.

AN INTERCHANGE OF OPINION BY READERS OF THE MAGAZINE.

CURRENCY AND BANKING REFORM.

Editor Bankers' Magazine:

SIR:—In the light of past experience the following amendments of our banking and currency laws seem to be necessary and desirable:

I.—Authorize National banks to issue currency to the par of United States bonds deposited to secure circulating notes.

This will result in the Government holding in United States bonds at par and in gold $1.05 for every dollar issued.

II.—Continue present tax on circulation, viz.: one per cent. per annum and set the net profits therefrom aside as a safety fund to pay obligations of National banks hereafter failing.

Thirty-two years' experience in the unusually trying times of both peace and war proves that this would create an ample fund to at once pay all obligations of failed banks other than capital stock and would largely remove distrust, the great factor in producing panics.

III.—Prohibit National banks from paying interest on deposits at a greater rate than three per cent. per annum.

This would prevent abuse of their deposit functions.

IV.—Declare such banks legal depositories without bond for all moneys public or private.

V.—Require National banks *pro rata* to furnish, on bonds payable at pleasure of Government and bearing two and a half per cent. interest per annum, all moneys needed by the Government—all such bonds to be first offered to the public and any unsold to be distributed *pro rata* at par to the National banks.

This will save syndicate scandals and give stability to Government credits. The united National banks of the country can reach the home or the world's markets better than private agencies, and will be fully able to cope with all emergencies that may arise, even if much greater than any that have occurred in the history of the Government.

VI.—Authorize clearing-houses in redemption cities to issue clearing-house certificates to their members on deposit of approved securities to extent of seventy-five per cent. of their value. Said certificates to be a legal reserve for banks and to be subject to a Government tax of three per cent. per annum until released or until gold is deposited in the United States Treasury for their redemption.

This will provide an emergency circulation the value of which past experience has proven.

VII.—Prohibit the issue of legal-tender notes except in exchange for gold coin.

LOS ANGELES, Cal., Jan. 30. JOHN M. C. MARBLE.

A PLAN TO PROTECT THE GOLD RESERVE.

Editor Bankers' Magazine:

SIR:—To make United States notes (known as "greenbacks") an "elastic" currency, and to prevent them from being used in unduly withdrawing gold from the Treasury, add the following sections to the present National Bank Act, so that it shall read as follows:

Section No. ——. The Secretary of the Treasury may receive United States notes (known as "greenbacks") or gold coin, on deposit from any National banking association, in sums of not less than ten thousand dollars, and issue certificates therefor in such form as he may prescribe, in denominations of not less than ten thousand dollars, payable on demand in United States notes (known as "greenbacks"), with interest at a minimum rate of 2 per cent. per annum, or other rate of record as provided for in Section No. ——, at the place where the deposits were made. The notes or gold coin so deposited shall not be counted as a part of the lawful money reserve of the Association; but the certificates issued therefor may be counted as a part of its lawful money reserve. And United States notes (known as "greenbacks") for which such certificates are issued, or other like United States notes of like amount, shall be held as special deposits in the Treasury, and used only for redemption of such certificates.

Said certificate's shall be redeemable at option of the United States, in whole or in part, after three months' notice, and when called for redemption by the Secretary of the Treasury, with the consent of the President, interest thereon shall cease three months from the date of such call.

Section No. ——. Whenever the $100,000,000 gold reserve, held for the redemption of United States notes (known as "greenbacks") shall be depleted so that the amount of gold held for their redemption shall have fallen to $70,000,000, then the Secretary of the Treasury, with the consent of the President, may advance the rate of interest, from time to time, on the certificates provided in Section No. ——, until the gold reserve of $100,000,000 is restored. And whenever said gold reserve shall have been restored to the normal requirement, then the Secretary of the Treasury, with the consent of the President, may lower the rate of interest, from time to time, until it shall have reached the fixed minimum rate provided in said certificates.

It is believed that this addition to the National Bank Act would furnish the Treasury with an instrument whereby it could protect the gold reserve from undue depletion, because of demand for redemption of greenbacks by indirectly (through the banks) affecting the loaning rates for money in the open market. As, when money rates in the open market fall below 2 per cent. per annum, or below the rate current thereon, it would be more profitable for the banks to deposit greenbacks, or gold, for the interest-bearing certificates than to loan them in the open market. If the banks, therefore, should deposit their money for certificates, it would cause a contraction of loanable funds in the open market, and cause the rates for money to rise therein, etc.

It would also restore public confidence to *know* that our Treasury Department was in a position to protect its gold reserve, and restore the old order of things, whenever the necessity for action should arise. Want of confidence now exists, to a great extent, because *it is known* that the Treasury *is powerless* to protect its gold reserve, when gold is unduly demanded for greenbacks—for purposes of export, or otherwise.

It would probably never be necessary for the Treasury to issue as much as $50,000,000 of the proposed certificates, to raise the open market rate for money to such a figure that it would stop any unusual demand for gold in exchange for greenbacks; and this $50,000,000 would require a much less interest charge to operate than would the funding of the greenbacks in interest-bearing bonds with definite time to run.

There are other practical benefits to be derived from this plan, which for brevity I omit to state herein.

J. S. CASE, *Cashier Second National Bank.*

NEW YORK, Jan. 31.

NEEDED FINANCIAL REFORMS.

Editor Bankers' Magazine:

SIR:—I would suggest the desirability of keeping in view the following principles in reforming the currency and banking system:

First.—We want a currency that will circulate; one that is not inflexible, but elastic—not a hotch-potch, "before the war," paper circulation, that will only pass dollar for dollar at home, and for anything you can realize for the notes outside of their own State of issue.

Second.—It must be a currency based upon a solid foundation; as safe and secure as the present National bank notes.

Third.—State bonds and local securities, being the first species of assets to depreciate in time of business depression, are therefore worthless as a security for bank circulation.

Fourth.—All banks should be required to issue circulation, and a Government bond, at a low rate of interest, should be the security (the proceeds of these bonds to be used to redeem the Government circulation), and a dollar of circulation be permissible for every dollar of Government bonds held by the bank.

Fifth.—The Government tax on bank circulation should be reduced to one-fourth of one per cent.

Sixth.—Bank charters passed by State legislatures should confine banks to only banking privileges, and all loan, trust and safe deposit privileges should be eliminated from bank charters, and each species of business should be a system of its own.

Seventh.—No banks but regularly chartered Savings banks should be permitted to pay interest on deposits.

Eighth.—The most stringent laws should be passed to protect the money of the people in the hands of the banks, and all banks should be subject to Government supervision.

Ninth.—The Comptroller of the Currency should be appointed, to hold office for at least ten years, and the office should be strictly non-partisan.

Tenth.—Bank examiners should be paid liberally for their services, and the time allowed for examining banks should be extended sufficiently to admit of a most thorough examination of every bank.

Eleventh.—Examiners should be appointed to districts, and there remain until they become fully acquainted with the characters of borrowers and bank officials, and have an opportunity of looking into the value of collaterals or securities upon which loans are predicated.

JNO. W. FAXON,
Assistant Cashier First National Bank.

CHATTANOOGA, TENN., Feb. 5.

CLEARING-HOUSE NUMBERS ON DRAFTS.

Editor Bankers' Magazine:

SIR:—In looking over the September number of the MAGAZINE I noticed therein the suggestion of Robert D. Kent, Cashier of the Passaic (N. J.) National Bank, relative to the placing of the clearing-house numbers on drafts. It seems to me that this would be a most excellent idea, and would save a great amount of time in listing checks for the city letters.

BRATTLEBORO, Vt., Jan. 12. W. H. BRACKETT, *Cashier People's National Bank.*

BANKING AND COMMERCIAL LAW INDEX.

Editor Bankers' Magazine:

SIR:—I am so thoroughly convinced of the great value both to lawyers and bankers of that department of your MAGAZINE devoted to recent decisions bearing upon banking law and also your answers to practical banking and commercial law questions, that I am forced to make this request and suggestion; that once or twice a year you furnish an index to those decisions and answers.

SAMUEL J. SALYER.

PINEVILLE, Ky., Feb. 6.

Answer.—An index to the cases reported in the Banking Law Department, and to the Replies to Questions, will be found in the numbers of the MAGAZINE for June and December of each year.—[EDITOR BANKERS' MAGAZINE.

A CANADIAN OPINION OF THE GREENBACKS.

Editor Bankers' Magazine:

SIR:—I think that Mr. Cornwell stands upon unassailable ground in attacking the greenback. The system upon which that note is issued is indeed fraught with great danger. If in addition to the hundred million reserve there were a provision that the Treasury should hold in Government bonds the equivalent of the other $300,000,000 of the greenback issue, and that no re-issue of the notes should take place while the reserve is impaired; if in other words the greenbacks were guaranteed as is the Canadian legal-tender note, the gold reserve would cease to be menaced and cease to be that menace which it now is to the even tenor of the course of trade. Our Dominion notes are guaranteed by seventy-five per cent. of gold and Government bonds guaranteed by the Imperial Government, the gold reserve being fixed at a minimum of fifteen per cent. of the whole, and the amount of notes outstanding is ruled by the reserve in the Treasury.

It seems to me, however, that the whole trouble consists in the fact that the Government of the United States expects or is expected to do work which the banks alone should do. There is no objection to a government becoming the depository of the gold and silver reserves of a country, provided it is not expected directly or indirectly to return more than it actually receives, but no government should be expected to carry on a part of the business of banking unless at the same time it is enabled to discharge that great function of loaning funds, especially on discounts.

In Canada, so careful is our Government in the matter of not engaging in anything which resembles banking, that its custom is to maintain deposits with leading banks and pay its obligations not in its own notes but by checks.

If the people of the United States want cheap money it is not to be had of the Government in any shape or form, but of the banks; and it is not to be had even of the banks as long as the currency of these is based upon the debts of the country as a nation instead of its assets.

ARTHUR WEIR.

MONTREAL, Que., January 28.

PRACTICAL BANKING SUGGESTIONS.

Editor Bankers' Magazine:

SIR:—Having been for many years an examiner of National banks, I have been much interested in your "Practical Banking Department," particularly the suggestions for the preventions of losses which occur owing to lack of systematic methods of bookkeeping. Some of the forms given in the MAGAZINE are certainly of great value and worthy of general adoption.

Though my views on the subject may be somewhat old-fashioned, I do not hesitate to say that I believe the three-column individual ledger (debit, credit and balance), with balances extended *in ink opposite each entry*, monthly sheets in ink, is the best.

Pass-books should always be balanced and accounts reconciled by a man other than bookkeeper, who should never touch the cash.

The three-column general ledger, kept in the same way as the individual, is the best for a country bank. The system of *check*, of course, is the first and great essential. W. M.

ATLANTA, Ga., Feb. 9.

Proceedings of Congress.

On Jan. 29 the Senate passed the Senate bill providing for the appointment of five commissioners to represent the United States at any international monetary conference that may be called, and appropriating $100,000 to compensate such commissioners and for expenses. The President is authorized to call such a conference at his discretion.

A bill introduced by Senator Shoup, of Idaho, provides that no paper currency of any kind of less denomination than $10 should be issued and the Secretary of the Treasury is directed, whenever and as often as such notes should be received by the Treasurer for dues or for redemption, to cancel such small notes.

The bill which passed the House on January 11, providing for the organization of National banks with a capital of $20,000 in towns of not more than 4,000 inhabitants, went to the Senate on January 12, where it was read twice and referred to the Committee on Finance. There does not appear to be any active opposition to the bill even on the part of the silver Senators who have heretofore opposed all banking legislation. It is hardly thought possible for the committee to give the measure the proper attention at the present session, and its immediate passage is generally regarded as improbable.

In discussing the bill in the House, Mr. Brosius (Pa.) on January 11, made an interesting speech showing the necessity for some legislation that would promote the organization of National banks in agricultural communities.

Representative Johnson (Ind.) also made a strong speech in favor of revising the banking laws. He said, in part:

"The present banking and currency system is a positive imposition upon the people, particularly upon the people living in the agricultural sections of the Union. It is maintained only at great expense. It keeps the business and commercial interests in a constant state of apprehension and uncertainty. It congests money at the great commercial centres where, owing to the use of bank checks and deposits, it is not so much needed for effecting the ordinary exchanges of daily life, and where it can be borrowed at a very low rate of interest, while it leaves those residing in the rural sections of the country—notably in the South and West—without money with which to effect their ordinary exchanges, and without money for unusual enterprises or for marketing their crops, except upon payment of very high rates of interest.

I venture the assertion that it is this scarcity of good paper money, this inequality in the distribution of such money throughout the country, which is largely at the bottom of the demand for a short-weight silver dollar, and for the issue of irredeemable and other vicious forms of paper currency.

Once do a way with this just reason for dissatisfaction through a wise revision of the banking and currency system, once give to the people a good paper currency, in sufficient volume to answer their necessities, and at reasonable rates of interest, and you will sound the death knell of the cry for a cheap metallic dollar and for all kinds of questionable paper issues."

In conclusion he favored the issue of notes on the assets of the banks, under proper restrictions.

National Board of Trade.—At the meeting of the National Board of Trade, held at Washington, January 27, the following resolutions were adopted relating to the currency:

(1) That gold coin shall remain the standard money.

(2) That steps should be taken to retire all United States notes in such a way as not to disturb business relations; that National banks should be allowed to issue currency to the par value of the bonds; that the tax on circulation be reduced and that banks be allowed to issue currency based on assets, under such national supervision and restriction as will make it safe, elastic, and redeemable in gold at the bank of issue and at the city of New York.

(3) That such banks of issue, with a capital of $20,000 or more, be authorized to be established in towns and villages of less than 3,000 population.

The appointment of a monetary commission was favored, and the passage of the bill now before Congress for an international coin was recommended.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—A new Savings bank is being organized in the Twenty-second ward, to be located "near the Boulevard or Columbus Avenue, between Sixty-second and Seventy-fifth streets."

—A. M. Kidder has withdrawn from the firm of A. M. Kidder & Co. Business will be continued under the same style.

—Messrs. Samuel D. Davis & Co. will go out of business, Mr. Davis retiring on account of ill health. A new firm will be organized as successors.

—Henry L. Dittman, for many years in charge of the bond and arbitrage business of the firm of Lazard Freres, has bought a seat in the Stock Exchange.

—The annual meeting of the New York Clearing-House Building Co. was held January 28, when the following directors were re-elected: George G. Williams, President Chemical National Bank; F. D. Tappen, President Gallatin National Bank; J. Edward Simmons, President Fourth National Bank; Dumont Clarke, President American Exchange National Bank, and E. H. Perkins, Jr., President Importers and Traders' National Bank. Mr. Williams was re-elected president, and William Sherer, Manager of the Clearing-House, was re-elected secretary. William J. Gilpin, Assistant Manager of the Clearing-House, and J. T. Mills, Jr., Cashier of the Chase National Bank, were appointed tellers.

—At the regular monthly meeting of the Chamber of Commerce, February 4, a special report was made by the committee appointed to attend the late Indianapolis Monetary Conference. The committee comprises John Harsen Rhoades, President of the Greenwich Savings Bank, William E. Dodge, ex-Secretary of the Treasury Charles S. Fairchild, George Foster Peabody, A. Swan Brown, and Isidor Straus. The committee's report endorsing the action of the Indianapolis convention was accepted with applause, and a number of resolutions were adopted, the effect of which in brief is to convert the committee into a standing committee on currency reform (with power to add to its number). The committee is instructed to communicate with the incoming Administration, to urge that the extra session of Congress, which, it is supposed, the President-elect will call, shall be called for the purpose of considering currency as well as tariff legislation. The committee is also instructed to act with the Commission that will be appointed either by Congress or by the Executive Committee of the Monetary Convention, to prepare a plan of currency reform.

William E. Dodge spoke strongly in favor of a currency system that would meet the needs of remote parts of the country.

—The large accumulations of idle money have led some of the banks to reduce the rate of interest on bank deposits, the reduction being from 2 to 1½ per cent.

—A number of changes in the officers and directors of the city banks, which occurred too late for publication in the January number, may be found under the head "Changes in Officers," etc., on this issue.

—William P. St. John, former President of the Mercantile National Bank, has been dropped from the directorate of that institution and also from that of the Second National Bank. Mr. St. John has been a prominent advocate of free silver for some years past.

—The plan of a majority of depositors to start up a new bank on the ruins of the defunct Murray Hill Bank was destroyed by a recent decision of the Supreme Court, and the result is that Receivers Trask and O'Brien will remain in charge of the bank's assets.

—J. Edward Simmons, President of the Fourth National Bank, the New York Clearing-House Association, and other institutions, recently announced that he would take a two months' recreation trip to Southern California and New Mexico. James G. Cannon, Vice-President of the Fourth National Bank, will act as President in Mr. Simmons' absence. Henry W. Cannon, President of the Chase National Bank, will act as President of the Clearing-House Association.

—Fernando Baltes, for many years Cashier of the Mechanics and Traders' Bank, has been elected to succeed President Boskowitz, who resigned. Robert J. Hoguet and Isaac Stiebel were elected Vice-Presidents, and new directors were elected in the persons of E. A. Quintard, President of the Citizens' Savings Bank, and C. C. Dickinson.

—Secretary of War Daniel S. Lamont was elected a director of the National Union Bank at the recent annual meeting.

—The Market and Fulton National Bank building is now being enlarged. The bank has purchased a lot on Ann street, 25 by 60 feet in area, adjoining the present building, upon which an addition will be erected and the present building carried up three stories, making the entire structure, when completed, 10 stories high. An additional elevator will be placed in the building. The bank's quarters will be considerably enlarged.

—Group IX. of the State Bankers' Association had a meeting and banquet at the Hotel Manhattan, February 9. At the main table with Chairman Schenck were: Mayor Strong, Lieutenant-Governor Woodruff, Assistant United States Treasurer Conrad N. Jordan, Comptroller James H. Eckels, Frederick D. Kilburn, Superintendent of the State Banking Department; Robert J. Lowry, President of the American Bankers' Association; Henry W. Cannon, President of the Chase National Bank; J. Edward Simmons, President of the Fourth National Bank and the Clearing-House Association; Rev. Abbott E. Kittredge, D.D.; Col. E. C. James, Frederick D. Tappen, President of the Gallatin National Bank; William A. Nash, President of the Corn Exchange Bank, and Seymour Dexter, President of the Second National Bank, Elmira, and also President of the New York State Bankers' Association.

NEW ENGLAND STATES.

Boston.—At the election held on January 13, by the Second National Bank, J. M. Sears and W. B. Thomas were added to the directorate.

—The law abolishing days of grace, except on sight drafts, is now in effect in this State.

Rhode Island Savings.—The resources of the Savings banks of Rhode Island, according to recent reports to the State Auditor, amount to $72,591,433.

Vermont Inspector of Finance.—Gov. Grout, of Vermont, has appointed Hon. Hosea Mann, Inspector of Finance of that State. The new officer is a lawyer and also an experienced banker, having been Treasurer of the Wilmington Savings Bank from 1879 to 1885.

Proposed Bank Law.—A bill has been introduced in the Connecticut Legislature providing that all persons of foreign birth carrying on the business of banking or dealing in foreign money orders or receiving money on trust, shall deposit a bond for $50,000 with the State Treasurer. Such bankers must be naturalized citizens. For failure to comply with the law the maximum fine is $5,000 and jail sentence of one year.

Fast Day in New Hampshire.—The Senate has rejected the bill, passed by the House, abolishing Fast Day.

Savings Bank Enjoined.—On February 8 the Willimantic (Conn.) Savings Institute was enjoined from paying any money to depositors or from declaring a dividend for nine months. There was a run on the bank some time ago, which caused it to require four months' notice of withdrawals. This period had about expired when the injunction was served.

MIDDLE STATES.

Brooklyn, N. Y.—At the recent meeting of Group VIII. of the New York State Bankers' Association an interesting paper was read by Samuel R. Smith, President of the Far Rockaway Bank, on "Western Investments." He thought that much had been lost on this class of securities solely through lack of proper discrimination. He cited instances where banks had steadily made money on this kind of security, while others had lost heavily on eastern commercial paper.

In regard to loans on real estate, Mr. Smith thought more discretion should be left to the banks, citing a recent MAGAZINE editorial on this subject.

H. Bernard Coombe, Cashier of the People's Bank, of this city, also read a valuable paper on Banks and Bank Depositors."

New York Savings Banks.—The reports of the 127 Savings banks in New York State for the year ending December 31 last, filed with the State Banking Department, and recently tabulated, show aggregate resources of $812,175,632, as compared with $783,078,580 the previous year, an increase of $29,095,052. The aggregate surplus of these banks has increased from $90,955,321 to $93,653,237. There was nearly a million dollars more money deposited during the year than was taken out by depositors. The amount deposited was less in 1896 than the year before by $1,405,899, the total amount deposited last year being $208,801,219, and in 1895 $210,207,118. There was much more money withdrawn last year than in the previous year, the figures showing a total for 1896 of $207,822,905, as compared with $187,328,190 in 1895, the increase being $20,494,715.

Proposed Bank Laws.—Bills relating to banking have been introduced in the New York Legislature as follows:

Mr. Myers.—Requiring Savings banks to annually notify depositors by mail of all balances standing to their credit.

Mr. Sullivan.—Requiring private bankers in any city having a population of 50,000 or more to deposit with the Comptroller of the State the sum of $15,000 or a bond for that amount on or before February 1 in each year.

Mr. Abell.—Amending the banking law. It provides that the stockholders in every bank or banking association, organized under the authority of the State or the United States, shall be assessed and taxed on the value of their shares of stock therein.

Bank Resumption.—The First National Bank, Hollidaysburg, Pa., which suspended on December 14, has effected a reorganization, and resumed business on January 27, with $50,000 capital.

Safe Deposit Companies.—The sixteen safe deposit companies of New York State have total resources amounting to $4,677,325.

Pennsylvania Bankers.—Group V. of the Pennsylvania Bankers' Association held its annual meeting at Harrisburg, January 20, and elected the following officers: President, R. M. Henderson, Carlisle; secretary and treasurer, P. Duncan, Duncannon; executive committee, P. E. Slaymaker, Lancaster; James A. Myers, Columbia; W. K. Alrick, Harrisburg, and F. K. Ployer, Mechanicsburg.

State Bank Officials Resign.—It is reported that Colonel E. L. Judson, who has been for the past two years connected with the New York State Banking Department, has tendered his resignation as Bank Examiner to Superintendent Kilburn. It is understood that Colonel Judson contemplates making connections with a large financial institution in New York.

—Charles R. Hall has tendered his resignation as Chief of the Foreign Mortgage and Building and Loan Bureau of the New York State Banking Department, to take effect March 1. Mr. Hall has been connected with the Banking Department since 1889, and vacates his present place to be an examiner for the department in the field, that he may come into closer touch with the associations examined. George I. Skinner, a lawyer of Bainbridge, Chenango county, will be his successor in the office.

Pennsylvania Banks Organize.—A meeting of representatives of different banks of Beaver county, Pa., was held in the First National Bank at New Brighton, January 15, and an organization formed to be known as the Associated Bankers of the Beaver Valley. Temporary officers were elected as follows: President, J. T. Reeves; secretary, E. H. Sieple. A committee was appointed to draft by-laws and map out a plan for the management of the clearing-house.

New National Bank.—The People's National Bank is being organized at Jeannette, Pa., and will begin business about April 1.

A Cashier Promoted.—At the annual meeting of the First National Bank, Port Jervis, N. Y., on January 16, President M. C. Everitt declined re-election, and Cashier Charles F. Van Inwegen was chosen as his successor. Under the management of Mr. Everitt as President the deposits of the bank increased from $50,000 to $473,000, and the value of the stock rose from par to the present actual value of 190.

Charles F. Van Inwegen, the new President, entered the bank as a clerk in 1871, becoming teller in 1873, and Cashier in 1874. He is a thorough banker, and the growth and prosperity of the First National Bank of Port Jervis may be largely attributed to his work in its behalf. Mr. Van Inwegen is Secretary of Group VII. of the New York State Bankers' Association, and also treasurer of the general State association. He has a wide acquaintance amongst the bankers of the State, and is highly regarded.

Fred. B. Post succeeds Mr. Van Inwegen as Cashier.

Washington, D. C.—At a meeting of the board of directors of the Traders' National Bank, January 14, John C. Athey was elected Cashier in place of Brenton L. Baldwin, deceased. John G. Muir was chosen Assistant Cashier, succeeding Mr. Athey, promoted.

A Prosperous Bank.—The First National Bank, of Wilkinsburg (post-office, Pittsburg), recently elected the old board of directors. Although the bank has been doing business less than five years it has had a remarkably prosperous career, despite the 1893 panic and the financial uncertainty following the silver agitation. The earnings for the past six months were larger than for any preceding half year. The regular semi-annual dividend of three per cent. was declared, and $5,000 was added to the surplus fund, increasing the latter to $32,000, and leaving undivided profits of a little more than $3,000. The surplus and undivided profits are now equal to 70 per cent. on the capital of $50,000, and the total net earnings in the four and a half years since the bank began business amount to about 85 per cent., or at an average of nearly 20 per cent. per annum. The bank has over 1,400 open accounts, and the number is steadily increasing.

Buffalo, N. Y.—At the recent election of the People's Bank the former officers were re-elected, and the office of Second Vice-President was created as a compliment to Cashier Clarence W. Hammond, who will hereafter fill both offices. Mr. Hammond was practically the founder of the People's Bank, of which he has been Cashier since its organization in 1889, and has shown great zeal in working in behalf of the institution. He has been granted an unlimited leave of absence from the bank, and will visit in the South and on the Pacific coast for several months.

New York Trust Companies.—The tabulation made in the State Banking Department of the financial operations of the trust companies in the State of New York for the year ending December 31 last, presents the following showing:

The total resources as compared with the year ended December 31, 1895, have increased $4,112,902. The total profits have increased $1,908,969. The amount loaned on collateral and personal securities decreased $4,270,105, while the amount of cash on hand and on deposit was increased $3,838,206. The total surplus was increased $5,345,324.

The amount of deposits decreased $1,997,235, and the undivided profits decreased $1,416,141. The amount of dividends declared during the year was $4,220,000, an increase of $374,500. The amount of interest credited depositors and the expenses of the institutions during the year exceeded the total amount of the profits of the trust companies by $1,421,408.

The total amount of the resources of the trust companies of the State on Jan. 1 last, as shown by their reports for the year filed with the State Banking Department, was $396,742,947.

Interest Rates Too High.—Superintendent Kilburn of the New York State Banking Department has recently been calling the attention of bankers in certain localities of the State to the fact that they were paying too large a rate of interest on deposits, this rate in many places being as high as four per cent., and in one or two instances higher. The Superintendent argues that payment of large rates of interest by banks of discount hardly conforms to the purposes of their organization, and is not consistent with the highest degree of safety and service to the public. He insists that the payment of interest at such large rates is a continuing drain upon the earnings of the banks and a constant menace to their safe and conservative management.

SOUTHERN STATES.

Lynchburg, Va.—There has been an important sale of the stock of the National Exchange Bank to local business men. J. R. Gilliam succeeds J. W. Watts as President.

Branch Banks in North Carolina.—S. Wittkowsky, of Charlotte, N. C., and associates, will make application to the Legislature for a charter for a new bank, which in its operations will differ in some material respects from any such institution now in business in that State. The parent office is to be located in Charlotte, but the intention is to establish branches all over the State in smaller towns, after the manner of the Canadian system. In addition to the regular features of a bank of deposit and savings are to be those of trust and warehouse companies.

Run on a Bank.—Unfounded rumors, believed to be due to local political prejudices, recently caused a slight run on the National Bank of Brunswick, Ga., which it easily withstood, having abundant cash on hand—25 per cent. more than the required reserve.

New Bank at Selma, Ala.—Messrs. Ernst Bros., of New York, will open a new bank at Selma, Ala.

Prosperity in Arkansas.—The First National Bank, Helena, Ark., recently declared a dividend of five per cent. out of the earnings for the past six months and added $1,000 to surplus.

Bank Goes Out of Business.—The Merchants and Planters' Bank, West Point, Ga., has paid depositors, divided the profits amongst the stockholders, and retired from business.

Macon, Ga.—J. W. Cabaniss is the new President of the Exchange Bank, succeeding the late Col. Henry J. Lamar. Mr. Cabaniss was Cashier of the bank for eighteen years, and the institution has prospered greatly during that time. Geo. B. Turpin, Vice-President of the bank, has retired from active business and has been succeeded by S. S. Dunlap. Cliff M. Orr succeeds Mr. Cabaniss as Cashier.

WESTERN STATES.

Chicago.—The private banking firm of Foreman Bros. has been incorporated as the Foreman Bros. Banking Co., with $500,000 capital and the same amount of surplus.

—Rumors connect the name of Comptroller Eckels with the presidency of a large financial institution recently organized in this city. He has also been mentioned as a possible successor to Mr. Gage as President of the First National Bank, when the latter becomes Secretary of the Treasury. The opinion of local bankers is that Mr. Gage will be succeeded by John B. Forgan, the Vice-President of the bank, or that S. M. Nickerson, former President, who was succeeded by Mr. Gage, will reassume the presidency.

LATER.—Samuel M. Nickerson succeeds Mr. Gage as President.

—On Jan. 15 a dividend of 50 per cent. was paid to creditors of the Atlas National Bank.

—Charles G. Dawes, of Evanston, will be Comptroller of the Currency, to succeed Mr. Eckels. Mr. Dawes was born in Marietta, Ohio, on August 27, 1865, and graduated from Marietta College in 1884, and from the Cincinnati Law School in 1886. In 1887 he left Ohio for Lincoln, Neb., where he became prominent as a lawyer and business man. He was also a student of financial questions, and in 1894 published a book on the banking system of the United States. He has been for many years a National bank director.

He became a resident of Evanston, Ill., in 1896, having become interested in the Northwestern Gas and Coke Company, of that place. He was the leader in the McKinley movement in Illinois, which ended in instructions for McKinley at the Springfield convention. He was then appointed as the member from Illinois of the Executive Committee of the Republican National Committee.

Michigan Bank News.—A bill is pending in the Legislature making the following changes in the banking laws: Placing private banks under State supervision; requiring Savings banks to pay interest for the entire time the money is on deposit; making banks liable to depositors of savings if money is paid out on forged orders.

—Josiah E. Just, of the Ionia County Savings Bank, has been selected as Bank Commissioner by the new State administration.

—The deposits in the State banks of Michigan are $67,479,600, and the total resources $85,686,000.

—Attorney-General Maynard is making an investigation of the banking laws of various States with a view to preparing a bill for corrections of the Michigan law. One of the reforms proposed is to make the officers and directors liable for the entire indebtedness of a bank, and to make insolvency a case of felony, the burden of proof to rest on the officers to prove that it was not due to criminality on their part. In civil cases it is proposed to make the agreement of three-fourths of the jury a verdict.

Toledo, Ohio.—The Ohio Savings Bank and Trust Co. will begin business on March 1 with $350,000 capital, one-half of which will be paid up and the balance subject to call.

A New Bank Building.—The Dollar Savings and Trust Co., Youngstown, Ohio, has purchased a business block, and will have the ground floor remodelled, making it practically new, and fitted up in the most modern style. The bank lately re-elected its former officers.

St. Louis.—Judge Geo. A. Madill has been elected a director of the St. Louis National Bank.

—C. H. Huttig succeeds Thos. A. Stoddart as Vice-President of the Third National Bank.

—R. R. Hutchinson succeeds D. K. Ferguson as President of the Mechanics' Bank. Mr. Ferguson was one of the founders of the bank and has been its President for nearly twenty years. He declined re-election on account of failing health, but will continue to serve the bank in the capacity of Vice-President.

Indianapolis, Ind.—On January 12 the Indiana National Bank moved into its new home at Pennsylvania street and Virginia avenue.

St. Paul, Minn.—A resolution was recently introduced into the Chamber of Commerce of this city proposing the enactment of a law giving all commercial banks throughout the country the right to require sixty days' notice before paying deposits. The proposition was universally condemned by the bankers of the city as being in violation of the essential principles of commercial banking.

Dakota Bankers Organize.—A number of the bankers of North Dakota met at Fargo, on January 8, and organized the North Dakota Bankers' Association. E. P. Wells, President of the James River National Bank, Jamestown, was elected president, and S. S. Lyon, Cashier of the First National Bank, Fargo, secretary and treasurer.

Colorado Bankers Acquitted.—On January 14, a jury in the United States District Court brought in a verdict of acquittal in the case against W. H. Cochran, President, and R. H. Sayres, Cashier, of the First National Bank of Del Norte, Colo., which closed its doors in 1892, who were charged with having made a false report to the Comptroller of the Currency.

An Ohio Bank Swindled.—The Bank of Mansfield, Ohio, was recently victimized by a forged New York draft for $600. W. J. Richards (the name given by a man who has been a depositor at the bank since December 7), presented the draft, indorsed it, and deposited it with the bank and checked out against his account $500, leaving a supposed balance of $100 to his credit. Telegraphic inquiry of the First National Bank of Mt. Gilead, from which the draft was issued, showed that the sum was for $2.38, and that the draft was raised.

A Sound Western Bank.—The First National Bank, Sauk Centre, Minn., which began business almost thirteen years ago, has done a constantly increasing business. Its deposits have grown from $21,000 in 1884 to $116,000 in December last. During the same time the surplus and profits have increased from $3,000 to $23,000, and the total resources from $85,400 to $205,900. Its officers are: President, Henry Keller; Vice-President, S. M. Bruce; Cashier, C. M. Sprague; Assistant Cashier, F. W. Sprague.

PACIFIC SLOPE.

San Francisco.—Geo. Stone has been elected President of the People's Home Savings Bank to succeed Gen. John F. Sheehan.

—This city claims the smallest debt, both absolute and per capita, of any of the principal cities of the country. The rank of the city in point of wealth is also very high.

—On February 3, the supreme court rendered a decision in the case of O. McHenry and other stockholders of the First National Bank of Modesto against W. A. Downer, Tax Collector of Stanislaus county. The parties in interest submitted an agreed case to the Stanislaus Superior Court for a decision. The lower court decided in favor of the tax collector, and held that National bank stock could be taxed in California. The bank people appealed to the supreme court. The latter not only reverses the lower court, but directs it to enter judgment in favor of the bank people. Following is a syllabus of the opinion:

"National banks are agencies of the Federal Government, selected as a necessary or convenient means to the exercise of its functions, and are not, except by its consent, subject to the taxing powers of the States.

Under section 3608 of the Political Code, shares of stock in National banks are not subject to assessment for the purposes of taxation.

If it be conceded that the latter section has no application to the shares of stock in National banks, and that they may be assessed as other personal property, then the machinery provided therefor works such a discrimination in favor of State banks and against shares of National banks that it is violative of the restrictions of the Act of Congress of June 3, 1864, as amended February 10, 1868. (See section 5219, Revised Statutes, United States.)"

Bank Wanted.—A bank is said to be needed at Arroyo Grande, Cal.

Robberies, Defalcations, Embezzlements, Etc.

—C. E. Breder, Cashier of the First National Bank, Bethlehem, Pa., has absconded, leaving a shortage of about $12,000 in his accounts.

—Lee B. McFarland, recently promoted from the position of teller to that of Assistant Cashier of the Second National Bank of Parkersburg, W. Va., is reported to be $48,000 short in his accounts as a result of speculation.

—Bradley's Bank, at Eldon, Iowa, was robbed of $7,000 on February 1, the safe being blown open.

—At Denver, Colo., on January 30, Judge Hallett, in the United States Court, sentenced C. H. Dow, former President of the Commercial Bank of Denver; S. B. McClurken, teller, and Dr. G. F. Miller, customer and resident of Chicago, to the penitentiary at Leavenworth, Kan., for wrecking the bank. Dr. Miller was sentenced to ten years, Dow to seven years, and McClurken to five years.

—The United States Supreme Court recently confirmed the sentence of five years' imprisonment imposed upon E. W. Agnew for embezzlement while President of the First National Bank, Ocala, Fla.

—Cashier Stone, of the failed Sioux City (Iowa) Savings Bank, is charged with forgery, withdrawing the bank's money to his own use on worthless securities, etc.

—Col. William Jack, one of the three partners in the defunct banking house of Gardner, Morrow & Co., Hollidaysburg, Pa., was arrested on February 5 for taking deposits after he knew that the bank was insolvent. The accused claims that he had no knowledge of the bank's condition, and that he was partner in name only.

—Henry Durk, Cashier of the failed First National Bank, Niagara Falls, N. Y., is alleged to have misappropriated trust funds. He is also otherwise implicated in wrecking the bank.

—On Feb. 8 R. B. McConnell, President of the Merchants' National Bank, Ocala, Fla., which closed on January 14, was arrested on the charge of falsifying the books of the bank and embezzling $80,000 of its funds.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Alabama.—The statement of the assignee of the Commercial Bank of Selma, which closed Dec. 30, was filed Jan. 12. The cash and securities in the hands of the assignees are valued at $70,000, while the deposits are $110,000. Of this $18,000 is due the Western Railway and is secondary. This leaves $92,000 preferred with which to pay depositors. Other prior claims, such as taxes, $7,000; rent, $8,000; expenses assignment, say $10,000, will leave to depositors about 50c. on the dollar. Included in the assets is real estate which may increase the dividend to depositors; also, some $113,000 of life insurance which in time will be live assets. The rediscounts were large and were held chiefly in New York. The collateral held for these loans amounts to $680,000, while the loans are about $450,000. The cash in vault was found to be $19,150.51, a part of which came in the day of the failure, and will be refunded.

—The Bank of Piedmont on January 19 voluntarily placed its assets in the hands of J. D. Stewart, who will wind up his business.

Connecticut—HARTFORD.—The committee appointed to investigate the affairs of the assigned banking firm of Geo. P. Bissell & Co. reported on January 18. The firm was composed of Albert H. Olmstead, of this city, and Charles H. Colt, Vice-President of the Litchfield National Bank of Litchfield. The business is now in the hands of a Receiver, and may pay something though not much. The report of the committee shows that when the firm started it had $488,000 in deposits and $541,000 in assets, with first-class securities. But it came to deal in depreciated securities, and Olmstead's management was of a remarkable character. He had what was known as "Mrs. Olmstead's insurance fund account," which, he explained, was started and used in place of contemplated life insurance, and was the equivalent of policy payments on his own life for the benefit of his wife. On this account he made an occasional deposit, the money coming from his personal account and other sources, and in the name of this account he bought, owned and sold stocks. Out of this fund he bought the lot where he now resides, taking the deed in his wife's name, and out of this fund he built his present residence. The method he adopted to pay for the house was to open an "A. H. Olmstead special account," on which he drew checks as he needed to pay for the house. This special account was used only between 1885 and 1889, and received $26,000 from the insurance fund, $13,500 from Olmstead's personal account and $8,000 in a check from Colonel Bissell. This $47,000 all went into the house. In 1893 Olmstead drew on his personal account $11,121, or $8,121 more than his salary, and so, during the years that the firm was dividing losses, he drew altogether $20,000 more than his salary. The total amount taken from his personal account in this period is substantially equal to his salary, his partner's salary and the entire amount charged as losses against both members of the firm. It is further stated that Olmstead's relatives, his attorney and his friends drew out most of their accounts to the amount of $30,644, a few days before the assignment, and in some cases they overdrew. The committee finds nothing to reflect on the character of Mr. Colt.

Colorado—DENVER.—Report of the Receiver of the Rocky Mountain Savings Bank for the past year shows: Receipts, $4,412; expenses, $3,372; balance, $1,040.

—On January 16 the Washington County Bank, Akron, was placed in the hands of A. J. Johnson and H. G. Newsom, Receivers.

Florida.—On January 14 the Merchants' National Bank, Ocala, closed. The bank had a capital of $100,000, liabilities $154,000. The cause assigned for the failure was that it was impossible to make collections. The bank was founded seventeen years ago by John F. Dunn in opposition to the First National Bank, which failed two years ago, and whose President, E. W. Agnew, is under five years' sentence for embezzling bank funds.

—The Orange City Bank, a private institution, of which John E. Stillman is President, assigned January 14 to R. S. Leavitt.

—The Brooksville State Bank closed January 14 on account of the suspension of the Merchants' National Bank, Ocala.

Georgia—ATLANTA.—The State Savings Bank went into the hands of a temporary Receiver February 9. It was organized in 1891 with $100,000 capital.

Idaho.—The Moscow National Bank, Moscow, closed February 2. Deposit liabilities were slightly above $100,000.

Illinois—CHICAGO.—The Dime Savings Bank, which suspended payment some time ago, went into the hands of Ralph Metcalf, Receiver, on January 30. There was sufficient cash on hand to pay a dividend of 30 per cent. to depositors, amounting to $119,438. Liabilities to depositors and others, before this payment, amounted to $365,000.

—The City National Bank, Streator, has notified its depositors to call for their money, as the bank is going out of business. It was organized six years ago; capital, $100,000. For the last eighteen months business has been dull, and the stockholders decided their money could be more profitably invested.

—The Farmers and Merchants' Bank, Freeport, has arranged with another bank to pay off its deposits, and will go out of business. After paying depositors stockholders will receive a dividend. The bank was organized in 1892 with $100,000 capital.

Indiana.—The Upland Bank, Upland, whose probable liquidation was announced some time ago, closed on January 23. Bank had been doing business for five years, and had lost about $50,000. It was closed temporarily at one time during the 1893 panic.

Iowa.—The German Savings Bank, Des Moines, assigned to T. Blackburn, January 21. It was a large institution, having deposits amounting to $554,000, and $50,000 capital, which was to have been increased to $75,000. Failure was due to loaning too closely. As the stockholders are wealthy it is thought a reorganization may be effected.

—The First National Bank, Griswold, closed February 5. The capital of the bank is $50,000. On December 17, its total liabilities were $80,000 and its surplus $10,000. The total assets of the bank were given at $147,000.

Kansas.—On January 18 the State Bank of Hollenberg, went into voluntary liquidation, arrangements being made to pay the deposits, which were small.

—The Merchants' State Bank, Hoisington went into voluntary liquidation January 10, paying depositors in full. Its business was transferred to the Hoisington State Bank.

Kentucky—LOUISVILLE.—The German National Bank suspended January 18. The capital stock is $251,500, with a surplus of $31,000. The bank had been in a shaky condition for three years, owing to the failure of another bank, by which it lost $75,000, and there are also law-suits involving between $250,000 and $300,000 pending, growing out of the bank's connection with the failure. President McKnight says depositors will be paid. The bank has on hand $60,000 in cash. The deposits subject to check are about $255,000. There are also certificates of deposit for $60,000. Stock of the bank had lately sold at twenty-five cents a share.

The bank was organized in August, 1872, under the style, "The Western Savings Bank, of Louisville." Some of the stockholders then objected to its being a State bank, insisting that it should be a National bank. The plan was changed, and the bank was finally opened.

—The Germania Safety Vault and Trust Company went into the hands of Charles Taylor, Receiver, January 20. The step was brought about by a suit filed declaring that the company did not have invested such funds as were required by law, and also that it had on deposit with the German National Bank, now in the hands of a bank examiner, about $100,000.

—The First National Bank, of Newport, closed January 18. Examination of the books shows the liabilities of the bank, through loans made to ex-Cashier Youtsey direct and partly through friends, to foot up $250,000, and on the transfer to the bank of securities by Youtsey, it is claimed, not more than twenty-five cents on the dollar can be realized.

Massachusetts—BOSTON.—E. C. Hodges & Co. assigned to Geo. E. Dixon, Feb. 2.

Michigan.—During the past three years about $1,250,000 of savings deposits have been tied up in three failed banks at Lansing. Depositors in one bank, after waiting three years, have received dividends aggregating 55 per cent. of what they put in, with a possibility of receiving 15 per cent. more. Depositors in a second bank may get 100 cents on the dollar, and the third may, in time, be able to pay 50 cents. Excessive loans and loose banking methods are said to have caused the failures.

Minnesota—MINNEAPOLIS.—The Receiver of the Bank of New England has collected $74,214, out of which he has paid $7,010 as expenses, $2,030 disbursed in the settlement of claims and taxes, and to the State of Minnesota as a preferred claim, $61,208. The Receiver has in cash on hand $3,918. The court allows John P. Rea, Receiver, for services rendered, $9,000, of which he has already paid himself $4,250. Louis A. Reed, his attorney, is allowed $4,500, of which he has received $922. As there is not enough money to pay these allowances, the two are to divide the money they have on hand between them, and to pay themselves the balance out of the first moneys collected. The depositors have not yet been paid anything.

The Bankers' Exchange Bank, which suspended in December and resumed on January 7, went into the hands of Otto Rood, Receiver, on February 10. After the reopening there was a heavy loss in deposits. It is said the bank will be able to pay its deposits in thirty days.

On January 14 the Comptroller of the Currency appointed J. B. Atwater Receiver of the Columbia National Bank.

—St. Paul.—The Minnesota Savings Bank assigned to Wm. Bickel, Sr., January 18. Failure was due to a run following the suspensions recently occurring here. Liabilities are $210,000, and the assets are reported to be $10,000 above that amount.

On January 14 the Receivers of the Bank of Minnnesota filed their statement. The nominal assets amount to $3,170,726, and the liabilities $2,325,522. There was due the bank from certain of its officers the sum of $313,046; from officers and directors upon their indorsement and guaranties, $420,915; from other concerns in which certain officers and directors were largely interested, $52,000. In these sums are included about $66,000 overdrafts. Upon the indebtedness mentioned the Receivers have been paid $35,580, and for $29,500 the Receivers hold securities. The Receivers are of the opinion that little can be realized on the suspense, judgment and sundry stocks and bond accounts, amounting to $126,000. Including cash on hand when the Receivers took possession, they now have on hand $165,213. A movement is under way for reorganization.

—On January 12 the Citizens' National Bank, Fergus Falls, voted to go into liquidation. The bank was established in 1883 and had $75,000 capital. Depositors will be paid.

Missouri.—The Bank of Conway, capital, $10,000, assigned to Charles C. Draper, January 16.

—The Bank of Mayview closed January 12. The assets and liabilities are not known, but the officials claim that they will pay dollar for dollar. This bank's safe was blown up by burglars recently, but they did not secure any money.

—The Kidder Savings Bank, of Kidder, has been closed by the State Bank Examiner, and R. H. Schwenberger appointed Receiver. Liabilities, $23,000; assets, $34,000.

Montana.—The Northwestern National Bank, Great Falls, closed February 5. Rumors of a heavy defalcation were spread, and it was admitted by the officers that grave complications had arisen. The trouble arose out of a recent sale of stock, whereby the Conrad Brothers disposed of holdings to R. D. Hatcher, who claimed to represent eastern parties. The purchase money, amounting to some $180,000, was paid to the Conrads, and was supposed to come from Hatcher's clients.

Later it was discovered that $177,000 which the Northwestern National Bank had in the Globe National Bank, of Boston, had disappeared. The transfer of the money from the Globe National to a New York bank was known to the directors, but Hatcher had said that officials of that bank were among the purchasers and it was supposed that the money transferred came from them. The Northwestern books show a credit of $177,000 at Boston. while the Globe National's books show a small overdraft. The last statement shows deposits of $597,394 and assets of about $750,000. The officers say depositors will be paid. The Northwestern National had a capital of $250,000 and an advertised surplus of $50,000.

Nebraska.—The Citizens' State Bank, of Fullerton, closed January 15. The officers say that depositors will be paid in full.

North Carolina.—The Loan and Savings Bank, Charlotte, voted on January 13 to close up its affairs and go out of business. It is said to be solvent and able to pay depositors. Stockholders also expect to realize par for the stock.

Ohio.—The First National Bank, Franklin, closed February 5. The directors found they had money sufficient to pay off all their depositors, and concluded that as there was a steady falling off in receipts it was an opportune time to wind up the bank's affairs. The bank failed about a year ago. The bank owes depositors $75,000. It has assets, including bonds, of $158,000, and a surplus of $10,000. Its capital is $50,000.

Pennsylvania.—The Chester County Guarantee, Trust and Safe Deposit Co., West Chester, suspended February 2. Deposits, $500,000; nominal value of assets, $1,000,000.

Tennessee.—The Wautaga Bank, Johnson City, assigned February 4. Assets are claimed to be largely in excess of liabilities.

Washington—Seattle.—On January 13 the Seattle Savings Bank closed owing to heavy withdrawals of county funds. The liabilities are $70,000 and the assets $104,000.

—The First National Bank, Oakesdale, is reported in voluntary liquidation.

—The report of the Receiver of the Marine Savings Bank, Ballard, filed on January 14, shows: individual deposits, $5,462; time certificates, $2,125; Savings banks' deposits, $1,797; total, $9,384. The collectible assets are $1,902.

—On January 27 the First National Bank, Olympia, suspended owing to heavy withdrawals. The State Treasurer withdrew $35,000, which started a run by the other depositors. Liabilities are $100,000, of which $75,000 is individual deposits. Assets are placed at $226,000.

—The Bank of Montesano was reported closed on February 1. The business had been conducted by C. N. Byles & Co., who absorbed the First National Bank about two years ago.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5053—National Bank of Walden, Walden, New York. Capital, $50,000.
5056—National Bank of Commerce, Memphis, Tennessee. Capital, $1,000,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Ham National Bank, Mount Vernon, Ill.; by C. D. Ham, *et al.*
National Bank of Ashtabula, Ashtabula, Ohio; by B. B. Seymour, *et al.*
First National Bank, Summit, N. J.; by W. Z. Larned, *et al.*
Simpson National Bank, Eagle Pass, Texas; by M. L. Oppenheimer, *et al.*
Ohio National Bank, Columbus, Ohio; by Emil Kieswetter, *et al.*
National Bank of Gaffney, Gaffney, S. C.; by F. G. Stacy, *et al.*
Union National Bank, Newport, Ky.; by Jno. A. Williamson, *et al.*
First National Bank, Edwardsville, Ill.; by August Schaltly, *et al.*

NEW BANKS, BANKERS, ETC.

ALABAMA.

PIEDMONT—E. W. Lebetter & Co. (successors to Bank of Piedmont).

SELMA—Ernst Bros.

CALIFORNIA.

RANDSBURG—Bank of Randsburg.

SAN JOSE—Bank of James A. Costa & Co.

FLORIDA.

APALACHICOLA—Capital City Bank (branch).

GEORGIA.

SAVANNAH—United States Loan and Tr. Co.

ILLINOIS.

ALTAMONT—M. E. Hogan.

CHICAGO—Logan Square Safe Deposit and Trust Co.; capital, $30,000.—General Trust Co.: capital, $5,000,000.—Foreman Bros. Banking Co.; incorporated; (successors to Foreman Bros.); capital, $500,000. Pres., Edwin G. Foreman; Vice-Pres., Oscar G. Foreman; Cas., Geo. H. Neise.

LA HARPE—State Bank; capital, $25,000.

IOWA.

HARLAN—Harlan Bank (Albertus & Walters); capital, $50,000; Pres., Fred Albertus; Cash., Geo. Walters; Asst. Cash. Minnie V. Walters.

KEOTA—State Bank.

MORAVIA—Bank of Moravia (G. W. Sturdivant).

POCAHONTAS—Bank of Pocahontas; capital, $25,000; Pres., Jno. H. Slegge; Vice-Pres., G. A. Heald; Cas., T. F. McCartan.

WEST LIBERTY—Iowa State Bank; capital, $31,200; Pres., Jno. S. Taylor; Cas., I. A. Nichols; Asst. Cas., Chas. E. Ball.

KANSAS.

ANTHONY—Anthony State Bank (successor to Harper Co. Bank); capital, $5,000; Pres., Jno. D. Brown; Cas., W. E. Blackburn; Asst. Cas., Samuel L. Smith.

BAXTER SPRINGS—Traders' Bank; capital, $5,000; Jno. M. Cooper, Pres.; J. N. McDonald, Cas.

POWHATTAN—Bank of Powhattan; capital, $60,000; Pres., Jessie Fletcher; Cas., C. O. Dimmock.

MICHIGAN.

BIG RAPIDS—F. Fairman; capital, $10,000.

VASSAR—State Savings Bank (successor to Vassar Exchange Bank); capital, $25,000; Pres., I. Gibbard; Vice-Pres., B. W. Huston; Cas., C. A. Curtis; Asst. Cas., G. R. Buck.

MINNESOTA.

DEXTER—Farmers' Bank; capital, $5,000; Pres., S. A. Sorensen.

SANBORN—Sanborn Bank.

MISSISSIPPI.

AMORY—Bank of Amory; capital, $20,000; Pres., E. D. Gilmore; Cas., T. J. Gilmore.

CENTREVILLE—McKee & Redhead; capital, $20,000; Pres. E. F. McKee; Vice-Pres. Jno. A. Redhead.

MISSOURI.

GALLATIN—Gallatin Savings Bank (successor to Daviess Co. Sav. Assn.); capital, $25,000; Pres., J. W. Alexander; Cas., Chas. Henry.

WARRENSBURG—Farmers and Merchants' Bank; capital, $30,000; Pres., H. Y. Hughes; Cas., W. L. Embree; Asst. Cas., E. Z. Hughes.——Commercial Bank; Pres., A. S. Mayes; Cas., Frank Mayes.

NEBRASKA.

PIERCE—Pierce County Bank; capital, $25,000; H. S. Beck, Pres.; Woods Cones, Cas.

NEW YORK.

NEW YORK CITY—Ulman Brothers, 53 Exchange Pl.

PATCHOGUE—Union Savings Bank; Pres., Smith W. Conklin; Sec., Walter S. Rose.

PORT JEFFERSON—Exchange Bank; capital, $25,000; Pres., O. T. Fanning; Vice-Pres., M. L. Chambers; Cas., F. A. Kline.

NORTH CAROLINA.

ROCKY MOUNT—River Bank.

OHIO.

VERSAILLES—People's Bank; capital, $24,000; Pres., Adam Frankman; Cash., Felix Manier; Asst. Cas., J. S. Wade.

OREGON.

PENDLETON—Pendleton Trust Co.

PENNSYLVANIA.

McDONALD—People's National Bank; Pres., J. P. Scott; Vice-Pres., Jas. G. Berry; Cas., A. J. McDonald.

SOUTH CAROLINA.

SALUDA—Bank of Saluda.

SOUTH DAKOTA.

STURGIS—Mead Co. Bank; capital, $20,000.

MITCHELL—Commercial Savings Bank; capital, $10,000; Pres. J. T. Morrow; Vice-Pres., S. Webber; Cas., H. R. Kibbee.

WEBSTER—Security Bank; capital, $5,000; Pres., L. G. Ochrenreiter; Cas., T. E. Egge.

RHODE ISLAND.

PROVIDENCE—Davis & Dexter.

TENNESSEE.

MARTIN—Mercantile Bank; capital, $75,000; Pres., R. E. Gardner; Cas., S. G. Hunsacker.

TEXAS.

CAMERON—Tandy, Patterson & Co.

WASHINGTON.

SPOKANE—Security Trust Co.

WEST VIRGINIA.

LEWISBURG—Bank of Greenbrier; capital, $25,000; Pres., David A. Dwyer; Cas., J. W. Dwyer.

ONTARIO.

BLENHEIM—R. J. Powell.

WINCHESTER—D. F. Sutherland.

BRITISH COLUMBIA

TRAIL—Bank of British North America. (Sub-agency).

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

EVERGREEN—Bank of Evergreen; capital, $25,000; W. S. Witham, Pres.; Jas. M. Sims, Vice-Pres.; R. G. Mills, Cas.

TALLADEGA—First National Bank; J. B. McMillan, Pres., in place of T. S. Plowman.

ARIZONA.

PRESCOTT—Bank of Arizona; M. B. Hazeltine, Cashier in place of W. E. Hazeltine.

ARKANSAS.

LITTLE ROCK—Bank of Commerce; Herman Kahn, Pres., in place of Fred. Kramer, deceased.——Arkansas National Bank; Fred. N. Rix, Cas.; no Asst. Cas. in place of Fred. N. Rix.——Bank of Little Rock; Maxwell Coffin, Pres.; W. E. Tobey, Vice-Pres.; H. A. Rowe, Cas.; T. W. Yeakle, Asst. Cas.

CALIFORNIA.

LOS ANGELES—Main Street Savings Bank; B. V. Duque, Cashier in place of Jno. V. Wachtel.——Citizens' Bank; Jno. J. Fay, Jr., Pres., in place of J. W. Brotherton, retired.

PASADENA—First National Bank: Ernest H. May, Cashier, in place of A. H. Conger; Henry Newby, Asst. Cas., in place of Ernest H. May.——Pasadena National Bank; Charles A. Smith, Cashier, in place of E. E. Jones.——Union Savings Bank; Robert Eason, Pres., in place of H. M. Gabriel; A. R. Metcalfe, Vice-Pres.; W. M. Eason, Cas., in place of Chas. M. Smith.

SAN LUIS OBISPO—California Mortgage and Savings Bank; main office removed to San Francisco; Henry Brunner, Mgr.

COLORADO.

ASPEN—First National Bank; T. J. Lyster, Pres., in place of W. S. Cheesman; Wm. J. Cox, Vice-Pres., in place of David R. C. Brown; Orin S. Moore, Cas., in place of T. J. Lyster; no Asst. Cas. in place of Orin S. Moore.

BOULDER—First National Bank; W. H. Allison, Cashier, in place of W. H. Thompson.

DENVER—American National Bank; B. N. Freeman, Cas.——National Bank of Commerce; G. Boettcher, Pres., in place of J. A. Cooper; D. C. Dodge, Vice-Pres.

LEADVILLE—Carbonate National Bank; A V. Hunter, Pres., in place of D. H. Dougan; Geo. W. Trimble, Vice-Pres., in place A. V. Hunter; Frank X. Hogan, Cas.; no Asst. Cas. in place of Frank X. Hogan.

PUEBLO—American National Bank; W. H. Thompson, Cas., in place of Robert Gibson.

CONNECTICUT.

DANIELSON—First National Bank of Killingly; Silas Hyde, Pres., in place of Abner Young.

NORWICH—Thames National Bank; Stephen B. Meech, Pres., in place of E. N. Gibbs; no Vice-Pres. in place of Stephen B. Meech. ——First National Bank; H. W. Tibbets, Vice-Pres.; F. S. Jerome, Asst. Cas., in place of H. W. Tibbets.——Uncas National Bank; Jno. M. Johnson, Pres., in place of D. B. Spaulding; Wm. N. Blackstone, Vice-Pres., in place of Chas. Bard; Frederick T. Sayles, Asst. Cas.

SUFFIELD—First National Bank; no Vice-Pres. in place of H. S. Sheldon.

DELAWARE.

SEAFORD—First National Bank; Daniel J. Fooks, Vice-Pres.

DISTRICT OF COLUMBIA.

WASHINGTON—Traders' National Bank; Jno. C. Athey, Cas. in place of Brenton L. Baldwin, deceased; Jno. G. Muir, Asst. Cas., in place of Jno. C. Athey.——City National Bank; surplus increased to $3&0,000.——Lincoln National Bank; H. F. Bauer, Asst. Cas.

FLORIDA.

TAMPA—Citizens' Bank and Trust Co.; C. E. Allen, Cas.

GEORGIA.

AMERICUS—People's National Bank; W. H. Simmons, Pres. in place of John Windsor; John Windsor, Cas.

ATLANTA—Atlanta Trust and Banking Co.; A. P. Morgan and J. C. Kirkpatrick, Vice-Pres.; Chas. Runnette, Cas.; Chas. Roberts, Asst. Cas.

BARNESVILLE—Barnesville Savings Bank; W. S. Witham, Pres.; H. P. Powell, Cas.; J. F. Taylor, Vice-Pres.

CALHOUN—Bank of Calhoun; B. G. Boaz, Jr., Cas. in place of H. J. Doughty.

JACKSON—Jackson Banking Co.; L. D. Watson, Cas. in place of F. S. Cater.

MACON—Exchange Bank; J. W. Cabaniss, Pres. in place of H. J. Lamar; S. S. Dunlap, Vice-Pres. in place of Geo. B. Turpin; C. M. Orr, Cas. in place of J. W. Cabaniss.

MARIETTA—Marietta Trust and Banking Co.; surplus increased to $15,000.

MILLEDGEVILLE—Milledgeville Banking Co.; Miller S. Bell, Cas. in place of B. T. Bethune.

NEWNAN—Newnan National Bank; N. L. North, Asst. Cas.

ROME—Merchants' National Bank; E. A. Heard, Cas.

TALBOTTON—People's Bank; Wm. Witham, Pres. in place of G. H. Estes; Oscar E. Dooley, Cas. in place of C. W. Kimbroughs.

WAYCROSS—Bank of Waycross; surplus increased to $6,000.

IDAHO.

LEWISTON—First National Bank; Ralston Vollmer, Vice-Pres.

MOSCOW—Moscow National Bank (closed Feb. 2); J. H. Maguire and C. H. Brune, Vice-Pres.; Ernest De Lashmutt and S. Barghoorn, Asst. Cas.

ILLINOIS.

ATLANTA—Atlanta National Bank; J. B. Jordan, Asst. Cas.

BEARDSTOWN—First National Bank; John Schultz, Vice-Pres. in place of Jno. H. Hagener.

BEMENT—First National Bank; no Vice-Pres. in place of H. S. Bower.

CHARLESTON—Charleston State Bank; James Wheatly, Pres. in place of A. W. Bain, deceased.

CHICAGO—Home National Bank; A. M. Billings, Pres., deceased; C. K. G. Billings, Vice-Pres. in place of J. C. McMullin, deceased; Chas. E. Schick, Asst. Cas. in place of Carlton King.——First National Bank; Lyman J. Gage, Pres. resigned.

DANVILLE—First National Bank; C. L. English, Vice-Pres.; L. D. Gass, Cas. in place of C. L. English; J. C. English, Asst. Cas. in place of L. D. Gass.

FARMER CITY—John Weedman National Bank; W. W. Murphey, Pres. in place of Matthias Crum.——Old First Nat. Bank; no Asst. Cas. in place of C. S. Hoffman.

GALESBURG—First National Bank; L. F. Wertman, Pres. in place of Francis Fuller: Fred Seacord, Vice-Pres. in place of L. F. Wertman.

GALVA—Galva First National Bank; S. V. Deem, Asst. Cas.

HARRISBURG—First National Bank; C. T. Willis, Asst. Cas.

MOUNT CARROLL—First National Bank; Robert Moore, Pres. in place of John Kridler; James Graham, Vice-Pres. in place of Robert Moore; J. S. Miles, Cas. in place of O. P. Mills, deceased; no Asst. Cas. in place of J. S. Miles.

OREGON—First National Bank; Stephen Pankhurst, Asst. Cas.

PEORIA—Merchants' National Bank; no Asst. Cas. in place of W. T. Murray.——Peoria National Bank; Geo. H. McIlvaine, Pres., deceased.

TUSCOLA—First National Bank; A. W. Wallace, Vice-Pres.

WHEATON—Gary & Wheaton; title changed to Gary-Wheaton Bank.

INDIANA.

ATTICA—Citizens' National Bank; John W. Rhode, Vice-Pres. in place of Anthony Harman.

FRANKFORT—Clinton County Bank; Oliver Guard, Asst. Cas.

FRANKLIN—Franklin National Bank; C. A. Overstreet, Asst. Cas. in place of Victor Smith.

GARRETT—Garrett Banking Co.; Jacob Bogert, Pres. in place of D. H. Kniseley; D. H. Knisely, Vice-Pres.

GOSHEN—City National Bank; F. G. Hubbell, Pres.; Francis E. Baker, Vice-Pres. in place of F. G. Hubbel.——State Bank; A. Lowry, Asst. Cas.

INDIANAPOLIS—Indiana National Bank; Edward L. McKee, Vice-Pres.——Marion Trust Co.; no Pres. in place of F. A. Maus.

KEWANNA—Kewanna Bank; capital, $10,000; A. D. Toner, Pres.; Henry D. Howell, Cas.

LIBERTY—Union County National Bank; Jacob C. Kitchell, Cas. in place of Henry Husted, deceased.

MADISON—First National Bank; no Asst. Cas. in place of S. E. Baker.

PERU—Citizens' National Bank; F. I. Deibert, Vice-Pres. in place of William Roesner.

SOUTH BEND—First National Bank; Chas. L. Zigler, Asst. Cas. in place of J. E. Kelly.

WASHINGTON—Washington National Bank; N. G. Read, Pres. in place of E. W. Thompson; M. G. O'Neall, Asst. Cas. in place of N. G. Read.——People's National Bank; James W. Ogden, Vice-Pres. in place of E. L. Hatfield.

IOWA.

ANAMOSA—L. Schoonover; business absorbed by Anamosa National Bank; L. Schoonover, Pres. in place of Chas. H. Lull.

BROOKLYN—First National Bank; A. B. Talbot, Vice-Pres. in place of Thomas J. Holmes.

BURLINGTON—First National Bank; no Vice-Pres. in place of John G. Foote, deceased.

COLUMBUS JUNCTION—Louisa Co. National Bank; F. G. Coffin, Pres. in place of R. S. Johnston; Wilson Dougherty, Vice-Pres. in place of F. G. Coffin.

DAVENPORT—Davenport National Bank; Louis Haussen, Jr., Asst. Cas.

DES MOINES—Citizens' National Bank; no Asst. Cas. in place of H. T. Blackburn.

DUBUQUE—Second National Bank; J. K. Deming, Vice-Pres.

ELKADER—First National Bank; Realto E Price, Vice-Pres. in place of Anton Kramer.

GRUNDY CENTER—First National Bank; W. C. Sargent, Asst. Cas. in place of W. F. McLane.

KNOXVILLE—Marion Co. National Bank Lonem Donley, Asst. Cas.

LA PORTE CITY—First National Bank; no Asst. Cas. in place of John J. Large.

MARNE—W. E. & E. G. Simpson; R. S. Fudge, Cas.

MASSENA—Farmers' Savings Bank; capital, $10,000; H. F. Okey, Pres.

MOUNT PLEASANT—National State Bank; James T. Gillis, Asst. Cas.

NEW HAMPTON — First National Bank; J. W. Sandusky, Vice-Pres. in place of H. Gurley.

NEW SHARON—State Bank; W. W. Brimm, Asst. Cas., deceased.

PANORA—Guthrie County National Bank; W. C. Spurgin, Asst. Cas. in place of F. H. Nichols.

POPEJOY—Bank of Popejoy; Flora A. Popejoy, Pres.

SHENANDOAH—First National Bank; no Cas. in place of E. S. Ferris; Ellis Tucker, 2d Asst. Cas.

SIDNEY—McDonald & Kline (successors to Sidney Loan and Abstract Co.); capital, $10,000; J. H. McDonald, Pres. and Cas.; L. F. Kline, Vice-Pres.

STORM LAKE—First National Bank; W. E. Brown, Pres. in place of Geo. H. Eastman.

THOMPSON—Farmers' Savings Bank; succeeded by First National Bank.

WAPELLO—Wapello State Savings Bank; E. G. Heins, Asst. Cas.

WATERLOO—Commercial National Bank; E. L. Johnson, Vice-Pres. in place of W. L. Illingworth; H. C. Shultz, Cas.; C. W. Illingworth, Asst. Cas. in place of H. C. Schultz.

WELDON—Citizens' Bank; C. E. Woods, sole owner.

WEBSTER CITY—First National Bank; Wm. Anderson, Cas. in place of B. C. Mason; Simon Sogard, Asst. Cas.

KANSAS.

ARKANSAS CITY—Farmers' State Bank (successor to Farmers' National Bank); H. F. Hatch, Pres.; H. J. Hatch, Cas.; A. H. Denton, Asst. Cas.

ATCHISON—Exchange National Bank; no Asst. Cas. in place of W. F. Brown.

CAWKER CITY—Farmers and Merchants' Bank (in liquidation); C. W. Kellogg, Pres. in place of C. R. Paris; no Vice-Pres. in place of C. W. Kellogg.

EVEREST—Everest State Bank; J. R. Bailey, Cas.

GALENA—Galena National Bank; B. S. Moore, Vice-Pres.

HIAWATHA—Morrill & Janes Bank; Chas. H. Janes, deceased.

INDEPENDENCE—Citizens' National Bank; G. M. Carpenter, Vice-Pres; no Asst. Cas. in place of J. W. Simpson.

JUNCTION CITY—Central National Bank; Chas. K. Roher, Vice-Pres. in place of J. R. Young.

KANSAS CITY—Wyandotte National Bank; A. G. Jones, Asst. Cas.

LEAVENWORTH—First National Bank; O. B. Taylor, 2d Vice-Pres. in place of C. Peaper.

OTTAWA—People's National Bank; W. B. Kiler and F. M. Shiras, Asst. Cas.

PLAINVILLE—Citizens' Bank; F. C. Cochran, Asst. Cas.

SABETHA—National Bank of Sabetha; no Asst. Cas. in place of Fred E. Graham.——Citizens' State Bank; Jackson Cotton, Pres., deceased.

STOCKTON—Stockton State Bank; J. S. O'Donnell, Vice-Pres., deceased.

TOPEKA—First National Bank; no Asst. Cas. in place of Edward Henderson.

WAMEGO—First National Bank; H. E. Shortt, Vice-Pres.

KENTUCKY.

AUGUSTA—Farmers' National Bank; Wm. B. Allen, Vice-Pres. in place of N. J. Stroube.

COVINGTON—First National Bank; Geo. E. Engel, Asst. Cas.

HICKMAN—Farmers and Merchants' National Bank; R. R. Kuykendall, Asst. Cas. in place of W. M. Randle.

LANCASTER—National Bank of Lancaster; Alex. R. Denny, Vice-Pres.; S. C. Denny, Asst. Cas.

LOUISVILLE—German Bank; Chas. M. S.

Hebel, Cas. *pro tem.* in place of H. S. Walbeck, resigned.

PADUCAH—First National Bank; R. L. Reeves, Pres.

RICHMOND—Madison National Bank; Joel W. Gibbs, Vice-Pres. in place of N. B. Deatherage.

WILLIAMSTOWN—Grant County Deposit Bank; J. R. Lemon, Cas. in place of C. C. Nesbitt, resigned; R. F. Lemon, Asst. Cas.

MAINE.

BANGOR—Kenduskeag National Bank; James Adams, Pres. in place of Frederick W. Hill.

BATH—Marine National Bank; H. A. Duncan, Pres. in place of E. C. Hyde, deceased; S. H. Duncan, Cas. in place of H. A. Duncan; no Asst. Cash. in place of S. H. Duncan.

CALAIS—Calais National Bank; Frank V. Lee, Asst. Cas.

LEWISTON—First National Bank; F. H. Packard, Pres. in place of J. Y. Scruton, deceased; J. N. Wood, Vice-Pres. in place of F. H. Packard.

SANFORD—Sanford National Bank; Geo. H. Nowell, Vice-Pres.

MARYLAND.

BALTIMORE—National Howard Bank; Peter New, director, deceased.

CUMBERLAND—Third National Bank; H. E. Weber, Pres. in place of W. E. Weber; no Vice-Pres. in place of W. H. Shepherd; W. C. Conley, Acting Cas. in place of H. E. Weber.

FREDERICK—First National Bank; James Houck, Vice-Pres.

SALISBURY—Salisbury National Bank; Wm. B. Tilghman, Pres. in place of Elihu E. Jackson; Wm. P. Jackson, Vice-Pres. in place of Wm. B. Tilghman.

MASSACHUSETTS.

BOSTON—Third National Bank; A. Huggin, Asst. Cas. in place of Albert H. Wiggin.——Continental National Bank; Phineas Peirce, Pres. in place of Wm. T. Hart; W. B. Rice, Vice-Pres. in place of Phineas Peirce.——Boston Safe Deposit and Trust Co.; Geo. E. Goodspeed, Asst. Treas.——North National Bank; H. W. Wadleigh, Second Vice-Pres.——Atlas National Bank; Joseph S. Bigelow, Pres. in place of John G. Wetherell.——Globe National Bank; Chas. H. Cole, Pres. in place of C. E. Stevens; no Vice-Pres. in place of Chas. H. Cole.——Fourth National Bank; A. W. Newell, Pres. in place of W. W. Kimball; W. N. Homer, Cas. in place of A. W. Newell.——Second National Bank: J. M. Sears and W. B. Thomas elected directors.——Nat. Bank of North America; Jos. H. Gray, Vice-Pres.——Central Nat. Bank; Otis H. Luke, Pres. in place of Chas H. Allen; no Vice-Pres. in place of Samuel Carr; no Cas. in place of Otis H. Luke; Chas H. Frye, Asst. Cas.——Tower, Giddings & Co.; A. Clifford Tower, retired from firm.——Blodgett, Merritt & Co.; Chas. P. Cheney, deceased.

GREENFIELD—First National Bank; no Vice-Pres. in place of Wm. H. Allen.

HAVERHILL—Essex National Bank; Warren Emerson, Pres. in place of Oliver Taylor.

HOLYOKE—City National Bank; C. Fayette Smith, Pres.; A. F. Hitchcock, Cas. in place of C. Fayette Smith.

LAWRENCE.—Lawrence Savings Bank; F. E. Clarke, Pres. in place of Hezekiah Plummer, deceased.——Pacific National Bank; corporate existence extended until Jan. 27, 1917.

LYNN.—Central National Bank; Chas. H. Newhall, Vice-Pres. in place of Geo. K. Pevear.

NANTUCKET—Pacific National Bank; Geo. C. Rule, Asst. Cas.

NEW BEDFORD—Mechanics' National Bank; L. T. Terry, Cas. in place of James W. Hervey; James W. Hervey, Asst. Cas. in place of L. T. Terry.

OXFORD—Oxford National Bank; Chas. F. Parkis, Asst. Cas.

PALMER—Palmer Savings Bank; C. H. Hobbs, Pres. in place of H. G. Loomis.

PITTSFIELD—Pittsfield National Bank; James Wilson, Pres. in place of Andrew J. Waterman.

PLYMOUTH—Old Colony National Bank; James D. Thurber, Vice-Pres.

READING—First National Bank; Henry Wells, Cas. in place of William A. Lang; no Asst. Cas. in place of Henry Wells.

SALEM—Salem National Bank; J. T. Mahoney, Pres.——First National Bank; no Vice-Pres. in place of Alfred A. Mower.——Naumkeag National Bank; Benj. H. Fabens, Pres. in place of Joseph H. Towne.

MICHIGAN.

ALPENA—Alpena National Bank; F. W. Gilchrist, Vice-Pres.

GAYLORD—Otsego County Bank; W. H. H. Cooper, Cas., deceased.

HILLSDALE—First National Bank; C. H. Winchester, Vice-Pres. in place of C. N. Waldron, deceased no Asst. Cas. in place of Roy R. Bailey.

HOMER—First State Bank; Wm. Kellogg, Cas.; Lottie L. Lyon, Asst. Cas.

HOWELL—First State and Savings Bank; A. J. Marsh, Cas.

MANISTIQUE—Manistique Bank; Geo. H. Orr, Pres. in place of Wm. H. Hill.

MARINE CITY—First State Savings Bank; Ray Case, Asst. Cas. in place of James F. Leitch.

REED CITY—First National Bank; J. M. Reed, Vice-Pres.

WYANDOTTE—Wyandotte Savings Bank; William Van Miller, Cas., deceased; Fred E. Van Alstyne, Asst. Cas.

MINNESOTA.

CROOKSTON—First National Bank; H. R. Robertson, Asst. Cas.

EAST GRAND FORKS—First National Bank; G. R. Jacobi, Asst. Cas.

FERGUS FALLS—Citizens' National Bank; G. O. Dahl, Pres. in place of J. W. Mason; no Vice-Pres. in place of E. J. Webber; no Asst. Cas. in place of L. J. Pickit.

HASTINGS—German-American Bank; Chas. Doffing, Asst. Cas.

LITTLE FALLS—First National Bank; F. Strange, Asst. Cas. in place of Theo. Wold.

MANKATO—First National Bank; S. Lamm, Pres. in place of J. A. Willard; R. R. Hubbard, Vice-Pres. in place of S. Lamm.

MINNEAPOLIS—Flour City National Bank; C. D. Langee, Vice-Pres. in place of C. E. Lyman.

PIPESTONE—First National Bank; J. R. Hubbard, Vice-Pres. in place of L. R. Ober.

ROCHESTER—First National Bank; Geo. B. Doty, Second Asst. Cas.

RUSH CITY—Bank of Rush City; J. C. Carlson, Pres.; Hjalmar Anderson, Cas.

ST. JAMES—First National Bank; Thomas Tonnesson, Asst. Cas.

TRACY—First National Bank; L. J. Hunter, Asst. Cas.

WINONA—Second National Bank; Samuel L. Prentiss, Cas. in place of W. H. Garlock; A. W. Laird, Asst. Cas. in place of Samuel L. Prentiss.

WORTHINGTON—Nobles County Bank; J. H. Lougren, Asst. Cas.

MISSISSIPPI.

CLARKSDALE—Citizens' Savings and Loan Institution; title changed to Citizens' Saving Bank.

WEST POINT—First National Bank; T. M. Moseley, Vice-Pres. in place of S. L. Hearn; Isham Evans, Cas. in place of T. M. Moseley; no Asst. Cas. in place of Isham Evans.

MISSOURI.

CALHOUN—Bank of Calhoun; W. W. Gutridge, Cas.; L. M. Finks, Asst. Cas.

INDEPENDENCE—Chrisman-Sawyer Banking Co.; A. F. Sawyer, Pres. in place of Wm. Chrisman.

KANSAS CITY—First National Bank; H. T. Abernathy, Second Asst. Cas.——Union National Bank; L. T. James, elected director in place of H. O. Sheidley.——Midland National Bank; L. E. Pringle, elected director in place of K. B. Armour.——Metropolitan National Bank; Walton Holmes, elected director in place of C. J. White.

MACON—First National Bank; F. W. Blees, Pres. in place of W. S. Watson; Raymond E. Frey, Asst. Cas.

MARYVILLE—Real Estate Bank; Pres. Geo. S. Baker; Cas. Geo. B. Baker.

OREGON—Montgomery & Roecker Banking Co.; Chas. D. Zook, Pres. in place of Robert Montgomery; G. L. Cummins, Asst. Cas.

ST. CHARLES—First National Bank; J. A. Schreiber, Asst. Cas.

ST. LOUIS—Continental National Bank; J. H. Lewis, Asst. Cas. in place of Van L. Runyon.——Third National Bank; C. H. Huttig, Vice-Pres. in place of Thos. A. Stoddart.——Mechanics' Bank; R. R. Hutchinson, Pres. in place of D. K. Ferguson; D. K. Ferguson, Vice-Pres.——Franklin Bank; John G. Kaiser, director, deceased.——Citizens' Bank, J. E. Thomson, Act. Cas.——St. Louis National Bank; Geo. A. Madill, elected director in place of E. C. Simmons.

WEBB CITY—First National Bank; J. W. Frey, Vice-Pres. in place of J. A. Daugherty.

MONTANA.

HELENA—Merchants' National Bank; T. P. Bowman, Cas.; J. W. Chivers, Asst. Cas. in place of T. P. Bowman.

NEBRASKA.

AUBURN—First National Bank; Frederick E. Allen, Vice-Pres., in place of Wm. Campbell.

AURORA—Aurora State Bank; Harvey Cole, Vice-Pres.; G. Peterson, Cas., in place of Harvey Cole.

BEATRICE—German National Bank; Wm. A. Wolfe, Pres., in place of A. W. Nickell; no Vice-Pres. in place of Geo. A. Murphy; Dwight Coit, Cas., in place of Wm. A. Wolfe; no Asst. Cas. in place of Chas. A. Best.

BLUE HILL—First National Bank; C. F. Gund, Asst. Cas.

CLARKSON—Clarkson State Bank; Longin Folda, Cas. in place of Frank J. Lepsa, deceased.

KEARNEY—City National Bank; no Asst. Cas. in place of K. R. Andrews.

LINCOLN—First National Bank; C. S. Lippincott, Cas., in place of F. M. Cook.——American Exchange National Bank; no Pres. in place of I. M. Raymond.

NORTH BEND—First National Bank; Chauncy Abbott, Vice-Pres. in place of H. W. Nieman.

OMAHA—United States National Bank; M. T. Barlow, Pres., in place of C. W. Hamilton, deceased; C. Will Hamilton, Vice-Pres. in place of V. B. Caldwell; V. B. Caldwell, Cas., in place of M. T. Barlow; no Asst. Cas. in place of C. Will Hamilton.

NEW HAMPSHIRE.

CLAREMONT—Claremont National Bank; S. F. Rossiter, Pres. in place of Frank P. Vogl, resigned; Frank H. Foster, Cas. in place of Jno. L. Farwell, Jr., resigned.

HILLSBOROUGH—First National Bank; Geo. W. Haslet, Vice-Pres., in place of Abel C. Burnham, deceased.

LEBANON—National Bank of Lebanon; no Asst. Cas. in place of F. H. Foster.

NEW JERSEY.

BRIDGETON—Cumberland National Bank; no Vice-Pres., in place of I. Boyd Nixon.

BLOOMSBURY—Bloomsbury National Bank; W. S. Creveling, Vice-Pres. in place of C. H. Kremer, deceased.

MORRISTOWN—National Iron Bank; Henry C. Pitney, Pres., in place of Edmund D. Halsey; Robert D. Foote, Vice-Pres. in place of Henry C. Pitney.

RED BANK—First National Bank; Jas. H. Peters, Pres. in place of Asher S. Parker.

RUTHERFORD—Rutherford National Bank; H. R. Jackson, Pres.

NEW MEXICO.

LAS VEGAS—First National Bank: L. F. Adams, Asst. Cas. in place of Frank N. Smith.

NEW YORK.

CANTON—First National Bank; no Asst. Cas., in place of F. M. Ingalls.

CHAMPLAIN—First National Bank; L. C. Lafontaine, Asst. Cas.

DUNKIRK—Lake Shore National Bank: A. H. Marsh, Pres.: no Vice-Pres. in place of A. J. Avery.

FREDONIA—Fredonia National Bank; R. H. Hall, Pres. in place of A. O. Putnam; O. W. Johnson, Vice-Pres. in place of R. H. Hall.

FRIENDSHIP—First National Bank; A. Miner Wellman, Pres. in place of Wm. L. Bowler; Frank R. Utter, Cas. in place of A. Miner Wellman; W. C. Kingsbury, Asst. Cas.

FULTONVILLE—Fultonville National Bank; O. F. Conable, Cas. in place of L. V. Peck; Howard A. De Graff, Asst. Cas.

GENESEO—Genesee Valley National Bank; Jno. R. Strang, Vice-Pres. in place of Charles Jones.

HAMILTON—National Hamilton Bank: Le Roy Fairchild, Cas. deceased: Charles J. Griswold, Acting Cashier.

HUDSON—First National Bank; Chas. W. Macy, Pres. in place of R. B. Benedict.

LITTLE FALLS—Little Falls National Bank; Rollin H. Smith, Vice-Pres., in place of J. H. Ives.

MOHAWK—National Mohawk Valley Bank; no Pres. in place of H. D. Alexander, deceased; H. H. Golden, Cas. in place of H. D. Alexander; no Asst. Cas. in place of H. M. Golden.

NEW YORK CITY—National Butchers and Drovers' Bank and Mechanics and Traders' Bank; Jno. N. Hayward, director, deceased; also trustee East River Savings Institution.——A. M. Kidder & Co.; A. M. Kidder retired from firm; business continued under same name by H. J. Morse, C. D. Marvin and W. M. Kidder.——Frederic Taylor & Co.; Frederic Taylor, deceased; also director Continental National Bank.——Mechanics and Traders' Bank; Fernando Baltes, Pres. in place of I. Boskowitz; E. A. Quintard and C. C. Dickinson, elected directors.——United States National Bank; T. E. Stillman, Vice-Pres. in place of Wm. P. Thompson, deceased.——Mercantile National Bank; Henry T. Carey and H. B. Dominick, elected directors in place of Wm. P. St. John and A. B. Darling.——Central National Bank; capital reduced from $2,000,000 to $1,000,000.——Institution for Savings of Merchants' Clerks; Chas. C. Brinckerhoff, Vice-Pres., deceased.——Nassau Bank; Augustine Smith, director, deceased.——Twelfth Ward Bank; Enoch C. Bell, H. H. Barnard and J. B. Kaiser, elected directors.——Third National Bank; no Vice-Pres. in place of John B. Woodward.——Second Nat. Bank; Frederick K. Keller, 2d Vice-Pres.

PENN YAN—First National Bank; Geo. H. Lapham, Jr., Asst. Cas.

PINE PLAINS—Stissing National Bank; L. Morehouse, Vice-Pres.

PORT JERVIS—First National Bank; Chas. F. Van Inwegen, Pres. in place of M. C. Everitt; John B. Layton, Vice-Pres.; Fred B. Post, Cas.

POUGHKEEPSIE—Poughkeepsie National Bank; Thomas W. Barrett, Act. Cas. in place of J. V. Deyo.——Merchants' National Bank; C. N. Arnold, Vice-Pres. in place of A. Edward Tower.

ROCHESTER—Central Bank; Jno. H. Gregory, Asst. Cas.

SCHENECTADY—Mohawk National Bank; no Vice-Pres. in place of Edward Ellis; E. L. Milmine, Cas. in place of J. G. L. Ackerman.——Union National Bank; Clark Witbeck, 2d Vice-Pres.

SYRACUSE—First National Bank; E. S. Tefft, Cas. in place of G. B. Leonard; J. W. Walter, Asst. Cas. in place of E. S. Tefft.——Salt Springs National Bank; F. W. Gridley, Cas. in place of T. J. Leach.

TROY—Union National Bank; Henry Wheeler, Cas. in place of Adam R. Smith.

WALDEN—Walden National Bank; expired by limitation January 25, 1897.

WATERTOWN—Jefferson County National Bank and Jefferson County Savings Bank; Talcot H. Camp, Pres., deceased.

WELLSVILLE—Citizens' National Bank; Elmore A. Willets, Pres. in place of T. P. Otis; E. C. Brown, Vice-Pres. in place of Elmore A. Willets; W. J. Richardson, Cas. in place of C. W. Curtis, Jr.

WEST WINFIELD—First National Bank; H. H. Wheeler, Cas.; L. B. Wheeler, Asst. Cas. in place of H. H. Wheeler.

NORTH CAROLINA.

CONCORD—Concord National Bank; W. H. Lilly, Vice-Pres. in place of D. F. Cannon.

GASTONIA—First National Bank; no Cas. in place of E. S. Pegram.

GOLDSBORO—National Bank of Goldsboro; W. J. Best, Vice-Pres.

WILSON—First National Bank; Jno. F. Bruton, Pres. in place of F. W. Barnes; F. W. Barnes, Vice-Pres. in place of Jno. F. Bruton.

OHIO.

ASHTABULA—Farmers' National Bank; John Harmon, Pres. in place of F. Carlisle; Edwin Goddard, Cas.; E. R. Pierce, Asst. Cas. in place of Edwin Goddard.

CINCINNATI—First National Bank; Julius Freiberg, elected director in place of H. H. Hoffman.——Ohio Valley National Bank; David Jones, Asst. Cas., resigned.

CLEVELAND—Euclid Avenue National Bank; C. E. Farnsworth, Cas.; no Asst. Cas. in place of C. E. Farnsworth.——Guardian Trust Co.; Henry C. Rouse and John H. Farley, elected directors.——Wade Park Banking Co.; Ira Reynolds and Nelson Moses, elected directors.

COLUMBUS—Commercial National Bank; W. F. Hoffman, Cas. in place of W. H. Albery.

CONNEAUT—First National Bank; Clyde Lilly, Cas. in place of B. E. Thayer.

DELAWARE—Deposit Banking Co.; F. T. Jones, Cas. in place of Henry A. Welsh.

FINDLAY—Farmers' National Bank; Wm. Marvin, Pres. in place of M. Gray.

GERMANTOWN—First National Bank; Phil Hemp, Asst. Cas.

GREENVILLE—Second National Bank: J. A. Ries, Vice-Pres. in place of John H. Martin; John H. Martin, Asst. Cas.

HICKSVILLE—First National Bank; W. F. Horton, Asst. Cas.

LANCASTER—Farmers and Citizens' Bank; Samuely Whiley, Pres., deceased.

LIMA—Ohio National Bank; no Vice-Pres. in place of J. B. Roberts, deceased.

MASSILLON—First National Bank; P. L. Hunt, Asst. Cas.

MIDDLEPORT—Middleport Natiónal Bank; F. C. Russell, Vice-Pres. in place of W. E. Stansbury.

NEWARK—First National Bank; F. S. Wright, Vice-Pres.; E. C. Wright, Cas. in place of F. S. Wright; no Asst. Cas. in place of E. C. Wright.

POLAND—Farmers' Deposit and Savings Bank: C. D. Hine, Pres.; C. N. Kirtland, Vice-Pres.

RIPLEY—Ripley National Bank; G. Baumback, Vice-Pres.——Citizens' National Bank; J. C. Leggett, Vice-Pres. in place of J. Robert Stivers.

SPRINGFIELD—First National Bank; capital reduced from $600,000 to $400,000.

ST. CLAIRSVILLE—First National Bank: E. G. Amos, Asst. Cas.

TOLEDO—Holcomb National Bank; S. R. Mclaren, Vice-Pres.

WAYNESVILLE—Waynesville National Bank; W. H. Allen, Vice-Pres. in place of Ethan A. Brown.

WOOSTER—Wayne County National Bank; John M. Criley, Asst. Cas. in place of W. T. Peckinpaugh; no 2d Asst. Cas. in place of John M. Criley.

XENIA—Citizens' National Bank; H. H. Eavey, Pres. in place of J. D. Edwards, deceased.

OKLAHOMA.

PERKINS—Payne County Bank; capital, $10,000; C. P. Rock, Pres.; C. T. Higby, Cas.

OREGON.

ALBANY—First National Bank; O. A. Archibald, Asst. Cas. in place of E. M. Horton.

PRINEVILLE—First National Bank; I. Sichel, Vice-Pres.; no Asst. Cas. in place of I. Sichel.

SALEM—Capital National Bank; E. M. Croison, Vice-Pres. in place of W. W. Martin.

PENNSYLVANIA.

ALLEGHENY—First National Bank; Edward Groetzwiger, Vice-Pres. in place of Joseph McNaugher, deceased.——Nation's Bank for Savings; Chas. Schmeider, Treas.; Karl V. Myler, Asst. Treas.

BEAVER—Beaver National Bank; Edward K. Hum, Vice-Pres.

BETHLEHEM—First National Bank: Cyrus E. Breder, Cas., reported an embezzler.

BLAIRSVILLE—First National Bank; Wilbur P. Graff, Asst. Cas.

BLOSSBURG—Miners' National Bank; A. L. Smith, Pres. in place of S. W. Pomeroy; J. L. Davis, Cas. in place of A. L. Smith; no Asst. Cas. in place of J. L. Davis.

DUNCANNON—Duncannon National Bank; no Vice-Pres. in Place of T. L. Johnson.

DUSHORE—First National Bank; F. B. Pomeroy, Pres. in place of B. M. Sylvara; W. C. Rogers, Vice-Pres. in place of F. B. Pomeroy.

ERIE—Second National Bank; C. F. Allis, Vice-Pres.; W. M. Wallace, Cas. in place of C. F. Allis: H. J. Leslie, Asst. Cas. in place of W. M. Wallace.— Keystone National Bank: F. M. Lamb, Cas. in place of F. V. Kepler; no Asst. Cas. in place of F. M. Lamb.

HOLLIDAYSBURG—First National Bank (resumed); capital, $50,000; J. L. Hartman, Pres.; A. L. Garver, Vice-Pres.; J. G. Shope, Cas.

HYNDMAN—National Bank of South Pennsylvania; John S. Weiler, Pres.

JEANNETTE—First National Bank; J. H. Ringer, Pres.; John W. Keitz, Cas.

KITTANNING—National Bank of Kittanning; R. Hudson, Vice-Pres.

LATROBE—Citizens' National Bank; C. J. Donnelly, Asst. Cas.

LEBANON—First National Bank: C. W. Few, Cas. in place of John H. Hoffer.——Lebanon National Bank; Frank S. Becker, Cas. in place of John M. Gossler, deceased.——People's National Bank; Elmer E. Hauer, Asst. Cas. in place of E. M. Boltz.

MECHANICSBURG—Second National Bank; E. A. Burnett, Pres. in place of John M. Hart.

MINERSVILLE—First National Bank; Charles E. Steel, Vice-Pres.

MOUNT PLEASANT—First National Bank; Geo. W. Stoner, Vice-Pres. in place of Henry Jordan: John D. Hitchman, Cas. in place of Geo. W. Stoner; no Asst. Cas. in place of John D. Hitchman.

NEW BETHLEHEM—Citizens' National Bank; Jacob F. Markle, Vice-Pres.

NEW KENSINGTON—First National Bank; D. S. Galley, Pres. in place of S. P. Brown.

PHILADELPHIA—Corn Exchange National Bank: no Vice-Pres. in place of H. W. Catherwood.——Farmers and Mechanics' National Bank; no Vice-Pres. in place of S. W. Bell.——Mechanics' National Bank; Morris Newburger, Pres. in place of John Field; John Field, Vice-Pres. in place of Morris Newburger.——Consolidation National Bank; Robert Shoemaker, director, deceased.——Central Trust Co.; Reuben F. Bancroft, Vice-Pres., deceased.——Market Street National Bank; Samuel Y. Heebner, Pres. in place of Chas. H. Banes, deceased; Geo. D. McCreary, Vice-Pres. in place of Samuel Y. Heebner; Henry D. Welch, director, deceased.——Northern Saving Fund and Safe Deposit Co.; Henry D. Welch, director, deceased.——Ervin & Co.; Spencer Ervin, deceased.

PITTSBURG—National Bank of Western Pennsylvania; Charles McKnight, Pres. in place of James Hemphill; Geo. S. Macrum, Cas. in place of Charles McKnight; no Asst. Cas. in place of Geo S. Macrum.——Fourth National Bank; Samuel D. Herron, Jr., Cas., deceased.

PORT ALLEGANY—First National Bank; W. E. Smith, Cas. in place of Thomas McDowell.

POTTSVILLE—Pennsylvania National Bank; Jesse Drumheller, Vice-Pres. in place of Robert Allison.

RENOVO—First National Bank; Jacob Meisel, Asst. Cas.

SLATINGTON—National Bank of Slatington; John Craig, Vice-Pres.

TIONESTA—Forest County National Bank; William Smearbaugh, Vice-Pres.

TOWANDA—Citizens' Nat. Bank; E. Overton, Pres. in place of E. O. Macfarlande.

TROY—Pomeroy & Mitchell; Samuel W. Pomeroy, deceased.

UNIONTOWN—Second National Bank; G. S. Harah, Cas. in place of W. H. Binns; no Asst. Cas. in place of G. S. Harah.

WELLSBORO—Wellsboro National Bank; L. Bailey, Vice-Pres. in place of F. K. Wright.

YORK—York County National Bank; James A. Dale, Pres. in place of Wm. S. Roland; Jere Carl, Vice-Pres. in place of J. A. Dale.

RHODE ISLAND.

PHENIX—Phenix National Bank; no Vice-Pres. in place of Presbury Hoxie.

SOUTH CAROLINA.

EDGEFIELD—Bank of Edgefield; W. W. Adams, Vice-Pres., in place of Alvin Hart; Horde Allen, Asst. Cas. in place of Jules L. Mims.

LAURENS—National Bank of Laurens; no Asst. Cas. in place of C. W. Tune.

SOUTH DAKOTA.

ABERDEEN—Aberdeen National Bank; Isaac Lincoln, Vice-Pres. in place of J. T. McChesney.

CANTON—First National Bank; O. S. Gifford, Vice-Pres. in place of J. F. Ferguson.

MITCHELL—First National Bank; O. L. Branson, Cas. in place of H. R. Kibbee; H. P. Beckwith, Asst. Cas. in place of O. P. Graham.

PIERRE—Pierre National Bank; W. J. Kerr, Cas.; no Asst. Cas. in place of W. J. Kerr.

TENNESSEE.

ATHENS—First National Bank; L. W. Rose, Vice-Pres. in place of W. M. Nixon.

CLARKSVILLE—Clarksville National Bank; no Vice-Pres. in place of A. R. Gholson.

CUMBERLAND GAP—Bank of Cumberland Gap; E. M. Quillen, Pres. in place of C. H. Rogers, deceased.

LIVINGSTON—Bank of Livingston; E. W. Christian, Pres. in place of Moses Miller.

MEMPHIS—Bank of Commerce; succeeded by National Bank of Commerce.

MURFREESBORO—Stones River Nat. Bank; W. R. Haynes, Pres. in place of A. M. Overall; Horace Ready, Vice-Pres. in place of H. E. Palmer.

NASHVILLE—First National Bank; J. H. Fulton, Vice-Pres.; H. W. Grantland, 2d Vice-Pres.; D. S. Williams, Cas. in place of J. H. Fulton.

ROGERSVILLE—Rogersville National Bank; Orville R. Gillenwaters, Vice-Pres.; J. C. Stamps, Cas. in place of James Cooper.

SWEETWATER—Bank of Sweetwater; S. T. Jones, Cas. in place of J. A. Magill; Jno. M. Jones, Jr., Asst. Cas.

TEXAS.

CLEBURNE—First National Bank; C. Dickson, Pres. in place of C. W. Mertz; P. C. Chambers, Vice-Pres. in place of H. C. Gresham; C. W. Mertz, Cas. in place of P. C. Chambers.

COMANCHE—Comanche National Bank; Frank M. Browne, Vice-Pres. in place of J. B. Oberthier.

DALLAS—National Exchange Bank; Royal A. Ferris, Pres. in place of Jno. N. Simpson; A. V. Lane, Cas. in place of Royal A. Ferris.

DECATUR—Wise County National Bank; no Asst. Cas. in place of E. T. Bradley.

ENNIS—Ennis National Bank; Mark Latimer, Second Vice-Pres.; A. H. Dunkerly, Cas. in place of Mark Latimer; J. L. Clarke, Asst. Cas. in place of A. H. Dunkerly.

FORT WORTH—First National Bank; corporate existence extended until Jan. 16, 1917.

GORDON—Exchange Bank; S. J. Oden, proprietor, deceased.

GRAND VIEW—First National Bank: Philip Walker, Vice-Pres. in place of S. S. Ramsey.

HALLETTSVILLE—Lavaca County National Bank: A. B. Devall, Pres. in place of J. W. Bennett; Carey Shaw, Vice-Pres. in place of C. A. Kessler.

HEMPSTEAD—Farmers' National Bank; B. Schwarz, Pres. in place of F. W. Zadow; Jno. C. Amsler, Vice-Pres. in place of B. Schwarz; no Second Vice-Pres. in place of Jno. C. Amsler; Thomas Johns, Asst. Cas.

HENRIETTA — Farmers' National Bank; Sidney Webb, Pres. in place of J. A. Frazar; C. B. Patterson, Vice-Pres. in place of Sidney Webb.

HOUSTON Commercial National Bank; James A. Baker, Jr., Vice-Pres. in place of E. P. Hill; Jno. J. Cannon, Cas. in place of R. A. Girault.

HUBBARD—First National Bank; J. E. Armstrong, Vice-Pres. in place of E. Rotan.

ITASCA—First National Bank; F. M. Files, Pres. in place of W. I. Mooks.

MEXIA—First National Bank: J. A. Kempner, Vice-Pres. in place of M. Marx.

WACO Farmers and Merchants' National Bank; R. T. Dennis, Cas. in place of John P. Massey.——First National Bank; no Cas.; R. F. Gribble, Asst. Cas.; T. N. McMullen, Jr., Second Asst. Cas.

WEATHERFORD — Citizens' National Bank; Charles Barthold, Vice-Pres.

VERMONT.

BRATTLEBORO—Vermont National Bank: G. C. Averill, Pres. in place of Geo. S. Dowley; C. W. Richardson, Cas. in place of G. C. Averill.

VIRGINIA.

DANVILLE—Planters' National Bank; John D. Langhorne, Pres. in place of W. P. Bethell.

LYNCHBURG—First National Bank; W. A. O'Brein, Vice-Pres. in place of J. M. Booker. ——Nat. Exchange Bank; J. R. Gilliam, Pres. in place of J. W. Watts; N. C. Manson, Jr., Vice-Pres. in place of Geo. M. Jones; James T. Bowman, Asst. Cas.

NORFOLK — Merchants and Mechanics' Sav. Bank; W. J. Wales, Jr., Pres.

RICHMOND—Union Bank; W. W. Timberlake, T. W. Pemberton, N. W. Bowe, B. Alsop, Chas. Davenport, R. T. Arrington, Jr. and A. L. Boulware, elected directors.

ROANOKE—First National Bank; B. N. Hatcher, Vice-Pres. in place of P. L. Terry.

STAUNTON — National Valley Bank; R. W. Burke, Pres. in place of John Echols; Edward Echols, Vice-Pres. in place of R. W. Burke; no Second Vice-Pres.

WASHINGTON.

TACOMA—National Bank of Commerce; A. F. Albertson, Cas.

WALLA WALLA—First National Bank; G. T. Buckland, Asst. Cas. in place of John Y. G. Walker; no Second Asst. Cas. in place of G. T. Buckland.

WEST VIRGINIA.

CHARLESTON—Charleston National Bank; no Vice-Pres. in place of J. R. Seal.

ST. MARY'S—Pleasants Co. Bank; capital, $25,000; Newton Ogdin, Pres.; T. O. Reynolds, Cas.

PIEDMONT—First National Bank; Timothy Kenney, Second Vice-Pres.

WISCONSIN.

APPLETON—Citizens' National Bank; Lamar Olmstead, Pres. in place of John S, Van Nortwick, resigned; John McNaughton, elected director.

BEAVER DAM—First National Bank: J. S. Rowell, Pres., in place of J. J. Williams, deceased; E. C. McFetridge, Vice-Pres., in place of C. W. Daniels.

BELOIT—Second National Bank; no Vice-Pres. in place of J. B. Gordon.

BLACK RIVER FALLS—First National Bank; H. H. Richards, Asst. Cas.

COLUMBUS—First National Bank; F. A. Chadbourn, Pres., in place of Catharine E. Chadbourn.

JUNEAU—Citizens' Bank; S. R. Jones, Pres.

LA CROSSE—National Bank of La Crosse; F. P. Hixon, Vice-Pres, in place of W. Cargill; no 2d Vice-Pres. in place of F. P. Hixon.

MERRILL – National Bank of Merrill; S. Heineman, Vice-Pres.

OSHKOSH—German National Bank: J. H. Jenkins, Pres., in place of Geo. Bauman; B. C. Gudden, Vice-Pres., in place of J. H. Jenkins.

RACINE—Union National Bank; O. W. Johnson, Vice-Pres.

RIPON—First National Bank; L. E. Reed, Vice-Pres. in place of W. A. Miller, deceased.

SHULLSBURG—First National Bank; J. L. Cavanagh, Vice-Pres., in place of H. George.

WAUKESHA—National Exchange Bank; S. D. James, Pres., deceased.

WAUSAU—National German-American Bank; Charles J. Winter, Vice-Pres., in place of B. E. Jones.

WEST SUPERIOR—Bank of Commerce; W. C. Brooks, Cas., retired.

CANADA.

BRITISH COLUMBIA.

KASLO—Bank of British Columbia; Wm. Allison, Manager.

SANDON—Bank of British Columbia: H. F. Mytton, Mgr., instead of H. G. Marquis, as erroneously reported in December number.

NOVA SCOTIA.

HALIFAX—Bank of British North America; Duncan Robertson, Manager.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

EDWARDSVILLE—P. A. Howle & Co.; discontinued banking.

PIEDMONT—Bank of Piedmont.

COLORADO.

AKRON—Washington County Bank; in hands of A. J. Johnson and H. C. Newsom, Receivers.

FLORIDA.

OCALA—Merchants' National Bank; in hands of Granville C. Stapylton, Receiver, February 3.

ORANGE CITY—Orange City Bank; assigned to R. S. Leavitt.

GEORGIA.

ATLANTA—State Savings Bank.

WEST POINT—Merchants and Planters' Bank; out of business.

IDAHO.

MOSCOW—Moscow National Bank; in hands of Eugene T. Wilson, Receiver, February 4.

ILLINOIS.

FREEPORT—Farmers and Merchants' Bank; in liquidation Feb. 9.

STREATOR—City National Bank.

INDIANA.

UPLAND—Upland Bank; discontinued business.

IOWA.

DES MOINES—German Savings Bank; closed January 21.

GRISWOLD—First National Bank.

MORAVIA—Deposit and Exchange Bank.

KANSAS.

HOISINGTON—Merchants' State Bank; in voluntary liquidation.

HOLLENBERG—State Bank; in voluntary liquidation.

NESS CITY—First National Bank; in voluntary liquidation by resolution of December 24, 1896.

WASHINGTON—Stackpole & Tobey.

KENTUCKY.

LOUISVILLE—German National Bank; in hands of Robert H. Courtney, Receiver, January 22.

NEWPORT—First National Bank; in hands of Geo. P. Wilshire, Receiver, January 21.

LOUISIANA.

NEW ORLEANS—Mutual National Bank; in hands of Wm. E. Huger, Receiver, Jan. 27.

MAINE.

PORTLAND—Northern Banking Co.; voted to go in liquidation.

MASSACHUSETTS

BOSTON—E. C. Hodges & Co.; assigned to Geo. E. Dixon, Feb. 2.

MICHIGAN.

BUCHANAN—C. F. Howe, assigned.

MUIR—Commercial Bank.

MINNESOTA.

FERGUS FALLS—Citizens' National Bank; in voluntary liquidation.

MINNEAPOLIS—Columbia National Bank; in hands of Jno. B. Atwater, Receiver, Jan. 14.—— Bankers' Exchange Bank; Otto Rood, Rec., Feb. 10.

ST. PAUL—Minnesota Savings Bank; assigned to Wm. Bickel, Sr., Jan. 18.

MISSOURI.

CONWAY—Bank of Conway; assigned to Chas. O. Draper.

EXCELSIOR SPRINGS—Farmers and Merchants' Bank; J. M. Sandusky, Receiver.

KIDDER—Kidder Savings Bank; in hands of R. H. Schwenberger, Receiver.

MAYVIEW—Bank of Mayview.

MONTANA.

GREAT FALLS—Northwestern National Bank.

PHILLIPSBURG—First National Bank.

NEBRASKA.

ALMA—First National Bank; in hands of Albert Watkins, Receiver, Jan. 12.

BEATRICE—Farmers and Merchants' State Bank; in voluntary liquidation.

FULLERTON—Citizens' State Bank.

HAVELOCK—State Bank.

OSMOND—Osmond State Bank.

PIERCE—First National Bank, in voluntary liquidation by resolution of Dec. 31.

NEW YORK.

NEW YORK CITY—Samuel D. Davis & Co.—— Loomis L. White & Co.; dissolved by mutual consent.

NORTH CAROLINA.

CHARLOTTE—Loan and Savings Bank; going out of business.

OHIO.

FRANKLIN—First National Bank; suspended.

PENNSYLVANIA.

WEST CHESTER—Chester County Guarantee, Trust & Safe Deposit Co.; suspended Feb. 2.

SOUTH DAKOTA.

SIOUX FALLS—Dakota National Bank; in hands of C. F. Zimmerman, Rec., Jan. 20.

TENNESSEE.

JOHNSON CITY—Wautauga Bank; assigned.

TEXAS.

CISCO—First National Bank; in voluntary liquidation by resolution of Jan. 28.

WASHINGTON.

MONTESANO—Bank of Montesano.

OAKESDALE—First National Bank; in voluntary liquidation.

OLYMPIA—First National Bank; suspended Jan. 27.

SEATTLE—Seattle Savings Bank; in hands of H. O. Shuey, Receiver.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, February 6, 1897.

THE GENERAL IMPROVEMENT that was looked for to follow upon the advent of the new year has been somewhat slow in manifesting itself, and yet the situation financially and commercially is more favorable and hopeful than it was not very long ago.

The Government finances are certainly in much better condition than they were a year ago. The regular monthly deficit continues, it is true, and the Government must decide how it shall bring its receipts and expenses closer together than they are at present. But the cry for gold has ended and no one is urging or considering the necessity of more bond issues by the Government. It is just a year ago that the further bond issue to protect the gold reserve in the Treasury was subscribed. The Government then wanted $100,000,000, and wanted it very mnch. There was less than $48,000,000 of gold in the Treasury ; for seven months consecutively gold had been going out of the country, more than $60,000,000 being exported during that time.

The situation is very much changed, for the Government now has nearly $145,000,000 of gold in excess of gold certificates outstanding. There is no rush to redeem notes in gold as there was a year ago; on the contrary legal-tender notes are coming out of the Treasury and gold is flowing in. There is no gold export movement, has been none for some time, and it is only a question how soon gold will be coming in from abroad in large volume.

If Congress in extra session will promptly enact a revenue measure which will avoid Treasury deficits the Government finances will have smooth sailing hereafter. This with so able and experienced a financier and banker as Mr. Gage, of Chicago, as Secretary of the Treasury, will re-establish confidence in the financial stability of the Government. The announcement that Mr. McKinley had decided to appoint Mr. Gage has already had considerable influence in reviving confidence. That the Treasury in his hands will be wisely managed is the unanimous sentiment in financial circles.

Congress so far has done very little in the way of legislation, and upon the new Congress will fall the duty of enacting revenue and financial laws. The House of Representatives voted down the bill to settle the indebtedness of the Union Pacific Railroad, and now a plan of foreclosure and sale of the road has been agreed upon. In railroad circles one of the most important events of the month was the reduction of the dividend of the Delaware & Hudson Railroad, which reflects the unfavorable condition of the coal trade which has existed for some time past.

The accumulation of money in New York has been the feature not only of the last month but of the past two months. The banks are suffering from a plethora of idle funds and to relieve themselves have been casting about for ways to maintain the rate for call money at 2 per cent. and to reduce the rate of interest allowed on deposits of out of town banks. The rate has been 2 per cent., but some bankers have notified their correspondents of a reduction to 1½ per cent., taking effect on February 1.

Easy money is also the feature abroad, and the Bank of England reduced its rate of discount from 4 to 3½ per cent. and the Bank of Germany its rate from 5 to 4 per cent. In the event of increased activity in general business either here or abroad, it is the general opinion that there will be no danger of a scarcity of money for some time to come.

Railroad earnings so far this year have not been encouraging. The returns so far since the first of the year have shown decreases, but the comparison is being made with substantial gains last year. In fact, January and February were the only months in 1896 which show large increases. The aggregate earnings of the railroads of the United States last year, when the compilation is completed, will probably show an increase of less than one per cent. as compared with 1895 and probably less than in 1892 or 1893.

An improvement in the business situation is indicated in a reduction in the number of commercial failures since January 1 as compared with a year ago, of about 20 per cent. The final figures reported by R. G. Dun & Co. for 1896 show that the year was one of disaster to very many business concerns. There were 15,088 commercial failures, with liabilities of $226,096,834, as compared with 13,197 failures and $173,000,000 liabilities in 1895. The banking failures in 1896 numbered 198, with liabilities of $50,718,915, as against only 132, with liabilities of $20,710,210 in 1895. The commercial failures were the largest in number of any year since records have been kept, excepting only in 1893. The amount of liabilities has been exceeded three times, in 1878, 1884 and 1893. The commercial failures in the past ten years have been as follows:

Year.	Number.	Liabilities.	Year.	Number.	Liabilities.
1887	9,634	$167,560,944	1892	10,344	$114,044,167
1888	10,679	123,829,973	1893	15,242	346,779,889
1889	10,882	148,784,337	1894	13,885	172,992,856
1890	10,907	189,856,964	1895	13,197	173,196,060
1891	12,273	189,868,638	1896	15,088	226,096,834

It generally requires about a month for the Government to complete its statement of the foreign trade movements for any stated period. Therefore the figures for the calendar year 1896 have only recently been received from Washington. They make a remarkable showing and are unprecedented in the history of the country. The exports of merchandise in 1896 reached the extraordinary aggregate of $1,005,878,417, the largest previous total being $970,509,646 in 1891, and the largest prior to that year being $889,683,422 in 1880. The imports of merchandise were valued at $680,556,233, the smallest since 1886, excepting only in 1894, when they were $676,312,941. The following table shows the exports, imports and net movement of merchandise yearly since 1890:

	Exports.	Imports.	Net Exports.
1891	$970,509,646	$828,320,943	$142,188,703
1892	938,420,660	840,930,955	97,489,705
1893	875,831,848	766,239,846	109,592,002
1894	825,102,248	676,312,941	148,789,307
1895	824,860,136	801,669,347	23,190,789
1896	1,005,878,417	680,556,233	325,322,184

The exports exceeded the imports by more than $325,000,000, the largest net balance ever recorded, the next highest being $305,479,590 in 1878. The year 1879 was the only other year in which the net exports ever exceeded $200,000,000. In all the leading products there was a substantial increase in the export movements.

Cotton exports were the largest in value since 1891 and $48,000,000 more than in 1895. Exports of breadstuffs increased $57,000.000 over the previous year, of provisions $1,700,000. and of petroleum $6,500,000.

For the first time in nine years the country gained gold by import, the net imports of gold in 1896 being $47,777,097, which is a very favorable change from the previous two years during which $151,000,000 of gold was exported.

The net movement of gold and silver in the past eight years is shown in the following table, the figures for the last four years, including the gold and silver contained in ores:

	Gold.		*Silver.*	
1888	Exports,	$23,565,674	Exports,	$13,972,436
1889	"	38,928,828	"	21,474,968
1890	"	3,832,984	"	4,113,670
1891	"	34,116,471	"	9,500,129
1892	"	59,081,110	"	14,249,582
1893	"	6,703,151	"	18,592,052
1894	"	80,499,128	"	29,612,213
1895	"	70,571,010	"	29,837,739
1896	Imports,	47,777,097	"	33,787,884

The final estimates of the crops of 1896 were published by the Department of Agriculture, and while in recent years very serious errors are believed to have crept into some of the estimates, the Department figures are invariably considered with much interest. As regards the yield of last year there is nothing new to be said concerning the general result. The corn crop is the largest ever harvested, aggregating 2.283,875,000 bushels, an increase over 1895, the year of the largest previous yield, of 132.000,000 bushels. The wheat crop is 40,000,000 bushels less than that of 1895 and the smallest since 1890, excepting that of 1893. The estimated yield is 427,684.000 bushels. The oat crop is 117,000,000 bushels less than last year's bumper crop, but was excelled only in two other years, 1889 and 1891, the total yield of oats being 707,346,000 bushels. The yield of rye was 24,369,000 bushels, the smallest in the past four years. Barley has a yield of 69,695,000 bushels, or 17,000,000 bushels less than in 1895, and buckwheat of 14,090,000 bushels, a decrease of 1,250,000 bushels from the previous year.

In the matter of prices the grain grower has fared very badly except as to his wheat, for which cereal the price has advanced more than 40 per cent. as compared with the previous two years. The average farm prices of the different cereals for each of the past six years are reported by the Department of Agriculture as follows, in cents per bushel:

	Wheat.	*Corn.*	*Oats.*	*Rye.*	*Barley.*	*Buck-wheat.*
1891	83.9	40.6	31.5	77.4	54.0	....
1892	62.4	39.4	31 7	54.8	47.2	....
1893	53.8	36.5	29.4	51.3	40.6	58.3
1894	49.1	45.7	32.4	50.1	44.2	55.6
1895	50.9	26.4	19.9	44.0	33.7	45.2
1896	72.6	21.5	18.7	40.9	32.3	39.2

The 1896 price of wheat has not been exceeded except three times in the past eleven years. On the other hand, the price of corn and all the other cereals was the lowest in twenty-five years.

The low price has caused a very large decrease in the farm value of products. In the case of the corn crop, while the yield was the largest ever known, the value realized was the smallest for any year since 1878. In 1876, when the yield was 1,000,000,000 bushels less than that of last year, the farm value of the crop was only $16,000,000 less than that of the 1896 crop. The last four years' farm values of the cereal crops are shown as follows:

	1893.	1894.	1895.	1896.
Corn	$591,625,627	$554,719,162	$567,509,106	$491,007,000
Wheat	213,171,381	225,902,025	237,938,998	310,603,000
Oats	187,576,092	214,816,920	163,655,068	132,485,000
Rye	13,612,222	13,395,476	11,964,826	9,961,010
Barley	28,729,386	27,134,127	29,312,413	22,491,000
Buckwheat	7,074,450	7,040,238	6,936,525	5,522,000
	$1,041,789,158	$1,043,007,948	$1,017,316,986	$972,069,000

On the six crops mentioned in the above table the producers realized last year $45,000,000 less than in 1895 and about $70,000,000 less than in either 1898 or 1894. It will be noted that the corn crop of 1896 was valued at $100,000,000 less than the crop of 1898. The value of the corn crop of 1891, which was about 228,000,000 bushels less than last year, was $836,000,000, or $345,000,000 more than the crop of 1896.

The statistics of pig iron production in the United States in 1896 have been compiled by the American Iron and Steel Association and are of more than ordinary interest. Had the rate of production of the first half of the year been maintained in the second half the aggregate for the year would have been unparalleled. In the first six months the output of pig iron averaged over 191,000 tons per week, and on July 1, was at the rate of 180,532 tons per week. The total production during that period was 4,976,236 tons. In the last half of the year the industry became very much depressed, the weekly output fell to 112,782 tons by October 1, and the average for the six months was only 140,000 tons per week. The total was 3,646,891 tons, or 1,300,000 tons less than in the first half. Only once in any half year was the production of the first six months in 1896 ever exceeded, and only three times in the past eight years was the production as small as in the last six months of the year. The extremes of activity and depression were almost reached during that memorable and remarkable year. The aggregate production for the year, however, makes a favorable comparison with that of other years. Only three times has the product of any year been larger than that of 1896. The banner year was 1895, but the production in that year was only 823,181 tons greater than in 1896. The years of largest output were 1895, 9,446,308 tons; 1890, 9,202,703 tons, and 1892, 9,157,000 tons. In 1896 the total reached 8,623,127 tons. The production in each six months and year since 1884 has been as follows, in gross tons:

	First 6 Months.	Second 6 Months.	Year.
1885	1,920,371	2,124,154	4,044,525
1886	2,637,682	3,045,642	5,683,324
1887	3,049,294	3,367,854	6,417,148
1888	3,020,092	3,469,646	6,489,738
1889	3,661,603	3,942,039	7,603,642
1890	4,560,513	4,642,190	9,202,703
1891	3,368,107	4,911,763	8,279,870
1892	4,769,683	4,387,317	9,157,000
1893	4,562,918	2,561,584	7,124,502
1894	2,717,983	3,939,405	6,756,388
1895	4,087,558	5,358,751	9,446,308
1896	4,976,236	3,646,891	8,623,127

The consumption fell short of the production of pig iron last year about 340,000 tons, and the stocks on hand unsold at the close of the year were larger than at any corresponding date in the past six years.

THE MONEY MARKET.—The local money market has been deluged with supplies from outside points attracted by the 2 per cent. rate of interest allowed by the banks on deposits of interior banks. An effort has been made to maintain the minimum rate for call loans at two per cent., but not with entire success, and the rate for call money has been generally as low as 1½ @ 1¾ per cent. There has been a good demand for money on call. while for time money the demand has been light, with rates 1 per cent. lower than they were a month ago. Commercial paper is in fair supply, but the demand is ample to prevent any accumulation. At the close of the month call money ruled at 1½ @ 2 per cent. with the average rate about 1⅝ per cent., while banks and trust companies quote 1½ per cent. as the minimum rate. Time money on Stock Exchange collateral was quoted at 2 per cent. for 60 days, 2½ per cent for 90 days to four months, and 3 per cent for five to seven months. For commercial paper the rates are 3 per cent. for 60 to 90 days endorsed bills receivable. 3 @ 3½ per cent. for four months commission house and first-class four to six months single names and 4 @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	Sept. 1.	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	6 —8	3 —6	6 —	1 —3	1½—2½	1½—2
Call loans, banks and trust companies.	6	6	12 —	3 —	2 —	1½
Brokers' loans on collateral, 30 to 60 days..................................	6 —8	6	12 —	3 —	3 —	2
Brokers' loans on collateral, 90 days to 4 months.........................	9 —11	6	10 —	3½—4	3½—	2½
Brokers' loans on collateral, 5 to 7 months................................	10 —11	6	6 —8	4 —	4 —	3
Commercial paper, endorsed bills receivable, 60 to 90 days............	9	6½—7	8 —10	4 —4½	3¾—4	3
Commercial paper prime single names, 4 to 6 months...............	....	7 —7½	8 —10	4½—5	4 —4½	3 —3½
Commercial paper, good single names, 4 to 6 months...............	....	8 —9	8 —10	5 —6	4½—5½	4 —5

EUROPEAN BANKS.—The Bank of England and the Bank of Germany each gained gold last month, the one $15,000,000 and the other $5,000,000, while the Bank of France lost about $1,000,000. In the other Continental banks there has been little change in the gold holdings. The Bank of England has about $56,000,000 less gold than it held a year ago. The Banks of France and Germany each $5,000,000 less and Austro-Hungary $27,000,000 more.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	December 1, 1896.		*January 1, 1897.*		*February 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England............	£36,050,848	....	£34,158,899	....	£37,106,112	....
France.............	77,284,863	£49,274,611	76,584,590	£49,130,797	76,871,260	£49,174,154
Germany............	28,964,000	14,482,000	28,505,450	14,252,750	29,504,034	14,752,016
Austro-Hungary...	30,625,000	12,589,000	30,340,000	12,578,000	30,354,000	12,635,000
Spain...............	8,528,000	9,968,000	8,528,000	10,210,000	8,528,000	10,240,000
Netherlands........	2,635,000	6,759,000	2,634,000	6,841,000	2,635,000	6,854,000
Nat. Belgium.......	2,701,333	1,350,667	2,736,667	1,368,833	2,795,333	1,397,667
Totals...........	£186,789,044	£94,423,278	£183,487,606	£94,380,880	£187,293,739	£95,052,837

MONEY RATES ABROAD.—There has been a decided fall in rates for money in the principal financial centres abroad. The Bank of England on January 20 reduced its rate of discount from 4 to 3½ per cent. after maintaining the higher rate for three months. The Bank of Germany also reduced its rate from 5 to 4 per cent., the former rate having been made on October 10. At the close of the month the London rate of discount for 60 to 90 day bank bills was 2½ per cent., a decline of 1½ per cent. for the month. The open market rate at Paris is unchanged at 2 per cent., while at Berlin and Frankfort rates have declined from 4¼ per cent. to 2⅞ @ 3 per cent.

Money Rates in Foreign Markets.

	Aug. 14.	Sept. 18.	Oct. 16.	Nov. 13.	Dec. 11.	Jan. 15.
London—Bank rate of discount	2	2½	3	4	4	4
Market rates of discount:						
60 days bankers' drafts	⅞–1	1⅞	2¾	3⅝	3⅛–¼	2 11/16
6 months bankers' drafts	⅞–15/16	1⅞–2⅛	2⅝	3⅛–3¼	2¾	2⅞
Loans—Day to day	½	1	1½	3	2½	2½
Paris, open market rates	1½	1⅞	2	1⅞	1¾	1⅞
Berlin, "	2½	3¾	4⅝	4¾	4⅞	3½
Hamburg, "	2½	3¾	4⅝	4⅝	4⅞	3½
Frankfort, "	2½	3⅜	4½	4⅝	4⅞	3½
Amsterdam, "	2½	2⅛	3	3⅛	3	2⅞
Vienna, "	3¾	4	3⅞	3¾	3¾	3⅝
St. Petersburg, "	6	5¼	5½	6	5¼	6
Madrid, "	5	5	5	5	4	4
Copenhagen, "	3½	3½	4½	4½	4	4

Foreign Exchange.—The market for sterling exchange has been very irregular, although quotations have ruled higher, and at the close of the month were higher than at the opening of the year. The market has been affected by the declining rates for money in London, and it is understood that a considerable amount of maturing long bills has been sent to London for collection, instead of being sold in New York. The following table shows the condition of foreign exchange markets:

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
Jan. 2	4.83¾ @ 4.84	4.86¼ @ 4.86½	4.87 @ 4.87¼	4.83 @ 4.83¼	4.82¼ @ 4.83
" 9	4.84 @ 4.84¼	4.87 @ 4.87¼	4.87½ @ 4.87¾	4.83¼ @ 4.83½	4.82½ @ 4.83¼
" 16	4.84¾ @ 4.85	4.87½ @ 4.87¾	4.88 @ 4.88¼	4.84 @ 4.84¼	4.83½ @ 4.84
" 23	4.84½ @ 4.84¾	4.87 @ 4.87¼	4.87½ @ 4.87¾	4.84 @ 4.84¼	4.83¼ @ 4.84
" 30	4.84¾ @ 4.85	4.86¾ @ 4.87	4.87¼ @ 4.87½	4.84¼ @ 4.84½	4.83½ @ 4.84¼

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Oct. 1.	Nov. 1.	Dec. 1.	Jan. 1.	Feb. 1.
Sterling Bankers—60 days	4.82¾– 3	4.81½– 2	4.83¾– 4	4.83½– ¾	4.84¾– 5
" " Sight	4.85¼– ½	4.84½– ¾	4.86¾– 7	4.86½– ¾	4.86¾– 7
" " Cables	4.85¾– 6	4.85¼– ½	4.87 – ¼	4.87 – ¼	4.87¼– ½
" Commercial long	4.82¼– ¾	4.81 – ¼	4.82¾– 3	4.83 – ¼	4.84 – ½
" Docu'tary for paym't.	4.81½– 2½	4.80 – ¾	4.82½– ¾	4.82¼– 3	4.83¼– 4¼
Paris—Cable transfers	5.18⅛– 7½	5.19⅜– 8¾	5.17½–	5.17½–	5.16¼–
" Bankers' 60 days	5.20⅝–	5.22½– 1⅞	5.20 1/16–20	5.20 –19⅜	5.18¾–
" Bankers' sight	5.18¼– ⅛	5.20 – 9⅜	5.18⅛–	5.18⅛–	5.16⅞–
Antwerp—Commercial 60 days.	5.23¾– ⅛	5.25 – 4⅜	5.23⅛– 2½	5.22½– 1⅞	5.21¼–20⅝
Swiss—Bankers' sight	5.18¾– ⅛	5.19⅜– 8¾	5.19⅜– 8¾	5.20 –19⅜	5.18¾–
Berlin—Bankers' 60 days	94⅝– 11/16	94 7/16– ½	94¾– 13/16	94⅞– 15/16	95 – ⅛
" Bankers' sight	95 5/16– ⅜	95⅛– 3/16	95½– 9/16	95 7/16– ½	95½– 9/16
Brussels—Bankers' sight	5.18¾–	5.20 –	5.18¾– 1/16	5.18¾– ⅛	5.17½– 6⅞
Amsterdam—Bankers' sight	40 1/16– ⅛	40 – 1/16	40¼– 5/16	40 3/16– ¼	40 11/16– ¾
Kronors—Bankers' sight	26 15/16– 7	26⅞– 15/16	27 – ⅛	27 – 1/16	26 15/16–27
Italian lire—sight	5.60 –50	5.57½–47½	5.55 –45	5.45 – 35	5.41¼–38¾

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Oct. 14, 1896.	*Nov. 11, 1896.*	*Dec. 30, 1896.*	*Jan. 13, 1897.*
Circulation (exc. b'k post bills)	£27,445,550	£26,546,525	£26,021,850	£26,024,905
Public deposits	5,420,991	5,393,967	6,826,337	6,992,759
Other deposits	47,706,184	43,509,134	42,213,382	45,042,695
Government securities	16,185,047	13,758,066	13,752,969	14,935,117
Other securities	27,986,077	27,329,644	27,137,935	28,898,268
Reserve of notes and coin	26,770,993	25,718,470	26,001,241	26,369,377
Coin and bullion	37,596,545	35,464,995	35,223,091	35,594,282
Reserve to liabilities	50 1/4%	52 3/8%	52 7/8%	50 1/2%
Bank rate of discount	3%	4%	4%	4%
Market rate, 3 months' bills	2 5/8 @ 2 3/4%	3 5/8 @ 3 3/4%	3 5/8 @ 3 3/4%	2 7/8%
Price of Consols (2 3/4 per cents.)	108 1/2	110 1/4	110 3/4	111 11/16
Price of silver per ounce	29 3/4d.	29 7/8d.	30d.	29 11/16d.
Average price of wheat	25s. 2d.	30s. 9d.	32s. 8d.	29s.

SILVER.—The silver market in London has been very quiet and the fluctuations have been exceptionally narrow. For two weeks at a time there was no change at all in the quotations. There was a decline from 29 13-16 to 29 11-16 in the first week of the month, then an advance to 29 3/4 on January 22, and a decline to 29 11-16, the closing price, on January 30, making a net loss of 1/8d. for the month.

MONTHLY RANGE OF SILVER IN LONDON—1894, 1895, 1896.

MONTH.	*1895.* High	*1895.* Low.	*1896.* High	*1896.* Low.	*1897.* High	*1897.* Low.	MONTH.	*1895.* High	*1895.* Low.	*1896.* High	*1896.* Low.	*1897.* High	*1897.* Low.
January	27 7/16	27 5/16	30 1/8	30 7/8	29 13/16	29 11/16	July	30 5/8	30 1/4	31 5/8	31 3/8		
February	27 11/16	27 1/4	31 5/16	30 3/4			August	30 9/16	30 1/4	31 3/8	30 5/8		
March	30 1/4	27 5/8	31 11/16	31 1/8			Septemb'r	30 9/16	30 7/16	30 11/16	30		
April	30 7/8	29 7/8	31 5/16	30 13/16			October	31 3/8	30 5/8	30 5/16	29 3/4		
May	30 7/8	30 5/16	31 3/16	30 15/16			Novemb'r	31	30 5/8	30 3/16	29 3/4		
June	30 11/16	30 1/8	31 9/16	31 9/16			Decemb'r	30 11/16	30	30	29 13/16		

GOVERNMENT REVENUES AND DISBURSEMENTS.—The Government receipts for the first month of the year were exceptionally small in volume, only about $24,300,000, a decrease from December of $1,500,000, and from January, 1896, of nearly $5.000,000. The expenditures increased $6,000,000 over those of December, but were $2,000,000 less than in January, 1896. A deficit of nearly $6,000,000 is shown for the month, making nearly $44,000,000 for the fiscal year since July 1, 1896. Smaller interest payments this month may make the showing for February somewhat better, but the disbursements on account of pensions are likely to be somewhat larger.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS. *Source.*	*January, 1897.*	*Since July 1, 1896.*	EXPENDITURES. *Source.*	*January, 1897.*	*Since July 1, 1896.*
Customs	$11,276,874	$79,098,556	Civil and mis	$4,885,144	$58,385,619
Internal revenue	11,031,840	88,753,581	War	3,845,000	31,346,745
Miscellaneous	2,008,280	13,972,460	Navy	3,022,655	20,511,730
			Indians	1,000,304	7,191,456
			Pensions	10,654,000	82,593,105
Total	$24,316,994	$181,824,597	Interest	6,869,000	25,657,448
Excess of expenditures	$5,959,109	$43,861,506	Total	$30,276,103	$225,686,104

UNITED STATES TREASURY CASH RESOURCES.

	Oct. 31.	*Nov. 30.*	*Dec. 31.*	*Jan. 31.*
Net gold	$118,443,021	$130,407,237	$136,746,473	$144,637,729
Net silver	14,079,505	17,162,998	18,742,601	19,369,997
U.S. notes	56,317,133	35,809,737	34,565,497	12,528,193
Miscellaneous assets (less current liabilities)	32,542,387	28,797,586	21,474,933	37,141,510
Deposits in National banks	16,110,047	15,828,924	16,085,955	16,550,565
Available cash balance	$237,492,094	$228,006,484	$227,615,461	$230,227,994

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,276,103	*$144,637,729
February	26,059,228	26,749,956	128,962,979	....	....	....
March	26,041,149	27,274,994	123,646,461	....	....	....
April	24,282,893	28,967,881	125,393,900	....	....	....
May	24,643,718	28,426,592	108,345,234	....	....	....
June	27,794,219	25,444,789	101,699,605	....	....	....
July	29,029,209	42,068,468	110,718,746	....	....	....
August	25,562,097	35,701,676	100,957,561	....	....	....
September	24,584,244	26,579,535	124,034,672	....	....	....
October	26,282,829	33,978,277	117,126,523	....	....	....
November	25,210,696	33,260,720	131,510,352	....	....	....
December	25,857,114	23,812,664	137,316,543	....	....	....

* This balance as reported in the Treasury sheet on the last day of the month.

National Bank Circulation.—There was a reduction in the total amount of bank note circulation last month of $568,000. The recent failure of a number of National banks is responsible for the decrease in circulation which has occurred. More than $3,000,000 of Government bonds deposited to secure circulation have been withdrawn, causing a decrease of $2,600,000 in circulation based on Government bonds. More than $2,000,000 of lawful money was deposited last month to retire circulation, making an increase of nearly $3,500,000 in the past three months.

National Bank Circulation.

	Oct. 31, 1896.	Nov. 30, 1896.	Dec. 31, 1896.	Jan. 31, 1897.
Total amount outstanding	$234,897,657	$235,312,103	$235,576,381	$235,008,085
Circulation based on U. S. bonds	216,510,014	216,609,684	215,850,307	213,186,711
Circulation secured by lawful money	18,387,643	18,702,419	19,726,074	21,821,374
U. S. bonds to secure circulation:				
Four per cents. of 1895	36,531,650	36,910,050	37,981,550	37,213,050
Pacific RR. bonds, 6 per cent	10,386,000	10,891,000	9,521,000	8,961,000
Funded loan of 1891, 2 per cent	22,673,850	22,623,850	22,592,850	22,637,650
" " 1907, 4 per cent	155,473,000	155,530,900	154,626,400	153,182,050
Five per cents. of 1894	16,038,850	15,816,350	15,514,350	15,196,350
Total	$241,103,350	$241,272,150	$240,236,150	$237,190,100

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $1,850,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,033,000; 4 per cents of 1907, $12,145,000; 5 per cents. of 1894, $535,000, a total of $15,938,000.
The circulation of National gold banks, not included in the above statement, is $86,577.

Coin and Bullion Quotations.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Trade dollars	$ .65	......	Twenty marks	$4.74	$4.79
Mexican dollars	.50⅛	$ .51¼	Spanish doubloons	15.50	15.70
Peruvian soles, Chilian pesos	.45⅛	.46⅛	Spanish 25 pesos	4.79	4.83
English silver	4.82	4.86⅛	Mexican doubloons	15.55	15.75
Victoria sovereigns	4.86	4.89	Mexican 20 pesos	19.50	19.60
Five francs	.93	.96	Ten guilders	3.95	3.99
Twenty francs	3.86	3.90			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 29 11/16d. per ounce. New York market for large commercial silver bars, 64¾ @ 65⅝c. Fine silver (Government assay), 65 @ 66c.

New York City Banks.—There has been a further accumulation of deposits in the clearing-house banks of this city to the amount of nearly $33,000,000 since January 2. Since early in November last the deposits have increased about

$125,000,000 and they are now within $32,000,000 of the largest total ever recorded. The supply of funds has become excessive, as indicated in the decrease in loans and the increase of nearly $26,000,000 in surplus reserve. The surplus, as compared with that of a year ago, shows an increase of $19,500,000, the deposits of $73,000,000 and loans of $41,000,000. There was a small increase in specie holdings of the banks, about $3,300,000, while in legal tenders there was an increase of $30,000,000.

New York City Banks—Condition at Close of each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Jan. 2...	$491,375,900	$76,342,300	$89,640,900	$530,785,000	$33,286,950	$19,600,100	$525,331,500
" 9..	491,116,200	76,893,000	104,108,000	548,038,200	43,991,450	18,907,800	710,293,400
" 16...	491,399,280	77,821,300	113,697,800	557,386,300	52,172,525	18,743,900	580,757,200
" 23...	490,338,700	79,134,100	118,803,600	563,479,600	57,067,800	18,479,800	608,254,000
" 30...	488,765,700	79,684,600	120,296,600	563,331,800	59,148,250	18,111,500	525,710,100

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,989,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150		
April..........	504,240,200	13,413,450	481,795,700	17,005,975		
May...........	526,998,100	27,233,575	495,004,100	22,944,275		
June..........	566,229,400	41,221,250	498,874,100	22,230,675		
July..........	570,436,300	34,225,925	499,046,900	20,328,275		
August........	574,304,500	40,917,175	485,014,000	17,728,600		
September....	574,929,900	39,149,925	451,934,800	8,836,200		
October.......	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

Boston and Philadelphia Banks.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

Boston Banks.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
January 2..	$166,322,000	$155,302,000	$10,710,000	$8,165,000	$9,896,000	$95,372,400
" 9..	168,294,000	158,506,000	10,974,000	7,456,000	9,958,000	104,887,500
" 16..	168,430,000	159,614,000	11,061,000	8,007,000	9,930,000	92,299,500
" 23..	169,077,000	161,287,000	10,904,000	8,071,000	9,786,000	101,241,100
" 30..	170,025,000	159,957,000	10,763,000	7,622,000	9,555,000	76,409,645

Philadelphia Banks.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
January 2.............	$100,333,000	$102,444,000	$31,596,000	$7,176,000	$52,575,200
" 9.............	100,382,000	103,449,000	35,104,000	7,061,000	71,160,500
" 16.............	100,349,000	106,107,000	35,521,000	7,118,000	62,939,700
" 23.............	100,254,000	106,828,000	36,700,000	7,033,000	63,716,300
" 30.............	100,239,000	107,223,000	37,445,000	6,955,000	53,722,300

Money in the United States Treasury.—The United States Treasury continues to gain in gross cash but to lose in net cash. There is about $7,000,000 more money in the Treasury than there was a month ago, but there are about $18,000,000 more certificates and notes, a lien on the Treasury cash, outstanding, so the Government is nearly $11,000,000 poorer in cash than it was on January 1. More than $7,000,000 of gold went into the Treasury without any increase in the issue of gold certificates, so the Government is owner of that much more gold than it was a month ago.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1896.	Dec. 1, 1896.	Jan. 1, 1897.	Feb. 1, 1897.
Gold coin	$83,378,392	$117,557,275	$120,688,598	$130,100,363
Gold bullion	29,820,315	51,969,827	54,565,885	52,280,759
Silver Dollars	364,063,702	382,972,296	384,584,572	388,617,255
Silver bullion	124,612,532	112,137,954	110,815,247	109,704,519
Subsidiary silver	12,764,321	14,570,200	14,215,766	15,414,575
United States notes	115,825,143	71,975,533	85,318,258	78,194,780
National bank notes	7,063,137	13,063,471	14,278,970	17,328,389
Total	$737,547,542	$764,246,556	$784,411,796	$791,646,640
Certificates and Treasury notes, 1890, outstanding	533,344,856	512,946,771	529,044,460	547,006,544
Net cash in Treasury	$204,202,686	$251,299,785	$255,367,336	$244,640,096

MONEY IN CIRCULATION.—The circulating medium of the country experienced an exceptional expansion last month, increasing $15,754.000. The greenback circulation increased $22,000,000 and silver certificates $4,680,000. There was a reduction of $11,000,000 in the other forms of money, about one-third of which was in National bank notes. Since November 1, 1896, the total money in circulation has increased nearly $39,000,000, and since January 1, 1896, $86,000,000. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1896.	Dec. 1, 1896.	Jan. 1, 1897.	Feb. 1, 1897.
Gold coin	$484,728,547	$516,729,882	$517,743,229	$515,468,129
Silver dollars	59,205,927	58,493,845	58,581,819	56,361,136
Subsidiary silver	64,417,685	61,233,346	62,101,986	60,889,370
Gold certificates	49,936,439	38,016,749	37,887,439	37,586,629
Silver certificates	336,076,648	356,312,121	356,655,800	361,336,533
Treasury notes, Act July 14, 1890	115,726,769	80,147,901	84,171,221	82,733,382
United States notes	230,855,873	274,705,483	261,367,758	288,466,236
Currency certificates, Act June 8, 1872	31,605,000	38,470,000	50,330,000	65,350,000
National bank notes	206,653,836	222,335,419	221,384,148	217,766,273
Total	$1,579,206,724	$1,646,444,746	$1,650,223,400	$1,665,977,688
Population of United States	70,630,000	72,030,000	72,159,000	72,288,000
Circulation per capita	$22.36	$22.86	$22.87	$23.05

THE SUPPLY OF MONEY IN THE COUNTRY.—The country is once more depending upon its domestic gold production for its new supply of money. The total stock of money was increased last month about $5,000,000, and while there are some slight

TOTAL SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1896.	Dec. 1, 1896.	Jan. 1, 1897.	Feb. 1, 1897.
Gold coin	$568,106,939	$634,287,157	$638,381,827	$645,568,492
Gold bullion	29,820,315	51,969,827	54,565,385	52,286,759
Silver dollars	423,289,629	441,466,141	443,166,391	444,978,391
Silver bullion	124,612,532	112,137,954	110,815,247	109,704,519
Subsidiary silver	77,182,006	75,803,546	76,317,752	76,303,945
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	218,716,973	235,398,840	235,663,118	235,094,662
Total	$1,783,409,410	$1,897,744,531	$1,905,593,736	$1,910,617,784

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

changes in other forms of money, the increase in the amount of gold coin and bullion in the country represents the entire gain in the total supply of money of all kinds. There has been an increase in the aggregate since November 1, 1896, of $39.000,000. all of which has gone into circulation, and since January 1, 1896, of $127,000,000. The preceding statement shows the amount of each kind of money in the country on the dates mentioned.

GOLD AND SILVER COINAGE.—The coinage of the mints in January aggregated $9,851,220, as follows: Gold, $7,803,420; silver, $1,964,800; minor, $83,000. There were $1,812,000 of standard silver dollars coined.

COINAGE OF THE UNITED STATES MINTS.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January	$12,914,600	$65,000	$7,803,420	$1.964,800
February	1,240,000	1,500,000	....	....
March	1,540,555	1,683,531	....	....
April	1,500,000	1,831,000	....	....
May	2,857,200	1,826,490	....	....
June	2,471,217	1,950,693	....	....
July	2,918,200	1,092,000	....	....
August	3,315,000	2,686,000	....	....
September	3,140,923	2,754,185	....	....
October	5,727,500	2,844,010	....	....
November	5,064,700	2,305,022	....	....
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	....	....

FOREIGN TRADE MOVEMENTS.—The extraordinary volume of our exports of merchandise in recent months has been commanding widespread attention, and the last

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF DECEMBER.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1891	$119,935,896	$69,448,023	Exp., $50,487,873	Imp., $5,764,350	Exp., $754,371
1892	87,545,818	65,126,356	" 22,419,462	Exp., 11,839,189	" 2,885,668
1893	93,551,729	49,924,867	" 43,626,862	" 1,908,300	" 4,313,663
1894	84,876,846	62,135,431	" 22,741,415	" 9,424,439	" 2,903,278
1895	92,529,117	62,201,047	" 30,328,070	" 14.170,899	" 4,276,048
1896	117,227,102	57,956,009	" 59,271,093	Imp., 2,166,415	" 5,539,744
TWELVE MONTHS.					
1891	970,509,646	828,320,943	Exp., 142,188,703	Exp., 34,116,471	Exp., 9,509,129
1892	938,420,660	840,930,955	" 97,489,705	" 59,081,110	" 14,249,582
1893	876,108,781	776,248,924	" 99,850,859	" 7,013.431	" 28,013,917
1894	825,102,248	676,312,941	" 148,789,307	" 81,212,363	" 37,219,797
1895	824,860,136	801,669,347	" 23,100,789	" 72,066,287	" 42,547,146
1896	1,005,878,417	680,556,233	" 325,322,184	Imp., 46,023,594	" 50,514,759

GOLD MOVEMENT FOR FOUR YEARS.

	1893–1894.	*1894–1895.*	*1895–1896.*	*1896–1897.*
July	Imp., $5,776,401	Exp., $12,823,572	Exp., $3,296,067	Exp., $9,097,788
August	" 40,622,529	" 1,935,303	" 15,133,175	Imp. 2,086,997
September	" 5,242,063	Imp., 418,118	" 16,674,609	" 34,098,060
October	" 1,072,919	" 519,851	" 76,857	" 27,617,915
November	" 4,139,832	" 1,507,388	" 13,468,188	" 6,920,829
December	Exp., 1,908,300	Exp., 9,424,439	" 14,170,899	" 2,166,415
January	" 573,790	" 24,698,489	" 198,586	
February	" 1,068,335	Imp., 4,067,003	Imp., 9,375,389	
March	" 2,929,241	" 4,120,290	" 293,653	
April	" 9,402,110	" 2,029,761	Exp., 2,662,498	
May	" 23,124,058	" 3,271,193	" 18,499,415	
June	" 22,376,872	" 1,963,750	" 6,077,397	
Year	Exp., $4.528.942	Exp., $30,984,449	Exp., $80,588,649	

month of the year recorded the largest total of any month in the year, or in several years. The exports in December reached $117,000,000, being the third consecutive month in which the total went above $100,000,000. There was a further falling off in imports, the total being less than $58,000,000, as against $62,000,000 in December, 1894 and 1895. The net exports reached $59,000,000, making for the year a balance of $325,000,000 of exports in excess of imports, the largest ever reported for any calendar year. In the last four months of the year the exports exceeded the imports by $215,000,000. The gold movement was small in December, but the country gained by import $2,166,415 in coin and bullion, and about $200,000 in ore. There was $5,589,744 of silver coin and bullion exported, and about $1,600,000 of ore imported. The year's record shows imports of gold coin and bullion $46,000,000, and gold ore $1,753,000, and exports of silver coin and bullion $50,514,000, and imports of silver ore $16,786,875. The total exports of merchandise and specie exceeded the imports last year by $344,796,721, a balance sufficiently large to indicate that a balance of indebtedness has been created favorable to the United States. The preceding tables show the movements of merchandise, gold and silver for the month and twelve months ended December 31 for the past six years.

United States Public Debt.—The Government is still increasing its debt by diminishing its resources. The interest-bearing debt remains practically unchanged, but the bank note redemption account has been increased $2,000,000 and certificates against money in the Treasury $15,000,000. There was also a net increase in demand liabilties of $3,000,000. Against these increases in obligations there is a gain of only $5,000,000 in cash assets, making an increase in the net debt of $5,000,000 and bringing the latter up to $1,008,000,000.

United States Public Debt.

	Jan. 1, 1896.	*Dec. 1, 1896.*	*Jan. 1, 1897.*	*Feb. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent.........	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,631,750	559,638,450	559,638,900	559,639,100
Refunding certificates, 4 per cent......	50,310	46,170	45,890	45,750
Loan of 1904, 5 per cent.................	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	62,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt...........	$747,361,960	$847,364,520	$847,364,690	$847,364,750
Debt on which interest has ceased... ...	1,674,510	1,591,620	1,383,070	1,382,980
Debt bearing no interest:				
Legal tender and old demand notes.....	346,735,863	346,735,363	346,735,363	346,735,363
National bank note redemption acct..	22,659,734	18,544,249	18,876,333	20,997,189
Fractional currency.....................	6,893,394	6,890,504	6,890,504	6,890,504
Total non-interest bearing debt......	$376,288,992	$372,170,117	$372,502,301	$374,623,057
Total interest and non-interest debt.	1,125,325,462	1,221,126,257	1,221,249,961	1,223,370,737
Certificates and notes offset by cash in the treasury:				
Gold certificates.........................	50,099,889	39,433,139	39,279,789	39,046,789
Silver "	345,702,504	367,903,504	370,883,504	373,015,504
Certificates of deposit..................	34,450,000	38,510,000	50,830,000	65,515,000
Treasury notes of 1890	137,771,280	121,677,280	119,816,280	118,398,280
Total certificates and notes...........	$568,023,673	$567,523,923	$580,809,573	$595,975,573
Aggregate debt	1,693,349,135	1,788,650,180	1,802,059,534	1,819,346,310
Cash in the Treasury:				
Total cash assets	787,578,447	835,961,579	853,463,551	858,553,910
Demand liabilities.......................	609,551,247	610,604,481	625,143,172	643,191,490
Balance	$178,027,200	$225,357,098	$228,320,379	$215,362,420
Gold reserve............................	63,262,268	100,000,000	100,000,000	100,000,000
Net cash balance........................	114,764,932	125,357,098	128,320,379	115,362,420
Total	$178,027,200	$225,357,098	$228,320,379	$215,362,420
Total debt. less cash in the Treasury.	947,298,262	995,769,159	992,929,582	1,008,008,317

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of January, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.				January, 1897.		
	High.	Low.	Highest.		Lowest.		High.	Low.	Closing.
Atchison, Topeka & Santa Fe.	18	8¼	15⅛—Jan.	18	13¼—Jan.	8	15⅛	13¼	15⅛
" preferred	28⅛	14⅛	25¾—Jan.	30	22⅞—Jan.	11	25¾	22⅞	25¾
Atlantic & Pacific	1	⅜	½—Jan.	14	¼—Jan.	22	½	¼	¼
Baltimore & Ohio	44	10⅛	18 —Jan.	8	14¼—Jan.	22	18	14¼	15¼
Bay State Gas	33	7	13¾—Jan.	6	11¼—Jan.	7	13¾	11¼	12
Brooklyn Rapid Transit	25⅛	18	19¼—Jan.	4	18⅝—Jan.	7	19¼	18⅝	19
Canadian Pacific	62¾	52	56 —Jan.	8	54¾—Jan.	25	56	54¾	54¾
Canada Southern	51¾	40¾	46¾—Jan.	19	44⅛—Jan.	13	46¾	44⅛	45¼
Central of New Jersey	110	87½	103¼—Jan.	19	98 —Jan.	25	103¼	98	101
Central Pacific	16⅛	13⅛	15 —Jan.	5	13 —Jan.	29	15	13	13
Ches. & Ohio vtg. ctfs	18½	11	18¼—Jan.	18	16¼—Jan.	4	18¼	16¼	18
Chicago & Alton	164	146	166 —Jan.	30	164 —Jan.	18	166	164	166
Chicago, Burl. & Quincy	83¾	53	77¼—Jan.	18	69⅝—Jan.	5	77¼	69⅝	75⅝
Chicago & E. Illinois	43	37½	....		....		....	....	....
" preferred	100½	90	....		....		....	....	....
Chicago Gas	78¾	44⅝	79½—Jan.	18	73¼—Jan.	5	79½	73¼	78¾
Chic., Milwaukee & St. Paul	80	59⅞	77⅜—Jan.	18	72¾—Jan.	5	77⅜	72¾	77⅛
" preferred	131	117½	132½—Jan.	30	131 —Jan.	6	132½	131	132½
Chicago & Northwestern	106¾	85⅛	105¼—Jan.	18	102¼—Jan.	2	105¼	102¼	105
" preferred	152	140¾	154 —Jan.	29	153 —Jan.	12	154	153	154
Chicago, Rock I. & Pacific	74⅞	49¼	70 —Jan.	16	65⅞—Jan.	5	70	65⅞	68⅞
Chic., St. Paul, Minn. & Om.	49¾	30⅛	52½—Jan.	18	47 —Jan.	2	52½	47	51
" preferred	133	117	133½—Jan.	18	133 —Jan.	7	133½	133	133
Clev., Cin., Chic. & St. Louis	39½	19½	30 —Jan.	18	28½—Jan.	2	30	28½	28
" preferred	90½	73	73¾—Jan.	4	73 —Jan.	4	73¾	73	73
Col. Coal & Iron Devel. Co	4⅛	¼	1 —Jan.	19	½—Jan.	29	1	½	½
Col. Fuel & Iron Co	34¼	14½	27 —Jan.	19	23 —Jan.	14	27	23	26
Col. Hocking Val. & Tol	20½	12½	18 —Jan.	8	7 —Jan.	27	18	7	11⅝
" preferred	60	48	46 —Jan.	21	40 —Jan.	21	46	40	40
Consolidated Gas Co	168	133	150 —Jan.	28	136½—Jan.	2	150	136½	147¾
Delaware & Hud. Canal Co	129⅝	114½	121¾—Jan.	6	106⅛—Jan.	27	121¾	106⅛	107⅞
Delaware, Lack. & Western	166	138	157¾—Jan.	18	151 —Jan.	29	157¾	151	154
Denver & Rio Grande	14	10	12¼—Jan.	19	12 —Jan.	27	12¼	12	12
" preferred	51	37	43½—Jan.	19	42 —Jan.	21	43½	42	42
Edison Elec. Illum. Co., N. Y.	101½	89	104¼—Jan.	29	101¾—Jan.	2	104¼	101¾	104¼
Erie	17¾	10¼	15¼—Jan.	18	14⅝—Jan.	11	15¼	14⅝	15⅛
" 1st pref	41¾	27	35½—Jan.	18	33 —Jan.	11	35½	33	33½
" 2d pref	25	13	21 —Jan.	15	20 —Jan.	13	21	20	21
Evansville & Terre Haute	34½	24	....		....		....	....	....
Express Adams	154	135	155 —Jan.	9	150 —Jan.	7	155	150	150
" American	116	105	111¼—Jan.	21	109½—Jan.	28	111¼	109½	109½
" United States	48	35	40 —Jan.	7	38 Jan.	22	40	38	39⅞
" Wells, Fargo	101	80	100 —Jan.	22	97 —Jan.	2	100	97	99½
Great Northern, preferred	122	108¼	121 —Jan.	29	120 —Jan.	16	121	120	121
Illinois Central	98	84⅛	95 —Jan.	22	92¾—Jan.	8	95	92¾	95
Iowa Central	10¼	5½	8 —Jan.	16	6½—Jan.	27	8	6½	7¼
" preferred	38	19	27¼—Jan.	20	25 —Jan.	4	27¼	25	26
Laclede Gas	30	17	25 —Jan.	18	22½—Jan.	14	25	22½	24¾
" preferred	86¼	68¼	75 —Jan.	28	75 —Jan.	28	75	75	75
Lake Erie & Western	22½	12⅛	18½—Jan.	18	16 —Jan.	30	18½	16	16
" preferred	75	55½	70¼—Jan.	20	67½—Jan.	12	70¼	67½	69½
Lake Shore	156	134¾	154½—Jan.	19	152 —Jan.	2	154½	152	153
Long Island	84	40½	55 —Jan.	8	42½—Jan.	22	55	42½	51½
Louisville & Nashville	55⅝	37½	52½ Jan.	19	47⅝—Jan.	5	52½	47⅝	51¾
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	¼—Jan.	11	¼—Jan.	11	¼	¼	¼
" preferred	24¾	1	....		....		....	....	....
Manhattan consol	113½	73¼	94 —Jan.	18	87 —Jan.	11	94	87	91
Metropolitan Traction	114	79¼	110⅞—Jan.	6	108¾—Jan.	2	110⅞	108¾	109
Michigan Central	97⅞	89	91 —Jan.	12	90 —Jan.	28	91	90	90
Minneapolis & St. Louis	21¾	12	19¾—Jan.	29	19 —Jan.	6	19¾	19	19¾
" 1st pref	83	54	79½—Jan.	18	78 —Jan.	16	79½	78	79
" 2d pref	53½	30	48 —Jan.	30	46⅞—Jan.	16	48	46⅞	48
Missouri, Kan. & Tex	14¾	9⅛	14½—Jan.	18	13⅛—Jan.	4	14½	13⅛	14¼
" preferred	31⅛	16	31⅞—Jan.	18	28½—Jan.	4	31⅞	28½	31½

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		January, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	24¼—Jan. 18	20 —Jan. 4	24¼	20	23
Mobile & Ohio	25	14	22½—Jan. 12	21⅛—Jan. 14	22½	21⅛	22
New England	51¼	35	....	....	....	....	....
N. Y. Cent. & Hudson River	99¾	88	95 —Jan. 19	92⅝—Jan. 26	95	92⅝	93⅝
N. Y. Chicago & St. Louis	15	9	12½—Jan. 18	11⅝—Jan. 5	12½	11⅝	12
" 1st preferred	80	67½	70 —Jan. 22	70 —Jan. 22	70	70	70
" 2d preferred	35⅝	20	27 —Jan. 7	27 —Jan. 7	27	27	27
N. Y., New Haven & Hartf'd	186	160	178 —Jan. 4	175¼—Jan. 30	178	175¼	175¼
N. Y., Ontario & Western	16⅝	11⅛	15⅝—Jan. 18	14½—Jan. 12	15⅝	14½	15¼
N. Y., Sus. & Western	12	6	9¾—Jan. 18	8 —Jan. 22	9¾	8	8½
" preferred	31¼	12	26½—Jan. 18	22⅝—Jan. 25	26½	22⅝	24⅞
Norfolk & Western	12¾	⅛	11⅛—Jan. 18	11⅛—Jan. 18	11⅛	11⅛	11⅛
" preferred	19¾	4⅛	17⅞—Jan. 20	17⅞—Jan. 20	17⅞	17⅞	17⅞
North American Co	6⅛	3⅛	5 —Jan. 18	4½—Jan. 2	5	4½	4½
Northern Pacific tr. receipts	16⅞	¼	15⅝—Jan. 30	13 —Jan. 23	15⅝	13	15⅝
" pref tr. receipts	36	10	38¼—Jan. 30	32⅛—Jan. 5	38¼	32⅛	38⅛
Oregon Railway & Nav	24	10	17½—Jan. 18	15 —Jan. 15	17½	15	17½
" preferred	40¼	35	44 —Jan. 30	37⅞—Jan. 8	44	37⅞	44
Oregon Short Line	18⅛	3⅛	16 —Jan. 28	14⅛—Jan. 11	16	14⅛	16
Pacific Mail	31	15¼	26¾—Jan. 18	24 —Jan. 9	26¾	24	25⅞
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan. 8	2⅛—Jan. 8	2½	2⅛	2½
Phila. & Reading	31¾	2⅝	28⅛—Jan. 18	25⅝—Jan. 25	28⅛	25⅝	26¾
Pitts., Cin. Chic. & St. Louis	18¾	11	14 —Jan. 21	12½—Jan. 11	14	12½	13½
" preferred	59	40⅛	....	....	....	....	....
Pitts. & Western, preferred	20⅝	17	....	....	....	....	....
Pullman Palace Car Co	164	138	159¾—Jan. 18	152 —Jan. 2	159¾	152	158
Rome, Wat. Ogdens' g	118	108	119 —Jan. 18	117 —Jan. 26	119	117	117
St. Louis, Alton & T. H	60½	53	....	....	....	....	....
St. Louis & San Francisco	5⅝	4	5⅝—Jan. 19	4¾—Jan. 25	5⅝	4¾	5¼
" 1st preferred	37	34¼	38½—Jan. 30	37 —Jan. 29	38½	37	38½
" 2d preferred	14⅛	12	13¾—Jan. 19	12¾—Jan. 27	13¾	12¾	13¼
St. Louis & Southwestern	5¾	2⅞	4¾—Jan. 18	4¼—Jan. 6	4¾	4¼	4¼
" preferred	13	6⅛	11½—Jan. 18	10 —Jan. 6	11½	10	11¼
St. Paul & Duluth	27½	15	22½—Jan. 13	20 —Jan. 4	22½	20	22½
" preferred	91	75	....	....	....	....	....
St. Paul, Minn. & Manitoba	115	105	114 —Jan. 28	114 —Jan. 28	114	114	114
Southern Pacific Co	22¼	14	15¾—Jan. 18	13½—Jan. 13	15¾	13½	15½
Southern Railway	11¾	6½	10 —Jan. 16	9⅛—Jan. 27	10	9⅛	9½
" preferred	33¼	15½	29⅞—Jan. 19	26 - Jan. 4	29⅞	26	29⅝
Tennessee Coal & Iron Co	34¾	13	31 —Jan. 18	25¼—Jan. 4	31	25¼	30⅝
Texas & Pacific	12	5	10¼—Jan. 18	8⅝—Jan. 2	10¼	8⅝	9⅝
Union Pacific trust receipts	12½	3⅞	10 —Jan. 5	6¼—Jan. 11	10	6¼	7⅛
Union Pac., Denver & Gulf	5½	1⅛	2½—Jan. 6	2 —Jan. 29	2½	2	2
Wabash R. R	8	4½	7⅛—Jan. 16	6⅛—Jan. 4	7⅛	6⅛	6¼
" preferred	19¾	11	17⅛—Jan. 18	15⅜—Jan. 4	17⅛	15⅜	16⅜
Western Union	90¼	72¼	86 —Jan. 18	82¾—Jan. 4	86	82¾	84
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	2 —Jan. 18	6½	2	2⅛
" preferred	40¾	20⅝	29 —Jan. 5	10 —Jan. 27	29	10	11½
Wisconsin Central	4⅜	1⅝	2½—Jan. 6	2½—Jan. 6	2½	2½	2½
"Industrial" Stocks:							
American Co. Oil Co	19	8	14¾—Jan. 16	12½—Jan. 4	14¾	12½	12
" preferred	68⅞	37	56¾—Jan. 19	54¼—Jan. 2	56¾	54¼	54¼
American Spirits Mfg Co	14⅞	4½	14½—Jan. 19	11⅝—Jan. 5	14½	11⅝	14
" preferred	33¼	14¾	32⅛—Jan. 19	26 —Jan. 5	32⅛	26	31⅝
American Sugar Ref. Co	126⅝	95	118⅛—Jan. 19	110 —Jan. 5	118⅛	110	117⅛
" preferred	104	92¼	103¾—Jan. 27	100¼—Jan. 7	103¾	100¼	103⅝
American Tobacco Co	95	51	79½—Jan. 14	73¼—Jan. 25	79½	73¼	74¼
" preferred	108	95	106½—Jan. 14	102½—Jan. 29	106½	102½	102½
General Electric Co	39½	20	35⅞—Jan. 30	32½—Jan. 11	35⅞	32½	35⅞
National Lead Co	28⅝	16	26⅝—Jan. 19	23 —Jan. 8	26⅝	23	25¾
" preferred	92¾	75	90 —Jan. 16	89½—Jan. 20	90	89½	90
National Linseed Oil Co	21¼	11⅛	15 —Jan. 19	13¼—Jan. 23	15	13¼	13¼
National Starch Manfg. Co	7¾	4¾	5 —Jan. 4	5 —Jan. 4	5	5	5
Standard Rope & Twine Co	12⅛	8⅛	11¾—Jan. 19	10⅛—Jan. 4	11¾	10⅛	11¼
U. S. Leather Co	11⅞	5½	9⅝—Jan. 19	8½—Jan. 11	9⅝	8½	9
" preferred	69⅛	41½	64 —Jan. 19	58¼—Jan. 7	64	58¼	62¼
U. S. Rubber Co	29	14½	25¼—Jan. 19	22⅛—Jan. 27	25¼	22⅛	22⅞
" preferred	89	65	76⅞—Jan. 5	74¼—Jan. 27	76⅞	74¼	75

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	80	Jan. 30,'97	80	74½	190,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	96,338,000	A & O	81¾	Jan. 30,'97	81¾	79½	2,368,000
" adjustment, g. 4's	1995	51,728,000	NOV	49¼	Jan. 30,'97	49¼	43⅛	2,639,000
" Equip. tr. ser. A. g. 5's	1902	1,500,000	J & J	....	....	....	....	....
Chicago & St. Louis 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Colorado Mid. Tr. Co. cfs 1st g. 6's	1936	2,636,000	J & D	77½	July 29,'95	....	....	....
" assented		3,714,000	......	67½	Jan. 30,'97	67½	65	19,000
" Tr. Co. cfs cons. g. 4's st'dgtd	1940	3,054,000	F & A	21	June 6,'96	....	....	....
" assented		1,812,000	......	16½	Jan. 30,'97	17	15	107,000
Atlan. av. of Brook'n imp. g. 5's,	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	....	....	....	....	....
Atlan. & Pac. gtd. 1st g. 4's	1937	18,790,000	J & J	39½	Jan. 7,'97	40	39½	8,000
" 2d W. d. g. g. s. f. 6's	1907	5,500,000	M & S	92	July 23,'90	....	....	....
" Western div. inc.	1910	10,500,000	A & O	½	Jan. 29,'97	1⅛	⅛	295,000
" div. small	1910		A & O	10	Mar. 17,'93	....	....	....
" Central div. inc.	1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	111¾	Jan. 8,'97	111¾	111¾	2,000
" 5's, gold	1885–1925	4,956,000	F & A	93½	Jan. 29,'97	93½	92	17,000
" registered			F & A	87	May 11,'96	....	....	....
" eng. ctfs of deposit		5,044,000	......	....	....	....	....	....
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	103	July 2,'96	....	....	....
" registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	92	Nov. 24,'96	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s	1993	10,483,000	J & J	99½	Nov. 12,'96	....	....	....
" 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
" "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	97½	Dec. 3,'96	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
" coupons off		....	......	....	....	....	....	....
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	118	Jan. 29,'97	118	116½	48,000
" registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	114	Jan. 20,'97	114	113	9,000
Brooklyn Elevated 1st gold 6s's,	1924	3,500,000	A & O	74½	Jan. 15,'97	75	74	38,000
" 2d mtg. g. 5's,	1915	1,250,000	J & J	39	Dec. 16,'96	....	....	....
Union Elevated 1st g. g. 6's	1937	6,148,000	M & N	69	Jan. 29,'97	72⅛	69	94,000
Seaside & Bkln Bdge 1st g. g. 5's.	1942	1,365,000	J & J	80	Mar. 31,'96	....	....	....
Brooklyn Rapid Transit g. 5's	1945	4,875,000	A & O	78	Jan. 30,'97	79⅝	78	140,000
Brunswick & Western ls g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	98½	Dec. 23,'96	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	121	Jan. 15,'97	121	121	3,000
" cons. 1st 6's,	1922	3,920,000	J & D	118	Jan. 29,'97	118	116¾	24,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	106⅝	Jan. 23,'97	106⅝	105¾	25,000
" con. 1st & col. tst 5's	1934	6,425,000	A & O	103	Jan. 11,'97	103	103	1,000
" registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g,	1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JANUARY SALES. High.	JANUARY SALES. Low.	JANUARY SALES. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	102	Dec. 21,'96	....	....	....
〃 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	110	Jan. 30,'97	110	108	85,000
〃 2d mortg. 5's	1913	5,100,000	M & S	107	Jan. 30,'97	107	105	53,000
〃 registered			M & S	105½	Jan. 30,'97	106	104½	6,000
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	94½	Jan. 22,'97	94¾	92¾	8,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	....		....	....	....
〃 registered $1,000 & $5,000			F & A	....		....	....	....
〃 con. g. 5's	1945	16,500,000	M & N	90⅝	Jan. 22,'97	90⅞	90½	46,000
〃 con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
Central Railroad of New Jersey,								
〃 1st consolidated 7's	1899	3,836,000	Q J	107¼	Jan. 26,'97	107¼	106⅝	22,000
〃 convertible 7's	1902	1,167,000	M & N	116	June 23,'96	....	....	....
〃 deb. 6's	1908	466,000	M & N	114	Apr. 2,'95	....	....	....
〃 gen. mtg. 5's	1987	41,604,000	J & J	116½	Jan. 28,'97	116½	115½	49,000
〃 registered			Q J	116½	Jan. 27,'97	117½	115⅛	37,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	104	Jan. 9,'97	104	104	1,000
〃 mortgage 5's	1912	2,887,000	M & N	104⅛	Jan. 21,'97	104⅛	104	8,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	115	Jan. 25,'97	115	114½	14,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	101	Jan. 27,'97	101	100	53,000
〃 ext g 5s series A B C D	1898	5,598,000	J & J	99¾	Jan. 22,'97	99¾	99¾	6,000
〃 ext g 5's series E	1898	3,210,000	J & J	....		....	....	....
〃 San Joaquin br. g 6's	1900	6,080,000	A & O	102	Jan. 6,'97	102	102	4,000
〃 gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
〃 land grant g 5's	1900	2,506,000	A & O	99	Nov. 12,'96	....	....	....
〃 Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	100½	Jan. 19,'97	100½	100	3,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
〃 50 year m. gg. 5's	1938	4,800,000	A & O	92¼	Oct. 17,'96	....	....	....
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Chat., Rom. & Colum's gtg. g. 5's	1937	2,090,000	......	....		....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	103⅜	Jan. 30,'97	103⅜	102½	25,000
〃 6's, g., Series A	1908	2,000,000	A & O	120½	Jan. 18,'97	120½	119	20,000
〃 Mortgage gold 6's	1911	2,000,000	A & O	119½	Jan. 30,'97	119½	118½	32,000
〃 1st con. g. 5's	1939	23,553,000	M & N	110	Jan. 30,'97	110	107¾	180,000
〃 registered			M & N	107	Jan. 4,'97	107	107	4,000
〃 Gen. m. g. 4½'s	1992	21,790,000	M & S	76	Jan. 30,'97	76½	73¼	1,296,000
〃 registered			M & S	85	Dec. 30,'93	....	....	....
〃 (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100⅜	Jan. 30,'97	100½	97	97,000
〃 2d con. g. 4's	1989	1,000,000	J & J	89½	Jan. 29,'97	89½	86	50,000
〃 Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
〃 Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
〃 Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	100½	Jan. 25,'97	100¾	100	4,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
〃 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	112¾	Jan. 6,'97	112¾	112¾	5,000
〃 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104½	Dec. 7,'92	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	104	Dec. 30,'96	....	....	....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	116½	Jan. 29,'97	116½	115	158,000
〃 5's, sinking fund	1901	2,315,000	A & O	104¼	Jan. 13,'97	107	104¼	5,000
〃 5's, debentures	1913	9,000,000	M & N	98	Jan. 16,'97	98	97	37,000
〃 convertible 5's	1903	15,263,900	M & S	101½	Jan. 29,'97	101½	100¼	42,000
〃 (Iowa div.) sink. f'd 5's	1919	2,811,000	A & O	101½	Sept. 21,'96	....	....	....
〃 4's	1919	7,571,000	A & O	98⅜	Jan. 21,'97	98⅜	97	14,000
〃 Denver div. 4's	1922	6,141,000	F & A	96	Jan. 16,'97	96½	94	12,000
〃 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
〃 Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....
〃 Nebraska extensi'n 4's	1927	26,730,000	M & N	88⅞	Jan. 30,'97	88⅞	87¼	110,000
〃 registered			M & N	90¾	July 10,'95	....	....	....
〃 Han. & St. Jos. con. 6's	1911	8,000,000	M & S	119	Jan. 20,'97	120	119	6,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	111½	Jan. 13,'97	111½	111½	5,000
〃 small bonds			J & D	112	Apr. 2,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Chic. & E. Ill. 1st con. 6's. gold ..	1934	2,653,000	A & O	124⅛	Jan. 4,'97	124⅛	124⅛	1,000
• gen. con. 1st 5's.........	1937	7,487,000	M & N	99⅛	Jan. 30,'97	100⅞	99	254,000
• registered....................			M & N	104¼	Nov. 25,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	100	Jan. 18,'97	100	99	11,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D..	1898	3,674,000	F & A	107⅛	Jan. 14,'97	107⅛	107⅛	7,000
• 2d 7 3-10 P. D..........	1898	1,106,000	F & A	129⅝	Jan. 15,'97	130⅛	128⅝	28,000
• 1st 7's $ gold, R. div...	1902	3,796,500	J&J	129	Jan. 30,'97	129	126	41,000
• 1st 7's £................	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & M. 7's..	1897	1,736,000	J & J	126⅛	Jan. 26,'97	126⅛	125⅛	20,000
• 1st m. Iowa & D. 7's...	1899	434,000	J & J	127½	Dec. 2,'96	....	....	....
• 1st m. C. & M. 7's......	1903	2,393,000	J & J	125	Oct. 22,'96	....	....	....
Chicago Mil. & St. Paul con. 7's,	1905	11,298,000	J & J	131	Jan. 30,'97	131	128	31,000
• 1st 7's, Iowa & D, ex,	1908	3,505,000	J & J	132⅛	Jan. 11,'97	132⅛	130	14,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	117⅛	Jan. 25,'97	117⅛	115⅛	28,000
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	109	Jan. 27,'97	110	109	6,000
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	117	Jan. 26,'97	118	117	25,000
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	126⅛	Jan. 21,'97	126⅛	126	3,000
• 5's......................	1910	990,000	J & J	108	Jan. 14,'97	108	107⅛	17,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	118⅛	Dec. 11,'96	....	....	....
• 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	112¾	Jan. 28,'97	112¾	112	94,000
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	110	Jan. 20,'97	110	106½	42,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	107	Jan. 25,'97	107	107	2,000
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	106⅛	July 16,'96	....	....	....
• Wis. & Min. div. 5's...	1921	4,755,000	J & J	110⅝	Jan. 28,'97	111	110	19,000
• terminal 5's...........	1914	4,748,000	J & J	110⅛	Jan. 22,'97	111¼	110⅛	6,000
• Far. & So. 6's assu.....	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
• mtg. con. si'k. f'd 5's,	1916	1,680,000	J & J	96	Jan. 7,'96	....	....	....
• Dakota & Gt. S. 5's...	1916	2,856,000	J & J	109	Jan. 29,'97	109	107	8,000
• g. m. g. 4's, series A...	1989	19,010,000	J & J	99	Jan. 29,'97	99	96	156,000
• registered..................		....	Q J	94⅛	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	118	Jan. 15,'97	118	118	1,000
• 1st convt. 6's...... ...	1913	5,092,000	J & D	118	Jan. 14,'97	118	118	3,000
Chic. & North Pacific 1st g. 5's...	1940	25,523,000	A & O	42	May 12,'96	....	....	....
• U. S. Trust Co. eng. ctfs..			......	44	Jan. 30,'97	44	40	718,000
Chic. & Northwestern cons. 7's..	1915	12,771,000	Q F	141⅝	Jan. 29,'97	141⅝	140	176,000
• coupon gold 7's........	1902	12,336,000	J & D	117½	Jan. 28,'97	117⅝	115⅞	44,000
• registered d. gold 7's .	1902		J & D	116	Jan. 4,'97	116	116	1,000
• sinking fund 6's..	1879–1929	6,011,000	A & O	116	Jan. 15,'97	116	115⅛	4,000
• registered..................			A & O	113	Dec. 23,'96	....	....	....
• 5's................	1879–1929	7,301,000	A & O	109½	Jan. 14,'97	109½	109½	1,000
• registered..................			A & O	108	Jan. 20,'97	108	108	1,000
• debenture 5's..........	1933	9,800,000	M & N	112	Jan. 29,'97	112	110⅝	48,000
• registered..................			M & N	107½	Dec. 16,'96	....	....	....
• 25 year deben. 5's.....	1909	6,000,000	M & N	107¼	Jan. 23,'97	107¼	106	82,000
• registered..................			M & N	104	May 15,'96	...	....	....
• 30 year deben. 5's.....	1921	9,800,000	A & O	105⅛	Dec. 9,'96	....	....	....
• registered..................			A & O	107	Nov. 20,'95	....	....	....
• extension 4's.....	1886–1926	18,632,000	F A 15	103	Jan. 26,'97	103	101	37,000
• registered..................			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's..	1901	720,000	J & J	107⅛	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's....	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's..	1898	1,700,000	J & J	104	Jan. 4,'97	104	104	2,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's........	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's,	1921	5,030,000	M & N	132	Jan. 12,'97	132	131⅛	5,000
• con. deb. 5's...........	1907	436,000	F & A	106½	Jan. 27,'97	106½	106	15,000
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	115	Jan. 18,'97	115	112½	9.000
• Michigan div. 1st 6's..	1924	1,281,000	J & J	127	Dec. 8,'96	....	....	....
• Ashland div. 1st 6's....	1925	1,000,000	M & S	128	Dec. 16,'96	....	....	1,000
• income....................		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,100,000	J & J	128⅛	Jan. 22,'97	128⅛	128⅛	1,000
• 6's registered..........	1917		J & J	128⅛	Jan. 4,'97	128⅛	128⅛	12,000
• exten. and collat. 5's..	1934	40,391,000	J & J	103	Jan. 30,'97	103	101⅞	713,000
• registered.................			J & J	101⅝	Jan. 30,'97	101⅞	100½	200,000
• debenture 5's..........	1921	4,500,000	M & S	96	Jan. 28,'97	96	93	27,000
• registered.................		....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.	1905	1,200,000	J & J	88¼	June 12,'96	....	....	....
• 1st 2½'s................	1905	1,200,000	J & J	65	Nov. 18,'96	....	....	....
• extension 4 s.............		672,000	J & J	84	Oct. 14,'95	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	100	Nov. 25,'96	....	....	....
• small bond.............	1923	....	A & O	103	Apr. 26,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low.	January Sales. Total.
Chic., St.P., Minn.& Oma.con.6's	1930	13,413,000	J & D	129	Jan. 28,'97	129	128	31,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	130	Jan. 12,'97	130	130	3,000
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	Jan. 27,'97	131	130	32,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,234,000	M & N	106¼	May 15,'95	....	....	....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	117¼	Jan. 20,'97	117¼	116½	12,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
" coupons off						....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	102½	Jan. 6,'97	102½	102	25,000
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	108	Dec. 22,'96	....	....	....
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A			....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.	1917	2,000,000	......	74	Jan. 19,'97	75	74	6,000
Clev., Cin., Chic. & St.L. gen. m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	93	Oct. 2,'95	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	93	Jan. 20,'97	93⅛	92¼	21,000
" registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	88	Jan. 15,'97	88	88	4,000
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,790,000	Q F	98	Jan. 27,'97	98	98	14,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	107	Jan. 15,'97	107	107	1,000
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	104½	Jan. 6,'97	104½	104½	2,000
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J			....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	74	Jan. 26,'97	75	73	18,000
" income 4's	1990	4,000,000	A	18	Nov. 23,'96	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	106½	Dec. 18,'96	....	....	....
" consol mortg. 7's	1914	3,991,000	J & D	132	Jan. 22,'97	132	131¾	4,000
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	124	Jan. 13,'97	124	123¼	6,000
" registered			J & J			....	....	....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's	1901	1,000,000	A & O	105	Aug. 18,'96	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	102	Jan. 5,'97	102	102	1,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	120½	July 21,'96	....	....	....
" registered			Q J			....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	117	Jan. 28,'97	117¼	117	26,000
" registered			M&S			....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	8,000,000	M & S	77½	Jan. 30,'97	88¾	68	471,000
" gen. mort. g. 6's	1904	2,000,000	J & D	71	Jan. 30,'97	87	63	77,000
" gen. lien g. 4's	1996	852,000	J & J			....	....	....
" registered, $5,000			J & J			....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Dec. 23,'96	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	130	Jan. 4,'95	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	143	Jan. 27,'97	143	141¼	29,000
" bonds, 7's	1900	281,000	J & J	109½	Jan. 29,'97	109½	109½	5,000
" 7's	1871-1901	4,991,000	A & O	134	Sept. 3,'96	....	....	....
" 1st c. gtd 7's	1915	12,151,000	J & D	140	Jan. 25,'97	140	140	5,000
" registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	134	Dec. 17,'96	....	....	....
" const. 5's	1923	5,000,000	F & A	118	Jan. 22,'97	118	118	1,000
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143½	Dec. 23,'96	....	....	....
" reg	1917		M & S	137	Oct. 7,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	117	Aug. 18,'96	....	....	....
" registered			A & O	128½	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	118½	Jan. 27,'97	118½	117	10,000
" registered			A & O	115	July 29,'96	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	146½	Jan. 16,'97	146½	146½	1,000
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver City Cable Ry. 1st g. 6's	1908	3,397,000	J & J	97½	Feb. 24,'93	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O			....	....	....
Denver Tramway Co. con. g. 6's	1910	1,219,000	J & J			....	....	....
Denver Met. Ry. Co. 1st g. g. 6's	1911	913,000	J & J			....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	88½	Jan. 29,'97	89	88	53,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	111	Jan. 22,'97	111	111	31,000
" impt. m. g. 5's	1928	8,103,500	J & D	83½	Jan. 18,'97	83½	83½	2,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,030,000	A & O	20½	Jan. 29,'97	20½	18	22,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	100	Jan. 27,'97	101¾	100	92,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	100	Jan. 30,'97	100	99½	87,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	108½	Jan. 23,'97	109¾	102⅝	33,000
" 2d extended 5's	1919	2,149,000	M & N	118¼	Jan. 14,'97	118¼	118¼	1,000
" 3d extended 4½'s	1923	4,618,000	M & S	112	Jan. 7,'97	112	112	2,000
" 4th extended 5's	1920	2,926,000	A & O	114½	Dec. 4,'96	....	....	....
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	141	Jan. 25,'97	141	139½	19,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	134	Jan. 12,'97	134	133¼	38,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	136¼	Jan. 11,'97	136¼	136¼	9,000
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	106	Jan. 18,'97	106	105	19,000
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	111⅝	Jan. 29,'97	112	110½	206,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	...	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g–4s prior bds.	1996	30,000,000	J&J	94⅛	Jan. 30,'97	94½	93½	290,000
" " registered			J&J	....	....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	64	Jan. 29,'97	65	62¾	261,000
" " registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	98	Nov. 12,'96	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	109	Jan. 29,'97	109	109	1,000
" 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	113	Dec. 31,'96	....	....	....
" 1st con. gold 5's	1939	2,100,000	M & N	84	Dec. 29,'96	....	....	....
" Port Huron d 1st g 5's	1939	3,083,000	A & O	75	Nov. 30,'96	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	....	....	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	57⅝	Jan. 30,'97	57⅝	53	134,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,888,000	J & J	43	Jan. 29,'97	46½	43	12,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	105	Apr. 6,'96	....	....	....
" 2d mortgage 7's	1905	1,000,000	J & D	95	Dec. 12,'96	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	91	Jan. 30,'97	91¼	89½	102,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	76½	Nov. 20,'96	....	....	... .
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125½	Jan. 27,'97	125½	125½	8,000
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	107½	Jan. 28,'97	108½	106½	56,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	102½	Jan. 16,'97	102½	102	9,000
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	66	Jan. 23,'97	66	66	20,000
" Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
" Deben. 4's p. & int. gtd,	1897	411,000	A & O	94	Jan. 18,'97	94	94	1,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	Aug. 17,'96	....	....	....
" registered			J&J	102½	Dec. 30,'95	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	103	Jan. 28,'97	103	102	54,000
" gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low.	January Sales. Total.
" gold 4's	1953	24,679,000	M & N	100	Jan. 22,'97	100	99½	54,000
" gold 4's registered			M & N					
" 2-10 g. 4's	1904	4,806,000	J & J	99	June 10,'96			
" 2-10 g. 4's registered			J & J					
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96			
" registered			M & S					
" West'n Line 1st g. 4's	1951	3,550,000	F & A	103	Jan. 27,'97	103	103	1,000
" registered			F & A					
" Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10,'95			
" registered								
Springfield div. coupon 6's	1898	1,600,000	J & J	100½	Aug. 17,'96			
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95			
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27,'96			
" 1st consol. 7's	1897	826,000	M & N	101½	Nov. 18,'96			
" gold 5's	1951	16,526,000	J D 15	119½	Jan. 22,'97	120	118½	18,000
" gold 5's, registered			J D 15	115	Oct. 25,'94			
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	98½	June 16,'95			
" registered			J & D					
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96			
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95			
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4,'96			
" stamped				27	Jan. 4,'97	27	27	4,000
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	100	Jan. 22,'97	100	99	29,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96			
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95			
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	119½	Jan. 28,'97	119½	117¼	88,000
" 2d mortgage 4½-5's	1909	6,593,000	M & S	76	Jan. 21,'97	76	73	20,000
" 3d mortgage 4's	1921	2,701,000	M & S	27	Jan. 29,'97	27	25½	13,000
Iowa Central 1st gold 5's	1938	2,706,500	J & D	96½	Jan. 30,'97	97½	96	48,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O					
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	45	Jan. 27,'97	45	45	28,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	60	Mar. 30,'96			
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	113½	Jan. 29,'97	115¼	113½	31,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	101	Jan. 15,'97	101	100¼	11,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	104	Jan. 27,'97	104	103	21,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	103½	Nov. 18,'96			
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96			
Lake Shore division b. 7's	1899	1,355,000	A & O	108⅝	Jan. 28,'97	108⅝	107¼	35,000
" con. co. 1st 7's	1900	14,890,000	J&J	111	Jan. 21,'97	111	110⅝	13,000
" con. 1st registered	1900		Q J	110⅝	Jan. 4,'97	110⅝	110⅝	20,000
" con. co. 2d 7's	1903	24,692,000	J&D	119½	Jan. 26,'97	119¼	119	18,000
" con. 2d registered	1903		J&D	119½	Jan. 25,'97	119¼	118¾	10,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21,'96			
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96			
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	93	Jan. 28,'97	101¼	93	22,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	111¼	Jan. 27,'97	111½	111	16,000
" registered			A & O	108	Sept. 29,'96			
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95			
" registered	1933		J & J					
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96			
" registered			M&S					
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O					
" " g. gtd 5's	1914	1,250,000	A & O	99⅝	Jan. 20,'97	99⅝	99	40,000
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	117½	Jan. 29,'97	117½	116¾	80,000
" registered			M&S					
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93			
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96			
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	105½	Jan. 14,'97	105½	105½	3,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	113	Jan. 25,'97	117¾	113	38,000
Long Island gen. m. 4's	1938	3,000,000	J & D	83	Jan. 30,'97	87	76½	58,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	89	Nov. 30,'96			
" g. 4's	1932	325,000	J & D					
" deb. g. 5's	1934	1,500,000	J & D					
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	98	Dec. 5,'96			
" 2d m. inc.	1927	1,000,000	S	40	Mar. 23,'96			
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,226,000	A & O	106¼	Jan. 20,'97	106¼	102¾	20,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S					
" 1st 5's	1911	750,000	M & S	107½	July 16,'96			

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Long Isl. R. R. Nor. Shore Branch							
1st Con. gold garn't'd 5's, 1932	1,075,000	Q JAN	108½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's....1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's...1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis							
" 1st con.TrCo.ct. gold 5's.1939	3,406,000	J & J	34	Jan. 21,'97	34	34	5,000
" Gen. mtg. g. 4's..........1943	2,432,000	M & S	9½	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's...1898	7,070,000	A & O	105	Jan. 26,'97	105¼	105	6,000
" Cecilian branch 7's....1907	600,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's, 1930	5,000,000	J & J	119½	Jan. 30,'97	119½	116	133,000
" 2d 6's..................1930	1,000,000	J & J	101	Jan. 27,'97	101⅛	98½	15,000
" E., Hend. & N. 1st 6's..1919	2,823,000	J & D	112½	Dec. 18,'96	....	....	....
" general mort. 6's.....1930	10,486,000	J & D	116⅛	Jan. 29,'97	116⅛	115⅝	36,000
" Pensacola div. 6's.....1920	580,000	M & S	108½	Jan. 22,'97	108½	106⅛	18,000
" St. Louis div. 1st 6's...1921	3,500,000	M & S	118	Aug.28,'96	....	....	....
" 2d 3's..................1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's...1900	1,900,000	J & J	111¼	Dec. 28,'96	....	....	....
" So. N. Ala. si'g fd. 6s, 1910	1,942,000	A & O	92½	Sept.30,'96	....	....	....
" 5% 50 year g. bonds....1937	1,764,000	M & N	100	Jan. 26,'97	100	97	18,000
" Unified gold 4's........1940	14,994,000	J & J	80⅛	Jan. 21,'97	80⅝	78¼	126,000
" registered 1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g. 1921	2,870,000	F & A	100	Jan. 29,'97	100	100	49,000
" collateral trust g. 5's, 1931	5,129,000	M & N	101	June 1,'96	....	....	....
" L. & N. & Mob. & Montg							
1st. g. 4½s............1945	4,000,000	M & S	104	Nov. 10,'96	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	85	Jan. 9,'97	85	85	1,000
South & N. Ala. con. gtd. g. 5's, 1936	3,678,000	F & A	93½	Jan. 26,'97	94½	92½	82,000
Kentucky Cent. g. 4's........1987	6,742,000	J & J	90	Jan. 26,'97	90	88	6,000
L.&N. Louv.Cin.&Lex. g. 4½'s, 1931	3,258,000	M & N	107	Jan. 20,'97	107	100	13,000
Lo. & Jefferson Bdg.Co.gtd.g.4's.1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's, 1910	3,000,000	J & J	112	Jan. 27,'97	112	111	13,000
" eng.Tr.Co.ctf.cons.g.6's 1916	4,421,000	A & O	85	Jan. 28,'97	85	82	12,000
" eng.Tr.Co.ctf.gen.g. 5's, 1940	2,600,000	M & N	40	Dec. 9,'96	....	....	....
Louisville Railw'y Co. 1st c. g. 5's, 1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's.....1990	24,783,000	A & O	95	Jan 29,'97	95	93	60,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's, 1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g..1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	117½	Jan. 29,'97	117½	116⅜	37,000
" 2d 6's....................1899	4,000,000	M & N	106	Jan. 29,'97	106	105	38,000
Mexican Central.							
" con. mtge. 4's...........1911	58,903,000	J & J	68½	Jan. 22,'97	68½	68⅛	10,000
" 1st con. inc. 3's..........1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's....................1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's, 1942	14,000,000	M & S	71¾	Jan. 29,'97	73	71	159,000
Mexican Nat. 1st gold 6's........1927	11,532,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"..........1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped..............	....	....	....	....	....	....	....
" 2d inc. 6's "B"..........1917	12,265,000	A	10	Jan. 15,'97	10	10	35,000
Mexican Northern 1st g. 6's.....1910	1,383,000	J & D	100	Jan. 30,'97	100	95	3,000
" registered....................		J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's.......1902	8,000,000	M & N	116	Jan. 25,'97	116½	116½	20,000
" 1st con. 5's............1902	2,000,000	M & N	108	Dec. 31,'96	....	....	....
" 6's.....................1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's...............1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's................1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's...............1940	2,600,000	J & J	105	July 30,'96	....	....	....
" mtge. 4's reg...............		J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's...1989	476,000	J & D	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	140	Jan. 21,'97	140	137½	6,000
" 1st con. g. 5's............1934	5,000,000	M & N	103	Jan. 30,'97	103	100	102,000
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	120	Jan. 9,'97	120	120	2,000
" Southw. ext. 1st g. 7's...1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	121	Dec. 14,'96	....	....	....
Minneapolis & Pacific 1st m. 5's..1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.			....	....	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1838	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	84¼	Jan. 31,'97	84½	82	311,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	63	Jan. 30,'97	63	59¾	875,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	79	Jan. 30,'97	79	74	49,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	62	Oct. 30,'96	....	....	....
" Dal. & Waco 1st g.g. 5's	1940	1,340,000	M & N	77	Jan. 20,'97	77	77	1,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	94½	Jan. 28,'97	95¾	92	115,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	87½	Jan. 22,'97	87½	86	8,000
" 3d mortgage 7's	1906	3,828,000	M & N	105	Jan. 16,'97	105	105	10,000
" trusts gold 5's	1917	14,376,000	M & S	70	Aug. 14,'96	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	70	Jan. 18,'97	70	65	10,000
" re.istered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	103	Jan. 21,'97	108	100½	14,000
" 2d extended g. 5's	1938	2,573,000	F & A	103¼	Jan. 28,'97	103¼	102⅛	20,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mount. 1st ex. 5's	1897	4,000,000	F & A	103⅛	Jan. 29,'97	103⅛	102⅝	56,000
St. Louis & I'rn Mount. 2d 7's	1897	6,000,000	M & N	102½	Jan. 29,'97	102⅝	100½	45,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	100	Oct. 14,'96	....	....	....
" Cario, Ark. & T. 1st 7's	1897	1,450,000	J & D	98	Jan. 19,'97	98	98	6,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	74	Dec. 24,'96	....	....	....
" stamped gtd gold 5's	1931	6,945,000	A & O	76½	Jan. 30,'97	76½	73½	161,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	....	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	118	Jan. 25,'97	118	117	39,000
" 1st entension 6's	1927	974,000	J & D	112	May 1,'96	....	....	....
" gen. mortgage 4's	1938	9,470,500	Q J	68	Jan. 29,'97	68	66½	129,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	128	July 23,'95	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	128½	Jan. 29,'97	128½	127½	51,000
" 2d 6's	1901	1,000,000	J & J	107¾	Apr. 27,'95	....	....	....
" 1st cons. g. 5's	1928	5,094,000	A & O	101	Jan. 30,'97	101½	100	26,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	118⅝	Jan. 30,'97	118⅝	117¼	47,000
" 1st registered	1903		J & J	117¼	Jan. 19,'97	118½	117	75,000
" debenture 5's	1904	10,000,000	M & S	107⅛	Jan. 27,'96	107½	106⅛	58,000
" debenture 5's reg.			M & S	107¼	Jan. 30,'97	107¼	106⅛	28,000
" reg. deben. 5's	1889-1904	1,000,000	M & S	104	Nov. 6,'96	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	102	Dec. 23,'96	....	....	....
" registered	1905		J & D	101¾	Jan. 13,'97	101¾	101¾	10,000
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	102½	Jan. 26,'97	103	101⅞	15,000
" registered			M & N	100¾	May 12,'96	....	....	....
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	111¾	Jan. 21,'97	111¾	111¼	10,000
" 7's registered	1900		M & N	111¾	Jan. 16,'97	111¾	111¾	40,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	100	Nov. 25,'96	....	....	....
" reg. certificates			F & A	....	....	....	....	....
West Shore 1st guaranteed 4's		50,000,000	J & J	107	Jan. 30,'97	107	105	250,000
" registered			J & J	105½	Jan. 30,'97	105½	104	187,000
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	106	Jan. 26,'97	106	106	11,000
" registered			J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J	....	....	....	....	....
" registered		....	J & J	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....	....	....	....	....
" small bonds series B.		33,100	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....	....	....	....	....

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R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	119½	Jan. 30,'97	119¾	117½	35,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....	....	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D	....	....	....	....	....
N. Y. & Putnam 1st gtd g. 4's	1993	4,000,000	A & O	103	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	105	Jan. 29,'97	106	103¾	163,000
" registered			A & O	103¾	Dec. 30,'96	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	119½	Jan. 15,'97	119½	119½	11,000
" 1st 6's	1905	4,000,000	J & J	114	Jan. 18,'97	114	114	8,000
N. Y., N. Haven & H. 1st reg. 4's	1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts	$1,000	15,007,500	A & O	137⅛	Jan. 26,'97	137⅛	135	98,000
" small certifs.	$100	1,430,000	......	130½	May 29,'96	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119	Jan. 25,'97	119	118½	11,000
N.Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	108⅞	Jan. 28,'97	108⅞	106⅜	56,000
" Refunding 1st g. 4's	1992	8,125,000	M & S	92	Jan. 30,'97	92	88¾	117,000
" Registered	$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's	1937	3,750,000	J & J	102½	Jan. 29,'97	103¼	100	79,000
" 2d mortg. 4½'s	1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's	1940	2,300,000	F & A	73	Jan. 29,'97	74	73	88,000
" term. 1st mtg. g. 5's	1843	2,000,000	M & N	106	Jan. 23,'97	106	106	2,000
" registered	$5,000		M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	87½	Jan. 20,'97	89	87½	7,000
Midland R. of N. Jersey 1st 6's	1910	3,500,000	A & O	119½	Jan. 30,'97	119½	117	2,000
N.Y., Texas & Mexico g. 1st 4's	1912	1,442,500	A & O	....	....	....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's	1921	15,306,000	J & J	115	Jan. 27,'97	115	113	87,000
" registered			J & J	114⅞	Jan. 26,'97	114⅞	113⅜	40,000
" g.3d l gt s f g 6's Tr.Co.c.ass.		11,408,000	......	82	Jan. 30,'97	82	77½	293,000
" l'nd gt con g 5's Tr.Co.c.ass.		44,900,000	......	59⅛	Jan. 30,'97	59⅛	54⅜	569,000
Spok.&Pal.eng.cfs. 1st si.f.g.6's	1936	1,766,000	M & N	36	Jan. 21,'97	37	35	32,000
St. Paul & N. Pacific gen 6's	1923	7,985,000	F & A	124½	Jan. 6,'97	124½	124½	7,000
" registered certificates			Q F	122⅝	May 18,'96	....	....	....
Helena & Red M'tain 1st g. 6's	1937	400,000	M & S	100	Dec. 30,'91	....	....	....
Dul.& Man. 1st g. 6's, en Tr. Co. ctfs								
" 10 p c purchase price paid		1,619,000	J & J	81	Jan. 28,'87	81½	80¾	70,000
" Dak. di. 1st s. f'd g. 6's,								
" Tr. Co. ctfs. stamped.		1,418,000	......	80⅜	Dec. 31,'96	....	....	....
N. Pacific Term. Co. 1st g. 6's	1933	4,090,000	J & J	106½	Jan. 29,'97	106½	104½	58,000
N.P.&Mon.J.P.M.&Co.cf.1 g.6's	1938	5,256,000	M & S	45	Jan. 30,'97	45	41½	200,000
Cœur d'Alene 1st gold 6's	1916	380,000	A & O	104	May 5,'92	....	....	....
" gen. 1st g. 6's	1938	878,000	M & S	102	Jan. 2,'92	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's	1997	73,816,500	Q J	87	Jan. 30,'97	87⅛	85⅛	1,716,000
" registered			Q J	....	....	....	....	....
" gen. lien g. 3's	2047	56,000,000	Q F	54¾	Jan. 30,'97	55	51⅝	3,428,000
Norfolk & Southern 1st g. 5's	1941	750,000	M & N	103	Nov. 16,'96	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	117	Jan. 13,'97	117	117	1,000
" New River 1st 6's	1932	2,000,000	A & O	106½	Oct. 20,'96	....	....	....
" imp'ment and ext. 6's	1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off		....	......	....	....	....	....	....
" Tr.Co.ctfs adjtmnt mtg 7's	1924	1,468,000	Q M	78	Dec. 21,'96	....	....	....
" Tr. Co. ctfs eqpmnt g.5's		4,066,000	......	82	Apr. 24,'96	....	....	....
" Tr. Co. ctfs gold 5's	1990	8,875,000	J & J	63	Jan. 7,'97	63	63	2,000
" Tr.Co. ctfs Nos. above 10,000		3,200,000	J & J	64	Dec. 17,'96	....	...	....
" Tr.Co.ctfs Clinch V.div.g.5's		2,475,000	......	55	Feb. 7,'96	....	....	....
" Tr. Co. ctfs Md. & W. div. 1st g. 5's	1941	6,809,500	J & J	67	Dec. 14,'96	....	....	....
" Sci'o Val & N.E. 1st g.4's	1989	5,000,000	J & N	83	Jan. 27,'97	83¾	81¾	30,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	....	....	....	....	....
Ogdb'g & L. Chapl. 1st con. 6's	1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
Ogdensburg & L. Chapl. inc.	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	105	Dec. 23,'96	....	....	....
" consolidated 7's	1898	3,066,000	J & J	102⅝	Jan. 29,'97	102⅝	102¼	4,000
" 2d consolidated 7's	1911	2,952,000	A & O	115	Jan. 13,'97	115	115	5,000
" 1st Springf'd d. 7's	1905	1,984,000	M & N	98	Dec. 15,'96	....	....	....
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	101	Dec. 9,'96	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	85½	Jan. 30,'97	90	85	177,000
" gen. mortg. g 4's	1921	1,543,000	M & N	17	Dec. 8,'96	....	....	....
" gen. eng. Trust Co. certs...		1,255,000	......	15	Jan. 16,'97	15	14	24,000
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	......	50	Jan. 30,'97	50	49½	16,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	71½	Sept. 17,'96	....	....	....
Oregon Improvement Co. 1st 6's	1910	743,000	J & D	90	Jan. 22,'97	90¼	89	4,000
" eng. Tr. Co. ctfs. of dep.....		3,828,000	......	85½	Jan. 16,'97	86	85½	7,000
" con. mortg. g 5's	1939	2,911,000	A & O	18	Dec. 22,'96	....	....	....
" Trust Co. certificates......		3,638,000	......	16½	Jan. 18,'97	18	16½	16,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,900,000	J & J	111½	Jan. 27,'97	111½	110	85,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	82⅝	Jan. 30,'97	83	80	573,000
Paducah, Tenn. & Ala. 1st 5's	1920	....	......	....	....	....	....	....
" Issue of 1890		1,815,000	J & J	....	....	....	....	....
" Issue of 1892		617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's	1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	110½	Jan. 25,'97	111½	109¾	17,000
" reg	1921		J & J	109½	Jan. 30,'97	109½	109½	20,000
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	109	Jan. 27,'97	109	108	40,000
" Series B	1942	10,000,000	A & O	108¼	Jan. 26,'97	108¾	108¼	18,000
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97	105	105	1,000
" Series D gtd. 4's	1945	4,863,000	M & N	101	Sept. 19,'96	....	....	....
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	111	July 14,'96	....	....	....
" 1st reg. 7's	1900		F & A	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	139	Jan. 29,'97	139	135	12,000
" 2d 7's	1912	2,546,000	J & J	136½	Jan. 28,'97	136½	136	7,000
" 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	115	Jan. 4,'97	115	115	1,000
" registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	112	Dec. 8,'96	....	....	....
" Series A	1942	3,000,000	J & J	113½	Apr. 18,'95	....	....	....
" 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	3,380,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	June 25,'95	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
" registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	112	Dec. 1,'96	....	....	....
Del. R. RR. & BgeCo 1st gtd g. 4's	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's	1920	1,287,000	J & J	103½	Jan. 28,'97	103½	100	15,000
" Evansville div. 1st 6's	1920	1,470,000	M & S	104	Jan. 28,'97	104	101	28,000
" Tr. Co. ctfs. 2d mort 5's	1926	1,778,000	M & N	27	Jan. 21,'97	27½	27	7,000
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	114	Jan. 21,'97	114	114	1,000
" 2d m 4½'s	1921	1,499,000	M & N	75½	Jan. 21,'97	75½	75½	1,000

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Phil. & Read. gen. g 4's Tr. Co. ctf's. assented	....	46,121,000	......	81⅛	Jan. 30,'97	81⅞	80	1,595,000
" registered	....	....	......	81	Jan. 22,'97	81	81	1,000
" 1st pref. inc. Tr. Co. certfs. all instal. pd.	....	23,663,000	......	47	Jan. 30,'97	48	45⅛	695,000
" 2d pref. inc. Tr. Co. certfs. all instal. pd.	....	15,810,000	......	34⅛	Jan. 26,'97	36⅝	34¼	269,000
" 3d pref. inc.	1958	21,634,462	F	18⅛	Feb. 7,'96	....	....	....
" 3d pr. in. con.	1958			4¼	Oct. 24,'96	....	....	....
" Tr. Co. ctfs all instal. pd.	....			32¼	Jan. 27,'97	34¼	32	341,000
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95⅛	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	99½	Jan. 30,'97	100	95	171,000
" 1st cons. 5's	1943	786,000	J & J	83½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	74	Jan. 20,'97	74⅛	74	39,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	79⅞	Sept. 9,'95	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	72½	Jan. 26,'97	74	72½	143,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	63½	63½	2,000
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Joseph & Grand Island 1st 6's	1925	553,000	M & N	48	Dec. 31,'96	....	....	....
" Cent. Tst Co. ctfs of deposit	....	6,447,000	......	49	Jan. 20,'97	49½	47½	80,000
St. Joseph & Grand Is'd 2d inc.	1925	1,680,000	J & J	4¼	Dec. 11,'95	....	....	....
" Coupons off	....	....	......	2	Dec. 10,'96	....	....	....
Kansas C'y & Omaha 1st g. 5's	1927	2,940,000	J & J	37⅛	Oct. 16,'95	....	....	....
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	104	Dec. 31,'96	....	....	....
" registered	....		J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	102	Dec. 22,'96	....	....	....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70⅛	May 28,'96	....	....	....
" 2d inc. 5's	1931	126,000	M & S	72⅛	Nov. 25,'91	....	....	....
" 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	114	Jan. 28,'97	114	112	7,000
" 2d g. 6's, Class B	1906	2,766,500	M & N	114	Jan. 28,'97	114	112	23,000
" 2d g. 6's, Class C	1906	2,400,000	M & N	113½	Jan. 28,'97	113½	112¾	9,000
" 1st g. 6's P. C. & O.	1919	1,041,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's	1931	7,807,000	J & J	111⅛	Jan. 30,'97	111⅛	108⅛	119,000
" gen. g. 5's	1931	12,293,000	J & J	98	Jan. 30,'97	98	94½	164,000
" 1st Trust g. 5's	1987	1,099,000	A & O	90	Jan. 15,'97	90	87½	17,000
" Trust Co. cefs for Cons. 4's all installments paid	....	1,450,700	A & O	63	Jan. 15,'97	63	62½	41,000
Ft. Smith & Van B. Bdg. 1st 6's	1910	335,000	A & O	104	Oct. 15,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	100	Jan. 19,'95	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	64⅝	Jan. 30,'97	64⅝	63¼	92,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	69½	Jan. 22,'97	70	69	47,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27¼	Jan. 30,'97	28	25½	54,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	90	Aug. 8,'96	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000,000	A & O	103½	Jan. 5,'97	103½	103½	1,000

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St. Paul, Minn. & Manito'a 1st 7's, 1909	357,000	J & J	105⅛	Jan. 18,'97	105⅛	105⅛	1,000
• small....................		J & J	106	July 29,'84	....	....	....
• 2d 6's....................1909	8,000,000	A & O	119	Jan. 18,'97	119	118¾	17,000
• Dakota ext'n 6's......1910	5,676,000	M & N	119	Jan. 22,'97	119	116¾	12,000
• 1st con. 6's.............1933	13,344,000	J & J	124	Jan. 27,'97	124	123	14,000
• 1st con. 6's, registered....		J & J	120	Aug. 19,'95	....	....	....
• 1st c. 6's, red'd to 4½'s....	20,323,000	J & J	103⅛	Jan. 30,'97	103⅛	102½	120,000
• 1st cons. 6's register'd....		J & J	105	Nov. 4,'95	....	....	....
• Mont. ext'n 1st g. 4's..1937	7,805,000	J & D	90	Jan. 26,'97	90	87¾	16,000
• registered..............		J & D	86	Jan. 29,'97	86	85	10,000
Minneapolis Union 1st 6's......1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	114½	Jan. 29,'97	115	114½	13,000
• 1st 6's, registered.........		J & J	....	....	....	....	....
• 1st g. g. 5's............ 1937	2,700,000	J & J	103	Dec. 18,'96	....	....	....
• registered..............		J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's..1908	4,700,000	A & O	104¾	Nov. 28,'96	....	....	....
• registered..............		A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	106½	Jan. 9,'97	106½	106½	5,000
• registered..............		J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's, 1943	18,886,000	J & J	57	Jan. 30,'97	57	54⅜	267,000
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's...1934	4,056,000	A & O	114	July 24,'95	....	....	....
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
• assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	93½	Dec. 11,'96	....	....	....
South'n Pac. of Ariz. 1st 6's 1909-1910	10,000,000	J & J	91	Jan. 30,'97	94¼	91	49,000
South. Pac. of Cal. 1st 6's.....1905-12	30,677,500	A & O	108	Jan. 11,'97	108	108	2,000
• g 5's.............1888-1938	652,000	A & O	85½	May 19,'94	....	....	....
• 1st con. gtd. g 5's.....1937	18,402,000	M & N	86¼	Jan. 29,'97	86¼	85¼	91,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	83½	Jan. 28,'97	83¾	82	133,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's....1911	4,180,000	J & J	104⅜	Jan. 29,'07	104⅜	102	122,000
Southern Railway 1st con. g 5's.1994	25,839,000	J & J	90½	Jan. 30,'97	91	89	568,000
• registered..............		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	89⅝	Jan. 18,'97	89¾	89	14,000
• registered..............		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	109	Oct. 27,'96	....	....	....
Atl. & Char. Air Line, 1st 7's..1897	500,000	A & O	121¾	May 25,'92	....	....	....
• income................1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's...1900	3,123,000	J & J	108½	Jan. 30,'97	108½	107¼	34,000
• divisional g 5's........1930	3,106,000	J & J	112	Jan. 27,'97	112	112	5,000
• con. 1st g 5's...........1956	12,770,000	M & N	108	Jan. 29,'97	108½	107	138,000
Ga. Pacific Ry. 1st g 5-6's.......1922	5,600,000	J & J	113	Jan. 26,'97	113	107½	28,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	113½	Jan. 29,'97	113½	112	16,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	119¾	Jan. 30,'97	120	117½	145,000
• equip. sink. f'd g 5's, 1909	1,328,000	M & S	100	Jan. 14,'97	100	100	1,000
• deb. 5's stamped......1927	3,368,000	A & O	95	Jan. 14,'97	95	95	5,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
• small....................		M & S	....	....	....	....	....
• ser. B 6's..............1911	1,900,000	M & S	....	....	....	....	....
• small....................		M & S	....	....	....	....	....
• ser. C 6's..............1916	1,100,000	M & S	....	....	....	....	....
• small....................		M & S	....	....	....	....	....
• ser. D 4-5's........... 1921	950,000	M & S	....	....	....	....	....
• small....................		M & S	....	....	....	....	....
• ser. E 5's..............1926	1,775,000	M & S	....	....	....	....	....
• small....................		M & S	....	....	....	....	....
• ser. F 5's..............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	102½	Jan. 21,'97	102½	100	33,000
• gen. 5's. gtd. stamped.1926	2,466,000	M & N	101	Jan. 7,'97	101	100½	7,000
W. O. & W. 1st cy. gtd. 4's.....1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	111½	Jan. 26,'97	112	111½	18,000
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	109	Jan. 16,'97	109	109	2,000
• 1st con. g. 5's.....1894-1944	4,500,000	F & A	106	Jan. 22,'97	106¾	105⅛	4,000
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105⅜	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	108	Feb. 19,'96	....	....	....
abine d. 1st 6's.........1912	2,575,000	M & S	107½	Apr. 16,'96	....	....	....
• on. m. g 5's............1943	1,620,000	F & A	94½	Jan. 30,'96	94¼	91¾	132,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	107	107	2,000
• 1st gold 5's	2000	21,049,000	J & D	88	Jan. 26,'97	89	85⅝	127,000
• 2d gold income, 5's	2000	23,227,000	MAR.	22⅛	Jan. 30,'97	22½	19¾	463,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	123	Dec. 30,'96	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,600,000	J & J	105	Jan. 28,'97	105	105	23,000
• 1st M. g 5's West. div	1935	2,500,000	A & O	104⅛	Jan. 21,'97	104½	104½	2,000
• gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	78	Jan. 20,'97	78	78	21,000
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	68⅛	Jan. 14,'97	68⅛	68⅛	5,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	72	Jan. 28,'97	72	69⅛	41,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	100	Jan. 27,'97	100	100	34,000
Union Pacific 1st g. 6's	1896	11,604,000	J & J	104⅛	Jan. 29,'97	104½	103	59,000
• g. 6's	1897		J & J	104½	Jan. 29,'97	104⅛	103	62,000
• g. 6's	1898		J & J	104⅝	Jan. 29,'97	104¾	104	61,000
• g. 6's	1899		J & J	104½	Jan. 23,'97	104½	104⅛	1,000
• g. 6's Tr.Co.cfs.ex mat cps 1896		15,625,000	......	101⅛	Jan. 29,'97	101½	100	154,000
• g.6's Tr.Co. cfs.ex mat cps 1897			......	101⅛	Jan. 26,'97	102½	99½	27,000
• g.6's Tr.Co. cfs. ex mat cps 1898			......	102⅛	Jan. 28,'97	103	100	68,000
• g. 6's Tr.Co. cfs.ex mat cps 1899			......	100¼	Jan. 13,'97	101¼	100¼	8,000
• collat. trust 6's		3,983,000	J & J	96½	Nov. 27,'96	....	....	....
• 5's	1907	4,970,000	J & D	75	Dec. 3,'96	....	....	....
• g 4½'s	1918	2,058,000	M & N	50	May 22,'95	....	....	....
• eng. Tr. Co. certifs			......	50	Jan. 23,'97	50	49¾	17,000
• gold notes, 6's stampd	1894	8,488,000	F & A	102	Jan. 27,'97	102	100	152,000
• Ext. sink'g f'd g 8's	1899	2,070,000	M & S	90	Jan. 26,'97	90	85	42,000
• eng. Tr. Co. certifs		1,391,000	......	89⅞	Jan. 29,'97	89⅞	87	28,000
Kansas Pacific 1st 6's	1895	1,303,000	F & A	109	Jan. 25,'97	109	108	88,000
• eng.Tr.Co. cfs. ex mat cps		779,000	......	....	....	....	....	....
• 1st 6's	1896	2,169,000	J & D	113⅛	Jan. 25,'97	113½	111½	39,000
• eng.Tr.Co. cfs. ex mat cps		1,894,000	......	95	Dec. 8,'96	....	....	....
• Denver div. assd. 6's	1899	2,973,000	M & N	116¼	Jan. 29,'97	116¼	113⅛	8,000
• eng.Tr.Co. cfs. ex mat cps		2,914,000	......	100¼	Jan. 23,'97	100½	96	5,000
• Tr.Co. ctfs. 1st con. 6's	1919	10,664,000	......	76¾	Jan. 30,'97	78	67	756,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	28	Jan. 29,'97	28½	26	34,000
At., Jewell Co. & West. 1st 6's	1905	542,000	Q F	27	Dec. 7,'96	....	....	....
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	24¼	Jan. 30,'97	24¼	23¾	23,000
• Den.&Gulf 1st c. g. 5's	1939	15,801,000	J & D	35	Jan. 29,'97	36½	35	14,000
Or.S.L.&U.N.Tr.Co.cts1st cn.g.	1919	10,792,000	A & O	73	Jan. 30,'97	73	63½	562,000
• assented		....	......	....	....	....	....	....
Oregon Short Line 1st 6's	1922	3,538,000	F & A	115¼	Jan. 27,'97	116	113⅛	32,000
• Trust Co. ctfs of dep		11,398,000	......	116	Jan. 29,'97	116	111¾	92,000
Utah & Nor'n R'y 1st mtg 7's	1908	1,031,000	J & J	118	Dec. 23,'96	....	....	....
• gold 5's	1926	1,877,000	J & J	100	May 14,'96	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's	1909	1,495,000	J & J	72	Jan. 29,'97	72	72	3,000
• Tr.Co. ctfs.ext. 1st 7's	1909	1,924,000	J & J	72	Jan. 29,'97	72	64	13,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	106⅞	Jan. 30,'97	107¼	106	350,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	72	Jan. 30,'97	73¾	70	350,000
• deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
• series B	1939	25,740,000	J & J	25	Jan. 1?,'97	25	22½	8,000
• 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	94	Jan. 29,'97	96	94	15,000
St. L., Kan. C. & N. St. Chas. B. • 1st 6's	1908	1,000,000	A & O	105¼	Jan. 7,'97	105¼	105¼	7,000
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	106	Jan. 25,'97	106	104½	30,000
• gen g. 2-3-4's	1943	10,000,000	A & O	49⅛	Jan. 30,'97	49½	46¾	4,000
• inc. 5's	1943	10,000,000	Nov.	13	Dec. 16,'96	....	....	....
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	90	Jan. 30,'97	90	90	1,000
• Wheeling div. 1st g. 5's	1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
• exten. and imp. g. 5's	1930	1,624,000	F & A	91	May 8,'96	....	....	....
• consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	2,364,000	J & J	33	Oct. 29,'96	....	....	....
• eng. Trust Co. certificates.		9,636,000	......	38¼	Jan. 22,'97	39¾	37	64,000
• income mortgage 5's	1937	7,775,000	A & O	7⅛	Nov. 13,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low.	January Sales. Total.
American Cotton Oil deb. g. 8's..1900	3,068,000	Q F	109	Jan. 26,'97	109	108	19,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	2,000,000	M & S	77	Jan. 30,'97	77¼	74	243,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	....		....	....	....
Bost. Un.Gas tst ctfs s'k f'd g. 5's.1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union GasCo.1stcon.g.5's.1945	12,336,000	M & M	108	Jan. 30,'97	108	105¾	251,000
B'klyn Wharf & Wh. Co. 1st g. 5's.1945	17,500,000	F & A	101	Jan. 30,'97	101	99½	159,000
Chic. Gas Lt & Coke 1st gtd g. 5's.1937	10,000,000	J & J	93¾	Jan. 25,'97	94¼	93	38,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107	Nov. 23,'96	....	....	....
Colo. Coal & Iron 1st con. g. 6's..1900	2,954,000	F & A	100	Jan. 18,'97	100	100	4,000
Colo. C'l & I'n Devel.Co. gtd g.5's.1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off..................	....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's..........1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's....1936	4,346,000	J & D	85	Jan. 19,'97	85	83¾	12,000
Detroit Gas Co. 1st con. g. 5's....1918	2,000,000	F & A	79¾	Jan. 30,'97	79¾	75¾	159,000
Edison Elec. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	111¼	Jan. 29,'97	111⅝	110	88,000
" 1st con. g. 5's............1995	2,130,000	J & J	106½	Jan. 29,'96	106½	104⅞	80,000
" Brooklyn 1st g. 5's......1940	1,000,000	A & O	110	Dec. 17,'96	....	....	....
" registered..................		A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.....							
" 1st con. g. 5's...........1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's.1905	2,000,000	J & J	99	Jan. 27,'97	99	95	27,000
Erie Teleg. & Tel. col. tr. g s fd 5's.1926	1,000,000	J & J	....		....	....	....
General Electric Co. deb. g. 5's...1922	8,750,000	J & D	96	Jan. 30,'97	96	90½	88,000
Grand Riv. Coal & Coke 1st g. 6's.1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Oct. 2,'95	....	....	....
Iron Steamboat Co. 6's...........1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Int'r Cond & Insul Co. deb. g. 6's..1925	500,000	A & O	81	Oct. 16,'95	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	94¼	Jan. 28,'97	94⅝	93½	66,000
" small bonds................			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's....1919	1,250,000	M & N	....		....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
" registered..................		M & N					
Mich. Penins. Car Co. 1st g 5's...1942	2,000,000	M & S	89½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's....1911	1,957,000	M & N	111½	Dec. 18,'96	....	....	....
Nat. Starch Mfg. Co., 1st g 6's...1920	3,837,000	J & J	100½	Jan. 28,'97	100½	100	12,000
Newport News Shipbuilding & Dry Dock 5's.............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.1904	2,100,000	M & N	103	Oct. 12,'96	....	....	....
" 2d 6's.....................1904	2,500,000	J & D	107	Jan. 22,'97	107	104	22,000
" 1st con. g 6's.............1943	4,900,000	A & O	102½	Jan. 29,'97	102½	100	57,000
Peoria Water Co. g 6's......1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's....1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 15t g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	102½	June 3,'96	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....		....	....	....
Standard Rope & Twine 1st g. 6's.1946	3,000,000	F & A	78	Jan. 30,'97	79⅛	73½	274,000
" " inc. g. 5's.1946	7,500,000	......	28	Jan. 30,'97	28	24	46,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,299,000	A & O	84¾	Jan. 27,'97	84¾	82	5,000
{ " Bir. div. 1st con. 6's	1917	3,490,000	J & J	85	Jan. 28,'97	87½	85	51,000
{ Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's	1910	2,484,000	F & A	83	Jan. 15,'97	83	81⅛	10,000
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	112¾	Jan. 30,'97	112¾	111¾	31,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	....	....	....	....	....
Western Union deb. 7's	1875-1900	3,720,000	M & N	110	Apr. 10,'96	....	....	....
" 7's, registered	1900		M & N	106	Sept. 30,'96	....	....	....
" debenture, 7's	1884-1900	1,000,000	M & N	105	Aug. 25,'96	....	....	....
" registered	....		M & N	....	....	....	....	....
" col. trust cur. 5's	1938	8,405,000	J & J	107	Jan. 29,'97	107	106½	37,000
Wheel L. E. & P. Cl Co. 1st g 5's.	1919	866,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	....	....	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897. *High.*	YEAR 1897. *Low.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
United States 2's registered	Opt'l	25,364,100	Q M	....	....	....	....	......
" 4's registered	1907	559,634,000	J A J&O	111⅝	110⅝	111⅝	110⅝	42,000
" 4's coupon	1907		J A J&O	112¾	111⅜	112¾	111⅜	78,000
" 4's registered	1925	162,315,400	Q F	122¼	120¼	122¼	120¼	21,000
" 4's coupon	1925		Q F	124	120⅛	124	120⅛	1,091,000
" 5's registered	1904	100,000,000	Q F	113¾	113¼	113¾	113¼	15,000
" 5's coupon	1904		Q F	114⅞	114¼	114⅞	114¼	8,000
" 6's currency	1898	29,904,952	J & J	103¼	103⅛	103¼	103⅛	8,000
" "	1899	14,004,560	J & J	....	....	....	....	......
" 4's reg. cer. ind. (Cherokee)	1897	1,660,000	MAR	....	....	....	....	......
" "	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Banes.—Col. Charles H. Banes, President of the Market Street National Bank, Philadelphia died January 15. He was born in Philadelphia on October 24, 1831. In the Civil War he became Captain of a company in the Twenty-second Regiment, Pennsylvania Volunteers. Three times he was promoted for gallant service on the field. In December, 1862, he was appointed Assistant Adjutant-General. He was in the field until June, 1864, being wounded three times and participating in forty battles.

Billings.—A. M. Billings, President of the Home National Bank, Chicago, died February 7. He was born at Roylston, Vt., in 1814, and went to Chicago in 1859.

Bennett.—Col. T. R. Bennett, President of the Bank of Camilla, Ga., died recently at the age of sixty-three years.

Camp.—Talcot H. Camp, President of the Jefferson County National Bank, Watertown, N. Y., and for many years one of the leading bankers of northern New York, died February 7, aged eighty years.

Cooper.—W. H. Cooper, Cashier of the Otsego County Bank, Gaylord, Mich., died recently.

Ervin.—Spencer Ervin, of the firm of Ervin & Co., Philadelphia, a well-known member of the Stock Exchange and prominent in the social life of that city, died February 11. He was also a member of the New York Stock Exchange.

Fogg.—Ebenezer T. Fogg, for many years Treasurer of the South Scituate Savings Bank, Norwell, Mass., died recently, aged sixty-eight years.

Herron.—Samuel D. Herron, Jr., Cashier of the Fourth National Bank, Pittsburg, died February 2.

Lincoln.—Amasa L. Lincoln, Cashier of the First National Bank, Santa Barbara, Cal., died February 9.

McMillan.—W. C. McMillan, Vice-President of the Charleston (Ind.) Bank, died recently at the age of sixty-five years.

May.—Frank May, formerly chief Cashier and practically Manager of the Bank of England, until he resigned in 1893, died in London, February 9.

Nichols.—C. O. Nichols, President of the Wellman (Iowa) Savings Bank, died recently at the age of seventy years.

Oller.—J. F. Oller, President of the Bank of Waynesboro, Pa., died January 30, aged seventy-two years. He was a Bishop of the German Baptist Church.

Pomeroy.—Samuel W. Pomeroy died January 12. He was a prominent banker at Troy, Pa., and was also President of the Miners' National Bank at Blossburg, in that State. Mr. Pomeroy was born at Troy, Pa., Dec. 8, 1821.

Porter.—J. H. Porter, who was the first Cashier of the Merchants' Bank, Atlanta, Ga., and afterwards its President, died in that city January 20. Mr. Porter was born at Madison, Ga., in 1829. He had held many responsible positions. The worry incident to the recent failure of his bank is believed to have hastened his death.

Taylor.—Frederic Taylor, senior member of the firm of Frederic Taylor & Co., New York city, and a well known and popular banker, died February 4. Mr. Taylor was born in 1837, and after obtaining an academic education was graduated at the Jefferson Medical College, Philadelphia. He afterwards engaged in the dry goods business, leaving this to engage in banking. At one time he was Cashier of the Continental National Bank, and was a director of that institution at the time of his death. He was popular as a political and after-dinner speaker.

Thompson.—Oliver T. Thompson, a well-known resident of Washington, D. C., and a director of the Central National Bank since its organization, died February 5.

Van Miller.—William Van Miller, Cashier of the Wyandotte (Mich.) Savings Bank, died recently at the age of seventy-two years.

Whiley.—Samuel Whiley, President of the Farmers and Citizens' Bank, Lancaster, Ohio, died January 22, aged sixty years,

THE

BANKERS' MAGAZINE.

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THE PROSPECT OF A REVIVAL OF BUSINESS during the year 1897 can still be considered favorable, although the work of the session of Congress which has just closed has been disappointing to those who understand how easy it would have been to help the situation by even a very little judicious legislation. After the November election, and the signal triumph of the people of the country who believe in honest money and honest business methods, it was hoped, and by some confidently expected, that mere political rivalry would for a time be laid aside, and that the representatives of the defeated party, as well as their victorious opponents, would join in carrying out what to plain men appeared the expressed will of the people.

The success of the campaign was indisputably due to the ardor and earnestness with which the merits of the existing gold standard were impressed on the minds of the voting public. When the campaign opened the minds of the masses were darkened and confused by the avalanche of fallacious and taking literature on behalf of the free coinage of silver, in which the latter was portrayed as the true remedy, discovered by white-haired doctors who had passed long years in the vale of experience, for the inequality of wealth, for the poverty that affected many, for lack of employment, and for all the other ills, social and otherwise, of which humanity had been gravely aware since the panic of 1893.

These clouds of prejudice were in a great measure successfully dissipated, and a majority of the voters, in numbers, in wealth, and in intelligence, recognized the value of the gold standard and the necessity of currency reform. They declared for the maintenance of the gold standard. The dangers that threatened this standard from the imperfections of the paper currency system were well known.

It seemed impossible that Congress, meeting so soon after the will of the people had declared itself, should or could hesitate to do what was necessary to remove the dangers that surrounded the demand liabilities of the Government. But these expectations have been disappointed, and all that has been accomplished by the last session of Congress has been to dampen, to some extent, the enthusiasm of those who thought that the hour of reform was near. In fact, the politicians appear to have been disgruntled at the popular verdict which had made the chief stone of the corner out of the block which the trained builders had sought to reject.

At the beginning of the campaign the politicians had sought to advance the tariff before the currency question, and kept it up until they found that the latter question was the one that everyone wanted to know about. The tariff dropped out of sight. But when Congress met the politicians trotted out their old pet and gave it the first place during the whole session. The defeated minority, taking advantage of this blunder, caught up the international monetary conference issue, and with great ingenuity of pretence, seeing that the legitimate defenders of the gold standard and currency reform had side-tracked themselves on the tariff issue, they gained all the advantage of the initiative upon the currency question. They pretended that the victory in November was due to the vague promise of bimetallism by international agreement made in the platform but little noticed during the campaign. It was this promise that had, they claimed, held back countless voters from supporting BRYAN and free silver. They put their opponents on the defensive, and in so doing won a tactical victory.

What this conference can possibly amount to in an intrinsic sense has been considered elsewhere, but as a great political means of keeping life in a dying cause it has its uses and also its dangers. Neither the claims made by its supporters nor the apprehensions of its opponents will be realized. This last Congress has done its work whether the result be good or bad. While the majority had the power to have done much to advance prosperity, it was not strong enough in the Senate to pass any definite measure in favor of either sound tariff or sound currency. The retiring Administration had no influence it could bring to bear on the obstructionists in the Senate. The hope that something might be accomplished was based upon the expectation that the stony hearts of the heretofore irreconcilable element in the Senate might have been softened by the will of the people as declared in November. But they turned up, like Pharaoh after the first few Egyptian plagues, with their hearts more hardened than ever.

If Mr. McKINLEY calls an extra session of Congress, which at this writing seems most probable, the frame of mind of the obstructionists in the Senate is still an important problem. But the influence of an incoming Administration, with four years before it, is very much more powerful to ameliorate legislative opposition than that of the retiring one. The rising sun is more powerful than the one just sinking in the clouds. The loyal Republicans in the Senate will moreover be stronger than before, and patronage has a great charm in weakening useless obstruction. There is, therefore, reason to hope that the extra session may in some degree be willing to carry out the wishes of the people as to currency reform.

But the hopes of a return of prosperity do not rest altogether upon legislation. There is the great recuperative force of the people of the United States. Business energy and capital are not to lie supine forever, even if legislators refuse to act. They will eventually discount the existing bad conditions and thrive in spite of them.

The low prices prevailing since 1893 have cleared the markets of large stocks of manufactured and other products. These must be replaced. New markets have been opened under the influence of these low prices. Manufacturers have learned how to look abroad for new outlets for their outputs. Business is reported as reviving in England, France, and Germany. There are signs that enterprise is awakening in all directions throughout the United States. The light appears to be breaking. If all these indications advance favorably the return of prosperity will have little to ask from legislation.

An extra session of Congress that does nothing to arouse alarm would be better than one that undertakes to modify existing tariff laws. The tariff investigations during the session of Congress that has just closed show that the men representing the interests demanding further protection were influenced in their demands more by the depression that has prevailed since 1893 than by what might be the real needs of their industries in normal times. They were largely the demands of men suffering from panic, and should serve as a warning that times of depression are not the most advantageous for devising really beneficial protective measures. They are an argument for cautious proceedings on the subject during the extra session.

On the whole it appears from the action of the last Congress that the country should cease to place its main dependence on legislative relief. So long as it does it will delay real recuperative effort within itself. But when this effort comes the action of Congress will have little effect in either making or marring it.

THE DEATH OF WM. P. ST. JOHN, in consequence of the overwork, excitement, and disappointment of the late campaign, is another illustration of the willingness of men to become martyrs in almost any cause good or bad so long as that cause is conscientiously believed in and supported with sincerity. Loyalty and devotion to party or to ideas are not necessarily founded in reason, but even when devoted to a wrong cause these qualities are intrinsically noble and arouse admiration.

Mr. ST. JOHN was the victim of what CARLYLE has styled a "fixed idea," and the same author says that "men with fixed ideas are not like other men."

His training in business, the places he held, and finally his last position as the President of a leading bank in New York city, make it a puzzle to his contemporaries to discover how he convinced himself of the righteousness of the cause of silver. All his ordinary associates, men of character and intellectual power, were on the other side, and some of them could not always refrain from impatience with his vagary, while in all other points they agreed with and honored the man. What made him take the side of silver will always be a mystery. It was not from any hope of political advancement, or financial emolument. All who knew him personally agree in acquitting him of any design to advance his personal interest. This is reremarkable, as it is a cynical world given to the discovery of base motives even through the thickest of millstones. But not only had he nothing to gain, except the glory of leading a forlorn hope in behalf of a losing cause, but he had much to lose.

As a prominent banker in New York city his fixed idea attracted wide attention. If he had lived in Kansas or Colorado or even California or Texas, no attention would have been paid to the view he advocated. But in New York city, he was as distinguished by it as a cowboy in full buckskins and sombrero would be among the habitues of the Union League Club.

His position grew so incongruous that he had to face the question of surrendering his idea or giving up the presidency of the bank and a salary of $18,000 per year. He gave up the office and the salary and stuck to his idea. He could have little hope of emolument from his new associates in the dying cause of silver. In fact he gave more than he received both in hope and in resources.

Nothing but good should be said of the dead, whatever their lives. But in Mr. ST. JOHN'S case it would be impossible to say anything else. The spirit of self-sacrifice, the courage to help the weaker side, the intensity of view that seemed to prevent him from admitting side lights that might have made him distrust his own logical method, are all qualities of noble and gifted minds. ST. JOHN lacked the power to moderate his favorable estimate of arguments on his own side, and also to moderate the depreciation of what might be said against it. The warmth of conviction and cocksureness on every point with which he advanced his arguments made him an impressive speaker, but in cold type the impression weakened.

The undue exaggeration of intrinsically noble qualities, both intellectual and moral, brought about the catastrophe of his life. His unconquerable sincerity and tenacity of intellectual mold formed a composition into which the fixed idea of the possibility of the rehabilitation of silver entered, like an arrow penetrating a living target, and fixed itself so firmly as to leave no hope of withdrawal unless the life accompanied it. All his friends, while regretting the causes that led to his premature death, will remember him for the splendid strength and uprightness of his moral nature.

His fate should lead all men who occupy positions of influence, and whose moral natures are sensitive, to continually beseech Providence to save them from becoming the victim of a fixed idea.

THE INTERNATIONAL SILVER CONFERENCE provided for in the bill which has passed both houses of Congress, is a remarkable instance of promptness in carrying into effect promises made in political platforms. The promise to advance bimetallism by an international agreement was entirely lost sight of by Republicans during the campaign and was only used by BRYAN as a taunt to his opponents. Nevertheless, the holdover session of Congress will probably point to the international conference bill as its most distinguished achievement.

Every one knows that the prospect of any serious consideration by foreign nations of a proposition to coin gold and silver at anything like the old ratios of fifteen and a half or sixteen to one is hopeless. Senator WOLCOTT, in his investigating tour, only confirmed what was before known, that the nations of Europe are grown very indifferent to bimetallism, and still more so to the American form of bimetallism, which consists in the free coinage of silver at sixteen to one. It is a patent absurdity, to send a commission without power to do more than consult and report, and expect that it will settle a question about which neither the people nor the Government have definitely made up their minds.

If the Government and the people of the United States were really in favor of the free coinage of silver, and wished for the concurrence of foreign nations, the necessary treaties could be made by the Ministers of the United States at foreign capitals. According to the November election the majority of the voters are opposed to free coinage and are in favor of the single gold standard, and the action of Congress providing for an international silver conference seems to be directly opposed to the will of the people as most lately expressed. In that nothing practical can be accomplished by an international conference, upon a subject which, to all the nations who might send delegates to such a conference, is in fact *res adjudicata*, there would seem to be no reason for opposition to the measure. Let those who want such a conference have their plaything. If it does no good, it can do no harm.

The danger from such legislation is not, however, in any possibility that foreign nations will agree to the free coinage of silver, but in the prevention of the settlement of the monetary question in the United States. It is one step in the policy of persistent, undying agitation that enables so many people to get a living and some of them a degree of notoriety hardly to be distinguished from fame.

Probably, out of sheer courtesy, most of the great powers of Europe would send delegates to any monetary conference in which the United States may take the initiative. But of late years no one has heard of any monetary conference set on foot by England, France or Germany. There seems also to be a very good understanding on the subject among these powers. France is always supposed to be the very Mecca of bimetallism, the land where the sacred ratio of 15½ to 1 was invented and made historic.

Senator WOLCOTT, interviewing the French Premier MELINE, learned that nothing could be done unless the consent of England and Germany was previously obtained. He found no encouragement either in England or Germany. The three countries that on account of their predominant wealth and foreign commerce direct the chief financial movements of the world, have agreed no doubt to treat the importunate demands of the United States with due surface respect, while they must laugh in their sleeves at the spectacle this country makes of itself every time a monetary conference to advance the the rehabilitation of silver is demanded.

But it is not the harm that is done by the initiation and session of such a conference that counts. In reality it is but a puppet show in which the delegates have no more real force or power than so many cardboard puppets. Like the Roman augurs, they would be in danger of laughing in each other's faces if it were not that the habitual study of the silver question takes all the power of laughter out of a man. A more serious lot of men than STEWART, PEFFER, JONES, NEWLANDS, CHANDLER, and that ilk, were never seen. The burden of oppressed silver weighs them down.

The conference itself can only result in failure, but it is now claimed by the opponents of the gold standard that if it had not been for the expectation that bimetallism would be eventually secured by an international agreement, a larger number of votes would have been cast for free silver. Now, if an international conference be tried and fails, by that time the people of the United States will at length know that if they want bimetallism they must secure it by their own efforts, unaided by foreign nations. Therefore the advocates of the free coinage of silver, judging rightly that an international monetary conference is a fraud and a delusion, nevertheless vote for it in Congress, because it annoys the enemy and may perhaps aid the cause of free coinage in the long run.

The worst feature of the international monetary conference is that it establishes what Mr. LYMAN J. GAGE, in a recent speech in Chicago, called an "emotional centre" in the body politic from which the utmost stimulus can be given to the silver agitation, keeping it on foot to the detriment of the public and private credit. Agitation on one side can only be counteracted by similar agitation on the other. There is, however, the possibility that foreign nations will refuse to be parties to a merely political farce for the benefit of a few professional politicians. England, France and Germany may politely decline to participate in discussing a question they have already satisfactorily settled. Probably a gentle hint to flock by itself on the silver question would be a benefit to the United States and would be accepted as a blessing by the great majority of citizens. Half of the belief in silver among the masses of people rests on the idea that the masses of the people in foreign countries are in favor of silver.

If the idea could fix itself in the universal mind at once, as it must eventually, viz.: that the gold standard has come to stay, then all the strength wasted in threshing over old straw might be saved.

It is probable that the refusal to participate in an international monetary conference, by the powers of Europe, instead of weakening the cause of sound money in the United States, would forever strengthen its most vulnerable point.

THE BRANCH BANK SYSTEM was proposed recently in an address by WM. C. CORNWELL at the banquet of the Boston Merchants' Association, quoting Mr. B. E. WALKER, of the Canadian Bank of Commerce. The proposition was to confine the privilege of establishing branches in the same State with the parent bank to banks located in that State having a capital of $1,000,000, and to grant the privilege of establishing branches in all parts of the Union to those banks only that had head offices in New York city and a capital of $10,000,000.

Mr. CORNWELL is, of course, in favor of gradually modelling the banking system of the United States upon the system now in successful operation in the Dominion of Canada.

In regard to the merits of the Canadian banking system there can be no very great dispute. It is a strong, safe system. It affords a secure and elastic bank-note currency and it effectively collects and judiciously distributes the banking capital of a rather poor country and makes it perform the functions of developing that territory to the best possible advantage. It is therefore perfectly natural that Mr. CORNWELL would like to see a system of similar safety and efficiency adopted in the United States.

But, on the other hand, no one who has examined the political and social conditions existing in Canada, can avoid the conclusion that they are altogether different from those existing in the United States. There is a tolerance of class rule there derived from the education and bearing of the population on lines modelled on the class distinctions that prevail in Great Britain. The masses of the people do not object to the real and assumed superiority of the more advantageously situated classes.

The banking fraternity in Canada, as well as capitalists generally, occupy there a similar position to the hereditary aristocracy in England. There is the same struggle for position and title, to compare small things with great, as there is in the mother country. And among the lower classes there is a degree of acquiescence and subserviency to superior wealth and rank that does not find its counterpart among those of the same walk in life in the United States.

While in Canada there is plenty of opportunity for the individual to better his position, yet the struggle to success is on the whole a longer and more difficult one than in the United States.

Even in the business of banking the subordinate positions are much more poorly paid and the service without promotion longer than in the United States. No doubt the training is excellent, but there are fewer openings for the men when trained. We seldom hear of American banking men seeking positions in Canada, while many men now prominent in banks in this country received their training in the Dominion.

All of this is no disparagement to the social or banking system of Canada, but it indicates how radically different are the conditions under which the Canadian system of banking has been successful. It is not claimed that it would not be successful if established in the United States, but merely that the objections to it on account of what would be styled its monopolistic tendencies will absolutely prevent its being adopted by legislation in this country.

There are only thirty-eight banks in Canada, each with large capital and all exercising the privilege of establishing branches in any part of the country. To establish a new bank is almost impossible, not only because of the large capital required, which it would be almost impossible to find, but also because the existing banks absorb all that accumulates, and because these banks are banded together and exert a certain influence on Parliament to prevent the charter of any new institution. They claim, no doubt justly, that they already furnish all the banking facilities that the country requires, and it would be very difficult to make it appear otherwise. A new bank could only be chartered by the combination of very influential and wealthy persons, or by Government necessity.

Now, whether this be right or wrong in a political and economic sense, does not matter ; but it runs counter to the ideas prevalent in the United States. Even the National banks of this country, feeble and divided as they are, and unfitted to form any combination for influencing legislation, are looked upon by the masses of the people with suspicion, and nothing is easier than for demagogues to rouse a storm of popular displeasure against them.

The Canadian system is practically a bank trust. They can by concerted action control the issue of currency and the rates of interest, and no one doubts that they do control them with an intelligent selfishness that might be a benefit if it could be exercised in the United States. Nevertheless such power in the hands of the banks here or of a class of banks here would not be tolerated.

In a former article the difficulties which the establishment of branch banks would encounter not only from the politicians but also from the existing banks were set forth. If the privilege of branches is granted at all it must be granted to all banks alike. The small institutions that now furnish facilities throughout the country will naturally look upon a branch of some big bank at the money centres, established near them, as a rival, and will do all they can to prevent the possibility of such an eventuality.

To confine the establishment of branches to banks having $1,000,000 capital, and letting these place their agencies in the same State only, and to grant the privilege of establishing branches throughout the Union to those banks only that are located in New York city and possessing a capital of $10,000,000, would be in effect to introduce the Canadian banking system by indirection. The establishing of branches by some banks of large capital would compel all other banks to increase their capital and also obtain the privilege or go out of business altogether. The result of a law in accordance with the proposal quoted would in a few years be to reduce the number of banks in the country by consolidation and otherwise to four or five hundred banks at most, all of them with a capital of $1,000,000 and upward. Each of them having from fifty to one hundred branches in every part of the country. These branches would in the end take the place of the existing small banks. That this would be the ultimate result of the branch system can not be doubted. The managers of the parent banks would form a syndicate by which all the banking facilities of the country would be directed and furnished. It is just as well for every one to understand what the adoption of the branch system means.

The proposition cited indicates (and it is the opinion of an experienced judge) that unless the parent banks were institutions of large capital it would not be safe to have the branch system. Otherwise, if all banks alike are to have the privilege, there might be a large field for the operations of the ZIMRI DWIGGINS type of banker.

Now, we do not say it would not be a good thing, both for the people and the country, to establish a strongly capitalized branch bank system. To deny it would be to deny the advantages of a strong central, and to some extent arbitrary, government. The real question is, Will the social and political conditions existing in the United States permit the establishment of such a system.

The truth is that the methods of banking now extant in this country have grown up in conformity with the ideas and customs of the people. The faults and defects are due to the necessity of this conformity, and they can only be remedied in the same line as the general intelligence and growth of the country require.

The manifestations of the popular mind on the banking question, as far as they can be interpreted, show that greater rather than less freedom is the thing hoped for. The agitation for the repeal of the ten per cent. tax on State bank circulation is the outgrowth of this feeling. The support and patronage received by the thousands of small private and State banks is another indication of it.

The small bank, in spite of the fact that it is necessarily less safe, attracts the small depositors and the business men of small capital apparently more strongly than the larger institutions. The accommodation is obtained more readily and sympathetically, even if higher rates are paid. Both customer and bank are struggling and feel for each other's welfare. It is doubtful whether branches established by large banks would be able to compete for much of the business now done by the small country banks.

In fact the branch question is not one to be solved offhand nor by those who look simply at the clock-work regularity of high finance, but the wishes and even the prejudices of people in remote and sparsely settled sections, who in the aggregate constitute a large part of our population and who carry on a most important share of the nation's business, must be fully reckoned with in accomplishing banking reforms through the medium of a popular legislative body—the only source from which such reforms can come.

COUNTRY BANK CHECKS and their curious wanderings were illustrated in the last number of the MAGAZINE in the department of Practical Banking. The instances given were probably extreme ones and perhaps illustrate the possible abuses of the collection system now prevalent rather than the usual course taken in such collections.

Most of the illustrations given were of very small, in fact rather insignificant, checks, about which carelessness in handling would naturally creep in where any carelessness at all is allowed. It is fair to conclude that these are exceptional cases, the study of which may be useful in perfecting the method of collection, but which do not afford any great argument against the use of country checks.

The utility of these checks to the business of the land, and also their indirect benefit to the banks themselves, have been discussed in previous numbers of the MAGAZINE.

The ability given by the bank account to the business man to liquidate his indebtedness, large and small, by means of his individual check teaches the public to recognize the utility of banks in a most forcible manner. Competition among the banks for business leads them to collect these checks, when deposited with them by a regular customer, without charge. The labor and expense of the clerical work attached to these collections are compensated for by the increase of deposits and by the reduction of the amount of currency required as reserves and to do business. If it were not for the growing use of these checks in all manner of business the pressure for currency in stringent times would be more severely felt than it is. The great bulk of the checks of any importance are doubtless collected as speedily as circumstances allow, which is all that can be expected.

Some banks, in places that lie off the lines of railroads, are reached with difficulty, and the motive of the zigzag journeys seems to arise from the disposition of each bank to shove the trouble there may be in collecting an unimportant item off on the next one.

The danger from laches seems to be very small, as hardly any bank that pretends to collect at all would dare to take any risks with an item for an important sum of money represented by a check sent by a valued correspondent. The difficulties of communication will be lessened as roads are improved, as trolley lines are built through the country, and more especially when the postoffice extends free delivery of letters to all parts of the country.

At any rate the growth of the use of individual checks in all kinds of business is one that should be fostered by all the banks in the country, notwithstanding the vexation which occasionally is natural over a few of these exasperating small items.

THE "PALL MALL GAZETTE" sums up the results of Senator WOLCOTT's search for the Holy Grail of bimetallism in Europe by remarking that "he came as the private advocate of a cause discredited by the majority of his countrymen, * * he met many distinguished people in England, France and Germany, but in not one of these countries did he find that bimetallism was considered necessary to its welfare. Though his mission was absolutely fruitless it was quite as successful as it deserved to be."

It was a purely private mission and its object was most probably the private political benefit of Senator WOLCOTT. In the national convention he dared to oppose the course of his senior colleague and the silver sentiment of his State. And this visit to Europe was to make himself solid by means of that old lure, the international monetary conference, that Holy Grail of bimetallism, mysterious and evasive, but which when found will draw the weeping silver goddess from her place of humiliation, and set all the silver saints and martyrs on richly ornamented pedestals.

Before starting he called on Mr. MCKINLEY, at Canton, but as the "Pall Mall Gazette" adds, "there is no evidence that the President-elect was in sympathy with Mr. WOLCOTT'S mission.

Anyone might have called on Mr. MCKINLEY and if of sufficient importance the fact would have been noted in the newspapers, but the mere circumstance that a man starts from Canton to the Arctic regions is not conclusive that Mr. MCKINLEY sent him with political authority to discover the North Pole.

But notwithstanding all this, Mr. WOLCOTT will accomplish his private design, if he succeeds in convincing his constituents in Colorado that he has been working hard for silver.

THE FREE SILVER LITERARY CAMPAIGN is still kept up, and to counteract the influence of efforts made in this direction a National Sound Money League has been formed. Mr. CHAS. S. FAIRCHILD, ex-Secretary of the Treasury, chairman of the Committee on Sound Currency of the Reform Club, recently sent out a letter asking for subscriptions for the support of the sound money cause.

Mr. FAIRCHILD writes that the advocates of free silver and fiat money are as active and aggressive as ever, and that the Coin Publishing Company, on January 1, sent letters to 5,000 newspapers, offering to furnish free coinage literature of the type of "Coin's Financial School," in the form of plates and supplements.

The call for a meeting to organize a National Sound Money League recently issued was signed by more than one hundred of the best-known men in New York. The object of the league is to have an organization that can successfully combat throughout the whole country the ceaseless agitation kept up by the advocates of unsound money.

"Coin's Financial School," though answered again and again, though utterly demolished whenever brought to the test of sound argument and reality of statement, still continues the leading work on the fiat money side.

The success of the book is due to the circumstance that on the start it deeply impresses upon an audience ignorant of the subject-matter to be discussed, that the subject of finance is easily understood by babes and sucklings. Coin is represented as a youth of twelve or fourteen who has learned all about the mystery while at school, and is now able to unveil the hypocrisy of lifelong bankers and financiers who have falsely pretended that finance is an abstruse subject.

In a quotation from one of the gospels Coin complacently thanks God that "Thou hast hid these things from the wise and prudent and hast revealed them unto babes." After Coin has got hold of an audience and instilled the idea that after hearing his alleged facts they are fully instructed in finance, it is rather an uphill job for sound money men to tear down the fortress of self-conceit with which Coin has caused his victims to surround themselves.

As Caligula, when in an economical mood, gave each of his prætorian guards a *dollar* and said, "Go now, quirites, and enjoy yourselves; you are rich—just as rich as I am"—so Coin gives his disciples a magic-lantern glimpse of financial fact, and says go forth full-fledged professors of monetary science; you know as much as I do!

Coin, in his mind, encountered numerous champions of the sound money cause, and has in his book portrayed how he humiliated their proud heads, and trailed the gray hair of their experience in the dust. If Coin had kept these visions of his to himself no one would have known anything about these terrific encounters. But as he has printed his dreams in a book, many think that the fierce intellectual tournament between this babe and suckling and the money kings of Chicago actually took place. There are pictures and letter-press in the book; how could these things be unless they had a real existence.

Among those whom Coin encountered and overthrew, or dreamed that he did, is Mr. GAGE the new Secretary of the Treasury. This is the way it happened, according to Coin. "I would like to ask a question," said Mr. GAGE. "Proceed," said Coin. Mr. GAGE asks the test question how there can be a fixed ratio of value between two metals that from time to time vary in the quantity produced. Coin affects to answer it by making distinction between a commercial demand and a demand for money purposes. If the mints of the world are thrown open to the free coinage of silver, Coin asserts, there will be unlimited demand. This unlimited demand, however, turns out to be limited by the mint price and there are other contradictions and incongruities in Coin's answer. Mr. GAGE says nothing, but after studying for some time becomes interested, says Coin, and resumes his seat. Maybe he was only tired of standing. It was good judgment this taking his seat, however, for Coin goes on for several pages more before breathing again. "And now," said Coin, "If I have not answered Mr. GAGE's question, I want him to say why I have not." At this, as Coin says, you could have heard a pin drop.

There lacked not men of finance
Nor men of stocks and face,
For all Chicago's wealthiest
Sat round the fatal place.
But all Chicago's mighty men
Felt their hearts turn to gruel
To hear Coin answer Mr. GAGE
With words so brave and cruel.

If Mr. GAGE could have heard a pin drop perhaps he might have been able to refute Coin's reasoning, although Coin says there were no defects in it and that it was logical. Then Coin alleges that Mr. GAGE came to an agreement with him. What they agreed was that if the nations coining silver before 1873 should resume such coinage, the commercial ratio and the legal ratio would be maintained. The book recites these alleged arguments and agreements and triumphs of Coin as if there had actually been a school of finance held, as if Coin, who pictures himself as Cupid clothed in a dress suit, had really appeared to and instructed, badgered and refuted the gray-bearded financiers of Chicago. Not one of these alleged things are true. There was no such school of finance ever held, there is no such impudent youth as Coin. The whole work is a mere allegory of which the statements may be characterized as "interesting but tough."

It is literature like this, produced by the authors of such books as "Coin's Financial School," without the least regard to facts or truth, but with a sole view to attract by startling statement, that the masses of the people are being stirred up against sound money and stable and orderly government. It is due in a large part to such lying literature, circulated for purposes of agitation, that the country is now in such a condition that Representative CALDERHEAD, of Kansas, declared in a discussion before the House Committee on Banking and Currency, "there was already an insurrection in this country, lacking only a leader." Such language reminds one of the language in the Assembly during the French Revolution. Part of this state is due to the lack of organized opposition to these appeals to the worst phase of human nature, to the envy of superior wealth or merit. The call for a national league, to be organized in every part of the country to combat these insidious influences, is made by men who understand the necessity of the hour. If these influences are permitted to augment their power without check they must in the end inaugurate anarchy. The cost of combating them now is less than it will take to put down anarchy in arms hereafter.

A REVIEW OF THE SITUATION.

BY A DEMOCRAT WHO VOTED THE REPUBLICAN TICKET.

This article has just been published by the "Nation" in Berlin, organ of T. Barth, leader of the Liberal party; it has now been revised by the author for the BANKERS' MAGAZINE.

The loyal press of the country continues to hunt for signs of the prosperity which Republican victories were expected to bring. Speculative merchants and unsuccessful manufacturers indulge in the delusive hope that they will get higher prices under the protective tariff of the future, while they can hardly meet obligations incurred at the low prices of the past. It is true that confidence in our integrity was strengthened when a large majority voted against repudiation ; money hoarded by sanguine partisans of Bryan and timid followers of McKinley, having been returned to financial institutions, increased their deposits until rates of interest are lower than ever, a sign of unusual stagnation. There are not many buyers for our securities while the number of sellers has diminished; a rise of values has followed, but no disposition to encourage new enterprises is apparent. There is a demand for safe mortgages on productive real estate and good commercial paper, but rather than incur the slightest risk, capitalists prefer to allow their funds to remain idle. Exports exceed imports and the balance of trade is largely in our favor. Nevertheless, trade languishes; railroads suffer for want of patronage ; iron, the barometer of prosperity, is depressed : while some mills have resumed work, others have been compelled to curtail.

The elation of the fourth of November naturally gives way to depression, when sober second thought brings home the question, "What have we accomplished after all ? Will Republicans be able and willing to redeem their pledges in regard to the currency ?" To begin with, they would have to retire the greenbacks which, for all the mischief they have done and are apt to do, remain as popular as ever ; if they were funded into low interest-bearing bonds, available for bank reserves, the cancellation would create little disturbance of the money market. The national banking system could be remodeled to meet the requirements of business by a reduction of taxes and an extension of the privilege to issue notes, the surveillance by the Comptroller of the Currency to continue.

There are so many different opinions amongst the best friends of reform that it will be difficult to reconcile them. The Administration and a majority of Republican representatives may finally agree to adopt some of the measures indicated, but a minority could prevent their passage by joining Southern Democrats. These would prefer the re-establishment of State banks, although their issues could never command the confidence which National bank notes enjoy, as long as the financial administration and credit of the various States continue to differ. Some representatives share the aversion of their constituents against all financial institutions, which they would rather embarrass than aid, considering them instruments used by the rich to oppress the poor.

It is probable that these questions will be discussed before and by the Committee on Finance ; steps may be taken to see if an international agreement for bimetallism is possible, especially if Senator Wolcott returns from his semi-official mission with a hopeful report. Such efforts are apt to do harm by the uneasiness they are bound to create while they can do no good ; hopeless as they are, they will fail to conciliate silver Republicans.

The Indianapolis convention and similar demonstrations could have a wholesome influence if Congress were not jealous of its prerogatives so that it has become disinclined to listen to the advice of the best outside experts. Granting to Mr. McKinley the best intentions, I fear that we will continue to drift along without an adequate system of banking, and without a defined financial policy until some crisis more serious than we have yet experienced will shake the foundation of our national credit and arouse public opinion to the necessity of action.

Uncertainties about the Tariff.

A chief cause of the uneasiness which continues to prevail is uncertainty about the tariff. The haste with which Congress arranged for the recent hearings shows a determination to assist its successor to dispose of the question when it will be convened in extra session as soon as it can be brought together.

One fault of the present law, want of sufficient revenue, could be removed by stamp taxes, increased excise on beer, and similar simple measures. But they would permit a practical continuation of the Wilson law, to which Republican members attribute the evils from which we suffer. Conceding that some provisions of this law are unjust, the country would suffer less by their retention than by the upheaval which inevitably follows radical changes such as are contemplated. The disturbance they are bound to create would be easier to bear if it were possible to foretell what they will be. Trade is less hindered by unwise legislation than by the fear of it. As long as natural differences between conflicting interests of the various classes of protectionists cannot be harmonized, legislation will be delayed and uncertainty continue. Some producers of raw and half-finished material clamor for rates in proportion to which the finished goods could not be protected without prohibiting their importation.

One of the most difficult questions the Committee on Ways and Means will be called upon to solve is the duties on wool and woolen goods. Wool is now admitted free of duty. Judge Lawrence, advocate of the growers, wants 12 cents per pound on clothing fleeces, 24 cents when they are skirted, the state in which they usually come here. This would be equal to more than a hundred per cent. of present values. Such protection is claimed on the ground that prices have continued to fall ever since duties were abolished. It is true that they are lower than they ever have been, but they would probably have declined anyhow. Wool is as cheap in other countries where the price could not have been influenced by a tariff, because none existed.

Hard times have restricted the consumption of manufactured goods, until the value of material has declined the world over. Extreme rates, such as Mr. Lawrence proposes, will bring no permanent relief. Our farmers who raise sheep suffer no more than their neighbors who rear swine, and who ask for no protection on bristles.

The industry, which is as old as history itself, has reached the greatest state of perfection in England, where an export duty was put on wool in 1337, to encourage its use by home manufacturers. The first tax on imported wool, of any moment, levied in 1819, was reduced in 1825, and abolished in 1844 : within fifteen years the annual production of the staple in Great Britain increased from 100,000,000 to 150,000,000 pounds, while importations of foreign wool increased from 60,000,000 to 133,000,000 pounds, illustrating that English manufacturers soon learned how to take advantage of the benefit of free raw material, while English wool growers did not suffer. At present it is admitteed free by every civilized nation except Spain and Russia.

Abundance of cheap grazing lands in our western territory, and the fact that it requires no skill and little labor, should enable us to raise wool as cheap as any other country.

It goes without saying that consumers of clothing wool oppose the proposed rates; for the sake of harmony they would consent to all the taxes the material will bear if duties on their fabrics were raised in the same proportion; but, if the material were to remain free, a majority of them would be satisfied with the present protection of 50 per cent., if it were honestly collected. When trade revives they would probably fare better without any change of present conditions. Under existing circumstances makers of some dress goods and cheviots are already prosperous. Contrary to the interests of consumers, and to reconcile Senators from the Silver States, which produce large quantities of wool, a duty equal to 50 per cent. will probably be placed on the material. This will necessitate a duty of 100 per cent. on woolen goods to maintain the protection manufacturers now enjoy.

When Judge Lawrence sat on the bench he has cited precedents which upon investigation proved to be his own previous decisions. Now he proposes to revive the useless duty on carpet wool, a coarse fibre fit for hardly any other purpose, not produced here. Attempts made to import sheep which grew this wool on sterile soil were failures ; the wool became too fine when the animals grazed here. The small income which this tax can bring is no compensation for the injury it would do manufacturers and consumers by an increased cost of the fabric.

Few manufacturers of other textiles complain of the Wilson rates; the export of cotton goods increases; the silk industry is growing and would thrive if the duties were reduced, provided they were impartially levied.

Among manufacturers of iron, steel and the products of that industry, there are but few who grumble about the present tariff. A portion of the articles of this class which are exported may yet be sacrificed to relieve the home market, but a majority of our iron-masters can compete with England and Germany already in furnishing material to the railroads of the world. This is shown by the recent reduction in the price of steel rails; the plants are large enough to satisfy the demand of the foreign, as well as the home markets. Cheap raw material, employment of machinery improved by the latest inventions, and skillful labor, enable manufacturers to undersell their most formidable rivals in older countries. In the interest of this and our other great industries, claims for the protection of ore as well as of every other material needed by our manufacturers should not be considered.

They jeopardize the growing foreign demand for fabrics which we have every interest to foster.

Many protectionists profess to believe that higher duties would add to the revenues, although importations are sure to diminish as rates increase, and larger rates on smaller quantities would lessen our income. Another class advocate an increase of duties on articles they produce to increase prices generally and their own revenue especially. Almost the only excuse for such pretensions is the whilom motto of their leader: "A cheap coat covers a cheap man." I know a place in this city (New York) where I can buy a warm overcoat of good material for $4.85 ; as good a garment can not be had as cheap in any other place outside of this country. The man who wears it may be as good as any other: and I see no reason why it should cast reflection on its wearer or its maker.

The statesman whom we have elected can not too soon abandon the fallacy that economy is contemptible and extravagance ennobling.

If the votes were taken of all producers and manufacturers and counted according to the number of their employees, a majority would be found to oppose any material tariff change, until they have had more time to test the present law, to which they are beginning to adapt themselves. Few intelligent manufacturers and no efficient laborer had reason seriously to complain of its provisions.

The hard times which prevail are partially due to over-production caused by competition and labor-saving machinery—an evil which corrects itself when consumption overtakes production, as it recently did in the case of wheat.

Legislation is powerless to alter the laws of trade, but it could restore confidence by a simple measure which would bring sufficient revenue without the disturbance of any vital interest.

The fear of mischief which might yet be sprung upon the country by advocates of silver could forever be quieted by joint resolution that the principal and interest of our debt are payable in gold coin of the present value.

Since this was written Mr. McKinley has shown, by the selection of Mr. Gage for Secretary of the Treasury, that he intends to carry out the promises he made. If he does our future will depend on the actions of Congress : if it supports the Administration, the long expected revival of business will follow. But if United States Senators *will* continue to obstruct all measures, the wise as well as the foolish, simply to demonstrate their importance, we may as well prepare for a continuation of the present stagnation and the speedy overthrow of the Republican party.

LOUIS WINDMULLER.

JAPAN FOR GOLD.—The island kingdom of Japan has given another evidence of its advancement in the direction of modern progress by the adoption of the gold standard, which, according to cable dispatches to the newspapers, will go into effect next October. The mint ratio between gold and silver has been fixed at 32½ to 1.

Japan will avoid the mistake made by the United States in coining the metals at a fictitious ratio and filling up the gap by taxation. Meanwhile the statesmen of this country continue to be lured by the spectre of international bimetallism.

FOREIGN BANKING AND FINANCE.

The Russian Currency Reform.

The full scope and purpose of the proposed reforms in the Russian currency are set forth in the report which has been addressed to the Czar by M. Witte, the Minister of Finance, relative to the budget of 1897. A decree was issued on January 3, carrying out the recommendations of this report to the extent of ordering that gold money be coined at the rate fixed in the Imperial decree of August 8, 1896. This decree fixed the future standard coins at two-thirds of the old gold standard. The new coins are to be, however, of exactly the same weight and fineness as the old; but the old imperial of ten rubles is to be stamped as fifteen rubles, and the half-imperial of five rubles as seven and a half rubles. This money is to be put in circulation and apparently to be paid by the Bank of Russia upon demand.

M. Edmond Théry, the learned editor of the bimetallist journal, "*L'Economiste Européen*," does not consider this action as the definitive adoption of the gold standard for Russia, because of the declaration of the decree that the entire plan of currency reform is to be remitted to the Council of the Empire, where because of its complexity it is likely to require long discussion. The general opinion among the gold standard journals, however, is that Russia has definitely adopted the gold standard.

M. Witte encourages this view, in his report, although using language which indicates that he anticipates opposition. He declares that the reform should be effected in such a manner as not to produce the slightest shock and in order to cause no artificial change in the monetary system constituting the basis upon which rest all values, all property interests and labor. The immediate result of the reform, he says, should not enrich nor impoverish any one, and the reorganization should have no other result than to place under all values, property and incomes a firm and stable foundation upon which they may rest without fear of shock or apprehension of accident. M. Witte sketches the history of previous attempts to restore the metallic basis of the currency and declares that his predecessor, M. Wischnégradski, was able from January 1, 1887, to August 30, 1892, to increase by 309,000,000 rubles ($230,000,000), the metallic reserves of the Bank of Russia and the Imperial Treasury, and that since that time he has been able to add 200,000,000 gold rubles ($150,000,000).

The actual gold resources of the Government amount to 804,000,000 gold rubles, representing a value of 1,206,000 credit rubles, which is 85,000,000 rubles more than the whole volume of outstanding paper. The aggregate of this great quantity of yellow metal, M. Witte declares, may be considered as serving as a guarantee for the bills of credit, although only a part is set aside, under the designation of exchange funds, for this special object. This fund, which amounted four and a half years ago to 335,400,000 gold rubles, now amounts to 500,000,000 gold rubles, or a value of 750,000,000 credit rubles.

M. Witte sketches the measures taken since 1890, by providing for gold accounts at the Bank of Russia, the issue of gold certificates, and the adoption of a fixed rate of exchange, for the inauguration of the gold standard. New measures were taken by the administration in 1896 by issuing a three per cent. gold loan for reimbursement to the Bank of Russia of a part of the non-interest bearing debt of the Treasury on account of the issue of bills of credit; the putting of gold in circulation, to the amount of 693,000,000 rubles paid out by the Treasury and the Bank, and 668,000,000 rubles received; the purchase by the Bank of foreign gold coin to the amount of 65,300,000 rubles in eleven months; and the purchase of £4,000,000 of silver, out of which 57,000,000 rubles will be coined. This silver money is said to be well received by the population.

In conclusion, M. Witte declares that the actual coinage of gold upon the new basis simply proposes to confirm the condition which already exists and which it would be harmful and even impossible to modify.

Banking Development in Norway.

The Statistical Annual of Norway for 1896 gives the aggregate of transactions of the Bank of Norway up to the close of the year 1895. The discounts were 170,414,983 crowns ($45,500,000) in 1893, 160,435,543 in 1894, and 164,050,678 crowns in 1895. The metallic reserve at the close of 1895 was 18,833,311 crowns and the total capital and reserve was 36,759,465 crowns. The commercial paper was 30,693,354 crowns. The principal items of the liabilities were the deposits of 9,345,183 crowns, the reserve fund of 5,416,244 crowns, the capital of 12,509,910 crowns, and the note circulation of 50,970,375 crowns ($13,500,000). The note circulation at the close of 1893 was 47,199,782 crowns, and at the close of 1894 47,784,788 crowns. The profits for 1895 were 1,864,813 crowns, of which 411,834 crowns were consumed in the cost of administration. The dividend for 1895 was 8.1 per cent., against 9 per cent. in 1893 and 8.2 per cent. in 1894. The liabilities of the Mortgage Bank increased from 107,984,636 crowns at the close of 1893 to 115,894,364 crowns for 1894 and 129,218,347 crowns ($34,500,000) for 1895. The private banks of Norway showed total advances and discounts during 1895 of 366,213,203 crowns ($97,000,000), and commercial discounts at the close of the year of 98,122,580 crowns ($26,000,000). The paper carried at the end of the year has increased from 66,063,380 crowns in 1888 to 86,449,588 crowns in 1892 and 92,491,809 crowns in 1894. The number of banks increased from 19 in 1888 to 36 in 1894, which is the present number.

New Currency System in Brazil.

The Brazilian Government by a decree of December 9, 1896, has provided for retiring the existing bank currency and substituting Government paper. The decree declares that the Government assumes the exclusive responsibility for the bank notes actually in circulation, the guarantee funds becoming henceforth its property, and that the power of issuing notes heretofore accorded to banks of issue, including the Bank of the Republic, shall cease to exist. The Government is authorized to enter into negotiations with the Bank of the Republic for the reduction of the debt of the bank to the Treasury by means of the acquisition of such goods and property as may be useful for the public service. The Government intends to provide for the redemption of paper money and the strengthening of public credit by the sale of securities belonging to the Treasury and arising from the guarantee funds of the bank; by the payments by the bank in the reduction of its debt to the Treasury; and by the annual surplus of receipts. The railways are to be leased to private companies with the view of reducing the outstanding paper, and customs dues are to be collected in gold. Another decree creates a commission of five members for the purpose of revising the statutes of the Bank of the Republic, appraising its property, and determining at what value this property shall be surrendered to the Treasury in payment of the debt of the bank. This commission was required to report within a month.

The Charter of the Bank of France.

The report of the commission charged with examining the project of the French Ministry, for the renewal of the Charter of the Bank of France, has been completed and submitted to the Chambers. The report discusses at length the important questions involved in the re-charter, but proposes only a few modifications in the bill. The first of these permits the Chambers to terminate the privilege of the Bank on December 31, 1912, if they see fit to so vote during the year 1911. This will leave the charter in force until 1920, as originally proposed, subject to this power of revision in 1911, if conditions require it. The second article of the new charter is remodeled so as to provide that the bank shall accept for discount commercial bills having not exceeding three months to run, when endorsed by merchants, agricultural or other syndicates, or by other persons known to be solvent. Article three is modified so that the graded tax paid to the Government upon the profits is never to be less than 2,000,000 francs. The Bank is required by Article IX. to create at least one new auxiliary bureau annually up to the number of fifteen. The localities where these bureaus are to be established will be determined by agreement between the Minister of Finance and the Bank. The payments made by the Bank under the new charter are to be set aside as a special fund of the Treasury until provision has been made by law for establishments of agricultural credit.

The transactions of the Bank of France during the calendar year 1896 represented a total of commercial discounts of 9,924,672,000 francs ($1,900,000,000), against a total in 1895 of 8,621,954,000 francs. The total of productive operations, however, showed an increase from 13,777,993,000 francs for 1895 to 15,021,429,000 francs for 1896. The number of pieces of commercial paper discounted during the year was 5,665,101, of which 2,074,541 were for amounts less than 101 francs ($20). These figures were substantially the same as for several years past. The dividend for 1896 was 115 francs net, against 103 francs in 1895.

The Gold Stock of the World.

The London "Economist" of January 16, in a review of the gold production of 1896, calls attention to the fact that when the first important spurt in the new supplies of gold took place a few years ago, there was a good deal of talk about the possible effect of the increased production upon the prices both of commodities and securities, but no such result has yet made itself apparent. A large proportion of the new gold supplies has been retained at its source as a means of paying wages and extending mining operations. Regarding the gold reserves of the banks, the "Economist" gives the following interesting review:

"It is noteworthy, too, that the stocks of gold held by some of the principal European banks, instead of increasing, have diminished during the past year. The Bank of England, for example, parted with about £10,000,000 of its stock of bullion, the Bank of France lost nearly £2,500,000, the Bank of Germany about the same, and the Bank of the Netherlands nearly £1,000,000; but these reductions are more than accounted for by the addition of over £16,500,000 to the holding of the United States Treasury, from £10,750,000 at the end of 1895, to £27,349,000 at the end of last year. The New York Associated Banks have also added about £2,000,000 to their stocks of gold. Then there has been a large accumulation of gold in the Austro-Hungarian Bank, amounting to nearly £6,000,000, in connection with the resumption of gold payments; while by far the biggest accumulation has taken place in the Bank of Russia, which, while it held only a little over £79,000,000 in gold at the close of 1895, had increased its total to £103,671,000 at the end of last month. The enormous increase in the Russian stock of gold has not, it is true, been altogether drawn from current production, because a certain proportion consists of gold previously held by it on account of the Russian Government, which now figures in the Bank return as a backing for the note circulation."

Condition of the Swiss Banks.

The annual reports of the official inspectors of the Swiss Banks of issue have been issued this year in unusually elaborate form, covering the history of the circulation from 1871 to the close of 1896, and presenting diagrams showing the elasticity of the circulation from month to month. The mean circulation per capita in the ten years ending with 1880 was 24.30 francs ($4.65), which increased to 42.65 francs for the ten years ending with 1890, and to 63.05 francs ($12) in 1896. The mean circulation was 66,973,000 francs for the ten years ending with 1880, 123,754,000 francs for the ten years ending with 1890, and 190,155,000 francs for 1896. The elasticity of the circulation in 1896 is shown by the fact that the minimum was 180,156,000 francs ($34,750,-000) for the week ending February 22, after which there was a rise to 191,-866,000 francs ($37,000,000) for the week ending May 2, followed by a decline to 183,884,000 francs ($35,500,000) for the week ending June 20, after which there was a steady rise until the maximum, 198,751,000 francs ($38,500,000) was attained for the week ending November 14. The mean effective circulation outside the banks for the year 1896 was 177,657,000 francs, against a mean in 1895 of 167,913,000 francs.

The cash reserve of the thirty-four Swiss banks, required as the legal coverture of the outstanding circulation, increased from a mean of 58,708,-387 francs in 1889 to 76,661,512 francs in 1896. This coverture for the notes is exclusive of other available specie, which amounted in 1896 to 18,712,009 francs. These two items, with bank notes in the cash, made the mean cash holdings for 1896 113,511,003 francs, representing an increase of about 27,-500,000 francs since 1889. Credits on short term, representing debts due from other banks, amounted to 24,363,167 francs. The bills drawn upon places in Switzerland were 157,781,155 francs, and other bills and advances made the assets of this character 211,325,469 francs. Mortgage obligations to the amount of 459,645,083 francs constituted the bulk of the long term obligations and contributed toward the gross resources of 1,213,562,727 francs ($232,000,000). The liabilities for 1896, exclusive of the circulation, included an average of 80,598,247 francs on current deposit accounts, 256,450,675 francs on savings deposits, and 386,858,170 francs on deposit, bonds and similar obligations.

Banking Accommodation in Great Britain.

The increase in the number of banking offices in Great Britain during 1896 is reviewed, in accordance with the annual custom, in the London "Bankers' Magazine" for February. It appears that the number of banking offices in the whole United Kingdom was 2008 in 1858, 2588 in 1866, 2924 in 1872, 3554 in 1878, 4460 in 1886 and 5627 in 1896. This increase has taken place in recent years, in spite of a tendency to consolidation among some of the smaller banks, which has naturally resulted in the consolidation of many branch offices in the same town. The number of places in which bank offices were opened between 1877 and 1896, where no bank had previously existed, was 647 in England and Wales, 1 in the Isle of Man, 63 in Scotland, and 123 in Ireland, making a total of 834. The number of offices open daily is 4705 and the number not open daily is 922. The net increase in banking offices since 1876 has been 1832 in England and Wales, 8 in the Isle of Man, 111 in Scotland, and 145 in Ireland. Scotland and Ireland are still more amply provided with banking offices than England and Wales in proportion to population, Scotland possessing 1018 offices, Ireland 650, England and Wales 3941, and the Isle of Man 18.

The Financial Situation in Cuba.

The purpose of the decree of December 2d by the Governor-General of Cuba appears to have been to definitely establish the silver basis, instead of the paper basis for the notes of the Spanish Bank which had kept them above the silver quotations, but below gold. The decree authorized the issue of paper currency by the bank to the amount of 20,000,000 dollars, to be circulated by degrees according to the needs of the Treasury. These notes were made legal tender and redeemable in silver on demand upon presentation to the bank. Their denominations range from five cents to fifty dollars, and they are protected by a silver coin reserve maintained by the Treasury at the amount of one-third the outstanding notes. A duty of five per cent. *ad valorem* on all imported merchandise was provided for the purpose of supplying the Treasury with the means of redemption. Customs duties will continue to be collected in gold, but the new silver notes will be received for other public obligations. An increase in the nominal rate of transfer duties on real estate, liquor taxes, stamp taxes, property taxes and patent taxes on industry and commerce is provided, in order to partially cover the difference between payment in gold paper and in the new silver notes. The new notes have not been cordially welcomed by the business men of Havana, have raised prices, and have caused much disturbance in commercial circles.

Banking and Financial Notes.

—The complete report of the transactions of the French national savings banks for 1895 shows net deposits at the end of the year representing 2,448,-075 accounts and 753,458,528 francs ($150,000,000), or an average of 302 francs, 82 centimes ($60) for each account. The number of accounts below 500 francs ($100) constituted 79.52 per cent. of the whole number of accounts. The amount of the deposits below 1,000 francs ($200) constituted 43.38 per cent. of the whole amount of deposits. The depositors having twenty francs ($4) or less to their credit were 880,703, or 35.39 per cent. of the whole; those having from 21 to 100 francs, 513,363, or 20.63 per cent; and those having from 101 to 200 francs, 256,583 or 10.31 per cent.

—The report of the Austro-Hungarian Bank for 1896 shows a considerable improvement in volume of business and in the specie reserve over 1895. The whole volume of transactions increased from 2,532,289,026 florins (1,220,-000,000) in 1895 to 2,597,697,035 florins ($1,250,000,000) in 1896. The gold stock amounted on December 31, 1895, to 244,091,257 florins, and on December 31, 1896, to 302,139,591 florins, while the stock of gold bills increased from 6,827,247 florins to 20,393,020 florins. The circulation of bank notes at the close of the year was 619,854,140 florins for 1895 and 659,726,360 florins for 1896, the average for 1896 being 587,656,000 florins.

—The tax in France upon the transactions of the Bourse, which was estimated to produce 10,000,000 francs annually and which verified this estimate in 1894 and 1895, yielded only 5,684,000 francs ($1,120,000) in 1896. This loss was the result of the large increase in the stamp duty on foreign securities at the beginning of last year, which led to a marked diminution in the transactions in foreign shares on the Paris Bourse.

—The balance-sheet of the Imperial Bank of Persia for the year ending September 20, 1896, shows total liabilities of £1,940,020, of which £650,000 is on account of capital, £82,203 for notes in circulation, £225,877 in deposits in London and Persia (the latter in silver), and £883,994 in bills payable, endorsements and adjustments. The assets include £1,168,269 in bills discounted, loans and advances, £410,891 in bills receivable, and £201,029 in cash. The gross profits for the year were £88,126, of which £39,906 was expended in management and £35,000 has been paid in semi-annual dividends. The business of the bank has increased about 30 per cent. during the past year and the note circulation has increased about £10,000.

—The Bank of Italy is issuing notes to take the place of those of older banks which have gone into liquidation. The new notes are of the denominations of 50, 100, 500 and 1,000 lire. The notes issued under the law of August 10, 1893, must be presented for redemption before December 31, 1902.

—The creation of limited liability companies in Germany as recorded by the "*Deutsche Oekonomist*," shows a larger number of companies for 1896 than for several years past, but a somewhat smaller capitalization than in 1895. The number of companies created in 1892 was only 63, with a capital of 28,864,700 marks. The number in 1893 was 162, with a capital of 68,667,404 marks; 1894, 254, with a capital of 112,456,000 marks; 1895, 297, with a capital of 149,711,100 marks; and 1896, 376, with a capital of 128,483,700 marks. The total for these five years is 1152 companies, with gross capital of 488, 182,904 marks ($120,000,000).

C. A. C.

Der Präsident des Reichsbank-Direktoriums.

Berlin, den 16ten Januar 1897

Sehr geehrter Herr!

Dem mir in Ihrem Schreiben vom 12. Dezember v. J. mitgetheilten Wunsche gern entsprechend, übersende ich anbei ergebenst 7 photographische Abbildungen der hiesigen Hauptgebäude der Reichsbank, welche einen von 6 Straßen eingeschlossenen Flächenraum bedecken, und einzelner besonders wichtiger Räume derselben zur beliebigen Verwendung für den von Ihnen beabsichtigten Zweck. Auf der Rückseite jeder Photographie ist angegeben, was sie darstellt; auf Ihren Wunsch füge ich auch mein eigenes Bildniß noch bei. Für die freundliche Uebersendung der Nummern d. Ihrer hochgeschätzten Zeitschrift sage ich meinen besten Dank und verbinde damit die herzlichsten Glückwünsche zu dem bevorstehenden Jubiläum derselben.

In vollkommener Hochachtung

Koch

An
Herrn Bradford Rhodes
zu
N: 17722 New-York

Z.

R. Ko[illegible]

[illegible] the Imperial Bank of Germany, [illegible] of [illegible] and Member of the Privy Council

THE IMPERIAL BANK OF GERMANY.

With Illustrations from Photographs Made Expressly for the BANKERS' MAGAZINE.

ORGANIZATION AND EARLY HISTORY.

The history of the Imperial Bank of Germany is closely linked with the unification of the Empire and the results of the Franco-Prussian War. The actual existence and operations of the Bank date only from December 31, 1875, when the funds and records of the Royal Bank of Prussia were made over to the new institution in accordance with a convention between the Kingdom of Prussia and the Empire of Germany. The real foundations of the present Bank extend back, however, through the Bank of Prussia to the time of Frederick the Great, who felt the same necessity for an institution of credit which was felt in England two generations before by William III.

The Bank was created by a royal edict of June 17, 1765, with a capital furnished by the State of 1,000,000 thalers ($750,000). The expansion of business and the demand for credit in Prussia led to a reorganization in 1846, by which the Bank ceased to be exclusively a State institution and acquired a capital of 10,000,000 thalers, mostly from private sources. The Bank of Prussia did not enjoy the exclusive privilege of note issue in Prussia, and still less in the other German States, which were then independent in their fiscal affairs. Eight local banks, including one in Berlin, were doing business in Prussia in 1875, in spite of the existence of 167 branches of the Royal Bank. The revolution of 1848 in France and the revolt in Hungary gave a new impetus to national economic as well as political life throughout Europe, which found one of the channels of its development in Germany in the creation of new institutions of credit. The number of banks in the various German States, including Prussia, had risen to thirty-three, when the economic interests of the Empire were consolidated by the statesmanship of Prince Bismarck and political unity was achieved by the coronation of King William as Emperor of Germany in the Palace of Versailles.

These thirty-three banks of the various States were not only without any unity of system in the management of their circulation and discounts, and their responsibility to the public authorities, but the metallic currency in which they carried on their transactions was almost as varied as the number of the institutions. Out of this chaos the Imperial Government brought order by the adoption of the gold standard, based upon the Imperial mark of gold, which superseded all local currencies. The power of regulating banks of issue had been confided to the Federal Assembly as early as 1867, and it was provided by a law of March 27, 1870, that the renewal of the privilege of a bank of issue should be based upon the implied condition that the privilege might be revoked at any time upon a preliminary notice of one year. Upon these measures for the unification of the monetary system was superimposed the legislation of 1875, creating the Imperial Bank and providing for the transfer to the new institution of the rights and privileges of the Royal

Bank of Prussia. The State banks were forced to conform to the same requirements as the Imperial Bank in respect to circulation, and those which still held a grant of privilege which had not been forfeited found the currency of their notes limited to the State within which they were issued.

The Bank of Brunswick was the only one which ventured to continue the issue of notes under its old privilege, without conforming to the new regulations governing circulation. The new legislation had been made so severe that it was not believed that any bank could do business under it except in conformity with these regulations. The audacious policy of the Bank of Brunswick called down the displeasure of the Bank of Prussia to such a degree that the paper of the former was refused by the latter and orders were issued to the postal savings banks not to receive the notes on deposit. The spirit of local independence threatened for a moment to flame forth again in Germany, and Prince Bismarck was compelled to have the order rescinded which refused the reception of the notes by the savings banks, in order to prevent the flame from becoming a conflagration. It was not until after the death of Frederick William of Brunswick in the latter part of 1884, and the elevation to the dukedom of the nephew of the German Emperor, that the Bank of Brunswick complied with the requirements of the general law regarding note issues. It is one of the seven banks of issue which still survive and its authorized limit of circulation is 2,829,000 marks ($700,000).

Gold Standard and New Banking System.

The adoption of the gold standard by the law of July 9, 1873, paved the way for the new banking system in Germany. This Act declared that bank bills should be withdrawn from circulation before January 1, 1876, if their value was not declared in Imperial gold marks. The metallic stock of Germany and the reserves of the banks had been chiefly of silver, and bank notes were redeemable in silver florins or thalers. The payment of the French war indemnity of $1,000,000,000 brought into the Empire and placed at the command of the Government a stock of gold, which became available for establishing the gold standard. The actual payments on account of the indemnity by the French Government were made chiefly in bills of exchange rather than in metallic money, but the proceeds of these bills were obtained in gold in London and Paris, and a large fund of the yellow metal was rapidly accumulated in the German Treasury and the Imperial Bank. The coinage of Imperial gold coins from 1872 to the close of 1893 reached 2,737,-790,915 marks ($675,000,000) and the coinage of silver 484,048,609 marks ($120,000,000). Most of the silver was recoined from the old thalers and other coins of the different States of the Empire, and silver was sold to the face value of 672,862,729 marks at a market price of 574,055,532 marks.*

Such advantages as are derived from a strong central institution of finance have been conferred upon Germany by the Imperial Bank. Credit has been extended through its 275 branches and banking offices to the leading towns of the Empire, and the seventeen State banks which decided to issue notes under the new system in 1876 have gradually been reduced to seven. These are mostly in Southern Germany, remote from the central Bank at Berlin.

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* These figures are taken from the American translation of the report of the Berlin Silver Commission of 1894, printed as Senate Miscellaneous Document, 274, Fifty-third Congress, Second Session.

and even these, in the opinion of a high authority, "might be easily and advantageously replaced by branch institutions attached directly to the Imperial Bank." * The Imperial Bank has provided the new Empire with a coherent national system, a safe and uniform bank-note currency, and the means of making transfers of funds without cost between the principal places in Germany. The total transactions of the Bank and its branches, which were 36,684,830,600 marks ($9,000,000,000) in 1876, increased to 76,656,423,200 marks in 1886, and 121,313,106,800 marks ($30,000,000,000) in 1895. The Bank thus performs in a large measure the work of a clearing-house for the business of the Empire. It led also in the establishment of clearing-houses on English and American models in 1883, of which twelve are now in operation. The receipts of these clearing-houses in 1894 reached a total of 18,398,-039,600 marks. The discounts of the Imperial Bank have nearly doubled during the twenty years of its operations. The local bills purchased alone increased from 1,107,181,862 marks in 1876 to 1,790,637,169 marks in 1894, and the mean discounts on December 31, increased from 571,000,000 marks marks in 1891 to 769,000,000 marks in 1895. The local bills purchased under 100 marks ($23.80) in 1894 numbered 43,380 and the inland bills 313,468. These small bills are many of them rediscounted for the local banks and bear the guarantee of credit societies whose members are too poor to obtain loans upon their individual credit.†

Regulations Governing the Note Circulation.

The regulations which govern the circulation of the Imperial Bank are of peculiar interest, because they have since been adopted by the Bank of Austria-Hungary and the Bank of Japan and have been suggested for the banking system of the United States. The system is based in some particulars upon the English system, but embodies an additional feature which permits a degree of elasticity which has never been possible in England except by the suspension of the Bank Act. The law of 1846, regulating the Bank of Prussia, fixed a limit of 21,000,000 thalers ($15,750,000) upon the circulation. The law of 1856 repealed this provision and left the Bank subject to no fixed limits upon circulation, except that notes were redeemable in coin on demand and that public sentiment required a coin reserve of one-third of the outstanding notes. This freedom of issue was restricted in the case of the Imperial Bank by the law of March 14, 1875, so that every mark issued above the limit of 250,000,000 marks ($60,000,000) must be covered by coin, with the exception hereafter to be noted. A limit was also fixed for the circulation of the other banks which continued to issue circulation at all, and it was provided that the limit of authorized circulation of the Imperial Bank should be increased by the amount of the lapsed issues of the other banks.

This fixing of a limit of authorized circulation, with the excess fully covered by coin, is the essential feature adopted from the English Bank Act of 1844. The Imperial Bank and the State banks which adopted the new system are not required, like the Bank of England, to hold public securities against their authorized circulation, but must hold at least one-third of the amount in metallic money or gold obligations and the remainder in good commercial paper. The status of the metallic reserve and the circulation

* Prof. Max Wirth, "A History of Banking in All Leading Nations," IV., 31.

† Prof. Claudio Jannet, *Le Capital, La Speculation et la Finance*, 563.

during the first year of the operation of the Bank illustrate the working of the new law. The mean reserve during the year 1876 was 510,500,000 marks. This would have permitted a circulation within the legal limits of 760,000,000 marks. The actual mean circulation of the year was only 684,800,000 marks. The situation then existing, therefore, made the authorized limit a considerable factor in the gross circulation. The expansion of business in Germany, its concentration in the hands of the Imperial Bank, the increase in the production of gold, and the retirement of some of the State banks, have gradually increased the metallic reserve and the gross circulation until the amount of "authorized circulation" plays but a subordinate part. The circulation on December 31, 1895, was 1,320,000,000 marks, and the reserve 853,000,000 marks. The excess of 467,000,000 marks represented 293,400,000 marks of authorized circulation and 174,000,000 marks of circulation subject to a special tax. The increase of the limit of authorized circulation by 43,400,000 marks is due to the lapsing of the issues of State banks.

THE EMERGENCY NOTE CIRCULATION.

It is the excess of circulation, subject to a special tax, which marks the radical departure of the German from the English system of note issues. This emergency circulation may be issued by the Imperial Bank at any time upon business assets, but is subject to a tax of five per cent. per year. As the excess above the authorized limit, including the notes fully covered by coin, seldom lasts more than a few weeks, the law prescribes that the tax shall be computed upon the weekly excess at the rate of five forty-eighths (5-48) of one per cent. This is as near as may be to five per cent. annually, computed by the week. The Bank, therefore, in extending accommodation to commerce and the money market, is hampered only by the rate of interest. While money is so plentiful that the interest rate keeps down to five per cent., there is no temptation to increase the circulation. The moment that the interest rate goes higher, there is a profit in expanding the circulation beyond the limit and the expansion almost invariably occurs. The system is hardly capable of abuse, because the interest rate must fall again if the Bank exceeds the limits of prudence in its issues and makes money plentiful, and the fall of the rate destroys the profit on the excessive circulation. The notes which are received on deposit and in settlement of discounts are retired and cancelled and the circulation is quickly brought within the legal limit.

As a matter of fact, the German system has work almost as admirably in supplying an elastic currency, within the immediate limits of the Berlin market, as the Scotch and Canadian systems have done within their respective fields of action. The first occasion on which the power to issue in excess of circulation was availed of by the Imperial Bank was in December, 1881. Issues above the limit were made in 1882, 1884, in 1886, three times in the latter part of 1889, twice in 1890, in 1893, in September, October and December, 1895, and several times in the autumn of 1896. The excess of circulation above the authorized limit ran as high as 109,477,600 marks ($26,000,000) in the latter part of 1889, but at the close of 1891 the cash reserve had risen so high that there was a margin of authorized circulation which had not been issued of 101,407,000 marks. There was a margin of 16,000,000 marks in 1892, and 123,000,000 marks in 1894, but the pressure of the closing months of 1895 carried the circulation on December 31,

IMPERIAL BANK OF GERMANY.
Facade of the Principal Front.

148,283,800 marks above the limit and subjected that amount to the weekly tax. *

The fact that the elasticity permitted by the system of note issues has been more beneficial than the more rigid system of Great Britain is indicated by the smaller number of changes in the discount rate of the Bank. There were three changes in 1890 by the Bank of Germany as compared with eleven by the Bank of England ; four at Berlin in 1891 against twelve at London ; two at Berlin in 1892 against four at London ; three at Berlin in 1893 against twelve at London ; and two at both Berlin and London in 1894. The Imperial Bank, for reasons which are given below, was obliged to make one change in 1895, while the rate at the Bank of England remained stationary.

The German system has been subjected to several severe tests with credit to the system and safety to the country. One of these tests was in 1893, when panic reigned in Australia and the United States and the reflex action of the situation in those countries was strongly felt upon European bourses. The Imperial Bank was affected also by local conditions of a serious character. The Russian Government withdrew large deposits from Berlin, Austria-Hungary was bidding high for gold in order to carry out her monetary reform, and Italian and South American securities were thrown largely upon the Berlin market. The interest rate ruled higher throughout the year 1893 at the Imperial Bank of Germany than for a long previous period. It was four per cent. when the year began, and although reduced on January 17 to three per cent., was advanced again on May 12 to four per cent., and on August 11 to five per cent., where it remained until January 9, 1894. The Bank maintained an excess of circulation from February, 1893, until March 30 and again passed the limit on May 23. The money market was thus eased to some extent, but the Bank was only 8,000,000 marks within the authorized limit at the close of the year.

Another period of stress attended the recent withdrawals of gold from Western Europe for Russia and the United States. The discount rate at the Imperial Bank remained at three per cent. from May 5, 1894, to November 11, 1895. The advance at that time, due to the speculation in South African mining shares, was not long maintained, but a new advance from three to four per cent. became necessary in September, 1896, and from four to five per cent. in the latter part of October. The rate was reduced again in January last to four per cent. The changes in the circulation during this period, which several times went beyond the authorized limit, are thus set forth in a letter from Berlin :

"That the Reichsbank is admirably adapted to meet the varying demands of trade is well known by the variations in its note circulation in September and October. The nine weekly statements of the Bank from August 30 to October 31 inclusive showed the following changes in the note circulation : August 30, increase, $8,340,000 ; September 8, decrease, $768,000 ; September 15, decrease, $2,450,000 ; September 23, increase, $4,100,000 ; September 30, increase, $49,700,000 ; October 7, decrease, $12,000,000 ; October 15, decrease, $16,200,000; Oct. 23, decrease, $10,000,000; Oct. 31, increase, $8,000,000." †

The remarkable expansion of the commercial interests of Germany during the last twenty years has caused such an increase in the demand for the

* Raffalovich, *Le Marché Financier en 1895-6*, 145.

† New York "Journal of Commerce and Commercial Bulletin," Nov. 20, 1896.

means of exchange that the present margin of uncovered circulation has become very small in proportion to the whole circulation outstanding. This fact, and the frequent excess of the circulation above the limit free from taxation, has led recently to the discussion of the suggestion that the limit of uncovered note issues be extended. The Berlin correspondent of the London "Economist," writing under date of January 27, 1897, says:

"Between the years 1876 and 1896 the annual average stock of gold held by the Imperial Bank has grown from 511 to 1,012 million marks, and the note circulation, from 685 to 1,068 million marks. The safety of the monetary system, it is judiciously argued, does not depend on the absolute amount of uncovered notes, but on the proportion of the metallic stock to the note circulation. When the present law was made, it was assumed that the contingent limit would be reached when the stock of gold and silver declined to about fifty-five per cent. The assumption was right at the time, but it is no longer so. In the first week of October, 1895, the Imperial Bank was liable to the note tax upon 20.7 million marks, and at that time the metal cover amounted to 72.3 per cent. This fact shows that the law is antiquated. It places the Bank in a difficult position, and it is a very creditable fact to its managers that out of twenty-six cases in which the note circulation was beyond the duty free limit, in twelve cases the discount rate was kept below five per cent. It is now proposed that the contingent limit should be abolished altogether, or that, at least, it should be greatly extended. Such a reform would enable the Bank to keep its discount at a lower average rate."

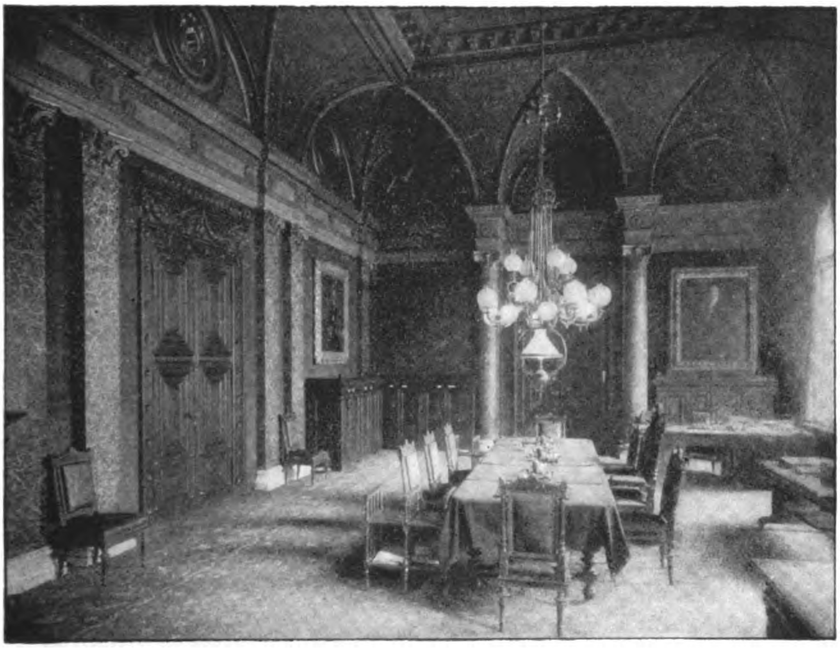
Statements of the Bank's Condition.

The periodical statements of the Imperial Bank are as brief and comprehensive as those of the Bank of England and are somewhat similar in character. They are required on the 7th, 15th, 23d, and on the closing day of each month. There is no separation of the issue and banking departments, as in England, but the entire resources in cash, bills of exchange and loans are set over against the liabilities, consisting of capital, reserve, circulating notes and other demand obligations. The resources of the bank are thoroughly liquid, as set forth in the weekly statements, and include no such mass of mortgage obligations and other long time assets as wrecked the Italian banking system in 1893 and 1894. The following is the translation of the statements for February 6, 1897, and for February 7, 1896:

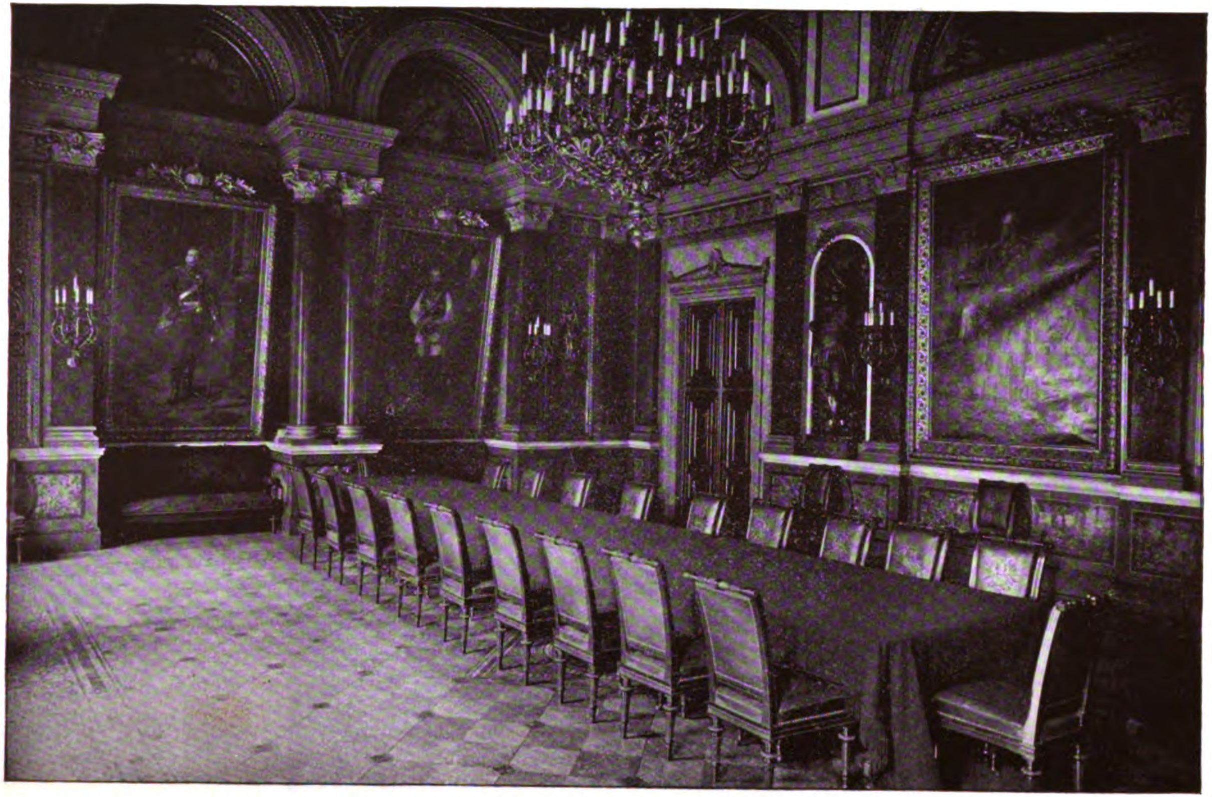
Resources. (In thousands of marks.)

Items.	*Feb. 6, 1897.*	*Feb. 7, 1896.*
Coin and gold bullion	885,686	943,759
Treasury bills	21,656	20,856
Notes of other banks	11,960	11,181
Commercial bills	555,750	511,367
Loans on securities	91,972	83,059
Securities	5,489	3,816
Various credits	61,803	49,947
Liabilities.		
Share capital	120,000	120,000
Reserve	30,000	30,000
Circulation of notes	1,009,959	1,042,732
Other demand obligations	444,051	410,353
Various items	30,306	20,900

The commercial bills, or "letters of exchange," in the language of European finance, include both domestic and foreign bills and the two items of



IMPERIAL BANK OF GERMANY.
Meeting Room of the Directors.



IMPERIAL BANK OF GERMANY.
Meeting Room of the Central Commission.

such bills and of loans on securities are closely scanned from week to week with a view to determining the volume of trade. Domestic bills offered for discount must bear the signature of at least two substantial individuals or firms (usually three), and must be endorsed at the banking office of the locality where they are payable. In reckoning interest, thirty days are counted for each month, save for notes maturing on the last of February. The minimum term of interest is four days for bills payable at the place where purchased and five days for those payable elsewhere, for bills in parcels of ten thousand marks or over, and ten days for all other bills. The discount business of the Imperial Bank absorbs a large part of its office space and is transacted in the handsome rooms shown on an adjoining page. This business has attained remarkable proportions and now exceeds that of the Bank of England, because the Imperial Bank has fewer strong competitors in the Berlin money market. The local bills discounted during 1876 amounted to 1,107,181,862 marks ($265,000,000) and the consignment or commission bills to 3,015,850,331 marks ($720,000,000). The corresponding figures for the next few years were somewhat smaller, but a higher total was reached in 1889 and has been maintained nearly every year since. The local bills in 1894 amounted to 1,790,637,169 marks and the consignment or commission bills to 2,439,612,075 marks (585,000,000). The foreign bills in 1894 amounted to 52,702,039 marks ($13,000,000).

The loans on securities are usually smaller in amount than the other classes of loans, but ran as high as 1,315,176,150 marks ($315,000,000) in 1890. The Act incorporating the Imperial Bank carefully defined the classes of securities upon which advances may be made. Such advances can be made only for a period of three months or less. The permissible securities include certificates of the debt of the Empire or of a German State or municipal corporation upon which the interest is guaranteed by the Empire or by one of the Federal States; fully paid-up shares and first mortgage bonds; shares of German corporations and railways in actual operation; certificates of German land banks, agricultural banks and commonal banks, when under the supervision of the Empire, and German mortgage banks, in the proportion of not more than three-quarters of their market value; interest-bearing debt certificates, payable to bearer, of States outside Germany or obligations of foreign railways guaranteed by the Government, in proportion of fifty per cent. of their market value; letters of exchange signed by persons of known solvency, subject to the deduction of five per cent. of their value; and certificates of deposit of colonial produce, warehoused in German docks, for two-thirds of their value. The greater proportion of the securities upon which advances are made are of German origin, but the directors have shown some liberality in admitting foreign securities to the published lists. The Bank reserves the right to sell securities deposited for a loan, without any legal proceedings, when the borrower is in default. The sale is made by one of the agents of the Bank, and principal, interest, and costs are deducted from the proceeds returned to the borrower.

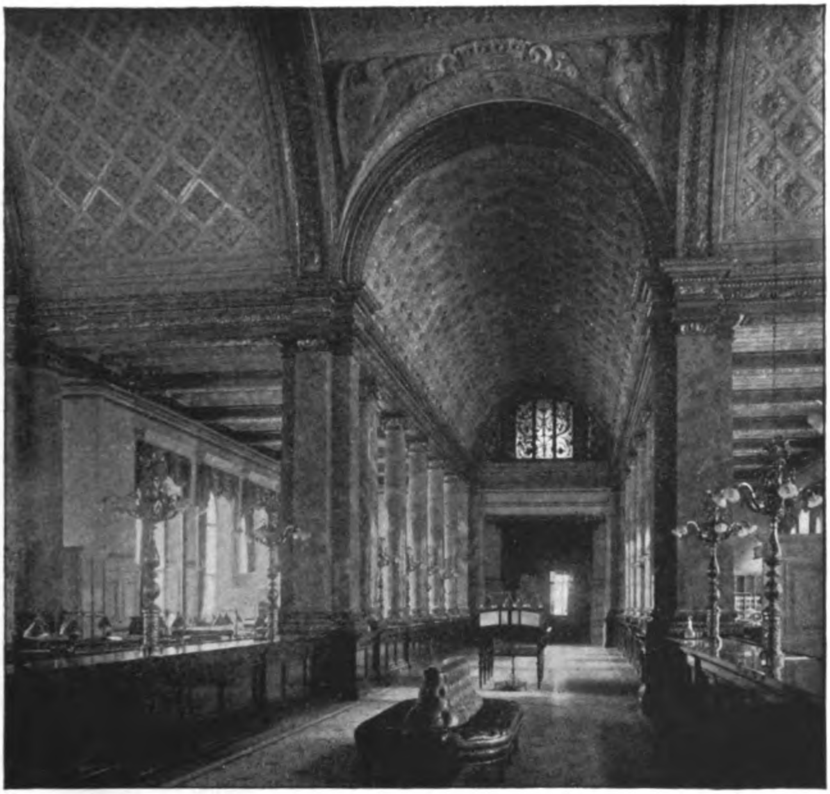
Kinds of Business Transacted by the Bank.

The Imperial Bank conducts several branches of banking and deposit business, besides the issue of circulating notes, the purchase of bills of exchange, and loans upon commercial paper. Among these functions are the reception of deposits, the purchase of gold and silver bullion and foreign coin, advances upon securities, the collection of commercial bills for patrons, the purchase and sale of paper and securities and the precious metals for patrons, and the custody of objects of value and negotiable securities. The deposit business of the bank includes the reception of sealed deposits of cash and other articles, closed and stamped, for a compensation based upon the value of the space at the particular branch at which they are offered. These deposits must be accompanied by the full name of the depositor or the firm making the deposit, but no questions are asked concerning the contents of the parcels. The maximum value insured is 5,000 marks ($1,200), but special contracts are accepted for higher values upon the payment of a higher fee. There is no insurance against the damage of papers by water in case of fire. The storage fee for parcels 30 centimetres in heighth and width and 40 centimetres long (12x16 inches) is ten marks ($2.38) per year and for double these dimensions, twenty marks; larger packages are not received. The insurance fee for every 1,000 marks ($238) is 25 pfennigs (6 cents) per year.

The Bank accepts for collection the coupons and certificates of dividends of institutions payable in Berlin in the money of the Empire at fixed prices, and accepts them for negotiation on the Bourse when they are not thus payable. When they are payable at the Bank or any of its branches, collection is made at the cost of transfer and for a commission of one-eighth of one per cent. The Bank also acts for its patrons at the same charge in presenting matured or called securities for payment or conversion, when payable at the location of the bank or one of its branches, and at a higher charge conducts the necessary negotiations for converting any securities into cash. Several similar services, such as the conversion of provisional certificates into final titles, are also performed at a moderate charge.

The Imperial Bank performs a number of important services for the Treasury without direct charge. It receives and pays out without compensation the funds of the Empire to the amount of the credit accorded by law and extends the same advantages to the States of the Confederation. The operations of the Treasury and its branches are performed through the Bank and the Fiscal Department of the Treasury is united with that of the Bank. The branches are availed of by the governments of the several States for making their payments and deposits. The payments and receipts of the Bank on the current accounts of the Government during 1895, were 1,972,583,341 marks for the German Empire, 2,151,354,291 marks for the Kingdom of Prussia, and 108,980,298 marks for the Grand Duchy of Baden. Only a few of these requirements were imposed upon the Royal Bank of Prussia, but were imposed by the new charter upon the Imperial Bank, with the view of promoting the unity of fiscal operations throughout the Empire. The Imperial Government has a share in the profits of the Bank, which amounts to one-half of the excess of dividends above three and a half per cent., after twenty per cent. of the excess has been carried to the reserve fund, and increases to three-fourths of the excess of the profits above six per cent.

The present gold holdings of the Imperial Bank are about 800,000,000 marks ($190,000,000). The weekly statements of the specie reserve do not separate gold from silver, but a statement is made at the end of each year of the proportion of the two metals. The amount thus held in gold on December 31, 1895, was 570,945,160 marks and the amount in silver was 282,133,960



IMPERIAL BANK OF GERMANY.
Room of the Discount and Loan Officials.

IMPERIAL BANK OF GERMANY.
Dome and Entrance of the Discount Department.

marks. This is not the whole of the visible metallic stock of Germany. A war treasure was set aside from the proceeds of the French indemnity amounting to 120,000,000 marks ($30,000,000). This stock was stored in the Julian tower at Spandau, where it can be drawn upon secretly in case of emergency. The hoard is not entirely idle, however, as it forms the security for 120,000,000 marks of Imperial notes and for a supplementary issue for the purpose of retiring Government notes of the various States, which originally amounted to 54,919,941 marks. The Imperial Bank is not permitted to issue notes below the value of 100 marks ($23.80), but the demand for smaller currency is supplied by the Government notes. The nôtes of the Imperial Bank are subject to redemption in coin on demand at the central Bank, but redemption at the branches is limited to the amount which they can conveniently pay out for the purpose.

Keeping an Account at the Bank.

The keeping of an account at the Imperial Bank, and the management of the accounts, are surrounded with much more formality than with banks in the United States. Permission to establish an account can be granted only after consideration by the board of directors and upon compliance with a number of formalities. There are different forms of checks for making transfers between customers of the Bank and outsiders. Red checks, which cannot be endorsed to a third person, are employed for transfers between those keeping accounts at the Bank. They must be presented at the Bank before half-past four o'clock in the afternoon or become subject to a charge of half a mark (12 cents) per check. There is no distinction, however, between checks drawn payable at the banking office of the place where they are drawn and those payable at an office elsewhere, so that the transfer of funds throughout Germany is greatly facilitated by the Bank. The withdrawal of funds is made by means of white checks, upon which the Bank collects a commission of one-fiftieth of one per cent., but not less than fifty pfennigs, when they are received for payments to the Bank or are presented at any other place than that where the drawer has his account. The checks are furnished in books of fifty each, for which the holder must give a receipt to the Bank.* The Bank did business for the first year, 1876, with mean current accounts of 70,595,000 marks ($17,000,000). There has since been a general upward tendency, which carried the maximum in 1886 to 255,410,000 marks and the mean to 206,567,000 marks and the maximum in 1895 to 341,-746,000 marks and the mean to 289,970,000 marks ($70,000,000).

There has been in recent years the same demand in Germany as in France, Switzerland and Russia for the intervention of the State in the matter of extending credit to laborers and small farmers. The Imperial Bank has for many years endeavored to assist these classes by rediscounting pieces of commercial paper for very small amounts, but President Koch has had occasion to remind the public that the Bank was forbidden by its fundamental law to discount paper for more than four months. He stated to the directors in 1895 that "within the limits of its statutes the bank accords to small but sound customers a suitable credit, when and so far as their conduct and fortune offer guarantees of the punctual fulfilment of their engagements. Artisans and merchants less fortunate are always able to unite with advantage in

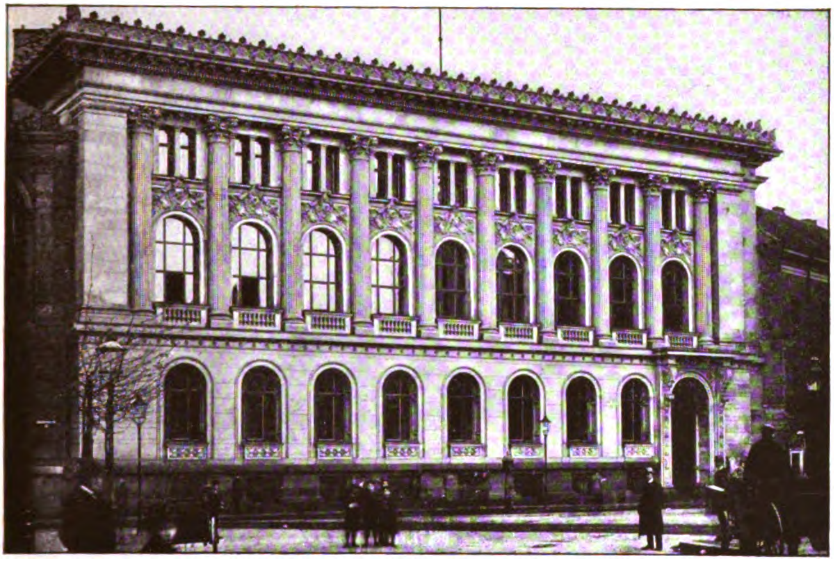
* Noel, *Banques d'Emission en Europe*, I., 309.

a credit association." Such associations as are referred to by President Koch are numerous in Germany and have no difficulty in obtaining the rediscount of their paper by the larger banks and by the Imperial Bank. Herr Koch stated at the annual meeting in 1895 that 54,641 persons or firms were admitted to discount at the Bank during 1894, of whom 6,414 were agriculturists. From April 1, 1893, to April 1, 1894, the Bank had purchased 216,000,000 marks of bills bearing agricultural signatures, besides discounting directly 24,000,000 marks more. The associations having connection with the Bank, he declared, contained 502,451 members, of whom 127,229 belonged to the rural associations, and they had at their disposal 160,000,000 marks of the funds of the Bank. These details for 1895 and 1896 are not at hand, but it is the policy of the Bank to constantly extend this sort of accommodation.

The total commercial transactions for 1895 were 6,233,555,894 marks ($1,500,000,000), which were carried to the credit of persons presenting 3,600,124 separate pieces of commercial paper and bills of exchange. There were also 82,723 advances upon securities for a total of 1,110,936,900 marks, the range of these advances at any one date fluctuating between a minimum of 64,730,000 marks and a maximum of 211,194,000 marks. Not all of this business is done in Berlin, but about two-thirds of it is distributed among the three leading German cities of Berlin, Frankfort, and Hamburg. The total operations in commercial paper at Berlin during 1895 were 2,308,900,000 marks; in Frankfort, 710,600,000 marks; in Hamburg, 1,121,100,000 marks. The advances on securities were much smaller in proportion at Frankfort and Hamburg than at Berlin, amounting to 67,700,000 marks at Frankfort, 43,900,000 marks at Hamburg, and 510,900,000 marks at Berlin.

THE ADMINISTRATIVE MACHINERY.

The Imperial Bank has an administrative machinery which is two-fold—representing on the one hand the Imperial Government and on the other the private shareholders of the institution. The Government keeps a firm hand upon every portion of the machinery which can possibly affect the political influence of the Bank and its relations with the State. In the language of M. Octave Noel, the establishment is "closely linked with the State and is only able to move, think or act when the State manifests in some manner its presence and affirms its control." The very first section of the law by which the Bank was established declares that it is created "under the supervision and direction of the Empire," and that its mission is "to regulate the monetary circulation in the entire territory of the Empire, to facilitate exchanges and to render circulating capital productive." This theory is carried out by the appointment of a council of curators, composed of the Chancellor of the Empire, who is President, and four members, one of whom is named by the Emperor and the other three by the Federal Council. The actual direction of the Bank is exercised by the Chancellor and his deputies, and in case of his absence the presidency of the council is conferred upon an official designated by the Emperor. The committee of the curators meets at least once in three months and receives a report regarding the condition of the Bank and its transactions. The real administrative control on behalf of the Government is exercised by another body, whose members are named for life by the Imperial Government upon the proposition of the Federal Council. They take action by majority vote, but are subject to the instructions of the Chan-



IMPERIAL BANK OF GERMANY.
Facade of the Discount and Loan Department.

IMPERIAL BANK OF GERMANY.
Private Room of the President.

cellor. This body, known as the Directorate of the Imperial Bank (*Reichsbank Directorium*), meets regularly in the handsome room shown in our illustration.

The shareholders exercise their influence upon the business of the Bank through the central commission, which is elected by the general assembly. This commission consists of fifteen members, who sit around the long table shown in the illustration on another page, with the military portraits of the old Emperor and of Frederick William looking down upon them. Each member the central commission is required to possess at least three shares of the Bank stock and to be a resident of the Empire. Not less than nine members, and the same proportion of the fifteen substitutes who are elected, are required to live in Berlin. One-third are elected every year and members are eligible for re-election. The central commission meets at least once a month under the presidency of the head of the board of official electors directors, and may be convoked by him on other extraordinary occasions. The commission is required to examine every month the weekly reports of discounts, exchanges, advances, cash reserve and circulation, to inspect the deposit accounts, to control the purchase and sale of gold, the volume of bills of exchange, and the despatch of cash to the branches, to verify the results of the inspections of the cash and to consider several questions connected with the business management. This commission is authorized to frame the statement of profit and loss transmitted to the Chancellor and to the shareholders in their general meeting, to make nominations for vacant places in the directorate (except to that of President), subject to the approval of the Federal Council, to determine the proportion of funds to be employed in advances, the rate of discount and the term of credits, and to regulate contracts with the other German banks in their relations with the Imperial Bank. The members of the commission receive no compensation, but they are liable to exclusion from the board if they disclose its secrets, if they are guilty of questionable business conduct or even if they are absent without good reason during an entire quarter from the meetings of the commission. The central commission exercises a still more minute supervision over the commercial transactions of the Imperial Bank by means of a committee of three members appointed for one year. They have the right to sit at the meetings of the official directorate with advisory powers. It is their duty, concurrently with the directorate, to note the state of the market, examine the books and securities, and render account of their actions at the monthly meetings of the commission.

The German Government, unlike the British, requires a much fuller statement of the affairs of the bank at the end of the year than that given during the month. This complete statement is required to show the separate items of gold and silver, the Imperial Treasury bills, the character of the local domestic bills of exchange, according to whether they run fifteen days or longer, the amount of foreign bills drawn on each separate country, the amount of overdue paper, the value of the real estate owned by the Bank, and the exact character of the miscellaneous assets. The statement of liabilities is required to show the denominations of the bank notes outstanding, the balance on current deposit accounts, and the net profits for the year. It is upon this statement that the dividends are calculated and are distributed in accordance with the law of 1889. The net earnings of the Bank were

18,665,816 marks in 1891, 11,989,871 marks in 1892, 17,584,397 marks in 1893, 11,404,426 marks in 1894, and 9,919,433 marks in 1895. The portion of the earnings which went into the Imperial Treasury was 8,601,544 marks in 1891, but only 2,859,716 marks in 1895. The percentage of dividends paid was 6.12 in 1876, 5.29 in 1886, 6.26 in 1894, and 5.88 in 1895. The lowest dividend was five per cent. for 1879 and the highest was 8.81 per cent. in 1890.

The value of the real estate owned by the Bank in the various cities of Germany was returned at the close of 1894 as 24,293,500 marks ($6,000,000). The number of employees, which began at 1,094 in 1876, increased to 1,307 in 1886 and to 1,745 in 1894. The cost of administration in 1876 was 5,399,360 marks and increased in 1886 to 6,107,812 marks and in 1894 to 9,069,375 marks ($2,250,000). The cost in 1895 was 9,435,397 marks. The official force of the Bank is treated as part of the civil service of the Empire and is subject to the same obligations. The actual salaries, honors and pensions are paid out of the profits of the Bank, but are provided for in the official budget submitted to the Federal Council by the Chancellor. No employee of the Bank is permitted to hold its shares, and the accounts of the management are submitted to the public accounting officers, like those of other financial boards.

DR. RICHARD KOCH, President of the "German Reichsbank," whose portrait is presented at the beginning of the above article, was born at Kotbus, Germany, September 15, 1834.

From 1851 to 1853 he was a student at Berlin, and was Judge of the City Circuit Court in Danzig from 1861 to 1863. In 1867 he was Judge of the City Court in Berlin.

In October, 1870, he was appointed as one of the directors of the Royal Prussian Hauptbank, and in 1876 he became a director of the Reichsbank.

The University of Heidelberg made him an honorary LL.D. in 1886.

Dr. Koch was elected President of the "Reichsbank"—Imperial Bank of Germany—in 1890, and has continued in that position to the present time. He is the author of a number of valuable papers on financial subjects, and some of his books rank as standard authorities, among these being, "Reichsgesetzgebung uber Munz und Bankwesen," and "Entwurf eines Checkgesetzes fur das deutsche Reich."

Acknowledgments are due to Dr. R. Koch, President of the Imperial Bank of Germany, for his courtesy in securing photographs of the Bank for use in this description of the institution.

The above paper is one of a series on the Leading European Banks, commenced in the BANKERS' MAGAZINE for January, the first paper being devoted to the Bank of England. A concluding article, fully illustrated, will appear in the April number treating of the Bank of France.

THE FIRST STEP IN CURRENCY REFORM.

The Emperor Joseph, of Austria, has been a sort of historical puzzle. He was a man of extraordinary intelligence, with a high sense of duty. He devoted himself with intense earnestness and energy to the cause of reform, but his efforts resulted in tremendous failure. Was it because his ideas were unsound? The mature verdict of history is that they were in accord with "the most enlightened political speculation of his time." The explanation of his failure is that his reforms "were forced into a precipitate maturity with no regard for the habits, wishes and prejudices of his subjects." This is the judgment of the historian Lecky, and it is but a dignified version of what Frederick the Great said at the time: "Joseph always takes the second step before he has taken the first." The moral which the historian extracts from the case is: "How necessary it is even for a despotic sovereign to consult times and seasons, and to seek in his reforms for the line of least resistance."

If it is necessary for a despotic sovereign to be mindful of such considerations, how much more necessary is it for reformers who have no means of obtaining success save by public acceptance of their proposals. Yet that is where they are apt to err. Consider the resolutions adopted by the Indianapolis Monetary Convention. The reforms demanded are as follows:

> "First, that the present gold standard should be maintained; second, that steps should be taken to insure the ultimate retirement of all classes of United States notes by a gradual and steady process and so as to avoid injurious contraction of the currency or disturbance of the business interests of the country, and that until such retirement provision should be made for a separation of the revenue and note issue departments of the Treasury; third, that a banking system be provided which should furnish credit facilities to every portion of the country and a safe and elastic circulation, and especially with a view of securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof."

Now, granting that this programme of reform is in accord with the most enlightened political speculation of the time, how does it comport with the habits, wishes and prejudices of the people? As the people see the case the trouble is not too much currency, but too little. What makes the present system odious to the mass of the people is not the insecurity and distrust it causes in financial centers, but the scarcity which it causes in the country. It may be said that there is now over $1,665,000,000 of gold, silver and paper money in circulation, but more than one-third of this large amount is on deposit in the sixty-five banks of New York city, leaving out of account other depositories not embraced in the Clearing-House Association. Add to the New York holdings the amounts held by other financial centers, and there does not seem to be much left for the country outside of the big cities.

It may be said that this tendency of bank funds to accumulate in financial centers is a normal characteristic, and so it is. They tend thither as streams tend to the sea, and in the natural order of things would return again to the country in fructifying showers. But the national banking law sets up artificial obstructions to the flow of capital. In other countries an accumulation in central banks keeps thousands of branch bank managers on the alert to find employment for as much as can be safely laid out in their local fields. In this country it fosters the development of a class of nervy, speculative bank managers, who sometimes reap large profits by their audacious undertakings to find employment for the idle funds in their care, and sometimes they succeed in bringing about a bank crash. It is not as if the city banks had branches supplying the needs of other localities, for then such an accumulation of capital would belong to those localities just as much; but as it is, the spectacle of so much money in financial centers in comparison with its scarcity in the rest of the country is simply exasperating.

Now, with the existence of such a frame of mind among the masses of the people, what shall be said of the wisdom which puts retirement of Treasury notes ahead of banking reform in the order of legislative action? Is not that attempting to take the second step first? The immediate concern of the people is the seeming scarcity, and the leading proposition submitted to them is the withdrawal of a portion of the existing money supply—using the word money in its popular sense. Which supposition is most likely to be accepted in regard to the motive of such a proceeding—that those pressing this demand will make everything right by and by, or that a bankers' trust is endeavoring to get control of the money supply so as to squeeze the people worse than ever?

However sound the process may be in theory, experience has shown that the people will not stand the practical application of any plan of currency reform that involves contraction of the circulating medium. The resistance does not come from the country districts alone. In the days of big Treasury surpluses an actual contraction of Treasury emissions was accomplished by the accumulation of funds in the United States Treasury; but no sections were louder in their complaints of a tight money market than the financial centers, and it was chiefly due to such pressure that the Government restored the notes to circulation by making large deposits in the banks. Even if legislation for the retirement of Treasury notes should be obtained, that much has been done before, and what has come of it?

On April 12, 1866, an Act was approved providing for the gradual withdrawal of Treasury notes from circulation and on Jan. 14, 1875, an Act was approved for the reduction of the total issue of Treasury notes to $300,000,000. Notwithstanding these two Acts the aggregate issue of Treasury notes, which in 1866 amounted to a little less than $450,000,000, now amounts to $476,364,296. So much for the results of thirty years of effort along this line.

The opposition of popular sentiment to any contraction of Treasury emissions is hardly to be explained by laying it to the account of ignorant prejudice. It is so steady and constant as to suggest the probability that it has some solid ground on which to rest, and when the mechanism of exchange is attentively considered it will be seen that such a ground exists. This whole subject has been so befogged, however, that the quickest way to make the matter plain is by presenting an analogous case. Suppose there was a government issue of yardsticks, under laws compelling acceptance of them as the standard of length, although their actual length was frequently so uncertain as to cloud all contracts specifying length. In such a case the obvious remedy for the trouble would be the withdrawal of the Government yardsticks. But suppose, in addition, that the use of machinery for measuring length was confined to certain localities and the rest of the country was restricted to the manual use of the existing supply of yardsticks, would a right order of reform start with the withdrawal of the Government yardsticks, and would it be regarded as evidence merely of stupidity and ignorance if such a proceeding should be vehemently resisted by sections that would be deprived of the larger part of their available instruments of measurement, faulty as they might be?

The case corresponds very closely with the currency situation. A community which depends on the actual use of money as a medium of exchange is but a step in advance of primitive barter, and is largely subject to the inconveniences and limitations of barter. Instead of direct barter there is a roundabout barter, goods and services being exchanged, by means of an intermediate exchange for a commodity in universal demand. There are physical limitations to this method of exchange which constantly tend to restrict it.

The function of a bank is not to supply money but to afford mechanism of exchange which shall measure value in accordance with the money standard of value but for the most part dispensing with the actual use of the money itself. In the clearing-house relations of city banks, exchanges to the amount of many millions of dollars daily are effected by comparison and adjustment of accounts without the use of money. The note-issuing function of a bank, in its proper activity, is supplementary to the wholesale exchanges carried on by means of checks and drafts. A bank note is essentially the same thing as a Cashier's check or an accepted draft payable to bearer on demand, and the only reason why notes should be issued in preference to opening a credit against which checks or drafts may be drawn, is the convenient assortment of values in which notes may be supplied and the facility with which they circulate in the payment of wages and in the transactions of retail trade.

The note-issuing function of banks is most valuable in districts where the system of transferring value by means of checks and drafts is least in use, but that is just where, under the national banking system, this function is least developed. Large regions are dependent upon the hire of currency from the city banks for the means of carrying on the exchanges incident to the gathering and marketing of the crops. The transfer of currency to the interior to "move the crops" is a periodical feature of the financial situation. It is of itself complete proof of the defective character of the mechanism of exchange, that so natural a process should be attended by so much strain and difficulty. The root of the trouble is that the restrictions put upon the national banking system prohibit to large areas of the country the use of machinery for the measurement of value. They are in the position described in the suppositional case—restricted to the actual use of the yardsticks, subject to the oppressive inconveniences and disabilities which such a situation entails.

Is it strange, then, that from such sections an energetic and effective remonstrance should go up against any scheme which shortens the supplies to which they are, to so great an extent, confined? And does not this state of affairs clearly indicate the line along which reform should move? That which the Indianapolis programme puts last must be put first, before any scheme of currency reform can be regarded as practicable:

"That a banking system be provided which should furnish credit facilities to every portion of the country and a safe and elastic circulation, and especially with a view of securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof."

HENRY J. FORD.

SEWICKLEY, Pa.

PRACTICAL BANKING DEPARTMENT.

FORMS FOR BANK BOOKKEEPING.

The forms for use in bank bookkeeping given herewith and the description of them are furnished by Mr. Frederick C. Dreyer, of the Merchants' National Bank, Baltimore. He says:

"We have had this system in use at our bank nearly four years, and our general bookkeeper would not be without it, and does not under any circumstances desire to return to the old system.

Our books are a combination of cash-book and ledger and we have two books for each month, using them consecutively. One begins the month of February by entering in red ink the balance due to or from each bank, making, in other words, an exact copy of the statement book; then referring to the credit side it will be observed that the different banks have been credited with letters received and collections paid and the totals extended in black ink; all credits and debits are made in black ink and in making each day's settlement the red ink figures are not taken into consideration.

On the debit side are charged in the first column all cash items to be forwarded in that day's letter, the total amount being extended to the third column, which is compared with total amount of cash items enclosed in letter. In the second column are entered the number of check drawn by correspondent or where collection is charged a small "c" with amount in the third column, and at the close of the day extending total amount of debits into fourth column under red ink figures. This explains the first day's work.

To begin the next day, we transfer in red ink the sum total of red and black figures opposite each account both on debit and credit side, as shown by form dated February 2, to another book, and continuing in this manner, using the books consecutively, during the whole month. On the first day of the following month we again begin work with the balances as before.

This system is very simple and is merely a carrying forward from day to day of the total debits and total credits, beginning each month with the balance, either debit or credit.

For a large bank, having many reciprocal accounts, this system of general bookkeeping is believed to be far superior to any other in use.

For our small remittance accounts we have separate cash-books, using the old system of ledger and cash-book, as with such accounts there is a daily debit and probably only a weekly or semi-monthly credit; for this and other reasons for such accounts the old system is preferable.

To mention a few of the advantages of this system I might begin with the matter of statements. As all large banks require a statement of the condition of the bank at least twice a week, it is a great satisfaction to a general bookkeeper to know that he can take off his statement without having to go through the entire ledger to add each account and then perhaps find after statement has been taken off that it is not correct, which is not an unusual

February 1st 1897

Cr.

Merchants' N[...]		#1411	5000		
[...]me	100	Collection	200		
[...]ds	50			5550	
[...]ny	200		350		
Merchants' N[...]				50 400	
[...]	200				
[...]	150				
[...]	50			1900	
[...]	1500				
Merchants' [...]		Collection	50	4 500	
[...]and	250	"	25		
[...]ll	50	"	125	675	
[...]ing	175		475		
Merchants' [...]		#910		10000	
Merchants' [...]				8 500	
[...]	1200				
[...]ing	150			1600	
[...]	50				
[...]ame	200				
Individuals					
Checks				60800	
Cash.				138 800	
[...]ts				71050	
				202 200	
				151875	

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February 2d 1897

Dr.

Merchants Nat Boston		Collection	150		5 650
		"	50		
			500		700
Merchants Nat N.Y.					52 300
Jones	125				
Hall	1400				270
Cushing	875				
Clark	300				
Merchants Nat Phila		Collection	150		5 175
Williams	1000				
Wharton	500		1500		165
Merchants Nat Balto					10 000
Holliday	75				
Hanif	100				22
Williams	50				
Merchants Nat Chicago		Collection	175		10 10
					17
Individual Deposits					60 80
Total Checks					2470
Cash					209 85
Cash receipts					5127
					353 77
					814

occurrence; in that case he is obliged to go over the entire additions and very frequently to examine a good portion of his posting, while under my system all that is necessary is to call off the difference between the red ink figures on the debit and credit side of each account. These figures must be necessarily correct, as the footing on each page is transferred from day to day and additions are then made to prove that the amounts transferred are correct; thus our general bookkeeper at the close of each day's work knows that his work is all right, and he can on a moment's notice take off his statement which must come out correct, provided he has made no mistake in calling off the balances. If, however, there should be an error, it is a matter of but a few minutes to find it, as he will only be obliged to examine the calling off of balances.

In case of a call from the Government which requires a statement to be taken off some days back, all that is necessary with this system is to call off the difference between red ink figures of whatever date desired, which can be done in a very little time.

Another advantage is this, the bookkeeper has at all times before him the condition or standing of each account, and he can at a glance see whether an account is overdrawn.

By having the two books in use for each month, the auditor or account current clerk, in getting up his monthly statements, has an opportunity to enter up each day on his statements the previous day's work of the general bookkeeper, and thus enable him at end of the month to get statements off promptly."

OBSERVATIONS OF A BANK EXAMINER.

A man would have to be unobserving indeed to examine a large number of banks of all sizes without gaining some impressions of interest and value. The variety of methods met with would surprise even the bankers themselves.

The thought that comes naturally into the mind is, why can not the best practical methods be brought together and a system be devised approaching the ideal?

Different conditions require different methods; but even in banks where conditions are similar it is a fact that methods differ widely. Bank managers have learned one way of doing things, and are often slow to adopt any other method; probably not realizing that wisely instituted changes would increase the efficiency and financial success of the institution. It is also true that there are more men to-day who are alive to any good practical idea which may be profitably employed in their business than ever before. There has been a tremendous stride in this respect in the past ten years, and improvement in banking methods never progressed so rapidly as at the present day.

I have in mind three of the contributing causes. The organization of banks into State bankers' associations, groups and city associations, thereby bringing the banks into closer touch, and doing much to disseminate knowledge of the best methods. Improvement in banking literature. Sharp competition, compelling the shrewdest management to win any degree of success.

Books must be so kept that results and conditions, lines of discount, etc., can be readily referred to; yet without running into the mistake of an excessive salary list. I am far from advocating under-paying the necessary help.

Results must be obtained by planning and supervising wisely; by having the right man in the right place at the right salary. The successful manufacturer does not have four dollar men doing three dollar work, or one dollar men doing two dollar work. He can not compete with others unless he has a skilled workman at a skilled workman's job, and a boy at a boy's job. To secure the best measure of success the same principle must be applied to the management of the detail work of a bank. A practical supervising head is just as necessary to the highest success in a bank office as a good foreman in the workshop.

Now, in regard to what may be considered the more important phase of banking—the safe and profitable employment of its funds. The bulk of such funds is invested in bills discounted. Loans are made by the officers of the bank as they may be authorized by the board of directors. Practice differs very widely as to the latitude allowed officers in making discounts. While in many banks practically unlimited authority is given the officers in discounting paper, in others the discount committee meet daily and pass upon all paper offered. Experience has shown that as a rule the former is not the best or safest method for banks to follow; although in many cases, under favoring conditions, it may have proved eminently satisfactory. The wise officer will desire the help and judgment of a committee, and the dividing of responsibility; although if he has shown himself a competent and careful officer he should be made to feel that the board has confidence in his judgment, and does not wish to restrict his authority to the point where he is put in an unfavorable light in the eyes of customers. It is in regard to large or questionable lines of discount and new offerings that the combined judgment of a committee can be of most service both to the officers and to the bank. The Offering Book is not so generally in use as it should be. Every bank should keep an Offering Book in which paper offered for discount is described and action noted.

'.lthough custom differs largely it is becoming much more common to require of borrowers a signed statement of their condition. The fact that this practice is gaining in favor would seem to prove that it is a wise requirement to follow as a rule. Of course outside methods of gaining information of the standing of borrowers supplement the statement, and it is happily becoming more common for bankers to confer with one another in regard to large customers. In this way parties are prevented from borrowing from several institutions, when each bank supposed that they were loaning all the money such a party owed. In the future this co-operation of the bankers will doubtless be much extended and systematized.

I have spoken briefly of the work of the discount or finance committee. Every bank should also have an examining committee, and if desirable a house or building committee. Examinations by bank directors, or those employed by them, have been too little the practice. Interest is being somewhat aroused to the fact that directors of a bank are elected to direct; and part of their duty is to make periodical examinations into the condition of their bank. A system of examination called "The Schedule System," originated by Mr. John A. Kennedy, Manager of the Niagara Bank of Buffalo, N. Y., has been presented before Group I. of the New York State Bankers' Association, and is successfully used in some banks. Its use ought to be general.

Just a word of suggestion regarding several points that come into my mind. Have a reconciliation register in which the reconcilement of each bank account, or at least each reserve account, is recorded. Have each reconcilement examined and initialed by an officer of the bank. In small banks where the Cashier makes the reconcilement have the President or a director check it. A good form is given in the BANKERS' MAGAZINE for February, page 239. There is at least one form, and probably several forms, of reconciliation registers made up ready for sale.

The method of keeping the expense account I find differs very widely. Some banks have it divided into several accounts as "salaries," "rent," "supplies," "advertising," etc.; while others simply keep one account, and when they wish to make up their semi-annual report to directors have to separate all the items. I have found the most satisfactory plan in my own experience to be the use of a supplementary or private ledger, in which expense items were posted under the different heads, subdividing as far as seemed wise, while but one account was kept in the general ledger. Entries were made from the bills before going to the general bookkeeper. This book I found not only valuable for purposes of comparison and for semi-annual reports, but as a convenient record of prices and quantities of supplies ordered. Monthly and semi-annual records of results for comparison, earnings, expenses, etc., kept in the columns of a common trial-balance book, will be found helpful and suggestive to officers and directors. Such supplementary data may be kept ready for instant use, and with very little trouble when once systematized.

Most banks, when past-due paper is put into attorneys' hands for suit, turn over the original paper, for which they may or may not take receipts. Every purpose is answered by suing from an exact copy. If a typewriter is available I should sue from a typewritten copy, attach a carbon copy in a scrapbook with receipt and other memoranda, and keep the original with my other past-due paper.

Speaking of past-due paper, the best bankers "clean house" often and thoroughly. If paper is questionable it is far better to charge it off, getting it back if you can and crediting it when paid. It is sometimes argued that paper charged off is lost sight of and collection is not so apt to be pushed. There is no reason why this should be so if such matters are kept in proper shape.

THE IMPORTANCE OF CREDIT.—It is a great mistake to take the position that it is essential to financial prosperity that in any particular country or in any particular financial center there should always be a large volume of money. The modern methods of transportation and the improved methods of banking exchanges have largely solved that question. It is now of a great deal less importance in this country, for instance, whether there is always here a large volume of money than it is that here is maintained the very highest credit—national, corporate and individual. If we have credit and hold out investments which offer inducements to those who have capital to invest, it is immaterial whether loanable capital is immediately in this country or elsewhere. It will always seek the place where the returns on the investments promise to be the best for the lender.—*Hon. James H. Eckels.*

ROBERT J. LOWRY.

PRESIDENT OF THE AMERICAN BANKERS' ASSOCIATION.

ROBERT JAMES LOWRY, of Atlanta, Ga., was born in Greeneville, East Tennessee, March 4, 1840, his parents being William Moore, and Julia Eason, Lowry. He obtained his education in a country school.

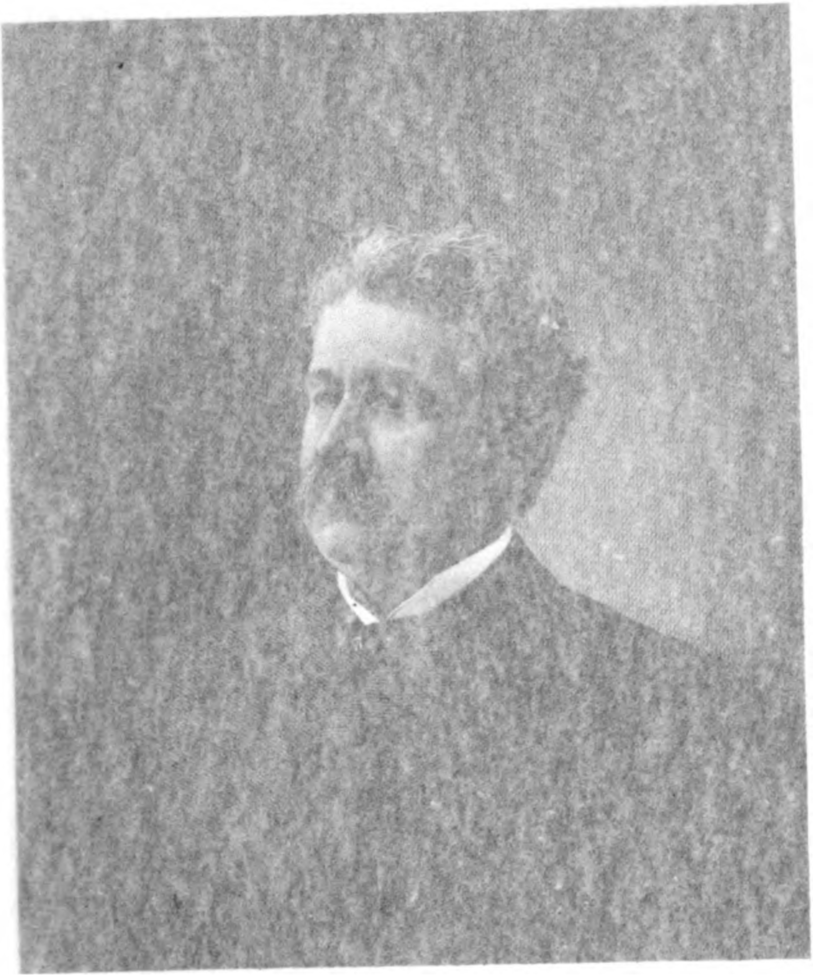
His father was the owner of a number of country stores, the principal one being located in Greeneville, where the subject of our sketch first embarked in business as a clerk at the age of fourteen years, having early developed a strong tendency for business. In those days it was necessary for a clerk in a country store to have a knowledge of all kinds of merchandise, as the stores kept for sale almost every known article of commerce, and also bought the produce of the country. The business required an accurate knowledge of credits and thorough familiarity with all descriptions of goods. The subject of our sketch had so fully met these requirements that at the age of sixteen he was sent by his father to the Eastern market to buy the various kinds of goods kept in a country store. Then it was a trip of a week to New York, the larger part of the journey being made on horseback or by the old-fashioned stage-coach. From that time until the Civil War he was the buyer of all the goods required in his father's numerous stores.

His annual salary as clerk was less than an ordinary clerk now gets per month.. The duties of the position at that time included rising at 5 A. M., making fires, sweeping store, carrying water and doing everything that was necessary to be done in the way of packing, marking and shipping produce.

He managed to save a good part of his salary, small as it was, and coming to Atlanta in 1861 to sell some produce he found it to be a progressive place, and it was early predicted by John C. Calhoun that it would be one of the largest inland cities in the Union. When later his father visited Atlanta he concluded it was the place for a young man to locate, and the then youthful subject of our sketch commenced business as a banker and commission merchant in what was known as the Athenæum, near the corner of Decatur and Pryor Streets, opposite the well-known Atlanta Hotel. He continued business with success until Atlanta was captured in 1864.

In 1862 he married Miss Markham, only daughter of William Markham, an old and honored citizen of Atlanta, and by whom he had two children born, who died in childhood.

When the Civil War was over in 1865 he was joined by his father, W. M. Lowry, who moved from Greeneville, Tenn., with his family and located in Atlanta, when the banking business of W. M. & R. J. Lowry was formed, and successfully continued until the death of his father, W. M. Lowry, in 1887, when the Lowry Banking Company was organized under a State charter. He was elected President, and has continued to fill that office to this time. From the inception of the bank, it has paid large semi-annual dividends and put away a good surplus and undivided profit, and is doing a



Robert J. Lowry

large and growing business, being the oldest banking institution in Atlanta, and patronized by the very best class of customers.

In 1867 he was president of the old Volunteer Hook and Ladder Fire Company, holding the office until 1874, when under his administration a new building was erected and horse substituted for hand power. In 1871 he was a member of the City Council, which inaugurated Atlanta's present fine public school system, which has done so much to add to the prosperity of the city. He has been a member of the Board of Education since organization.

In 1875 he was Captain of the Governor's Guards, a noted volunteer military company. In 1881 he was a member of the City Council, Mayor *pro tem.* and Chairman of the Finance Committee. Under this administration the lowest rate interest bonds were sold by the city up to that time at par ; the first permanent street improvements were inaugurated and the first Belgian blocks laid in the streets, which at this time number many miles of well paved thoroughfares; the splendid paid Fire Department was established and he was one of the prime movers. It is now regarded as second to none.

In 1882 he and others organized the Atlanta Home Insurance Company, which has been very successful, and is regarded as one of the strongest fire insurance companies in the Union ; he has been president since its organization, and much of its success is attributed to him. He is a stockholder, director and trustee in a large number of institutions controlling large capital, and in everything that tends to develop Georgia he is among the foremost with his influence and means, believing that everything that is calculated to give employment to labor and capital will redound to the good of all.

For a number of years he was President of the Atlanta Chamber of Commerce and is now an active member of the Board. He and others own the Atlanta Consolidated Street Railroad System of some eighty miles, which is regarded as one of the best systems in the country. He is one of the Trustees of the Grady Hospital, one of the modern hospitals of the country.

Under appointment of the United States Court, he was Commissioner for the sale of the Marietta and North Georgia Railroad of some two hundred miles from Marietta, Ga., to Knoxville, Tenn., and was Receiver under the same Court for the Savannah and Western Railroad, having some six hundred miles of road, now part of the Central Railroad System. He was elected as one of the Trustees of the New York Life Insurance Company in 1896.

At the recent Annual Convention, held in St. Louis, September 22–24, 1896, Captain Lowry was elected by acclamation President of the American Bankers' Association, which has a membership of 2,300 of the leading banks in the Union. This association is doing much to help settle the finances of the country on a gold basis that will tend to restore prosperity to our country and bring all sections in closer contact, and doing much to prevent sectional jealousy. Captain Lowry's financial views are in harmony with the efforts that are being made to adjust our financial system so that it will, as nearly as possible, meet the requirements of all parts of the country. He has often been importuned to allow his name to be used for the office of Mayor, Congress and other offices, which he could have had almost without opposition, but he prefers not to meddle with politics, only to vote and use his influence for those he thinks best suited to fill the the office satisfactorily to all and the good of the whole country. With all his manifold duties he has time for the social side of life, and he and Mrs. Lowry are never happier than when they are doing something for the pleasure and happiness of others.

MONEY WITHOUT LAW.

Is it not practicable to adjust the difference between the advocates and opponents of free coinage of silver, in a way that would be satisfactory to both, by providing for the unlimited coinage of gold and silver on precisely similar terms, but without fixing the ratio of their values ?

The following principles and deductions appear to be sound and acceptable :

(1) Gold and silver can safely be used together for all purposes of money, provided that there is no cause of conflict in their use or values, and under this single condition we can not have too much of either or both of them.

(2) It is no proper part of the duty of the Government to (try to) fix, and maintain fixed, the ratio of values of the two metals—any more than it is its duty to try to fix the ratio of their production, or of the relative demand for them, or the ratio of values of any other metals or commodities whatsoever. Being commodities as well as money, and being commodities before and after they are money, and being money simply and only because they are commodities, and being commodities because they have recognized and intrinsic value independent of any action of government, and even in the absence of government, and being therefore severally subject to all the laws of commodities, the law of variable supply and demand and value among others, and these variations not being uniform for both metals, it is impossible that government can ever "fix" the ratio of their values.

If, however, it should be insisted that it is the function and duty of government to (try to) fix the ratio of their values—it would seem to follow as a logical consequence that, since their relative value depends absolutely on the relative supply of the two metals, it is the primary and plain duty of government to fix, regulate, their supply by controlling and operating the gold and silver mines, the sources of their production. It should do both things, or neither, and it is preferable that it should do neither. It is folly to expect to do the former without doing the latter.

In existing conditions government can not fix the ratio of values of the two metals when it tries, as the experience of this nation and of other nations has abundantly proved. France has changed the ratio 156 times. It has been "fixed" by the United States, and has varied from the arbitrarily declared rate fifty per cent. in half as many years.

Economic Law Should Fix the Ratio.

Our present trouble with regard to silver is wholly due to the demand that the ratio of its value to gold shall be determined and declared by the Government; that Congress shall say that so much of the one metal must be accepted as the equal in value of so much of the other—notwithstanding that it is known that their relative values are not subject, in fact, to Congressional control. Why not then leave them to the operation of the laws to which they are really and only subject—the laws of trade and commerce, of supply and demand ? This, it appears to me, can be readily effected by the single and simple device of letting them alone —withdrawing all governmental interference from them permanently. Government can not do more, in any event, than lend a factitious and fictitious additional value to one or other of the metals by virtue of its authority backed by its credit. It is a misuse of both to employ them for such purpose, and a needless misuse. The matter is not a proper subject for the exercise of governmental functions.

The plea that such interference is necessary to maintain the parity of the two metals, and to give stability to business transactions, begs the whole question. It would not be necessary for government to try to maintain the parity if it did not try to fix the parity in the first instance. And other business would be stable enough, no doubt, if government would attend strictly to its own business. Its interference has not had very satisfactory results so far.

It would be perfectly proper and right for government to simply guarantee the quantity and fineness of the metals used in the several coins by stamping those that come up to the adopted standards for each in these respects. It is not clear why we should not have a dozen different sets of coins if we had a dozen metals alike suitable for money purposes and of reasonably stable value. It is not clear why we should not employ two sets of coins of the two money metals that we have. The original office of government was simply to determine the weight and fineness of the metal in the gold and silver coins and to coin them of fixed weights and fineness. It should return to that office.

Under this original and right plan, which appears to have operated satisfactorily when it was pursued, the United States Government would simply coin gold and silver into pieces of so many grains or ounces weight, and leave them to take care of themselves and find their own levels of value, as they would do at once. It would still be necessary, of course, to qualify them with a slight alloy to maintain them in use as money, to keep them out of the melting-pot. Possibly it might be as well to charge a small percentage for coining them—as the fact of their coinage by government gives them certain value, the charge would be no hardship; or it might be represented in the alloy.

A necessary condition of the adoption of, or return to, this plan, in the circumstances we have made, would probably be to abandon the word "dollar" as a designation for the unit coin of either metal, and substitute terms of weight only for both, and so avoid giving offence to the friends of either metal. It would be necessary, at least, to confine it to one metal; and it might be safely assigned to silver, while "eagle," half-eagle," and "double eagle" would serve for the gold coins, corresponding nearly to our present ten, five and twenty dollar gold pieces.

Any common designation for coins of both metals involves the determination of their relative values by law, of course, and that is what is sought to be avoided.

The adoption of the single gold standard would give present relief, no doubt, but it is doubtful whether we can adopt it, and it is probable that its adoption would not long free us from the agitation on behalf of silver. The dual standard will give lasting relief, if the two metals are made and kept absolutely independent of each other. The gold men cannot object to this plan; as they claim that gold is the true standard, and must prevail, they need fear no rival for it. The silver men cannot oppose it, consistently, as they claim that silver is the equal of gold in fact, and only wants fair play to establish its claims as such. If they believe honestly that sixteen ounces of silver, under a system of free coinage, would prove to be equal to one ounce of gold in value, in all markets and for all purposes of money, they can not and will not object to the proposition to give it full opportunity to establish that ratio, or even a better one, for itself. To object would be to confess outright their want of confidence in the metal and in their own claims. Both sides should welcome the arrangement without hesitation.

Objections to the Plan.

The most obvious objection that would be urged against this plan, is that "debts," public and private, have been made in "dollars," coined at the existing or assumed ratio, and must be paid in "dollars," and it would remain to be decided what is a "dollar" under the changed system.

This objection, however, could be got over by requiring all existing debts to be paid in gold, of the weight of the gold in the dollars that would have been required for such payment when the debts were contracted; or in silver at the ratio that obtained at that time; or on the basis of value that it would have under the changed system to represent the value in the gold dollar when the debts were contracted; as it should be enough for both parties to settle all debts on the basis of value which the "dollar" then actually occupied; and future debtors and creditors could adjust the terms of all future contracts between themselves, whether to be paid in a given weight of the one metal or the other.

This suggestion can meet with no honest objection, save in rarely exceptional cases, and special provision could be made for such cases.

We need not stop to consider any application of the system to special cases. All such cases can be provided for later, after the essential features of the system have been determined. The important thing is to settle principles first; their right or expedient application will follow in good time. If we have gone wrong so far we will only get deeper and deeper into trouble by keeping in the present wrong course. The wisest plan is to stop where we are, and start anew in another and right direction.

The right way, as I believe, is simply to abandon, absolutely and finally, the effort to fix by law the relative values of coins of the two practically independent metals. We need not demonetize either. We need not make either the sole standard of our currency. Both have universally recognized value as commodities and money. We can continue to use both accordingly. The eagle of gold will serve as a medium of exchange for one large class of traders and transactions. The dollar of silver will serve as well for another large class. Buyers and sellers will choose between them at their discretion in the conduct of all their business. It is no business of the Government how they trade, or how the values of the mediums may change. Its only function is to furnish coins of guaranteed and stamped weight and quality. It has no proper concern about their relative value, just as it has no concern about the relative value of corn and oats, cotton and wool, or of the bonds of two States or corporations. Their coinage into pieces of like or readily proportioned value is a matter of convenience, not of necessity. We used English gold pieces and Spanish dollars together for many years without difficulty.

Values not Fixed by Government.

It is not the part of government to determine and fix, or try to fix, by legislation any value. The Government can not fix the value of its own bonds; the curbstone broker is a stronger power in this matter than Congress and the President; the "ticker" in the lobby is stronger than all the machinery of legislation. It can determine the value of nothing that gold and silver will buy—not for a day or an hour. It can not determine, therefore, the value of those metals, or of either of them, which is determined by their purchasing power. Why should it undertake to fix their relative values in such conditions? And that after it has tried for years to fix them and has failed utterly.

All values are unstable and constantly vary. The prices of bonds, stocks, lands, the farmers' crops, the manufacturers' goods, the workingman's labor, rise and fall like the tides, but irregularly. If gold and silver should fluctuate in value if put on an independent footing they would only do what everything else does, what they do now and have always done, under the conditions of ratio nominally fixed by government. The threat of such fluctuations in future is a bugaboo that frightens us unduly, considering our daily experience of them.

Moreover, it is highly probable that the fluctuations would not be considerable, or seriously felt in the general markets, if they should occur when the two metals were not tied together as now. Each would have its own field of employment, and any variation in the supply, and demand for, and value of, the one would not be measured at once by the other, acting as an ever present and sensitive barometer, as is now the case. There would be less ready occasion and provocation for comparing their values, less opportunity and incentive for disturbing speculations in them. When either metal has been driven out of a country, or out of circulation, heretofore, it has not been because of any actual and sudden change in its value, but because government has arbitrarily overrated one or underrated the other with respect to its legal or artificial value for use as money. Commercial law interposed to correct the statute law. In the absence of such interference by government the two metals would have remained side by side, harmoniously working together, each in its own natural sphere. They would so remain and so work, anywhere and everywhere, if they were coined by any competent private authority or agency, which could and should simply guarantee the weight and quality of the coins, or by government itself.

It is also probable that if government simply coined them independently of each other, all the elements and agencies of business and trade would conspire, or unite at any rate, to minimize the variations in their value, and to frown down any and every attempt to force them apart. They would do so in self-defence. The interest of all conservative classes engaged in business would be to check or counteract such speculative attempts. The business community would do for itself then what it can not do while government interferes with its work, and would fix the ratio as government can not fix it. If the fluctuation should be serious, however; if one of the metals changed its value materially, relatively to the values of other and staple commodities; the change would be speedily adjusted without shock by the interests concerned, and without reference to the value of the other metal or to the interests served by the other metal. The weight and quality of all coins would remain unchanged always. The value of the coins of the fluctuating metal alone would rise or fall. The values of all other things, including the coins of the other metal, would stand at their normal level.

If the fluctuation were trifling in short, it would not be felt or its effects would be trifling. If it were considerable, the laws of trade, of supply and demand, would come at once into play to modify it by increasing or reducing the production of the metal, whose proper relation in value to all other values would thus be speedily adjusted again.

It should be noted here, in passing, that the two metals are on wholly independent footings now in all our foreign transactions and exchanges. No matter what ratio of value we assign to them, the coins of each and both are regarded only for the bullion that is in them as soon as they leave our shores. If they can serve so independently all the purposes of our enormous trade with the people of other nations, they can serve as well the purposes of trade among ourselves.

When it comes to deciding in which coins the Government shall receive its dues and pay its obligations, that question also can be settled later in some right way. It can receive gold or its equivalent in silver at the current market rate, or at a rate that obtained at a specified date, according to the nature of the due. It can pay its obligations in the same way. If payment in gold is required, it can use its silver to buy gold in this country or out of it, as the merchant does. Its silver reserve will be as good as a gold reserve as long as gold can be bought anywhere with silver. And in all circumstances, it would appear, the effort of speculators to "corner" either metal or to enhance its value unduly would result simply and directly in calling more of the other metal into general use—circulation—so maintaining the volume of currency, and soon compelling a restoration of the equilibrium between them. And, on the other hand, any considerable excess in the supply of the one should serve promptly to lower its value, and so restrict the demand for it, and the supply of it for use in trade, and thus bring about a proper re-adjustment again. With both metals in the market on their merits and on equal terms, the people would deal with them as with other commodities and they would operate to check and balance each other's eccentricities naturally, so to speak. Violent fluctuations in their ratio would appear to be impossible in such conditions, and moderate fluctuations would be of no consequence except to a small class of speculators.

If we were called on to organize our currency system *de novo*, for any cause, after the experiences we have suffered under the existing system, the proposition to make the two metals independent and coin them without regard to the ratio of their value would probably be generally accepted, if it were determined to coin both metals. If the plan would be wise and necessary in such circumstances, why would it not be wise in existing circumstances? To employ a homely illustration, the two sets of coins conflict only because they have been bound together like two cats tied by the tail and hung across a clothes line. We can restore their normal friendly relation by cutting the cord (legal ratio) that holds them in hostile relation.

If only the general principles of the proposed system are sound, no "objections" should be allowed to prevail against it. There are at least equally serious and numerous objections to the existing system, and as the one set of objections would offset the other, the right principle should prevail over the wrong one. And the principle under which we are now acting appears to be a wrong one, if we may judge from its operation.

It would appear to be the case that the operation of the "Gresham law" would be absolutely suspended under such a system as is proposed. As the ratio of the two metals would be fixed by commercial law, as neither would be "cheaper" than the other, as their coins would have self-adjusting values, and as Government could not "undervalue" or "overvalue" either set, there would be no force to drive either out of the country or into hiding. There could not, therefore, be any contraction of the currency on that account, or any timidity about the use of either because of the fear that Government might not be able to redeem it at a stated rate of value of the other. The Government and the currency would be alike freed from all embarrassment in their relations. The metals would find and maintain their own proper levels of value, and Government and the business community would deal with them on the same footing. Whether this would be a desirable condition of things, and worthy of some sacrifice to achieve it, scarcely requires to be stated.

The substance of all that has been here proposed is that the conflict between gold and silver coins results from the effort of the Government to impose on them, arbitrarily, a fixed relation which does not exist in fact—to tie them together by an impossible bond, to maintain by statute an equality of value that is opposed by every law of trade, especially by the potent law of "supply and demand," and that the conflict so caused will cease of itself when that effort ceases and the two metals are allowed to find and thereafter adjust, so far and as often as may be necessary, their levels of value relative to each other and to all other commodities. If this be a true view of the matter we should act on it, whatever the cost and temporary inconvenience, of putting ourselves in position to act on it.

It may be noted, finally, that if the plan is practicable, it can be put into practice without regard to the co-operation of other nations. There is "international agreement" already that the gold and silver coins of a nation are to be regarded at their commercial (bullion) value only, outside the territory of that nation. The co-operation of all other nations is assured in advance. The plan requires only the adoption of gold and silver pieces of uniform weight and quality, whatever their names, to establish a perfect system of international money for all nations that adopt it.

CARLYLE MCKINLEY.

WESTERN INVESTMENTS.

[Address by Samuel R. Smith, President of the Bank of Far Rockaway, N. Y., before Group VIII. of the New York State Bankers' Association.]

If an eastern bank President should be asked what class of securities above all others would most certainly be tabooed by his board of directors, the answer would very likely be "western investments." And not entirely without reason. One who has been merely a cursory reader of the daily press the past five years knows that western farmers and business men alike have been having hard sledding, as a rule; that mortgage companies, guaranty loan associations, land and improvement organizations and corporations that Wall street terms "Industrials," that flourished at one time like the proverbial green bay tree, have come to grief. These, which offered unusual attractions to capital a decade ago, have been compelled to succumb to the blighting influences of '93, and like many an eastern contemporary have retired behind the unwelcome veil of a receivership.

We all know how unreasonable and fearful is capital in the hands of the average investor, and how apt to follow the swing of the pendulum from one extreme to the other. Prior to '93 it was comparatively easy for New York and Boston brokers to launch almost any kind of speculative enterprise. A liberal use of printers' ink and a prospectus composed by some broad-gauged optimist usually secured the desired result. Corporations capitalized for a million or more with subscription lists open a few hours at some leading banking house—and the money was forthcoming.

Under these conditions it is not surprising that western mortgage and investment companies received a share of the capital that few desired to hoard and many to invest. A popular security at this time was the debenture bonds of the mortgage companies, which were secured by mortgages on city and farm property, interest guaranteed by the company, which sold quite readily in the east at six per cent., while companies were realizing eight and nine per cent. from the borrowers. As adversity is more easily resisted than prosperity, no doubt they grew too fast. As money was literally poured into the coffers of these companies from the East, conservatism took to itself wings and many injudicious loans were made.

What followed the change of sentiment after the failure of a great firm in London, and the collapse of a leading "industrial" in this country, it is unnecessary for me to relate. The pendulum of discernment in matters of finance and security quickly moved past the centre and to an extreme that brought ruin and widespread disaster to many thoroughly sound and conservatively managed organizations. And the East suffered with the West, the latter more because of its distance from its base of supplies. I question whether a comparison of actual equities of insolvent concerns would not show a result favorable to the western management. But it is not my purpose to introduce statistics nor to take time in attempting to prove that our people made a mistake when they withdrew as investors from the western market. I make few assertions and only attempt to furnish a little food for thought. We should be willing to extend the same judgment to our next of kin in the West that we expect from our sometime friends across the Atlantic. Remember, with what judgment ye judge, ye shall be judged. When we denounce English capitalists for withholding their millions in times of depression and panic, and forwarding our good American bonds to be exchanged for our precious metal at a time when we most need it, let us not forget we are carrying on the same fatal practice with our friends of the Mississippi Valley. And they are perhaps more dependent upon us for the maintenance of institutions and improvements projected, encouraged and fostered by us in times of so-called prosperity, than we are upon the mother country.

But bankers composing Group VIII. are not supposed to be particularly interested in either eastern or western mortgages. The national banking laws prohibit loans upon real estate and the State bankers are inclined to follow the National bankers. But like a chattel mortgage on a crop, a first mortgage on improved real estate frequently becomes a convenient collateral. Out West we frequently take additional security by including the crop, before the seed is in the ground, and your mortgage reads, "on the wheat or grain to be sown and grown upon fifty acres in the southeast corner of the northeast quarter of section 30, town 143, range 52 west, according to Government survey thereof;" and you pin your faith to some other part of your security to pay your bill. Why, the ground is not even plowed, you say. How can a man mortgage what is not in existence? Yet the laws of some States provide that a crop mortgage taken months prior to the time of seeding will hold against all creditors, save a seed or thresher's lien. But a few months later when the ripened grain pours from the hopper and you receive tickets representing a thousand bushels of No. 1 hard in Pillsbury's elevator, you begin to think your crop collateral was worth the writing after all. So a good realty mortgage sometimes becomes a precious document when endorsements have become worthless.

Bradford Rhodes, in the BANKERS' MAGAZINE for January, makes some suggestions along this line. He believes bankers should be allowed the same discretion in passing upon realty collateral that they are allowed upon stocks and bonds, and cites the case of a National bank in New York, which was once saved from suspension by a mortgage upon the Fifth Avenue Hotel property. It would be the abuse of the rule, not the rule, that would make such practice unsafe. But how is it to-day?

A National bank in the hands of a Receiver in a Kansas town owns one hundred and seventy-two pieces of real estate, representing two hundred thousand dollars of depositors' money, with taxes and unpaid prior liens so intensely interesting that the Receiver lets go his title rather than put in more good money, and two hundred thousands of so-called assets drop out of sight like a scuttled ship in mid-ocean. That bank could not loan upon realty.

A New York bank that was organized under the State banking laws was apparently successful for twenty-five years, passing the panics of '73 and '93, and after the death of its President went over to the department only to disclose a condition of rottenness only equalled by its western contemporary. It is not law, but sound judgment and common honesty that will keep a bank from slipping into unenviable newspaper notoriety and being made a byword to the fraternity.

But as to the securities themselves. Having lived in the Northwest a number of years, and being somewhat familiar with western ideas of business men and methods, I hold that a real estate mortgage in a well-established farming section placed by a conservative agent, is better collateral as a rule than the fifty to sixty per cent. realty mortgages in the East. I believe the experience of the largest life insurance company in the Northwest, as shown by the statistical reports collated and published by the various insurance officials, will bear me out in this assertion. The company having its tens of millions of western mortgages at the close of its fiscal year had less real estate acquired through foreclosure, less past due interest and fewer extensions granted than the large New York companies that refuse all applications outside the metropolitan district. And this has been my experience.

I have been interested in the closing of an estate of a customer who had been investing part of her savings in western mortgages. I learned from the executors that she had nearly an equal amount in local and western farm mortgages. Eight mortgages on North Dakota farms aggregated about $6,000; twelve mortgages on local dwellings, stores and small farms amounted to something like $8,000. The interest on the securities from the West, with one exception, had been paid promptly the one exception being a case where the principal was due and it was thought advisable to call it, the same being paid in full within sixty days from that time. While seven out of the twelve local mortgages were in default in interest, five of them being so far behind and the endorsements for previous years showing so bad a record, they were immediately placed in the hands of an attorney for settlement.

I am not sure that this is so exceptional. I know that hundreds of thousands, nay, millions, of hard-earned dollars have been lost in western securities, but we must not lose sight of the fact that more millions have been dissipated through injudicious investment right at one's own door in these same years. A Long Island board of directors would give no attention to a demand for money at eight per cent. from responsible western businesss men, through a conservative medium a few years ago, but bought commercial paper from a reliable firm of brokers in New York, made by an old reputable New York firm, and within a year dropped a sixth of its capital. Another conservative bank within a hundred miles of here made the same reply to inquiry for money at a rate better than six per cent., and within a year dropped fifty per cent. of its capital in an eastern loan. It strikes me that if thes banks had taken the trouble to look carefully into the merits of the paper offered, the losses would not have occurred.

An eastern lender on western property is dependent upon the western local bank or agent to little greater extent than the eastern banker or investor is dependent upon its attorney. The application usually shows the character of the borrower, the nature of the security, if real estate is offered or covered, the township map shows its exact location, and the abstract shows a chain of title direct from the Government—and an acquaintance with the reputation of the business men in that section makes it possible to obtain a fair estimate of the security.

In the East so much is concealed. We are offered single name paper with no security, save possibly an endorser out of the same firm, so that the downfall of one means the sure bankruptcy of the other. Mercantile agencies are quite sure to have nearly correct reports so long as an individual or firm is in good standing and making money, but when reverses come and the opposite condition exists they find it out when the blinds are closed and the banks, relying on their reports, have lost.

Where and how shall money be invested? This is a question of absorbing interest to all bankers. All admit the first duty of a bank is to discharge its obligation to its patrons and the ideal investment is strong double name customer's paper —either bills receivable or accommodation to firm or corporation carrying such a balance as would surely meet the paper at maturity. And when such investment can be had for seventy to seventy-five per cent. of a bank's liabilities, depositors, borrowers, officers and stockholders alike are happy. But unfortunately such an ideal condition seldom exists. Too often the depositor wants to borrow capital to extend his business, the endorsement is weak or lacking entirely, or the balance is so small at the date of maturity that the promise to pay must be simply repeated for an indefinite period. Instead of depositors who are occasionally accommodated, we have a string of borrowers who occasionally deposit. So outside investment becomes desirable if not absolutely necessary to the prosperity of the bank.

To the metropolitan banker Wall street offers an unlimited field for the placing of funds. The collateral may be local to this section or to the territory half across the continent, yet if listed and dealt in at the exchanges its actual merit or demerit may be all unknown, except to a certain few. The experience of the past four years demonstrates how unstable are values of these securities. While our Wall street bankers may be able to handle loans upon such stocks and bonds with safety, it is just as impossible for our friends on the Island to take such loans and realize even three per cent. per annum with safety as to pilot a ship around the continent without chart or compass. Violent and rapid fluctuations occur more or less frequently, and the banker who has not the electric ticker close at hand and a messenger to run to the protection of his diminishing margins, must look elsewhere for profit.

If one could be sure of the statements of corporations and know that the assets were figured upon actual cost or conservative estimates of present worth, that the almost omnipresent *aqua pura* had been squeezed out, and the mill, electric plant or railroad put down at such a figure as it would require to duplicate in honest construction, then with the business well established and prosperous it would seem a safe security for an advance of seventy-five per cent., and one that ought not to require the lender to spend his days with the telegraph wire to his ear in business hours or cause him to hold conference with distressful thoughts at night.

While railroads are built for one price and bonded for two, to say nothing of the stock, we must expect sudden and violent fluctuations in the market, be the railroad east or west. You are familiar with the recent rapid decline of a certain stable railroad security that followed the accidental death of its head. Had the water been expunged from this road before this accident, the unproductive branches written down to actual values under the changed conditions, it is reasonable to suppose that the untimely passing of the magnate who kept the stock stable would have made little difference.

How many other corporations are in similar condition! Such tremendous changes in the value of a staple article in a time of comparative serenity in the financial arena, and such an expose as we have had from the interior of the second largest bank in Chicago, must make us pause, scan our paper more closely, and give the impression that the recent victory over repudiation and revolution did not so effectually dissipate the hard times cry as some of our campaign orators predicted.

But I am digressing. I have thus briefly reviewed the characteristics of paper and securities most frequently found in banking institutions to gradually work up to one that in my opinion is par excellence for city or country bank. Emanating from Chicago, Minneapolis, or St. Louis it would be classed as western paper, though I presume that the same class of paper is to be had from Charleston, Savannah, Mobile, or Louisville, and would be called southern paper with equal propriety.

In the West there are grain men, in the South cotton men, who make a business of buying large quantities of these staples and selling for future delivery, say two, three, or six months after date of purchase. In Minneapolis these wheat and flour men have found it desirable to store part of their purchases in public warehouses. In carrying a large business they naturally find it convenient and profitable to borrow large amounts at the season of the year when the crops are moving, and more or less throughout the year. Their paper usually commands the best rate of itself, but when such paper is secured by a public terminal warehouse receipt, signed by a State official, registering and consigning to you a sufficient quantity of wheat in your name to give a reasonable margin, and insured against loss by fire, it seems to me the danger of loss is reduced to a minimum; and you are as sure of ultimately receiving your money upon this kind of collateral as upon the best municipal bond ever issued. And possessing this advantage over a municipal bond that, while it is generally absolutely sure, no one is bound to take it up except at maturity, perhaps twenty-five years after. Minneapolis business men pride themselves on their record, and I believe there has not been a time in the history of the past fifteen years that such paper has defaulted. No doubt this kind of collateral, too, may be obtained in New York. This is one kind of western investment that commends itself on account of its paying qualities when money is easy and plentiful, and because the commodity securing the principal can always be turned into gold when mortgages, municipal and even Government bonds, are slow of conversion.

"IN GOD WE TRUST."

HISTORY OF THE INSCRIPTION ON THE COINS.

From the Annual Report of the Director of the Mint.

From the records of the Department it appears that the first suggestion of the recognition of the Deity on the coins of the United States was contained in a letter addressed to the Secretary of the Treasury, Hon. S. P. Chase, by the Rev. M. R. Watkinson, minister of the Gospel, Ridleyville, Pa., under date of November 13, 1861, which was as follows:

RIDLEYVILLE, PA., November 13, 1861.

DEAR SIR: You are about to submit your annual report to Congress respecting the affairs of the national finances.

One fact touching our currency has hitherto been seriously overlooked. I mean the recognition of the Almighty God in some form in our coins.

You are probably a Christian. What if our Republic were now shattered beyond reconstruction? Would not the antiquarians of succeeding centuries rightly reason from our past that we were a heathen nation? What I propose is that instead of the goddess of liberty we shall have next inside the thirteen stars a ring inscribed with the words "perpetual union;" within this ring the all-seeing eye, crowned with a halo; beneath this eye the American flag, bearing in its field stars equal to the number of the States united; in the folds of the bars the words "God, liberty, law."

This would make a beautiful coin, to which no possible citizen could object. This would relieve us from the ignominy of heathenism. This would place us openly under the Divine protection we have personally claimed. From my heart I have felt our national shame in disowning God as not the least of our present national disasters.

To you first I address a subject that must be agitated.

M. R. WATKINSON, *Minister of the Gospel.*

Hon. S. P. CHASE, *Secretary of the Treasury.*

Under date of November 20, 1861, the Secretary of the Treasury addressed the following letter to the Director of the Mint:

TREASURY DEPARTMENT, November 20, 1861.

DEAR SIR: No nation can be strong except in the strength of God, or safe except in His defense. The trust of our people in God should be declared on our national coins.

You will cause a device to be prepared without unnecessary delay with a motto expressing in the fewest and tersest words possible this national recognition.

Yours truly,

JAMES POLLOCK, Esq., S. P. CHASE.

Director of the Mint, Philadelphia, Pa.

It was found that the Act of January 18, 1837, prescribed the mottoes and devices that should be placed upon the coins of the United States, so that nothing could be done without legislation.

In December, 1863, the Director of the Mint submitted to the Secretary of the Treasury for approval designs for new 1, 2 and 3 cent pieces, on which it was proposed that one of the following mottoes should appear: "Our country; our God;" "God, our Trust."

The Secretary of the Treasury, in a letter addressed to the Director of the Mint, under date of December 9, 1863, uses the following language:

I approve your mottoes, only suggesting that on that with the Washington obverse the motto should begin with the word "Our," so as to read: "Our God and our country." And on that with the shield, it should be changed so as to read: "In God we trust."

An Act was passed April 22, 1864, changing the composition of the 1-cent piece and authorizing the coinage of the 2-cent piece, the devices of which were to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury; and it is upon the 2-cent bronze piece that the motto "In God we trust" first appears.

The Act of March 3, 1865, provided that in addition to the legend and device on the gold and silver coins of the United States it should be lawful for the Director of the Mint, with the approval of the Secretary of the Treasury, to place the motto "In God we trust" on such coins as shall admit of the inscription thereon. Under this Act the motto was placed upon the double eagle, eagle, and half-eagle, and also upon the dollar, half and quarter-dollar in the latter part of 1865.

The coinage Act of February 12, 1873, provided that the Secretary of the Treasury may cause the motto "In God we trust" to be inscribed on such coins as shall admit of such motto.

This is a brief history of the motto "In God we trust," as shown by the records of the Department.

THE LONDON STOCK EXCHANGE.—Criticisms of American securities and of the New York Stock Exchange are so frequently found in the London press that it is refreshing to read the following arraignment of the London Stock Exchange, which is reproduced from a recent issue of the "Journal of Finance" (London):

"A stock exchange is primarily a place to facilitate the sale and purchase of stocks, and as such it has a most useful function. But from fair marts the world's stock exchanges have, by degrees, degenerated into mere centres of gambling, into places where people seek easy gain without honest toil rather than safe repositories for hard-earned savings. Now it is, in our opinion, the duty of the State to discourage gambling. All arguments to the contrary, particularly those based on "the liberty of the individual," are mere thoughtless cant. Liberty need not be less sacred because we remove harm; and when we regulate the morality of our streets and cities, and prosecute the proprietors of Soho gambling clubs, there is no reason why we should not prevent people from the demoralization that is undoubtedly spread by the modern stock exchange.

One need but watch the London Stock Exchange to see very soon that this institution, so excellent in itself, is used as a tool for evil. There could be nothing more legitimate than our market in most Government securities or railway stocks. But is the whole miscellaneous department much better than a trap for the unwary? Most of these small issues are but loaded dice with which the public are invited to play. In nine cases out of ten their market is artificial or cornered, the playground of knaves, and the trap for fools. Quotations are either run up to unload, or run down to "catch bulls." They do not represent actual value as a rule, but by way of exception. And there is but one remedy for this growing evil. Since the public will not protect itself, the State should guard it against loss, and save our economic body from the disease that is fast eating it up. Parliament should pass a short Act directing that the prices of important public issues, say of £1,000,000 and upwards, are to be fixed by sworn brokers once a day. Speculation, that is, running stocks without paying for them, should not be recognized any longer as a legal transaction; and transactions in minor issues should be relegated to the auction room, where prices find their true level, or to private dealers. We know that the stock exchange will regard this suggestion as rank heresy. But we do not write to please the stock exchange; our first consideration is the interest of the public, and that interest indubitably demands a change in the existing order of things."

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

CHECK—ASSIGNMENT—ACTION AGAINST BANK.

Supreme Court of Illinois, January 19, 1897.

NATIONAL BANK OF AMERICA *vs.* NATIONAL BANK OF ILLINOIS.

The drawing and delivery of a check upon a fund deposited in a bank is in effect an assignment of the fund *in toto* or *pro tanto*, and after demand made the holder of the check has a direct cause of action against the bank, if it has, at the time, sufficient funds of the drawer in its possession, and refuses to make payment.

The deposit of a check in bank, and the crediting of the depositor with the amount thereof, is in legal effect a negotion thereof, and the credit is a sufficient consideration for the assignment.

WILKIN, *J:* On June 2, 1893, E. Kellog Beach drew his check upon the appellant for $1,000, which he delivered to his son, C. B. Beach. The son indorsed and delivered the check to the firm of Henry & D. S. Greenbaum, and they deposited it with the firm of Herman Schaffner & Co., private bankers in the city of Chicago, who gave them credit therefor, and Schaffner & Co. on the same day deposited in the National Bank of Illinois, receiving credit for the full amount thereof. The next morning the Cashier of the latter bank caused it to be presented to the appellant to be certified, but the latter, having been notified to that effect by the drawer, marked it "Payment stopped." A formal demand by the National Bank of Illinois was afterwards made upon the appellant for the payment of the check, the maker having there on deposit sufficient funds for that purpose. Payment being refused, appellee brought this suit to recover the amount of the check. The appellant offered proof upon the trial to the effect that the check had passed from the original drawer to the different parties, including the National Bank of Illinois, without any consideration between the parties at the time of any one of the transfers; but this evidence was rejected by the court, and the jury instructed to find the issues for the plaintiff, which it did, fixing the damages at $1,000, with interest. From that judgment the defendant appealed to the appellate court, where the judgment below was affirmed.

It has long been the settled law of this State that the drawing and delivery of a check upon a fund deposited in a bank is in effect an assignment of such fund *in toto* or *pro tanto*, and that, after demand made, the holder of the check has a direct cause of action against the bank, if it has, at the time, sufficient funds of the drawer in its hands, and refuses to make payment. It is contended on behalf of appellant that the rule is inapplicable to the facts of this case, because it does not appear that the check was issued or transferred for a valuable consideration.

It was held in *Strong* vs. *King* (85 Ill. 9) that if a banker receives a check as money, and gives the debtor credit therefor, it is an appropriation of the check by the holder, operates as a payment, the check thereby becoming the property of the banker with whom deposited.

In *American Trust & Savings Bank* vs. *Gueder & Paeschke Manuf'g Co.* (150 Ill. 336) the payee of a check indorsed it to his banker "For deposit," to be placed to the depositor's credit, and sent the same by mail to his banker, who gave the depositor credit on account for the amount of the check, and, after marking it "For collection and return," forwarded it to the drawer for payment; and we held "that the deposit of the check was in legal effect a negotiation thereof, so as to vest the legal title in the banker, with the right on his part to charge it back to the depositor in case it was not paid on presentation, and that the credit given his depositor in his account was a sufficient consideration for the assignment."

The fact that there was no consideration for the check could in no way affect the legal right of the holder thereof, unless it was shown that he had notice of the want of failure of consideration. A check payable absolutely, at all events, to a certain person or order, in money, is negotiable. (Daniel, Neg. Inst. § 1651.) "And, when sued upon, the possession is *prima facie* evidence of title, and the plaintiff is presumed to be a *bona fide* holder for value, without notice of any defense existing between prior parties, and such defenses can not be pleaded against it." (*Id.* § 1652; *Security Bank* vs. *Northwestern Fuel Co.* [Minn.] 59 N. W. 987.) It is not claimed that the defendant below offered to prove that the plaintiff had notice of want of consideration, or any other infirmity in the check growing out of the transaction between the drawer and payee, or between the latter and their indorsee, Herman Schaffner & Co. The evidence offered by the defendant presented no defense to the action, and hence there was no error in the instruction to find for the plaintiff. The judgment of the appellate court will be affirmed.

SET OFF—NOTE NOT DUE—INSOLVENT BANK.

Supreme Court of New York, Appellate Division, Third Department, January 6, 1897.

O'CONNOR *vs.* BRANDT.

The indorser of a note, who has procured it to be discounted for his benefit, by a bank which has twice failed, the maker being insolvent, and the indorser having no security for the payment thereof, may set off the amount of his deposit in the bank against such note.

In the year 1895, and for some years prior thereto, Frederick E. Ross and others were partners, doing business in the city of Binghamton as private bankers, under the name and style of Erastus Ross & Sons. On January 16, 1895, Frederick E. Ross executed and delivered to the defendant, Winfield Scott Brandt, his promissory note, in writing, for the sum of $187.69, payable four months after date. On January 17, 1895, the defendant Brandt indorsed said note, and deposited it with the firm of Erastus Ross & Sons, and the amount thereof was passed to his credit in his account with said firm, with which he was a depositor. On January 21, 1895, the firm of Erastus Ross & Sons, and each member of said firm individually, made general assignments of their property for the benefit of their creditors of said firm, and of the individual creditors of the several members thereof. The referee found "that on January 21, 1895, there was standing to the credit of the said Brandt, at said banking house of Erastus Ross & Sons, by reason of his deposits therein, the sum of $488.45, in addition to the sum of $187.69, the amount and avails of said note; in all, the sum of $676.14." The maker of the said note, Frederick E. Ross, is, and was at the time of the commencement of this action, insolvent; and the defendant Brandt does not now, and never did, hold any security for the payment of said note. The only person liable upon said note to the defendant Brandt is the said Frederick E. Ross. When said note became due, it was protested for non-payment, and no part thereof has ever been paid.

Before the commencement of this action, but at what particular time does not appear, the defendant Brandt requested the plaintiff to set off, from his (said Brandt's) deposit account with said firm, a sufficient amount to pay such note, which request the plaintiff refused, and thereafter commenced this action upon the note in question. The defendant, in his answer, asked that the plaintiff be compelled to surrender the note to the defendant, either charging the same to the defendant upon his account with said Erastus Ross & Sons, or setting off from such account an amount equal to said note, with interest and protest fees, and the payment to the plaintiff of the balance in full of said deposit remaining unpaid.

The judgment entered upon the report of the referee ordered and decreed that the plaintiff, as assignee, charge off the amount of said note, with interest and protest fees, to wit, $876.72, against the deposit account of said defendant Brandt with said firm of Erastus Ross & Sons, and surrender up said note to the defendant Brandt.

HERRICK, *J:* The judgment should be affirmed. At the time of the assignment by the firm of Erastus Ross & Sons, said firm was indebted to the defendant Brandt to an amount largely in excess of the note. Such indebtedness was then and there immediately due, and, notwithstanding the indebtedness of the defendant Brandt upon such note to the insolvent firm would not mature until some time thereafter, he had an equitable right to have so much of his account with the insolvent firm set off against said note as would extinguish it. (*Rothschild* vs. *Mack*, 115 N. Y. 1; *Richards* vs. *La Tourette*, 119 N. Y. 54; *Hughitt* vs. *Hayes*, 136 N. Y. 163; *Scott* vs. *Armstrong*, 146 U. S. 499, 13 Sup. Ct. 148.)

In the case of *Clute* vs. *Warner* (8 App. Div. 40) we held, in the case of a note which was not due at the time of the insolvency of the bank, and therefore its collection could not be enforced before maturity, that the plaintiff for whose accommodation the note was made, and who had it discounted, had the right to waive the additional time, and elect to have it become due at that time, and to make payment thereof by applying the amount of his money in the possession of the bank to such payment. I can see no difference in principle between permitting one for whose accommodation a note has been given, and who has procured it to be discounted for his benefit, to waive the time, and elect to have it become due at once, and permitting the indorser of a note, who has procured it to be discounted for his benefit, the maker being insolvent, and the indorser having no security for the payment thereof, to waive the additional time, and elect to have his liability become fixed at once, and make satisfaction and payment thereof, by applying the amount of his money on deposit with the insolvent firm to such payment and satisfaction.

Judgment affirmed, with costs. All concur.

COLLECTIONS—PAPER INDORSED FOR COLLECTION.

United States Circuit Court of Appeals, November 25, 1896.

FIRST NATIONAL BANK OF RICHMOND *vs.* WILMINGTON & W. R. CO.

The custom of banks does not require a collecting bank to keep money collected separate from all others in its possession, and to remit that very money to the bank for which it made the collection ; and the courts will take judicial cognizance of this fact.

In error to the Circuit Court of the United States for the Eastern District of North Carolina.

Before Goff and Simonton, Circuit Judges, and Hughes, District Judge.

HUGHES, *District Judge:* On June 13, 1893, the treasurer of the Wilmington &

Weldon Railroad Company of North Carolina drew two drafts upon his company for the aggregate sum of $4,766.26 in favor of the Tredegar Iron Works of Richmond, Va. The drafts were passed, for value, to the First National Bank of Richmond, which became the owner of them. The Richmond Bank indorsed the drafts "for collection," and, in due course of mail, sent them to the Bank of New Hanover, of Wilmington, N. C., "for collection and remittance." The New Hanover Bank, on June 15, presented the drafts to the Wilmington & Weldon Railroad Company at its office in Wilmington for payment; and received for the drafts, from the railroad company, two checks, one of them upon itself for $3,952, and the other upon the Atlantic National Bank of Wilmington for $2,000. When the checks were received by the New Hanover Bank, that bank charged the check drawn upon itself to the account of the railroad company on its books, and entered a memorandum of the charge on its "remittance blotter." The check upon the Atlantic National Bank was not presented during banking hours of the 15th, but in the afternoon was, together with other checks of the Atlantic National Bank, which the New Hanover Bank held, transmitted to that bank by a runner of the New Hanover Bank, and an account was stated between the checks held by the New Hanover Bank against the Atlantic National Bank and the checks held by the Atlantic National Bank against the New Hanover Bank, and the difference of $2,051.36 in favor of the New Hanover Bank was paid in money by the Atlantic National Bank to the New Hanover Bank. The New Hanover Bank did not send the First National Bank of Richmond any money, or make other remittance in payment of the money collected from the railroad company at any time.

At the beginning of business on June 15, the railroad company had to its credit on the books of the New Hanover Bank the sum of $2,772.07. Subsequently, on the same day, its treasurer made a deposit of $3,871.15, and drew a check for $3,952.72, so that the railroad company had to its credit in the New Hanover Bank at the close of business on that day the sum of $2,690,50. The total amount of money in the New Hanover Bank during banking hours on the 15th was $49,169.07, and the total of checks upon it presented during the same day, either to be cashed or credited to depositors, was $62,000. If payment had been asked for all the checks presented on that day there would not have been money enough to meet them; but the Cashier testified that, had money been demanded for the check drawn by the railroad company, it would have been paid by the bank.

The New Hanover Bank had been doing business for the First National Bank of Richmond for several years, but only as a collecting agent, no mutual accounts having been kept between them; nor did the New Hanover Bank hold any other business relationship with the Richmond Bank at any time than that of a collecting agent.

The New Hanover Bank made an assignment of all its effects on Monday, June 19, four days after the transactions described. It actually closed its doors on Saturday, the 17th. The record does not show that the failure of the New Hanover Bank was contemplated by the public, or that it was apprehended by the railroad company, or by the First National Bank of Richmond.

In its complaint or declaration below the plaintiff demanded judgment for the two drafts sent to the New Hanover Bank for collection, or for the sum of $5,952.72, for which they were drawn, with interest from June 15, 1893, and for costs. The case was given to a jury, who, upon the evidence submitted to them by plaintiff and defendant, respectively, found for the defendant. Judgment followed, and the case was brought to this court by writ of error.

The two principal questions presented by the record are whether the New Hanover Bank was the mere agent of the Richmond Bank for collecting the amount of he two drafts from the railroad company, and, as mere agent, was bound to remit that very money to the Richmond Bank; and, second, whether the railroad company was bound by the words "for collection," placed on the drafts, to see that the very money which it paid to the New Hanover Bank was transmitted specifically to the Richmond Bank. The court below, in its instructions to the jury, and in its judgment upon the verdict of the jury, held in the negative on both of these questions, and gave judgment against the plaintiff below.

In *Armstrong* vs. *Bank* (148 U. S. 50) the agreement was that the bank should collect for the plaintiff and remit every ten days; and the United States Supreme Court held that, as soon as the paper was collected, the bank became a debtor to the plaintiff for the amount collected. This was equivalent to holding that on collecting the proceeds of drafts the bank ceased to be an agent bound to remit the very money collected; but became a debtor for the sum collected. The custom of banks does not require a collecting bank to keep money collected separate from all others in its possession, and to remit that very money to the bank for which it made the collection; and the courts will take judicial cognizance of this fact. If this were not so, and if the payer and drawee of a draft were bound to look to the transmission of the very money paid upon it, an important branch of the business of banks would be discontinued, and the sending of money by express would become necessary in all cases of collection, to the great inconvenience of bankers.

In the case under consideration, the Richmond Bank intrusted the collection of the two drafts to the New Hanover Bank, believing in its solvency; and the railroad company at Wilmington paid the drafts to the collecting bank confident of its solvency. The Richmond Bank selected its own agent of collection; and the railroad company paid this agent without demur, and in ignorance of any cause for demur. It had no discretion in the matter, and there was no room for the exercise of discretion on its part. The option to choose its collecting agent was with the Richmond Bank alone; and the railroad company, in the absence of any suspicion of that agent's insolvency, paid the drafts in compliance with its duty to do so.

We are of opinion that the judgment of the court below should be affirmed, and it will be so ordered.

COLLECTIONS—CHECKS—TIME OF PRESENTMENT—SENDING DIRECT TO DRAWEE BANK.

Supreme Court of Nebraska, January 7, 1897.

WESTERN WHEELED SCRAPER CO. *vs.* SADILEK.

A bank check is not intended for circulation as a medium of exchange, and should be presented for payment with the dispatch consistent with the circumstances of the case and the transaction of other commercial business.

A bank which undertakes the collection of a check is guilty of negligence in sending it for payment direct to the drawee bank, provided there is in the same town another bank in good standing.

A bank receiving for collection a customer's check is required to pay the same upon the receipt thereof during business hours, or to promptly give notice of its dishonor, in order to charge the drawer and indorsers thereof.

POST, *C. J.:* This was an action by the Western Wheeled Scraper Co., hereafter called the "plaintiff," against F. J. Sadilek, hereafter called the "defendant," in the district court for Saline county. A trial was had of the issues joined by the pleadings, resulting in a verdict for the defendant, in accordance with the peremptory direction of the court. A motion for a new trial having been overruled, and judgment entered upon the verdict so rendered, the cause has been removed into this court for review, upon allegations of error by the plaintiff company.

Among the facts established by the pleadings and proofs, and as to which there is no dispute, are the following, viz.: On June 15, 1891, a county warrant was in due form issued to the plaintiff for $330, being the amount of a claim previously allowed and payable out of the road fund of Saline county. On August 10, 1891, the plaintiff company, whose place of business was in the city of Aurora and State of Illinois, addressed to John N. Van Duyn, county clerk of said county, the following communication: "John N. Van Duyn, County Clerk, Wilber, Neb.—Dear Sir: Our Mr. Arnett informed us some time ago that your county had allowed our claim for $330. * * * If the warrant has been issued, we hereby authorize you to receipt for warrant. If there is money on hand to pay the warrant, kindly send us draft for the amt. If not prepared to pay, please have warrant presented and registered, so that it will be paid in its turn. We inclose bill herewith. Yours truly, Western Wheeled Scraper Co." On August 12, 1891, said warrant was by Mr. Van Duyn, as agent for the plaintiff company, presented for payment to the defendant, as county treasurer, and indorsed "Not paid for want of funds"; and afterwards, on the same day, the defendant, as county treasurer, drew his check to the order of plaintiff for the sum of $330, upon the Bank of Western, situated at the village of Western, in said county, and in which he, as such county treasurer, had ample funds. Mr. Van Duyn, to whom said check was delivered, on the day of its date, forwarded the same to the plaintiff, who received it, through the mail at Aurora, on August 14. On the succeeding day, to wit, August 15, the check in question was by the plaintiff deposited in the Second National Bank of Aurora, by which it was, on the same day, forwarded for collection and return to the Bank of Western. Said check was on August 17 received by the Bank of Western, and has not been paid, although said bank continued open for the transaction of business until August 19, on which day it was closed by order of the State Banking Board, and is now insolvent. The village of Western is situated about twenty miles distant from Wilber, the defendant's home, and about 500 miles from the city of Aurora. It has railroad and telegraph connection with both places named, and there was at the date in question another bank thereat in good standing. In addition to the foregoing, it is shown that the time required for the transmission of letters by mail between Aurora and Western does not exceed twenty-four hours, from which the inference necessarily arises that the check forwarded by the Aurora bank on the 15th was received by the Bank of Western during business hours on the 17th.

Is the defendant in this action answerable for the loss resulting from the failure of the last-named bank? We think not. There is eminent authority for the proposition that a bank which undertakes the collection of a customer's check is guilty of inexcusable negligence in sending it direct to the drawee bank, instead of through the agency of a third person, provided loss ensue through the failure of such drawee. (*Bank* vs. *Goodman*, 109 Pa. St. 422; *Drovers' Nat. Bank* vs. *Anglo-American Packing & Prov. Co.* 117 Ill. 100; *Anderson* vs. *Rodgers*, 53 Kan. 542; *First Nat. Bank of Corsicana* vs. *City Nat. Bank of Dallas* [Tex. Civ. App.], 34 S. W. 459; *Bank* vs. *Burns*, 12 Colo. 539; *First Nat. Bank of Evansville* vs. *Fourth Nat. Bank of Louisville*, 6 C. C. A. 183, 56 Fed. 967; 1 Daniel, Neg. Inst. 328a.)

The principle recognized in the foregoing authorities is that no party, whether a corporation, firm, or individual, can, in contemplation of law, be deemed a suitable agent to enforce, in behalf of another, a claim against itself. But, independent of the rule there stated, the defendant was discharged in consequence of the negligence of plaintiff's chosen agent, the Bank of Western. A customer's check is, in the first place, not designed for circulation as a medium of exchange, and should be presented for payment with the dispatch and diligence consistent with the circumstances of the case, and the transaction of other commercial business. (*Bank* vs. *Miller*, 37 Neb. 500, 55 N. W. 1064.) In the second place, it was the duty of the drawee bank to promptly pay the check upon receipt thereof for collection, or to give notice of its dishonor in order to charge the drawer and indorsers. (*Wood River Bank of Wood River* vs. *First Nat. Bank of Omaha*, 36 Neb. 744, 55 N. W. 239.) Time may be necessary, it is true, for the drawee bank to examine its books in order to ascertain the condition of the drawer's account; but, in the absence of evidence to the contrary, it will be presumed that the officers of the bank were aware of the fact conclusively established by the record, viz., that the defendant had therein to his credit at all times from the 12th to the 19th of August, inclusive of both dates, ample funds for the payment of the amount called for. The check was, therefore, as held in *Wood River Bank of Wood River* vs. *First Nat. Bank of Omaha*, (*supra*), dishonored on the 17th; and the defendant, as drawer, was entitled to notice by the first regular mail on the 18th. (3 Kent, Comm. 105; 1 Daniel, Neg. Inst. 1039, and cases cited.)

It is no answer to say that the defendant is not prejudiced by the neglect to give notice, since he might, had he been promptly advised of the non-payment of his check, by means of legal process, have anticipated the impounding of the bank by the State, and for the further reason that it is an implied condition of the contract of the drawer or indorser that he shall be promptly notified of the non-payment or non-acceptance of the bill. * * * There is no error in the record and the judgment is affirmed.

CERTIFICATE OF DEPOSIT—TIME OF MATURITY—INDORSER.

Supreme Court of Minnesota, February 2, 1897.

TOWLE *vs.* STARZ.

The defendant was sued as indorser on the following certificate of deposit: "The Bank of Zumbrota. Zumbrota, Minn., July 27, 1893. J. J. Starz has deposited in this bank two thousand dollars, payable to the order of himself on the return of this certificate properly indorsed, with interest at four per cent. To be left six months. No interest after maturity. Not subject to check. [Signed] E. V. Canfield, Cashier." *Held*, that this was a "time," and not a "demand," certificate; that payment was demandable at the expiration of six months, and, as between the holder and the indorser, it matured at that date; that, to hold the indorser, it should have been presented for payment on the last day of grace, January 30, 1894.

MITCHELL, *J.*: The defendant was sued as indorser of the following instrument: "The Bank of Zumbrota. Zumbrota, Minn., July 27, 1893. J. J. Starz has deposited in this bank two thousand dollars, payable to the order of himself on the return of this certificate properly indorsed, with interest at four per cent. To be left six months. No interest after maturity. Not subject to check. E. V. Canfield, Cashier."

The certificate was presented at the bank for payment on January 31, 1894, and notice of dishonor given to the defendant on the same day. The only question is whether the demand was seasonably made, so as to hold the indorser. The court below held that it should have been made on January 30, and hence was one day too late.

According to *Mitchell* vs. *Easton* (37 Minn. 335), if it had been a demand certificate (no time of payment being specified), it would fall within the sixty-day limitation fixed by Gen. St. 1894, § 2231, and would have been seasonably presented any time within sixty days after its date. But this was a "time" and not a "demand," certificate, and the section cited has no application.

The provision that the money was "to be left six months," emphasized by the word "maturity" in the subsequent provision, which refers to the expiration of six months, clearly means that the certificate was not payable until the expiration of that time. It must, therefore, be construed as if it read payable "six months after date."

Whether a special demand, accompanied by a return or tender of the certificate, would be necessary before an action could be brought against the bank, is entirely foreign to the question before us. Payment was demandable at the expiration of six months, and, as between the holder and indorser, the certificate matured at that date.

Demand should have been made on the last day of grace, which was January 80th. Order affirmed.

SET-OFF—NOTE NOT DUE.

Supreme Court of Minnesota, January 14, 1897.

STOLZE *vs.* BANK OF MINNESOTA.

The plaintiff's assignor indorsed and delivered certain notes of its customers to the defendant, and was credited on the books of the defendant with the amount thereof as a general deposit. The assignor thereafter made an assignment for the benefit of its creditors to the plaintiff, who brought this action to recover the balance of the deposit. The trial court found as a fact that the transaction was a loan, secured by the indorsed notes, and as a conclusion of law that the defendant had the right to an equitable set-off of the loan against the deposit, although the loan was not due when the assignment was made. *Held*, that the evidence sustains the findings of fact, and that the conclusion of law is right. (Syllabus by the Court.)

START, *C. J.:* This is an action by Fred H. Stolze, as assignee of the Elmer H. Dearth Agency, an insolvent corporation, to recover from the defendant $2,838.83, the balance of a general deposit with the defendant to the credit of the insolvent at the date of its assignment to the plaintiff for the benefit of its creditors. The answer admits the amount of the deposit, and alleges as an offset that the defendant loaned and advanced to the insolvent, at its request, before its assignment, various sums of money, amounting, in the aggregate, to $9,869.17, and took as security therefor certain negotiable promissory notes, set out in the answer, payable to and indorsed by the insolvent.

The reply denied that the defendant loaned any money to the insolvent, and alleged that the notes referred to in the answer were sold and indorsed to the defendant, and that none of them were due at the time the insolvent made its assignment. Upon this issue the trial court made this finding:

"The defendant, at various times, granted loans of money and accommodations to the Elmer H. Dearth Agency, at its request, and accepted its indorsements upon negotiable paper of others as security for said loans. Among other transactions, the defendant advanced, loaned, and paid out to the Elmer H. Dearth Agency, at its request, and before its assignment, various sums of money, amounting in the aggregate, to $9,869.17, and took as security for said loans the indorsement of the Elmer H. Dearth Agency upon certain notes, mentioned in defendant's answer, all of which are now overdue, and none of which have been paid, except a note of D. Kennedy & Son for the sum of $143.44, and except that there has been paid upon certain notes of Hobb's Medicine Company the sum of $5,000, and there still remains unpaid upon said loans far more than the amount of said deposit. The makers of all said notes were insolvent at the time of the making of the assignment of the Elmer H. Dearth Agency, and still remain insolvent. Due demand of payment and notice of non-payment and protest for non-payment of said notes was made at their maturity."

It was admitted, as a fact, on the trial, that none of the notes referred to in the answer and findings were due when the assignment was made. As a conclusion of law, the court directed that the plaintiff take nothing by this action, and that defendant have judgment for its costs. The plaintiff appealed from the judgment so entered. The only question on this appeal is the sufficiency of the evidence to support the foregoing finding of fact. If, as claimed by the plaintiff, the only liability of the insolvent, the Dearth Agency, to the bank, was that of indorser on the notes referred to, then his contention, to the effect that such liability was contingent, because, when the assignment was made, the notes were not then due, and therefore such liability cannot be offset in this action, is correct. (*Wilder* vs. *Peabody*, 37 Minn. 248.)

The plaintiff's claim rests upon the proposition that the indorsement of the notes to the defendant was an absolute sale of them, and that the bank did not loan to the insolvent any money. On the other hand, the claim of the defendant is that the insolvent's liability was twofold: (1) That it was primarily and absolutely liable to the bank for the amounts represented by the several notes, because such amounts were loaned to the insolvent on the notes so indorsed as security; (2) that it is contingently liable as such indorser; (3) that it is the absolute debt or liability, and not the contingent one, which the bank seeks to offset in this case.

If the defendant's claim is correct, it follows that the conclusion of law by the trial court is also correct; for, if the claim of the bank was absolute, although not due, it had the right to an equitable set-off in its favor against the deposit, upon the insolvency of the Dearth Agency. (*Trust Co.* vs. *Leck*, 57 Minn. 87.)

The pivotal question in the case, then, is, did the defendant loan the amount of the several notes to the insolvent on the security of its general indorsement of the notes? It is admitted that the defendant did not take any note or obligation from the insolvent as evidence of the alleged loan, and that, when the insolvent brought in the notes, with its indorsement thereon, and delivered them to the defendant, the amount thereof was placed to its credit, and was subject to its check. Whether or not the discounting of a bill or note, with the general indorsement of the holder, is a sale of the paper, or a loan to the holder, secured by the paper and indorsement as collateral, is ordinarily a question of fact. (*Becker's Inv. Ag.* vs. *Rea* [Minn.], 65 N. W. 928.)

FORGED NOTE—WHEN PERSON NOT BOUND TO REPUDIATE.

Supreme Judicial Court of Massachusetts, January 8, 1897.

TRADERS' NATIONAL BANK *vs.* ROGERS.

Where one whose name has been forged to a note has received no benefit from the forgery, and the forger was not his agent for any purpose, he is not bound, as a matter of legal duty when the note is first shown to him, to repudiate or disclaim at once the genuineness of the signature.

His failure to do so is evidence, in the nature of an admission, which may be considered as bearing upon the questions whether he assumed the signature as his own, but it is not conclusive.

This was an action on a note indorsed with defendant's name.

ALLEN, *J.:* The plaintiff contends that if the defendant, when the note was first shown to him, knew that the indorsement of his name upon it was a forgery, he was bound to inform the plaintiff of this fact, and that his omission to do so amounted, of itself, to an affirmation of the signature. There was nothing to show that the defendant had received any benefit from the forgery, or that the forger was his agent for any purpose.

Under these circumstances, the defendant was not bound, as a matter of legal duty, to repudiate or disclaim at once the genuineness of the signature. His failure to do so was evidence in the nature of an admission, which might be considered as bearing upon the question whether he assumed the signature as his own, but it was not conclusive. (*President, etc.*, vs. *Crafts*, Allen, 269, 278; *Harrod* vs. *McDaniels*, 126 Mass. 413.)

Nor was the defendant's statement that "the note will be paid" conclusive evidence of a ratification of the signature. It was consistent with the idea that the defendant was surprised at finding his name upon the note, and left the bank, saying as little as possible, but meaning only to give the impression that he thought the note would be taken up by some one other than himself. Indeed, his words and manner would seem to have left this impression upon Mr. Jaquith himself. It was competent for the court to find, as it did, upon the evidence, that it was not satisfied that the defendant made the remark with the intent to give the plaintiff's officers to understand that the signature was his, and genuine, or with intent to induce the bank to assume that his statement was an admission of the genuineness of the signature: and this finding negatives ratification (*Creamer* vs. *Perry*, 17 Pick, 332; *Wellington* vs. *Jackson*, 121 Mass. 157; *Bank* vs. *Crafts*, 4 Allen, 447, 455; *Smith* vs. *Tramel*, 68 Iowa, 488.)

It was also competent for the court to find, as it did, upon the evidence, that it was not satisfied that the defendant made the remark above mentioned with intent to mislead the plaintiff, or that the plaintiff relied and acted upon his statement as an admission of the genuineness of his signature. According to the rule of law as established in this Commonwealth, this negatives an estoppel. (*Lincoln* vs. *Gay*, 164 Mass. 537; *Stiff* vs. *Ashton*, 155 Mass. 130; *Bank* vs. *Buffinton*, 97 Mass. 498.)

Exceptions overruled.

NOTE GIVEN TO NATIONAL BANK UNDER AGREEMENT THAT SAME WAS TO MAKE AN APPEARANCE IN ASSETS OF BANK.

Supreme Court of Iowa, January 26, 1897.

FIRST NATIONAL BANK OF STORM LAKE *vs.* FELT.

In a suit by a National bank on a note executed to it by defendant, where the bank is solvent, and the rights of creditors are not involved, defendant may show that it was executed, without consideration, to take the place, on the bank books, of a note given to the bank by one of its debtors, after the Comptroller of Currency had objected thereto, and that it was understood by all parties that the note created no liability against defendant.

This was an action upon a promissory note. The defense pleaded was the note was without consideration, and executed under the following circumstances: Warner Bros. were indebted to the bank in a sum in excess of ten per cent. of its capital stock. Included in said indebtedness was a note for $2,306, upon which $1,200 had been paid, leaving due thereon $1,106. This was on May 5, 1892. Prior thereto the Comptroller of the Currency of the United States had objected to the extent of the credit given to Warner Bros., and as the answer alleges: "That at said time it was deemed necessary by the officers and directors of the plaintiff bank to so change the form of said indebtedness from Warner Bros. that a portion of it might appear to be the indebtedness of a third person; and to meet such contingency this defendant did on the day aforesaid execute his note for the amount remaining due upon the said note of Warner Bros., * * * but executed the same wholly for the purpose of protecting the bank from the criticism that would otherwise be made upon the existence of said overloan to said Warner Bros. That it was known by all the officers and a majority of all the directors of said bank that said note was given without consideration, and for the purpose aforesaid, and was so given with the express agreement and understanding had with the said plaintiff that it created no obligation on the part of this defendant to pay the plaintiff any sum of money whatsoever."

Kinne, *C. J.* (omitting part of the opinion): Had the defendants the right to show that the notes in controversy were given only as an accommodation to the bank and were without any consideration? Was there, in fact, any consideration for the notes? An affirmative answer to these questions will dispose of every material point raised upon the demurrer or the trial, and will be decisive of the case.

That we may not be misunderstood, it should be said at the threshold of this discussion that this is not a question between the Federal Government, acting through the Comptroller of the Currency, to close up an insolvent National bank, and to secure and preserve its assets for its creditors. Had the bank become insolvent, and passed into the hands of a Receiver, it may be that it would be assumed that creditors had trusted it on the faith of such apparent assets as these notes, and that the defendants, under such circumstances, would be precluded from relying upon a want of consideration, or such other agreements as are sought to be relied upon in this case.

Doubtless there are other circumstances under which these defendants would not be permitted to claim a want of consideration for their notes, or that for any reason they should not be held as valid and binding obligations in favor of third parties, who might have a right, in the absence of knowledge to the contrary, to treat them as such, and who would suffer prejudice if such defenses were permitted.

The offense, if any, committed by these defendants against the national Government, in attempting, by the course pursued, to deceive the Comptroller of the Currency as to the real condition or extent of the indebtedness of Warner Bros. to the bank, is not involved in this case. In the case at bar the bank is solvent. No creditor has been in any way injured by reason of the execution of the notes sued upon.

As we have already indicated, the bank, as it appears, never looked upon these notes as intended to operate as a payment of Warner Bros.' obligations to it. The bank continued to hold Warner Bros. note, for which the $1,106 note was given by Felt. It did not deliver the note of Felt or of Warner Bros. It did not cancel or satisfy the debt for which these notes were given. It did thereafter take mortgages to secure the very debt from Warner Bros. to it which appellant now claims these notes were taken in payment of. Every act of plaintiff prior to the bringing of this suit shows clearly that its officers and directors did not consider these notes as assets of the institution, and forcibly supports the claim of the defendants that at no time was there any intention of holding them liable upon the notes, and that it was not the intent in taking the notes to have them operate as a payment or cancellation of the debts of Warner Bros., and that they, in fact, did not satisfy any part of said Warner debts to the bank. If the bank may recover on these notes, the proceeds of its judgments will go to swell the profits. It will get something for nothing, and its officers and directors who connived at and consented to the trick attempted to be practiced upon the Comptroller of the Currency, by reason of which it is sought to hold the defendants liable upon the notes, will reap reward in common with all the other stockholders of the bank. The bank, if it fails to recover, will be in no worse situation than it was before these notes were given. Appellant claims that the case of *Pauly* vs. *O'Brien*, 69 Fed. 460, and other cases cited, are decisive as to this question. We do not think so.

In Pauly's case a Receiver of an insolvent bank brought suit against one who had executed his note to take up and cancel a note then held by the bank. The case involved the questions—First, as to whether there was a consideration for the note; and, second, whether one who had thus given his note would be permitted, as against creditors, to say it was without consideration, and that in any event the defendant could not be heard to say there was no consideration for the note. No question of creditors is involved in the case at bar. The bank is solvent, and is seeking to speculate out of an act done by one of its officers,—done with the assent of all the rest of its officers, and with the knowledge and approval of most, if not all, of its directors. No note or obligation was paid in this case, as we have atttempted to show.

Other cases are cited which are not applicable to the questions before us. Our statute provides that "the want or failure, in whole or in part, of the consideration of a written contract, may be shown as a defense total or partial, as the case may be, except to negotiable paper transferred in good faith and for a valuable consideration before maturity." (Code, § 2114; 1 Daniel, Neg. Inst. § 174; Tied. Com. Paper, § 154.)

There can, it seems to us, be no question of the right of the defendants to plead and prove a want of consideration for the notes.

CHECK—ASSIGNMENT—ACTION AGAINST BANK.

Court of Civil Appeals of Texas, January 27, 1897.

DOTY, *et al.* *vs.* CALDWELL.

A check given on a bank in which the drawer has funds is an assignment of so much thereof as is necessary for its payment.

Where a check is given to a third person, there is an implied consent of the bank to such transaction, creating a privity of contract between the bank and the party to the check.

JAMES, *C. J.:* A. M. Doty drew a check on the Ft. Worth National Bank to the order of Charles Jessup, which was indorsed to Caldwell. Before taking the check Jessup had the American National Bank, of Galveston, wire the former bank inquiring if A. M. Doty's check on it for $140 was good. The reply was that Doty had more than that amount to his credit. Doty soon afterward wired the Ft. Worth bank not to cash the check, and drew a second check in favor of T. H. Luckett. The bank did not have sufficient deposit of Doty's to pay both checks, and paid neither. This suit was brought by Caldwell against Doty, Jessup, and the Ft. Worth bank, and the bank brought in Luckett. The case was tried, and taken to the Court of Civil Appeals at Galveston, and there dismissed, upon the holding that there was no final judgment in the case, in failing to dispose of Luckett. Afterward the trial court proceeded, on motion, and made the judgment a final one in accordance with that ruling. There was no error in this proceeding. The successor in office of the county judge who entered the original judgment was unquestionably competent to make the judgment final on motion. The recitals in the original judgment of themselves furnished sufficient data upon which to dispose of Luckett in the manner accomplished by the amended judgment.

The defense that the check was given in furtherance of a gaming transaction will not avail on this appeal, for the reason that, upon one view of the evidence, it was not so given, and we should adopt that theory of the testimony favorable to the judgment.

The remaining question is whether or not the holder of a check given on a bank for a part of a deposit has a right of action against the bank. The courts of this country are so divided on this proposition that a uniform rule on the subject is now hopeless. The only case in which it has been decided in this State, that we have been able to find, is *Bank* vs. *Randall* (1 White & W. Civ. Cas. Ct. App. § 975), which merely adopts the result reached by Mr. Daniel in his work on "Negotiable Instruments," in favor of the right of action. The clearest exposition of the contrary doctrine that we have seen is in *Cincinnati, H. & D. R. Co.* vs. *Metropolitan Nat. Bank* (Ohio Sup.) 42 N. E. 700.

It seems to us that the view taken in this class of cases is based more upon refinement than reason. In this State the general rule is that any species of property is assignable. Choses in action are assignable, and partial assignments of such are good in equity. This being so, there can be no substantial reason assigned why a debt, or part of a debt, cannot be assigned; and, as the courts of this State do not attach importance to mere form, there is no reason why a check is not as clearly an assignment or transfer of a debt or a part thereof, as any other writing, nor is there any reason for holding that a debt due by a bank stands, in this respect, different from debts due from others.

The ground that there is an absence of privity of contract between the bank and the drawee of a check seems, also, to be unsound. The very relation of the bank to its depositor, as it is commonly known and understood, is that it will pay, in whole or in part, upon checks of the depositor. When, therefore, a check is given to a third person, the implied or prearranged consent of the bank to such transactions is present, and hence there is reason for holding that there is a privity of contract. The bank is fully secured by the rule which protects it when it has paid out the money before it has received notice of the existenee of the check. The inconvenience that it is claimed may result to the banker from the application of this rule furnishes no reason that would not apply as well to other kinds of debts. We are of opinion that the views expressed by Mr. Daniel are correct. (2 Daniel, Neg. Inst. [4th Ed.] § 1635 *et seq.*) The reasoning of our Supreme Court in *Harris Co.* vs. *Campbell* (68 Tex. 27) is almost, if not altogether, a decision of this question.

The judgment is affirmed.

BANK AS STAKEHOLDER—JURISDICTION OF EQUITY.

Supreme Court of Pennsylvania, October 5, 1897.

DAULER, *et al. vs.* CAMPBELL, *et al.*

Where money coming from several different parties has been deposited with bankers to one joint account, and there have been many transactions with such money, and a contest arises over the resulting balance, equity has jurisdiction on the ground of inadequacy of legal remedy, of mutual accounts, of community of interest in a joint fund which requires a division, and of the prevention of a multiplicity of suits.

This was a bill in equity by George H. Dauler, Robert C. McNamara, Amos H. Taylor, William Hartley, James Boor, J. M. Hedding, J. M. Shoemaker, and Edwin H. Middleton against John H. Hartley and William Hartley, Jr. (doing business as bankers under the firm name of J. G. Hartley & Co.), J. M. Campbell, George W. Kirk, and George W. Kirk, operator for J. M. Campbell, to recover of defendants J. C. Hartley & Co. certain money belonging to plaintiffs, deposited with them to the credit of J. M. Campbell, to be used as margins by said Campbell in the purchase and sale of differences in the market prices of stocks, grains, etc. Hartley & Co. made no claim to the money. The court held that the transactions were mere wagering contracts, and as it still remained in the possession of the bankers, as stakeholders, it could be recovered by the owners.

Green, *J.* (omitting part of the opinion): Some minor questions are raised in the paper book, the principal one being the question of jurisdiction. We have no doubt upon that subject. The money deposited with Hartley, though coming from several different persons, was entered in one joint account, called, "J. M. Campbell." A number of transactions were made, and a considerable part of the money deposited was paid out. The contest is over the resulting balance, but, in order that the balance could be ascertained, the accounts would have to be adjusted, and the balance struck. But that could not be done in a separate common-law action by each depositor. There could be no adequate remedy except by making all the persons interested parties to the proceeding, and having the accounts adjusted, so that the rights of each one could be determined; and as to that each depositor would be entitled to be heard not only as against Campbell and against Hartley & Co., but as to each other. The accounts are also mutual, representing numerous items of deposit on one side, and still more numerous transactions on the other.

On the ground, therefore, of inadequacy of the legal remedy, and of mutual accounts, and community of interest in a joint fund which requires an ascertainment and division into several separate interests, and the prevention of a multiplicity of suits, the jurisdiction of equity is undoubted. The fourth head of equity jurisdiction under the Act of 1836 is: "The determination of rights to property or money claimed by two or more persons, in the hands or possession of a person claiming no right of property therein."

While this source of jurisdiction is generally exercised by a bill of interpleader, that remedy is not exclusive, and we know no reason why the jurisdiction undoubtedly conferred by the Act should not be exercised under another bill, which is more adapted to all the facts of the case. Injunction and discovery were also needed for the purposes of an adequate remedy.

FRAUDULENT RECEIPT OF DEPOSITS—EFFECT OF PROOF OF CLAIM.

Court of Appeals of Maryland, January 5, 1897.

POTTS, *et al.* *vs.* SCHUMAKER.

Where a depositor in a bank which has become insolvent files his claim with the trustee in insolvency, it is an acceptance of the contract relation, waiving the right to rescind on the ground of fraud, in that the deposit was accepted by the bank with knowledge of its insolvency.

This was a bill in equity by the trustee in insolvency of the firm of J. J. Nicholson & Son, bankers, against the receiver of the Baltimore Publishing Company, to recover the amount of an overdraft. The bill was opposed by James Potts & Co. and others, creditors of the publishing company. From a decree for the trustee the creditors appealed.

McSherry, *C. J.* (omitting part of the opinion): But it has been strenuously insisted that, against this obvious equity of the appellants, the trustee of Nicholson & Son has, as the representative of the firm's creditors, "a defensive equity," sufficient to neutralize or counterbalance that of the creditors. And this defensive equity is founded on the fact that the creditors of the firm were depositors, whose money the banking firm took on deposit when the firm itself was hopelessly insolvent, and was known by its members to be so.

Upon this state of facts, it is contended the depositors were grossly defrauded, and that they consequently have the right to follow the funds, and reclaim them. While it is true that a bank which, being insolvent and knowing it, takes funds on deposit, thereby commits a gross fraud on the depositors, yet it becomes the duty of the depositor to elect whether he will repudiate the transaction, and reclaim the money deposited, or, affirming, permit the relation of debtor and creditor between him and the bank to stand undisturbed. The relation between a bank and its depositors is that of debtor and creditor; and, if a fraud has been perpetrated by the bank in accepting the deposit, the depositor may rescind the contractual relation, and recover back the money; but, if he affirms the contract, he surrenders his right of rescission.

Now, all of these depositors have proved their claims in the insolvent proceedings, and taken their dividends. They have consequently elected to adhere to the contract, and it is too late to rescind it now.

TRUST FUNDS—RECOVERY FROM RECEIVER—INTEREST.

Supreme Court of Nebraska, December 2, 1896.

CAPITAL NATIONAL BANK, *et al.* *vs.* COLDWATER NATIONAL BANK, *et al.*

1. A fund which comes into possession of a bank, with respect to which the bank has but a single duty to perform, and that is to deliver it to the party thereto entitled, is a trust fund, and is therefore incapable of being commingled with the general assets of such bank subsequently transferred to its Receiver.
2. Under the circumstances above indicated, the Receiver of the bank is merely substituted as trustee, and its funds in his hands should be devoted to discharging such trust before distribution thereof is made to the general creditors of the bank.
3. Under the provisions of chapter 44, Comp. St., the *cestui que trust* is entitled to seven per cent. interest per annum on the trust fund above considered. (Syllabus by the Court.)

This was an action by the Coldwater National Bank and others against Kent K. Hayden as Receiver of the Capital National Bank of Lincoln, Neb., and such bank, to recover in full the amount of $4,000 the proceeds of a certain promissory note, which sum was claimed to constitute a trust fund. The points decided are stated in the syllabus.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: WOODBURY, N. J., March 2, 1897.

SIR:—A few days ago in one of the courts of our State, an action was brought by the National Bank of A against B for $12,000. This was an accommodation loan, his daughter being the endorser. Defendant's counsel claimed this loan was a violation of Section 5,200 of the National Bank Act, which states: "Loans shall not exceed one-tenth amount of capital stock, etc." The capital of above bank is $100,000. Judge decided no jurisdiction. Will you kindly inform me through the MAGAZINE whether you know of any decision adverse to a bank, in relation to the above claim of defendant's counsel. J. F. G.

Answer.—We do not know of any decision to this effect, and if there is any such, it is not the law; for the Supreme Court of the United States has held that Section 5,200, Revised Statutes of the United States, which limits the amount of loans, was intended only for the guidance of the bank, and though its franchises may be liable to forfeiture for violation of the law, the bank may recover of the borrower the full amount of the loan, and that the fact that the loan is in excess of one-tenth of the capital stock is no defense to the borrower. (*Gold Mining Co.* vs. *Rocky Mountain Nat. Bank*, 96 U. S. 640.) As the question is one arising under a statute of the United States, this decision of the Supreme Court is binding upon all other courts.

Editor Bankers' Magazine: ERIE, Pa., Feb. 13, 1897.

SIR:—The annually recurring question comes to us again, and while my memory is clear, I cannot point to authorities. Notes dated January 29, 30 and 31 given for one month. When are they due and where is the authority for Pennsylvania? C. F. ALLIS.

Answer.—The rule is not to extend the time at which the instrument falls due beyond the month in which it would have fallen due, had the month been of the length of thirty-one days. Hence in the case stated in the inquiry, the note would be due, without grace, on February 28, and with grace, on March 3. (Byles on Bills, 204.) We do not know of any Pennsylvania case in point.

Editor Bankers' Magazine: CANTON, Ohio, Feb. 22, 1897.

SIR:—A leaves with bank life insurance policy payable to his wife as general collateral policy assigned in full to bank by A and his wife. Bank also holds other collateral. A fails to pay his obligations and bank has policy cashed, and after using other collateral, there re-

mains a surplus. After policy is cashed, bank becomes owner of judgment and applies surplus on judgment. Wife now sues for surplus. Can she recover? Judgment was against A.
THEO.

Answer.—We cannot reply to this question intelligently without a fuller statement of the facts. The case will turn upon the terms of the agreement under which the policy was left with the bank, the terms of the policy, and the law under which it was issued, and any understanding there may have been with the wife, of which the bank had notice. Any advice which is not based upon a thorough knowledge of the facts would be valueless.

Editor Bankers' Magazine: **WILKESBARRE, Pa., Feb. 26, 1897.**

SIR:—A check is drawn upon a bank in W, in favor of the Union Assurance Society (of New York) and endorsed: "Pay to the order of the Union Trust Co., H and E, Managers," and with other bank endorsements comes to W. and is presented for payment. The drawee bank asked the collecting bank to guarantee the endorsement, which they refused to do. In the afternoon the check, being presented by a notary, it was certified as "good when properly endorsed." Questions: (1) Did the drawee bank have a right to raise the question of the validity of the first endorsement and ask that it be guaranteed, inasmuch as the Union Assurance Society did not appear in the endorsement, and were they too exacting in so doing? (2.) Was it the duty, or even option, of the collecting bank to protest such certified check instead of guaranteeing the endorsement or returning it to their New York correspondent for such guarantee?
G. C. P.

Answer.—The check being drawn to the order of the Union Assurance Society, an indorsement, "H and E, Managers," was not in proper form, and the drawee bank had the right to refuse payment, nor do we think that such bank was too exacting in such refusal. The indorsement was irregular on its face, and if as a matter of fact, "H and E, Managers," did not have authority to indorse, the check could not be charged against the account of the customer, and while the drawee bank might have had recourse over against the bank to which payment was made, it was not bound to place itself in a postion where it might have to do this.

Editor Bankers' Magazine: **XENIA, Ohio, Feb. 6, 1897.**

SIR:—A banking institution, A, located in an Ohio city, discounts for a customer, B, a note payable at bank, C, located in a town in the State of Iowa. The maker of the note promptly pays his obligation to bank C, who remits bank A a draft on bank D in payment. Bank A forwards draft to bank D for collection, which is returned protested, stating that bank C had failed. Kindly inform us through the columns of your valuable MAGAZINE if bank A can compel its customer, B, to take up the protested draft, and if not who?
CITIZENS' NATIONAL BANK.

Answer.—By discounting the note B and A became the owners thereof, and being such owners, the bank to which it forwarded the same for collection became their agent, and not the agent of the person for whom the discount was made. When the note isteIf was paid by the maker to the agent of bank A, the note was discharged and all the parties thereto were released from liability thereon. They could not be held liable for any default of the agent of bank A to pay over the proceeds.

Editor Bankers' Magazine: **MUSKEGON, Mich., Feb. 10, 1897.**

SIR:—For a note drawn with interest, payable four months after date, is it optional with the payer to take three days grace and pay interest therefor, or to pay as if drawn without grace.
CASHIER.

Answer.—Days of grace were originally allowed as a matter of indulgence, but they have long since ceased to have that character, and now both by the law merchant and by the statutes of many of the States, they enter into and form a part of the contract between the parties; and where days of grace are allowed, the instrument is not due for any purpose until the last day of grace, which is the only day of maturity. There seems to be no good reason, therefore, why interest should not be collectible for the three days of grace as well as for any other part of the time that the instrument has to run. This particular question, however, does not appear to have ever received a judicial determination.

ANNUAL REPORT OF THE DIRECTOR OF THE MINT.

ROBERT E. PRESTON, DIRECTOR.

Following is a summary of the Twenty-fourth Annual Report of the Director of the Mint, submitted to the Secretary of the Treasury, December 4, 1896:

SIR:—I have the honor to submit, in compliance with Section 345, Revised Statutes of the United States, the Twenty-fourth Annual Report of the Director of the Mint, covering the operations of the mints and assay offices of the United States for the fiscal year ended June 30, 1896.

DEPOSITS OF GOLD.

The original deposits of gold during the fiscal year at the several mints and assay offices of the United States, including the gold contained in silver deposits, aggregated 3,696,354.381 standard ounces of the value of $68,769,383, an increase, as compared with the previous fiscal year, of 193,947.013 standard ounces of the value of $3,608,316.

During the fiscal year 1896 the redeposits of gold amounted to $34,541,741, showing an increase of $12,220,719 as compared with the same for the previous fiscal year, making an aggregate of $103,311,125 in the total amount deposited during the year.

The classification and weight in standard ounces (900 fine) of the original deposits and redeposits of gold bullion at the mints and assay offices of the United States during the fiscal years 1895 and 1896, and the increase or decrease, are shown in the table following:

Weight of the Original Deposits and Redeposits of Gold Bullion at the Mints and Assay Offices of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of deposits of gold.	Fiscal year.		Increase, 1896.	Decrease, 1896.
	1895.	1896.		
ORIGINAL DEPOSITS.				
Domestic production:	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Crude bullion	844,179.943	875,086.598	30,906.655	....
Refined bullion	1,540,812.363	2,022,627.342	481,814.979	....
Domestic coin:				
Treasury transfers	11,592.240	44,013.190	32,420.950	....
Purchased over the counter	52,276.638	45,749.608	....	6,527.030
Foreign bullion:				
Unrefined	138,899.201	133,207.063	....	5,692.138
Refined	619,429.220	220,058.907	....	399,370.313
Foreign coin	122,475.506	173,473.237	50,997.731	....
Jewelers' bars, old plate, etc.	172,742.257	182,138.436	9,396.179	....
Total original deposits	3,502,407.368	3,696,354.381	605,536.494	411,589.481
REDEPOSITS.				
Fine bars	677,082.455	1,395,186.212	718,103.757	....
Unparted bars	522,672.492	461,432.417	....	61,240.075
Total gold received	4,702,162.315	5,552,973.010	1,323,640.251	472,829.556

The classification and value of the original deposits and redeposits of gold bullion at the mints and assay offices of the United States during the fiscal years 1895 and 1896, and the increase or decrease, are fully shown in the following table:

Value of the Original Deposits and Redeposits of Gold Bullion at the Mints and Assay Offices of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of deposits of gold.	Fiscal year. 1895.	Fiscal year. 1896.	Increase, 1896.	Decrease, 1896.
ORIGINAL DEPOSITS.				
Domestic production:				
Crude bullion	$15,705,673.82	$16,339,336.75	$633,663.43	....
Refined bullion	28,666,276.51	37,571,620.27	8,905,343.76	....
Domestic coin:				
Treasury transfers	215,669.58	818,850.04	603,180.46	....
Purchased over the counter	972,588.63	851,155.49	....	$121,433.14
Foreign bullion:				
Unrefined	2,584,171.18	2,478,270.93	....	105,900.25
Refined	11,524,264.56	4,094,119.21	....	7,430,145.35
Foreign coin	2,278,614.07	3,227,409.06	948,794.99	....
Jewelers' bars, old plate, etc	3,213,809.43	3,388,622.06	174,812.63	....
Total original deposits	65,161,067.28	68,769,383.81	11,265,795.27	7,657,478.74
REDEPOSITS.				
Fine bars	12,596,882.89	25,956,952.78	13,360,069.89	....
Unparted bars	9,724,139.39	8,584,789.14	....	1,139,350.25
Total gold received	87,482,089.56	103,311,125.73	24,625,865.16	8,796,828.99

Weight of the Original Deposits and Redeposits of Silver Bullion at the Mints and Assay Offices of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of deposits of silver.	Fiscal year. 1895.	Fiscal year. 1896.	Increase, 1896.	Decrease, 1896.
ORIGINAL DEPOSITS.				
Domestic production:	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Crude bullion	938,606.79	450,732.65	....	487,874.14
Refined bullion	6,627,643.07	4,461,233.70	....	2,166,409.37
Domestic coin:				
Treasury transfers	3,345,063.43	3,518,221.46	173,158.03	....
Purchased over the counter	5,552.37	4,655.16	....	897.21
Trade dollars, purchased	389.93	199.18	....	190.75
Foreign bullion:				
Unrefined	1,513,490.75	752,920.19	....	60,570.56
Refined	....	3,476.68	3,476.68	....
Foreign coin	16,990.51	167,713.21	150,722.70	....
Jewelers' bars, old plate, etc	614,583.82	671,539.65	26,955.83	....
Total original deposits	13,092,320.67	10,030,691.88	354,313.24	3,415,942.03
REDEPOSITS.				
Fine bars	146,764.07	19,092.63	....	127,671.44
Unparted bars	265,448.49	132,687.74	....	132,760.75
Total silver received	13,504,533.23	10,182,472.25	354,313.24	3,676,374.22

Uncurrent United States gold coins of the face value of $1,683,880 were received and melted at the mints and assay offices during the year. Of this amount, $825,588 were transferred from the Treasury of the United States for recoinage, the coining value of the same in new coin being $818,850, and the remainder, $858,297, the coining value of the same, in new coin, being $851,155, was received from individuals. The difference ($6,732) between the amount transferred from the Treasury for recoinage ($825,583) and the coining value ($818,850) was reimbursed the Treasurer from the appropriation "for loss on recoinage of uncurrent gold coin in the Treasury of the United States." The loss ($7,142) on the amount ($858,297) deposited by individuals was borne by the depositors.

Deposits of Silver.

The original deposits of silver, including silver contained in gold deposits, during the fiscal year ended June 30, 1896, aggregated 10,030,691.88 standard ounces, having a coining value in standard silver dollars of $11,672,077, against 13,092,320.67 standard ounces, of the coining value of $15,234,700, for the fiscal year 1895, a decrease of $3,562,622.

The redeposits of silver bullion during the fiscal year 1896 at the mints and assay offices aggregated 151,780.37 standard ounces, of the coining value in silver dollars of $176,617, against 412,212.56 standard ounces, of the coining value of $479,665, for the previous fiscal year, a decrease of $303,048.

The table on opposite page exhibits the classification and weight of the original deposits and redeposits of silver bullion at the mints and assay offices of the United States for the fiscal years 1895 and 1896, and the increase or decrease.

The classification and value of the original deposits and redeposits of silver bullion at the mints and assay offices of the United States during the fiscal years 1895 and 1896, and the increase or decrease, are shown by the following table:

Value of the Original Deposits and Redeposits of Silver Bullion at the Mints and Assay Offices of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of deposits of silver.	Fiscal year.		Increase, 1896.	Decrease, 1896.
	1895.	1896.		
ORIGINAL DEPOSITS.				
Domestic production:				
Crude bullion	$1,092,196.95	$524,488.87	....	$567,708.08
Refined bullion	7,712,166.48	5,191,253.77	....	2,520,912.71
Domestic coin:				
Treasury transfers	3,892,437.45	4,093,930.43	$201,492.98	....
Purchased over the counter	6,460.93	5,416.91	....	1,044.02
Trade dollars, purchased	453.74	231.77	....	221.97
Foreign bullion.				
Unrefined	1,761,152.87	876,125.30	....	885,027.57
Refined	....	4,045.59	4,045.59	....
Foreign coin	19,770.77	195,157.19	175,386.42	....
Jewelers' bars, old plate, etc	750,061.16	781,427.96	31,366.80	....
Total deposits	15,234,700.35	11,672,077.79	412,291.79	3,974,914.35
REDEPOSITS.				
Fine bars	170,780.01	22,216.88	....	148,563.13
Unparted bars	308,885.50	154,400.25	....	154,485.25
Total silver received	15,714,365.86	11,848,694.92	412,291.79	4,277,962.73

The refined silver bullion classed as original deposits was the product of private refineries in the United States. As explained in former reports of this Bureau, silver bars, the product of private refineries in the United States, deposited at the mints and assay offices, are always classed as of domestic production, although frequently to a large extent composed of silver derived from ore and bullion imported from Mexico and smelted and refined in the United States. Owing to this fact, the classification of silver bullion deposited as of domestic production at the mints and assay offices is not exact.

Worn, uncurrent, and mutilated domestic silver coins of the face value of $4,633,562 were received and melted at the mints during the fiscal year 1896. Of this sum, $4,627,141 were worn and uncurrent subsidiary silver coins transferred from the Treasury for recoinage, and the remainder, $6,420, mutilated and uncurrent silver coins purchased at the current market price of silver bullion.

The value in new subsidiary silver coins of the amount transferred for recoinage was $4,377,258, showing a loss of $249,883, which was reimbursed the Treasurer of the United States from the appropriation "for loss on recoinage of worn and uncurrent silver coins in the Treasury."

The coining value of gold and silver (exclusive of redeposits) received at the mints and assay offices of the United States each fiscal year from 1880 is shown in the table following:

COINAGE.

The coinage executed by the mints at Philadelphia, San Francisco and New Orleans during the fiscal year 1896 consisted of 3,584,760 pieces of gold, of the value of $58,878,490; of 20,424,529 pieces of silver, of the nominal or face value of $11,440,641, and the minor coinage aggregated 54,321,484 pieces, of the nominal value of $869,337.

The execution of the minor coinage is confined by law to the mint at Philadelphia.

Standard silver dollars to the number of 7,500,822 were coined from the balance of the silver bullion on hand, purchased under the Act of July 14, 1890, and contain 5,801,417 ounces of pure silver, costing $5,173,085. The seigniorage on this coinage was $2,327,736, which sum has been deposited in the Treasury.

Of the subsidiary silver coinage during the year $3,607,120 was from bullion resulting from the melting of worn and uncurrent silver coins transferred from the Treasury for recoinage, and $332,698 from silver bullion acquired under Section 3,526 of the Revised Statutes of the United States.

In addition to the above, the Mint at Philadelphia coined 500,000 twenty-cent pieces, of the value of $100,000, for the Government of Ecuador, completing the coinage of 5,000,000 twenty-cent pieces undertaken for that Government, under the Act of January 29, 1874, authorizing coinage to be executed at the mints of the United States for foreign countries. The Government of Ecuador furnished the silver bullion and paid all the expenses incurred in the execution of this coinage.

The number of domestic coins manufactured by the mints of the United States during the fiscal years 1895 and 1896, and the increase or decrease during the last-named year, is exhibited in the following table:

Coinage of the Mints of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of coinage.	Fiscal year.		Increase, 1896.	Decrease, 1896.
	1895.	1896.		
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*
Gold coins	4,035,205	3,584,760		450,445
Silver dollars	3,956,011	7,500,822	3,544,811	
Subsidiary silver coins	16,532,594	12,923,707		3,608,887
Minor coins	35,087,302	54,321,484	19,234,182	
Total	59,611,112	78,330,773	22,778,993	4,059,332

The value of the domestic coinage executed by the mints of the United States during the fiscal years 1895 and 1896, and the increase or decrease of the same during 1896, is exhibited in the following table:

Coinage af the Mints of the United States during the Fiscal Years 1895 and 1896, and the Increase or Decrease of the Same during the Latter Year.

Classification of coinage.	Fiscal year.		Increase, 1896.	Decrease, 1896.
	1895.	1896.		
Gold coins	$43,933,475.00	$58,878,490.00	$14,945,015.00	
Silver dollars	3,956,011.00	7,500,822.00	3,544,811.00	
Subsidiary silver coins	5,113,469.60	3,939,819.20		$1,173,650.40
Minor coins	712,594.02	869,337.32	156,743.30	
Total	53,715,549.62	71,188,468.52	18,646,569.30	1,173,650.40

From August 13, 1890, to June 30, 1896, the number of silver dollars coined from silver bullion purchased under the provisions of the Act of July 14, 1890, aggregated 47,544,776 pieces, containing 36,772,912.70 ounces of fine silver, costing $36,964,557, giving a profit or seigniorage of $10,580,218.

The number of silver dollars coined from July 1 to November 1, 1896, was 8,762,100, consuming 6,776,936.72 ounces of pure silver, showing a profit of $2,723,816. All profits on the coinage of silver are regularly deposited in the Treasury at the close of each month.

The total number of silver dollars coined under the Act of July 14, 1890, to November 1, 1896, was 56,306,876.

The total number of silver dollars coined from March 1, 1878, to November 1, 1896, under the Acts of February 28, 1878, July 14, 1890, and March 3, 1891, is shown in the following table:

Coinage under act of—	Amount.
February 28, 1878	$378,166,793
July 14, 1890	56,306,876
March 3, 1891 (recoinage of trade dollars)	5,078,472
Total	439,552,141

Bars of Gold and Silver Manufactured, 1896.

In addition to the coinage executed during the fiscal year 1896 there were manufactured gold and silver bars of the value of $60,618,978, divided as follows: Gold, 2,862,108.156 standard ounces, valued at $53,248,523; silver, 6,383,984.73 standard ounces, valued at $7,370,454.

There were received and operated upon by the refineries of the coinage mints and the assay office at New York, during the fiscal year 1896, 1,334,145.901 standard ounces of gold and 4,533,513.52 standard ounces of silver, of the value of $30,096,657.

Purchase of Silver.

The purchase of silver by the Government since November 1, 1893, the date of the repeal of the purchasing clause of the Act of July 14, 1890, has been restricted to the silver contained in gold deposits, the amount received in payment of charges on silver deposits, surplus silver bullion returned by the operative officers of the coinage mints on the annual settlement of their accounts at the close of each fiscal year, and uncurrent and mutilated domestic silver coin purchased for the subsidiary silver coinage under the provisions of section 3526, Revised Statutes of the United States.

The amount and cost of silver purchased for the subsidiary silver coinage from July 1 to November 1, 1896, are as follows: 62,054.28 fine ounces; cost, $41,470.

Statement Showing the Amount and Cost of Silver Bullion Purchased Under the Act of July 14, 1890, and Used in the Coinage of Standard Silver Dollars, Wasted and Sold in Sweeps, Number of Dollars Coined, and Seigniorage on the Same, from August 13, 1890, to November 1, 1896.

Disposition.	Fine ounces.	Cost.
Total amount purchased and cost	168,674,682.53	$155,931,002.25
Used in coinage to November 1, 1896	43,549,849.42	43,002,841.07
Wasted and sold in sweeps	63,570.37	62,535.64
Total amount used	43,613,419.79	43,065,376.71
Balance on hand November 1, 1896	125,061,262.74	112,865,625.54
Total	168,674,682.53	155,931,002.25
Silver dollars coined	....	56,306,876.00
Seigniorage on same	....	13,304,034.93

Statement, by Fiscal Years, of the Amount and Cost of Silver purchased under the Act of July 14, 1890, from August 13, 1890, to November 1, 1893, Date of Repeal.

Fiscal year.	Amount purchased.	Cost.
	Fine ounces.	
1891	48,393,113.05	$50,577,498.44
1892	54,355,748.10	51,106,607.96
1893	54,008,162.60	45,531,374.53
From July 1, 1893, to November 1, 1893	11,917,658.78	8,715,521.32
Total	168,674,682.53	155,931,002.25

The following tables exhibit the amount and cost of silver bullion purchased each year under the Acts of February 28, 1878, and July 14, 1890, the average price paid, and the bullion value of the standard silver dollar:

Amount, Cost, Average Price, and Bullion Value of the Silver Dollar of Silver Purchased under the Act of February 28, 1878.

Fiscal year.	Fine ounces.	Cost.	Average price per fine ounce.	Bullion value of a silver dollar.
1878	10,809,350.58	$13,023,268.96	$1.2048	$0.9318
1879	19,248,086.00	21,593,64[illegible].99	1.1218	.8676
1880	22,057,862.64	25,235,081.53	1.1440	.8848
1881	19,709,227.11	22,327,874.75	1.1328	.8761
1882	21,190,200.87	24,054,480.47	1.1351	.8779
1883	22,889,241.24	25,577,327.58	1.1174	.8642
1884	21,922,951.52	24,378,383.91	1.1120	.8600
1885	21,791,171.61	23,747,460.25	1.0897	.8428
1886	22,690,652.94	23,448,960.01	1.0334	.7992
1887	26,490,008.04	25,988,620.46	.9810	.7587
1888	25,386,125.32	24,237,553.20	.9547	.7384
1889	26,468,861.03	24,717,853.81	.9338	.7222
1890	27,820,900.05	26,899,326.33	.9668	.7477
1891	2,797,379.52	3,049,426.46	1.0901	.8431
Total	291,272,018.56	308,279,260.71	1.0583	.8185

Amount, Cost, Average Price, and Bullion Value of the Silver Dollar of Silver Purchased under the Act of July 14, 1890.

Fiscal year.	Fine ounces.	Cost.	Average price per fine ounce.	Bullion value of a silver dollar.
1891	48,393,113.05	$50,577,498.44	$1.0451	$0.8083
1892	54,355,748.10	51,106,607.96	.9402	.7271
1893	54,008,162.60	45,531,374.53	.8430	.6520
1894	11,917,658.78	8,715,521.32	.7313	.5656
Total	168,674,682.53	155,931,002.25	.9244	.7150

COURSE OF SILVER.

The fluctuations in the price of silver in the London market during the year ended June 30, 1896, were not so great as for the preceding twelve months. The price ranged from 30 pence to 31$\frac{15}{16}$ pence per ounce for silver .925 fine (British standard), equivalent at the former to \$0.65763 and at the last named rate to \$0.70010 in United States money per ounce 1,000 fine, a variation of \$0.04247 per ounce. The London quotation July 1, 1895, was 30$\frac{5}{16}$ pence per ounce, equivalent at par of exchange (\$4.8665) to \$0.66855 per ounce fine. The closing price of the year, June 30, 1896, was 31$\frac{7}{16}$ pence per ounce, equivalent to \$0.69051 per ounce fine.

The average London price for the year was 30.832 pence, equivalent to \$.67588 per fine ounce.

The commercial value of silver to gold at the average price for the year was 1 to 30.58. The bullion value of a silver dollar at the average price was \$0.52262. The number of grains of pure silver purchasable with a dollar at the average price was 710.06, equal to 1.479 ounces fine.

Net Imports of Silver into India, Average Rate of Indian Rupee, and Amount of Council Bills Sold for Fiscal Years (ending March 31) from 1836 to 1896 inclusive.

Years.	Net imports of silver.	Average rate of Indian rupee.	Amount of council bills sold.	Years.	Net imports of silver.	Average rate of Indian rupee.	Amount of council bills sold.
		Pence.				*Pence.*	
1835-36....	*a* 16,118,960	....	\$9,953,224	1866-67 *b*	\$32,474,026	23	\$24,661,422
1836-37....	\$6,176,311	22¾	9,938,522	1867-68......	26,230,510	23⅛	20,134,097
1837-38....	9,173,294	23	8,303,149	1868-69......	40,330,842	23⅛	18,083,989
1838-39....	12,671,392	23⅛	11,419,685	1869-70......	34,500,818	23¼	33,968,764
1839-40....	7,804,683	23⅛	7,005,448	1870-71......	4,278,507	22⅝	41,090,337
1840-41....	6,679,118	23⅛	5,715,461	1871-72......	30,574,254	23⅛	50,175,265
1841-42....	5,887,052	22⅝	12,600,746	1872-73......	3,298,985	22¾	67,834,606
1842-43....	14,068,739	23⅛	5,827,332	1873-74......	11,311,401	22.351	61,654,752
1843-44....	17,237,334	23	13,634,624	1874-75......	20,916,698	22.221	52,760,715
1844-45....	8,719,684	21⅝	12,248,742	1875-76......	6,826,414	21.045	60,294,052
1845-46....	4,112,529	21¾	14,919,273	1876-77......	29,911,149	20.491	61,784,106
1846-47....	6,322,979	22⅝	15,071,750	1877-78......	61,869,640	20.79	49,319,325
1847-48....	2,204,565	22	7,503,189	1878-79......	15,010,390	19.761	67,880,692
1848-49....	1,844,618	21⅛	9,193,767	1879-80......	31,852,848	19.961	74,271,598
1849-50....	5,810,633	22⅛	14,283,752	1880-81......	15,751,280	19.956	74,163,888
1850-51....	10,410,808	24¼	15,750,223	1881-82......	21,699,764	19.895	89,604,086
1851-52....	14,016,886	24⅛	18,516,816	1882-83......	29,614,971	19.525	73,584,015
1852-53....	22,298,629	23⅞	16,152,235	1883-84......	25,372,923	19.536	85,649,451
1853-54....	11,279,345	24⅛	18,738,775	1884-85......	28,367,364	10.308	66,957,731
1854-55....	138,797	23⅛	17,860,191	1885-86......	42,960,530	18.254	50,089,380
1855-56....	40,085,623	24⅛	7,222,081	1886-87......	25,306,454	17.441	59,061,202
1856-57....	56,413,954	25⅛	13,722,119	1887-88......	31,623,459	16.899	74,742,515
1857-58....	61,012,039	24⅝	3,059,077	1888-89......	30,709,917	16.379	69,410,203
1858-59....	*a* 77,283,420	(*c*)	124,451	1889-90......	36,741,437	16.566	75,306,635
1859-60....	*a* 111,475,630	(*c*)	22,843	1890-91......	51,993,287	18.089	77,713,304
1860-61....	*a* 53,230,090	(*c*)	3,879	1891-92......	30,611,949	16.733	78,320,740
1861-62....	43,988,930	23⅞	6,809,277	1892-93......	39,083,615	14.984	80,454,024
1862-63....	60,757,238	23⅞	32,321,230	1893-94......	40,406,665	14.546	46,378,884
1863-64....	61,950,883	23⅞	43,698,839	1894-95......	16,812,318	13.100	82,268,679
1864-65....	48,793,010	23⅞	33,040,970	1895-96......	18,206,409	13.641	85,278,507
1865-66....	89,904,731	23¾	33,900,604				

a Rupees.
b Eleven months.
c From 1858-59 to 1860-61, inclusive, the home treasury was open at all times for the sale of bills on India, at rates altered from time to time by advertisement. Consequent on the mutiny, it was necessary to refrain from drawing on India, and exchange was raised to a prohibitory rate.

Highest, Lowest, and Average Price of Silver Bullion and Value of a Fine Ounce each Month during the Fiscal Year 1896.

Month.	High-est.	Lowest.	Average price per ounce, British standard, 0.925.	Equivalent value of a fine ounce with exchange at par, $4.8665.	Average monthly price at New York of exchange on London.	Equivalent value of a fine ounce, based on average monthly price and average rate of exchange.	Average monthly New York price of fine bar silver.
1895.	*Pence.*	*Pence.*	*Pence.*				
July	$30\frac{5}{8}$	$30\frac{3}{16}$	30.439	$0.66727	$4.9000	$0.67187	$0.67384
August	$30\frac{1}{2}$	$30\frac{1}{4}$	30.393	.66625	4.9027	.67122	.67388
September	$30\frac{9}{16}$	$30\frac{7}{16}$	30.489	.66836	4.8955	.67234	.67848
October	$31\frac{3}{8}$	$30\frac{5}{8}$	30.928	.67798	4.8811	.68010	.68712
November	31	$30\frac{5}{8}$	30.789	.67493	4.8920	.68592	.68546
December	$30\frac{11}{16}$	30	30.395	.66631	4.8912	.66963	.67675
1896.							
January	$30\frac{7}{8}$	$30\frac{3}{8}$	30.649	.67186	4.8905	.67518	.68173
February	$31\frac{5}{16}$	$30\frac{3}{4}$	30.992	.67939	4.8786	.68104	.68811
March	$31\frac{13}{16}$	$31\frac{1}{8}$	31.372	.68772	4.8818	.68988	.69519
April	$31\frac{3}{16}$	$30\frac{13}{16}$	31.060	.68087	4.8890	.68401	.69062
May	$31\frac{1}{4}$	$30\frac{15}{16}$	31.078	.68126	4.8885	.68851	.69046
June	$31\frac{9}{16}$	$31\frac{3}{16}$	31.403	.68840	4.8842	.69091	.69730
Average	......	....	30.882	.67588	4.8896	.68005	.68491

Highest, Lowest, and Average Value of a United States Silver Dollar, Measured by the Market Price of Silver, and the Quantity of Silver Purchasable with a Dollar at the Average London Price of Silver, each Year since 1873.

Calendar year.	Bullion value of a silver dollar.			Grains of pure silver at average price purchasable with a United States silver dollar.[a]
	Highest.	Lowest.	Average.	
1873	$1.016	$0.981	$1.004	369.77
1874	1.008	.970	.988	375.76
1875	.977	.941	.964	385.11
1876	.991	.792	.894	415.27
1877	.987	.902	.929	399.62
1878	.936	.839	.891	416.66
1879	.911	.828	.868	427.70
1880	.896	.875	.886	419.49
1881	.896	.862	.881	421.87
1882	.887	.847	.878	422.83
1883	.868	.847	.858	432.69
1884	.871	.839	.861	431.18
1885	.847	.794	.823	451.09
1886	.797	.712	.769	482.77
1887	.799	.733	.758	489.78
1888	.755	.706	.727	510.66
1889	.752	.746	.724	512.98
1890	.926	.740	.810	458.83
1891	.827	.738	.764	485.76
1892	.742	.642	.674	550.79
1893	.655	.518	.604	615.10
1894	.538	.457	.491	756.04
1895	.532	.461	.505	733.87

[a] 371.25 grains of pure silver are contained in a silver dollar.

DISTRIBUTION AND CIRCULATION OF SILVER DOLLARS.

The number of silver dollars distributed from the mints during the fiscal year 1896 was 620,680, against 723,447 during the preceding fiscal year, showing a decrease of 102,767.

The following table exhibits the total number of silver dollars coined, the number held by the Treasury for the redemption of certificates and Treasury notes, the number held in excess of outstanding certificates, and the number in circulation on November 1 of each of the last ten years:

Coinage, Ownership, and Circulation of Silver Dollars.

Date.	Total coinage.	In the Treasury.		In circulation.
		Held for payment of certificates outstanding.	Held in excess of certificates outstanding.	
November 1, 1886	244,433,386	100,306,800	82,624,431	61,502,155
November 1, 1887	277,110,157	160,713,957	53,461,575	62,934,625
November 1, 1888	309,750,890	229,783,152	20,196,288	59,771,450
November 1, 1889	343,638,001	277,319,944	6,219,577	60,098,480
November 1, 1890	380,988,466	308,206,177	7,072,725	65,709,564
November 1, 1891	409,475,368	321,142,642	26,197,265	62,135,461
November 1, 1892	416,412,835	324,552,532	30,187,848	61,672,455
November 1, 1893	419,332,550	325,717,232	34,889,500	58,725,818
November 1, 1894	421,776,408	331,143,301	34,189,437	56,443,670
November 1, 1895	423,289,309	342,409,504	22,525,713	58,354,092
November 1, 1896	439,552,141	366,463,504	14,897,835	58,190,802

SEIGNIORAGE ON SILVER COINAGE.

On July 1, 1895, the balance of profits on the coinage of silver on hand at the mints of the United States was $171,210.

The seigniorage on the coinage of silver during the fiscal year 1896 was, on silver dollars, $2,327,736, and on subsidiary pieces, $175,319; a total seigniorage of $2,503,056.

The amount reimbursed on account of silver wastage and loss on sale of sweeps, paid from this seigniorage, was $1,345, leaving the net seigniorage on the silver coinage during the fiscal year $2,501,710.

The amount deposited in the Treasury during the year was $2,198,642, leaving a balance of $474,277 on hand at the mints June 30, 1896, which has since been deposited in the Treasury.

Including the balance on hand at the mints July 1, 1878, the net seigniorage or profits on the coinage of silver from that date to June 30, 1896, aggregated $78,145,608.

The seigniorage on the coinage of silver dollars, under the Act of July 14, 1890, from August 13, 1890 (the date the Act went into effect), to June 30, 1896, was $10,580,218, and from July 1 to November 1, 1896, $2,723,816, a total seigniorage under this Act of $13,304,034.

APPROPRIATIONS AND EXPENDITURES.

The expenditures from the specific appropriations for the support of the mints and assay offices of the United States for the fiscal year 1896 aggregated $979,115.87, leaving an unexpended balance of the several appropriations for salaries, wages, and contingent expenses of $134. The coinage of silver dollars from bullion purchased under the Act of July 14, 1890, was resumed February 1, 1890, and continued during the balance of the fiscal year at the rate of $1,500,000 per month, and in addition to the amount expended from the specific appropriations there were expended from the general appropriations contained in the Act of July 14, 1890, the sum of $48,534. Of this sum $28,959 was expended at the mint at Philadelphia on account of the coinage of silver dollars from bullion purchased under the Act of July 14, 1890, and $5,058 on account of storage of silver bullion acquired by the same Act, and the balance, $14,516, on account of coinage of silver dollars at the San Francisco mint.

The expenditures for the officer of the Director of the Mint, including salaries, expenses incurred in collecting and compiling the statistics of the production of gold and silver, supervising the annual settlements, incidental and contingent expenses, and for the support of the assay laboratory connected with the Bureau, aggregated for the year $32,065, leaving an unexpended balance of $4,224 to the credit of the several appropriations for the office of the Director of the Mint.

The estimates of the appropriations that will be required for the support of the mint service, including the office of the Director of the Mint, for the fiscal year 1898, as submitted, aggregate $1,021,760, or $1,500 less than for the fiscal year ending June 30, 1897.

Imports and Exports of the Precious Metals.

Gold.—The value of the foreign gold bullion imported into the United States during the fiscal year 1896 was $13,663,406. Of this amount, $9,303,577 came from England, $2,826,327 from Mexico, $332,644 from Colombia, $308,344 from British Columbia, $200,098 from France, $348,239 from Nova Scotia, Ontario, Quebec, etc., $303,898 from Central American States, and the remainder from various countries.

The value of foreign gold coins imported was $7,816,248; of which amount $5,184,732 came from Cuba, $1,768,543 from France, $354,037 from England, $179,667 from the Dominion of Canada, $119,000 from Germany, $72,482 from Mexico, and the remainder from South and Central America.

The value of the foreign gold ores imported for reduction was $125,812, principally from Mexico and British Columbia.

The value of the gold contained in foreign base bullion and foreign silver ore imported was $1,712,773. Of this amount, $1,046,167 came from Mexico and $666,606 from British Columbia.

The value of the domestic gold coins returned to the United States was $10,189,614. Of this amount $4,590,061 came from the Dominion of Canada, $1,964,850 from France, $1,844,375 from England, $897,138 from the West Indies, $586,887 from South American States, $246,951 from Mexico, and the remainder from Central America.

Domestic gold bullion bearing the stamp of a United States mint or assay office, of the value of $25,844,358, was exported during the fiscal year, of which $22,280,501 went to England, $3,548,437 to Germany, and the remainder to the Dominion of Canada. Other domestic gold bullion of the value of $3,199,279 was also exported, of which $2,708,898 went to France, $395,209 to England, and $82,277 to the Dominion of Canada.

Domestic gold coin of the value of $77,789,892 was exported; of this amount $38,520,000 went to England, $25,466,575 to Germany, $5,320,740 to the Dominion of Canada, $4,562,529 to South America, $2,000,500 to France, $1,049,124 to the West Indies, $710,190 to Hawaiian Islands, $115,944 to Hongkong and Japan, and the remainder to Central America. There was also exported, from the ports of New York and Baltimore, gold contained in copper matte, of the invoiced value of $100,805, all of which went to England.

The value of the foreign gold bullion re-exported to England was $546.

Foreign gold coin of the value of $5,475,065 was re-exported, of which $2,824,963 went to France, $2,309,266 to Cuba, $185,136 to Venezuela, $65,179 to Mexico, and the remainder to England and Canada.

The value of the gold contained in foreign base bullion re-exported to England was $2,514.

The value of the net gold exports for the fiscal year 1896 was $78,904,612, as against $30,117,376 for the fiscal year 1895. The net exports of United States gold coin from January 1, 1870, to November 1, 1896, were $576,494,360, as shown by the table following.

Imports and Exports of United States Gold Coin.

Period.	Imports.	Exports.	Period.	Imports.	Exports.
Jan. 1 to July 1, 1870	....	$6,384,250	Fiscal year—		
Fiscal year—			1887	$5,862,509	$3,550,770
1871	....	55,491,719	1888	5,181,512	3,211,399
1872	....	40,391,357	1889	1,403,619	4,143,939
1873	....	35,661,863	1890	1,949,552	3,951,736
1874	....	28,766,943	1891	2,824,146	67,704,900
1875	....	59,309,770	1892	15,432,443	42,841,963
1876	....	27,542,861	1893	6,074,899	101,844,087
1877	....	21,274,565	1894	30,790,892	64,303,840
1878	$7,325,783	6,427,251	1895	10,752,673	55,096,639
1879	3,654,859	4,120,311	1896	10,189,614	77,789,892
1880	18,207,559	1,687,973	Total	149,000,390	767,835,941
1881	7,577,422	1,741,364	July, 1896	971,604	5,967,412
1882	4,796,630	29,805,289	August, 1896	3,311,568	1,940,357
1883	8,112,265	4,802,454	September, 1896	26,690,928	30,066
1884	3,824,692	12,242,021	October, 1896 *a*	19,390,426	85,500
1885	3,352,090	2,345,809	Total	199,364,916	775,859,276
1886	1,687,231	5,400,976			

a Port of New York only.

Silver.—There were imported during the year 6,177,754 ounces of foreign silver bullion, of the commercial value of $3,812,109, of which $3,455,044 came from Mexico, $316,610 from Honduras, and the remainder from various other countries.

During the same period the imports of foreign silver coin amounted to $8,545,746, of which $7,051,333 came from Mexico, $519,787 from Columbia, $316,167 from British Honduras, $190,669 from Nicaragua, $152,577 from Santo Domingo, and the remainder from South and Central America.

Foreign silver ores of the value of $348,391 were imported from Mexico and South America.

United States silver coins of the value of $93,057 were imported, in small amounts, from various countries.

The invoiced value of silver contained in foreign base bullion and silver lead ores imported was $14,514,712; of this amount $12,898,029 came from Mexico and the remainder from British Columbia.

There were contained in the base bullion and silver ore 78,457,672 pounds of lead, of the value of $977,186, and 5,425,571 pounds of copper of the value of $358,874.

The value of the total silver imports into the United States during the fiscal year was $27,314,015 and the exports $60,576,273.

The exports of domestic silver bullion bearing the stamp of a United States mint or assay office were 1,373 ounces, of the value of $972, all of which went to Quebec. Other silver bullion containing 77,103,480 ounces, of the invoiced value of $52,123,992, was exported, of which 61,401,585 ounces, of the value of $41,578,367, went to England; 4,959,307 ounces, of the value of $3,377,126, went to France; 9,504,424 ounces, of the value of $6,333,543, to China, Hongkong and the Hawaiian Islands; 1,028,074 ounces, of the value of $694,898, to Guatemala; 149,800 ounces, of the value of $100,600; to British East Indies, and the remainder to the Dominion of Canada.

Silver coins of the United States, of the value of $288,853, were exported; of this amount $241,441 went to the Dominion of Canada, $22,000 to Haiti, $17,500 to Hawaiian Islands, and the remainder to Mexico.

Silver of the value of $677,984, contained in copper matte, was exported to England.

There were re-exported to England 17,288 ounces of foreign silver bullion valued at $11,523.

Foreign silver coin of the value of $7,439,279 was re-exported, of which $3,739,145 went to Hongkong, $1,152,946 to China, $1,114,523 to England, $452,243 to the West Indies, $372,749 to Japan, $215,391 to Mexico, $198,446 to South America, and the remainder to the Dominion of Canada and Central America.

Silver contained in foreign base bullion and ores of the value of $33,670 was re-exported to England.

STOCK OF MONEY IN THE UNITED STATES.

The stock of gold and silver coin in the United States on July 1, 1896, was $1,074,256,586; of this amount $567,495,038 were in gold and $506,761,548 in silver.

Official Table of Stock of Coin in the United States July 1, 1896.

Items.	Gold.	Silver.	Total.
Estimated stock of coin July 1, 1895	$579,400,907	$500,243,653	$1,079,644,560
Coinage, fiscal year 1896	58,878,490	11,440,641	70,319,131
Total	638,279,397	511,684,294	1,149,963,691
Loss:			
Net exports of United States coin for fiscal year 1896	67,600,278	189,184	67,789,462
United States coin melted for recoinage, fiscal year 1896	1,684,081	4,633,562	6,317,643
United States coin used in the arts, fiscal year 1896	1,500,000	100,000	1,600,000
Total	70,784,359	4,922,746	75,707,105
Estimated stock of coin July 1, 1896	567,495,038	506,761,548	1,074,256,586

NOTE.—Of the silver coins, $430,790,041 were in dollars and $75,971,507 were in subsidiary coins.

The total metallic stock of the United States on July 1, 1895 and 1896, was as follows:

Metallic Stock of the United States July 1, 1895, and July 1, 1896.

Coin and Bullion.	*July 1, 1895.* Value.	*July 1, 1896.* Value.
Gold	$636,229,825	$599,597,964
Silver (including bullion in mints and Mercantile Safe Deposit Co.)	625,854,949	628,728,071
Total	$1,262,084,774	$1,228,326,035

By comparing the amounts in the above table it will be seen that the stock of gold in the United States decreased $36,631,861, while that of silver increased $2,873,122 during the fiscal year.

The following table shows the stock and the location of the metallic and paper money in the United States on July 1, 1896:

Location of the Moneys of the United States July 1. 1896.

Moneys.	In Treasury.	In national banks July 14, 1896.	In other banks and in general circulation.	Total.
METALLIC.				
Gold bullion	$32,102,926			$32,102,926
Silver bullion	120,933,958		$1,032,565	121,966,523
Gold coin	112,589,974	*a* $141,517,160	313,387,904	567,495,038
Silver dollars	378,673,137	6,867,060	45,249,844	430,790,041
Subsidiary silver coin	15,767,056	5,619,454	54,584,997	75,971,507
Total	660,067,051	154,003,674	414,255,310	1,228,326,035
PAPER.				
Legal-tender notes (old issue)	122,431,148	113,213,290	111,036,578	346,681,016
Legal-tender notes (act July 14, 1890)	34,638,033		95,045,247	129,683,280
Gold certificates	620,070	20,336,400	21,861,719	42,818,189
Silver certificates	11,962,318	29,495,875	301,161,816	342,619,504
National-bank notes	10,832,425	*b* 22,132,927	193,035,195	226,000,547
Currency certificates	320,000	27,165,000	4,725,000	32,210,000
Total	180,803,989	212,342,992	726,865,555	1,120,012,536

a Includes $31,384,000 gold clearing-house certificates.
b Includes $4,688,181 of their own notes held by different national banks.

There were 52,116,904 standard silver dollars in actual circulation on July 1, 1896, while on July 1, 1895, there were 51,986,043, an increase of 130,861.

The total amount of money in circulation in the United States, exclusive of the amounts held by the Treasury and the silver bullion held by the Mercantile Safe Deposit Company, on July 1, 1896, was $1,506,434,966, against $1,601,968,473 on July 1, 1895, showing a decrease of $95,533,507.

The following table shows the approximate stock of coin in the United States on November 1, 1896:

Stock of Gold and Silver Coin in the United States, November 1, 1896.

Date.	Gold coin.	Silver coin.			Total gold and silver coin.
		Dollars.	Subsidiary.	Total.	
Stock July 1, 1896	$567,495,038	$430,790,041	$75,971,507	$506,761,548	$1,074,256,586
Gain or loss since that date.	56,552,446	8,762,100	—166,925	8,595,175	65,147,621
Total	624,047,484	439,552,141	75,804,582	515,356,723	1,139,404,207

WORLD'S STOCK OF MONEY IN THE PRINCIPAL COUNTRIES, 1873.

Numerous inquiries have been made within the last few years for information as to the stock of money in the principal countries of the world at different periods, but especially as to 1873.

The table following, showing the stock of money in 1873 in the countries named therein, has been compiled from the most reliable data obtainable.

Approximate Stocks of Money in the Aggregate and Per Capita in the Principal Countries of the World, 1873.

Country.	Population.	Stock of gold.	Stock of silver.	Uncovered paper.	Per capita.			
					Gold.	Silver.	Paper.	Total.
United States	41,700,000	$135,000,000	$6,150,000	$749,445,000	$3.24	$0.15	$17.97	$21.36
Great Britain	31,800,000	160,000,000	95,000,000	59,800,000	5.03	2.99	1.88	9.90
France	36,100,000	450,000,000	500,000,000	385,300,000	12.47	13.85	10.67	36.99
Germany	41,000,000	160,200,000	306,235,000	90,800,000	3.91	7.47	2.21	13.59
Russia	82,200,000	149,100,000	18,600,000	618,400,000	1.81	.23	7.52	9.56
Italy	26,800,000	20,000,000	23,000,000	87,800,000	.75	.86	3.27	4.88
Belgium	5,200,000	25,000,000	15,000,000	35,100,000	4.81	2.88	6.75	14.44
Netherlands	3,900,000	12,000,000	37,300,000	15,300,000	3.08	9.56	3.92	16.56
Austria-Hungary	35,900,000	35,000,000	40,000,000	265,800,000	.98	1.11	7.40	9.49
Australasia	2,600,000	50,000,000	3,000,000	....	19.23	1.15	......	20.38
Denmark	1,800,000	4,100,000	7,500,000	6,500,000	2.28	4.16	3.61	10.05
Sweden	4,400,000	1,800,000	4,300,000	6,000,000	.41	.98	1.36	2.75
Norway	1,800,000	7,600,000	1,600,000	2,300,000	4.22	.89	1.28	6.39
Total	....	1,209,800,000	1,057,685,000	2,322,545,000	......	......	......	......

STOCK OF GOLD AND SILVER IN THE UNITED STATES FROM 1873 TO 1896.

The following table shows the stock of gold and silver and the amount per capita at the close of each fiscal year from 1873 to 1896, prepared from the reports of the Director of the Mint:

Estimated Stock of Gold and Silver in the United States and the Amount Per Capita at the Close of Each Fiscal Year from 1873 to 1896, Inclusive.

Fiscal year ending June 30—	Population.	Total coin and bullion.		Per capita.		
		Gold.	Silver.	Gold.	Silver.	Total metallic.
1873	41,677,000	$135,000,000	$6,149,305	$3.23	$0.15	$3.38
1874	42,796,000	147,379,493	10,355,478	3.44	.24	3.68
1875	43,951,000	121,134,906	19,367,995	2.75	.44	3.19
1876	45,137,000	130,056,907	36,415,992	2.88	.81	3.69
1877	46,353,000	167,501,472	56,464,427	3.61	1.21	4.82
1878	47,598,000	213,199,977	88,047,907	4.47	1.85	6.32
1879	48,866,000	245,741,837	117,526,341	5.02	2.40	7.42
1880	50,155,783	351,841,206	148,522,678	7.01	2.96	9.97
1881	51,316,000	478,484,538	175,384,144	9.32	3.41	12.73
1882	52,495,000	506,757,715	203,217,124	9.65	3.87	13.52
1883	53,693,000	542,732,063	233,007,985	10.10	4.34	14.44
1884	54,911,000	545,500,797	255,568,142	9.93	4.65	14.58
1885	56,148,000	588,697,036	283,478,788	10.48	5.05	15.53
1886	57,404,000	590,774,461	312,252,844	10.29	5.44	15.73
1887	58,680,000	654,520,335	352,993,566	11.15	6.00	17.15
1888	59,974,000	705,818,855	386,611,108	11.76	6.44	18.20
1889	61,289,000	680,063,505	420,548,929	11.09	6.86	17.95
1890	62,622,250	695,563,029	463,211,919	11.10	7.39	18.49
1891	63,975,000	646,582,852	522,277,740	10.10	8.16	18.26
1892	65,520,000	664,275,335	570,313,544	10.15	8.70	18.85
1893	66,946,000	597,697,685	615,861,484	8.93	9.20	18.13
1894	68,397,000	627,293,201	624,347,757	9.18	9.13	18.31
1895	69,878,000	636,229,825	625,854,940	9.10	8.97	18.07
1896	71,390,000	599,597,964	628,728,071	8.40	8.81	17.21

MONETARY SYSTEMS AND APPROXIMATE STOCKS OF MONEY IN THE AGGRE

	Countries.	Monetary system.	Ratio between gold and full legal-tender silver.	Ratio between gold and limited-tender silver.	Population.	Stock of gold.
1	United States *a*	Gold and silver	1 to 15.98	1 to 14.95	71,900,000	$672,200,000
2	United Kingdom	Gold	....	1 to 14.28	39,300,000	*c* 584,000,000
3	France	Gold and silver	1 to 15½	1 to 14.38	38,400,000	*c* 772,000,000
4	Germany	Gold	....	1 to 13.957	52,200,000	*b* 675,000,000
5	Belgium	Gold and silver	1 to 15½	1 to 14.38	6,300,000	*b* 50,000,000
6	Italy	do	1 to 15½	1 to 14.38	30,900,000	*c* 100,400,000
7	Switzerland	do	1 to 15½	1 to 14.38	3,000,000	*c* 16,000,000
8	Greece	do	1 to 15½	1 to 14.38	2,200,000	*b* 500,000
9	Spain	do	1 to 15½	1 to 14.38	18,000,000	*c* 38,600,000
10	Portugal	Gold	....	1 to 14.08	5,100,000	*c* 5,100,000
11	Roumania	Gold and silver	....	....	5,400,000	*c* 38,600,000
12	Servia	do	....	....	2,300,000	*c* 1,500,000
13	Austria-Hungary	Gold	....	1 to 13.69	44,500,000	*c* 167,200,000
14	Netherlands	Gold and silver	1 to 15⅝	1 to 15	4,800,000	*c* 26,800,000
15	Norway	Gold	....	1 to 14.88	2,000,000	*c* 7,500,000
16	Sweden	do	....	1 to 14.88	4,800,000	*c* 8,500,000
17	Denmark	do	....	1 to 14.88	2,300,000	*c* 16,500,000
18	Russia	Silver	1 to 15½	1 to 12.90	126,000,000	*c* 488,600,000
19	Turkey	Gold and silver	1 to 15⅛	1 to 15⅛	22,000,000	*b* 50,000,000
20	Australasia	Gold	....	1 to 14.28	4,900,000	*b* 130,000,000
21	Egypt	do	....	1 to 15.68	7,000,000	*d* 129,300,000
22	Mexico	Silver	1 to 16½	....	12,600,000	*b* 5,000,000
23	Central American States	do	1 to 15½	....	5,600,000	*b* 500,000
24	South American States	do *e*	1 to 15½	....	36,000,000	*b* 40,000,000
25	Japan *f*	Gold and silver	1 to 16.18	....	44,000,000	*c* 79,500,000
26	India	do	1 to 15	....	296,000,000	....
27	China	Silver	....	....	360,000,000	....
28	Straits Settlements	do	....	....	*g* 3,800,000	....
29	Canada	Gold	....	1 to 14.28	5,800,000	*c* 16,000,000
30	Cuba	Gold and silver	1 to 15½	....	1,800,000	*b* 15,000,000
31	Haiti	do	1 to 15½	....	1,000,000	*c* 4,000,000
32	Bulgaria	do	1 to 15½	1 to 14.38	3,300,000	*b* 800,000
33	Siam	Silver	....	....	5,000,000	*c* 600,000
34	Hawaii	Gold and silver	1 to 15.98	1 to 14.95	100,000	*c* 4,000,000
	Total	....	....	....	....	4,143,700,000

a November 1, 1896; all other countries January 1, 1896.
b Estimate, Bureau of the Mint.
c Information furnished through United States representatives.
d Haupt.
e Except Venezuela and Chile.

MONETARY SYSTEMS AND APPROXIMATE STOCKS OF MONEY IN THE PRINCIPAL COUNTRIES OF THE WORLD.

The above table, showing the monetary systems and the approximate stocks of gold, silver, and uncovered paper money in the principal countries of the world, has been compiled from the latest information obtainable, and, while necessarily but an estimate, is believed to exhibit approximately the stock of money in the world.

GOLD AND SILVER USED IN THE INDUSTRIAL ARTS.

Assuming the total amount of United States gold coin used in the arts to be $1,500,000 and silver coin $100,000, the industrial consumption of the precious metals in the United States during the calendar year 1895 would be as shown in the table on next page.

A comparison of the values of the precious metals used in the industrial arts in the United

GATE AND PER CAPITA IN THE PRINCIPAL COUNTRIES OF THE WORLD.

Stock of silver.			Uncovered paper.	Per capita.				
Full tender.	Limited tender.	Total.		Gold.	Silver.	Paper.	Total.	
$555,600,000	$75,800,000	$631,400,000	$424,400,000	$9.35	$8.78	$5.90	$24.03	1
....	c121,700,000	121,700,000	c111,800,000	14.86	3.10	2.84	20.80	2
c434,300,000	c57,900,000	492,200,000	c98,000,000	20.10	12.82	2.55	35.47	3
b92,000,000	b115,000,000	207,000,000	c126,100,000	12.91	3.96	2.41	19.28	4
b50,000,000	b7,000,000	57,000,000	c72,500,000	7.93	9.05	11.51	28.49	5
c12,500,000	c26,500,000	39,000,000	c168,500,000	8.25	1.26	5.45	9.96	6
....	c2,100,000	2,100,000	c14,300,000	5.33	.70	4.77	10.80	7
b500,000	b1,000,000	1,500,000	c14,200,000	.23	.68	6.45	7.36	8
....	c49,300,000	49,300,000	c103,000,000	2.14	2.74	5.72	10.60	9
....	c7,400,000	7,400,000	c59,700,000	1.00	1.45	11.71	14.16	10
....	c10,600,000	10,600,000	c11,800,000	7.15	1.96	2.19	11.30	11
....	c1,700,000	1,700,000	c3,000,000	.65	.74	1.30	2.69	12
c25,000,000	c40,000,000	65,000,000	c204,500,000	3.76	1.46	4.59	9.81	13
c52,900,000	c3,300,000	56,200,000	c32,500,000	5.58	11.71	6.77	24.06	14
....	c2,000,000	2,000,000	c3,800,000	3.75	1.00	1.90	6.65	15
....	c4,900,000	4,900,000	....	1.77	1.02	....	2.79	16
....	c5,400,000	5,400,000	c4,600,000	7.17	2.35	2.00	11.52	17
c3,500,000	b40,000,000	43,500,000	c467,200,000	3.88	.35	3.70	7.93	18
b30,000,000	d10,000,000	40,000,000	....	2.27	1.82	....	4.09	19
....	b7,000,000	7,000,000	....	26.53	1.43	....	27.96	20
....	d5,200,000	5,200,000	....	18.47	.74	....	19.21	21
c97,000,000	....	97,000,000	c4,000,000	.39	7.70	.32	8.41	22
c12,000,000	....	12,000,000	c8,000,000	.09	2.14	1.43	3.66	23
b35,000,000	....	35,000,000	b550,000,000	1.11	.97	15.28	17.36	24
c69,200,000	c18,500,000	87,700,000	....	1.81	1.99	....	3.80	25
h950,000,000	....	950,000,000	i37,000,000	....	3.21	.12	3.33	26
b750,000,000	....	750,000,000	....	....	2.08	....	2.08	27
d240,000,000	d2,000,000	242,000,000	....	....	63.68	....	63.68	28
c5,000,000	c1,000,000	6,000,000	c35,000,000	2.76	1.03	6.03	9.82	29
b1,500,000	....	1,500,000	....	8.33	.83	....	9.16	30
c3,000,000	b1,500,000	4,500,000	c4,100,000	4.00	4.50	4.10	12.60	31
b3,400,000	b3,400,000	6,800,000	....	.24	2.06	....	2.30	32
c193,300,000	....	193,300,000	....	.12	38.66	....	38.78	33
c1,000,000	....	1,000,000	....	40.00	10.00	....	50.00	34
3,616,700,000	620,200,000	4,236,900,000	2,558,000,000	....	....	....	....	

f Actually the silver standard.
g Includes Aden and Perim, Ceylon, Hongkong, Labuan, and Straits Settlements.
h F. C. Harrison.
i Indian currency committee report.

States during the calendar years 1894 and 1895 shows an increase during the latter year of $2,586,360 in gold and $1,395,767 in silver.

Industrial Consumption of the Precious Metals during the Calendar Year 1895.

Material used.	Gold.	Silver (coining value).	Total.
Domestic bullion	$8,481,789	$9,825,387	$18,307,176
United States coin	1,500,000	100,000	1,600,000
Old material	2,976,269	1,378,136	4,354,405
Foreign bullion and coin	471,027	973,501	1,444,528
Total	13,429,085	12,277,024	25,706,109

Government institutions and private refineries report that during the calendar year 1895 there were $212,046 in United States gold coin and $1,791 in United States silver coin consumed in the manufacture of bars for industrial purposes.

There are no returns showing the actual amount of United States gold and silver coins melted down by goldsmiths and jewelers, as the amounts thus consumed would not appear in the reports of institutions manufacturing bars.

WORLD'S COINAGE, 1893, 1894, AND 1895.

Coinage of Nations, Calendar Years 1893, 1894, and 1895.

Calendar Year.	*Gold.*	*Silver.*
1893	$232,420,517	$137,952,690
1894	227,921,032	113,095,788
1895	231,087,438	121,610,219

The above figures represent, as nearly as this Bureau has been able to ascertain, the total value of the gold and silver coinages executed in the world during the years therein named.

It must be borne in mind, however, that the total of these coinages does not correctly represent the amount of new gold and new silver made into coins during the year, for the reason that the coinages as reported include the value of domestic and foreign coins melted for recoinage, as well as old material, plate, etc., used in coinage.

In the circular letter of inquiry prepared at this Bureau and sent to foreign governments through the Department of State, asking for information on these subjects, it was especially requested that each country report the amount of such recoinages. This has been done in many instances, but not in all.

The following table exhibits the number of fine ounces and value of gold and silver coinage of the world, by calendar years, from 1873 to 1895:

Coinage of Gold and Silver of the Mints of the World for the Calendar Years 1873-1895.

Calendar year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Coining value.
1873	12,462,890	$257,630,802	101,741,421	$131,544,464
1874	6,568,279	135,778,387	79,610,875	102,931,232
1875	9,480,892	195,987,428	92,747,118	119,915,467
1876	10,309,645	213,119,278	97,899,525	126,577,[illegible]64
1877	9,753,196	201,616,466	88,449,796	114,359,332
1878	9,113,202	188,386,611	124,671,870	161,191,913
1879	4,390,167	90,752,811	81,124,555	104,888,313
1880	7,242,951	149,725,081	65,442,074	84,611,974
1881	7,111,864	147,015,275	83,539,051	108,010,086
1882	4,822,851	99,697,170	85,685,996	110,786,934
1883	5,071,882	104,845,114	84,541,904	109,306,705
1884	4,810,061	99,432,795	74,120,127	95,832,084
1885	4,632,273	95,757,582	98,044,476	126,764,574
1886	4,578,310	94,642,070	96,566,844	124,854,101
1887	6,046,510	124,992,465	126,388,502	163,411,397
1888	6,522,346	134,828,855	104,354,000	134,922,344
1889	8,170,611	168,901,519	107,788,256	139,362,566
1890	7,219,725	149,244,965	117,789,228	152,293,144
1891	5,782,463	119,534,122	106,962,049	138,294,367
1892	8,343,387	172,473,124	120,282,947	155,517,347
1893	11,243,342	232,420,517	106,697,783	137,952,690
1894	11,025,680	227,921,032	87,472,523	113,095,788
1895	11,178,855	231,087,438	94,057,903	121,610,219
Total	175,881,382	3,635,790,907	2,225,978,522	2,878,083,234

WORLD'S PRODUCTION, 1893, 1894, AND 1895.

The production of gold and silver in the world for the calendar years 1893, 1894, and 1895 was as follows:

Product of Gold and Silver in the World.

Calendar year.	Gold.	Silver.
1893	$157,494,800	$213,944,400
1894	181,567,800	212,829,600
1895	200,406,000	217,610,800

The following table shows the production of the precious metals in the world for the calendar years 1860–1895:

Product of Gold and Silver in the World, 1860–1895.

[The annual production of 1860 to 1872 is obtained from 5-year period estimates, compiled by Dr. Adolph Soetbeer. Since 1872 the estimates are those of the Bureau of the Mint.]

Calendar year.	Gold.		Silver.		
	Fine ounces.	Value.	Fine ounces.	Commercial value.	Coining value.
1860	6,486,262	$134,083,000	29,095,428	$39,337,000	$37,618,000
1861	5,949,582	122,989,000	35,401,972	46,191,000	45,772,000
1862	5,949,582	122,989,000	35,401,972	47,651,000	45,772,000
1863	5,949,582	122,989,000	35,401,972	47,616,000	45,772,000
1864	5,949,582	123,989,000	35,401,972	47,616,000	45,772,000
1865	5,949,582	122,989,000	35,401,972	47,368,000	45,772,000
1866	6,270,086	129,614,000	43,051,583	57,646,000	55,663,000
1867	6,270,086	129,614,000	43,051,583	57,173,000	55,663,000
1868	6,270,086	129,614,000	43,051,583	57,086,000	55,663,000
1869	6,270,086	129,614,000	43,051,583	57,043,000	55,663,000
1870	6,270,086	129,614,000	43,051,583	57,173,000	55,663,000
1871	5,591,014	115,577,000	63,317,014	83,958,000	81,864,000
1872	5,591,014	115,577,000	63,317,014	83,705,000	81,864,000
Total	78,766,630	1,628,252,000	547,997,231	729,563,000	708,521,000
1873	4,653,675	96,200,000	63,267,187	82,120,800	81,800,000
1874	4,390,031	90,750,000	55,300,781	70,674,400	71,500,000
1875	4,716,563	97,500,000	62,261,719	77,578,100	80,500,000
1876	5,016,488	103,700,000	67,753,125	78,322,600	87,600,000
1877	5,512,196	113,947,200	62,679,916	75,278,600	81,040,700
1878	5,761,114	119,092,800	73,385,451	84,540,000	94,882,200
1879	5,262,174	108,778,800	74,383,495	83,532,700	96,172,600
1880	5,148,880	106,436,800	74,795,273	85,640,600	96,705,000
1881	4,983,742	103,023,100	79,020,872	89,925,700	102,168,400
1882	4,934,086	101,996,600	86,472,091	98,232,300	111,802,300
1883	4,614,588	95,392,000	89,175,023	98,984,300	115,297,000
1884	4,921,169	101,729,600	81,567,801	90,785,000	105,461,400
1835	5,245,572	108,435,600	91,609,959	97,518,800	118,445,200
1886	5,135,679	106,163,900	93,297,290	92,793,500	120,626,800
1887	5,116,861	105,774,900	96,123,586	94,031,000	124,281,000
1888	5,330,775	110,196,900	108,827,606	102,185,900	140,706,400
1889	5,973,790	123,489,200	120,213,611	112,414,100	155,427,700
1890	5,749,306	118,848,700	126,095,062	131,937,000	163,032,000
1891	6,320,194	130,650,000	137,170,919	135,500,200	177,352,300
1892	7,094,266	146,651,500	153,151,762	133,404,400	198,014,400
1893	7,618,811	157,494,800	165,472,621	129,119,900	213,944,400
1894	8,783,342	181,567,800	164,610,394	104,493,000	212,829,600
1895	9,694,640	200,406,000	168,308,353	110,073,700	217,610,800
Total	131,977,942	2,728,226,200	2,294,943,897	2,259,086,600	2,967,200,200
Grand total	210,744,572	4,356,478,200	2,842,941,128	2,988,649,600	3,675,721,200

The silver prouuct is given at its commercial value, reckoned at the average market price of silver each year, as well as its coining value in United States dollars.

PRODUCT OF GOLD AND SILVER IN THE UNITED STATES.

The statistics of the production of gold and silver in the United States for the calendar year 1895 were given in a special report made to the Secretary of the Treasury upon the production of the precious metals for 1895.

The following table shows the product as distributed among producing States and Territories:

Approximate Distribution by Producing States and Territories, of the Product of Gold and Silver in the United States for the Calendar Year 1895 as Estimated by the Director of the Mint.

State or Territory.	Gold.		Silver.		Total value.
	Fine ounces.	Value.	Fine ounces.	Coining value.	
Alaska	78,140	$1,615,300	67,200	$86,880	$1,702,180
Arizona	95,072	1,965,300	986,900	1,275,990	3,241,290
California	722,171	14,928,600	653,700	845,180	15,773,780
Colorado	643,634	13,305,100	23,398,500	30,252,600	43,557,700
Georgia	6,192	128,000	400	520	128,520
Idaho	86,088	1,779,600	3,110,600	4,021,780	5,801,380
Michigan	2,075	42,900	37,300	48,220	91,120
Montana	198,405	4,101,400	17,569,100	22,715,600	26,817,000
Nevada	75,088	1,552,200	956,200	1,236,290	2,788,490
New Mexico	23,810	492,200	694,800	898,320	1,390,520
North Carolina	2,622	54,200	400	520	54,720
Oregon	42,972	888,300	51,000	65,990	954,290
South Carolina	6,212	128,400	400	520	128,920
South Dakota	187,187	3,869,500	159,300	205,960	4,075,460
Texas	....	....	450,000	581,810	581,810
Utah	66,419	1,373,000	7,468,100	9,655,720	11,028,720
Washington	16,980	351,000	122,700	158,640	509,640
Alabama, Connecticut, Minnesota, Nebraska, Tennessee, Virginia, Wyoming	1,698	35,300	400	520	35,820
Total	2,254,760	46,610,000	55,727,000	72,051,000	118,661,000

COINAGE ACT OF 1873.

In the Appendix (LIV.) will be found a documentary history of the coinage Act of February 12, 1873, frequently referred to by the public press and in discussions as the Act that demonetized silver in the United States. Since, however, the legal-tender character of the silver dollars coined previous to its passage was not taken away from them by the provisions of that Act, it cannot be properly said that silver was demonetized by it. All that the Act did was to omit the silver dollar from the list of coins thereafter to be coined. The demonetization of silver was not, therefore, effected by the Act of February 12, 1873, but by Section 3,586 of the Revised Statutes of the United States, adopted June 22, 1874, which reads: "The silver coins of the United States shall be legal tender, at their nominal value, for any amount not exceeding five dollars in any one payment."

The last general revision of the coinage laws prior to 1873 was made by the Act of January 18, 1837, and the necessity of a revision was apparent to all persons conversant with the coinage legislation of the United States.

The Secretary of the Treasury, Hon. George S. Boutwell, in his annual report to Congress for the fiscal year 1869, refers to the subject in the following language:

"The mining and coining of the precious metals is now so large a national interest that it deserves more attention than it has hitherto received. At present there is no bureau or officer of the Treasury Department at Washington charged especially with the management of this great interest. I therefore recommend that provision be made for the appointment of a proper officer to be intrusted with this branch of the public business, under the direction of the Secretary of the Treasury.

"The coinage of the country is diminished in amount by the fact that in England and France the mint expenses are much less than with us. It would no doubt have a tendency to prevent the export of the precious metals in the form of bullion if the mint charges were to be reduced or altogether abolished."

In December, 1869, the Secretary of the Treasury requested Mr. John J. Knox, then Deputy Comptroller of the Currency, to prepare a bill for submission to Congress providing for the revision of the mint and coinage laws of the United States. A rough draft of the bill was prepared by Mr. Knox, containing in a concise form nearly all the existing legislation then in force relating to the coins of the United States.

The draft as prepared by Mr. Knox was printed and submitted to the officers of the Treasury, including those of the mints and assay offices, and others who had made the subject a study, with the request that the same be examined and returned to the Department "with such notes and suggestions as experience and education should dictate."

The rough draft of the bill was reviewed by those to whom submitted and returned to the Department with such amendments suggested as appeared desirable.

When all the amendments and suggestions had been duly considered, Mr. Knox with the assistance of Hon. H. R. Linderman, formerly Director of the Mint at Philadelphia, prepared

Proceedings.	Senate.	House.
Submitted by Secretary of Treasury	Apr. 25, 1870	
Referred to Senate Finance Committee	Apr. 28, 1870	
500 copies printed	May 2, 1870	
Submitted to House		June 25, 1870
Reported, amended, and ordered printed	Dec. 19, 1870	
Debated	Jan. 9, 1871	
Passed by vote of 36 to 14	Jan. 10, 1871	
Senate bill ordered printed		Jan. 13, 1871
Bill reported with substitute and recommitted		Feb. 25, 1871
Original bill reintroduced and printed		Mar. 9, 1871
Reported and debated		Jan. 9, 1872
Recommitted		Jan. 10, 1872
Reported back, amended, and printed		Feb. 13, 1872
Debated		Apr. 9, 1872
Amended, and passed by vote of 110 to 13		May 27, 1872
Printed in Senate	May 29, 1872	
Reported, amended, and printed	Dec. 16, 1872	
Do	Jan. 7, 1873	
Passed Senate	Jan. 17, 1873	
Printed with amendments		Jan. 21, 1873
Conference committee appointed		
Became a law February 12, 1873.		

a bill which was transmitted by the Secretary of the Treasury, under date of April 25, 1870, to Hon. John Sherman, chairman of the Senate Committee on Finance.

Under date of June 4, 1870, a resolution was passed by the House of Representatives directing the Secretary of the Treasury to furnish copies of all correspondence between the Department and officers of the different mints and assay offices, and other persons, relating to the bill as submitted to the Finance Committe of the Senate.

Copies of the correspondence called for by the resolution were transmitted by the Secretary of the Treasury to the Speaker of the House (Hon. J. G. Blaine) under date of June 25, 1870.

From the date of its introduction the Senate bill was printed, by order of Congress, with amendments, thirteen times, and was considered during five different sessions by the Senate and House of Representatives. The debates on the bill in the Senate covered 66 pages and in the House of Representatives 78 pages of the Congressional Globe.

The bill was really intended as the codification of the laws relating to matters connected with the details of the mint and assay offices, yet the intention to discontinue the coinage of the silver dollar of 412½ grains was made very evident.

In the bill as originally prepared and submitted to the officers of the Treasury, and others versed in coinage, etc., for suggestions, a silver dollar to contain 384 grains of standard silver was proposed, which was to be a legal tender to the amount of $5 in payment of all dues except duties on imports. The proposed discontinuance of the silver dollar of 412½ grains was expressly set forth by Mr. Knox in his report to the Secretary of the Treasury, which accompanied the bill proposed when transmitted to the chairman of the Senate Committee on Finance.

The preceding table shows the steps by which the Act of 1873 became a law.

Production of Gold and Silver in the United States.

The following table shows the production of gold and silver from the mines of the United States in the years 1860 to 1895.

(The silver product is given at its commercial value, reckoned at the average market price of silver each year, as well as its coining value in United States dollars.)

Product of Gold and Silver from Mines in the United States, 1860–1895.

[The estimate for 1860-1872 is by R. W. Raymond, commissioner, and since 1872 by the Bureau of the Mint.]

Calendar year.	Gold.		Silver.		
	Fine ounces.	Value.	Fine ounces.	Commercial value.	Coining value.
1860	2,225,250	$46,000,000	116,015	$157,000	$150,000
1861	2,080,125	43,000,000	1,546,875	2,062,000	2,000,000
1862	1,896,300	39,200,000	3,480,469	4,685,000	4,500,000
1863	1,935,000	40,000,000	6,574,219	8,842,000	8,500,000
1864	2,230,088	46,100,000	8,507,812	11,443,000	11,000,000
1865	2,574,759	53,225,000	8,701,171	11,642,000	11,250,000
1866	2,588,063	53,500,000	7,734,375	10,356,000	10,000,000
1867	2,502,197	51,725,000	10,441,406	13,866,000	13,500,000
1868	2,322,000	48,000,000	9,281,250	12,307,000	12,000,000
1869	2,394,563	49,500,000	9,281,250	12,298,000	12,000,000
1870	2,418,750	50,000,000	12,375,000	16,734,000	16,000,000
1871	2,104,313	43,500,000	17,789,062	23,578,000	23,000,000
1872	1,741,500	36,000,000	22,236,328	29,396,000	28,750,000
Total	29,012,908	599,750,000	118,065,282	157,866,000	152,650,000
1873	1,741,500	36,000,000	27,650,000	35,890,000	35,750,000
1874	1,620,563	33,500,000	28,849,000	36,869,000	37,300,000
1875	1,615,725	33,400,000	24,518,000	30,549,000	31,700,000
1876	1,930,162	39,900,000	30,009,000	34,690,000	38,800,000
1877	2,268,788	46,900,000	30,783,000	36,970,000	39,800,000
1878	2,476,800	51,200,000	34,960,000	40,270,000	45,200,000
1879	1,881,787	38,900,000	31,550,000	35,430,000	40,800,000
1880	1,741,500	36,000,000	30,320,000	34,720,000	39,200,000
1881	1,678,612	34,700,000	33,260,000	37,850,000	43,000,000
1882	1,572,187	32,500,000	36,200,000	41,120,000	46,800,000
1883	1,451,250	30,000,000	35,730,000	39,660,000	46,200,000
1884	1,489,950	30,800,000	37,800,000	42,070,000	48,800,000
1885	1,538,325	31,800,000	39,910,000	42,500,000	51,600,000
1886	1,693,125	35,000,000	39,440,000	39,230,000	51,000,000
1887	1,596,375	33,000,000	41,260,000	40,410,000	53,350,000
1888	1,604,841	33,175,000	45,780,000	43,020,000	59,195,000
1889	1,587,000	32,800,000	50,000,000	46,750,000	64,646,000
1890	1,588,880	32,845,000	54,500,000	57,225,000	70,465,000
1891	1,604,840	33,175,000	58,330,000	57,630,000	75,417,000
1892	1,596,375	33,000,000	63,500,000	55,563,000	82,101,000
1893	1,739,323	35,955,000	60,000,000	46,800,000	77,576,000
1894	1,910,813	39,500,000	49,500,000	31,422,000	64,000,000
1895	2,254,760	46,610,000	55,727,000	36,445,000	72,051,000
Total	40,183,481	830,660,000	939,576,000	943,083,000	1.214,751,000
Grand total	69,196,389	1,430,410,000	1,057,641.232	1,100,449,000	1,367,401,000

Imports and Exports of the Precious Metals in the Principal Countries of the World, 1895.

GOLD COIN AND BULLION.

Countries.	Imports.	Exports.	Excess of imports over exports	Excess of exports over imports.
United States	$34,369,514	$105,020,843	....	$70,651,329
Argentina	6,559,353	....	$6,559,353	....
Australasia	....	26,106,806	....	26,106,806
Austria-Hungary	27,645,892	11,617,791	16,028,101	....
Chile	9,490,293	3,199,406	6,290,887	....
China	243,819	5,543,643	....	5,299,824
Denmark	2,261,920	536,000	1,725,920	....
Egypt	25,599,782	12,419,401	13,180,381	....
France	48,872,298	47,165,473	1,706,825	....
Great Britain	176,197,803	104,094,683	72,103,120	....
Germany	23,193,328	19,574,609	3,618,719	....
Hawaii	370,225	....	370,225	....
India	23,823,648	11,858,212	11,965,436	....
Italy	1,030,427	3,262,472	....	2,232,045
Japan	1,029,912	2,791,952	....	1,762,040
Korea	....	1,332,929	....	1,332,929
Mexico	....	5,141,418	....	5,141,418
Netherlands	1,885,000	805,124	1,079,876	....
Paraguay	175	....	175	....
Portugal	979,274	2,267,537	....	1,288,263
Peru	....	62,128	....	62,128
Russia	19,486,233	185,070	19,301,163	....
Siam	780,525	52,117	678,408	....
Spain	116,614	109,549	7,065	....
Sweden	23,550	....	23,550	....
Switzerland	7,742,375	4,030,768	3,711,607	....

SILVER COIN AND BULLION.

Countries.	Imports.	Exports.	Excess of imports over exports.	Excess of exports over imports.
United States	$24,976,723	$54,892,189	....	$29,915,466
Austria-Hungary	1,395,736	1,097,257	$298,479	....
Chile	1,727,213	3,238,450	....	1,511,246
China	38,157,895	8,809,393	29,348,502	....
Egypt	286,007	427,515	....	141,508
France	27,227,348	17,163,361	10,063,987	....
Great Britain	60,428,333	52,209,705	8,218,628	....
Germany	2,389,088	5,547,817	....	3,158,729
Hawaii	3,007	21,825	....	18,818
India	39,500,498	8,320,510	31,179,988	....
Italy	432,127	1,655,940	....	1,223,813
Japan	4,844,252	24,509,747	....	19,665,495
Mexico	....	51,639,657	....	51,639,657
Netherlands	1,128,354	22,310	1,106,044	....
Norway	710,120	86,832	623,288	....
Portugal	255,199	218,933	36,266	....
Peru	4,088,554	539	....	4,088,015
Russia	21,536,271	1,762,512	19,773,759	....
Siam	4,534,099	1,196,699	3,337,400	....
Spain	4,564,073	8,033,429	....	3,469,356
Sweden	304,378	31,627	272,751	....
Switzerland	10,835,343	5,025,086	5,810,257	....

The following table exhibits the number of fine ounces and value of gold and silver coinage of the United States, by calendar years, from 1873 to 1895:

Coinage of Gold and Silver of the Mints of the United States, 1873-1895.

Calendar year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Coining value.
1873	2,758,475	$57,022,748	3,112,891	$4,024,748
1874	1,705,441	35,254,630	5,299,421	6,851,777
1875	1,594,050	32,951,940	11,870,635	15,347,893
1876	2,253,281	46,579,453	18,951,777	24,503,308
1877	2,128,493	43,999,864	21,960,246	28,393,045
1878	2,408,400	49,786,052	22,057,548	28,518,850
1879	1,890,499	39,080,080	21,323,498	27,569,776
1880	3,014,163	62,308,279	21,201,232	27,411,694
1881	4,685,162	96,850,890	21,609,970	27,940,164
1882	3,187,317	65,887,685	21,635,469	27.973,132
1883	1,414,581	29,241,990	22,620,701	29,246,968
1884	1,160,601	23,991,756	22,069,935	28,534,866
1885	1,343,519	27,773,012	22,400,433	28,962,176
1886	1,400,240	28,945,542	24,817,064	32,086.709
1887	1,159,664	23,972,383	27,218,101	35,191,081
1888	1,518.046	31,380,808	25,543,242	33,025,606
1889	1,035,899	21,413,931	27,454,465	35,496,683
1890	990,100	20,467,182	30,320,999	39,202,908
1891	1,413,614	29,222,005	21,284,115	27,518,857
1892	1,682,832	34,787,223	9,777,084	12,641,078
1893	2,757,231	56,997,020	6,808,413	8,802,797
1894	3,848,045	79,546,160	7,115,896	9,200,351
1895	2,883,941	59,616,358	4,407.055	5.698,010
Total	48,233,594	997,076,991	420,860,190	544,142,477

Monetary Statistics of Foreign Countries.

The statistics of the production and coinage of the precious metals, imports and exports of gold and silver, amount of bank and Government notes, both covered and uncovered, of the different foreign countries, published annually in the reports of this Bureau, are obtained directly from the governments of such countries by the representatives of the United States accredited to them.

My grateful acknowledgments are due to the offiers and employees of the various mints and assay offices, as well as to the clerical staff of the Bureau, for the fidelity and zeal they display in performing the duties assigned them.

The President's Cabinet.—President McKinley's official advisers are as follows

Secretary of State—John Sherman, of Ohio.
Secretary of the Treasury—Lyman J. Gage, of Illinois.
Secretary of War—Russell A. Alger, of Michigan.
Attorney-General—Joseph McKenna, of California.
Postmaster-General—James A. Gary, of Maryland.
Secretary of the Navy—John D. Long, of Massachusetts.
Secretary of the Interior—Cornelius N. Bliss, of New York.
Secretary of Agriculture—James Wilson, of Iowa.

Persian Trade and Currency.—The disorganized state of the currency, following on the depreciation of silver and an extravagant coinage of copper, has placed the trade of the country in a very unsettled condition. Only those who, from long experience, can, within certain limits, forecast the fluctuations of the future, have the courage to risk their capital where the probabilities of loss are so many. If the problem of restoring the former equilibrium is to be solved, it seems that it will have to be done with foreign capital and intelligence.—*U. S. Consular Report.*

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

NEW YORK.

ANNUAL REPORT OF THE SUPERINTENDENT OF BANKS, RELATIVE TO SAVINGS BANKS, TRUST COMPANIES, SAFE DEPOSIT COMPANIES AND MISCELLANEOUS CORPORATIONS.

To the Legislature:

During the year 1896, notwithstanding it was so markedly a period of uncertainty and anxious apprehension, no Savings bank, trust company or safe deposit company in New York suffered from any cause a loss sufficient to require it to be closed, or even to create serious embarrassment or excite public distrust. True, the withdrawal of Savings banks deposits was so great for a time as in some cases to occasion anxiety; but the current began to set in the opposite direction in November, and in the circumstances the average of results for the year is altogether satisfactory. In this connection it is interesting to note that for more than eighteen years now there has not been a single Savings bank failure in the State, though in four instances institutions of this class which had experienced losses have been permitted by the courts to scale their liabilities, so as to restore them to solvency and enable them to continue business with the prospect that ultimately, save perhaps a single exception, all will return to their depositors 100 per cent. upon their claims. Procedure by this method is far less costly than a receivership, and is in all respects more advantageous to every interest involved.

Three Savings banks were authorized by me during the year 1896, but friction quickly developed between the trustees of one of them, making dissolution of the corporation advisable. Such action was accordingly had before business had been begun by it. On the morning of January 1, 1897, therefore, there were 129 Savings banks in the State, an increase of two during the year. Their deposits upon the same day aggregated $718,176,888, their resources $812,173,632, and their surplus $93,653,237. The figures are an increase during the year of $2,697,916 in surplus, of $29,095,051 in resources and of $26,412,384 in amount due depositors. More than five-sixths of the gain in the amount due depositors, or over twenty-three millions of the total of twenty-six millions for the year, was made between January and July, leaving barely three millions of increase to occur in the last half of the year. But the gain from interest alone during this period was four times the latter figure, which shows that the withdrawals in the same time must have exceeded the deposits by something like nine millions. The statement suggests how great a strain these institutions underwent during the Presidential campaign.

The total number of Savings bank depositors in the State is 1,736,968, or nearly 27 per cent. of the entire population—certainly a very remarkable showing, and especially so when it is remembered that there are twenty-nine counties which contain not a single Savings bank, and according to the best information in my possession the far larger proportion of these depositors are wage-earners.

STATISTICS.

Number of open accounts	1,736,968
Number of accounts opened or reopened during the year	329,673
Number of accounts closed during the year	288,292
Total number of deposits received during the year	2,370,585
Total number of payments to depositors during the year	2,151,227
Amount deposited during the year, not including interest credited	$208,801,219
Amount withdrawn during the year	207,822,905
Amount of interest credited and paid during the year	25,414,559
Salaries paid for the year	1,625,312
Expenses other than salaries for the year	788,824

RESOURCES AND LIABILITIES.

The following exhibit concerning the Savings banks of the State is compiled from the reports made to the Banking Department as of the morning of January 1, 1897:

RESOURCES.

	Par value.	Market value.
Bonds and mortgages	....	$344,366,084
Bonds and stock investments, viz.:		
United States	$111,060,485	
District of Columbia	5,350,800	
New York State	55,000	
Bonds of other States	50,060,586	
Bonds of cities of other States	31,588,475	
Bonds of cities in this State	121,917,866	
Bonds of counties in this State	21,875,169	
Bonds of towns in this State	9,157,298	
Bonds of villages in this State	8,772,506	
Bonds of school districts in this State	2,776,234	
Total par value of stocks and bonds	$362,614,417	
Amount of stocks and bonds at cost	393,447,895	
Estimated market value of stocks and bonds		392,799,890
Loaned on stocks, as authorized by chapter 689, Laws of 1892		1,089,270
Banking houses and lots, estimated market value		10,606,487
Other real estate at estimated market value		1,935,797
Cash on deposit in banks and trust companies		42,088,652
Cash on hand		9,541,149
Loaned on collaterals		750
Other assets		9,745,550
Total resources		$812,173,632

LIABILITIES.

Amount due depositors	$718,176,588
Other liabilities	343,506
Surplus	93,653,237
Total liabilities	$812,173,632

INSTITUTIONS SUBJECT TO THE SUPERVISION OF THE BANKING DEPARTMENT

The total amount of resources of each of the classes of institutions mentioned, subject to the supervision of this Department on the first day of January in each of the last ten years, is shown by the following tabulation:

TOTAL RESOURCES.

DATE.	Savings Banks.	* Banks of deposit and discount.	Trust companies.	Safe deposit companies.
1888, January 1	$590,458,751	$193,324,267	$200,067,230	$4,214,504
1889, January 1	615,889,796	216,314,601	236,261,610	5,923,179
1890, January 1	644,927,526	†241,754,288	265,547,526	7,056,946
1891, January 1	667,865,396	233,839,051	280,688,768	§3,964,942
1892, January 1	675,987,634	271,830,699	300,765,575	§4,370,117
1893, January 1	718,454,662	295,459,929	335,707,779	§5,045,787
1894, January 1	704,535,118	‡271,496,822	341,466,011	§5,025,769
1095, January 1	735,863,598	284,911,631	365,419,729	§5,102,669
1896, January 1	783,078,580	285,407,997	392,630,045	§4,517,699
1897, January 1	812,173,632	280,691,855	396,742,947	§4,677,325

* Report nearest January 1 each year. † Report January 11, 1890.
‡ November 28, 1893. The other reports called in December.
§ The Buffalo Loan, Trust and Safe Deposit Company and Rochester Trust and Safe Deposit Company are not included, as they are given under the head of trust companies.

TRUST COMPANIES.

One new trust company was authorized during the year, but otherwise the list remains unchanged except that the Title Guarantee and Trust Company, of New York, increased its capital from $2,000,000 to $2,500,000. The whole number of companies of this class in the State is now thirty-nine. The new company is the Chautauqua County Trust Company, of Jamestown.

Securities Deposited.

The securities held in trust by the superintendent under the law for the protection of depositors with and creditors of the several trust companies on January 1, 1897, is shown in the following table:

Name and location.	*Jan. 1, 1897.*	*Name and location.*	*Jan. 1, 1897.*
United States 2 per cent. bonds	$80,000	Brooklyn city 4 per cent. bonds	$100,000
United States 4 per cent. bonds	790,000	Buffalo city 3½ per cent. bonds	20,000
United States 6 per cent. bonds	100,000	Rochester city 3½ per cent. bonds	50.000
New York city 2½ per cent. bonds	525,000	Niagara Falls city 4 per cent. bonds	20,000
New York city 3 per cent. bonds	1,375,000	Bonds and mortgages	50,000
Brooklyn city 3 per cent. bonds	370,000	Cash	379
Brooklyn city 3½ per cent. bonds	250,000		
Total			$3,730,379

Resources and Liabilities of Trust Companies.

The reports of the trust companies, as of January 1, 1897, make the appended showing:

Resources.		Liabilities.	
Bonds and mortages	$28,692,427	Capital stock paid in, in cash	$30,400,000
Stock investments	101,983,600	Surplus fund	46,307,865
Loaned on collaterals	169,824,937	Undivided profits	4,228,381
Loaned on personal securities, including bills purchased	25,788,187	Deposits in trusts	90,975,158
Overdrafts	12,357	General deposits	214,379,479
Due from bankers and brokers	405,350	Other liabilities	10,452,063
Real estate	8,229,851		
Cash on deposit in banks or other moneyed institutions	46,463,801		
Cash on hand	8,178,542		
Other assets	7,093,891		
Total resources	$396,742,947	Total liabilities	$396,742,947

Supplementary.

Debts guaranteed and liability thereon	$329,683
Interest, commissions and profits received during the year	18,521,883
Interest paid and credited to depositors during the year	6,994,272
Expenses for the year	2,949,079
Dividends on capital declared for the year	4,220,000
Taxes paid during the year	29?,596
Deposits made by order of court for the year	3,715,922
Total of deposits on which interest is allowed at this date	277,156,523
Amount of bonds and mortgages purchased	3,837,922

Miscellaneous Corporations.

The Equitable Securities Company, formed for the purpose of reorganizing the Equitable Mortgage Company; the Investment Securities Company, with charter powers for the reorganization of the failed Jarvis-Conklin Mortgage Trust Company, and the North American Trust Company (originally the Citizens' Loan Agency and Guarantee Company), engaged in the work of acquiring the securities of the Jarvis-Conklin Mortgage Trust Company and of protecting and liquidating them in the interest of the holders, all make reports to this department. They are thus far confining themselves to the enterprises above stated, and have not yet begun the exercise of the larger powers which their charters permit, and which, if exercised, would require them to make the deposit and submit to the examination prescribed by law. The Westchester Loan and Trust Company of White Plains, the successor of the Franklin Loan and Trust Company of New York city, has never made a report, and its status is unknown to the department.

Recommendations.

The thoughtful reader of the statistics herein quoted from the Savings banks reports will have been impressed not merely by the immensity of values represented, but also by the enormous potentialities that are seen to lie within the Savings banks system of the State, and by the great obligations they impose both upon the trustees of the institutions and upon the Legislature and this department. In forty years the combined resources of the Savings banks of New York have increased nearly eight hundred millions of dollars and not improbably before the close of the century they will have passed the thousand million dollar mark.

With interests of this magnitude, comprehending in greater part the savings of children, women and wage earners—the classes least experienced and most helpless in business matters—it would be a public crime, not simply if mischievous or blundering legislation were to meddle with them to their hurt, but if there were neglect to exercise intelligent vigilance for their safeguarding.

The necessities of the situation are less in the direction of positive legislation than for abstention from ill-advised interference. Indeed, there are but two measures affecting these banks which occur to me as desirable to have made law at this time. They are the restriction suggested by Governor Morton in his annual message, and renewed by me in my last year's report, that Savings banks and banks of discount shall not do business in the same room, and a prohibition restraining Savings banks from depositing money with National banks except in cases where the officers of the latter furnish a personal bond guaranteeing the security of the deposit. In the event of the failure of a State bank of deposit and discount which holds Savings bank funds, the Savings bank is by law a preferred creditor. That condition it has been held by the United States Supreme Court does not apply to a deposit in a National bank in like circumstances, and in a number of instances Savings banks have sustained heavy losses in consequence. Unless the savings institution be very strong such a loss might all but wreck it, and it seems only reasonable that statutory provision be made to guard against so dire a possibility. The Comptroller and the Treasurer of the State require such security as is here proposed whenever they deposit public funds with any National bank, and if consent to afford it is given in the one case it can not be a hardship to exact it in the other. The requirement is perhaps the more to be urged in view of the facts that National banks are not permitted to deposit with State institutions in any circumstances, and that whereas a number of losses have been experienced by Savings banks through the failure of National banks with which they had deposited, no State institution has ever failed to return to a Savings bank the last penny of its deposits. The law ought to expressly inhibit the placing of the "available fund" or the "temporary deposits" representing "the excess of current daily receipts over the payments" of Savings banks in any bank where assurance is not practically absolute, through provision of law making them preferred claims or by special engagement of separate responsible interests, that they shall be recoverable in almost any possible circumstances.

Of the unwise propositions advanced from time to time regarding Savings banks there is one to which it is difficult to advert with preservation of patience. I refer to the attempt to compel these banks to publish lists of their so-called unclaimed deposits, or to mail notices to all depositors once a year stating the amounts of their balances. Either procedure would advise sharpers of facts which experience has taught that they would be quick to use to rob the unsuspecting, and it would also be so costly to execute as to add largely to the banks' expenses. Its suggestion is based upon the mistaken idea that there are fabulous sums in these banks abandoned by the depositors and accruing to the benefit of their management. The Constitutional Convention of 1894 investigated this question and ascertained that at that date all of the banks combined held less than a million and a half of money as to which there had not been additions by deposits or diminutions by withdrawals within twenty years, while the same inquiry revealed that as to the exactly corresponding accounts in 1890 nearly a quarter of a million dollars, or perhaps sixteen or seventeen per cent., had been drawn out in the intervening four years. If the figures were at command it is unquestionable that they would show that very much more has been called for since. In truth, the really abandoned or forgotten deposits are inconsiderable, except possibly in a single bank, which reports almost fifty per cent. of the whole amount of dormant accounts in the State. But however large these accounts may be, or wherever existing, they are recoverable with interest upon call, and until then they serve as an additional guaranty of safety to the other deposits and contribute to the earning of larger dividends on the active accounts. Moreover, all of these dormant accounts are reported to the Banking Department every year, so that there is no concealment in regard to them nor any misuse or wrongful conversion of them. It will promote no public interest to disturb them, but, rather, if the details concerning them be made public property it is probable that an army of confidence men and shyster lawyers would be enabled thereby to line their pockets at the expense of honest folk.

The steadily growing total of the investments of Savings banks may ultimately cause serious question as to the scope of securities which it shall be legal for them to hold, though such time is not yet in sight. At present nearly thirty-five per cent. of the indebtedness of New York city and county, and perhaps eighty per cent. of that of Brooklyn and Kings county, is carried by these institutions. Large proportions of the bonds of the State's interior cities, towns, villages and school districts are also held by them. While it may be doubted if nearly all of these are not among the safest securities in the world, it is at least a fair subject for consideration how far it is best to lock up funds of the character of these under discussion in any single line of bonds. Advocacy of national repudiation has been several times made, though happily always without success, and, while by no means anticipated, it is not inconceivable that local assaults of a similar character might be undertaken to the depreciation of values and with resulting distrust which might be disastrous. Consequently, is it prudent to restrict the general plan of investments for Savings banks further than it is carried by the present law? and isn't careful distribution of risks the wiser policy in finance where safety instead of speculation is the paramount consideration? However, I do not deem it advisable to in any way now extend the scope of Savings bank investments, save possibly in exceptional individual cases of cities in near-by States whose credit is altogether undoubted.

Another suggestion springing from these conditions is that the banks themselves should hold rigidly to the limitation of the law fixing $3,000 as the maximum amount on which any one depositor may be paid interest, and not permit the evasion sometimes practiced of opening a trust deposit for the benefit of a depositor whose account in the ordinary form has reached its legal bounds.

In conclusion, I desire to bear evidence that according to all information in my possession, the Savings banks of New York, almost or quite without exception, are managed with an eye single to the true interests of their depositors, and with an economy that can not be over-commended. For the year 1896 the entire expenses of all these banks in the State, including salaries and rentals, were less than two million and a half of dollars, or at the rate of $2.97 for the investment and care of each thousand dollars of their deposits and surplus.

Respectfully submitted,

February 25, 1897. FREDERICK D. KILBURN. *Superintendent of Banks.*

STATE OF NEW HAMPSHIRE.

To His Excellency the Governor:

SIR:—The Bank Commissioners herewith submit their fifty-first annual report, showing the condition of two State banks, seventy-five Savings banks and twelve Trust Companies.

Of the seventy-five Savings banks nine are in the hands of assignees. * * *

Of the twelve Trust Companies, two, viz., the New Hampshire Trust Company, and the Bank of New England, of Manchester, are liquidating their savings departments. The Security Trust Company, of Nashua, is in the hands of an assignee. The American Trust Company, of Concord, discontinued business on January 1, 1896, with no liabilities save to its own stockholders, who have disposed of its assets and wound up its affairs.

CONDITIONS OF THE SAVINGS BANKS, JUNE 30, 1896.

The following comparative table, compiled from reports made to the commissioners, shows the condition of the Savings banks at the close of business, June 30, 1896, and the changes during the year in the different classes of securities held by them:

ASSETS.

	Value on books 1895.	*Value on books 1896.*
Loans secured by western mortgages	$15,297,852	$12,962,145
Loans secured by local real estate	8,956,054	9,298,562
Loans on personal security (local)	4,315,827	4,276,106
Loans on personal security (western)	845,128	753,376
Loans on collateral security (local)	4,397,864	4,492,292
Loans on collateral security (western)	1,361,352	1,094,827
United States and state bonds	705,312	918,981
County, city, town, and district bonds	10,632,166	9,820,335
Railroad bonds	6,194,255	5,259,846
Miscellaneous bonds	6,519,638	6,231,815
Bank stock	2,255,246	2,095,472
Railroad stock	2,671,477	2,895,208
Manufacturing and miscellaneous stocks	1.623,874	1,498,640
Miscellaneous investments	384,229	263,785
Real estate by foreclosure	3,634,148	4,510.106
Real estate and bank buildings	469,843	606,767
Cash on hand and on deposit	1,445,969	1,339,694
	$71,710,241	$68,312,966

LIABILITIES.

Amount due depositors	$66,746,702	$63,215,175
Guaranty fund	3,410,661	3,357,962
Interest	1,393,952	1,489,775
Miscellaneous indebtedness	158,924	250,053
	$71,710,241	$68,312,966

The net decrease of savings deposits in the Savings banks for the year ending June 30, 1896, was $3,531,527. The guaranty fund and surplus of the Savings banks have increased for the same period. From 1894 to 1895, there was a decrease in the guaranty fund and surplus of $582,887.

The aggregate amount of home loans of the Savings banks—real estate, personal and collateral, is $18,061,962, an increase for the year of $401,244. The aggregate amount of western loans—real estate, including that under foreclosure, personal and collateral—is $19,320,456, a decrease for the year of $1,818,024. * * *

It is inconsistent with the theory of savings institutions and the character of their assets that large sums should be subject to call. Substantially every dollar of the money in a Savings bank should be earning interest for the depositor. It is a mistake for any Savings bank to pay withdrawals on call. In nearly every instance the by-laws, which are made a condition of receiving the deposit, provide for notice of considerable length of time before payment. The practice that has grown up among the banks, while the deposits received were exceeding the withdrawals, of paying large sums without requiring notice has worked great injury in the past few years of decreased receipts and falling markets, and should not be renewed. And the fact that notices will be required should be plainly understood by the depositors.

New Banking Legislation.

The two Acts of the last Legislature relating to the management and investments of Savings banks, have by their results demonstrated the wisdom of their enactment. As the officers grow more accustomed to the new requirements, they meet their cordial approval. Boards of trustees are composed only of active, intelligent members, who have an intimate knowledge of the business that is being transacted, keeping constantly in mind that they are caring, not for their own, but the funds of others intrusted to them. The record book of investments meets a want that has long been felt, and where accurately kept has proved not only of benefit to the trustees and their examining committees, but of the greatest assistance to the commissioners. Without the aid of this record, it would have been with the greatest difficulty that the commissioners could have completed their work, owing to the unusual demands upon their time and attention, and the lengthy and laborious investigation of the Granite State Provident Association in the early part of the year. The classes of securities to which the banks have been restricted have proved so judicious, yet ample for all practical needs, that there have been no complaints, or demands for the repeal of the law or for its amendment. The commissioners recommend that the law should be made to include the investments of trust and banking companies, as well as Savings banks.

ALPHEUS W. BAKER, JOHN HATCH,
THOMAS J. WALKER,
Board of Bank Commissioners.

CONCORD, December 31, 1896.

Duties of Bank Directors.—Comptroller Eckels has addressed the following letter to Presidents of National banks:

"In order to obviate in the future any excuse on the part of the directors of National banks, based upon the ground that they are not and have not been informed of the affairs of the banks with which they are officially connected, and therefore should not be held responsible for the same, all letters hereafter addressed to the officers of banks bearing upon the report of the examiner are to be submitted to the directors, and the acknowledgment and answer thereto made over each director's individual signature.

By law, the duty of conducting the affairs of a bank devolves upon the directors, and it is desired that such intention shall be made effective.

You will acknowledge the receipt of this letter and return it with the signatures of the directors attached. I inclose a copy for your own files."

Appended to this circular was a blank to be filled up, which was:

"The above letter has been read by me, and I hereby acknowledge receipt of the same. ——, President; ——, Director; ——, Director."

NEW YORK TRUST COMPANIES—Condensed statement of condition January 1, 1897.

NAMES.	Total resources.	Capital stock paid in, in cash.	Surplus and undivided profits.	Interest, commissions and profits received during year.	Interest paid and credited to depositors during the year.	Expenses for year.	Dividends on capital declared for year.	Deposits made by order of court for year.	Total deposits on which interest is allowed at this date.	Amount of bonds and mortgages purchased.
Atlantic Trust Co., New York	$6,690,288	$1,000,000	$667,334	$286,693	$102,116	$51,302	$80,000	$596	$4,540,620	$46,000
Binghamton Trust Co., Binghamton	2,157,689	400,000	85,007	103,574	45,691	20,652	....	20,621	1,125,612	50,016
Brooklyn Trust Co., Brooklyn	11,934,808	1,000,000	1,484,065	564,741	208,455	85,907	160,000	2,350	9,134,410	....
Buffalo Loan, Tr. and Safe Dep. Co., Buffalo	1,725,291	200,000	54,000	81,389	50,614	26,664	12,000	95,684	1,373,720	76,279
Central Trust Co., New York	33,133,591	1,000,000	6,520,890	1,726,392	523,468	165,944	500,000	173,690	19,558,171	562,026
Chautauqua Co. Trust Co., Jamestown	1,643,926	300,000	80,012	115,365	15,747	11,790	9,000	12,656	484,489	172,038
Columbus Trust Co., Newburgh	408,591	100,000	29,636	22,684	6,357	4,329	6,000	....	189,541	4,255
Continental Trust Co., New York	5,267,905	500,000	370,113	218,900	98,910	56,514	30,000	331,331	3,902,842	85,000
Delaware Loan and Trust Co., Walton	387,542	100,000	15,257	19,621	6,971	5,537	3,000	....	176,551	8,037
Farmers' Loan and Trust Co., New York	33,908,082	1,000,000	4,423,884	1,427,495	595,008	177,401	300,000	76,417	26,184,180	....
Fidelity Trust and Guaranty Co., Buffalo	4,698,253	500,000	120,041	205,520	128,125	41,848	....	62,750	3,236,127	26,123
Franklin Trust Co., Brooklyn	7,170,787	1,000,000	906,748	318,668	127,904	58,997	80,000	....	5,104,462	100,000
Guaranty Trust Co., New York	17,037,025	2,000,000	598,318	899,151	286,642	141,263	200,000	....	10,679,119	....
Hamilton Trust Co., Brooklyn	4,704,550	500,000	481,631	279,600	111,402	43,064	40,000	....	3,682,447	15,250
Holland Trust Co., New York	1,104,373	500,000	63,837	3,290	3,620	23,977	....	13,028	111,882	11,234
Ithaca Trust Co. Ithaca	608,517	100,000	37,106	31,068	11,471	7,155	....	....	425,744	38,940
Kings County Trust Co., Brooklyn	6,931,397	500,000	713,199	264,112	96,339	48,132	40,000	....	4,645,444	....
Knickerbocker Trust Co., New York	11,140,134	1,000,000	519,074	428,650	192,630	126,914	60,000	653,751	7,853,619	....
Long Island Loan and Trust Co., Brooklyn	3,805,867	500,000	400,555	192,252	70,096	25,233	40,000	....	2,780,863	5,000
Manhattan Trust Co., New York	6,057,745	1,000,000	412,400	349,020	75,955	84,993	50,000	311,845	3,383,696	....
Manufacturers' Trust Co., Brooklyn	3,403,515	500,000	563,528	108,940	28,868	26,609	30,000	1,610	2,292,543	....
Mercantile Trust Co., New York	34,559,879	2,000,000	2,689,934	1,376,566	492,268	158,779	300,000	69,998	24,586,048	....
Metropolitan Trust Co., New York	10,769,658	1,000,000	1,107,873	593,055	184,521	68,824	100,000	....	8,004,708	....
Nassau Trust Co., of the City of Brooklyn	3,267,855	500,000	248,138	161,470	59,288	23,040	30,000	....	2,480,969	12,000
N. Y. Life Insurance and Trust Co., N. Y.	28,662,860	1,000,000	2,677,785	1,406,443	780,971	99,965	400,000	329,096	23,158,447	....
N. Y. Security and Trust Co., N. Y.	10,746,351	1,000,000	1,411,112	606,193	171,118	75,585	100,000	89,166	7,656,603	288,500
Orange Co. Tr. and S. Dep. Co., Middlet'wn.	832,509	100,000	59,246	42,193	18,224	7,202	6,000	4,039	482,529	43,400
People's Trust Co., Brooklyn	8,730,391	1,000,000	1,068,989	318,074	143,997	52,152	80,000	124,863	6,3[illegible]4,439	42,463
Real Estate Trust Co., New York	4,077,039	500,000	317,289	189,354	100,635	41,836	30,000	68,633	3,195,014	203,400
Rochester Tr. and Safe Dep. Co., Rochester	5,583,718	200,000	364,539	266,669	170,999	19,159	20,000	21,210	4,675,500	9,150
Security Trust Co. of Rochester	1,765,013	200,000	155,531	78,540	34,380	15,619	12,000	46,423	1,010,810	....
The State Trust Co., New York	10,139,629	1,000,000	945,457	409,298	160,142	108,968	60,000	351,329	7,097,510	49,000
Title Guarantee and Trust Co., New York	5,877,352	2,500,000	2,052,748	874,030	24,279	515,831	180,000	....	1,068,614	....
Trust and Dep. Co. of Onondaga, Syracuse	2,152,633	100,000	116,775	101,542	62,736	18,144	8,000	103,658	1,932,711	34,600
Union Trust Co. of Jamestown	723,918	100,000	20,814	39,103	17,698	10,678	6,000	3,357	509,501	116,633
Union Trust Co., New York	38,408,909	1,000,000	5,213,302	1,520,644	644,164	224,798	300,000	248,325	29,659,424	335,500
U. S. Mortgage and Trust Co., New York	12,905,750	2,000,000	1,202,057	787,588	155,821	104,194	120,000	276,670	4,897,874	1,003,075
United States Trust Co., New York	48,650,127	2,000,000	9,822,912	2,111,155	908,746	134,890	800,000	222,816	35,671,924	....
Washington Trust Co., New York	4,969,411	500,000	515,093	192,795	77,875	35,172	30,000	....	3,897,798	....
Totals, Jan. 1, 1897	$396,742,947	$30,400,000	$50,536,246	$18,521,883	$6,994,272	$2,949,079	$4,220,000	$3,715,922	$277,156,523	$3,337,922

SAVINGS BANKS IN THE STATE OF NEW YORK.—Statement of their condition by counties January 1, 1897, and, for comparison, the totals for July 1, 1896. Compiled from the official reports.

COUNTY.	No. of Banks.	Total Resources.	Due Depositors.	Other Liabilities.	Surplus.	Open Accounts.	Acc'nts opened during year ending Dec. 31, 1896.	Accounts closed during year ending Dec. 31, 1896.	Deposits during year ending Dec. 31, '96, not including interest.	Amount withdrawn during year ending Dec. 31, '96.	Amount of interest credited and paid for year ending Dec. 31, '96.	Salaries and expenses for year ending Dec. 31, 1896.
Albany	9	$45,405,752	$41,034,918	$66,923	$4,303,910	69,529	12,960	11,420	$11,336,917	$10,605,018	$1,508,534	$109,449
Broome	2	2,468,054	2,251,868	300	215,885	15,152	1,581	1,298	1,047,945	1,108,237	60,677	21,933
Cayuga	2	3,906,251	3,444,505	....	461,745	13,509	2,666	2,350	1,587,998	1,606,046	112,767	20,670
Chemung	1	77,940	77,739	....	201	741	105	87	20,580	16,489	373	3,383
Columbia	1	2,599,197	2,283,483	....	315,713	6,828	1,060	1,024	473,109	515,559	74,826	8,639
Cortland	1	1,248,546	1,164,978	129	83,438	5,454	1,371	1,185	651,106	635,076	40,971	6,002
Dutchess	7	11,972,976	10,677,696	14,211	1,281,068	26,960	3,117	2,763	2,109,386	2,230,778	395,620	31,509
Erie	4	40,147,042	34,860,647	....	5,286,395	87,504	19,686	16,264	13,768,545	13,565,817	1,295,069	165,955
Fulton	1	97,972	93,174	428	4,369	781	183	191	50,921	44,776	2,476	440
Greene	1	1,326,210	1,143,436	....	182,773	3,546	681	529	364,917	316,649	35,774	4,157
Jefferson	3	2,803,841	2,531,798	....	272,043	12,699	2,269	1,708	1,000,515	923,601	87,669	13,935
Kings	15	132,732,457	115,941,088	38,282	16,753,085	289,188	49,523	45,091	33,174,231	33,423,186	4,115,306	376,006
Madison	1	983,106	871,547	3,417	108,141	3,769	847	738	316,466	339,133	28,901	4,322
Mo roe	4	32,975,097	29,387,778	108,641	3,478,676	63,198	13,410	11,910	9,952,435	10,304,113	1,117,389	122,752
Montgomery	1	892,427	850,629	....	41,798	5,066	1,299	1,010	499,777	440,232	24,449	5,468
New York	26	492,916,499	392,385,562	3,276	50,527,660	888,092	170,391	150,806	105,654,139	105,093,667	13,738,308	1,161,813
Niagara	2	1,650,040	1,509,636	22	140,380	5,492	1,730	1,304	1,122,005	1,048,540	51,694	7,836
Oneida	3	9,710,613	8,046,036	25,887	1,638,689	26,505	4,785	4,744	2,423,309	2,629,121	257,875	31,309
Onondaga	3	22,411,122	20,073,750	24,600	2,312,771	52,975	11,456	9,402	7,863,307	7,822,994	754,809	82,504
Orange	6	10,531,064	9,114,269	....	1,416,795	26,649	3,393	2,974	1,996,880	2,100,907	320,273	32,852
Oswego	3	3,120,936	2,866,379	....	254,556	9,697	2,614	2,244	1,510,844	1,364,518	103,370	16,622
Putnam	1	318,143	285,357	....	32,785	1,235	232	178	100,604	74,635	8,862	1,722
Queens	5	4,039,333	3,564,427	....	474,906	15,777	3,724	3,231	1,402,786	1,251,542	122,514	20,830
Rensselaer	2	7,759,177	6,479,207	56,340	1,223,630	16,917	3,071	3,167	1,504,542	1,587,357	213,886	30,891
Richmond	2	1,368,226	1,226,794	1,044	140,387	5,646	1,270	731	677,775	630,863	38,065	13,244
Schenectady	1	1,959,357	1,827,317	....	132,039	7,156	1,795	1,418	697,619	701,979	59,526	5,778
Seneca	1	212,279	202,364	....	9,915	1,324	860	822	118,254	100,537	5,679	1,777
Suffolk	3	5,345,809	4,694,516	....	651,293	11,568	1,359	1,176	1,132,414	1,147,393	174,076	16,440
Tompkins	1	1,326,010	1,130,879	....	195,130	5,704	1,546	1,322	556,286	575,177	32,262	9,664
Ulster	6	7,328,635	6,699,141	....	629,494	19,750	3,243	2,687	1,874,845	1,788,968	220,896	28,936
Westchester	10	12,539,508	11,455,956	....	1,083,552	38,467	6,946	5,218	3,810,720	3,829,983	402,650	58,284
Totals, January 1, 1897	128	$812,173,632	$718,176,888	$343,506	$93,653,237	1,736,968	329,673	288,292	$208,801,219	$207,822,905	$25,414,559	$2,414,136
Totals, July 1, 1896	127	$806,751,426	$715,032,899	$411,157	$91,307,370	1,732,382	346,147	268,189	$215,490,558	$194,652,393	$24,958,727	$2,397,696
Increase or decrease	1	$5,422,206	$3,143,989	*$67,651	$2,345,867	4,586	*16,474	20,103	*$6,689,339	$13,170,512	$455 832	$16,440

* Decrease.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Henry G. Hilton has become a special partner in the stock brokerage firm of C. L. Rathborne & Co., investing $200,000.

—The gold deposited in the vaults of the New York Clearing-House Association now exceeds $50,000,000.

—Senator E. O. Wolcott, of Colorado, who sailed for Europe on January 2 to secure the promise of co-operation of European countries in an international monetary conference, arrived in New York, March 4, on his return. He expressed confidence in the favorable results of such a conference.

—Theodore H. Banks, of the well-known banking firm of Messrs. Harvey Fisk & Sons, has been elected to membership in the New York Stock Exchange.

—Hon. Thomas L. James, President of the Lincoln National Bank, has been elected Vice-President of the Mutual Reserve Fund Life Association.

—Hon. Cornelius N. Bliss, the new Secretary of the Interior, is Vice-President and a director of the Fourth National Bank, and also a director of the Central Trust Company. He is also Vice-President of the Chamber of Commerce, and a director of the Home and Equitable Insurance Companies.

—The Business Men's Republican and Sound Money Association held a banquet at Delmonico's on the evening of February 26. A letter was read from Major McKinley, in part as follows:

"We must make good every obligation to our national creditors, expressed or implied, in the best money known to the world, at the time of payment. We cannot adopt a different policy than that of sound money, worth its face the world over, and constantly maintain every dollar of it at par, without trouble and distress in the end to all our business interests and citizens. Poor money never made a country rich, and sound money will not, and cannot, make one poor. The contention between the two conflicting ideas or systems is an old one, and bids fair always in some form to exist. But let us resolutely set our faces for the right, and never tire of its earnest and fearless advocacy."

—On February 11 Edward Rice, known as "Big Ed" Rice, convicted of forgery in the second degree, was sentenced by Justice Gaynor in the Supreme Court, Brooklyn, to ten years in Sing Sing prison. He is sixty years old, and is a notorious forger.

—Hon. Wm. J. Bryan, late Democratic candidate for President, lectured at Carnegie Hall, February 26. Among other things, he said:

"Money is not a difficult science. It is easy to understand. You must begin at the bottom and study principles, and not details. The fundamental principle is that the value of the dollar depends on the number of dollars!

An honest dollar, we are told, is a dollar that loses nothing by melting. By that test the Mexican dollar is honest, for it loses nothing by melting, and when we get to the Mexican standard we can be consoled by the reflection that we have got 'honest money.' The true value of a dollar is its purchasing power.

I don't want an absolutely honest dollar. We want it as honest as possible, and favor bimetallism, because it will give us the nearest approach to an honest dollar."

—The Second National Bank has appointed William Pabst Assistant Cashier.

—At the regular meeting of the Chamber of Commerce, March 4, John Harsen Rhoades, from a special committee appointed to consider financial reform, read a copy of a letter which the committee had addressed to President McKinley, urging the importance of an immediate reform of the banking laws.

—James T. Woodward, President of the Hanover National Bank, is acting Chairman of the Clearing-House Committee during the absence in Europe of Henry W. Cannon, President of the Chase National Bank.

—The Washington Savings Bank is being organized in the Twenty-second Ward.

—Henry W. Cannon, President of the Chase National Bank, and W. W. Sherman, President of the National Bank of Commerce, left recently for an extended trip abroad. They will examine into the manner in which the London Clearing-House Association is conducted. The New York association is organized on the same lines as the London association, but the English house has rules that cover a more extended field, including the regulation of rates of interest to be paid to country banks.

—The Merchants' Bank of Canada has appointed John B. Harris as its Agent in this city, to succeed John Gault, resigned. Mr. Harris was formerly sub-Agent.

—James G. Cannon, Vice-President of the Fourth National Bank, has been appointed Treasurer of the Republican National Committee, to succeed Cornelius N. Bliss, appointed Secretary of the Interior.

—The Appellate Division of the Supreme Court has decided adversely on the application of the committee of the depositors for the continuance of Spencer Trask and Miles O'Brien as Receivers of the Murray Hill Bank, instead of Edward H. Hobbs and Benjamin B. Odell.

—Wayland Trask and Alfred N. Rankin, stock brokers, who were recently charged with grand larceny, have been released from bond to appear, the court deciding that there was no ground on which to base a criminal proceeding.

NEW ENGLAND STATES.

Boston.—It was recently reported that the Hancock National Bank (formerly the Traders') will go out of business, consolidating its banking interests with the Mercantile Trust Co. The report is not confirmed by the officials of the bank.

—The two hundred and sixty-fourth annual meeting of the Commercial Club was held on the evening of February 13. Many leading representatives of the commercial and banking interests of the city being present. Hon. James H. Eckels, Comptroller of the Currency, was the principal speaker, and made an interesting and able address, dealing especially with the necessity for placing the issue of credit notes upon a purely business basis.

—Recently the Shawmut National Bank made the largest Boston Clearing-House settlement on record, the amount of the check paid being about $2,250,000. It stands unique in the annals of the Boston Clearing-House. The check was drawn in connection with the recent large State bond transaction.

Providence, R. I.—A prominent bank of this city writes to the MAGAZINE that although the city has not changed its geographical location, New York and Boston banks now collect Providence items at par. This, of course, deprives the banks of the latter city of considerable revenue from collections.

Private Bank Supervision.—Both houses of the Connecticut Legislature have rejected a bill which provided that private banks should be placed under the supervision of the State Bank Commissioners.

MIDDLE STATES.

Pittsburg, Pa.—The Dollar Savings Bank has issued a handsomely printed and bound volume, giving a concise history of the bank from 1855 to 1896. A comparison of the first semi-annual report, issued on December 1, 1855, with the report of June 1, 1896, shows that the deposits have increased from $7,580 to $15,465,047, and the total assets from $7,627 to $16,590,076.

Buffalo, N. Y.—The Niagara Bank recently promoted Cashier John A. Kennedy to the office of Vice-President. W. J. Hayes, formerly Assistant Cashier, succeeds Mr. Kennedy as Cashier, and Frank T. Hartman becomes Assistant Cashier. Mr. Kennedy is a banker of high reputation, and his promotion is well deserved.

Pennsylvania Bankers Meet.—Group VI. of the Pennsylvania State Bankers' Association met in the Logan House, Altoona, February 6, and elected S. R. Shumaker, of the Huntingdon First National Bank, President, and D. S. Kloss, of the First National Bank, Tyrone, Vice-President. Center, Blair, Cambria and Huntingdon counties were represented.

Accused Bankers Acquitted.—The failure of the People's Savings Institution in North East, Pa., was followed by the arrest of Alfred Short, Fred O. Davis and E. C. Dewey, the bank officials, for accepting money, knowing the bank was insolvent, etc. The cases were called for trial on February 12, and under an amicable settlement a verdict of acquittal was entered.

Baltimore, Md.—James A. Gary, the new Postmaster-General, is Vice-President of the Citizens' National Bank of this city, and widely known as a manufacturer and successful business man. He has been prominent in the political affairs of Maryland for many years.

Foreign Loan Companies.—Superintendent Kilburn of the New York State Banking Department, recently submitted his annual report to the Legislature regarding the foreign mortgage, loan and investment companies licensed to transact business in the State.

Their aggregate assets and liabilities are $23,427,559. The loans secured by first liens on real estate amount to $19,526,602. The total capital stock is $3,075,747, the surplus fund $414,516, and the undivided profits $451,838.

New Title Insurance and Trust Co.—A bill has been introduced in the New York Legislature incorporating David L. Nettleton, George W. Scott, John K. Erskine, Jr., Alex. H. Van-Cott, Ernest G. C. Hay and George E. O'Hara, as the American Title Insurance and Trust Company, with a capital of $500,000, and privilege to increase to $2,000,000.

N. Y. Bank Superintendent.—The lower house of the New York Legislature has passed a bill to increase the salary of the Superintendent of the Banking Department from $5,000 to $7,000.

Appointed Bank Examiner.—George W. Reily, who has been Assistant Treasurer of the Harrisburg (Pa.) Trust Company, has been appointed the successor of James G. Hubbell as National Bank Examiner for the district, embracing territory bounded by the State lines on the north and south and Lancaster on the East. Mr. Hubbell, who was appointed examiner several years ago, has resigned in order to become secretary of the reorganized J. E. Pepper Company, of Lexington, Ky. Mr. Reily is a young man, about twenty-five years of age, who has been employed at the Harrisburg (Pa.) National Bank and Trust Company for the past four years. He is a capable banker, and quite popular among his associates in business and society.

A Bank Resumes.—The German-American Bank, Tonawanda, N. Y., which suspended on February 24, owing to a heavy run, resumed business on March 8. Depositors owning $225,000 of the deposits, out of a total of $401,000, having agreed to wait at least a year for one-half their money and two years for the other half. In addition to this, the directors of the bank will raise and put into its treasuary $75,000 in money, and will arrange for $40,000 in re-discounts. This will give the bank total cash assets of $131,742, against a present liability on deposits of about $175,000. Included in this $175,000 is $36,000 due Savings banks. This money is amply secured, and the Savings banks will allow it to remain.

SOUTHERN STATES.

Virginia Bankers' Association.—The Virginia Bankers' Association met at Old Point Comfort February 22, President Caldwell Hardy, of Norfolk, presiding. There was a large and representative attendance. An address of welcome was made by Francis F. Causey, of Hampton.

The principal subject for discussion was "Currency Reform," led by President Hardy and J. H. Toomer, of Portsmouth.

The nominating committee presented the following names for the officers of the association for the coming year, and they were unanimously elected.

President, R. W. Burke, National Valley Bank, Staunton; vice-presidents, W. H. Lambert, Alexandria; P. V. D. Conaway, Fredericksburg; S. G. Wallace, Richmond; W. M. Hill, Richmond; M. S. Quarles, Richmond; E. P. Miller, Lynchburg; J. H. Toomer, Portsmouth; W. H. Doyle, Norfolk, and J. A. Willett, Newport News; secretary and treasurer, H. A. Williams, Richmond.

The following resolutions were unanimously adopted, and the secretary was directed to send copies of the same to the State's Representatives in Congress:

"Resolved, That it is the sense of this meeting that the tax of ten per cent. upon issue of notes by State banks should be repealed, coupled with such amendment of the national banking Act as will authorize the issue of an elastic currency.

That all National banks should be allowed to issue notes to the amount of the par value of bonds deposited by them as security for such notes, and the tax thereon should be reduced to one-quarter of one per cent.

That some plan should be adopted for the retirement of the demand notes issued by the Government that will not bring about a contraction of the currency."

The association decided to meet in Richmond next year, and elected Col. W. H. Taylor as its delegate to the annual convention of the American Bankers' Association, which meets in Detroit in August.

A special committee was appointed to petition the Legislature to add Virginia to the list of States which have repealed the three days' grace law.

A Georgia Decision.—In a recent case brought before it the Georgia Supreme Court decided that, according to the laws of that State, the sale of bank stock must be advertised for a certain period, otherwise the stockholder making the sale will be liable to assessment in case of the failure of the bank. The case decided was upon a suit brought by the Receiver of the Brunswick State Bank to enforce the rights of depositors.

Carolina Banks Unite.—The People's National Bank, Winston, N. C., has been merged into the First National Bank.

Bank Discontinues.—The German Bank, one of the oldest banks in Memphis, Tenn., has transferred its business to the First National Bank. As the charter of the German Bank was about to expire, it was not thought advisable to secure a renewal.

Liability of Directors.—On Feb. 16, at Little Rock, Ark., Judge Williams, in the Federal court, handed down an opinion sustaining the demurrer to the amended complaint filed by S. R. Cockrill, Receiver of the First National Bank, against the directors of the institution. The bill sought to hold the directors responsible for the management of affairs, resulting in the collapse of the bank.

Meeting of Texas Bankers.—The first meeting of the Third District Bankers' Association of Texas was held at San Antonio, Feb. 10. The following officers were elected: President, B. W. Klipstein, Cashier of the First National Bank of Beeville; secretary, D. C. Stone, Cashier Commercial National Bank of Beeville; executive committee, J. N. Brown, James Faust, J. T. Miller, D. Hirsch.

It was determined to recommend and support an equitable assignment law. Edwin Chamberlain read a paper on "Should Banking Capital Be Encouraged?" The question, "Shall Cattle Be Admitted Free from Mexico?" was brought up by Col. A. C. Jones of Beeville, who went into the question thoroughly, and voiced the sentiments of the association in concluding that the interests of this section required adequate protection of our cattle industry.

An ex-Banker Pardoned.—Frank Porterfield, convicted in 1893 of embezzlement, in connection with the failure of a Nashville, Tenn., bank and sentenced to ten years' imprisonment, was pardoned Feb. 17.

WESTERN STATES.

Chicago.—C. K. G. Billings succeeds the late A. M. Billings as President of the Home National Bank. C. H. Ruddock has been elected Vice-President and Chas. E. Schick Assistant Cashier.

—On Feb. 11 Lyman J. Gage, who had been selected to fill the position of Secretary of the Treasury, presented his resignation as President and director of the First National Bank. The resignation was dated Feb. 1, and was accepted, to take effect at the close of business hours Monday, Feb. 15.

In accepting President Gage's resignation the directors passed the following resolutions of commendation and regret:

"*Whereas*, Lyman J. Gage, the President of this bank and a member of this board, has tendered his resignation of both positions in order that he may enter the cabinet of President-Elect McKinley; therefore, be it

Resolved, That, deferring to his wish, which we are aware signifies no selfish preference, but springs from a high sense of public duty, we hereby accept these resignations, to take effect at the close of business on the 15th inst., the time mentioned by him.

In thus yielding to the request of Mr. Gage to sever a connection that has existed for thirty years, and submitting to the deprivation of his counsel and official direction in the management of the bank, we desire to bear testimony to the universal respect and affection felt for him by all his associates, as well as to express our appreciation of the tact, ability and probity which he has so faithfully used to develop the strength of this institution and which, with his many other rare qualities, signalize him as a citizen.

As he leaves us to become the Secretary of the Treasury, a position for which his peculiar fitness has been so generally recognized by the whole country, we are filled with hope that his efforts in the broad field of national affairs will be marked by the same success that has distinguished his career as a banker."

The resignation of Mr. Gage necessitated some change in the official staff, which is now as follows:

President—S. M. Nickerson.
Vice-President—J. B. Forgan.
Second Vice-President—George D. Boulton.
Cashier—R. J. Street.
Assistant Cashier—Holmes Hoge.
Second Assistant Cashier—Frank E. Brown.

—Samuel M. Nickerson, who has once more become President of the First National Bank, was born in Chatham, Mass., in 1830. He has been a resident of Chicago since 1857, and during all the time of his residence has been interested in banking and other enterprises requiring capital and financial training. Mr. Nickerson was elected Vice-President of the First National when that bank was organized in 1863, and was later made President and continued in that position until January, 1891, when he resigned and was succeeded by Mr. Gage. Sinec that time he has traveled extensively in this country and abroad. He is the largest shareholder in the bank.

New Bank Organized.—The Ohio National Bank has been organized at Columbus with $400,000 capital. It will absorb the business of the Ohio Savings Bank.

Denver, Col.—The Citizens' Trust and Savings Bank has been incorporated with $25,000 paid up capital.

Kansas, City, Mo.—The Inter-State National Bank, situated on the line between Kansas and Missouri, is to remove to this city. This change will not involve a removal from the building which the bank now occupies. A bill permitting the removal was recently signed by the President.

—Efforts are being made to organize a new National bank with $300,000 capital, which will assume the payment of the deposit liabilities of the Missouri National Bank.

To Protect Bank Depositors.—Senator T. F. Marshall, himself a banker, has introduced into the North Dakota Legislature a bill for the greater safety of depositors in State banks. It is made obligatory for every State bank to place in the State treasury each year a sum equal to one-half of 1 per cent. of the deposits of the bank. When any bank fails, after the affairs of the bank have been made public, the Receiver of the bank shall be empowered to draw upon the State Treasurer for a sum sufficient to make up the loss of the depositors in this bank, provided that this sum shall not be in excess of the sum in the treasury. The amount which will thus be a trust fund will be about $15,000, and will be ample to meet all probable contingencies. It is said the bill will be passed.

Ex-Cashier Acquitted.—At Toledo, Ohio, on Feb. 5, the jury in the United States Court returned a verdict of not guilty in the case of the United States against Charles M. Hughes, Cashier of the Lima (Ohio) National Bank. Hughes was indicted on sixteen different counts, charging him with misappropriating the funds of the bank and falsifying the accounts.

Law Against Gold Contracts.—A law making all contracts payable in gold non-collectible and void has passed both branches of the Territorial Legislature of Oklahoma.

Missouri Bank Supervision.—On Feb. 10 the House of Representatives of the Missouri Legislature passed a bill which increases the power of State bank examiners. It requires bank directors to meet once a month and examine the affairs of the bank, and prohibits a director of one bank from being an officer of another; provides for bond to be given by Cashiers, and prescribes stringent rules for the examination of banks.

Utah Bank Laws.—The Utah Legislature has recently been considering the subject of banking legislation. The bill under consideration exempted private banks from State inspection. Provisions with regard to capital are: In cities of five to ten thousand inhabitants, $15,000; in cities of ten to twenty thousand, $25,000; in cities of more than twenty thousand, $50,000. The reserve required is fifteen per cent. of commercial deposits and ten per cent. of savings deposits.

Stockholders Will Lose.—By a decision of the State supreme court the stockholders of the defunct Commercial Bank of Milwaukee are losers to the extent of about thirty per cent. of their holdings. The supreme court reverses the decision of the Milwaukee court, which sustained the claim of Receiver Geilfuss against Corrigan, Ives & Co. of Cleveland for pig iron valued at $130,000.

Interest Rates in Michigan.—The subject of reducing the rate of interest paid by the Detroit banks is still being agitated. It is urged that in the present state of the money market the Savings banks can not continue to pay four per cent.

Josiah E. Just, who will be the next Bank Commissioner, has recently expressed himself strongly in favor of lower interest rates on deposits, and also condemns the collection of checks without charge—a practice that is unsatisfactory to both city and country banks.

Trust Companies Must Deposit.—The Appellate Court of the State of Illinois has affirmed the decree of the superior court of Cook county removing the Farmers' Loan and Trust Company from the position of co-trustee of the Lake Street (Chicago) elevated railroad first mortgage, and in doing so it has rendered a decision of great importance both to local trust companies and the trust companies of other States doing business in Illinois. The decision holds that an outside trust company must deposit $200,000 with the Illinois State Auditor in the same manner as Illinois trust companies are compelled to do, and failure to do that makes them liable to removal.

Ex-Cashier Cleared of Perjury.—After two trials, Andrew Sauer was recently acquitted of the charge of perjury. Sauer was Cashier of the Defiance (Ohio) Savings bank, when it failed for $135,000 in 1892, and it was charged that he had sworn to false reports of the bank's condition to the State Auditor.

St. Louis, Mo.—Negotiations for the consolidation of the Third National and Chemical National Banks have been completed. Under the agreement the Third National takes all assets and assumes all liabilities, practically buying out the Chemical. The stockholders of the Chemical National Bank will realize $95 per share net cash for their stock. No change at present will be made in the officers of the Third National.

Kansas Interest Rate.—The Kansas Senate has killed the bill proposing to reduce the legal rate of interest from ten to eight per cent.

St. Joseph, Mo.—At a meeting of the shareholders of the State National Bank, Feb. 16, it was unanimously decided to place the bank in liquidation. Efforts are being made to organize a State bank as successor.

A Kansas Bank Change.—The Bank of Clifton, Kansas, has transferred its deposit accounts to the Clifton State Bank, and will hereafter do a loan, collection, real estate and insurance business.

St. Paul, Minn.—Ex-Gov. W. R. Merriam has resigned as President of the Merchants' National Bank, and Kenneth Clark, formerly Vice-President of the Capital Bank, has been elected to succeed him. It is reported that Gov. Merriam will probably be appointed Minister to Austria. Charles P. Noyes succeeds Mr. Clark as President of the Capital Bank.

PACIFIC SLOPE.

Spokane, Wash.—The banks of Spokane report a glut of money, some of them having a cash reserve of from sixty to seventy per cent. on hand; and one bank—the Spokane and Eastern Trust Co.—had eighty-one per cent. at a recent date. The Exchange National Bank reports $730,000 in deposits, the greatest amount it ever had. The Old National reports $553,-220 deposits—an increase of 100 per cent. in a year. The Spokane and Eastern Trust Co. has made a gain of about forty per cent., and the Traders' National also shows a considerable gain in deposits in the past year, the total now being $621,650.

Going out of Business.—Messrs. Geo. J. Lewis & Co., Ketchum, Idaho, report that they are going out of business, and will have no successors.

Stockholders Assessed.—The Comptroller of the Currency has levied an assessment of $100 per share on the stockholders of the Kittitas Valley National Bank, Ellensburg, Wash., which failed last July. This aggregates $50,000. Most of the stock is held in the East.

San Francisco.—The annual meeting of the San Francisco Clearing-House on February 9, 1897, resulted as follows: President, Thomas Brown; vice-president, H. Wadsworth; secretary, John D. McKee. Clearing-house Committee—Thomas Brown, chairman; S. G. Murphy, Wm. H. Crocker, Ign. Steinhart and H. M. J. McMichael; Charles Sleeper, Manager and J. T. Burke, Assistant Manager.

California Banking Legislation.—A bill to take the liquidation of insolvent banks out of the hands of the stockholders and place the business in the hands of Receivers, to be appointed by the courts, has been introduced in the Senate. The bill has the recommendation of the Board of Bank Commissioners, and will be supported by a petition from a large body of bank depositors and a written argument in defense of the measure prepared by Gunnison, Booth & Bartnett, counsel for the California Safe Deposit and Trust Company. This argument contains data taken from the books of the People's Home Savings Bank, showing enormous expenditures since it has been in liquidation. The bill provides that when a bank is thrown into insolvency the court shall appoint a Receiver to liquidate its affairs. He is required to report to the Bank Commissioners, who, in turn, must report to the court any dereliction or neglect of duty on the part of the Receiver, and demand his removal. As the law now stands, the affairs of an insolvent bank are left in the hands of a board of directors elected by the stockholders, who are its depositors to the amount of their unpaid capital stock, while the depositors or creditors are allowed no voice in the closing up of the affairs of the bank, an absolute violation of all commercial usage and custom.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Colorado.—The State Bank of Eaton has decided to wind up the bank's affairs and go out of business. No more deposits are being received, and everyone having money on deposit will be paid on demand.

Florida.—The Merchants' National Bank, Jacksonville, closed Feb. 16. On Dec. 30 the bank had $100,000 capital; surplus, $12,000; undivided profits, $3,000; it owed other banks $19,700; individual depositors, $190,800; and borrowed money, $52,900. Inability to make collections is assigned as the cause of the failure.

Georgia.—The Union Loan and Trust Co., of Lithonia, a branch of the same company at Atlanta, assigned to J. C. Johnson on Feb. 26. Liabilities are about $18,000, and the cash in the bank only about $300.

Idaho.—On application of the principal owners of the banking house of C. Bunting & Co., Blackfoot, it was placed in the hands of a Receiver Feb. 15. The liabilities are estimated at $200,000, and the assets will probably be sufficient to pay depositors.

Illinois—CHICAGO.—On Feb. 27 Geo. Schneider, President of the failed National Bank of Illinois, turned over to the Receiver $200,000 to secure any indebtedness of the bank caused through lack of judgment on his part as an official of the institution. At the same time he released his stock in the bank, which was valued at $140,000, the day before the failure. This action on the part of Mr. Schneider, it is said, clears up all of his portion of the responsibility for the affairs of the National Bank of Illinois. President Schneider's action is declared to be unprecedented in similar cases where banks have failed.

—The Bank of Lebanon has paid off depositors and gone out of business, owing to lack of patronage.

Iowa—DES MOINES.—The German Savings Bank, which assigned on Jan. 21, is endeavoring to reorganize, with fair prospects of success. Under the plan the bank will have $100,000 capital, one-half to be subscribed by the old stockholders and one-half by the depositors. It is proposed that the depositors shall accept twenty-five per cent. of their deposits in stock, and the balance in certificates of deposit payable in ninety days. The appraised value of the assets gives them a value of $84,000 in excess of the liabilities.

—The South Ottumwa Bank, of Ottumwa, suspended March 6. Assets reported at $28,000 and liabilities, $17,000.

—The district court has directed the Receiver of the Sioux City Savings Bank to make an assessment of 100 per cent. on the stock of the failed bank. The assets fall short more than $46,000 of paying the liabilities, according to the latest estimate, and of the $55,000 stock not more than $33,000 is in the hands of responsible parties.

—Receiver Hollister of the defunct Farmers' Trust Co. of Sioux City and Chicago, has filed his first report showing the concern's financial condition. The following is a brief abstract:

Assets—First mortgage loans and commission notes secured by first mortgage, $121,256; chattel and personal property, $43,325; coupons past due, $10,476; real estate, $16,160; tax certificates, $1,136; bank stock and stock in Vermont Building Co., preferred, $25,000; open accounts and judgments. $13,805; foreclosures pending and costs advanced, $9,720; office furniture, $1,006; cash on hand and in bank, $1,066; total, $243,453.

Liabilities—Capital stock and surplus, $101,398; undivided profits, $1,779; debenture bonds outstanding, $82,200; guaranteed loans and coupons paid, $17,137; bills payable, past due, $34,-192; open accounts, $5,867; checks unpaid, $421; total, $242,997.

Besides the foregoing liabilities, the company has outstanding a contingent liability of over $250,000 upon guaranteed loans not yet due. How great a proportion of this amount it will be compelled to pay is as yet uncertain.

—On Feb. 12 the Commercial Savings Bank, Leeds, was placed in the hands of a Receiver.

Kansas.—Creditors of the failed Bank of Baxter Springs will probably get about twenty-five cents on the dollar.

Kentucky—LOUISVILLE.—The Germania Safety Vault and Trust Co. made an assignment

March 9, owing to the recent failure of the German National Bank in which the trust company was a large depositor.

Maryland—BALTIMORE.—The Lexington Savings Bank went into the hands of a Receiver March 8. Liabilities to depositors, $7,800; cash on hand, $28.72. The bank was incorporated by colored men, in 1895; capital, $10,000.

Michigan.—An assessment of 100 per cent. has been made on the stockholders of the failed People's Savings Bank, Lansing. This will not pay the depositors in full.

Minnesota—MINNEAPOLIS.—The Receiver of the Washington Bank has begun action against the stockholders to enforce the double liability claim. He states that the liabilities foot up $510,000, while the assets, at the best value to be placed upon them, will not exceed $250,000. As the capital stock is but $100,000, it is claimed that the double liability, if collected, would not pay the deficiency.

The assets of the Columbia National Bank are estimated at $219,343; the liabilities are $253,345.

On February 10 Otto Rood was appointed Receiver of the Bankers' Exchange Bank, which closed on December 30, and afterwards resumed. During the short time the bank was open the deposit liabilities were reduced about seventy-five per cent.

—The Receivers of the Minnesota Savings Bank, St. Paul, in their schedule of assets and liabilities, show the total assets to be $287,612 and total liabilities $254,681.

Missouri—ST. LOUIS.—This city, which went through the bank panic of 1893 without the failure of any bank, had one such failure on February 27, when the Mullanphy Savings Bank closed its doors. It had loaned large amounts on poor security. The bank had been doing business since 1873, and was generally considered sound. Affairs are now in a very bad condition. Deposits are about $650,000; capital, $100,000. Some estimates state that depositors may not get more than ten or fifteen per cent.

—The assignee of the Kansas City Safe Deposit and Savings Bank, Kansas City, which failed in 1893, filed a report recently. He estimates that depositors may ultimately receive twenty per cent.

Montana.—The Merchants' National Bank, of Helena, closed February 13, and Bank Examiner J. S. Brown, now Receiver of the First National Bank of Helena, was placed in temporary charge.

The Merchants' National Bank had at the date of its last examination a capital of $350,000; surplus, $70,000; undivided profits, $68,000; due to other banks, $125,000; owed individual depositors, $981,000; United States funds on deposit, $70,000; borrowed money owed, $200,000.

The failure is attributed to bad management and to local causes.

Nebraska.—On February 25 the State Banking Board took charge of the Bank of Ewing, which has closed its doors.

Ohio.—From an investigation of the affairs of J. Esterly & Co.'s Bank, Columbiana, it is apparent that the bank will not pay twenty-five per cent.

Virginia.—The Norfolk Trust Company made an assignment March 5 to Thomas H. Wilcox, for the benefit of its depositors. This company has been gradually winding up its affairs for several years, and this step was taken to close up its business. Its debts are small, not more than $15,000, and its assets are believed to be more than sufficient to pay dollar for dollar. The suspension does not affect other Norfolk banks.

Washington.—The Farmers and Traders' Bank, Johnson, was reported closed recently, all depositors having been paid off.

Wisconsin.—The State Trust and Savings Bank, West Superior, went into the hands of W. H. Slack, Receiver, February 13. Actual assets and liabilities are $25,000 and $40,000 respectively.

—Under an order of the United States court, all the remaining assets of the defunct Superior National Bank have been sold, a representative of the United States National Bank, of New York, making the purchase at a price sufficient to enable depositors to be paid in full, with interest at six per cent. from proof of claim. The bank failed in 1895, with $100,000 liabilities and $200,000 assets, and has already paid twenty per cent. dividend to depositors.

Foreign Banking Items.—It is reported that forged notes on the Bank of England to the amount of £100,000 have been put in circulation on the Continent. The notes are said to be remarkable imitations of the genuine.

—Statements to the effect that Japan has adopted the gold standard appear to be premature. A measure having this object in view has been introduced into the legislative body of the kingdom, but its passage is not yet assured.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5057—Ham National Bank, Mount Vernon, Illinois. Capital, $50,000.
5058—People's National Bank, McDonald, Pennsylvania. Capital, $60,000.
5059—Cambria National Bank. Johnstown, Pennsylvania. Capital, $100,000.
5060—Simpson National Bank, Eagle Pass, Texas. Capital, $70,000.
5061—First National Bank, Summit, New Jersey. Capital, $50,000.
5062—First National Bank, Edwardsville, Illinois. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Newport, Ark.; by R. M. Johnson, *et al.*
First National Bank, Perth Amboy, N. J.; by Adrian Lyon, *et al.*

NEW BANKS, BANKERS, ETC.

CALIFORNIA.

FRESNO - Fresno Loan & Trust Co.; capital, $25,000; Pres., E. F. Bernhard; Sec., Horace Hawes.

COLORADO.

DENVER—Citizens' Trust and Savings Bank; capital, $25,000: Pres., Elbert Besley; Vice-Pres., Lou Gipson; Cas., Jno. E. Yerkes.

DELAWARE.

DELMAR—Bank of Delmar; capital, $25,000.

FLORIDA.

OCALA—Munroe & Chambliss; Collections and Exchange.

GEORGIA.

REYNOLDS—Bank of Reynolds; Pres., R. G. Tomlin; Vice-Pres., T. J. Marshall; Cas., R. A. Hunter.

WRIGHTSVILLE—Bank of Wrightsville; capital, $25,000; Pres., T. J. Arline; Vice-Pres., J. M. Page; Cas., Wm. W. Cook.

ILLINOIS.

CHESTER—First State Bank (successor to First National Bank: capital, $25,000; Pres., M. E. Crissey; Cas., J. D. Gerlach; Asst. Cas., D. H. Holman.

EDWARDSVILLE—First National Bank; capital, $50,000; Pres., August Schlafly; Cas., Edward P. Keshner.——Madison County State Bank (organizing).

MOUNT VERNON—Ham National Bank; capital, $50,000: Pres., Christopher D. Ham; Cas., Rufus Grant.

INDIANA.

INDIANAPOLIS—Indiana Safe Deposit Co.; capital, $50,000; Pres., Volney T. Malott; Vice-Pres., Edward L. McKee; Sec. and Treas., E. B. Porter.

IOWA.

ANAMOSA—Farmers and Traders' Bank.

LESTER—Citizens' Bank: Pres., F. D. Mitchell; Cas., J. L. Mitchell.

SPENCER—Citizens' State Bank; capital, $25,000; Pres., Franklin Floete; Vice-Pres., A. R. Smith; Cas., Ackley Hubbard: Asst. Cas., W. L. Bender.

KANSAS.

KIRWIN—H. A. Royce (successor to Traders' Bank).

LOUISIANA.

MARKSVILLE—Avoyelles Bank; Pres., E. J. Joffrion; Vice-Pres., E. B. Coco.

NEW ORLEANS—Protective Bank: capital, $200,000.

THIBODAUX—Bank of La Fourche; capital, $25,000; Pres., Ellis Braud; Vice-Pres., W. H. Ragan, Sr.: Cas., Elles Braud.

MICHIGAN.

NEW BALTIMORE—W. F. Sandell & Co.; Cas., C. E. Hills.

NEW HAVEN—New Haven Banking Co.; K. E. & B. R. Moore; capital, $5,000.

MINNESOTA.

BARNESVILLE—Farmers and Mechanics' State Bank; capital, $25,000; Pres., A. L. Blummer; Cas., M. D. Hawver.

MISSISSIPPI.

RIPLEY—Bank of Ripley; Cas., G. P. McCorkle.

TERRY—Bank of Terry; capital, $50,000; Pres., W. J. Davis; First Vice-Pres., W. H. Tribbette; Second Vice-Pres., E. Simpson; Cas., R. F. Young.

MISSOURI.

KING CITY—John A. Ross & Son (successors to Farmers' Bank; capital, $5,000.

OZARK—Bank of Ozark; capital, $5,000; Pres., J. J. C. Beazeale; Cas., G. T. Beazeale.

NEBRASKA.

OMAHA—Brennan, Love & Co.; capital, $25,000; Pres., Thos. Brennan; Vice-Pres., A. J. Love; Sec., Walter Breen.

NEW HAMPSHIRE.

KEENE—Keene Savings Bank; Pres., G. C. Hill; Vice-Pres., Jas. S. Taft; Sec. and Treas., H. E. Fay.

LACONIA—City Savings Bank (organizing).

NEW JERSEY.

SUMMIT—First National Bank; capital, $50.000; Pres., Wm. Z. Larned; Cas., Bradley Garretson.

NEW YORK.

NEW YORK CITY—Atwood Violett, Lockwood & Co.——Washington Savings Bank (organizing).

OHIO.

AKRON—Central Savings Bank.

PENNSYLVANIA.

JOHNSTOWN—Cambria National Bank (successor to Speedy, Brown & Barry); capital, $100,000; Pres., B. F. Speedy; Vice-Pres., A. J. Haws; Cas., David Barry.

TEXAS.

CISCO—First Bank.

DEL RIO—L. Lindheim & Co.; Exchange and Collections.

EAGLE PASS—Simpson National Bank; capital, $70,000; Pres., M. L. Oppenheimer; Cas., S. P. Simpson, Jr.

MIDLOTHIAN—Citizens' Bank; capital, $15,000; Pres., W. L. Hawkins; Vice-Pres., W. M. Stroud; Cas., R. M. Craig.

MILFORD—Bank of Milford (W. R. & J. K. McDaniel).

NOCONA—Bank of Nocona (successor to First National Bank).

VIRGINIA.

KEYESVILLE—Bank of Chase City—branch.

WASHINGTON.

MONTESANO—G. W. Hertges (successor to Bank of Montesano).——Carr & Carr; Cas., Chas. H. Lamb.

OAKESDALE—C. F. Huling Bank.

WISCONSIN.

KENOSHA—Merchants' and Savings Bank (Robinson & Co.).

CANADA.

ONTARIO.

ALVINSTON—Gordon & Douglas.

HUNTSVILLE—W. H. Matthews & Co.

TORONTO—Bank of Ottawa.

BRITISH COLUMBIA

REVELSTOKE—Imperial Bank of Canada; A. R. B. Hearn, Manager.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

BLOCTON—Blocton Saving Bank; Burgess Little, Cas., in place of W. R. Mabry.

CLAYTON—Citizens' Bank; W. D. Andrews, Asst. Cas.

CULLMAN—Parker & Co.; G. A. Prinz., Cas., in place of H. C. Bounds.

GADSEN—Queen City Bank; O. R. Goldman, Pres., in place of R. A. Mitchell; Lawrence Smith, Cas., in place of O. R. Goldman.

OPELIKA—Shapard Bank; W. L. Dowdell, Pres., deceased.

GREENSBORO—Bank of Greensboro; Chas. Stollenwerck, Cas., in place of A. I. Selden.

SELMA—City National Bank; H. I. Shelley, Asst. Cas.

ARIZONA.

TUCSON—Arizona National Bank; J. M. Ormsby, Asst. Cas.

ARKANSAS.

FORT SMITH—Merchants' Bank; Wm. J. Echols, Pres., deceased.

PINE BLUFF—Citizens' Bank; W. H. Langford, Pres.; John Roth, Vice-Pres.

CALIFORNIA.

BERKELEY—Commercial Bank; F. L. Naylor, Asst. Cas.

HANFORD—Farmers and Merchants' Bank; Judd Smith, Asst. Cas.

LOS ANGELES—California Bank; Samuel Lewis, Pres., in place of J. Frankenfield.

LOS GATOS—Bank of Los Gatos; Jno. W. Lyndon, Pres.; J. Stanfield, Cas.; Frank F. Watkins, Asst. Cas.

PETALUMA—Petaluma Savings Bank; W. H. Fairbanks, Asst. Cas.

SAN JOSE—First National Bank; James D. Phelan, Vice-Pres., in place of Cyrus Jones.

SANTA BARBARA—First National Bank; Amasa L. Lincoln, Cas., deceased.

COLORADO.

BOULDER—Boulder National Bank; Geo. S. Gibson, Vice-Pres., deceased.

CENTRAL CITY—Rocky Mountain National Bank; J. E. Lightbourne, Vice-Pres., in place of B. F. Lowell; E. W. Davis, Asst. Cas.

COLORADO SPRINGS—Colorado Loan and Mortgage Co.; Geo. W. Walker, Pres., deceased.

DENVER—People's National Bank; no Cas. in place of F. C. Schrader.

GLENWOOD SPRINGS—First National Bank; James H. Devereux, Pres., in place of Walter B. Devereux; C. W. Parks, Vice-Pres., in place of H. R. Kamm.

GREELEY—Union Bank; capital reduced to $50,000.

GUNNISON—First National Bank; no Cas. in place of S. D. Pulsifer; W. W. McKee, Asst. Cas.

MONTROSE—Bank of Montrose; F. H. Reinhold, Cas.; F. G. Farner, Asst. Cas.

CONNECTICUT.

HARTFORD—National Exchange Bank; William S. Wooster, Cas., deceased.

STONINGTON—First National Bank; William J. H. Pollard, Pres., deceased.

WATERBURY—Citizens' National Bank; Charles E. Lamb, Asst. Cas.

WESTPORT—First National Bank; Horace Staples, Pres., deceased.

DISTRICT OF COLUMBIA.

WASHINGTON—Central National Bank; Oliver T. Thompson, director, deceeased; Jas. S. Edwards, Vice-Pres. in place of H. Browning.——Second National Bank; Jacob Scharf, Asst. Cas.

FLORIDA.

LAKELAND—Lakeland Bank; L. J. J. Nieuwenkamp, Jr., Asst. Cas.

TAMPA—Exchange National Bank; C. J. Huber, Asst. Cas.

GEORGIA.

ATLANTA—Union Loan and Trust Co. (reorganized); capital increased to $250,000; A. B. Cornell, Pres.; Ed. A. Richards, Vice-Pres.; James Gilfillan, Treas.——Fourth National Bank; J. R. Gray, Vice-Pres.; Charles I. Ryan, Asst. Cas.——Piedmont Loan and Banking Co.; capital increased to $35,000.

BRUNSWICK—National Bank of Brunswick; Newton Woodworth 2d Vice-Pres.

CAMILLA—Bank of Camilla; Jno. C. Turner, Pres., in place of T. R. Bennett, deceased.

FORSYTH—Bank of Forsyth; T. E. Fletcher, Asst. Cas.

LAWRENCEVILLE—Farmers and Merchants' Bank; Edward Kendrick, Cas. in place of J. A. Perry.

MACON—First National Bank; Henry Lee Jewett, director, deceased.

NEWNAN—First National Bank; no Asst. Cas. in place of N. L. North.

PELHAM—Hand Trading Co.; no Cas. in place of T. K. Butler; B. U. Curry, Asst. Cas.

SAVANNAH—Merchants' National Bank; W. M. Davant, Cas. in place of Wm. W. Rogers, deceased.

WAYCROSS—South Georgia Bank; J. E. Wadley, Vice-Pres.

IDAHO.

ST. ANTHONY—First Bank of Fremont County; Rose E. Davis, Asst. Cas.

ILLINOIS.

BELVIDERE—First National Bank: Charles D. Loop, Asst. Cas.

CHICAGO—Commercial National Bank; H. A. Ware, Vice-Pres., in place of O. W. Potter; Jno. B. Meyer, 2d Vice-Pres., in place of H. A. Ware; D. Vernon, Cas., in place of John B. Meyer; no Asst. Cas. in place of D. Vernon.——Kaspar & Karel; succeeded by William Kaspar.——First National Bank; Samuel M. Nickerson, Pres., in place of Lyman J. Gage; Geo. D. Boulton, 2d Vice-Pres.——Home National Bank; C. K. G. Billings, Pres., in place of A. M. Billings, deceased; C. H. Ruddock, Vice-Pres., in place of C. K. G. Billings; Wm. McDougall, Cas.——Northwestern Bond and Trust Co.; Alexander Smart, Asst. Cas.

CLIFTON—Bank of Clifton; J. C. Gleason, Pres.; A. L. Morel, Cas.; H. J. Lutton, Asst. Cas.

CLINTON—De Witt County National Bank; William Metzger, Vice-Pres., in place of Richard Butler; W. V. Dinsmore, Cas., in place of E. S. Nixon.

EL DORADO—Bank of El Dorado; J. B. Warren, Pres., in place of J. H. Davis.

FREEPORT—Second National Bank; H. S. Webster, Cas., in place of John B. Taylor, deceased.

GALENA—Merchants' National Bank; Chas. S. Merrick, Cas., in place of William H. Snyder, deceased.

JACKSONVILLE—First National Bank; James T. King, Vice-Pres., in place of Leopold Wild.——Jacksonville National Bank; J. R. Robertson, Asst. Cas., in place of E. Fitzsimmons.

JOLIET—Will County National Bank; Joseph Stephens, Vice-Pres., in place of G. L. Vance.

KEWANEE—Union National Bank; W. W. Calhoun, 2d Asst. Cas.

LOUISVILLE—Farmers and Merchants' Bank; T. J. McCollum, Cas.; R. C. Pierson, Asst. Cas.

MEDIA—Exchange Bank; title changed to Media State Bank; capital, $25,000.

MORRIS—First National Bank; J. G. McCambridge, Asst. Cas.

OAK PARK—Oak Park State Bank; A. J. Witt, Asst. Cas.

PEARL CITY—Pearl City Bank; Simon Tollmeier, Pres., in place of H. M. Timms; Isaac Bogenreif, Vice-Pres.

PEORIA—Peoria National Bank; Philip Zell, Pres., in place of Geo. H. McIlvaine, deceased.

PONTIAC—Livingston County National Bank; D. M. Lyon, Vice-Pres., in place of Thomas Williams; Thomas Williams, 2d Vice-Pres.; J. M. Lyon, Asst. Cas.

RUSHVILLE—Bank of Schuyler Co.; A. M. Patterson, Asst. Cas.

TAYLORVILLE—First National Bank; no Asst. Cas., in place of J. B. Walker.

VIENNA—First National Bank; S. Whitehead, Vice-Pres.

VIRGINIA—Farmers' Nat. Bank; R. C. Taylor, Asst. Cas., in place of J. P. Robertson.

WATERLOO—State Bank; Jacob Oldendorph, Pres., in place of H. Kuenster.

INDIANA.

ALEXANDRIA—Alexandria National Bank; Jno. Heritage, Cas., in place of S. G. Phillips; I. S. Kelly, Asst. Cas., in place of Jno. H. Heritage.

ANDERSON—National Exchange Bank; no Asst. Cas. in place of J. W. Sansberry, Jr.

CONNORSVILLE—First National Bank; E. E. R Mount, Vice-Pres., in place of E. E. Roots.

CORYDON—Bank of Corydon; G. W. Applegate, Jr., Asst. Cas.

GOSPORT—Henry & Pritchard; succeeded by Henry, Gray & Co.

GREENCASTLE — Central National Bank; Frank A. Arnold, Vice-Pres., in place of M. F. McHaffie.

GREENFIELD—Greenfield Banking Co.; D. B. Cooper, Cas., in place of Morgan Chandler, deceased.

JAMESTOWN—Citizens' Bank; S. F. Cline, Asst. Cas.

LOGANSPORT—State National Bank; no Cas. in place of H. J Heitbrink, deceased.

SHERIDAN Thistlewaite Bank; J. M. Francis, 2d Vice-Pres.; J. H. Wiles, Cas., in place of J. M. Francis.

SPICELAND—Henry County Bank; H. T. Baily, Cas., in place of M. S. Wildman.

WABASH—Wabash National Bank; Geo. N. King, Vice-Pres., deceased.

INDIAN TERRITORY.

MINCO—Bank of Minco; J. H. Bond, Vice-Pres.; R. M. Johnson, Asst. Cas.

IOWA.

ARLINGTON—First State Bank; L. F. Carrier, Pres., in place of C. Deming.

BELLE PLAINE—First National Bank; G. R. Ahrens, Asst. Cas.

BLOCKTON—People's Bank; J. B. Dennis, Pres.; H. R. Dennis, Cas.

BUFFALO CENTER—Bank of Buffalo Center; O. F. Ulland, Pres.; O. M. Habberstad, Vice-Pres.

CENTERVILLE—Iowa State Savings Bank; A. T. Bradley, Pres.; G. D. Crego, Asst. Cas.

CHARLES CITY—Charles City National Bank; Wm. Rawles, Asst. Cas.

CHARTER OAK — First Nat. Bank: Martin Neal, Vice-Pres. in place of C. L. Van Patten.

CLEGHORN—Cleghorn State Bank; Geo. E. Long, Pres., in place of Jas. F. Toy; W. E. Long, Cas.; Geo. E. Long, Asst. Cas.

CLIO—Bank of Clio; N. O. Elson, Pres., in place of D. M. Bruner.

COUNCIL BLUFFS—Lougee & Towle; succeeded by Lougee & Lougee.

DAVENPORT—Union Savings Bank; S. L. Ely, Cas., in place of A. F. Cutter.

DAVIS CITY—Farmers' Bank; S. A. Radnich, Asst. Cas.

DECORAH—Citizens' Savings Bank; capital increased to $40,000.

DE WITT—First National Bank; W. H. Talbot, Pres., in place of N. A. Merrell: J. N. Arthur, Vice-Pres.——Citizens' Savings Bank; J. N. Arthur, Pres., in place of W. H. Talbot; G. W. Wallace, Vice-Pres.

ELDON—Bradley's Bank; J. A. Bradley, Pres.

FAIRFIELD—Iowa State Savings Bank; John Davis, Cas.

HOLSTEIN—First National Bank; J. C. Edgar, Pres., in place of F. S. Manson; J. S. Walker, Vice-Pres., in place of J. C. Edgar.

HUBBARD—Hubbard State Bank; W. J. Elliott, Asst. Cas.

HULL—Iowa State Bank; W. D. Schoeneman, Pres., deceased.

HUMESTON - Home Bank; J. D. Hasbrouck, Pres.; E. Haldeman, Vice-Pres.

JEWELL—Farmers and Traders' State Bank: title changed to Farmers and Traders' Bank; A. Alexander & Sons, proprietors.

KEOTA—State Bank (successor to Bank of Keota): capital, $50,000; C. F. Singmaster, Pres.; E. G. Wilson, Cas.; E. M. Ritchey, Asst. Cas.

KNOXVILLE—Knoxville National Bank; J. H. Auld, Pres., in place of E. H. Amos.

LYONS—First National Bank; J. H. Peters, Asst. Cas.

MALVERN—First National Bank; S. D. Davis, Vice-Pres.

MANNING—State Bank; J. A. Lewis, Pres.; S. F. Fry, Vice-Pres.

MINBURN—Minburn Bank; O. H. Slocum, Asst. Cas., in place of A. D. Slocum.

MOUNT VERNON—Mount Vernon Bank; W. C. Stuckslager, Pres., in place of James Carson; capital increased to $50,000.

MURRAY—Murray Bank; A. D. Simmons, Pres.

NORA SPRINGS—First National Bank; J. G. Cutler, Vice-Pres. in place of J. G. Gaylord.

PARKERSBURG—Beaver Valley State Bank; H. J. Merlien, Pres.: I. Iblings, Vice-Pres.

PRAIRIE CITY—L. E. Zachary & Son; succeeded by Zachary & Cochran.——State Bank; J. B. Leaming, Asst. Cas.

SEXTON—Bank of Sexton; M. J. Green, Cas.

SHENANDOAH—Shenandoah National Bank; no Cashier in place of E. S. Ferris; Ellis Tucker, 2d Asst. Cas. Title erroneously reported in previous issue as First National Bank, in accordance with advice received from office of the Comptroller of the Currency.

SIOUX CITY—Farmers Loan and Trust Co.; J T. McCall, Vice-Pres.; T. A. Black, Cas.

SLATER—Farmers' Savings Bank; Oley Nelson, Pres.

STORM LAKE—Commercial State Bank; James F. Toy, Pres.

WATERLOO—Waterloo State Bank; Richard Holmes, Pres.; J. R. Vaughan, Vice-Pres.

WAYLAND—Wayland Savings Bank: G. W. Hebel, Pres.: C. C. Wenger, Vice-Pres.

WELLMAN—Wellman Savings Bank; Jno. H.

Romine, Pres., in place of C. O. Nichols, deceased.

What Cheer—First National Bank; W. T. Bonsall, Asst. Cas.

Winterset—Citizens' National Bank: L. C. Houck, Vice-Pres. in place of S. G. Ruby.

KANSAS.

Arkansas City—First National Bank; L. A. Wismeyer. Vice-Pres.; C. N. Post, Cas.; F. M. Hartley, Asst. Cas. in place of C. N. Post.

Chanute—Chanute National Bank: no Asst. Cas. in place of W. E. Johnson.

Cherryvale—People's Bank; capital increased to $10,000.

Concordia—First Natioual Bank; no Asst. Cas. in place of J. I. Wyer, Jr.

Elk City—Elk City Bank; J. W. Berryman, Cas.

Erie—Bank of Erie; L. S. Cambern, Cas.; C. C. Dutton, Asst. Cas.

Hamlin—Bank of Hamlin; Peter Pfeiffer, Pres. in place of E. Berkley; G.W. Robbins, Vice-Pres., E. Berkley, Cas.

Hartford—Hartford Bank; W. A. Hays, Asst. Cas.

Hiawatha—First National Bank; no Vice-Pres. in place of O. Dimmock; Wm. Knabb, Asst. Cas. in place of J. W. Hervie.

Howard—First National Bank; no Vice-Pres., in place of W. N. Crooks.

Hutchinson—James St. John & Co.; consolidated with Bank of Hutchinson; A. W. McCandless, Cas.

Independence-Commercial National Bank; W. H. Frost Vice-Pres. in place of Henry Baden.

Junction City—First National Bank; John K. Wright, Vice-Pres., in place of C. W. Strickland.

Kansas City—Wyandotte National Bank; A. N. Moyer, Cas. in place of C. L. Brokaw.

Kiowa—Bank of Kiowa; A. J. Johnson, Asst. Cas. in place of M. L. McClure.

Kirwin—Kirwin State Bank; Chas. W. Hull, Pres.

La Crosse—First National Bank; E. S. Chenowith, Pres.; W. H. Ferguson, Vice-Pres. in place of E. S. Chenowith.

Nortonville—Bank of Nortonville; capital increased to $25,000.

Oberlin—First National Bank; J. W. McAllister, Pres. in place of M. E. Mix; M. E. Mix, Vice-Pres. in place of S. C. Woodson.

Osage City—First National Bank; E. B. Packer, Vice-Pres. in place of Asher Adams; no Cas.

Paola—National Bank of Paola; T. E. Kiddoo, Asst. Cas.

Smith Centre—First National Bank: J. H. Hill, Cas. in place of J. D. Moesman.

St. John—Kansas Security & Trust Co.; H. Alexander, Pres.; Wm. Dixon, Vice-Pres.

Topeka—Merchants' National Bank; W. A. L. Thompson, Vice-Pres. in place of T. J. Kellam.

Washington—First National Bank; J. A Ayres, Jr., Asst. Cas. in place of J. W. Allibone.

Wellington—Wellington National Bank; W. W. Hazen, Asst. Cas.

Westmoreland—First National Bank; Geo. A. Streeter, Vice-Pres.; Emma O'Daniel, Asst. Cas.

Westphalia—Bank of Westphalia; W. L. Cagot, Pres.; V. Heighberger, Vice-Pres.

Winfield—Cowley County National Bank; M. F. Jarvis, Asst. Cas. in place of C. E. Fuller.

KENTUCKY.

Albany—Bank of Albany; B. M. Yates, Pres. in place of J. A. Dixon.

Ashland—Second National Bank; Chas. Kitchen and T. S. Newman, Vice-Pres.

Augusta—Farmers' National Bank; N. J. Stroube, Vice-Pres. in place of Wm. B. Allen.

Clay City.—Clay City National Bank; Charles Hendrie, Vice-Pres. in place of John D. Atkinson.

Danville—Farmers' National Bank; F. N. Lee, Asst. Cas.

Georgetown—First National Bank; G. B. Brown, Vice-Pres. in place of W. N. Offut.

Glencoe—Bank of Glencoe; J. L. Hendrix, Pres. in place of J. T. Elliston.

Harrodsburg — Mercer National Bank; F. R. James, Cas., in place of Jno. L. Cassell.

Hartford—Ohio County Bank; L. F. Condict, Cas.

Louisville—First National Bank; Clint C. McClarty, Cas. in place of Thomas R. Sinton; Thomas R. Sinton Asst. Cas. in place of Clint C. McClarty; Chas. T. Dearing, Pres. in place of J. M. McKnight.

Madisonville—Hopkins County Bank; W. A. Nisbet, Pres.; W. H. Jernigan, Vice-Pres.; Ernest Nisbet, Asst. Cas.

Mayfield—Graves County Banking and Trust Co.; capital increased to $84,000.

Paducah—First National Bank; M. Bloom, Vice-Pres. in place of J. W. Bloomfield.——American-German National Bank; Cook Husbands, Asst. Cas.——City National Bank, James C. Utterback, Asst. Cas.

Somerset—First National Bank; W. J. Goodwin, Vice-Pres., in place of Geo. Perkins.

Versailles—Harris Seller Banking Co.; Theo. Harris, Asst. Cas.

LOUISIANA.

Franklin—First National Bank; Joseph Birg, 2d Vice.-Pres.

Lake Charles—First National Bank; J. L. Keenen, Asst. Cas. in place of J. A. Simpson.

New Orleans—Germania National Bank; Henry Abraham, Vice-Pres.——State National Bank; C. H. Culbertson, Vice-Pres. in place of L. C. Keever.

MAINE.

GARDINER—Merchants' National Bank; A. M. Spear, Vice-Pres., in place ot Harvey Scribner.

MACHIAS -Machias Bank; L. L. Keith, Pres., deceased; also Treas. Machias Savings Bank.

PORTLAND—Cumberland National Bank; Bernard S. Soule, Asst. Cas.

WATERVILLE—Waterville Trust and Safe Deposit Co.: Horace Purinton, Pres., in place of I. C. Libby.

WISCASSET—First National Bank; Albert M. Card, Pres., in place of Andrew Lacy; William D. Patterson, Vice-Pres.

MARYLAND.

BALTIMORE—National Exchange Bank; R. Vinton Lansdale, Asst. Cas.——National Farmers and Planters' Bank: Richard B. Sellman, Cas. *pro tem.*, in place of Richard Cornelius, deceased.——Baltimore Clearing House; Henry James, Pres., in place of Enoch Pratt, deceased.——St. James Savings Fund; John M. Getz, Pres., deceased.——Savings Bank of Baltimore; Henry G. Hilken, elected director in place of Enoch Pratt, deceased.——National Howard Bank; James Getty, Vice-Pres., in place of Peter New.

HAGERSTOWN—People's National Bank; no Asst. Cas. in place of Edward Hoffman.

LAUREL—Citizens' National Bank; W. T. Ashby, Asst. Cas.

WESTMINSTER—Farmers and Mechanics' National Bank; David Stoner, Vice-Pres., in place of Chas. B. Roberts.

MASSACHUSETTS.

AMESBURY—Amesbury National Bank; Wm. E. Biddle, Pres., in place of W. G. Ellis; Jno. A. Gale, Vice-Pres.

BOSTON—National Eagle Bank; Daniel Denny, Vice-Pres.; Thomas J. Whidden, director, deceased; also director Boston Safe Deposit and Trust Co.——Lincoln National Bank; Arthur W. Pope Vice-Pres.

LAWRENCE—Lawrence National Bank; A. A. Lamprey, Vice-Pres., in place of H. A. Buell.

LOWELL—Merchants' Mational Bank; Arthur G. Pollard, Pres., in place of Arthur P. Bonney; Sydney W. Thurlow, Vice-Pres., in place of Arthur G. Pollard.

NEW BEDFORD—Mechanics' National Bank; James W. Hervey, Cas. in place of L. T. Terry; L. T. Terry, Asst. Cas, in place of James W. Hervey.

NORWELL—South Scituate Savings Bank; Ebenezer T. Fogg, Treas., deceased.

SPRINGFIELD—John Hancock National Bank; no Vice-Pres. in place of Gideon Wells.

WAKEFIELD—National Bank of South Reading; no Vice-Pres. in place of Daniel G. Walton.

WESTFIELD—First National Bank; S. A. Allen, Pres., in place of M. B. Whitney; F. S. Egleston, Vice-Pres., in place of S. A. Allen.

WHITINSVILLE—Whitinsville National Bank; Edward Whitin, Vice-Pres.

MICHIGAN.

ALLEGAN—First National Bank; B. D. Pritchard, Pres., in place of E. D. Kinne.

DETROIT—Preston National Bank; Irvine B. Unger, Asst. Cas.——Detroit Savings Bank; Geo. Jerome, director, deceased.

EATON RAPIDS—First National Bank; A. C. Dutton, Pres., in place of Andrew J. Bowne; William Miller, Vice-Pres., in place of A. C. Dutton.

FLINT—First National Bank; capital reduced from $200,000 to $100,000.

GRASS LAKE—Farmers' Bank; J. W. Knight, Pres., in place of M. H. Raymond:

ITHACA—Ithaca Savings Bank; Wm. F. Thompson, Pres.; J. Lee Potts, Vice-Pres.

LAKEVIEW—Farmers and Merchants' Bank; L. P. Sorenson, Pres.; H. H. Sorenson, Asst. Cas.

LANSING—State Savings Bank; capital reduced from $200,000 to $150,000.

LESLIE—People's Bank; R. A. Ludwick, Asst. Cas.

MARLETTE—Commercial Bank; D. C. Merrill, Asst. Cas.

MASON—Farmers' Bank; R. C. Dart, Cas.

MENDON—First State Bank; William Beard, Vice-Pres.; W. Frankish, Asst. Cas.

MONROE—First National Bank; H. A. Conant, Vice-Pres., in place of J. E. Landon.

MOUNT PLEASANT—People's Savings Bank; Geo. E. Newall, Pres.; Jno. F. Ryan, Vice-Pres.; Chas. A. Carnahan, Cas. and Sec.

MUIR—Commercial Bank; S. W. Webber & Co., proprietors, in place of Hayes, Olmsted & Co.

NEWBERRY—Newberry Savings Bank; S. N. Dutcher, Pres.: J. C. Foster, Vice-Pres.; Geo. E. Walker, Cas., in place of S. N. Dutcher.

NILES - First National Bank; Peter Homer, Vice-Pres., in place of Henry Lardner; no Asst. Cas. in place of Geo. W. Jackson.

NORTH BRANCH—Pioneer Bank; C. W. Ballard, Pres., in place of F. B. Howard.

SHEPHERD—Commercial State Bank; L. D. Estee, Pres., in place of I. D. Shepherd; A. C. Vredenburg, Vice-Pres.

THREE RIVERS—First National Bank; R. R. Pealer, Pres., in place of S. A. Walton; S. A. Walton, Vice-Pres., in place of R. R. Pealer; N. W. Garrison, Asst. Cas.

WAYNE—Wayne Savings Bank; W. F. Stellwagon, Asst. Cas., in place of E. P. Palmer.

MINNESOTA.

APPLETON—First National Bank; T. O. Brusteun, Vice-Pres.

BENSON Swift County Bank; M. A. Overlie, Asst. Cas.

GRAND RAPIDS—Lumbermen's State Bank; Charles E. Aiken, Asst. Cashier.

HERON LAKE—Bank of Heron Lake; Albert O. Dieson, Asst. Cas.

HIBBING—Lumbermens and Miners' Bank; L. G. Sicard, Asst. Cas.

LAKE BENTON—First National Bank, Jno. S. Tucker, 2d Vice-Pres.; J. B. Sullivan, Cas., in place of Jno. S. Tucker.

LE SUEUR—Le Sueur County Bank; John P. Reynolds, Cas.

MANKATO—First National Bank; L. A. Linder, Cas., in place of Geo. H. Clark; no Cas. in place of L. A. Linder.

MINNEAPOLIS—Minnesota Loan and Trust Co.; M. B. Koon, Vice-Pres., in place of G. A. Pillsbury.——Minneapolis Trust Co.; E. C. Cooke, Vice-Pres.; Robert W. Webb, Asst. Sec. and Treas.

MONTEVIDEO—Citizens' State Bank; William Dunbrack, Vice-Pres.

MOORHEAD—Moorhead Nat. Bank; no Asst. Cas. in place of Fred. A. Irish.

NEW ULM—Brown County Bank: E. G. Koch, Vice-Pres.; F. H. Krook, Cas.

NORTH BRANCH—Merchants' Bank; F. N. Herried, Cas.

RUSHFORD — Carpenter & Stevens; title changed to Carpenter, Stevens & Co.

SANBORN—Sanborn Bank (F. W. Stevens & Co.); capital, $10,000.

ST. CLOUD—First National Bank; no Asst. Cas. in place of E. E. Clark.

ST. PAUL—Merchants' National Bank; Kenneth Clark, Pres. in place of W. R. Merriam; C. H. Bigelow, Vice-Pres.; Geo. H. Prince, Asst. Cas.——First National Bank; E. H. Bailey, Vice-Pres. in place of C. D. Gilfillan; W. A. Miller, Cas. in place of E. H. Bailey; no Asst. Cas. in place of W. A. Miller.——Capital Bank; Chas. P. Noyes, Vice-Pres. in place of Kenneth Clark; Geo. H. Prince, Cas., resigned.

WHEATON—First State Bank; W. E. Burton, Cas.

WINDOM—People's Bank; William Besser, Vice-Pres.; T. A. Perkins, Asst. Cas.

MISSISSIPPI.

ABERDEEN—Bank of Aberdeen; W. H. Henderson, Vice-Pres.; W. M. Paine, Cas.; W. C. McMillan, Asst. Cas.

CLARKSDALE—Citizens' Savings Bank; W. P. Wildberger, Cas.

GREENWOOD—Delta Bank; J. R. Bew, Asst. Cas.

INDIANOLA—Sunflower Bank; capital increased to $7,500.

MISSOURI.

ASH GROVE—Bank of Ash Grove; N. H. Weir, Asst. Cas.

AUXVASSE—Auxvasse Bank; P. B. Bartley, Cas.; T. S. Baskett, Asst. Cas.

BLACKWATER—Farmers' Stock Bank; capital increased to $10,000.

BOONVILLE—Central National Bank; J. M. Nelson, Vice-Pres.

BRAYMER—Farmers and Traders' Bank; E. M. Street, Asst. Cas.

CENTER—Farmers and Merchants' Bank; A. V. Beavers, Pres. in place of D. H. Smith; D. H. Smith, Vice-Pres.

CORDER — Corder Bank; A. C. Livengood, Asst. Cas.

EDINA—Bank of Edina; Chas. B. Linville, Cas.; O. J. Van Horn, Asst. Cas.——T. J. Lycan; P. A. Lycan, Pres.; V. E. Lycan, Cas.

ELMO—Farmers and Merchants' Bank (incorporated); capital, $10,000; E. A. Ralston, Pres.; J. J. King, Vice-Pres.; E. J. Bender, Cas.

GALLATIN—Farmers' Exchange Bank; E. D. Mann, Vice-Pres., J. W. Meade, Cas.

HARDIN—Bank of Hardin; S. C. Robinson, Pres.; M. M. Spurlock, Vice-Pres.

HERMANN—Hermann Savings Bank; Aug. Meyer, Pres.

HERMITAGE—Hermitage Bank; J. S. Hertman, Pres.; William L. Pitts, Cas.

HIGBEE—Higbee Savings Bank; G. E. Lessly, Cas.

HIGGINSVILLE—Citizens' Bank; D. W. Elling, Cas., deceased.

JAMESPORT—Farmers and Merchants' Bank; R. V. Thompson, Cas.; W. I Jones, Asst. Cas.

JOPLIN—First National Bank: S. C. Henderson, Pres. in place of L. A. Fillmore.

KAHOKA—Exchange Bank; I. C. Weaver, Pres.

KANSAS CITY—American National Bank; J. Martin Jones, Vice-Pres.——National Bank of Commerce; Chas. H Moore, Asst. Cas. ——Kansas City Clearing-House; Edgar C. Peoples, Manager in place of R. D. Covington.——Metropolitan National Bank; Geo. P. Gates, Vice-Pres. in place of C. J. White. ——First National Bank; H. P. Abernathy, Asst. Cas. in place of G. W. Fishburn.

KEARNEY — Kearney Commercial Bank; Locke Riley, Pres.; W. H. Gow, Vice-Pres.

LADDONIA—Farmers' Bank, J. T. Young, Asst. Cas.

LANCASTER—Farmers and Merchants' Bank; Thos. L. Buford, Pres.; Spencer Greer, Vice-Pres.; C. Figge, Cashier; G. R. Baker, Asst. Cas.

McFALL — Farmers' Bank, I. J. Manring, Asst. Cass.

MEMPHIS—Farmers' Exchange Bank; A. H. Pitkin, Vice-Pres.; L. C. Pitkin, Asst. Cas.

PATTONSBURG—Pattonsburg Savings Bank; S. M. Yontsey, Cashier.

PLEASANT HILL—Pleasant Hill Banking Co.; B. T. McDonald Pres.

PRINCETON—Bank of Mercer Co.; Benjamin C. Hyde, Asst. Cas.

SALEM—Bank of Salem; E. B. Sankey, Pres.

SALISBURY—Salisbury Savings Bank; Heber L. Mays, Asst. Cas.

ST. LOUIS—Chemical National Bank; Thomas

Wright, Vice-Pres. in place of Francis Kuhn, Francis Kuhn, 2d Vice-Pres.——Merchants'-Laclede National Bank; A. L. Shapleigh, 2d Vice-Pres. in place of D. R. Francis.——Third National Bank and Chemical National Bank; consolidated under former title.——Mississippi Valley Trust Co.; James E. Brock, Asst. Sec.; Chas. H. Turner, elected director in place of Thomas T. Turner, deceased.——St. Louis Clearing-House; Thos. A. Stoddart, Manager in place of Edward Chase, deceased.——L. A. Coquard Brokerage and Investment Co. (incorporated); capital, $50,000.

SUMNER—Sumner Exchange National Bank; Jo. Kay, Pres.; Jay Fullbright, Cas.

TRENTON—Trenton National Bank; C. A. Hoffman, Pres. in place of W. E. Austin.

TROY—People's Bank; P. G. Shelton, Pres.; Jno. B. Pollard, Asst. Cas.

WEATHERBY—Bank of Weatherby; Ora Hudson, Asst. Cas.

WESTON—Railey & Bro., Banking Co. (incorporated); capital, $25,000.

MONTANA.

BILLINGS—First National Bank; Henry W. Rowley, Vice-Pres. in place of C. T. Babcock; no Asst. Cas. in place of Geo. M. Hays.

PHILLIPSBURG—First National Bank; W. I. Power, Vice-Pres. in place of J. M. Merrill.

NEBRASKA.

ASHLAND—National Bank of Ashland: T. K. Chamberlain, Vice-Pres. in place of A. B. Fuller.

AURORA—First National Bank; M W. Walsh, Vice-Pres. in place of Delevan Bates.

BROCK—Bank of Brock; A. E. Starr, Asst. Cas. in place of Millie Barlet.

DU BOIS—State Bank; Grace Jordan, Asst. Cas.

ELWOOD—Citizens' State Bank; P. R. Miles, Pres.; Geo. C. Junkin, Vice-Pres.; H. M. Hare, Asst. Cas.

EMERSON—Farmers' State Bank; W. L. Mote, Pres. in place of Geo. H. Haase.

EXETER—First National Bank; C. C. Smith, Cashier in place of L. C. Gilbert; no Asst. Cashier in place of C. C. Smith.

JULIAN—Bank of Julian; Emile Berlet, Vice-Pres.

LEXINGTON—Lexington Bank; Kate E. Darr, Pres. in place of J. S. Stuckey.

LINCOLN—First National Bank; H. S. Freeman, Asst. Cas. in place of C. S. Lippincott.——Security Investment Co.; capital, $200,000.

LOUISVILLE—Bank of Commerce; C. C. Parmele, Vice-Pres.; G. H. Wood, Asst. Cas.

MORSE BLUFF—Bank of Morse Bluff; Walter Fleming, Pres.; John G. Wilson, Vice-Pres.

NORFOLK—Citizens' National Bank; M. H. Johnson, Cas., in place of R. A. Stewart.

OMAHA—First National Bank; C. T. Kountze and H. E. Gates, Asst. Cashiers.

OSCEOLA—Bank of Polk County; capital, $10,000.

PRAGUE—Farmers and Merchants' Bank Albert Safranck, Asst. Cas.

SCHUYLER—First National Bank; no Cas. in place of Morris Palmer.

WAYNE—Citizens' Bank; G. E. French, Asst. Cas.

WILBER—Blue Valley Bank; E. Ballard, Cas.

WYMORE—First National Bank; H. A. Greenwood, Pres., in place of C. W. Robertson; Jno. Volk, Vice-Pres, in place of H. A. Greenwood; no Asst. Cas. in place of S. D. Rengler.

NEW JERSEY.

BOUND BROOK—First National Bank; H. G. Herbert, Cas. in place of R. H. Brokaw.

CAMDEN—Camden National Bank; Zophar L. Howell, Pres., in place of Zophar C. Howell; Isaac C. Toone, Vice-Pres., in place of Henry B. Wilson.——New Jersey Trust and Safe Deposit Co.; B. F. Fowler, Pres., in place of Geo. E. Taylor.

FREEHOLD—Central National Bank; J. O. Burtt, Pres., in place of Jas. E. Parker; Jasper Bray, Acting Cas., in place of Elihu B. Bedle.

HOPEWELL—Hopewell National Bank; A. L. Holcombe, Pres., in place of Joseph W. Phillips, deceased.

NEWARK—North Ward National Bank; J. W. Lushear, Pres., in place of Benjamin F. Crane, deceased; C. M. Sexton, Cas. in place of J. W. Lushear.——Newark City National Bank; D. H. Merritt, Cas., in place of A. Baldwin; no Asst. Cas. in place of D. H. Merritt.

NEW BRUNSWICK—National Bank of New Jersey; Lewis F. Howell, Pres., in place of Lewis T. Howell; no Vice-Pres. in place of G. S. Van Pelt.

PHILLIPSBURG—Phillipsburg National Bank; no Vice-Pres. in place of Joseph C. Kent.

NEW HAMPSHIRE.

DOVER—Cocheco National Bank; no Vice-Pres. in place of Jno. S. Glass.

FRANCESTOWN—Francestown Savings Bank; F. B. Starrett, Pres., in place of Hiram Patch.

MANCHESTER—National Bank of the Commonwealth (in liquidation); Arthur M. Heard, Receiver, in place of William A. Heard, resigned.

NEW MEXICO.

MAGDALENA—Frank G. Bartlett (successor to Bartlett & Tyler); M. S. Bartlett, Pres., in place of J. M. Tyler.

NEW YORK.

BINGHAMTON—Binghamton Trust Co.; capital reduced from $400,000 to $300,000.

BUFFALO—Columbia National Bank and Bank of Buffalo; Sherman S. Jewett, director, deceased.——Niagara Bank; John A. Kennedy, Vice-Pres.; W. J. Hayes, Cas., in place of John A. Kennedy; Frank T. Hartman, Asst. Cas.

ELMIRA—Second National Bank; M. T. Smith, Asst. Cas.. in place of Prentice P. Norman, deceased.

FONDA—National Mohawk River Bank; J. Ledlie Hees, Pres., in place of Daniel Spraker, deceased; Edward B. Cushing, Vice-Pres., in place of B. F. Spraker; J. J. Veeder, Cas., in place of J. Ledlie Hees.

HOLLAND—Bank of Holland; Jacob Wurst, Vice-Pres., deceased.

KINGSTON—National Ulster County Bank; Chas. De Witt Bruyn, Cas., deceased.——National Bank of Rondout; William Hutton, Pres., deceased

LE ROY—Bank of Le Roy; Butler Ward, Pres., in place of William Lampson, deceased; W. C. Donnan, Cas., in place of Butler Ward; H. B. Ward, Asst. Cas.

NEW BRIGHTON—First National Bank of Staten Island: J. F. Emmons, Vice-Pres., in place of Louis Benziger.

NEWBURGH—Columbus Trust Co.; Joseph Van Cleft, Pres.; D. A. Morrison, 1st Vice-Pres.; N. H. Dubois, 2d Vice-Pres.

NEW YORK CITY—Second National Bank; Jno L. Riker, Vice-Pres.; Wm. Pabst, Asst. Cas.——Lazard Freres; Henry Dittman elected a member of the Stock Exchange. ——Lounsbery & Co.; James Lounsbery, deceased.——Bowery Bank; Wm. E. Clark, Pres.; Wm. R. Kuran, Asst. Cas.——Harvey Fisk & Sons; Theo. H. Banks elected member Stock Exchange.——C. L. Rathbone & Co.; Henry G. Hilton admitted to firm.——New York Life Insurance and Trust Co.; James P. Kernochan, director, deceased.

OGDENSBURG — Ogdensburg Bank; Frank Chapman Pres. in place of Wm. J. Averell, deceased.——Kessler & Co.; Rudolf E. F. Flinsch admitted to firm.——Merchants' Bank of Canada; John B. Harris, Agent in place of John Gault. resigned.

ONEONTA—First National Bank; M. L. Keyes, Pres., in place of Ransom Mitchell; Ransom Mitchell, Vice-Pres., in place of W. T. Keyes; W. T. Keyes, 2d Vice-Pres.; I. L. Pruyn, Cas., in place of M. L. Keyes.

PLATTSBURGH—Merchants' National Bank; W. L. Wever, Asst. Cashier.

SCHUYLERVILLE—National Bank of Schuylerville; Geo. H. Bennett, Vice-Pres., in place of John Wagman.

SENECA FALLS—Exchange National Bank; Milton Hoag, Pres., in place of James H. Gould, deceased; S. S. Gould, Vice-Pres., in place of Milton Gould.

SYRACUSE—State Bank; Albert K. Hiscock elected director.

TONAWANDA—German American Bank; resumed.

WATERTOWN—National Bank and Loan Co.; Geo. H. Sherman, Pres., deceased.

NORTH CAROLINA.

ASHEVILLE—National Bank of Asheville; W. T. Weaver, Pres., in place of W. W. Barnard; W. B. Williamson, Cas.

LOUISBURG—Bank of Louisburg; James L. Webb, Cas., deceased.

WADESBORO—First National Bank; W. L. Marshall, Cas., in place of J. D. Leak; no Asst. Cas. in place of W. L. Marshall.

WINSTON—First National Bank; consolidated with People's National Bank under latter title.

NORTH DAKOTA.

SAINT THOMAS—First National Bank; A. L. Miller, Vice-Pres., in place of A. P. Buchanan; Edwin H. James, Cas., in place of W. McBride; no Asst. Cas. in place of Edwin A. James.

OHIO.

CINCINNATI—Fifth National Bank; James Glenn, Vice-Pres.

CLEVELAND—Western Reserve National Bank; Samuel Mather, Pres., in place of James Pickands.——Cleveland Savings and Banking Co.; A. L. Davis, Cas.

DELAWARE—Deposit Bank; Sue Clippinger, Asst. Cas.

FLUSHING—First National Bank; no Asst. Cas. in place of Ralph Bethel.

GALLIPOLIS—First National Bank; no Asst. Cas. in place of C. A. De Lay.

JACKSON—First National Bank; H. L. Chapman, Pres., in place of D. Armstrong; Moses Morgan, Vice-Pres., in place of H. L. Chapman.

LANCASTER—Hocking Valley National Bank; Geo. E. Martin, Pres., in place of H. A. Martens; no Vice-Pres. in place of Geo. E. Martin.

LORAIN—Penfield Ave. Savings Bank Co.; W. B. Thompson, Pres.; H. P. Foskett, Vice-Pres.

LOUDONVILLE—Loudonville Banking Co.; H. L. Sanborn, Cas., in place of W. S. Fisher.

NEW MATAMORAS—Bank of New Matamoras; Ed. M. Gross, Cas.

NILES—City National Bank; F. C. Robbins, Vice-Pres., in place of John Dunlap.

ORWELL—Orwell Banking Co. (organizing); H. B. Satterlee, Pres.; F. H. Perkins, Cas.

STEUBENVILLE—Commercial National Bank; John W. Forney, Vice-Pres., in place of Geo. A Maxwell.

TROY—Troy National Bank; W. E. Bowyer, Asst. Cas. in place of C. E. Wilson; no 2d Asst. Cas. in place of W. E. Bowyer.

WESTERVILLE—Bank of Westerville; Marshall Smith, Pres., in place of Emery J. Smith; Emery J. Smith, Vice-Pres.

OREGON.

LA GRANDE—La Grande National Bank; R. Smith, Pres., in place of R. M. Steel; J. Brooks, Vice-Pres., in place of R. Smith.

PENNSYLVANIA.

ASHLAND—Citizens' National Bank; Peter E. Buck, Vice-Pres., in place of John Hunter; E. C. Walter, Cas., in place of Geo. E. Helfrich.

BEAVER—Beaver National Bank; C. M. Hughes, Cas., in place of Frederick Davidson.

BELLE VERNON—First National Bank; J. C. Cunningham, Vice-Pres., in place of S. M. Graham; B. F. Taylor, Cas., in place of J. A. Cook; no Asst. Cas., in place of B. F. Taylor.

BLOOMSBURG—First National Bank: A. Z. Schoch, Vice-Pres.

BOYERTOWN—National Bank of Boyertown; Jacob Wallach, Pres.

BRADDOCK—First National Bank; H. Watt, Cas. in place of H. C. Shallenberger.

COUDERSPORT—First National Bank; M. S. Harvey, Asst. Cas.

EASTON—First National Bank; Henry Fulmer, Pres. in place of E. F. Stewart; William Keller, Vice-Pres. in place of Henry Fulmer.

ERIE—Marine National Bank; C. E. Gunnison, Pres. in place of Francis F. Marshall, deceased; Harry Gunnison, Cas. in place of C. E. Gunnison; no Asst. Cas. in place of Harry Gunnison.

EVERETT—Everett Bank: Jas. M. Wilson, Cas., deceased.

GETTYSBURG—First National Bank: D. G. Winter, Pres. in place of Geo. Throne.

GROVE CITY—First National Bank; John M. Martin, Vice-Pres.; W. A. Kennedy, Asst. Cas.

INDIANA—First National Bank; W. J. Mitchell, Pres. in place of A. M. Stewart; J. R. Daugherty, Jr. Cas. in place of W. J. Mitchell; J. Wilse McCartney, Asst. Cas. in place of J. R. Daugherty, Jr.

MOUNT PLEASANT—Citizens' National Bank; John L. Ruth, Cas. in place of J. G. Shope.

PHILADELPHIA—Kensington National Bank; John Fullerton, Vice-Pres. in place of Benjamin H. Brown.——Tradesmen's National Bank; A. B. Loeb, Vice-Pres. in place of R. S. Hubbard.——Northern National Bank; Geo. F. Craig, Vice-Pres. in place of Chas. C. Carman.——Sixth National Bank; Daniel Baird, director, deceased.

PITTSBURG—Marine National Bank; D. W. C. Bidwell, Vice-Pres. in place of W. F. Wilson.——Duquesne National Bank; W. S. Linderman, Asst. Cas.——Pittsburg Bank for Savings; Jas. Speer Kuhn, Pres. in place of Geo. A. Berry, resigned.——Second National Bank; W. W. Ramsey, Asst. Cas.

SCRANTON—Third National Bank; Henry Belin, Jr., Vice-Pres. in place of Geo. H. Catlin.

SOMERSET—First National Bank; Josiah Swank, Asst. Cas.

STROUDSBURG—First National Bank; Geo. E. Stauffer, Vice-Pres. in place of David Saylor, deceased.

TIONESTA—Citizens' National Bank; F. R. Sanson, Vice-Pres.

TYRONE—First National Bank; Isaac P. Walton, Vice-Pres. in place of Geo. D. Blair.

WAYNESBORO—Bank of Waynesboro: Joseph J. Oller, Pres. in place of Jacob F. Oller, deceased.

WILLIAMSPORT—Lycoming National Bank; N. B. Bubb, Vice-Pres. in place of O. H. Reighard.

RHODE ISLAND

KINGSTON—National Landholders' Bank; Chas. J. Greene, Vice-Pres. in place of Wm. Watson.

PHENIX—Phenix National Bank; Henry D. Brown, Cas., deceased; also Treas. Phenix Savings Bank.

PROVIDENCE—First National Bank; Geo. H. Dart, Vice-Pres., deceased.——Rhode Island National Bank; Chas. Warren Lippitt, Pres. in place of Samuel S. Sprague; Samuel M. Nicholson, Vice-Pres. in place of Chas. Warren Lippitt.——Commercial National Bank; Thomas Harris, Vice-Pres.

WOONSOCKET—First National Bank; Benjamin W. Gallup, Asst. Cas. in place of James E. Cook.

SOUTH CAROLINA.

CHARLESTON—Charleston Savings Institution; I. S. Cohen, Cas. in place of Joseph W. Bock.

SOUTH DAKOTA.

PIERRE—Pierre National Bank; W. J. Kehr, Cas. in place of W. J. Kerr, as previously reported in accordance with advice received from Comptroller's office.——National Bank of Commerce; Chas. L. Hyde, Vice-Pres.

STURGIS—Meade County Bank (successor to First National Bank); capital, $20,000; D. A. McPherson, Pres.; James Halley, Cas.; J. W. Ryan, Asst. Cas.

TENNESSEE.

CHATTANOOGA—Wiehl, Probasco & Co.; Abner J. Wisdow, deceased.

CLEVELAND—Cleveland National Bank: W. P. Lang, Asst. Cas.

GOODLETTSVILLE—Bank of Goodlettsville; S. H. Wilhoite, Asst. Cas.

HARRIMAN—Manufacturers' National Bank; no Vice-Pres. in place of W. B. Winslow.

KNOXVILLE—Holston National Bank; H. L. McLurg, Pres. in place of H. S. Mizner; S. H. McNutt, Vice-Pres. in place of Jackson Smith.——City National Bank; Wm. J. Marfield, Cas.

MEMPHIS—Memphis National Bank; no Asst. Cas. in place of W. P. Halliday, Jr.——Union and Planters' Bank; S. P. Read, Pres. in place of Napoleon Hill.

TEXAS.

BALLINGER—First National Bank; no Vice-Pres. in place of J. N. Winters.

CAMERON—Tandy, Patterson & Co.; capital, $50,000; J. A. Tandy, Pres.; E. R. Patterson Cas.

COMANCHE—First National Bank; T. R. Hill, Pres. in place of H. R. Martin; J. M. Presler, Vice-Pres. in place of G. A. Beeman; J. D. Sherrill, Cas. in place of T. C. Hill; no 2d Asst. Cas. in place of J. D. Sherrill.

DENTON - Exchange National Bank; Alex. R. Hann, Asst. Cas.

ENNIS—People's National Bank ; J. A. Pace, Cas. in place of J. B. Herndon; J. W. Weatherford, Asst. Cas. in place of J. A. Pace.

FORNEY—National Bank of Forney; Tom Layden, Pres. in place of T. H. Dailey.

HILLSBORO—Farmers' National Bank; T. S. Smith, Vice-Pres. in place of Thomas Ivy.

PARIS—Farmers and Merchants' Bank; H. A. Bland, Cashier, deceased.

WICHITA FALLS—City National Bank; A. Newby, Vice-Pres. in place of O. J. Kendall.

UTAH.

OGDEN—Utah National Bank ; no Vice-Pres. in place of Allen G. Campbell.

SALT LAKE CITY—Utah National Bank; W. H. Roy, 2d Vice-Pres., in place of Geo. Y. Wallace.

VIRGINIA.

CHASE CITY—Bank of Chase City ; Daniel F. Sparkle, Asst. Cas.

DANVILLE—Merchants' Bank; R. F. Acree, Cas., in place of W. W. Ayres.

WASHINGTON.

COLFAX—First National Bank; Julius Lippit, Vice-Pres.

SEATTLE—Washington National Bank; Wm. Thaanum, Asst. Cas.

WALLA WALLA - First National Bank; John F. Boyer, Pres., deceased.

WEST VIRGINIA.

PARKERSBURG—Parkersburg National Bank; Th. G. Smith, Pres., in place of John V. Rathbone, deceased.

WISCONSIN.

MONTFORT—Montfort State Bank; L. H. Stevens, Cas., in place of F. W. Stevens.

NEENAH—Manufacturers' National Bank; F. C. Shattuck, 2d Vice-Pres.

RIVER FALLS—Farmers and Merchants' State Bank ; C. N. Wiger, Cas.

SUPERIOR—Northwestern National Bank; Louis Hanitch, Pres., in place of Homer T. Fowler, resigned; James Ferguson, Mgr.

WAUKESHA—National Exchange Bank; W. P. Sawyer, Pres., in place of S. D. James, deceased; R. P Breese, Cas., in place of W. P. Sawyer.

CANADA.

ONTARIO.

GANANOQUE—Merchants' Bank of Canada; J. C. Patterson, Manager in place of W. G. Hinds.

MITCHELL—Merchants' Bank of Canada; W. G. Hinds, Manager.

TORONTO—Traders' Bank of Canada; C. D. Warren, Pres., in place of William Bell; Christian Kloepfer, elected director in place of Wm. Bell.——Bank of British North America; E. Stanger, Mgr., in place of William Grindlay, resigned.——Dominion Bank; James Austin, Pres., deceased.

QUEBEC.

HUNTINGDON—Eastern Townships Bank ; E. N. Robinson, Mgr.

MONTREAL—La Banque D'Hochelaga; capital increased from $800,000 to $1,000,000.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

MONTEVALLO — C. C. Vandegrift; reported discontinued banking.

COLORADO.

EATON—State Bank; going out of business.

FLORIDA.

JACKSONVILLE—Merchants' National Bank.

UMATILLA—John Clarke & Co.; reported discontinued business.

GEORGIA.

LITHONIA—Lithonia Bank; assigned to J. C. Johnson.

IDAHO.

BLACKFOOT—C. Bunting & Co.

KETCHUM—Geo. J. Lewis & Co.; going out of business.

ILLINOIS.

CHESTER—First National Bank; in voluntary liquidation, to take effect February 15.

LEBANON—Bank of Lebanon.

INDIANA.

CLOVERDALE—Cloverdale Bank; closing.

IOWA.

GRISWOLD—First National Bank; in hands of Ira F. Hendricks, Receiver, February 17.

LEEDS—Commercial Savings Bank; in hands of W. L. Frost, Receiver.

OTTUMWA—South Ottumwa Bank; suspended March 6.

POPEJOY—Bank of Popejoy; discontinued.

KANSAS.

CLIFTON—Bank of Clifton; accounts transferred to Clifton State Bank.

KIRWIN — Traders' Bank; in voluntary liquidation.

TOPEKA—Topeka Safe Deposit and Trust Co.; out of business.

KENTUCKY.

LOUISVILLE—Germania Safety Vault and Trust Co., assigned March 9.

MARYLAND.

BALTIMORE—Lexington Savings Bank; James E. Tippett, Receiver.

MISSOURI.

ASBURY—Bank of Asbury.

BELTON—Geo. W. Scott & Co.; sold out to Bank of Belton.

MONETT—Bank of Monett.

PARKVILLE—Park Bank; going out of business.

ST. JOSEPH—State National Bank; in voluntary liquidation.

ST. LOUIS—Mullanphy Savings Bank; in hands of Wm. J. Stone, Receiver, March 1.

MONTANA.

GREAT FALLS—Northwestern National Bank; in hands of James B. Lazear, Receiver, March 6.

HELENA—Merchants' National Bank.

NEBRASKA.

EWING—Bank of Ewing.

FULLERTON—Citizens' State Bank; in hands of E. D. Gould, Receiver.

GOTHENBURG—First National Bank; in voluntary liquidation.

OHIOWA—Farmers' Bank of Fillmore Co.; out of business.

WILSONVILLE—Beaver Valley Bank.

NEW YORK.

POTSDAM—National Bank of Potsdam; in hands of Josiah Van Vranken, Receiver, March 2.

TROY—National Bank of Troy; in voluntary liquidation by resolution of November 16, 1896.

OHIO.

FRANKLIN—First National Bank; in hands of J. D. Miller, Receiver, February 17.

PENNSYLVANIA.

MOUNT PLEASANT—Morrison Bros.; assigned.

WEST CHESTER—Chester Co. Guarantee Trust & Safe Deposit Co.; John A. Rupert and William Chalfant, Jr., Receivers.

WEST MIDDLESEX—Powell's Bank.

SOUTH DAKOTA.

REDFIELD—Merchants' National Bank; in voluntary liquidation by resolution, to take effect February 15.

TENNESSEE.

CARTHAGE—Bank of Carthage.

MEMPHIS—German Savings Bank; business transferred to First National Bank.

VIRGINIA.

NORFOLK—Norfolk Trust Co.; Thomas H. Wilcox, Assignee.

WASHINGTON.

GOLDENDALE—First National Bank; in voluntary liquidation by resolution of December 17, 1896.

JOHNSON—Farmers and Traders' Bank.

OLYMPIA—First National Bank; in hands of Albert A. Phillips, Receiver, February 17.

WISCONSIN.

WEST SUPERIOR—State Trust and Savings Bank; in hands of W. H. Slack, Receiver.

CANADA.

ONTARIO.

MILDMAY—Carrick Financial Co.

Proceedings of Congress.

EXTRA SESSION CALLED TO MEET MONDAY, MARCH 15.

The reluctance of Congress to amend the National Banking Act seems to be disappearing, several measures making changes in the law having passed the House at the session just closed. One of these, an amendment to the law in regard to the appointment of Receivers of failed National banks, has passed the Senate and received the approval of the President.

A bill providing for the issue of circulation to the par value of the bonds deposited passed the House on February 25 by a vote of 144 to 46. This bill, as well as the one permitting the organization of banks with a less capital than $50,000, has yet to receive the sanction of the Senate and the President before becoming laws.

An international monetary conference bill was passed, and has been signed by the President. It authorizes the appointment of delegates to any conference that may be called, and also provides for negotiations on the subject of bimetallism through the diplomatic representatives of the United States. President McKinley in his inaugural address spoke in favor of the project, and also suggested the appointment of a commission to consider a revision of the coinage, currency and banking laws.

On the assembling of the extra session of Congress, March 15, strong efforts will be made to secure the passage of a general banking bill, and it is believed there is a fair prospect of getting a carefully-prepared bill through the House, but the favorable action of the Senate is regarded as doubtful.

It is possible that the wrangle over the new tariff bill may consume so much time that no financial legislation can be passed at the extra session, and the political complexion of the Senate is so uncertain that no safe predictions can be made as to its course.

Judging from the President's inaugural, the Administration will favor tariff legislation at this session and the reference of the financial question to a commission of experts.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, March 4, 1897.

THE QUADRENNIAL CHANGE IN THE GOVERNMENT at Washington which occurs to-day has to some degree at least influenced the sentiment underlying commercial and financial operations. That Congress held an antagonistic position with reference to the Executive has been apparent for some time past, and therefore there has been little looked for in the way of legislation prior to the inauguration of Mr. McKinley. With that event an extra session of Congress in the near future (March 15 is the date reported) was considered a foregone conclusion. There is less of critiscism this time than usually attaches to the calling of Congress in extra session, for the reason that it is expected that a prompt effort will be made to improve the revenues of the Government, and thus put an end to the monthly deficits which in the past four years have aggregated more than $296,000,000. In only ten months of the forty-eight since March 1, 1893, have the revenues equalled the expenditures.

Some important events bearing upon the interests of investors make a part of the history of the past month. The dissolution of the steel rail pool, which occurred early in the month, was of far-reaching importance. The first effect was a reduction in price of steel rails which sent it down $10 below the price of a couple of months ago. From $28, the ruling quotation last December, the price has fallen to $18. This cut in prices has induced very liberal orders from railroads, and the steel rail and pig iron industries will feel a strong impetus. Buying orders at the lower quotations have come from England and even from Japan. A railroad uses about 120 gross tons of steel rail—75 pounds to the year—per mile. To save $10 per ton will be an inducement for every railroad needing new rails to make the purchase at once, and the result must be very great activity in many departments of the iron trade.

About 1,100,000 tons of Bessemer steel rails were produced last year, a decrease of 160,000 tons as compared with the output of 1895, and of 940,000 tons as compared with that of 1887 when the output was the largest recorded. The production of Bessemer steel ingots last year reached 3,919,906 tons, or nearly 1,000,000 tons less than in 1895, but larger than in any previous year, excepting 1892, and only 248,000 less than in that year. With any increased activity in this industry it is quite possible that all previous records will be surpassed.

That the railroads are poor is evident not only from the returns that they have been making from week to week and from month to month, but is painfully apparent in the annual reports now being published and in the records of dividends passed, interest defaulted and receivers appointed. The "Financial Chronicle's" compilation of given and net earnings for the year 1896 shows a decrease in given earnings on 136,852 miles of road of $806,862, or about .08 per cent., and in net earnings of $5,303,358, or 1.73 per cent. This is a small decrease, to be sure; but when it is remembered that there were enormous losses in 1893 and 1894, and only a partial recovery in 1895, the further decrease last year must be taken to mean a very serious condition for many of our railroads last year.

That investors have something more than conditions of business to contend with, they were sharply reminded last month by the trust investigation instituted by a joint committee of the New York Legislature. The investigation was conducted as an attack upon business enterprise and not merely as an inquiry directed against wrongful combinations in restraint of trade. The folly of frightening capital out of New York must be manifest to the most indifferent observer. In this city the clearings of the associated banks amount to about $2,600,000,000 in a single month, while in eighty-three other cities the aggregate clearings are only $2,000,000,000 or less. New York's nearest rival, Boston, reports clearings one-sixth as large, and Chicago one-eighth as large. Any legislation intended to frighten capital can not but be exceptionally disastrous where capital is lodged in such magnitude as here.

The general conditions which have prevailed since the election last November were more or less conspicuous last month. The money market continues to reflect absolute freedom from threat of stringency in the near future. Minimum rates prevail in all branches of the loan market The banks are accumulating funds and deposits are gradually getting to the highest point yet recorded. Rates for money abroad are also falling, while both the Bank of England and the Bank of Germany last month reduced their rate of discount.

The gold movement between the United States and abroad is at a standstill, but this country continues to pile up enormous balances to its credit as the result of the shipments of merchandise. In January the net exports of merchandise were nearly $43,700,000, the largest by $5,000,000 ever reported for any corresponding month, while for the seven months ending January 31, the net exports were nearly $293,000,000, which is $87,000,000 more than was ever before known for such a period.

The change in the executive head of the Government suggests a general glance at the record of the four years just closed. Some of the happenings of that period make a startling comparison with those of previous periods of similar duration. There is space only for a few of the most interesting comparisons, while extended comment will be unnecessary. While on the subject of our foreign trade it will be of interest to show the movement of merchandise and specie in each of the four year periods in the past twenty years. The results are here presented :

FOUR YEARS.	*Merchandise.*			*Gold.*	*Silver.*
	Exports.	Imports.	Net exports.	Exports.	Exports.
1887-1880	$3,012,237,632	$2,122,468,655	$889,768,977	*$139,703,662	$25,643,689
1881-1884	3,146,106,817	2,739,381,031	406,725,786	*35,498,128	42,396,583
1885-1888	2,808,715,913	2,685,527,711	123,188,202	*24,433,262	50,185,145
1889-1892	3,593,539,201	3,263,171,589	330,367,612	135,959,393	49,838,349
1893-1896	3,531,922,519	2,935,807,351	596,115,168	114,273,643	158,305,619

* Imports.

The exports of merchandise in the last four years fell off $61,000,000 and the imports $327,000,000, as compared with the previous four years, while the balance of net exports increased nearly $266,000,000. The net imports of gold were $21,000,000 less than in 1889–'92, but more than $70,000,000 of gold was imported in the last four months of 1896, otherwise the comparison would have been decidedly unfavorable. The table shows a wonderful increase in the export of silver.

Attention is now directed to the revenues and expenditures of the Government. The data for the calendar year in the first three periods of the twenty years are not available, so we use the figures for the fiscal years ending June 30 for three periods, and for the calendar year in the last two periods. This will answer our purpose of showing what an enormous surplus the Government collected at a time when the interest payments were very large.

The decrease in customs receipts in the last four years was $221,000,000, or $31,000,000 more than the deficit reported for that period. The payments for pen-

GOVERNMENT REVENUES AND DISBURSEMENTS.

	Customs Receipts.	*Total Revenues.*	*Pension. Payments.*
June 30, 1877 to June 30, 1881	$652,102,469	$1,124,077,700	$146,999,400
" 1881 " 1885	811,656,656	1,474,023,400	232,846,200
" 1885 " 1889	853,115,832	1,474,159,000	274,824,700
January 1, 1889 to December 31, 1892	835,614,000	1,545,803,000	483,493,000
" 1893 " 1896	614,419,486	1,272,440,400	572,850,000
	Interest.	*Total Expenditures.*	*Surplus.*
June 30, 1877 to June 30, 1881	$400,710,910	$1,012,889,600	$211,188,100
" 1881 " 1885	267,324,457	1,028,228,700	445,794,700
" 1885 " 1889	194,422,987	1,038,567,000	435,592,000
January 1, 1889 to December 31, 1892	130,251,000	1,4[illegible]2,354,000	143,449,000
" 1893 " 1896	126,817,922	1,462,996,600	*190,556,200

* Deficit.

sions and interest make an interesting study for which there is no opportunity at present.

The next point of interest is the public debt, concerning which we publish the following:

PUBLIC DEBT AND TREASURY RESOURCES.

MARCH 1ST.	*Interest bearing Debt.*	*Net Debt less cash in Treasury.*	*Annual Interest charge.*	*Net Cash in Treasury.*	*Net Gold in Treasury.*
1877	$1,711,888,500	$2,019,275,431	$93,160,643	$40,000,000	....
1881	1,674,935,000	1,879,956,412	76,845,937	232,801,378	$166,808,853
1885	1,196,149,050	1,405,923,350	47,014,057	23[illegible],176,538	127,346,553
1889	858,10[illegible],220	1,063,665,806	34,998,460	281,343,675	196,245,980
1893	585,034,260	839,153,665	22,894,080	146,812,418	103,284,219
1897	847,364,750	1,012,600,454	34,387,300	215,362,420	148,661,209

The situation is so accurately portrayed in the above statement that comment seems to be unnecessary. It is enough to mention that while the debt has been considerably increased the cash and gold balances in the Treasury are larger than they were five years ago.

The extraordinary increase in the production of silver ought to be a conclusive explanation of the decline in price of that metal. At all events, the decline has been very great, as the following table shows:

PRICES OF SILVER IN LONDON.

FOUR YEARS.	*Highest.*	*Lowest.*	*Average.*	*Average.*
1877-1880	58¼d.	48⅞d.	1876....52¾d.	1880....52¼d.
1881-1884	52⅞d.	49½d.	1881....51 11/16d.	1884....50¾d.
1885-1888	50d.	41⅝d.	1885....48 9/16d.	1888....42⅞d.
1889-1892	54⅝d.	37⅞d.	1889....41 11/16d.	1892....39¼d.
1893-1896	38¾d.	27d.	1893....35 9/16d.	1896....30¾d.

MARCH QUOTATIONS.

1877	56⅛ @ 53¼	1889	42⅝ @ 42
1881	52⅞ @ 52	1893	38⅝ @ 37 9/16
1885	49 3/16 @ 49	1897	29¾ @ 29 11/16

In the following table is shown the total supply of gold and silver in use, as money in the country; also the amount in circulation and total circulating medium:

GOLD, SILVER AND MONEY STATISTICS.

MARCH 1ST.	*Stock Gold.*	*Stock Silver.*	*Gold in Circulation.*	*Silver in Circulation.*	*Money in Circulation.*
1877	$20,000,000	$45,000,000	$20,000,000	$42,000,000	$720,000,000
1881	446,079,544	167,095,110	279,270,691	120,014,081	1,070,496,770
1885	581,162,973	273,285,380	453,816,420	196,956,358	1,292,588,951
1889	705,954,608	408,369,220	509,718,628	356,005,608	1,408,909,754
1893	627,490,086	596,874,470	524,205,867	445,733,060	1,599,655,546
1897	702,521,724	631,747,623	553,860,815	479,797,858	1,675,694,953

The following statement shows the remarkable development of our precious metal producing mines:

GOLD AND SILVER PRODUCTION.

FOUR YEARS.	*Gold.*		*Silver.*		
	Fine ounces.	Value.	Fine ounces.	Com. value.	Coin. value
1877-1880	8,368,875	$173,000,000	127,613,000	$147,390,000	$165,000,000
1881-1884	6,191,999	128,000,000	142,990,000	160,700,000	184,800,000
1885-1888	6,432,666	132,975,000	166,330,000	165,160,000	215,145,000
1889-1892	6,377,095	131,820,000	226,330,000	217,168,000	292,629,000
1893-1896	8,523,235	176,185,000	217,762,000	150,067,000	281,627,000

Much valuable information is to be obtained from the banking statistics of the country. The natural growth of New York as a financial center, even in the face of general commercial depression, prevents an extended retrograde movement in the banking interest; so, in spite of the bad times of the past four years, it is not surprising to find the New York associated banks report larger resources than they did four years ago. The following table gives a comprehensive view of the local banking situation:

CONDITION OF NEW YORK BANKS ON MARCH 3.

	1877.	*1881.*	*1885.*	*1889.*	*1893.*	*1897.*
Loans	$259,100,400	$298,485,400	$298,590,600	$418,001,200	$452,917,400	$497,609,790
Deposits	227,100,000	274,442,600	350,667,800	438,095,000	462,004,300	578,769,300
Specie	28,498,900	54,894,100	101,664,400	86,266,500	72,853,500	83,940,900
Legal tenders	43,227,800	13,289,200	35,123,200	35,527,800	49,650,700	117,022,400
Total reserve	71,726,700	68,183,300	136,787,600	121,794,300	122,004,200	200,963,300
Surplus reserve	14,951,700	*427,350	49,120,650	12,270,550	7,508,125	57,520,975
Circulation	15,533,500	15,448,500	10,907,900	4,323,900	5,640,400	16,491,100

* Deficit.

The National banks of the country have experienced trying times during the past few years, and the growth of the sytem has suffered a check. The following summary from the statements made of the National banks in December of each of the years mentioned gives a twenty years' record of the system:

NATIONAL BANKS OF THE UNITED STATES.

DECEMBER.	*Number.*	*Capital.*	*Surplus.*	*Undivided Profits.*	*Circulation.*
1876	2,082	$497,482,016	$131,390,664	$52,327,715	$292,011,575
1880	2,095	458,540,085	121,824,629	47,946,741	317,484,496
1884	2,664	524,089,065	146,867,119	70,711,870	280,197,043
1888	3,150	593,848,247	187,292,470	88,802,639	143,549,296
1892	3,784	689,698,017	239,931,932	114,603,884	145,662,499
1896	3,661	647,186,395	247,339,567	95,792,338	210,689,965

DECEMBER.	*Deposits.*	*U. S. Bonds Held.*	*Specie.*	*Legal Tenders.*	*Total Resources.*
1876	$619,350,223	$383,400,250	$32,999,648	$92,316,400	$1,787,407,093
1880	1,006,452,853	397,785,450	107,172,901	65,366,934	2,241,683,830
1884	987,649,056	346,631,950	139,747,079	95,409,555	2,297,143,474
1888	1,331,265,617	218,145,050	172,734,278	91,775,060	2,777,575,799
1892	1,764,456,177	185,918,850	209,895,261	108,746,335	3,480,349,667
1896	1,639,688,393	263,620,890	225,540,709	155,973,612	3,367,115,773

The course of prices at the New York Stock Exchange during each of the periods under review is best shown by a table of prices of a dozen of the most representative railroad and telegraph stocks, all of which have been or are dividend payers. The list is as follows:

CLOSING PRICES OF STOCKS MARCH 3.

	1877.	*1881.*	*1885.*	*1889.*	*1893.*	*1897.*
Central of New Jersey	8⅝	105¾	38½	95½	119½	95½
Chicago, Bur. and Quincy	104	167½	121½	101¼	95	77⅝
Chicago, Milwaukee and St. Paul	18	108¾	72¼	62¾	77	77⅝
Chicago and Northwest	34⅜	123¾	95⅛	106¾	112⅛	107¾
Chicago, Rock Island and Pacific	101½	136	113	96½	83¼	69¼
Delaware and Hudson	49⅝	109½	79	135	129½	108⅜
Delaware, Lackawana and West.	63¾	124⅝	103½	141⅜	146¾	153¼
Lake Shore	49	126¾	63½	104¼	127¼	170
Michigan Central	41½	111⅝	62	89⅜	105	95
New York Central	93¼	147¼	92⅝	109	109¼	96⅜
Union Pacific	70½	118⅞	47¼	66½	37⅛	7¼
Western Union	63½	115½	58¾	86¾	95⅛	84
Average	58⅛	124⅝	78⅞	99⅝	103⅛	95⅛

THE MONEY MARKET.—The accumulation of money in local banks is disrupting all plans to maintain a minimum rate of interest on loans. While 2 per cent. seems a low enough rate to leave little margin for profit, lenders who can not get 2 per cent. naturally enough accept what they can get, and consequently the banks have not held the rate up as they undertook to do a couple of months ago. With call money ruling at 1½@1¾ per cent., six months loans commanding only 3 per cent. and commercial paper quoted at 3 to 5 per cent. according to time and character, the local money market shows a state of ease not likely to be interrupted for some time to come. At the close of the month call money ruled at 1½ @ 1¾ per cent. with the average rate about 1⅝ per cent., while banks and trust companies quote 2 per cent. as the minimum rate although some loan at Stock Exchange rates. Time money on Stock Exchange collateral was quoted at 2 per cent. for 30 to 60 days, 2½

MONEY RATES IN NEW YORK CITY.

	Oct. 1.	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	3 —6	6 —	1 —3	1½—2½	1½—2	1½—1¾
Call loans, banks and trust companies	6	12 —	3 —	2 —	1½	1½—2
Brokers' loans on collateral, 30 to 60 days	6	12 —	3 —	3 —	2	2
Brokers' loans on collateral, 90 days to 4 months	6	10 —	3½—4	3½—	2½	2½—3
Brokers' loans on collateral, 5 to 7 months	6	6 —8	4 —	4 —	3	3 —3½
Commercial paper, endorsed bills receivable, 60 to 90 days	6½—7	8 —10	4 —4½	3¾—4	3	3
Commercial paper prime single names, 4 to 6 months	7 —7½	8 —10	4½—5	4 —4½	3 —3½	3½—4
Commercial paper, good single names, 4 to 6 months	8 —9	8 —10	5 —6	4½—5½	4 —5	4 —5

per cent. for 90 days, and 3 per cent. for four to six months; some brokers quote 2½ per cent. for seven to nine months, and 4 per cent. for 12 months. For commercial paper the rates are 3 per cent. for 60 to 90 days endorsed bills receivable, 3½ @ 4 per cent. for four months commission house and first-class four to six months single names and 4 @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the preceding table.

EUROPEAN BANKS.—Further gains in gold were made by the Banks of England and Germany last month, the former of about $10,000,000. making $25,000,000 since January 1, and the latter of $8,000,000 making nearly $14,000,000 in the past two months. The changes reported for the other leading banks of Europe were unimportant. The principal banks together hold nearly $30,000,000 less gold than they did a year ago, but the Bank of England alone shows a loss of $50,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		*February 1, 1897.*		*March 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England............	£34,158,899	....	£37,106,112	....	£39,029,270	....
France..............	76,584,590	£49,130,797	76,371,260	£49,174,154	76,659,387	£49,316,807
Germany............	28,505,450	14,252,750	29,504,034	14,752,016	31,259,467	15,629,733
Austro-Hungary...	30,340,000	12,578,000	30,354,000	12,635,000	30,776,000	12,677,000
Spain................	8,528,000	10,210,000	8,528,000	10,240,000	8,528,000	10,890,000
Netherlands........	2,634,000	6,841,000	2,635,000	6,854,000	2,634,000	6,921,000
Nat. Belgium.......	2,736,667	1,368,833	2,795,333	1,397,667	2,826,667	1,413,333
Totals...........	£183,487,606	£94,380,880	£187,293,739	£95,052,837	£191,712,791	£96,847,873

MONEY RATES ABROAD.—Rates for money in the leading markets of the world tend downward. The Bank of England further reduced its rate of discount from 3½ per cent. to 3 per cent. on February 4. Its rate is now within 1 per cent. of the minimum which prevailed so long prior to September 10, 1896. On that date the rate was advanced from 2 to 2½ per cent. and the following rates have been made since September 24, 3 per cent.; October 22, 4 per cent.; January 20, 1897, 3½ per cent.; February 4, 3 per cent. The Bank of Germany three weeks later reduced its rate from 4 to 3½ per cent., a reduction of 1½ per cent. in less than two months. At the close of the month the London rate of discount for 60 to 90 day bank bills was 1⅞ per cent., a decline of ¼ per cent. for the month. The open market rate at Paris is 1⅞, a decline of ⅛ per cent., while at Berlin and Frankfort rates have declined from 2⅞ @ 3 per cent. to 2⅝ per cent.

MONEY RATES IN FOREIGN MARKETS.

	Sept. 13.	*Oct. 16.*	*Nov. 13.*	*Dec. 11.*	*Jan. 15.*	*Feb. 12.*
London—Bank rate of discount.....	2½	3	4	4	4	3
Market rates of discount:						
60 days bankers' drafts......	1⅞	2¾	3⅝	3⅛—¼	2 1/16	1⅞
6 months bankers' drafts....	1⅞—2⅛	2⅝	3⅛—3¼	2¾	2⅝	1⅞
Loans—Day to day...........	1	1½	3	2½	2¼	1½
Paris, open market rates............	1⅞	2	1⅞	1¾	1⅞	1¾
Berlin, "	3¾	4⅝	4¾	4⅞	3½	2¾
Hamburg, "	3¾	4⅝	4⅝	4⅞	3½	2¾
Frankfort, "	3⅝	4½	4⅝	4⅞	3½	2¾
Amsterdam, "	2⅛	3	3⅛	3	2⅞	2⅝
Vienna, "	4	3⅞	3¾	3¾	3⅝	3⅝
St. Petersburg, "	5¼	5½	6	5¼	6	5¾
Madrid, "	5	5	5	4	4	4
Copenhagen, "	3½	4½	4½	4	4	4

FOREIGN EXCHANGE.—Sterling exchange has ruled firm during most of the month, and some undoubtedly has been purchased in anticipation of larger imports and smaller exports of merchandise into and from the United States. Bankers also report remittances on account of sales of securities for European accounts. New bills are principally for grain shipments. The following table shows the condition of foreign exchange markets:

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60 days.*
	60 days.	*Sight.*			
Jan. 30	4.84¾ @ 4.85	4.86¾ @ 4.87	4.87¼ @ 4.87½	4.84¼ @ 4.84½	4.83½ @ 4.84¼
Feb. 6	4.84½ @ 4.84	4.86½ @ 4.86¾	4.86¾ @ 4.87	4.84 @ 4.84¼	4.83¼ @ 4.83¾
" 13	4.84¾ @ 4.85	4.86¾ @ 4.87	4.87 @ 4.87¼	4.84¼ @ 4.84½	4.83½ @ 4.84
" 20	4.85 @ 4.85¼	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.84½ @ 4.84¾	4.83¾ @ 4.84¼
" 27	4.85 @ 4.85¼	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.84½ @ 4.84¾	4.83¾ @ 4.84¼

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Nov. 1.	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*
Sterling Bankers—60 days	4.81½— 2	4.83¾— 4	4.83½— ¾	4.84¾— 5	4.85 — ¼
" " Sight	4.84½— ¾	4.86¾— 7	4.86½— ¾	4.86¾— 7	4.87 — ¼
" " Cables	4.85¼— ½	4.87 — ¼	4.87 — ¼	4.87¼— ½	4.87¼— ½
" Commercial long	4.81 — ¼	4.82¾— 3	4.83 — ¼	4.84 — ½	4.84¼— ¾
" Docu'tary for paym't.	4.80 — ¾	4.82½— ¾	4.82¼— 3	4.83¼— 4¼	4.83¾— 4½
Paris—Cable transfers	5.19⅝— 8¾	5.17½—	5.17½—	5.16¼—	5.16¼— ⅛
" Bankers' 60 days	5.22½— 1⅞	5.20 1/16—20	5.20 —19⅝	5.18¾—	5.18¾— ⅛
" Bankers' sight	5.20 — 9⅜	5.18⅛—	5.18⅛—	5.16⅞—	5.16¼— ¼
Antwerp—Commercial 60 days.	5.25 — 4⅜	5.23⅛— 2½	5.22½— 1⅞	5.21¼—20⅝	5.21¼—20⅝
Swiss—Bankers' sight	5.19⅜— 8¼	5.19⅜— 8¾	5.20 —19⅝	5.18¾—	5.19⅝—
Berlin—Bankers' 60 days	94 7/16— ½	94¾— 13/16	94⅞— 13/16	95 — ⅛	95⅛— 1/16
" Bankers' sight	95⅛— 3/16	95½— 9/16	95 7/16— ½	95½— 3/16	95¼—
Brussels—Bankers' sight	5.20 —	5.18¾— 1/16	5.18¾— ½	5.17½— 6⅞	5.17½— 6⅞
Amsterdam—Bankers' sight	40 — 1/16	40¼— 3/16	40 3/16— ¼	40 13/16— 3/16	40¼— 3/16
Kronors—Bankers' sight	26⅞— 15/16	27 — ⅛	27 — 1/16	26 15/16—27	26⅞— 15/16
Italian lire—sight	5.57½—47½	5.55 —45	5.45 — 35	5.41½—38¼	5.43⅛— 4⅛

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Nov. 11, 1896.	*Dec. 30, 1896.*	*Jan. 13, 1897.*	*Feb. 10, 1897.*
Circulation (exc. b'k post bills)	£26,546,525	£26,021,850	£26,024,905	£25,644,360
Public deposits	5,393,967	6,826,337	6,992,759	13,175,053
Other deposits	43,509,134	42,213,382	45,012,695	40,699,405
Government securities	13,758,066	13,752,969	14,935,117	14,767,630
Other securities	27,329,644	27,137,935	28,894,268	28,456,015
Reserve of notes and coin	25,718,470	26,001,241	26,369,377	28,859,483
Coin and bullion	35,464,995	35,223,091	35,594,282	37,703,793
Reserve to liabilities	52⅝%	52⅞%	50½%	53 7/16%
Bank rate of discount	4%	4%	4%	3%
Market rate, 3 months' bills	3⅝@3¾%	3⅝ @ 3¾%	2⅞%	1⅞%
Price of Consols (2¾ per cents.)	110¼	110¾	111 11/16	112¾
Price of silver per ounce	29⅞d.	30d.	29 11/16d.	29 11/16d.
Average price of wheat	30s. 9d.	32s. 8d.	29s.	30s. 7d.

SILVER.—The price of silver in London has fluctuated within a very narrow range for several weeks past, the extreme quotations in February being 29¾ @ 29 11-16 d. per ounce. The final quotation was at the lower figure, which was also the closing price in January:

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	*1895.*		*1896.*		*1897.*		MONTH.	*1895.*		*1896.*		*1897.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	27 7/16	27 3/16	30⅛	30⅞	29 13/16	29 11/16	July	30⅝	30¼	31⅝	31⅜		
February	27 11/16	27¼	31 3/16	30¾	29¾	29 11/16	August	30 9/16	30¼	31⅜	30⅝		
March	30¼	27⅝	31 11/16	31⅛			Septemb'r	30 3/16	30 7/16	30 11/16	30		
April	30⅞	29⅞	31 3/16	30 13/16			October	31⅜	30⅝	30 5/16	29¾		
May	30⅞	30 3/16	31 3/16	30 15/16			Novemb'r	31	30⅝	30 3/16	29¾		
June	30 11/16	30⅛	31 7/16	31 3/16			Decemb'r	30 11/16	30	30	29 11/16		

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GOVERNMENT REVENUES AND DISBURSEMENTS.—The revenues of the Government in February, 1897, were the smallest reported for any month in two years, being less than $24,000,000. The customs receipts were larger than at any time since August last, but the internal revenue receipts were exceptionally small. The expenditures were $2,000,000 less than in January, but were nearly $1,500,000 more than in February, 1896. The total is $28,197,855, which leaves a deficit for the month of $4,252,924, and for the seven months of the fiscal year of $48,107,716.

For the four years ended February 28, 1897, the revenues have fallen behind the expenditures $196,244,984.

Compared with January, there was a decrease of nearly $4,000,000 in interest payments, but an increase of $2,700,000 in pension payments. Both interest and pension disbursements should be lighter this month than last, and the first month of the new Administration may show a surplus, as was the case four years ago.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS. Source.	February, 1897.	Since July 1, 1896.	EXPENDITURES. Source.	February, 1897.	Since July 1, 1896.
Customs	$11,287,260	$90,685,816	Civil and mis	$5,707,213	$64,148,172
Internal revenue	10,888,422	99,642,004	War	3,121,221	34,465,841
Miscellaneous	1,469,248	15,441,708	Navy	2,374,185	23,051,253
			Indians	966,822	8,157,218
			Pensions	13,208,414	95,682,260
Total	$23,944,930	$205,769,528	Interest	2,820,000	28,372,500
Excess of expenditures	$4,252,924	$48,107,716	Total	$28,197,855	$253,877,244

UNITED STATES TREASURY CASH RESOURCES.

	Nov. 30.	Dec. 31.	Jan. 31.	Feb. 27.
Net gold	$130,407,237	$136,746,473	$144,637,729	$148,582,565
Net silver	17,162,998	18,742,601	19,369,997	19,571,812
U. S. notes	35,809,737	34,565,497	12,528,193	9,283,941
Miscellaneous assets (less current liabilities)	28,797,586	21,474,938	37,141,510	21,282,729
Deposits in National banks	15,828,924	16,085,955	16,550,565	16,281,980
Available cash balance	$228,006,484	$227,615,461	$230,227,994	$215,003,028

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	23,944,930	58,197,855	*148,582,565
March	26,041,149	27,274,994	128,646,461	....	....	....
April	24,282,893	28,987,381	125,393,900	....	....	....
May	24,643,718	28,426,592	108,345,234	....	....	....
June	27,794,219	25,444,789	101,699,605	....	....	....
July	29,029,209	42,088,468	110,718,746	....	....	....
August	25,562,097	35,701,676	100,957,561	....	....	....
September	24,584,244	26,579,535	124,034,672	....	....	....
October	26,282,829	33,978,277	117,126,523	....	....	....
November	25,210,696	33,260,720	131,510,352	....	....	....
December	25,857,114	23,812,664	137,316,543	....	....	....

* This balance as reported in the Treasury sheet on the last day of the month.

NATIONAL BANK CIRCULATION.—The reduction in National bank circulation and in the amount of Government bonds to secure such circulation continues. In February $858,125 of notes were retired, while $2,392,300 of Government bonds previously on deposit at Washington to secure circulation were withdrawn. The circulation secured by Government bonds was reduced $2,271,296, while there was an increase of $1,413,171 in lawful money deposited to retire bank notes. Since November 1, nearly $5,000,000 has thus been deposited to provide for the retirement of the circulation of banks.

NATIONAL BANK CIRCULATION.

	Nov. 30, 1896.	*Dec. 31, 1896.*	*Jan. 31, 1897.*	*Feb. 28, 1897.*
Total amount outstanding	$235,312,103	$235,576,381	$235,008,085	$234,149,960
Circulation based on U. S. bonds	216,609,684	215,850,307	213,186,711	210,915,415
Circulation secured by lawful money	18,702,419	19,726,074	21,821,374	23,234,545
U. S. bonds to secure circulation:				
Four per cents. of 1895	36,910,050	37,981,550	37,213,050	36,032,050
Pacific RR. bonds, 6 per cent	10,391,000	9,521,000	8,961,000	8,885,000
Funded loan of 1891, 2 per cent	22,623,850	22,592,850	22,637,650	22,624,430
" " 1907, 4 per cent	155,530,900	154,626,400	153,182,050	152,060,000
Five per cents. of 1894	15,816,350	15,514,350	15,196,350	15,196,350
Total	$241,272,150	$240,236,150	$237,190,100	$234,797,800

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,025,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,033,000; 4 per cents of 1907, $12,095,000; 5 per cents. of 1894, $535,000, a total of $16,063,000.
The circulation of National gold banks, not included in the above statement, is $86,367.

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars	$ .65	......	Twenty marks	$4.74	$4.79
Mexican dollars	.50½	$ .51¼	Spanish doubloons	15.50	15.70
Peruvian soles, Chilian pesos	.45½	.46½	Spanish 25 pesos	4.78	4.82
English silver	4.82½	4.85½	Mexican doubloons	15.55	15.75
Victoria sovereigns	4.86	4.89	Mexican 20 pesos	19.50	19.60
Five francs	.93	.96	Ten guilders	3.95	3.99
Twenty francs	3.85	3.88			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 29$\frac{11}{16}$d. per ounce. New York market for large commercial silver bars, 64¾ @ 65⅝c. Fine silver (Government assay), 64⅞ @ 65¾c.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
January 30..	$170,025,000	$159,957,000	$10,763,000	$7,622,000	$9,555,000	$76,409,645
February 6..	172,525,000	164,558,000	10,625,000	7,436,000	9,617,000	101,583,300
" 13..	173,892,000	167.781.000	10,744,000	8,846,000	9,549,000	102,200,700
" 20..	175,270,000	165,495,000	10,569,000	9,545,000	9,561,000	85,025,900
" 27..	175,661,000	163,422,000	10,569,000	8,602,000	9,567,000	71,206,158

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
January 30	$100,239,000	$107,223,000	$37,445,000	$6,955,000	$53,722,300
February 6	101,495,000	109,182,000	38,304.000	6,941,000	68,044.300
" 13	102,680,000	110,374,000	38,009,000	6,905,000	55,154,300
" 20	103,197,000	113,530,000	40,180,000	6,862,000	61,575,300
" 27	103,340,000	114,280,000	39,633,000	6,828,000	49,690,487

NEW YORK CITY BANKS.—The increase in deposits of the clearing-house banks of this city, which has proceeded at a very rapid rate for several months, was smaller in February than for some time past; but the gain is nearly $10,500,000, making an increase of $135,000,000 since October last year. Loans were increased nearly $12,000,000 in the past half of the month, partly because of certain movements in Wall Street; but latterly the amount of loans has been reduced, so that the increase for the month is less than $9,000,000. Compared with a year ago loans show an increase of $35,000,000, deposits of $84,000,000, cash reserves of $54,000,000 and surplus reserve of $33,000,000.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Jan. 30...	$488,765,700	$79,684,600	$120,296,600	$563,331,800	$59,148,250	$18,111,500	$525,710,100
Feb. 6...	497,513,600	79,559,500	117,221,000	568,961,800	54,540,050	16,787,500	602,717,300
" 13...	500,367,700	80,192,500	113,464,500	568,075,100	51,638,225	16,723,500	460,825,000
" 20...	498,747,600	82,817,000	116,016,600	572,670,600	55,665,950	16,633,400	535,125,400
" 27...	497,609,700	83,940,900	117,022,400	573,769,300	57,520,975	16,491,100	446,462,400

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April..........	504,240,200	13,413,450	481,795,700	17,005,975		
May...........	526,998,100	27,233,575	495,004,100	22,944,275		
June..........	566,229,400	41,221,250	498,874,100	22,2 0,675		
July..........	570,436,300	34,22 ,925	499,046,900	20,828,275		
August........	574,304,500	40,917,175	485,014,000	17,728,600		
September....	574,929,900	39,149,925	451,934,800	8,836,200		
October.......	549,136,500	22,296,175	454,733,100	16,526,025		
November....	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

MONEY IN THE UNITED STATES TREASURY.—The U. S. Treasury increased its cash holdings last month by $11,000,000, but by an increase of $16,000,000 certificates and Treasury notes of 1890 outstanding it loses net about $5,000,000 of cash. It gained $3,800,000 in gold and now owns $148,661,000 of that metal. It gained $2,-322,374 in silver dollars, offset by a somewhat larger increase in silver certificates outstanding. The Treasury gained $7,751,620 in United States notes, but issued $11,175,000 of currency certificates, thus losing $3,400,000. It also parted with $3,661,239 of Treasury notes of 1890 and $2,322,405 of National bank notes.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1896.	*Jan. 1, 1897.*	*Feb. 1, 1897.*	*Mar. 1, 1897.*
Gold coin..............................	$83,378,392	$120,638,598	$130,100,363	$139,356,403
Gold bullion............................	29,820,315	54,565,385	52,280,759	46,849,625
Silver Dollars.........................	364,083,702	384,584,572	388,617,255	390,939,629
Silver bullion.........................	124,612,532	110,815,247	109,704,519	108,914,614
Subsidiary silver.....................	12,764,321	14,315,766	15,414,575	15,805,023
United States notes..................	115,825,143	85,313,258	78,194,780	85,946,400
National bank notes.................	7,063,137	14,278,970	17,328,389	15,005,984
Total..............................	$737,547,542	$784,411,796	$791,646,640	$802,817,678
Certificates and Treasury notes, 1890, outstanding..........................	533,344,856	529,044,460	547,006,544	563,325,941
Net cash in Treasury..................	$204,202,686	$255,367,336	$244,640,096	$239,491,737

MONEY IN CIRCULATION.—There was a net increase in the amount of money in circulation last month of $9,717,265, making a gain of more than $48,000,000 since November 1 last. In two months the money in circulation has increased more than

$25,000,000, of which about $16,000,000 was at the expense of the United States Treasury. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1896.	*Jan. 1, 1897.*	*Feb. 1, 1897.*	*Mar. 1, 1897.*
Gold coin	$484,728,547	$517,743,229	$515,468,129	$516,315,696
Silver dollars	59,205,927	58,581,819	56,361,136	55,378,762
Subsidiary silver	64,417,685	62,101,986	60,889,370	60,709,595
Gold certificates	49,936,439	37,887,439	37,586,629	37,544,819
Silver certificates	336,076,648	356,655,800	361,336,533	363,709,501
Treasury notes, Act July 14, 1890	115,728,769	84,171,221	82,733,382	85,546,621
United States notes	230,855,873	261,367,758	268,466,236	260,734,616
Currency certificates, Act June 8, 1872	31,605,000	50,330,000	65,370,000	76,525,000
National bank notes	206,653,836	221,384,148	217,766,273	219,230,343
Total	$1,579,206,724	$1,650,223,400	$1,665,977,688	$1,675,694,958
Population of United States	70,630,000	72,159,000	72,288,000	72,418,000
Circulation per capita	$22.36	$22.87	$23.05	$23.14

THE SUPPLY OF MONEY IN THE COUNTRY.—The volume of money in the country including the amount in the United States Treasury was increased $4,500,000, in February. This is all made up from the source of gold supply excepting a slight gain from changing silver bullion into coin. In fact the gain in gold is $4,700,000, or slightly in excess of the increase in the total money supply, which is explained by the decrease of more than $800,000 in National bank notes. The following statement shows the amount of each kind of money in the country on the dates mentioned.

TOTAL SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1896.	*Jan. 1, 1897.*	*Feb. 1, 1897.*	*Mar. 1, 1897.*
Gold coin	$568,106,939	$638,381,827	$645,568,492	$655,672,099
Gold bullion	29,820,315	54,565,385	52,286,759	46,849,625
Silver dollars	423,289,629	443,166,391	444,978,391	446,318,391
Silver bullion	124,612,532	110,815,247	109,704,519	108,914,614
Subsidiary silver	77,182,006	76,317,752	76,303,945	76,514,618
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	213,716,973	235,663,118	235,094,662	234,236,327
Total	$1,783,409,410	$1,905,590,736	$1,910,617,784	$1,915,186,690

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

GOLD AND SILVER COINAGE.—The United States Mint turned out $10,152,000 of gold coin, $1,519,793 of silver coin and $86,089 of minor coin, a total of $11,757,883

COINAGE OF THE UNITED STATES MINTS.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January	$12,914,600	$65,000	$7,803,420	$1,964,800
February	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,683,531	....	....
April	1,500,000	1,831,000	....	....
May	2,857,200	1,826,490	....	....
June	2,471,217	1,950,693	....	....
July	2,918,200	1,092,000	....	....
August	3,315,000	2,686,000	....	....
September	3,140,923	2,754,185	....	....
October	5,727,500	2,844,010	....	....
November	5,064,700	2,305,022	....	....
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	$17,955,420	3,484,594

last month. The silver coinage consisted of $1,340,000 standard dollars and $179,708 of subsidiary silver coin.

Foreign Trade Movements.—The exports of merchandise in January were about $22,000.000 less than in December, but $8,000,000 larger than in January, 1896. The imports on the other hand continued to decline, being $6,000,000 less than in December, and $17,000,000 less than in January a year ago. The result is a very large balance of net exports, nearly $44,000,000, exceeding that of any January of which we have record. For the seven months ending January 31, the net exports are nearly $293,000,000, and there is no record to compare with that. The gold movement is small and the exports of silver are smaller than they were a year ago. The following table shows the movements of merchandise, gold and silver for the month and seven months ended January 31 for the past six years.

Exports and Imports of United States.

Month of January.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	Imports.	Balance.		
1892	$100,138,336	$62,719,550	Exp., $37,418,786	Imp., $305,548	Exp., $1,235,981
1893	67,673,669	75,168,267	Imp., 7,494,598	Exp., 12,213,553	" 2,081,362
1894	85,940,226	52,499,947	Exp., 33,440,279	" 573,790	" 3,930,848
1895	81,229,964	67,547,900	" 13,682,064	" 24,698,489	" 3,093,127
1896	86,970,028	68,647,600	" 18,322,428	" 198,586	" 3,845,702
1897	94,984,067	51,327,081	" 43,656,986	Imp., 184,677	" 3,120,687
Seven Months.					
1892	651,263,531	458,394,471	Exp., 192,869,060	Imp., 33,343,217	Exp., 7,406,739
1893	526,941,376	484,371,681	" 42,569,695	Exp., 37,761,121	" 9,646,229
1894	573,651,520	371,551,363	" 202,100,157	Imp., 54,371,674	" 21,965,565
1895	501,902,934	407,917,635	" 93,985,299	Exp., 46,436,446	" 21,182,928
1896	524,964,969	478,716,717	" 46,248,252	" 63,018,381	" 26,807,852
1897	656,215,311	363,251,080	" 292,964,231	" 63,971,969	" 29,662,598

United States Public Debt.

	Jan. 1, 1896.	Jan. 1, 1897.	Feb. 1, 1897.	Mar. 1. 1897.
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,631,750	559,638,900	559,639,100	559,639,600
Refunding certificates, 4 per cent	50,310	45,890	45,750	45,450
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	62,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$747,361,960	$847,364,690	$847,364,750	$847,364,950
Debt on which interest has ceased	1,674,510	1,383,070	1,382,980	1,358,210
Debt bearing no interest:				
Legal tender and old demand notes	346,735,863	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	22,659,734	18,876,333	20,997,189	23,089,944
Fractional currency	6,893,394	6,890,504	6,890,504	6,889,241
Total non-interest bearing debt	$376,288,992	$372,502,201	$374,623,057	$376,714,549
Total interest and non-interest debt.	1,125,325,462	1,221,249,961	1,223,870,737	1,225,437,709
Certificates and notes offset by cash in the treasury:				
Gold certificates	50,099,889	39,279,789	39,046,789	39,046,789
Silver "	345,702,504	370,883,504	373,015,504	373,585,504
Certificates of deposit	34,450,000	50,830,000	65,515,000	76,795,000
Treasury notes of 1890	137,771,280	119,816,280	118,398,280	117,550,280
Total certificates and notes	$568,023,673	$580,809,573	$595,975,573	$606,977,573
Aggregate debt	1,693,349,135	1,802,059,534	1,819,346,310	1,832,415,282
Cash in the Treasury:				
Total cash assets	787,578,447	853,463,551	858,553,910	864,338,166
Demand liabilities	609,551,247	625,143,172	643,191,490	651,500,911
Balance	$178,027,200	$228,320,379	$215,362,420	$212,837,255
Gold reserve	63,262,268	100,000,000	100,000,000	100,000,000
Net cash balance	114,764,932	128,320,379	115,362,420	112,837,255
Total	$178,027,200	$228,320,379	$215,362,420	$212,837,255
Total debt, less cash in the Treasury.	947,298,262	992,929,582	1,008,008,317	1,012,600,454

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of February, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		FEBRUARY, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	13¼—Jan. 8	15⅛	13¾	14⅝
" preferred	28⅛	14⅛	25¾—Jan. 30	21⅝—Feb. 15	25¾	21⅝	23⅞
Atlantic & Pacific	1	⅜	½—Jan. 14	¼—Jan. 22	¼	¼	¼
Baltimore & Ohio	44	10½	18 —Jan. 8	14¼—Jan. 22	16	15	15¼
Bay State Gas	33	7	13¾—Jan. 6	10¾—Feb. 4	12½	10¾	11⅞
Brooklyn Rapid Transit	25⅛	18	21¾—Feb. 11	18⅝—Jan. 7	21¾	19	20⅝
Canadian Pacific	62¾	52	56 —Jan. 8	54¾—Jan. 25	....	....	....
Canada Southern	51¾	40¾	46¾—Jan. 19	44⅛—Jan. 13	46¼	44⅛	45
Central of New Jersey	110	87½	103¼—Jan. 19	95 —Feb. 25	100¾	95	96¾
Central Pacific	16⅛	13⅛	15 —Jan. 5	11 —Feb. 15	12¾	11	11
Ches. & Ohio vtg. ctfs	18½	11	18¼—Jan. 18	16¼—Jan. 4	18⅛	16¾	17½
Chicago & Alton	164	146	167¾—Feb. 4	162 —Feb. 15	167¾	162	165½
Chicago, Burl. & Quincy	83¾	53	77¼—Jan. 18	69⅝—Jan. 5	75⅞	73¼	75⅞
Chicago & E. Illinois	43	37½	....	....	....	....	....
" preferred	100½	90	98½—Feb. 3	95 —Feb. 8	98½	96½	96½
Chicago Gas	78¾	44⅝	79½—Jan. 18	73¼—Jan. 5	78¾	75⅝	76⅞
Chic., Milwaukee & St. Paul	80	59⅞	77⅝—Jan. 18	72¾—Jan. 5	77½	74⅛	76⅞
" preferred	131	117½	133⅝—Feb. 26	131 —Jan. 6	133⅝	132¾	133⅝
Chicago & Northwestern	106¾	85½	105⅝—Feb. 27	102¼—Jan. 2	105⅝	103	105⅝
" preferred	152	140¾	155 —Feb. 20	153 —Jan. 12	155	154	154
Chicago, Rock I. & Pacific	74⅞	49¼	70 —Jan. 16	65⅜—Feb. 15	69	65⅜	67¾
Chic., St. Paul, Minn. & Om.	49¾	30⅛	52½—Jan. 18	47 —Jan. 2	51¾	47	51½
" preferred	133	117	135 —Feb. 25	133 —Jan. 7	135	135	135
Clev., Cin., Chic. & St. Louis	39½	19½	30 —Jan. 18	26⅛—Feb. 16	28½	26⅛	26¼
" preferred	90½	73	73¾—Jan. 4	73 —Jan. 4	....	....	....
Col. Coal & Iron Devel. Co.	4⅛	¼	1 —Jan. 19	½—Jan. 29	1	½	½
Col. Fuel & Iron Co.	34¼	14⅝	27 —Jan. 19	20½—Feb. 15	26¼	20½	21¼
Col. Hocking Val. & Tol	20½	12½	18 —Jan. 8	3½—Feb. 25	11½	3½	4¼
" preferred	60	48	46 —Jan. 21	40 —Jan. 21	40	40	40
Consolidated Gas Co.	168	133	154 —Feb. 27	136½—Jan. 2	154	146½	154
Delaware & Hud. Canal Co.	129⅝	114⅛	121¾—Jan. 6	106⅛—Jan. 27	108⅝	106⅝	107½
Delaware, Lack. & Western	166	138	157¾—Jan. 18	151 —Jan. 29	154½	151⅝	154⅝
Denver & Rio Grande	14	10	12¼—Jan. 19	10½—Feb. 26	10½	10½	10½
" preferred	51	37	43⅞—Feb. 21	40⅞—Feb. 25	43⅞	40⅞	40⅞
Edison Elec. Illum. Co., N. Y.	101½	89	105¼—Feb. 3	101¾—Jan. 2	105¼	104½	104½
Erie	17¾	10¼	15¼—Jan. 18	14⅜—Feb. 20	15	14⅜	14⅝
" 1st pref	41¾	27	35½—Jan. 18	33 —Jan. 11	35¼	33¾	34
" 2d pref	25	13	21 —Jan. 15	19⅝—Feb. 18	19⅝	19⅝	19⅝
Evansville & Terre Haute	34½	24	....	....	....	....	....
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	152	147¼	150
" American	116	105	112¼—Feb. 20	109½—Jan. 28	112¼	110½	112¼
" United States	48	35	40 —Jan. 7	37 - Feb. 3	40	37	39¾
" Wells, Fargo	101	80	100 —Jan. 22	97 —Jan. 2	100	98½	100
Great Northern, preferred	122	108¼	122 —Feb. 5	120 —Jan. 16	122	121	122
Illinois Central	98	84½	95 —Jan. 22	92½—Feb. 26	94¾	92½	92½
Iowa Central	10¼	5½	8 —Jan. 16	6½—Jan. 27	6¾	6¾	6¾
" preferred	38	19	27¼—Jan. 20	25 —Jan. 4	....	....	....
Laclede Gas	30	17	25 —Jan. 18	22½—Jan. 14	24¼	23	24
" preferred	86¼	68¼	75 —Jan. 28	71½—Feb. 13	73	71½	71½
Lake Erie & Western	22½	12½	18½—Jan. 18	16 —Jan. 30	17	16	16½
" preferred	75	55½	70¼—Jan. 20	66⅝—Feb. 26	68	66⅝	66¾
Lake Shore	156	134¾	161½—Feb. 27	152 —Jan. 2	161½	152½	161
Long Island	84	40½	55 —Jan. 8	42½—Jan. 22	52½	48	48
Louisville & Nashville	55⅝	37⅞	52½—Jan. 19	47⅞—Jan. 5	51⅞	48⅜	50¼
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	¼—Jan. 11	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	94 —Jan. 18	87 —Jan. 11	90¾	86½	89½
Metropolitan Traction	114	79¼	110⅞—Jan. 6	106 —Feb. 15	108¾	106	107¼
Michigan Central	97⅞	89	91 —Jan. 12	90 —Jan. 28	90	90	90
Minneapolis & St. Louis	21¾	12	19¾—Jan. 29	19 —Jan. 6	19	19	19
" 1st pref	83	54	79½—Jan. 18	78 —Jan. 16	....	....	....
" 2d pref	53½	30	48 —Jan. 30	46 —Feb. 26	48	46	46
Missouri, Kan. & Tex	14¾	9⅛	14½—Jan. 18	12¾—Feb. 15	14½	12¾	13½
" preferred	31⅛	16	31⅞—Jan. 18	26⅞—Feb. 15	31¾	26⅞	30½

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		FEBRUARY, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	24¼—Jan. 18	19¼—Feb. 18	23	19¼	21
Mobile & Ohio	25	14	22½—Jan. 12	20¼—Feb. 13	20¼	20¼	20¼
New England	51¼	35	....	....	....	....	....
N. Y. Cent. & Hudson River	99¾	88	95 —Jan. 19	92½—Feb. 18	94	92½	93¾
N. Y. Chicago & St. Louis	15	9	12½—Jan. 18	11 —Feb. 11	12	11	11⅛
" 1st preferred	80	67½	70 —Jan. 22	70 —Jan. 22	....	....	....
" 2d preferred	35⅝	20	27 —Jan. 7	24 —Feb. 10	24¼	24	24
N. Y., New Haven & Hartf'd.	186	160	178 —Jan. 4	160 —Feb. 2	175½	160	174
N. Y., Ontario & Western	16⅝	11⅛	15⅜—Jan. 18	14 —Feb. 20	15⅜	14	14⅝
N. Y., Sus. & Western	12	6	9¾—Jan. 18	8 —Jan. 22	9	8⅛	8¾
" preferred	31¼	12	26½—Jan. 18	22⅝—Jan. 25	26¼	24¼	24½
Norfolk & Western	12¾	⅛	11⅛—Jan. 18	11⅛—Jan. 18	....	....	....
" preferred	19¾	4⅛	17⅞—Jan. 20	17 —Feb. 16	18⅜	17	17
North American Co	6⅛	3½	5 —Jan. 18	4⅛—Feb. 20	4½	4⅛	4⅜
Northern Pacific tr. receipts.	16⅞	¼	16⅜—Feb. 1	13 —Jan. 23	16⅜	13¾	14½
" pref tr. receipts	36	10	38⅞—Feb. 1	32⅛—Jan. 5	38⅞	36⅛	38⅜
Oregon Railway & Nav	24	10	17½—Jan. 18	15 —Jan. 15	....	....	....
" preferred	40¼	35	45½—Feb. 3	37⅞—Jan. 8	45½	41	41
Oregon Short Line	18⅛	3⅛	16 —Jan. 28	14⅛—Jan. 11	....	....	....
Pacific Mail	31	15¼	26¾—Jan. 18	24 —Jan. 9	25⅞	24⅝	25⅝
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan. 8	2¼—Feb. 1	2¼	2¼	2¼
Phila. & Reading	31¾	2⅝	28½—Jan. 18	23⅜—Feb. 15	27	23⅜	24½
Pitts., Cin. Chic. & St. Louis	18¼	11	14 —Jan. 21	12½—Jan. 11	13⅝	13	13
" preferred	59	40⅛	50 —Feb. 1	50 —Feb. 1	50	50	50
Pitts. & Western, preferred	20⅝	17	....	....	....	....	....
Pullman Palace Car Co	164	138	159¾—Jan. 18	152 —Jan. 2	157	155	156⅞
Rome, Wat. Ogdens' g	118	108	119 —Jan. 18	117 —Jan. 26	....	....	....
St. Louis, Alton & T. H	60½	53	....	....	....	....	....
St. Louis & San Francisco	5⅝	4	5⅞—Feb. 4	4¾—Jan. 25	5⅞	4⅞	5⅛
" 1st preferred	37	34¼	40 —Feb. 3	37 —Jan. 29	40	38	39⅞
" 2d preferred	14⅛	12	16 —Feb. 3	12¾—Jan. 27	16	13⅝	15¼
St. Louis & Southwestern	5¾	2⅞	4¾—Jan. 18	3½—Feb. 6	4½	3½	3⅞
" preferred	13	6½	11½—Jan. 18	10 —Jan. 6	11⅛	10	10½
St. Paul & Duluth	27½	15	22½—Jan. 13	20 —Jan. 4	20¼	20	20
" preferred	91	75	87 —Feb. 3	87 —Feb. 3	87	87	87
St. Paul, Minn. & Manitoba	115	105	117 —Feb. 16	114 —Jan. 28	117	116	117
Southern Pacific Co	22¼	14	15¾—Jan. 18	13½—Jan. 13	15¾	14¾	14¾
Southern Railway	11¾	6⅛	10 —Jan. 16	9 —Feb. 11	9⅝	9	9⅛
" preferred	33¼	15½	29⅞—Jan. 19	26 —Jan. 4	29⅞	26¾	28⅝
Tennessee Coal & Iron Co	34¾	13	31 —Jan. 18	25 —Feb. 15	30⅞	25	28¼
Texas & Pacific	12	5	10¼—Jan. 18	8⅝—Jan. 2	9¾	9	9¼
Union Pacific trust receipts	12½	3⅞	10 —Jan. 5	6¼—Jan. 11	7⅝	6⅛	7⅜
Union Pac., Denver & Gulf	5½	1⅛	2½—Jan. 6	2 —Jan. 29	2	2	2
Wabash R. R	8	4½	7⅛—Jan. 16	6⅛—Jan. 4	6⅝	6⅛	6⅛
" preferred	19¾	11	17⅛—Jan. 18	15⅜—Jan. 4	16½	15½	15⅞
Western Union	90¼	72¼	86 —Jan. 18	81 —Feb. 16	84½	81	83½
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	1 —Feb. 19	2¾	1	1½
" preferred	40¼	20⅝	29 —Jan. 5	5⅛—Feb. 20	10½	5⅛	6
Wisconsin Central	4⅜	1⅜	2½—Jan. 6	2 —Feb. 24	2	2	2
"INDUSTRIAL"	STOCKS:						
American Co. Oil Co	19	8	14¾—Jan. 16	11⅛—Feb. 13	13¼	11⅛	13¼
" preferred	68⅞	37	56¾—Jan. 19	52¼—Feb. 16	55½	52¼	55
American Spirits Mfg Co	14⅞	4½	14½—Jan. 19	11⅝—Jan. 5	14⅜	12¼	14⅛
" preferred	33¼	14¾	34 —Feb. 27	26 —Jan. 5	34	30¼	34
American Sugar Ref. Co	126⅝	95	118⅛—Jan. 19	110 —Jan. 5	117⅝	110⅛	117⅜
" preferred	104	92¼	103¾—Jan. 27	100¼—Jan. 7	103½	101¼	103¾
American Tobacco Co	95	51	79½—Jan. 14	67½—Feb. 15	75⅝	67½	75½
" preferred	106	95	106½—Jan. 14	100 —Feb. 11	103	100	102½
General Electric Co	39½	20	36¼—Feb. 2	32½—Jan. 11	36¼	33¼	35
National Lead Co	28⅝	16	26⅝—Jan. 19	21⅞—Feb. 16	25⅝	21⅞	23½
" preferred	92¾	75	92 —Feb. 23	88⅜—Feb. 13	92	88½	90½
National Linseed Oil Co	21¼	11⅛	15 —Jan. 19	13⅛—Feb. 11	13½	13⅛	13½
National Starch Manfg. Co	7¾	4¾	5 —Jan. 4	5 —Jan. 4	....	....	....
Standard Rope & Twine Co	12½	8⅛	11¾—Jan. 19	9½—Feb. 15	11⅜	9½	10⅝
U. S. Leather Co	11⅞	5½	9⅝—Jan. 19	7⅛—Feb. 13	9	7⅛	8
" preferred	69⅛	41½	64 —Jan. 19	54 —Feb. 13	62½	54	59⅝
U. S. Rubber Co	29	14½	25¼—Jan. 19	18½—Feb. 11	22⅝	18½	20⅛
" preferred	89	65	76⅞—Jan. 5	67¾—Feb. 11	76	67¾	72½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Ala. Midland 1st gold 6s..........1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	79¾	Feb. 27,'97	80⅛	79	146,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	106,257,000	A & O	82⅝	Feb. 27,'97	82⅛	81⅛	2,617,000
" adjustment, g. 4's.....1995	51,728,000	NOV	47⅛	Feb. 27,'97	49⅝	45¼	2,014,000
" Equip. tr. ser. A. g. 5's1902	1,250,000	J & J	....	....	....	....	....
Chicago & St. Louis 1st 6's......1915	1,500,000	M & S	....	....	....	....	....
Colorado Mid.Tr.Co.cfs 1stg.6's.1936 assented..................	5,615,000	......	67	Feb. 1,'97	67¾	67	7,000
" Tr.Co.cfscons.g.4'sst'dgtd1940	968,000	F & A	21	June 6,'96	....	....	....
" assented..................	3,900,000	......	16	Feb. 15,'97	17	16	36,000
Atlan. av. of Brook'n imp. g. 5's, 1934	1,500,000	J & J	82⅛	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's.....1950	1,238,000	J & J	90⅛	Feb. 25,'97	90⅛	90⅛	2,000
Atlan. & Pac. 2d W. d. g. g. s. f. 6's.1907	5,500,000	M & S	92	July 23,'90	....	....	....
" Western div. inc......1910	10,500,000	A & O	¾	Feb. 27,'97	1	⅛	164,000
" div. small.............1910		A & O	10	Mar. 17,'93	....	....	....
" Central div. inc.......1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.), 1919	3,000,000	A & O	111¾	Jan. 8,'97	....	....	....
" 5's, gold...........1885–1925	4,956,000	F & A	91	Feb. 23,'97	91	91	2,000
" registered.............		F & A	87	May 11,'96	....	....	....
" eng. ctfs of deposit.......	5,044,000	......	....	....	....	....	....
B. & O. con. mtge. gold 5's......1988	11,988,000	F & A	103	July 2,'96	....	....	....
" registered...............		F & A	107⅛	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd., 1990	6,000,000	M & N	93	Feb. 8,'97	93	93	1,000
W. Virginia & Pitts. 1st g. 5's...1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s, 1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s...........1993	10,483,000	J & J	99⅛	Nov. 12,'96	....	....	....
" 1st inc. g. 5's "A" 2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
" "B"..................2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's...1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	104⅛	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	2,500,000	M & S	97½	Dec. 3,'96	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's..1930	1,500,000	M & N	102⅛	Nov. 21,'95	....	....	....
" coupons off................	....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's..1946	2,536,000	J & J	....	....	....	....	....
Broadway & 7th av. 1st con. g. 5's, 1943	7,650,000	J&D	118⅞	Feb. 25,'97	119	118	62,000
" registered...................		J&D	112⅛	May 29,'95	....	....	....
Brooklyn City 1st con. 5's........1941	4,373,000	J & J	114	Feb. 19,'97	114	114	1,000
Brooklyn Elevated 1st gold 6s's, 1924	3,500,000	A & O	72⅛	Feb. 25,'97	73⅛	70	27,000
" 2d mtg. g. 5's, ...1915	1,250,000	J & J	42	Feb. 27,'97	45	42	13,000
Union Elevated 1st g. g. 6's.....1937	6,148,000	M & N	70¼	Feb. 24,'97	71	68	63,000
Seaside & Bkln Bdge 1st g. g. 5's.1942	1,365,000	J & J	80	Mar. 31,'96	....	....	....
Brooklyn Rapid Transit g. 5's...1945	4,875,000	A & O	80⅝	Feb. 27,'97	81	78	363,000
Brunswick & Western 1s g. 4's....1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,407,000	M & S	98	Feb. 27,'97	99	98	13,000
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	120¼	Feb. 3,'97	120¼	120¼	3,000
" cons. 1st 6's, ...1922	3,920,000	J & D	119	Feb. 26,'97	119¾	118⅛	33,000
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's, 1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered..................		A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	106⅛	Feb. 27,'97	107	106⅛	22,000
" con. 1st & col. tst 5's...1934	6,425,000	A & O	103	Feb. 26,'97	103	102⅛	29,000
" registered.................		A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	102	Dec. 21,'96	....	....	....
" 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	109¾	Feb. 26,'97	111	109¾	65,000
" 2d mortg. 5's	1913	5,100,000	M & S	108	Feb. 24,'97	108	107	25,000
" registered			M & S	105½	Jan. 30,'97	....	....	....
Col. & Cin. Midla'd. 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	96½	Feb. 26,'97	96½	90¼	211,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	112¾	Feb. 16,'97	112⅞	112¼	67,000
" registered $1,000 & $5,000	....		F & A	....		....	....	....
" con. g. 5's	1945	16,500,000	M & N	91⅛	Feb. 26,'97	91⅛	90⅛	16,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	107½	Feb. 1,'97	107½	107½	1,000
" convertible 7's	1902	1,167,000	M & N	116	June 23,'96	....	....	....
" deb. 6's	1908	466,000	M & N	114	Apr. 2,'95	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	117	Feb. 27,'97	118	116½	219,000
" registered			Q J	116	Feb. 26,'97	117¼	116	88,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	104½	Feb. 17,'97	104½	104	6,000
" mortgage 5's	1912	2,887,000	M & N	89	Feb. 17,'97	90	89	9,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	115½	Feb. 16,'97	116	115½	14,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	102⅛	Feb. 26,'97	102⅛	101⅝	50,000
" ext g 5s series A B C D	1898	5,598,000	J & J	101	Feb. 26,'97	101	100	41,000
" ext g 5's series E	1898	3,210,000	J & J	....		....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	103¼	Feb. 3,'97	103¼	103¼	2,000
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	99	Nov. 12,'96	....	....	....
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	Feb. 27,'97	103	101	25,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	90¼	Feb. 23,'97	90¾	90¼	41,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	106¾	Dec. 13,'96	....	....	....
Chat., Rom. & Colum's gtg. g. 5's	1937	2,090,000	......	....		....	....	....
Ches. & Ohio pur. money fd.	1898	2,287,000	J & J	103⅛	Feb. 19,'97	103⅛	103⅛	4,000
" 6's, g., Series A	1908	2,000,000	A & O	120	Feb. 9,'97	120	119½	2,000
" Mortgage gold 6's	1911	2,000,000	A & O	120½	Feb. 18,'97	120¼	119½	13,000
" 1st con. g. 5's	1939	28,553,000	M & N	110¼	Feb. 26,'97	110⅝	109⅛	201,000
" registered			M & N	107½	Feb. 24,'97	107½	107½	2,000
" Gen. m. g. 4½'s	1992	21,799,000	M & S	76⅜	Feb. 27,'97	76⅞	75⅝	592,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100¾	Feb. 23,'97	101	100	70,000
" 2d con. g. 4's	1989	1,000,000	J & J	89½	Feb. 20,'97	90	89½	23,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	100¼	Feb. 23,'97	102¼	101	17,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	112¾	Jan. 6,'97	....	....	....
" 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104½	Dec. 7,'92	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	104	Dec. 30,'96	....	....	....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	117½	Feb. 27,'97	117½	117	68,000
" 5's, sinking fund	1901	2,315,000	A & O	104¼	Jan. 13,'97	....	....	....
" 5's, debentures	1913	9,000,000	M & N	98	Feb. 25,'97	98½	97½	21,000
" convertible 5's	1903	15,263,900	M & S	101¼	Feb. 26,'97	101½	101¼	14,000
" (Iowa div.) sink. f'd 5's	1919	2,811,000	A & O	101½	Sept. 21,'96	....	....	....
" 4's	1919	7,571,000	A & O	98⅜	Jan. 21,'97	....	....	....
" Denver div. 4's	1922	6,141,000	F & A	93¼	Feb. 24,'97	93¼	93	9,000
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'96	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....
" Nebraska extensi'n 4's	1927	26,730,000	M & N	90¼	Feb. 26,'97	90½	88¾	234,000
" registered			M & N	89¼	Feb. 10,'97	89½	89¼	5,000
" Han. & St. Jos. con. 6's	1911	8,000,000	M & S	121	Feb. 26,'97	121	119	24,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	111½	Jan. 13,'97	....	....	....
" small bonds			J & D	112	Apr. 2,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	124½	Jan. 4,'97	....	....	....
• gen. con. 1st 5's	1937	7,487,000	M & N	100	Feb. 27,'97	100⅝	98⅞	196,000
• registered			M & N	104¼	Nov. 25,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	100½	Feb. 9,'97	100½	100	6,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	104⅛	Feb. 25,'97	104⅛	103½	15,000
• 2d 7 3-10 P. D.	1898	1,106,000	F & A	128	Feb. 18,'97	128½	128	17,000
• 1st 7's $ gold, R. div.	1902	3,796,500	J&J	130½	Feb. 24,'97	130½	129½	11,000
• 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & M. 7's	1897	1,736,000	J & J	128½	Feb. 27,'97	129	128	43,000
• 1st m. Iowa & D. 7's	1899	434,000	J & J	128½	Feb. 26,'97	128⅝	128½	11,000
• 1st m. C. & M. 7's	1903	2,393,000	J & J	125	Oct. 22,'96	....	....	....
Chicago Mil. & St. Paul con. 7's,	1905	11,298,000	J & J	133	Feb. 26,'97	133	131	24,000
• 1st 7's, Iowa & D. ex,	1908	3,505,000	J & J	134	Feb. 26,'97	134	128	27,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	116	Feb. 4,'97	116	116	1,000
• 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	109	Jan. 27,'97	....	....	....
• 1st So. Min. div. 6's	1910	7,432,000	J & J	117⅞	Feb. 27,'97	118	117	16,000
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	127¼	Feb. 20,'97	127¼	126½	12,000
• 5's	1910	990,000	J & J	108	Feb. 8,'97	108	108	1,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	117	Feb. 8,'97	117	117	1,000
• 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	113¾	Feb. 25,'97	113¾	113	86,000
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	109⅝	Feb. 25,'97	110	109⅝	8,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	107	Jan. 25,'97	....	....	....
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	106½	July 16,'96	....	....	....
• Wis. & Min. div. 5's	1921	4,755,000	J & J	111½	Feb. 25,'97	112	111	27,000
• terminal 5's	1914	4,748,000	J & J	112	Feb. 18,'97	112	111¾	16,000
• Far. & So. 6's assu	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
• mtg. con. si'k. f'd 5's,	1916	1,680,000	J & J	96	Jan. 7,'96	....	....	....
• Dakota & Gt. S. 5's	1916	2,856,000	J & J	109	Feb. 25,'97	110	108	8,000
• g. m. g. 4's, series A	1989	19,010,000	J & J	99¼	Feb. 27,'97	99¼	98½	122,000
• registered		....	Q J	94½	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	119	Feb. 5,'97	119	118½	7,000
• 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	118⅝	118⅝	2,000
Chic. & North Pacific 1st g. 5's	1940	25,953,000	A & O	42	May 12,'96	....	....	....
• U. S. Trust Co. eng. ctfs.			......	42½	Feb. 27,'97	44	41½	1,652,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	141	Feb. 24,'97	141¼	140	51,000
• coupon gold 7's	1902	12,336,000	J & D	117¾	Feb. 17,'97	118¼	117¾	16,000
• registered d. gold 7's	1902		J & D	116	Jan. 4,'97	....	....	....
• sinking fund 6's	1879–1929	5,951,000	A & O	117	Feb. 23,'97	117	117	1,000
• registered			A & O	113	Dec. 23,'96	....	....	....
• 5's	1879–1929	7,237,000	A & O	109	Feb. 18,'97	109	109	2,000
• registered			A & O	108	Jan. 20,'97	....	....	....
• debenture 5's	1933	9,800,000	M & N	112	Feb. 18,'97	112	111½	14,000
• registered			M & N	111½	Feb. 2,'97	111½	111½	1,000
• 25 year deben. 5's	1909	6,000,000	M & N	107¼	Feb. 26,'97	107¼	106¾	17,000
• registered			M & N	104	May 15,'96	....	....	....
• 30 year deben. 5's	1921	9,800,000	A & O	111	Feb. 5,'97	111	110¼	14,000
• registered			A & O	107	Nov. 20,'95	....	....	....
• extension 4's	1886–1926	18,632,000	F A 15	103¼	Feb. 9,'97	103¼	103¼	10,000
• registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	104	Feb. 26,'97	104	104	5,000
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's,	1921	5,000,000	M & N	132¾	Feb. 26,'97	132¾	132¼	27,000
• con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	105½	105½	9,000
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	112⅞	Feb. 17,'97	112⅞	112⅞	3,000
• Michigan div. 1st 6's	1924	1,281,000	J & J	127	Dec. 8,'96	....	....	....
• Ashland div. 1st 6's	1925	1,000,000	M & S	128	Dec. 16,'96	....	....	....
• income		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	128½	Jan. 22,'97	....	....	....
• 6's registered	1917		J & J	129	Feb. 25,'97	130	128	7,000
• exten. and collat. 5's	1934	40,381,000	J & J	104	Feb. 26,'97	104	103	396,000
• registered			J & J	102¼	Feb. 27,'97	102¼	101½	85,000
• debenture 5's	1921	4,500,000	M & S	98¾	Feb. 19,'97	99½	97½	122,000
• registered		....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.	1905	1,200,000	J & J	88½	June 12,'96	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	65	Nov. 18,'96	....	....	....
• extension 4 s		672,000	J & J	84	Oct. 14,'95	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	102	Feb. 25,'97	102	101½	18,000
• small bond	1923	....	A & O	103	Apr. 26,'96	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Chic., St.P., Minn.& Oma.con. 6's	1930	13,418,000	J & D	129¾	Feb. 24,'97	129¾	129	7,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	130	Jan. 12,'97	....	....	....
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	Feb. 11,'97	131¼	131	17,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,149,000	M & N	106¼	May 15,'95	....	....	....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	117¼	Jan. 20,'97	....	....	....
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98⅛	Mar. 13,'93	....	....	....
" coupons off		....	......			....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	102½	Jan. 6,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	109½	Feb. 19,'97	109½	108½	12,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A			....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for	1917	2,000,000	......	74	Jan. 19,'97	....	....	....
Clev., Cin., Chic. & St.L. gen. m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	93	Oct. 2,'95	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	93½	Feb. 18,'97	93½	92¼	17,000
" registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	87½	Feb. 8,'97	87½	87½	3,000
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,790,000	Q F	101⅛	Feb. 25,'97	101⅛	100	15,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	107	Jan. 15,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	107¼	106	20,000
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J			....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	73	Feb. 25,'97	74¾	73	10,000
" income 4's	1990	4,000,000	A	10	Feb. 27,'97	10	10	10,000
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	107¾	Feb. 4,'97	107¾	107½	3,000
" consol mortg. 7's	1914	3,991,000	J & D	132	Jan. 22,'97	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	124	Jan. 13,'97	....	....	....
" registered			J & J			....	....	....
Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	105	Aug. 18,'96	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	102	Jan. 5,'97	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	120½	July 21,'96	....	....	....
" registered			Q J			....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	118	Feb. 25,'97	118	117	123,000
" registered			M&S			....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	8,000,000	M & S	70½	Feb. 27,'97	77½	68	512,000
" gen. mort. g. 6's	1904	2,000,000	J & D	56	Feb. 26,'97	71	49½	194,000
" gen. lien g. 4's	1996	852,000	J & J			....	....	....
" registered, $5,000			J & J			....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Dec. 23,'96	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	127	Feb. 3,'97	127	126	9,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	143	Feb. 24,'97	144	143	7,000
" bonds, 7's	1900	281,000	J & J	109½	Feb. 17,'97	109½	109½	2,000
" 7's	1871-1901	4,991,000	A & O	114¼	Feb. 19,'97	114¼	114	7,000
" 1st c. gtd 7's	1915	12,151,000	J & D	141	Feb. 18,'97	141	141	15,000
" registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	134	Dec. 17,'96	....	....	....
" const. 5's	1923	5,000,000	F & A	118	Jan. 22,'97	....	....	....
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143½	Dec. 23,'96	....	....	....
" reg	1917		M & S	137	Oct. 7,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	117	Aug. 18,'96	....	....	....
" registered			A & O	128½	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	118½	Feb. 26,'97	118½	118	7,000
" registered			A & O	118	Feb. 25,'97	118	118	1,000
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	145⅝	Feb. 5,'97	145⅝	145⅝	5,000
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver City Cable Ry. 1st g. 6's	1908	3,397,000	J & J	97½	Feb. 24,'93	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O			....	....	....
Denver Tramway Co. con. g. 6's	1910	1,219,000	J & J			....	....	....
Denver Met. Ry. Co. 1st g. g. 6's	1911	913,000	J & J			....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	88½	Feb. 26,'97	89	88	48,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	111⅞	Feb. 25,'97	112	111½	24,000
" impt. m. g. 5's	1928	8,103,500	J & D	81	Feb. 26,'97	81	81	27,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,080,000	A & O	21	Feb. 3,'97	22	20⅛	7,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	100	Feb. 27,'97	100¼	99⅛	42,000
" registered			A & O	101⅛	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	102	Feb. 26,'97	102	100	81,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	108⅝	Feb. 26,'97	109¼	108⅝	103,000
" 2d extended 5's	1919	2,149,000	M & N	118¼	Jan. 14,'97	....	....	....
" 3d extended 4½'s	1923	4,618,000	M & S	112	Jan. 7,'97	....	....	....
" 4th extended 5's	1920	2,926,000	A & O	114⅛	Dec. 4,'96	....	....	....
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	143⅛	Feb. 17,'97	143⅛	140¾	24,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	134	Jan. 12,'97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	136¼	Jan. 11,'97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	106	Jan. 18,'97	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	111¾	Feb. 26,'97	112	111⅛	111,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	94¾	Feb. 26,'97	95⅛	94	502,000
" " registered			J&J	....	....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	65⅞	Feb. 26,'97	66¼	64⅛	361,000
" " registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	52	Feb. 10,'97	52	52	1,000
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	110	Feb. 2,'97	110	110	5,000
" 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	113	Dec. 31,'96	....	....	....
" 1st con. gold 5's	1939	2,100,000	M & N	82	Feb. 25,'97	82	82	3,000
" Port Huron d 1st g 5's	1939	3,083,000	A & O	78	Feb. 17,'97	78	78	2,000
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co, 1st g 4½'s	1941	1,000,000	J & J	....	....	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	58	Feb. 27,'97	58⅛	57⅛	128,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,888,000	J & J	42	Feb. 27,'97	43	41	17,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	104	Feb. 8,'97	104	104	1,000
" 2d mortgage 7's	1905	1,000,000	J & D	95	Dec. 12,'96	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	91¼	Feb. 24,'97	91⅛	90⅛	81,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	Feb. 13,'97	83	83	2,000
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	125¼	125¼	7,000
New Haven & Derby con. 5's	1918	575,000	M & N	115⅛	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	108⅛	Feb. 26,'97	109⅛	108	54,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	104	Feb. 26,'97	104	104	5,000
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	66¾	Feb. 26,'97	67¼	66	92,000
" Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
" Deben. 4's p. & int. gtd,	1897	411,000	A & O	94	Feb. 4,'97	94	94	6,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	Aug. 17,'96	....	....	....
" registered			J&J	102½	Dec. 30,'95	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	104	Feb. 8,'97	104	103¼	51,000
" gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....

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• gold 4's	1953	24,679,000	M & N	101¼	Feb. 5,'97	101¼	101	10,000
• gold 4's registered			M & N	....	....	....	....	....
• 2-10 g. 4's	1904	4,806,000	J & J	99	June 10,'96	....	....	....
• 2-10 g. 4's registered			J & J	....	....	....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered			M & S	....	....	....	....	....
• West'n Line 1st g. 4's	1951	3,550,000	F & A	100¾	Feb. 3,'97	100¾	100¾	22,000
• registered			F & A	....	....	....	....	....
• Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10,'95	....	....	....
• registered				....	....	....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100⅛	Aug. 17,'96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27,'96	....	....	....
• 1st consol. 7's	1897	826,000	M & N	101¾	Nov. 18,'96	....	....	....
• gold 5's	1951	16,526,000	J D 15	121	Feb. 25,'97	121	121	9,000
• gold 5's, registered			J D 15	119½	Feb. 27,'97	119½	119½	2,000
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	98½	June 16,'95	....	....	....
• registered			J & D	....	....	....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4,'96	....	....	....
• stamped				27	Jan. 4,'97	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	100½	Feb. 24,'97	100½	100	17,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96	....	....	....
• 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	119¼	Feb. 26,'97	119¼	119	7,000
• 2d mortgage 4½-5's	1909	6,593,000	M & S	79	Feb. 27,'97	80	79	29,000
• 3d mortgage 3-4's	1921	2,707,500	M & S	31	Feb. 24,'97	31	28	17,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	95½	Feb. 23,'97	96¾	95½	43,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....	....	....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	49	Feb. 27,'97	49	44	39,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	40	Feb. 25,'97	40	40	2,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115½	Feb. 15,'97	115½	113	11,000
• 2d mtge. g. 5's	1941	2,600,000	J & J	102	Feb. 24,'97	102	100¾	51,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	103½	Feb. 25,'97	103½	103	17,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	103½	Nov. 18,'96	....	....	....
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,355,000	A & O	106⅝	Jan. 28,'97	....	....	....
• con. co. 1st 7's	1900	14,890,000	J&J	111⅝	Feb. 25,'97	111½	111	11,000
• con. 1st registered	1900		Q J	111⅝	Feb. 24,'97	111⅝	111	16,000
• con. co. 2d 7's	1903	24,692,000	J&D	119½	Feb. 25,'97	119½	119½	2,000
• con. 2d registered	1903		J&D	119½	Feb. 23,'97	119½	119¼	12,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21,'96	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	92	Feb. 18,'97	101½	92	23,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	108	Feb. 23,'97	111	108	49,000
• registered			A & O	108	Sept. 29,'96	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
• registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	99¾	99½	18,000
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	118	Feb. 25,'97	118	117	219,000
• registered			M&S	....	....	....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	105⅝	Feb. 26,'97	105¾	105⅝	14,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	116	Feb. 18,'97	116	116	16,000
Long Island gen. m. 4's	1938	3,000,000	J & D	88	Feb. 23,'97	88	87	8,000
• Ferry 1st g. 4½'s	1922	1,500,000	M & S	89	Feb. 25,'97	89	84	14,000
• g. 4's	1932	325,000	J & D	....	....	....	....	....
• deb. g. 5's	1934	1,500,000	J & D	....	....	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	98	Dec. 5,'96	....	....	....
• 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,728,000	A & O	107½	Feb. 11,'97	107½	107½	10,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....

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Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,075,000	Q JAN	103½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's....1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's...1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis							
" 1st con. TrCo. ct. gold 5's. 1939	3,406,000	J & J	30	Feb. 11,'97	33	30	5,000
" Gen. mtg. g. 4's..........1943	2,432,000	M & S	9½	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's...1898	7,070,000	A & O	105½	Feb. 24,'97	105½	105½	23,000
" Cecilian branch 7's....1907	600,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's, 1930	5,000,000	J & J	119¾	Feb. 15,'97	119¾	119¾	20,000
" 2d 6's..................1930	1,000,000	J & J	103	Feb. 19,'97	103	102	3,000
" E., Hend. & N. 1st 6's..1919	2,833,000	J & D	113¼	Feb. 20,'97	113¼	113¼	4,000
" general mort. 6's.....1930	10,486,000	J & D	117⅛	Feb. 24,'97	117¼	116	45,000
" Pensacola div. 6's.....1920	580,000	M & S	108½	Jan. 22,'97	....	....	....
" St. Louis div. 1st 6's...1921	3,500,000	M & S	118	Aug. 28,'96	....	....	....
" 2d 3's..................1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's...1900	1,900,000	J & J	110	Feb. 1,'97	110	110	3,000
" So. N. Ala. si'g fd. 6s, 1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds....1937	1,764,000	M & N	100	Feb. 13,'97	100	100	3,000
" Unified gold 4's........1940	14,994,000	J & J	80	Feb. 26,'97	81	79¾	73,000
" registered 1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g, 1921	2,833,000	F & A	97½	Feb. 27,'97	97½	97	11,000
" collateral trust g. 5's, 1931	5,129,000	M & N	100	Feb. 16,'97	102	100	7,000
" L. & N. & Mob. & Montg 1st. g. 4½s..........1945	4,000,000	M & S	104	Nov. 10,'96	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	85	Jan. 9,'97	....	....	....
South & N. Ala. con. gtd. g. 5's, 1936	3,673,000	F & A	91	Feb. 20,'97	91½	91	11,000
Kentucky Cent. g. 4's........1987	6,742,000	J & J	87¼	Feb. 24,'97	90	85	39,000
L. & N. Louv. Cin. & Lex. g. 4½'s, 1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's. 1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's, 1910	3,000,000	J & J	112⅛	Feb. 25,'97	112⅛	112⅛	4,000
" eng. Tr. Co. ctf. cons. g. 6's 1916	4,421,000	A & O	85	Feb. 18,'97	85	85	17,000
" eng. Tr. Co. ctf. gen. g. 5's, 1940	2,600,000	M & N	42½	Feb. 27,'97	42½	42	3,000
Louisville Railw'y Co. 1st c. g. 5's, 1930	4,600,000	J & J	100⅜	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's.....1990	24,065,000	A & O	94	Feb. 26,'97	95¼	93½	183,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's, 1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g..1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	118⅜	Feb. 15,'97	118⅜	117½	11,000
" 2d 6's....................1899	4,000,000	M & N	106⅛	Feb. 26,'97	106½	106	21,000
Mexican Central.							
" con. mtge. 4's...........1911	58,903,000	J & J	68½	Jan. 22,'97	....	....	....
" 1st con. inc. 3's..........1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's....................1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's, 1942	14,000,000	M & S	70½	Feb. 27,'97	71	70¼	79,000
Mexican Nat. 1st gold 6's........1927	11,532,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"..........1917	12,265,000	M & S	42⅜	Nov. 12,'96	....	....	....
" coup. stamped..............	....	......	....	....	....	....	....
" 2d inc. 6's "B"..........1917	12,265,000	A	10	Jan. 15,'97	....	....	....
Mexican Northern 1st g. 6's.....1910	1,383,000	J & D	97	Feb. 11,'97	97	97	1,000
" registered..................		J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's.......1902	8,000,000	M & N	116½	Feb. 25,'97	117	116½	11,000
" 1st con. 5's............1902	2,000,000	M & N	107	Feb. 9,'97	107	107	6,000
" 6's.......................1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's...............1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's.................1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's...............1940	2,600,000	J & J	105	July 30,'96	....	....	....
" mtge. 4's reg..............		J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's...1989	476,000	J & D	....	....	....	....	....
Mil. Elec. R. & Light con. 30yr. g. 5's. 1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's. 1927	950,000	J & D	140	Jan. 21,'97	....	....	....
" 1st con. g. 5's............1934	5,000,000	M & N	102¾	Feb. 26,'97	103¼	102⅜	166,000
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	120	Jan. 9,'97	....	....	....
" Southw. ext. 1st g. 7's...1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	121	Dec. 14,'96	....	....	....
Minneapolis & Pacific 1st m. 5's..1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.			....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	84½	Feb. 26,'97	84½	83¾	431,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	59¾	Feb. 27,'97	61	58⅝	478,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	80	Feb. 17,'97	80½	78¼	62,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	70	Feb. 26,'97	70	63½	46,000
" Dal. & Waco 1st g.g. 5's	1940	1,340,000	M & N	77	Jan. 20,'97	....	....	....
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	95	Feb. 23,'97	95	94	83,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	85	Feb. 27,'97	86¼	85	11,000
" 3d mortgage 7's	1906	3,828,000	M & N	102	Feb. 25,'97	102	102	15,000
" trusts gold 5's	1917	14,376,000	M & S	70	Aug. 14,'96	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	65	Feb. 5,'97	65	65	10,000
" re istered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101	Feb. 24,'97	101¾	101	7,000
" 2d extended g. 5's	1938	2,573,000	F & A	103	Feb. 24,'97	103	103	5,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mount. 1st ex. 5's	1897	4,000,000	F & A	102½	Feb. 27,'97	102½	100¼	41,000
St. Louis & I'rn Mount. 2d 7's	1897	6,000,000	M & N	102⅞	Feb. 27,'97	102⅞	102¼	38,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	100	Oct. 14,'96	....	....	....
" Cario, Ark. & T. 1st 7's	1897	1,450,000	J & D	102	Feb. 26,'97	102	101	13,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	75½	Feb. 27,'97	77	75	97,000
" stamped gtd gold 5's	1931	6,945,000	A & O	73½	Feb. 26,'97	74	73½	2,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	......	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	119	Feb. 24,'97	119	118¾	2,000
" 1st entension 6's	1927	974,000	J & D	112	May 1,'96	....	....	....
" gen. mortgage 4's	1938	9,470,500	Q J	68	Feb. 26,'97	68¼	67½	136,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	128	July 23,'95	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	128⅝	Feb. 20,'97	129	128⅝	29,000
" 2d 6's	1901	1,000,000	J & J	107¾	Apr. 27,'95	....	....	....
" 1st cons. g. 5's	1928	5,594,000	A & O	102	Feb. 26,'97	102	101½	18,000
" 1st 6's T. & Pb	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g.6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	106½	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	118¾	Feb. 24,'97	118¾	118½	20,000
" 1st registered	1903		J & J	118	Feb. 3,'97	118	118	35,000
" debenture 5's	1904	10,000,000	M & S	108⅜	Feb. 26,'97	108⅜	107⅝	99,000
" debenture 5's reg			M & S	108½	Feb. 26,'97	108½	107⅝	5,000
" reg. deben. 5's	1889-1904	1,000,000	M & S	107¼	Feb. 13,'97	107¼	107¼	1,000
" debenture g. 4's	1905	15,000,000	J & D	102½	Feb. 25,'97	102⅞	102½	12,000
" registered			J & D	101¾	Jan. 13,'97	....	....	....
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	103⅛	Feb. 26,'97	103⅛	102¼	8,000
" registered			M & N	100¾	May 12,'96	....	....	....
Harlem 1st mortgage 7's c	1900	12,000,000	M & N	112½	Feb. 25,'97	112½	111¾	15,000
" 7's registered	1900		M & N	112½	Feb. 25,'97	112½	111½	24,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	100	Nov. 25,'96	....	....	....
" reg. certificates			F & A	....	....	....	....	....
West Shore 1st guaranteed 4's		50,000,000	J & J	107	Feb. 27,'97	108	106¼	313,000
" registered			J & J	106	Feb. 27,'97	106½	105½	258,000
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	106½	Feb. 6,'97	107	106½	8,000
" registered			J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J	....	....	....	....	....
" registered		....	J & J	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....	....	....	....	....
" small bonds series B		33,100	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....	....	....	....	....

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R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	121	Feb. 27,'97	121	119⅛	47,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's..1993	4,000,000	A & O	103	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	105	Feb. 23,'97	105¾	105	67,000
" registered..................		A & O	105	Feb. 16,'97	105	105	3,000
N. Y. & New England 1st 7's......1905	6,000,000	J & J	119⅛	Jan. 15,'97	....	....	....
" 1st 6's......................1905	4,000,000	J & J	114	Jan. 18,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000	15,007,500	A & O	138	Feb. 23,'97	138	132⅛	90,000
" small certifs.............$100	1,430,000	......	130⅛	May 25,'96	....	....	....
N. Y. & Northern 1st g. 5's.......1927	1,200,000	A & O	119	Jan. 25,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's1939	5,600,000	J & D	109	Feb. 24,'97	109	108¼	95,000
" Refunding 1st g. 4's.....1992	8,375,000	M & S	95¾	Feb. 27,'97	96	91⅝	412,000
" Registered......$5,000 only.	....	M & S	83⅜	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	102⅛	Feb. 25,'97	103	101⅛	34,000
" 2d mortg. 4½'s........1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's........1940	2,300,000	F & A	72	Feb. 20,'97	72⅛	70¼	34,000
" term. 1st mtg. g. 5's...1943	2,000,000	M & N	106⅛	Feb. 23,'97	106½	105⅞	17,000
" registered............$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	89⅝	Feb. 15,'97	90	89	33,000
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	119	Feb. 25,'97	119	119	18,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	15,306,000	J & J	115¾	Feb. 26,'97	116	114¾	42,000
" registered..................		J & J	115¼	Feb. 25,'97	115¾	115	15,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	125	Feb. 23,'97	125	123¼	11,000
" registered certificates....		Q F	122⅝	May 18,'96	....	....	....
Dul. & Man. 1st g. 6's, en Tr. Co. ctfs							
" 10 p c purchase price paid	1,619,000	J & J	81	Jan. 28,'87	....	....	....
Cœur d'Alene 1st gold 6's......1916	360,000	A & O	104	May 5,'92	....	....	....
" gen. 1st g. 6's..........1938	878,000	M & S	102	Jan. 2,'92	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's.1997	78,816,500	Q J	88	Feb. 27,'97	88⅛	87	2,168,000
" registered..................		Q J	....		....	....	....
" gen. lien g. 3's..........2047	56,000,000	Q F	55⅝	Feb. 27,'97	56¼	53⅞	5,689,000
" registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	4,090,000	J & J	107⅛	Feb. 25,'97	108	107	48,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	100¾	Feb. 20,'96	100¾	100¾	1,000
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	117	Jan. 13,'97	....	....	....
" New River 1st 6's........1932	2,000,000	A & O	106⅛	Oct. 20,'96	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off..................	....	......	....		....	....	....
" Tr.Co.ctfs adjtmnt mtg 7's......................1924	1,468,000	Q M	78	Dec. 21,'96	....	....	....
" Tr. Co. ctfs eqpmnt g.5's....	4,066,000	......	82	Apr. 24,'96	....	....	....
" Tr. Co. ctfs gold 5's......1990	8,875,000	J & J	67	Feb. 3,'97	67	65	30,000
" Tr.Co. ctfs Nos. above 10,000	3,200,000	J & J	64	Dec. 17,'96	....	...	....
" Tr.Co.ctfs Clinch V.div.g.5's	2,475,000	......	55	Feb. 7,'96	....	....	....
" Tr. Co. ctfs Md. & W. div. 1st g. 5's..............1941	6,809,500	J & J	68	Feb. 3,'96	68	68	5,000
" Sci'o Val & N.E. 1st g.4's,1989	5,000,000	J & N	83	Feb. 26,'97	83¼	82⅞	38,000
" C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	101	Feb. 23,'97	101	101	10,000
Norfolk & West. Ry 1st con. g. 4s.1996	19,227,500	A & O	....		....	....	....
" registered..................		A & O	....		....	....	....
" small bonds..................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc..1920	800,000	O	....	....	....	....	....
" inc........................small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's...1898	3,435,000	J & J	103½	Feb. 23,'97	103½	102⅝	20,000
" consolidated 7's..........1898	3,066,000	J & J	102⅝	Jan. 29,'97	....	....	....
" 2d consolidated 7's......1911	2,952,000	A & O	118	Feb. 16,'97	118	116	11,000
" 1st Springf'd d. 7's......1905	1,984,000	M & N	101	Feb. 25,'97	101	101	1,000
" 1st general 5's...........1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's.......1936	2,000,000	J & D	101	Dec. 9,'96	....	....	....
" gen. mortg. g 6's........1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's....1921	3,924,000	J & D	84	Feb. 27,'97	86½	83½	104,000
" gen. mortg. g 4's........1921	1,543,000	M & N	17	Dec. 8,'96	....	....	....
" gen. eng. Trust Co. certs...	1,255,000	......	14	Feb. 19,'97	14	14	7,000
Omaha & St. Lo. Tr Co. cts. 1st 4's.1937	2,717,000	......	50	Feb. 24,'97	51	50	34,000
Oregon & California 1st g 5's....1927	18,842,000	J & J	71½	Sept.17,'96	....	....	....
Oregon Improvement Co. 1st 6's.1910	743,000	J & D	90	Jan. 22,'97	....	....	....
" eng.Tr. Co. ctfs. of dep.....	3,328,000	......	86	Feb. 25,'97	86	86	3,000
" con. mortg. g 5's........1939	2,911,000	A & O	15	Feb. 10,'97	15	15	1,000
" Trust Co. certificates......	3,638,000	......	16½	Jan. 13,'97	....	....	....
Oregon Ry. & Nav. 1st s. f. g. 6's..1909	4,900,000	J & J	113	Feb. 25,'97	113	112	23,000
Oregon R. R. & Nav.Co.con. g 4's.1946	15,174,000	J & D	83	Feb. 26,'97	84	82¾	545,000
Paducah, Tenn. & Ala. 1st 5's....1920	....	......	....	....	....	....	....
" Issue of 1890................	1,815,000	J & J	....	....	....	....	....
" Issue of 1892................	617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's........1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.							
Penn. Co.'s gtd. 4½'s, 1st.......1921	19,467,000	J & J	110¾	Feb. 26,'97	111	110¼	34,000
" reg.....................1921		J & J	109½	Feb. 13,'97	109½	109½	12,000
Pitts., C. C. & St. Louis con. g 4½'s							
" Series A 1940	10,000,000	A & O	108¾	Feb. 15,'97	109	108¾	18,000
" Series B 1942	10,000,000	A & O	108¾	Feb. 15,'97	109	108¾	16,000
" Series C 1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
" Series D gtd. 4's......1945	4,863,000	M & N	101	Sept.19,'96	....	....	....
Pitts., C. & St. Louis 1st c. 7's..1900	6,863,000	F & A	109½	Feb. 4,'97	109½	109½	4,000
" 1st reg. 7's...........1900		F & A	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's..1912	2,917,000	J & J	138	Feb. 25,'97	138	138	2,000
" 2d 7's....................1912	2,546,000	J & J	136½	Jan. 28,'97	....	....	....
" 3d 7's....................1912	2,000,000	A & O	126	Aug.26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's..1932	1,506,000	A & O	115	Jan. 4,'97	....	....	....
" registered................	....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's..1900	1,505,000	M & N	112	Dec. 8,'96	....	....	....
" Series A...............1942	3,000,000	J & J	113½	Apr. 18,'95	....	....	....
" 4½ Series B...........1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's......1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
" 2d gtd. 7's.............1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g 1941	3,980,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's..1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	......	108	June 25,'95	....	....	....
con. sterling gold 6 per cent...1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered...1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent 1919	4,998,000	M & S	....	....	....	....	....
" registered..................		Q Mch	....	....	....	....	....
con. gold 4 per cent 1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	112	Dec. 1,'96	....	....	....
Del. R. RR. & BgeCo 1stgtdg. 4's,1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's.1920	1,287,000	J & J	101	Feb. 26,'97	104	101	22,000
" Evansville div. 1st 6's..1920	1,470,000	M & S	100	Feb. 19,'97	106	100	38,000
" Tr. Co. ctfs. 2d mort 5's.1926	1,778,000	M & N	27	Feb. 8,'97	27	27	5,000
Peoria & Pekin Union 1st 6's....1921	1,500,000	Q F	114	Jan. 21,'97	....	....	....
" 2d m 4½'s................1921	1,499,000	M & N	76½	Feb. 25,'97	77	76½	6,000

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Phil. & Read. gen. g 4's Tr. Co. ctf's. assented		46,121,000	......	81⅛	Feb. 27,'97	82	80¾	719,000
" registered		....	......	81	Jan. 22,'97	....	....	....
" 1st pref. inc. Tr. Co. certfs. all instal. pd.		23,663,000	......	44¾	Feb. 27,'97	46¾	43⅛	446,000
" 2d pref. inc. Tr. Co. certfs. all instal. pd.		15,810,000	......	32¼	Feb. 27,'97	34⅝	31¾	270,000
" 3d pref. inc	1958	21,634,462	F	13⅛	Feb. 7,'96	....	....	....
" 3d pr. in. con	1958			4¼	Oct. 24,'96	....	....	....
" Tr. Co. ctfs all instal. pd...				31⅝	Feb. 9,'97	31⅝	31⅝	15,000
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108¼	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	99¼	Feb. 27,'97	99⅞	99	59,000
" 1st cons. 5's	1943	786,000	J & J	83½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	73¾	Feb. 24,'97	73¾	72	5,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	79⅞	Sept. 9,'95	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	73½	Feb. 26,'97	74¾	72¼	150,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Joseph & Grand Island 1st 6's	1925	553,000	M & N	48	Dec. 31,'96	....	....	....
" Cent. Tst Co. ctfs of deposit		6,447,000	......	49⅞	Feb. 27,'97	50	48	85,000
St. Joseph & Grand Is'd 2d inc.	1925	1,680,000	J & J	4¼	Dec. 11,'95	....	....	....
" Coupons off		....	......	2	Dec. 10,'96	....	....	....
Kansas C'y & Omaha 1st g. 5's	1927	2,940,000	J & J	37½	Oct. 16,'95	....	....	....
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	104	Dec. 31,'96	....	....	....
" registered			J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	102	Dec. 22,'96	....	....	....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
" 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
" 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	114	Jan. 28,'97	....	....	....
" 2d g. 6's. Class B	1906	2,766,500	M & N	114	Feb. 25,'97	115¾	114	17,000
" 2d g. 6's. Class C	1906	2,400,000	M & N	114¾	Feb. 10,'97	115	114¾	8,000
" 1st g. 6's P. C. & O.	1919	1,041,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's	1931	7,807,000	J & J	111¾	Feb. 25,'97	112¾	111½	107,000
" gen. g. 5's	1931	12,293,000	J & J	97¼	Feb. 25,'97	98½	97¼	88,000
" 1st Trust g. 5's	1987	1,099,000	A & O	90	Jan. 15,'97	....	....	....
Ft. Smith & Van B. Bdg. 1st 6's	1910	335,000	A & O	104	Oct. 15,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	100	Jan. 19,'95	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1906	6,388,000	J & D	65⅝	Feb. 27,'97	67	65	462,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	68	Feb. 25,'97	70	68	40,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27¼	Jan. 30,'97	....	....	....
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	91	91	1,000
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000,000	A & O	104¼	Feb. 24,'97	104¼	104¼	1,000

BOND QUOTATIONS.—*Last sale, price and date; highest and lowest prices and total sales for the month.*

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
St. Paul, Minn. & Manito'a 1st 7's	1909	357,000	J & J	107	Feb. 23,'97	107	107	2,000
" small			J & J	106	July 29,'84	....	....	....
" 2d 6's	1909	8,000,000	A & O	120	Feb. 24,'97	120	120	10,000
" Dakota ext'n 6's	1910	5,676,000	M & N	119½	Feb. 17,'97	120	119½	10,000
" 1st con. 6's	1933	13,344,000	J & J	124¼	Feb. 23,'97	124¼	123½	14,000
" 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
" 1st c. 6's, red'd to 4½'s		20,323,000	J & J	103¾	Feb. 24,'97	104	103	186,000
" 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
" Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	90¼	Feb. 26,'97	90½	90	51,000
" registered			J & D	86	Jan. 29,'97	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	115¼	Feb. 15,'97	115¾	114½	19,000
" 1st 6's, registered			J & J	....	....	....	....	....
" 1st g. g. 5's	1937	2,700,000	J & J	103	Feb. 19,'96	103	103	1,000
" registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	106¼	Feb. 5,'97	106¼	106¼	5,000
" registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	106⅝	Feb. 1,'97	106⅝	106⅝	5,000
" registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	58⅝	Feb. 26,'97	59	57	512,000
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	114	July 24,'95	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
" assessment paid			F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's	1919	5,250,000	M & N	87½	Feb. 3,'97	91	87½	7,000
South'n Pac. of Ariz. 1st 6's	1909–1910	10,000,000	J & J	93¾	Feb. 20,'97	96¾	90	96,000
South. Pac. of Cal. 1st g 6's	1905–12	30,577,500	A & O	108	Jan. 11,'97	....	....	....
" 1st con. gtd. g 5's	1937	18,402,000	M & N	85¾	Feb. 26,'97	87	85	123,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	84½	Feb. 26,'97	84½	83½	77,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	103	Feb. 27,'97	105	102¾	91,000
Southern Railway 1st con. g 5's	1994	25,838,000	J & J	90¼	Feb. 27,'97	90⅝	88¼	461,000
" registered			J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	89	Feb. 3,'97	89	89	1,000
" registered			M & S	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	109¼	Feb. 3,'97	109¼	109¼	2,000
Atl. & Char. Air Line, 1st 7's	1897	500,000	A & O	121¾	May 25,'92	....	....	....
" income	1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5–6's	1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	108⅝	Feb. 16,'97	108¾	108½	35,000
" divisional g 5's	1930	3,106,000	J & J	112	Feb. 16,'97	112	112	6,000
" con. 1st g 5's	1956	12,770,000	M & N	108	Feb. 24,'97	108½	108	146,000
Ga. Pacific Ry. 1st g 5–6's	1922	5,660,000	J & J	113½	Feb. 26,'97	114½	113½	17,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	114	Feb. 26,'97	115	114	12,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	121¾	Feb. 19,'97	122	120	52,000
" equip. sink. f'd g 5's	1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped	1927	3,368,000	A & O	100⅞	Feb. 19,'97	101	100	54,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4–5's	1921	950,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	103	Feb. 26,'97	103	102½	12,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	102	Feb. 1,'97	102	102	3,000
W. O. & W. 1st cy. gtd. 4's	1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113	Feb. 25,'97	113	111½	21,000
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	109	Jan. 16,'97	....	....	....
" 1st con. g. 5's	1894–1944	4,500,000	F & A	103½	Feb. 3,'97	103½	103½	3,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	105⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	108	Feb. 19,'96	....	....	....
" Sabine d. 1st 6's	1912	2,575,000	M & S	107½	Apr. 16,'96	....	....	....
" con. m. g 5's	1943	1,620,000	F & A	94½	Feb. 27,'97	94¾	94	100,000

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
• 1st gold 5's	2000	21,049,000	J & D	88½	Feb. 27,'97	90	88	86,000
• 2d gold income, 5's	2000	23,227,000	MAR.	21½	Feb. 26,'97	22½	20¾	237,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	122¼	Feb. 6,'97	122¼	122	6,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	105	Feb. 9,'97	108	105	16,000
• 1st M. g 5's West. div	1935	2,500,000	A & O	104	Feb. 5,'97	104	104	4,000
• gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	77	Feb. 19,'97	77	77	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	68½	Jan. 14,'97	....	....	....
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	70	Feb. 27,'97	75	70	42,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	98¼	Feb. 18,'97	99	98	12,000
Union Pacific 1st g. 6's	1896		J & J	104½	Feb. 26,'97	104¾	104½	65,000
• g. 6's	1897		J & J	104¾	Feb. 26,'97	104¾	104½	55,000
• g. 6's	1898	11,604,000	J & J	105	Feb. 25,'97	105	104¼	125,000
• g. 6's	1899		J & J	105⅝	Feb. 27,'97	105½	104⅝	60,000
• g. 6's Tr.Co.cfs.ex mat cps 1896			......	103½	Feb. 23,'97	103½	101½	78,000
• g.6's Tr.Co. cfs.ex mat cps 1897		15,625,000	......	103½	Feb. 17,'97	103½	102½	32,000
• g.6's Tr.Co. cfs. ex mat cps 1898			......	104½	Feb. 26,'97	104½	103	127,000
• g. 6's Tr.Co. cfs.ex mat cps 1899			......	103	Feb. 3,'97	103	103	1,000
• collat. trust 6's		3,983,000	J & J	96½	Nov. 27,'96	....	....	....
• 5's	1907	4,970,000	J & D	75	Dec. 3,'96	....	....	....
• g 4½'s	1918	2,058,000	M & N	50	May 22,'95	....	....	....
• eng. Tr. Co. certifs			......	50	Jan. 23,'97	....	....	....
• gold notes,6's stampd	1894	8,488,000	F & A	101	Feb. 26,'97	101¼	99	343,000
• Ext. sink'g f'd g 8's	1899	2,070,000	M & S	93	Feb. 26,'97	95	90	88,000
• eng. Tr. Co. certifs		1,891,000	......	93½	Feb. 27,'97	95	91	60,000
Kansas Pacific 1st 6's	1895	1,443,000	F & A	109⅛	Feb. 11,'97	109⅛	109⅛	6,000
• eng.Tr.Co. cfs. ex mat cps		779,000	......	....	....	....	....	....
• 1st 6's	1896	1,995,000	J & D	113¾	Feb. 10,'97	113¾	113½	24,000
• eng.Tr.Co. cfs. ex mat cps		2,068,000	......	95	Dec. 8,'96	....	....	....
• Denver div. assd. 6's	1899	2,850,000	M & N	116½	Feb. 25,'97	116⅞	116½	26,000
• eng.Tr.Co. cfs. ex mat cps		3,037,000	......	100½	Jan. 23,'97	....	....	....
• Tr.Co. ctfs. 1st con. 6's	1919	10,664,000	......	76	Feb. 25,'97	77	73⅝	591,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	25	Feb. 26,'97	25	25	9,000
At., Jewell Co. & West. 1st 6's	1905	542,000	Q F	27	Dec. 7,'96	....	....	....
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	24¼	Jan. 30,'97	....	....	....
• Den.&Gulf 1st c. g.5's	1939	15,801,000	J & D	36½	Feb. 17,'97	37	36	71,000
Or.S.L.&U.N.Tr.Co.ctals1st cn.g.	1919	10,792,000	A & O	76	Feb. 27,'97	76¾	73	739,000
• assented		....	......	....	....	....	....	....
Oregon Short Line 1st 6's	1922	3,538,000	F & A	118	Feb. 23,'97	118	115	115,000
• Trust Co. ctfs of dep		11,393,000	......	117	Feb. 27,'97	117⅝	113⅝	685,000
Utah & Nor'n R'y 1st mtg 7's	1908	1,031,000	J & J	117	Feb. 26,'97	117	114	10,000
• gold 5's	1926	1,877,000	J & J	100	May 14,'96	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's	1909	1,495,000	J & J	78	Feb. 10,'97	76¼	76	20,000
• Tr.Co. ctfs.ext. 1st 7's	1909	1,924,000	J & J	76	Feb. 10,'97	76	74	18,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	107	Feb. 27,'97	107¼	106½	317,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	68	Feb. 25,'97	70	68	78,000
• deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
• series B	1939	25,740,000	J & J	23	Feb. 3,'97	23	23	6,000
• 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	92	Feb. 18,'97	92	92	3,000
St. L., Kan. C. & N. St. Chas. B. • 1st 6's	1908	1,000,000	A & O	107	Feb. 4,'97	107	107	1,000
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	107¼	Feb. 26,'97	107¼	106	33,000
• gen g. 2-3-4's	1943	10,000,000	A & O	48¾	Feb. 25,'97	50	48¾	26,000
• inc. 5's	1943	10,000,000	Nov.	13	Dec. 16,'96	....	....	....
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	90	Jan. 30,'97	....	....	....
• Wheeling div. 1st g. 5's	1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
• exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	70	70	2,000
• consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	2,364,000	J & J	33	Oct. 29,'96	....	....	....
• eng. Trust Co. certificates.		9,636,000	......	39½	Feb. 27,'97	39½	38	147,000
• income mortgage 5's	1937	7,775,000	A & O	7⅛	Nov. 13,'96	....	....	....

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MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
American Cotton Oil deb. g. 8's..1900	3,068,000	Q F	106¼	Feb. 10,'97	106⅜	106	11,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	2,000,000	M & S	81	Feb. 27,'97	81⅞	77	600,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's.1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union GasCo.1stcon.g.5's.1945	12,336,000	M & M	109½	Feb. 26,'97	109½	108	309,000
B'klyn Wharf & Wh. Co. 1st g. 5's.1945	17,500,000	F & A	98⅛	Feb. 27,'97	99	97⅛	88,000
Chic. Gas Lt & Coke 1st gtd g. 5's.1937	10,000,000	J & J	95¾	Feb. 25,'97	93[illegible]	95	39,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	109⅛	Feb. 9,'97	109⅛	109⅛	10,000
Colo. Coal & Iron 1st con. g. 6's..1900	2,954,000	F & A	97	Feb. 23,'97	98⅛	97	16,000
Colo. C'l & I'n Devel.Co. gtd g.5's.1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off..................	....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's..........1919	1,043,000	M & N	106⅛	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's....1936	4,346,000	J & D	88⅛	Feb. 18,'97	88⅛	85⅛	18,000
Detroit Gas Co. 1st con. g. 5's....1918	2,000,000	F & A	72⅝	Feb. 25,'97	76½	72⅝	4,000
Edison Elec. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	111⅛	Feb. 26,'97	112¼	111⅛	40,000
" 1st con. g. 5's............1995	2,130,000	J & J	109⅛	Feb. 18,'97	109⅛	108⅛	15,000
" Brooklyn 1st g. 5's......1940	1,250,000	A & O	110½	Feb. 4,'97	110⅛	110½	10,000
" registered..................		A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.....							
" 1st con. g. 5's............1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's.1905	2,000,000	J & J	99	Feb. 23,'97	99⅛	99	23,000
Erie Teleg. & Tel. col. tr. g s fd 5's.1926	1,000,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's...1922	8,750,000	J & D	96	Feb. 26,'97	96	95	76,000
Grand Riv. Coal & Coke 1st g. 6's.1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Oct. 2,'95	....	....	....
Iron Steamboat Co. 6's...........1901	500,000	J & J	75⅛	Dec. 4,'95	....	....	....
Int'r Cond & Insul Co. deb. g. 6's..1925	500,000	A & O	81	Oct. 16,'95	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	93¾	Feb. 23,'97	94¼	93¾	50,000
" small bonds.................			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's....1919	1,250,000	M & N	....	....	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
" registered..................		M & N					
Mich. Penins. Car Co. 1st g 5's...1942	2,000,000	M & S	89½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's....1911	1,957,000	M & N	110	Feb. 15,'97	111⅛	110	2,000
Nat. Starch Mfg. Co., 1st g 6's...1920	3,837,000	J & J	102⅛	Feb. 23,'97	102½	101⅛	20,000
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
		......	....	....	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.1904	2,100,000	M & N	110	Feb. 26,'97	110	110	5,000
" 2d 6's....................1904	2,500,000	J & D	107	Feb. 6,'97	107¼	105⅛	6,000
" 1st con. g 6's............1943	4,900,000	A & O	105⅛	Feb. 23,'97	105⅛	103	79,000
Peoria Water Co. g 6's......1889-1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's....1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	101	101	1,000
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	3,000,000	F & A	72⅝	Feb. 27,'97	76	71¼	94,000
" " inc. g. 5's.1946	7,500,000	......	24⅛	Feb. 18,'97	28⅛	24⅛	20,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,299,000	A & O	85	Feb. 26,'97	86	83	10,000
• Bir. div. 1st con. 6's...1917	3,490,000	J & J	86½	Feb. 25,'97	87	86	36,000
Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's...1910	2,434,000	F & A	81½	Feb. 11,'97	81½	81	16,000
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	113½	Feb. 18,'97	114	113¼	24,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Union deb. 7's.....1875-1900	3,720,000	M & N	110	Apr. 10,'96	....	....	....
• 7's, registered..........1900		M & N	107	Feb. 6,'96	107	107	1,000
• debenture, 7's......1884-1900	1,000,000	M & N	105	Aug. 25,'96	....	....	....
• registered..................		M & N	....	....	....	....	....
• col. trust cur. 5's 1938	8,436,000	J & J	107	Feb. 19,'97	107	106½	42,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897. *High.*	YEAR 1897. *Low.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
United States 2's registered........Opt'l	25,364,500	Q M	....	....	....	....	......
• 4's registered..............1907	559,634,000	J A J&O	112	110⅝	112	111⅛	521,000
• 4's coupon..................1907		J A J&O	113¼	111⅞	113¼	112⅜	145,000
• 4's registered..............1925	162,315,400	Q F	122⅝	120¼	122⅝	122⅝	91,000
• 4's coupon..................1925		Q F	124	120⅛	123⅛	122⅛	1,125,000
• 5's registered..............1904	100,000,000	Q F	113¾	113¼	113¾	113¾	5,000
• 5's coupon..................1904		Q F	114⅜	113⅞	113⅞	113⅜	402,000
• 6's currency..................1898	29,904,952	J & J	103½	103⅛	103½	103½	4,000
• • 1899	14,004,560	J & J	106½	106⅛	106½	106⅛	1,000
• 4's reg. cer. ind. (Cherokee)1897	1,660,000	MAR	....	....	....	....	......
• • 1898	1,660,000	MAR	....	....	....	....	......
• • 1899	1,660,000	MAR	106⅝	106⅝	106⅝	186⅝	10,000

BANKERS' OBITUARY RECORD.

Austin.—James Austin, President of the Dominion Bank, Toronto, Canada, and a well-known Canadian financier, died February 27, aged eighty-four years.

Averell.—Wm. J. Averell, President of the Ogdensburg (N. Y.) Bank, died February 28, aged seventy-three years.

Brown.—Henry D. Brown, Cashier of the Phenix (R. I.) National Bank, and Treasurer of the Phenix Savings Bank, died February 16, aged eighty-two years.

Bruyn.—Charles De Witt Bruyn, President of the Ulster County Bank, Kingston, N. Y., died February 16, aged sixty-five years. Mr. Bruyn was Cashier of the bank from 1857 to 1873, becoming President in the latter year.

Buck.—Chester C. Buck, a retired merchant and a prominent resident of Laporte, Ind., and for forty years a member of the banking firm of Buck & Toan, of Plymouth, Ind., died February 19. He was about sixty-two years old.

Canfield.—William S. Canfield, formerly the Cashier of the Twelfth Ward Bank, New York city, died on March 3. He was forty-eight years old.

Chase.—Edward Chase, Manager of the St. Louis, Mo., Clearing-House Association for twenty-seven years, died March 1, aged seventy-three years.

Dart.—Geo. H. Dart, Vice-President of the First National Bank, Providence, R. I., died February 6. He had been connected with the bank as a director since 1880, and was elected Vice-President in 1891, filling the offices with exceptional ability and faithfulness.

Echols.—William J. Echols, President of the Merchants' Bank, Fort Smith, Ark., died in

New York city, March 2. Mr. Echols was a native of Fort Smith, where he was prominent in business and social life.

Hutton.—William Hutton, President of the National Bank of Rondout, Kingston, N. Y., died March 2, aged sixty-three years. He had resided at Kingston from boyhood, and accumulated a fortune in the brick and lumber business. Mr. Hutton was also Vice-President of the Ulster County Savings Institution.

Jewett.—Sherman S. Jewett, a wealthy stove manufacturer of Buffalo, N. Y., and a director of the Bank of Buffalo and the Columbia National Bank, died February 28. He was born in Cayuga county, N. Y., in 1815. His fortune is estimated at $2,000,000.

Keith.—L. L. Keith, President of the Machias (Me.) Bank, and also Treasurer of the Machias Savings Bank, died February 25, aged sixty-eight years.

King—Geo. N. King, a large stockholder in the Wabash (Ind.) National Bank, and an old and wealthy citizen, died February 6. He was born at Akron, Ohio, in 1838.

Lampson.—Wm. Lampson, President of the Bank of Leroy, N. Y., died recently. He left an estate valued at about $1,000,000, most of which will go to Yale University.

Marx.—Stephen Mark, a member of the New York Stock Exchange firm of Offenbach & Marx, died February 17, aged forty-six years.

Morrow.—Anthony S. Morrow, of Hollidaysburg, Pa., a member of the banking firm of Gardner, Morrow & Co., died February 16, aged seventy-four years. He served three terms as Prothonotary of the Blair county (Pa.) courts. He was one of the projectors of the Cressona, Coalport & New York Short-Route R.R., and was identified with other industrial enterprises. He was a partner in the three Blair county banks that recently failed.

Norman.—Prentice P. Norman, Assistant Cashier of the Second National Bank, Elmira, N. Y., and for twenty years in charge of the collection department of the bank, died February 9, aged fifty years. Mr. Norman had many friends and was most highly regarded by the officers of the bank for his capability and fidelity as a banker.

Pollard.—Wm. J. H. Pollard, President of the First National Bank, Stonington, Conn., died February 24. He was treasurer of the town for more than twenty years.

Prickett.—John A. Prickett, for twenty-eight years head of the banking house of John A. Prickett & Son, Edwardsville, Ill., which failed a short time ago, died February 18. His death was due to old age and was hastened by worry over the failure. He was born in Edwardsville May 4, 1822. He was a veteran of the Mexican war. He was the first Mayor of Edwardsville and also the first supervisor of the township.

St. John.—Wm. P. St. John, ex-President of the Mercantile National Bank, New York, Treasurer of the National Democratic Committee, and prominently identified with the movement favoring the free coinage of silver, died February 14. Mr. St. John was born in Mobile, Ala., February 19, 1849, his father being Newton St. John, senior member of the Mobile banking house of St. John, Powers & Co. The son studied in England and Germany, and returning to this country, went to school in Boston. At the age of twenty he entered the office of a Wall street firm, and afterward he was credit clerk for Havemeyer & Elder, sugar refiners. In 1881 he was made Cashier of the Mercantile National Bank, and in 1884 President. He was considered one of the best judges of commercial credits in New York. Last year he went into politics as a free-silver man, and by request resigned the presidency of the Mercantile National Bank, but kept his place as a director. After election Mr. St. John bought a seat on the Produce Exchange and engaged in the business of a produce broker. In January he failed of re-election as a director in the three banks with which he was connected—the Mercantile National, the Second National, and the Hamilton. A more extended reference to his career will be found elsewhere in this number.

Sherman.—Geo. H. Sherman, President of the National Bank and Loan Co., Watertown, N. Y., died February 14, aged sixty-three years.

Snyder.—Wm. H. Snyder, Cashier of the Merchants' National Bank, Galena, Ill., died February 7. Mr. Snyder was born at Utica, N. Y., January 1, 1814. He had been a resident of Galena since 1835, and was a director and Cashier of the Merchants' National Bank from its organization, in 1865, until his death. In addition to his capacity as a banker, he was a scholar of more than ordinary attainments and was a man of fine personal character.

Taylor.—John B. Taylor, Cashier of the Second National Bank, Freeport, Ill., for many years, died February 24.

Walker.—Geo. W. Walker, President of the Colorado Loan and Mortgage Co., Colorado Springs, Col., died February 6.

Webb.—James L. Webb, Cashier of the Bank of Louisburg, N. C., and also interested in the Bank of Nashville, N. C., died February 16, aged twenty-two years.

Wooster.—William S. Wooster, Cashier of the National Exchange Bank, Hartford, Conn., committed suicide by hanging, February 24. He had been in feeble health for some time.

Wurst.—Jacob Wurst, Vice-President of the Bank of Holland, Holland, N. Y., since its organization, died February 11, aged fifty-three years. He was an upright citizen and an able financier, and enjoyed the confidence of all who knew him.

THE

BANKERS' MAGAZINE.

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

FIFTY-FIRST YEAR. APRIL, 1897. VOLUME LIV., No. 4.

THE INAUGURAL ADDRESS of the President of the United States can not be expected to suit every one. To those who have looked forward to a new Administration as the beginning of an era of currency reform, the programme outlined by Mr. McKINLEY may appear somewhat procrastinating. But it must be considered that the difficulty under President CLEVELAND was not in any great measure with the executive branch of the Government. Mr. CLEVELAND and his advisers were sincerely in favor of adopting measures to perpetuate the gold standard, to retire Government notes and to place the currency-issuing function in the hands of the banks. The reform plans of the Administration could not be carried out because of the lack of harmony between the President and Congress, the opposition coming from his own party as well as from the Republicans. However honest in the maintenance of sound principles of finance and firm in behalf of the best teachings of political science, Mr. CLEVELAND appears to have failed in that important branch of statesmanship which secures and controls a powerful following. The admiration that is excited by firm devotion to correct ideals must to some extent be tempered by regret that there was not more tact and ability shown in conciliating those whose assistance in attaining these ideals was absolutely necessary. It may indeed be said that the conditions prevailing during the whole four years of his Administration were extremely discouraging, but it has been in the face of adverse circumstances that statesmen of the highest type have gained their laurels. It was not a time to assume an attitude that almost amounted to indifference toward the legislative branch of the Government, and had a tendency to strengthen divisions among those whom some degree of conciliation might have made effective supporters of a judicious policy. The whole triumph of the CLEVELAND Administration in sustaining the credit of the Government and the country has been in the availability of laws enacted in past years by the men of the opposition party. If Congress had been prorogued in 1893 and never called together, the result would have been the same as far as the currency is concerned.

The Government of the United States depends very largely for success in its Administration upon a good understanding between Congress and the Executive. The lack of this good understanding has rendered the last Administration more or less a failure, and it was the hope that the new President will not prove himself incapable of reconciling apparently discordant elements that caused a certain feeling of relief at his induction into power.

Mr. McKinley's outline of his currency policy given in his inaugural address may therefore seem to many somewhat procrastinating, but it is in the line of bringing about conciliation of the various incongruous opinions that prevail in Congress and among the people. Nothing can be accomplished without this reconcilement, and there is little room for doubt that there is a place in this field for the exercise of the highest statesmanship. And most men will agree that the highest statesmanship consists in bringing good out of existing conditions, and not in making the existence of these conditions an excuse for doing nothing. There is no utility in sighing after the impossible ; the statesman must deal with materials as they lie before him.

No fault can be found with Mr. McKinley's outline of his currency policy.

"Our financial system needs some revision ; our money is all good now, but its value must not be further threatened—it should all be put upon an enduring basis, not subject to easy attack, nor its stability to doubt or dispute. Our currency should continue under the supervision of the Government."

This shows agreement with the views of the most advanced currency reformers. The last clause may be taken to mean that bank currency must be issued not under State but Federal authority.

"The several forms of our paper currency offer, in my judgment, a constant embarrassment to the Government and a safe balance in the Treasury."

This appears to be a condemnation of the legal-tender notes sustained by the gold reserve. He believes it necessary to devise a system "which without diminishing the circulating medium or offering a premium for its contraction will present a remedy for these arrangements, which temporary in their nature, might well in the years of our prosperity have been replaced by wiser measures."

This in veiled language reflects on both the greenback and the National bank-note system. Both were devised as temporary remedies, and the latter founded on a diminishing debt offered a premium on contraction. If it had not been for the rapid contraction of the National bank currency beginning in 1878, one pretext for the excessive coinage of silver and the consequent flood of silver certificates would have been taken away.

Again he says, "most of our financial laws are the outgrowth of experience and trial, and should not be amended without investigation and demonstration of the proposed changes."

Assuming that this refers to the amendment of the banking laws, and there seems to be nothing forced in this assumption, inasmuch as the words last quoted are the introduction to Mr. McKINLEY's recommendation of a commission to examine the coinage, banking and currency laws, and this coupled with his expressions as to the deficiencies of the greenback and its dangers to the Treasury, make it the natural inference that he is in favor of substituting a uniform bank currency for "the several forms of our paper currency." Assuming that he has the banking laws chiefly in mind, the reflection that these laws are the outgrowth of experience and trial is strictly in line with the view adhered to by the MAGAZINE, that all reform of these laws must be in line with the natural development of the banking business under the republican and anti-monopolistic institutions of the United States. This does not preclude the adoption of purely technical devices found useful in foreign banking systems, but does preclude the use of features which, suited to the Government and people of those countries, would be antagonistic to the political and social system of the United States.

The general financial principle of the address is that before the currency can be remodelled the revenues of the country must be increased to meet the expenditures. In the meantime the appointment of a non-partisan commission to devise a measure for the reform of the banking and currency laws is recommended. This has been criticized as a mere device for getting rid of a vexatious question, and no doubt it is a measure of procrastination. A commission can not, according to the bulk of previous experience, accomplish anything definite. Congress must always act on the report, and Congress very seldom chooses to accept any check on its superior wisdom. It would be a marvellous thing, indeed, if Congress should enact the report of a commission into a law without as much delay, debate and amendment as attend usually upon a similar measure originated by Congress itself.

But under all the circumstances, if the appointment of a commission means procrastination, is not the gaining of time under all the circumstances both necessary and statesmanlike? Is not this recommendation of the President a frank utterance of his best judgment of what is now most advisable for the country. With the knowledge that if he wishes to avoid the deadlock with a co-ordinate branch of the Government he must be given time for the conciliation of the opposing elements which have prevented any curative action for four years, it is the only course to pursue. Just as the Prime Minister of Great Britain has to obtain a working majority in Parliament before he can remove one grievance or carry out one promise to the people, so the President must secure a working majority in Congress before he can redeem one promise made to the people of the United States. The methods of securing and holding majorities differ; the methods of retaining majorities differ. The President in this respect is at a great disadvantage with the Prime Minister. But there are ways in which a wise President can induce Congress to support him loyally, and the exercise of these methods for wise and beneficent objects constitutes real statesmanship in the President.

The tariff measure not only has a reason for being placed first in the absolute necessity of removing deficiencies of revenue, but a further reason in that the majority in Congress are not so divided upon it. It affords ground for closing the ranks and introducing and maintaining a discipline which may be employed with advantage later in settling the currency question.

The advocates of financial reform have nothing to complain of in the President's announcement of his principles. On this question he should have the time he asks. The public has for four years become so accustomed to antagonism between the executive and legislative branches of the Government, and the consequent inaction, that they can certainly wait a decent period for an efficient co-ordination. This must take place before any measure, however important, can become law.

THE GOVERNMENT OF JAPAN has issued a decree adopting the gold standard. It is understood that in order to fix the status of pre-existing contracts a ratio of 1 to 32, about the market ratio, has been adopted. That is, a contract upon the silver basis can be settled in gold at the rate of one ounce of gold for every thirty-two ounces of silver required by the agreement.

The first announcement of the decree had the effect of depressing the price of silver in London and New York, as the holders were apprehensive that Japan would become a seller of silver. The price subsequently recovered as it was discovered that the Japanese would probably retain all their silver as subsidiary coin.

There is in circulation in that country from the latest estimates about $72,000,000 in standard silver coin and $16,000,000 in subsidiary silver. Japan for some time has suspended the free coinage of silver and like this country has only coined the metal on Government account.

Thus one nation after another anxious to improve their internal and commercial condition are adopting the gold standard, the standard of the most enterprising nations. India, Japan and China, the populous countries of the Orient, have always formed the stock object-lesson in behalf of the free coinage of silver. Now India and Japan have departed from the faith.

One argument of the advocates of free coinage of silver in the United States has been what was styled the "yellow terror," viz., that China and Japan on the silver basis could undersell our manufacturers in the markets of the world. Evidently Japan has not found that the silver standard gave her people any advantage as she has abandoned it. It is surprising that with these repeated blows at the monetary utility of silver the price of the metal has not gone still lower than it has. When it is settled that the use of silver as a full legal-tender money is a thing of the past, the production will adjust itself to the actual demand for consumption in the arts and manufactures of the world. This process has been going on for some time, and the comparative stability of the price in the neighborhood of sixty cents an ounce indicates a profit to producers at this figure. The use of silver as subsidiary coin will undoubtedly be indefinitely continued and will most probably as civilization advances absorb still larger quantities of the metal.

THE BANKING AND CURRENCY BILL introduced in Congress by Hon. CHARLES N. FOWLER, of New Jersey, is a comprehensive plan for reforming the laws of the United States relative to the issue of currency by National banks.

It aims to effect the retirement of all the paper money now issued directly by the Government, known as United States legal-tender notes, United States Treasury notes, gold certificates and silver certificates. It provides for the practical nationalization of all the financial institutions in the country doing a banking business, and if successfully carried into effect will wipe out all distinctions between the present National banks, State banks, private bankers and the greater number of the existing Savings banks.

The machinery of the measure is as follows. In place of the Comptrollers of the Currency there are to be three Ministers of Finance, having control of a Department of Finance. These ministers are to hold office for a full term of twelve years, but at the first appointment by the President one shall be appointed for four years, one for eight and one for twelve years. One minister will thus retire every four years. The minister first appointed for twelve years and his successors are to be known as the first Minister of Finance, who shall preside at all meetings.

It would appear from the terms of the bill that this Department of Finance is to be entirely independent of the present Treasury Department. Whether the first Minister of Finance alone or all three of the ministers are to be members of the Cabinet does not appear. No criticism upon this plan of separating the banking department of the Government from the Treasury would be complete without pointing out that the operations of the bill seem to fall very largely within the scope of the functions of the Treasury Department, and yet the Ministers of the Finance Department created by it are in no way under the authority of the Secretary of the Treasury. All the provisions of sections 3, 4, 5, 6, 7 and 25 of the bill seem to require the co-operation of the Secretary of the Treasury, if they are not under his exclusive control.

There are two classes of bank notes provided for in the bill; first, what are known as United States Government bond notes, and second, United States National bank notes. Both classes are to be issued by the banks. The United States Government bond notes are to be issued on the security of Government bonds. But the process involves the changing of such portions of the present public debt—interest-bearing bonds—into a new two per cent. gold bond, the old bonds being received at a valuation for each class fixed in the bill. The circulation issued is to be equal to the par value of the new bonds.

Each bank is required by the bill to take out for issue United States Government bond notes, in certain proportion to its capital. Banks having $1,000,000 capital and over must take out $500,000. Banks with capital of $200,000 and less than $1,000,000 must take out notes equal to one-half their respective capitals, but not less than $200,000. A bank with $200,000 capital would therefore be obliged to take out an amount equal to its capital. A bank with $300,000 would be obliged to take out two-thirds its capital. A bank with $400,000 and upwards one-half its capital. Banks with less than $200,000 capital have the advantage of taking out these notes to the full extent of their capital. The smaller banks are thus required to deposit more bonds than the large ones.

The bill provides for the eventual funding of the whole debt into the new two per cent. bonds, and encourages rapidity in this funding by giving the longest period to maturity to the bonds first taken out. Thus the first one hundred million of the new two per cent. bonds become due in 1945; the second one hundred million in 1940; the third in 1935; the fourth in 1930; the fifth in 1925; the sixth in 1920, and the seventh in 1915. After these issues two per cents. issued for any balance of United States bonds still unfunded come due in 1910.

If this refunding shall be successfully carried out it will not only form a satisfactory basis for the notes described but it will in great measure relieve the Government of the refunding operations which will become necessary between 1897 and 1907. The fours of 1925 are now the longest bonds outstanding. The holders of even these would gain an advantage in extending their investment to 1940 or 1945.

The general reduction of the annual interest charge would reduce the burden of debt on the people of the United States about one-half, and the two per cent. bonds would never go to so excessive a premium but that, if the Government had surplus revenues to dispose of, they might be purchased at fair rates in the open market. This is a most excellent feature of the measure.

Upon the notes issued upon these bonds the banks are to pay a tax of one-fourth of one per cent. per annum, to be kept as a part of what is to be known as the United States National bank redemption fund. As the new bonds begin to become due in 1910, the bill provides that the notes based on bonds may be retired, twenty-five per cent. in 1910, twenty-five per cent. in 1915, twenty-five per cent. in 1920, and twenty-five per cent. in 1925. The retirement of these notes is not of course compulsory, but the calculation evidently is that the experience with the second class of notes, which are issued simultaneously with the notes based on bonds, will by that time have proved them to be safe and satisfactory, and that banks will diminish their issues of bond notes and increase those of the second class of notes called United States National bank notes, finding the latter to be safe and elastic as well as more profitable. Holders of Government bonds other than banks have also the privilege of exchanging them for the new two per cents.

Notes of the second class are issued upon the security of the general assets of the banks and are a first lien thereon. Any bank may issue an amount of these notes equal to twenty per cent. of its capital and pay a tax of one per cent. per annum on the amount outstanding. It may issue a second twenty per cent., submitting to a tax of two per cent per annum. The third installment of twenty per cent. shall be subject to a tax of four per cent. The fourth an annual tax of six per cent. The fifth an annual tax of eight per cent. If any bank issues more than its capital in these notes, the tax is raised to ten per cent.

This principle has been adopted by Germany and other foreign countries. It provides for additional issues in times of stringency and emergency, and at the same time forces the retirement of the extraordinary issues when the stringency or emergency has been overcome.

The retirement of Government notes, legal-tender and Treasury notes, gold and silver certificates, is brought about as follows. Each bank in a reserve city, where twenty-five per cent. is required on deposits, will under Mr. FOWLER's bill be required to deposit with the United States Government legal-tender notes and gold certificates equal to fifteen per cent. on its deposits, for which the bank will in return receive gold coin. For the other ten per cent. of its reserve it is required to deposit Treasury notes and silver certificates, in return for which the bank will receive silver coin. Thus the bank's reserve will consist of fifteen per cent. gold and ten per cent. silver, and an amount of Government notes equal to the whole reserve will be retired and cancelled. The bank after receiving this gold and silver will be permitted to deposit one-half of it with its reserve agent in the central reserve city.

The banks outside of the reserve cities are similarly required to deposit legal-tender notes and gold certificates in exchange for gold and silver certificates and Treasury notes in exchange for silver, nine per cent. of the former and six per cent. of the latter, making fifteen per cent. in all, their required reserve on deposits.

When these exchanges are made the banks are required to hold at least sixty per cent. of their reserves in gold coin and may hold forty per cent. in silver or United States Government bond notes. The country banks, like the reserve city banks, may keep one-half of their reserves with reserve agents. The Government is forbidden to pay out or reissue any United States legal-tender notes or gold certificates after January 1, 1898, or any silver certificates or Treasury notes after January 1, 1899.

It will be readily seen that these provisions of the bill will effect the retirement of the Government notes. The deposits of the National banks alone would require a reserve equal to two-thirds of the Government notes outstanding, and if the State and private banks are induced by the privileges held out in the bill to join the system, the remainder will be almost entirely disposed of.

This exchange of bills for coin is not, however, so simple an operation as it looks. There is no provision in the bill for the expense of transmitting the notes for cancellation or for returning the coin to the several banks. This expense ought not to be borne by the banks. The Government should pay all the charges of the exchange.

In order to make up any deficiency there may be in the gold coin in the Treasury necessary to make the exchange for legal tender notes, the Secretary is authorized to issue two per cent. gold bonds similar to those exchanged but payable in 1950.

The taxes upon both classes of notes are to be held to form what is in reality a safety fund until it exceeds five per cent. of the combined aggregates of the notes, when the excess is to belong to the Government. As has been pointed out, the retirement of the notes based on bonds is provided for after 1910. In order that the banks may be able to supply the vacuum caused by this retirement the Ministers of Finance are authorized gradually to suspend the tax on the United States National bank notes, except the ten per cent. tax on notes that a bank may issue in excess of the amount of the capital stock.

Another provision of the bill is the division of the United States into clearing-house districts by the Ministers of Finance. Each National bank shall belong to one district. The several banks in any clearing-house district, on receiving notes of banks in other clearing-house districts, shall forward the same to a bank in a clearing-house city, which shall return them to the district to which they belong.

This provision is intended to promote the redemption of notes when the circulation becomes redundant. This is mandatory, and points out a way by which with a little organization of existing facilities the superabundant notes may be got back to the issuing bank or its reserve agent for redemption. A large portion of this redemption will become a matter of clearing, balances only being paid in gold.

The bill also provides for safeguarding bank deposits, after 1905, by the creation of a safety fund for that purpose. Whether it is advisable to undertake any general insurance of depositors is a point in dispute among conservative bankers. There would probably be much objection raised to any compulsory system of deposit insurance. If, for instance, the bill required every National bank to pay a tax to be segregated for this purpose, it would doubtless be looked upon as more or less compulsory by a very large number of the leading banks of the country. Why should well-established banks, that by successful management have gained the confidence of the public and secured a satisfactory deposit line, be required to bolster up weaker institutions into more successful rivalry with themselves?

Mr. Fowler has avoided this objection by making it purely voluntary whether a bank insures or not by contributing to the safety fund. In fact, the success of this feature is left to the banks themselves. If only a few banks insure the safety fund will amount to very little. No bank that thinks itself strong without insurance need enter into this part of the plan. But undoubtedly, if this voluntary insurance receives the support of any respectable number of banks, it will have its desirable points and may in the end become popular.

There are other provisions in the bill placing restrictions on loans to bank officers and directors which are in line with the recommendations of Comptroller ECKELS, and do not invite adverse criticism. One provision, however, that it shall be unlawful for any National bank to engage in the promotion of any enterprise, or to loan money on partially developed projects, appears to be too sweeping.

The assistance which banks should give to legitimate undertakings necessarily involves enterprises which are not complete and but partially developed. The growth of State and private banks is due to the fact that they, as a rule, give more assistance to undeveloped enterprise than do National banks. After all it is a question of management which no hard and fast law can reach, and if the personal credit of those engaged in the project is good, they would find no difficulty in obtaining all the money necessary for legitimate undertakings.

There is also a provision for branch banks, and for the organization of banks with a capital of $20,000 in places of less than 2,000 population. Under this bill such an institution having capital to acquire and deposit $20,000 of the new two per cent. bonds will receive thereon $20,000 in United States Government bond notes. It will have the further privilege of issuing $4,000 in United States National bank notes, or $24,000 in all on which it will pay the Government $240 per annum, to be held as a safety fund. It can issue still other notes by paying an increased tax. The bill will no doubt encourage all the small banks in the country to enter the national system.

No notes are to be issued in denominations of less than ten dollars, thus leaving a large field for the circulation of gold and silver coin.

To sum up the whole measure introduced by Mr. FOWLER, it includes the good features of a large number of the plans for currency reform. It provides for the funding of the national debt at a lower rate of interest, for the issue of short time debentures in the nature of exchequer bills to enable the Government to tide over temporary deficiencies in revenue, for the retirement of Government notes through the agency of the banks, for the immediate substitution of National bank notes of two classes, one based on bonds and the other upon a safety fund. It provides for the gradual retirement of the circulation based on bonds, as that based on the safety fund obtains the confidence of the public. It embodies also the recommendations of the Comptroller as to banks of small capital and branch banks.

Perhaps some objection will be made to the machinery of a new department with three ministers. No doubt the working of such a system requires the labor of more than one, but there is nothing that appears in Mr. FOWLER's plan that could not be carried out by the Comptroller of the Currency if given proper assistance. The object of the three ministers, with their long terms, is to give stability to the policy of the department, but the names given in the bill are not in line with the usual official nomenclature. Why not say the Comptroller of the Currency with two assistants, and fix their terms to suit.

There is no reason to doubt that if the measure introduced by Mr. FOWLER becomes a law that it would give the country, in the course of a few years, a safe and elastic paper currency, of one uniform and homogeneous kind that would circulate at par in every part of the United States. At the same time there would be retained in circulation a sufficient stock of gold and silver coin always ready to pay balances at home and abroad. The process of reform would also be sufficiently gradual to prevent the alarm of those extremely cautious financiers who scent danger in every new proposition because they are incapable of inductive reasoning.

There is not one purely currency feature of Mr. FOWLER'S plan which has not been proved to be feasible and safe by historical precedent. The insurance of deposits has also been tried under the New York safety fund system sufficiently to prove that with proper precautions it would be successful. In the New York system it failed of entire success because there were no proper precautions against fraud, and because it was only an annex to insurance of the safety of the currency.

There are, of course, many details in carrying out this scheme of reform which will have to be left to the officials to whom its execution may be intrusted. But the general lines of operation are well marked out in the bill.

It is hardly possible that any commission that may be appointed can evolve any better plan than that which has been elaborated by Mr. FOWLER. It will be profitable to the banks, the Government, and the people of the country, to have it put in operation.

[NOTE.—The bill above referred to, House of Representatives, No. 50, is entitled "A bill to amend the National Bank Act and take the United States Government out of the banking business, refund the national debt, reform the currency, and improve and extend our banking system."]

THE DEFENSE OF THE GREENBACK is being taken up in some quarters against the attacks made on this form of currency by the great majority of financial experts. An interesting and plausible defense by JOHN I. PLATT, of Poughkeepsie, N. Y., has recently appeared in the New York "Tribune." The main argument in their favor is that during the recent crisis the redemption of the greenback in gold was the only thing that prevented the abrogation of the gold standard and maintained the other forms of paper currency at par in gold. No one will deny this, but the truth of this statement does not in any way settle the question as to the real merit of the present currency system of the country compared with a currency system which in no wise depends for its security on the Government. It is hardly fair to claim as is claimed in the article mentioned that because the greenback system did not utterly give way under the pressure of the crisis, that therefore it is the best system the country could have.

The school of financiers who desire the retirement of the greenback claim that the issue of paper currency by any Government directly is vicious, in that a paper currency ought to expand and contract with the wants of business, and that no Government can bring itself into such intimate relations with the business of the country as can the banks. It is vicious also because it is liable to abuse.

The temptation to put out larger and larger issues until the redemption becomes a burden to the Treasury is enormous. This temptation has had its effect in the United States already. If the greenbacks proper had been all the paper currency issued by the Government their solvency would not perhaps have been brought in question. Public confidence was weakened and gold was drawn from the Treasury just because Congress and the people had yielded to temptation and issued $350,000,000 in depreciated silver dollars, represented by silver certificates, and $150,000,000 of Treasury notes in addition, all of which, as Mr. PLATT truly says, were based on the gold reserve intended for the greenbacks alone.

It is true the Government is strong, and by the dead-lift method of borrowing $200,000,000 in gold it barely managed to counteract the distrust of the public. It is hardly fair to say that because during the recent crisis the country managed by reason of its strength to make a bad currency system serve, that therefore it is a better system than the one proposed to take its place, viz., the issue of bank notes to be redeemed by the banks. The assertion that if there had been no greenbacks and only bank currency the banks would not have been as able to maintain the redemption of their notes as did the Government, does not amount to much.

The banks as they now exist, or as they existed at the time of the crisis, are and were not provided as they would be were the proposed banking reforms inaugurated and the greenbacks retired. But apart from this, what they might or could have done is purely speculative.

It can be said that no enlightened Government, except the United States, to-day issues paper currency except through banks. These banks have answered every reasonable expectation. The greenbacks are no doubt the strongest part of the present currency system because, with the exception of gold certificates, they alone are directly redeemable in gold, and it is to some extent true, as Mr. PLATT urges, that if the greenbacks alone are retired some other way must be found of maintaining the paper currency based on silver at par. This point has been adverted to many times in the MAGAZINE. But the arguments against the present system of Government currency which Mr. PLATT says have gained favor, not because there is anything in them, but simply because they have been ceaselessly reiterated, are not aimed at the greenback alone but at the whole system of issuing paper currency by the Government. Those who reiterate these arguments expect to provide for the maintenance of silver certificates at par when the greenbacks are retired. Mr. FOWLER'S bill, commented on elsewhere, provides for this.

Another point that Mr. PLATT omits to consider is the cause of the financial crisis which he says was tided over without panic because of the greenbacks. Was it not distrust of the whole system of Government currency including the greenback? Was it not the fear that the Treasury reserve of ten per cent. of gold would disappear and that greenbacks as well as silver certificates could only be exchanged for silver? And his claim that there was no panic does not agree with the recollections of many. There was no bank panic in the sense that there was in 1857, but business and commerce was in a most alarming condition, and the banks deserve the credit of having aided and relieved the stress at the darkest period in 1893, by their clearing-house devices in all the principal money centres.

No one knew what the policy of the Government and Congress would be. It was the strength and sound policy of the President, who almost in opposition to Congress insisted on the repeal of the silver purchase law, and dared to issue bonds to replenish the gold reserve, that saved the gold standard and the honor of the country.

Such crises are liable to recur as long as the present currency system is retained. Whether they will be as successfully tided over depends on the Congress and President of the hour. A currency system wedded to a political system must always be liable to fluctuations of its credit with the changes in political opinion, and it is the desire to divorce the finances from politics that leads so many to advocate the retirement of Government notes, and the relegation of the credit currency issue to the banks of the country.

The maintenance of the present currency at par in gold has since 1893 cost the people the addition of over $11,000,000 to the annual interest charge. If these crises should recur at intervals of ten or twelve years, as from former experience is not unlikely, a debt equal to that incurred in putting down the Civil War would in no long period be incurred in keeping up a vicious currency system, which does not break down simply because there is a rich and strong Government, able to tax the people to almost any extent, behind it.

If our present banks can not furnish a credit currency at less expense to the people than this, it would be better to imitate the example of foreign countries and have a Bank of the United States modelled on the Bank of England or the Bank of France. Those institutions certainly do furnish a credit currency without periodically increasing taxation to maintain it at par in gold.

THE EXTRA SESSION OF CONGRESS met on March 15. Mr. REED was elected Speaker. The President's message was entirely confined to the deficiencies in the revenue of the Government and the necessity of enacting immediately a measure providing for sufficient revenue. Nothing was said in the message about currency reform, and this omission has called out some criticism, but the session following the inauguration by eleven days only, the expressions on the subject of currency reform in the inaugural address were so fresh, and so fully indicated the policy and wishes of the Administration, that it would almost have been a work of supererogation to repeat them in the message. In fact it is no time for the scattering of administrative or legislative force. Mr. MCKINLEY has been elected upon the hope and promise that a change of Administration will secure a return of prosperity to the industries and business of the country. A new Congress was elected at the same election, and both President and legislators are fresh from the people, coming nearer to the ideal of representative government than is usual in our political history.

Mr. REED has refrained from appointing more than three of the important committees. The plan seems to be to make the session as short and effective as possible, and this may be accomplished if a good understanding is maintained with the Executive.

President MCKINLEY in his message in which the question of the currency is conspicuous by its absence, makes the importance of the question manifest to every thinking person by the figures he gives showing the revenues and expenditures and loans of the Government from June 30, 1893, to March 1, 1897. During this period the excess of expenditures over revenues has caused a deficiency of $186,061,580. There have, however, been $262,315,400 in bonds sold, leaving an excess of bonds sold over amount required to make good the deficiency in revenue of $76,253,820. This excess was undoubtedly required to make good the gold reserve and maintain the gold standard under the workings of the existing currency laws.

The President evidently believes that there is little profit in discussing at this stage of proceedings whether the insufficient revenue caused the raid on the gold reserve or whether this was due to business depression, the result of unwise currency conditions. No doubt all these causes were interdependent. The business depression caused a reduction of revenue. Unwise currency laws caused an extension of speculation that resulted in due course in panic and financial revulsion. These also left the Treasury, as the revenues fell short, open to raids of those who began to distrust the power of the Government to maintain its gold reserve. The President looks at the matter from the standpoint of the Government. First make the Treasury safe by increasing its income. This will stop the raids on the gold reserve. If business revives or not the Government can then go on and remedy the defects in the currency system. The motto of the present Administration seems to be one thing at a time.

THE SOUND MONEY CLUBS of the country are working hard to secure currency reform. Some of them, while actuated by all the zeal in the world for the good cause, seem to be not so well informed as they might be upon some financial points.

The Massachusetts Reform Club, for instance, is sending out broadcast the resolutions recently passed by it, demanding the substitution of gold, gold certificates and bank notes for the legal-tender paper, silver and silver certificates. It sends an accompanying letter to be signed by citizens and sent to Senators and Representatives at Washington. This letter seems to favor a plan taxing the people to pay interest on bonds to be issued by the Government to procure gold on which to issue gold certificates. These are to be substituted for the existing paper currency, which is to be redeemed.

This plan, if reported correctly, would have the Government accumulate about $700,000,000 in gold, which is to be kept in the Treasury as a basis for $700,000,000 of gold certificates, which are to be kept in circulation.

The trouble with this kind of a proposition is that it still keeps up the currency-issuing function of the Treasury. What security is there that the $700,000,000 in gold would always be retained. If a deficiency should occur in the revenues in the future, what would prevent this trust fund from being trenched upon any more than similar trust funds held in the past. It only substitutes one vicious and more expensive system for another more vicious and less expensive.

Let the Government redeem the legal-tender notes, and the gold would go into the hands of the people and largely into the banks. The silver certificates will take care of themselves as a subsidiary currency.

There are, however, ways of retiring the legal-tender and other notes by which the Government will be put to much less expense than by the issue of bonds to procure gold. Mr. FOWLER'S bill, explained at length elsewhere, contains a most excellent plan for this purpose. The credit of the banks is utilized to retire the Government issues, giving the banks the privilege of issuing circulation in place thereof.

The greenbacks are to be funded into two per cent. bonds, which are for a certain period to form a basis for bank circulation.

The plan of the Massachusetts Reform Club, while it looks sound on its face, is in reality both expensive and fallacious.

It keeps the Government in the banking business, where in times of trouble it might easily drift into a worse situation than it is in now. If it were not so, the issue of so large an amount of paper currency would occupy the field that might better be occupied by bank notes.

If the whole business of furnishing the credit currency of the country is relegated to the banks, under proper restrictions, the Government will be relieved of all responsibility, and the condition of the Treasury will not be a constant threat to the money market.

The proper concern of the Treasury is with its revenues and expenditures and the proper care of its loans. It should in no way be bound up with the business of the country.

THE METALLIC CIRCULATION, as tabulated by the Director of the Mint and published on page 421 of the March number of the MAGAZINE, shows that from 1873 to 1896 the population of the United States increased from 41,677,000 to 71,390,000 and the stock of gold coin and bullion grew from $135,000,000 to $599,000,000; the silver stock rose from $6,149,305 to $628,728,071.

The gain in the metallic money per inhabitant was from $3.23 gold in 1873 to $8.40 in 1896, the increase in silver for a like period being from fifteen cents to $8.81, the total metallic stock per head rising from $3.38 in 1873 to $17.21 in 1896.

The stock of gold reached its highest point—$705,818,855—in 1888. In 1890 it was $695,563,029, and in the year following the enactment of the Sherman silver law fell off almost $50,000,000.

The total supply of both gold and silver in 1873 was only $141,149,305 against $1,228,326,035 in 1896. While the population has not doubled in the period alluded to, the metallic money of the country is now almost nine times as great as it was in 1873. In 1873 the metallic stock of the United States, the principal European nations and Australia was: gold $1,209,800,000 ; silver, $1,057,685,000. By 1896 the gold stock had increased to $3,698,700,000 and the silver to $1,732,300,000 ; this shows that in these countries the relative gain in gold was much greater than the silver. If the oriental nations, and all other countries are included the total metallic money in 1896 was : gold, $4,143,700,000 ; silver, $4,336,900,000.

Hawaii has the largest per capita circulation of gold, $40 ; the largest circulation of silver per inhabitant is $63.68 in the Straits Settlements.

WERE THE GREENBACKS A WAR NECESSITY.

Thirty-six years have passed since the beginning of the Civil War and an exhaustive financial history of that period is yet to be written. That it will prove of interest especially to a public newly aroused to the importance of questions of currency and finance can not be doubted. It has been the custom to look upon the steps that were taken to raise the money to pay the expenses of the war as wise and prudent beyond a peradventure. The legal-tender Acts have been lauded as the saviours of the commonwealth. There have, however, always been those who have contended that the war might have been conducted to a successful close without any suspension of specie payments, upon a coin basis, and that the passage of the legal-tender Acts would not have seemed so necessary to Secretary Chase and the Congress of 1861–62, if they had had greater financial knowledge and experience.

The recent campaign in favor of sound money has led to an examination of the faith that has been so implicitly placed in the legal-tender note as the preserver of the Union. Many have become willing to admit that the retention in circulation of legal-tender notes since the war may have been a great mistake, demoralizing alike to the finances of the Government and to the financial ideas of the people. Some are now becoming bold enough to question whether there was any necessity of issuing them at all. The old believers in the possibility of carrying the war through on a specie basis generally expressed their opinion privately, or if in any publication with much diffidence, in the face of the strong adverse popular opinion.

A carefully prepared paper discussing the effect of the greenbacks in increasing the cost of the Civil War has recently appeared.* The conclusion reached by the writer is that both the people and the Government suffered. The result of the careful estimates made is that the paper money plan of finance cost the Government alone some 528.4 millions more than would have been the case if a coin basis had been adhered to.

It may be asked of what utility is such a discussion at the present time. The loss has been endured and can never be regained. But the country still inherits the demoralization of financial ideas consequent upon the legal-tender Acts. The fallacy consists in using the successful result of the war in maintaining the Union as a mantle to cover the defects of the paper system of finance employed. The latter shines in the reflected light of the former. To dissipate this glamour is to confer a benefit on future generations.

The paper mentioned very successfully shows the increased cost of the war due to the use of irredeemable paper, but it does not undertake to indicate how the expenses of the Government could have been met on a specie basis. This perhaps has been reserved for a future paper.

The general line of proof that this might have been done rests partly upon what was actually undertaken and effected in 1861, and partly upon what now seem to be the mistakes and narrowness of view of those who had the

* Wesley C. Mitchell in "Journal of Political Economy."

management of the finances. The first fault appears to have been the selection of Mr. Chase as Secretary of the Treasury. Mr. Chase himself was doubtful of his fitness for the position. He at first declined the offer of the secretaryship and pleaded that his education and habits had not fitted him for the duties of the place. An extra session of Congress was called to meet July 4, 1861. Neither Chase nor Congress yet realized the full magnitude of the task before the Government. It was thought the rebellion would be put down in six months. Both the Secretary and Congress were loath to impose war taxes; they thought the emergency could be tided over by loans. A loan bill was enacted and became a law on July 17, which authorized the borrowing of not to exceed $250,000,000, in various forms of security, among which were $50,000,000 of non-interest-bearing Treasury notes payable on demand.

Neither Chase nor Congress can be blamed for not fully realizing what was before them, but miracles of foresight and wisdom they were not. If they had been they would have at once formulated a scheme of taxation which in a short time would have given stability to the Government credit.

After the Battle of Bull Run, which took place on July 21, 1861, Mr. Chase went to New York, *via* Annapolis, the route through Baltimore being liable to interception by the enemy, and on August 9 met the bankers of New York at the house of John J. Cisco, then Assistant Treasurer of the United States in that city. All persons who had or could control capital were invited. At this meeting Mr. Geo. S. Coe suggested the practicability of uniting the banks of the North by some organization that would combine them into an efficient and inseparable body, for the purpose of advancing the capital of the country upon Government bonds in large amounts, and through their clearing-house facilities and other well-known expedients to distribute them in smaller sums among the people in such a manner as would secure active co-operation among the members in this special work, while in other respects each bank could pursue its independent business. On this suggestion a combination was formed between the banks of New York, Boston and Philadelphia. It was found impracticable at this time to enlist the banks of the West, but if the syndicate formed had proved a successful vehicle of placing Government bonds and securities, it can not be doubted that all the banks in the North would eventually have joined it.

The associated banks of the three large cities agreed to take $50,000,000 of 7-30 notes at once, $50,000,000 more in sixty days and $50,000,000 more in 120 days, making $150,000,000 in all. These banks had altogether about $60,000,000 in specie. The first $50,000,000 was advanced to the Government on August 19, the second on October 1, and the third on November 16, 1861. These avances were made in specie, and were paid into the Treasury at the rate of about $5,000,000 every six days. The disbursements of the Government were so rapid that the coin came back to the banks in about one week after each installment was paid out.

In December, after the loan of $150,000,000 in specie had been advanced, the New York banks found their stock of specie reduced by only $7,415,000. They had $49,733,990 before the advances began, and $42,318,610 after they ended. Why could not the banks continue these advances indefinitely.

There are several reasons which militated against the continued success of these loans. The first was that the Secretary refused to draw upon the banks by checks. He insisted that the coin should be actually paid into the

Sub-Treasuries and disbursed from those points. This to a certain extent deprived the banks of the assistance of their clearing-house machinery. The Sub-Treasury law, which required all Government moneys to be kept in the Sub-Treasuries, had been suspended by the Act of August 5, 1861, but the Secretary refused to avail himself of this Act and thus lighten the burden of the banks. The second was the issue of demand notes by the Treasury, authorized to the extent of $60,000,000 as one form of the loans of 1861.

At the meeting of the bank officers with the Secretary in August Mr. Coe says that one of the bankers questioned the expediency of putting out these notes. They would be likely to interfere with the circulation of specie and prevent its return to the banks. The Secretary was urgently solicited not to issue them until other means were exhausted. He seemed to acquiesce in the suggestion, but gave no pledge. In December these notes appeared in circulation in large quantities, and they at once, by a well-known law of finance, took the place of specie. The public gradually concluded that paper money was to be issued, and specie was drawn from the banks and hoarded.

In three weeks after the 7th of December the New York banks lost $13,000,000 of coin. It was this loss that decided the banks to suspend specie payments, after finding that the Secretary was not inclined to change his policy. The third reason for the failure of the banks to continue their specie loans was, it has been claimed, that the people did not take Government securities rapidly enough.

Mr. Coe says there was a prolonged and vexatious delay in issuing the 7-30 notes by the Treasury Department, that they were purchased to the extent of $50,000,000 by the people, and that the popular feeling was all that could be desired for continuing the subscriptions.

Secretary Chase says in his report for December, 1861, in reference apparently to the first $50,000,000 of 7-30 notes issued to the banks, that subscription books were opened throughout the country, and people subscribed freely to the loan.

Therefore, it seems probable that the first check to subscriptions on a specie basis was given by the appearance of the Government demand notes. probable that the reluctance with which these notes were at first received by It is the banks discredited them with the people and after the ice had been once broken by these paper issues, a further resort to them was inevitable.

The first great mistake was the failure to draw up an adequate scheme of taxation at the extra session in July, 1861. The second was the issue of demand notes. It may be said that the people would not have endured the necessary taxation. They did, however, very soon afterwards. This, it is said, was because the inflation of the currency nominally increased profits and incomes, and feeling rich the people bore taxation more patiently. But this rise in prices was due not only to an inflated currency but to a great extent to the immense consumption brought about by the war. Manufactures of all kinds were stimulated. The great numbers of men who left their ordinary pursuits for the army, removed competition and gave double employment to those who remained at home. Even if there had been no inflation of the currency there would have been an intense activity of business on a specie basis. This was so in August, 1861, before specie payments were suspended.

But the services of the banks might have been utilized with perfect security both to the Government and the people if the plan afterwards adopted with the National banks had been commenced with the State banks in 1861. The New York city banks alone, with about $50,000,000 of specie as a coin reserve, could have taken $150,000,000 of United States bonds in August and on the security of the bonds and specie could have issued $200,000,000 of their own notes which would have been immediately available to the Government. The banks of Philadelphia and Boston could have issued $50,000,000 more on the same terms, and in a short time the banks of the rest of the country could have issued another $100,000,000. All of these notes could have been issued from the banks' own plates and stamped by the Government. This would have afforded in 1861 at the very outset of the war a currency of $350,000,000 secured by bonds and a reserve of twenty-five per cent. in specie, amply sufficient to have given the country whatever benefits there might be at that time in a judicious inflation of the currency, and also sufficient to make it easy to place new loans at all times. The legal-tender notes were not issued until February 1862. They were irredeemable and redundant.

This use of State bank circulation secured by bonds was suggested in ample time by experienced bankers, but there was a lack of faith in the banks and a want of financial knowledge on the part of the Government legislators and officials that prevented the adoption of this expedient.

It is therefore highly probable that if the Congress had in 1861 adopted an adequate plan of taxation, and had authorized the Secretary of the Treasury to use the State bank circulation secured by bonds, these expedients together with loans on a coin basis would have provided for the expenses of the war without suspension of specie payments. If the Secretary had recommended these expedients to Congress they would have been adopted, for the conduct of that body at this time indicates willingness to grant almost unlimited powers to the head of the Treasury. The failure of the Administration to adopt wise financial expedients in 1861 was due to inexperience and an unwillingness to take advice from any but political sources. The magnitude of the crisis was not fully appreciated until it was too late to redeem the hand-to-mouth policy which the Treasury had drifted into.

The experience of 1837 with the State banks as depositories had been disastrous, and was written on the books of the Treasury in the form of unavailable funds.

Mr. Chase was very far from being the man for the management of the finances of a great nation in such a crisis. The banks of 1861 were in good and solvent condition. They were as far superior in strength to the banks of 1837 as the banks of to-day are superior to those of 1861. While the lack of foresight and power to grasp the situation of the statesmen of the war period is easily excused, and while it is impossible to fully realize all of the difficulties that surrounded them, the atmosphere of suspicion and the dread of secret treason, nevertheless a careful retrospect of what might have been done has great value at the present time, when the same distrust of banks which lay at the root of the financial mistakes of the war period still prevails.

The same suspicion of financial experts still permeates the minds of many of our legislators and officials, and a realization of what this cost in 1861 will now be useful. Another advantage of this retrospect is that it may help to dispel the baseless admiration of the greenback system. It will tend to prove that the Union was preserved not through the financial mistakes of the war period, but in spite of them, and that to perpetuate these mistakes is the height of folly.

THE BANK OF FRANCE.

With Illustrations from Photographs Made Expressly for the BANKERS' MAGAZINE.

EARLY HISTORY OF THE BANK.

The Bank of France does not owe its origin, like the Bank of England and several of the great Continental banks, to the direct necessities of the Government, but it was nevertheless a creation of Napoleon's organizing mind, and was soon placed under the direct supervision of the state. The Bank was linked with the business interests of Paris to the extent that it became the heir of several important banking institutions which sprang up after the Reign of Terror, but it required the pressure of the Government to bring about this consolidation and the deposit of public funds to give the Bank vitality.

J. MAGNIN.

Governor of the Bank of France; Vice-President of the Senate.

The Bank of France was organized with Napoleon, his brothers, and the principal members of the Government among the subscribers to the stock. Stock was taken slowly by members of the business community, and on the very day of the nomination of the Board of Regents a petition was addressed to the Minister of Finance, requesting that half the funds from the bonds furnished by the Receivers General of the departments be deposited with the Bank. A decree of January 18, 1800, granted this demand, and 5,000,000 francs were paid into the Bank as the price of 5,000 shares of stock. The Regents frankly confessed that "The Bank, receiving by this means its existence, was able to begin operations in competition with the *Caisse des Comptes Courants*, which then existed." A treaty of consolidation was arranged with this institution, which brought into the common fund commercial paper to the amount of 6,000,000 francs, specie to the amount of 5,500,000 francs, and the credit against which it had been able to issue

GRAND FAÇADE, BANK OF FRANCE. RUE DES PETITS CHAMPS.

20,780,227 francs in notes of 500 francs and 1,000 francs. Several Government funds, besides those already mentioned, were deposited in the Bank from time to time, and the new institution began business on February 20, 1800.

Every effort was made by Napoleon to make the Bank a part of the new social and political order which he desired to establish in France. The *Caisse d'Escompte du Commerce* was a dangerous rival, which continued to command a greater degree of public confidence than the new institution. Just how it was suppressed appears to be involved in some uncertainty, but a letter from Paris, published in a London paper at the time, represents that after several vain efforts to break the institution by presenting great quantities of bills for redemption, the Government, on September 27, 1802, sent a detachment of soldiers to the Bank, who possessed themselves of the books and papers, drove out the clerks and closed the offices.*

The new institution needed all the countenance which the First Consul gave it during its first few years of life. Napoleon wrote to Barbé-Marbois, the Minister of the Treasury, in August, 1805:

"I am hampered by my manner of life, which, dragging me into camps and military expeditions, diverts my attention from this first object of my care, this first desire of my heart—a sound and solid organization of that which concerns banks, manufactures, and commerce. It is for you to supplement me and to execute the law." †

Notwithstanding this complaint, Napoleon found a good deal of time to give to the affairs of the Bank, and personally summoned a council to consider its affairs when he returned from the campaign of Austerlitz. He had already had several quarrels with the Bank management, because they did not wish the institution diverted from commercial purposes into a prop for the public credit in the great military preparations for the invasion of England. When Napoleon broke camp at Boulogne, in the autumn of 1805, the rumor started that he had seized the metallic reserve of the Bank for his military chest and carried it to Germany. The result was a run upon the Bank, which reduced the metallic reserve to 1,136,000 francs, compelled the limitation of redemptions to 500,000 francs a day, and caused a discount of ten per cent upon the notes. The Emperor's theory of the remedy for the crisis was the removal of the Minister of the Treasury, and the more complete control of the Government over the affairs of the Bank. The charter was subjected to a radical revision, which gave the appointment of the Governor and the Deputy Governors to the Emperor, and required three of the governing board to be chosen from among the Receivers General.

It was doubtless this closer union of the Bank with the state which added to its difficulties when Napoleon fell in 1814, but the Bank remained independent of the state in its financial operations and a private institution in its ownership. Mollien, who succeeded Barbé-Marbois as Minister of the Treasury in 1806, persuaded the Emperor that there ought not to be too close an alliance between the Bank and the Government. Notwithstanding this separation of functions, the new institution was looked upon with scant favor at first by the Government of the Restoration.

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* Courcelle-Seneuil, *Les Opérations de Banque*, Septieme Édition, Paris, 1896, p. 253.

† Flour de St.-Génis, *La Banque de France a travers le Siecle*, 31.

FAÇADE OF THE BANK OF FRANCE, RUE LA VEILLIFRE, PORTAL OF THE COURT OF HONOR.

The Bank of France first attained a truly national character after the Revolution of 1848, when it absorbed the nine independent departmental banks then existing. The Bank has since enjoyed a monopoly of note issues in France,* has extended its branches to every department, has increased its capital to 182,500,000 francs, and holds in its vaults nearly half of the metallic money of the country. The last extension of the charter, by the law of June 9, 1857, continued the privileges of the Bank until December 31, 1897. The question of renewal is still under discussion, but there can be little doubt that it will be granted upon substantially existing conditions. A radical change in the direction of either socialism or free banking would involve an upheaval in the existing financial system of the country which might cause disaster.

The history of the Bank of France has been bound up in a striking manner with that of the economic development of the country, in spite of the centralization of its management and services in the city of Paris and a few large centers.

The Bank assisted the Treasury in providing accommodation to merchants when the discount houses went down in the political revolution of 1830; it placed the securities of the new railways, when they were too novel an enterprise to attract popular subscriptions; it conducted the great exchange negotiations for the payment of the war indemnity to Germany; and it came to the aid of the *Comptoir d'Escompte*, when the latter became involved with the great copper syndicate in 1889, and threatened to drag down other great banking houses in its ruins. The services of the Bank on all these occasions were of paramount importance to the people and the Government of France, and they contributed most effectively to the maintenance of the public credit and the revival of industry, at the time of the great strain put upon the resources of France by the Franco-Prussian War. The results of the policy of the Bank justified on the latter occasion the conservative policy of the managers and gave point to the famous declaration of Thiers, "The Bank saved us because it was not a bank of state."

Stormy Periods in the Bank's History.

Several times in its history the Bank of France has been threatened with conversion into a state institution, but its prudent and successful management in periods of stress affords the loudest warning against those who would forget the maxim of Thiers. Napoleon, in a moment of indignation because the Bank refused to discount customs bills, threatened to create a new bank which should derive its funds from the Receivers General. The threat was not carried out, nor was the similar scheme of 1848, to unite the bank to the national domain under the title of "National Bank of France."† The Bank was again threatened with the competition of an institution owned by the state when it refused to meet all the demands of the provisional Government after the Franco-Prussian War. The Bank went through a trying experience at this time and the fact that it survived is one of its proudest titles to the continued confidence of the French people.

The metallic reserve of the Bank fell, in spite of the suspension of specie

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* M. Horn (*La Liberté des Banques*, 372-75) denies that this is true in law, but it has been substantially true in fact.

† Noel, *Banques d'Emission en Europe*, I. 114.

VIEW OF THE DORÉE GALLERY, BANK OF FRANCE.

payments, from 1,259,700,000 francs ($250,000,000) on December 27, 1869, to 398,500,000 francs ($78,000,000) on February 23, 1871.* The matured paper held on sufferance rose during the war to 2,500,000,000 francs ($500,000,000) and the extended paper to 868,500,000 francs. The provisional Government, in spite of these embarrassments, made demand after demand, and Gambetta telegraphed another member of the Government on December 23, 1870, "I am going to protest by a public appeal to France. I am resolved upon all. We will break down the Bank, if necessary, and issue Government paper." Even Clément Laurier, whose cool head and good judgment suggested obtaining what was possible rather than seeking the impossible, sent a despatch to Gambetta on December 27, outlining his plan for forcing the Bank to make loans and declaring that, as a safeguard, he had presented a project for a bank of state.† M. Cuvier, who refused as Deputy Governor to comply with the demands of the Treasury, was given a leave of absence and a Deputy Governor finally found who was willing to make large advances. A convention was concluded on January 22, 1871, which fixed at 415,000,000 francs the loans to be made by the Bank to the Treasury, dating from July 18, 1870, and pledged the public forests as security.

Out of this danger of bankruptcy at the hands of the provisional Government the Bank was plunged into the danger of confiscation by the triumph of the Commune. The bulk of the metallic reserves and quickly negotiable securities were quietly gotten out of Paris before the city was completely invested, unknown even to the guards of the Bank, and the considerable sums which remained were locked in the vaults. The officers were in an exceedingly delicate position, where they feared almost equally the effects of submission or resistance. They consulted with the provisional Government at Versailles, so long as communications were open, and with their approval paid the Communist leaders 9,401,819 francs, which was on deposit to the credit of the city. Further demands followed, which became more threatening as the regular army advanced in the siege of Paris. The Marquis de Ploeuc, the Assistant Governor, was fortunate in having to deal with representatives of the Commune of the highest personal probity. They put their demands in writing, and declared that if they were not complied with the Bank would be immediately invaded by the Communal guards. M. Jourde, the delegate of the Commune, respected as far as he was able the rights of the Bank and delivered a receipt for the last payment of 500,000 francs, in which he declared that "The refusal of this sum would involve the seizure of the Bank." The Bank was saved by the overthrow of the Commune on the next day, and was permitted by the city to treat the payments on its account as a debt against it.

The Bank was less successful with the general Government, and after several years of negotiations charged a loss of 7,293,383 francs to profit and loss.‡

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* It is hardly necessary to explain that the French franc is the equivalent of 19.3 cents in the money of the United States. For rough calculations, five francs are generally counted as $1, and the United States equivalents of the sums named are occasionally given upon this basis in this article.

† St. Génis, *La Banque de France a travers le Siecle*, 73.

‡ Noel, *Banques d'Emission en Europe*, I. 200.

Suspension of Specie Payments.

The Bank of France has for two periods been permitted to suspend the redemption of its notes in specie, but only on the first of these occasions, in 1848, was the privilege requested by the Bank, and on both the power of note issue was used with the greatest moderation. The suspension of 1848 was due to the political revolution of February, which followed on the heels of the financial crisis of 1847. Specie suspension ended on August 6, 1850, and was not again decreed until gold began to filter out of the Bank during the Franco-Prussian War. The Act of suspension on August 12, 1870, was passed for the purpose of keeping the coin reserve in the country rather than at the request of the Bank.* Formal resumption of specie payments did not occur until January 1, 1878, but payments of silver coin began as early as November 7, 1873, and gold payments were generally resumed during 1874. The premium on gold ran as high as twenty-five per cent. for a brief period in 1871, and as high as seventeen per cent. in 1872, but this was in excess of the real depreciation of the notes. The demand for gold was intensified by the large operations in foreign exchange required to meet the war indemnity, and prices of commodities did not universally follow the gold premium. The depreciation of the bank notes and the hoarding of coin proceeded far enough, however, to cause a great scarcity of small change in the summer and autumn of 1871, and led to a suspension of the exclusive privileges of the Bank. The municipalities were the first to remedy the difficulty by issuing bonds for small denominations. The leading banking societies of Paris got together in November, and with the consent of the Minister of Finance issued more than 19,000,000 francs in bonds of one, two and five francs.† A few of these remained in circulation as late as 1875, but the authority given the Bank by the Act of December 29, 1871, to issue notes for five francs, met the difficulty in a more regular way.

No fixed limits are imposed by law upon the metallic reserve of the Bank of France or upon its rate of discount. The original charter provided simply that the notes issued should be in such proportion to the cash reserve and to maturing commercial paper that the Bank should not at any time be exposed to the danger of delaying the prompt payment of its obligations. Governed by this simple principle, the Bank has met all its obligations from the beginning, except upon the two occasions when political considerations, entirely outside the circle of the influence of the Bank, have suggested to the Government the propriety of suspending the redemption of notes in coin. There has been since 1870 a limit upon the circulation, but this limit has been so uniformly moved upward by new legislation whenever it has threatened to restrict the circulation, that it may fairly be said that the circulation, the reserve and the rate of discount are alike subject to no rule except the sound judgment of the directors. The Government would doubtless be quick to interfere if the rules of sound banking were disregarded, but its intervention has never been required. The Bank of France has been so well supplied with gold that it has on several occasions come to the rescue of the Bank of England in commercial crises. This was the case in 1839, when the Barings

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* Courtois, *Histoire des Banques en France*, 258.

† Noel, *Banques d'Emission en Europe*, I. 178.

DOOR OF THE DORÉE GALLERY, BANK OF FRANCE.

drew upon Paris to the amount of 50,000,000 francs, and was the case again in 1890, when Mr. Lidderdale, the Governor of the Bank of England, arranged for a loan of 75,000,000 francs.

The chief embarrassment suffered by the Bank of France in regard to its metallic reserve has been in maintaining the desired proportions between gold and silver. The Bank has been enabled to accumulate the more valuable metal, but has suffered for lack of the less valuable for redemption purposes. It was obvious in 1860, when silver had risen above gold at the French coinage ratio, that the Bank would be drained of silver if it redeemed in that metal alone or at the option of the holder of its notes. The Bank asserted its right to pay in gold, which was then the cheaper metal, but was obliged to exchange 50,000,000 francs ($10,000,000) in silver for gold with the Bank of England and several millions with the Bank of Russia, in order to maintain its redemption fund.* The difficulty was reversed when specie payments were resumed after the Franco-Prussian War, and the policy was adopted of redeeming in silver instead of gold. It was becoming increasingly difficult to maintain the parity of the two metals, and the Bank welcomed the policy of the Latin Union in 1877, limiting the coinage of five-franc pieces, which was succeeded next year by the entire suspension of their coinage.

The System of Circulation.

The Bank of France is in a large measure the regulator of the monetary system of the country, and the system thus maintained differs in several important respects from that of any other leading nation. The Bank maintains at once the largest paper circulation of any bank in the world, possesses the largest gold reserve in the world, except in Russia, refuses without risk or shock to credit to furnish gold except at a premium, and affords the lowest and most stable rate of discount afforded in any country. These advantages are in some degree dependent upon each other, upon the liquid character of the assets of the Bank, and upon the freedom with which notes may be issued without running counter to any restrictive law. The Bank is impregnable to assault because it has almost unlimited means of defense, and attack is discouraged before it is begun. The paper circulation has attained such proportions that the fear has been fostered in some quarters that the country would be reduced to a monetary system of paper tokens. The closing of the mints to the free coinage of silver by the countries of the Latin Union has enabled France to maintain in circulation at par a large quantity of coins of both metals, but the liking for paper notes has grown in recent years, and is attributed in some measure to the preference for notes resting upon the combined reserve of gold and silver over silver coins of diminished intrinsic value.

The circulation of the Bank was not limited by law between the resumption of specie payments in 1850 and the suspension of 1870. The circulation was fixed on the latter date at 1,800,000,000 francs ($350,000,000), but was raised two days later to 2,400,000,000 francs. Four extensions of the limit have since been made. The last extension was on January 25, 1893, and permits the issue of $4,000,000,000 francs ($760,000,000). The charter now pending in the Chambers proposes to make the limit 5,000,000,000 francs.

* Juglar, *Des Crises Commerciales*, 426.

THE GRAND MANTELPIECE, DORÉE GALLERY, BANK OF FRANCE.

The circulation of the Bank on February 25, 1897, was 3,664,860,515 francs ($705,000,000). The gold holdings were 1,916,469,969 francs ($370,000,000) and the silver holdings were 1,232,928,696 francs ($240,000,000). The issue of such a vast amount of bills has occasionally been the subject of envy by agitators and critics of the Bank, but under present conditions the profit derived from circulation is insignificant. The vast accumulation of gold and silver which might be used if the bills were not issued gives the notes almost the character of coin certificates. In the language of the last report made at the General Assembly of 1897:

"The greater part of the bills issued to the public in exchange for specie are true metallic certificates, not only unproductive, but burdensome for the establishment which creates them, since it is required to pay the cost of manufacture, of stamping, and the movements of specie destined to assure in all parts of the country the means of redemption at sight of the paper money, without drawing from it the least profit."

In the last ten years the mean excess of circulation over the cash reserve has been in many cases below fifteen per cent. The largest mean excess was 547,000,000 francs in 1890, affording a cash reserve of more than eighty per cent. of the outstanding circulation. The mean excess of notes above the coin reserve in 1895 was 235,000,000 francs and in 1896 385,000,000 francs. "The metallic stock accumulated by a persevering series of efforts," in the language of the report, "is one of the reserve forces of the country and affords, with security for the morrow, a stable rate of discount reduced to the lowest point."

The entire circulation of notes on January 28, 1897, the date of the meeting of the shareholders, was 3,756,254,975 francs. By far the largest proportion of bills is for 100 francs ($20). The number of these at that time was 18,225,101, representing a value of 1,822,510,100 francs. The next largest value is represented by notes for 1,000 francs, of which the amount outstanding is 1,276,965,000 francs. There is only one note of a larger denomination—for 5,000 francs—now in circulation. The notes for 50 francs ($10) number 7,750,026, of the value of 387,501,300 francs. The notes for 25 francs represent a value of only 402,275 francs; for 20 francs, 1,460,180 francs; and for five francs 710,395 francs. The whole number of notes in circulation, including 1,213 of old issues, is 28,018,441. The lowest notes now issued are those for 50 francs ($10). The number of this class issued during 1896 was 3,750,000; for 100 francs, 6,400,000; for 500 francs, 350,000; for 1,000 francs, 600,000. The cost of maintaining the circulation is about 600,000 francs ($120,000) per year.

It is not only the large coin reserve which protects this great mass of outstanding notes, but the fact that the assets of the Bank are absolutely liquid. The Bank of France has never been dragged into the morass which wrecked the bank of John Law and the system of the Revolutionary *assignats* by basing its note issues upon land, nor has it been required, like the banks of the United States, to lock up its resources in the public funds. The institution from its foundation, except when tampered with by the first Napoleon, has recognized that the issue of circulating notes should be related to commercial transactions and expand and contract with them. Commenting upon the liquid character of the assets of the Bank, in the Chamber of Deputies, on June 29, 1892, M. Burdeau said:

"The Bank of France presents this remarkable phenomenon, which no theorist could have foreseen, that its reserve, in spite of theories, is practically inexhaustible and completely guarantees the issue of notes, even though this issue surpasses the reserve. Let it be supposed that, during the average time necessary for the collection of the paper carried upon discounts, that is, during twenty-six days, the Bank was the object of an uninterrupted attack, that people demanded at every window the redemption of their notes, that the bank put all its tellers at work, that it opened every window, and paid with a promptness even greater than usual. Do you believe that it would exhaust its reserve during the twenty-six days necessary on the average for the payment of the paper in its hands? It could not happen. It would require that the Bank should on each day pay out seventy-five millions francs in gold, and sixty million francs in silver—three or four millions of pieces of twenty francs, and twelve million crowns of five francs. Every wicket of the Bank would be insufficient, and—what would be witnessed more quickly than the departure of the silver and gold—when the country had commenced to receive any considerable portion of these six and a half millions of kilograms of silver, and these half million kilograms of gold, when the cash boxes and pockets of individuals commenced to be gorged, it would be the country rather than the Bank which would beg for grace."

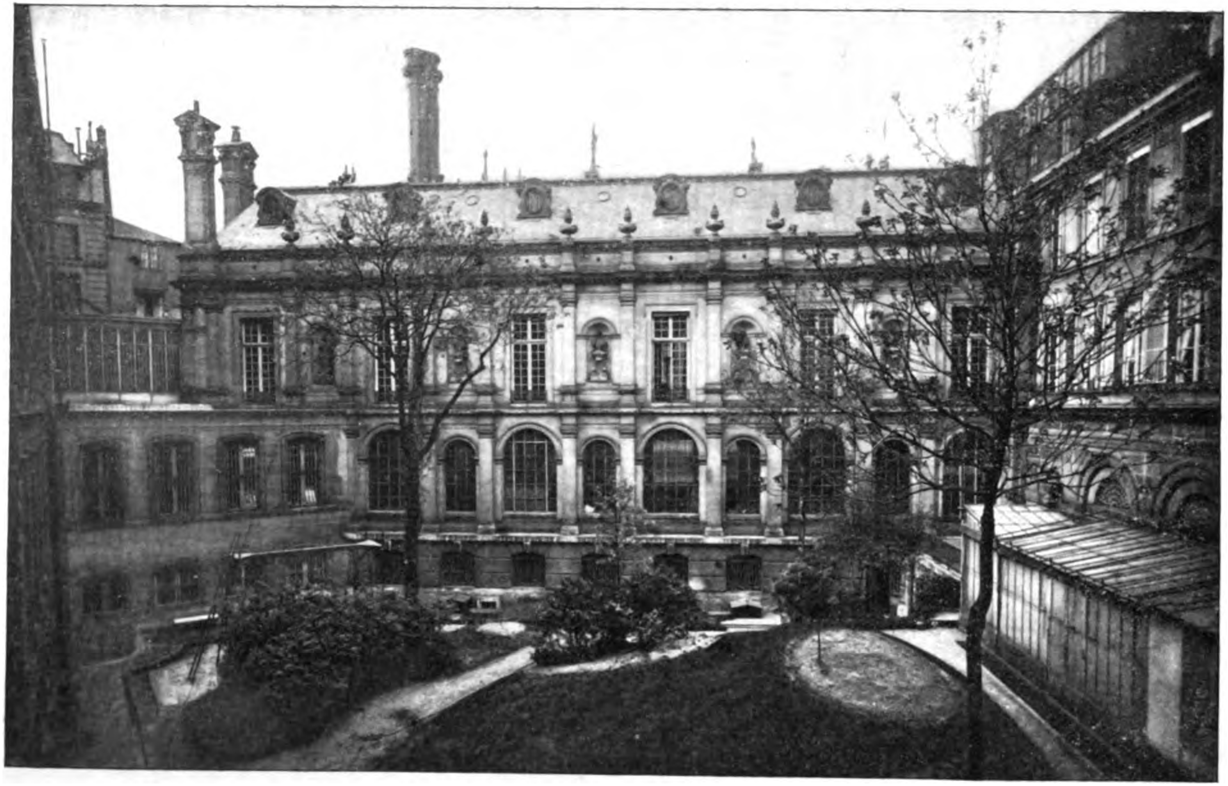
THE UNIFORMITY OF DISCOUNT RATES.

Unique among the banking systems of the world have been the low level and the uniformity of the rate charged by the Bank of France for commercial discounts. The discount rate of the Bank was originally governed by the law governing all commercial loans, fixing the maximum charge at six per cent. The Bank was exempted from the operation of this law by the charter of 1857, but earnings resulting from a higher rate were required to be carried to the reserve fund.* The Bank has seldom availed itself of this privilege, and pursues a different policy for the protection of its metallic reserve from that of the Bank of England. The rate of discount remained at four per cent. for twenty-seven years, from 1820 to 1847, and stood at the same figure during much of the crisis of 1857, and early in that of 1866. The Bank was exploited, in 1857, by a group of speculators, who obtained gold by means of accommodation paper and sold it in the open market at a premium, realizing a profit of from two to five per cent. The Bank was driven into the market as a purchaser of gold in large quantities and probably bought over again some of the very coin which it had paid out upon fictitious discounts. No such difficulty has been recently experienced. Notes are now paid for discounts, rather than gold, but the Bank rarely raises the interest rate and protects its reserve by refusing to provide gold except at a premium. Five franc silver pieces are paid when notes are presented for redemption. These are not exportable and their payment defeats the purpose of gold exporters. Exporters are driven to the coin and bullion in circulation, when they can obtain it at a less premium than that charged at the Bank, and the Bank is thus protected at the expense of the circulation of the country.†

The purpose of the changes in the discount rate, which have been so much practiced in England of recent years, is well understood by French bankers and economists, but those who control the operations of the Bank of France believe that a uniform discount rate is more advantageous to the community, by giving certainty to business transactions, than changes in the rate, which transfer the cost of maintaining the metallic money of the country upon the borrowers to the profit of the lenders.

Some of the critics of the Bank of France admit that the French theory is well founded within proper limits, and that frequent and radical changes

* *Lois et Statuts qui Régissent la Banque de France*, 81.
† Arnauné, *La Monnaie, Le Crédit et le Change*, 397.



THE GARDEN, AND FAÇADE OF THE DORÉE GALLERY.

in the rate for the purpose of retaining gold constitute an injurious application of the mercantile theory; but they maintain that the bank rate should follow the real rate of discount, and that a sagacious policy would involve the combination of the two methods—obtaining gold at the expense of the Bank for meeting special demands and raising the discount rate when the drain of gold attained serious economic importance. The defenders of the French system find a striking vindication of the soundness of their views in the events of the autumn of 1896, when the Bank of England raised its rate by several stages to four per cent., and the Imperial Bank of Germany reached a maximum rate of five per cent. These changes were required, in the opinion of the heads of those banks, to arrest the outward flow of gold, which amounted to 285,000,000 francs ($56,000,000) in the case of the Bank of England, from August 20 to October 22, and to 105,000,000 francs ($20,000,000) in the case of the Imperial Bank, from August 22 to October 22. The Bank of France in the meantime lost 134,000,000 francs ($26,000,000) in gold, but did not modify its rate of discount, which has stood unchanged at two per cent. since March 14, 1895. The results upon business are thus described by M. Edmond Théry: *

"The speculators in exchange complain sometimes of the parsimony with which the Bank of France delivers gold; but merchants, manufacturers, or bankers, who obtain bank notes upon their discounts or advances, never make such complaints, for to them the gold is perfectly useless, and the circulation is already saturated with it. Moreover, when any one of them has need of gold, it is never refused them by the Bank."

The opinion of the managers of the Bank was expressed with equal emphasis in the following passage from the annual report to the shareholders by the General Council: †

"The defensive premium upon gold has once more shown its efficacy by permitting us to maintain the most stable and the most moderate rates of discount in the entire world, without in any degree affecting business, since exchange upon London, which is in some degrees our monetary barometer, has steadily remained close to par. The highest point attained has been 25.25, only two and a half centimes above the intrinsic value of the pound sterling, a level far from that which would permit an attack upon the reserve of the Bank."

THE RIVALRY OF THE CREDIT BANKS.

While the Bank of France has become each year a greater reservoir than before of the metallic money of the country and a more important regulator of the circulation, it has been losing ground as a bank of discount and deposit. The relations which it has with the Government and the tendency to bureaucracy in its methods, in spite of many improvements in recent years, have placed it at a disadvantage in competition with other institutions.‡ By its side have risen during the past twenty years rivals in discounting commercial paper who have reduced its private deposits from 1,414,000,000 francs at the close of 1881 to 563,000,000 francs at the close of 1896, and have reduced its commercial discounts within the same time from 1,400,000,000 francs to

* *L' Economiste Européen*, Feb. 26, 1897, XI. 268.

† *Assemblée Générale des Actionnaires du 28 Janvier, 1897*, p. 13.

‡ There is not space in this article to go into the subject of the injury done to trade by the abolition of the Departmental banks in 1849 and the limitation of the power of note issue to the Bank of France. The subject is ably discussed by Horn, *La Liberté des Banques*, and more briefly by the author of the present article in "A History of Modern Banks of Issue," 54-59.

1,050,000,000 francs. The first of the great credit societies or banks of discount, was the *Comptoir d'Escompte*, which went down in the copper crash of 1889. Other societies had long since been founded, one of which, the new *Comptoir d'Escompte*, assumed the settlement of the affairs of the defunct institution. The great societies now doing business in Paris are the *Crédit Lyonnais*, with commercial securities on December 31, 1896, of 549,300,000 francs and deposits of 925,100,000 francs ; the *Comptoir d'Escompte*, with securities of 237,900,000 francs and deposits of 367,100,000 francs ; the *Société Générale*, with securities of 170,500,000 francs and deposits of 281,000,000 francs; the *Crédit Industriel et Commercial*, with securities of 66,000,000 francs and deposits of 104,600,000 francs ; and the *Société Marseillais*, with securities of 26,900,000 francs and deposits of 29,000,000 francs.

PIERRE DES ESSARS.
Chief Department of Economics, Bank of France.

The entire quick assets of these societies at the close of 1896 were 1,798,100,000 francs, or nearly twice the corresponding items of the Bank of France, exclusive of the specie held against outstanding notes. Some of the reasons for the success of these societies are set forth by M. André Liesse, in his recent edition of the famous work of M. Courcelle-Seneuil,* as follows:

"The causes of this competition are easy to define; they are found in the characteristic history of the Bank of France as it was written in the first editions of this book. Capital is diverted from an institution which does not show progress. It goes where it is benefited by interest even for deposits at sight. Capital has found in these deposit societies, which have become mixed banks devoted to a great variety of operations, facilities which it has sought in vain of the Bank of France. In these societies, also, the commercial movement has been followed, and the rates of interest have been made to vary with the elasticity which the law of supply and demand requires in discount operations. True, the Bank of France has seen its mean rate of discount descend from 3.80 in 1882, to 2.50 in 1893 and 1894, but these movements have been periodical and have responded only, so to speak, to forced demands where the initiative did not count. Moreover, the rate is the same at a given time for all commercial paper, whence the competition upon this ground by these societies. Paris has followed in this respect the London market. By the side of a monopoly which has engendered a method of routine, necessity has given birth to organs which are not perhaps normal organs, and for which a larger liberty might be desired, but organs

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Traité des Opérations de Banque, 268.

which respond at least to actual needs. Discount, moreover, has become a daily operation for corporations of every order, industrial, transportation, and even for the *Crédit Foncier* (Land Bank)."

Classes of Business Done.

These words, taken by themselves, perhaps hardly do justice to the Bank of France. The Bank affords, as M. Liesse admits further on, a sort of reservoir of coin where, in times of crisis, a strong reserve permits the deposit societies to have rediscounted their holdings of commercial paper, and thus constitutes a sort of refuge from the hurricane where these societies find a temporary shelter. The Bank, moreover, has been far from standing still in its efforts to extend accommodation to the public. It has established nine offices in different parts of Paris, besides the annex for securities, and performs thirteen different sorts of service for its patrons, as set forth in the description of its operations which is distributed for their information.* These classes of service themselves comprehend subdivisions in many cases and represent new measures for the accommodation of the public, taken from the beginning down to 1895. These services are specified as the reception of deposits on current account; the payment of checks and drafts; the discount of commercial paper; the collection of matured paper; advances on securities; advances on coin and bullion; the issue of drafts (*billets à ordre*); the transfer of funds between the central Bank and the branches; the management of securities; the purchase and sale of securities; the custody of valuables; the receipt of special deposits; and the purchase and sale of gold bullion and foreign gold coin.

The conveniences extended to the public in respect to deposits and the transfer of funds may well be treated together. The Bank recognizes four different sorts of current deposit accounts,†—those with power of discount; simple current accounts, with collection of discounts by the Bank; accounts for the deposit of funds; and current accounts in connection with advances. The third of these corresponds to an ordinary cash and check account, and requires simply the signature of the person seeking the privilege to the usual forms, before receiving a pass-book and check-book. The accounts relating to discounts and advances enable those enjoying them to deposit paper for discount and securities in pledge, and to have the amounts transferred to their credit. A decision of February, 1888, permits accounts for advances to be opened on demand, without being limited to those having simple current accounts with the Bank. They may meet payments by transfer orders on the branches and may obtain such orders free of charge. The second class of accounts—*comptes courants simples*—have the privileges of the discount accounts, except that paper can not be offered for discount, and collections are not credited until a day after maturity of the paper. The number of accounts at Paris and the branches on December 31, 1896, was 24,118, the numbers of each class being not far apart.

One of the interesting measures taken to accomodate the public is the permission of *comptes courants extèrieures*, by which persons living away from any office of the Bank may make deposits of currency or commercial

* *Banque de France: Les Opérations a Paris et dans ses Succursales;* Paris, 1896.

† The French have a term—*comptes courants*—for ordinary drawing accounts, for which there is no equivalent in common use in English. Their word *depot* usually refers to some form of special deposit not subject to daily checks

paper, according to the character of their accounts, by means of correspondence. Funds are transferred and currency shipped, upon demand, by the method prescribed by the depositor. The cost of shipping coin and the insurance against loss are charged to the person keeping the account. Deposits with representatives of the Bank can be made without charge in the towns connected with a branch or bureau (*villes rattachees*) on the 5th, 10th, 15th, 20th, 25th, and last day of the month, when he makes his regular calls. The Bank established a new method of accommodation in 1879 by creating gratuitous transfers of funds from one place to another for sums arising out of discounts or the deposit of commercial paper for collection. Another extension of services was made in 1880, when patrons having discount accounts were permitted, without exception, to draw checks for payment elsewhere for the entire sums standing to their credit. Charges for this services were made only upon cash accounts, without power of discount. A still further improvement was made on February 1, 1895, when the Bank gave to all applicants the right to open a check account, with a minimum deposit at the outset of 500 francs ($100).

Checks and Transfers of Funds.

The Bank recognizes three forms of checks, and several other methods of making transfers. The "direct" checks are of a violet color and are employed for transfers upon the same place. The "indirect" checks are of rose color and require payment at another place than that where the account is kept. The mixed checks are to be employed in meeting discounts and other obligations and are drawn so as to be paid at the place where the payment may be demanded by the holder of the paper. The direct checks are always gratuitous and the indirect ones are so in many cases. The minimum charge, where a charge is made, is fifty centimes (ten cents). The Bank reserves the right to delay twenty-four hours checks for 500,000 francs ($100,000) or more, or checks drawn on the same account on one day equal to that amount.

Drafts (*billets à ordre*) have played a less important part in recent years than formerly, when the use of checks was less widely diffused. The total of the drafts, checks, and transfers delivered by the Bank and its branches during 1896 was 2,813,087,500 francs ($550,000,000), of which 1,187,819,300 francs were drawn at Paris and 1,625,268,200 francs at the branches. Of the total amount, about 2,627,000,000 francs was in checks and transfers delivered without charge.

The Bank has still another form of security, in the nature of a deposit receipt, which is payable only upon presentation by the person to whom it is issued or his authorized attorney. It is not payable by endorsement like an ordinary check, and is issued for the purpose of affording security for special deposits for persons who do not wish to keep a drawing account at the Bank. Such accounts are accepted for sums of not less than 5,000 francs at Paris and 2,000 francs at the branches, and the receipts must be presented for the entire amount or for a sum of not less than 1.000 francs at Paris or 500 francs at the branches. The old receipt is taken up and a new one is issued in case of a partial operation.

The figures of checks and drafts actually issued by the Bank and its branches are but a small measure of its usefulness to the public. A great central Bank, like that of France, fulfils in a large measure the functions of a clearing-house. The same business is done in the transfer of funds, upon the books of the Bank and between different patrons, which is done in the United States through the clearing-houses. There is a clearing-house in Paris for the conclusion of operations between the Bank of France and outside banks, but its transactions are trifling in comparison with those of the Bank of France and its branches. The transactions of the Paris Clearing-House were 5,379,348,428 francs in 1894, but the transactions of the Bank of France in discounts alone amounted to 9,924,672,000 francs. The amount of transactions on which profits were earned in 1896 was 15,021,429,000 francs. Even these figures are only a small measure of the whole volume of transactions, which amounted at Paris to 67,983,399,000 francs ($13,100,000,000) in 1895, and 58,015,230,000 francs in 1896. These are the figures which should be compared with those of the clearing-house transactions for the purpose of forming an idea of their relative volume; but even these do not include the 22,278,517,600 francs transferred in 1896 in specie, notes and credits at the various branches of the Bank. The aggregate figures of these transfers of funds at the Bank and its branches have been separated for many years into specie, bank notes, and credit transfers, and form an interesting illustration of the growth of the use of credit instruments during the last quarter of a century. These figures for representative years are as follows:

YEAR.	*Specie.*	*Notes.*	*Transfers or Checks.*	*Total.*
	(Million francs.)	(Million francs.)	(Million francs.)	(Million francs.)
1817	534.9	7,140.9	....	7,675.8
1820	248.6	6,406.8	....	6,655.4
1830	624.4	4.882.1	2,382.2	7,888.7
1840	955.9	4,150.1	3,281.4	8,387.4
1850	2,327.7	6,962.1	3,499.3	12,789.1
1860	6,629.1	15,411.0	11,488.4	33,528.5
1870	6,458.1	23,496.3	19,037.2	48,991.6
1880	5,323.3	32,095.1	32,713.5	70,131.9
1890	3,098.8	36,437.9	43,330.7	82,867.5
1991	3,002.2	37,990.1	48,745.0	89,737.7
1892	2,712.1	35,357.2	37,451.6	75,520.8
1893	3,168.5	33,521.5	38,090.5	74,780.6
1894	2,727.5	34,921.6	46,170.0	83,819.2
1895	2,904.8	33,802.2	52,472.6	89,179.7
1896	2,722.1	35,042.5	42,629.1	80,393.7

THE EXTENSION OF SMALL DISCOUNTS.

The discount business of the Bank of France, as already pointed out, keeps the assets of the Bank in thoroughly liquid form. The mean period of discounts at Paris and the branches was twenty-five days in 1895 and twenty-seven days and a fraction in 1896. The average amount of the bills was 644.25 francs in 1895 and 678.98 francs ($130) in 1896. The average period for the bills discounted at Paris is one or two days less than at the branches. One of the requirements of the original statutes was the admission to discount of nothing but paper secured by three signatures notoriously solvent. The provision for notorious solvency was modified in the statutes of 1808, with the view of meeting the demand of the Emperor that accommodation should be extended to the smaller merchants of Paris. It was maintained that setting too high a standard simply drove the less wealthy, but honest, merchants into the hands of the usurers. The Bank has ever since adhered to the spirit of the fifteenth article of Napoleon's decree of 1808, which declared that

"Measures shall be taken that the advantages resulting from the establishment of the Bank shall be felt in the retail commerce of Paris." The extension of credit to small merchants has been especially rapid in recent years. Only 371,780 pieces of commercial paper of 100 francs or less were admitted to discount at Paris in 1870, amounting to seventeen per cent. of the whole. The number had grown to 2,188,957 in 1894, amounting to more than thirty-six per cent. There has been no marked increase in this proportion during the last two years, but the number of pieces below 101 francs in 1896 was 2,074,541 out of a total of 5,865,101, and of these 938,223 were for 50 francs or less. These bills have to be personally presented, under the requirements of the French law, and more than five hundred men, called brigadiers, are employed to make the rounds of allotted districts. The report for 1895 states that on a single date, November 30, 1895, bills had to be presented to the number of 274,230 at 81,220 separate dwellings.

The new charter, pending in the Chambers, proposes that the minimum value of paper admitted to discount shall be reduced to five francs ($1) when the parties do business at the same place and ten francs when payable at a different place from that where it is drawn. The minimum advance on securities was reduced in 1890 to 250 francs ($50), and the number of such loans below 500 francs in 1896 was 6,205 out of total loans of 31,144.

The number of applications for discounts which are rejected is very small. It has regularly amounted to less than one per cent., and the real rejections for other causes than irregularity of form were in 1896 less than one-third of one per cent. The whole number of pieces of paper admitted to discount at Paris and the branches was 14,266,099, representing a sum of 9,972,186,400 francs ($1,900,000,000). Of this amount, 14,198,820 pieces were accepted and only 67,279 pieces for 47,514,400 francs, were rejected. The causes of rejection have been fully examined only at Paris, where among 11,547 cases, 4,639 were accepted after defects of form had been corrected. The number of real rejections, therefore, was reduced at Paris to 6,908 for a sum of 11.355,700 francs, or about one-third of one per cent. of the whole number of bills presented. These rejections at Paris have steadily declined of late years, the number of absolute rejections in 1891 having been 9,851. The number of rejections at the branches during 1896 was 55,732, for 33,381,000 francs, of which the greater part were for irregularities of form.

The service of safety deposits was extended on June 15, 1853, to the deposit of securities, which was divided into unencumbered deposits, deposits of the syndicate of agents of exchange (the official board of stock brokers), and deposits for advances and discounts. These deposits of securities at Paris alone numbered on December 24, 1896, 6,770,650 securities, representing a value of 4,708,000,000 francs ($900,000,000), deposited by 49,519 depositors and representing 369,131 separate deposits. The deposits of the agents of exchange represented 1,909,497 securities valued at 1,087,906,000 francs. The four principal depositaries outside of Paris, at Bordeaux, Lille, Lyon and Marseille, held 901,497 securities belonging to 10,568 depositors and representing a value of 586,654,000 francs. The Bank attends to the collection of interest on these securities, if desired, and transmits portions of the amount to third parties upon the order of the owner, even though he may have no other account at the Bank. Special books of receipts and orders to bearer are issued for this purpose.

The Weekly and Annual Reports.

The accounts of the Bank of France are for the most part an open book. The Bank was authorized by a law of 1852 to suspend the publication of its weekly reports, but has never availed itself of this privilege. These reports are published in greater detail than those of any of the other leading banks of Europe. The Swiss banks make very full reports to the official inspectors, but the figures of discounts and deposits are only published monthly. The only criticism which has been made upon the fulness of the weekly reports of the Bank of France is the failure to separate the accounts at the branches from those of the central Bank. This is done, however, in regard to the commercial paper carried and in regard to the deposits, as will appear from the *facsimile* of one of these weekly reports which is published on another page. Even this criticism does not lie against the annual reports, which give the state of every item of the accounts at every branch at the close of the year, the volume of business done during the year, and the net profits and losses in the maintenance of the branch.

The *facsimile* of the weekly reports includes a number of items based upon special laws, which require explanation. Several entries on one side of the account are exactly offset by those on the other. The loans to the Treasury (*Advances a l'Etat*) are based upon two laws covering separate loans of 80,000,000 and 60,000,000 francs, but the amount is more than offset by the current account of the Treasury. The increase which is proposed in the advance to the Treasury by the new charter will not in fact create any considerable net balance in the hands of the Government over and above its deposits with the Bank, and the Bank renounces interest on all these advances, in view of the fact that it obtains the substantial use of the amount by means of the Treasury account. The several reserves which have been set aside under different laws do not require statement in detail, but the second item of the liabilities—(*Bénéficies en addition au capital Art. 8, loi du 9 Juin, 1857*)—is interesting because of its bearing upon the economic history of the Bank. The institution was exempted from the usury laws by the law of June 9, 1857, but it was provided that all earnings derived from a higher discount rate than six per cent. should be carried to a permanent surplus fund in addition to capital. Some such earnings occurred during the first dozen years after the enactment of the law and the amount accrued above six per cent. was 8,002,313 francs, as appears in the table. For more than twenty years, however, the low rate of discount prevailing at the Bank has prevented any change in this figure, and it has been repeated year after year at exactly the amount at which it now stands.

The capital of the Bank has reached its present amount—182,500,000 francs ($35,200,000)—by a process of additions from time to time with the growth of the business of the country. There was difficulty in getting together the original capital of 30,000,000 francs ($6,000,000) and only 14,832 shares had been taken up to October 16, 1801, including those subscribed by the Emperor and members of his household. The existing shareholders doubled their subscriptions and the entire capital was made up. The law of 1803 raised the capital to 45,000,000 francs, but it was not until March 20, 1806, that subscriptions had risen to 44,848 shares (of 1,000 francs each). The law of April 22, 1806, doubled the capital, but the Government of the Restor-

BANQUE DE FRANCE & SUCCURSALES

SITUATION HEBDOMADAIRE

ACTIF		AU 4 MARS 1897 MATIN		AU 25 FÉVRIER 1897 MATIN
Encaisse de la Banque		3.145.354.122 41		3.149.398.666 13
Effets échus hier à recevoir ce jour		47.640 47		30.110 45
Portefeuille de Paris : Effets sur Paris 316.436.270 83; Effets sur l'Étranger » »; Bons du Trésor » »		316.436.270 83		331.530.123 85
Portefeuille des Succursales		405.303.964 »		461.953.162 »
Avances sur lingots & monnaies à Paris		610.000 »		» »
Avances sur lingots & monnaies dans les Succursales		2.785.700 »		1.712.100 »
Avances sur titres à Paris		163.214.696 09		157.220.553 72
Avances sur titres dans les Succursales		201.640.901 »		192.473.390 »
Avances à l'État (Loi du 9 juin 1857; Convention du 29 mars 1878 et loi du 13 juin 1878 prorogée.)		140.000.000 »		140.000.000 »
Rentes de la réserve : Loi du 17 mai 1834	(a)	10.000.000 »	(a)	10.000.000 »
Rentes de la réserve : Ex-banques départementales	(b)	2.980.750 14	(b)	2.980.750 14
Rentes disponibles		99.626.818 32		99.626.818 32
Rentes immobilisées (loi du 9 juin 1857) (y compris les 9,125,000 de la réserve)	(c)	100.000.000 »	(c)	100.000.000 »
Hôtel & mobilier de la Banque	(d)	4.000.000 »	(d)	4.000.000 »
Immeubles des Succursales		14.833.210 48		14.832.973 94
Dépenses d'administration de la Banque & des Succursales		1.622.096 79		719.362 67
Emploi de la réserve spéciale	(e)	8.407.444 16	(e)	8.407.444 16
Divers		38.356.207 33		38.111.441 97
		4.655.219.822 02		4.712.996.897 35
PASSIF				
Capital de la Banque		182.500.000 »		182.500.000 »
Bénéfices en addition au capital (art. 8, loi du 9 juin 1857)		8.002.313 54		8.002.313 54
Réserves mobilières :				
Loi du 17 mai 1834	(a)	10.000.000 »	(a)	10.000.000 »
Ex-Banques départementales	(b)	2.980.750 14	(b)	2.980.750 14
Loi du 9 juin 1857	(c)	9.125.000 »	(c)	9.125.000 »
Reserve immobilière de la Banque	(d)	4.000.000 »	(d)	4.000.000 »
Réserve spéciale	(e)	8.407.444 16	(e)	8.407.444 16
Billets au porteur en circulation (Banque & Succursales)		3.683.418.700 »		3.664.860.515 »
Arrérages de valeurs transférées ou déposées		19.464.769 66		17.634.027 04
Billets à ordre & récépissés payables à Paris & dans les Succursales		17.046.995 75		17.064.808 35
Compte courant du Trésor		192.533.635 58		250.160.349 68
Comptes courants & Comptes de Dépôts de fonds à Paris		425.544.673 66		441.462.315 45
Comptes courants & Comptes de Dépôts de fonds dans les Succursales		66.531.169 »		71.274.485 »
Dividendes à payer		2.557.673 90		2.700.910 90
Escomptes & intérêts divers à Paris & dans les Succursales		4.276.255 56		3.703.512 36
Réescompte du dernier semestre à Paris & dans les Succursales		1.218.260 75		1.218.260 75
Divers		17.612.180 32		17.902.204 98
		4.655.219.822 02		4.712.996.897 35

Certifié conforme aux écritures :

Le Gouverneur de la Banque de France,

J. MAGNIN.

Décomposition de l'Encaisse

	AU 4 MARS 1897	AU 25 FÉVRIER 1897
Or	1.914.738.833 15	1.916.469.969 23
Argent	1.230.615.289 26	1.232.928.696 90
	3.145.354.122 41	3.149.398.666 13

Taux des Opérations

Escompte	2 %
Avances sur Lingots	1 %
Avances sur Titres	3 %

Imprimé à la Banque de France.

ation considered the amount too large and shares were bought in until the capital was reduced at the commencement of 1817 to 67,900,000 francs. Among the shares repurchased by the Bank were those which had belonged to the Emperor Napoleon, who had by various subscriptions and purchases increased his original holding of thirty shares to 1,000. The capital was increased in 1848, by the absorption of the Departmental banks, to 91,250,000 francs. It was this amount which was doubled by the law of June 9, 1857, which established the limit at which the capital has since remained. The new shares were issued in 1857 at the price of 1,100 francs each to holders of existing stock. The dividend paid in 1896 was 115 francs free of taxes, and the low rates for interest prevailing in Europe, with the safety of the Bank shares, keep their quotations above 300 per cent. of their par value. The quotation on March 4, 1897, was 3,600 francs per share.

The Government of the Bank.

The government of the Bank of France belonged originally to the larger shareholders in Général Assembly, but the appointment of the Governor and Deputy Governors was assumed by the state in 1806. This assumption of control by the state was not accepted with good grace at the time, and was the subject of strong protests when the power of Napoleon yielded to that of the Monarchy of the Restoration. The General Assembly of November 15, 1814, expressed a willingness to surrender their privileges of exclusive note-issues if they could get back complete control of the Bank. The right of supervision they admitted as a condition of special privileges, but the extension of this power into complete control they declared was "to consecrate a usurpation.* These plaints did not win back the power of appointing the Governor, and the results of seventy years of this policy were thus referred to by Mr. Bagehot in 1873: †

> "In France the difficulty of finding a good body to choose the Governor of the Bank has been met characteristically. The Bank of France keeps the money of the state, and the state appoints its Governor. The French have generally a logical reason to give for all they do, though perhaps the results of their actions are not always so good as the reasons for them. The Governor of the Bank of France has not always, I am told, been a very competent person; the sub-Governor, whom the state also appoints, is, as we might expect, usually better."

The Governor and the two Deputy Governors are appointed with indefinite commissions, revokable at the pleasure of the Government. The Governor is the absolute head of the administration of the Bank, appoints and directs its officers and employees, and determines the division of duties between the two Deputy Governors. Their rank, however, is determined by seniority of service. The Governor is required to be the proprietor of one hundred shares of the Bank stock, representing a nominal capital of 100,000 francs ($20,000), but a real capital at present quotations of more than three times this amount. The Deputy Governors are required to possess fifty shares, which must not be alienated during their service. The Bank allots to these three officers their houses, their office expenses, and various perquisites, besides a salary of 60,000 francs ($12,000) for the Governor and 30,000 francs for each Deputy Governor.

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* Horn, *La Liberté des Banques*, 351.

† Lombard Street, Ch. VIII.

The Bank of France has had twelve different individuals nominally at its head since 1806, but several of these served only *ad interim* and one was not installed as Governor, after having been named. Crétet, a member of the Council of State, was the first Governor after the reorganization, but quickly gave place to Jaubert, another member of the Council. Laffite, one of the Regents, acted as provisional Governor from April 6, 1814, to April 6, 1820, when the Duc de Gaete became Governor and held the office for fourteen years. The Comte D'Argout then succeeded to the office and held it until June 10, 1857, with a brief interruption during 1836, when one of the regents acted in his place. The Comte de Germiny, who had been the head of the *Crédit Foncier*, was then Governor for six years until May 15, 1863. Vuitry acted for a year and a half, to be succeeded by M. Rouland, who held the office until January 18, 1879, in spite of the nomination in June, 1871, of M. Picard, who declined to serve. Senator Denormandie held the office for nearly three years, when on November 18, 1881, M. Magnin was appointed, whose signature has become so familiar to the modern financial world upon the weekly statements of the Bank.

The General Assembly of the shareholders of the Bank is composed of the two hundred shareholders possessing the greatest number of shares. They form but a fraction of the whole number of shareholders, and the narrow limitations of the General Assembly have often been the subject of criticism. A minimum number of shares is the qualification for voting in the General Assembly in most of the great European banks, only one share being required by the Imperial Bank of Germany, ten in Belgium, fifteen in Italy, and twenty in Austria-Hungary. No one can be a member of the General Assembly in France who does not enjoy the legal rights of a French citizen; shareholders are required to attend in person rather than by proxy, and have only one vote, no matter what number of shares they may possess. The 182,500 shares of 1,000 francs each into which the bank capital is divided were distributed on December 31, 1896, among 28,111 shareholders, of whom 10,598 were registered at Paris and 17,513 at the branches. Of the whole number of shares 124,455 belong to proprietors having the free disposition of their goods, and the remaining 58,045 to corporations, minors, and other classes where certain formalities are required for transfers.

The Executive Force and the Employees.

The business boards of the Bank are elected by the General Assembly of the shareholders at the close of January in each year. The General Council consists of fifteen Regents and three Censors, of whom one-third are elected annually. Five regents and the three Censors are required to be taken from among business men holding at least thirty shares in the Bank, and three other Regents are required to be taken from among the Treasurers-General. The Regents meet at least once a week and can take legal action only by the concurrence of ten voters and the presence of at least one Censor. It is their function to supervise all branches of the establishment, to fix the rate of interest and the sums employed in discount. The Regents are also permitted to pass upon questions relating to the issue of notes, but their deliberations on this subject must be approved by the Censors, whose unanimous veto defeats their action. It is the special mission of the censors to watch over the operations of the Bank and compare the books with the cash reserve and the commercial paper with the volume of discounts. The Censors do not have a deliberative voice at the meetings of the General Council, but are permitted to propose measures and to assist the committees on notes and discounts. The General Council was divided by the law of 1806 into five committees—on discount, circulating notes, commercial paper, cash reserve, and relations with the Treasury. The places on these committees go by rotation during the year to different members of the council and require considerable labor. The committee on discounts acts with a special council on discount, and the members are required during a service of fifteen days to examine the paper presented and to accept that which fulfils the required conditions. The council of discount consists of twelve members drawn from the shareholders of the Bank engaged in business at Paris, and named by the Censors from a list presented by the General Council. They serve for four years and may be re-elected. They serve like the committee on discounts, by rotation, in examining the paper presented to the Bank.

The executive force of the Governor consists of his personal clerks, the two Deputy Governors, the nineteen inspectors of branches, the General Secretary, the Secretary of the General Council, the Chief Cashier, and the Controller-General. The General Secretary controls a large proportion of the operations of the Bank, and has a delegate at the establishment recently acquired for the management of securities. One of the valuable institutions of the Bank is the department of statistics and political economy, which is nominally under the charge of the General Secretary. This department of economics was created in 1872 at the suggestion of M. Pierre des Essars, who has been continuously at its head. The reports of foreign banks and new works on political economy and banking are not only collected here, but are carefully studied, and their teachings regarding exchange, new banking methods, and the effect of financial and political events upon commerce are availed of in the government of the Bank.

The number of employees of the Bank at the close of 1896 was 2,356, of whom 1,099 are employed at the central Bank and 1,257 at the branches. The number thus employed as recently as 1868 was barely more than half as many—633 at Paris and 658 at the branches. The cost of carrying on the extensive operations of the Bank was 16,324,620 francs ($3,150,000) in 1896. The ordinary expenses of the central Bank at Paris were 7,349,700 francs, and of the branches 6,486,600 francs. An additional sum of 2,486,320 francs was charged to general expenses, of which 1,748,018 francs went for ordinary and special taxes, including the tax on circulation, but not the income tax of 874,479 francs on the dividends paid.

The branches now number ninety-four, but there are in addition thirty-eight auxiliary bureaus, twenty-three "attached offices," and 105 towns connected with a branch or bureau, making (with the central Bank) 261 places where banking can be done. The extreme centralization introduced into the French system when the departmental banks were absorbed in the Bank of France in 1848 has been a subject of frequent complaint, and has resulted in legislation requiring the extension of the branch system. The Bank was not very successful with branches in its early history, and under the shock of the overthrow of Napoleon offered to abandon such branches as it had, numbering only two, and to accept restrictions upon its monopoly of note issues at places where it might establish branches outside of Paris. The departmental banks were so successful that they stimulated the Bank of France to begin again the creation of branches. The Bank endeavored to check rivalry by a provision in the law of June 30, 1840, extending the privileges of the Bank until December 31, 1867, by which no departmental bank should thenceforth be established nor the privileges of existing banks prolonged except by virtue of a special law. The law of June 9, 1857, which extended the charter until December 31, 1897, required that a branch be established within ten years in every department. This requirement was not fully complied with for fifteen years, and some of the branches are even now run at a loss. The number showing small losses in 1895 was twenty, which was reduced in 1896 to twelve, with a total loss of 92,164 francs ($18-000). The entire net profit on the more successful branches during 1896 was 7,426,518 francs ($1,450,000).

A high degree of *esprit du corps* has been promoted among the employees of the Bank by the system of promotions and pensions which was instituted from the outset. A savings fund for the employees was provided by Article 23 of the decree of 1808, by which one-fiftieth of their salary was retained for this purpose. This fund is applied to payments to employees who have attained sixty years of age, amounting to one-fifth of their salary after twenty years of service, one-fourth of their salary after twenty-five years, one-third after thirty years, and one-fortieth additional for each additional year. This savings fund amounted in 1868 to 6,500,000 francs. It stood on December 31, 1896, at 24,291,602 francs ($4,800,000), invested in 225 shares of the Bank, 596,970 francs of annual income from the three per cent. funded loan and some other securities. The Bank took another step for the benefit of its employees in 1882 by setting aside a fund of 500,000 francs, with the purpose of using the income for the benefit of the workmen in its paper mills and printing offices. Provision was made for the retention of one per cent. of wages paid in order to strengthen the fund. The fund has been growing from year to year and now pays an annual income of 29,388 francs ($5,800), exclusive of the cost of management.

The notes of the Bank of France do not come back for redemption as rapidly as under the Scotch and Suffolk systems, and their average life is between two and three years. The paper for the notes is made at a mill owned by the Bank at Biercy and the notes are printed on the bank premises at Paris. The Paris factory is equipped with costly machinery and the printing alone occupies sixty-seven men, including photographers and platemakers. The Bank employs also some of the most celebrated artists for designing the bills and experienced chemists for the processes of engraving and coloring. The Bank does not pursue the policy of the Bank of England, in cancelling every note received, but cancels only those in bad condition or of types which are in process of retirement. There remained in circulation in 1870 only 1619 of the issues up to the year 1828 and this number had been reduced in 1894 to 1215 notes, amounting to 430,000 francs.

The number of bills destroyed during 1896 was 1,159,232, all being bills of 100 francs. Bills of other denominations were laid aside for cancellation, but the number was not large enough to justify the processes of destruction. The Bank has about twenty cancellations of notes each year, which are presided over by a committee of the directors. A hole is punched in each note, and a stamp is affixed, to the effect that the note was canceled on a given date. The notes are then checked off in the register, by number, and are finally reduced to pulp by means of chemicals. *

The original banking house of the Bank of France was the Hotel de Massiac, 48 Rue Pagevin, near the Place des Victoires. The building was already in use by the *Caisse des Comptes Courants* and was made over to the new institution in the fusion of their business. The growth of the business of the Bank soon made it necessary to seek other quarters and it was the desire of the Government that the stock exchange be provided for in the same building. The Bank purchased in 1803 an area of 5,307 metres between the three streets Pinon, Boulanger and de Provence, at the price of 210,000 francs, upon which it was proposed to erect a building at a cost of 1,200,000 francs ($240,000). This site was not occupied before the negotiations began with the Government which ended in the cession of the Hotel de Toulouse for the sum of 2,000,000 francs. The first General Assembly of the shareholders to meet there was held on January 17, 1810. This is still the basis of the main office of the Bank, but the space occupied has been much enlarged by the purchase of surrounding land and the erection of new buildings. The Bank obtained almost immediately the eight houses in the Rue Croix-des-Petits-Champs and the Rue Baillif, giving it control of the entire square. More recently the splendors of the old building have been restored and all the houses of the Rue Radziwil, which separate the Bank from the Palais Royal, have been purchased. The Bank acquired in 1891 from the *Banque d' Escompte* the old Italian Opera building on the Place Ventadour for the storage of securities. The price of this acquisition was 4,500,000 francs.

The main Bank building is guarded by a picket of twenty-five soldiers, under the command of a lieutenant, who are furnished in turn by the infantry regiment stationed at Paris. These soldiers simply guard the exterior. Faithful functionaries of the Bank guard the interior and are assisted by a staff of firemen, who are on duty during the night. The vaults are reached through narrow passages and steep staircases, which were filled with sand during the reign of the Commune to render them inaccessible. The value of the Bank property at the central office is reckoned at 4,000,000 francs ($800,000) and other property in Paris and at the branches at 14,817,194 francs ($2,885,000).

The Extension of the Charter.

The charter under which the Bank of France is now operating expires on December 31 of the present year. An effort was made as far back as 1891 to provide for a new extension of the charter for some twenty years. Action was proposed thus early for the purpose of allaying anxiety well in advance of the termination of the charter, as had been done in 1840 in anticipation of the expiration of 1847, and in 1857 in anticipation of the expiration of 1867. So much opposition developed in 1891 that M. Burdeau, who was in charge of the matter, thought it wise to abandon the bill. Some uneasiness was felt as 1897 approached lest the extension of the charter should be defeated or radical changes made at the demand of the Socialists. The officers of the Bank did not share this anxiety to any serious extent, and the value of its stock did not decline visibly in the market. M. Ribot, the former Min-

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* J. Macbeth Forbes, in London "Bankers' Magazine," July, 1896, LXII. 17.

ister of Finance, published a letter in the summer of 1896, in which he declared that if the Government delayed its propositions for a new charter until the last moment "the Bank would be mistress of the conditions to be imposed, for it is not for a new *régime* to be improvised within a few weeks." This declaration apparently revealed the real strategy of the management of the Bank, who felt that public opinion, when brought face to face with the expiration of the charter, would insist upon its renewal upon the conditions demanded by the Bank.

This reasoning appears to have been well founded. The Government laid before the Chamber of Deputies on October 31, 1896, a bill extending the charter until the close of the year 1920. The bill was substantially similar to that proposed in 1891. The limit of circulation was raised to 5,000,000,000 francs; the Bank was required to renounce interest in future upon the two loans made to the Government of 60,000,000 francs at three per cent. on June 16, 1857, and 80,000,000 francs at one per cent. on March 29, 1878, and to make a further advance free of interest of 40,000,000 francs; and an increase was proposed of the tax upon the circulation in excess of the coin reserve. These were not radical changes, and had already been accepted by the Bank. There was a requirement in the new bill that the Bank should admit to discount agricultural paper endorsed by agricultural credit associations. This proposition regarding agricultural paper has since been modified, so that a separate institution is to be established whose experimental operations will not affect the credit of the Bank of France. Some other minor changes have been made in the propositions for renewing the charter, one of them permitting a revision, if desired by the Government, during the year 1911.

The several branches of the Chamber of Deputies elected a committee of twenty-two unanimously in favor of the continuance of the charter of the Bank. The Socialists, who desire to establish a State Bank owned and controlled by the Government, were not able to elect a single member of the committee. The minor changes already referred to have been made by this committee, but they have been harmonious and unanimous in favoring the continuance of the Bank upon substantially its old basis. There are in France many political economists who believe in the theory that the monopoly of note issues should not be confided to a single institution, but hardly one of them has ventured under existing conditions to take the responsibility of recommending that business confidence be disturbed by a refusal to perpetuate the charter. The strategy of the management of the Bank has been effective in this regard, and the more conservative even of its opponents prefer its continuance to venturing upon the untried sea of Socialistic experiment. The report of the committees to the Chamber has been submitted. It had not been voted upon when this article was concluded, but will undoubtedly be accepted within a short time, and the great credit and note-issuing institution of France will continue to exercise its existing functions for another generation.

CHARLES A. CONANT.

J. MAGNIN, Governor of the Bank of France, whose portrait is presented on page 509 of this number, was born at Dijon, January 1, 1824. He engaged in the business of iron manufacturing, and soon became prominent in business and political affairs. In 1871, he was chosen President of the Council of Côte-d'Or, and was elected a Deputy by the Opposition during the Empire of 1863, and was re-elected in 1869. He voted against the war with Germany, became Secretary of the Chamber of Deputies, and later Minister of Agriculture and Commerce under the Government of National Defense, an important part of his duties being to supply the French capital with provisions during the siege. He resigned this office February 11, 1871, having been in the same month elected a Deputy to the National Assembly from Côte-d'Or.

In December, 1875, M. Magnin was elected Senator, a position which he may hold for life, being irremovable. His genius for the conduct of financial affairs led to his appointment as Minister of Finance in the de Freycinet Cabinet, December 29, 1879. He continued in the same position in the Ferry Ministry, from September 23, 1880, to November 14, 1881. His appointment as Governor of the Bank of France occurred in 1881. He was elected Vice-President of the Senate in 1884, and was re-elected in 1894, and continues to hold the office at the present time. The portrait of M. Magnin, and all of the illustrations presented in this article, are from recent photographs made expressly for the BANKERS' MAGAZINE.

NATIONAL BANK STOCK—LIABILITY OF PLEDGEE.—It has long been a question whether a person taking the stock of a National bank as collateral security, and having the same transferred to himself upon the books of the bank, incurred the liability of a stockholder, and would have to respond as such in case of the insolvency of the bank. The question has now been set at rest by the decision of the Supreme Court of the United States, in the case of Pauly *vs.* State Loan and Trust Company, which will be found reported in this issue of the BANKERS' MAGAZINE. The court holds in that case that where stock is transferred upon the books to one "as pledgee" he does not incur the liability of a stockholder. The words used in that case were "as pledgee," but doubtless any words would be sufficient which clearly indicate that the stock is held only as security.

NATIONAL BANK EXAMINERS.—It is said that the new Administration has been greatly annoyed by the numerous applications from youthful bank clerks and politicians who desire appointments as examiners of National banks. If there is any office in the gift of the Government which should be entirely disconnected from the spoils system of politics it is certainly that of National bank examiner. This has been the policy of the present Comptroller, and it should be remembered that the power to appoint the examiners is lodged with the Comptroller and not with the President.

Under the present system of compensating National bank examiners it has been found difficult to retain the services of the best experts. The pay is not only inadequate, but being dependent upon the number of banks examined, it is calculated to put a premium on superficial work.

It is likely that those who are seeking appointments as bank examiners on the strength of their political records will be disappointed, at least so long as the present Comptroller continues in office, and the banks and the business interests of the country will no doubt be well satisfied with a continuation of the existing methods of appointing these officials—on the basis of personal fitness for the work to be done. Possibly it may be desirable, in certain contingencies, that the head of this important Bureau should be of the same political faith as the President, but appointments, either of the Comptroller or the examiners, should be made on some other ground than a mere reward for political services.

*LOANS OF THE UNITED STATES.

FIVE PER CENT. LOAN OF 1821.

The expenditures for the year 1821 were estimated by the Secretary of the Treasury, in his report of December 21, 1820, at $21,208,483.03, and the revenue from all sources at $16,550,000, leaving a deficit of $4,658,483.03 to be provided for by taxation or new loans. This expected deficit was the result of the fact that a portion of the public debt amounting principal and interest to $5,477,776.76 became due and payable during the year 1821. The Secretary reminded Congress that it should provide not only for this deficit but for $1,000,000 more, so that there might at the close of the year remain a clear balance of the last-named sum in the Treasury, to insure the prompt discharge of all demands and to place the public credit beyond the reach of unfortunate contingencies. He therefore proposed that Congress should make provision to raise the sum of $7,000,000 in order that the Treasury might be placed beyond every accident. To raise money by taxation had proved almost impossible. The country could pay no more, for it was still suffering from the effects of the financial crisis of 1819. The report of a committee of the House of Representatives January 15, 1821, gives a vivid picture of the general distress.

"It is not a matter of any great consolation to know that, at the end of thirty years of its operation, this Government finds its debt increased $20,000,000, and its revenue inadequate to its expenditure; the national domain impaired and $20,000,000 of its proceeds expended; $35,000,000 drawn from the people by internal taxation, $341,000,000 by impost, yet the public Treasury dependent on loans; in profound peace and without national calamity, the country embarrassed with debts and real estate under rapid depreciation; the markets of agriculture, the pursuits of manufactures diminished and declining; commerce struggling not to retain the carrying of the produce of other nations, but our own. There is no national interest which is in a healthy, thriving condition; the Nation at large is not so; the operations of Government and individuals alike labor under difficulties that are felt by all. * * * The sea, the earth, the forest yield their abundance; the labor of man is rewarded; pestilence, famine or war commit no ravages; no calamity has visited the people; peace smiles on us; plenty blesses the land; whence, then, this burst of universal distress."

Every one must agree with the committee that the situation was inexplicable. It was evident, however, that borrowing was the only means of providing for the anticipated deficit.

A bill was introduced in the House of Representatives February 26, and became a law March 3, 1821. The bill as reported authorized a loan of

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*Continued from the November, 1896, number of the BANKERS' MAGAZINE, page 519.

This series of articles, which began in the JOURNAL for October, 1893, page 1074, will be continued from time to time until it includes a complete historical sketch of the loans of the United States from the foundation of the Government up to the present.

$4,500,000, but the amount was changed to $5,000,000 by the Senate, and the House concurred. If there was any debate on the bill, it does not appear to have been recorded.

The law authorized the President to borrow, on the credit of the United States, a sum not exceeding $5,000,000, at a rate of interest not exceeding five per cent., payable quarter yearly, and payable at the option of the Government at any time after January 1, 1835, the money to be applied to defray any of the expenses which had been or might be authorized by law. The Bank of the United States was to be allowed to lend the whole or any part of the money, and the Secretary of the Treasury was authorized to raise the money by selling certificates of stock, and selling the same at not less than par. Agents were to be employed, if necessary, to obtain subscriptions or sell the stock at a commission of not exceeding one-eighth of one per cent., and $4,000 was appropriated for paying the commissions of these agents and other expenses incident to the execution of the Act. So much of the surplus of the sinking fund as might be required was pledged for the purpose of paying the interest and repayment of the principal, and the faith of the United States was also pledged to establish sufficient revenues to make up deficiencies in the surplus fund.

The money required was easily borrowed. As is usual in times of great commercial distress, money was abundant in the hands of those who could not safely invest it. The general paralysis of the industries of the country had stopped the demand for money for private enterprises, and there remained little chance for safe investments except in national stocks. Five millions of dollars in cash were received upon stock issued to the amount of $4,735,296.30, yielding a premium of $264,703.70, or over five and one-half per cent. This loan was entirely paid by 1839.

Exchanged Five Per Cent. Stock of 1822.

This stock originated in an abortive attempt to exchange a stock bearing an interest of five per cent. for a part of the six and seven per cents. due in the years 1825, 1826. The stocks due and redeemable in these years amounted altogether to the sum of $39,819,700, a sum far beyond the capacity of the sinking fund to meet, and the Secretary of the Treasury proposed in his report of December 10, 1821, to offer in exchange for $24,000,000 of these stocks a stock having a lower rate of interest and having a longer time to run. He said:

"As the current value of the five per cent. stock created during the last and present years exceeds that of the seven per cent. stock and of the six per cent. stocks of 1812 and 1813, it is presumed that the holders of these stocks will be disposed to exchange them for an equal amount of five per cent. stock redeemable at such periods as to give full operation to the sinking fund as at present constituted. According to this view of the subject $24,000,000 of the stocks, which will be redeemable in the years 1825 and 1826, may be exchanged for five per cent. stock redeemable one-third on January 1, 1831, and one-third on the same days of 1832 and 1833. This exchange of six per cent. stock, if effected on January 1, 1823, will produce an annual reduction of the interest on the public debt from that time to the first-mentioned period of $240,000, and an aggregate saving through the whole period of $2,160,000. If the whole of the seven per cent. stock could be exchanged the saving will be considerably increased."

A bill to authorize an exchange of five per cent. stocks for those bearing an interest of six and seven per cent. was reported in the House of Representatives December 31, 1821, and considered in committee of the whole March 15, 1822. It was opposed on the ground that, if passed, it deprived the Government of the option of redeeming the six and seven per cent. stocks when they became payable, even if the Government should have the necessary funds. It was said that it was not probable that money would be any higher in 1825 than in 1822; and that the proper way would be to borrow the money when it became necessary to redeem the stocks; and, moreover, that much of the stock could be redeemed, when the proper time arrived, by retrenching the expenses of the Government and practicing economy. Those who favored the proposed refunding bill said that there was no probability of the Government being able to redeem the six and seven per cent. stocks without resorting to new loans; that the price of money was rising owing to the revival of trade and commerce; and that by passing the bill a saving of $2,000,000 in interest might be effected; that it was necessary to do so at once, as the opportunity would soon pass away.

The bill passed the House early in April by a large majority, passed the Senate with little debate, and was approved April 20, 1822. It authorized the opening of a subscription to the amount of $12,000,000 of the seven per cent. stock and of the six per cent. stock of 1812, and for $14,000,000 of six per cent. stocks of the years 1813, 1814, and 1815. For the six per cent. stocks of the years 1812, 1813, 1814, and 1815, subscribed and transferred to the United States, the subscribers were to receive certificates of United States stock bearing an interest of five per cent., payable quarterly, payable one-third at any time after December 31, 1830, one-third at any time after December 31, 1831, and the remainder at any time after December 31, 1832. For the sums subscribed in seven per cent. stock certificates were to be issued bearing an interest of five per cent., payable quarterly, redeemable at the pleasure of the United States at any time after December 31, 1833. The funds pledged by law for the payment of the interest and principal of the stocks which might be subscribed or exchanged were to remain pledged to pay the interest and redeem the principal of the stock to be created under this Act. The commissioners of the sinking fund were to pay out of said fund the interest which might become due on the stock, and to purchase the certificates, from time to time, as they purchased other evidences of the public debt; and so much of the fund as might be necessary was appropriated for the redemption of the principal, to continue appropriated until the whole of the stock created was reimbursed. Nothing in the Act was to be construed to abridge or impair the rights of such public creditors as did not choose to exchange their stock.

This attempt to effect an exchange of stocks almost entirely failed. The Secretary of the Treasury, Hon. W. H. Crawford, who continued to hold this office under the Administration of John Quincy Adams as he had under Monroe, explains the reason of the failure in his report for December 23, 1822.

"Under the Act of April 20 last, authorizing the exchange of certain portions of the public debt for five per cent stock, $56,704.77 only have been exchanged. The increased demand for capital for the prosecution of commercial enterprises during the present year, and the rise in the rate of interest consequent on that demand, which was not anticipated at the time the measure was proposed, have prevented its execution."

This stock was all redeemed in 1833.

Four and a Half Per Cent. Loan of 1824.

Under the Act of May 24, 1824, the sum of $5,000,000 was borrowed to provide for the awards of the commissioners under the treaty with Spain, of February 22, 1819. This treaty was negotiated to settle the title to a portion of Louisiana, which was disputed by Spain, and to extend the sovereignty of the United States over the Province of East Florida. This province and that of West Florida, acquired by Spain by conquest from Great Britain during the War of the Revolution, had been confirmed in her possession under the treaty of 1783. Commanding the Gulf of Mexico, fringing the southern border, and inhabited by warlike Indians, the possession of Florida by Spain had long been a source of trouble to the United States. A long series of border troubles and local insurrections, extending through many years, appear to have convinced the Spanish Government that it would be difficult, or impossible, to hold Florida, while the territory itself was hardly deemed worth the expense of holding. The Spanish Minister at Washington, in 1819, under instructions from home, agreed to and signed a treaty for the cession of East and West Florida, and fixing the Sabine River as the boundary between Louisiana and Mexico. In consideration of the cession of these provinces the United States renounced certain claims for spoliations on American commerce, and some other claims of American citizens on Spain, and agreed to pay the same to the amount of $5,000,000; also, to make satisfaction for injuries suffered by Spaniards in Florida by the operations of the United States troops. This treaty was signed at Washington, February 22, 1819, but not ratified by the King of Spain until October 24, 1820.

By Article XI. of the treaty, the five millions of indemnity was to be paid either in cash or in six per cent. stock, payable out of the proceeds of sales of public lands in Florida, and a board of commissioners was to be appointed to receive, examine, and decide on the amount and validity of these claims.

A bill to authorize the creation of new stock to an amount not exceeding $5,000,000 to provide for the awards of the commissioners under the treaty with Spain, was reported to the House of Representatives, January 8, and considered in committee of the whole, May 7, 1824. It was opposed on the ground that the money was not yet due, the commissioners not having yet adjudicated the claims, and that, as it was doubtful if Florida, described as "a land of sandheaps, mosquitos, frogs, serpents and alligators," was worth the money, the United States should take the option allowed in the treaty, and instead of borrowing the money, issue six per cent. stock payable out of the proceeds of the Florida lands, in which case, if Florida lands proved worthless, nothing need be paid.

This opposition was evidently not serious. Those who favored the bill, said the money was justly due or would soon be, and that in whatever form the stock was issued, it would have to be paid ; that if a bill was passed to borrow the money it could be had at four and a half per cent., while if stock were issued directly to the claimants, it must by the terms of the treaty be six per cent. stock. The bill passed the House by a large majority the same day. An attempt was made in the Senate to amend it by providing that the stock should be payable principal and interest out of the proceeds of the public lands in Florida, but the amendment was rejected and the bill passed, and was approved May 27, 1824. It provided that, for the purpose of procuring funds for paying the awards of the commissioners under the treaty, the Secretary of the Treasury should cause to be issued and sold to the Bank of the United States, or others, at a sum not less than the par value thereof, certificates of United States stock to an amount not exceeding $5,000,000 bearing an interest of not exceeding four and a half per cent., the stock to be redeemable at any time after January 1, 1832. The money received from the issue and sale of these certificates was to be applied solely to the payment of the awards. The Act contained an appropriation of sufficient money to pay the interest to the end of the year 1824. Under this Act, stock to the amount of $5,000,000 was issued and sold at par.

The redemption began in 1831, and was completed in 1833.

Exchanged Four and a Half Per Cent. Stock and Four and a Half Per Cent. Loan of May 26, 1824.

These stocks were created to fund a portion of the six per cent. stock at lower rates of interest. The Secretary of the Treasury in his report of December 31, 1823, gave a very favorable view of the public finances, estimating the revenue for 1824 at $18,550,000, and adding the balance in the Treasury at the close of 1823 amounting to $6,466,969.30, the available means for the service of the year 1824 were estimated at $25,016,969.30. The total expenditures were estimated at $15,224,252.89, which would leave a balance of $9,792,716.41 in the Treasury, January 1, 1825.

"Under existing laws," the Secretary said, "there is no probability that any portion of the balance remaining in the Treasury on January 1, 1824, or of the surplus which may accrue during that year, can be applied to the discharge of the public debt until January 1, 1825, yet it is not deemed conducive to the general prosperity of the Nation, that so large an amount should be drawn from the hands of individuals and suffered to lie inactive in the vaults of the banks. On the other hand, the high rate of interest of the great amount of debt which becomes payable on January 1, 1825, renders it inexpedient for the Government to apply to other objects any portion of the means it possesses of making so advantageous a reimbursement. It is believed, however, that every inconvenience may be obviated, if authority be given for the purchase of the seven per cent. stock amounting to $8,610,000 during the year 1824, at such rates as may be consistent with the public interest. As it is now certain that the Government will have ample means to redeem that stock on January 1, 1825, it is presumed that the holders will be willing to dispose of it during the interval at a fair price, and as a gradual conversion of it into money, at such times and in such portions as would be most favorable to its reinvestment, would be most advantageous to the moneyed transactions of the community, it is presumed it would be most acceptable to holders. It is therefore respectfully proposed that the commissioners of the sinking fund be authorized to purchase the seven per cent. stock during the ensuing year at the following rates above the principal sum purchased. (1) For all stock purchased before the 1st of April next, 1824, at a rate not exceeding one and a quarter per cent. on every $100 in addition to the interest due on such stock on that day. (2) For all stock purchased between the 1st of April and the 1st of July next, at a rate not exceeding three quarters of one per cent. in addition to the interest due on the last-mentioned day. Of the $10,331,000 six per cent. stock redeemable in 1825, about $5,000,000 will probably be redeemed in that year; and there will remain unredeemed, after the application of all the means at the disposal of the commissioners of the sinking fund, about $5,331,000. This sum it is believed may be readily exchanged for five per cent. stock, redeemable in 1833; and it is respectfully suggested that provision be made by law for such an exchange of so much of the six per cent. stock as shall not be redeemed during the year 1825.

A bill to authorize the Secretary of the Treasury to exchange certain stocks was first considered in the House of Representatives in committee of the whole March 19, 1824. It was opposed as an unnecessary extension of the loans of the Government, throwing upon the people the burden of interest for years after the time when it might be possible to pay the debt. It was said that commerce was increasing and revenues must increase with it, and thus the means would be given for paying off the loans when they became due, and that it was a vain delusion to talk of saving money by borrowing and plunging the Nation deeper and deeper in debt, unless it was intended to make the debt perpetual on the principle that a public debt is a public blessing. By the supporters of the bill it was said that $63,000,000 of the public debt would become redeemable between the years 1825 and 1828, and that not the slightest prospect existed of the Government being able to redeem that sum as it became due without a resort to new loans, and therefore as the price of money was low in the market it was necessary to take advantage of the opportunity of obtaining at least a portion of the amount which would be required at a low rate of interest; and that even if the exchange were effected there would still remain $37,000,000 to be paid in the four years—upwards of $9,000,000 a year—a sum greatly exceeding that portion of the sinking fund applicable to the payment of the public debt during those years; and that it was sound financial policy to obtain at least a part of the money, or exchange stock bearing a low rate of interest for the stocks to become due, instead of asking at once for a large sum when the time for payment had come and the money must be had.

The bill passed the House by a large majority; passed the Senate apparently without debate, and was approved May 26, 1824.

It authorized the President to borrow on the credit of the United States on or before April 1, 1825, a sum not exceeding $5,000,000 at a rate of interest not exceeding four and one-half per cent., and reimbursable at the pleasure of the Government at any time after December 31, 1831, the money borrowed to be applied, together with the money in the Treasury, to pay off and discharge such part of the six per cent. stock of the year 1812 as might be redeemable after January 1, 1825.

The Bank of the United States was to be allowed to lend the amount or any part thereof, and the Secretary of the Treasury was authorized to raise the money by selling certificates of stock under par. Nothing in the Act was to be construed to impair the rights of such creditors of the United States as did not choose to subscribe to the loans. Under this authority

$5,000,000 was borrowed at par. The stock was redeemed from 1831 to 1834.

Section 3 of the same Act proposed a subscription to the amount of $15,-000,000 in the six per cent. stock of the year 1813, for which purpose books were to be opened at the Treasury and at the several loan offices, the subscription to be effected by a transfer to the United States of credits standing to the subscribers on the books, and by a surrender of the certificates of stock subscribed. For the whole or any part of the sum so subscribed and transferred, certificates of stock were to be exchanged bearing an interest of four and one-half per cent. and reimbursable at the pleasure of the United States, one-half at any time after December 31, 1832, and the remaining one-half at any time after December 31, 1833. The same funds already pledged by law for the payment of the interest and the reimbursement of the principal of the six per cent. stocks of 1812 and 1813 were to remain pledged for the payment of the principal and the interest of the stocks to be created under this Act, and it was made the duty of the commissioners of the sinking fund to cause to be applied annually such sums as were necessary to discharge the interest. Under this section the sum of $4,454,727.95 was subscribed in six per cent. stock and exchanged for stock bearing an interest of four and one-half per cent. Redemption of this exchanged stock began in 1833 and was nearly completed in 1834, but a small amount remained outstanding until 1843, not having been presented for payment when called, when all the stock of this issue was redeemed.

Exchanged Four and One-Half Per Cent. Stock of 1825.

The Committee of Ways and Means of the House of Representatives, to which was referred the report of the Secretary of the Treasury on the state of the finances, dated December 31, 1824, reported January 12, 1825, as follows:

"In considering so much of the Secretary's report as relates to the public debt of the United States, it appears that on January 1, 1826, there will be redeemable of the six per cent. stock of 1813 $19,000,000, and that the ordinary revenues of the year will not be adequate to the reimbursement of more than $7,000,000, leaving an excess of $12,000,000 to be provided for. The whole amount of the public debt, including the loan of $5,000,000 at four and one-half per cent. authorized by the Act of the 26th of May last, is found to be $88,545,003.38. Of this sum $2,500,000 of the last-mentioned loan, not having been actually paid to the United States, could not be regularly included in the estimate of the Secretary of the Treasury at the close of the year, but must nevertheless be considered as a part of the debt, with a view to future years. This sum of $88,545,003.38 is redeemable as follows:

In 1825	$7,654,570.93 of 6 per cents.
In 1826	19,002,356.62 of 6 per cents of 1813.
In 1827	13,001,437.63 of 6 per cents of 1814.
In 1828	9,490,099.10 of 6 per cents.
In 1831	18,901.59 of 5 per cents.
In 1832	5,000,000.00 of 4½ per cents.
In 1832	1,018,900.72 of 5 per cents.
In 1833	6,654,153,72 of 4½ per cents.
In 1833	18,901.59 of 5 per cents.
In 1834	1,654,153.73 of 4½ per cents.
In 1835	4,735,296.30 of 5 per cents.
At pleasure	7,000,000.00 of 5 per cents.
At pleasure	13,296,231.45 of 3 per cents.

By this statement it appears that in the years 1829, 1830 no part of the public debt becomes reimbursable, excepting $7,000,000 subscription to the Bank of the United States and the three per cents; but as these bear a less interest than that portion of the six per cents of 1813, redeemable on January 1, 1826, and which cannot for the want of means be reimbursed before the years 1829 and 1830, it is believed to be advisable to provide for that portion by a new stock at a reduced rate of interest, and payable at those periods.

The committee therefore recommended a new loan or an exchange to the amount of $12,000,000, at a rate of interest not exceeding four and a half per cent., reimbursable in equal portions in the years 1829, 1830, and for that purpose reported a bill. There is no record of the debates on this measure. The President gave his approval on March 3, 1825.

It authorized the President to borrow on the credit of the United States a sum not exceeding $12,000,000 at not exceeding four and a half per cent. interest, $6,000,000 of the principal to be reimbursable at the pleasure of the Government at any time after December 31, 1827, and $6,000,000 at any time after December 31, 1828, the money borrowed to be applied to redeeming such part of the six per cent. stock of 1813 as was redeemable after January 1, 1826. The Bank of the United States was to be permitted to loan the whole or any part of the sum, and the Secretary of the Treasury was authorized to raise money by selling certificates of stock not less than par.

Section 3 of the same Act authorized a subscription to the amount of $12,000,000 of the six per cent. stock of 1813, all such subscriptions to be counted as a part of that $12,000,000 authorized to be borrowed by the Act. For the whole or any part of the sum subscribed in money or six per cents certificates of stock were to be issued, at not exceeding four and a half per cent. interest, payable quarterly, and reimbursable as provided after 1827 and 1828, in the first section of the law. The same funds already pledged by law for the payment of the interest and the reimbursement of the principal of the stock which might be redeemed or exchanged, were to remain pledged for payment of the interest and the reimbursement of the principal of the stock credited under this Act. Nothing in the Act is to be construed to alter or impair the rights of public creditors who might choose to subscribe to the loan.

The low rate of interest offered made this loan a failure, so far as borrowing money was concerned, and the amount of stock exchanged was comparatively small, amounting to $1,539,336.16. The Secretary of the Treasury in his report of December 22, 1825, explains the failure as follows:

"Proper measures were taken to execute this Act, but they have prevailed only to a limited extent. The operation of exchange, which was first resorted to, took effect to the amount of $1,539,336.16, and this sum, divided into equal parts, forms the two sums that now stand in the general table of the debt as redeemable in 1829 and 1830, while they have also served to diminish by so much the six per cent. stock of 1813. Proposals for a loan for the residue of the sum wanted were next issued, but no offers were received. The causes of failure, it may be presumed, were the low rate of interest and the short periods of redemption held out by the Act, in conjunction with an activity in the commercial and manufacturing operations of the country affording higher inducements to the investment of capital."

The redemption of this stock began in 1831 and was completed in 1834.

FOREIGN BANKING AND FINANCE.

The State Bank in Switzerland.

The people of Switzerland have rejected the proposition to establish a great central bank supported by the Federal Government and under its direct control. The subject has been under consideration since 1891, when a popular majority of 228,853 votes against 143,939 votes was given in favor of remitting to the Federal Council the control of bank issues. The amendment to the Constitution then adopted forbade forced legal tender except in time of war. The Federal Chambers decided in favor of a bank owned by the State rather than by private shareholders, and the Department of Finance presented a plan for such a bank in the summer of 1894. The name of the new institution was to be "The Bank of the Swiss Confederation," and its capital of 25,000,000 francs ($5,000,000) was to be provided by an issue of bonds. The exclusive right to issue bank notes was conferred on the new institution, and existing banks were required to retire their circulation within two years and a half by surrendering to it quarterly one-tenth of their outstanding notes. No fixed limit was put upon the note issues of the bank, but it was required to hold gold coin or bullion or legal silver coins to the amount of one-third of the circulation.

This plan was not satisfactory to the commercial interests of the country and was subjected to several revisions. A revised project passed the National Council in the summer of 1896, by a vote of 89 to 43, and the Council of the States by a vote of 27 to 17. The Union of Commerce and Industry, representing the commercial interests of the country, met at Zurich on August 15, 1896, and voted, 20 to 2, to disapprove the proposition of the Government. The advocates of state socialism were not content to abandon the plan for the new bank, and submitted it to the referendum or popular vote, on Sunday, February 28, 1897. The result was a vote of 194,565 in favor of the proposed state bank and 244,219 against it.

The entire problem is thus remitted back to the Federal Government for further consideration. Some of the commercial interests would like to see a central bank established, but believe that it should be controlled by private shareholders rather than by the Government.

Switzerland has now in operation thirty-four efficient banks, whose solvency is not subject to question, but it is believed in some quarters that a national bank under private management would exercise a more efficient control than the local banks over exchange, would be able to check the occasional export of gold, and would tend to reduce the rate of interest and increase the facilities for credit.

The Rise of Prices in Japan.

A review of the economic situation in Japan, which throws a rather interesting light upon the contention of some of the friends of silver, that prices have not risen in silver standard countries, is made by "*L'Economiste Européen*" of February 26, from an article in the "London and China Telegraph." The rise of prices has become so important a factor, in the opinion of the latter journal, that measures are positively required for restoring prices to their normal condition. A comparison between the prices of October, 1896, and those of the corresponding month of 1892, shows a rise of about forty per cent., of which twenty-five per cent. is attributed to the depreciation of silver. Salaries have risen more slowly, but a recent computation in seven employments showed a gain of over twenty per cent. from May, 1894, to May, 1896.

The remainder of the rise of prices is attributed to five causes which are likely to be of interest to students of political economy. These are enumerated as follows: (1) The increase in the circulation of silver bills; (2) the transfer of capital from one class of individuals to another, by the remission to soldiers, coolies, and farmers of the sums obtained from the upper and middle classes by the war loans; (3) the temporary suspension of certain industries during the war; (4) the increase in the purchasing power of the agricultural population by means of the excellent crops obtained during the last few years; (5) the increase in the circulation of checks and instruments of credit.

It is stated that the decline in silver was the only cause of the rise of prices prior to the war and that the other causes have accelerated the rise, until the supposed advantages of silver prices upon exports have been wiped out and an excess of imports produced during the first ten months of 1896, amounting to 54,000,000 yen ($27,000,000). These importations consisted at first of railway materials and machinery, but have been succeeded by large importations of woolen goods and articles of luxury.

Japan has already received from China on account of the war indemnity 204,466,515 yen and is about to receive 32,193,955 yen.

Investments in Foreign Securities.

An interesting discussion of the economic and political influence of the investment of domestic capital in foreign securities took place at the meeting of the French Society of Political Economy on March 5. M. Gay, who opened the debate, pointed out that such investments were sometimes the result of restrictive and oppressive laws affecting investments at home. Such investments he thought, however, had an advantage in making the borrowing country in some respect tributary to the lending country. M. Raphael-Georges Lévy, the eminent author of *Mélanges Financiers* and other works, pointed out that investments of capital abroad were not so modern an institution as some people imagine, but that in Greek and Roman history and that of the commercial peoples of the Mediterranean such employments of capital were well known. M. Lévy illustrated his opinion of the effect of holding foreign securities by citing the humorous declaration of a deputy in the German Parliament that it would be better to place the war treasure not in gold in the tower of Spandau, but in securities of the country against which hostilities might be expected, in order to be able at the outbreak of trouble to throw the securities upon the market and crush the power of the enemy by attacking his credit. This paradox, M. Lévy declared, concealed a large element of truth.

The Comte de Labry pointed out that the constant reinvestment of savings in a rich country in domestic securities was much less productive than investments abroad. In the case of the French railways, he declared that the increase in quotations from 300 francs per share, amounting to 6,000,000,-000 francs in 1875, to 500 francs per share, amounting to 10,000,000.000 francs at the present time, had not increased the revenue of the securities, and that the increase in value was in a sense imaginary. A great misfortune, he declared, might carry the securities down again to 300 francs and the 4,000,-000,000 francs of enhanced value would vanish like a cloud. If the possessors of these obligations had since 1875 employed their 4,000,000,000 francs of savings in the purchase of good foreign securities, they would have drawn into the country the interest upon them, which at three per cent. would have amounted to 120,000,000 francs ($23,000,000) per year. In case of events unfavorable to the country, the holders of these 4,000,000,000 francs in foreign securities would be able to sell them, and they would probably be less affected in value than the domestic securities. The proceeds of the sale could then be employed in the purchase of the national securities, as happened in the subscriptions for the war indemnity in 1872 and 1873.

M. Alfred Neymarck called attention to the economic axiom that loans abroad were largely paid in merchandise, with the result of opening a market for domestic products and permitting increased purchases of foreign products, which are charged against the interest payments due from abroad.

The Berlin Stock Clearing-House.

The figures of the transactions of the Stock Exchange Clearing-House at Berlin, as set forth in "*L'Economiste Européen*" of February 19, show a marked decline in transactions since the passage of the new Bourse law. The total clearings for 1895 were 14,371,557,100 marks ($3,450,000,000), while those for 1896 show a decline to 11,652,552,200 marks ($2,800,000,000). These figures, moreover, do not tell the whole story. The compensations for the early months of 1896 were nearly equal to those of 1895, although a slight decline set in during May. The loss became more marked during the succeeding months, until November showed clearings of only 798,802,600 marks against 1,229,816,200 marks for November, 1895, and December 983,708,000 marks against 1,038,-243,100 marks for December, 1895. The increase in December over November was probably due largely to the closing up of transactions forbidden under the new law, which went into operation January 1. The decline in deliveries at the end of the month was even more striking, the monthly mean falling from 536,060,900 marks in 1895 to 379,752,600 marks in 1896. The decline in November was from 636,663,600 marks to 296,555,800 marks, and in December from 478,396,100 marks to 394,457,300 marks. The total receipts and payments for 1896 were 28,253,200,000 marks ($6,750,000,000).

The Imperial Bank of Germany.

The official report of the directors of the Imperial Bank of Germany for the calendar year 1896, which has just been received by the BANKERS' MAGAZINE, contains the usual interesting statistics of the transactions of the bank.

The aggregate of transactions during the year was 131,499,193,300 marks ($31,000,000,000), representing an increase over 1895 of 10,186,086,500 marks.

This enormous total includes both transactions upon which a commission was earned and mere receipts and disbursements on deposit accounts, which pay no commission. The growth in the magnitude of this business is indicated by the fact that the transactions of 1876 were only 36,684,830,600 marks and as late as 1892 only 104,489,335,000 marks. The local bills of exchange purchased by the bank during 1896 numbered 1,021,132, amounting to 2,491,338,049 marks, and the inland bills were 2,564,831, amounting to 3,743,033,730 marks. The total of discounts and bills for the year, including 14,288 foreign bills amounting to 54,421,474 marks, was 3,600,251, amounting to 6,288,793,254 marks ($1,500,000,000). The number of open deposit accounts at the close of 1896 was 266,051, representing 2,798,110,877 marks. The deposits during the year were 854,024,706 marks, and the withdrawals 776,940,238 marks. The dividend paid for 1896 was 7.5 per cent., as compared with 6.26 in 1894 and 5.88 per cent. in 1895. The following table exhibits the average state of some of the important items of the accounts of the Bank for representative years in thousands of marks:

YEAR.	*Metallic reserve.*	*Discounts.*	*Advances.*	*Notes.*	*Deposits & demand liabilities.*
1876	510,593	402,909	50,984	684,866	218,788
1880	562,091	345,126	51,335	735,018	185,497
1885	586,131	372,746	52,450	727,442	235,614
1890	801,019	534,142	89,383	983,882	361,486
1891	893,789	525,810	98,999	971,666	464,126
1892	942,074	541,730	97,643	984,736	511,898
1893	841,723	581,775	93,755	984,827	452,432
1894	934,327	547,469	81,079	1,000,384	492,326
1895	1,011,763	573,924	83,216	1,095,593	499,548
1896	891,988	646,304	106,029	1,083,497	484,259

The excess of note circulation above the authorized limit occurred six times during 1896 and was shown by the weekly reports as follows: January 7, 35,811,520 marks; March 31, 44,008,225 marks; June 30, 34,328,672 marks; September 30, 119,558,561 marks; October 7, 78,352,771 marks; December 31, 134,149,422 marks.

The London Joint Stock Banks

The reports of the London joint-stock banks for the half year ending December 31, 1896, show some increase in the volume of deposits, but comparatively few changes during the past year in capitalization and cash reserves.

The capital of the purely metropolitan banks stands at £14,363,000 and of the ten banks with country branches at £23,392,000. The deposits at interest and on current account are £87,339,000 for the metropolitan banks and £221,865,000 for those with branches. The total of the two, about £309,000,000, is about £3,000,000 more than on December 31, 1895. The discounts and advances at the close of last year were £55,620,000 for the metropolitan banks and £131,373,000 for the banks with branches. This is about £20,000,000 more than the figures at the close of 1895. The cash and money on call and Government stock of the metropolitan banks at the close of last year was £44,024,000 and of the banks with branches £111,535,000, the two representing an increase of about £14,000,000 during 1896.

These figures, showing so large a volume of banking business outside the Bank of England, do not by any means measure the whole banking business of London. They do not include the many large banks having branches in South America, Asia, Africa and Australia, the private banks, nor the business of the Scotch banks in London.

Cost of the English Savings Banks.

The British Government will be compelled to ask a supplementary vote of £30,151 to cover the loss by interest payments, in excess of earnings, upon deposits in the Savings banks during the last fiscal year. The budget for the year provided for £31,089, but the actual loss has proved to be nearly double this amount. The revised estimate shows a loss of £33,739 by the trustee Savings banks, £18,710 by the friendly societies, and £3,791 by the Post Office Savings banks. "The London Economist" of February 27, in commenting upon this state of things, makes the following observations:

"This is the first year in which the Post Office Savings banks have shown a deficiency, but it will certainly not be the last if things remain as they are. Of course, if the loss were incurred in connection with the proper work of the banks, which is that of encouraging thrift among, and affording facilities for saving to, the poorer classes of the community, much could be said in favor of meeting it without complaint. But the extension of the limits of deposits has brought to the banks a very different class of customers—people who are able to put past considerable amounts of money, who are quite in a position to deal with ordinary banks, and who only use the Savings banks because of the higher rate of interest to be obtained from them. And that the Nation should be taxed for their benefit is altogether unreasonable. Either, then, the limit of deposits in the Savings banks should be lowered or the rate of interest on the larger deposits should be reduced, or both those measures should be taken."

The Bank of Portugal.

The transactions of the Bank of Portugal during 1896 reached a total of 266,580,125 milreis in receipts and 262,838,172 milreis in disbursements. The milrei is equivalent to $1.08 in gold, but the currency of Portugal is at present seriously depreciated. The annual report declares that "The increase of the gold reserve, which might be accomplished by means of the assets of the bank, since the safes contain securities capable of immediate realization in gold, did not seem opportune at the end of the year 1896. It is, however, a capital point, which the administration of the bank and the public powers are neither able nor ought to lose sight of." The commercial paper carried on December 31, 1896, was 14,773,218 milreis, representing an increase of 1,852,-443 milreis over the same date in 1895. The number of pieces of paper discounted during 1896 was 59,913, representing a total of 38,453,831 milreis or an increase over 1895 of 5,707,873 milreis. The bills below the value of 100 milreis numbered 11,981, or about twenty per cent. of the whole. The circulation, which was 55,921,539 milreis on December 31, 1895, was 58,933,942 milreis at the close of last year. The circulation consists of 2,077,121 notes for the amount of 42,632,132 milreis, redeemable in gold and 10,999,064 notes for 16,301,830 milreis redeemable in silver. A dividend of eight per cent. was paid to the shareholders upon the profits for 1896.

Gold Resumption in Chile.

A statement of the results of gold resumption in Chile has just been made public by the Minister of Finance for the period from June 1, 1895, when resumption occurred, until August 15, 1896. The paper money in circulation on June 1, 1895, amounted to 59,493,300 piasters, of which 42,251,159 piasters have been redeemed and canceled. The amount outstanding includes only 5,645,711 piasters of Treasury obligations and 11,596,430 piasters in bank notes. The sum of 45,614,955 piasters in coin has been put in circulation, including 29,907,024 piasters in national gold coin, 8,277,978 piasters in English gold, and 7,429,953 piasters in silver coin. The gold exports during the period covered are estimated at 6,960,878 piasters, leaving in the country in gold and silver coin 38,654,075 piasters, now worth seventeen and a half pence to the piaster, which takes the place of 42,251,159 piasters of paper withdrawn from circulation, which was worth in December, 1895, only thirteen and a half pence per piaster. The value of the new "dollar," which is the basis of the currency system, is 36.49 cents in United States gold coin.

The National Bank of Brazil.

A special commission has been considering the reform of the statutes governing the Bank of the Republic of Brazil and the liquidation of its obligations to the Treasury. The capital has been fixed by the commission at 100,000 contos ($54,000,000 at the gold parity). The Governor of the Bank is to be appointed by the state. The Vice-President of the Republic strongly urged the independence of the Bank, and members of the board of directors insisted that if the institution was deprived of the power of note issue there was no reason why the state should interfere in its management. The majority of the commission favored the appointment by the state, and it was so decided. The number of the Council of Administration and of the Fiscal Council is reduced to five members each, who will be elected by the shareholders. It has not yet been determined whether the Vice-President shall be named by the Government or the shareholders. The Government has recently taken away from the banks the power to issue circulating notes, and the commission has been considering the indemnity to be paid for the withdrawal of the privilege before its legal expiration. One of the members of the commission recommended the remission to the local banks of the excess of their deposits of securities above the amount of their canceled issues, but other members maintained that the banks never completed these deposits and are debtors to the Government.

BANKING AND FINANCIAL NOTES.

—The electoral address of the Marquis di Rudini, in the campaign for the choice of the new Italian Parliament, gives considerable space to the financial condition of the country and recent legislation on the subject. The Marquis declares that by means of the measures adopted in January last the notes of the banks will in the course of the year be completely covered by specie and bills of exchange of the best character. It remains only, he says, to withdraw from circulation the excess of notes which have enhanced the price of gold, and he believes that this will be accomplished by the new legislation.

—The negotiations between the Government of Austria-Hungary and the Austro-Hungarian Bank for the renewal of the privileges of the bank have been substantially completed. The Vienna correspondent of *L'Economiste Européen*, in the issue of March 12, says that the Government appears to have carried all its demands. It will have a much greater influence than at present in the decisions of the Council of Administration, and more rigid control over all financial operations. Important resolutions have also been taken to insure the early return to gold payments.

—The twenty-fourth annual report of the officers of the Swiss Savings banks shows that on December 31, 1896, the banks owed to 65,285 creditors a total of 49,807,215 francs ($9,500,000). The average of each deposit during 1896 was 154 francs, and the average of each account at the end of the year was 763 francs. The number of deposits in 1896 was 1,672 greater than in 1895, the sum deposited 231,348 francs greater, the number of accounts at the end of the year 3,401 greater, and the sum due to depositors 2,021,363 francs greater. The administration of the banks recommended an interest rate of three and a quarter per cent. for 1897, which was approved by the Council of State on January 19, 1897.

—The French Savings banks show an increase of accounts from 6,498,556 on December 31, 1895, to 6,626,650 on December 31, 1896. The balances on deposit, however, show a decline from 3,395,46,1850 francs at the close of 1895 to 3,370,789,959 francs at the close of 1896, representing a loss of 24,670,226 francs ($4,600,000) upon the transactions of the year. The mean deposits stand at 508 francs 67 centimes per account, 12.54 depositors per square kilometer, 173 depositors per thousand inhabitants (or nearly one to a family), and 87 francs 91 centimes per inhabitant. The average deposit at the close of 1895 was 522 francs 50 centimes. The number of Savings banks is now 545 and the numher of branches 1,152, representing an increase of one bank and eight branches during 1896.

—The strained political situation regarding Crete has caused a run upon the Savings banks of Roumania, which may have its warning for more important nations which have encouraged the locking up of vast sums in Postal Savings banks, which make their investment in the public securities. The Roumanian Minister of Finance has issued an official circular declaring that apprehension is not justified, and that he has taken every measure to meet demands for reimbursement without delay and without availing himself of the term prescribed by law for the withdrawal of deposits.

—The Imperial Bank of Germany reduced its discount rate on February 25 to three and a half per cent. There was some demand in the Council of Administration for a reduction to three per cent., and this is likely soon to be made. Dr. Koch, the President of the Bank, opposed so large a reduction at that time in view of the threatening political outlook, but the specie in the Bank has since been increasing and the money market is easy in Berlin.

—It is reported that the Mexican Government has declared forfeited the concessions granted a year ago to American capitalists for the establishment of agricultural banks in six of the principal cities of Mexico. The reason for the forfeiture is that the terms of the concession were not complied with.

C. A. C.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

HOW TO HANDLE THE MAIL.

The form entitled "Foreign Debit Cash-Book" is intended for a bank that is a member of a clearing-house, and that has a volume of business sufficient to justify the separation of the items as shown in the form. The first column shows the name of the corresponding bank from which the letter is received. The second column shows the posting to the general ledger. This posting is set directly opposite the name of the bank so that the chance of error is made as small as possible. The next column contains such comments as may be necessary. In the lower half of this column will be found several small items marked "Exchange." For example: the correspondent at Annapolis owes the bank \$417.12; it remits \$416.72 and charges "Exchange" \$0.40. The bookkeeper in posting credits Annapolis both items; namely, "Cash" \$416.72 and "Exchange" \$0.40. When the several items of exchange have been properly posted the exchange account is charged the total amount, \$2.00. The next three columns contain the total posting separated into several parts; namely, checks for the clearing-house, sundry items and sight drafts. The first column proves with the record of checks sent to the clearing-house, the second proves with checks as entered on the teller's pay-over book, and the the third column proves with the runner's record of sight drafts. The totals of the last three columns prove with the total of the general ledger posting.

It may be very properly remarked that a form which may be entirely suitable for one bank may not be quite so convenient for a bank with a different method of handling its business. In the forms submitted in the MAGAZINE, it is intended more to afford useful hints than to lay down any hard and fast rule. For example, in handling the mail it may well be that some banks would find it more convenient to enter the total of the cash letter and prove out by adding the several items as entered on other books. The main features of the form shown are the proving of each letter separately and the separation of the items into three groups, affording an independent proof of each group.

HOW TO ARRANGE THE CALL-LOAN ACCOUNT.

The forms shown are subject to modification according to the nature and extent of the business transacted. The main points are to have a daily record of loans issued and returned and a ledger. The call-loan ledger is a memorandum or side ledger, and does not interfere with the general ledger in any way. The entries for the general ledger are made without any regard to the call-loan ledger. The first entries on the call-loans issued are intended to show the method of transferring the outstanding loans from any system in use before the adoption of these forms. The subsequent entries show the current business. It is of great advantage to number the loans and corresponding notes, as this tends to order and neatness. In listing the collateral there must be some elasticity in the spacing; always allow plenty of room. If a banker should make a large loan and put up miscellaneous collateral which is to be changed from time to time, it might be better to list the collateral on a separate sheet or on several pages in the back of this register. The same might be done with long lists of elevator receipts. The ledger

Foreign Debit Cash Book

Monday, March 1st 1897.

Corresponding Bank	General Ledger Credit	Remarks	Checks for the Clearing House	Sundry Checks and Cash	Sight drafts
Tenth, N.Y.	26 010 51		4 115 67	15 000 00	
				614 16	
		Brown			164 18
		Garnet & Co.			2 116 50
		Waters			4 000 00
Traders, N.Y.	137 118 26		19 416 12	2 016 44	
			14 516 24	100 00	
			2 000 00	44 722 19	
			15 642 81	2 161 18	
			12 424 18	18 500 00	
			4 644 10	975 00	
Sixth, Boston	2 304 30		1 560 12	85 50	
		Jeffreys			416 17
		Hardy			44 17
		"			74 18
		Chem. Co.			124 16
Drovers, Phila.	8 583 24		2 784 19	4 416 72	
		Fisher.			672 09
		Snyder.			646 16
		Waters			64 08
Annapolis	416 72	Ex. .40¢	416 72		
Bel-Air	175 24	" .20¢	175 24		
Martinsburg	464 18	" .35		464 18	
Harrisburg	564 18	" .40		564 18	
Lynchburg	174 25	" .15		174 25	
Danville	764 18	" .50		764 18	
Richmond	1 193 09	2 00	414 16	542 00	
		Henderson			164 75
		Snyder			72 18
"	4 000 00	From 1st Lynchburg		4 000 00	
		Cash by Express			
Raleigh	414 19			414 19	
Columbia, S.C.	2 000 00	Cash by Express		2 000 00	
Sixth, Atlanta	4 632 33		2 716 19	1 516 14	
		Jordan & Co.			400 00
Third, St. Louis	8 674 18		8 674 18		
	197 488 85		89 499 92	99 030 31	8 958 62

speaks for itself. The account headed "Summary of Loans" shows the amount of loans outstanding at the close of business on any day, and this total should equal the total of the balances shown on accounts of the several borrowers.

Call Loan Register - Loans Issued

Call Loans Issued.

Date 1897	No	To whom Issued	Collateral	Rate	Amount	Date	
Mch 1	—	Jas H. Merchant & Co	Listed in Register No 27	4	40 000 00	Mch 9	Paid
"	—	R. H. Van Antrim	" " " "	4	25 000 00	Apr 7	Paid 15 000
"	—	Lewis & Brooks	" " " "	5	10 000 00	Mch 24	Paid
"	—	Van Lipp & Wyk	" " " "	5	30 000 00	Mch 17 / 22	Paid 15 000 Mch 30 Paid 5 000 / " 5 000 Apr 8 " 5 000
"	1	Jas H. Merchant & Co	12 000 City 3½	4	10 000 00	Apr 8	Paid
"	2	Imp & Trading Co	Elevator receipts - Grain	4	20 000 00	Apr 7	Paid
2	3	Cary & Byrd	5000 City Railway Co	5	4 000 00	Mch 15	Paid
	4	Harkness & Abbott	10 shs 1st Nat Bank / 20 " 4th " "				
			1000 Gas / 2000 U.S. 4s	4	5 000 00	Mch 25	Paid
3	5	Piercy & Hysham	Bills Rec. as listed	4	10 000 00	Apr 5	Paid
	6	J. W. Banker	Securities as listed - subject to chg	4	50 000 00	Mch 17 / Apr 6	Paid 25000 / " 25 000 Paid in full
4	7	Boyd & Walker	4000 Central Ry	4	4 000 00	Mch 31	Paid
	8	Withers & Co	1.000 U.S. 4s	5	1 000 00		
8	9	Cary & Byrd	10 000 City Railway	5	8 000 00	Mch 22	Paid
	10	Lloyd Mfg Co	50 shs Lloyd Chemical Co	4	5 000 00	Mch 24	Paid
	11	Geo B. Winder	10 shs Home Fire	5	1 000 00		
9	12	Carter & Wright	Warehouse receipts - Cotton	4	10 000 00	Mch 25	Paid 5000

THREE-COLUMN BALANCE-LEDGER.

The January number of the MAGAZINE contained a form of an individual depositors' ledger with a balance column ruled in the center of the page. In

Call Loan Register- Loans Returned

Call Loans Returned

Date 1897		No	By whom returned	Collateral	Days	Rate	Amount	Interest	
Mch	9	—	Jas H Merchant & Co	all returned	18	4	40 000 00	80 00	
	15	3	Cary & Byrd	" "	13	5	4 000 00	7 22	
	17	—	Van Lepp & Wyk	20000 City 3½	24	5	15 000 00	50 00	Int in Cash
	"	6	J W Banker	as per list	14	4	25 000 00	38 89	
	22	—	Van Lepp & Wyk	6000 Central Ry	29	5	5 000 00	20 14	
	"	9	Cary & Byrd	all returned	14	5	8 000 00	15 55	
	24	10	Lloyd Mfg Co	" "	16	4	5 000 00	8 89	
	"	—	Lewis & Brooks	" "	30	5	10 000 00	41 67	
	25	4	Harkness & Abbott	" "	23	4	5 000 00	12 78	
	"	12	Carter & Wright	as per list	16	4	5 000 00	8 89	
	31	7	Boyd & Walker	all returned	27	4	4 000 00	12 00	
	"	—	Van Lepp & Wyk	6000 J. F & D Rw	38	5	5 000 00	26 39	
Apr	5	5	Pierce & Wyskam	all returned	33	4	10 000 00	36 67	
	6	6	J W Banker	as per list	34	3	25 000 00	70 83	
	7	2	Imp & Trading Co	all returned	37	4	20 000 00	82 22	
	"	—	R H Van Antrum	30000 Northern Ry	45	4	15 000 00	75 00	
	8	1	Jas H Merchant & Co	all returned	38	4	10 000 00	42 22	
	"	—	Van Lepp & Wyk	6000 J. F & D Rw	46	5	5 000 00	31 94	

Call Loan Ledger

Summary of Loans

1897			Interest	No.	Returned	Issued	Outstanding
Mch.	1	From Register 27				105 000	105 000
	1					30 000	135 000
	2					9 000	144 000
	3					60 000	204 000
	4					5 000	209 000
	8					14 000	223 000
	9					10 000	233 000
	9		80 00		40 000		193 000
	15		7 22		4 000		189 000
	17		88 89		40 000		149 000
	22		35 69		13 000		136 000
	24		50 56		15 000		121 000
	25		21 67		10 000		111 000
	31		12 00		4 000		107 000

Van Zepp & Wyk

1897			Interest		Returned	Issued	Outstanding
Mch.	1	From Register 27		—		30 000	30 000
	17		50 00	—	15 000		15 000
	22		20 14	—	5 000		10 000
	31		26 39	—	5 000		5 000
Apr.	8		31 94	—	5 000		None

R. W. Merchant & Co.

1897			Charges	Credits	Balance	1897			Charges	Credits	Balance
Jany	2	By Cash		10000 00	10000 00	Jany	9	Am'ts Forward	12320 26	18336 50	6016 24
	4		445 67		9554 33		"		3674 19		2342 05
	"		100		9454 33		"	Brown. Robt.	116 25		2225 80
	"		1672 19		7782 14		12		1416 27		809 53
	5			1678 32	9460 46		"	Jeffreys		✓ 916 74	1726 27
	"	Baxter		✓ 267 18	9727 64		"			2964 18	4690 45
	"		900		8827 64		15		427 50		4262 95
	6		434 61		8393 03		16	King & fees	102 19		4160 76
	"		1800 75		6592 28		18		615 25		3545 51
	7			3248 16	9840 44		20			786 19	4331 70
	"		416 18		9424 26		"	Lewis		✓ 46 14	4377 84
	8	Discount		1516 24	10940 50						
	"		618 94		10321 56				18671 91	23049 75	
	"		4617 25		5704 31		"	Balance	4377 84		
	9			426 17	6130 48				23049 75	23049 75	
	"		1314 67		4815 81		"	Balance		4377 84	4377 84
	"			1200 43	6016 24						
			12320 26	18336 50							

THREE-COLUMN BALANCE-LEDGER.

General Ledger Cash Book - Charges

Depositor	Destination	Where sent	Items		Total		
Merchant & Co.	Reading	Harrisburg	416	02			
A. W. Constable	Chambersburg		49	74			
Lewis & Brooks	"		117	19			
" "	Lancaster		610	25	1	193	20
A. M. Sandford	Youngstown	Pittsburg	416	08			
Woolford & Co.	Erie		924	03			
L. M. Cotton	1st Nat.		1000	00	2	340	11
City N.Y.	Farmers	Annapolis	65	40			
4th St. Phila.	"		100	00		165	40
A. W. Constable	Cent. Nat.	Centreville	40	75			
"	Queen Anne		6	25			
Am. Ex. N.Y.	" "		7	15		54	15
Lewis & Brooks		Denton				76	00
J. C. Worthington	Luray	Alexandria	49	75			
Globe, Boston	"		63	18			
F. B. Dealer	Leesburg		19	72			
Wykham & Co.	Warrenton		64	23			
Lord & Burns	1st Nat		417	16		614	04
"	Winston	Raleigh	113	10			
Tradesmen, Phila	Durham		764	80			
Stokes & Co.	"		923	80			
Radfield & Kerr	Kinston		14	16			
A. W. Constable	Salisbury		100	00	1	915	86
Merchant & Co.	Asheville	Charlotte	64	81			
A. W. Brown	1st Nat		19	75			
J. Hawks	Commercial		46	75			
Chem. Mfg. Co.	Mer. & Farm.		176	14		307	45
Chem. Guano Co.	Atlanta	Wilmington				614	16
Hand & Jones	Albany	Atlanta	149	74			
" "	American		119	75			
Lewis & Brooks	Cartersville		16	25			
" "	Athens		462	19		747	93
Baker Pub. Co.	C. Nat. Bk.	Chicago			1	114	96
					9	143	26

this issue another form is shown which has found considerable favor with those bookkeepers who are on the lookout for advanced methods. The actual size of the page is nineteeen by twenty-four inches. It will be observed that the pages are ruled double so that two accounts can be kept on a page or, as in the form shown, one account may occupy the entire space.

A "BOMB-PROOF" COLLATERAL NOTE.

A subscriber sends the BANKERS' MAGAZINE the following form of a collateral note, and asserts that it is "bomb proof." Criticism is invited.

$...................... New York, N. Y., ..., 1897.

....after date for value received, ...promise to pay to the Reserve National Bank of New York, or order, at the office of the said bank, ...dollars, with interest at the rate of ... . per cent. per annum.

And the maker of this note has deposited with said bank as collateral security for the payment of this note and for the payment of every other liability of the maker of this note to said bank, now contracted or which may hereafter be contracted, direct or contingent, individual or firm, now existing or which may hereafter exist, the following securities, namely:

....

....

with full power and authority to said bank or its assigns to rehypothecate the same or any additions thereto or substitutes therefor. If this note should not be paid at maturity the maker hereof hereby grants to said bank or its assigns full power and authority to sell any or all such securities or any additions thereto or substitutes therefor, at any public or private sale or at any board of brokers, free and discharged from any equity of redemption. And at any such sale the said bank or its assigns may purchase any or all such securities or any additions thereto or substitutes therefor, free and discharged from any equity of redemption, and such sale or sales may be had without any advertisement, notice or demand of payment, all of which are hereby expressly waived. If the proceeds of such sale or sales be not sufficient for the payment of this note, the maker hereof agrees to be answerable to said bank or its assigns for such deficiency. If at any time the said bank or its assigns should deem that the market value of the securities pledged for the payment of this note should be less than the amount of this note plus ten per cent. of said amount, then the said bank or its assigns may make demand on the maker hereof for the deposit of additional securities to the satisfaction of said bank or its assigns. If such securities are not deposited by three o'clock p. m. on the day of said demand, then the said bank or its assigns may proceed to the sale of the securities pledged herein, and such sale or sales shall be made as hereinbefore provided. Upon the payment of this note at maturity, the securities pledged herein, or an equal amount thereof, shall be returned to the maker hereof by said bank or its assigns.

....

CASH-BOOK FOR GENERAL LEDGER.

The general ledger cash-book shown in this issue of the MAGAZINE is intended for use in a bank that adopts the system of sending sundry items to certain central points. The object of the form is to avoid an extra forwarding book, and at the same time to furnish in one entry all the information that the general bookkeeper would be likely to want in tracing up items or in adjusting accounts current. The general principle is to consolidate the necessary entries in a few large books and to do away with the multitude of little auxiliary books that are often more of an annoyance than a help.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.
Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

CASHIER—AUTHORITY TO BIND BANK.

Supreme Court of California, Jan. 26, 1897.

CORPY *vs.* DOWDELL, *et al.*

The action of a Cashier in permitting the sale, under certain conditions, of personal property on which the bank holds chattel mortgages, will be binding on the bank if the Cashier has has been accustomed to act for the bank in similar transactions with the knowledge of the directors.

This was an action to foreclose two chattel mortgages upon a quantity of wine. These mortgages had been given to the Bank of St. Helena to secure two promissory notes, and had been assigned by the bank to the plaintiff. After the mortgages were given the wine had been sold to one Chavalier, and this sale was made with the consent of the Cashier of the bank, who had prepared the contract of sale.

MCFARLAND, *J.* (omitting part of the opinion): The contention of respondent is, briefly: First, that what the Cashier did does not bind the bank; and, second, that what he did was of no legal consequence whatever, even if his acts in the premises be considered as the acts of the bank.

As to the first of said positions, we think that it is clearly untenable. It is in proof without contradiction that, to the knowledge and with the consent and tacit approval of the directors of the bank, this same Cashier had for many years been having with others and with appellants the same kind of transactions as the one here under consideration; that is, the bank had been in the habit of taking mortgages from various persons on wine, and the Cashier, with the knowledge and consent of the directors as aforesaid, had permitted wine thus mortgaged to be sold to third parties under contracts similar to the one here involved. This was proven at the trial by the President of the bank and four of its other directors, by the said Cashier himself, by several witnesses who had similar transactions with the bank, and by the appellant, Arthur B. C. Dowdell, who, prior to this contract, had several similar transactions with said Cashier.

We have said that this was proven without contradiction, by which we mean that the facts above stated were so proven, although some of the witnesses testified that there had not been any resolution upon the subject passed by the board of directors in corporate body assembled, and that they did not understand that the Cashier had been given any power to release a mortgage.

Under these circumstances it is not necessary to determine what powers the Cashier had merely by virtue of his position as Cashier; for when a corporation, by a long course of acquiescence, holds out an officer or agent as having authority to do certain things, it cannot, after he has acted, repudiate his acts.

This principle is decided by many authorities, but it is sufficient here to cite

(Morse, Banks 3d Ed. § 171g, and cases there cited; *Martin* vs. *Webb*, 110 U. S. 7; *Merchants' Nat. Bank of Boston* vs. *State Nat. Bank*, 10 Wall. 604; *Bank* vs. *McCarthy*, 7 Mo. App. 318; *Carey* vs. *Petroleum Co.* 33 Cal. 694.)

In Morse on Banks and Banking, *supra*, it is said—and the cases cited fully warrant the text—as follows: "Evidence of powers habitually exercised by a Cashier with the knowledge and acquiescence of the bank defines his powers as to the public, if they are such as the directors have authority to confer on him. A bank for several years permitted its Cashier to cancel trust deeds given to secure money loaned, and was thereby estopped to deny his power to cancel."

It is also there declared that, where the conduct of a Cashier has been open and long continued, "it must have come to the knowledge of any ordinarily vigilant directory," citing *Bank* vs. *McCarthy*, *supra*, which fully sustains the text.

Martin vs. *Webb*, *supra*, is a case in which the principle under discussion was directly involved and clearly stated. Mr. Justice Harlan, in delivering the opinion of the court, said, among other things, as follows:

"While these propositions are recognized in the adjudged cases as sound, it is clear that a banking corporation may be represented by its Cashier—at least where its charter does not otherwise provide—in transactions outside of his ordinary duties, without his authority to do so being in writing, or appearing upon the record of the proceedings of the directors. His authority may be by parol and collected from circumstances. It may be inferred from the general manner in which, for a period sufficiently long to establish a settled course of business, he has been allowed without interference to conduct the affairs of the bank. It may be implied from the conduct or acquiescence of the corporation, as represented by the board of directors. When, during a series of years, or in numerous business transactions, he has been permitted, without objection, 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 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.

It is clear, therefore, that the acts of the Cashier in the premises were the acts of the bank.

COLLECTIONS—FAILURE TO PRESENT DRAFT—WHEN DRAWER NOT DISCHARGED.

Supreme Court of Oregon, January 18, 1897.

FIRST NATIONAL BANK OF PORTLAND *vs.* LINN COUNTY NATIONAL BANK.

The holder's laches in presenting a check for payment constitutes no defense in an action against the drawer unless he is damaged by the delay, and then only to the extent of his loss.

This was an action to recover for the failure of the defendant bank to properly present a draft sent it for collection, and to give due notice of dishonor.

BEAN, *J.* (omitting a part of the opinion): It is also claimed that the court erred in charging the jury that negligence of the defendant bank in not making due presentment of the draft would not discharge the drawer from liability if he had no funds in the bank applicable to its payment. The form of the draft in question nowhere appears in the record, and therefore it must be assumed, in favor of the judgment of the court below, that it was an ordinary bank check drawn by Cowan upon the defendant bank, and, considering it as such, there was no error in the instruction.

The holder's laches in presenting a check for payment constitutes no defense in an action against the drawer unless he is damaged by the delay, and then only to the extent of his loss. A check purports to be made upon a deposit to meet it, and presupposes funds of the drawer in the hands of the drawee. But, if the drawer has no such funds at the time of drawing his check, or subsequently withdraws them, he commits a fraud upon the payee, and can suffer no loss or damage from the holder's delay in respect to presentment or notice. In such case he is liable, and cannot insist upon a formal demand or notice of non-payment. (3 Rand. Com. Paper, §§ 1106, 1347; 2 Daniel, Neg. Inst. §§ 1587, 1596.)

CHECK—WHAT CONSTITUTES—LIABILITY OF DRAWER.

Supreme Court of Illinois, January 19, 1897.

INDUSTRIAL BANK OF CHICAGO *vs.* BOWES, *et al.*

An indorsement upon the back of an architect's certificate directing a bank to pay the amount named therein to the order of a specified person is a check and not a bill of exchange.

Failure to present a check for payment within a reasonable time does not discharge the drawer where the bank remains solvent, especially where the drawer has drawn out the funds on other checks.

This was an action of assumpsit brought by the Industrial Bank of Chicago against Edwin Bowes, Jr., and John R. Bowes upon an instrument in the following form:

"$500. No. 4,794.

CHICAGO, June 17, 1892.

To E. J. Bowes, Jr., and Bros.: This is to certify that Empire Building Co., contractor for the entire work of your building No. —— Fulton Street, is entitled to the payment of five hundred dollars.

Contract, $7,850, by the terms of the contract.

Extra Work	......
Deductions	......
Total	......
Remarks:	
Previous issues	$6,325
Present issue	500
Total	$6,925
Balance	925

WILSON & MARBLE,
By A. H. Dodd.

Indorsed:

Peabody, Houghteling & Co.
Pay to the order of the Empire Building Co.
JOHN R. BOWES.
Pay to the order of the Industrial Bank.
Empire Building Co.,
G. C. MCARTHUR, *Treas.*"

The bank recovered a judgment in the superior court for the amount claimed to be due, but in the appellate court the judgment was reversed on the ground that the instrument sued upon was a bill of exchange, and plaintiff could not recover, for the reason it had failed to notify Bowes Bros. at once of the refusal of Peabody, Houghteling & Co. to pay upon the presentation of the order.

CRAIG, *J.:* The law is well settled that a bill of exchange must be presented to the drawee within a reasonable time; and, where payment is refused, notice must be given promptly to the drawer, otherwise he cannot be held liable. (*Montelius* vs. *Charles*, 76 Ill. 303; *Bickford* vs. *Bank*, 42 Ill. 239; Story Prom. Notes, § 492.)

But was the instrument sued on strictly a bill of exchange, so that it should be governed by the rules of law applicable to such instruments? To a bill of exchange there are three parties—drawer, drawee, and payee. The drawee is not bound until acceptance, and then, having become the acceptor, he is regarded as primarily the promisor, and the drawer only collaterally; and the drawer is therefore liable in very much the same way as the indorser of the note. (I Pars. Cont. p. 250.)

In Story, Prom. Notes, § 4, in pointing out the distinction between bills of exchange and promissory notes, the author says: "In a bill of exchange there are ordinarily three original parties—the drawer, the payee, and the drawee—who, after acceptance, becomes the acceptor. * * * In a bill of exchange the acceptor is the primary debtor in the contemplation of law to the payee, and the drawer is but collaterally liable." The author also says: "The indorser of a note stands in the same relation to the subsequent parties as the drawer of a bill, and the maker of a note is under the same liabilities as the acceptor of a bill."

In the forms of bills of exchange given by Chitty, in his work on Bills, it will be found the time of payment is always specified; and on page 170, while the author admits that the omission to state the time of payment would not render the bill invalid, he says: "It is admissible in all cases to express the time of payment as clearly and intelligently as possible, and it is therefore usual to write it in words."

As a general rule, it is understood that a bill of exchange will be accepted by the drawee; hence they are drawn payable on sight, in thirty, sixty, or ninety days, and when presented to the drawee they are accepted, and from that time he becomes bound to pay.

The instrument in question contains no time of payment, nor is there anything to indicate from the reading of the instrument that it was ever intended to be accepted by the drawee, as is usually the case with a bill of exchange. While the instrument in question has some of the characteristics of a bill of exchange, we do not, however, regard it as a bill of exchange, but, on the other hand, it has all the elements of a check, and we think it clearly falls within the definition given in the text books of a check. In 2 Daniel, Neg. Inst. 528, the author say: "A check is a draft or order upon a bank or banking house, purporting to be drawn upon a deposit of funds for the payment, at all events, of a certain sum of money to a person or his order, bearer, and payable instantly on demand." In 2 Pars. Notes & B. p. 57, the author says: "A check is a brief draft or order upon a bank or banking house directing it to pay a certain sum of money." These definitions of a check were quoted and approved by this court in *Bank* vs. *Patton* (109 Ill. 484).

Here Peabody, Houghteling & Co. was not a regular bank, but the firm was the banker of Bowes Bros., so treated and recognized, and, so far as the check in question is concerned, the firm will be regarded as a bank. The instrument in question was then a draft or order upon the banking house, directing it to pay a certain sum of money, and, as declared by Parsons, a check on it was a draft or order upon a banking house purporting to be drawn upon a deposit of funds for the payment, at all events, of a certain sum of money to a person or order, and payable instantly on demand, which Daniel declares to be a check. Under either definition, the instrument in question was a check.

The instrument being a check, did the Industrial Bank lose its right to recover from the drawers of the check, for the reason the bank failed to present the check for payment within proper time, and failed to give notice to the drawer of the refusal of Peabody, Houghteling & Co. to make payment? The general rule is that the holder, in order to charge the drawer in case of dishonor, is bound to present the check for payment within a reasonable time, and give notice to the drawer within a like reasonable time; otherwise the delay will be at his own peril.

Story (Prom. Notes, § 493) lays down the rule that if the payee or holder of the check receives it from the drawer in the same town or city where it is payable, he is bound to present it for payment on the next succeeding day after it is received. Where he receives the check from the drawer in a place distant from the place of payment, it will be sufficient for him to forward it by the post to some person at the latter place on the next day after it is received, and the person to whom it is sent will not be required to present it for payment until the next day after it has reached him in the regular course of mail. But the rule just spoken of only applies where, in the intermediate time between the drawing of the check and presentment, there has been a change of circumstances affecting the interests of the drawer in respect to the banker upon whom the check was drawn. Where there has been a change, the rule is applied strictly. But Story, in section 497, says: "The drawer is in no case discharged from his responsibility to pay the same unless he has suffered some loss or injury by the omission or neglect to make such presentment, and then only *pro tanto.* * * * If the bank has failed, or become bankrupt, he will be discharged to the extent of the loss he has sustained thereby."

This court has laid down the same rule. Thus in *Heartt* vs. *Rhodes*, 66 Ill. 354, it is said: "The want of due presentment or notice of the dishonor of a check does not discharge the drawer unless he has suffered some loss or injury thereby. This is one point of difference between a check and a bill of exchange." And in *Stevens* vs. *Park*, 73 Ill. 388, it was held: "By failing to give notice to the drawer of a check of its non-payment within a reasonable time the holder assumes the burden of showing that no damage has accrued to the drawer."

In speaking further on this subject Story, § 498, says: "If the bank or banker still remains in good credit, and is able to pay the check, the drawer will still remain liable to pay the same, notwithstanding many months may have elapsed since the date of the check and before the presentment for payment and notice of the dishonor. So if the drawer at the date of the check, or at the time of the presentment of it for payment, had no funds in the bank or banker's hands, or if, after drawing the check and before its presentment for payment and dishonor, he had withdrawn his funds, the drawer would remain liable to pay the check, notwithstanding the lapse of time."

Under the law as laid down in the authorities cited, it is plain the drawers of the check, Bowes Bros., are liable for the amount of the check. From the facts as found by the appellate court the check was presented to the bankers upon whom it was drawn on the date it was issued, and again on the next business day thereafter, and again a week later, which was the last of June, 1892; again it was presented July 17, and also two weeks after that date, when payment was refused because the bankers, Peabody, Houghteling & Co., had paid all the money out belonging to the drawer of the check. From the facts as found, there was no improper delay in presenting the check for payment. The drawers of the check were not notified until August 4, 1892, that payment was refused; but the delay will not bar a recovery here. The bankers upon whom the check was drawn did not fail, nor were they financially embarrassed. The drawer therefore sustained no loss which could defeat a recovery. Indeed, the fund in the hands of Peabody, Houghteling & Co., placed there by the drawers of the check for its payment, was drawn out in subsequent checks which they issued to other parties. The drawers themselves were thus guilty of a manifest wrong in withdrawing the funds which they had placed in the hands of the banker for the purpose of paying the check in question, and it would now be an act of great injustice to allow them to defeat judgment in the check, as their wrong act prevented its payment by the bankers upon whom it was drawn.

Under the facts found by the appellate court, we are of opinion the bank was entitled to judgment. The judgment of the appellate court will be reversed, and the judgment of the Superior Court of Cook County will be affirmed. Affirmed.

NATIONAL BANK—CONTRACT TO INDEMNIFY SURETY ON ATTACHMENT BOND.

United States Circuit Court, District of Utah, January 4, 1897.

SEEBER *vs.* COMMERCIAL NATIONAL BANK OF OGDEN.

An agreement to indemnify a surety upon an attachment bond is enforcible against a National bank, where the surety has paid the bond, though the bond was not given for the benefit of the bank.

This was an action to recover of the Commercial National Bank, of Ogden, the amount paid by the plaintiff as surety upon an attachment bond, under an alleged agreement, made on behalf of the bank by its Cashier, that the bank would hold the plaintiff harmless from any loss by reason of becoming such surety.

MARSHALL, *District Judge* (omitting part of the opinion): It is further claimed that, admitting the contract to have been authorized, it is yet void because of the want of corporate power in the defendant to make it.

The complaint alleges an absolute transfer of the note to Hill. It does not allege that he took it in trust for the bank, nor does it show any liability of the bank as indorser thereon at the time of the institution of the suit against Taylor. It is true that the plaintiff alleges that he is informed and believes that the transfer to Hill was for the purposes of collection. But this is no averment of the fact. The allegation seems purposely vague, and should be construed against the pleader. So that the contract alleged is one where the defendant has assumed to act as guarantor in a transaction in which it had no interest. This act was entirely outside of its chartered powers. (*Bank* vs. *Smith*, 77 Fed. 129; 4 Thomp. Corp. § 5721.)

The plaintiff was advised by the very nature of the transaction that it was in excess of the authorized powers of a National bank. Does it follow that the contract is void? In considering this, it must not be complicated with any question of agency. That question may arise on the trial of the action, but not on this demurrer. By the common law no association which was not chartered by the sovereignty or legislature could lawfully assume corporate powers. The prohibition was based on public policy. In becoming a corporation the associates escaped individual liability, and the rule was intended to prevent this, except under such safeguards and conditions as the legislature might impose.

Whenever a corporation chartered to do one kind of business embarks upon another, it infringes the same rule. As to the new business, it has no legislative authority to act. But its acts in the new business, provided there be no legislative prohibition, will only be held void so far as public policy requires it. The rule itself, being based on public policy, will not be permitted to be invoked to perpetrate a wrong. So far as neither party has executed the contract, it is entirely consistent with public policy to avoid it. But where the other party has executed the contract, or has altered his position on the faith of it, the repudiation of the contract by the corporation is inconsistent with that honesty which is the highest public policy.

In such a case the contract should be enforced, even if, by its terms, the consideration did not move to the corporation. (*State Board of Agriculture* vs. *Citizens' St. Ry. Co.* 47 Ind. 407; *Railway Co.* vs. *McCarthy*, 96 U. S. 267; *Arms Co.* vs. *Barlow*, 68 N. Y. 62; 2 Mor. Priv. Corp. 689.)

If the contract itself be immoral, or prohibited by statute, or if it would not be enforced against a private person under similar circumstances, of course it will not then be enforced against the corporation. Railroad companies and other corporations owing specific duties to the public will not be permitted to disable themselves to discharge such duties without the consent of the legislature. Any contracts made by such associations, and having such an effect, may at any time be repudiated by either party, for a continued performance of the contract involves a continued violation of law. (*Thomas* vs. *Railroad Co.* 101 U. S. 86.)

But in the case at bar the contract can only affect the defendant, its stockholders and creditors. It has been fully performed by the plaintiff, and public policy does not, in my judgment, require that it should be held void. The demurrer will be overruled.

PROMISSORY NOTE—AGREEMENT FOR ATTORNEY'S FEE.

Supreme Court of South Carolina, Feb. 17, 1897.

SYLVESTER BLECKLEY CO. *vs.* ALEWINE, *et al.*

A provision for an attorney's fee in case of default renders a note containing the same non-negotiable.

This was an action upon a promissory note which contained the following provision: "And if this note is collected by suit, or placed in the hands of an attorney for collection, we promise to pay ten per cent. attorney's fees for collection, in addition to principal and interest."

GARY, *J.* (omitting part of opinion): Another question was, however, presented, which the Court will proceed to consider, to wit, whether the provision in the note for attorney's fees rendered it non-negotiable. The decisions on this question are conflicting, as will appear by reference to the following cases, which cite many authorities: (*Bowie* vs. *Hall* [Md.] 16 Atl. 64; *Wright* vs. *Traver* [Mich.] 8 Lawy. Rep. Ann. 50, 41 N. W. 517; *Bank* vs. *Tuttle* [N. M.] 7 Lawy. Rep. Ann. 445, 23 Pac. 241; *Montgomery* vs. *Crosthwait* [Ala.] 12 Lawy. Rep. Ann. 140, 8 South. 498; *Bank* vs. *Fuqua* [Mont.] 14 Lawy. Rep. Ann. 588, 28 Pac. 291; *Farmers' Nat. Bank* vs. *Sutton Manuf'g Co.* 17 Lawy. Rep. Ann. 595, 52 Fed. 191; *Dorsey* vs. *Wolff* [Ill. Sup.] 18 Lawy. Rep. Ann. 428, 32 N. E. 495; *Stapleton* vs. *Banking Co.* [Ga.] 23 S. E. 81.)

There is so much confusion upon the subject of non-negotiable paper that an effort is now being made to have the legislatures of the different States make the laws upon the subject of non-negotiable paper uniform throughout the United States.*

In 2 Am. & Eng. Enc. Law, 314, a "promissory note" is thus defined, to wit: "A promissory note is a written agreement by one person to pay another, absolutely and unconditionally, a certain sum of money, at a time specified therein."

The decisions in this State are to the effect that uncertainty in the note, whether existing prior or subsequent to the maturity of the note, renders it non-negotiable. (*Bank* vs. *Strother*, 28 S. C. 517.)

The remaining inquiry, then, is whether the provision in the note for attorney's

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* A copy of the proposed law will be published in the May number of the MAGAZINE.

fees renders it non-negotiable. Whether the owner of the note, after maturity, would place it in the hands of an attorney for collection before payment thereof, was an uncertain event; and if, after maturity, the parties on the note should proceed to pay the same, it would be uncertain where they would find the note—whether in the hands of the owner or an attorney. If they should find the note in the hands of the owner, they would have to pay principal and interest, but, if the note had been placed in the hands of an attorney for collection, they would not only have to pay principal and interest, but attorney's fees of ten per cent. This uncertainty makes the note non-negotiable. It is the judgment of this court that the order of the circuit court be reversed.

NATIONAL BANK—LIABILITY OF STOCKHOLDERS—PERSON HOLDING STOCK AS PLEDGEE.

United States Supreme Court, March 1, 1897.

PAULY *vs.* STATE LOAN AND TRUST COMPANY.

One to whom stock of a National bank is transferred upon the books of a bank "as pledgee" is not liable as a stockholder.

This was an action by the Receiver of the California National Bank, of San Diego, to recover the amount of an assessment made upon stock of which the defendant in error was alleged to be the owner.

The facts upon which the claim against the defendant company is based were these: S. G. Havermale and J. W. Collins, owners and holders respectively of certificates numbered 286 and 297, issued to them for 100 shares, each, of the capital stock of the California National Bank, of San Diego, were indebted to the State Loan and Trust Company upon their promissory notes for $12,500, besides interest. These certificates, having been indorsed by the respective holders by writing their names across the back thereof, were transferred and delivered to the State Loan and Trust Company as collateral security for the payment of the above note, and, so indorsed, were in ordinary course of mail, transmitted and surrendered to the California National Bank, of San Diego. New certificates, numbered 308 and 309, respectively, were thereupon issued to the State Loan and Trust Company of Los Angeles as "pledgee," in lieu of certificates 286 and 297.

Each of the new certificates showed upon its face that it was issued to the "State Loan and Trust Company, of Los Angeles, Pledgee," and each purported to be for 100 shares of the capital stock of the California National Bank, of San Diego.

The defendant, after receiving certificates 308 and 309, held them "as pledgee, and as collateral security for the payment of said note, and for the unpaid balance of the debt thereby represented."

Otherwise than as just stated, the State Loan and Trust Company, of Los Angeles, never had, owned, or held any shares of the capital stock of the California National Bank, of San Diego, and never was entitled to hold the usual stock certificate as such shareholder to the amount of 200 shares, or to any other amount.

Except as pledgee of the stock represented by certificates 308 and 309, respectively, the name of the State Loan and Trust Company never appeared upon or in the stock or other corporate books of the California National Bank, of San Diego, as a shareholder. The entries in the books of the bank showed that the new certificates were issued to the State Loan and Trust Company as pledgee, and not otherwise.

A jury having been waived by the parties in writing, the case was tried in the circuit court, and judgment was rendered for the defendant. (56 Fed. 430.) Upon appeal to the circuit court of appeals that judgment was affirmed. (15 U. S. App. 259, 7 C. C. A. 422 and 58 Fed. 666.)

HARLAN, *J.*: Is one who does not appear upon the official list of the names and residences of the shareholders of a national banking association otherwise than as "pledgee" of a given number of shares of the capital stock of such association—nothing else appearing—liable as a "shareholder" of such association, under Section 5151 of the Revised Statutes of the United States, declaring that "the shareholders of every national banking association shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts and engagements of such association, to the amount of their stock therein, at the par value thereof, in addition to the amount invested in such shares."

As both sides contend that their respective positions are in harmony with decisions heretofore rendered in this court, it will be necessary to refer to some of the cases cited by counsel.

[The Court here examined a number of cases.]

It is apparent that the precise question before us was not involved in any of the above cases, although the principles announced in them bear upon the issue here presented.

From those cases the following rules relating to the liability of shareholders of national banking associations may be deduced:

The real owner of the shares of the capital stock of a national banking association may, in every case, be treated as a shareholder within the meaning of Section 5151.

That if the owner transfers his shares to another person as collateral security for a debt due to the latter from such owner, and if, by the direction or with the knowledge of the pledgee, the shares are placed on the books of the association in such way as to imply that the pledgee is the real owner, then the pledgee may be treated as a shareholder, within the meaning of Section 5151 of the Revised Statutes of the United States, and therefore liable upon the basis prescribed by that section for the contracts, debts and engagements of the association.

That if the real owner of the shares transfers them to another person, or causes them to be placed on the books of the association in the name of another person, with the intent simply to evade the responsibility imposed by Section 5151 on shareholders of national banking associations, such owner may be treated, for the purposes of that section, as a shareholder and liable as therein prescribed.

That if one receives shares of the stock of a national banking association as collateral security to him for a debt due from the owner, with power of attorney authorizing him to transfer the same on the books of the association, and, being unwilling to incur the responsibilities of a shareholder as prescribed by the statute, causes the shares to be transferred on such books to another under an agreement that they are to be held as security for the debt due from the real owner to his creditor—the latter acting in good faith, and for the purpose only of securing the payment of the debt without incurring the responsibility of a shareholder—he, the creditor, will not, although the real owner may, be treated as a shareholder within the meaning of Section 5151; and

That the pledgee of personal property occupies towards the pledgor somewhat of a fiduciary relation, by virtue of which, he being a trustee to sell, it becomes his duty to exercise his right of sale for the benefit of the pledgor.

The present case differs from those cited in the important particular that the stock list of the bank gave information to all who examined it that the State Loan and Trust Company was not the real or absolute owner of the shares in question, but held them only as "pledgee;" that there was no "out and out" transfer of the stock, whereby the transferror, as between him and the transferee, parted with his interest; and that the real ownership remained with the pledgor, the pledgee acquiring only a lien upon the stock to secure its debt.

In the case of *Finn* vs. *Brown* (142 U. S. 56, 71) the question was as to the liability as a shareholder of a director of a bank, who appeared upon its books to be the owner of a given number of shares of stock. The Court said: "It appears by the evidence that the bank had a stock register and a book of certificates of shares, and that a list of stockholders and of transfers was kept in one of its books, although it had no regular stock book. The jury would not have been justified in holding the defendant not liable for the assessment on fifty shares or for the $1,750 dividend. The dividend was undoubtedly fraudulent, and the records of the bank were falsified in showing that the defendant was present at the meeting at which the dividend was declared. It was declared, probably, by De Walt himself alone, for the purpose of showing a fictitious prosperity, and of concealing from the public and the directors the real condition of the affairs of the bank. The defendant had had no previous connection with a banking business and was deceived by De Walt. But all this cannot relieve him from liability. The statutes of the United States are explicit as to the necessary ownership of stock in a National bank by a director thereof, and as to his taking an oath to that effect, and as to the keeping by the Cashier of a correct list of the shareholders and of the number of shares each of them holds; and it cannot be held, with any safety to the interests of the public and those who deal with National banks, that a director, who is also Vice-President and acts as Cashier, can shield himself from liability by alleging ignorance of what appears by the books of which he has charge."

Does the statute, in letter or spirit, require that the word "pledgee," appended to the name of the party to whom certificates 308 and 309 were issued, should be entirely ignored? Is the holder of such certificates in no better condition, in respect of liability as a shareholder, than if such list had imported absolute ownership in the transferee? The statute requires that there shall be kept at all times, in the office where the business of a national banking association is transacted, and subject, during business hours, to the inspection of shareholders and creditors of the association, as well as of officers authorized to assess taxes under State authority, a full and correct list of the names and residences of all the shareholders of the association, and of the number of shares held by each. (Section 5210.) Manifestly, one, if not the principal, object of this requirement, was to give creditors of the association, as well as State authorities, information as to the shareholders upon whom, if the association becomes insolvent, will rest the individual liability for its contracts, debts and engagements. Referring to this provision, the Court said, in *Waite* vs. *Dowley* (94 U. S. 527, 534), that the Act of Congress "was merely designed to furnish to the public dealing with the bank a knowledge of the names of its corporators, and to what extent they might be relied on as giving safety to dealing with the bank." And, let it be observed, the liability upon shareholders is to the extent of the amount of their stock at the par value thereof, "in addition to the amount invested in such shares." The word "invested" plainly has reference to those who originally or by subsequent purchase become the real owners of the stock, and cannot refer to those who never invested money in the shares, but only received the certificates of stock, or it may be the legal title thereto, as collateral security for debts or obligations already or to be contracted.

It is true that one who does not in fact invest his money in such shares, but who, although receiving them simply as collateral security for debts or obligations, holds himself out on the books of the association as true owner, may be treated as the owner, and therefore liable to assessment, when the association becomes insolvent and goes into the hands of a Receiver. But this is upon the ground that by allowing his name to appear upon the stock list as owner he represents that he is such owner; and he will not be permitted, after the bank fails, and when an assessment is made, to assume any other position as against creditors. If, as between creditors and the person assessed, the latter is not held bound by that representation, the list of shareholders required to be kept for the inspection of creditors and others would lose most of its value.

But this rule can have no just application when, as in this case, the creditors were informed by that list that the party to whom certificates were issued was not in fact, and did not assume to be, the owner of the shares represented by them, but was and assumed to be only a pledgee having no general property in the thing pledged, but only a right, upon default, to sell in satisfaction of the pledgor's obligation. Upon inspecting the stock registry, or any list of shareholders or of transfers kept by the bank, creditors will know that they cannot regard a pledgee as the actual owner. If the certificates in question had been extended so as to give the name of the pledgor, it would not be supposed that, upon any principle of justice, or upon grounds of public policy, the pledgee could have been held to the liability imposed by section 5151 upon shareholders. But, the liability being purely statutory, the result ought not to be different because of the circumstance that the name of the pledgor was omitted from the certificates, since that which did appear in them was sufficient to inform creditors that the State Loan & Trust Company was only a pledgee, and by slight diligence they could have ascertained the name of the pledgor.

It may be suggested that, if the pledgee is not held liable as a shareholder in respect of the shares of stock standing in its name as pledgee, then no one is liable to assessment as the owner of such stock. But it is a mistake to suppose that Havermale and Collins ceased to be shareholders for the purposes of the liability imposed by section 5151. They remained, notwithstanding the pledge, the actual owners of the stock; a right which they would have promptly asserted if the pledgee had assumed to be owners, and had sold the stock, appropriating to itself all the proceeds of the sale. The object of the statute is not to be defeated by the mere forms of transactions between shareholders and their creditors. The courts will look at the relations of parties as they actually are, or as, by reason of their conduct, they must be assumed to be, for the protection of creditors. Congress did not say that those only should be regarded as shareholders, liable for the contracts, debts and engagements of the banking association, whose names appear on the stock list distinctly as shareholders. A mistake or error in keeping the official list of shareholders would not prevent creditors from holding liable all who were, in fact, the real owners of the stock, and as such had invested money in the shares of the association. As already indicated, those may be treated as shareholders, within the meaning of section 5151, who are the real owners of the stock, or who hold themselves out, or allow themselves to be held out, as owners in such way and under such circumstances as, upon principles of fair dealing, will estop them, as against creditors, from claiming that they were not, in fact, owners.

It was under this construction of the statute that one was held liable as a shareholder who, in the belief that the bank was about to fail, and whose liability as a shareholder had equitably attached, collusively transferred his stock to an irresponsible person, in order to escape responsibility as a shareholder. This was held to be a fraud upon the statute, and the transferror was held, as between him and the creditors, as the real owner of the stock, and therefore liable, although the transferee appeared on the stock registry as the shareholder. (*Bowden* vs. *Johnson*, above cited.) Under the same interpretation, a corporation was treated as a shareholder who held shares of stock only as collateral security, but who allowed its name to appear and remain on the stock registry of the insolvent National bank association as owner, without anything indicating that he held such stock as collateral security.

(*Bank* vs. *Case*, above cited.) So, in another case, it was held that the transferrors "remained the owners of the stock, though registered in the name of others, and pledged as collateral security for their debt." (*Anderson* vs. *Warehouse Co.*, above cited.)

Our conclusion is that the defendant in error cannot be regarded otherwise than as a pledgee of the stock in question, is not a shareholder within the meaning of section 5151 of the Revised Statutes, and is not, therefore, subject to the liability imposed upon the shareholders of national banking associations by that section.

This view of the case makes it unnecessary to consider whether the State Loan & Trust Company, being a pledgee of the stock, was a "trustee," within the meaning of section 5152, providing that "persons holding stock as executors, administrators, guardians or trustees, shall not be personally subject to any liability as stockholders." The judgment is affirmed.

TAXATION OF BANKS—KENTUCKY STATUTE.

Court of Appeals of Kentucky, Feb. 24, 1897.

DEPOSIT BANK OF OWENSBORO *vs.* DAVIESS COUNTY.

National and State banks in Kentucky are subject to county and municipal taxation.

The acceptance by the banks of the Act known as the "Hewitt Law" does not preclude the State from subjecting them to other modes of taxation.

In 1886 the State of Kentucky passed a law known as the Hewitt Law, by which it was provided as follows:

Section 1. "That shares of stock in State and National banks, and other institutions of loan or discount, and in all corporations required by law to be taxed on their capital stock, shall be taxed seventy-five cents on each share thereof equal to one hundred dollars, or on each one hundred dollars of stock therein owned by individuals, corporations or societies; and said banks, institutions and corporations shall, in addition, pay upon each one hundred dollars of so much of their surplus, undivided surplus, undivided profits or undivided accumulations as exceeds an amount equal to ten per cent. of their capital stock, which shall be in full of all tax, State, county and municipal."

Section. 4. "That each of said banks, institutions and corporations, by its corporate authority, with the consent of a majority in interest of a quorum of its stockholders, at a regular or called meeting thereof, may give its consent to the levying of said tax, and agree to pay the same, as herein provided, and to waive and release all right under the Acts of Congress, or under the charters of the State banks, to a different mode or smaller rate of taxation, which consent or agreement to and with the State of Kentucky shall be evidenced by writing under the seal of such bank, and delivered to the Governor of this Commonwealth; and upon such agreement and consent being delivered and in consideration thereof, such bank and its shares of stock shall be exempt from all other taxation whatsoever, so long as said tax shall be paid during the corporate existence of such bank."

These statutes were in force when the Constitutional Convention met to frame the present Constitution. This instrument was adopted on the 28th day of September, 1891.

Section 174 is as follows: "All property, whether owned by natural persons or corporations, shall be taxed in proportion to its value, unless exempted by this Constitution; and all corporate property shall pay the same rate of taxation paid by individual property. Nothing in this Constitution shall be construed to prevent the General Assembly from providing for taxation based on income, license or franchise."

Section 175 provides: "The power to tax property shall not be surrendered or suspended by any contract or grant to which the Commonwealth shall be a party."

In pursuance of these provisions of the Constitution the General Assembly enacted laws under which the taxes were levied on the shares of the capital stock, etc., for county and municipal purposes.

The banks which had accepted the provisions of the Hewitt Law, contended that the subsequent Act was void as to them because impairing the obligation of contracts. The court, reversing its previous decision (97 Ky.), held that the State was not precluded from changing the method of taxation; and that the Act authorizing municipal and county taxation of the banks was valid.

ACTS OF CASHIER—RATIFICATION OF.

United States Circuit Court of Appeals—Third Circuit, December 23, 1896.

BANK OF COMMERCE *vs.* BRIGHT.

Where a bank retains the benefit of a contract made by its Cashier in its behalf, it will be presumed to have sanctioned the contract.

In this case the defendant set up that the bank had made an agreement in substance as follows:

That in consideration of the defendant's surrender of his chattel mortgage upon property of the Genesee Oil Works, Limited, given for his indemnification against loss by reason of his liability upon the paper of said Genesee Company as accommodation indorser or otherwise, the plaintiff bank, from time to time during the the period of one year, would renew the paper of said company held by it, and that the state of affairs between the bank and said company should remain unchanged during that year, and the business of said company go on as theretofore; and that any money the company could pay during the year should be applied to the reduction of the paper upon which the defendant was accommodation endorser.

Before Acheson, Circuit Judge, and Butler and Wales, District Judges.

ACHESON, *Circuit Judge* (omitting part of the opinion): The question of the authority of the Cashier of the bank, Mr. Warren, to bind the bank by the alleged contract was not distinctly presented to the court below by any of the plaintiff's points, nor is it specifically raised by any of the assignments of error.

We think that there was sufficient evidence of Mr. Warren's authority to act for the bank in this transaction. He had not only all the powers incident to the office of Cashier, but at that time he exercised additional discretionary power by reason of the absence abroad of Mr. Smith, the bank's President. Mr. Smith testifies that in his absence Mr. Warren was running the bank under the advice of the executive committee, and that in a general way he had authority to act for the bank as he deemed best for its interests. The bank was the holder of a very large amount of the paper of the Genesee Company, and was deeply interested in keeping the concern going. Two other banks acting in concert with Mr. Warren came into the same general arrangement. At the preliminary meetings of the parties concerned which led up to the contract the counsel for the bank was present with Mr. Warren. Moreover, the plaintiff bank received and has enjoyed the benefit of the surrender of the defendant's mortgage security. It never offered restoration to the defendant, nor gave him an opportunity to put himself in his previous condition.

Having thus retained the fruits of the contract made by its Cashier in its behalf, the bank may well be presumed to have sanctioned it. (*Bronson* vs. *Chappell*, 12 Wall. 681; *Kelsey* vs. *Bank*, 69 Pa. St. 426.)

INSOLVENT NATIONAL BANK—JUDGMENT—INJUNCTION.

United States Circuit Court, District of Washington, February 5, 1897.

BAKER *vs.* AULT.

When a valid judgment has been obtained in a State court against a National bank, and the lien thereof has attached to its property, before the appointment of a Receiver, Rev. St. § 720 applies to prohibit the issue of an injunction by a Federal court, at the suit of the Receiver, to restrain the enforcement of such judgment.

This was a suit for an injunction to restrain the defendants from proceeding to obtain satisfaction of a judgment in their favor against an insolvent National bank by a sale of real estate under a writ of execution. The judgment was rendered by the Superior Court of the State of Washington for Snohomish county, and became a lien upon real estate owned by the bank situated in said county, prior to the closing of the bank. The plaintiff, as Receiver of said bank, claimed the land as part of the assets in his custody as Receiver, and that there would be a loss to the trust estate if the defendants were permitted to sell the property under an execution.

For the reason stated in the syllabus the suit was dismissed.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: STANTON, Neb., March 25, 1897.

SIR:—A has a note for $5,000. He endorses it and sends it to B for collection. B is Cashier of a bank. The bank fails and A's note is found among the assets of the bank. Can the bank hold it and A have to lose it? When the note was sent to B, it was not sent to him as Cashier. An answer from you will settle a disputed question. CASHIER.

Answer.—By forwarding the note for collection A merely constituted B his agent for that purpose; and the title to the note remained in A. As between A and B this would be the case, though the indorsement was not "for collection" or otherwise restrictive. The same rule will apply even had the note been sent to the bank, or to B as Cashier. We understand from the inquiry that the note still remains with the bank unpaid. In such case the question is not complicated by the necessity for tracing trust funds; and the right of A to recover his property is clear. However, if the note was endorsed without words of restriction, and B had the same discounted by the bank, the bank being represented in such matter by some other officer who had no notice of the facts, then the bank would have a good title to the note as against A.

Editor Bankers' Magazine: CINCINNATI, March 18, 1897.

SIR:—A presents a check for fifty dollars signed by B, on the Third National Bank of W, to the First National Bank of the same place. A is known at the First National, and they cash it for him. The check is paid through the clearing-house, and the signature of B is some time afterwards discovered to be a forgery. The Third National demands that the First National make good the amount. Can they sustain this claim? CASHIER.

Answer.—The general rule is that a bank is bound to know the signature of its customer, and if it makes payment of a check to a *bona fide* holder it will not be permitted to afterwards assert that the drawer's signature is a forgery. (*Levy* vs. *Bank of the United States*, 4 Dallas, 234; *Nat. Park Bank* vs. *Ninth Nat. Bank*, 46 N. Y. 77; *Bank of St. Albans* vs. *Mechanics' Bank*, 10 Vt. 141; *Commercial and Farmers' Nat. Bank* vs. *First Nat. Bank*, 30 Md. 11.) But in the absence of actual fault on the part of the bank, its constructive fault in not knowing the signature of the drawer, and detecting the forgery, will not preclude it from recovering from one who took the check under circumstances of suspicion without proper precautions, or whose conduct had been such as to mislead the bank or induce it to pay the check without the usual security. (*People's Bank* vs. *Franklin Bank*, 88 Tenn. 299; *First Nat. Bank of Danvers First Nat. Bank of Salem*, 151 Mass. 280; *First Nat. Bank of Crawfordsville* vs. *Indiana Nat. Bank*, 30 N. E. Rep. 808; *Nat. Bank of North America* vs. *Bangs*, 106 Mass. 441; *Ellis* vs. *Insurance Company*, 4 Ohio St. 628; *First Nat. Bank* vs. *Ricker*, 71 Ill. 439; *Rouvant* vs. *San Antonio Nat. Bank*, 63 Tex. 610.) It is therefore impossible to answer the question intelligently without a knowledge of all of the facts under which the check was cashed by the First National Bank. But as A was known to the First National Bank, that bank could not be deemed at fault, unless there was some suspicious circumstances connected with the presentation of the check to it.

Editor Bankers' Magazine: **MATTOON, Ill., March 24, 1897.**

SIR:—What precautions, if any, are required of the maker of a check or draft to prevent its being raised or in any way altered from original amount, and should a bank pay a "raised" draft that defied detection, who would be responsible?

H. P. MCNAIR, *Cashier*.

Answer.—(1) The weight of authority now is that where a draft, check or note is fraudulently raised after its issue, the maker or drawer cannot be held liable therefor on the ground that he has drawn the instrument in such a form as to invite forgery. (*Exchange National Bank of Spokane* vs. *Bank of Little Rock*, 58 Fed. Rep. 140.) In the case cited the Court said: "Nor is there in our opinion any sound reason why the liability of the maker of a promissory note or bill of exchange, complete in itself when issued, but subsequently fraudulently raised without his knowledge or authority, should be measured by the facility with which a third person has committed the crime of forgery upon it, or why he should be held liable for the loss resulting from such forgery."

(2) Where a bank has paid a raised draft or check, it cannot charge the excess against the account of the drawer, no matter how skilfully the alteration may have been made. But where the bank itself has not been guilty of negligence, it may recover the money paid from the person to whom payment was made. (*Bank of Commerce* vs. *Union Bank*, 3 N. Y. 230; *National Park Bank* vs. *Ninth National Bank*, 46 N. Y. 77; *Reddington* vs. *Woods*, 45 Cal. 406.)

Editor Bankers' Magazine: **MADISON, S. D., March 23, 1897.**

SIR:—A question comes up in my trust as a bank Receiver as follows: S was President of the bank, and at the same time, State Treasurer, and apparently used State money in private speculation. When his term of office expired as State Treasurer, he resorted to the use of his bank for the loan of money on his personal note to the limit of ten per cent. of the capital. He then put in a note for a large amount signed by himself as the Receiver of a defunct concern in which there were no resources, and further acquired notes for various sums, the total of which aggregated $25,000. This all occurred in 1891. These notes were all renewed from time to time until 1894 when the bank failed. It would appear that an action would be good against S for the misapplication of funds of the bank. Upon citing the case to an attorney, he argued that S had escaped under the Statute of Limitations, it having been over three years since the spurious paper was placed in the bank, and that therefore an indictment would not hold against S. If this is true, does it not leave the gates wide open for any bank officer with a confederate to plunder his bank and escape punishment?

J. LESLIE THOMPSON.

Answer.—The statute of the United States is as follows: "No person shall be prosecuted, tried or punished for any offense, not capital, except as provided in Sec. 1046, unless the indictment is found, or the information is instituted, within three years next after such offense shall have been committed." (Rev. Stat. Sec. 1044.) The exception mentioned refers to crimes arising under the revenue laws or slave trade laws, in which case the limitation is five years. From the above it will be seen that the statute of limitations commences to run when the offense is committed, and not from the time it is discovered. Hence, in the case stated in the inquiry, the prosecution is barred, unless the last renewal occurred within three years and the renewal was made under such circumstances that it would itself constitute a misapplication of funds.

Editor Bankers' Magazine: ARDMORE, I. T., March 17, 1897.

SIR:—Please answer in your next issue of the MAGAZINE if notes dated on Sunday or any national holiday are void in law. Also state if there are any States that have such a law. If there are any decisions by the Federal or State courts bearing on this point please give references. Are the first days of January, Fourth of July, Thanksgiving and Christmas national holidays by statute? C. L. A.

Answer.—(1) In none of the States is a note dated or delivered on a holiday invalid. But in some of the States the Sunday laws render contracts made on that day void; and under such statutes it has been held that promissory notes made on Sunday are not enforcible. (*Towle* vs. *Larrabee*, 26 Me. 464; *Hilton* vs. *Houghton*, 35 Me. 143; *Allen* vs. *Deming*, 14 N. H. 133; *Lyon* vs. *Strong*, 6 Vt. 219.) But under such statutes a note though dated on Sunday will be valid if actually made on some other day, or though made on Sunday if delivered on another day. (*Stacy* vs. *Kemp*, 92 Mass. 166; *Lovejoy* vs. *Whipple*, 18 Vt. 379; *Hill* vs. *Dunham*, 7 Gray, Mass. 543.)

(2) The days mentioned in the inquiry are national holidays in the sense that they are observed in all the States. But there is no Federal law which makes them holidays for the whole country. In the States the matter is regulated entirely by State statutes. The United States statue applies only to the District of Columbia.

Editor Bankers' Magazine: BOSTON, Mass., March 18, 1897.

SIR:—What constitutes a default? What are the duties of a trustee? Here are the facts in brief: Corporation A issues its obligations called debentures with semi-annual interest coupons attached, placing in the hands of corporation B, as trustee, certain securities to secure the payment of the principal and interest of said debentures. The contract governing the action of the trustees in case of default is as follows:

"If default be made by corporation A in the payment of any of the interest coupons of any said debentures and continue for sixty days, then at the election of the holder or holders of said debenture or debentures the principal sum thereof shall at once become due and payable: and when such default in any of the interest payments shall continue for sixty days, or if default be made in the payment of the principal when due, then corporation B shall, at the expense of corporation A, at once proceed to collect or sell the securities in its hands, pledged for the payment of the same, and apply the proceeds for their redemption."

The interest coupons on the debentures mature January 1 and July 1. The principal matures January 1, 1899, and 1900.

December 29, 1896, the corporation A went into the hands of a Receiver. Does the appointment of a Receiver constitute such a default that the trustee is bound to at once proceed to collect and sell the security for the benefit of the debenture holders, even notwithstanding the fact that funds may be provided by the Receiver to pay the interest on the debentures before default has run the sixty days, the time limited by the terms of the contract? SECRETARY.

Answer.—The term "default," when read in connection with the context, means a failure to pay the interest within sixty days, or a failure to pay the principal when the same shall become due. The appointment of a Receiver is not such a default as that contemplated by the terms of the trust deed; and if the Receiver should pay the interest before the sixty days shall expire, the trustee would not be bound or authorized to sell the securities.

Editor Bankers' Magazine: INDEPENDENCE, Kansas, March 10, 1897.

SIR:—On July 9, 1896, D. F. Carr, a customer of this bank, deposits a check in this bank drawn on the Citizens' Bank of this city, and payable to the order of William Johnson, signed by John Doe and Richard Doe, Administrators of the estate of Samuel Doe, deceased, and customers of the Citizens' Bank. This check is endorsed by William Johnson and D. F. Carr and ourselves, and is paid by the Citizens' Bank in due course of business on July 10, 1896. On this day, eight months later, the Citizens' Bank finds out that the signature is a forgery. Who is the loser? W. P. LYON, *Asst. Cashier.*

Answer.—The Citizens' Bank must bear the loss, unless it can show that there was negligence on the part of the other bank by which it was misled to its injury.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

MICHIGAN.

Synopsis of Last Annual Report.

The deposits in the 169 State banks, and four trust companies, December 13, 1895, exclusive of amounts due to banks and bankers, were $66,263,139.

The deposits in the 173 State banks and four trust companies, December 17, 1896, exclusive of amounts due to banks and bankers, were $65,068,394.

This shows a decrease of deposits in 1896, as compared with 1895, amounting to $1,224,744.

The deposits in the 94 National banks, December 13, 1895, exclusive of the amount due to banks and bankers, were $35,981,634.

The deposits in the 89 National banks, December 17, 1896, exclusive of the amount due to banks and bankers, were $34,400,244, which shows a decrease in 1896 as compared with 1895, amounting to $1,581,389.

Reports of Receivers.

In response to a call from this department, the Receivers of the several insolvent banks made their annual reports at the close of business, December 15, 1896. All appear to be making commendable progress in closing up the affairs of their respective banks.

Edward J. Bissell, Receiver of the Milford State Bank, has paid nine per cent. dividend during the year, making a total of nineteen per cent. paid by him to date.

H. M. Pelham, Receiver of the State Bank of Crystal Falls, has paid a dividend of ten per cent. during the year, making a total to date of seventy per cent., and he expects to pay another dividend of ten per cent. in the near future.

George W. Stone, Receiver of the Central Michigan Savings Bank, of Lansing, has paid fifty-five per cent. to date, and anticipates being able to pay fifteen per cent. more.

The reports made by the receivers of the banks which failed during the present year are confined practically to a scheduling of assets and liabilities.

Seymour Foster, Receiver of the People's Savings Bank, of Lansing, reports the assets as aggregating $394,050, which he classifies as follows: good $121,209; doubtful $88,305; worthless $184,536.

J. A. May, Receiver of the Ingham County Savings Bank, of Lansing, reports the assets as aggregating $285,774, which he classifies as follows: good, $112.517; doubtful, $67,798; worthless, $105,457.

The Michigan Trust Company, Receiver of the Mecosta County Savings Bank, Big Rapids, reports the assets as aggregating $111,366. Depositors will be fortunate if they receive twenty per cent. of their claims.

New Banks Organized.

Nine new banks, with an aggregate capital of $315,000, have been organized and authorized to transact business under the State banking law during the year. Five of these were new organizations; three were formerly private banks; and one was a conversion from a National bank.

Supervision and Examination.

It may be stated at the outset under this head that the supervision and examination by the Banking Department cannot prevent banks failing, provided their management is dishonest or incompetent. Banks are no better than their officers and directors make them. If the officers and directors of banks conscientiously comply with the obligations imposed upon them by the banking Act, then the supervision by the Banking Department may be helpful and beneficial to them, but otherwise not. Banks very seldom fail when their officers are honest and the directors are faithful to their obligations. These considerations should be taken into account in passing judgment upon the efficiency and responsibilities of the Banking Department, and in considering the value and importance of supervision and examination by the commissioner and his examiners.

Section 39 of the banking Act requires that "banks shall be examined once in each year."

We recommend that this sentence be amended to read: "banks shall be examined at least once in each year." While it is true that other sections of the law authorize the examinations to be made whenever the commissioner deems it necessary, nevertheless we think the law should be amended as suggested, because a second examination of a bank as the law now stands is an indication to the public that the commissioner has reason to suppose that the capital of the bank has been impaired, or that there are other irregularities which made such examination necessary. If the law was amended so that an examination should be required to be made "at least" once in each year, then the commissioner could use his discretion in regard to additional examinations; provided he announced in advance that it was his policy to make an examination of all banks more than once in each year.

In this connection it occurs to us that a second examination of many banks during the year would be unnecessary if the commissioner was authorized by an amendment to the law to require boards of directors to furnish the department with an inventory under oath, and a penalty for false valuation, giving the face and actual value of all the assets of the bank once in each year, at such times as said inventory might be called for by the commissioner. The purpose of this inventory would be, of course, to disclose whether there was any depreciation or probable loss that the bank had suffered or was liable to sustain upon the "book value" of its assets. Also such inventory would give assurance to the department that the board of directors had made an examination and was familiar with the condition of the loans of the bank.

Private Banks.

Many suggestions are being made that private banks should be required to make reports to the Banking Department, but we fail to see that this would be of any public benefit. If anything should be done in this direction we would recommend that all firms receiving deposits, and advertising to do a banking business under a corporate title, should thereby subject themselves to state supervision and be required to organize under the banking Act, and become in fact a state bank. When an individual or firm takes the title "Exchange Bank," or "Commercial Bank," the public is liable to be misled into thinking that they are doing business with an institution having an authorized paid in capital, whereas no such security for the protection of their deposits exists.

Money Borrowed.

The blanks sent out by this department with the call for the last quarterly report of condition, and the blank for the published statement, contained an additional line in connection with the report of liabilities of banks as follows: "Liabilities other than those above stated," and attention of bank Cashiers was especially called to same. The purpose of asking for this additional item was to insure that all money borrowed by banks should be so reported. The practice has grown up of banks borrowing money of other banks upon certificates of deposit secured by notes of the borrowing banks as collateral, and then reporting the same under the classification of money deposited upon certificates, instead of money borrowed. Such loans should really be reported as re-discounts, but as many banks fail to so report, the additional classification quoted above was deemed necessary. The idea was not original with this department, but was first suggested by the Comptroller of the Currency.

The distinction between money borrowed and money deposited is properly determined by whether the funds were solicited, or voluntarily deposited. When a bank solicits a loan, and pays a greater rate of interest than upon its regular time deposits, and puts up the securities of the bank as collateral, it is a deception and calculated to mislead the public in classifying such loan as a deposit. Also it may be said that the bank making the loan upon certificates of deposit secured by collateral is a preferred creditor, and does not stand upon an equal footing with the holders of regular certificates, and it is misleading to place them both under the same classification. Unless banks are required to disclose in their published statements all moneys borrowed upon certificates of deposit or otherwise, it is manifest that a bank might be a borrower to an extent proving it absolutely insolvent, and the public would be none the wiser. Such instances have not been unknown in Michigan in the past few years.

Excessive Loans.

Taken as a whole, the State banking Act is an admirable law, and we should not care to make very many recommendations in regard to changes or amendments. We think, however, that section 52 is really the most important feature of the law, but it contains the most faulty and unwise provisions to be found anywhere in the Act. The first part of the section limiting the amount of money that may be loaned to any individual, firm or corporation, fixes ten per cent. of the capital stock as the limit. Then follows two provisos, one of which is of doubtful expediency, and the second of which is dangerous, vicious and thoroughly indefensible. It is the crystallized judgment of banking experience that not to exceed ten per cent.

of the capital stock of any bank should be loaned to any person, firm or corporation. It is possible, however, that it may not be unwise to confer the authority upon boards of directors to loan twenty per cent. by a two-thirds vote of the board, but this is a provision not to be found in the National Banking Act.

The proviso to which we strenuously object, reads as follows: "That the foregoing limitations shall not apply to loans upon real estate or other collateral securities authorized by this Act." This provision has been construed to mean that there is no limitation whatever upon the amount which a bank may loan to a person, firm or corporation, provided said loan be made upon collateral security. No argument is necessary to demonstrate that this proviso, in practical effect, is in violation of established principles of banking. Banks are instituted for public convenience, and when one person, firm or corporation has been loaned an amount equal to twenty per cent. of the capital of the bank, such person, firm or corporation has been granted all the accommodation to which they should be entitled, consistent with public interest or common prudence. Beyond this, the proviso quoted, allows the officers of a bank to make unlimited excessive loans to institutions in which they may be interested, or toward which they are friendly, to the jeopardy of the solvency of the bank, upon collaterals which may be of doubtful value, and the entire transaction have the sanction of the letter of the law. We would therefore urgently recommend that section 52 be amended, by striking out the proviso which we have quoted.

D. B. AINGER, *Commissioner of Banking.*

NEW JERSEY.

To the Honorable the Senate and General Assembly:

Pursuant to statute, I have the honor to submit the report of this department for the year ended December 31, 1896, relative to Savings banks, State banks of discount and deposit, and safe deposit and trust companies.

SAVINGS BANKS.

The Savings banks of the State reporting for January 1, 1897, number twenty-six, and are the same institutions that reported for the previous year, no new Savings bank having been established during the year 1896. The condition of the twenty-five active banks at the beginning of the present year, as shown by their returns, is set forth in the aggregate in the following table in comparison with the figures for January 1, 1896:

RESOURCES.	*January 1, 1896.*	*January 1, 1897.*
Bonds and mortgages	$18,188,451	$18,886,299
United States bonds	5,274,859	6,086,152
District of Columbia 3.65 per cent. bonds	529,740	529,740
Bonds of the State of New Jersey	10,455	8,040
Bonds of cities in this State	5,258,474	5,519,227
Bonds of counties in this State	1,523,957	1,673,267
Bonds of towns and townships in this State	1,451,546	1,541,052
Bonds of boroughs and villages in this State	190,594	189,348
Bonds of cities in other States	277,516	212,476
Bonds of counties in other States	15,200	13,700
Railroad bonds (first mortgage)	5,696,427	5,962,594
Other bonds and stocks	361,880	482,066
Call loans on collaterals	1,324,510	1,463,264
Banking-house properties	666,240	666,240
Other real estate	457,388	509,553
Cash deposited in banks and trust companies	1,558,058	1,468,591
Cash on hand	494,789	419,558
Interest due and accrued	558,277	586,136
Other assets	33,753	30,648
Total assets	$43,817,114	$46,197,951
LIABILITIES.		
Amount due depositors	$39,635,535	$41,535,877
Other liabilities	*135,431	*143,727
Surplus	4,046,148	4,518,347
Total liabilities	$43,817,114	$46,197,951

STATISTICAL.

Number of depositors or open accounts	154,334	161,710
Average amount of each account	$256	$257
Number of accounts opened or re-opened during the year	33,828	33,091
Number of accounts closed during the year	23,660	25,945
Amount deposited during the year, excluding interest credited	$20,207,355	$20,176,077
Amount withdrawn during the year	17,864,322	19,516,311
Salaries paid for the year	162,042	167,165
Other current expenses for the year	70,195	74,357

* Capital Stock.

It is not surprising, in view of the adverse conditions prevailing throughout the past year, that the returns of the institutions as a whole should show smaller gains than for the previous year.

The increase in total resources as reported is $2,380,837, which is $1,490,525 less than the increase in 1895.

The deposits for the year, not including interest credited, exceeded the withdrawals by $655,766, as compared with an excess of $2,843,034 in the year before.

The increase in the number of depositors or open accounts is 7,146, which is less by 3,258 than the increase in 1895. The average amount of each deposit or open account is $256.85, an increase of forty-two cents.

The amount due depositors has increased $1,900,342, contrasted with an increase in the year before of $3,485,615.

Mortgage loans show a net increase of $747,847.

Stocks and bonds have increased at market values $1,582,013, and at par values $1,405,843.

The following table shows the changes in the bond securities during the year, at par values, and indicates the trend of bond investments:

BONDS.	*Par values January 1, 1897.*	*Increase and decrease.*
United States bonds, 4 per cent	$4,858,200	$684,000
United States bonds, 5 per cent	287,000	12,000
United States bonds, 6 per cent	322,000	*22,000
District of Columbia bonds, 3.65 per cent	477,000	....
New Jersey State bonds, 6 per cent	8,000	*2,000
Bonds of cities in New Jersey	5,826,851	244,430
Bonds of counties in New Jersey	1,614,500	136,000
Bonds of towns and townships in New Jersey	1,498,114	80,128
Bonds of boroughs and villages in New Jersey	181,163	*765
Bonds of cities in other States	210,900	*62,000
Bonds of counties in other States	13,300	*1,000
Railroad bonds (first mortgage)	5,252,500	264,750
Other bonds and stocks	431,870	72,300
Total	$20,481,398	$1,405,842

* Decrease.

Call loans upon collaterals have increased $138,754.

The aggregate value of the real estate for banking purposes shows no change from the amount reported for the previous year. The amount of the real estate acquired under foreclosure shows an increase of $52,163.

Cash on hand and on deposit in banks and trust companies is less by $164,697.

The increase in surplus for the year, on market values of assets, was $472,199, and on par values of bonds and stocks and market values of real estate, $296,029. The amount of the surplus on the latter basis at the beginning of the present year was $2,832,084.

The interest credited depositors for the year amounted to $1,236,961, being $117,115 more than the amount credited for 1895, the average rate being slightly in excess of three per cent. (approximated).

The expenses for the year, including taxes on banking houses and rents for banking rooms, were $241,523, which is an increase of $9,286 over 1895. Taken upon the basis of the number of depositors or open accounts at the beginning of the present year, the expenses average $1.49 for each account, against $1.50 in the year before. On the basis of total assets at the same date the expenses were fifty-two hundredths of one per cent., and on the amount due depositors fifty-eight hundredths of one per cent., the precentages for the preceding year being .0053 and .0058 respectively.

TRUST COMPANIES.

The number of trust companies reporting for December 31, 1896, is twenty-two, being an increase of three for the year.

The three new companies are the Greenville Loan and Trust Company, authorized January 25, 1896; People's Safe Deposit and Trust Company, authorized March 13, 1896, and the Cumberland Trust Company of Bridgeton, authorized July 13, 1896. The paid-up capital at date of organization of the company last mentioned was $50,000, which was subsequently increased to $100,000.

The following companies, previously organized, have added to their capital during the past year, viz.: New Jersey Trust and Safe Deposit Company of Camden, $75,830, and the Passaic Trust and Safe Deposit Company, $5,000.

The following table gives the aggregate resources and liabilities of the safe deposit and trust companies on December 31, 1896, and the increase and decrease since the close of the preceding year:

RESOURCES.	*December 31, 1896.*	*Increase and decrease.*
Bonds and mortgages	$5,298,314	$854,881
Stocks and bonds	4,010,858	158,743
Loans secured by collaterals	6,072,502	1,047,279
Loans to cities and towns	94,040	29,440
Loans on personal security, including bills purchased	2,440,091	99,435
Overdrafts	5,478	3,991
Due from banks and trust companies and private bankers and brokers	568,121	102,751
Real estate	934,142	133,750
Cash on deposit in banks or trust companies	1,984,059	459,342
Cash on hand	615,226	28,754
Cash items	67,309	*23,171
Title plant	197,743	4,420
Other assets	184,239	15,076
Total resources	$22,417,128	$2,914,696
LIABILITIES.		
Capital stock	$2,250,830	$330,830
Surplus fund	634,979	60,184
Undivided profits, net amount	625,004	129,278
Demand deposits	9,150,730	819,961
Time deposits	8,145,139	1,292,749
Due to banks and trust companies and private bankers and brokers	82,802	*66,073
Bonds outstanding	1,100,000	30,600
Bills payable	324,000	314,000
Other liabilities	153,643	3,166
Total liabilities	$22,417,128	$2,914,696
SUPPLEMENTARY.		
Total profits received during the year 1896	$996,640	$155,283
Total expenses during the year	402,757	52,714
Interest paid to and credited depositors	344,996	56,201
Dividends to stockholders declared during the year	81,294	*1,205
Number of depositors at the date of this report	44,257	4,860
Number of deposits on which interest is allowed at this date	33,813	3,905
Total amount of such deposits	$12,359,659	$876,150

* Decrease.

The increase in deposits for the year was $2,112,711, or nearly fourteen per cent. In the year before the increase was over twenty-four per cent. In total resources the increase for the year was nearly fifteen per cent.; in 1895, twenty-two per cent.

STATE BANKS.

Twenty-one State banks of discount and deposit have filed statements of their condition at the close of business on December 31 last, being the same institutions that reported for the corresponding period of the year 1895. Reports for the three preceding quarters of the past year were also made pursuant to the call of the Commissioner. Summaries of the four reports submitted by each institution are included in the appendix.

No new State bank was organized during the year 1896.

The following table shows the total resources and liabilities of the State banks on December 31 last, together with the increase and decrease since the close of the year 1895:

RESOURCES.	*December 31, 1896.*	*Increase and decrease.*
Loans and discounts	$7,195,889	*$382,735
Overdrafts	11,520	3,029
Due from other banks	964,804	*713
Cash on hand	595,811	67,279
Stocks and bonds	816,151	*140,572
Banking-house	305,872	68,454
Furniture and fixtures	37,791	4,835
Other real estate	117,289	13,236
Bonds and mortgages	177,013	15,166
Checks and other cash items	35,078	4,617
Other assets	12,042	*6,718
Total resources	$10,268,765	*$359,120
LIABILITIES.		
Capital stock	$1,735,460	$51,100
Surplus fund	962,150	64,280
Undivided profits, less expenses and taxes paid	283,305	2,018
Dividends unpaid	17,041	*2,375
Due to depositors	6,860,879	*545,502
Due to other banks	240,571	26,743
Notes and bills re-discounted	61,720	19,955
Bills payable	80,000	30,000
Other liabilities	7,737	*5,340
Total liabilities	$10,268,765	*$359,120

* Decrease.

The Citizens' Bank of Elizabeth increased its capital during the year $50,000, and the Tradesmen's Bank of Vineland, $1,100.

AGGREGATE RESOURCES.

The aggregate resources at the beginning of the years 1896 and 1897, respectively, of the three classes of domestic institutions whose affairs are comprehended in this report, were as follows:

RESOURCES.	*January 1, 1896.*	*January 1, 1897.*
Savings banks	$43,817,114	$46,197,915
Bank of discount and deposit	10,651,702	10,268,766
Safe deposit and trust companies	19,502,432	22,417,129
Total resources	$73,971,248	$78,883,846
Net increase for the year		$4,912,498

Respectfully submitted,

GEORGE WURTS, *Commissioner of Banking and Insurance.*

TRENTON, February 9, 1897.

PENNSYLVANIA.

To the Honorable Daniel H. Hastings, Governor of Pennsylvania:

SIR: In obedience to section twelve of the Act creating this department, I have the honor to transmit herewith a summary of the state and condition of the banks, savings institutions and trust companies, chartered under the laws of this Commonwealth and doing business therein for the year 1896, as follows, to wit:

The number of institutions under the supervision of the banking department at this date is 194, classified as follows:

Banks... 87
Savings institutions.. 17
Trust companies.. 90

An increase of seven since the last annual report.

Two institutions were re-chartered during the year, namely: The People's Bank of Fayette county; Fifth Avenue Bank of Pittsburg.

The following institutions were chartered:

BANKS.

Wilkinsburg Bank, Wilkinsburg, Pa., April 23, 1896.
Deposit and Savings Bank, of Kingston, Pa., May 25, 1896.
Citizens' Bank of Turtle Creek, Pa., October 5, 1896.
State Bank of Pittsburg, November 9, 1896.

SAVINGS INSTITUTIONS.

Muncy Savings Bank, Muncy, Pa., July 20, 1896.

TRUST COMPANIES.

Frankford Real Estate, Trust and Safe Deposit Company, Philadelphia, January 28, 1896.
Doylestown Trust Company, Doylestown, Pa., March 24, 1896.

The following company, incorporated under special Act of the Legislature, approved April 13, 1872, was found to be under the supervision of this department, and was placed on the list:

Pennsylvania Warehousing and Safe Deposit Company, Philadelphia, Pa.

The following company originally incorporated under special Acts of the Legislature, approved May 26, 1871, and April 9, 1872, was reorganized and commenced business.

Mercantile Trust and Deposit Company, Philadelphia.

Total increase nine (9).

But one institution was obliged to discontinue business, namely: Solicitors' Loan and Trust Company, of Philadelphia, which assigned January 3, 1896.

The Frankford Real Estate and Safe Deposit Company, Philadelphia, was absorbed by the Frankford Real Estate, Trust and Safe Deposit Company.

Total decrease two, making a net gain for the year of seven.

The corporate names of the following institutions were changed:

Erie Dime Savings and Loan Company to Erie Dime Savings and Trust Company, February 3, 1896.

Contractors' Surety, Title and Trust Company, Philadelphia, to Contractors' Savings, Title and Trust Company, February 21, 1896.

Mechanics' Safe Deposit Bank, Pottsville, to Union Safe Deposit Bank, March 3, 1896.

Security Trust Company, Philadelphia, to The Security Trust and Life Insurance Company, September 2, 1896.

Included in the number of institutions carried on the books of the department are the following, which have gone into liquidation:

DuBois Deposit Bank (entered National system); Central Savings Fund, Trust and Safe Deposit Bank, Philadelphia; Dime Savings Fund and Trust Company, Philadelphia; Investment Company, Philadelphia; Investment Trust Company, Philadelphia; State Mutual Savings Fund and Trust Company, Philadelphia; West Philadelphia Mutual Savings Fund and Trust Company, Philadelphia; Waynesboro Dime Savings Fund and Trust Company Waynesboro.

The following exhibits the capital, surplus, undivided profits and aggregate deposits, reserve, loans and investment securities of banks, Savings institutions and trust companies under each head, as per report to this department of November 17, 1896, with a comparison of increase or decrease with those of the prior year:

	Capital.		*Surplus.*	
	1896.	*1895.*	*1896.*	*1895.*
Banks	$8,790,870	$8,415,050	$5,136,576	$4,665,028
Savings institutions	111,200	111,200	7,509,040	6,967,407
Trust companies	40,399,990	39,976,236	11,086,153	10,697,640
Total	$49,302,061	$48,502,486	$23,731,769	$22,330,076
Increase	$799,574	....	$1,401,693	....

	Undivided profits.		*Deposits.*	
	1896.	*1895.*	*1896.*	*1895.*
Banks	$1,469,569	$1,360,953	$43,091,270	$41,915,517
Savings institutions	2,556,605	2,245,301	77,429,347	73,987,686
Trust companies	9,882,916	9,013.851	93,143,838	103,114,827
Total	$13,909,091	$12,619,606	$213,664,457	$218,967,981
Increase	$1,289,485	....	*$5,303,524	....

* Decrease.

	Reserve.		*Loans.*	
	1896.	*1895.*	*1896.*	*1895.*
Banks	$8,802,176	$8,442,384	$32,488,897	$30,455,569
Savings institutions	5,588,903	6,375,362	5,824,559	4,204,183
Trust companies	19,208,720	20,450,665	73,697,907	75,872,303
Total	$33,599,801	$35,268,412	$112,011,365	$110,532,055
Increase	*$1,668,611	....	$1,479,309	....

* Decrease.

	Investment securities.	
	1896.	*1895.*
Banks	$16,147,082	$15,297,009
Savings institutions	74,856,422	71,436,180
Trust companies	58,827,487	57,930,432
Total	$149,830,992	$144,663,622
Increase	$5,167,369	....

Statement of trust funds, held by trust companies at last report November 17, 1896.

Amount invested	$398,331,122
Amount uninvested	7,185,591
Total	$405,516,714

	Overdrafts—Banks.	*Loans to Directors by Banks.*
First report, February 29, 1892	$215,029	$3,655,791
Fourth report, November 30, 1892	114,923	2,186,794
Report, November 29, 1893	98,257	1,673,958
Report, November 30, 1894	73,819	1,517,130
Report, November 12, 1895	73,924	1,581,931
Report, November 17, 1896	88,216	1,604,405

	Number of deposit accounts (1896.)	*Average of deposits to each depositor.*
Banks	118,362	$364
Savings institutions	294,852	262
Trust companies	126,025	739
Average deposits to each depositor, all institutions	......	396
Total	539,239	......

The entire expenses of the department for the year ending November 30, 1896, were $49,166 of which amount $32,218 was for the per diem pay and expenses of the examiners.

The total revenue is as follows:

Banks, trust compan es and savings institutions	$11,671
Foreign building and loan associations	2,776
Domestic building and loan associations upon investments out of the State.	828
Total	$15,276

In view of the fact that in my last Annual Report, I made a number of recommendations and suggestions of amendments, to the laws relative to corporations, under the supervision of this department, by which, in my opinion, the laws may be improved, I have now, but one thing to add thereto, to wit:

That inasmuch, as there are a number of financial institutions, chartered under special laws, receiving and executing trusts of all descriptions, which do not keep the trust funds committed to their custody, separate, and apart, from their other assets, as corporations chartered under the Act of 1874, and the several acts supplementary thereto are required to do, I earnestly recommend, the passage of a general act, requiring that all institutions, chartered under the laws of this State, should keep the trust funds entrusted to their keeping, separate and apart from their other assets.

I desire to acknowledge the valuable services, rendered this department, by Honorable John W. Morrison as Deputy Commissioner of Banking, and the efficient work of the examiners, and other employees. Very respectfully,

B. F. GILKESON, *Commissioner of Banking.*

WISCONSIN.

Following is a synopsis of the Third Semi-Annual Report of the Bank Examiner of Wisconsin.

EXAMINATIONS.

In accordance with the provisions of law, regular examinations of the State and private banks have been made; reports have been received as called for, and the same have been published in local papers.

The annual fee for examination which the law provides shall be paid by banks is based upon the amount of capital and surplus carried. This is manifestly unjust for the reason that the assets, volume of business and profits of many banks of a given capitalization are many times greater than that of other banks having an equal or greater capitalization. Should the fee system remain in force, the amount of the fee should be based upon the gross assets of the bank examined.

The time which has intervened since the office of Bank Examiner was created has been one which has been a severe test to the banking interests of the entire country, and it is a matter for congratulation that notwithstanding the business depression which has prevailed there have been so few failures, and that the amount involved has caused so small a loss in the aggregate to depositors. While the law is in some respects defective, I think it may be safely said that the work of supervision has had at least something to do in keeping them in good condition and inspiring confidence in their ability to meet all demands which may have been made upon them.

REVISION OF BANKING LAWS.

I respectfully recommend the following as some of the important provisions which should be embodied in an enactment bearing upon this question.

First.—Authorizing the incorporation of banks in towns, cities or villages having a population of 500 inhabitants or less with a minimum capital stock of not less than $10,000, with a graduated increase in the amount of capital stock required, based upon the population of the town, city or village in which the bank is located.

Second.—That at least fifty per centum of the amount of capital subscribed shall be paid in pro rata before a bank is authorized to commence business, the balance to be paid at stated periods until the total amount subscribed is paid in.

Third.—That a certain percentage of the gross earnings of all banks shall be carried to surplus account before any dividend is declared until its surplus fund shall amount to twenty per cent. of its capital stock.

Fourth.—That no dividend shall be declared greater than the net profits, deducting therefrom all losses and bad debts.

Fifth.—That a minimum sum below which a bank shall not allow its available cash to be reduced shall be required.

Sixth.—That the stockholders of every bank shall be individually liable for the benefit of depositors to the amount of their stock, in addition to the liability on said stock.

Seventh.—That directors shall hold in their own right a certain number of shares of the bank's capital stock before being qualified to hold that office; that it shall be their duty to make, at stated periods, a thorough examination of the bank's affairs, a report of their findings to be made a part of the records of the bank.

Eighth.—That no executive officer, director or employee of a bank shall be permitted to borrow any of its funds except upon ample security, and then only upon the approval of the board of directors, their action thereon to appear of record upon the books of the bank.

Ninth.—That banks shall be prohibited from loaning their funds on their own stock or from investing their funds in stock of any other bank or corporation, or employing their money in any other business than that of banking.

Tenth.—That the total amount of loans on real estate security and the amount which may be loaned to any one individual, firm or corporation should be limited to a certain percentage of their capital stock.

Eleventh.—That provision be made for the increase or decrease of capital stock upon application to the legally constituted authority, with certain restrictions and limitations looking to the protection of depositors and stockholders.

Twelfth.—That any individual or firm doing business as a private bank shall designate a name for such bank; and all property owned by such bank shall be held in the name of the bank and not in the name of the individual or firm. The note or notes of any individual or firm doing a banking business shall not be carried as a part of its capital or assets.

Thirteenth.—That provision shall be made for the establishment of a separate bureau which shall have charge of the execution of all laws relating to banks formed and transacting business under the laws of the State.

Fourteenth.—That in case a bank becomes insolvent or fails to make good any impairment of its capital after due notice, the officer having in charge the supervision of banks shall be empowered to take charge of such bank, until such time as a receiver shall be appointed by due process of law.

The first recommendation above cited is designed to encourage the organization of State banks, which shall take the place of private banks in the smaller towns and villages. This would make their supervision much more effective, and prove more satisfactory to the business community.

The seventh, eighth and ninth recommendations are worthy of special consideration, for it can be easily demonstrated that numerous bank failures are directly chargeable to negligence upon the part of bank officials, and to excessive loans to bank officials and stockholders who are engaged in other business enterprises.

Should a law of the character suggested be enacted by the legislature and ratified by a vote of the people, it should not go into effect for a sufficient length of time after its passage to permit banks now doing business to adjust their affairs to the prospective changed conditions.

I can but look upon the present as an opportune time for the enactment of a more stringent law for the government of banks, and while the changes above suggested are radical in their nature, they are such as are *practically* in force by common usage in many of the banks of the State at the present time. It is, however, necessary that they should be given the force of specific legal requirement in order that the supervision of banks may be made more effective: to provide added protection to depositors, and to further encourage safe and conservative banking methods.

In conclusion I desire to extend my thanks to the bankers of the State for the uniform courtesy and promptness with which they have thus far complied with the requirements of this office.

Very respectfully,

EDWARD I. KIDD, *Bank Examiner.*

The following information in regard to the banks of Wisconsin is taken from a late report of Sewell A. Peterson, State Treasurer.

Decrease in capital of banks doing business under the law, January 4, 1897 as compared with July 6, 1896	$22,050
Capital of closed banks	182,050
Capital of new banks	160,000

SUMMARY OF STATE BANKS.

	January 4, 1897.	*July 6, 1896.*
Capital	$6,830,700	$6,852,750
Deposits	25,771,522	27,272,746
Specie	1,594,937	1,420,738
Cash items	338,679	399,812
U. S. Currency	2,005,826	1,331,733
Due from banks	4,934,916	4,801,890

ORIENTAL BANKING AND CURRENCY.

THE BANK OF JAPAN.

(*W. R. L., in London "Journal of Finance."*)

Among the many startling adaptations of Western science which Young Japan has achieved, the most remarkable are in the sphere of banking. The Japanese at an early period of their *renaissance* developed a wonderful talent for that particular class of finance, and they have made greater progress in it than in any other department. This is all the more surprising as banking was almost the last thing they might have been expected to shine in. Previously the Chinese were supposed to be the financiers of the East. Not only has every foreign house in China its Chinese Cashiers, but they have spread even to India and the Straits Settlements. In Japan itself European banks have all their currency accounts kept and payments made by Chinamen. It is not uncommon to find one or two of them in hotel offices. Japanese, smart as they are, have never been able to displace their rivals as money-changers; but they have done something better—they have provided themselves in course of a few years with a perfect duplicate of European banking.

The duplication is complete in every respect. There is no gap in it, from the Bank of England down to the humble penny bank. Every European and American system has been studied by specially trained Japanese experts, and the good points in each have been freely borrowed. At the head of the hierarchy stands the Bank of Japan—*par excellence* the national bank. It keeps all the Government accounts. It has a virtual monopoly of the bank-note issue, and three years hence, when the minor note issues lapse, and are not to be renewed, its monopoly will become absolute. The Bank of Japan is the key-stone of the Japanese financial system, and as such I was specially anxious to examine its working. Like the institution itself, the building is almost entirely of Japanese workmanship. The milk-white stone for the outer walls comes from various parts of Japan, but mainly from Osaka. The bricks, both plain and glazed, on the partition walls and floor are of Japanese manufacture. The wood-work is, of course, Japanese, nor has Japanese art been forgotten in the decorations.

There is a state reception-room reserved for the Imperial family and other distinguished visitors, which combines nearly every kind of industrial art practised in modern Japan. The curtains and table-cover are of the finest silk from the looms of Kyoto. The carpet is a rare example of silk-faced Wilton, known, I believe, only in this country. The ceiling is panelled, not with the gold lacquer of the temples, but with a new tissue that takes on the most delicate and beautiful of colors. The gems of this combination are, however, the wall panels, of which there are seven or eight, representing a selection of the most famous of Japanese landscapes. They look and feel exactly like tapestries, but they are in fact woven and printed at that treasure house of Japanese industrial art—Kyoto.

The state reception room is the only extravagance that the bank proprietors have indulged in, and they have done it not merely for patriotic reasons, but as a graceful compliment to their largest shareholder, the Emperor. Personally the Emperor does not appear on the bank register, his shares being put in the name of the Imperial household, and being dealt with as part of the Imperial estate. It is well understood, however, who is meant by the Imperial household.

The Bank of Japan has, of course, no subsidies, but it has privileges no less valuable. It keeps the whole of the Government accounts, collects the public revenues, disburses the public expenditures, holds all Treasury balances, manages the note circulation, and acts as Government broker in respect of all official dealing in bonds old or new. One-half or more of the six departments into which the Bank is divided are connected more or less directly with the Government. The private business done is comparatively small and entirely domestic. No ordinary commercial accounts are taken, only the accounts of other banks, and of these again only large ones.

The directors are no mere figure-heads, but genuine business men. The Governor, Baron Iwasaki, has had a varied and extensive financial experience. The managers and sub-managers have all had good training under expert bankers either at home or in Europe. The bank has a staff of four hundred clerks under its own roof, with about two hundred more acting for it in the provinces.

The Bank of Japan claims to have the pick of the good business, and to be very careful in its selections. It discounts and advances at a considerably lower rate than the private or joint-stock banks can afford to take, and can, therefore, command the best class of bills and securities. Ten to twelve per cent. is the standard rate in the open market, but the Bank seldom charges more than eight, and sometimes only six per cent.

Another conservative characteristic of the Bank of Japan is that it does no foreign business on its own account. All that it leaves to its ally the Yokohama Specie Bank. By this wise provision a pitfall has been avoided by which national banks of a more slippery sort have been shipwrecked among the Argentines and elsewhere. As serious bankers, neither the Argentines, the Uruguayans, nor the Brazilians are to be named in the same day with the Japanese. The latter are real bankers, and do not merely play at banking. All that is much in favor of the Bank of Japan, and gives it all the more hope of a long and prosperous career.

THE MONEY AND BANKING OF CHINA.

(*Willard Fisher, in Yale Review.*)

China now stands among the nations which have no Government bills in their currency. But Li Hung Chang and the present Emperor's father, who were so largely instrumental in securing the innovation of a Government mint for the coinage of silver, have strongly urged the propriety of a series of state notes.

At the present time, then, the paper currency consists of bank notes alone; but of these there are very many kinds, and, since there is only the very slightest governmental control of the banks, and even that is a matter for the provinces rather than the empire, it is extremely difficult to describe the bank currency with accuracy. Easiest to describe are the foreign banks. These are chartered in foreign countries, and they are conducted by foreigners, on foreign capital, and in accordance with the familiar western principles. English, French, German, and Russian capital is represented; but the notes are usually, if not always, expressed in terms of dollars. The most important of these foreign banks is the Hongkong and Shanghai Banking Corporation, a British institution with a paid-up capital of $10,000,000 and a circulation of $9,500,000. Its notes are generally current in all the treaty ports.

Among the Chinese themselves, banking is extremely free. No incorporation is necessary; nor is there any strict state control, or any requirement as to capital and reserves. Anybody may issue circulating notes; and the right is exercised not only by the institutions which do a general banking business of loan and deposit, but also by many of the chief merchants, and even by the petty shop-keepers. In form and execution the notes vary greatly. The *teon*, or cash notes, which are issued by some of the smaller shops, are bamboo slips with the mark or "chop" of the issuer branded into them. The bankers, who are somewhat more pretentious, print their notes on paper and from carefully prepared wooden blocks; while the strongest and wealthiest of them all use engraved brass plates. The notes are frequently printed and written in inks of several colors, and are striking and not unhandsome pieces of work. One of the precautions against counterfeiting is extremely simple, yet it is said to be quite effectual. The notes are printed with a broad blank margin on the right; and in this space are then written words, or even sentences. Just before the notes are to be put in circulation, this margin is cut down through the middle so as to leave one-half on the note and the other half in the hands of the bank as a kind of stub. The notes run in terms of cash, dollar, or taels of silver, and are of many denominations. Cash notes range from 100, and perhaps even less, to several hundred thousand; and the dollar and tael notes run as high as several thousands—at Foochow in the first half of the century as high as 30,000 taels. The notes are payable on demand; and in case payment is refused the bearer has in law the right to seize and carry off any visible property of the bank. This right is, apparently, not often exercised; but it has been at times. Indeed, it is said that under protection of this law banks were sometimes looted—stripped of everything that could be wrenched loose and carried away. The robbers used to conspire and rush in upon the banks with so many notes that they could not by any possibility all be cashed, and then when payment was not made, they and the rabble which followed them would begin their work.

But now, notwithstanding the absence of supervision, the banks as a rule are honestly and skillfully managed; and the notes are usually convertible at the wish of the holder. Occasionally, it is true, some small concern will carry its issues beyond the point of safety, and losses will ensue. But the larger institutions are scrupulously honest, and enjoy high repute, so that their bills are freely received in all the surrounding region. The banks, naturally, are situated in the towns; and, since their reputations do not extend into the country districts, their notes also are not seen there. But in the cities, especially the cities which are open to foreign trade, native bank bills are an important medium of exchange.

OPEN LETTERS FROM BANKERS.

AN INTERCHANGE OF OPINION BY READERS OF THE MAGAZINE.

WALKER'S REVIVAL OF KELLY'S "INTERCONVERTIBLE BOND" SCHEME.

Editor Bankers' Magazine:

SIR:—The astonishing thing about John Brisben Walker's article "The First Essential for Prosperity," in the "Cosmopolitan" for March, is that he seems not to know that there is a Constitution of the United States.

It is true the Supreme Court made up for the purpose decided that Congress has the power to issue bills of credit and make them legal tender, but all persons of average intelligence know that Congress was not given that power by the convention that framed the Constitution. Cæsar has crossed the Rubicon, but it was and is contrary to law and the Constitution, and will always be so "in good sooth" whatever we may pretend.

But Mr. Walker goes as much deeper into unconstitutionality in his proposition, from the legal-tender Act, as the legal-tender Act was away from the undoubted constitutional powers in the first place. The original issues of legal-tender bills of credit were for the needs, uses, and purposes of the Government. This is one thing. Mr. Walker's plan is for an issue of legal tenders for the business needs of individuals, which is a very different thing. He seems to think that as the Government has the power (given by the prepared Supreme Court, not by the Constitution) to issue legal-tender paper bills for its own needs, that it follows as a matter of course that it has the power to issue them for the needs of Tom, Dick, and Harry.

"How do you do that?" asks one urchin of another who has succeeded in getting his kite aloft. "I just do it," answers the other. That is the way the Walker financial kite is to be lifted.

Dr. Spear, the late Geo. A. Butler of the National Tradesmen's Bank, of New Haven, and the minority of judges in the cases of Knox *vs.* Lee, and Parker *vs.* Davis, gave reasons for the unconstitutionality of the Acts that can not be answered. Whether desirable or not that the power be exercised, it is but little clearer that two and two make four than that the convention did not put it in the Constitution. It would have defeated the adoption of the Constitution to have put such power in it specifically, or for the Federalists to have claimed it as an implied power. No fair-minded man can doubt that. What would have happened to the constitutional party then, had Jay, Hamilton, Madison, and others have written plainly in the "Federalist" papers the statement that Congress shall have power to issue bills of credit for its own needs and make them a legal tender in payment of all debts, and may also issue them "in volume sufficient to answer the wants of trade," and make them fundable into fifty year bonds at the option of the holders and unfundable back into such legal tenders, at the same option—whether the Government needs them or not—if the said Tom, Dick, and Harry need them? It would have taken more than the influence of Washington to carry the Constitution through to adoption.

It is not my intention to follow through the article and answer it head by head. That would take too much space. And having shown that it lacks the foundation of constitutionality it is not necessary to point out the weak points of the proposed superstructure. And all its points are such.

GEO. WILSON.

LEXINGTON, Mo., March 30.

BONDS AS A BASIS FOR CIRCULATION.

Editor Bankers' Magazine:

SIR:—The prejudice existing against the national banking system would, to a measure, disappear if their circulation could be based upon something else besides the debt of the United States—for it is a self-evident proposition that the debt of the United States will not be paid or reduced if a constant permanent demand for United States bonds is made by National banks as a basis for extending such system. As a fact many people of the Western States believe that the last issues of United States bonds were manipulated by national bankers. A note-issuing system should not be based on the debt of a country.

NAPA, Cal., March 27. HENRY BROWN.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The Greater New York Savings Bank has been chartered and will begin business May 1 at First street and Seventh avenue, Brooklyn. Trustees and officers have been elected.

—Willian Alexander Smith & Co., one of the oldest firms connected with the New York Stock Exchange, will retire from business on May 1. Mr. Smith's membership in the exchange dates from 1844. The present firm, which was organized in 1857, goes out of business because of dullness in Wall street, and the increasing age of Mr. Smith, who will, however, retain his membership in the exchange.

—Cornelius N. Bliss, Secretary of the Interior, has resigned as Vice-President of the Fourth National Bank, but remains a director. Vice-President James G. Cannon has been Acting President during the temporary absence of President J. Edward Simmons on a recreation trip.

—The National City Bank is making extensive improvements in its quarters at 52 Wall street. The offices have been carried through to the rear of the building, and the President's room and other executive offices refurnished in modern style.

—The Consolidated Trust of New York city has been incorporated with a capital of $100,000, to act as agent, fiscal agent, and attorney in fact for firms, corporations, and individuals, and to deal in securities etc.

—The Gallatin National Bank declared a dividend of five per cent., being its 129th consecutive semi-annual dividend, on March 31, and also an extra dividend of one per cent. out of the earnings for the past six months.

—A meeting of the New York State Society of Certified Public Accountants was held on the evening of March 30, at the Waldorf. A permanent organization was effected by the election of the following officers: President, Charles Waldo Haskins, New York; Vice-President, John Hourigan, Albany; Secretary, Arthur Wellington Teele, New York; Treasurer, Hamilton Stewart Corwin, New York. Several new members were added to the list, and committees were appointed on legislation and to draft a constitution and by-laws. All certified public accountants are invited to become members of the society.

—The First Municipal Bond Assurance Company of America has been organized with a paid-up capital of $1,000,000 and $500,000 surplus. It is the intention of the company to guarantee the payment of the principal and interest on municipal bonds. Prominent capitalists are identified with the enterprise.

—It is reported that there is a new movement on foot to devise some improvement in the method of collecting country bank checks, either through the clearing-house or by the organization of a new institution for this special service.

—The nominating committeee of the New York Stock Exchange has prepared the following regular ticket, to be voted on at the annual election on May 10:

President, Francis L. Eames; Secretary, George W. Ely; Treasurer, F. W. Gilley; Chairman, William McClure. Governors, to serve four years—J. T. Atterbury, W. W. Heaton, F. L. Henry, C. H. Huestis, A. B. Lounsbery, T. L. Manson, Jr., John H. Prall, R. H. Thomas, J. D. Probst, and W. P. Smith. Governor to serve one year, H. G. S. Noble; Trustee of Gratuity Fund, W. E. Strong.

—Secretary Gage will visit the city on April 27, and will probably meet the bankers at the Sub-Treasury.

—The new eighteen-story building of the National Bank of Commerce, at Nassau and Cedar streets, is now receiving the finishing touches. Many prominent banking, brokerage and other firms are already tenants of the new structure.

—James Elmsly has been appointed Inspector of the Bank of British North America in place of E. Stanger.

—The new Colonial Trust Co. has increased its capital stock from $500,000 to $1,000,000.

—Henry W. Cannon, President of the Chase National Bank, sailed from London for New York April 10.

—The Guaranty Trust Co. has opened a branch at 33 Lombard street, London.

NEW ENGLAND STATES.

Boston.—Messrs. N. W. Harris & Co. have removed from No. 70 State street to the Equitable Building, 67 Milk street.

—The Mercantile Loan and Trust Co. has been reorganized. Its new officers are: President, Josiah Q. Bennet, formerly Cashier of the Market National Bank; Vice-President, Andrew W. Preston; Treasurer, John Gilcreast: Secretary, F. T. Monroe. This company absorbs the banking business of the Hancock National Bank.

—The Concordia Investment Co. has been seeking a charter in this State for the ostensible purpose of liquidating the affairs of the Lombard Investment Co.

—The Committee on Banks and Banking has reported a new draft of the trust company bill to the Legislature. The bill provides that the capital stock of trust companies shall be not less than $500,000 nor more than $1,000,000, except in cities and towns having a population of less than 100,000, where companies incorporated may have a capital stock of not less than $250,000. No trust company shall engage in business without a certificate from the Savings Bank Commissioners.

—The city of Boston recently borrowed, through Morgan & Bartlett, 41 Wall street, New York, the sum of $1,000,000 on its own notes, maturing in November next, at three per cent.

—Louis H. Elliott has been chosen Acting Treasurer of the Beacon Trust Co.

Providence, R. I.—In the January, 1897, edition of the BANKERS' DIRECTORY, an error in compilation caused the name of H. E. Thurston to appear as Assistant Cashier of the Manufacturers' National Bank. Mr. Thurston holds this office in the Mechanics' National Bank, and has not at any time been connected with the Manufacturers' National.

Fitchburg, Mass.—At a meeting of the directors of the Safety Fund National Bank, March 15, Elmer A. Onthank was unanimously elected Cashier. He was selected from a list of over twenty first-class applicants, including one National bank examiner. Mr. Onthank has had nine years' experience in National bank work and is recommended for his integrity, ability and close application. For the past three years he has been directly associated with the executive officers of the Blackstone National Bank, of Boston, who regard him very highly.

Connecticut Bank Commissioner.—Charles H. Noble, of New Milford, has been appointed Bank Commissioner to succeed Edward R. Doyle. Mr. Noble is an expert accountant, and has previously held the office for a short time.

MIDDLE STATES.

Philadelphia.—The Land Title and Trust Co. has voted to increase the capital stock from $1,000,000 to $2,000,000.

—The stock exchange has elected the following officers: President, R. M. Janney; Secretary and Treasurer, J. B. Austin; Chairman, W. J. Morris; Vice-Chairman, George H. North; Governors: W. Y. Carver, H. L. Fell, W. H. Gaw, E. J. Moore, E. I. Smith, J. H. Straub, C. Taylor, C. M. Town.

—J. Waln Vaux succeeds John Cadwalader as President of the Trust Company of North America.

New National Bank.—Authority has been given by the Comptroller of the Currency for the organization of the Hoosick Valley National Bank at Hoosick Falls, New York, capital, $50,000.

Baltimore.—Thomas J. Shryock has retired from the Vice-Presidency of the Third National Bank, in order to give more attention to his duties as State Treasurer and to private business affairs.

—Winfield S. Cahill succeeds the late John Meeth as President of the South Baltimore Bank.

State Bank Opens.—The State Bank of Canisteo, N. Y., opened for business April 1.

Superintendent's Salary Raised.—On March 30, Gov. Black (New York) signed the bill increasing the salary of the Superintendent of Banks from $5,000 to $7,000 a year. The resources of the institutions under his supervision now amount to $1,500,000,000.

Pittsburg.—The March number of the "Pittsburg Banker" contains a table showing the condition of the National banks of this city at the date of each official report from May 13, 1889, to December 17, 1896. Since 1889 the surplus and profits accounts have increased from $6,209,948 to $11,353,991, and now almost equal the capital, which is $12,200,000.

—The Workingman's Savings Bank, of Allegheny, has been reorganized as the Workingman's Savings Bank and Trust Co.; capital, $100,000; surplus, $150,000.

Buffalo, N. Y.—So much money has accumulated in the banks here that some of them have notified depositors to withdraw their funds, as it is difficult to find investments that will justify the banks in paying interest on deposits under prevailing business conditions. There is a similar condition of affairs in most of the large commercial centers, due to the redundancy of the currency. Banks in many of the cities are either reducing the rates of interest paid on deposits or discontinuing such payment altogether.

Maryland Bankers' Association.—The annual convention of the Maryland Bankers' Association will be held at Cumberland June 1 and 2. Hon. Lyman J. Gage, Secretary of the Treasury, and Hon. James A. Gary, Postmaster-General, have accepted invitations to be present.

SOUTHERN STATES.

Richmond, Va.—A number of the banks of this city have published a notice of a reduction of the rate of interest paid on deposits to three per cent.

Nashville, Tenn.—A plan for reorganization has been submitted to the stockholders of the First National Bank. The present capital is $600,000, and it is proposed to issue $500,000 in new stock and pay off the present stockholders at the rate of forty-two per cent. The balance of the new stock is to be sold at par and rediscounted paper paid off.

New Bank Wanted.—There is said to be an opening for a bank at Stillmore, Ga., which is in the center of a productive country lacking adequate banking facilities.

Capital Reduced.—The Bank of Kingwood, West Va., has reduced capital from $125,000 to $75,000. An increase in new banking capital in the district is the cause of the reduction by this particular bank.

Bank in Prospect.—H. M. Simons, of Albany, Wis., is said to be considering the establishment of a bank at Ashland, Va.

New Banks Organized.—A new bank has been organized at Tiptonville, Tenn., with a capital stock of $25,000. J. C. Harris is President.

—The Reynolds Banking Co. opened for business at Reynolds, Ga., March 9.

—The Bank of Culloden, Ga., capital, $25,000, has elected officers and will erect a new building. Wm. S. Witham, of Atlanta, is interested in the new bank.

—Williamsburg, Va., is to have a new bank.

—The Protective Bank is reported organizing at New Orleans.

To Stop Check-Kiting.—At a meeting of the Presidents and Cashiers of the various banks of Augusta, Ga., recently, it was decided to accept only the certified checks of depositors in payment of obligations. This is done to stop the practice of "kiting," which has been much abused of late.

Georgia Bank Prospering.—At the annual meeting of the Farmers and Merchants' Bank, Thomaston, Ga., a six per cent. semi-annual dividend was declared and twenty-one per cent. added to surplus. W. S. Witham is President.

Bank Removal.—The Mercantile Bank has removed from Martin, Tenn., to Dresden in the same State.

WESTERN STATES.

Chicago.—Geo. Schneider, President of the failed National Bank of Illinois, has paid to the Receiver $200,000 to secure his liability to the creditors and has also released his shares in the bank. In addition to making this heavy pecuniary sacrifice, Mr. Schneider has paid off a lot of notes that were bought by others on the strength of his relation to the bank.

—Carl Moll, who was Cashier of the National Bank of Illinois, has been elected Cashier of the Garden City Banking and Trust Co., succeeding John W. Buehler, who becomes Vice-President.

—Vice-President Smith continues in charge of the Merchants' Loan and Trust Co., no successor to J. W. Doane having been chosen.

—The Illinois Trust and Savings Bank will shortly move into its new building. Its present quarters in the Rookery Building will be occupied by the Northern Trust Co., and the offices of the latter in the Chamber of Commerce will be occupied by the State Bank of Chicago.

—As compared with the previous statement, the March 9 reports of the National banks show but slight changes in loans, but deposits have increased over $12,000,000.

—The State Bank of Chicago will increase its capital from $500,000 to $1,000,000.

—Attempts are being made to regulate the rate of interest paid on bank deposits. One and one-half per cent. is regarded as the maximum that should be paid under present conditions.

—C. A. Hanna, Vice-President of the First National Bank, Lincoln, Neb., has been appointed Cashier of the Chicago post office.

Change in Organization.—The St. Paul, Nebraska, National Bank has changed from a National to a State bank, with the same officers and stockholders.

New Bank Commissioner.—Josiah E. Just succeeds Gen. D. B. Ainger as Bank Commissioner for the State of Michigan.

A Reminder of '93.—Four years ago Elmer and Jay Dwiggins, of Chicago, who owned the Citizens' Bank at Hebron, Ind., failed on account of the collapse of the Griffith town boom. They turned over to the depositors the bank building and assets, and after two years the trustees realized ninety-five per cent. for the depositors. On March 8, each depositor received a letter from the Dwiggins, who are located in New York city, inclosing a check for the remaining five per cent. There was due Hebron people about $4,000.

Kansas City, Mo.—The National Surety Co. of this city has been absorbed by the National Surety Co. of New York, which will open for business in the latter city about May 1. The directory of the new company includes some of the best-known capitalists of the country.

—A new bank has been organized in Kansas City, Kansas, to be known as the Commercial State Bank. Capital will be $25,000 which may be increased to $50,000 if business justifies it. Officers and directors will include a number of well-known Kansas and Missouri bankers.

—It is announced that J. R. Dominick succeeds T. H. Beekman as Cashier of the American National Bank. A. C. Sweet succeeds Mr. Dominick as Assistant Cashier.

—The Annual Convention of the National Association of Credit Men will be held in this city, June 9, 10, and 11. The national association was organized in the spring of 1896, and held its first annual convention at Toledo, Ohio. With less than a dozen local associations, there were one hundred and fifty delegates at Toledo. There are now over thirty local organizations in the principal jobbing centers, and others are rapidly organizing. It is expected that there will be at least fifty local associations when the annual convention shall be held in Kansas City next June, and from the interest manifested, it is expected that fully six hundred delegates will attend the second annual convention.

—Comptroller Eckels has refused to permit the proposed reorganization of the Missouri National Bank. The bank failed last fall, owing a million and a half dollars. Those favoring reorganization had secured the signatures of 1,947 creditors, representing $901,550 of the bank's liabilities, while 638 creditors, representing $347,400, had refused to give their consent.

Missouri Banking Law.—A bill repealing the present law providing for the examination of banks and substituting a new Act has passed the Missouri Legislature. It requires the Secretary of State to appoint three commissioners, who are to receive $1,800 per year each, to do the examining. Trust companies are placed under the jurisdiction of the examiners.

St. Louis, Mo.—Thos. A. Stoddart, formerly Vice-President of the Third National Bank, is the new Manager of the St. Louis Clearing-House Association, succeeding the late Edward Chase. He has been connected with the Third National Bank and its predecessor, the Southern Bank, for nearly forty years.

—Efforts are being made to organize a new bank which will absorb the assets of the failed Mullanphy Savings Bank.

—At a recent meeting of the directors of the St. Louis National Bank, Eugene Karst was elected Cashier, having been acting in that capacity for some time. He has been connected with the bank for many years, and is well known and popular in local financial circles.

—State Bank Examiner C. O. Austin has resigned to accept the position of Cashier of the Mechanics' Bank,

Cleveland, Ohio.—The Marine Bank Company has decreased its capital stock from $300,000 to $200,000.

—The People's Safe Deposit and Savings Bank Company was incorporated April 6, with a capital of $50,000.

Kansas Banking Law.—A new banking law went into effect in the State of Kansas March 12. It greatly enlarges the supervisory powers of the State Bank Commissioner, and brings private banks under his supervision as well as State banks.

Bank-Wrecker Released.—Charles W. Mosher, who wrecked the Capitol National Bank, of Lincoln, Neb., was released from the Sioux Falls, So. Dak., penitentiary on March 17, where he had served a five years' term. There are other indictments pending against him on which he will be tried.

Iowa Bank Resumes.—The First National Bank, of Sioux City, which suspended on Nov. 19, resumed business March 16, with capital increased from $100,000 to $200,000. Part of the new capital was contributed by the depositors, who took stock for twenty per cent. of their claims.

Louisville, Ky.—On March 11 forty-five shares of the Bank of Kentucky were sold—ten shares at 172 and thirty-five at 172¼. The stock of this stanch old bank has yielded but little to the depression in business.

Private Banks in Iowa.—The private bankers have defeated the passage of a bill requiring them to submit to examination and make reports.

New Private Banks.—Robinson Bros. have opened a new private bank at Kenosha, Wis., occupying the building formerly used by the Dan Head & Co. Bank. They report $50,000 capital.

Michigan Banks Consolidate.—The Three Rivers (Mich.) National Bank has been absorbed by the First National Bank. No increase in the capital.

Bank Reduces Capital.—The Northern Bank of Kentucky, Lexington, capital $1,800,000, will reduce its capital one-half, having more money than it can profitably use.

New National Bank.—The First National Bank has been organized at Windom, Minn.; capital, $50,000. A. D. Perkins will be President and W. J. Clark, Cashier.

Change in Officers.—The Bank of Fairmount, North Dakota, reports that N. N. Powell and W. F. Houston have sold their interests in the bank. Officers are now as follows: President, B. W. Schouweiler; Vice-President, John Leathert; Cashier, W. H. Cox.

Bank Has a Run.—The Exchange National Bank, of Canal Dover, Ohio, was subjected to a run recently, owing to the circulation of unfounded rumors. Ample funds were secured to meet all demands.

Omaha, Neb.—Charles E. Ford has resigned as Cashier of the Union National Bank. He is charged with having issued a certificate of deposit for $27,000 without authority from the bank.

Storm Destroys a Bank.—The Lincoln County Bank, Chandler, Okla., was destroyed by a tornado which swept over the town on March 31.

Detroit, Mich.—James A. Latta, discount clerk in the Peninsular Savings Bank, has been appointed a State bank examiner. Mr. Latta is only thirty-two years old, but is a thoroughly experienced banker, and is highly regarded for his character and abilities.

Ex-Banker Cleared.—R. E. Graves, who was Cashier of the Commercial National Bank, Dubuque, Iowa, when it failed some years ago, has been cleared of all complicity in causing the failure, by a recent decision of the Supreme Court of the United States.

Bank Wanted.—Richards, Mo., is said to be in need of a bank.

Cincinnati, Ohio.—Gold bonds to the amount of $3,654,000 have been sold by this city to the First National Bank and Seasongood & Mayer. The bonds are to run forty years, bearing an interest of 3.65 per cent. They brought a premium of 2.167.

Opening for a Bank.—Goldfield, Colo., is said to be in need of a bank. The mines pay out about $150,000 monthly and the town has 2,500 population.

Plans to Reorganize.—An attempt will be made to reorganize the First National Bank, of Newport, Ky. Under the plan of reorganization, the depositors will be paid and a new bank organized with $100,000 capital.

Kansas Debt Reduction.—The "Topeka (Kan.) Capital" recently published a table showing that in the past seven years thirty-eight counties of the State have reduced the mortgage indebtedness from $63,158,631 to $34,620,138, or twenty-eight per cent.

Minneapolis.—The Columbia National will endeavor to reorganize. It is believed that with the co-operation of all parties interested the bank can be reopened on a favorable basis.

Bank Reorganization.—The Minnesota Legislature has been considering the subject of legislating in behalf of the reorganization of insolvent banks. The plan which is likely to become a law provides:

First—For the payment of debts due and owing to the United States and the State.

Second—For the payment of all debts for which a lien shall exist on the property thereof under the laws of the State.

Third—For the payment of all debts owing to servants, laborers and clerks for labor and services performed for such company or corporation within ninety days next preceding the act of insolvency or the commencement of such insolvency proceedings.

Fourth—For the payment upon equal terms of all other debts, including debts not due, and for the issue of new or other or further securities and for their distribution.

Kentucky Bank Tax.—The decision of the Kentucky Court of Appeals in the bank tax case pending in that State for some time (a more extended report of which may be found in the Banking Law Department of this number), is regarded as being a severe blow to the banking interests of the State. It is probable that the case will be appealed to the United States Supreme Court.

Change in Location.—The First National Bank, of Webb City, Mo., has changed its location to Carterville.

PACIFIC SLOPE.

A Banker-Senator.—Henry W. Corbett, Vice-President of the First National Bank, Portland, Oregon, has been appointed United States Senator from that State. He represented the State in a similar capacity from 1866 to 1872.

San Francisco.—The Savings banks of this city report $100,049,095 due depositors.

—The general average of deposits in the Savings banks is $769.92 to each depositor.

Bank to Liquidate.—The First National Bank, of Hillsboro, Oregon, held a special meeting on March 17 and voted to go into liquidation on May 1. A private bank will be organized as a successor to the First National.

California Bankers' Association.—The fifth annual convention of the California Bankers' Association will be held at Los Angeles April 19 and 20.

CANADA.

Toronto, Ont.—Sir Frank Smith has been elected President of the Dominion Bank of Canada, succeeding the late James Austin. E. B. Osler, the senior director of the bank, succeeds Sir Frank Smith as Vice-President. The vacancy on the board of directors, caused by the death of Mr. Austin, the late President, has been filled by the appointment of his son, Albert Austin, a well-known Toronto broker.

Facts About "Greater New York."

The population of Greater New York, based upon latest estimates, will be 3,100,000, which will make it rank second in the world.

Greater New York will have an area of about 360 square miles, making it next in size to London. Its greatest length will be nearly thirty-five miles—from Mount St. Vincent to Tottenville.

The street mileage of Greater New York is estimated at about 3,000. One-third of the streets are paved.

If all the elevated and surface roads within the confines of Greater New York were placed in a single line, they would reach about 1,200 miles. The elevated roads alone would stretch nearly 160 miles.

The assessed value of the real estate in New York, Kings and Richmond counties and that part of Queens county included in the greater city is $2,264,142,968. The value of the personal property within the territory is $397,076,668. The total equalized value of the realty and personal property is $2,169,795,157. The indebtedness of the combined cities and towns is about $170,000,000.

Greater New York will have a capacity for 550 miles of wharfage, and in this regard will be unexcelled by any other city in the world.

The incorporated city will contain 130,000 dwelling houses, 37,000 business houses, 6,500 acres of parks, 1,800 miles of gas mains, 1,100 churches, 1,125 hotels and 350 public schools.

There will be five boroughs in the Greater New York, known as the Borough of Manhattan, the Borough of Kings, the Borough of Queens, the Borough of Richmond, and the Borough of the Bronx.

The territory will be divided into ten Council districts, and the Council will consist of thirty-six members, thus divided:—Manhattan, sixteen; Kings, twelve; Queens, two; Richmond, one; Bronx, four.

There will be twenty-two aldermanic districts, and the board of aldermen will consist of 104 members, thus divided:—Manhattan, fifty-five; Kings, thirty-five; Queens, three; Richmond, three; Bronx, eight.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Alabama.—The liabilities of the Commercial Bank of Selma, which failed December 30, are estimated at $1,000,000, and actual available assets about $25,000. It is said that depositors will realize about twenty per cent.

California.—The California Mortgage, Loan and Trust Co., of San Diego, made an assignment March 10. Liabilities, $200,000; book value of assets, $340,000; actual value, $280,000.

Connecticut.—The Colchester Savings Bank was enjoined on March 30 from paying out any funds in its possession or declaring a dividend.

Georgia—ATLANTA.—The Fidelity Trust and Banking Co. went into the hands of James L. Logan, Receiver, March 26. Deposit liabilities are $15,000, and other debts about $30,000. Assets are nominally $60,000, but it is alleged that the actual value is practically nothing.

The Georgia Security and Banking Co., which has been in a practical state of suspense for some time, has been temporarily restrained from encumbering or disposing of its property. Assets are $106,349, of which $70,349 is real estate. Liability to stockholders, $97,367. At a meeting of the stockholders March 24 it was decided to empower the President to appoint a liquidating committee.

Ten per cent. has been paid depositors of the State Savings Bank, and it is thought that in time all such claims will be paid.

William C. Hale, a moving spirit in many financial enterprises, most of which are now in a state of collapse, is reported missing. Among the concerns in which he was actively interested are the Southern Mutual Building and Loan Association, the Atlanta Investment and Banking Co. (he resigned from this concern on January 1), the State Savings Bank, the Union Loan and Trust Co., Hale Investment Co., etc., besides banks and other financial enterprises outside this city.

—The Merchants and Miners' Bank, Tallapoosa, went into the hands of a Receiver March 20. Assets are about $50,000.

—The West Point State Bank closed March 22. It was connected with the State Savings Bank, of Atlanta, which failed recently. W. C. Hale, of Atlanta, was Vice-President, and his financial difficulties caused a run on the bank.

Illinois—CHICAGO.—The Globe Savings Bank assigned to the Chicago Title and Trust Co., April 5. It was organized in 1891. The stock was largely held in New England. Capital was $200,000, and deposit liabilities about $450,000.

The failed Columbia National has paid a total of seventy-five per cent.

The National Bank of Illinois has paid a second dividend of ten per cent., making sixty per cent. in all. Claims to the amount of $10,930,000 have been filed.

The Chemical National, which failed in 1893, has already paid ninety per cent., and it is expected that the balance will be paid in a reasonable time.

—An expert who has examined the affairs of the failed bank of John A. Prickett & Son, of Edwardsville, reports that $203,498 was put into Western investments for which there is no paper in the bank to show where the money went. John A. Prickett, President, overdrew his accounts $53,847. The report of the assignees shows claims to the amount of $233,207. The assignees have collected, including cash on hand at the time of the failure, $31,166. H. A. Prickett, ex-Cashier, is under indictment for embezzlement. He is missing.

Iowa.—The liabilities of the Bank of Atlantic were recently reduced $55,000, leaving $150,000 debts still outstanding. As there is a large amount of unincumbered real estate to meet this, it is believed that the bank will eventually pay in full and resume business.

—The Citizens' Savings Bank, Ireton, is reported as having assigned to W. S. Short. It had $20,000 capital.

—The present outlook is that the depositors of the failed South Ottumwa Bank will not get more than twenty-five per cent. An effort is being made to have the assignment set aside.

Kentucky—LOUISVILLE.—Report of the assignee of the Germania Safety Vault and Trust Co. shows: liabilities, $303,017; assets, $299,726.

—The directors of the First National Bank, Newport, Ky., have raised the $200,000 necessary to pay depositors in full.

—The Covington branch of the Northern Bank of Kentucky has gone into liquidation, because of unprofitable business. The head office of the bank at Lexington and the branch at Paris will be continued as usual.

Michigan.—The Edmore Exchange Bank was reported closed, March 25.

Minnesota·St. Paul.—William Dawson, Jr., the insolvent Cashier of the failed Bank of Minnesota, has filed a schedule of his assets and liabilities. The assets are placed at $239,168 and liabilities $863,452.

Missouri.—The DeKalb County Bank, Maysville, capital, $20,000, went into the hands of a State bank examiner, March 24.

—A first dividend of ten per cent., has just been paid to the depositors of the First National Bank, Sedalia, which failed in 1894, with a shortage of $253,000.

—The Citizens' Bank, Bowling Green, closed April 1.

—The Farmers and Merchants' Bank, of Excelsior Springs, which failed more than a month since, has paid sixty per cent. to depositors, and will make another payment soon.

Nebraska.—The Bank of Ruskin is reported as having gone into voluntary liquidation.

—The Bank of Virginia is reported closed because of poor business.

New York—Buffalo.—The American Exchange Bank went into voluntary liquidation, March 27, owing to lack of profits. Depositors were paid, and the stockholders will receive a premium on their stock after all debts are cleared off.

A report of the Receiver of the Hydraulic Bank, filed March 23, shows: receipts, $103,055; disbursements, $92,112; cash on hand, $10,942.

Available assets of the Bank of Commerce are reported at $850,000, of which $600,000 is due depositors, leaving $250,000 to be divided among the stockholders. A dividend of fifty per cent. has already been paid to depositors.

—The National Bank of Troy, which went out of business some time ago, began paying depositors on March 10, having received $330,000 from the sale of securities.

Oklahoma.—The Bank of Mulhall closed March 12. It was unable to meet a run caused by a recent change of management. There is $6,000 owing to depositors.

Pennsylvania—Pittsburg.—The Manufacturers' Bank has decided to go out of business, owing to a lack of profits.

—Suits aggregating $400,000 have been brought against the partners in the banking firm of Gardner, Morrow & Co., Hollidaysburg. In a test case it has been decided that the estates of deceased partners in the bank were liable for the payment of the bank's debts. The stockholders are excited over the disappearance of an agreement, made many years ago, that the interest of any dead partner should remain in the bank after death. James Gardner was one of the principal owners of the bank. He died two years ago, leaving an estate of $500,000. The bank failed six months ago, and so far depositors have received nothing. If the old agreement is found they will share in the Gardner estate; if not, they will get only about fifteen cents on the dollar.

Rhode Island.—The Phenix Savings Bank, of Phenix, suspended March 15, and will not resume business.

Texas.—The Farmers and Merchants' Bank, Paris, assigned to D. H. Scott, March 23. It was organized in 1874 and had $200,000 capital. Failure was caused by the suspension of a local cotton firm.

—The City National Bank, Gatesville, suspended April 4. It was organized five years ago with $80,000 capital.

—Doyle, Tandy & Co., of Morgan, closed April 2.

—Owing to a steady run, the First National Bank, Comanche, closed April 2.

Washington—Tacoma.—Receiver Whitehouse, of the State Savings Bank, has sold over $100,000 worth of assets for $555. The assets include a number of notes signed by men who were once prominent in Tacoma's political history.

Wisconsin—Milwaukee.—Receiver Buffington, of the Commercial Bank, filed a report on March 22, showing liabilities $64,906 and actual assets $35,191.

—Efforts are being made to reorganize the Jackson County Bank, Black River Falls, with fair prospects of success.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Middlesex County National Bank, Winchester, Mass.; by Charles O. Billings, *et al.*
First National Bank, Windom, Minn.; by A. D. Perkins, *et al.*
Ozark National Bank, Springfield, Mo.; by J. D. Sheppard, *et al.*
Hoosick Valley National Bank, Hoosick Falls, N. Y.; by Chas. A. Cheney, *et al.*

NEW BANKS, BANKERS, ETC

ALABAMA.

COLUMBIA—Manufacturers' Bank (successor to Jno. T. Davis & Son).

EUTAW—A. W. & J. Gray; capital, $8,000; Pres., A. W. Gray; Cashier, John Gray.

CALIFORNIA.

GARLOCK — Desert Bank; capital, $5,000; Pres., F. H. Heald; Cashier, G. W. Fox.

DELAWARE.

WILMINGTON—Guarantee Trust, Title and Insurance Co.

FLORIDA.

OCALA—Citizens' Mutual Bank.

GEORGIA.

CULLODEN—Bank of Culloden; capital, $25,000; Pres., W. C. Jones; Vice-Pres., C. G. Hillsman; Cashier, H. B. Bingham.

ILLINOIS.

CROSSVILLE—A. M. Stum.

PAWNEE—Bank of Pawnee (Martin, Johnson & Lemon).

PINCKNEYVILLE—Pinckneyville State Bank (successor to Murphy, Wall & Co.); capital, $50,000.

WEST BROOKLYN—H. F. Gehart; collections.

INDIANA.

JAMESTOWN—Piersol & Roberts' Bank; capital, $2,500.

IOWA.

MONTICELLO—Lovell State Bank (successor to G. W. & G. L. Lovell); organizing; capital, $100,000: Pres., G. L. Lovell: Vice-Pres., R. U. Ricklefs; Cas., R. C. Stirton.

SALIX—Bank of J. Currier & Sons; capital, $10,000; Pres., J. C. Currier; Cashier, J. W. Currier; Asst. Cashier, E. B. Currier.

SUTHERLAND—First Savings Bank (successor to First Nat. Bank); capital, $25,000; Pres., S. J. Jordan; Vice-Pres., A. P. Sieh; Cashier, T. B. Bark; Asst. Cashier, C. B. Jordan.

KANSAS.

KANSAS CITY—Commercial State Bank; capital, $25,000; Pres., P. W. Goebel; Vice-Pres., A. C. Fasenmyer; Cashier, C. L. Brokaw; Asst. Cashier, E. F. Neal.——Wyandotte State Bank (successor to Wyandotte Nat. Bank); capital, $50,000; Pres., Porter Sherman; Cashier, B. Schnierle.

WESTMORELAND—Westmoreland State Bank (successor to First Nat. Bank): capital, $6,000; Pres., J. F. O'Daniel; Cas., Warren Anthony.

KENTUCKY.

LEITCHFIELD — Leitchfield Deposit Bank: capital, $15,000.

MARYLAND.

BALTIMORE—H. W. Hyde & Co. (successor to Nicholson & Co.).

MICHIGAN.

NEWBERRY—Newberry Bank (S. N. Dutcher); successor to Newberry Savings Bank; capital, $15,000.

MINNESOTA.

BIGELOW—Bank of Bigelow; capital, $4,500; Cashier, Wm. Waterman.

GRACEVILLE—Security Bank (John McRae); capital, $25,000; Cashier, Jno. A. McRae.

MISSISSIPPI.

BATESVILLE—Batesville Bank.

NEW MEXICO.

SILVER CITY—E. B. Moorman & Co.

NEW YORK.

BROOKLYN—Greater New York Sav. Bank; Pres., Chas. J. Obermeyer; 1st Vice-Pres., Van Meter Stillwell; 2d Vice-Pres., Thomas Murphy; Secretary, H. Gratton.

CANISTEO—State Bank of Canisteo; organizing.

NEW YORK CITY—National Surety Co.; capital, $500,000; Pres., Chas. A. Dean.

SINCLAIRVILLE—Sheldon, Cipperly & Chessman.

OKLAHOMA.

EARLSBORO—Eugene Arnett & Co.; capital, $7,500.

OHIO.

FOSTORIA—Citizens' Banking Co.; capital, $50,000: organizing.

FRANKLIN—Collection Exchange (Wm. F. Schenck).

TOLEDO—Woodbury & Moor.

WAPAKONETA—Farmers' Bank (Chas. Kolter).

SOUTH CAROLINA.

GAFFNEY—National Bank of Gaffney (successor to Carroll & Stacy); capital, $50,000; Pres., F. G. Stacy; Vice-Pres., J. C. Wardlaw; Cas., D. C. Ross.

TENNESSEE.

RUTHERFORD—Rutherford Bank; Pres., W. P. Elrod; Vice-Pres., J. E. Kyzer; Cashier, Luther Porter.

TIPTONVILLE—Lake County Bank (James C. Harris).

TEXAS.

ANGLETON—Bank of Angleton (Hoskins & Moore).

ENNIS—Baldridge Banking Co.; capital, $150,000.

FORT WORTH—State National Loan and Trust Co.; capital, (subscribed) $100,000; Pres., R. H. NcNatt; Sec., C. C. Wilson.

VERMONT.

BARTON—Barton Savings Bank; Pres., H. R. Cutler; Vice-Pres., H. C. Pierce; Treas., L. J. Harriman.

VIRGINIA.

WILLIAMSBURG—Peninsula Bank; capital, $10,000; Pres., R. L. Henly; Cas., H. M. Phillips.

CANADA.

ASSINIBOIA.

INDIAN HEAD—T. A. Skilliter & Co.

MANITOBA.

BRANDON—D. A. Hopper.

DAUPHIN—Harvey & Co.

RAPID CITY—D. A. Hopper.

BRITISH COLUMBIA.

NEW DENVER—Bank of Montreal; E. J. Fincane, temporary Manager.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

DECATUR—First National Bank; J. L. Brock, Vice-Pres., in place of D. L. Downs.

EUFAULA—East Alabama National Bank; G. A. Beauchamp, Asst. Cas.

HUNTSVILLE—Farmers and Merchants' National Bank; A. E. Mastin, Asst. Cas.

TUSKALOOSA—First National Bank; F. P. Marlowe, Vice-Pres.

ARIZONA.

PHOENIX—National Bank of Arizona; S. Oberfelder, Cas., in place of Geo. W. Hoadley.——Phoenix National Bank; no Pres. in place of F. S. Belcher; no Vice-Pres. in place of J. P. Cole.

PRESCOTT—Prescott National Bank; Walter C. Brandon, Asst. Cas.

ARKANSAS.

FORT SMITH—American National Bank; Wm. Blair, Pres., in place of B. F. Atkinson; T. J. Smith, Vice-Pres., in place of Stephen Wheeler.——Merchants' Bank; J. B. Williams, Pres., in place of W. J. Echols; Will J. Echols, Vice-Pres., in place of J. B. Williams.

RUSSELLVILLE—First National Bank; T. M. Neal, Vice-Pres.

CALIFORNIA.

FRESNO—First National Bank; W. P. Price, Asst. Cas.——Fresno National Bank; F. P. Wickersham, Vice-Pres., in place of John E. Gray.

REDLANDS—First National Bank; S. C. Haver, Vice-Pres., in place of A. L. Park.

SAN FRANCISCO—California Mortgage and Savings Bank (removed from San Luis Obispo); Ernst A. Denicke, Pres.; H. Brunner, Cas.; A. Bauer, Asst. Cas.

SAN JOSE—Bank of James A. Costa & Co.; Mary A. Costa, Cas.

SANTA BARBARA—First National Bank; F. L. Kellogg, Vice-Pres., in place of Ellwood Cooper; H. P. Lincoln, Cas., in place of A. L. Lincoln, deceased; no Asst. Cas. in place of H. P. Lincoln,

COLORADO.

BOULDER—First National Bank; corporate existence extended until April 3, 1917; Geo. F. Fonda, Vice-Pres., in place of D. L. Wise.

DENVER—Citizens' Savings and Commercial Bank; succeeded by Citizens' Trust and Savings Bank.——First National Bank; Jerome A. Vickers, 2d Asst. Cas., deceased.

TRINIDAD—Trinidad National Bank; no Asst. Cas. in place of D. J. Devine.

CONNECTICUT.

BRISTOL—Bristol Savings Bank; Elbert E. Thorpe, Vice-Pres., deceased.

HARTFORD—National Exchange Bank; E. C. Johnson, Cas., in place of W. S. Wooster.——Hartford National Bank; G. Wells Root, director, deceased.——State Bank; Nelson Hollister, director, deceased.——Burr Reeve Abbe, deceased.——Nat. Exchange Bank; E. C. Johnson, Cas., in place of Wm. S. Wooster, deceased.——Farmers and Mechanics' National Bank, and Connecticut River Banking Co.; James F. Dudley, director, deceased.

NEWTOWN—Newtown Savings Bank; Philo Clarke, Pres., deceased.

STONINGTON—First National Bank; Moses A.

Pendleton, Acting Pres. in place of Wm. J. H. Pollard, deceased.

THOMASTON — Thomaston National Bank; Charles F. Williams, Vice-Pres., in place of A. P. Bradstreet.

WESTPORT—First National Bank; Horace Staples, Pres., deceased.

DISTRICT OF COLUMBIA.

WASHINGTON—National Bank of the Republic; Wm. J. Sibley, director, deceased.—Second National Bank, and National Safe Deposit, Sav. and Trust Co.; Lewis Clephane, director, deceased.

GEORGIA.

AMERICUS—People's National Bank; no Asst. Cas. in place of Lester Windsor.

ATLANTA—Georgia Security and Banking Co.; A. L. Waldo, Treas., in place of Otis Smith.

DAWSON—Dawson National Bank; M. M. Lowery, Cas., in place of F. E. Clark.

GAINESVILLE—First National Bank; J. T. Tilford, Asst. Cas.

GRIFFIN-City National Bank; Roswell H. Drake, Vice-Pres., in place of A. Scheuerman.

IDAHO.

LEWISTON—Lewiston National Bank; D. M. White, Pres., in place of F. W. Kettenbach.

ILLINOIS.

CHICAGO—Union National Bank; David R. Forgan, Vice-Pres.; no 2d Vice-Pres.—Atlas National Bank (in liquidation); no 2d Vice-Pres. in place of C. J. Connell; W. S. Tillotson, Cas., in place of S. W. Stone; no Asst. Cas. in place of W. S. Tillotson—National Bank of the Republic; J. H. Cameron and H. R. Kent, Asst. Cashiers; R. M. McKenney, 2d Asst. Cas.—Fort Dearborn National Bank; L. A. Goddard, 2d Vice-Pres.—Garden City Banking and Trust Co.; Jno. W. Buehler, Vice-Pres.; Carl Moll, Cas., in place of Jno. W. Buehler.

PEKIN — Farmers' National Bank; J. M. James, Vice-Pres., in place of F. Shurtleff.

QUINCY—Quincy National Bank; Louis Wolf, Vice-Pres., in place of Julius Kespohl.

MONMOUTH—People's National Bank; Geo. E. Armsby, Vice-Pres., in place of Wm. B. Smith; no 2d Vice-Pres. in place of Geo. E. Armsby.

MOUNT CARMEL—First National Bank; no Vice-Pres. in place of James Mahon, deceased.

MURPHYSBORO—First National Bank; Chas. L. Ritter, Asst. Cas.

WENONA — First National Bank; Isaac Vaughn, Vice-Pres., in place of Charles Howe.

INDIANA.

BRAZIL—First National Bank; C. S. Andrews, Pres. in place of E. F. Lawrence; H. Stevenson, Cashier in place of C. S. Andrews.

ELWOOD—First National Bank; Chas. C. Dehority, Cas. in place of Jos. A. Dehority.

FORT WAYNE—First National Bank; no Vice-Pres. in place of M. W. Simons.

LEBANON—First National Bank; W. J. De Vol, Pres. in place of G. W. Baird; Julius H. Pinnell, Vice-Pres. in place of W. J. De Vol; no Asst. Cash. in place of Chas. De Vol.

LIBERTY—Union County National Bank; J. Davis, Vice-Pres. in place of J. C. Kitchel.

MONTICELLO—Citizens' Bank; reported sold to State Bank.

NORTH MANCHESTER—Lawrence National Bank; Clement L. Arthur, Asst. Cashier in place of David Whisler.

NORTH VERNON—First National Bank; E. H. Lange, Asst. Cashier in place of Ed. Williams.

VERNON—First National Bank; E. P. Trapp, Asst. Cashier.

WABASH—Wabash National Bank; Thomas McNamee, Pres. in place of Jos. W. Busick, deceased; T. W. King, Vice-Pres. in place of Geo. N. King, deceased.

INDIAN TERRITORY.

MUSCOGEE—First National Bank; F. B. Fite, Vice-Pres. in place of P. J. Byrne.

SOUTH MCALESTER—First National Bank; W. J. Wade, Vice-Pres.

IOWA.

ANAMOSA—Anamosa Nat. Bank; no Asst. Cashier in place of Jno. Z. Lull.

CLARINDA—Clarinda National Bank; Jacob Butler, Vice-Pres. in place of H. L. Cohenower.

DIAGONAL—Bank of Diagonal; Ray Brattain, Cashier in place of A. A. Payne.

GRISWOLD—First National Bank; P. G. Mapel, Cashier in place of R. L. Brown.

HARTLEY—First National Bank; J. W. Walter, Pres. in place of J. P. Gross.

IOWA FALLS—First National Bank; E. S. Ellsworth, Pres. in place of J. H. Carleton; J. H. Carleton, Vice-Pres. in place of E. S. Ellsworth.

MONTEZUMA—First National Bank; Thomas Harris, Vice-Pres. in place of C. A. C. Harris.

MONTICELLO—G. W. & G. L. Lovell; G. W. Lovell, deceased.

OSKALOOSA — Frankel State Bank; Isaiah Frankel, Pres., deceased.

SAC CITY—First National Bank; no Asst. Cashier in place of J. E. Nutter.

SANBORN First National Bank; W. W. Johnson, Vice-Pres. in place of E. M. Brady.

SIOUX CITY—First National Bank; permitted by Comptroller of the Currency to reopen for business March 16; Thomas J. Stone, Pres., E. H. Stone, Vice-Pres.

SPENCER—First National Bank; Chas. McAllister, Pres. in place of Franklin Floete; A. C. Perine, Vice-Pres. in place of Andrew R. Smith; M. P. W. Albee, Cashier in place of Ackley Hubbard.

WAUKON—First National Bank; J. M. Barthell, Pres. in place of W. J. Mitchell; F. H. Opfer, Vice-Pres. in place of J. M. Barthell.

WEBSTER CITY—Farmers' National Bank; E. E. Jones, Vice-Pres. in place of Geo. Shipp; W. G. Howard, Asst. Cashier.

KANSAS.

ARKANSAS CITY—First National Bank; reported succeeded by Bank of Arkansas City.

BURLINGAME—First National Bank; J. T. Pringle, Pres. in place of C. M. Sheldon; J. P. Slaughter, Vice-Pres. in place of L. B. Wheeler.

CENTRALIA—First National Bank; A. Oberndorf, Jr., 2d Vice-Pres.; A. S. King, Cashier in place of A. Oberndorf, Jr.

COFFEYVILLE—First National Bank; H. W. Read, Vice-Pres. in place of A. P. Boswell.

COTTONWOOD FALLS—Chase County National Bank; J. D. Minick, Pres. in place of A. S. Howard, deceased; Arch. Miller, Vice-Pres. in place of J. D. Minick.

DIGHTON—First National Bank; Chas. E. Lobdell, Vice-Pres. in place of T. F. Eaton; F. H. Lobdell, Asst. Cashier.

EL DORADO—Exchange National Bank (in liquidation); Jno. W. Brown, Cashier in place of S. G. Fleming; no Asst. Cashier in place of Jno. W. Brown.

GARDEN CITY—First National Bank; B. P. Shawhan, Pres.

GARNETT—Anderson County National Bank; C. Q. Chandler, Pres. in place of Scott Elliott; E. E. Masterman, Cashier in place of Geo. W. Hunley.

HOLTON—First National Bank; no Asst. Cashier in place of F. G. Moore.

HOWARD—First National Bank; W. M. Crooks, Vice-Pres.

HUTCHINSON—First National Bank; W. H. Eagan, Cashier.

KIRWIN—Kirwin State Bank; H. J. Cameron, Pres. instead of Chas. W. Hull, as erroneously reported in previous number; Chas. W. Hull, Vice-Pres.

PRATT—Farmers and Merchants' Bank; A. Minch, Cashier in place of P. C. Reed.

WICHITA—Kansas National Bank; C. H. Davidson, Cashier in place of Arthur Faulkner.

KENTUCKY.

FRANKLIN—Simpson County Bank; M. S. Harris, Cashier in place of A. T. Bradley, deceased.

GEORGETOWN—Deposit Bank; Jno. B. Graves, Vice-Pres. in place of A. S. Bradley, deceased.

LOUISVILLE—Farmers and Drovers' Bank; Henry A. Bell, W. C. Kendrick and W. Buschmeyer, Jr., elected directors.

PRINCETON—First National Bank; D. H. Gardner, Asst. Cashier.

LOUISIANA.

THIBODAUX—Bank of Lafourche; Anatole J. Braud, Pres.; Kleber J. Braud, Cashier.

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MAINE.

AUGUSTA—Augusta Savings Bank; Wm. S. Badger, Pres., deceased.

MARYLAND.

BALTIMORE—Drovers and Mechanics' National Bank; Chas. S. Miller, Asst. Cashier.——Third National Bank; Thos. J. Shryock, Vice-Pres., resigned.——South Baltimore Bank; Winfield S. Cahill, director in place of John Meeth.——Equitable Nat. Bank; Jos. R. Foard, elected director in place of E. F. Larrabee.——Nicholson & Co.; reported succeeded by H. W. Hyde & Co.

MASSACHUSETTS

BOSTON—Mercantile Trust Co. (successor to Hancock National Bank); Josiah Q. Bennett, Pres.; Andrew W. Preston, Vice-Pres.; John Gilcreast, Treas.; F. T. Monroe, Sec.——Market National Bank; H. F. Smith, Cas., in place of Josiah Q. Bennett; A. C. Jordan, Asst. Cas., in place of H. F. Smith.——Central National Bank; C. H. Frye, Cas.; no Asst. Cas. in place of C. H. Frye.——Third National Bank; O. E. Weld, director, deceased.——Boston Safe Deposit and Trust Co.; Frederick M. Stone, Pres., deceased.——Beacon Trust Co.; Wm. R. Witherle, Treas., deceased.——N. W. Harris & Co.; removed to 67 Milk Street.——Dillaway & Starr; C. F. Starr, deceased.——James W. Longstreet & Co.; removed to 60 State Street.——Faneuil Hall National Bank; C. E. Morrison, Vice.Pres.; H. P. Sanborn, Asst. Cashier.

FITCHBURG—Safety Fund National Bank; Elmer A. Onthank, Cas., in place of Elvin J. Torrey.

HAVERHILL—Merchants' National Bank; L. H. Chick, Pres., in place of Chas. E. Wiggin.

NORTH ATTLEBORO—North Attleboro National Bank; Alpin Chisholm, Asst. Cas.

SPRINGFIELD—Second National Bank; W. H. Wright, Vice-Pres.

WHITMAN—Whitman National Bank; A. E. Stetson, Vice-Pres., in place of D. B. Gurney.

MICHIGAN.

BUCHANAN—First National Bank; D. S. Scoffern, Pres., in place of James Reynolds.

CHESANING—Chesaning Bank; Frank T. Sheldon, Cas., deceased.

DETROIT—Commercial National Bank; M. L. Williams, Vice-Pres., in place of F. H. Walker; A. W. Ehrman, Asst. Cas., in place of Geo. B. Caldwell.——American Exchange National Bank; W. A. Avery, Vice-Pres., in place of Geo. B. Sartwell.——Detroit Savings Bank; Geo. Jerome, director, deceased.

FLINT—First National Bank; Wm. Hamilton, Pres., in place of D. S. Fox; John J. Carton, Vice-Pres., in place of William L. Smith.

GAYLORD—Otsego County Bank; T. E. Wiggins, Cas., in place of W. H. H. Cooper.

GRAND RAPIDS—State Bank of Michigan; capital reduced to $150,000. —— Fifth National Bank; C. D. Stebbins, Vice-Pres., in place of J. H. Bonnell.

MENOMINEE—First National Bank; no Asst. Cas. in place of T. E. Hicks.——Lumbermen's National Bank; no Asst. Cas. in place of S. G. Reed.

SEBEWAING—Sebewaing Bank; H. H. Simpson, Cas., *pro tem.* in place of Geo. F. Hazen, deceased.

ST. LOUIS—First National Bank; John Tuger, Pres., in place of R. M. Steel; A. B. Darragh, Vice-Pres., in place of John Tuger.

THREE RIVERS—Three Rivers National Bank and First National Bank reported consolidated under latter title.

VASSAR—First National Bank; George D. Clarke, Asst. Cas.

MINNESOTA.

KASSON—National Bank of Kasson; Chas. E. Fairchild, Asst. Cas.

MARSHALL—Lyon County National Bank; M. Sullivan, Pres., in place of C. B. Tyler; D. D. Forbes, Vice-Pres., in place of James Lawrence.

ST. PAUL—Merchants' National Bank; Geo. C. Power, Cas., in place of Frank A. Seymour.

WADENA—Merchants' National Bank; Isaac Hazlett, 2d Vice-Pres.

WINONA—First National Bank; Chas. Horton, Vice-Pres., in place of R. D. Cone.

MISSISSIPPI.

ABERDEEN—First National Bank; no Vice-Pres. in place of J. P. Benson.——Bank of Aberdeen; Wm. G. Elkin, Pres., deceased.

RIPLEY—Bank of Ripley; capital, $25,000.

MISSOURI.

HANNIBAL—First National Bank; H. Clay Whaley, Vice-Pres., in place of J. F. Meyer.

HIGGINSVILLE—Citizens' Bank; S. A. Vermillion, Cashier in place of D. W. Elling, deceased.

KANSAS CITY—Midland National Bank; K. G. Leavens, Asst. Cas.——American National Bank; J. R. Dominick, Cas. in place of T. H. Beekman; A. C. Sweet, Asst. Cas.

LAMAR—First National Bank; A. C. Burnett, Vice-Pres.

LEXINGTON—Lafayette County Bank; capital reduced from $20,000 to $10,000.

LIBERTY—First National Bank; Jno. S. Major, Pres,. in place of Daniel Hughes; Daniel Hughes, Vice-Pres., in place of John T. Chandler.

MONROE CITY—Monroe City Bank; capital increased to $40,000.

SPRINGFIELD—Central National Bank; Geo. D. McDaniel, Cas., in place of J. D. Sheppard.

ST. JOSEPH—First National Bank of Buchanan County; A. Kirkpatrick, Vice-Pres.

ST. LOUIS—St. Louis National Bank; Eugene Karst, Cas.——National Bank of the Republic; C. H. Bullen, Pres., deceased.——Southern Commercial and Savings Bank; John Krauss, Pres., deceased.——Mechanics' Bank; C. O. Austin, Cas.

WEBB CITY—First National Bank; location changed to Carterville, Mo.

MONTANA.

BILLINGS—First National Bank; S. F. Morse, Asst. Cas.

BUTTE—First National Bank; Andrew J. Davis, Pres., in place of Hiram Knowles; E. B. Weirick, Cas., in place of Andrew J. Davis; Geo. Stevenson, Asst. Cas., in place of John E. Davis.——Silver Bow National Bank; S. Merchesseau, Vice-Pres., in place of Chas. C. Rueger.

GREAT FALLS—Great Falls National Bank; John T. Murphy, Vice-Pres., in place of E. G. Maclay.

KALISPELL—First National Bank; D. R. Peeler, Pres., in place of G. H. Adams.

MILES CITY—State National Bank; Pierre Wibaux, Pres., in place of Aaron Hershfield; Chas. H. Loud, Vice-Pres. in place of Pierre Wibaux.

WHITE SULPHUR SPRINGS—First National Bank; J. M. Smith, Vice-Pres., in place of William Gaddis.

NEBRASKA.

ARLINGTON—First National Bank; E. Quesner, Cas., in place of Wm. D. Badger; no Asst. Cas. in place of E. Quesner.

FREMONT—First National Bank; H. J. Lee, Vice-Pres., in place of S. B. Colson.

GENEVA—Geneva National Bank; M. R. Chittick, Cas., in place of H. C. Bruner.

NEBRASKA CITY—Merchants' National Bank; H. N. Shewell, Vice-Pres.; R. O. Marnell, Cas., in place of H. N. Shewell; T. J. Homeyer, Asst. Cas., in place of R. O. Marnell.

OMAHA—Commercial National Bank; R. F. Fagan, Asst. Cas.——Union National Bank; no Cas. in place of Chas. E. Ford.

ORLEANS—First National Bank; M. F. Burton, Vice-Pres.; Arthur McGrew, Asst. Cas., in place of M. F. Burton.

SCHUYLER—First National Bank; W. A. Rathsack, Asst. Cas.

SOUTH OMAHA—Union Stock Yards National Bank; J. A. Creighton, Pres., in place of John A. McShane; F. H. Davis, Vice-Pres., in place of W. A. Paxton.——South Omaha National Bank; E. A. Cudahy, Vice-Pres., in place of Truman Buck.

WAHOO—Saunders County National Bank; Olof Berggren, Vice-Pres., in place of J. M. Lee.

WAYNE—First National Bank: Frank E. Strahan, Vice-Pres., in place of Frank M. Northrop.

NEW JERSEY.

BOUND BROOK—First National Bank; H. G. Herbert, Asst. Cas.

CRANBURY—First National Bank; Geo. B. Mershon, Cas., in place of Chas. Applegate.

GLASSBORO—First National Bank; Chas. Applegate, Cas., in place of A. S. Emmel.

HADDONFIELD—Haddonfield National Bank; W. R. Buzby, Pres., in place of A. W. Clement; Samuel Dunbarr, Vice-Pres., in place of Chas. H. Hillman.

JERSEY CITY—Greenville Loan and Trust Co.: title reported changed to Greenville Banking and Trust Co.

LONG BRANCH—Long Branch Banking Co.; Wm. R. Maps, Pres., deceased.

NEW BRUNSWICK—National Bank of New Jersey; B. Hampton Wyckoff, Vice-Pres.

SUMMIT—First National Bank, J. S. Palmer, Vice-Pres.

NEW HAMPSHIRE.

COLEBROOK—Colebrook National Bank; W. E. Drew, Vice-Pres., in place of F. B. Crawford.

NEWPORT—Citizens' National Bank; F. A. Rawson, Vice-Pres., in place of S. G. Stowell, deceased.

NEW MEXICO.

SILVER CITY—Silver City National Bank; James W. Gillett, Pres.

NEW YORK.

ALBANY—National Commercial Bank; J. M. Warner, director, deceased.

BUFFALO—Bank of Buffalo; Henry C. Howard elected director in place of Sherman S. Jewett, deceased.

CORTLAND—National Bank of Cortland; S. S. Knox, Pres. in place of Wesley Hooker.

FORT PLAIN—Fort Plain National Bank; Andrew Dunn, Pres. in place of Edwin W. Wood; Robert H. Shearer, Vice-Pres. in place of Andrew Dunn.

HERKIMER—First National Bank; no Asst. Cashier in place of C. L. Avery, Jr.

HOOSICK FALLS—First National Bank; Wm. Kelyer, Vice-Pres. in place of A. L. Johnson.

MALONE—People's National Bank; M. F. McGarrahan, Asst. Cashier.

MORAVIA—Moravia National Bank; corpoate existence extended until Mar. 19, 1917.

NEW YORK CITY—National Union Bank; H. H. Swasey, Asst. Cashier.——Central Trust Co.; Chas. H. P. Babcock, Secretary, deceased.——Knickerbocker Trust Co.: Geo. J. Magee, director, deceased.——Fourth National Bank; Cornelius N. Bliss, Vice-Pres., resigned; J. G. Cannon, Pres. *pro tem.*——German Exchange Bank; Geo. Rothman, Pres., deceased.——Fifth Avenue Bank; Samuel Shethar, director, deceased.——William Alexander Smith & Co., will retire from business May 1.——James G. King's Sons; Archibald Gracie King, deceased.——D. W. Berdan & Co.; D. W. Berdan, deceased.——Gelston & Bussing; W. J. Gelston, deceased.

SYRACUSE—Commercial Bank; Henry J. Mowry, Pres., deceased.

UNION SPRINGS—Amos M. Clark, deceased.

WATERTOWN—National Bank and Loan Co.; G. C. Sherman, Pres. in place of Geo. H. Sherman, deceased; Henry Purcell, Vice-Pres. in place of G. C. Sherman; Wm. H. Hathaway, Cashier in place of C. L. Parmelee.——City National Bank; Geo. B. Kemp, Asst. Cashier.

WEST TROY—National Bank of West Troy Post Office changed to Watervleit.

NORTH CAROLINA.

DURHAM—First National Bank; J. W. Smith, Vice-Pres.

MOUNT AIRY—First National Bank; C. L. Hanks, Vice-Pres., in place of R. L. Gwynn.

WASHINGTON—First National Bank; D. M. Carter, Vice-Pres., in place of N. S. Fulford.

WILMINGTON—Atlantic National Bank; W. C. Coker, Jr., 2d Vice-Pres.; no Asst. Cas. in place of W. C. Coker, Jr.——National Bank of Wilmington; F. R. Hawes, Cas.

WINSTON—First National Bank; no Cas. in place of John G. Miller.

NORTH DAKOTA.

BISMARCK—First National Bank; no Cas. in place of Wm. A. Dillon; S. M. Pye, Asst. Cas.

FAIRMOUNT—Bank of Fairmount; B. W. Schouweiler, Pres., in place of W. H. Cox; John Leathart, Vice-Pres.; W. H. Cox, Cas.

HILLSBORO—Hillsboro National Bank; Lewis Larsen, Vice-Pres., in place of J. E. Lasham; J. E. Lasham, Cas., in place of H. J. Nyhus.

MANDAN—First National Bank; no Asst. Cas. in place of A. J. Wake.

OHIO.

AKRON—Central Savings Bank Co.; capital, $50,000; J. H. Baldwin, Pres.; J. R. Nutt, Treas.——City National Bank; D. E. Hill, Vice-Pres., in place of A. M. Barber.

BOWLING GREEN—First National Bank; J. R. Hankey, Pres., in place of H. H. Clough; H. W. Morgenthaler, Vice-Pres., in place of J. R. Hankey.

BUCYRUS—Second National Bank; E. Blair, Pres., in place of M. J. Monnett; James H. Malcolm, Vice-Pres., in place of E. Blair.

CINCINNATI—Ohio Valley National Bank; no Asst. Cas. in place of David Jones.

CIRCLEVILLE—Third National Bank; S. Morris, Pres., in place of John Groce; W. G. Jacob, Cas., in place of S. Morris; no Asst. Cas. in place of W. G. Jacob.

CLEVELAND—Marine Bank Company; capital stock reduced from $300,000 to $200,000.

CONNEAUT—First National Bank; O. C. Lillie, Cas., in place of B. E. Thayer.

DELAWARE—Deposit Banking Co.; no Asst. Cas.; Sue Clippinger so reported by error in last number.

LOCKLAND—First National Bank; L. M. Sanford, Cas., in place of O. C. Williams; L. Kellner, Asst. Cas., in place of L. M. Sanford.

MASSILLON—Massillon Savings and Banking Co.; W. K. L. Warwick, Pres., deceased.

MIAMISBURG—Citizens' National Bank; Christian Weber, Vice-Pres., in place of T. V. Lyons, deceased.

NEWARK—People's National Bank; John H. Franklin, Cas., in place of John H. Franklin, Jr.

PIQUA—Third National Bank; Wm. Sniff, Pres., in place of L. Leonard.

TIPPECANOE CITY—Tipp National Bank; E. L. Crane, Asst. Cas.

XENIA—Citizen's National Bank; H. H. Eavey, Pres.; J. H. Harbine, Vice-Pres., in place of H. H. Eavey.

YOUNGSTOWN—Mahoning National Bank; corporate existence extended until March 15, 1917.

OKLAHOMA.

OKLAHOMA CITY—First National Bank; G. T. Reynolds, Pres., in place of T. M. Richardson; J. M. Curtier, Vice-Pres., in place of G. T. Reynolds; J. P. Boyle, Cas., in place of T. M. Richardson, Jr.

OREGON.

ASTORIA—First National Bank; Geo. C. Fland, 2d Vice-Pres.

ATHENA—First National Bank; N. W. Barnett, Asst. Cas., in place of M. M. Johns.

ENTERPRISE—Wallowa National Bank; J. M. Church, Pres., in place of Robert M. Steel; Geo. W. Hyatt, Vice-Pres., in place of J. M. Church.

ISLAND CITY—First National Bank; J. M. Church, Pres., in place of R. M. Steel; J. L. Caviness, Vice-Pres., in place of J. M. Church.

MCMINNVILLE—First National Bank; E. M. Underwood, Asst. Cas.——McMinnville National Bank; Lee Laughlin, Pres., in place of J. W. Cowles, deceased; J. L. Rogers, Vice-Pres., in place of Lee Laughlin.

ROSEBURG—First National Bank; A. E. Ozonf, Vice-Pres., in place of J. W. Hamilton.

PENNSYLVANIA.

BEDFORD—First National Bank; Oscar D. Doty, Asst. Cas.

BRADDOCK—Braddock National Bank; J. G. Kelly, Pres., in place of R. E. Stewart; E. M. Brackemeyer, Cas., in place of J. G. Kelly; Geo. A. Todd, Asst. Cas., in place of E. M. Brackemeyer.—First National Bank; G. C. Watt, Cas., in place of H. C. Schallenberger (to correct error in previous number, given as H. Watt, as reported by office of Comptroller of the Currency).

DUQUESNE—First National Bank; Chas. B. Payne, Vice-Pres., in place of Wm. Oliver.

EPHRATA—Ephrata National Bank; no Vice-Pres. in place of J. B. Keller.

HAZLETON—First National Bank; David Clark, Vice-Pres.

JAMESTOWN—Jamestown Banking Co.; Jas. McMaster, Pres., deceased.

LANCASTER—People's National Bank; P. E. Slaymaker, Pres., in place of Jacob L. Steinmetz; Du Bois Rohrer, Cas., in place of P. E. Slaymaker.

PHILADELPHIA—Land Title and Trust Co.; voted to increase capital stock to $2,000,000.——Northwestern National Bank; Louis J. Bauer, Vice-Pres.

RIDGWAY—Elk County National Bank; W. H. Hyde, Pres., in place of J. Powell, deceased; H. S. Thayer, Vice-Pres., in place of W. H. Hyde.

SCOTTDALE—First National Bank; A. C. Overholt, Vice-Pres., in place of A. S. Loucks.

SCRANTON—Scranton Savings Bank; James Blair, Pres., deceased.

RHODE ISLAND

PHENIX—Phenix National Bank; George E. Sheldon, Cas., in place of Henry D. Brown; no Asst. Cas., in place of Geo. E. Sheldon.

PROVIDENCE—Manufacturers' National Bank; H. E. Thurston, erroneously reported Asst. Cas. in January, 1897, BANKERS' DIRECTORY, should be Asst. Cas. Mechanics' National Bank.——City National Bank; Henry A. Howland, Vice-Pres., deceased.

SOUTH DAKOTA.

MITCHELL—Mitchell National Bank; Wm. M. Smith, Asst. Cas., in place of A. R. Groenke.

SIOUX FALLS—Minnehaha National Bank; B. F. Campbell, Vice-Pres., in place of G. A. Uline.

WATERTOWN—Citizens' National Bank; Jno. F. Brock, Vice-Pres.

TENNESSEE.

JONESBORO—First National Bank; no Vice-Pres.

MEMPHIS—National Bank of Commerce; J. T. Fargason, Vice-Pres.; Wm. R. Stewart and P. S. Smithwick, Asst. Cashiers.

NASHVILLE—White, Dudley & Co.; reported succeeded by Wm. White.

ROCKWOOD—First National Bank; T. A. Wright, Vice-Pres., in place of W. B. Clark.

SPRINGFIELD—Springfield National Bank; J. W. Brown, Vice-Pres., in place of Thomas Pepper.

TULLAHOMA—Traders' National Bank; no Asst. Cas. in place of W. N. Byers.

TEXAS.

AMARILLO—Amarillo National Bank; A. G. Boyce, Pres., in place of J. C. Paul.

ATLANTA—First National Bank; A. C. Smith, Pres., in place of M. Jacobs; T. S. Spell, Vice-Pres., in place of J. T. Chamblee.

BEEVILLE—Commercial National Bank; D. C. Stone, Pres., in place of A. G. Kennedy; I. J. Miller, Asst. Cas.

BOWIE—First National Bank; T. C. Phillips, Pres., in place of Z. T. Lowrie; A. E. Thomas, Cas., in place of T. C. Phillips; no Asst. Cas. in place of A. E. Thomas.——City National Bank; Wade Atkins, Pres., in place of M. L. Mainzer; C. H. Boedeker, Cas., in place of Wade Atkins; no Asst. Cas. in place of C. H. Boedeker.

BRYAN—Merchants and Planters' National Bank (resumed); J. W. English, Pres.; M. D. Cole, Vice-Pres.; J. N. Cole, Cas.; A. D. McConnico, Asst. Cas.

CHILDRESS—First National Bank; no Vice-Pres. in place of C. E. Brown.

CISCO—First National Bank; succeeded by First Bank.

COLEMAN—Coleman National Bank; J. E. McCord, Pres., in place of W. N. Cameron; W. R. McClellan, Vice-Pres., in place of J. E. McCord; W. N. Cameron, Cas., in place of R. H. Alexander.

CORSICANA—City National Bank; W. F. Seale, Vice-Pres., in place of J. T. Sullivan; S. D. Curtis, Cas., in place of S. M. Kerr.——Corsicana National Bank; C. W. Jester, Pres., in place of Geo. T. Jester; J. W. Edens, 2d Vice-Pres., in place of E. W. Johnson; T. P. Kerr, Cas., in place of C. W. Jester; A. T. Holland, Asst. Cas., in place of Geo. E. Jester.

DALLAS—Mercantile National Bank; A. V. Lane, Cas., in place of Paul Furst.

EAGLE PASS—Simpson National Bank; C. R. Prouty, Vice-Pres.

FORT WORTH—First National Bank; W. D. Peak, Asst. Cas.——Farmers and Mechanics' National Bank; M. P. Bewley, 2d Vice-Pres.

GAINESVILLE—Red River National Bank; L. B. Edwards, Pres., in place of L. B. Smith (L. B. Smith elected President January 18, 1897); J. L. Patrick, Vice-Pres., in place of L. B. Edwards; no Asst. Cas. in place of E. B. Blanton.

GATESVILLE—City National Bank; J. W. Saunders, Cas., in place of J. S. Corley.

GRANBURY—First National Bank; Gaston Cogdell, Vice-Pres., in place of E. A. Hannaford; no Asst. Cas. in place of Gaston Cogdell.

HENRIETTA—Farmers' National Bank; C. B. Patterson, Pres., in place of Sidney Webb; W. H. Myers, Vice-Pres., in place of C. B. Patterson.

ITASCA—Citizens' National Bank; E. S. Burgess, Asst. Cas., in place of W. B. Hadley.

LADONIA—First National Bank; A. B. Cox, Vice-Pres., in place of J. C. Blakeney; J. W. Nail, 2d Vice-Pres., in place of A. B. Cox; S. J. McFarland, Asst. Cas., in place of D. A. Duncan.——Weldon National Bank; R. N. Burt, Asst. Cas., in place of W. L. Reed.

LULING—Johnston, Lipscomb & Co.; W. R. Johnston, deceased.

MONTAGUE—First National Bank; J. J. Barrett, Vice-Pres., in place of J. W. L. Kern; W. L. Ponder, Cas., in place of E. E. Shipley; no Asst. Cas. in place of W. L. Ponder.

NAVASOTA—First National Bank; Ewing Norwood, Asst. Cas., in place of J. Q. Yarborough.

NOCONA—Bank of Nocona; capital, $25,000; Edward Rines, Pres.; D. C. Jordan, Vice-Pres.; E. F. Rines, Cas.

PALESTINE—Palestine National Bank; A. L. Bowers, Vice-Pres., in place of A. S. Fox.

ROCKPORT—First National Bank of Aransas Pass; E. A. Stevens, Vice-Pres., in place of C. W. Booth; J. W. Hoopes, Asst. Cas.

STEPHENVILLE—First National Bank; W. A. Hyatt, Cas., in place of J. B. Ator; no Asst. Cas. in place of W. A. Hyatt.

SULPHUR SPRINGS—City National Bank; S. D. Greaves, Vice-Pres., in place of Jno. L. Hunter; W. O. Womack, Cas., in place of John T. Hargrove; R. M. Womack, Asst. Cas., in place of S. L. Rogers.

TAYLOR—First National Bank; C. H. Welch, Pres. in place of John R. Hoxie, deceased; F. L. Welch, Cashier in place of C. H. Welch; no Asst. Cashier in place of F. L. Welch.

VELASCO—Velasco National Bank; W. W. Haskins, Pres. in place of Lewis R. Bryan; no Asst. Cashier.

WACO—Provident National Bank; E. A. Sturgis, Cashier in place of A. L. Brown; no Asst. Cashier in place of E. A. Surgis.

WEATHERFORD—Merchants and Farmers' National Bank; Geo. P. Levy, Vice-Pres. in place of R. H. Fout.

WICHITA FALLS—Panhandle National Bank; C. A. Allingham, Vice-Pres. in place of C. C. White; Benj. Sherrod, Asst. Cashier.

VERMONT.

BARRE—National Bank of Barre; D. P. Town, Asst. Cashier.

LYNDONVILLE—Lyndonville National Bank; J. F. Ruggles, Pres.

ST. JOHNSBURY—Merchants' National Bank; Elmore T. Ide, Pres. in place of H. Henry Powers; Geo. Ide, Vice-Pres. in place of Elmore T. Ide.

SWANTON—People's National Bank; A. J. Ferris, Pres. in place of J. E. Farrell; H. G. Morton, Vice-Pres. in place of A. J. Ferris.

VIRGINIA.

CHARLOTTESVILLE—People's National Bank; J. M. Robertson, Cashier in place of B. C. Flannagan, deceased.

DANVILLE—Planters' National Bank; Jno. D. Langhorne, Pres. in place of W. P. Bethell; J. R. Jopling, Vice-Pres.

FRONT ROYAL—Front Royal National Bank; no Vice-Pres. in place of M. M. Johnson.

LEXINGTON—First National Bank; no Asst. Cashier in place of Jno. W. Moore, Jr.

LYNCHBURG—National Exchange Bank; Jas. R. Gilliam, Pres. in place of Jas. W. Watts.

NORFOLK—Savings Bank of Norfolk; Washington Taylor, Pres. in place of Geo. W. Dey.

ROANOKE—Commercial National Bank; J. M. Mangus, Vice-Pres. in place of J. B. Stephenson.

WASHINGTON.

COLTON—First National Bank; John Boyles, Pres. in place of John L. Flowers.

MONTESANO—Carr & Carr; capital, $5,000: L. D. Carr, Pres.; F. L. Carr, Mgr.

NORTH YAKIMA—First National Bank; no Asst. Cashier in place of Henry Teal.——Yakima National Bank; Geo. Donald, Pres. in place of Wm. I. Lince.

SEATTLE—Washington National Bank; M. F. Backus, Vice-Pres. in place of W. R. Forrest.——First National Bank: Maurice McMicken, Pres. in place of J. H. McGraw; J. H. McGraw, Vice-Pres. in place of Maurice McMicken; no Asst. Cashier in place of Geo. R. Fisher.

TACOMA—National Bank of Commerce; A. F. Albertson, Cashier in place of James W. Wallace; no Asst. Cashier in place of A. F. Albertson.

VALLEY—Commercial State Savings Bank; O. D. Moody, Cas., deceased.

WALLA WALLA—Baker-Boyer Nat. Bank; W. W. Baker, Pres. in place of John F. Boyer.

WEST VIRGINIA.

KINGWOOD—Bank of Kingwood; capital reduced from $125,000 to $75,000.

MARTINSBURG—Citizens' Nat. Bank; Chas. Thumel, Vice-Pres. in place of J. H. Smith.

PIEDMONT—Davis National Bank; H. G. Buxton, Vice-Pres. in place of T. B. Davis.

SISTERSVILLE—Farmers and Producers' National Bank; T. C. Neal, Asst. Cas.

WHEELING—Dollar Savings Bank; P. D. Dobbins, Cas., deceased.

WISCONSIN.

ASHLAND — Northern National Bank; F. Boutin, Vice-Pres. in place of Fred Fisher.

BERLIN—First National Bank: T. H. Rumsey, Vice-Pres. in place of A. L. Buell.

EAST TROY—State Bank; Harrold H. Rogers, Pres., deceased.

EAU CLAIRE—Bank of Eau Claire; J. T. Joyce, Cas. in place of C. W. Lockwood.

KAUKAUNA—First National Bank; Guy O. Babcock, Asst. Cas.

MARINETTE—Stephenson National Bank; H. J. Brown, Cas. in place of L. A. McAlpine; L. A. McAlpine, Asst. Cas.

MENASHA—Bank of Menasha; W. P. Hewitt, Pres. in place of H'y Hewitt, Sr., deceased.

RIPON—German National Bank; no Asst. Cas. in place of G. J. Moses.

STEVENS POINT First National Bank; W. I. Clifford, Vice-Pres., in place of James Reilley.

SUPERIOR—First National Bank; no Vice-Pres. in place of R. J. Wemyss.

WEST SUPERIOR—Northwestern National Bank; D. W. Twohy, Cas., in place of Chris. Julsrud.

WYOMING.

ROCK SPRINGS—First National Bank; A. M. Gildersleeve, Asst. Cas., in place of H. E. Christmas.

SHERIDAN—First National Bank; J. B. Kendrick, Vice-Pres., in place of W. C. Kidder; no Asst. Cas. in place of T. F. Memminger.

CANADA.

ONTARIO.

BRANTFORD—Bank of British Nor. America; Richard Butt, Mgr.

STRATFORD—Bank of Montreal; Thomas Plummer, Mgr., deceased.

TORONTO—Dominion Bank of Canada: Frank Smith, Pres., in place of James Austin; E. B. Osler, Vice-Pres., in place of Frank Smith.

MANITOBA.

BRANDON—Bank of British North America; H. G. Marquis, Mgr., in place of Richard Butt.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

CALIFORNIA.

SAN DIEGO—California Mortgage, Loan and Trust Co.: assigned.

CONNECTICUT.

COLCHESTER—Colchester Savings Bank; restrained from paying deposits.

FLORIDA.

JACKSONVILLE—Merchants' National Bank; in hands of E. T. Shubrick, Receiver, March 17.

GEORGIA.

ATLANTA—Guaranty Loan and Investment Co. and Southern Exchange Bank and Trust Co.; Samuel N. Evans, temporary Receiver.——Fidelity Banking and Trust Co., Jas. L. Logan, Receiver.——Georgia Security and Banking Co.; liquidating.

TALLAPOOSA—Merchants and Miners' Bank: in hands of Receiver.

WEST POINT—West Point State Bank: closed March 22.

ILLINOIS.

ADELINE—A. J. Mitchell.

CHICAGO—Globe Savings Bank; in hands of Chicago Title and Trust Co., Receiver.

IOWA.

DES MOINES—Security Loan and Trust Co.; assigned.

IRETON—Citizens' Savings Bank; assigned to W. S. Short.

SUTHERLAND—First National Bank; in voluntary liquidation, March 15.

KANSAS.

PITTSBURG—Manufacturers' National Bank; in voluntary liquidation by resolution of March 16.

KENTUCKY.

COVINGTON—Northern Bank of Kentucky; in voluntary liquidation.

MASSACHUSETTS.

BOSTON—Hancock National Bank; business absorbed by Mercantile Loan and Trust Co.

MICHIGAN.

EDMORE—Exchange Bank.

IONIA—First National Bank; in voluntary liquidation by resolution of March 2.

MINNESOTA.

MINNEAPOLIS—Union National Bank; in hands of Chas. W. Sexton, Receiver, March 20.

MISSOURI.

BOWLING GREEN—Citizens' Bank.

MAYSVILLE—DeKalb County Bank.

NEBRASKA.

RUSKIN—Bank of Ruskin; in voluntary liquidation.

ST. PAUL—St. Paul National Bank; in voluntary liquidation, to take effect March 31.

VIRGINIA—Bank of Virginia.

NEW YORK.

BUFFALO—American Exchange Bank; in voluntary liquidation.

OKLAHOMA.

MULHALL—Bank of Mulhall.

OREGON.

HILLSBORO—First National Bank; in voluntary liquidation.

PENNSYLVANIA

PITTSBURG—Manufacturers' Bank; out of business.

RHODE ISLAND.

PHENIX—Phenix Savings Bank.

SOUTH DAKOTA.

STURGIS—First National Bank; in voluntary liquidation by resolution of February 15.

TEXAS.

CAMERON—Tandy, Patterson & Co.

COMANCHE—First National Bank.

DALLAS—Mercantile National Bank; in voluntary liquidation by resolution of February 27.

GATESVILLE—City National Bank; suspended.

MORGAN—Doyle, Tandy & Co.

NOCONA—First National Bank; in voluntary liquidation by resolution of February 10.

PARIS—Farmers and Merchants' Bank; assigned to D. H. Scott, March 23.

VIRGINIA.

ROANOKE—Commercial National Bank (heretofore in Receiver's hands); in voluntary liquidation by resolution of February 16.

WASHINGTON.

SNOHOMISH—Snohomish National Bank; in voluntary liquidation by resolution to take effect February 25.

CANADA.

MANITOBA.

SOURIS—Gocher & Co.

VIRDEN—Adamson & Co.

Illinois State Banks.

Aggregate resources and liabilities of the State Banks of Illinois, February 13, 1897, showing increase and decrease as compared with November 28, 1896.

RESOURCES.	*Feb. 13, 1897.*	*Nov. 28, 1896.*	*Increase or decrease.*	
Loans and discounts	$74,453,241	$76,755,062	Dec.	$2,301,820
Overdrafts, secured and unsecured	233,828	266,518	Dec.	32,689
United States bonds, including premiums	314,230	189,169	Inc.	125,061
Other bonds and stocks, including premiums	10,654,623	10,037,559	Inc.	617,064
Cash on hand	19,960,318	16,768,320	Inc.	3,191,998
Due from other banks	18,933,754	17,268,310	Inc.	1,665,444
Real estate, including banking house	1,143,061	1,342,726	Dec.	199,664
Furniture and fixtures	243,000	289,379	Dec.	46,379
Current expenses	207,800	270,463	Dec.	62,663
Checks and other cash items	2,827,526	3,620,500	Dec.	792,973
Collections	46,025	148,802	Dec.	102,777
Totals	$129,017,413	$126,956,813	Inc.	$2,060,599
LIABILITIES.				
Capital stock	$19,204,600	$18,919,600	Inc.	$285,000
Surplus fund	7,993,503	7,739,819	Inc.	253,684
Undivided profits	2,994,494	3,726,157	Dec.	731,662
Dividends unpaid	12,684	2,566	Inc.	10,117
Savings deposits subject to notice	27,702,090	29,603,444	Dec.	1,901,354
Individual deposits subject to check	50,228,222	48,002,087	Inc.	2,226,135
Demand certificates of deposit	3,608,294	3,403,413	Inc.	204,880
Time certificates of deposit	7,365,581	6,755,084	Inc.	610,497
Certified checks	774,583	871,143	Dec.	96,560
Cashiers' checks outstanding	722,686	739,455	Dec.	16,769
Due to other banks	7,797,736	7,021,892	Inc.	775,843
Bills payable and notes and bills rediscounted	612,935	172,147	Inc.	440,787
Totals	$129,017,413	$126,956,813	Inc.	$2,060,599

Number of banks February 13, 1897, 139; November 28, 1896, 138.

U. S. NATIONAL BANK RETURNS—RESERVE CITIES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on March 9, 1897. These are published below in conjunction with the two preceding statements of December 17, 1896, and October 6, 1896. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

NEW YORK CITY.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$314,156,682	$339,963,264	$354,979,532
Overdrafts	267,011	187,943	138,696
U. S. bonds to secure circulation	23,504,500	23,047,000	20,069,000
U. S. bonds to secure U. S. deposits	1,220,000	1,220,000	1,220,000
U. S. bonds on hand	1,615,650	1,147,600	4,365,450
Premiums on U. S. bonds	2,218,913	1,881,666	2,091,477
Stocks, securities, etc	36,170,794	35,941,703	37,352,880
Banking house, furniture and fixtures	12,303,458	12,798,703	13,400,069
Other real estate and mortgages owned	1,580,744	1,645,557	1,831,096
Due from National banks (not reserve agents)	26,286,379	30,398,114	25,135,503
Due from State banks and bankers	4,183,203	4,515,696	4,756,222
Due from approved reserve agents	......	......	......
Checks and other cash items	2,020,641	1,980,425	1,515,517
Exchanges for clearing-house	41,646,922	49,287,611	41,107,373
Bills of other National banks	986,738	1,182,570	808,443
Fractional paper currency, nickels and cents	56,716	61,229	49,140
*Lawful money reserve in bank, viz.:			
Gold coin	13,896,591	14,082,424	15,815,129
Gold Treasury certificates	8,997,540	8,970,350	9,431,350
Gold clearing-house certificates	22,265,000	38,808,000	44,120,000
Silver dollars	75,699	72,484	106,622
Silver Treasury certificates	3,835,775	5,568,899	5,062,380
Silver fractional coin	492,252	453,181	406,777
Legal-tender notes	35,362,777	42,176,304	42,143,514
U. S. certificates of deposit for legal-tender notes	23,190,000	25,305,000	47,375,000
Five per cent. redemption fund with Treasurer	1,034,069	1,029,319	893,827
Due from U. S. Treasurer	515,258	906,413	496,967
Total	$577,882,338	$642,626,550	$674,666,991
LIABILITIES.			
Capital stock paid in	$50,450,000	$50,600,000	$49,600,000
Surplus fund	42,340,000	42,486,000	43,152,000
Undivided profits, less expenses and taxes paid	17,634,343	18,686,831	17,173,109
National bank notes issued, less amount on hand	20,685,232	20,176,990	16,647,505
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	118,761,233	145,974,388	176,197,685
Due to State banks and bankers	51,585,865	62,976,954	73,485,201
Dividends unpaid	149,653	92,323	96,763
Individual deposits	274,373,014	299,912,326	297,028,713
U. S. deposits	832,754	898,028	896,395
Deposits of U. S. disbursing officers	232,618	275,612	241,278
Notes and bills rediscounted	......	......	......
Bills payable	363,500	455,000	......
Liabilities other than those above stated	507,565	75,541	129,781
Total	$577,882,338	$642,626,550	$674,666,991
Average reserve held	29.28 p. c.	32.13 p. c.	34.73 p. c.

*The total lawful money reserve was $108,114,634 on October 6, 1896; $135,431,593 on December 17, 1896; $164,460,772 on March 9, 1897.

ALBANY, N. Y.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$7,688,478	$7,731,639	$7,157,573
Overdrafts	2,332	3,127	2,443
U. S. bonds to secure circulation	500,000	500,000	400,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......

ALBANY, N. Y.—Continued.

Resources.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Premiums on U. S. bonds	$27,500	$27,500	$27,500
Stocks, securities, etc	942,673	835,733	772,921
Banking house, furniture and fixtures	295,000	295,000	295,000
Other real estate and mortgages owned	26,516	29,165	29,165
Due from National banks (not reserve agents)	1,053,390	1,108,722	1,337,625
Due from State banks and bankers	121,701	134,969	101,039
Due from approved reserve agents	1,919,867	1,645,833	3,379,695
Checks and other cash items	99,111	37,508	99,756
Exchanges for clearing-house	124,724	109,239	68,376
Bills of other National banks	64,561	63,458	51,537
Fractional paper currency, nickels and cents	2,853	3,121	3,051
*Lawful money reserve in bank, viz.:			
Gold coin	476,587	455,312	465,711
Gold Treasury certificates	284,300	284,300	304,500
Gold clearing-house certificates	......	......	......
Silver dollars	17,410	21,671	13,610
Silver Treasury certificates	35,000	38,245	35,000
Silver fractional coin	23,581	26,508	28,726
Legal-tender notes	424,718	262,764	244,488
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	22,500	22,500	18,000
Due from U. S. Treasurer	2,000	......	......
Total	$14,204,824	$13,326,290	$14,885,721
Liabilities.			
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000
Surplus fund	1,398,000	1,398,000	1,398,000
Undivided profits, less expenses and taxes paid	179,654	179,701	130,078
National bank notes issued, less amount on hand	431,900	440,320	343,980
Due to other National banks	2,561,307	2,979,975	2,927,199
Due to State banks and bankers	1,175,781	1,895,048	1,692,705
Dividends unpaid	391	647	817
Individual deposits	6,836,051	4,810,858	6,771,200
U. S. deposits	38,100	43,963	46,078
Deposits of U. S. disbursing officers	11,899	6,086	3,921
Notes and bills rediscounted	21,738	21,738	21,738
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$14,204,824	$13,326,290	$14,885,721
Average reserve held	34.60 p. c.	33.14 p. c.	45.43 p. c.

* The total lawful money reserve was $1,261,592 on October 6, 1896; $1,088,801 on December 17, 1896; $1,092,035 on March 9, 1897.

BALTIMORE, MD.

Resources.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$31,483,505	$31,155,223	$29,496,758
Overdrafts	24,846	28,698	32,678
U. S. bonds to secure circulation	3,160,000	3,160,000	3,074,000
U. S. bonds to secure U. S. deposits	202,000	202,000	202,000
U. S. bonds on hand	......	25,000	50,530
Premiums on U. S. bonds	365,631	369,828	357,069
Stocks, securities, etc	1,881,263	1,699,521	3,066,856
Banking house, furniture and fixtures	2,075,795	2,075,795	2,184,795
Other real estate and mortgages owned	166,198	157,286	153,646
Due from National banks (not reserve agents)	1,951,090	2,076,642	1,812,785
Due from State banks and bankers	351,993	329,355	304,118
Due from approved reserve agents	3,134,697	3,064,916	3,790,192
Checks and other cash items	97,111	112,289	66,119
Exchanges for clearing-house	1,573,313	1,473,840	1,432,025
Bills of other National banks	181,333	228,380	214,335
Fractional paper currency, nickels and cents	11,939	15,183	14,591
*Lawful money reserve in bank, viz.:			
Gold coin	1,835,498	1,790,580	1,865,234
Gold Treasury certificates	367,550	354,120	626,590
Gold clearing-house certificates	......	......	......
Silver dollars	46,206	61,546	64,667
Silver Treasury certificates	1,052,645	1,522,198	1,436,400
Silver fractional coin	59,510	91,400	79,353
Legal-tender notes	568,146	783,678	560,042
U. S. certificates of deposit for legal-tender notes	570,009	1,390,000	1,720,000
Five per cent. redemption fund with Treasurer	141,130	142,200	138,330
Due from U. S. Treasurer	5,170	7,175	4,000
Total	$51,306,575	$52,316,860	$52,747,136
Liabilities.			
Capital stock paid in	$13,243,260	$13,243,260	$13,243,260
Surplus fund	4,699,750	4,699,750	4,923,000
Undivided profits, less expenses and taxes paid	1,152,022	1,301,669	950,186
National bank notes issued, less amount on hand	2,814,300	2,800,520	2,716,600
State bank notes outstanding	4,606	4,606	4,606
Due to other National banks	4,677,704	5,261,028	5,770,118
Due to State banks and bankers	966,818	1,357,059	1,251,142

BALTIMORE, MD.—Continued.

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Dividends unpaid	$66,308	$51,308	$58,364
Individual deposits	23,277,133	23,264,822	23,489,741
U. S. deposits	218,671	232,841	216,117
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	166,000	100,000	124,000
Liabilities other than those above stated	......	......	......
Total	$51,306,575	$52,316,860	$52,747,136
Average reserve held	30.89 p. c.	35.31 p. c.	38.05 p. c.

* The total lawful money reserve was $4,499,555 on October 6, 1896; $5,993,522 on December 17, 1896; $6,352,287 on March 9, 1897.

BOSTON, MASS.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$140,603,679	$145,506,391	$156,535,096
Overdrafts	90,249	96,450	81,135
U. S. bonds to secure circulation	11,747,000	11,547,000	10,697,000
U. S. bonds to secure U. S. deposits	265,000	265,000	515,000
U. S. bonds on hand	261,000	105,000	455,000
Premiums on U. S. bonds	1,260,640	1,198,917	1,190,632
Stocks, securities, etc	7,318,804	6,864,247	7,973,593
Banking house, furniture and fixtures	2,378,012	2,378,410	2,377,686
Other real estate and mortgages owned	436,707	436,031	457,617
Due from National banks (not reserve agents)	16,518,258	14,323,223	13,061,679
Due from State banks and bankers	403,359	516,762	529,202
Due from approved reserve agents	19,960,661	27,445,346	26,281,827
Checks and other cash items	377,474	403,851	384,675
Exchanges for clearing-house	7,991,627	7,877,090	8,397,093
Bills of other National banks	862,503	1,069,890	956,472
Fractional paper currency, nickels and cents	20,310	21,869	20,600
*Lawful money reserve in bank, viz.:			
Gold coin	5,822,273	6,704,912	7,148,717
Gold Treasury certificates	1,227,860	1,218,500	1,251,660
Gold clearing-house certificates	......	......	......
Silver dollars	88,006	79,724	80,018
Silver Treasury certificates	1,830,913	2,924,882	2,268,937
Silver fractional coin	162,875	171,451	151,581
Legal-tender notes	6,224,473	6,542,112	5,937,460
U. S. certificates of deposit for legal-tender notes	680,000	1,570,000	1,820,000
Five per cent. redemption fund with Treasurer	520,650	519,614	492,615
Due from U. S. Treasurer	50,118	181,214	80,660
Total	$227,101,957	$239,967,872	$249,125,962
LIABILITIES.			
Capital stock paid in	$50,750,000	$50,750,000	$50,750,000
Surplus fund	14,950,325	14,950,325	14,950,325
Undivided profits, less expenses and taxes paid	4,259,238	5,019,944	5,868,329
National bank notes issued, less amount on hand	10,336,077	10,141,390	9,594,055
Due to other National banks	31,459,320	34,302,084	39,039,129
Due to State banks and bankers	15,832,342	15,587,717	18,374,916
Dividends unpaid	177,901	37,477	31,917
Individual deposits	95,517,923	108,273,918	106,918,684
U. S. deposits	105,682	109,158	117,967
Deposits of U. S. disbursing officers	93,788	82,886	63,182
Notes and bills rediscounted	......	......	......
Bills payable	2,213,181	776,717	1,412,240
Liabilities other than those above stated	406,175	6,283	3,215
Total	$227,101,957	$239,967,872	$249,125,962
Average reserve held	30.84 p. c.	35.07 p. c.	31.64 p. c.

* The total lawful money reserve was $16,035,900 on October 6, 1896; $19,211,622 on December 17, 1896; $18,658,373 on March 9, 1897.

BROOKLYN, N. Y.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$10,394,218	$11,215,186	$11,497,804
Overdrafts	7,628	5,947	1,642
U. S. bonds to secure circulation	642,000	642,000	642,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	5,000	5,000	105,000
Premiums on U. S. bonds	52,500	52,500	65,125
Stocks, securities, etc	2,484,998	2,422,111	2,617,609
Banking house, furniture and fixtures	442,850	442,850	599,859
Other real estate and mortgages owned	233,360	247,458	92,500
Due from National banks (not reserve agents)	93,937	235,703	201,216
Due from State banks and bankers	105,148	109,997	70,923
Due from approved reserve agents	2,276,452	2,918,610	2,408,562
Checks and other cash items	73,851	106,940	71,727
Exchanges for clearing-house	900,315	1,169,585	930,519
Bills of other National Banks	230,305	232,862	224,692
Fractional paper currency, nickels and cents	6,328	8,884	6,016

BROOKLYN, N. Y.—Continued.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
*Lawful money reserve in bank, viz.:			
Gold coin	$553,590	$677,776	$823,140
Gold Treasury certificates	243,000	185,000	285,000
Gold clearing-house certificates	......	......	......
Silver dollars	28,800	17,300	21,100
Silver Treasury certificates	426,358	299,282	602,640
Silver fractional coin	34,343	43,276	51,374
Legal-tender notes	1,138,845	1,315,823	1,346,888
U. S. certificates of deposit for legal-tender notes	......	......	40,000
Five per cent. redemption fund with Treasurer	28,890	28,890	28,890
Due from U. S. Treasurer	......	......	.....
Total	$20,602,766	$22,581,835	$22,934,232
LIABILITIES.			
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000
Surplus fund	2,240,000	2,240,000	2,350,000
Undivided profits, less expenses and taxes paid	488,694	537,557	354,563
National bank notes issued, less amount on hand	570,160	575,700	575,050
State bank notes outstanding	1,846	1,846	1,846
Due to other National banks	270,103	251,580	238,111
Due to State banks and bankers	206,310	477,170	274,415
Dividends unpaid	5,635	1,091	1,060
Individual deposits	15,242,123	16,942,652	17,576,775
U. S. deposits	174,244	172,609	170,682
Deposits of U. S. disbursing officers	26,317	28,292	29,517
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	25,331	1,337	10,209
Total	$20,602,766	$22,581,835	$22,934,232
Average reserve held	32.41 p. c.	34.02 p. c.	33.25 p. c.

* The total lawful money reserve was $2,424,936 on October 6, 1896; $2,538,457 on December 17, 1896; $3,170,143 on March 9, 1897.

CHICAGO, ILL.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$82,355,060	$82,467,525	$75,599,441
Overdrafts	242,942	266,963	178,402
U. S. bonds to secure circulation	1,450,000	1,450,000	1,150,000
U. S. bonds to secure U. S. deposits	550,000	550,000	550,000
U. S. bonds on hand	87,200	78,800	105,100
Premiums on U. S. bonds	76,000	76,000	63,795
Stocks, securities, etc	4,762,323	5,207,025	6,573,723
Banking house, furniture and fixtures	825,471	823,363	822,853
Other real estate and mortgages owned	719,707	721,446	621,000
Due from National banks (not reserve agents)	14,550,839	17,637,104	22,039,119
Due from State banks and bankers	4,310,958	4,052,812	4,323,798
Due from approved reserve agents	......	......	......
Checks and other cash items	60,829	65,976	38,514
Exchanges for clearing-house	4,116,686	4,829,461	3,815,258
Bills of other National banks	746,358	1,606,245	1,690,523
Fractional paper currency, nickels and cents	24,026	21,155	21,578
*Lawful money reserve in bank, viz.:			
Gold coin	12,475,155	14,410,596	13,473,277
Gold Treasury certificates	2,547,040	2,474,270	2,169,700
Gold clearing-house certificates	......	......	....
Silver dollars	170,047	191,261	155,237
Silver Treasury certificates	1,612,861	2,889,335	2,664,182
Silver fractional coin	208,257	203,176	179,178
Legal-tender notes	8,771,349	13,354,423	12,784,711
U. S. certificates of deposit for legal-tender notes	920,000	1,500,000	2,490,000
Five per cent. redemption fund with Treasurer	63,000	63,000	49,500
Due from U. S. Treasurer	81,210	114,582	94,000
Total	$141,726,321	$155,054,524	$151,652,842
LIABILITIES.			
Capital stock paid in	$21,400,000	$21,400,000	$20,400,000
Surplus fund	9,548,400	9,549,400	8,444,400
Undivided profits, less expenses and taxes paid	2,255,760	2,674,468	1,958,461
National bank notes issued, less amount on hand	1,067,515	1,008,115	709,045
Due to other National banks	25,836,245	32,961,773	35,872,988
Due to State banks and bankers	17,149,027	20,130,269	22,563,066
Dividends unpaid	20,201	31,954	3,519
Individual deposits	63,901,947	66,584,076	60,581,518
U. S. deposits	513,605	498,608	490,753
Deposits of U. S. disbursing officers	18,468	72,342	40,074
Notes and bills rediscounted	......	......	......
Bills payable	......	100,000	456,020
Liabilities other than those above stated	15,150	23,516	3,000
Total	$141,726,321	$155,054,524	$151,652,842
Average reserve held	31.97 p. c.	38.07 p. c.	38.68 p. c.

* The total lawful money reserve was $26,704,709 on October 6, 1896.; $35,023,061 on December 17, 1896; $33,916,236 on March 9, 1897.

CINCINNATI, OHIO.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$22,030,065	$21,186,306	$21,241,496
Overdrafts	16,025	18,817	19,335
U. S. bonds to secure circulation	5,822,500	5,344,500	4,944,500
U. S. bonds to secure U. S. deposits	850,000	850,000	850,000
U. S. bonds on hand	575,650	441,150	889,150
Premiums on U. S. bonds	695,644	698,078	709,914
Stocks, securities, etc	2,801,553	2,848,119	3,335,971
Banking house, furniture and fixtures	485,718	479,840	479,840
Other real estate and mortgages owned	56,833	100,507	119,787
Due from National banks (not reserve agents)	2,155,675	2,794,664	2,899,837
Due from State banks and bankers	587,788	631,285	470,351
Due from approved reserve agents	2,692,059	4,135,083	4,654,464
Checks and other cash items	178,669	144,167	135,651
Exchanges for clearing-house	271,105	193,101	260,533
Bills of other National banks	211,922	244,684	251,227
Fractional paper currency, nickels and cents	2,879	2,717	2,506
*Lawful money reserve in bank, viz.:			
Gold coin	857,137	975,547	955,830
Gold Treasury certificates	287,640	288,910	292,810
Gold clearing-house certificates	......	......	......
Silver dollars	56,464	57,640	49,487
Silver Treasury certificates	266,706	500,294	511,488
Silver fractional coin	18,567	19,100	27,596
Legal-tender notes	2,823,478	2,261,747	2,826,794
U. S. certificates of deposit for legal-tender notes	760,000	480,000	650,000
Five per cent. redemption fund with Treasurer	237,762	240,502	222,502
Due from U. S. Treasurer	10,850	1,400	2,250
Total	$43,747,698	$44,879,140	$46,302,273

LIABILITIES.			
Capital stock paid in	$8,000,000	$8,000,000	$8,000,000
Surplus fund	2,780,000	2,680,000	2,680,000
Undivided profits, less expenses and taxes paid	1,130,194	1,042,024	1,108,194
National bank notes issued, less amount on hand	4,780,177	4,795,200	4,368,850
Due to other National banks	4,722,999	5,634,067	6,885,320
Due to State banks and bankers	2,366,892	2,800,345	3,602,418
Dividends unpaid	6,066	3,837	2,272
Individual deposits	17,934,280	18,862,995	18,092,434
U. S. deposits	855,492	827,949	847,282
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	501,095	......	......
Liabilities other than those above stated	720,500	782,700	720,500
Total	$43,747,698	$44,879,140	$46,302,273
Average reserve held	33.10 p. c.	37.69 p. c.	37.93 p. c.

* The total lawful money reserve was $4,569,992 on October 6, 1896; $4,583,239 on December 17, 1896; $4,813,505 on March 9, 1897.

CLEVELAND, OHIO.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$27,411,913	$26,311,249	$26,502,702
Overdrafts	29,279	41,359	28,479
U. S. bonds to secure circulation	1,450,000	1,450,000	1,450,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	53,290	52,165	51,300
Stocks, securities, etc	676,431	710,028	863,015
Banking house, furniture and fixtures	509,971	508,500	508,500
Other real estate and mortgages owned	267,192	269,561	269,407
Due from National banks (not reserve agents)	1,470,199	1,827,767	1,969,632
Due from State banks and bankers	533,643	766,056	611,874
Due from approved reserve agents	2,351,267	3,496,616	5,364,737
Checks and other cash items	84,570	72,203	54,157
Exchanges for clearing-house	242,863	253,408	211,409
Bills of other National banks	132,126	142,362	134,997
Fractional paper currency, nickels and cents	6,432	4,887	5,765
*Lawful money reserve in bank, viz.:			
Gold coin	1,850,785	1,394,795	1,496,027
Gold Treasury certificates	243,000	236,000	237,750
Gold clearing-house certificates	......	......	......
Silver dollars	95,246	79,000	71,458
Silver Treasury certificates	115,040	104,280	118,313
Silver fractional coin	46,391	45,450	42,913
Legal-tender notes	1,013,270	759,051	1,056,600
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	64,880	63,100	64,550
Due from U. S. Treasurer	13,252	20,702	13,140
Total	$38,221,046	$38,670,542	$41,186,731

CLEVELAND, OHIO.—Continued.

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000
Surplus fund	2,024,000	2,036,000	2,066,000
Undivided profits, less expenses and taxes paid	806,866	659,157	697,827
National bank notes issued, less amount on hand	1,292,410	1,284,470	1,245,260
Due to other National banks	2,154,598	2,304,826	3,091,614
Due to State banks and bankers	1,739,881	1,625,876	2,238,008
Dividends unpaid	2,062	1,798	1,877
Individual deposits	17,269,506	18,790,484	20,758,060
U. S. deposits	43,087	43,341	42,084
Deposits of U. S. disbursing officers	17,867	18,491	17,876
Notes and bills rediscounted	963,795	391,852	......
Bills payable	1,575,000	1,175,000	725,000
Liabilities other than those above stated	755,000	759,748	756,152
Total	$38,221,046	$38,670,542	$41,186,781
Average reserve held	28.01 p. c.	31.22 p. c.	38.05 p. c.

* The total lawful money reserve was $2,863,732 on October 1, 1896; $2,618,576 on December 17, 1896; $3,023,061 on March 9, 1897.

DES MOINES, IOWA.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$2,158,819	$2,218,024	$1,973,936
Overdrafts	16,593	25,285	12,437
U. S. bonds to secure circulation	292,200	292,200	292,200
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	13,000	13,000	13,000
Stocks, securities, etc	295,332	284,724	261,197
Banking house, furniture and fixtures	143,675	148,675	148,541
Other real estate and mortgages owned	89,003	91,102	92,615
Due from National banks (not reserve agents)	118,487	100,272	164,592
Due from State banks and bankers	41,224	30,941	40,570
Due from approved reserve agents	335,641	337,631	602,749
Checks and other cash items	8,459	9,000	7,437
Exchanges for clearing-house	75,699	81,579	89,463
Bills of other National banks	30,293	26,059	53,524
Fractional paper currency, nickels and cents	829	671	738
*Lawful money reserve in bank, viz.:			
Gold coin	101,667	114,640	78,007
Gold Treasury certificates	2,110	2,290	2,540
Gold clearing-house certificates	......	......	......
Silver dollars	20,214	18,194	13,350
Silver Treasury certificates	13,263	8,921	21,864
Silver fractional coin	11,690	11,765	13,066
Legal-tender notes	118,167	233,082	242,058
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	13,094	13,094	13,094
Due from U. S. Treasurer	23	3,522	1,023
Total	$3,898,990	$4,059,677	$4,083,001
LIABILITIES.			
Capital stock paid in	$800,000	$800,000	$800,000
Surplus fund	236,000	236,000	236,000
Undivided profits, less expenses and taxes paid	43,655	56,255	41,746
National bank notes issued, less amount on hand	261,880	255,153	252,547
Due to other National bank	432,535	411,849	531,943
Due to State banks and bankers	826,679	929,476	869,851
Dividends unpaid	2,908	3,572	3,324
Individual deposits	1,145,588	1,352,370	1,327,588
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	24,244	......	......
Bills payable	100,500	15,000	20,000
Liabilities other than those above stated	25,000	......	......
Total	$3,898,990	$4,059,677	$4,063,001
Average reserve held	28.75 p. c.	30.09 p. c.	40.53 p. c.

* The total lawful money reserve was $267,112 on October 6, 1895; $388,892 on December 17, 1896; $370,885 on March 9, 1897.

DETROIT, MICH.

RESOURCES.	Oct. 6, 1396.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$14,800,830	$13,610,485	$13,589,637
Overdrafts	27,938	6,353	7,457
U. S. bonds to secure circulation	1,423,000	1,450,000	1,250,000
U. S. bonds to secure U. S. deposits	300,000	300,000	300,000
U. S. bonds on hand	......	......	300,000
Premiums on U. S. bonds	155,500	150,500	198,250
Stocks, securities, etc	3,118	3,193	1,365

DETROIT, MICH.—Continued.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Banking house, furniture and fixtures	$39,788	$39,788	$39,788
Other real estate and mortgages owned	158,249	159,861	165,128
Due from National banks (not reserve agents)	824,961	866,787	1,530,374
Due from State banks and bankers	296,194	348,053	335,495
Due from approved reserve agents	2,166,424	3,530,364	3,637,791
Checks and other cash items	27,469	24,676	17,570
Exchanges for clearing-house	232,852	292,030	120,546
Bills of other National banks	104,209	185,159	159,369
Fractional paper currency, nickels and cents	15,041	15,111	11,066
*Lawful money reserve in bank, viz.:			
Gold coin	1,195,940	1,208,757	1,233,965
Gold Treasury certificates	10,630	10,860	13,260
Gold clearing-house certificates	......	......	......
Silver dollars	53,247	71,530	109,468
Silver Treasury certificates	92,338	152,599	118,518
Silver fractional coin	42,919	50,360	46,084
Legal-tender notes	464,096	647,973	536,584
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	62,072	65,160	56,160
Due from U. S. Treasurer	10,909	11,387	11,457
Total	$22,507,231	$23,200,993	$23,784,337
LIABILITIES.			
Capital stock paid in	$3,600,000	$3,600,000	$3,600,000
Surplus fund	618,000	618,000	618,000
Undivided profits, less expenses and taxes paid	432,815	480,147	315,760
National bank notes issued, less amount on hand	1,242,150	1,246,310	962,330
Due to other National banks	1,730,394	2,367,443	2,902,491
Due to State banks and bankers	3,941,928	4,463,635	5,331,400
Dividends unpaid	4,064	300	396
Individual deposits	10,389,261	10,115,052	9,783,129
U. S. deposits	235,273	274,516	259,886
Deposits of U. S. disbursing officers	65,615	35,587	40,951
Notes and bills rediscounted	67,727	......	......
Bills payable	120,000	......	......
Liabilities other than those above stated	......	......	......
Total	$22,507,231	$23,200,993	$23,784,337
Average reserve held	27.31 p. c.	36.86 p. c.	35.64 p. c.

* The total lawful money reserve was $1,859,170 on October 6, 1896; $ 2,142,080 on December 17, 1896; $2,052,879 on March 9, 1897.

HOUSTON, TEXAS.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$2,258,184	$2,047,048	$1,719,274
Overdrafts	117,881	152,465	182,837
U. S. bonds to secure circulation	200,000	200,000	200,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	21,933	21,900	21,600
Stocks, securities, etc	34,607	32,907	58,776
Banking house, furniture and fixtures	132,796	132,851	132,851
Other real estate and mortgages owned	35,239	35,375	39,898
Due from National banks (not reserve agents)	73,150	450,671	603,466
Due from State banks and bankers	37,879	36,758	20,250
Due from approved reserve agents	509,245	890,583	833,043
Checks and other cash items	2,194	1,287	1,907
Exchanges for clearing-house	......	......	11,016
Bills of other National banks	52,210	27,098	73,036
Fractional paper currency, nickels and cents	1,712	1,976	3,966
*Lawful money reserve in bank, viz.:			
Gold coin	190,619	272,577	309,528
Gold Treasury certificates	130,470	128,720	131,260
Gold clearing-house certificates	......	......	......
Silver dollars	44,701	39,150	63,096
Silver Treasury certificates	48,111	90,736	153,625
Silver fractional coin	9,653	12,365	20,864
Legal-tender notes	835,759	623,501	710,775
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	9,000	9,000	9,000
Due from U. S. Treasurer	......	......	......
Total	$4,795,299	$5,256,972	$5,300,024
LIABILITIES.			
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000
Surplus fund	540,800	540,800	546,800
Undivided profits, less expenses and taxes paid	88,728	123,795	76,874
National bank notes issued, less amount on hand	156,050	149,960	142,690
Due to other National banks	469,193	488,293	609,770
Due to State banks and bankers	220,915	424,895	253,730
Dividends unpaid	3,951	3,873	4,352
Individual deposits	2,065,432	2,318,958	2,464,306

HOUSTON, TEXAS.—Continued.

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9 1897.
U. S. deposits	$50,000	$50,000	$50,000
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	6,397	1,500	1,500
Total	$5,256,972	$5,300,024	$5,300,024
Average reserve held	74.57 p. c.	83.43 p. c.	83.43 p. c.

* The total lawful money reserve was $2,933,901 on October 6, 1896; $1,167,048 on December 17, 1896; $1,389,128 on March 9, 1897.

KANSAS CITY, MO.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$12,016,458	$11,662,334	$12,519,701
Overdrafts	190,276	114,321	140,270
U. S. bonds to secure circulation	400,000	350,000	350,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	......	......	250,000
Premiums on U. S. bonds	33,500	29,000	96,750
Stocks, securities, etc	957,196	828,870	831,975
Banking house, furniture and fixtures	91,608	89,108	86,343
Other real estate and mortgages owned	385,500	380,861	387,521
Due from National banks (not reserve agents)	676,094	669,079	760,442
Due from State banks and bankers	979,085	1,112,838	1,341,168
Due from approved reserve agents	3,817,684	3,552,303	3,771,140
Checks and other cash items	75,439	101,926	146,048
Exchanges for clearing-house	595,222	535,527	694,719
Bills of other National banks	218,111	258,686	251,979
Fractional paper currency, nickels and cents	4,504	3,538	5,727
*Lawful money reserve in bank, viz.:			
Gold coin	1,183,570	1,056,475	866,295
Gold Treasury certificates	17,980	52,020	47,160
Gold clearing-house certificates	......	......	......
Silver dollars	70,026	91,979	115,262
Silver Treasury certificates	573,715	870,628	417,753
Silver fractional coin	21,377	28,035	22,416
Legal-tender notes	1,067,233	1,160,210	1,085,448
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	18,000	15,750	15,750
Due from U. S. Treasurer	18,000	16,100	23,060
Total	$23,510,584	$23,079,594	$24,426,929
LIABILITIES.			
Capital stock paid in	$3,550,000	$3,300,000	$3,300,000
Surplus fund	554,500	539,500	521,000
Undivided profits, less expenses and taxes paid	179,129	217,529	175,630
National bank notes issued, less amount on hand	360,000	315,000	315,000
Due to other National banks	4,110,933	4,626,701	4,936,984
Due to State banks and bankers	4,486,501	4,821,220	5,396,545
Dividends unpaid	1,803	1,508	2,090
Individual deposits	9,749,659	8,696,084	9,372,961
U. S. deposits	$90,924	101,182	82,743
Deposits of U. S. disbursing officers	12,132	10,868	23,972
Notes and bills rediscounted	......	......	......
Bills payable	415,000	450,000	300,000
Liabilities other than those above stated	......	......	......
Total	$23,510,584	$23,079,594	$24,426,929
Average reserve held	42.35 p. c.	43.54 p. c.	37.82 p. c.

*The total lawful money reserve was $2,933,901 on October 6, 1896; $3,259,347 on December 17, 1896; $2,554,329 on March 9, 1897.

LINCOLN, NEB.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$1,618,515	$1,722,825	$1,546,327
Overdrafts	9,743	16,770	12,976
U. S. bonds to secure circulation	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	......	21,340	......
Premiums on U. S. bonds	6,000	5,500	5,500
Stocks, securities, etc	79,878	58,438	85,166
Banking house, furniture and fixtures	74,994	74,994	8,994
Other real estate and mortgages owned	82,478	82,391	69,776
Due from National banks (not reserve agents)	64,433	63,115	54,973
Due from State banks and bankers	25,883	54,187	13,881
Due from approved reserve agents	114,095	153,123	164,277
Checks and other cash items	30,766	9,968	35,079
Exchanges for clearing-house	17,533	15,200	9,411
Bills of other National banks	2,825	2,445	3,800
Fractional paper currency, nickels and cents	1,585	844	609

LINCOLN, NEB.—Continued.

RESOURCES	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
*Lawful money reserve in bank, viz.:			
Gold coin	$107,395	$133,710	$76,732
Gold Treasury certificates	......	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	8,493	5,683	17,136
Silver Treasury certificates	4,000	2,218	3,254
Silver fractional coin	4,669	2,858	4,416
Legal-tender notes	26,706	87,791	154,189
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	6,750	6,750	6,750
Due from U. S. Treasurer	......	......	......
Total	$2,431,746	$2,619,150	$2,423,203
LIABILITIES.			
Capital stock paid in	850,000	$850,000	850,000
Surplus fund	85,000	85,000	85,000
Undivided profits, less expenses and taxes paid	27,226	26,277	8,865
National bank notes issued, less amount on hand	135,000	133,100	134,400
Due to other National banks	97,269	61,228	83,012
Due to State banks and bankers	102,966	96,159	94,907
Dividends unpaid	......	......	......
Individual deposits	1,045,302	1,310,283	1,182,777
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	48,685	26,301	5,000
Bills payable	40,295	28,800	29,740
Liabilities other than those above stated	......	......	......
Total	$2,431,746	$2,619,150	$2,423,203
Average reserve held	23.96 p. c.	25.67 p. c.	33.37 p. c.

*The total lawful money reserve was $151,263 on October 6, 1896; $182.255 on December 17, 1896; $255,677 on March 9, 1897.

LOUISVILLE, KY.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$7,774,286	$7,575,427	$6,948,529
Overdrafts	24,408	23,512	12,649
U. S. bonds to secure circulation	1,875,000	1,775,000	1,575,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000
U. S. bonds on hand	......	200,000	250,000
Premiums on U. S. bonds	96,421	174,421	241,487
Stocks, securities, etc	302,792	335,416	584,159
Banking house, furniture and fixtures	195,892	195,567	188,400
Other real estate and mortgages owned	26,463	28,587	5,765
Due from National banks (not reserve agents)	614,621	608,691	707,698
Due from State banks and bankers	197,687	265,270	213,868
Due from approved reserve agents	968,277	1,550,416	2,081,818
Checks and other cash items	15,030	7,736	5,135
Exchanges for clearing-house	62,959	304,701	65,222
Bills of other National banks	101,577	224,235	49,825
Fractional paper currency, nickels and cents	5,163	1,195	1,101
*Lawful money reserve in bank, viz.:			
Gold coin	689,877	1,065,430	812,170
Gold Treasury certificates	23,080	5,000	5,000
Gold clearing-house certificates	......	......	......
Silver dollars	40,343	42,790	41,272
Silver Treasury certificates	40,000	......	......
Silver fractional coin	18,944	13,029	14,965
Legal-tender notes	725,337	458,735	402,834
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	54,635	79,465	70,695
Due from U. S. Treasurer	4,000	4,000	7,200
Total	$13,856,799	$15,439,428	$14,686,287
LIABILITIES.			
Capital stock paid in	$3,601,500	$3,601,500	$3,350,000
Surplus fund	719,000	719,000	694,000
Undivided profits, less expenses and taxes paid	232,405	209,796	200,002
National bank notes issued, less amount on hand	1,229,660	1,580,170	1,413,900
Due to other National banks	1,387,370	2,244,977	2,517,813
Due to State banks and bankers	1,434,300	1,655,578	1,697,957
Dividends unpaid	10,048	4,935	2,670
Individual deposits	4,594,032	4,834,577	4,307,094
U. S. deposits	183,637	277,820	359,172
Deposits of U. S. disbursing officers	316,301	221,708	140,677
Notes and bills rediscounted	99,341	13,063	......
Bills payable	59,200	69,000	......
Liabilities other than those above stated	......	7,299	3,000
Total	$13,856,799	$15,439,428	$14,686,287
Average reserve held	36.90 p. c.	41.02 p. c.	42.29 p. c.

*The total lawful money reserve was $1,537,581 on October 6, 1896; $1,584,984 on December 17, 1896; $1,276,241 on March 9, 1897.

MILWAUKEE, WIS.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$13,845,771	$13,226,112	$13,798,085
Overdrafts	85,054	84,751	93,137
U. S. bonds to secure circulation	920,000	920,000	720,000
U. S. bonds to secure U. S. deposits	390,000	390,000	390,000
U. S. bonds on hand	7,250	7,750	7,250
Premiums on U. S. bonds	141,959	139,659	108,159
Stocks, securities, etc	448,012	396,900	835,960
Banking house, furniture and fixtures	127,263	127,263	126,763
Other real estate and mortgages owned	27,522	27,522	59,438
Due from National banks (not reserve agents)	538,806	647,305	1,229,964
Due from State banks and bankers	249,608	364,165	374,344
Due from approved reserve agents	2,472,960	2,714,028	3,951,441
Checks and other cash items	2,996	10,715	3,686
Exchanges for clearing-house	366,951	336,373	260,460
Bills of other National banks	36,645	49,736	62,176
Fractional paper currency, nickels and cents	9,463	2,770	5,087
*Lawful money reserve in bank, viz.:			
Gold coin	2,037,107	1,787,170	1,668,645
Gold Treasury certificates	25,000	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	36,065	55,102	21,020
Silver Treasury certificates	56,884	84,761	102,932
Silver fractional coin	19,993	15,057	21,838
Legal-tender notes	422,640	592,239	825,296
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	41,400	41,400	32,400
Due from U. S. Treasurer	97,718	16,650	5,000
Total	$22,407,115	$22,037,432	$24,703,084
LIABILITIES.			
Capital stock paid in	$3,250,000	$3,250,000	$3,250,000
Surplus fund	521,000	521,000	531,000
Undivided profits, less expenses and taxes paid	219,680	278,198	251,198
National bank notes issued, less amount on hand	828,000	823,900	648,000
Due to other National banks	1,896,140	2,109,671	2,474,521
Due to State banks and bankers	765,694	972,844	1,405,350
Dividends unpaid	412	250	187
Individual deposits	14,441,884	13,681,106	15,750,271
U. S. deposits	201,570	320,004	280,831
Deposits of U. S. disbursing officers	280,738	80,457	111,823
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$22,407,115	$22,037,432	$24,703,084
Average reserve held	31.18 p. c.	33.55 p. c.	36.60 p. c.

* The total lawful money reserve was $2,597,690 on October 6, 1896; $2,534,329 on December 17, 1896; $2,639,731 on March 7, 1897.

MINNEAPOLIS, MINN.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$10,788,168	$11,217,563	$9,661,020
Overdrafts	26,337	15,338	12,423
U. S. bonds to secure circulation	400,000	400,000	350,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	500	500	......
Premiums on U. S. bonds	31,532	31,532	24,125
Stocks, securities, etc	315,373	321,291	343,157
Banking house, furniture and fixtures	159,188	159,188	147,381
Other real estate and mortgages owned	303,410	307,103	230,635
Due from National banks (not reserve agents)	677,086	919,705	829,276
Due from State banks and bankers	455,924	535,214	626,243
Due from approved reserve agents	978,225	1,186,823	1,350,228
Checks and other cash items	31,417	51,765	18,234
Exchanges for clearing-house	850,872	600,849	344,978
Bills of other National banks	89,950	88,900	72,468
Fractional paper currency, nickels and cents	5,478	2,159	3,561
*Lawful money reserve in bank, viz.:			
Gold coin	943,192	889,452	773,417
Gold Treasury certificates	13,500	9,000	2,500
Gold clearing-house certificates	......	......	......
Silver dollars	29,212	41,197	31,454
Silver Treasury certificates	130,029	149,000	86,216
Silver fractional coin	16,815	30,028	22,745
Legal-tender notes	679,124	488,634	308,074
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	18,000	17,699	15,750
Due from U. S. Treasurer	......	3,442	......
Total	$16,998,338	$17,516,389	$15,298,892

MINNEAPOLIS, MINN.—Continued.

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Capital stock paid in	$5,200,000	$5,200,000	$5,000,000
Surplus fund	461,000	461,000	476,000
Undivided profits, less expenses and taxes paid	418,066	489,288	355,658
National bank notes issued, less amount on hand	330,150	324,150	277,010
Due to other National banks	1,568,580	2,089,188	1,724,395
Due to State banks and bankers	1,251,038	1,551,324	1,079,061
Dividends unpaid	13,612	886	954
Individual deposits	7,264,701	7,253,277	6,290,824
U. S. deposits	40,057	39,948	39,049
Deposits of U. S. disbursing officers	6.131	7,700	6,418
Notes and bills rediscounted	100,000	......	......
Bills payable	310,000	50,000	25,000
Liabilities other than those above stated	30,000	49,600	25,000
Total	$16,993,338	$17,516,389	$15,298,892
Average reserve held	34.80 p. c.	31.96 p. c.	35.58 p. c.

* The total lawful money reserve was $1,811,873 on October 6, 1896; $1,607,311 on December 17, 1896; $1,219,406 on March 9, 1897.

NEW ORLEANS, LA.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$10,625,970	$11,349,709	$10,365,913
Overdrafts	633,550	990,661	466,417
U. S. bonds to secure circulation	850,000	900,000	872,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	3,100	2,800	10,300
Premiums on U. S. bonds	50,870	55,870	42,852
Stocks, securities, etc	2,104,163	2,182,432	2,566,390
Banking house, furniture and fixture	503,698	619,239	621,122
Other real estate and mortgages owned	73,384	98,318	96,827
Due from National banks (not reserve agents)	353,677	620,649	500,104
Due from State banks and bankers	250,721	286,199	474,571
Due from approved reserve agents	1,009,721	2,037,718	3,080,221
Checks and other cash items	42,926	19,709	23,259
Exchanges for clearing-house	1,117,311	1,601,214	1,064,139
Bills of other National banks	57,765	57,610	81,514
Fractional paper currency, nickels and cents	3,376	4,387	8,810
*Lawful money reserve in bank, viz.:			
Gold coin	492,481	718,838	752,251
Gold Treasury certificates	119,650	119,500	121,800
Gold clearing-house certificates	......	......	......
Silver dollars	54,019	61,279	105,595
Silver Treasury certificates	1,018,620	746,653	998,894
Silver fractional coin	49,306	63,077	89,659
Legal-tender notes	1,027,248	980,958	1,358,781
U. S. certificate of deposit for legal-tender notes	......	285,000	360,000
Five per cent. redemption fund with Treasurer	38,250	40,500	39,240
Due from U. S. Treasurer	......	......	10,000
Total	$20,479,813	$23,792,326	$24,105,666

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Capital stock paid in	$2,000,000	$2,300,000	$2,300,000
Surplus fund	2,260,000	2,260,000	2,285,000
Undivided profits less expenses and taxes paid	315,782	418,128	312,060
National bank notes issued, less amount on hand	762,645	796,695	770,795
Due to other National banks	912,095	1,480,699	1,766,175
Due to State banks and bankers	870,574	1,722,857	1,897,609
Dividends unpaid	10,574	11,248	10,065
Individual deposits	12,108,141	14,552,697	14,763,970
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	290,000	75,000	......
Bills payable	750,000	200,000	......
Liabilities other than those above stated	200,000	......	......
Total	$20,479,813	$23,792,326	$24,105,666
Average reserve held	31.42 p. c.	32.74 p. c.	42.29 p. c.

* The total lawful money reserve was $2,761,324 on October 6, 1896; $2,925,305 on December 17, 1896; $3,781,980 on March 9, 1897.

OMAHA, NEB.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$7,191,954	$7,421,821	$7,733,290
Overdrafts	95,926	79,575	80,365
U. S. bonds to secure circulation	730,000	730,000	600,000
U. S. bonds to secure U. S. deposits	450,000	450,000	450,000
U. S. bonds on hand	......	12,000	12,000
Premiums on U. S. bonds	99,625	101,471	98,971
Stocks, securities, etc	621,867	688,802	578,183
Banking house, furniture and fixtures	832,068	832,068	832,068

OMAHA, NEB.—Continued.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Other real estate and mortgages owned	$458,101	$478,364	$496,465
Due from National banks (not reserve agents)	458,292	422,512	647,606
Due from State banks and bankers	379,636	611,337	438,318
Due from approved reserve agents	1,944,006	1,492,595	1,679,254
Checks and other cash items	66,636	113,292	84,889
Exchanges for clearing-house	317,402	348,370	417,770
Bills of other National banks	238,437	152,842	153,490
Fractional paper currency, nickels and cents	5,670	5,228	3,881
*Lawful money reserve, viz.:			
Gold coin	1,479,395	1,506,925	1,545,032
Gold Treasury certificates	1,360	2,020	29,020
Gold clearing-house certificates	......	......	......
Silver dollars	75,880	101,922	97,257
Silver Treasury certificates	162,991	150,805	118,833
Silver fractional coin	40,347	52,157	45,078
Legal-tender notes	1,176,590	920,350	386,408
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasury	32,460	32,630	27,000
Due from U. S. Treasury	......	690	26
Total	$16,858,170	$16,707,802	$16,534,883
LIABILITIES.			
Capital stock paid in	$3,750,000	$3,750,000	$3,750,000
Surplus fund	333,500	312,000	325,500
Undivided profits, less expenses and taxes paid	70,493	83,222	76,944
National bank notes issued, less amount on hand	656,995	656,995	539,995
Due to other National banks	2,031,047	1,965,069	1,909,731
Due to State banks and bankers	1,716,012	1,784,406	1,990,085
Dividends unpaid	543	483	483
Individual deposits	7,765,848	7,641,912	7,411,263
U. S. deposits	152,586	259,219	231,188
Deposits of U. S. disbursing officers	236,144	164,491	184,741
Notes and bills rediscounted	......	......	......
Bills payable	150,000	90,000	115,000
Liabilities other than those above stated	......	......	......
Total	$16,853,170	$16,707,802	$16,534,883
Average reserve held	46.73 p. c.	41.43p. c.	39.01 p. c.

* The total lawful money reserve was $2,936,563 on October 6, 1896; $2,734,179 on December 17, 1896; $2,221,678 on March 9, 1897.

PHILADELPHIA, PA.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$86,838,998	$85,739,612	$89,412,647
Overdrafts	18,714	20,139	17,285
U. S. bonds to secure circulation	7,927,500	8,377,500	8,232,500
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	25,000	50,000	300,000
Premiums on U. S. bonds	800,441	870,983	995,959
Stocks, securities, etc	10,174,324	9,097,880	9,484,787
Banking house, furniture and fixtures	4,321,202	4,333,217	4,352,792
Other real estate and mortgages owned	630,506	662,749	582,564
Due from National banks (not reserve agents)	6,570,797	6,514,762	6,889,3 3
Due from State banks and bankers	1,132,096	1,387,110	1,420,108
Due from approved reserve agents	10,739,404	14,693,787	17,077,157
Checks and other cash items	1,092,250	927,177	1,052,188
Exchanges for clearing-house	8,271,634	7,884,505	7,416,389
Bills of other National banks	430,863	430,513	365,622
Fractional paper currency, nickels and cents	63,868	65,047	59,196
*Lawful money reserve in bank, viz.:			
Gold coin	1,213,440	1,476,135	1,487,757
Gold Treasury certificates	196,030	256,930	177,900
Gold clearing-house certificates	3,665,000	4,240,000	5,450,000
Silver dollars	226,844	256,777	244,677
Silver Treasury certificates	3,682,998	4,5-9,825	4,523,175
Silver fractional coin	265,265	337,473	260,528
Legal-tender notes	2,646,183	2,797,152	2,319,488
U. S. certificates of deposit for legal-tender notes	5,020,000	5,230,000	11,245,000
Five per cent. redemption fund with Treasurer	355,472	366,648	370,462
Due from U. S. Treasurer	43,910	127,006	51,028
Total	$156,512,740	$160,932,885	$173,988,519
LIABILITIES.			
Capital stock paid in	$21,965,000	$21,965,000	$21,915,000
Surplus fund	14,673,000	14,718,000	14,658,000
Undivided profits, less expenses and taxes paid	3,049,980	2,762,051	2,859,997
National bank notes issued, less amount on hand	7,071,355	7,193,082	7,180,892
Due to other National banks	17,209,596	18,505,137	22,787,009
Due to State banks and bankers	5,050,960	5,281,909	5,875,066
Dividends unpaid	40,192	53,158	43,243
Individual deposits	86,374,255	89,156,229	98,075,950

PHILADELPHIA, PA.—Continued.

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
U. S. deposits	$198,358	$196,509	$198,340
Deposits of U. S. disbursing officers	1,961	2,074	......
Notes and bills rediscounted	93,140	......	......
Bills payable	785,000	800,000	400,000
Liabilities other than those above stated	......	299,783	......
Total	$156,512,740	$160,932,885	$173,968,519
Average reserve held	30.24 p. c.	35.31 p. c.	38.92 p. c.

*The total lawful money reserve was $16,865,760 on October 6, 1896; $19,184,292 on December 17, 1896; $25,708,526 on March 9, 1897.

PITTSBURG, PA.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$43,923,195	$42,852,577	$41,767,147
Overdrafts	82,950	65,301	37,707
U. S. bonds to secure circulation	4,960,250	5,160,250	5,125,250
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	500	700	114,550
Premiums on U. S. bonds	469,133	507,783	532,552
Stocks, securities, etc	2,832,447	2,830,514	2,949,664
Banking house, furniture and fixtures	3,230,566	3,242,106	3,260,578
Other real estate and mortgages owned	539,672	544,908	533,888
Due from National banks (not reserve agents)	1,233,882	1,438,533	2,279,981
Due from State banks and bankers	267,602	271,559	272,872
Due from approved reserve agents	3,618,378	3,156,464	4,953,589
Checks and other cash items	278,504	226,822	281,880
Exchanges for clearing-house	1,953,065	1,625,659	1,571,001
Bills of other National banks	338,006	288,012	278,145
Fractional paper currency, nickels and cents	18,525	17,618	21,732
*Lawful money reserve in bank, viz.:			
Gold coin	3,082,686	3,082,617	3,161,652
Gold Treasury certificates	387,280	875,770	381,660
Gold clearing-house certificates	......	......	......
Silver dollars	259,235	248,019	241,132
Silver Treasury certificates	625,760	721,593	626,460
Silver fractional coin	181,595	180,560	190,195
Legal-tender notes	2,332,774	2,324,006	2,037,185
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with treasurer	215,226	197,778	230,611
Due from U. S. Treasurer	42,525	32,718	36,400
Total	$71,068,761	$69,541,368	$71,084,738

LIABILITIES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Capital stock paid in	$12,100,000	$12,100,000	$12,300,000
Surplus fund	9,421,218	9,321,468	9,643,268
Undivided profits, less expenses and taxes paid	1,609,149	1,841,037	1,580,913
National bank notes issued, less amount on hand	4,422,222	4,582,302	4,552,012
Due to other National banks	4,690,555	4,516,738	6,092,411
Due to State banks and bankers	1,964,020	1,776,149	1,992,580
Dividends unpaid	56,323	60,146	59,874
Individual deposits	35,489,114	34,604,247	34,623,615
U. S. deposits	129,461	130,583	141,436
Deposits of U. S. disbursing officers	65,515	71,826	58,535
Notes and bills rediscounted	840,488	354,368	......
Bills payable	228,193	182,500	35,000
Liabilities other than those above stated	52,500	......	5,100
Total	$71,068,761	$69,541,368	$71,084,738
Average reserve held	27.71 p. c.	27.27 p. c.	30.65 p. c.

*The total lawful money reserve was $6,869,330 on October 6, 1896; $6,882,565 on December 17, 1896; $6,638,234 on March 9, 1897.

ST. JOSEPH, MO.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$2,493,742	$2,424,280	$2,196,6·1
Overdrafts	15,154	12,016	26,147
U. S. bonds to secure circulation	200,000	200,000	200,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	770
Premiums on U. S. bonds	3,500	3,500	3,500
Stocks, securities, etc	76,328	73,616	73,616
Banking house, furniture and fixtures	103,350	103,350	103,350
Other real estate and mortgages owned	47,643	47,363	49,656
Due from National banks (not reserve agents)	173,889	295,557	274,410
Due from State banks and bankers	57,351	85,439	117,372
Due from approved reserve agents	561,577	552,787	783,266
Checks and other cash items	30,347	19,538	32,564
Exchanges for clearing-house	49,836	70,324	59,452
Bills of other National banks	13,011	10,247	9,715
Fractional paper currency, nickels and cents	602	647	489

ST. JOSEPH, MO.—Continued.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
*Lawful money reserve in bank, viz.:			
Gold coin	$204,022	$161,707	$130,512
Gold Treasury certificates	11,370	10,860	5,860
Gold clearing-house certificates	......	......	......
Silver dollars	18,802	18,562	15,121
Silver Treasury certificates	57,477	71,926	72,367
Silver fractional coin	5,897	5,265	6,218
Legal-tender notes	193,297	161,373	207,739
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	8,955	8,955	8,955
Due from U. S. Treasurer	1,100	2,900	3,000
Total	$4,377,256	$4,389,316	$4,430,705
LIABILITIES.			
Capital stock paid in	$850,000	$850,000	$850,000
Surplus fund	140,000	142,500	142,500
Undivided profits, less expenses and taxes paid	61,888	41,691	38,833
National bank notes issued, less amount on hand	179,000	179,100	179,100
Due to other National banks	273,636	278,469	420,078
Due to State banks and bankers	567,499	602,992	597,632
Dividends unpaid	1,079	672	231
Individual deposits	2,254,784	2,246,169	2,152,711
U. S. deposits	49,225	48,660	49,290
Deposits of U. S. disbursing officers	94	342	332
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	3,718	......
Total	$4,377,256	$4,389,316	$4,430,705
Average reserve held	37.21 p. c.	36.57 p. c.	44.58 p. c.

*The total lawful money reserve was $490,866 on October 6, 1896; $429,693 on December 17, 1896; $437,818 on March 9, 1897.

ST. LOUIS, MO.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$26,197,678	$24,941,743	$25,302,708
Overdrafts	44,627	31,474	20,530
U. S. bonds to secure circulation	1,402,000	1,677,000	1,625,000
U. S. bonds to secure U. S. deposits	525,000	500,000	500,000
U. S. bonds on hand	......	......	150,400
Premiums on U. S. bonds	170,250	184,500	156,915
Stocks, securities, etc	1,367,067	1,484,875	1,474,571
Banking house, furniture and fixtures	950,454	954,056	941,810
Other real estate and mortgages owned	178,114	171,447	171,072
Due from National banks (not reserve agents)	3,214,632	5,516,848	8,703,508
Due from State banks and bankers	871,881	994,963	1,335,126
Due from approved reserve agents	......	......	......
Checks and other cash items	92,036	89,240	58,660
Exchanges for clearing-house	1,137,439	1,348,613	1,779,882
Bills of other National banks	97,749	364,979	346,624
Fractional paper currency, nickels and cents	1,494	1,663	2,225
*Lawful money reserve in bank, viz.:			
Gold coin	2,343,743	2,059,390	2,092,202
Gold Treasury certificates	190,760	181,890	182,480
Gold clearing-house certificates	......	......	......
Silver dollars	31,575	46,424	34,831
Silver Treasury certificates	449,741	787,608	1,781,908
Silver fractional coin	22,480	25,619	20,636
Legal-tender notes	2,856,442	3,773,097	4,837,097
U. S. certificates of deposit for legal-tender notes	180,000	855,000	1,725,000
Five per cent. redemption fund with Treasurer	61,822	63,042	73,125
Due from U. S. Treasurer	1,000	13,200	10,792
Total	$42,388,987	$46,066,678	$52,827,105
LIABILITIES.			
Capital stock paid in	$9,400,000	$9,400,000	$8,700,000
Surplus fund	1,861,000	1,871,000	1,740,000
Undivided profits, less expenses and taxes paid	628,551	589,970	672,729
National bank notes issued, less amount on hand	1,260,540	1,490,530	1,452,180
Due to other National banks	6,705,241	8,356,931	11,663,894
Due to State banks and bankers	5,503,638	6,325,683	8,505,539
Dividends unpaid	1,717	4,972	1,605
Individual deposits	16,222,556	17,509,146	19,561,754
U. S. deposits	537,242	500,000	524,903
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	53,500	......	......
Bills payable	190,000	......	......
Liabilities other than those above stated	25,000	18,442	4,500
Total	$42,388,987	$46,066,678	$52,827,105
Average reserve held	25.95 p. c.	31.84 p. c.	36.48 p. c.

*The total lawful money reserve was $6,075,741 on October 6, 1896; $7,729,028 on December 17, 1896; $10,174,155 on March 9, 1897.

ST. PAUL, MINN.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$10,450,811	$10,725,266	$9,564,359
Overdrafts	16,704	12,864	7,718
U. S. bonds to secure circulation	252,000	252,000	252,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	......	......	......
Stocks, securities, etc	819,673	962,498	1,000,283
Banking house, furniture and fixtures	752,718	702,718	702,718
Other real estate and mortgages owned	175,481	75,138	75,188
Due from National banks (not reserve agents)	455,368	493,845	633,183
Due from State banks and bankers	203,266	217,238	152,823
Due from approved reserve agents	1,834,292	2,125,417	2,680,060
Checks and other cash items	88,828	88,215	89,919
Exchanges for clearing-house	384,661	412,651	128,447
Bills of other National banks	122,192	125,444	148,841
Fractional paper currency, nickels and cents	8,125	2,442	8,255
*Lawful money reserve in bank, viz.:			
Gold coin	1,947,879	2,152,142	2,060,713
Gold Treasury certificates	8,200	8,400	8,800
Gold clearing-house certificates	......	......	......
Silver dollars	82,713	69,728	67,655
Silver Treasury certificates	228,588	231,802	276,611
Silver fractional coin	38,537	30,289	33,348
Legal-tender notes	448,469	386,401	399,998
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	11,293	11,293	11,298
Due from U. S. Treasurer	8,056	24,210	15,180
Total	$18,807,861	$19,584,998	$18,747,265
LIABILITIES.			
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000
Surplus fund	1,055,000	1,055,000	1,055,000
Undivided profits, less expenses and taxes paid	898,373	1,062,065	1,000,980
National bank notes issued, less amount on hand	224,320	222,300	220,820
Due to other National banks	1,643,406	2,127,062	2,002,650
Due to State banks and bankers	1,241,346	1,786,532	1,463,405
Dividends unpaid	9,646	2,328	2,536
Individual deposits	9,485,486	9,054,834	8,154,991
U. S. deposits	182,651	205,677	237,219
Deposits of U. S. disbursing officers	317,629	269,198	235,954
Notes and bills rediscounted	......	......	......
Bills payable	......	......	573,767
Liabilities other than those above stated	......	......	......
Total	$18,807,861	$19,584,998	$18,747,265
Average reserve held	39.44 p. c.	41.12 p. c.	50.38 p. c.

*The total lawful money reserve was $2,754,386 on October 6, 1896; $2,878,762 on December 17, 1896; $2,867,120 on March 9, 1897.

SAN FRANCISCO, CAL.

RESOURCES.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Loans and discounts	$7,184,368	$7,019,299	$6,859,809
Overdrafts	140,374	60,422	67,831
U. S. bonds to secure circulation	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	......	......	50,000
Premiums on U. S. bonds	10,500	12,660	17,660
Stocks, securities, etc	148,681	148,666	200,689
Banking house, furniture and fixtures	344,616	345,048	345,298
Other real estate and mortgages owned	33,922	33,440	92,183
Due from National banks (not reserve agents)	244,965	120,468	112,625
Due from State banks and bankers	328,694	525,638	515,378
Due from approved reserve agents	543,956	571,084	270,802
Checks and other cash items	......	8,290	8,290
Exchanges for clearing-house	227,139	181,318	71,376
Bills of other National banks	6,950	8,700	2,230
Fractional paper currency, nickels and cents	481	380	738
*Lawful money reserve in bank, viz.:			
Gold coin	2,398,180	2,560,477	2,386,470
Gold Treasury certificates	......	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	12,260	39,900	21,040
Silver Treasury certificates	35,425	22,159	5,848
Silver fractional coin	24,332	37,228	28,456
Legal-tender notes	7,000	7,300	1,095
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	6,750	6,750	6,750
Due from U. S. Treasurer	1,200	......	900
Total	$11,899,816	$11,909,227	$11,315,470

SAN FRANCISCO, CAL.—Continued.

LIABILITIES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Capital stock paid in	$2,500,000	$2,500,000	$2,500,000
Surplus fund	1,450,000	1,450,000	1,475,000
Undivided profits, less expenses and taxes paid	149,868	223,013	120,088
National bank notes issued, less amount on hand	71,500	90,000	90,000
Due to other National banks	602,691	584,768	665,550
Due to State banks and bankers	991,785	1,191,805	753,881
Dividends unpaid	1,250	50	1,985
Individual deposits	6,012,816	5,758,149	5,610,140
U. S. deposits	119,904	111,441	99,375
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$11,899,816	$11,909,227	$11,315,470
Average reserve held	43.75 p. c.	47.30 p. c.	42.82 p. c.

* The total lawful money reserve was $2,477,197 on October 6, 1896; $2,667.064 on December 17, 1896; $2,442,909 on March 9, 1897.

SAVANNAH, GA.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$1,507,613	$1,439,608	$1,236,869
Overdrafts	5,684	1,125	400
U. S. bonds to secure circulation	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	90,000	90,000	90,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	11,150	11,150	11,150
Stocks, securities, etc	66,765	66,183	64,283
Banking house, furniture and fixtures	67,239	67,239	67,239
Other real estate and mortgages owned	18,587	18,961	16,592
Due from National banks (not reserve agents)	32,638	58,182	73,301
Due from State banks and bankers	28,901	24,757	23,857
Due from approved reserve agents	88,351	130,938	65,240
Checks and other cash items	......	......	......
Exchanges for clearing-house	......	36,822	17,571
Bills of other National banks	20,000	25,000	35,000
Fractional paper currency, nickels and cents	1,880	940	804
*Lawful money reserve in bank, viz.:			
Gold coin	12,600	17,000	15,000
Gold Treasury certificates	1,000	......	2,000
Gold clearing-house certificates	......	......	......
Silver dollars	6,500	22,000	18,000
Silver Treasury certificates	27,000	43,486	77,431
Silver fractional coin	4,800	6,861	5,700
Legal-tender notes	55,000	50,000	60,000
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	4,543	4,543	4,543
Due from U. S. Treasurer	7	7	7,581
Total	$2,152,263	$2,225,820	$1,994,065
LIABILITIES.			
Capital stock paid in	$750,000	$750,000	$750,000
Surplus fund	225,000	225,000	225,000
Undivided profits, less expenses and taxes paid	47,294	58,824	49,050
National bank notes issued, less amount on hand	90,020	86,960	83,625
Due to other National banks	47,660	71,810	84,303
Due to State banks and bankers	146,279	101,532	156,026
Dividends unpaid	1,023	960	1,338
Individual deposits	510,733	601,623	549,181
U. S. deposits	3,670	13,940	......
Deposits of U. S. disbursing officers	80,563	74,151	549,181
Notes and bills rediscounted	25,019	16,019	......
Bills payable	225,000	225,000	......
Liabilities other than those above stated	......	......	......
Total	$2,152,263	$2,225,820	$1,994,065
Average reserve held	28.20 p. c.	39.46 p. c.	33.63 p. c.

*The total lawful money reserve was $106,900 on October 6, 1896;$139,347 on December 17, 1896; $178,131 on March 9, 1897.

WASHINGTON, D. C.

RESOURCES.	*Oct. 6, 1896.*	*Dec. 17, 1896.*	*Mar. 9, 1897.*
Loans and discounts	$8,147,070	$8,090,981	$7,965,789
Overdrafts	16,412	9,294	9,666
U. S. bonds to secure circulation	904,150	904,150	929,150
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	377,900	330,000	372,650
Premiums on U. S. bonds	68,917	61,159	69,573
Stocks, securities, etc	1,363,113	1,351,357	1,342,444
Banking house, furniture and fixtures	1,069,994	1,069,994	1,069,994

WASHINGTON, D. C.—Continued.

Resources.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Other real estate and mortgages owned	$54,851	$53,059	$53,658
Due from National banks (not reserve agents)	664,895	710,441	912,386
Due from State banks and bankers	478,215	472,002	587,846
Due from approved reserve agents	1,046,352	1,562,147	1,684,100
Checks and other cash items	259,331	146,352	249,823
Exchanges for clearing-house	205,891	197,793	204,815
Bills of other National banks	16,455	8,348	13,091
Fractional paper currency, nickels and cents	6,622	8,781	7,958
*Lawful money reserve in bank, viz.:			
Gold coin	776,462	864,632	854,950
Gold Treasury certificates	754,110	634,460	637,570
Gold clearing-house certificates	......	......	......
Silver dollars	15,062	8,962	9,796
Silver Treasury certificates	1,436,966	784,161	1,397,807
Silver fractional coin	18,271	38,023	32,802
Legal-tender notes	714,152	666,127	682,131
U. S. certificates of deposit for legal-tender notes	210,000	160,000	......
Five per cent. redemption fund with Treasurer	34,729	36,169	195,744
Due from U. S. Treasurer	1,310	......	......
Total	$18,741,235	$18,268,418	$19,383,048

Liabilities.	Oct. 6, 1896.	Dec. 17, 1896.	Mar. 9, 1897.
Capital stock paid in	$3,075,000	$3,075,000	$3,075,000
Surplus fund	1,401,500	1,401,500	1,422,000
Undivided profits, less expenses and taxes paid	278,747	319,416	263,366
National bank notes issued, less amount on hand	706,645	710,095	705,785
Due to other National banks	329,157	318,973	336,828
Due to State banks and bankers	228,846	153,243	180,127
Dividends unpaid	4,911	2,993	3,110
Individual deposits	12,574,981	12,153,030	13,293,487
U. S. deposits	88,804	94,666	74,842
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	20,061	......	......
Bills payable	32,500	39,500	28,500
Liabilities other than those above stated	......	......	......
Total	$18,741,235	$18,268,418	$19,383,048
Average reserve held	40.22 p. c.	39.48 p. c.	41.78 p. c.

* The total lawful money reserve was $3,925,023 on October 6, 1896; $3,156,386 on December 17, 1896; $3,615,056 on March 9, 1897.

Gold and Silver Coinage.

There were coined at the mints in March $13,770,900 of gold, $1,617,654 of silver, and $89,926 of minor coin. Of the silver coinage $1,400,250 was standard dollars.

	1896.		1897.	
	Gold.	Silver.	Gold.	Silver.
January	$12,914,600	$65,000	$7,803,420	$1,964,800
February	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,683,531	13,770,900	1,617,654
April	1,500,000	1,831,000	....	....
May	2,857,200	1,826,490	....	....
June	2,471,217	1,950,693	....	....
July	2,918,200	1,092,000	....	....
August	8,315,000	2,686,000	....	....
September	3,140,923	2,754,185	....	....
October	5,727,500	2,844,010	....	....
November	5,064,700	2,305,022	....	....
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	$31,726,320	5,102,248

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to BRADFORD RHODES & CO., 78 William Street, New York.]

PAINE'S BANKING LAWS. The Laws of the State of New York Relating to Banks, Banking, Trust Companies, Loan, Mortgage and Safe Deposit Corporations, together with the Acts Affecting Moneyed Corporations Generally, Including the Statutory Construction Law, the General Corporation Law and the Stock Corporation Law; also the National Bank Act and Cognate United States Statutes, with Annotations. Revised and Enlarged Edition. By WILLIS S. PAINE, LL.D., Late Superintendent of the Banking Department of the State of New York.

This is a complete compendium of the laws, decisions, opinions and rulings in regard to all classes of banks doing business in the State of New York, as well as of those operating under the national system. The historical sketch of banking in New York is a thorough description of the origin and growth of one of the best and most important State bank systems of the country.

Many recent changes in the law are embodied in this new edition, the supplement containing the laws of 1895 and 1896, together with the interpretation by the Banking Department of new and important statutes affecting banks and bankers.

Explanatory notes are given with each section of the various statutes, together with the decisions properly accompanying the same, making it easy to understand what the law is.

The work will exactly meet the requirements of bankers who desire a clear and thorough exposition of the banking laws of New York and the provisions of the National Bank Act.

THE MONETARY AND BANKING PROBLEM. By LOGAN G. MCPHERSON. New York: D. Appleton & Co.

The author has traced the development of banking in a very concise way, and has cleverly and plainly described the manner of utilizing credit instruments of various kinds as substitutes for money. He holds that it is not its redeemability in coin that, in the final analysis, gives currency and value to paper money, but rather the knowledge of its exchangeability for the results of human effort—property, commodities, etc. From this he does not conclude that paper money should be issued by government, or that its value is conferred by law. Mr. McPherson commends the "Baltimore Plan," and more especially the Canadian system, where the notes are based upon commodity values.

It is doubtless true, as the author contends, that very few people who accept paper money stop to think in what kind of coin it is redeemable, or whether it is redeemable in coin at all. It is accepted because of the belief, founded upon experience, that the notes are exchangeable for a known amount of commodities. The financier or the capitalist, of course, has a different conception as to what constitutes the basis of paper money. There is much of sound and interesting information in the volume, pertinent to the present monetary discussion. Perhaps the following summary contains the gist of Mr. McPherson's ideas in regard to the basis and function of paper currency:

"This fact, the total value called for by the paper representatives of value at any time in existence, although expressed in terms of the units of value originally designating coins, vastly exceeds the value of the metals as coined or held in bullion by the sources whence coins are issued, together with the fact that no man willingly and knowingly exchanges commodities for paper representatives of value without believing that he can obtain the worth called for by these representatives, leads to the perception that, after all, it is not the metals, however precious, but property of all kinds that is their basis, and that these paper representatives of value are superseding coins in designating and measuring the value of the commodities for which they are exchanged. And as the value of commodities depends upon the efforts expended, under the law of supply and demand, in producing and delivering them at the place of need, the ultimate function of paper representatives of value is to measure and reward human effort."

THE DISTURBANCE IN THE STANDARD OF VALUE. By ROBERT BARCLAY. London: Effingham Wilson & Co.

This is an exhaustive consideration of the subject of metallic money, and is an able treatise from the author's standpoint—that of an international bimetallist. The gold monometallist will also find the book interesting from its clear statements of the other side of the case.

A BIMETALLIC PRIMER. By HERBERT C. GIBBS. London: Effingham Wilson.

This volume traverses the familiar path of the silver advocates, and presents nothing that is strikingly new. The following illustration of the terrible effects of the "appreciation of gold" is given as a fair sample of the arguments in favor of silver:

"The English national debt during the years 1865-69 stood at about £805,000,000; since that time £134,000,000 has been paid off, so that it only amounted in April, 1893, to £671,000,000; as, however, each sovereign in the present debt is worth in commodities 47⅓ per cent. more than each sovereign was worth in the years 1865-69, it follows, that if we measure our present debt in sovereigns taken at the value that they had in 1865-69, our present debt would be worth £671,000,000 plus 47⅓ per cent. of £671,000,000, or £988,600,000. In other words, though we appear to have reduced the value of our debt by £134,000,000 during the last twenty-five years, the burden of it, as measured in commodities, has been really increased by £183,000,000."

This is the old assumption, that because two bushels of wheat are now required to pay a certain debt that could have been discharged with one bushel prior to 1873, the burdens of debtors are greatly increased, entirely losing sight of the fact that the two bushels may now be produced much more cheaply than one at the earlier date.

A TREATISE ON THE LAW OF MUNICIPAL BONDS OF THE MUNICIPAL CORPORATIONS OF THE UNITED STATES, INCLUDING BONDS ISSUED TO AID RAILROADS. To Which are Added Excerpts from the State Constitutions Relating to the Incurring of Debt for Public Purposes. By T. C. SIMONTON. New York: Banks and Brothers. 566 pages.

The need of a comprehensive work on this subject has been felt by bankers and investors, and the need seems to have been supplied by the above volume, which contains an exhaustive, yet concise, treatment of the whole subject. The principles governing the issue of municipal bonds, and all the points bearing upon their legality, are fully laid down, and numerous important cases are cited. The arrangement of the text and the thoroughness of the index make consultation easy. To bankers and all dealers in municipal bonds the work will be of the highest value in placing an additional safeguard about the handling of this class of securities.

BANKS AND BANKING. By H. T. EASTON. London: Effingham Wilson.

The subject of banking in the United Kingdom is dealt with in this volume in a thoroughly scientific and lucid manner. Copious extracts from the work, relating to the Bank of England's Discount Rate, have been published in the previous numbers of the BANKERS' MAGAZINE. Those who desire to gain a knowledge of British banking methods will find Mr. Easton's work most valuable.

MONETARY SYSTEMS OF THE WORLD. (Revised Edition.) By MAURICE L. MUHLEMAN. New York: Charles H. Nicoll.

We have frequently recommended Mr. Muhleman's book as the most authentic and complete work of its kind published in this country. The revised edition brings the information down to a later date, and much reliable information has been added in relation to the laws of legal tender.

BANKERS' ASSOCIATIONS.

PLACES AND DATES OF HOLDING FUTURE CONVENTIONS.

AMERICAN BANKERS' ASSOCIATION.—Detroit, Mich., Tuesday, Wednesday, and Thursday, August 10, 11, and 12.

CALIFORNIA BANKERS' ASSOCIATION.—Los Angeles, Cal., Monday and Tuesday, April 19 and 20.

MARYLAND BANKERS' ASSOCIATION.—Cumberland, Md., Tuesday and Wednesday, June 1 and 2.

TENNESSEE BANKERS' ASSOCIATION.—Nashville, Tenn., Wednesday and Thursday, May 19 and 20.

The Bankers' Directory.—H. T. Baily, Cashier of the Henry County Bank, Spiceland, Ind., writes under date of March 11: "Your new BANKERS' DIRECTORY receeived to-day, and very satisfactory it is. Thank you for your promptness."

Improves with Each Issue.—THE BANKERS' MAGAZINE, published by Bradford Rhodes & Company, New York, improves with each issue and should be on the desk of every financier.—*Pittsburg Banker*.

New Fiscal Officers.—The Senate has confirmed the nominations of Oliver L. Spaulding, of Michigan, and William B. Howell, of New Jersey, to be Assistant Secretaries of the Treasury.

Capital's Proverbial Timidity.—Judge.—Thirty days.

Wragged Wrothschild.—Hold on, yer honor; I'm a capitalist.

Judge.—A what!

Wragged Wrothschild.—Don't the plitical conermists say that a poor man's labor's his capital?

Judge.—Why don't you invest it?

Wragged Wrothschild.—Capital's timid; I ain't a going to invest mine until business booms.

A Trustworthy Guide.—The BANKERS' MAGAZINE is a most trustworthy guide in all matters pertaining to finance.—*Indianapolis (Ind.) News*.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, April 3, 1897.

THE PASSAGE OF A TARIFF ACT by one branch of Congress on March 31 is the first step in legislation which will exert a marked influence upon finance and business in the future. The merits of the Dingley bill must be tested by experience, but if there is to be tariff legislation it is desirable that there be as little delay in its consummation as possible. The passage of the measure through the House so soon after the change in the Administration is in marked contrast with the dilatoriness with which Congress handled measures of great importance four years ago.

In 1893 President Cleveland delayed calling Congress together to act on the repeal of the Sherman silver law until June 30, and then fixed the time for convening for August 7. Just three weeks after the House passed a bill to repeal the silver purchase clause, but it was not until October 31 that the Senate passed it. On November 1 the House concurred in the Senate amendments and the bill was signed by the President on that date. It was, therefore, nearly eight months after Mr. Cleveland was inaugurated before the relief from silver inflation was secured by Act of Congress.

The history of the Wilson tariff bill shows similar delay in the movements of Congress. It was reported to the House on December 19, 1893, passed that body on February 1, 1894, and the Senate on July 3. The House spent more than a month struggling with more than six hundred amendments which the Senate had injected into the measure, but finally accepted them on August 13. The bill at last became a law on August 27, without the President's signature.

It was nearly nine months after Congress met in regular session, and nearly eighteen months after Mr. Cleveland became President, that the change in the tariff laws, long agitated, was accomplished. The Dingley tariff bill comes out of the House within four weeks after Mr. McKinley's inauguration, and while the Senate is more than likely to take much time in discussion, a tariff law is quite certain to be enacted before the anniversary of the meeting of the 53d Congress in extra session..

The threat of any general change in the tariff tends to unsettle trade for the time being, and that effect has followed the present attempt at legislation. The prospect of increased duties on various articles has given an impetus to imports, and the United States Treasury has been a temporary gainer by the fact. The duties collected at the New York Custom House, in March, aggregated nearly $17,600,000, the largest total ever reported, except for the month of August, 1872, when large quantities of goods were withdrawn from warehouses after the ten per cent. reduction in tariff rates went into operation. In that month the receipts were $19,336,000. On March 15 the last total day's receipts were $2,667,979, exceeding all previous records. The Government in consequence is able to report a handsome surplus for the first month of the new Administration, but that result must be viewed as entirely exceptional.

The use of money in payment of customs duties to the Government gave strength to the local money market, but without any approach to stringency. In fact, there has been a steady flow of currency into the New York banks from outside points, and the extraordinary demand from importers of merchandise has had very little effect upon the reserves of those institutions. A decrease of about $11,000,000 in the cash holdings of the banks is reported for the month, and of $4,500,000 in deposits. There was a time when a large drain upon our banks was looked for about April 1, and from $5,000,000 to $10,000,000 would be withdrawn in anticipation of settling day, but that has ceased to be a common occurrence. But for the proposed tariff legislation there would have been very little, if any, reduction in deposits or reserves last month.

In March we had a striking illustration of the dangers which encompass the way of the investor in American securities. We need do no more than refer to the anti-trust measures proposed in the New York State Legislature as the result of the recent investigation presided over by State Senator Lexow. The event which overshadowed all others was the decision, by the highest court in the land, that the anti-trust law, know as the Sherman law, enacted by Congress in 1890, applied to the traffic associations formed by the railroads to prevent chaos in rate making.

Two cases in which the question was at issue were running contemporaneously in the courts. The United States Court of Appeals only a short time before had decided that the anti-trust law did not apply to the Joint Traffic Association, when the United States Supreme Court rendered a decision in the case of the Trans-Missouri Freight Association that it existed in violation of law. The decision is a sweeping one, and should the court maintain the ground there set forth, in the case of the Joint Traffic Association which has been appealed to the Supreme Court by the Government and will shortly be heard there, it is expected, the outlook will be anything but agreeable.

The railroads have two grounds for hope, however. First, the decision of the United States Supreme Court was rendered by a divided court, five judges against four. The strongest array of legal talent will appear in the Trans-Missouri Association case and undertake to convince at least one of the majority justices that he is in error. Then there is the possibility of Congressional action. A bill has been introduced in the United States Senate to legalize pooling by the railroads subject to the approval of the Inter-State Commerce Commission.

An observation of the course of the stock market last month shows that while the tariff legislation had no unfavorable effect on the prices of securities, the decision of the Supreme Court in the railroad pooling case had a positively damaging effect. In the first half of the month there had been a steady advance in market values resulting in an average rise of 1¼ per cent. One important bullish factor was the reported closing of a contract with a prominent banking syndicate by the Lake Shore Railroad to refund at 3½ per cent. about $43,500,000 of its 7 per cent. bonds maturing during the next six years. By this arrangement the company will effect a saving in interest of nearly $1,300,000 per annum. It is also reported that the New York Central is about to adopt a similar policy of refunding its old high rate bonds. The acquiring of the control of the Lehigh Valley Railroad by J. P. Morgan & Co., of this city, also had a favorable influence on the stock market, as it was considered a step toward improving the situation in the coal trade.

The effect of these favorable influences was destroyed by the announcement of the Supreme Court decision on March 22, and a general decline ensued. Some of the most important declines during the month, the larger proportion of which were subsequent to the rendering of the decision, are as follows:

	Per cent.		*Per cent.*
Atchison, preferred	6	Delaware and Hudson	9⅝
Canadian Pacific	8	Delaware, Lackawanna and Western	5½
Canada Southern	7⅛	Lake Erie and Western, preferred	9½
Central of New Jersey	20	Lake Shore	9
Chicago, Burlington and Quincy	8⅞	Louisville and Nashville	8⅛
Chicago, Milwaukee and St. Paul	7¼	Missouri, Kansas and Texas	7
Chicago and Northwestern	7⅝	Missouri Pacific	8¼
Chicago, Rock Island and Pacific	9	Reading, 1st preferred	10½

While the general market was affected by the anti-trust decision, the coal stocks were subjected to bear attacks by reason of the known bad condition of the coal trade, combined with unfavorable rumors, one that the Jersey Central would reduce its dividend. The three leading railroads engaged in coal carrying have suffered a considerable decline in the value of their stocks. Central of New Jersey sold down to 77 last month, the lowest point reached since 1878. Last November the price was 110, and in February, 1892, it was 145. Delaware and Hudson sold down to 100⅞ on the last day of March and to 99⅝ on the following day, the lowest point recorded since 1887. This stock was selling at as high as 128¼ last December and at 175 in May, 1890. Delaware, Lackawanna and Western has fared very much better, but it sold down to 152 on March 31, which compares with 166 last June and 175 in 1893. All these stocks are dividend payers, and the properties are conservatively managed, yet investors in them have had to face a serious depreciation in the value of their securities.

In view of the forces constantly at work to force downward the rates charged by the railroads, the future of railroad investment must be considered problematical. So narrow has become the margin of profit that the railroads are able to realize that only a small proportion of their share capital is earning any dividend at all. The Interstate Commerce Commission reports that in 1895 that only 29.95 per cent. of the total stock of the railroads of the United States paid a dividend. An average of about five and three-fourths per cent. was paid on $1,485,000,000 of capital stock, while $3,475,000,000 did not pay anything. In one group, comprising Louisiana, Texas and a part of New Mexico, 90.97 per cent. paid nothing.

If the railroads are to be restrained from entering into any arrangement to maintain rates, and lower charges are to follow, the question arises what is to become of investments in that class of property. The tendency of rates has been downward for some time. From the report of the Interstate Commission we obtain the following data:

YEAR.	*Passengers carried one mile.*	*Tons of freight carried one mile.*	REVENUES.		*Percentage of stock paying dividends.*
			Per passenger per mile.	*Per ton of freight per mile.*	
			Cents.	Cents.	
1890	11,847,785,617	76,207,047,298	2.167	.941	36.24
1891	12,844,243,881	81,073,784,121	2.142	.895	40.36
1892	13,362,898,299	88,241,050,225	2.126	.898	39.40
1893	14,229,101,084	93,588,111,833	2.108	.878	38.76
1894	14,289,445,893	80,335,104,702	1.986	.860	36.57
1895	12,188,446,271	85,227,515,891	2.040	.839	29.95

Since 1890 passenger rates have declined .127 cent per mile, and freight rates .102 cent per ton per mile. That reduction means a decrease in passenger earnings on the basis of the traffic in 1895 of nearly $15,500,000, and in freight earnings of nearly $87,000,000. The total dividends paid by the railroads of the country in 1895 amounted to a little more than $85,000,000, so a further reduction in freight rates alone of less than one-tenth of a cent. per ton per mile would in effect extinguish the dividend paying capacity of the railroads. Some roads are earning a surplus over the dividends paid it is true, but less than one-tenth cent per ton mile is now paying all the dividends that stockholders are getting out of their railroad investments.

Wheat and Corn Supplies.—The annual estimates of the Department of Agriculture of supply of wheat and corn remaining in the hands of farmers on March 1 are always awaited with much curiosity, and this year furnished no exception to the rule. The Government estimate for March 1, 1897, makes the supply of corn on farms 1,164,000,000, equal to 51 per cent. of last year's crop, and of wheat 88,000,000 bushels, equal to 20.6 per cent. of the crop. The farm supply of corn never was as large in any previous year on a corresponding date, while the wheat reserve in farmers' hands is reported smaller than in any year since 1880, or as far back as we have pursued our examination, except in 1895. The farm reserves of wheat and corn on March 1, and the annual yield since 1889, are shown as follows:

YEAR.	*Wheat crop.*	*Corn crop.*	*Supply on March 1 following.*			
			Wheat.	*Corn.*	*Per cent. of crop.*	
	Bushels.	Bushels.	Bushels.	Bushels.	Wheat.	Corn.
1889	490,560,000	2,112,892,000	156,000,000	970,000,000	31.8	45.9
1890	399,262,000	1,489,970,000	112,000,000	542,000,000	28.5	36.4
1891	611,780,000	2,060,154,000	171,000,000	860,000,000	28.0	41.7
1892	515,949,000	1,628,464,000	135,000,000	627,000,000	26.2	38.5
1893	396,132,000	1,619,496,000	114,000,000	586,000,000	28.8	36.2
1894	460,267,000	1,212,770,000	75,000,000	475,000,000	16.3	39.2
1895	467,103,000	2,151,138,000	123,000,000	1,072,000,000	26.3	49.8
1896	427,684,000	2,283,875,000	88,000,000	1,164,000,000	20.6	51.0

The supply of wheat on March 1, 1895, was officially estimated at 75,000,000 bushels, but it is believed by competent authorities that the amount was underesti mated by at least 55,000,000 bushels. On the other hand the estimates of wheat production in recent years are all considered too low. On the basis of the Government figures, however, it appears that the supply of wheat remaining in farmers hands is exceptionally small, while the contrary is true as regards the corn supply.

The question of supply is a vital one in the making of prices, and the official figures regarding the wheat supply have been very carefully studied by experts, and with resulting conclusions widely at variance. It is generally conceded that if the amount on farms is correctly estimated at 88,000,000 bushels, there will be very little available wheat in the country on July 1 next when the first of this year's wheat will be coming into market. The supply in store throughout the country is estimated at about 65,000,000 bushels, making the total supply 153,000,000 bushels, from which must be deducted about 125,000,000 bushels for domestic food consumption from March 1 to July 1 and for seed, leaving 28,000,000 bushels to provide for four months' exports and the reserves that are certain to be carried over into the next year. This is the interpretation put upon the Government's estimate by "Bradstreet's."

The "Minneapolis Market Record" by estimating the stock in store at 80,000,000 bushels, and the four months' domestic consumption at 120,000,000 bushels, figures 50,000,000 bushels; remaining, of which about 20,000,000 bushels would be needed for exports of flour alone, and 10,000,000 bushels for the flour reserves carried outside of retailers' hands. The exportation of 20,000,000 bushels of wheat in four months would leave the country without a bushel of wheat on July 1 on the basis of this calculation. The "Record" estimates the amount of wheat in farmers' hands on March 1 at 125,000,000 bushels, or 37,000,000 bushels more than the Goverment estimate.

The "Chicago Trade Bulletin" estimates the crop last year at 450,000,000 bushels, the supply on July 1, 1896, at 113,000,000 bushels, making the total supply 563,000,000 bushels. Deducting 365,000,000 bushels for food consumption and seed, and 115,000,000 bushels exported in the last eight months, there is left 83,000,000 bushels. The reserves to be carried over into the new year cannot fall below 55,000,000 bushels; there would therefore be only 28,000,000 bushels available for export between March 1 and July 1.

While the exact figures can never be known it cannot be questioned that consumption has about overtaken the excessive supply of recent years. The visible supply of wheat is 20,000,000 bushels less than it was a year ago and 35,000,000 less than in 1895. The price is about ten cents per bushel higher than in 1896, and the advance is justified so far as statistics are concerned.

THE MONEY MARKET.—The local money remains in a state of ease and rates continue abnormally low even in spite of the unusual demand from importers for money with which to pay duties on goods entering this port or withdrawn from warehouse. The quarterly disbursements for interest and dividends, which are large on April 1, had no appreciable effect upon the money market. Funds are coming in from outside points and borrowers rather than lenders are doing the dictating, at least as regards rates. At the close of the month call money ruled at 1½ @ 2 per cent. with the average rate about 1⅝ per cent., while banks and trust companies quote 2 per cent. as the minimum rate although some loan at Stock Exchange rates. Time money on Stock Exchange collateral was quoted at 2 per cent. for 30 days, 2½ per cent. for 60 to 90 days, and 3 per cent. for four months, 3½ per cent. for five to seven months. For commercial paper the rates are 3½ per cent. for 60 to 90 days endorsed bills receivable, 3¾ @ 4 per cent. for four months commission house and first-class four to six months single names and 4 @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	Nov. 1.	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	6 —	1 —3	1½—2½	1½—2	1½–1¾	1½—2
Call loans, banks and trust companies	12 —	3 —	2 —	1½	1½—2	1½—2
Brokers' loans on collateral, 30 to 60 days	12 —	3 —	3 —	2	2	2
Brokers' loans on collateral, 90 days to 4 months	10 —	3½—4	3½—	2½	2½—3	2½—3
Brokers' loans on collateral, 5 to 7 months	6 —8	4 —	4 —	3	3 —3½	3½
Commercial paper, endorsed bills receivable, 60 to 90 days	8 —10	4 —4½	3¾—4	3	3	3½—
Commercial paper prime single names, 4 to 6 months	8 —10	4½—5	4 —4½	3 —3½	3½—4	3¾—4
Commercial paper, good single names, 4 to 6 months	8 —10	5 —6	4½—5½	4 —5	4 —5	4 —5

EUROPEAN BANKS.—The net changes in the gold holdings of the principal European banks last month were very small, the larger banks generally having gained trifling amounts. The Bank of England now has about $40,000,000 less gold than it held a year ago, the Bank of France $7,500,000 less, the Bank of Germany $7,500,000 more and the Bank of Austro-Hungary $24,000,000 more.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		*March 1, 1897.*		*April 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£34,158,899	....	£39,029,270	....	£39,342,455	....
France	76,584,590	£49,130,797	76,659,887	£49,316,807	76,736,938	£49,073,719
Germany	28,505,450	14,252,750	31,259,467	15,629,733	30,896,900	15,916,500
Austro-Hungary	30,340,000	12,578,000	30,776,000	12,677,000	31,011,000	19,627,000
Spain	8,528,000	10,210,000	8,528,000	10,890,000	8,528,000	10,770,000
Netherlands	2,634,000	6,841,000	2,634,000	6,921,000	2,632,000	7,014,000
Nat. Belgium	2,736,667	1,368,833	2,826,667	1,418,333	2,783,333	1,391,667
Totals	£183,487,606	£94,380,880	£191,712,791	£96,847,873	£191,930,626	£96,792,886

FOREIGN EXCHANGE.—There is complete stagnation in the sterling exchange market, and the only commercial bills now being offered are against provisions, and of them only a very limited amount. Cotton bills have entirely disappeared. The following table shows the condition of foreign exchange markets:

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60 days.*
	60 days.	*Sight.*			
Mar. 6	4.85¼ @ 4.85½	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.84¾ @ 4.85	4.84 @ 4.84½
" 13	4.85½ @ 4.85¾	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.84¾ @ 4.85	4.84 @ 4.84½
" 20	4.85½ @ 4.85¾	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.84¾ @ 4.85	4.84¼ @ 4.84½
" 27	4.85¾ @ 4.86	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85 @ 4.85¼	4.84½ @ 4.84¾
Apl. 3	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85 @ 4.85¼	4.84½ @ 4.84¾

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Dec. 1.	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*
Sterling Bankers—60 days	4.83¾— 4	4.83½— ¾	4.84¾— 5	4.85 — ¼	4.85¾— 6
" " Sight	4.86¾— 7	4.86½— ¾	4.86¾— 7	4.87 — ¼	4.87¼—
" " Cables	4.87 — ¼	4.87 — ¼	4.87¼— ½	4.87¼— ½	4.87¾—
" Commercial long	4.82¾— 3	4.83 — ¼	4.84 — ½	4.84¼— ¾	4.84¾— 5
" Docu'tary for paym't.	4.82½— ¾	4.82¼— 3	4.83¼— 4¼	4.83¾— 4½	4.84½— 5
Paris—Cable transfers	5.17½—	5.17½—	5.16¼—	5.16¼— ⅛	5.15⅝—
" Bankers' 60 days	5.20 1/16—20	5.20 —19⅜	5.18¾—	5.18¾— ⅛	5.18⅛— 7½
" Bankers' sight	5.18⅛—	5.18⅛—	5.16⅞—	5.16⅞— ¼	5.16¼— 5⅝
Antwerp—Commercial 60 days.	5.23⅛— 2½	5.22½— 1⅞	5.21¼—20⅝	5.21¼—20⅝	5.20 —19⅜
Swiss—Bankers' sight	5.19⅜— 8¾	5.20 —19⅜	5.18¾—	5.19⅜—	5.18¾— ⅛
Berlin—Bankers' 60 days	94¾— 13/16	94⅞— 13/16	95 — ⅛	95⅝— 1/16	95 1/16— ⅛
" Bankers' sight	95½— 9/16	95 7/16— ½	95½— 9/16	95⅝—	95 3/16— ⅝
Brussels—Bankers' sight	5.18¾— 1/16	5.18¾— ⅛	5.17½— 6⅞	5.17½— 6⅞	5.16¼—
Amsterdam—Bankers' sight	40¼— 5/16	40 5/16— ¼	40 13/16— ¾	40¼— 3/16	40¼— 3/16
Kronors—Bankers' sight	27 — ⅛	27 — 1/16	26 15/16—27	26⅞— 15/16	27 —27 1/16
Italian lire—sight	5.55 —45	5.45 — 35	5.41½—38½	5.46⅛— 4⅛	5.43¾— 1¼

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Dec. 20, 1896.	*Jan. 13, 1897.*	*Feb. 10, 1897.*	*Mar. 17, 1897.*
Circulation (exc. b'k post bills)	£26,021,850	£26,024,905	£25,644,360	£25,899,170
Public deposits	6,826,337	6,992,759	13,175,053	16,835,294
Other deposits	42,213,382	45,012,695	40,699,405	38,540,872
Government securities	13,752,969	14,935,117	14,767,630	14,387,833
Other securities	27,137,985	28,898,268	28,456,015	28,911,575
Reserve of notes and coin	26,001,241	26,369,377	28,859,433	30,581,375
Coin and bullion	35,223,091	35,594,282	37,703,793	39,680,545
Reserve to liabilities	52⅞%	50½%	53 7/16%	55%
Bank rate of discount	4%	4%	3%	3%
Market rate, 3 months' bills	3⅝ @ 3¾%	2⅞%	1⅞%	1½%
Price of Consols (2¾ per cents.)	110¾	111 11/16	112¾	111⅞
Price of silver per ounce	30d.	29 13/16d.	29 11/16d.	28 9/16d.
Average price of wheat	32s. 8d.	29s.	30s. 7d.	27s. 11d.

SILVER.—The price of silver in London was weak last month and touched lower figures than any previously recorded since April, 1895. The weakness continued during the most of the month, and the lowest price, 28 5-16, was the closing price of the month. The decline for the month was 1⅜d. per ounce.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896. 1897.

MONTH.	*1895.*		*1896.*		*1897.*		MONTH.	*1895.*		*1896.*		*1897.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	27 1/16	27 3/16	30½	30⅞	29 13/16	29 11/16	July	30⅝	30¼	31⅜	31⅜		
February	27 15/16	27¼	31 3/16	30¾	29¾	29 11/16	August	30 7/16	30¼	31⅜	30⅝		
March	30¼	27⅞	31 15/16	31⅛	29⅜	28 5/16	Septemb'r	30 3/16	30 1/16	30 15/16	30		
April	30⅞	29⅜	31 3/16	30 15/16			October	31⅜	30⅝	30 3/16	29¾		
May	30⅞	30 3/16	31 3/16	30 15/16			Novemb'r	31	30⅝	30 3/16	29¾		
June	30 15/16	30⅛	31 7/16	31 3/16			Decemb'r	30 15/16	30	30	29 15/16		

MONEY RATES ABROAD.—Rates for money in foreign monetary centers are still low. The Bank of England rate of discount is unchanged at 3 per cent. Discounts of 60 to 90 day bills in London at the close of the month were 1¼ per cent., and the open market rate at Paris 2 per cent. and at Berlin and Frankfort 3 per cent., an increase of ¼ in the Paris rate and of ½ per cent. in the two latter cities.

MONEY RATES IN FOREIGN MARKETS.

	Oct. 16.	Nov. 13.	Dec. 11.	Jan. 15.	Feb. 12.	Mar. 19.
London—Bank rate of discount.....	3	4	4	4	3	3
Market rates of discount:						
60 days bankers' drafts......	2¼	3⅝	3⅛—¼	2 1/16	1⅞	1⅝—½
6 months bankers' drafts....	2⅝	3⅛—3¼	2¾	2⅞	1⅞	1½
Loans—Day to day...........	1⅛	3	2⅛	2⅛	1⅛	1⅛
Paris, open market rates...........	2	1⅞	1¾	1⅞	1¾	1¾
Berlin, "	4⅜	4¾	4⅞	3½	2¾	3⅛
Hamburg, "	4⅜	4⅝	4⅞	3½	2¾	3⅛
Frankfort, "	4½	4⅝	4⅞	3½	2¾	3⅜
Amsterdam, "	3	3⅛	3	2⅞	2⅝	2
Vienna, "	3⅞	3¾	3¾	3⅝	3⅝	3⅝
St. Petersburg, "	5⅛	6	5¼	6	5¾	5¼
Madrid, "	5	5	4	4	4	4
Copenhagen, "	4½	4½	4	4	4	4

NEW YORK CITY BANKS.—The weekly statements issued by the Clearing-House Association banks show that until about the middle of the month deposits and reserves were increasing. In the latter half, however, the banks were called upon to pay heavy checks drawn in favor of the Government to settle customs dues. The net decrease in deposits for the month (five weeks), however, was only about $4,500,000, while the reserves were reduced $11,000,000 and the surplus reserve nearly $10,000,000. Loans were increased $5,000,000.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Mar. 6...	$502,061,800	$85,061,700	$114,860,500	$577,461,100	$55,556,925	$16,406,200	$577,757,398
" 13...	505,912,500	85,274,100	112,282,900	578,693,800	52,863,550	16,211,300	495,464,420
" 20...	506,370,000	85,534,200	106,216,900	574,328,500	48,168,975	15,952,900	556,855,124
" 27...	504,478,200	85,996,900	105,829,600	571,728,000	48,896,750	15,826,800	506,924,772
April 3...	502,732,700	85,988,300	103,984,900	569,226,500	47,666,575	15,701,800	568,838,134

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1895.		1896.		1897.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150	578,769,300	57,520,975
April..........	504,240,200	13,413,450	481,795,700	17,005,975	569,226,500	47,666,575
May...........	526,998,100	27,238,575	495,004,100	22,944,275		
June	566,229,400	41,221,250	498,874,100	22,230,675		
July	570,436,300	34,225,925	499,046,900	20,328,275		
August........	574,304,500	40,917,175	485,014,000	17,728,600		
September....	574,929,900	39,149,925	451,934,800	8,836,200		
October.......	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	Asked.
Trade dollars	$ .65	......
Mexican dollars	.48¼	$ .49¾
Peruvian soles, Chilian pesos	.44	.46
English silver	4.82½	4.85½
Victoria sovereigns	4.86	4.89
Five francs	.93	.96
Twenty francs	3.85	3.88
Twenty marks	$4.74	$4.79
Spanish doubloons	15.50	15.70
Spanish 25 pesos	4.78	4.82
Mexican doubloons	15.55	15.75
Mexican 20 pesos	19.50	19.60
Ten guilders	3.95	3.99

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 28⅛d. per ounce. New York market for large commercial silver bars, 62¼ @ 62¾c. Fine silver (Government assay), 62¼ @ 63c.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
February 27	$175,661,000	$163,422,000	$10,569,000	$8,602,000	$9,567,000	$71,206,158
March 6	177,348 000	166,784,000	10,431,000	8,331,000	9,498,000	99,595,800
" 13	177,649,000	164,948,000	10,495,000	8,309,000	9,477,000	81,970,600
" 20	178,455,000	165 094,000	10,672,000	8,229,000	9,475,000	88,436,000
" 27	178,097,000	162,283,000	10,388,000	7,581,000	9,383,000	85,142,600

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
February 27	$103,340,000	$114,280,000	$39,633,000	$6,826,000	$49,690,487
March 6	104,485,000	114,753,000	40,026,000	6,860,000	60,300,100
" 13	105,472,000	115,719,000	39,761,000	6,864,000	51,724,200
" 20	106,940,000	116,921,000	39,378,000	6,924,000	57,970,900
" 27	107,226,000	116,408,000	38,710,000	6,910,000	52,915,200

GOVERNMENT REVENUES AND DISBURSEMENTS.—The month of March shows the largest receipts by the Government in any month since August, 1894, a remarkable change from the preceding month, when the receipts were the smallest in two years. The receipts from customs were more than double those in February, for reasons

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*March, 1897.*	*Since July 1, 1896.*
Customs	$22,833,856	$113,332,644
Internal revenue	11,925,694	111,160,976
Miscellaneous	1,234,974	17,842,798
Total	$35,994,524	$242,336,418
Excess of expenditures	*$8,743,728	$39,391,712

EXPENDITURES.

Source.	*March, 1897.*	*Since July 1, 1896.*
Civil and mis	$5,971,000	$70,557,515
War	3,042,810	37,533,220
Navy	2,694,835	25,734,268
Indians	2,918,640	11,079,764
Pensions	12,166,775	107,856,035
Interest	456,735	28,967,828
Total	$28,250,796	$281,728,130

* Excess of receipts.

UNITED STATES TREASURY CASH RESOURCES.

	Dec. 31.	*Jan. 31.*	*Feb. 27.*	*Mar. 31.*
Net gold	$136,746,473	$144,637,729	$148,582,565	$151,834,395
Net silver	18,742,601	19,369,997	19,571,812	19,868,501
U.S. notes	34,565,497	12,528,193	9,283,941	23,248,271
Miscellaneous assets (less current liabilities)	21,474,933	37,141,510	21,282,729	9,546,326
Deposits in National banks	16,085,955	16,550,565	16,281,980	16,450,076
Available cash balance	$227,615,461	$230,227,994	$215,003,028	$220,947,569

previously explained in this review. The total receipts were $35,994,524, of which $22,833,856 were from customs. The expenditures were $27,250,796, leaving a surplus of $8,743,728, the largest in four years, excepting only in the month of August, 1894, when it was $8,760,969. For the nine months of the fiscal year there is a deficit of $39,391,712.

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	1896.			1897.		
	Receipts.	*Expenditures.*	*Net Gold in Treasury.*	*Receipts.*	*Expenditures.*	*Net Gold in Treasury.*
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	35,994,524	27,250,796	*151,834,395
April	24,282,893	28,987,381	125,393,900	....	....	....
May	24,643,718	28,426,592	108,345,234	....	....	....
June	27,794,219	25,444,789	101,699,605	....	....	....
July	29,029,209	42,088,468	110,718,746	....	....	....
August	25,562,097	35,701,676	100,957,561	....	....	....
September	24,584,244	26,579,535	124,034,672	....	....	....
October	26,282,829	33,978,277	117,126,523	....	....	....
November	25,210,696	33,260,720	131,510,352	....	....	....
December	25,857,114	23,812,664	137,316,543	....	....	....

* This balance as reported in the Treasury sheet on the last day of the month.

UNITED STATES PUBLIC DEBT.—The principal of the public debt shows very little change, but by an increase of more than $9,000,000 in the cash balance the net debt shows a reduction of $8,638,254 for the month of March. It is still $11,000,000 more than on January 1 last, and $56,000,000 more than on January 1, 1896.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*Feb. 1, 1897.*	*Mar. 1, 1897.*	*April 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,639,100	559,639,600	559,639,600
Refunding certificates, 4 per cent	45,890	45,750	45,450	45,450
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,364,750	$847,364,950	$847,364,950
Debt on which interest has ceased	1,383,070	1,382,980	1,358,210	1,355,760
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	18,876,333	20,997,189	23,089,944	23,662,492
Fractional currency	6,890,504	6,890,504	6,889,241	6,889,241
Total non-interest bearing debt	$372,502,201	$374,623,057	$376,714,549	$377,287,096
Total interest and non-interest debt	1,221,249,961	1,223,370,737	1,225,437,709	1,226,007,806
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	39,046,789	39,046,789	38,939,689
Silver "	370,883,504	373,015,504	373,585,504	376,561,504
Certificates of deposit	50,830,000	65,515,000	76,795,000	75,070,000
Treasury notes of 1890	119,816,280	118,398,280	117,550,280	117,131,280
Total certificates and notes	$580,809,573	$595,975,573	$606,977,573	$607,702,473
Aggregate debt	1,802,059,534	1,819,346,310	1,832,415,282	1,833,710,279
Cash in the Treasury:				
Total cash assets	853,463,551	858,553,910	864,338,166	875,239,759
Demand liabilities	625,143,172	643,191,490	651,500,911	653,194,153
Balance	$228,320,379	$215,362,420	$212,837,255	$222,045,606
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	115,362,420	112,837,255	122,045,606
Total	$228,320,379	$215,362,420	$212,837,255	$222,045,606
Total debt, less cash in the Treasury	992,929,582	1,008,008,317	1,012,600,454	1,003,962,200

NATIONAL BANK CIRCULATION.—There was a further reduction in amount of National bank notes in circulation last month of $441,066. The circulation based on U. S. bonds was reduced $1,147,713 during the month, and the lawful money deposited to retire circulation was increased $706,647. Government bonds deposited to secure circulation were withdrawn to the amount of $1,104,450.

NATIONAL BANK CIRCULATION.

	Dec. 31, 1896.	*Jan. 31, 1897.*	*Feb. 28, 1897.*	*Mar. 31, 1897.*
Total amount outstanding	$235,576,381	$235,008,085	$234,149,960	$233,708,894
Circulation based on U. S. bonds	215,850,307	213,186,711	210,915,415	209,767,702
Circulation secured by lawful money	19,726,074	21,821,374	23,234,545	23,941,192
U. S. bonds to secure circulation:				
Four per cents. of 1895	37,961,550	37,218,050	36,032,050	35,890,550
Pacific RR. bonds, 6 per cent	9,521,000	8,961,000	8,885,000	8,586,000
Funded loan of 1891, 2 per cent	22,592,850	22,637,650	22,624,400	22,487,950
" " 1907, 4 per cent	154,626,400	153,182,050	152,060,000	151,222,500
Five per cents. of 1894	15,514,350	15,196,350	15,196,350	15,506,350
Total	$240,236,150	$237,190,100	$234,797,800	$233,693,350

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,400,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,033,000; 4 per cents of 1907, $11,745,000; 5 per cents. of 1894, $535,000, a total of $16,088,000.

The circulation of National gold banks, not included in the above statement, is $86,247.

MONEY IN THE UNITED STATES TREASURY.—The Government gained in net cash, less certificates outstanding, last month more than $10,000,000, more than $8,000,000 of which was gold. It gained $14,000,000 in old legal-tender notes and nearly $2,000,000 in silver, and lost $5,000,000 on Treasury notes and $3,600,000 in National bank notes.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*Feb. 1, 1897.*	*Mar. 1, 1897.*	*Apr. 1, 1897.*
Gold coin	$120,638,598	$130,100,363	$139,356,403	$151,988,509
Gold bullion	54,565,385	52,280,759	46,849,625	37,254,294
Silver Dollars	384,584,572	388,617,255	390,969,629	393,211,322
Silver bullion	110,815,247	109,704,519	108,914,614	107,862,462
Subsidiary silver	14,215,766	15,414,575	15,805,023	15,974,428
United States notes	85,313,258	78,194,780	85,946,400	98,167,376
National bank notes	14,278,970	17,328,389	15,005,984	11,374,958
Total	$784,411,796	$791,646,640	$802,817,678	$815,833,349
Certificates and Treasury notes, 1890, outstanding	529,044,460	547,006,544	563,325,941	566,187,302
Net cash in Treasury	$255,367,336	$244,640,096	$239,491,737	$249,646,047

MONEY IN CIRCULATION.—There was a decrease in the volume of money in circulation last month of nearly $6,700,000, $14,000,000 in United States notes, $500,000

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897.	*Feb. 1, 1897.*	*Mar. 1, 1897.*	*Apr. 1, 1897.*
Gold coin	$517,743,229	$515,468,129	$516,315,696	$517,125,757
Silver dollars	58,581,819	56,361,136	55,378,762	54,507,319
Subsidiary silver	62,101,986	60,889,370	60,709,595	60,246,493
Gold certificates	37,887,439	37,586,629	37,544,819	37,456,339
Silver certificates	356,655,800	361,336,533	363,709,501	364,026,153
Treasury notes, Act July 14, 1890	84,171,221	82,733,382	85,546,621	90,244,810
United States notes	261,367,758	268,486,236	260,734,616	248,518,640
Currency certificates, Act June 8, 1872	50,330,000	65,350,000	76,525,000	74,460,000
National bank notes	221,384,148	217,766,273	219,230,343	222,420,183
Total	$1,650,223,400	$1,665,977,688	$1,675,694,958	$1,669,000,694
Population of United States	72,159,000	72,288,000	72,418,000	72,547,000
Circulation per capita	$22.87	$23.05	$23.14	$23.01

in silver dollars, and nearly as much in subsidiary silver. There was an increase of $700,000 in gold, $4,700,000 in Treasury notes of 1890, and $3,000,000 in National bank notes. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

THE SUPPLY OF MONEY IN THE COUNTRY.—The total stock of money in the country, less certificates and Treasury notes of 1890 represented by coin and bullion in the Treasury, increased about $3,500,000 in March. The increase is almost exclusively in gold, the gain in which is $3,800,000. There was a decrease of $400,000 in National bank notes and a small increase in silver coin. The following statement shows the amount of each kind of money in the country on the dates mentioned.

TOTAL SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	*Feb. 1, 1897.*	*Mar. 1, 1897.*	*Apr. 1, 1897.*
Gold coin	$638,381,827	$645,568,492	$655,672,099	$669,114,266
Gold bullion	54,565,385	52,286,759	46,849,625	37,254,294
Silver dollars	443,166,391	444,978,391	446,318,391	447,718,641
Silver bullion	110,815,247	109,704,519	108,914,614	107,862,463
Subsidiary silver	76,317,752	76,303,945	76,514,618	76,220,921
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	235,094,662	234,236,327	233,795,141
Total	$1,905,590,736	$1,910,617,784	$1,915,186,690	$1,918,646,741

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

FOREIGN TRADE MOVEMENTS.—The exports of merchandise in February fell off $15,000,000, as compared with January, but were $2,000,000 more than in February, 1896. Imports increased nearly $8,000,000 over January, but were $3,000,000 less than a year ago. There was a net export movement of nearly $20,600,000 for the month, making more than $312,000,000 for the eight months since July 1, 1896, a record never before equalled. The gold movement is small, but there was a gain by imports of $208,003 coin and bullion, and $266,018 ore. The exports of silver coin and bullion were $3,897,420, but we imported $1,502,211 silver in the shape of ore. For the eight months of the fiscal year our exports of merchandise and specie exceeded our imports by $268,000,000. The following table shows the movements of merchandise, gold and silver for the month and seven months ended January 31 for the past six years.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF FEBRUARY.	MERCHANDISE. *Exports.*	*Imports.*	*Balance.*	*Gold Balance.*	*Silver Balance.*
1892	$86,638,137	$65,383,270	Exp., $21,254,867	Exp., $3,680,218	Exp., $1,211,329
1893	59,931,984	72,702,238	Imp., 12,770,254	" 12,988,068	" 992,307
1894	65,175,331	48,725,094	Exp., 16,450,237	" 1,068,335	" 3,271,320
1895	55,982,734	58,315,981	Imp., 2,333,247	Imp., 4,067,003	" 2,676,904
1896	77,701,904	62,478,116	Exp., 15,223,788	" 9,375,389	" 3,950,352
1897	79,773,398	59,193,868	" 20,579,530	" 208,003	" 3,897,420
EIGHT MONTHS.					
1892	737,901,668	523,777,741	Exp., 214,123,927	Imp., 29,662,999	Exp., 8,618,068
1893	586,873,360	557,073,919	" 29,799,441	Exp., 50,749,189	" 10,638,536
1894	638,826,851	420,276,457	" 218,550,394	Imp., 53,303,839	" 25,236,885
1895	557,885,668	466,233,616	" 91,652,052	Exp., 42,369,443	" 23,859,832
1896	602,666,873	541,194,833	" 61,472,040	" 53,642,992	" 30,758,204
1897	734,950,525	422,471,885	" 312,478,640	Imp., 64,172,972	" 38,560,018

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of March, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		MARCH, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	9⅝—Mar. 29	12½	9⅝	10⅝
″ preferred	28⅛	14⅛	25¾—Jan. 30	18¼—Mar. 29	24¼	18¼	19⅞
Atlantic & Pacific	1	⅜	½—Jan. 14	¼—Jan. 22	¼	¼	¼
Baltimore & Ohio	44	10⅛	18 —Jan. 8	12⅛—Mar. 27	16¼	12⅛	13⅜
Bay State Gas	33	7	13¾—Jan. 6	8½—Mar. 29	12	8½	9½
Brooklyn Rapid Transit	25⅛	18	21¾—Feb. 11	18⅝—Jan. 7	21¼	20	20
Canadian Pacific	62¾	52	56 —Jan. 8	46⅛—Mar. 29	54½	46⅛	47½
Canada Southern	51¾	40¾	51⅞—Mar. 17	44⅛—Jan. 13	51⅞	44¾	46¼
Central of New Jersey	110	87½	103¼—Jan. 19	77 —Mar. 31	97	77	78
Central Pacific	16⅛	13⅛	15 —Jan. 5	8⅛—Mar. 19	9	8½	9
Ches. & Ohio vtg. ctfs	18⅛	11	18⅛—Mar. 15	15⅝—Mar. 29	18⅛	15⅝	16¼
Chicago & Alton	164	146	170 —Mar. 1	162 —Feb. 15	170	166	168⅜
Chicago, Burl. & Quincy	83¾	53	78½—Mar. 18	69⅝—Jan. 5	78½	69⅝	70⅞
Chicago & E. Illinois	43	37½	45 —Mar. 13	45 —Mar. 13	45	45	45
″ preferred	100½	90	98½—Feb. 3	95 —Feb. 8	....	....	....
Chicago Gas	78¾	44⅝	81⅝—Mar. 23	73¼—Jan. 5	81⅝	75¾	78⅝
Chic., Milwaukee & St. Paul	80	59⅞	78½—Mar. 15	71¼—Mar. 29	78½	71¼	72⅝
″ preferred	131	117½	138¼—Mar. 18	131 —Jan. 6	138¼	133¾	136½
Chicago & Northwestern	108¾	85½	100¾—Mar. 17	102¼—Jan. 2	110¾	103⅛	104½
″ preferred	152	140¾	155 —Feb. 20	153 —Jan. 12	154	154	154
Chicago, Rock I. & Pacific	74⅞	49¼	70 —Jan. 16	60⅝—Mar. 29	69½	60⅝	63½
Chic., St. Paul, Minn. & Om.	49¾	30⅛	64⅞—Mar. 17	47 —Jan. 2	64⅞	51⅛	57¼
″ preferred	133	117	143 —Mar. 29	133 —Jan. 7	143	138	143
Clev., Cin., Chic. & St. Louis	39½	19½	33⅝—Mar. 17	26⅛—Feb. 16	33⅝	27	28½
″ preferred	90½	73	77 —Mar. 25	73 —Jan. 4	77	77	77
Col. Coal & Iron Devel. Co.	4⅛	¼	1 —Jan. 19	½—Jan. 29	....	....	....
Col. Fuel & Iron Co.	34¼	14⅝	27 —Jan. 19	17½—Mar. 29	22¾	17	18½
Col. Hocking Val. & Tol.	20½	12½	18 —Jan. 8	3½—Feb. 25	4¾	3½	3¾
″ preferred	60	48	46 —Jan. 21	40 —Jan. 21	....	....	....
Consolidated Gas Co.	168	133	159¼—Mar. 19	136½—Jan. 2	159¼	151¾	155⅜
Delaware & Hud. Canal Co.	129⅝	114½	121¾—Jan. 6	100⅞—Mar. 31	110½	100⅞	101½
Delaware, Lack. & Western	166	138	157¾—Jan. 18	151 —Jan. 29	157½	152	152
Denver & Rio Grande	14	10	12¼—Jan. 19	10½—Feb. 26	11	11	11
″ preferred	51	37	48⅞—Feb. 21	37½—Mar. 24	42¼	37½	38¼
Edison Elec. Illum. Co., N. Y.	101½	89	107 —Mar. 23	101¾—Jan. 2	107	105	106
Erie	17¾	10¼	15¼—Jan. 18	12⅞—Mar. 24	14⅞	12⅞	13⅛
″ 1st pref	41¾	27	35½—Jan. 18	27½—Mar. 29	34⅛	27½	29
″ 2d pref	25	13	21 —Jan. 15	18 —Mar. 29	19⅞	18	18
Evansville & Terre Haute	34½	24	....	....	....	....	....
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	150	148	148⅛
″ American	116	105	113 —Mar. 17	109½—Jan. 28	113	111	111
″ United States	48	35	40 —Jan. 7	37 Feb. 3	40	38	39
″ Wells, Fargo	101	80	102 —Mar. 17	97 —Jan. 2	102	100	100
Great Northern, preferred	122	108¼	122 —Feb. 5	120 —Jan. 16	....	....	....
Illinois Central	98	84½	96¾—Mar. 16	92½—Feb. 26	96¾	92½	92½
Iowa Central	10¼	5⅛	8 —Jan. 16	6½—Jan. 27	7	6½	6½
″ preferred	38	19	27¼—Jan. 20	24½—Mar. 18	25¾	24½	24¾
Laclede Gas	30	17	25 —Jan. 18	22½—Jan. 14	24½	22¾	22¾
″ preferred	86¼	68¼	77 —Mar. 8	70¼—Mar. 23	77	70¼	73
Lake Erie & Western	22½	12⅛	18⅛—Jan. 18	14 —Mar. 26	17¾	14	14
″ preferred	75	55½	70¼—Jan. 20	59 —Mar. 30	68⅛	59	59
Lake Shore	156	134¾	172½—Mar. 1	152 —Jan. 2	172	162⅝	165
Long Island	84	40½	55 —Jan. 8	42⅛—Jan. 22	45	45	45
Louisville & Nashville	55⅝	37⅛	52½—Jan. 19	44½—Mar. 29	50⅝	44½	45⅜
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	¼—Jan. 11	¼—Jan. 11	....	....	....
″ preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	91 —Jan. 18	83 —Mar. 9	89	83	83⅞
Metropolitan Traction	114	79¼	110⅞—Jan. 6	105 —Mar. 24	107½	105	106⅛
Michigan Central	97⅞	89	100 —Mar. 15	90 —Jan. 28	100	92½	93
Minneapolis & St. Louis	21¾	12	19¾—Jan. 29	17 —Mar. 26	19½	17	17
″ 1st pref	83	54	79½—Jan. 18	77¾—Mar. 18	78½	77¾	77¾
″ 2d pref	53½	30	48¾—Mar. 18	46 —Feb. 26	48¾	47	48
Missouri, Kan. & Tex.	14¾	9⅛	14½—Jan. 18	11½—Mar. 29	13⅜	11½	11⅞
″ preferred	31⅛	16	32¼—Mar. 18	25¼—Mar. 29	32¼	25¼	27

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		March, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	24¼—Jan. 18	14⅛—Mar. 29	22¾	14⅛	15⅝
Mobile & Ohio	25	14	22½—Jan. 12	20 —Mar. 26	21	20	20
New England	51¼	35	....	....	....	....	....
N. Y. Cent. & Hudson River	99¾	88	102 —Mar. 22	92½—Feb. 18	102	93⅝	98
N. Y. Chicago & St. Louis	15	9	14½—Mar. 15	11 —Feb. 11	14½	12	12
" 1st preferred	80	67½	75 —Mar. 17	70 —Jan. 22	75	70	75
" 2d preferred	35⅝	20	34⅞—Mar. 17	24 —Feb. 10	34⅞	25	30
N. Y., New Haven & Hartf'd	186	160	178 —Jan. 4	160 —Feb. 2	175	172¼	172¼
N. Y., Ontario & Western	16⅝	11⅛	15⅝—Jan. 18	13¼—Mar. 31	15¼	13¼	13¼
N. Y., Sus. & Western	12	6	9¾—Jan. 18	7½—Mar. 30	9	7½	7⅞
" preferred	31¼	12	26½—Jan. 18	22½—Mar. 29	25¾	22½	23¾
Norfolk & Western	12¾	⅛	14¼—Mar. 11	11⅛—Jan. 18	14¼	14¼	14¼
" preferred	19¾	4⅛	28¼—Mar. 4	17 —Feb. 16	28¼	26	27¾
North American Co	6⅛	3½	5 —Jan. 18	4 —Mar. 24	4⅝	4	4¼
Northern Pacific tr. receipts	16⅞	¼	16⅝—Feb. 1	11¼—Mar. 29	14¾	11¼	12
" pref tr. receipts	36	10	38⅞—Feb. 1	32½—Jan. 5	38⅛	33½	34¼
Oregon Railway & Nav	24	10	17½—Jan. 18	15 —Jan. 15	....	....	....
" preferred	40¼	35	45½—Feb. 3	37⅞—Jan. 8	44⅝	42½	42
Oregon Short Line	18⅛	3⅛	16 —Jan. 28	10⅞—Mar. 30	12½	10⅞	11
Pacific Mail	31	15¼	27⅞—Mar. 18	24 —Jan. 9	27⅞	25	25¾
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan. 8	⅝—Mar. 27	2	⅝	⅝
Phila. & Reading	31¾	2⅞	28½—Jan. 18	19⅞—Mar. 29	25⅞	19⅞	20½
Pitts., Cin. Chic. & St. Louis	18¼	11	14 —Jan. 21	11½—Mar. 29	13½	11½	11½
" preferred	59	40½	50 —Feb. 1	49⅞—Mar. 26	49⅞	49⅞	49⅞
Pitts. & Western, preferred	20⅝	17	....	....	....	....	....
Pullman Palace Car Co	164	138	163 —Mar. 3	152 —Jan. 2	163	155¾	158
Rome, Wat. Ogdens' g	118	108	119 —Jan. 18	117 —Jan. 26	118	118	118
St. Louis, Alton & T. H	60½	53	....	....	....	....	....
St. Louis & San Francisco	5⅝	4	5⅞—Feb. 4	4¼—Mar. 29	5¼	4¼	4¼
" 1st preferred	37	34¼	40¾—Mar. 4	37 —Jan. 29	40¾	37	38
" 2d preferred	14⅛	12	16 —Feb. 3	12¾—Jan. 27	15⅛	12¾	13½
St. Louis & Southwestern	5¾	2⅞	4¾—Jan. 18	2¾—Mar. 31	4¼	2⅜	2⅜
" preferred	13	6½	11½—Jan. 18	5⅞—Mar. 31	11	5⅞	6
St. Paul & Duluth	27½	15	22½—Jan. 13	20 —Jan. 4	20	20	20
" preferred	91	75	87 —Feb. 3	87 —Feb. 3	....	....	....
St. Paul, Minn. & Manitoba	115	105	118 —Mar. 3	114 —Jan. 28	118	118	118
Southern Pacific Co	22¼	14	15¾—Jan. 18	13½—Jan. 13	15⅛	14¼	15¼
Southern Railway	11¾	6½	10 —Jan. 16	7⅝—Mar. 29	9⅝	7⅝	8
" preferred	33¼	15½	29⅞—Jan. 19	24¾—Mar. 29	29⅛	24¾	25⅞
Tennessee Coal & Iron Co	34¾	13	31 —Jan. 18	24 —Mar. 29	29½	24	25
Texas & Pacific	12	5	10¼—Jan. 18	8¼—Mar. 31	9⅞	8¼	8¼
Union Pacific trust receipts	12½	3⅞	10 —Jan. 5	5½—Mar. 29	7⅜	5½	6¾
Union Pac., Denver & Gulf	5½	1⅛	2½—Jan. 6	1¾—Mar. 11	2	1¾	2
Wabash R. R	8	4½	7⅛—Jan. 16	4⅝—Mar. 29	6½	4⅝	5
" preferred	19¾	11	17½—Jan. 18	12 —Mar. 29	16½	12	13
Western Union	90¼	72¾	86½—Mar. 16	81 —Feb. 16	86½	82¼	82½
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	1 —Feb. 19	2	1	1½
" preferred	40¾	20¾	29 —Jan. 5	4 —Mar. 20	6½	4	4½
Wisconsin Central	4⅜	1⅝	2½—Jan. 6	1½—Mar. 31	2¼	1½	1½
"Industrial" Stocks:							
American Co. Oil Co	19	8	14¾—Jan. 16	11 —Mar. 29	12½	11	11
" preferred	68⅞	37	58 —Mar. 9	52¼—Feb. 16	58	55	57⅝
American Spirits Mfg Co	14⅞	4½	14½—Jan. 19	10 —Mar. 29	14¼	10	12
" preferred	33¼	14¾	34⅞—Mar. 15	26 —Jan. 5	34⅞	26½	29¾
American Sugar Ref. Co	126⅝	95	118⅝—Mar. 3	109½—Mar. 29	118⅝	109½	110
" preferred	104	92¼	105¾—Mar. 15	100½—Jan. 7	105¾	100½	100¾
American Tobacco Co	95	51	79½—Jan. 14	67½—Feb. 15	79⅜	71⅛	78¼
" preferred	106	95	108 —Mar. 12	100 —Feb. 11	108	105	105½
General Electric Co	39½	20	36¼—Feb. 2	30½—Mar. 29	36⅛	30½	31⅜
National Lead Co	28⅝	16	26¾—Jan. 19	21⅞—Feb. 16	25⅞	22⅛	22¼
" preferred	92¾	75	92 —Feb. 23	88⅝—Feb. 13	91½	90	90¼
National Linseed Oil Co	21¼	11⅛	15 —Jan. 19	12 —Mar. 2	13½	12	13
National Starch Manfg. Co	7¾	4¾	5 —Jan. 4	5 —Jan. 4	5	5	5
Standard Rope & Twine Co	12½	8⅛	11¾—Jan. 19	6⅛—Mar. 29	10½	6⅛	6½
U. S. Leather Co	11⅞	5½	9⅝—Jan. 19	7 —Mar. 25	8⅜	7	7
" preferred	69⅛	41½	64 —Jan. 19	54 —Feb. 13	60⅝	55¼	55⅞
U. S. Rubber Co	29	14½	25¼—Jan. 19	13 —Mar. 29	20⅞	13	14
" preferred	89	65	76⅞—Jan. 5	61 —Mar. 29	73	61	61

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name. *Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	March Sales. *High.*	March Sales. *Low*	March Sales. *Total.*
Ala. Midland 1st gold 6s..........1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	78½	Mar. 31,'97	80	78¼	229,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	106,815,000	A & O	82½	Mar. 31,'97	83⅛	82	2,968,000
〃 adjustment, g. 4's.....1995	51,728,000	NOV	44⅛	Mar. 31,'97	47¾	43	2,017,000
〃 Equip. tr. ser. A. g. 5's1902	1,250,000	J & J	....	....	....	....	....
Chicago & St. Louis 1st 6's......1915	1,500,000	M & S	....	....	....	....	....
Colorado Mid.Tr.Co.cfs 1stg.6's.1936 assented...................	5,615,000	......	67	Feb. 1,'97	....	....	....
〃 Tr.Co.cfscons.g.4'sst'dgtd1940	988,000	F & A	21	June 6,'96	....	....	....
〃 assented...................	3,900,000	......	14	Mar. 16,'97	15½	14	46,000
Atlan. av. of Brook'n imp. g. 5's, 1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's.....1950	1,238,000	J & J	90½	Feb. 25,'97	....	....	....
Atlan. & Pac. 2d W. d. g. g. s. f. 6's.1907	5,500,000	M & S	92	July 23,'90	....	....	....
〃 Western div. inc......1910	10,500,000	A & O	¼	Mar. 23,'97	¾	¼	194,000
〃 div. small.............1910		A & O	10	Mar. 17,'93	....	....	....
〃 Central div. inc.......1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.), 1919	3,000,000	A & O	112	Mar. 15,'97	112	112	2,000
〃 5's, gold..........1885–1925	4,956,000	F & A	92	Mar. 24,'97	94	92	6,000
〃 registered.................		F & A	85¼	Mar. 23,'97	85¼	85¼	5,000
〃 eng. ctfs of deposit.......	5,044,000	......	91	Mar. 25,'97	91	91	1,000
B. & O. con. mtge. gold 5's......1988	11,988,000	F & A	103	July 2,'96	....	....	....
〃 registered.................		F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd., 1990	6,000,000	M & N	94½	Mar. 9,'97	94½	94½	9,000
W. Virginia & Pitts. 1st g. 5's...1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s, 1990	10,667,000	J & J	102	May 29,'96	....	....	....
〃 1st c. g. 4½'s,..........1993	10,483,000	J & J	99½	Nov. 12,'96	....	....	....
〃 1st inc. g. 5's "A".....2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
〃 "B"..................2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's...1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	2,500,000	M & S	98¾	Mar. 10,'97	98¾	98¾	1,000
Ak. & Chic. Junc. 1st g. s. g. 5's..1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
〃 coupons off..............	....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's..1946	2,536,000	J & J	....	....	....	....	....
Broadway & 7th av. 1st con. g. 5's, 1943	7,650,000	J&D	119⅜	Mar. 29,'97	119⅜	118½	81,000
〃 registered.................		J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's........1941	4,373,000	J & J	114	Mar. 26,'97	114	114	2,000
Brooklyn Elevated 1st gold 6s's, 1924	3,500,000	A & O	78	Mar. 20,'97	78	72	279,000
〃 2d mtg. g. 5's, ...1915	1,250,000	J & J	44	Mar. 31,'97	44½	42	91,000
Union Elevated 1st g. g. 6's.....1937	6,148,000	M & N	77	Mar. 30,'97	77	71	332,000
Seaside & Bkln Bdge 1st g. g. 5's.1942	1,365,000	J & J	80	Mar. 31,'96	....	....	....
Brooklyn Rapid Transit g. 5's...1945	4.875,000	A & O	78	Mar. 31,'97	80⅜	78	79,000
Brunswick & Western 1s g. 4's....1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,407,000	M & S	98	Mar. 30,'97	98	95½	4,000
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	122¼	Mar. 29,'97	124	122	7,000
〃 cons. 1st 6's, ...1922	3,920,000	J & D	119	Feb. 26,'97	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's, 1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
〃 registered...................		A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	107½	Mar. 29,'97	107½	106½	26,000
〃 con. 1st & col. tst 5's...1934	6,425,000	A & O	105	Mar. 18,'97	105	103½	7,000
〃 registered..................		A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	102	Dec. 21,'96	....	....	....
• 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	110	Mar. 31,'97	110⅛	109⅛	107,000
• 2d mortg. 5's	1913	5,100,000	M & S	105	Mar. 31,'97	106	104½	24,000
• registered			M & S	105⅛	Jan. 30,'97	....	....	....
Col. & Cin. Midla'd. 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	94¾	Mar. 18,'97	94¾	93	12,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	113⅛	Mar. 9,'97	118¼	112¾	31,000
• registered $1,000 & $5,000			F & A	....		....	....	....
• con. g. 5's	1945	16,500,000	M & N	91¾	Mar. 26,'97	92⅛	91	195,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
• 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	....		....	....	....
• registered			OCT 1	....		....	....	....
• 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	....		....	....	....
• registered			OCT 1	....		....	....	....
• 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	....		....	....	....
• registered			OCT 1	....		....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	1,000,000	J & J	....		....	....	....
• Mobile div. 1st g. 5's	1946	840,000	J & J	....		....	....	....
Central Railroad of New Jersey,								
• 1st consolidated 7's	1899	3,836,000	Q J	108	Mar. 18,'97	108¼	108	21,000
• convertible 7's	1902	1,167,000	M & N	115	Mar. 22,'97	115	115	1,000
• deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	110	110	1,000
• gen. mtg. 5's	1987	41,604,000	J & J	110	Mar. 31,'97	116¾	110	871,000
• registered			Q J	108¼	Mar. 31,'97	116½	108¼	128,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	91	Mar. 31,'97	98	90⅛	67,000
• mortgage 5's	1912	2,887,000	M & N	80	Mar. 24,'97	80	78	11,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114	Mar. 29,'97	115¾	114	6,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	102⅛	Mar. 23,'97	102¼	102⅛	18,000
• ext g 5s series A B C D	1898	5,598,000	J & J	101⅛	Mar. 24,'97	101⅛	101	26,000
• ext g 5's series E	1898	3,210,000	J & J	....		....	....	....
• San Joaquin br. g 6's	1900	6,080,000	A & O	104⅛	Mar. 31,'97	104⅛	104⅛	8,000
• gtd. g 5's	1939	11,000,000	A & O	84⅛	Sept. 16,'96	....	....	....
• land grant g 5's	1900	2,479,000	A & O	99	Nov. 12,'96	....	....	....
• Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107⅛	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	102	Mar. 25,'97	103	102	13,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
• 50 year m. gg. 5's	1938	4,800,000	A & O	90	Mar. 27,'97	90¼	90	28,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'96	....	....	....
Chat., Rom. & Colum's gtg. g. 5's	1937	2,090,000	......	....		....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	103⅛	Mar. 1,'97	103⅛	103⅛	1,000
• 6's, g., Series A	1908	2,000,000	A & O	121⅝	Mar. 31,'97	121⅝	121⅝	2,000
• Mortgage gold 6's	1911	2,000,000	A & O	120¾	Mar. 17,'97	121	120¾	6,000
• 1st con. g. 5's	1939	23,558,000	M & N	110¼	Mar. 31,'97	111¼	110	182,000
• registered			M & N	109	Mar. 9,'97	110	109	9,000
• Gen. m. g. 4½'s	1992	21,790,000	M & S	73	Mar. 31,'97	74¾	72	592,000
• registered			M & S	85	Dec. 30,'93	....	....	....
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	101½	Mar. 31,'97	104¼	100½	102,000
• 2d con. g. 4's	1989	1,000,000	J & J	92	Mar. 18,'97	92	90	12,000
• Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
• Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	99⅞	Mar. 26,'97	100	99	40,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
• 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	112¾	Jan. 6,'97	....	....	....
• 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Mar. 25,'97	104¾	104¾	9,000
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	104	Dec. 30,'96	....	....	....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	117¾	Mar. 31,'97	118	117½	85,000
• 5's, sinking fund	1901	2,315,000	A & O	105	Mar. 23,'97	105	105	6,000
• 5's, debentures	1913	9,000,000	M & N	100	Mar. 30,'97	100	98½	82,000
• convertible 5's	1903	15,263,900	M & S	100¾	Mar. 26,'97	102½	99¼	126,000
• (Iowa div.) sink. f'd 5's	1919	2,811,000	A & O	108	Mar. 8,'97	108	108	7,000
• 4's	1919	7,571,000	A & O	101¼	Mar. 26,'97	101¼	100	37,000

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• Denver div. 4's	1922	6,141,000	F & A	95	Mar. 17,'97	95	94½	3,000
• 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
• Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....
• Nebraska extensi'n 4's,	1927	26,730,000	M & N	91⅛	Mar. 31,'97	91⅛	90	341,000
• registered			M & N	89⅛	Feb. 10,'97	....	....	....
• Han. & St. Jos. con. 6's,	1911	8,000,000	M & S	118	Mar. 16,'97	118	118	1,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	114½	Mar. 29,'97	114½	114½	1,000
• small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	124½	Jan. 4,'97	....	....	....
• gen. con. 1st 5's	1937	9,767,000	M & N	101¼	Mar. 26,'97	101¾	100	211,000
• registered			M & N	104¼	Nov. 25,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	98	Mar. 10,'97	98	98	3,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	101⅝	Mar. 24,'97	104⅝	101⅝	31,000
• 2d 7 3-10 P. D.	1898	1,106,000	F & A	131½	Mar. 9,'97	131½	131	2,000
• 1st 7's $ gold, R. div.	1902	3,796,500	J&J	132¾	Mar. 25,'97	132¾	131	51,000
• 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & M. 7's	1897	1,736,000	J & J	132	Mar. 26,'97	132	130½	54,000
• 1st m. Iowa & D. 7's	1899	434,000	J & J	126¼	Feb. 26,'97	....	....	....
• 1st m. C. & M. 7's	1903	2,393,000	J & J	132¾	Mar. 25,'97	132¾	131½	4,000
Chicago Mil. & St. Paul con. 7's,	1905	11,298,000	J & J	134⅛	Mar. 25,'97	134¾	132	60,000
• 1st 7's, Iowa & D, ex,	1908	3,505,000	J & J	133	Mar. 23,'97	135	133	8,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	116¾	Mar. 25,'97	116¾	116¾	1,000
• 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	110¾	Mar. 26,'97	112	110¾	18,000
• 1st So. Min. div. 6's.	1910	7,432,000	J & J	117½	Mar. 31,'97	117½	117	16,000
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	129½	Mar. 26,'97	129½	129	3,000
• 5's	1910	990,000	J & J	109	Mar. 22,'97	109	109	6,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	118½	Mar. 22,'97	118½	118½	4,000
• 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	114¾	Mar. 30,'97	115	113½	91,000
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	110¼	Mar. 30,'97	110¼	109¼	6,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	107	Jan. 25,'97	....	....	....
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	108½	July 16,'96	....	....	....
• Wis. & Min. div. 5's	1921	4,755,000	J & J	112¼	Mar. 31,'97	113½	111⅞	64,000
• terminal 5's	1914	4,748,000	J & J	112	Mar. 18,'97	112	112	3,000
• Far. & So. 6's assu	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
• mtg. con. si'k. f'd 5's,	1916	1,680,000	J & J	96	Jan. 7,'96	....	....	....
• Dakota & Gt. S. 5's	1916	2,856,000	J & J	110¾	Mar. 27,'97	110⅞	110	26,000
• g. m. g. 4's, series A	1989	19,010,000	J & J	101	Mar. 31,'97	102¾	99½	260,000
• registered		....	Q J	94½	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	118½	Mar. 3,'97	118½	118½	1,000
• 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
Chic. & North Pacific 1st g. 5's	1940	25,953,000	A & O	42	May 12,'96	....	....	....
• U. S. Trust Co. eng. ctfs.			......	41¼	Mar. 31,'97	43⅝	41	650,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	142½	Mar. 29,'97	142½	141	37,000
• coupon gold 7's	1902	12,336,000	J & D	119¾	Mar. 31,'97	119¾	118	19,000
• registered d. gold 7's	1902		J & D	118½	Mar. 18,'97	119	117	15,000
• sinking fund 6's	1879–1929	5,951,000	A & O	119	Mar. 11,'97	119	119	32,000
• registered			A & O	117¾	Mar. 11,'97	117¾	117¾	7,000
• 5's	1879–1929	7,237,000	A & O	112	Mar. 26,'97	112	111	11,000
• registered			A & O	108	Jan. 20,'97	....	....	....
• debenture 5's	1933	9,800,000	M & N	112⅝	Mar. 31,'97	112¾	112½	17,000
• registered			M & N	112	Mar. 4,'97	112	111	6,000
• 25 year deben. 5's	1909	6,000,000	M & N	109	Mar. 29,'97	109	107	61,000
• registered			M & N	104	May 15,'96	....	....	....
• 30 year deben. 5's	1921	9,800,000	A & O	112½	Mar. 16,'97	112¾	111¾	17,000
• registered			A & O	107	Nov. 20,'95	...	....	....
• extension 4's	1886–1926	18,632,000	F A 15	103¼	Feb. 9,'97	....	....	....
• registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	104	Feb. 26,'97	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's,	1921	5,000,000	M & N	133⅝	Mar. 26,'97	133⅝	132¼	12,000
• con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	112	Mar. 18,'97	112	112	1,000
• Michigan div. 1st 6's	1924	1,281,000	J & J	129½	Mar. 26,'97	129½	129½	4,000
• Ashland div. 1st 6's	1925	1,000,000	M & S	128	Dec. 16,'96	....	....	....
• income		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	130	Mar. 29,'97	131	130	20,000
• 6's registered	1917		J & J	130	Mar. 17,'97	130	129½	10,000

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• exten. and collat. 5's	1934	40,381,000	J & J	104⅛	Mar. 31,'97	105⅝	103¾	222,000
• registered			J & J	102⅛	Mar. 29,'97	103⅝	102¼	130,000
• debenture 5's	1921	4,500,000	M & S	95	Mar. 29,'97	96⅛	95	29,000
• registered		....	M & S	....		....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	88⅛	June 12,'96	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	65	Nov. 18,'96	....	....	....
• extension 4 s		672,000	J & J	83	Mar. 15,'97	83	83	1,000
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	105	Mar. 17,'97	105	103	12,000
• small bond	1923	....	A & O	103	Apr. 26,'96	....	....	....
Chic., St.P., Minn. & Oma. con. 6's	1930	13,413,000	J & D	130	Mar. 29,'97	131⅛	130	21,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	130	Mar. 12,'97	130	130	1,000
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131¾	Mar. 3,'97	131¾	131¾	5,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,149,000	M & N	106¼	May 15,'95	....	....	....
• gen'l mortg. g. 6's	1932	9,652,666	Q M	116	Mar. 13,'97	116	116	1,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98⅛	Mar. 13,'93	....	....	....
• coupons off		....	......	....		....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
• 2d g. 4½'s	1937	2,000,000	J & J	103⅛	Mar. 13,'97	103⅛	103⅛	5,000
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	110	Mar. 25,'97	110	109	18,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A	....		....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for	1917	2,000,000	......	70	Mar. 30,'97	71	70	16,000
Clev., Cin., Chic. & St. L. gen. m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	93	Oct. 2,'95	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	95	Mar. 31,'97	95	94⅛	71,000
• registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	88⅛	Mar. 12,'97	88⅛	88	20,000
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,790,000	Q F	101	Mar. 26,'97	102	100	15,000
• registered				95	Nov. 15,'94	....	....	....
• con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	107	Jan. 15,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	74	Mar. 30,'97	74	70	65,000
• income 4's	1990	4,000,000	A	10	Feb. 27,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	108⅛	Mar. 10,'97	108⅛	108⅛	1,000
• consol mortg. 7's	1914	3,991,000	J & D	133⅛	Mar. 15,'97	133⅛	133⅛	1,000
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	124	Jan. 13,'97	....	....	....
• registered			J & J	....		....	....	....
Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	105	Aug. 18,'96	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	102	Mar. 12,'97	102	102	10,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	120⅛	July 21,'96	....	....	....
• registered			Q J	....		....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	115⅝	Mar. 30,'97	116	115⅛	59,000
• registered			M&S	....		....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	8,000,000	M & S	70¼	Mar. 31,'97	74⅛	70½	154,000
• gen. mort. g. 6's	1904	2,000,000	J & D	59½	Mar. 8,'97	59½	59½	1,000
• gen. lien g. 4's	1996	852,000	J & J	....		....	....	....
• registered, $5,000			J & J	....		....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	126⅛	Mar. 15,'97	126⅛	125½	6,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	127	Feb. 3,'97	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	144	Mar. 10,'97	144	143⅝	10,000
• bonds, 7's	1900	281,000	J & J	109½	Feb. 17,'97	....	....	....
• 7's	1871-1901	4,991,000	A & O	114¼	Feb. 19,'97	....	....	....
• 1st c. gtd 7's	1915	12,151,000	J & D	144	Mar. 25,'97	144	141⅞	16,000
• registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	136	Mar. 29,'97	136½	136	13,000
• const. 5's	1923	5,000,000	F & A	116½	Mar. 26,'97	116½	116½	6,000
Warren 2d 7's	1900	750,000	A & O	113¾	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143½	Dec. 23,'96	....	....	....
• reg	1917		M & S	137	Oct. 7,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	117	Aug. 18,'96	....	....	....
• registered			A & O	128½	Feb. 12,'94	....	....	....
• 6's	1906	7,000,000	A & O	118½	Mar. 31,'97	118¾	118⅛	13,000
• registered			A & O	116½	Mar. 22,'97	118	116⅛	6,000

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Rens. & Saratoga 1st c. 7's......1921	2,000,000	M & N	145⅞	Feb. 5,'97	....	....	....
" 1st r 7's................1921		M & N	146	Dec. 9,'96	....	....	....
Denver City Cable Ry. 1st g. 6's..1908	3,397,000	J & J	97⅛	Feb. 24,'93	....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	780,000	A & O			....	....	....
Denver Tramway Co. con. g. 6's..1910	1,219,000	J & J			....	....	....
Denver Met. Ry. Co. 1st g. g. 6's..1911	913,000	J & J			....	....	....
Denver & Rio G. 1st con. g. 4's...1936	28,465,000	J & J	83⅛	Mar. 30,'97	89	88	122,000
" 1st mortg. g. 7's..........1900	6,382,500	M & N	112⅞	Mar. 19,'97	112⅞	112	18,000
" impt. m. g. 5's...........1928	8,103,500	J & D	81½	Mar. 17,'97	82⅝	81⅛	2,000
Detroit, Mac. & Ma. ld gt. 3½ S A..1911	3,030,000	A & O	21	Feb. 3,'97	....	....	....
Detroit & Mack. 1st lien g. 4s......1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s.....................1995	1,250,000	J & D			....	....	....
Duluth & Iron Range 1st 5's......1937	6,332,000	A & O	101	Mar. 11,'97	101⅜	100⅛	73,000
" registered..................		A & O	101½	July 23,'89	....	....	....
" 2d l m 6s.................1916	1,000,000	J & J			....	....	....
Duluth, Red Wing & S'n 1st g. 5's.1928	500,000	J & J			....	....	....
Duluth So. Shore & At. gold 5's..1937	4,000,000	J & J	102	Mar. 29,'97	102	100¼	27,000
Erie, 1st mortgage ex. 7's.........1897	2,482,000	M & S	108¾	Mar. 31,'97	109½	108¼	224,000
" 2d extended 5's.........1919	2,149,000	M & N	117½	Mar. 23,'97	117½	116	3,000
" 3d extended 4½'s.........1923	4,618,000	M & S	112⅛	Mar. 27,'97	113	112⅛	6,000
" 4th extended 5's.......1920	2,926,000	A & O	120	Mar. 18,'97	120	120	10,000
" 5th extended 4's.......1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's.......1920	16,890,000	M & S	139¼	Mar. 25,'97	140	139¼	25,000
" 1st cons. fund c. 7's....1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's..........1935	7,500,000	A & O	136	Mar. 12,'97	136	136	3,000
Buffalo, N. Y. & Erie 1st 7's.....1916	2,380,000	J & D	136¼	Jan. 11,'97	....	....	....
Buffalo & Southwestern m 6's..1908	1,500,000	J&J			....	....	....
" small........................		J&J			....	....	....
Jefferson R. R. 1st gtd g 5's....1909	2,800,000	A & O	106	Jan. 18,'97	....	....	....
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	111¼	Mar. 31,'97	111¾	111¼	105,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's.............1922	1,100,000	M&N			....	...	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's...........1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds..1996	30,000,000	J&J	94½	Mar. 26,'97	95¼	94¼	274,000
" " registered................		J&J			....	....	....
" " gen. lien 3-4s........1996	30,927,000	J&J	63¾	Mar. 30,'97	65⅞	63¼	280,000
" " registered................		J&J			....	....	....
Eureka Springs R'y 1st 6's, g.....1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	111⅜	Mar. 29,'97	112	111⅜	4,000
" 1st General g 5's.........1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's...1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's...1926	1,591,000	J & J	90	Dec. 11,'95	....	...	....
Flint & Pere Marquette m 6's....1920	3,999,000	A & O	116	Mar. 5,'97	116	115	3,000
" 1st con. gold 5's..........1939	2,100,000	M & N	82	Feb. 25,'97	....	....	....
" Port Huron d 1st g 5's..1939	3,083,000	A & O	78	Feb. 17,'97	....	....	....
Florida Cen. & Penins. 1st g 5's...1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's..1930	423,000	J & J			....	....	....
" 1st con. g 5's............1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J			....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's..1921	8,176,000	......	57⅛	Mar. 30,'97	59⅞	57	201,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,888,000	J & J	43½	Mar. 4,'97	43½	43½	1,000
Gal., Harrisburgh & S. A. 1st 6's.1910	4,756,000	F & A	104	Feb. 8,'97	....	....	....
" 2d mortgage 7's.........1905	1,000,000	J & D	100	Mar. 22,'97	100	100	2,000
" Mex. & Pac. div. 1st 5's, 1931	13,418,000	M & N	90	Mar. 31,'97	91¼	89¾	137,000
Ga. Car. & N. Ry. 1st gtd. g. 5's..1927	5,360,000	J & J	83	Feb. 13,'97	....	....	....
Housatonic R. con. m. g. 5's.....1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's....1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.							
" 1st Waco & N. 7's.......1903	1,140,000	J & J	125	June 29,'92			
" 1st g. 5's (int. gtd).......1937	7,381,000	J & J	109½	Mar. 23,'97	109⅝	108½	15,000
" Con. g. 6's (int. gtd)....1912	3,455,000	A & O	102¼	Mar. 11,'97	104	102¼	2,000
" Gen. g. 4's (int. gtd.)....1921	4,297,000	A & O	68¾	Mar. 25,'97	70	67	120,000

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" Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6, '95	....	....	....
" Deben. 4's p. & int. gtd,	1897	411,000	A & O	96⅝	Mar. 30, '97	96⅝	96	15,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	Mar. 20, '97	112	110	2,000
" registered			J&J	102⅛	Dec. 30, '95	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4, '96	....	....	....
" registered			J&J	97	Dec. 17, '95	....	....	....
" gold 4's	1952	15,000,000	A & O	104¼	Mar. 20, '97	104¼	101⅛	12,000
" gold 4's regist'd			A & O	100	Dec. 23, '96	....	....	....
" gold 4's	1953	24,679,000	M & N	101⅛	Mar. 29, '97	101⅛	101⅛	3,000
" gold 4's registered			M & N	....	....	....	....	....
" 2-10 g. 4's	1904	4,806,000	J & J	99	June 10, '96	....	....	....
" 2-10 g. 4's registered			J & J	....	....	....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13, '96	....	....	....
" registered			M & S	....	....	....	....	....
" West'n Line 1st g. 4's,	1951	3,550,000	F & A	102	Mar. 27, '97	103¼	102	29,000
" registered			F & A	....	....	....	....	....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10, '95	....	....	....
" registered				....	....	....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100½	Aug. 17, '96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16, '95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27, '96	....	....	....
" 1st consol. 7's	1897	826,000	M & N	104⅛	Mar. 4, '97	104⅛	104⅛	2,000
" gold 5's	1951	16,526,000	J D 15	122¼	Mar. 20, '97	122¼	122	8,000
" gold 5's, registered			J D 15	119½	Feb. 27, '97	....	....	....
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	98½	June 16, '95	....	....	....
" registered			J & D	....	....	....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9, '96	....	....	....
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 28, '95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4, '96	....	....	....
" stamped				27	Jan. 4, '97	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	100⅝	Mar. 9, '97	101	100⅝	13,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29, '96	....	....	....
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21, '95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	119¼	Mar. 29, '97	119½	118⅞	32,000
" 2d mortgage 4½-5's	1909	6,593,000	M & S	76½	Mar. 31, '97	77½	76½	9,000
" 3d mortgage 9-4's	1921	2,708,500	M & S	29½	Mar. 29, '97	31½	29½	21,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	92	Mar. 29, '97	96	92	99,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....	....	....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	50	Mar. 5, '97	50¼	49½	19,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	41¼	Mar. 25, '97	44	41	13,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115½	Mar. 30, '97	115½	115½	3,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	102½	Mar. 25, '97	102½	102½	18,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	104	Mar. 13, '97	104	104	1,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	107	Mar. 31, '97	107¼	106½	25,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8, '96	....	....	....
Lake Shore division b. 7's	1899	1,355,000	A & O	110½	Mar. 29, '97	111	110	57,000
" con. co. 1st 7's	1900	14,890,000	J&J	112½	Mar. 26, '97	113⅝	111½	162,000
" con. 1st registered	1900		Q J	110¾	Mar. 31, '97	113½	110¾	115,000
" con. co. 2d 7's	1903	24,692,000	J&D	123¼	Mar. 31, '97	124¼	119½	382,000
" con. 2d registered	1903		J&D	119½	Mar. 30, '97	124⅛	123	171,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21, '96	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30, '96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	97	Mar. 15, '97	99	96¾	22,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	111¾	Mar. 18, '97	111¾	108½	57,000
" registered			A & O	108	Sept. 29, '96	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27, '95	....	....	....
" registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24, '96	....	....	....
" registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4, '97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	115⅝	Mar. 22, '97	116	115⅝	77,000
" registered			M&S	....	....	....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25, '93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29, '96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	106¼	Mar. 25, '97	106¼	106¼	3,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	118	Mar. 30, '97	118	118	1,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	88⅛	Mar. 26,'97	88⅛	87⅛	20,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	84	Mar. 27,'97	89	84	3,000
" g. 4's	1932	325,000	J & D	....	....	....	....	....
" deb. g. 5's	1934	1,500,000	J & D	....	....	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	98	Dec. 5,'96	....	....	....
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,728,000	A & O	107½	Feb. 11,'97	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	30	Feb. 11,'97	....	....	....
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	106⅛	Mar. 29,'97	106⅛	105¾	15,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	120¼	Mar. 25,'97	120¼	119¾	42,000
" 2d 6's	1930	1,000,000	J & J	103	Mar. 25,'97	103¾	102½	12,000
" E., Hend. & N. 1st 6's	1919	2,833,000	J & D	113¼	Feb. 20,'97	....	....	....
" general mort. 6's	1930	10,248,000	J & D	117	Mar. 29,'97	117¼	117	25,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	118	Aug. 28,'96	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	110	Feb. 1,'97	....	....	....
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	99	Mar. 30,'97	99	99	5,000
" Unified gold 4's	1940	14,994,000	J & J	80	Mar. 23,'97	80⅛	79⅝	142,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	97½	Mar. 16,'97	98½	97½	2,000
" collateral trust g. 5's	1931	5,129,000	M & N	103	Mar. 16,'97	103	103	3,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104½	Mar. 16,'97	104½	104½	10,000
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	85	Jan. 9,'97	....	....	....
South & N. Ala. con. gtd. g. 5's	1936	3,673,000	F & A	91¾	Mar. 18,'97	91¾	91¾	12,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	85¾	Mar. 29,'97	87¾	85	9,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's	1910	3,000,000	J & J	112¾	Mar. 11,'97	112¾	112¾	2,000
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	84	Mar. 31,'97	84	84	15,000
" eng. Tr. Co. ctf. gen. g. 5's	1940	2,600,000	M & N	43	Mar. 3,'97	43	43	3,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	93¾	Mar. 31,'97	94¾	93½	328,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118⅞	Mar. 29,'97	119⅛	118½	82,000
" 2d 6's	1899	4,000,000	M & N	107	Mar. 26,'97	107	106¼	23,000
Mexican Central.								
" con. mtge. 4's	1911	58,908,000	J & J	68½	Jan. 22,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	69¼	69	31,000
Mexican Nat. 1st gold 6's	1927	11,532,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped	....	....	....	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	10	Jan. 15,'97	....	....	....
Mexican Northern 1st g. 6's	1910	1,383,000	J & D	97	Feb. 11,'97	....	....	....
" registered	....		J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	117⅝	Mar. 30,'97	118	117½	39,000
" 1st con. 5's	1902	2,000,000	M & N	108	Mar. 8,'97	108	108	4,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	105	July 30,'96	....	....	....
" mtge. 4's reg.	....		J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil.Elec.R.&Light con.30yr.g.5's	1926	5,500,000	F & A					
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	140	Jan. 21,'97			
" 1st con. g. 5's	1934	5,000,000	M & N	103	Mar. 30,'97	103¼	102¾	71,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	120	Jan. 9,'97			
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96			
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¾	Mar. 8,'97	121¾	121¾	3,000
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87			
" stamped 4's pay. of int. gtd.								
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95			
" stamped pay. of int. gtd.				89¾	June 18,'91			
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J					
" stamped pay. of int. gtd.								
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95			
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	82½	Mar. 31,'97	85	82	421,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	57	Mar. 31,'97	60¼	56	591,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96			
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	80	Mar. 5,'97	80	80	2,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	69	Mar. 2,'97	69	69	10,000
" Dal. & Waco 1st g.g. 5's	1940	1,340,000	M & N	76	Mar. 22,'97	77	76	11,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N					
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	93½	Mar. 29,'97	93½	92½	102,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	76½	Mar. 30,'97	85	76½	18,000
" 3d mortgage 7's	1906	3,828,000	M & N	99	Mar. 24,'97	102⅝	98	26,000
" trusts gold 5's	1917	14,376,000	M & S	70	Aug. 14,'96			
" registered			M & S					
" 1st collateral gold 5's	1920	7,000,000	F & A	52	Mar. 17,'97	53	52	3,000
" registered			F & A					
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	100½	Mar. 27,'97	101	100½	18,000
" 2d extended g. 5's	1938	2,573,000	F & A	103	Mar. 13,'97	103	103	5,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S					
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J					
St. L. & I'rn. Mount. 1st ex. 5's	1897	4,000,000	F & A	102½	Mar. 31,'97	103¼	102½	356,000
St. Louis & I'rn Mount. 2d 7's	1897	6,000,000	M & N	103	Mar. 31,'97	103½	102¾	201,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	104	Mar. 31,'97	104	104	35,000
" Cario, Ark. & T. 1st 7's	1897	1,450,000	J & D	102⅛	Mar. 24,'97	102⅛	102⅛	49,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	75	Mar. 31,'97	76	73½	194,000
" stamped gtd gold 5's	1931	6,945,000	A & O	73½	Feb. 26,'97			
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J					
" small		226,000	J & J					
" Inc. g. 4's	1945	700,000	J & J					
" small		500,000						
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	119	Mar. 31,'97	119	118¼	16,000
" 1st entension 6's	1927	974,000	J & D	112	Mar. 25,'97	112	112	1,000
" gen. mortgage 4's	1938	9,470,500	Q J	65¾	Mar. 29,'97	68	65¾	142,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95			
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96			
" 1st 7's	1918	5,000,000	A & O	128	July 23,'95			
Nashville, Chat. & St. L. 1st 7's	1913	6,800,000	J & J	130	Mar. 15,'97	130	130	24,000
" 2d 6's	1901	1,000,000	J & J	107¾	Apr. 27,'95			
" 1st cons. g. 5's	1928	5,594,000	A & O	102½	Mar. 26,'97	102¾	101¾	37,000
" 1st 6's T. & Pb.	1917	300,000	J & J					
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96			
" 1st g. 6's Jasper Branch	1923	371,000	J & J					
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94			
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	120½	Mar. 31,'97	121	118¾	220,000
" 1st registered	1903		J & J	120¼	Mar. 24,'97	120¼	118⅞	56,000
" debenture 5's	1904	10,000,000	M & S	108¾	Mar. 26,'97	109	105¾	41,000
" debenture 5's reg.			M & S	108½	Feb. 26,'97			
" reg. deben. 5's	1889-1904	1,000,000	M & S	107¼	Feb. 13,'97			
" debenture g. 4's	1905	15,000,000	J & D	104½	Mar. 29,'97	104½	102½	87,000
" registered	1905		J & D	104	Mar. 23,'97	104	104	10,000
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	104½	Mar. 29,'97	104½	104¼	3,000
" registered			M & N	100¾	May 12,'96			
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	113½	Mar. 20,'97	113½	112¾	3,000
" 7's registered	1900		M & N	114	Mar. 30,'97	114	113	49,000
N. Jersey Junc. R. R. g. 1st 4's	1966	1,650,000	F & A	100	Nov. 25,'96			
" reg. certificates			F & A					

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
West Shore 1st guaranteed 4's.....	50,000,000	J & J	107½	Mar. 31,'97	107½	106⅛	206,000
" registered..................		J & J	106	Mar. 30,'97	106⅛	105¾	145,000
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108⅛	Mar. 24,'97	108⅛	107	13,000
" registered................		J & J	105⅛	June 12,'96	....	....	....
" 2d gtd. 5's..............1936	500,000	J & J	....		....	....	....
" registered................	....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	....		....	....	....
" small bonds series B......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	121	Mar. 31,'97	121	120	16,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's 1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's 1993	4,000,000	A & O	103	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	106	Mar. 30,'97	106¼	105⅛	149,000
" registered..................		A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's......1905	6,000,000	J & J	120	Mar. 2,'97	120	120	2,000
" 1st 6's.............. 1905	4,000,000	J & J	114	Jan. 18,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000	15,007,500	A & O	140	Mar. 12,'97	140	139¾	56,000
" small certifs............$100	1,430,000	......	130½	May 29,'96	....	....	....
N. Y. & Northern 1st g. 5's.......1927	1,200,000	A & O	119	Jan. 25,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's 1939	5,600,000	J & D	109⅛	Mar. 26,'97	110	108⅛	43,000
" Refunding 1st g. 4's.....1992	8,375,000	M & S	93⅛	Mar. 31,'97	94⅛	93¼	205,000
" Registered......$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	101⅛	Mar. 17,'97	103	101⅛	32,000
" 2d mortg. 4½'s........1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's........1940	2,300,000	F & A	71	Mar. 18,'97	72½	71	5,000
" term. 1st mtg. g. 5's...1843	2,000,000	M & N	107⅝	Mar. 18,'97	107⅝	106⅛	21,000
" registered...........$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	89⅞	Mar. 26,'97	89⅞	88¾	34,000
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	119	Feb. 25,'97	....	....	....
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	15,306,000	J & J	115⅛	Mar. 30,'97	116¾	115½	74,000
" registered..................		J & J	116	Mar. 29,'97	117	116	25,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	125⅜	Mar. 22,'97	125⅜	125⅜	1,000
" registered certificates....		Q F	122⅜	May 18,'96	....	....	....
Dul. & Man. 1st g. 6's, en Tr. Co. ctfs " 10 p c purchase price paid	1,619,000	J & J	81	Jan. 28,'87	....	....	....
Cœur d'Alene 1st gold 6's......1916	360,000	A & O	104	May 5,'92	....	....	....
" gen. 1st g. 6's..........1938	878,000	M & S	102	Jan. 2,'92	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's.1997	73,816,500	Q J	87¾	Mar. 31,'97	88⅝	87⅛	1,145,000
" registered..................		Q J	87½	Mar. 2,'97	88	87⅛	....
" gen. lien g. 3's..........2047	56,000,000	Q F	53¼	Mar. 31,'97	55⅛	52¼	1,362,000
" registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	4,090,000	J & J	109	Mar. 26,'97	110	108	85,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	104	Mar. 29,'96	105	104	11,000
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	117	Jan. 13,'97	....	....	....
" New River 1st 6's........1932	2,000,000	A & O	106½	Oct. 20,'96	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off.................	....	......	....		....	....	....
" Sci'o Val & N.E. 1st g. 4's, 1989	5,000,000	J & N	83	Mar. 15,'97	83¼	83	10,000
" C. C. & T. 1st g. t. g g 5's 1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.1996	21,758,500	A & O	72½	Mar. 31,'97	74½	70	240,000
" registered.........		A & O	....		....	....	....
" small bonds................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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*Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
" inc	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	104	Mar. 31,'97	104¼	104	30,000
" consolidated 7's	1898	3,066,000	J & J	104	Mar. 30,'97	104¼	104	4,000
" 2d consolidated 7's	1911	2,952,000	A & O	120	Mar. 25,'97	120	118	29,000
" 1st Springf'd d. 7's	1905	1,984,000	M & N	103	Mar. 30,'97	103⅛	102⅝	100,000
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	101	Dec. 9,'96	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	90	Mar. 24,'97	90	84	114,000
" gen. mortg. g 4's	1921	1,543,000	M & N	10	Mar. 10,'97	10	10	8,000
" gen. eng. Trust Co. certs.		1,255,000	......	9½	Mar. 18,'97	11⅝	9½	75,000
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	......	54	Mar. 24,'97	55	51	29,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	71½	Sept. 17,'96	....	....	....
Oregon Improvement Co. 1st 6's	1910	743,000	J & D	89	Mar. 19,'97	89	89	4,000
" eng. Tr. Co. ctfs. of dep.		3,328,000	......	86	Mar. 27,'97	87½	85¼	29,000
" con. mortg. g 5's	1939	2,911,000	A & O	15	Feb. 10,'97	....	....	....
" Trust Co. certificates		3,638,000	......	19½	Mar. 15,'97	19½	17½	105,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	112¾	Mar. 26,'97	113⅛	112¾	86,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	82⅝	Mar. 30,'97	83⅛	82⅝	209,000
Paducah, Tenn. & Ala. 1st 5's	1920	....	......	....	....	....	....	....
" Issue of 1890		1,815,000	J & J	....	....	....	....	....
" Issue of 1892		617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's	1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111½	Mar. 20,'97	111½	111	10,000
" reg	1921		J & J	109½	Feb. 13,'97	....	....	....
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	109¼	Mar. 29,'97	109¼	109⅛	55,000
" Series B	1942	10,000,000	A & O	109⅛	Mar. 29,'97	109⅝	109	32,000
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
" Series D gtd. 4's	1945	4,863,000	M & N	101	Sept. 19,'96	....	....	....
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	109⅝	Mar. 30,'97	110	109⅝	13,000
" 1st reg. 7's	1900		F & A	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	138	Feb. 25,'97	....	....	....
" 2d 7's	1912	2,546,000	J & J	136½	Jan. 28,'97	....	....	....
" 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	115	Jan. 4,'97	....	....	....
" registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	112	Dec. 8,'96	....	....	....
" Series A	1942	3,000,000	J & J	113½	Apr. 18,'95	....	....	....
" 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	3,980,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	June 25,'95	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
" registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	112¼	Mar. 16,'97	112	112¼	2,000
Del. R. RR. & BgeCo 1stgtdg. 4's	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's	1920	1,287,000	J & J	102	Mar. 24,'97	102	101	33,000
" Evansville div. 1st 6's	1920	1,470,000	M & S	101½	Mar. 23,'97	102	100	28,000
" Tr. Co. ctfs. 2d mort 5's	1926	1,778,000	M & N	27	Feb. 8,'97	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112½	Mar. 8,'97	112½	112½	2,000
" 2d m 4½'s	1921	1,499,000	M & N	78¼	Mar. 19,'97	78¼	78¼	5,000

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Phil. & Read. gen. g 4's Tr. Co. ctf's. assented........	46,121,000	......	79⅞	Mar. 31,'97	82	79⅞	1,212,000
" registered........	....	......	81	Jan. 22,'97	....	. ..	....
" 1st pref. inc. Tr. Co. certfs. all instal. pd........	23,663,000	......	41	Mar. 26,'97	46¼	41	337,000
" 2d pref. inc. Tr. Co. certfs. all instal. pd........	15,810,000	......	30	Mar. 24,'97	34¼	30	370,000
" 3d pref. inc........1958	21,634,462	F	13½	Feb. 7,'96	....	....	....
" 3d pr. in. con........1958			4¼	Oct. 24,'96	....	....	....
" Tr. Co. ctfs all instal. pd...			32⅞	Mar. 15,'97	32⅞	30¼	34,000
Pine Creek Railway 6's........1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's.1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's........1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A, 1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's, 1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's........1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's.....1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's, 1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's, 1940	3,000,000	A & O	102¼	Mar. 30,'97	102½	99⅞	96,000
" 1st cons. 5's........1943	786,000	J & J	83½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's, 1917	9,700,000	J & J	70	Mar. 24,'97	73	70	29,000
" Mort. g. 5's........1891-1941	3,500,000	M & N	33½	Mar. 1,'97	33½	33½	5,000
Pittsburg, Y & Ash. 1st cons. 5's, 1927	1,562,000	M & N	....	....	....	....	....
Rio Grande West'n 1st g. 4's.....1939	15,200,000	J & J	72¼	Mar. 31,'97	73½	70½	101,000
Rio Grande Junc'n 1st gtd. g. 5's, 1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4, 1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's, 1913	297,000	J & J	....	....	....	....	....
St. Jo. &Gr. Isl. Tr. Co. cfts. 1st 6's, 1925	6,735,000	M & N	52	Mar. 31,'96	54	50	230,000
St. Louis, A. & T. H. 1st 2T. g. 5's, 1914	2,200,000	J & D	104	Dec. 31,'96	....	....	....
" registered........		J & D	....	....	....	....	....
Belleville & Carodt 1st 6's......1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's, 1917	1,000,000	M & S	102	Dec. 22,'96	....	....	....
St. Louis, South. 1st gtd. g. 4's, 1931	550,000	M & S	70½	May 28,'96	....	....	....
" 2d inc. 5's........1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
" 1st con. 5's........1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's, 1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A, 1906	500,000	M & N	114¾	Mar. 31,'97	114¾	114½	3,000
" 2d g. 6's, Class B......1906	2,766,500	M & N	114½	Mar. 30,'97	114¾	114	12,000
" 2d g. 6's, Class C......1906	2,400,000	M & N	114¾	Mar. 31,'97	114½	114	21,000
" 1st g. 6's P. C. & O.....1919	1,041,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's........1931	7,807,000	J & J	111	Mar. 24,'97	112¼	111	22,000
" gen. g. 5's........1931	12,293,000	J & J	96¼	Mar. 25,'97	97¾	96	30,000
" 1st Trust g. 5's........1987	1,099,000	A & O	90	Jan. 15,'97	....	....	....
Ft. Smith & Van B. Bdg. 1st 6's, 1910	335,000	A & O	110	Mar. 30,'96	110	110	1,000
St. Louis, Kan. & So. W. 1st 6's, 1916	732,000	M & S	100	Jan. 19,'95	....	....	....
Kansas, Midland 1st g. 4's......1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's..1996	6,388,000	J & D	64	Mar. 30,'97	65⅞	63	216,000
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	62	Mar. 31,'97	69½	62	186,000
" 2d g. 4's inc. Bd. ctfs....1989	8,000,000	J & J	18½	Mar. 31,'97	24	18½	89,000
St. Paul City Ry. Cable con. g. 5's. 1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
" gtd. gold 5's........1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's........1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's........1917	2,000,000	A & O	104¼	Mar. 22,'97	104	103⅞	4,000
St. Paul, Minn. & Manito'a 2d 6's..1909	8,000,000	A & O	122½	Mar. 26,'97	122½	121¼	13,000
" Dakota ext'n 6's......1910	5,676,000	M & N	120¾	Mar. 11,'97	120¾	120½	2,000
" 1st con. 6's........1933	13,344,000	J & J	126	Mar. 26,'97	126	126	1,000
" 1st con. 6's, registered....		J & J	120	Aug. 19,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	MARCH SALES. High.	MARCH SALES. Low.	MARCH SALES. Total.
• 1st c. 6's, red'd to 4½'s....	21,248,000	J & J	106¼	Mar. 29,'97	107	104¼	185,000
• 1st cons. 6's register'd....		J & J	105	Nov. 4,'96	....	....	....
• Mont. ext'n 1st g. 4's..1937	7,805,000	J & D	92	Mar. 27,'97	92½	90⅛	35,000
• registered................		J & D	86	Jan. 29,'97	....	....	....
Minneapolis Union 1st 6's......1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	115¼	Feb. 15,'97	....	....	....
• 1st 6's, registered.........		J & J	....	....	....	....	....
• 1st g. g. 5's............ 1937	2,700,000	J & J	106⅛	Mar. 18,'97	106⅛	104	19,000
• registered................		J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's..1908	4,700,000	A & O	108	Mar. 17,'97	108	108	21,000
• registered................		A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	107⅛	Mar. 24,'97	107⅛	106	72,000
• registered................		J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's, 1943	18,886,000	J & J	57⅝	Mar. 31,'97	59⅛	57¼	413,000
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's...1934	4,056,000	A & O	114	July 24,'95	....	....	....
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
• assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	92½	Mar. 25,'97	92½	90	37,000
South'n Pac. of Ariz. 1st 6's 1909-1910	10,000,000	J & J	93	Mar. 30,'97	93¼	92¾	104,000
South. Pac. of Cal. 1st g 6's...1905-12	30,577,500	A & O	108	Jan. 11,'97	....	....	....
• 1st con. gtd. g 5's.....1937	18,402,000	M & N	87¾	Mar. 31,'97	88	85⅛	164,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	85⅛	Mar. 30,'97	85¾	84¼	119,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's....1911	4,180,000	J & J	103¼	Mar. 31,'97	103¼	102¼	122,000
Southern Railway 1st con. g 5's.1994	26,962,000	J & J	88⅛	Mar. 31,'97	92½	87⅛	502,000
• registered................		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	86⅛	Mar. 30,'97	86⅛	86⅛	5,000
• registered................		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	109¼	Feb. 3,'97	....	....	....
Atl. & Char. Air Line, 1st 7's..1897	500,000	A & O	121¾	May 25,'92	....	....	....
• income................1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's...1900	3,123,000	J & J	109¼	Mar. 24,'97	109¾	108⅞	43,000
• divisional g 5's........1930	3,106,000	J & J	112½	Mar. 27,'97	113	112	7,000
• con. 1st g 5's..........1956	12,770,000	M & N	108⅛	Mar. 31,'97	109⅝	108¼	133,000
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	114¼	Mar. 31,'97	115	114	24,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	114⅜	Mar. 22,'97	114⅜	114¼	13,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	122¼	Mar. 23,'97	122¼	121	10,000
• equip. sink. f'd g 5's, 1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
• deb. 5's stamped......1927	3,368,000	A & O	100⅞	Feb. 19,'97	....	....	....
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. B 6's..............1911	1,900,000	M & S	....	....	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. C 6's..............1916	1,100,000	M & S	....	....	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. D 4-5's............1921	950,000	M & S	....	....	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. E 5's...............1926	1,775,000	M & S	....	....	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. F 5's..............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	102	Mar. 29,'97	103¼	102	6,000
• gen.5's. gtd. stamped.1926	2,466,000	M & N	102	Feb. 1,'97	....	....	....
W. O. & W. 1st cy. gtd. 4's.....1924	1,275,000	F & A	79⅛	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	114½	Mar. 25,'97	114½	113	22,000
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	109¼	Mar. 1,'97	109¼	109⅛	4,000
• 1st con. g. 5's.....1894-1944	4,500,000	F & A	106¾	Mar. 30,'97	106¾	106	8,000
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	111	Mar. 1,'97	111	111	6,000
• Sabine d. 1st 6's.........1912	2,575,000	M & S	107⅛	Apr. 16,'96	....	....	....
• con. m. g 5's............1943	1,620,000	F & A	95¼	Mar. 30,'97	95¼	94⅛	104,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's	2000	21,049,000	J & D	88¼	Mar. 31,'97	89⅛	88	198,000
" 2d gold income, 5's	2000	23,227,000	MAR.	19¼	Mar. 31,'97	22	18¾	755,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	122¼	Mar. 31,'97	122¼	122¼	9,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	102	Mar. 26,'97	102	102	8,000
" 1st M. g 5's West. div	1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	77	Mar. 17,'97	77	76¾	6,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	63	Mar. 20,'97	65¼	60½	13,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	68	Mar. 30,'97	70⅛	67½	21,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	98½	Mar. 19,'97	100	98	32,000
Union Pacific 1st g. 6's	1896		J & J	101½	Mar. 22,'97	101¾	101½	21,000
" g. 6's	1897	11,604,000	J & J	101¾	Mar. 19,'97	101¾	101½	15,000
" g. 6's	1898		J & J	102⅛	Mar. 25,'97	102⅛	101¾	36,000
" g. 6's	1899		J & J	102¼	Mar. 30,'97	102½	102	18,000
" g. 6's Tr.Co.cfs.ex mat cps	1896		......	103½	Mar. 22,'97	104	103	43,000
" g.6's Tr.Co. cfs.ex mat cps	1897	15,685,000	......	103½	Mar. 27,'97	104	103	34,000
" g.6's Tr.Co. cfs. ex mat cps	1898		......	103¼	Mar. 25,'97	104⅛	103¼	14,000
" g. 6's Tr.Co. cfs.ex mat cps	1899		......	103½	Mar. 30,'97	105	102½	15,000
" collat. trust 6's		3,983,000	J & J	99½	Mar. 30,'97	99½	99½	1,000
" 5's	1907	4,970,000	J & D	75	Dec. 3,'96	....	....	....
" g 4½'s	1918	2,058,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs			......	50	Jan. 23,'97	....	....	....
" gold notes, 6's stampd,	1894	8,488,000	F & A	101⅝	Mar. 31,'97	102½	101¼	278,000
" Ext. sink'g f'd g 8's	1899	2,070,000	M & S	93	Mar. 5,'97	93	92½	78,000
" eng. Tr. Co. certifs		1,391,000	......	92	Mar. 27,'97	93	91½	62,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	109⅛	Feb. 11,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		805,000	......	101⅛	Mar. 9,'97	102	101⅛	43,000
" 1st 6's	1896	1,990,000	J & D	113¾	Feb. 10,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		2,073,000	......	102	Mar. 6,'97	102	102	28,000
" Denver div. assd. 6's	1899	2,836,000	M & N	116	Mar. 26,'97	117	116	71,000
" eng.Tr.Co. cfs. ex mat cps		3,057,000	......	103¾	Mar. 8,'97	104	103¾	31,000
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	73½	Mar. 25,'97	75	73	200,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	27	Mar. 31,'97	31	27	73,000
At., Jewell Co. & West. 1st 6's	1905	542,000	Q F	29	Mar. 17,'97	29	27	6,000
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	20	Mar. 30,'97	20	20	2,000
" Den.&Gulf 1st c. g.5's	1939	15,801,000	J & D	33½	Mar. 30,'97	37	33½	130,000
Or.S.L.&U.N.Tr.Co.cts 1st cn.g.	1919	10,792,000	A & O	74	Mar. 31,'97	77¾	74	284,000
" assented		....	......	....	....	....	....	....
Oregon Short Line 1st 6's	1922	3,538,000	F & A	116½	Mar. 31,'97	119	116	22,000
" Trust Co. ctfs of dep		11,393,000	......	115½	Mar. 31,'97	117¼	115	117,000
Utah & Nor'n R'y 1st mtg 7's	1908	1,031,000	J & J	118	Mar. 3,'97	118	117	8,000
" gold 5's	1926	1,877,000	J & J	100	May 14,'96	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's	1909	1,495,000	J & J	76¼	Mar. 3,'97	76¼	76¼	11,000
" Tr.Co. ctfs.ext. 1st 7's	1909	1,924,000	J & J	74	Mar. 30,'97	77¾	74	76,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	105	Mar. 31,'97	107¼	104	215,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	64	Mar. 31,'97	69	64	169,000
" deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
" series B	1939	25,740,000	J & J	19	Mar. 30,'97	22¼	19	10,000
" 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	93	Mar. 17,'97	95	93	3,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's	1908	1,000,000	A & O	108½	Mar. 6,'97	108½	108½	5,000
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	107	Mar. 27,'97	107½	106½	14,000
" gen g. 2-3-4's	1943	10,000,000	A & O	49¼	Mar. 31,'97	49½	49	78,000
" inc. 5's	1943	10,000,000	Nov.	13¼	Mar. 20,'97	13¾	13⅛	83,000
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	91½	Mar. 16,'97	91½	90½	12,000
" Wheeling div. 1st g. 5's	1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
" exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	33	Oct. 29,'96	....	....	....
" eng. Trust Co. certificates.		10,013,000	......	35	Mar. 29,'97	40	35	158,000
" income mortgage 5's	1937	7,775,000	A & O	5	Mar. 26,'97	5⅝	5	30,000

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MISCELLANEOUS BONDS.

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American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	107¼	Mar. 29,'97	108	106⅛	13,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	76	Mar. 31,'97	79⅛	74¾	312,000
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's	1945	12,336,000	M & M	110⅝	Mar. 25,'97	110⅝	109	175,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	94⅛	Mar. 30,'97	98	91⅛	128,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	96¼	Mar. 31,'97	96¼	95	122,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	92	Mar. 26,'97	95	92	15,000
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	99	Feb. 8,'96	....	....	....
• Coupon off	....	....	....	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	90	Mar. 26,'97	90⅛	88⅛	94,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	72½	Mar. 16,'97	73	69	73,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	110¼	Mar. 26,'97	110¾	109⅞	63,000
• 1st con. g. 5's	1995	2,156,000	J & J	110¼	Mar. 23,'97	110¼	109	10,000
• Brooklyn 1st g. 5's	1940	} 1,250,000	A & O	110½	Feb. 4,'97	....	....	....
• registered	....		A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.	....							
• 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	100	Mar. 17,'97	100	99	10,000
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,000,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's	1922	8,750,000	J & D	96	Mar. 31,'97	96⅝	95	28,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st								
• g. 5's	1915	1,225,009	F & A	92½	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	....
• non. conv. deb. 5's	1910	7,000,000	A & O	92	Oct. 2,'95	....	....	....
Iron Steamboat Co. 6's	1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Int'r Cond & Insul Co. deb. g. 6's	1925	500,000	A & O	81	Oct. 16,'95	....	....	....
Jefferson & Clearfield Coal & Tr.								
• 1st g. 5's	1926	2,000,000	J & D	....	....	....	....	....
• 2d g. 5's	1926	1,000,000	J & D	....	....	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	} 10,000,000	Q F	95	Mar. 31,'97	95¼	94	98,000
• small bonds	....			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	....	....	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	} 2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
• registered	....		M & N					
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	89½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	110	Feb. 15,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,837,000	J & J	101½	Mar. 30,'97	102	101⅛	22,000
Newport News Shipbuilding & Dry Dock 5's	1890–1990	} 2,000,000	J & J	94	May 21,'94	....	....	....
			....	....	....	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	111½	Mar. 26,'97	112½	111	6,000
• 2d 6's	1904	2,500,000	J & D	107	Feb. 6,'97	....	....	....
• 1st con. g 6's	1943	4,900,000	A & O	106⅛	Mar. 30,'97	106½	104¾	51,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 15t g 6's	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

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MISCELLANEOUS BONDS—*Continued*.

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's	1946	3,000,000	F & A	68⅝	Mar. 31,'97	73	65	310,000
" " inc. g. 5's	1946	7,500,000	......	19⅝	Mar. 30,'97	25½	16	89,000
Sun. Creek Coal 1st sk. fund 6's	1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,299,000	A & O	88	Mar. 17,'97	88½	86½	18,000
" Bir. div. 1st con. 6's	1917	3,490,000	J & J	85	Mar. 27,'97	89	85	42,000
Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's	1910	2,434,000	F & A	82	Mar. 19,'97	82½	82	7,000
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	113⅛	Mar. 22,'97	113⅛	112⅛	5,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	....	....	....	....	....
Western Union deb. 7's	1875–1900	3,680,000	M & N	110	Apr. 10,'96	....	....	....
" 7's, registered	1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's	1884–1900	1,000,000	M & N	105	Aug. 25,'96	....	....	....
" registered	....		M & N	....	....	....	....	....
" col. trust cur. 5's	1938	8,446,000	J & J	107¾	Mar. 31,'97	107¾	107½	12,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	....	....	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897. *High.*	YEAR 1897. *Low.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
United States 2's registered	Opt'l	25,364,[illegible]00	Q M	....	....	....	....	......
" 4's registered	1907	559,634,000	J A J&O	112	110⅝	111⅜	111	159,000
" 4's coupon	1907		J A J&O	113½	111⅝	113½	113	101,000
" 4's registered	1925	162,315,400	Q F	123⅝	120¼	123⅝	123¼	66,000
" 4's coupon	19.5		Q F	124	120⅛	123¾	123	835,000
" 5's registered	1904	100,000,000	Q F	114¼	113¼	114¼	113⅞	29,000
" 5's coupon	1904		Q F	114⅜	113⅜	114¼	113⅞	5,000
" 6's currency	1898	29,904,952	J & J	103½	103⅛	....	....	......
" "	1899	14,004,560	J & J	106½	106½	....	....	......
" 4's reg. cer. ind. (Cherokee)	1897	1,660,000	MAR	....	....	....	....	......
" "	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BANKERS' OBITUARY RECORD.

Abbe.—Burr R. Abbe, for thirty-six years a banker and broker at Hartford, Conn., died April 2, aged sixty-six years.

Babcock.—Charles H. P. Babcock, Secretary of the Central Trust Co., New York city, since 1875, died March 25.

Badger.—Hon. Wm. S. Badger, President of the Augusta (Me.) Savings Bank, died April 2. He was born in Brunswick, Me., in 1820, and had lived in Augusta since 1845. He was appointed Postmaster of Augusta by President Pierce and held the office eight years. His connection with the Augusta Savings Bank dates from 1858.

Blair.—James Blair, President of the Scranton (Pa.) Savings Bank, died March 18, aged ninety years. He was said to be the oldest bank director in the United States. Mr. Blair was one of the founders of the Scranton Savings Bank and also of the Belvidere (N. J.) National Bank. His fortune is estimated at from $7,000,000 to $10,000,000.

Bradley.—A. S. Bradley, Vice-President of the Deposit Bank of Georgetown, Ky., and a well-known and wealthy citizen, died March 11 at the age of seventy-five years.

Bullen.—C. H. Bullen, President of the National Bank of the Republic, St. Louis, Mo., died April 2. Mr. Bullen was born in Kentucky, and had been President of the National Bank of the Republic since 1892.

Busick.—J. W. Busick, President of the Wabash (Ind.) National Bank, and prominent in local business affairs, died March 9.

Clarke.—Philo Clarke, President of the Newtown (Conn.) Savings Bank, died March 4, aged seventy-five years.

Gilbert.—Samuel Gilbert, one of the founders of the Boston Stock Exchange, of which he was a member for fifty-nine years, died March 30, aged ninety-six years.

Hazen.—Geo. F. Hazen, Cashier of the Sebewaing (Mich.) Bank, died at Asheville, N. C., March 9.

Hewitt.—Henry Hewitt, Sr., President of the Bank of Menasha, Wis., died March 23, aged eighty-two years.

Howland.—Henry A. Howland, Vice-President of the City National Bank, Providence, R. I., died March 25. He was born in Providence in 1806, and was a well-known and highly-honored citizen.

King.—Archibald G. King, senior member of the banking firm of James G. King's Sons, New York city, died March 21.

Lovell.—Hon. G. W. Lovell, head of the banking firm of G. W. & G. L. Lovell, of Monticello, Iowa, died March 10, aged seventy years. Mr. Lovell was wealthy and was well known throughout North-eastern Iowa.

Maps. William R. Maps, President of the Long Branch (N. J.) Banking Co., died March 17, aged eighty-seven years. His estate is valued at over $300,000.

Moody.—O. D. Moody, Cashier of the Commercial State Savings Bank, Valley, Wash., died March 17.

Mowry.—Henry J. Mowry, President of the Commercial Bank, Syracuse, N. Y., and a leading business man of that city, died April 1, aged sixty-four years. He was a member of the wholesale grocery firm of Mowry & Barnes, and was prominent in political affairs.

At a meeting of the directors of the Commercial Bank held April 2, 1897, to take action in regard to the death of Henry J. Mowry the following resolutions were adopted:

Not unexpectedly, but none the less impressively, come to us the sad tidings that death has for the first time invaded our board and removed from his earthly labors our esteemed President, Henry J. Mowry; therefore, be it

Resolved, That in his death this board mourns the loss of an executive of unblemished honor, ripe judgment and distinguished qualities of mind and heart; one who, while possessed of decided convictions, was ever ready to carefully consider the opinions of others, wise in counsel, rich in resources when called to action, an able business man, a noble citizen, an honorable gentleman, a devoted friend.

Henry J. Mowry needs no monument to perpetuate his memory in this city, where most of his life has been spent, for if "the good men do lives after them," surely the memory of his disinterested labors for the advancement of this municipality and the welfare and happiness of its citizens will be treasured by generations yet unborn, who will enjoy the benefits for which he labored so devotedly and unselfishly.

That these resolutions be spread on the minutes of this board and a copy of the same be sent to his bereaved family, and that as a last tribute of respect to his memory the directors attend his funeral in a body.

Nash.—C. D. Nash, a founder of the National Exchange Bank, Milwaukee, Wis., died March 23.

Rogers.—H. H. Rogers, President of the Bank of East Troy, Wis., died March 24.

Rothmann.—George Rothmann, for many years Vice-President of the German Exchange Bank, New York city, died at his country residence, Sea Cliff, Long Island, March 17.

Sheldon.—Frank T. Sheldon, Cashier of the Chesaning (Mich.) Bank, died March 23.

Staples.—Horace Staples, said to be the oldest bank President in Connecticut, died recently at the age of ninety-five years. He was for forty-four years President of the First National Bank and its predecessor.

Stone.—Frederick M. Stone, President of the Boston (Mass.) Safe Deposit and Trust Co., formerly President of a National bank at Waltham, Mass., and the first Savings Bank Commissioner appointed in the State, died March 22. He was several times elected to the State Legislature.

Thorpe.—Judge Elbert E. Thorpe, Vice-President of the Bristol (Conn.) Savings Bank, died March 9, aged sixty-four years.

Vickers.—Jerome A. Vickers, Second Assistant Cashier of the First National Bank, Denver, Colo., and formerly connected with the Carbonate National Bank at Leadville, died March 21. Mr. Vickers was born at Indianapolis, Ind., in 1872.

Warwick.—W. K. L. Warwick, President of the Massillon (Ohio) Savings and Banking Co., and a leading business man and politician, died March 9.

Witherle.—William R. Witherle, Treasurer of the Beacon Trust Co., Boston, Mass., died March 27.

THE

BANKERS' MAGAZINE.

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

FIFTY-FIRST YEAR. MAY, 1897. VOLUME LIV., No. 5.

THE PROSPECTS FOR CURRENCY LEGISLATION during the present session of Congress do not appear to be very brilliant. The tariff bill, as was looked for, has aroused such strenuous effort among the classes whose business is affected by its provisions that all other needed reforms have been placed in the background. But it is often the unexpected that happens, and perhaps the course pursued by Speaker REED in restricting Congress to the consideration of one question at a time may in the end turn out to be advantageous to the accomplishment of a greater amount of business than now appears possible. Confined to the exclusive task of enacting a tariff law Congress may possibly get this vexed question settled, and then the tariff out of the way there may still be time for the consideration of the question of currency reform.

Both the tariff and the currency are matters of so much importance about which there are so many conflicting shades of opinion both in and out of Congress, and upon which so many desire to have a hearing, that to have them both in process of solution at once would possibly interfere with the successful settlement of either.

The present Administration is pledged by the promises made in the platform and during the campaign to three important measures. One was the revision of the tariff, the second was currency reform and the third corollary to the second, the attempt to bring about international bimetallism.

It is not only useless but rather unfair to criticize the party which has been placed in power on account of the order in which these are taken up. There is no evidence that there is not perfect sincerity of intention to redeem all three of these promises, and the Administration and its supporters in Congress are not to be justly censured because they go about the task of redeeming these promises in their own way.

That there are many obstacles to be overcome can not be candidly denied. To overcome some of these requires deliberate and delicate handling.

Two of the tasks which the Administration undertook to accomplish are now in process of accomplishment. The tariff bill is fairly under way, and a commission has been appointed to sound the commercial nations of Europe in regard to international bimetallism. Whatever may be thought of an international monetary commission from the sound money standpoint of the MAGAZINE, it can not be denied that if such a commission had not been appointed after the declaration made in the Republican platform, and the promises made during the campaign, that there would be much dissatisfaction among some elements of Mr. McKINLEY'S support, which it is not undesirable to conciliate. While believing that international bimetallism will not be accomplished by any monetary conference, or in any other way for that matter, it is yet evident that there is quite a respectable number of people who do up to this date believe in the possibility of such a settlement of the silver question. To these it is undoubtedly necessary to prove a negative; that in the stage of enlightenment attained by the first rank of European nations on monetary questions, international or other bimetallism is regarded as a back number. The commission is so constituted that it is very likely to bring back evidence to this effect which will be free from the aubiguity that marked the reports of previous commissions. A clear, succinct report that those who control the finances of the leading nations regard bimetallism not only as impracticable but also as unsound in theory, would be no light achievement. It would go far to end all further discussion of the subject.

It has been said that if the commission returns with a report of this character that this will give renewed encouragement to those who advocate the free coinage of silver by the United States alone. This however does not seem to be a logical or just conclusion. The rejection of bimetallism as impracticable even with the concert of nations, by the practical financial experts of those nations, carries with it the impracticability of the rehabilitation of silver by any one nation. It seems that such a report would be an unanswerable argument to those who might afterwards advocate the free coinage of silver by this country. It ought to and probably will prove to all the utter impracticability of such an undertaking. If many have known this before nevertheless, if those who are still generally in doubt are at last convinced, the commission will have been extremely useful. As to those who simply take up the cause of silver for selfish purposes they must be left to their own devices as they are beyond argument.

It is furthermore almost impossible to see how there can be a permanent and satisfactory currency reform until the impossibility of international bimetallism has been satisfactorily proved to those who are still unconvinced.

With the tariff and bimetallism out of the way there will be less difficulty in discussing the question of currency reform. The road will be more clearly marked out, and the side paths which have in the past caused so much confusion will to a certain extent be easy of avoidance.

IT IS THEREFORE RATHER CERTAIN than otherwise that Congress will not be ready to take up the currency question for settlement at the present session. The international commission can not be got together for some months, even with the utmost speed on the part of those who conduct the diplomatic correspondence. But perhaps some progress may be made before the regular session of Congress in December. In fact the result of Senator WOLCOTT'S mission to Europe and all that can be learned from the latest reports from England, France, Germany and other nations, point to a very short and definite session of any monetary conference that may be brought together. Probably the delegates from the gold-standard countries will frankly say that there is no intention or possibility of any change, and this will end all discussion and be an authoritative declaration of the universal and permanent adoption of the gold standard by those who control the finances of the world, and silver will be out of the race as a money metal of equal debt-paying power at any legal ratio.

Congress will perhaps in December have a report of this character before it and can then go on and intelligently pass the necessary laws to reform the paper currency of the country.

In the meantime there is not much prospect of difficulty arising. There has it is true been a renewal of gold exports, but these could go on to a very large extent before the Treasury reserve would be so reduced as to require replenishment. Nor will gold exports produce the alarm that they have in the past. The knowledge that the Government can at all hazards protect its reserve acquired through three bond sales, will prevent serious apprehension and the withdrawal of gold for hoarding. Another favorable point is that Congress is now in accord with the Administration and would doubtless if necessary pass a law to enable the Government to borrow gold on the most favorable terms.

It is more than probable that the next summer, with the tariff question settled, will see a revival of confidence and business. The spring has been backward and delay in passing the tariff bill which can not be avoided has kept the business public in a state of uncertainty. Another month or two will probably change all this. The revenues of the Government are increasing under the present tariff owing to greater importations in anticipation of a higher one. The new tariff will bring by degrees a greater increase, and will stir up to greater business effort the large portion of the manufacturing population who believe in the efficiency of protection. Whatever may be the opinion held as to the correctness of the tariff views of the party in power, the putting of them into effect will give an enormous impulse to the large following that endorse them. This will aid in breaking the spell that has to a certain extent palsied enterprise and will drive the machinery past the centre of stagnation.

The people of the United States have again and again shown an immense recuperative power, even under laws that were far from best suited to the highest success.

The currency question will not lose its importance and the efforts of the Administration will in due time be directed to the promised reform in this direction, the nature of which, outlined in the President's inaugural address, is such as to satisfy all advocates of sound money.

THE USE OF CHECKS AND CREDIT INSTRUMENTS in effecting the exchange business of the country and the statistics relating thereto collected by the office of the Comptroller of the Currency have been the subject of attentive criticism and analysis by scientific experts. The object in view appears to be to discover at least approximately what effect the use of banking machinery has upon the volume of actual money required to do the business of the country.

In the discussions on the currency question there is one school that insists that the volume of money, including coin and paper currency, is insufficient, and that it is this insufficiency that prevents enterprise and depresses business.

What is called the quantitative theory of money is at the bottom of the discussion. This being, to speak roughly, that the prices of all products and manufactured articles bear a relation to the quantity of money in circulation.

All persons having these things to sell desire high prices or a rise in prices; and of course if increasing the quantity of money will raise prices, there is always a large number of persons who desire that the quantity be increased.

On the other hand there is always a large number of persons who desire to get things as cheaply as possible, or at least who object to any great rise in prices, and these naturally take the opposite view and object to a price-raising inflation.

If the quantitative theory, that inflation always and invariably raises prices and that contraction depresses them, were absolutely and to all lengths true, self-interest would divide mankind into two great parties—the buyers and the sellers, and the make-up of each of these parties would be continually changing as the individual became alternately a buyer and seller.

But underlying the fluctuation of prices there is a much more important law than that depending on the increase or decrease in the quantity of money. This is the law of supply and demand affecting all objects having a price. Money, with its fluctuations in quantity, is in the end an interloper, which vitiates to a certain extent the operations of that law. If it were possible to have a medium of exchange that in its operations would not interfere with the law of supply and demand upon the prices of commodities, then the world would undoubtedly be much advantaged. If the quantitative effects of money as a medium of exchange could be eliminated there would at once be removed one of the most disastrous elements in the unequal distribution of wealth. It is the fluctuation in the attainable quantity of money that encourages speculative as distinguished from productive business, and imposes the heaviest tax upon the productive industries of the country.

But it may be assumed that it is impossible to conduct exchanges without a medium of exchange. Imperfect as money is as such a medium, yet the benefits it confers are prodigiously greater than the evils which are associated with its use. The experience of the world has shown that exchanges can not be carried on by mere barter. Nevertheless a system of using a medium of exchange in such a manner as to lessen its fluctuations on account of abundance or scarcity, either local or universal, tends to reduce the fluctuations of price in all the exchanged commodities to what they would be if brought about solely by the supply and demand of those commodities. Of course without a medium of exchange or money standard there could be no price; but assuming that there could, then without money the price of all commodities would fluctuate simply on their scarcity or abundance compared with the demand for them.

The credit system is no doubt to a certain extent the result of an attempt to effect exchanges and at the same time counteract the vitiating effect on prices produced by fluctuations in the money market. Every credit transaction lessens the immediate demand for money. And as the machinery of credit is extended and improved through clearing-house machinery, the eventual demand for money is also lessened. It is obvious that when exchanges to the amount of millions are finally settled by the use of hundreds of thousands of actual money, that the demand for money must be lessened. It is used the same as ever as a standard, but as credit transactions increase it is less used as a medium of exchange.

Therefore it seems to be almost certain that the use of checks displaces the use of an equal amount of money, less the sum of money necessary to pay balances when the checks are finally settled at the banks or at the clearing-houses. In other words the checks displace money in accordance with their mode of settlement. Some are paid dollar for dollar in cash. But a very large proportion are settled by the payment of balances, which are small in comparison with the total amount of checks, at the clearing-houses.

The use of checks and credit instruments therefore may be said to be in a measure a return to the exchange of commodities by barter, in order to avoid as far as possible the vitiation of prices from their normal status under the law of supply and demand by fluctuations in the quantity of money. These credit instruments are titles to property expressed in the monetary standard, and the titles are in the end exchanged or bartered off against each other just as the commodities themselves were in primitive times.

Those who advocate inflation of the volume of money generally base their arguments on the unequal distribution of wealth caused, as alleged, by manipulation and control of the money supply. They would make the supply so large that it can not be controlled. Apart from the impossibility of doing this, while still retaining any value as a medium of exchange, the people of this school are in reality taking a course to aggravate the evils of which they complain. They also attack all credit machinery as antagonistic, when in reality it is this machinery of credit that reduces the faults of the medium of exchange to a minimum. If there were no credit machinery, and all exchanges were effected with actual money, even then the quantitative theory would only be true to the extent that the quantity of money that could be obtained would be the only part of the aggregate money that could have any effect on prices. It would then be more easy to contract this available sum than it is when credit instruments are used.

The effect of the use of checks therefore would seem to be to diminish the use of actual money, which to the extent that it is diminished is locked up in reserve, and when so locked up in reserve can have no effect on prices whatever. The checks themselves attain nearer to the ideal of a medium of exchange not so likely to be affected by sudden changes in quantity, as the money itself, for the account against which the check is to be drawn is locked up and is ineffectual until the check is actually drawn. The drawer of the check makes his purchase when the price suits him. One drawer of a check would have little influence, but the more persons who obtain commodities by checks or credit instruments the greater the power of commanding prices by the purchasers. The money or credits lying back of these users of credit instruments has no effect on the purchasing power of the great mass of money because it is not in use until the checks are drawn, and this is after the price has been fixed.

The statistics collected by the Comptroller are of great use in determining to what extent credit instruments are employed. The gentleman* who has had the duty of analyzing these statistics arrives at the conclusion that they show for the field examined that between seventy-five and eighty per cent. of the transactions are settled with checks and credit instruments. He does not think however that the use of these checks represents an equal amount of money displaced. In this he seems to be correct, for it is plain that these credit instruments as they mature must either be offset against each other or paid in money. It would seem however not inaccurate to claim that to the extent that credit instruments mutually cancel each other through the clearing-houses they do displace money. He also arrives at the conclusion that the use of credit instruments is on the whole increasing. This is the view which has been taken by the MAGAZINE in discussing the use and abuse of country checks.

ANOTHER WAY TO APPROXIMATE to the effect of the use of checks and credit instruments upon prices, is to consider the amount of deposit accounts held by the banks of the country against which checks may be drawn. By the last report of the Comptroller of the Currency, the deposits of all the banks, National, State, Savings, private and trust companies, aggregated $4,884,601,794. As long as the banks are solvent this sum represents the power of the depositors as such over the various forms of property existing in the United States. These depositors have just as much control over their deposits, except perhaps in the case of Savings banks, as if they had the money in their pockets, for the purchase or exchange of any property, and yet no one would pretend to say that prices are affected by the fact that checks for this amount could be drawn at any time.

On the other hand, if the wishes of extreme inflationists could be carried out, they would abolish all banks and credits and compel those who now accumulate wealth in deposits to keep the actual money in their own possession. So enormous a sum in actual money, even if not depreciated from the gold standard, would have an immense effect upon the prices of other property, for many reasons. One reason is that people do not look upon the keeping possession of so elusive a thing as money as safe or secure. The very word security as applied to an investment is typical of this feeling. Another reason is that so enormous an amount of money would depreciate and the fear of this

* David Kinley, University of Illinois.

depreciation would force its exchange at a sacrifice for other forms of property.

It is plain therefore that the possibility of the use of credit instruments, giving all the power of ready money, and yet tending to counteract the effect of an excessive amount of money, breaks and neutralizes to a great extent the tendency that inflation would otherwise have on prices.

The holders of these deposits are guided in their use of credit instruments by their necessities and their desire for pleasure or profit. Their bias generally would be against the raising of prices by too freely exploiting their purchasing power. Taking it for granted therefore that inflation to excess tends to raise prices by cheapening money, the banks and financial institutions, by permitting the use of credit instruments, to a great extent annul this influence. On the other hand the immediate command of so great purchasing power on the part of depositors prevents any abnormal fall in prices also. In fact it has a tendency and a very strong tendency to keep the purchasing power of money, as such, free from the fluctuations which affect prices and leaves the prices of all products and manufactured articles to follow the natural law of supply and demand. Moreover the banks of the country, which render these credit instruments possible, in order to make these enormous credits secure at all times keep a very large part of the money out of the circulation as reserves.

The report of the Comptroller showed that the banks held in their vaults, $531,364,334 cash. This cash was entirely out of circulation and could have no effect on prices. The entire money of the country in all forms outside of the Treasury was at about the same date, $1,646,444,746. The banks therefore withdrew from circulation over one-fourth of the sum and placed it where it could not have any effect, under the quantitative theory, in diminishing the purchasing power of the general aggregate of money. At the same time the banks substituted for it the enormous possibility of nearly five billions of credit instruments, which as has been seen were equally innocuous in affecting the relation of the money standard to other forms of property.

The foregoing considerations all point to the conclusion that the use of credit instruments, while it increases the freedom of circulation, lessens the dangers of fluctuation in the money standard.

It is also interesting to note that the use of these credit instruments is not confined to large transactions only. The analysis of the returns made to the Comptroller shows, after the most careful allowance is made for possible errors and misapprehension, that about fifty-five per cent. of the retail trade of the whole country is carried on by means of checks.

It is therefore fair to presume, since the people have selected the checks as their chief vehicle for conducting exchanges, that there can not be any really deep prejudice against the institutions that enable these checks to be drawn. It may be further concluded that if the paper money of the country were furnished altogether by the banks, whose relations with the business public are so intimate, that they would always, under proper restriction, furnish just the amount of money required in addition to coin. They would be obliged to make their issues correspond with the business wants of the community. As it is now, with a fixed amount of Government notes outstanding, that never increases or diminishes, it is impossible to determine to what extent the outstanding paper currency is redundant or insufficient.

When the immense proportion of recorded business transactions appears to be carried on by means of checks, the wonder grows as to what employment is found for the $1,100,000,000 of currency and coin which the financial reports inform us is in circulation outside of the Treasury and the banks. If this were divided among the population of the United States it would give about fifteen dollars for each man, woman and child. What is the actual average reserve possessed by the people in money for their daily expenses and for contingencies has never been estimated, but perhaps fifteen dollars per head may not be far amiss. The active business of the country is evidently done through the banks, and is based on their credit accounts, amounting to nearly five billions of dollars.

THE GROWTH OF STATE AND PRIVATE BANKS in the United States is not only a result of the increasing business and population, it is also a sign of the inadequacy of the national banking system under present laws to supply the banking facilities needed to carry on the enterprises of the present day. In the same way the growth of Savings banks and trust and loan companies is another indication of the new conditions under which banking is now conducted.

If the legislators of the country had been wise enough from time to time to recognize the changing conditions under which the assistance of banks has been required, they could by wisely modifying the national banking laws have enabled them to meet every new requirement as it arose, and instead of the great variety of financial institutions, all of them doing a banking business, there might have been to-day one homogeneous system under the Federal laws. To those who believe that such a homogeneous system would be cheaper for the people and more readily controlled and made safe by the Government, it is to be regretted that this result has not been attained.

But such wisdom and grasp of the changing conditions of the economic system is seldom attained to by lawmakers. In practice customs are not established by law. They grow up spontaneously and when fixed sufficiently they are then legally recognized. The best that legislators can do is at fixed periods to change and enlarge and rectify the laws that have been outgrown and make them fit the greater development of the subject matter.

When in 1863 the national currency Act was passed by Congress it no doubt embodied all the best experience which had been acquired up to that date in relation to banking conditions in the United States. The laws then made have been but very slightly modified since that date.

Considering the growth of the population and wealth of the country in the last thirty-four years it is obvious that the laws which were adequate and sufficient in 1863 can not meet the requirements of the present day. It is this inadequacy and insufficiency that lie at the bottom of the dissatisfaction with the national banking system, and unless these laws are greatly modified the dissatisfaction must continue to increase.

The National banks themselves are not to blame for the faults of omission on the part of the lawmakers. They are in fact the greatest sufferers. Their opportunities are restricted and they have to witness in silence the growth of competitors and rivals who more readily seize on all the newest sources of banking profit, and to steadily pursue the old routine which is constantly growing less and less remunerative.

The national banking system however never did fill the whole field of banking operations. There has been from the very inception of the system a large number of State and private banks, Savings banks and trust companies, which found a field for their operations outside of that occupied by the national associations.

The statistics for the years from 1862 to 1875 are very imperfect but they show that after inducements were held out to the State banks in existence in 1863, 1864 and 1865 to convert into National banks, that a very respectable number then found that the Federal laws afforded them a more profitable use for their capital than the State laws, and they became national associations. But the State laws by degrees became more liberal and the number of State and private banks continued to increase at even a greater rate than did those under the national system.

The great attraction under the national laws was the circulation privilege, but the aggregate circulation was, until 1875, restricted, and there were also restrictions upon the method of its distribution among banks in the various States and territories according to wealth and population. After 1875, when these restrictions were removed, there was for a time a greater tendency to an increased number of National banks, but the effects of the increased value of United States bonds then began to be felt and rendered the circulation privilege less valuable. In 1878 the silver certificates began to antagonize the National bank note and this influence combined with the continued diminution of the bonded debt rendered the circulation privilege a burden rather than a profit. In 1863 the number of State banks from which reports were received by the Secretary of the Treasury under the law of 1832 was 1,466. This number is not however accurate as there were a large number of banks which did not report and there were also private and Savings banks, etc., from which no report was required.

The first approximately reliable statement of the institutions other than National banks doing a banking business was given in the report of the Comptroller of the Currency for 1876. It was compiled from the returns for taxation made to the Commissioner of Internal Revenue for the six months ending November 30, 1875, and by it the number of State and private banks, Savings banks and trust and loan companies in all the States and territories is given as 4,888. The number of National banks in operation on October 1, 1875, was 2,087. The National banks in number formed about thirty per cent. of the total number of banks. In 1896, October 31, the total number of the same financial institutions is given at 12,939. Of these 3,679 were National banks, and 9,260 institutions doing a banking business other than national. The National banks were about twenty-eight per cent. of the total.

The increase in number of banks other than national between 1875 and 1896 has been forty-five per cent., and in number of National banks during the same period forty-three per cent. The banks other than national have therefore increased in number faster than the National banks according to these figures. But this does not represent the full increase of the banks other than national. The statistics for these banks for 1875 may be assumed to be very full and complete as the returns for taxation in that year were compelled by law under a penalty, while those made to the Comptroller in 1896 were not required to be made by any law, and consequently a large number of small institutions did not report at all.

The average capital of 3,676 National banks in 1896 was $176,000 and their average deposits $440,000. Of State and private banks Savings banks and trust companies, numbering 5,780, the average capital was about $61,000 and the average deposits $620,000. The average loans of the National banks were $515,000, and of all other banks $394,000. The loans of the National banks were 292 per cent. of their capital while those of other banks were over 650 per cent.

The last-named banks therefore appear to do a much larger business in proportion to their capital than the National banks. This is to a great extent the result of the inclusion of Savings banks and trust companies that make loans on real estate and do a different class of business. The loans of the State banks proper were about 292 per cent. of their capital, and those of private banks about 270 per cent.; of the Savings banks the proportion of loans to capital was 3,906 per cent. and of trust and loan companies 416 per cent.

The Savings banks therefore with least capital offer the greatest proportionate accommodation to the public. As a rule these banks enable their customers in ordinary times to draw their money on demand with almost as much freedom as if they were depositors in a regular commercial bank, although they reserve the right to require notice in advance which protects them from unexpected drains on their reserves.

In November, 1875, the number of Savings banks reporting to the Commissioner of Internal Revenue was 722. Of these twenty-seven had capital and 695 not. In 1896 the number given by the Comptroller of the Currency was 764. The deposits of the Savings banks in 1875 were $884,000,000 and in 1896, $1,935,466,468. The increase of deposits in this class of banks has been more marked than the increase in any other.

Both the Savings banks and the trust companies do a class of business which the charters of National banks do not permit, and the State and private banks in most of the States are able to exercise a wider discretion as to the character of their loans than can the National banks under the restrictions of the national banking law and the energetic enforcement of these restrictions by the office of the Comptroller of the Currency. That the narrowing of the field of business of the National banks renders them less liable to failure there can be no doubt. The percentage of National failures in 1896 was seventy-three one hundredths of one per cent.; of State banks and trust companies one and one one-hundredth of one per cent.; of Savings banks and private banks one and eighteen one-hundredths of one per cent. But taking the whole field into consideration, and also the slight restrictions that as a rule are imposed on banks other than national, the very small difference in percentage of failure does not show much for the safeguards of the national banking law. Moreover failures of banks, reduced as they have been to a minimum in the United States, do not prevent the constantly increasing use of banks by the public. The average business depositor looks as much to the accommodation he can obtain from a bank as he does to the safety of his deposit. He wants banking facilities to the greatest extent on the smallest line of deposits. Of course if a bank does fail a great noise is temporarily made over it, but the losses to the business public from this cause do not show any comparison with losses from bad debts, and they take these as a matter of course.

In any banking system absolute safety to the depositors and note-holders should always be considered, but it can not be obtained except by a much greater concentration of capital than is possible under a system of free banking such as prevails in the United States. The increased patronage of State banks and Savings banks indicates that the public generally regard these institutions as safe enough for all practical purposes. The safety of investments must necessarily be proportioned to the kind of business and the return desired upon capital. The greater the profit desired the greater the risk that must be taken. As capital accumulates the holders are willing to sacrifice income to safety of investment. Therefore the banks whose solvency at all times and under all circumstances is most assured are sought for by the possessors of accumulated capital. This class of deposits is desired by banks because they are more profitable than the account of the struggling business man who has use for every dollar he can acquire or borrow.

THE HISTORY OF THE BANK OF FRANCE in the April number of the MAGAZINE shows that Bank to occupy in France a position similar to the position of the National banks in the United States. The latter collectively form a mass of capital and credit similar to the great state Bank of France. Like that institution they as a rule obtain the cream of the business and have the largest line of endorsements on their loans. They do not meet the wants of a large portion of the community that do not come up to the standard the National banks have a right to demand. Just as the National banks neglect the field that does not suit them, the State, Savings and private banks step in and fill it. The Bank of France has seen a similar class of rivals grow up around it.

"The relations which it has with the Government and the tendency to bureaucracy in its methods * * * have placed it at a disadvantage with other institutions." Its rivals in discounting paper have reduced its private deposits over one-half. This decadence in the private deposits of this safe institution is explained by an eminent French writer. "Capital is diverted from an institution that does not show progress. It goes where it is benefited by interest even for deposits at sight. Capital has found in these deposit societies, which have become mixed banks devoted to a great variety of operations, facilities which are sought in vain in the Bank of France," etc.

The National banks are not so bureaucratic as the Bank of France.

Being a composite instead of a solid body some National banks are as liberal as their rivals the State institutions. But the ideal National bank of the largest size models itself as much as possible on the great European state banks, and the methods of the leaders give more or less the tone to all the rest. In remodelling the banking system of the United States, all of these facts should be considered. Any system of reform that does not base itself on these evident facts will not be abreast of the demands of the times. There will always be grades in banks according to the various grades of business, but this may well be left to natural selection. Whatever liberty of operation may be allowed by law each bank will always struggle for the best class of business. A new institution has to work up towards the top on the well-known merit system. In reforming the banking laws of the country, the regulation of the bank-note system will not be the only step to be taken. The powers now possessed, not only by the National banks but also those exercised by banks under State law and by private banks, should be carefully scrutinized. In the successful exercise of these will be found the reason of their being. A new and uniform set of banking powers should be formulated derived from the prevailing banking customs, and applied alike to all banking done in the country. These banking powers should include the features of the powers of all classes and kinds of financial institutions, which have been found to most fully accommodate all classes of the public with the greatest degree of safety to the banks. Such a reform of the essential banking laws with an adequate circulation privilege would tend to render the banks of the country a truly homogeneous system in which business enterprise could at all times find the facilities it stood in need of.

THE WISCONSIN BANKING LAW has been entirely remodelled by the Legislature of that State, and the new measure received the approval of the Governor on April 22. Under the provisions of the constitution of Wisconsin amendments to the general banking law must be voted on by the people before taking effect. When the new law becomes operative State banks and private bankers will afford much greater security to stockholders and depositors than heretofore.

A State Banking Department is established, whose chief officer will be a State bank commissioner with powers somewhat like those of the Comptroller of the Currency in regard to National banks. Reports are to be made, with schedules of assets and liabilities, provision is made for examinations and publication of statements, and there are restrictions and penalties designed to prevent the misuse of funds.

To give sparsely-settled communities the facilities of a bank, the minimum paid-up capital of $10,000, is allowed in villages of less than 2,000 inhabitants; $20,000, in places of more than 2,000, and less than 6,000, and not less than $50,000 paid-up capital where the population by the last official census exceeds 6,000.

Before a bank may commence business fifty per cent. of the capital stock must be paid in, and then ten per cent. to be paid monthly thereafter until fully paid.

A bank may purchase and hold such real estate as convenient for transacting its business, not to exceed twenty per cent. of its paid-up capital, and may also hold such as may have been conveyed to it in satisfaction of debts previously contracted, also such as it shall purchase at sale on judgments, decrees or mortgage foreclosures under securities held by it, but shall not bid at such sale a larger amount than is necessary to satisfy its debts and costs, and shall not hold such real estate longer than five years, except that an extension of such time is granted by the commissioner, and if such extension is not granted, the premises must be sold at private or public sale in ninety days thereafter.

Any officer or employee who shall willfully, falsely swear or affirm concerning bank matters shall be punished as for perjury under the statute.

The new law provides for a State bank organizing as a National bank and *vice versa*, also for consolidation with other banks and for liquidation by a vote of two-thirds of its stock shares.

Banks shall keep on hand at least fifteen per cent. of deposits, two-fifths in cash, and three-fifths in reserve banks approved by the commissioner.

The liabilities of any person, corporation or copartnership, including the liabilities of its several members, shall not exceed fifteen per cent. of its capital and surplus, except by two-thirds vote of directors it may loan up to twenty per cent.

"It shall not be lawful for any bank to loan to any of its officers or employees any funds of the bank, unless the same shall be authorized both as to amount and security by a resolution of the board of directors, to be recorded."

Loans on mortgage or other real estate security are restricted to twenty per cent. of capital and surplus, except that by resolution of the board of directors a bank may loan not to exceed twenty-five per cent., this limitation not to preclude the bank from taking real estate for previously contracted debts.

Debts past due twelve months shall be classed as "bad debts" unless well secured or in process of collection, and shall be charged off to profit and loss account at the expiration of one year.

Dividends can only be declared from net profits, and not until the capital is fully paid in, and then ten per cent of the net profit shall be carried to surplus until it is twenty-five per cent. of the capital.

Every officer or employee who embezzles, abstracts, or willfully misapplies any of the moneys, funds, credits of the bank or savings association, whether owned by it or held in trust, or who without authority of the directors issues any evidence of indebtedness of the bank, or makes any false entry on any book, report or statement with intent to either injure or defraud the bank, or any person or corporation, or to deceive any officer of the bank, or any person appointed to examine the bank, or who, with like intent, aids or abets another person in violation of this section, upon conviction thereof shall be imprisoned in the State prison not exceeding twenty years.

Stockholders are individually liable equally and ratably not one for another for the benefit of creditors of the bank to the amount of their stock, at its par value in addition to the amount invested in said stock, except that executors, trustees, etc., holding stock in trust or as collateral security shall not be in themselves liable, but the assets or funds in their hands constituting the trust shall be held to the same extent as the testator, intestate ward or guardian or person interested in such trust fund would be if living or competent to act. Such liability to continue for sixty days after transfer of stock.

Deposits made in the name of a female or minor may be drawn by such person, free from the control or lien of any person except creditors.

Real estate owned by any bank shall be taxed the same as other real estate in the town, village or city where such real estate is situated. The capital, surplus and undivided profits of a bank shall not be taxed, but the shares of capital stock shall be taxed to the shareholders of such stock where the bank is located, the value of shares to be determined the same proportionally as that of other property, after deducting therefrom the real estate owned by the bank.

Private banks are subject to examination and also to the general provisions of the law so far as applicable. Savings banks may be organized on lines somewhat similar to the mutual Savings banks of New York and other Eastern States.

Mr. N. B. Van Slyke, the veteran President of the First National Bank, of Madison, Wisconsin, is the author of the new measure, which is of itself a guaranty that it is modelled on lines calculated to promote honest and legitimate banking so far as may possibly be done by legal enactment.

As the bill has been drawn with great care and with regard to the interests of both stockholders and depositors, there is little doubt that it will receive the necessary sanction of the popular vote.

Specie and Circulation of National Banks on March 9, 1897.

	SPECIE.							CIRCULATING NOTES.		
	Gold coin.	Gold Treasury certificates.	Gold clearing-house certificates.	Silver dollars.	Silver Treasury certificates.	Fractional silver coin.	Total.	Received from comptroller.	On hand.	Outstanding.
CENTRAL RESERVE CITIES.										
New York City	$15,815,129.12	$9,431,350	$44,120,000	$106,622	$5,062,380	$406,777.45	$74,942,258.57	$17,876,550	$1,229,044.50	$16,647,505.50
Chicago	13,473,277.50	2,169,700		155,237	2,664,132	179,178.70	18,641,525.20	990,000	280,955.00	709,045.00
St. Louis	2,092,202.50	182,480		34,831	1,781,908	20,636.60	4,112,058.10	1,462,500	10,320.00	1,452,180.00
Total of central reserve cities	31,380,609.12	11,783,530	44,120,000	296,690	9,508,420	606,592.75	97,695,841.87	20,329,050	1,520,319.50	18,808,730.50
OTHER RESERVE CITIES.										
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wisconsin	1,491,902.75	24,460		85,564	142,448	74,435.17	1,818,809.92	2,096,050	17,955.00	2,078,095.00
Minnesota	1,101,922.85	16,380		76,128	91,144	54,504.75	1,340,079.60	1,160,530	8,475.00	1,152,055.00
Iowa	1,445,378.40	135,350		157,097	284,697	99,406.04	2,121,928.44	3,367,690	34,772.50	3,332,917.50
Missouri	340,092.00	10,990		56,772	59,475	23,985.20	491,314.20	976,105	13,022.50	963,082.50
Total of Middle States	15,976,724.52	811,990		1,257,667	1,816,912	853,854.46	20,717,147.98	31,316,925	330,822.00	30,986,103.00
North Dakota	238,509.85	11,260		16,522	9,106	14,816.35	290,214.20	418,500	1,557.50	416,942.50
South Dakota	321,708.00	1,000		33,085	12,340	10,934.10	379,067.10	436,675	9,622.50	427,052.50
Nebraska	520,696.20	11,500		60,388	48,867	32,558.06	674,009.26	1,443,220	3,470.00	1,439,750.00
Kansas	1,017,694.87	31,200		135,032	128,875	55,837.20	1,368,639.07	2,262,550	7,685.00	2,254,865.00
Montana	851,014.24	3,000		89,615	121,571	41,477.69	1,106,677.93	558,400	7,640.00	550,760.00
Wyoming	166,707.50			14,798	5,149	10,187.65	196,842.15	193,045	300.00	192,745.00
Colorado	3,980,411.35	89,900		157,138	178,908	66,165.05	4,472,522.40	1,201,025	7,490.00	1,193,535.00
New Mexico	108,117.50	1,500		30,584	3,588	8,699.45	152,488.95	259,660	400.00	259,260.00
Oklahoma	21,595.00			12,132	11,544	2,303.95	47,574.95	56,250	300.00	55,950.00
Indian Territory	33,600.00			23,110	11,560	9,127.80	77,397.80	114,950		114,950.00
Total of Western States	7,260,054.51	149,360		572,404	531,508	252,107.30	8,765,433.81	6,944,275	38,465.00	6,905,810.00
Washington	1,412,127.50	10,390		77,272	31,723	38,541.00	1,570,053.50	859,950	15,450.00	844,500.00
Oregon	2,158,910.00	20		59,136	13,043	43,815.70	2,274,924.70	962,820	24,302.50	938,517.50
California	2,211,985.00	19,650	75,000	91,269	26,307	94,906.05	2,519,117.05	1,461,370	103,030.00	1,358,340.00
Idaho	267,424.50	370		10,623	17,174	7,217.30	302,808.80	168,750	3,990.00	164,760.00
Utah	681,848.10	5,680		30,292	17,279	21,064.35	756,163.45	731,250	267,000.00	464,250.00
Nevada	15,155.00			1,566		639.40	17,360.40	18,450		18,450.00
Arizona	195,831.00			5,756	3,000	4,344.85	208,931.85	134,100	7,800.00	126,300.00
Total of Pacific States	6,943,281.10	36,110	75,000	275,914	108,526	210,528.65	7,649,359.75	4,336,690	421,572.50	3,915,117.50
Total of Country Banks	56,441,526.25	3,377,200	200,000	5,369,161	9,391,666	3,734,568.52	78,514,121.77	149,412,670	2,896,695.00	146,515,975.00
Total of United States	118,809,395.92	19,725,360	49,770,000	7,198,522	32,864,502	5,581,082.72	233,948,862.64	208,177,435	5,522,032.00	202,655,403.00

Lawful Money Reserve of the National Banks on March 9, 1897.

Cities, States, and Territories.	Deposits.	Reserve required.	Reserve held.	Ratio of reserve.	Cash Reserve. Required.	Cash Reserve. Held.	Classification of Reserve Held. Specie.	Legal tenders.	U. S. certificates of deposit.	Due from reserve agents.	Redemption fund with Treasurer.
		25 per cent.		*Per cent.*							
New York City	$476, 145, 496. 00	$119, 036, 374. 00	$165, 354, 600. 07	$34. 73	$118, 142, 546. 50	$164, 460, 772. 57	$74, 942, 258. 57	$42, 143, 514	$47, 375, 000	----------	$893, 827. 50
Chicago	87, 813, 214. 83	21, 953, 303. 71	33, 965, 736. 20	38. 68	21, 903, 803. 71	33, 916, 236. 20	18, 641, 525. 20	12, 784, 711	2, 490, 000	----------	49, 500. 00
St. Louis	28, 092, 554. 43	7, 023, 138. 61	10, 247, 280. 10	36. 48	6, 950, 013. 61	10, 174, 155. 10	4, 112, 058. 10	4, 337, 097	1, 725, 000	----------	73, 125. 00
Central Res. Cities	592, 051, 265. 26	148, 012, 816. 32	209, 567, 616. 37	35. 40	146, 996, 363. 82	208, 551, 163. 87	97, 695, 841. 87	59, 265, 322	51, 590, 000	----------	1, 016, 452. 50
Boston	143, 603, 350. 42	35, 900, 837. 60	45, 432, 816. 79	31. 64	17, 704, 111. 30	18, 658, 373. 85	10, 900, 913. 85	5, 937, 460	1, 820, 000	$26, 281, 827. 94	492, 615. 00
Albany	9, 883, 344. 63	2, 470, 836. 16	4, 489, 730. 95	45. 43	1, 226, 418. 08	1, 092, 035. 90	847, 547. 90	244, 488	----------	3, 379, 695. 05	18, 000. 00
Brooklyn	16, 863, 211. 94	4, 215, 802. 99	5, 607, 595. 87	33. 25	2, 093, 456. 49	3, 170, 143. 00	1, 783, 255. 00	1, 346, 888	40, 000	2, 408, 562. 87	28, 890. 00
Philadelphia	110, 888, 205. 92	27, 722, 051. 48	43, 156, 146. 33	38. 92	13, 675, 794. 49	25, 708, 526. 19	12, 144, 038. 19	2, 319, 488	11, 245, 000	17, 077, 157. 64	370, 462. 50
Pittsburg	38, 566, 943. 98	9, 641, 735. 99	11, 822, 385. 55	30. 65	4, 705, 562. 37	6, 638, 234. 85	4, 601, 099. 85	2, 037, 135	----------	4, 953, 539. 45	230, 611. 25
Baltimore	27, 022, 224. 35	6, 755, 556. 09	10, 280, 809. 86	38. 05	3, 308, 613. 05	6, 352, 287. 27	4, 072, 245. 27	560, 042	1, 720, 000	3, 790, 192. 59	138, 330. 00
Washington	13, 153, 534. 97	3, 288, 383. 74	5, 494, 901. 67	41. 78	1, 546, 319. 62	3, 615, 056. 35	2, 932, 925. 35	682, 131	----------	1, 684, 100. 82	195, 744. 50
Savannah	737, 159. 73	184, 289. 93	247, 914. 38	33. 63	89, 873. 47	178, 131. 00	118, 131. 00	60, 000	----------	65, 240. 38	4, 543. 00
New Orleans	16, 317, 481. 99	4, 079, 370. 49	6, 901, 442. 38	42. 29	2, 020, 065. 24	3, 781, 980. 59	2, 063, 199. 59	1, 358, 781	360, 000	3, 080, 221. 79	39, 240. 00
Louisville	7, 988, 775. 78	1, 997, 193. 94	3, 378, 250. 17	42. 29	963, 249. 47	1, 276, 241. 50	873, 407. 50	402, 834	----------	2, 031, 313. 67	70, 695. 00
Houston	2, 674, 390. 50	668, 597. 62	2, 231, 171. 90	83. 43	329, 798. 81	1, 389, 128. 75	678, 353. 75	710, 775	----------	833, 043. 15	9, 000. 00
Cincinnati	25, 547, 780. 15	6, 386, 945. 04	9, 690, 472. 91	37. 93	3, 082, 221. 27	4, 813, 505. 85	1, 836, 711. 85	2, 326, 794	650, 000	4, 654, 464. 56	222, 502. 50
Cleveland	23, 216, 078. 86	5, 804, 019. 72	8, 452, 348. 75	36. 41	2, 869, 734. 86	3, 023, 061. 80	1, 966, 461. 50	1, 056, 600	----------	5, 364, 737. 25	64, 550. 00
Detroit	16, 122, 459. 67	4, 030, 614. 92	5, 746, 830. 96	35. 64	1, 987, 227. 46	2, 052, 879. 35	1, 516, 295. 35	536, 584	----------	3, 637, 791. 61	56, 160. 00
Milwaukee	18, 095, 941. 24	4, 523, 985. 31	6, 623, 572. 42	36. 60	2, 245, 792. 65	2, 639, 731. 00	1, 814, 435. 00	825, 296	----------	3, 951, 441. 42	32, 400. 00
Des Moines	2, 434, 556. 84	608, 639. 21	986, 729. 21	40. 53	297, 772. 60	370, 885. 75	128, 827. 75	242, 058	----------	602, 749. 46	13, 094. 00
St. Paul	11, 033, 451. 72	2, 758, 362. 93	5, 558, 494. 75	50. 38	1, 373, 534. 96	2, 867, 120. 90	2, 467, 127. 90	399, 993	----------	2, 680, 080. 85	11, 293. 00
Minneapolis	7, 267, 256. 93	1, 816, 814. 23	2, 585, 385. 17	35. 58	900, 532. 11	1, 219, 406. 90	916, 332. 90	303, 074	----------	1, 350, 228. 27	15, 750. 00
Kansas City	16, 766, 988. 30	4, 191, 747. 07	6, 341, 220. 37	37. 82	2, 087, 998. 53	2, 554, 329. 90	1, 468, 886. 90	1, 085, 443	----------	3, 771, 140. 47	15, 750. 00
St. Joseph	2, 759, 321. 48	689, 830. 37	1, 230, 039. 29	44. 58	340, 437. 68	437, 818. 20	230, 079. 20	207, 739	----------	783, 266. 09	8, 955. 00
Lincoln	1, 278, 631. 01	319, 657. 75	426, 705. 35	33. 37	156, 453. 87	255, 677. 80	101, 538. 80	154, 139	----------	164, 277. 55	6, 750. 00
Omaha	10, 070, 258. 72	2, 517, 564. 68	3, 927, 933. 48	39. 01	1, 245, 282. 34	2, 221, 678. 60	1, 835, 270. 60	386, 408	----------	1, 679, 254. 88	27, 000. 00
San Francisco	6, 428, 821. 94	1, 607, 205. 48	2, 720, 461. 55	42. 32	800, 227. 74	2, 442, 909. 00	2, 441, 814. 00	1, 095	----------	270, 802. 55	6, 750. 00
Other Res. Cities	528, 720, 171. 07	132, 180, 042. 74	193, 333, 360. 06	36. 57	65, 050, 478. 46	96, 759, 144. 00	57, 738, 899. 00	23, 185, 245	15, 835, 000	94, 495, 130. 31	2, 079, 085. 75
All Reserve Cities	1, 120, 771, 436. 33	280, 192, 859. 06	402, 900, 976. 43	35. 95	212, 046, 842. 28	305, 310, 307. 87	155, 434, 740. 87	82, 450, 567	67, 425, 000	94, 495, 130. 31	3, 095, 538. 25
		15 per cent.									
Maine	15, 298, 993. 30	2, 294, 849. 00	4, 910, 605. 83	32. 10	814, 101. 10	1, 445, 231. 17	1, 164, 037. 17	281, 194	----------	3, 205, 778. 41	259, 596. 25
New Hampshire	9, 930, 248. 12	1, 489, 537. 22	3, 063, 107. 72	30. 85	523, 593. 89	896, 828. 78	630, 086. 78	266, 742	----------	1, 985, 726. 44	180, 552. 50
Vermont	8, 479, 012. 73	1, 271, 851. 90	2, 724, 129. 50	32. 13	445, 172. 36	901, 977. 91	640, 627. 91	261, 350	----------	1, 663, 230. 59	158, 921. 00
Massachusetts	79, 350, 493. 81	11, 902, 574. 07	21, 624, 564. 35	27. 25	4, 371, 470. 42	6, 955, 045. 56	4, 658, 853. 56	2, 161, 192	135, 000	13, 695, 620. 79	973, 898. 00
Rhode Island	20, 750, 309. 57	3, 112, 546. 44	5, 650, 076. 00	27. 23	1, 107, 477. 18	1, 725, 997. 95	1, 092, 549. 95	633, 448	----------	3, 580, 224. 55	343, 853. 50
Connecticut	36, 218, 684. 85	5, 432, 802. 73	12, 207, 967. 72	33. 71	2, 013, 924. 09	3, 752, 336. 53	2, 974, 401. 53	777, 935	----------	8, 057, 638. 69	397, 992. 50

CIRCULATION AND RESERVE OF NATIONAL BANKS.

Under the direction of Hon. James H. Eckels the Bureau of the Comptroller of the Currency is publishing at frequent intervals some interesting and valuable details in regard to the National banks of the country. The comprehensive tables preceding this article show the specie and circulation and the lawful money reserve of all the National banks in the United States at the date of their last official report, March 9. Both of these heads are further subdivided in such a manner as to clearly indicate the kinds of coin and certificates held under the head of specie and its distribution throughout various portions of the country, and also many other details relating to the deposits and reserves.

Although the National banks are not required to redeem their notes in gold coin, it is interesting to note that they have in gold coin and certificates only $14,000,000 less than their entire outstanding circulation. The total holdings of gold coin are $118,809,395, and if gold clearing-house and Treasury certificates be added the aggregate foots up $188,304,755. Compared to this the silver holdings of the banks are small, being only $7,198,522 in silver dollars, $32,864,502 in certificates and $5,581,082 in fractional coin. The total specie including certificates amounts to $233,948,862, of which $155,434,740 is held by the reserve cities and $78,514,121 by the country banks.

In the three central reserve cities of New York, Chicago and St. Louis the gold holdings amount to $87,284,210, and in all the reserve cities $128,286,029.

Turning to the head of circulating notes, we find that the privilege of issuing circulation is not very highly regarded by the National banks, especially those of the central reserve cities. New York banks have but $16,647,505 of circulating notes outstanding, when they might issue, on the basis of ninety per cent. of capital, about $45,000,000. All the reserve cities have $56,000,000 circulation outstanding, and the rest of the country $146,515,975.

It is interesting to note that all the National banks now have but little more than $200,000,000 of notes outstanding while they are authorized by law to issue over $577,800,000. This shows that the National banks do not issue notes to anything like the extent they would do if the restrictions on their issue were less burdensome. The dull business conditions and the piling up of deposits in the money centres also tend to make the issue of circulation unprofitable.

Deposits of all the National banks aggregate $1,995,498,081, of which the reserve cities hold $1,120,771,436 and the country banks $874,726,644. The ratio of reserve is proportionally smaller in the reserve cities than in the country banks, the former being required to hold twenty-five per cent., and the latter fifteen. Both exceed the requirements, the reserve cities having 35.95 per cent. and the other banks 32.71. The proportion of specie and legal tenders is about the same for the city and country banks. The Western States hold the highest per cent. of reserve and the Pacific States come next. The Southern States also exceed in reserve the Middle, Eastern and New

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England States and also the reserve cities. The tables indicate that the congestion of idle funds is general throughout the country.

In the reserve cities the reserve required is twenty-five per cent., and in the country banks fifteen per cent. Bearing this in mind we find the following per cent. of excess of reserve above the legal requirement: Reserve cities, 10.95; New England States, 14.51; Eastern States, 13.73; Southern States, 21.67; Middle States, 20.10; Western States, 23.87; Pacific States, 22.67; all country banks, 17.71.

The following table shows the reserve held, the reserve required and the excess in the different sections of the country on March 9:

	Reserve required.	*Reserve held.*	*Excess.*
Reserve cities	$280,192,000	$402,900,000	$122,708,000
New England States	25,504,000	50,180,000	24,676,000
Eastern States	39,665,000	75,982,000	36,317,000
Southern States	17,485,000	42,752,000	25,267,000
Middle States	32,755,000	76,655,000	43,900,000
Western States	10,955,000	28,386,000	17,431,000
Pacific States	4,843,000	12,165,000	7,322,000

In the whole United States the National banks have $277,620,483 more money in reserve than the law requires, and this excess is greatest in those localities where, according to theorists, there is a crying need for more money.

UNITING FOR CURRENCY REFORM.—It is obvious that Congress has been somewhat bewildered by the great diversity of views and plans of the currency experts appearing before the Banking and Currency Committee from time to time, and also by the multiplicity of schemes emanating from bankers and financiers. There has been substantial unanimity as to the great desirability of effecting certain reforms but much difference of opinion has been manifested as to the proper way in which this is to be done.

Those currency reformers who have been nursing their pet schemes for a long time under the sincere and honest conviction that in their adoption lies the only salvation of the country, will no doubt part with their favorites very reluctantly, but it is becoming apparent that nothing can be accomplished until there is a definite concentration of aims on the part of all those who are animated by the common purpose of placing the currency and banking systems of the country on a safe and permanent basis.

The MAGAZINE has been the advocate of no special plan, recognizing excellence in many that have been presented. But it is now time that all friends of currency reform should unite upon some definite proposition, and we believe that the bill introduced by Representative FOWLER, of New Jersey, and explained at length in the April number, is one of the best and most comprehensive currency measures yet brought forward. His exposition and defense of the bill printed in the "Congressional Record" of April 17, and the vast amount of information presented by him in support of the various features of the measure, fully justify the favorable conclusion reached in our April issue as to its main provisions.

The renewal of the drain on the Treasury gold reserve shows that the perplexing question of currency reform must be considered and settled sooner or later, and we do not recall any measure more broadly drawn or on safer lines than the one prepared by Representative FOWLER.

* THEORY AND HISTORY OF COINAGE.

From the Annual Report of the Director of the Mint.

Coins are pieces of money of a fixed weight, stamped by the authority of government, and employed as a circulating medium; or, as Jevons defines them, "ingots of which the weight and fineness are certified by the integrity of designs impressed on the surfaces of the metal." Their value may be represented by the material of the coins, or may depend to a greater or less extent on the credit of the state. It is represented by the material especially in full-value gold and silver coins, which, when melted into the form of bars, preserve very nearly the value they had before the stamp was obliterated. It depends in part on the credit of the state in the case of coins whose metallic value is inferior to their nominal value, as, for instance, in the "standard" silver dollars of the United States, the five-franc silver pieces of the Latin Union, the thalers of Germany, since the depreciation of silver, in divisional silver coins, and to a still greater extent in nickel and copper coins. The standard coins of a country are those that have unlimited and unconditional legal-tender power in such country. They should, in order that the monetary condition of the country may be a healthy one, have a metallic value fully equal to their nominal value, and hence at the present day should consist of gold or silver. The requirement that standard coins should be full-value coins is not perfectly fulfilled at the present time in a great many countries. Thus the German silver thalers, the five-franc silver pieces of the Latin Union, and the United States silver dollars are intrinsically under-value standard coins—that is, coins whose metallic is inferior to their nominal value.

Divisional coins are those whose legal-tender power is limited to a definite and moderate sum. They are intended only for retail trade or to help effect the full payment of sums not round in wholesale trade. They are under-value coins, because their metallic is less than their nominal value, and hence special provisions are made to prevent their immoderate increase.

Trade coins are those to which no legal-tender power is attributed by the country that issues them, and which are therefore neither more nor less than bits of gold or silver whose weight and fineness are guaranteed by the State. Examples of trade coins are the gold kronen provided for by the German monetary treaty of January 1, 1857, the Dutch ducats and Wilhelms d'or, the silver Levantine or Maria Theresa thalers, and the United States silver trade dollar provided for by the Act of February 12, 1873, and retired by the Act of March 3, 1887. The trade coin of widest circulation formerly, espe-

* The material of this paper has been derived largely from an article by Professor Lexis on coinage, the fullest and freest use of which has been here made, and is here acknowledged. Other sources drawn upon are Professor Sherwood's "History and Theory of Money," Shaw's "History of Currency," Jevons' "Mechanism of Exchange," McCulloch's "Dictionary of Commerce," Roswag on the "Precious Metals," etc.

cially in the East, was the Spanish piaster, which has been replaced by the Mexican dollar. These coins were also legal-tender at home.

The definitions given of standard and divisional or token coins by Professor Jevons differ somewhat from those given above, which are those of Professor Lexis. Thus Jevons defines a standard coin to be one of which the value in exchange depends solely upon the value of the material contained in it, the stamp serving merely as an indication and guarantee of the quantity of fine metal. "We may," he says, "treat such coins as bullion, and melt them up or export them to countries where they are not legally current; yet the value of the metal being independent of legislation will everywhere be recognized." According to this definition, the silver thalers of Germany, the five-franc silver pieces of the Latin Union, and the silver dollars of the United States are not standard coins. Thus Lexis' definition makes the distinguishing quality of standard coins their full legal-tender power, while Jevons' attaches that quality to the equivalency of the nominal and metallic values of the coins. The ideal of a standard coin is reached in those pieces in which this equivalency is found united with full legal-tender power, as in the gold coins of the United States, England, France and Germany.

A great many commodities have, at different periods of history, been employed as money. Nations of hunters used the skins of beasts for this purpose. Beaver skins were thus employed in the territory of the Hudson Bay Company. Nations of fishermen used fish, pastoral tribes cattle, and agricultural peoples wheat or some other natural product, such as cacao in Central America, tobacco in Virginia and Maryland. All nations have so used ornaments, cloth stuffs, or weapons. It was probably in the form of tools that brass was first used as money. At a later period that metal circulated in the form of bars or ingots and then of discs. Mercury has been used as money among the miners of Mexico, leather in Russia, tin in China, pepper in Abyssinia, rice in the Philippine Islands, diamonds in India, dried codfish in Newfoundland, eggs in Alpine towns, and oats in Estramadura in Spain. The universal quality to be found in money, therefore, is that it is a commodity possessed of intrinsic value or general utility in a greater or lesser degree. It has never been a mere sign even when in the form of paper, for the paper was always a title deed to a commodity that circulated or had circulated as money to be surrendered on receipt of the money commodity. After having constituted the principal material of coin, copper made way for silver, and in recent times silver has yielded its supremacy to gold.

Gold and silver have long been the monetary metals *par excellence*. Their beauty of aspect has caused them to be universally sought for; their permanent color and characteristic hardness make them readily recognizable; they are malleable and take an imprint easily; fusible and homogeneous they can be divided without difficulty into parts similar to one another which can be again united together or separated without losing anything of their value; by reason of their rarity they possess a great acquisitive power in a small volume and are thus convenient instruments of the accumulation and transportation of wealth. Lastly, the relative stability of their value allows us to suppose them to possess approximately, for a limited period, a fixed purchasing power with respect to other commodities, and to attribute to one of them the function of a standard.

Copper, on the other hand, has long been subject to considerable variations of price. The average level of prices is, moreover, too low for that metal to have maintained, in modern communities, the prominent place it occupied when general wealth was not so great. Copper has therefore been reduced to the condition of token money.

The intrinsic or metallic value of a coin depends on its weight and fineness, that is, on the proportion in which the precious metal it contains is alloyed with the base metal. The weight and fineness of a coin being known, its fine weight may be determined. The stamp of the state is intended to guarantee the weight and fineness of the coins, so far as the progress made in the coining art makes that possible. Chevalier was of the opinion that "that proportion of alloy was best which gave to the precious metals the greatest resistance to abrasion." This is too absolute a formula. Care must be taken that the proportion of alloy does not exceed certain limits. If it were too great it would become necessary, in order to keep the intrinsic or metallic value of the pieces equal to their nominal value, to increase immoderately their volume and their weight. Experiments made at the Paris mint by Mr. Ruau during a number of years have shown that in a general way the resistance to abrasion of alloys of gold and silver increases with the quantity of copper which they contain. Ruau's experiments have demonstrated the falsity of the ideas entertained on this subject ever since the researches of Cavendish and Hatchett in England in 1798, on the superiority of the fineness of eleven-twelfths. Chevalier's formula should therefore be modified thus: "The best alloy is that which, in the higher finenesses, offers the greatest resistance to abrasion." Coins whose legal-tender power is limited contain, frequently, more alloy than full legal-tender coins. In France and the Latin Union divisional silver coins have a fineness of 0.835, while the five-franc silver pieces have a fineness of 0.900. The law of April 6, 1803, had made no distinction between these coins; they had all a fineness of 0.900, and were all full legal tender. In 1864 and 1865, in order to prevent the exportation of French divisional coins which the premium on silver attracted abroad, the fineness of the pieces of twenty and fifty centimes, and of the one and two franc pieces was lowered to 0.835, and their legal-tender power was limited to fifty francs, or about $10.

In England divisional coins are legal tender to the amount of forty shillings. They ceased to be full legal tender in 1816. The law of 1816, however, maintained them at eleven ounces two pennyweights of pure metal in twelve ounces, which has been the English fineness since the year 1357. But that law requires sixty-six shillings to be stamped from the pound troy instead of sixty-two. In England, therefore, the weight has been lowered instead of the fineness, but the reason has been the same as in France, viz., to prevent the exportation of the divisional coins.

In the United States divisional coins were full legal tender up to the passage of the Act of February 21, 1853, when the half dollars, quarter dollars, dimes, and half dimes (in the ratio of value of 1:14.88 as compared with gold) were made legal tender to the amount of only $5. Previous to that Act they were of the same fineness as the silver dollar and exactly proportioned to it in weight. The Act of 1853 lowered the weight of the half dollar from 206¼ grains to 192 grains and that of the quarter dollar, dime, and half dime in proportion, but left their fineness unaffected. At present divisional coins in the United States are legal tender to the amount of $10 in any one payment.

From mediæval times to the almost universal adoption of the metric system, it was customary to use a special system of weights in the coinage. Under Charlemagne the Roman pound of 327 grams or 5,046.264 grains was replaced by a heavier one whose weight, divided into twelve ounces, is generally stated to have been 408 grams or 6,296,256 grains. According to the most recent investigations it is probable that it contained only 370 grams or 5,709,840 grains, and was therefore of pretty nearly the same weight as the English troy pound, divided into twelve ounces of twenty pennyweights of twenty-four grains and containing 5,760 grains. The troy pound was first introduced in England as a mint weight under Henry VIII, while up to that time the Saxon Tower pound containing 5,400 troy grains had served in that capacity. On the Continent the principal mint weight was not the pound of twelve ounces, but the mark of eight ounces, which was one-half of the commercial pound used in weighing ordinary commodities and called in England the avoirdupois pound. So far as known, the mark, as a silver weight, is first mentioned in English documents of the ninth century. Its local variations were just as great as those of the commercial or trade pound.

The Dutch troy mark of 246.084 grams or 3,797.568288 grains was one of the heavier of the marks, and must not be confounded with the English troy mark. The Parisian mark was the same as that of Troyes, which afterwards came into general use in France. It contained only 244.753 grams or 3,777.028296 grains. The Salzburg mark weighed something over 256 grams or 3,950.592 grains. The heaviest of the marks was the Vienna mark, containing 280.668 grams (about three-fourths of the English pound troy). The Cologne mark was very extensively used. As early as the thirteenth century it was found, with but slight variations, in the Rhenish commercial cities. An imperial decree of 1559 provided that it should be adopted as the universal mint weight and should contain nineteen-twentieths of a Dutch troy mark or 233.780 grams, equal to 3,607.69296 grains. Local Cologne marks were found to weigh 233.72 and 234.34 grams, equivalent to 3,606.76704 grains and 3,616.33488 grains, respectively; and in the new regulation of the system of Prussian weights the Prussian mark was made to consist of 233.8555 grams or 3,608.858076 grains. The mark, as a gold-assaying weight, was divided into twenty-four carats of twelve grains, and as a silver-assaying weight into sixteen loth of eighteen grains. After the introduction of the metric system in France, the kilogram was adopted as a mint weight, and it is the present mint weight of all the other States of the Latin Union. The German Monetary Convention of 1857 made the customs pound (Zollpfund) of 500 grams the mint weight, and it has been continued as such in the coinage legislation of the Empire. In recent Austrian and Hungarian coinage legislation the kilogram is the mint weight; in Russia the common pound; in the United States the English pound troy, and for silver divisional coins the gram as well as the troy grain.

The troy pound weight in use in the United States was obtained from England, and is a duplicate of the original standard fixed by the commission of 1758 and confirmed by that of 1838. It is a brass weight of 5,760 grains. It is kept in a safe at the United States mint in Philadelphia.

The weight of the coins was usually determined by providing what number of them should be struck from the alloyed mint weight. This was because of the practical difficulty of putting the exact amount of standard or pure metal into the individual coins. The coiner had to be satisfied in the case of the smaller coins, and in earlier times in that of the larger also, with the agreement of the total weight of the pieces with the mint weight. Hence it is that the picking of the heavier coins out of a large number was strictly prohibited, although to no purpose.

In Germany the fineness of gold was expressed in the number of carats and grains, and that of silver of loth and grains fine in a mark of alloyed metal, gold of twenty-four carats and silver of sixteen loth being considered fine.

In France also gold of twenty-four carats meant fine gold, and the fineness was expressed in halves, fourths, eighths, etc.; silver of twelve deniers (pence) was fine silver, and a denier was divided into twenty-four grains. In modern times, in France, Germany, and most other States, the fineness or proportion of pure in standard or alloyed metal is simply expressed in thousandths. England, however, still clings to the old system, in which the fineness of alloyed gold is expressed in carats, twenty-four carat gold being considered pure; and the fineness of alloyed silver in terms of the troy pound of twelve ounces of twenty pennyweights of twenty-four grains. But even in England the fineness of gold and silver is not infrequently expressed in thousandths.

Even with the technic appliances and processes of modern times it is not possible to manufacture each individual coin of the absolutely exact weight required, nor the standard metal of the absolutely exact fineness, and hence legislation allows a certain deviation from the legal weight and fineness of the coins. This deviation is called the "remedy" or "tolerance." The tolerance was formerly used as a pretext for the improper diminution of the contents of the coins, and even in very recent times, in France, a profit was made every year by intentionally causing the tolerance to be almost always under. Doubtless the only course justifiable is one in which slight accidental discrepancies in weight or fineness are as apt to run over as under the standard, so that when a large number of coins are placed in the balance, their aggregate weight shall be found to be the exact legal weight. Each bag of coin issued from the mints of the United States contains the full weight called for by law.

The coins of the country in which they are intended to circulate possess an increased utility as compared with bullion, and in most countries where gold or silver is coined on private account, a mint charge to cover the cost of manufacture is imposed. This mint charge, or brassage, as it was formerly called, must not be confounded with seigniorage, which is a profit on coinage made by the Government equal to the difference between the cost of the bullion put in the coin and its (the coin's) nominal or face value.

As coins are gradually abraded by circulation and lose something of their intrinsic or metallic value, it is in accordance with an enlightened coinage policy that the state should make provision for the retirement of the pieces it has issued when their weight has fallen below the limit of tolerated deficiency. The opinion is steadily gaining ground that the loss of weight thus caused should not be borne by the last holder of the coin but by the state as the representative of the whole people, in whose service the abrasion took place. Thus the German coinage law of 1871 provided that the ten and twenty mark pieces that had lost more than five one-thousandths of their normal weight should be accepted by the treasuries of the state at their full nominal value; that they should not be reissued, but should be held back for recoinage; also that such abraded coins, if necessary, should be retired from circulation at the expense of the state and recoined. In Austria-Hungary. also, according to the law of August 2, 1892, the state retires on its own charge all coins which have fallen below the tolerated deficiency of weight. This duty, however, is not imposed on the States of the Latin Union by their monetary convention. As a matter of fact, France retires on account of the state such coins as are no longer fit for circulation, through the agency of the Bank of France. In England, gold coins whose weight has sunk below the tolerated deficiency are defaced when they come to the bank, and the last owner bears the loss. There are, however, withdrawals from time to time, on account of the state, at the nominal value of the coins, as in 1891, of all the gold coins stamped during the reign of Queen Victoria.

In the United States it is provided that any gold coins of the country which are reduced in weight by natural abrasion not more than one-half of one per centum below the standard of weight prescribed by law, after a circulation of twenty years, and at a ratable proportion for any period less than twenty years, shall be received at their nominal value by the United States Treasury and its officers, under such regulations as the Secretary of the Treasury may prescribe against fraudulent abrasion or other practices; and that any gold coins in the Treasury of the United States reduced in weight below this limit of abrasion shall be recoined. The loss from abrasion of silver coins falls on the Government.

The retarding of the abrasion of coins is used as the principal argument for alloying the gold and silver to be minted with base metal. Many experts claim, however, that while fine gold and silver lose the sharp outlines of the stamp more rapidly than when alloyed, on account of their greater softness when in the pure state, they do not lose more in weight; and that when alloyed they suffer greater wear and tear than when pure, from chemical causes. It is certain that the intentional addition of base metal to the pure in gold and silver coins was originally an abuse and made to counterfeit coins of pure metal. A great many gold coins, as, for instance, the Rhenish and Westphalian, contained, besides copper, a certain amount of silver.

It is of the essence of every real coin that its genuineness, should be attested by the Government. The Greek city States of Asia Minor were, so far as known, the first to establish mints as state institutions, and in this they were soon imitated by the larger State of Lydia. In the Persian Empire the coinage of gold was reserved exclusively to the King, while silver might be coined by satraps, dependent dynasties, and cities. In Rome, after 269 B. C., the coinage was in the hands of officials specially appointed. In the later period of the Republic the right of coinage was exercised both by the Senate and by certain generals; by the latter at first only in the districts under their military rule, but after Cæsar's time, in the cities also. In the time of Augustus, however, the Senate entirely lost the prerogative of the coinage of gold and silver and retained only the right to coin copper. In the later period of the Empire the right of coinage seems to have been frequently granted to private persons. During the Middle Ages the principle obtained that "all coins in the Roman Empire are the coins of a Roman King; and he who would have them, whether layman or cleric, must obtain them from the Roman Empire and the Roman King." The dukes of the German tribes seem, however, to have exercised the right of coinage without any special royal grant. Such grants were made in the early Middle Ages to the founders of religious houses, and beginning with the eleventh century to temporal magnates, and with the thirteenth to cities also. There thus came to be in Germany a great variety of coins, not only as to the imprint they bore, but also as to the number stamped from the mint unit of weight, and the right of supervision of all coinages which continued in the State was not sufficient to cure the evils resulting from this variety. The right of coinage was also in the hands of citizens of the large towns, who made a profit from the seigniorage under a contract entered into by them with the King.

In France also the right of coinage was possessed by many in the thirteenth century, especially by barons and bishops. In the time of Louis IX there were over eighty who had been granted the coinage prerogative by the King. About this time efforts began to be made, with some success, to strengthen the royal power in coinage matters and to concentrate the coinage in him. Under Louis X the question was agitated of depriving all barons and prelates of the right of coinage, but the agitation resulted only in the drawing up of a list of those entitled to the privilege (twenty-nine) and in stricter provisions regarding the number of pieces to be stamped from the mint unit of weight and the imprint of the coins to be issued by them. Under the succeeding kings the crown purchased from the barons their right of coinage, and as the great vassal estates were gradually added to the royal domain, the unity of the coinage prerogative was reached in France by the end of the fifteenth century.

In England, after the conquest, the coinage prerogative was seriously endangered under Stephen of Blois, who granted the coining privilege to a great many barons, while others simply assumed it. Grants of the right were also made under John. During the period following, the influence of Parliament contributed greatly to the maintenance of the unity of the coinage prerogative.

The real duty of the Government in guaranteeing the weight and fineness of the coins is evidently to insure, in the interest of the whole community, the manufacture of full-value coins. As a matter of fact, however, the financial interests of states or princes came in conflict with this requirement, and predominated until comparatively very recent times. Princes too frequently debased the coins of their domains, to their own profit, but to the ruin of the people. But whenever the coinage was debased an effort was made to preserve their original nominal value. This effort was made in order to realize a profit equal to the difference between the nominal value and the metallic or intrinsic value of the coins, and those possessed of the coinage prerogative in all subsequent ages have been so powerless to resist this temptation that it has been seriously questioned whether coinage by the state has not, everything considered, been productive of more mischief than of good, and whether the Chinese, who have used the precious metals by weight only, have not acted more wisely than we. The continued diminution of the contents of the specie-thaler in Germany led, in 1770, to the introduction of the bar standard by the Bank of Hamburg, and the idea of its introdnction was first suggested by the example of the Chinese, which was deemed worthy of imitation. In the Middle Ages, also, large payments were made by weight in gold or silver marks, especially before the more general diffusion of the gold coins stamped in imitation of the Florentine gulden, notwithstanding such payments were frequently prohibited in the interests of the mints.

The profit from coinage was realized in two ways, principally, and these were sometimes employed jointly, firstly, by an artificial depression of the commercial value of bar metal by means of limitations of trade of the same, resulting in a purchase monopoly in favor of the mints, while the coins stamped by these institutions were made to serve as far as possible as the exclusive instruments of purchase and payment; secondly, by the adhesion to a definite ideal unit of value or one represented by a real coin and by endeavoring to create an enhanced credit value of the pieces by measuring the under-value coins by that unit.

The first method constitutes the normal manner of collecting revenue by means of seigniorage. When, for instance, the French aignel of 1321, fifty-nine and one-sixth pieces of which of the nominal value of one livre were stamped from a mark of fine gold, while the legal price of the mark was only fifty-eight livres, the coinage charge and seigniorage amounted to one and one-sixth livres, or nearly two per cent. In principle this is the same course now pursued by the French mint, inasmuch as it pays only 3,437 francs for a kilogram of gold, while it coins 3,444.44 francs out of it; but the difference—7.44 francs—amounts to only about 2.2 per thousand of the latter sum and represents only the actual cost of coinage. But during the Middle Ages a seigniorage of two per cent (inclusive of the cost of coinage, which was then much higher than at present) was considered low, and in the case of gold coins it sometimes amounted to five and even ten per cent.

In the case of silver pieces, in the period of greatest debasement of the coins in France, the difference between the number of coins required by the law to be stamped out of a mark of pure silver and the legal price to be paid for a mark in such coins amounted sometimes to fifty per cent of the former sum.

So large a seigniorage could of course be maintained only for a short time and by peculiar operations, but a coinage profit of ten to fifteen per cent. might still be realized in the fourteenth and fifteenth centuries by a skillful use of the monopoly of the purchase of silver and of coinage even in the manufacture of larger silver coins. The principal measures employed to attain this end were the following: If gold or silver mines were worked in the mint domain the right of preëmption of pure metal obtained therefrom, even from the mines owned by private parties, was claimed by the mint, and had to be sold to it at a fixed price. The mint then stamped from a mark of gold or silver a larger sum than it had paid for the same. Where the mint domain had no mines the mint lord endeavored to make a profit from the coinage by providing that all imported gold and silver, whether in form of bars, coin, or old material, should first be sold to the mint or to certain bullion brokers, who should purchase it only at the legal price. The circulation of foreign coins was strictly prohibited; they were required to be exchanged for coins of the mint domain and to pay the seigniorage. In no market could business be transacted except with the coins stamped by the power that controlled the price of the precious metals, and foreign merchants were therefore obliged to have their money changed, with a deduction for the seigniorage.

This seigniorage was in reality a tax on trade of a peculiar kind, not like the excise or custom duties on commodities, but on the media of circulation. It was permissible to use bar silver as a purchase medium on condition that a duty equal to the seigniorage was paid for the privilege. The compulsory exchange of coins referred to above and the collection of seigniorage connected therewith was also required when there was less reason for it than in ordinary trade. Thus it was required in Germany whenever there was a transfer of the ownership of the coinage privilege, but freqently without such transfer, simply to exploit that privilege. To further insure the monopoly value of the coins, the goldsmith industry was strictly regulated. Goldsmiths might not purchase more gold or silver than they needed in their business, might not pay for the precious metals more than the price legally fixed, nor procure them by the melting down of the coins. Sometimes, in order that coinage material might flow to the mints in greater quantities, goldsmiths were strictly forbidden to manufacture larger articles of the precious metals. Thus by an ordinance of 1310 they were required to make no gold or silver plate during the space of a year, without the permission of the King, and according to an order of 1322 only silver plate not over one mark in weight. Church articles were excepted from this order.

The import and export of the precious metals and of coins in the Middle Ages was also regulated more with reference to the coinage privilege than in accordance with the mercantilistic views that prevailed in some places. Foreign coins could be imported only to be melted down. The export of bullion, as well as of gold and silver plate, was greatly limited by the French ordinances. On the other hand, the exportation of coins of a certain kind, especially deteriorated ones, was expressly allowed.

The progressive increase of money as a medium of exchange favored the employment of the second method of utilizing or exploiting the coinage privilege, which consisted mainly in this, that existing debts payable in money might be discharged by virtue of legal enactment in certain definite coins at the nominal value ascribed to such coins. These coins, even when not intrinsically full value, were therefore given full legal-payment power, not only to the public treasury but to every one who had a money claim against another. The debasement of the coinage was to mediæval princes analogous to the financial resource possessed by modern states in paper money; but so long as trade by money and public credit was still in a low stage it was more difficult to keep coins twenty to thirty per cent. above their intrinsic value than it is to-day to keep at par intrinsically almost worthless paper.

The depreciation of the coinage may be most plainly followed in France. Philip the Fair began his debasement of the coin formally as a credit operation by making a solemn promise, in which he had the support of the Queen, that he would subsequently redeem the light coins at their full nominal value, but this was never done. As a general rule, however, the debasement of the coin was defended on the false principle that the livre was an ideal unit of value represented by the coins, independently of their intrinsic value. Hence several ordinances provided that all accounts should be kept only in livres—that is, that the unit of account should be twenty sols, or 240 deniers or pence, and not in quantities by weight of gold or silver or in any definite kind of coins. The undervalue coins were thus given a definite nominal value and had to be received by creditors at such value. Wages and certain retail prices probably did not always immediately rise in proportion to the debasement of the coins, but in wholesale trade a rise in prices could not be prevented by any prohibitions. The effect of the debasement of the great mass of coins that circulated in ordinary trade was, in the main, the same as is manifested in our days of irredeemable paper with forced currency, viz., a premium on the precious metals, especially on gold coins and the standard silver coins. When the coins had been lessened in value by a series of debasements to the very lowest point, a sudden return was made to heavier pieces; the existing light coins were withdrawn or simply lowered to a value equal to their metallic value. At the same time, however, it was usual to issue an ordinance to regulate the payment of debts, but no such ordinance was issued when the coins were debased. The payment of debts in heavy coins which had been contracted in light ones was thus prevented; permanent incomes and, in general, all sums which had to be paid for several successive years were always required to be made in the legal money of the time of payment, at its nominal value. Another period of confusion in the coinage which resembled that of the fourteenth century occurred in France in the last years of the reign of Louis XIV.

The idea that the coinage prerogative should not only be productive of no profit but should even be a source of expense to the state was far from occurring to the minds of men in those distant days. This higher view of the right of coinage was first expressed in England, where, in 1666, the gratuitous coinage of the gold and silver brought to the mint was introduced, and where no compensation was asked the state for the expense it had to undergo for the coinage.

A retirement and recoinage of the abraded coins at the full legal weight at the expense of the state was effected in England in the years 1696–1698. The gratuitous coinage of gold was restored in the United States by the law of January 14, 1875.

The economic effects of the debasement or degradation of the coins may be inferred from the consideration that, the value of all property being estimated and the stipulations in almost all contracts for its purchase, sale, or hire being made in money or coins, no change can take place in the value of such money or coins without subverting these estimates and contracts and enriching the debtor portion of society at the expense of the creditor portion, or *vice versa*.

"The necessities or extravagance of government," says McCulloch, "forced them to borrow, and to relieve themselves of the incumbrances thus contracted they, in the past, almost universally had recourse to the disgraceful expedient of degrading the coin; that is, of cheating those who lent them money to the extent of the degradation, and of enabling every other debtor in their dominions to do the same. Had the names of the coins been changed when the quantity of metal contained in them was diminished, there would have been no room for misapprehension. But although the weight of the coins was undergoing perpetual and their purity occasional reductions, their ancient denominations were almost uniformly preserved, and the people who saw the same names still remaining after the substance was diminished, who saw coins of a certain weight and fineness circulate under the names of florins, livres, dollars, and pounds, and who saw them continue to circulate as such after both their weight and the degree of their fineness had been lessened, began to think that they derived their value more from the stamp affixed to them by authority of government than from the quantity of the precious metals they contained.

Originally the coins of all countries seem to have had the same denomination as the weights commonly used in them, and contained the exact quantities of the precious metals indicated by their name. Thus the talent was a weight used in the earliest period by the Greeks, the as, or pondo, by the Romans, the livre by the French, and the pound by the English; and the coins originally in use in Greece, Italy, France, and England bore the same names and weighed precisely a talent, a pondo, a livre, and a pound. The standard has not, however, been preserved inviolate either in modern or ancient times. It has been less degraded in England than in any other country of Europe, but even there the quantity of silver in the pound sterling is less than the third part of a pound weight," the quantity it contained in 1300, the year of the first debasement undergone by the silver coinage of England, when Edward I reduced the amount of metal in the coins by 1 19-81 per cent., or, in other words, when twenty shillings and three pence were coined out of the Tower pound instead of twenty shillings, as previously. This was the beginning of the series of alterations which were carried out in England during the succeeding three centuries, and which terminated only in 1600, when the pound troy of silver was coined into sixty-two shillings. The period extending from 1543 to 1552 was a time when the fineness of the metal was greatly interfered with. The old proportion of eleven ounces two pennyweights of metal to eighteen pennyweights of alloy was altered to ten ounces of metal per pound, then to six ounces, or one-half, four ounces, or one-third, and finally, in 1551, to three ounces of pure metal and nine ounces of alloy.

Various proposals to depreciate the silver currency have been made since 1600. Says Professor Bastable:

"The most remarkable of the unsuccessful schemes for debasing the standard was that of Loundes, which was advanced in 1695, when the discussions preparatory to the recoinage of 1696 were being carried on. Loundes' plan was to coin the pound troy of standard silver into seventy-seven shillings and six pence, thus debasing it twenty-five per cent. He was resisted by Locke, who, in his Further Considerations Concerning Raising the Value of Money, contributed materially to the developement of monetary theory, and the recoinage was mainly in consequence of his efforts, in combination with those of Newton and Montague, based on thoroughly sound principles."

A survey of the condition of the coinage in the various countries of the world at the present day shows that the great economic disturbances and evils, which once had their origin in the debasement of the coins, no longer exist in civilized states, but at the same time reveals the fact that there is in many of them a circulation of undervalue coins—that is, of coins whose metallic is inferior to their nominal value—greater probably, relatively speaking, than in any previous age. Think only of the vast amount of intrinsically depreciated full legal-tender silver coins in the Latin Union, in the United States, in Germany, Austria-Hungary, and Holland. That these undervalue, full legal-tender silver coins circulate as they do, and in the quantities that they do, is evidence of the enormous increase of public credit, which finds a still more striking illustration in the fact that countries like France have been able to keep even irredeemable paper money, with forced currency, almost at its nominal value, and that others are able to put paper money without any special covering, or an insufficient covering in specie, in circulation, and to keep it of equal value with their metallic money. The so-called Gresham law, that good money and bad money can not circulate side by side, but that the bad drives out the good, does not, therefore, apply where the lack of full intrinsic value of one kind of money is supplied by a universally acknowledged credit value.

(To be continued.)

FOREIGN BANKING AND FINANCE.

The New Coinage System in Japan.

The law establishing the gold standard in Japan is simple, but comprehensive, and minces no words in going direct to its object. The new unit of gold coinage is to be called the yen, but is to contain just half the amount of gold in the old coin of that denomination. The value of the gold yen in United States currency was $0.997, but it will become under the new system of just half this value. This will raise the existing silver yen to near its nominal value in the new gold coinage. The existing silver coins for one yen are to be legal tender to an unlimited extent at their face value until they are exchanged for gold coins of the new coinage. This exchange will be made at the convenience of the Government until notice is given of the suspension of their circulation, when after six months from the date of the notice, the old coins will cease to be legal tender. It is proposed to withdraw all the one yen coins, similar in value to the French five-franc pieces and the American standard silver dollars, and to reduce silver to a subsidiary coinage, which shall be legal tender to the amount of only ten yen ($5.00). The subsidiary silver coins are to contain 200 parts of copper and 800 parts of pure silver, while the gold coins will contain 100 parts of copper and 900 parts of pure gold.

The new gold coinage will probably become, as in the United States, the basis of the circulation rather than the current medium of small transactions. It is calculated that there is available a fund of 70,000,000 yen ($70,000,000) in gold bullion, of which 20,000,000 yen are in the Osaka Mint, 15,000,000 yen are on their way to Japan, and 35,000,000 yen are held by the Bank of Japan. A statement presented in the "Japan Weekly Mail" of February 6, 1897, showed that up to December 11 last, the amount of the Chinese war indemnity received was £22,496,046 ($110,000,000). Of this sum, £2,024,109 had been transferred to Japan in gold specie, £2,941,572 in silver specie and £5,707,000 by bills of exchange, a small balance having been devoted to Government payments in London. The amount still remaining in England and Germany, largely at the Bank of England, was £11,685,208 ($57,000,000). A part of this sum appears to have been transferred to the mint after December.

The "Japan Weekly Mail" of March 6, 1897, after pointing out some difficulties about the complete redemption of the outstanding silver yen, comments upon the economic effects of the adoption of the gold standard upon the future of Japan as follows:

"It is not necessary, however, to dwell upon that side of the problem, for, as we understand, Japan's change to gold monometallism is dictated chiefly by the conviction that silver has reached virtually its lowest point, and that its sterling price may be expected to appreciate largely within the next few years. Her financiers would probably decline to reckon the chances of precisely the opposite contingency. They are fully sensible of the great advantages that their country's industry and commerce have derived from the employment of a currency constantly depreciating in terms of the currency of the markets where they sell their commodities. But they think that they have drunk to the depths of that well of prosperity, and that the time has now come to guard themselves against the upward swing of the silver pendulum. In short, they have been made rich by silver that cheapened steadily in terms of gold, and now, thinking that the Occident inclines towards bimetallism, they want to be made richer by gold that cheapens steadily in terms of silver. It has been said that Japan is the pet child of fortune. If this new experiment succeeds, who can deny her right to the title?

There is also the secondary—is it not, perhaps the primary?—motive that Japan's financiers want to place her within reach of the stores of cheap capital awaiting investment in the Occident. They believe that were their public securities changed to a gold basis, Western capitalists would purchase them eagerly. Probably they are right. Japanese £10 consols paying five per cent. interest ought to sell easily for £12, or even £13, in London, were the conditions of the investment satisfactory. It is here that Japan will find the disadvantage of her heroic method of dealing with her public debts. Her programme is to discharge her whole indebtedness by the year 1939. Under such circumstances her consols will scarcely be regarded as a comfortable investment. A holder is liable to have his money thrown back upon his hands at any moment, and must have it thrown back within forty-two years. If Japan would behave like other nations in this matter; if she would proceed deliberately instead of indulging in financial fireworks, the investments she offers would commend themselves better to Western capitalists."

There has been some disposition in Japan towards excessive speculation, in view of the large accessions of capital from the Chinese indemnity. The results of this transfer of capital, even though it has been accomplished through the medium of exchange rather than transfers of metal, have been somewhat similar to those of the payment of the French war indemnity to Germany. The financiers of Japan are, however, of a high degree of intelligence and economic education and are not greatly hampered, as in some other countries, by demagogic tampering with the currency. Baron Iwasaki, in discussing the criticism that the number of convertible Government notes in circulation is excessive, said early in February that no fixed rule could be laid down in the matter. At different times the volume of notes required by the public varies within pretty large limits. The Baron himself thinks that, considered from the standpoint of the purchasing power of the silver represented by these notes, the quantity now in circulation is less than the quantity in circulation in 1878. The lowest gold price of silver in the latter year was fifty-one pence an ounce, and the highest price during 1896 was thirty-one pence, so that a currency of 150 millions in 1878 represented at least the same purchasing power in terms of gold as a currency of 240 millions represents to-day. Concerning accommodation, the Baron explained that the Bank of Japan did not contemplate any illiberal policy, but that certainly it would not place any funds at the disposal of speculators whose immediate purpose was to start enterprises for the sake of making money by potential shares, and who were not really concerned to establish a paying and permanent industry. With regard to the onerous system of security now pursued by the Bank, Baron Iwasaki said that, since it had been dictated by a temporary condition of doubt, its abolition might be looked for in time.

Charter of the Austro-Hungarian Bank.

The leading provisions of the new agreement between the Austro-Hungarian Government and the Bank are given by the Vienna correspondent of the "London Economist" in the issue of March 20. The present charter, which expires on December 31, 1897, is extended to 1910, after which the Governments are authorized, if they desire, to purchase the shares at 760 florins. The new statute has yet to be ratified by the Parliaments of Austria and Hungary, but there is little doubt of its adoption. The correspondent of "The Economist" outlines the provisions of the new charter as follows:

"The Bank has agreed to write down the debt due to it by the State, which now amounts to nearly 76,000,000 florins, to the round sum of 60,000,-000. The Bank will have to take fifteen and a half millions from its reserve funds and devote them to this purpose. The Austrian Government will, at the same time, pay 30,000,000 florins gold to the Bank, so that the debt will at once be reduced to 30,000,000, florins. Hungary will refund Austria its share of this sum of 30,000,000 in the proportion settled in 1878, and will pay yearly instalments of 180,000 florins during fifty years, when the nine millions will be refunded. The remaining debt to the bank, amounting to 30,000,000 florins, is free of interest, and lasts to the end of the privilege granted to the Bank. The Governments authorized the Bank to take another 15,000,000 florins from its reserve funds, so as to raise the nominal value of the shares from 600 to 700 florins, without demanding any payment whatever of the shareholders. The Bank's capital has in this manner been raised from 90,000,000 to 105,000,000 florins. The reserve funds will have been reduced to 2,000,000 florins when both these sums have been taken from them.

The net profits of the bank are to be distributed as follows: The two Governments receive one-half of the net profits which remain when four per cent. has been paid to the shareholders and two-thirds of the net profits remaining after the payment of six per cent. The Government's shares will not be divided in the proportion of 70:30, but according to the results of business done in Austria and in Hungary. The total amount is estimated at 1,350,000 florins, of which Austria takes 810,000 florins, Hungary 540,000 florins.

The right of emitting 200,000,000 florins' worth of notes, free of any tax, and not covered by metal in the Bank's coffers, has not undergone any change in the new arrangements. As long as cash payments have not commenced the Bank is authorized to count 50,000,000 florins of foreign bills among its stock of metal. The amount of such bills held at present is thirty millions."

Progress of British Banking.

The complete computation of the reports of the British banks, except the few which do not make reports, which has been presented for a number of years by the London "Bankers' Magazine," appears in that magazine for April. The total assets of the banks of the United Kingdom reach a total of about £950,000,000, which is an increase of about £4,500,000 over the figures of 1895. This increase is pretty well distributed over the Kingdom, the largest item being £2,000,000 in Scotland. The banks having total assets of less than £1,000,000 have decreased from forty-two in 1893 to twenty-seven in 1896, the decrease being due mainly to amalgamation with larger banks. The banks doing both a London and provincial business show much larger assets than the purely metropolitan or the purely provincial banks, the former having assets of £426,334,421, while the metropolitan banks have £115,916,996 and the provincial banks £218,761,486. The exact total of banking assets for England and Wales is £761,012,903; for the Isle of Man, £2,288,206; for Scotland, £124,310,769; and for Ireland, £62,626,937, making a total of £950,238,815.

The most striking item of liabilities is the deposits, current accounts, and note circulation, which amounts to £797,741,177, of which £364,100,207 belongs to the metropolitan and provincial banks, £94,672,756 to the metropolitan banks, and £180,944,106 to the purely provincial banks, making a total of £639,717,069 for England and Wales, £104,418,305 to the Scotch banks, and £51,542,745 to the Irish banks. The leading item of the assets is bills discounted, advances and loans, and amounts to £501,328,059, of which £216,384,103 belongs to the metropolitan and provincial banks, £57,138,399 to the metropolitan banks and £129,200,179 to the provincial banks, making £402,722,681 for England and Wales; £61,087,883 to the Scotch banks, and £36,368,238 to the Irish banks. The cash in hand, at call and short notice is £188,818,062, of which £163,748,260 is in England and Wales, £18,024,608 in Scotland, and £6,816,566 in Ireland. The metropolitan and provincial banks and the purely metropolitan banks are the best equipped in this respect, the former carrying cash to the amount of £101,895,861 and the latter £28,780,013, while the purely provincial banks carry £33,072,386, a much smaller proportion of their total assets.

The National Bank of Bulgaria.

The statistical history of the National Bank of Bulgaria is set forth with interesting completeness up to the close of 1895 in one of the recent issues of the "Tabellen zur Wahrungs-Statistik," issued by the finance ministry of the Austrian Government. The total operations of the Bank were only 164,881,000 lewa in 1885, but increased in 1890 to 91,669 transactions, representing 540,364,129 lewa, and in 1895 to 231,187 transactions, representing 1,225,312,378 lewa. The lewa is the equivalent of the French franc, representing about 19.3 cents in United States gold coin. The number of pieces of paper offered for discount has increased in an even more striking manner. The whole number of pieces received in 1887 was 7,796, representing 12,692,881 lewa and the amount outstanding at the close of the year was 3,148 pieces, representing 3,640,528 lewa. The pieces discounted in 1891 had risen to 24,626, representing 29,410,907 lewa, and the amount outstanding at the close of the year was 2,570 pieces, representing 3,302,745 lewa. Discounts were greatly reduced at the close of 1891 because of some financial disturbances, having been 6,760,664 lewa at the close of 1890. A marked increase occurred in 1894, partly through a change in the classification of paper, which carried the balance at the close of the year to 17,004,362 lewa due upon 14,977 pieces of paper. The number of pieces received during 1895 was 71,160, representing 77,185,560 lewa, and the accounts at the close of the year showed 16,796 pieces, representing 15,468,438 lewa. One of the interesting phases of these discounts is the proportion of pieces of paper for small amounts. The number discounted in 1887 up to 100 lewa ($20) in amount was only 247, representing 2.61 per cent. of the number and 0.16 per cent. of the amount. This proportion increased to 1707 pieces in 1894, representing 3.18 per cent. in number and 0.20 per cent. in amount. The amount of the pieces between 100 and 500 lewa ($100) increased from 9.15 per cent. of the whole in 1887 to 11.25 per cent. in 1894. The number of pieces between 100 and 500 lewa in 1894 was 19,055, from 500 to 1,000 lewa 15,705, from 1,000 to 5,000 lewa 15,533, and above 5,000 lewa 1,682.

The Bank of Spain. The General Assembly of the shareholders of the Bank of Spain was held on March 9 under the Presidency of Senor Barzanallana, the Governor of the Bank. He referred in his opening address to the difficulties under which the Bank had labored during 1896 in order to meet at once the demands of the Government and of commerce. The issue of the domestic loan, he declared, had set in a striking light the perfect organization of the service of the Bank and the absolute confidence which it inspired. The circulation had been swelled during the year, it was pointed out, from 996,310,075 pesetas to 1,092,230,450 pesetas ($170,000,000 in gold). The metallic reserve of the Bank diminished only 6,000,000 pesetas and left a total of 501,335,432 pesetas, representing forty-eight per cent. of the note issues. The existing law requires only one-sixth of the circulation to be covered by gold, but the Bank possesses twenty-four per cent. of gold or gold bills, including bullion and foreign obligations. The total of discounts during 1896, not including those of the Treasury, was 1,486,303,560 pesetas, an increase of 477,000,000 pesetas over 1895. The advances upon securities amounted to 522,664,928 pesetas, an increase of 16,500,000 pesetas. The dividends declared were fifty pesetas per share for the first half of the year and sixty pesetas for the second half.

Banking and Financial Notes.

—The Bank of England, at a general court of the shareholders held on March 18, adopted a motion providing for the repeal of so much of the first by-law as prevents more than twenty-one of the persons who have served in the office of director the preceding year from being re-elected. The power to thus amend the by-laws was conferred upon the Bank last fall, and the amendment now adopted makes it possible to re-elect all the outgoing directors, if desired. The Governor, Mr. A. G. Sandeman, explained that it was not the purpose at present to provide for the re-election of the entire board, but that the directorate would not pledge themselves against such a policy in case it might seem desirable in the future.

—The half-yearly report of the great Hongkong and Shanghai Banking Corporation for the half-year ending December 31, 1896, shows some decline in volume of business as compared with the statement for the preceding half year. The total liabilities have fallen in the interval from $203,378,851 to $184,118,801. The principal items of liability at present are notes in circulation, $9,546,123; current accounts, $82,325,849; and fixed deposits, $59,212,894. The largest items of the assets are bills receivable, $80,217,513; bills discounted, $63,566,305; and cash, $25,765,782. The dividend of £1, 5s. per share, with the loss on exchange, absorbed most of the half-yearly earnings.

but left a balance from the preceding half year of $300,323, which was carried to the new profit and loss account.

—The disturbed conditions of South African trade were referred to at the meeting of the shareholders of the Standard Bank of South Africa on April 6, in explanation of the conservative policy of the Bank. Notwithstanding these conditions, the chairman, Sir W. C. F. Robinson, was able to report a satisfactory improvement in profits and immunity from bad debts. The liquid and readily convertible assets of the Bank amounted to £12,411,470, against liabilities to the public in respect of notes in circulation, the amount due to customers on deposit and current accounts, and drafts and acceptances outstanding, which amounted together to £15,153,438, giving a proportion of nearly eighty-two per cent. available. The gross profits, although including a somewhat smaller balance than usual brought forward, exhibited an increase of £14,677, while on the other side the charges, including salaries and all other expenses, showed a decrease of £1,155.

—The French Ministry of Finance called the attention of the Chambers before the holiday recess to the necessity of opening soon the discussion of the bill renewing the privilege of the Bank of France. There is a strong desire on the part of the ministry to have the bill enacted before July 1, and it is probable that it will be taken up promptly upon the reassembling of the Chambers this month and disposed of before the month closes. There appears to be little doubt that the bill will pass, as amended by the committee of the Chamber, by a large majority.

—The Austro-Hungarian Bank, since the completion of the negotiations for the extension of its charter, has decided to issue notes for ten and twenty crowns ($2 and $4) in accordance with the new monetary system. The crown was adopted as the basis of the coinage at the time of the monetary reform in 1892, but the florin has continued to be employed, pending the complete restoration of specie payments upon the gold basis.

The extent to which the postal Savings banks are performing banking functions in Austria-Hungary may be judged from the fact that the check section of these banks during March received 142,719,126 florins and paid out 142,224,098 florins. The total amount of deposits carried on the savings account increased by 1,207,238 florins during March and stood on April 1 at 291,638,710 florins ($145,000,000). C. A. C.

Revenue Legislation.—Late reports from Washington indicate that the silver Senators will not oppose the passage of the Dingley Tariff Bill, which has already passed the House. The measure is designed to provide revenue for the Government and to supply protection in accordance with the Republican theory. Those who do not agree with this theory contend that a better way to equalize the receipts and expenditures, especially in view of the depression in business, would have been by a reduction of the appropriations. But Congress has shown no disposition to take this view of the situation.

It is a hopeful sign that even the United States Senate has been brought to a realizing sense of the grave danger to the public credit caused by the lack of revenue. Increased taxation will be far less burdensome than the losses incident to a continued deficit in the Government's receipts.

CHARLES N. FOWLER.

HON. CHARLES N. FOWLER, of Elizabeth, New Jersey, was born at Lena, Stephenson county, Illinois, November 2, 1852, and is therefore forty-four years of age.

The first years of his life were spent upon a farm, where he worked in the summers while he attended the preparatory school at Beloit, Wisconsin, and during the four years he spent at Yale University, from which institution he graduated in 1876.

From Yale Mr. Fowler went to Chicago, where he studied law, graduating at the Chicago Law School, and was admitted to the bar at Chicago in 1878.

For five years he followed his profession in the State of Kansas with most signal success. As is now so common among those who are successful in the profession of the law, Mr. Fowler became identified with business interests which absorbed his entire time until he was elected Representative of the Eighth District of New Jersey in the Fifty-fourth Congress.

During the ten years Mr. Fowler devoted to business, to the exclusion of almost every other interest, he became familiar with the conditions and needs of every part of the United States, as he travelled much and was constantly studying the trend of financial affairs and the rapid development that went on from 1884 to 1893.

Since he is intense in his nature and persistent in his purposes, when it is known that even in his college days, he had a great fondness for political economy, sociology, and history, it is not strange that after five years of successful practice at the bar and ten years of even greater success in business life, with a thorough knowledge of business, an intimate acquaintance with all sections of our country, that he should have at once commanded the respect of his fellow members in the House and by his speeches and contributions to the press, upon the financial and currency question, attracted the attention of the whole country.

His bill for the reform of the currency system is one of the most comprehensive and complete yet formulated, and the thoroughness evidenced in its preparation shows constructive statesmanship of a high order. It has attracted wide public attention, and has commanded the favorable consideration of many merchants and bankers throughout the United States as well as others who have given thoughtful regard to the subject.

The bill introduced by Mr. Fowler is not a mere amendment to some section or part of our present faulty banking system, with a view of patching it up, but a measure involving the readjustment of our national finances and a recomposition of our currency, and yet so carefully has the practical and theoretical been blended that no shock can come to the business interests of the country during the transition from our present plan to the one proposed.

The changes to be effected are such as will eventually work almost a complete reconstruction of our currency and banking systems, placing them in line with the soundest principles derived from experience, but the steps lead-

Charles H. Rowe.

ing up to this reform are so graduated as to avoid any possible confusion or disturbance to public credit. Each new provision as it goes into effect will tend to more firmly establish every legitimate business enterprise, since it will place the credit currency (the life-blood of commerce) upon an indisputable basis, and will forever close discussion as to what is meant by a dollar.

In the preparation of a measure of fiscal reform involving such a wide departure from the existing imperfect system, and to adjust it to the needs of widely separated sections of our country with the great diversity of interests, traditional predispositions and prejudices, and the complex forms of banking organization, the utmost care has been required to meet all reasonable demands without the sacrifice of essential principles.

It is believed that Mr. Fowler's bill meets these difficult requirements. Every attempt has been made to comply with the just demands of the entire country, but no concession has been made to unsound or doubtful expedients.

There is undoubtedly a preponderance of opinion in favor of sound money, but it has heretofore failed to concentrate itself on some distinct proposition. As the measure prepared by Mr. Fowler has taken such a broad view of the needs of the whole country, and is constructed on lines of approved safety, it would seem that it affords a common ground on which all friends of sound currency may meet.

The prominent part taken by Mr. Fowler at the monetary convention held at Indianapolis in January attracted the attention of all those who are in any degree interested in this all-important question; while his address delivered before the Massachusetts Reform Club in Boston on Lincoln's Birthday, February last, was widely published throughout the country with favorable comment.

On April 17 there appeared in the "Congressional Record" a full exposition of the measure lately introduced by him which must necessarily add greatly to his reputation as a deep student, a close observer, a clear reasoner, and above all a thoroughly practical man. He has considered the questions involved so broadly, fully and repletely that every man who is studying the subject of national finance and currency should send to him for a copy of this address.

In conclusion, it is most gratifying to observe that however active Mr. Fowler has been in his various avocations of life, he has always identified himself with every public movement that has tended to improve, elevate and ameliorate the conditions of life in the community where he resides. But he has been particularly interested in the future of the boys and has done much to advance the interests of the Pingry School, a college-fitting academy of which he is President.

Should Congress pass a joint resolution authorizing the President to appoint a monetary commission, Mr. Fowler is certainly especially well fitted for appointment as one of the number.

Speaker Reed, in placing Mr. Fowler on the Banking and Currency Committee of the House, greatly promoted the cause of sound currency. His study and experience and his efforts to harmonize opposing elements and crystallize public opinion on the subject of financial reform have caused him to be a valuable member of the committee and have made his name prominent in connection with the chairmanship of the Banking and Currency Committee of the Fifty-fifth Congress.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

DISCOUNT REGISTER AND LEDGER FORMS.

Herewith are given forms for three books designed for the use of banks, viz.: Combined Discount Register and Ledger, Combined Certificate of Deposit Register and Ledger, Combined Certified Check Register and Ledger. Each form has been filled in with the entries making up a day's business in the particular account so that the workable character of the forms may be readily understood and their advantages appreciated.

The discount ledger is designed to furnish all the data usually desired in discount registers, and in addition to afford means to keep an account of notes paid each day. In actual use the notes are registered each day as taken. At the close of the day's business the total of the notes taken is carried into the balance column in black ink. Payments made on notes are entered on the right-hand side, and at the close of business each day the total of the payments for that day is carried into the balance column in red ink. The difference between the total of payments and the total of notes taken that day is added to or subtracted from the balance of the day before and the result carried down as the new balance of loans. Should any note be paid in part, that fact is noted by the letter P written in the column next to amount of payment on the right hand side and on the same line the payment appears. All payments, whether partial or whole, should be entered in column of "payment made" on the line on which that particular note is registered. An illustration of this is given. When a payment satisfies the balance of a note previously partially paid that fact can be shown by entering the letter B in the proper column.

The discount taken at the time a loan is made or a note bought is entered in the column headed "discount" and interest collected on notes not paid at maturity or on demand notes, etc., is entered in the column of "interest received." Interest received on United States bonds or other investments not carried as loans can also be entered here, if desired. The total of "discount received" and "interest received" should be carried along from day to day until the dividend period comes around, when the total should be carried to the profit and loss account and proper entries made on this book.

By the use of this form it is possible to keep three accounts on the one book. Each day's business on both sides of the ledger is shown separately and can be readily gone over by the officers and directors. The register giving the amount, date, maturity and rate of interest of each note, the directors and officers can readily calculate the amount of interest a particular note had earned when it was paid and can thus easily check the work of the discount clerk and determine whether the amount of interest entered as received

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is correct. Whether a note is paid by renewal can also be determined by an inspection of notes registered on the day the note in question was paid.

The ruling on the registry side of the book is purposely made wide so that a number of names of makers or endorsers can be entered or the post-office address recorded. The ruling is made closer on the other side so that in case credit entries on any day should exceed the debit entries the bookkeeper may equalize the difference by using the additional lines. A trial balance of the notes can be taken off by following down the column of "payments made" and listing number and amount due on each note not marked paid. This list should then be compared with the notes themselves and its correctness proved, when the total should agree with the balance shown on the ledger.

The forms for keeping certificates of deposit and certified checks are modelled on the same plan and should require no additional explanation. It will be noted that a column is provided for keeping account of interest paid on certificates and that the total is carried along from day to day to be charged to profit and loss account as a part of gross expenses when dividend period arrives. The ruling on registry side being wide, information other than the name of the payee of the certificate can be inserted.

The stamp for certifying checks should have a line for number, thus, No. ...., and the teller or officer certifying should enter the proper number on the check and register it under that number in the same manner as certificates are numbered and registered.

It is often desirable to know to whom a particular certified check is paid. A column is provided in which to enter the name of the person cashing the check. In practical use in smaller banks it will be found that one book will suffice for both time and demand certificates, the list of one kind beginning in the front of the book and of the others in the middle part.

Account of Cashier's checks can be kept in a book made on the plan of the certificate register.

These forms are not protected by copyright and may be made by any blank-book maker. Changes of the arrangement of columns or addition of other columns may be made if desired.

H. J. Whitmore, National bank examiner at Lincoln, Nebraska, in transmitting the above forms to the MAGAZINE, writes :

"I send you forms of Discount Register and Ledger ; Certificate of Deposit Register and Ledger, and Certified Check Register and Ledger.

In most of the banks outside of the larger city banks great difficulty is experienced in keeping a correct balance of discounts and certificates of deposit, and I have yet to find a good form of certified check account in use. The ordinary discount register furnishes about all the information that appears on the debit side of the form enclosed. It is thought by the addition of a few more columns the other side of the account might also be kept on the same book. The form given not only does this but also furnishes an easy way to keep discount and interest received accounts so that three accounts are kept on the same book. A ledger and register on this form shows at a glance just what each day's business in the several accounts has been. The number, date, maturity and rate of interest of notes paid being given, an easy way of checking up the work of the discount clerk is afforded. Renewals of notes also appear, by inspection. When a payment whole or partial is made on any note that fact is indicated on the debit side in the column headed "payments made" and on the credit side is a column for indicating by some sign whether a payment is whole or partial.

The lines are closer together on the credit side in order to enable the bookkeeper to keep both sides uniform. When the credit entries exceed the debits in any day the difference can be equalized by using the additional lines.

The total notes made during the day should be carried into balance column in black ink and the total of payments carried into balance column in red ink and the difference added or subtracted from the balance of the previous day and new balance carried down.

A trial balance of notes can be readily taken off by following down the column of payments made and listing number and amount of those unpaid.

The certificate of deposit register and ledger and certified check register and ledger are kept on the same principle, except that there are no partial payments to deal with. Cashier's checks can be kept in the same way. The certificate book also has a column in which to keep account of interest paid on certificates."

PROOF OF POSTINGS AND BALANCES.

Oliver J. Sands, National bank examiner at Fairmont, West Va., furnishes the following excellent form and practical suggestions for taking a daily proof of ledger postings and balances:

DAILY PROOF OF POSTINGS AND BALANCES.

BANKERS NATIONAL BANK, May 1, 1897.

Debit balance before posting.	*Credit balance before posting.*	*Debit balance after posting.*	*Credit balance after posting.*

The three-column balance ledger as shown on page 558 of the April number of the MAGAZINE is probably the most popular ledger in use to-day, but a great many officers find it difficult to get bookkeepers who can keep them in balance, and it is very hard indeed to bring the trial balance out on the first of each month without considerable checking back. The above is one of the simplest forms for proving the entire work of each day, and which if kept will relieve the bookkeeper as to all anxiety as to whether he is in balance, and also give the officers confidence in the balance as shown at each account.

In order for a bookkeeper to use this form successfully he should place a strip of thin blotting paper in the ledger wherever he has made an entry and after his balances are all extended he can run back through his ledger and take off this test sheet, and it is obvious that the differences as shown in the balances must agree with the difference between the checks and deposits.

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THE NEGOTIABLE INSTRUMENTS LAW.

The following law has been enacted in the States of New Jersey, Connecticut, and Colorado. It has also been passed by both branches of the Legislature in New York, and will no doubt be approved by the Governor. In New York it will go into effect on October 1, 1897. It has also been favorably reported by the Judiciary Committees in Michigan and Florida. It has been introduced in Massachusetts, Rhode Island, Iowa, and South Carolina.

The measure either has been, or will be, introduced in the following States: Delaware, Georgia, Maryland, Mississippi, Wisconsin, Kansas, New Hampshire, North Dakota, Wyoming, Minnesota, Nebraska, Illinois, South Dakota, Montana, Maine, Missouri, Virginia, and Vermont.

Many of the States have been waiting the action of New York, but now that the Legislature of this State has passed the bill, it will probably be enacted in the other States at the next session of their Legislatures.

The law was prepared at the direction of the Conference of Commissioners on Uniformity of Laws. These commissioners are State officers, appointed under the various State statutes for the promotion of uniformity of legislation in the United States. These commissions exist in twenty-nine different States. The commissioners hold an annual conference at which all the States having such commissions are represented.

In 1896 the Committee on Commercial Law was instructed by the conference to procure a codification of the law of Negotiable Instruments to be made. The sub-committee having charge of the matter employed John J. Crawford, Esq., of the New York bar, to draw the proposed law. The draft as prepared by Mr. Crawford, with his notes and annotations, was then sent to all the commissioners, and also to many prominent lawyers in different parts of the country, and to some of the judges and lawyers in England, and criticisms and suggestions invited. The draft was then presented to the conference which met at Saratoga in August, 1896. The conference spent several days in considering the draft, and it was then adopted.

The law has received warm commendation from the highest authorities on the subject. For example, a distinguished English lawyer, who had much to do with the preparation of the English Bills of Exchange Act, has written to the chairman of the committee as follows:

"In my opinion the language of your bill is singularly felicitous; it is more clear, concise, less stiff and artificial than that of our Bills of Exchange Act, and that in this respect (one by no means unimportant) your draft is an improvement on our Act."

The movement is one in which the banking community is particularly interested. It is of especial importance to bankers that the rules of law governing negotiable instruments should be the same in all the States.

The following annotations were prepared by Mr. Crawford, the author of the bill, expressly for the BANKERS' MAGAZINE.

A GENERAL ACT relating to negotiable instruments (being an Act to establish a law uniform with the laws of other States on that subject).

TITLE I.—NEGOTIABLE INSTRUMENTS IN GENERAL.

ARTICLE I.

Form and Interpretation.

SECTION 1. *Be it enacted, etc.*, An instrument to be negotiable must conform to the following requirements:

1. It must be in writing and signed by the maker or drawer.
2. Must contain an unconditional promise or order to pay a sum certain in money (*a*).
3. Must be payable on demand, or at a fixed or determinable future time (*b*).
4. Must be payable to the order of a specified person, or to bearer (*c*); and,
5. Where the instrument is addressed to a drawee, he must be named or otherwise indicated therein with reasonable certainty (*d*).

(*a*) This is the rule of the law merchant, and the rule which prevails in most of the States. In some States, as for example in Iowa and Georgia, certain instruments are declared by statute to be negotiable, though they provide that payment is to be made in goods or merchandise.

(*b*) As to what is a determinable future time, see Section 4.

(*c*) See Sections 8 and 9.

(*d*) See Sections 128 and 130.

Sec. 2. The sum payable is a sum certain within the meaning of this Act, although it is to be paid:

1. With interest; or
2. By stated installments; or
3. By stated installments, with a provision that upon default in payment of any installment, the whole shall become due; or
4. With exchange, whether at a fixed rate or at the current rate (*a*); or
5. With costs of collection or an attorney's fee, in case payment shall not be made at maturity (*b*).

(*a*) As to this point the authorities are now conflicting. In some States it is held that the words "with exchange" will render the instrument non-negotiable, because as the rate of exchange fluctuates, the amount to be paid is thus uncertain. In other States the contrary is held.

(*b*) The decisions are in conflict as to this point also. The rule adopted in the Act prevails in Illinois, *Dorsey* vs. *Wolff*, 142 Ill. 589; Indiana, *Stoneman* vs. *Pyle*, 35 Ind. 103; Iowa, *Bank* vs. *Marsh*, 56 N. W. Rep. 458; Alabama, *Montgomery* vs. *Crossthwait*, 90 Ala. 553; Arkansas, *Trader* vs. *Chidester*, 41 Ark. 242; Georgia, *Stapleton* vs. *Louisville Banking Co.* (Ga.), 23 S. E. Rep. 81; Louisiana, *Dietrich* vs. *Boylie*, 23 La. Amer. 767; Kansas, *Seaton* vs. *Scoville*, 18 Kans. 433, and Nebraska, *Heard* vs. *Dubuque Bank*, 8 Neb. 10. This rule has also been adopted by the United States Circuit Court of Appeals, *Nat. Bank* vs. *Sutton Mfg. Co.*, 6 U. S. App. 312, 331, 52 Fed. Rep. 191. The contrary rule that such a provision will render the instrument non-negotiable prevails in Pennsylvania, *Woods* vs. *Unth*, 84 Pa. St. 407; Missouri, *First Nat. Bank* vs. *Gay*, 63 Mo. 38; Minnesota, *Jones* vs. *Rodetz*, 27 Minn. 240; Wisconsin, *First Nat. Bank* vs. *Larsen*, 60 Wis. 206, and North Carolina, *First Nat. Bank* vs. *Bynum*, 84 N. C. 24.

Sec. 3. An unqualified order or promise to pay is unconditional within the meaning of this Act, though coupled with:

1. An indication of a particular fund out of which reimbursement is to be made, or a particular account to be debited with the amount; or
2. A statement of the transaction which gives rise to the instrument.

But an order or promise to pay out of a particular fund is not unconditional.

Sec. 4. An instrument is payable at a determinable future time, within the meaning of this Act, which is expressed to be payable:

1. At a fixed period after date or sight; or

2. On or before a fixed or determinable future time specified therein (*a*); or
3. On or at a fixed period after the occurrence of a specified event, which is certain to happen, though the time of happening be uncertain (*b*).

An instrument payable upon a contingency is not negotiable, and the happening of the event does not cure the defect.

(*a*) In such a case the legal rights of a holder are clear and certain; the note is due at a time fixed, and it is not due before. The option of the maker if exercised would be a payment in advance of the legal liability to pay, and nothing more. (See *Mattison* vs. *Marks*, 31 Mich. 421; *Smith* vs. *Ellis*, 29 Me. 422; *Riker* vs. *Sprague Mfg. Co.* 14 R. I. 402; *Kiskadden* vs. *Allen*, 7 Colorado, 206; *Jordan* vs. *Tate*, 19 Ohio St. 586; *First Nat. Bank* vs. *Skeen*, 29 Mo. App. 115.)

(*b*) Thus, a note payable on the death of A. B., or of the maker, is a good promissory note. (Byles on Bills, p. 95.)

Sec. 5. An instrument which contains an order or promise to do any act in addition to the payment of money, is not negotiable. But the negotiable character of an instrument otherwise negotiable is not affected by a provision which:

1. Authorizes the sale of collateral securities in case the instrument be not paid at maturity (*a*); or
2. Authorizes a confession of judgment if the instrument be not paid at maturity (*b*): or
3. Waives the benefit of any law intended for the advantage or protection of the obligor (*c*); or
4. Gives the holder an election to require something to be done in lieu of payment of money (*d*).

But nothing in this section shall validate any provision or stipulation otherwise illegal.

(*a*) Collateral notes are often non-negotiable, because of some provisions therein in regard to the time of payment. But a provision merely authorizing the sale of the collateral, if the note is dishonored, does not have this effect. (*Perry* vs. *Bigelow*, 128 Mass. 129.)

(*b*) Notes of this character are in common use in some parts of the country. They are not known in New York.

(*c*) Waiver of homestead rights is an illustration of a case intended to be provided for by this provision.

(*d*) An illustration of this case is the right of the holder to elect to take stock of a corporation in lieu of payment in money. (*Hodges* vs. *Shuler*, 22 N. Y. 114.) As the obligation of the maker is to pay in money, and as the payment in stock is not optional with him, the note is not within the rule that a negotiable instrument must not be payable in the alternative. (*Id.*)

Sec. 6. The validity and negotiable character of an instrument are not affected by the fact that:

1. It is not dated; or
2. Does not specify the value given, or that any value has been given therefor; or
3. Does not specify the place where it is drawn or the place where it is payable; or
4. Bears a seal (*a*); or
5. Designates a particular kind of current money in which payment is to be made (*b*).

But nothing in this section shall alter or repeal any statute requiring in certain cases the nature of the consideration to be stated in the instrument (*c*).

(*a*) The notes of corporations sometimes have the seal of the corporation affixed thereto. In a late case in New York, the Court of Appeals held that this would not destroy the negotiable character of the instrument. (*Weeks* vs. *Esler*, 143 N. Y. 374.) The rule adopted in the Act already exists by statute in the following States: Colorado, Florida, Georgia, Illinois, Kansas, Massachusetts, Nebraska, North Carolina, Ohio and Tennessee.

(*b*) For example, a note or draft payable in gold coin (*Chrysler* vs. *Griswold*, 43 N. Y.

209); or in Mexican dollars. (*Hogue* vs. *Williamson*, RHODES JOURNAL OF BANKING, Vol. xx. p. 835.)

(c) In a number of the States it is required that notes given in payment of patent rights shall have written on the face thereof "given for a patent right." So, there are statutes requiring that what are known as "Bohemian Oats" notes shall state the nature of the consideration for which they were given. (See, for example, Laws of New York, 1877, Ch. 65, and Laws of New York, 1874, Ch. 262, Sec. 1.) The provision of the Act is intended to prevent any repeal of such statutes.

Sec. 7. An instrument is payable on demand:

1. Where it is expressed to be payable on demand, or at sight (*a*) or on presentation; or
2. In which no time for payment is expressed.

Where an instrument is issued, accepted or indorsed when overdue, it is, as regards the person so issuing, accepting or indorsing it, payable on demand (*b*).

(*a*) By the law merchant there are some distinctions between instruments payable on demand and those payable at sight; as for example in the matter of days of grace. (See Daniel on Negotiable Instruments, sections 617-619, and numerous cases there cited.) The proposed Act abolishes all these distinctions.

(*b*) See *Light* vs. *Kingsbury*, 50 Mo. 331; *Bassenhorst* vs. *Wilby*, 48 Ohio St. 333; *Smith* vs. *Cord*, 9 Oregon, 278; Daniel on Neg. Inst. sections 611, 996.

Sec. 8. The instrument is payable to order where it is drawn payable to the order of a specified person or to him or his order (*a*). It may be drawn payable to the order of:

1. A payee who is not maker, drawer or drawee; or
2. The drawer or maker; or
3. The drawee; or
4. Two or more payees jointly; or
5. One or some of several payees (*b*); or
6. The holder of an office for the time being (*c*).

Where the instrument is payable to order the payee must be named or otherwise indicated therein with reasonable certainty (*d*).

(*a*) An instrument payable to a specified person without the addition of the word "order," or some other word of similar import, is not negotiable. (Byles on Bills, p. 83; *Smith* vs. *Kendall*, 6 T. R. 123; *Maule* vs. *Crawford*, 14 Hun, 193.)

The English Bills of Exchange Act provides that "a bill is payable to order which is expressed to be so payable, or which is expressed to be payable to a particular person, and does not contain words prohibiting transfer or indicating an intention that it should not be transferable." But this change in the law was not deemed advantageous, and has not been adopted.

(*b*) Illustration: A draft payable to A, B and C, or either of them, or any two of them.

(*c*) For example, a note payable to three persons as trustees of an incorporated association, *or their successors in office*, is negotiable. (*Davis* vs. *Gore*, 6 N. Y. 124.)

(*d*) The payee need not be designated by name. If his identity can be ascertained with certainty, it is sufficient. (*United States* vs. *White*, 2 Hill, 59; *Blackman* vs. *Lehman*, 63 Ala. 547.)

Sec. 9. The instrument is payable to bearer:

1. When it is expressed to be so payable; or
2. When it is payable to a person named therein or bearer; or
3. When it is payable to the order of a fictitious or non-existing person, and such fact was known to the person making it so payable (*a*); or
4. When the name of the payee does not purport to be the name of any person (*b*); or
5. When the only or last indorsement is an indorsement in blank.

(*a*) A number of cases have arisen lately where the maker or indorser of the paper had made the same payable to a fictitious person, supposing such payee or indorsee to be an existing person; and the questions have been much discussed whether in such case the paper

was to be deemed payable to bearer, so as to exonerate the bank which paid the same. The rule adopted in all these cases is that stated in the Act. As said by the Court of Appeals of New York: "The maker's intention is the controlling consideration which determines the character of such paper. It cannot be treated as payable to bearer unless the maker knows the payee to be fictitious, and actually intends to make the paper payable to a fictitious person." (*Shipman* vs. *Nat. Bank of Commerce*, 126 N. Y. 318.)

To the same effect is the decision of the Supreme Court of Ohio in the case of *Armstrong* vs. *Bank* (46 Ohio, St. 412); the Supreme Court of Tennessee in *Chism* vs. *First National Bank of New York* (53 BANKERS' MAGAZINE, p. 136), and the English courts in *Bank of England* vs. *Vagliano* ([1891] App. Cas. 107).

As the result of this rule, an indorsement of the instrument in the name of such fictitious person is regarded as a forgery; and the bank or person paying such instrument is not protected in so doing.

(*b*) Illustrative. Check payable to "Cash," or to "Sundries," etc.

Sec. 10. The negotiable instrument need not follow the language of this Act, but any terms are sufficient which clearly indicate an intention to conform to the requirements hereof.

Sec. 11. Where the instrument or an acceptance or any indorsement thereon is dated, such date is deemed *prima facie* to be the true date of the making, drawing, acceptance or endorsement as the case may be.

Sec. 12. The instrument is not invalid for the reason only that it is ante-dated or post-dated, provided this is not done for an illegal or fraudulent purpose. The person to whom an instrument so dated is delivered acquires the title thereto as of the date of delivery (*a*).

(*a*) *Passmore* vs. *North*, 13 East. 517; *Brewster* vs. *McCordle*, 8 Wend. 478; *Bayley* vs. *Taber*, 5 Mass. 286.

Sec. 13. Where an instrument expressed to be payable at a fixed period after date is issued undated, or where the acceptance of an instrument payable at a fixed period after sight is undated, any holder may insert therein the true date of issue or acceptance, and the instrument shall be payable accordingly. The insertion of a wrong date does not avoid the instrument in the hands of a subsequent holder in due course; but as to him, the date so inserted is to be regarded as the true date (*a*).

(*a*) *Mitchell* vs. *Culver*, 7 Cowen (N. Y.), 336.

Sec. 14. Where the instrument is wanting in any material particular, the person in possession thereof has a *prima facie* authority to complete it by filling up the blanks therein (*a*). And a signature on a blank paper delivered by the person making the signature in order that the paper may be converted into a negotiable instrument operates as a *prima facie* authority to fill it up as such for any amount (*b*). In order, however, that any such instrument when completed may be enforced against any person who became a party thereto prior to its completion, it must be filled up strictly in accordance with the authority given and within a reasonable time. But if any such instrument, after completion, is negotiable to a holder in due course it is valid and effectual for all purposes in his hands, and he may enforce it as if it had been filled up strictly in accordance with the authority given and within a reasonable time (*c*).

(*a*) *Bank of Pittsburgh* vs. *Neal*, 22 How. 96; *Mitchell* vs. *Culver*, 7 Cowen, 336; *Kitchen* vs. *Place*, 41 Barb. 465.

(*b*) *Russel* vs. *Langstaffe*, 2 Doug. 514; *Collis* vs. *Emett* 1 H. Black. 313.

(*c*) *Schultz* vs. *Astley*, 2 Bing. N. C. 544; *Van Duzer* vs. *Howe*, 21 N. Y. 531; *Garrard* vs. *Hadden*, 67 Pa. St. 82; *Frank* vs. *Lilienfeld*, 33 Grat. 384; *Redlich* vs. *Dall*, 54 N. Y. 234.

Sec. 15. Where an incomplete instrument has not been delivered it will not, if completed and negotiated, without authority, be a valid contract in the hands of any holder, as against any person whose signature was placed thereon before delivery (*a*).

(*a*) There is no conflict between this section and the two preceding sections, which apply only where there has been a valid delivery of an incomplete instrument. The rule is that "a

negotiable instrument must be a complete and perfect instrument when it is issued, or there must be authority reposed in some one, afterwards, to supply anything needed to make it perfect." (*Sedgwick* vs. *McKim*, 53 N. Y. 307, 313; *Davis Sewing Machine Co.* vs. *Best*, 105 N.Y. 59, 67.) And mere negligence on the part of the person sought to be held liable will not be sufficient to entitle the holder to recover of him on the instrument. (*Baxendale* vs. *Bennett*. L. R. 3 Q. B. Div. 525.) By the next section it is provided that where the instrument has been fully completed by the maker a valid delivery in favor of a *bona fide* holder for value will be conclusively presumed.

Sec. 16. Every contract on a negotiable instrument is incomplete and revocable until delivery of the instrument for the purpose of giving effect thereto. As between immediate parties, and as regards a remote party other than a holder in due course, the delivery, in order to be effectual, must be made either by or under the authority of the party making, drawing, accepting or indorsing, as the case may be; and in such case the delivery may be shown to have been conditional, or for a special purpose only, and not for the purpose of transferring the property in the instrument. But where the instrument is in the hands of a holder in due course, a valid delivery thereof by all parties prior to him so as to make them liable to him, is conclusively presumed. And where the instrument is no longer in the possession of a party whose signature appears thereon, a valid and intentional delivery by him is presumed until the contrary is proved (*a*).

(*a*) See note to preceeding section.

Sec. 17. Where the language of the instrument is ambiguous, or there are omissions therein. the following rules of construction apply:

1. Where the sum payable is expressed in words and also in figures and there is a discrepancy between the two, the sum denoted by the words is the sum payable; but if the words are ambiguous or uncertain, references may be had to the figures to fix the amount.
2. Where the instrument provides for the payment of interest, without specifying the date from which interest is to run, the interest runs from the date of the instrument, and if the instrument is undated, from the issue thereof.
3. Where the instrument is not dated; it will be considered to be dated as of the time it was issued (*a*).
4. Where there is conflict between the written and printed provisions of the instrument, the written provisions prevail (*b*).
5. Where the instrument. is so ambiguous that there is doubt whether it is a bill or note, the holder may treat it as either, at his election (*c*).
6. Where a signaturc is so placed upon the instrument that it is not clear in what capacity the person making the same intended to sign, he is to be deemed an indorser (*d*).
7. Where an instrument containing the words, "I promise to pay," is signed by two or more persons, they are deemed to be jointly and severally liable thereon.

(*a*) *Kniseley* vs. *Sampson*, 100 Ill. 574.
(*b*) This is a general rule applicable to all contracts.
(*c*) *Heise* vs. *Bumpass*, 40 Ark. 547.

Where the instrument ran "On demand, I Promise to pay A. B., or bearer, the sum of fifteen pounds, value received," and was addressed in the margin to one J. Bell, who wrote upon it, "Accepted, J. Bell," it was considered to be in effect the note of Bell, as it contained a promise to pay, although, in terms, it was an acceptance. (*Block* vs. *Bell*, 1 M. & R. 149.)

Where the instrument was in the following form: "London, August 5, 1833. Three months after date, I promise to pay Mr. John Bury or order forty-four pounds, eleven shillings and five pence, value received, John Bury," and was addressed in the lower left hand corner "J. B. Grutherot, 35 Montague Place, Bedford Place," and Grutherot's name was written across the face as an acceptance, and Bury's name across the back as an indorsement.

it was held that Bury might be held either as the drawer of the bill against Grutherot or as the maker of the note, and therefore was bound without notice of dishonor. (*Edis* vs. *Bury*, 6 Barn. & Cres. 433.)

In another case the instrument ran "two months after date, I promise to pay A. B. or order, ninety-nine pounds, H. Oliver," and was addressed to J. E. Oliver and accepted by him. The Court said: "It is not unjust to presume that it was drawn in this form for the purpose of suing upon it either as a promissory note or as a bill of exchange." (18 Q. B. 471.)

(*d*) For example, if a person should write his name across the face of a note, he would under this provision be deemed an indorser. There are some cases which hold that in such case he would be deemed a joint maker. It is, perhaps, not very important which view is adopted, so that the rule upon the subject is fixed and certain. Throughout the Act it has been the policy to make all irregular parties indorsers. (See Sec. 64.)

Sec. 18. No person is liable on the instrument whose signature does not appear thereon, except as herein otherwise expressly provided (*a*). But one who signs in a trade or assumed name will be liable to the same extent as if he had signed in his own name.

(*a*) This saving clause is to cover the case provided for in Sec. 20. See note to that section.

Sec. 19. The signature of any party may be made by a duly authorized agent. No particular form of appointment is necessary for this purpose; and the authority of the agent may be established as in other cases of agency.

Sec. 20. Where the instrument contains, or a person adds to his signature, words indicating that he signs for or on behalf of a principal, or in a representative capacity, he is not liable on the instrument if he was duly authorized; but the mere addition of words describing him as an agent, or as filling a representative character, without disclosing his principal, does not exempt him from personal liability (*a*).

(*a*) The words "if he was duly authorized" were inserted at the conference of the Commissioners on Uniformity of Laws. They were not in the draft of the Act as submitted. Their probable effect is, that if the person signing on behalf of his principal is not authorized to bind his principal he will himself be liable *as a party to the instrument*. This will effect a change in the law in many States. Undoubtedly such a person would be liable now to a person injured by his misrepresentation of his authority; but he would not be liable on the instrument.

Sec. 21. A signature by "procuration" operates as notice that the agent has but a limited authority to sign, and the principal is bound only in case the agent in so signing acted within the actual limits of his authority (*a*).

(*a*) The words "per procuration" have a special technical significance. They are an express intimation of a special and limited authority; and a person taking a bill so drawn, accepted or indorsed, is bound to inquire into the extent of the authority. (Byles on Bills 33.) The term is seldom, if ever, used in this country.

Sec. 22. The indorsement or assignment of the instrument by a corporation or by an infant passes the property therein, notwithstanding that from want of capacity the corporation or infant may incur no liability thereon.

Sec. 23. Where a signature is forged or made without the authority of the person whose signature it purports to be, it is wholly inoperative, and no right to retain the instrument, or to give a discharge therefor, or to enforce payment thereof against any party thereto can be acquired through or under such signature, unless the party, against whom it is sought to enforce such right, is precluded from setting up the forgery or want of authority (*a*).

(*a*) Cases sometimes arise where parties are estopped to dispute the genuineness of their signatures. Thus, where a customer has been guilty of negligence in examining the account and vouchers returned to him by his bank, he will not be permitted to dispute the account because some of the checks are forgeries. (*Leather Manufacturers' Nat. Bank* vs. *Morgan*, 117 U. S. 96.)

ARTICLE II.

Consideration.

Sec. 24. Every negotiable instrument is deemed *prima facie* to have been issued for a valuable consideration, and every person whose signature appears thereon to have become a party thereto for value (*a*).

(*a*) This is one of the most important characteristics of negotiable instruments. By the law merchant it does not apply to instruments which are non-negotiable.

Sec. 25. Value is any consideration sufficient to support a simple contract. An antecedent or pre-existing debt constitutes value (*a*); and is deemed such whether the instrument is payable on demand or at a future time.

(*a*) This is the rule of the Supreme Court of the United States. (*Railroad Company* vs. *National Bank*, 102 U. S. 14.) It is also the English rule. The State decisions are very conflicting. (See numerous cases collected in Daniel on Neg. Inst. Sections 827–832.) The New York rule has produced many subtle refinements, and it is impossible to reconcile all the decisions of the New York courts.

Sec. 26. Where value has at any time been given for the instrument, the holder is deemed a holder for value in respect to all parties who became such prior to that time (*a*).

(*a*) See in this connection Section 58.

Sec. 27. Where the holder has a lien on the instrument, arising either from contract or by implication of law, he is deemed a holder for value to the extent of his lien (*a*).

(*a*) A bank has a lien on the securities of its customers in its possession for a general balance of account. (*Bank of Metropolis* vs. *New England Bank*, 1 Howard [U. S.] 234.) Hence under this section it would be a holder for value to the extent of such lien.

Sec. Absence or failure of consideration is matter of defense as against any person not a holder in due course, and partial failure of consideration is a defense *pro tanto* whether the failure is an ascertained and liquidated amount or otherwise (*a*).

(*a*) As to what is necessary to constitute one a holder in due course, see Sections 52–56.

Sec. 29. An accommodation party is one who has signed the instrument as maker, drawer, acceptor, or indorser, without receiving value therefor, and for the purpose of lending his name to some other person. Such a person is liable on the instrument to a holder for value, notwithstanding such holder at the time of taking the instrument knew him to be only an accommodation party.

ARTICLE III.

Negotiation.

Sec. 30. An instrument is negotiated when it is transferred from one person to another in such manner as to constitute the transferee the holder thereof if payable to bearer it is negotiated by delivery (*a*); if payable to order (*b*) it is negotiated by the indorsement of the holder completed by delivery (*c*).

(*a*) As to what instruments are payable to bearer, see Sec. 9.
(*b*) As to what instruments are payable to order, see Sec. 8.
(*c*) By Section 18 delivery is conclusively presumed in favor of a holder in due course.

Sec. 31. The indorsement must be written on the instrument itself or upon a paper attached thereto (*a*). The signature of the indorser, without additional words, is a sufficient indorsement.

(*a*) *Crosby* vs. *Roub*, 16 Wis. 616; *Folger* vs. *Chase*, 18 Pick. 63; *French* vs. *Turner*, 15 Ind. 59. The rule as commonly stated is, that where there is not room on the bill, the indorsement may be on an allonge. But it is not necessary that there should be a physical impossibility of writing the indorsement on the instrument itself; it may be on an allonge, whenever the necessity or convenience of the parties require it. (See cases above cited.) Besides, any

such statement of the rule would give rise to a question of fact which might be determined variously.

Sec. 32. The indorsement must be an indorsement of the entire instrument. An indorsement, which purports to transfer to the indorsee a part only of the amount payable, or which purports to transfer the instrument to two or more indorsees severally, does not operate as a negotiation of the instrument (*a*). But where the instrument has been paid in part, it may be indorsed as to the residue.

(*a*) For example, where a note for $500 was indorsed, "Pay to L. four hundred dollars out of this note," it was held that L. could not recover such amount from the maker. (*Lindsay* vs. *Price*, 33 Tex. 282.) Where two indorsements for parts of the amount were made, they were held invalid, though together they purported to transfer the whole. (*Hughes* vs. *Kiddell*, 2 Bay [Del.] 324.)

Sec. 33. An indorsement may be either in blank or special; and it may also be either restrictive or qualified, or conditional.

Sec. 34. A special indorsement specifies the person to whom, or to whose order, the instrument is to be payable; and the indorsement of such indorsee is necessary to the further negotiation of the instrument. An indorsement in blank specifies no indorsee, and an instrument so indorsed is payable to bearer, and may be negotiated by delivery.

Sec. 35. The holder may convert a blank indorsement into a special indorsement by writing over the signature of the indorser in blank any contract consistent with the character of the indorsement (*a*).

(*a*) Thus, he might write over it a special indorsement to himself or to some other person. But he could not write over it a contract of guaranty; for the effect of this would be to deprive the indorser of his right of notice in case of non-payment. (*Belden* vs. *Hann*, 61 Iowa 42.) Such a contract would be inconsistent with the character of the indorsement.

Sec. 36. An indorsement is restrictive which either:

1. Prohibits the further negotiation of the instrument (*a*); or
2. Constitutes the indorsee the agent of the indorser (*b*); or
3. Vests the title in the indorsee in trust for or to the use of some other person (*c*). But the mere absence of words implying power to negotiate does not make an indorsement restrictive (*d*).

(*a*) "Pay Bank of A only" would be such an indorsement as is meant here.

(*b*) This is the effect of the ordinary indorsement "for collection," or "for collection and credit."

(*c*) Illustration. Pay A for account of B. In such case the title passes to A; but the indorsement is restrictive to the extent that it gives notice that the instrument cannot be negotiated by A for his own debt or for his own benefit. (*Hook* vs. *Pratt*, 78 N. Y. 371, 375.)

(*d*) Thus, if the instrument is drawn to the order of A, his indorsement "Pay to B" does not restrict the further negotiation of the instrument, though the words "or order" are not included in the indorsement. (See *Leavitt* vs. *Putnam*, 3 N. Y. 494.)

Sec. 37. A restrictive indorsement confers upon the indorsee the right:

1. To receive payment of the instrument.
2. To bring any action thereon that the indorser could bring (*a*).
3. To transfer his rights as such indorsee, where the form of the indorsement authorizes him to do so.

But all subsequent indorsees acquire only the title of the first indorsee under the restrictive indorsement.

(*a*) This enables a bank to sue in its own name on paper indorsed to it "for collection." As to whether this may now be done there is some conflict in the authorities. The right is sustained by *Wilson* vs. *Tolson*, 79 Ga. 137; *Cummings* vs. *Kohn*, 12 Mo. App. 585; *Wintermu:s* vs. *Torrent*, 83 Mich. 555; *Contra—Rock Co. Nat. Bank* vs. *Hollister*, 21 Minn. 385.

Sec. 38. A qualified indorsement constitutes the indorser a mere assignor of the title to the instrument. It may be made by adding to the indorser's signature the words "without recourse" or any words of similar import. Such an indorsement does not impair the negotiable character of the instrument

Sec. 39. Where an indorsement is conditional, a party required to pay the instrument may disregard the condition, and make payment to the indorsee or his transferee, whether the condition has been fulfilled or not (*a*). But any person to whom an instrument so indorsed is negotiated, will hold the same, or the proceeds thereof, subject to the rights of the person indorsing conditionally.

(*a*) The first sentence is the same as Section 33 of the English Bills of Exchange Act with a slight modification. In his note to that section Judge Chalmers says: "This section alters the law. It was formerly held that if a bill was indorsed conditionally, the acceptor paid it at his peril if the condition was not fulfilled. This was hard on him. If he dishonored the bill he might be liable to damages, and yet it might be impossible for him to find out if the condition had been fulfilled." (See Daniel on Neg. Inst. Sections 697, 698a.) There appear to be no American cases upon the subject; and the only English case is *Robertson* vs. *Kensington* (4 Taunt. 30).

Sec. 40. Where an instrument, payable to bearer, is indorsed specially, it may nevertheless be further negotiated by delivery (*a*); but the person indorsing specially is liable as indorser to only such holders as make title through his indorsement.

(*a*) See *Johnson* vs. *Mitchell*, 50 Tex. 212; *Smith* vs. *Clarke*, Peake, 225; Daniel on Neg. Inst. Sections 663a, 696.

Sec. 41. Where an instrument is payable to the order of two or more payees or indorsees who are not partners, all must indorse, unless the one indorsing has authority to indorse for the others.

Sec. 42. Where an instrument is drawn or indorsed to a person as "Cashier" or other fiscal officer of a bank or corporation, it is deemed *prima facie* to be payable to the bank or corporation of which he is such officer; and may be negotiated by either the indorsement of the bank or corporation, or the indorsement of the officer (*a*).

(*a*) It is common practice for banks to indorse in this manner paper remitted for collection. The rule above stated as to indorsements to Cashiers of banks is supported by the following cases: *Bank of the State* vs. *Muskingum Bank*, 29 N. Y. 619; *First Nat. Bank* vs. *Hall*, 44 N. Y. 395; *Bank of Genesee* vs. *Patchin Bank*, 19 N. Y. 312; *Folger* vs. *Chase*, 18 Pick. 63; *Farmers' etc. Bank* vs. *Troy City Bank*, 1 Dough. (Mich.) 457; *Watervliet Bank* vs. *White*, 1 Denio, 608.

The Commissioners deemed it wise to extend the rule to all fiscal officers of corporations. Under this provision an indorsement to the Treasurer of a Savings bank would make the paper payable to the bank. So of an indorsement to the Secretary of a trust company.

Sec. 43. Where the name of a payee or indorsee is wrongly designated or misspelled, he may indorse the instrument as therein described, adding, if he think fit, his proper signature.

Sec. 44. Where any person is under obligation to indorse in a representative capacity, he may indorse in such terms as to negative personal liability.

Sec. 45. Except where an indorsement bears date after the maturity of the instrument, every negotiation is deemed *prima facie* to have been effected before the instrument was overdue.

Sec. 46. Except where the contrary appears every indorsement is presumed *prima facie* to have been made at the place where the instrument is dated (*a*).

(*a*) As each indorsement is deemed a new contract, the question as to where it was made often becomes one of importance.

Sec. 47. An instrument negotiable in its origin continues to be negotiable until it has been restrictively indorsed or discharged by payment or otherwise (*a*).

(*a*) As to what will constitute a restrictive indorsement, see Sec. 36.

Sec. 48. The holder n ay at any time strike out any indorsement which is not necessary to his title. The indorser whose indorsement is struck out, and all indorsers subsequent to him, are thereby relieved from liability on the instrument.

Sec. 49. Where the holder of an instrument payable to his order transfers it for value without indorsing it, the transfer vests in the transferee such title as the transferer had therein, and the transferee acquires, in addition, the right to have the indorsement of the transferer (*a*). But for the purpose of determining whether the transferee is a holder in due course, the negotiation takes effect as of the time when the indorsement is actually made (*b*).

(*a*) Thus, the purchaser of a certified check, payable to order, who obtains title without the indorsement of the payee, holds it subject to all equities between the original parties, although he paid full consideration, without notice. (*Goshen National Bank* vs. *Bingham*, 118 N. Y. 349.) And an intention on the part of the payee and transferee to have the paper indorsed is not sufficient, at least in the absence of an express agreement to indorse. It is the act of indorsement, not the intention, which negotiates the instrument. (*Id.*)

(*b*) An indorsement after notice of a defense, does not relate back to the transfer, so as to cut off intervening rights and remedies. (*Id.*)

Sec. 50. Where an instrument is negotiated back to a prior party, such party may, subject to the provisions of this Act, reissue and further negotiate the same. But he is not entitled to enforce payment thereof against any intervening party to whom he was personally liable.

ARTICLE IV.

Rights of the Holder.

Sec. 51. The holder of a negotiable instrument may sue thereon in his own name; and payment to him in due course discharges the instrument.

Sec. 52. A holder in due course is a holder who has taken the instrument under the following conditions:

1. That the instrument is complete and regular upon its face (*a*).
2. That he became the holder of it before it was overdue, and without notice that it had been previously dishonored, if such was the fact.
3. That he took it in good faith and for value (*b*).
4. That at the time it was negotiated to him he had no notice of any infirmity in the instrument or defect in the title of the person negotiating it (*c*).

(*a*) As to incomplete instruments, and the authority to fill up blanks therein, see Sec. 3.

(*b*) As to what will constitute value, see Sec. 25. *Prima facie* value is presumed. (See Sec. 24.)

(*c*) As to what is necessary to constitute notice, see Sec. 56.

Sec. 53. Where an instrument payable on demand is negotiated an unreasonable length of time after its issue, the holder is not deemed a holder in due course (*a*).

(*a*) As to what is a reasonable time will depend upon the facts of the particular case. (See Sec. 193.) No absolute measure can be fixed. A day or two (*Field* vs. *Nickerson*, 13 Mass. 131, 137.) Seven days. (*Thurston* vs. *McKenn*, 6 Mass. 428.) And even a month (*Ranger* vs. *Cory*. 1 Metc. 369), is not too long. While eight months (*American Bank* vs. *Jenness*, 2 Metc. 288; *Ayres* vs. *Hutchins*, 4 Mass. 370); three months and a half (*Stevens* vs. *Brice*, 21 Pick. 193), and even two months and a half (*Losee* vs. *Durkin*, 7 J. R. 70; and *Sice* vs. *Cunningham*, 1 Cowen, 397, 404), have been deemed sufficient to discredit a note.

Sec. 54. Where the transferee receives notice of any infirmity in the instrument or defect in the title of the person negotiating the same before he has paid the full amount agreed to be paid therefor, he will be deemed a holder in due course only to the extent of the amount theretofore paid by him (*a*).

(*a*) On this point there is some conflict in the authorities. The rule adopted in the Act is that of the Supreme Court of the United States. (*Dresser* vs. *Mo. Etc. R. R. Const. Co.* 93 U. S. 93.)

Sec. 55. The title of a person who negotiates an instrument is defective within the meaning of this Act when he obtained the instrument, or any signature thereto, by fraud, duress, or force and fear, or other unlawful means, or for an illegal consideration, or when he negotiates it in breach of faith, or under such circumstances as amount to a fraud.

Sec. 56. To constitute notice of an infirmity in the instrument or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith (*a*).

(*a*) This is now the generally accepted view of the courts. (*Murray* vs. *Lardner*, 2 Wall. 110; *Swift* vs. *Smith*, 102 U. S. 442; *Belmont* vs. *Hoge*, 35 N. Y. 65; *Welsh* vs. *Sage*, 47 N. Y. 143; *Nat. Bank of Republic* vs. *Young*, 41 N. J. Eq. 531; *Fifth Ward Sav. Bank* vs. *First Nat. Bank*, 48 N. J. Law, 513; *Credit Company* vs. *Howe Machine Co.* 54 Conn. 357; *Morton* vs. *N. A. & Selma Ry. Co.* 79 Ala. 590.)

The experience of the commercial world, and of the courts before which the different doctrines have been discussed, have satisfied jurists, as well as men of business, that the interests of commerce are subserved by the liberal view which promotes the circulation of negotiable instrument, and that the *bona fides* of the transaction should be the decisive test of the holder's rights. (Daniel on Negotiable Instruments, Sec. 775.)

Sec. 57. A holder in due course holds the instrument free from any defect of title of prior parties, and free from defenses available to prior parties among themselves, and may enforce payment of the instrument for the full amount thereof (*a*) against all parties liable thereon.

(*a*) This is the rule of the Supreme Court of the United States. (*Cromwell* vs. *County of Sac*, 96 U. S. 60.) There is considerable conflict in the decisions of the State courts. Under this rule the holder may recover the face value of the instrument from the maker or acceptor, whatever may have been its original infirmity, though he may have paid less than such amount for it. But where he has paid only part of the amount agreed to be paid for the instrument, he will not be protected as to any amount paid after receiving such notice, and as to any amount paid after that time he is not a holder in due course. (See Sec. 54.)

Sec. 58. In the hands of any holder other than a holder in due course, a negotiable instrument is subject to the same defenses as if it were non-negotiable (*a*). But a holder who derives his title through a holder in due course, and who is not himself a party to any fraud or illegality affecting the instrument, has all the rights of such former holder in respect of all parties prior to the latter (*b*).

(*a*) It was not deemed expedient to make provision as to what equities the transferee will be subject to; for the matter may be affected by the statutes of the various States relating to set-off and counterclaim. On the question whether only such equities may be asserted as attach to the bill, or whether equities arising out of collateral matters may also be asserted, the decisions are conflicting. In an Act designed to be uniform in the various States, no more can be done than fix the rights of holders in due course.

(*b*) Thus, if A gives to B his note, and C becomes the holder thereof in due course, any subsequent holder could stand on C's title and enforce note against A. Though before taking the same he had notice of a defense that A had to the note as against B. But if, in the case supposed, the note should be indorsed by C to D, and by the latter to E, and by him to F, under circumstances which would give D a defense as a party thereto, then if F had notice of the equities of both A and D he could enforce the note against A, but not against D.

Sec. 59. Every holder is deemed *prima facie* to be a holder in due course; but when it is shown that the title of any person who has negotiated the instrument was defective, the burden is on the holder to prove that he or some person under whom he claims acquired the title as a holder in due course. But the last-mentioned rule does not apply in favor of a party who became bound on the instrument prior to the acquisition of such defective title (*a*).

(*a*) The last sentence is necessary to qualify the general statement. If A issues his note to B, and C gets possession of it and fraudulently negotiates it to D, the fraud of C in nowise affects A, and is no defense to him when sued on the instrument by D.

ARTICLE V.

Liabilities of Parties.

Sec. 60. The maker of a negotiable instrument by making it engages that he will pay it according to its tenor; and admits the existence of the payee and his then capacity to indorse (*a*).

(*a*) If the payee is a fictitious, or non-existing person, the instrument is payable to bearer. (Sec. 9.)

Sec. 61. The drawer by drawing the instrument admits the existence of the payee and his then capacity to indorse; and engages that on due presentment the instrument will be accepted or paid, or both, according to its tenor, and that if it be dishonored, and the necessary proceedings on dishonor be duly taken, he will pay the amount thereof to the holder, or to any subsequent indorser who may be compelled to pay it. But the drawer may insert in the instrument an express stipulation negativing or limiting his own liability to the holder.

Sec. 62. The acceptor by accepting the instrument engages that he will pay it according to the tenor of his acceptance; and admits:

1. The existence of the drawer, the genuineness of his signature, and his capacity and authority to draw the instrument; and
2. The existence of the payee and his then capacity to indorse (*a*).

(*a*) The acceptance does not admit the genuineness of an indorsement on the instrument.

Sec. 63. A person placing his signature upon an instrument otherwise than as maker, drawer, or acceptor is deemed to be an indorser, unless he clearly indicates by appropriate words his intention to be bound in some other capacity (*a*).

(*a*) See Sec. 17, sub. 6, and note. There is nothing in either section to preclude a party from assuming liability such as guarantor, etc. Thus, if he were to place above his signature the words, "I guarantee the payment of the within note," he would not be deemed an indorser but a guarantor.

Sec. 64. Where a person, not otherwise a party to an instrument, places thereon his signature in blank before delivery, he is liable as indorser in accordance with the following rules:

1. If the instrument is payable to the order of a third person, he is liable to the payee and to all subsequent parties.
2. If the instrument is payable to the order of the maker or drawer, or is payable to bearer, he is liable to all parties subsequent to the maker or drawer.
3. If he signs for the accommodation of the payee, he is liable to all parties subsequent to the payee.

Sec. 65. Every person negotiating an instrument by delivery or by a qualified indorsement (*a*), warrants:

1. That the instrument is genuine and in all respects what it purports to be.
2. That he has a good title to it.
3. That all prior parties had capacity to contract,
4. That he has no knowledge of any fact which would impair the validity of the instrument or render it valueless.

But when the negotiation is by delivery only, the warranty extends in favor of no holder other than the immediate transferee.

The provisions of subdivision three of this section do not apply to persons negotiating public or corporate securities, other than bills and notes.

(*a*) As to what will constitute a qualified indorsement, see Sec. 38.

Sec. 66. Every indorser who indorses without qualification warrants to all subsequent holders in due course (*a*):

1. The matters and things mentioned in subdivisions one, two and three of the next preceding section; and
2. That the instrument is at the time of his indorsement valid and subsisting.

And, in addition, he engages that on due presentment, it shall be accepted or paid, or both, as the case may be, according to its tenor, and that if it be dishonored, and the necessary proceedings on dishonor be duly taken, he will pay the amount thereof to the holder, or to any subsequent indorser who may be compelled to pay it.

(a) This section makes an important change in the law, and a change which especially affects banks. The provision is general, and no exception is made of indorsers to whom the instrument has been indorsed restrictively. Hence, the indorsement of a bank is a warranty of the genuineness of the instrument, etc., though the indorsement to such bank was "for collection" or "for deposit." This was commonly supposed to be the rule prior to the decision of the New York Court of Appeals in *Nat. Park Bank* vs. *Seaboard Nat. Bank* (114 N. Y 28). A great deal of practical inconvenience has resulted from the rule adopted in that case. Its effect has been to abolish, to a large extent, the use of the indorsement "for collection." This last form is necessary for the protection of the owner of paper forwarded for collection; and the convenience of the business community requires that it may be used without limiting the liabilities of subsequent indorsers.

Sec. 67. Where a person places his indorsement on an instrument negotiable by delivery he incurs all the liabilities of an indorser (*a*).

(a) The holder of paper payable to bearer and indorsed may sue upon it as bearer or indorsee at his election. (Daniel on Negotiable Instruments, Sec. 668*a*; 8 Kent's Comm. 44.) In some of the States a note payable to a designated payee or bearer cannot be negotiated except by the indorsement of such person. (See *Garvin* vs. *Wiswell*, 83 Ill. 218; *Blackman* vs. *Lehman*, 63 Ala. 547.)

Sec. 68. As respects one another, indorsers are liable *prima facie* in the order in which they indorse; but evidence is admissible to show that as between or among themselves they have agreed otherwise. Joint payees or joint indorsees who indorse are deemed to indorse jointly and severally (*a*).

(a) The rule now is that joint payees who indorse are liable only jointly. This sometimes causes considerable practical inconvenience in enforcing payment, and the Commissioners thought it wise to make the liability several as well as joint.

Sec. 69. Where a broker or other agent negotiates an instrument without indorsement, he incurs all the liabilities prescribed by Section sixty-five of this Act, unless he discloses the name of his principal, and the fact that he is acting only as agent (*a*).

(a) See *Meridan Nat. Bank* vs. *Gallaudet*, 120 N. Y. 298: *Cabot Bank* vs. *Morton*, 4 Gray, 156: *Worthington* vs. *Cowles*, 112 Mass. 30.

ARTICLE VI.

Presentment for Payment.

Sec. 70. Presentment for payment is not necessary in order to charge the person primarily on the instrument; but if the instrument is, by its terms, payable at a special place, and he is able and willing to pay it there at maturity, such ability and willingness are equivalent to a tender of payment upon his part (*a*). But except as herein otherwise provided, presentment for payment is necessary in order to charge the drawer and indorsers.

(a) The rule adopted generally in the United States is that where a note is made payable at a particular bank or other place, or a bill of exchange is drawn or accepted payable in like manner, it is not necessary in order to recover of the maker or acceptor, to aver or prove presentment or demand of payment at such place on the day the instrument became due or afterwards. The only consequence of a failure to make such presentment is that the maker or acceptor if he was ready at the time and place to make the payment may plead the matter in bar of damages and costs. (*Hills* vs. *Place*, 48 N. Y. 520, 523; *Parker* vs. *Stroud*, 98 N. Y. 379, 384; *Cox* vs. *National Bank*, 100 U. S. 713; *Wallace* vs. *McConnell*, 13 Peters, 136; *Lazier* vs. *Horan*, 55 Iowa, 77; *Insurance Company* vs. *Wilson*, 29 W. Va. 543.)

Sec. 71. Where the instrument is not payable on demand, presentment must be made on the day it falls due. Where it is payable on demand, presentment must be made within a reasonable time after its issue, except that in the case of a bill of exchange, presentment for payment will be sufficient if made within a reasonable time after the last negotiation thereof (*a*).

(*a*) All the authorities agree that checks and bills of exchange payable on demand must be presented promptly; but as to promissory notes drawn so payable there is much conflict. In *Merritt* vs. *Todd* (23 N. Y. 28), the rule was laid down by the Court of Appeals of New York that "a promissory note payable on demand, with interest, is a continuing security; that an indorser remains liable until an actual demand, and that the holder is not chargeable with neglect for omitting to make such demand within any particular time." The doctrine of this case has been much criticised. In some States the time within which promissory notes, payable on demand, must be presented, is fixed by statute. (California Civil Code, Sec. 3248; Connecticut Gen'l Statutes, p. 405, Sec. 1859; Minnesota Statutes [1891], Sec. 2104.)

Sec. 72. Presentment for payment, to be sufficient, must be made:

1. By the holder, or by some person authorized to receive payment on his behalf (*a*).
2. At a reasonable hour on a business day (*b*).
3. At a proper place as herein defined (*c*).
4. To the person primarily liable on the instrument, or if he is absent or inaccessible, to any person found at the place where the presentment is made.

(*a*) The mere possession of a negotiable instrument which is payable to the order of the payee, and is indorsed by him in blank, or of a negotiable instrument payable to bearer, is in itself sufficient evidence of his right to present it and to demand payment thereof. (*Weber* vs. *Orton*, 91 Mo. 680.) And payment to such person will always be valid, unless he is known to the payer to have acquired possession wrongfully. (Daniel on Negotiable Instruments, Sec. 574.)

(*b*) *Salt Springs Nat. Bank* vs. *Burton*, 58 N. Y. 430, 432; *Farnsworth* vs. *Allen*, 4 Gray, 453; *Barclay* vs. *Bailey*, 2 Camp. 527; *Wilkins* vs. *Jadis*, 2 B. & Ad. 188. As late as nine o'clock in the evening has been held to be a reasonable hour. (*Farnsworth* vs. *Allen*, 4 Gray, 453.) As to when instruments payable at bank must be presented, see Sec. 75.

(*c*) See Section 73.

Sec. 73. Presentment for payment is made at the proper place:

1. Where a place of payment is specified in the instrument and it is there presented.
2. Where no place of payment is specified but the address of the person to make payment is given in the instrument and it is there presented.
3. Where no place of payment is specified and no address is given and the instrument is presented at the usual place of business or residence of the person to make payment (*a*).
4. In any other case if presented to the person to make payment wherever he can be found, or if presented at his last known place of business or residence.

(*a*) *Gates* vs. *Becker*, 60 N. Y. 518, 522; Daniel on Neg. Inst. 635, 636.

Sec. 74. The instrument must be exhibited to the person from whom payment is demanded, and when it is paid must be delivered up to the party paying it (*a*).

(*a*) See *Musson* vs. *Lake*, 4 How. 262; *Freeman* vs. *Boynton*, 7 Mass. 483; *Draper* vs. *Clemens*, 7 Mo. 52; Daniel on Neg. Inst. Sec. 654.

Sec. 75. Where the instrument is payable at a bank, presentment for payment must be made during banking hours, unless the person to make payment has no funds there to meet it at any time during the day, in which case presentment at any hour before the bank is closed on that day is sufficient (*a*).

(*a*) *Salt Springs Nat. Bank* vs. *Burton*, 58 N. Y. 430, and cases there cited; *Reed* vs. *Wilson*, 41 N. J. Law, 29.

Sec. 76. Where the person primarily liable on the instrument is dead, and no place of payment is specified, presentment for payment must be made to his personal representative, if such there be, and if with the exercise of reasonable diligence he can be found (*a*).

(*a*) As to what persons are primarily liable, see Sec. 193.

Sec. 77. Where the persons primarily liable on the instrument are liable as partners, and no place of payment is specified, presentment for payment may be made to any one of them, even though there has been a dissolution of the firm (*a*).

(*a*) See *Hubbard* vs. *Matthews*, 54 N. Y. 43, 50; *Fourth Nat. Bank* vs. *Henschuh*, 52 Mo. 207; *Crowley* vs. *Barry*, 4 Gill, 194; *Cayuga Co. Bank* vs. *Hunt*, 2 Hill, 635; Daniel on Neg. Inst. Sections 592, 593.

Sec. 78. Where there are several persons, not partners, primarily liable on the instrument, and no place of payment is specified, presentment must be made to them all (*a*).

(*a*) *Gates* vs. *Beecher*, 60 N. Y. 518, 523; *Union Bank* vs. *Willis*, 8 Metc. 504; *Arnold* vs. *Dresser*, 8 Allen 435; *Willis* vs. *Green*, 5 Hill, 232.

In some cases this might be impracticable, but such cases are covered by Sec. 82.

Sec. 79. Presentment for payment is not required in order to charge the drawer where he has no right to expect or require that the drawee or acceptor will pay the instrument (*a*).

(*a*) *Life Insurance Company* vs. *Pendleton*, 112 U. S. 696; Daniel on Neg. Inst. Sections 1074-1076.

Sec. 80. Presentment for payment is not required in order to charge an indorser where the instrument was made or accepted for his accommodation, and he has no reason to expect that the instrument will be paid if presented.

Sec. 81. Delay in making presentment for payment is excused when the delay is caused by circumstances beyond the control of the holder. and not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate, presentment must be made with reasonable diligence.

Sec. 82. Presentment for payment is dispensed with:

1. Where after the exercise of reasonable diligence presentment as required by this Act cannot be made.
2. Where the drawee is a fictitious person.
3. By waiver of presentment, express or implied.

Sec. 83. The instrument is dishonored by non-payment when:

1. It is duly presented for payment and payment is refused or cannot be obtained; or
2. Presentment is excused and the instrument is overdue and unpaid.

Sec. 84. Subject to the provisions of this Act, when the instrument is dishonored by non-payment, an immediate right of recourse to all parties secondarily liable thereon, accrues to the holder (*a*).

(*a*) As to what persons are secondarily liable, see Sec. 193.

Sec. 85. Every negotiable instrument is payable at the time fixed therein without grace (*a*). When the day of maturity falls upon Sunday, or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday (*b*).

(*a*) Days of grace have been abolished in the following States: California, Connecticut, Idaho, Illinois, Montana, New Jersey, New York, Oregon, Pennsylvania, Utah, Vermont, Wisconsin.

(*b*) Laws of Mass. March 30, 1895, May 28, 1895. Laws of New York, 1887, Ch. 289, Ch. 461; Laws of Penn. May 31, 1893; Laws of U. S. Feb. 18, 1893; Laws of N. J. 1895, Ch. 43.

Sec. 86. Where the instrument is payable at a fixed period after date. after sight, or after the happening of a specified event, the time of payment is determined by excluding the day from which the time is to begin to run, and by including the date of payment.

Sec. 87. Where the instrument is made payable at a bank it is equivalent to an order to the bank to pay the same for the account of the principal debtor thereon (*a*).

(*a*) There is some conflict in the decisions as to the authority of a bank to pay a note made payable there. The rule adopted in the proposed law is the one supported by the weight of authority; and is also the rule which is most convenient in practice. It is supported by the following decisions: (*Ætna Nat. Bank* vs. *Fourth Nat. Bank*, 46 N. Y. 82; *Commercial Bank* vs. *Hughes*, 17 Wend. 94; *Commercial Nat. Bank* vs. *Henninger*, 105 Pa. St. 496; *Bedford Bank* vs. *Acoarn*, 125 Ind. 582; *Home Nat. Bank* vs. *Newton*, 8 Bradwell, 563; *Contra—Grissom* vs. *Commercial Bank*, 87 Tenn. 350.)

Sec. 88. Payment is made in due course when it is made at or after the maturity of the instrument to the holder thereof in good faith and without notice that his title is defective.

ARTICLE VII.

Notice of Dishonor.

Sec. 89. Except as herein otherwise provided, when a negotiable instrument has been dishonored by non-acceptance or non-payment, notice of dishonor must be given to the drawer and to each indorser, and any drawer or indorser to whom such notice is not given is discharged.

Sec. 90. The notice may be given by or on behalf of the holder, or by or on behalf of any party to the instrument who might be compelled to pay it to the holder, and who, upon taking it up would have a right to reimbursement from the party to whom the notice is given.

Sec. 91. Notice of dishonor may be given by an agent either in his own name or in the name of any party entitled to give notice, whether that party be his principal or not.

Sec. 92. Where notice is given by or on behalf of the holder, it inures for the benefit of all subsequent holders and all prior parties who have a right of recourse against the party to whom it is given.

Sec. 93. Where notice is given by or on behalf of a party entitled to give notice, it inures for the benefit of the holder and all parties subsequent to the party to whom notice is given.

Sec. 94. Where the instrument has been dishonored in the hands of an agent, he may either himself give notice to the parties liable thereon, or he may give notice to his principal. If he give notice to his principal, he must do so within the same time as if he were the holder, and the principal upon the receipt of such notice has himself the same time for giving notice as if the agent had been an independent holder.

Sec. 95. A written notice need not be signed, and an insufficient written notice may be supplemented and validated by verbal communication. A misdescription of the instrument does not vitiate unless the party to whom the notice is given is in fact misled thereby.

Sec. 96. The notice may be in writing or merely oral (*a*), and may be given in any terms which sufficiently identify the instrument and indicate that it has been dishonored by non-acceptance or non-payment (*b*). It may in all cases be given by delivering it personally or through the mails.

(*a*) *Cuyler* vs. *Stevens*, 4 Wend. 566; *Glasgow* vs. *Pratte*, 8 Mo. 336; Byles on Bills, 271; Daniel on Neg. Inst. Sec. 972.

(b) Byles on Bills, 976; Daniel on Neg. Inst. Sections 973-978. The statement that the holder looks for payment to the party to whom notice is sent is not necessary; for this is implied from the fact of giving notice. (*Bank of U. S.* vs. *Carneal*, 2 Peters, 543; *Mills* vs. *Bank*, 11 Wheat. 431, 436; *Nelson* vs. *First Nat. Bank* [U. S. Circuit Ct. App.], 69 Fed. Rep. 798,801.)

Sec. 97. Notice of dishonor may be given either to the party himself or to his agent in that behalf (*a*).

(a) *Fassin* vs. *Hubbard*, 55 N. Y. 465, 471; *Lake Shore Nat. Bank* vs. *Butler Colliery Co.* 51 Hun, 63, 68.

Sec. 98. When any party is dead, and his death is known to the party giving notice, the notice must be given to a personal representative, if there be one, and if with reasonable diligence, he can be found (*a*). If there be no personal representative, notice may be sent to the last residence or last place of business of the deceased (*b*).

(a) *Massachusetts Bank* vs. *Oliver*, 10 Cush. 557; *Merchants' Bank* vs. *Birch*, 17 Johns. 24. See also *Smalley* vs. *Wright*, 40 N. J. Law, 471; *Goodnow* vs. *Warren*, 122 Mass. 82; *Bealls* vs. *Peck*, 12 Barb. 245; *Cayuga Co. Bank* vs. *Bennett*, 5 Hill, 236: *Maspero* vs. *Pedesclaux*, 22 La. Ann. 227.

(b) *Goodnow* vs. *Warren*, 122 Mass. 82; *Merchants' Bank* vs. *Birch*, 17 Johns. 25.

Sec. 99. Where the parties to be notified are partners, notice to any one partner is notice to the firm even though there has been a dissolution (*a*).

(a) See *Coster* vs. *Thomason*, 19 Ala. 717; *Slocomb* vs. *Lizardi*, 21 L. Ann. 355; *Hubbard* vs. *Matthews*, 54 N. Y. 43, 50; *Fourth Nat. Bank* vs. *Henschuh*, 52 Mo. 207.

Sec. 100. Notice to joint parties who are not partners must be given to each of them unless one of them has authority to receive such notice for the others (*a*).

(a) *Willis* vs. *Green*, 5 Hill, 232. See also Daniel on Neg. Inst. Sec. 999a, and cases cited.

Sec. 101. Where a party has been adjudged a bankrupt or on insolvent, or has made an assignment for the benefit of creditors, notice may be given either to the party himself or to his trustee or assignee (*a*).

(a) Daniel on Neg. Inst. Sec. 1002; *Callahan* vs. *Kentucky Bank*, 82 Ky. 231; *Contra—House* vs. *Vinton Bank*, 43 Ohio St. 346.

Sec. 102. Notice may be given as soon as the instrument is dishonored (*a*); and unless delay is excused as hereinafter provided, (*b*) must be given within the times fixed by this Act.

(a) *Bank of Alexandria* vs. *Swan*, 9 Peters, 33; *Lenox* vs. *Roberts*, 2 Wheat. 373; *Ex parte* Moline, 19 Ves. 216; Daniel on Neg. Inst. Sec. 1036.

(b) See Sec. 112.

Sec. 103. Where the person giving and the person to receive notice reside in same place, notice must be given within the following times:

1. If given at the place of business of the person to receive notice, it must be given before the close of business hours on the day following (*a*).
2. If given at his residence, it must be given before the usual hours of rest on the day following (*b*).
3. If sent by mail, it must be deposited in the post office in time to reach him in usual course on the day following (*c*).

(a) See *Adams* vs *Wright*, 14 Wis. 408; *Cayuga County Bank* vs. *Hunt*, 2 Hill, 236; Daniel on Neg. Inst. Sec. 1038.

(b) See *Phelps* vs. *Stocking*, 21 Neb. 444; *Darbishire* vs. *Parker*, 6 East. 8.

(c) This is the English rule, and is in accordance with the practice in New York city. Some of the decisions deem service through the post office insufficient, unless there is proof that the notice was actually received in due time. (See Daniel on Neg. Inst. Sec. 1005, and cases cited.) But this rule would be extremely inconvenient in large places.

Sec. 104. Where the person giving and the person to receive notice reside in different places, the notice must be given within the following times:

1. If sent by mail, it must be deposited in the post office in time to go by

mail the day following the day of dishonor, or if there be no mail at a convenient hour on that day, by the next mail thereafter (*a*).

2. If given otherwise than through the post office, then within the time that notice would have been received in due course of mail, if it had been deposited in the post office within the time specified in the last subdivision (*b*).

(*a*) See Daniel on Neg. Inst. Sec. 1039–1041.

(*b*) See *Bank of Columbia* vs. *Lawrence*, 1 Peters, 578; *Jarvis* vs. *St. Croix Mfg. Co.* 23 Me. 287.

Sec. 105. Where notice of dishonor is duly addressed and deposited in the post office, the sender is deemed to have given due notice, notwithstanding any miscarriage in the mails.

Sec. 106. Notice is deemed to have been deposited in the post office when deposited in any branch post office or in any letter box under the control of the Post Office Department (*a*).

(*a*) See *Casco Nat. Bank* vs. *Shaw*, 79 Me. 376; *Pearce* vs. *Langfit*, 101 Pa. St. 507.

Sec. 107. Where a party receives notice of dishonor, he has, after the receipt of such notice, the same time for giving notice to antecedent parties that the holder has after the dishonor.

Sec. 108. Where a party has added an address to his signature, notice of dishonor must be sent to that address; but if he has not given such address, then the notice must be sent as follows:

1. Either to the post office nearest to his place of residence, or to the post office where he is accustomed to receive his letters (*a*); or
2. If he lives in one place, and have his place of business in another, notice may be sent to either place (*b*); or
3. If he is sojourning in another place, notice may be sent to the place where he is so sojourning (*c*).

But where the notice is actually received by the party within the time specified in this Act, it will be sufficient, though not sent in accordance with the requirements of this section.

(*a*) See *Bank of Columbia* vs. *Lawrence*, 1 Peters, 578; *National Bank* vs. *Cade*, 73 Mich. 449; *Northwestern Coal Co.* vs. *Bowman*, 69 Iowa, 108.

(*b*) *Bank of U. S.* vs. *Carneal*, 2 Peters, 549; *Williams* vs. *Bank of U. S.* 2 Peters, 96; *Montgomery Co. Bank* vs. *Marsh*, 7 N. Y. 481.

(*c*) *Chouteau* vs. *Webster*, 6 Metc. 1.

Sec. 109. Notice of dishonor may be waived, either before the time of giving notice has arrived, or after the omission to give due notice, and the waiver may be express or implied.

Sec. 110. Where the waiver is embodied in the instrument itself, it is binding upon all parties (*a*); but where it is written above the signature of an indorser, it binds him only (*b*).

(*a*) See *Pool* vs. *Anderson*, 116 Ind. 94; *Bryant* vs. *Merchants' Bank*, 8 Bush, 43.

(*b*) *Woodman* vs. *Thurston*, 8 Cush. 157; *Farmers' Bank* vs. *Ewing*, 78 Ky. 264.

Sec. 111. A waiver of protest, whether in the case of a foreign bill of exchange (*a*) or other negotiable instrument (*b*), is deemed to be a waiver not only of a formal protest, but also of presentment and notice of dishonor.

(*a*) See *Union Bank* vs. *Hyde*, 6 Wheat. 572; *Brown* vs. *Hull*, 33 Gratt. 31.

(*b*) *Pool* vs. *Anderson*, 116 Ind. 94; *Welford* vs. *Andrews*, 29 Minn. 251; *Coddington* vs. *Davis*, 1 N. Y. 186; Daniel on Neg. Inst. Sec. 1095*a*.

Sec. 112. Notice of dishonor is dispensed with when, after the exercise of reasonable diligence, it cannot be given to or does not reach the parties sought to be charged.

Sec. 113. Delay in giving notice of dishonor is excused when the delay is caused by circumstances beyond the control of the holder and not imputable to his default, misconduct or negligence. When the cause of delay ceases to operate, notice must be given with reasonable diligence (*a*).

(*a*) A more specific statement of what will excuse delay is deemed impracticable. Any attempt to enumerate particular instances would lead to confusion.

Sec. 114. Notice of dishonor is not required to be given to the drawer in either of the following cases:

1. Where the drawer and drawee are the same person.
2. Where the drawee is a fictitious person or a person not having capacity to contract.
3. Where the drawer is the person to whom the instrument is presented for payment.
4. Where the drawer has no right to expect or require that the drawee or acceptor will honor the instrument (*a*).
5. Where the drawer has countermanded payment.

(*a*) *Life Insurance Company* vs. *Pendleton*, 112 U. S. 708.

Sec. 115. Notice of dishonor is not required to be given to an indorser in either of the following cases:

1. Where the drawee is a fictitious person or a person not having capacity to contract, and the indorser was aware of the fact at the time he indorsed the instrument.
2. Where the indorser is the person to whom the instrument is presented for payment.
3. Where the instrument was made or accepted for his accommodation.

Sec. 116. Where due notice of dishonor by non-acceptance has been given, notice of a subsequent dishonor by non-payment is not necessary, unless in the meantime the instrument has been accepted.

Sec. 117. An omission to give notice of dishonor by non-acceptance does not prejudice the rights of a holder in due course subsequent to the omission.

Sec. 118. Where any negotiable instrument has been dishonored it may be protested for non-acceptance or non-payment as the case may be; but protest is not required, except in the case of foreign bills of exchange (*a*).

(*a*) While protest is not necessary, except in case of foreign bills, it is very convenient in all cases, because it affords the easiest and most certain method of proving the fact of dishonor and the notice to the indorsers. Under the statutes of nearly all, if not all, of the States the certificate of the notary making the protest is *prima facie* evidence of these facts. As to what are foreign bills, see Sec. 129. For other provisions relative to protest, see Sections 152 and 160.

ARTICLE VIII.

Discharge of Negotiable Instruments.

Sec. 119. A negotiable instrument is discharged:

1. By payment in due course by or on behalf of the principal debtor.
2. By payment in due course by the party accommodated, where the instrument is made or accepted for accommodation.
3. By the intentional cancellation thereof by the holder.
4. By any other act which will discharge a simple contract for the payment of money.
5. When the principal debtor becomes the holder of the instrument at or after maturity in his own right.

Sec. 120. A person secondarily liable on the instrument is discharged:

1. By any act which discharges the instrument.
2. By the intentional cancellation of his signature by the holder.
3. By the discharge of a prior party.
4. By a valid tender of payment made by a prior party.
5. By a release of the principal debtor, unless the holder's right of recourse against the party secondarily liable is expressly reserved.
6. By any agreement binding upon the holder to extend the time of payment, or to postpone the holder's right to enforce the instrument, unless made with the assent of the party secondarily liable, or unless the right of recourse against such party is expressly reserved.

Sec. 121. Where the instrument is paid by a party secondarily liable thereon, it is not discharged; but the party so paying it is remitted to his former rights as regards all prior parties, and he may strike out his own and all subsequent indorsements, and again negotiate the instrument, except:

1. Where it is payable to the order of a third person, and has been paid by the drawer; and
2. Where it was made or accepted for accommodation, and has been paid by the party accommodated.

Sec. 122. The holder may expressly renounce his rights against any party to the instrument, before, at or after its maturity. An absolute and unconditional renunciation of his rights against the principal debtor made at or after the maturity of the instrument discharges the instrument. But a renunciation does not affect the rights of a holder in due course without notice. A renunciation must be in writing, unless the instrument is delivered up to the person primarily liable thereon.

Sec. 123. A cancellation made unintentionally, or under a mistake, or without the authority of the holder, is inoperative; but where an instrument or any signature thereon appears to have been canceled, the burden of proof lies on the party who alleges that the cancellation was made unintentionally, or under a mistake or without authority.

Sec. 124. Where a negotiable instrument is materially altered without the assent of all parties liable thereon, it is avoided, except as against a party who has himself made, authorized or assented to the alteration and subsequent indorsers.

But when an instrument has been materially altered and is in the hands of a holder in due course, not a party to the alteration, he may enforce payment thereof according to its original tenor.

Sec. 125. Any alteration which changes:

1. The date (*a*).
2. The sum payable, either for principal (*b*) or interest (*c*).
3. The time (*d*) or place (*e*) of payment.
4. The number or the relations of the parties (*f*).
5. The medium or currency in which payment is to be made (*g*).

Or which adds a place of payment where no place of payment is specified, (*h*) or any other change or addition which alters the effect of the instrument in any respect, is a material alteration.

(*a*) See *Wood* vs. *Steele*, 6 Wallace, 80; *Crawford* vs. *West Side Bank*, 100 N. Y. 50, 56; Daniel on Neg. Inst. Sec 1376.

(*b*) See Daniel on Neg. Inst. Sec. 1384.

(*c*) Daniel on Neg. Inst. Sec. 1385 and cases there cited.

(*d*) *Weyman* vs. *Yeomans*, 84 Ill. 403; *Miller* vs. *Gilleland*, 19 Pa. St. 119.

(*e*) *Tidmarsh* vs. *Grover*, 1 Maule & S. 735; *Bank of Ohio Valley* vs. *Lockwood*, 13 W. Va. 392.

(*f*) Daniel on Neg. Inst. Sections 1387-1390.

(*g*) *Angle* vs. *Insurance Company*, 92 U. S. 330; *Church* vs. *Howard*, 17 Hun, 5; *Darwin* vs. *Rippey*, 63 N. C. 318; *Bagarth* vs. *Breedlove*, 39 Tex. 561.

(*h*) *Whitesides* vs. *Northern Bank*, 10 Bush, 501.

TITLE II.—BILLS OF EXCHANGE.

ARTICLE I.

Form and Interpretation.

Sec. 126. A bill of exchange is an unconditional order in writing addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at a fixed or determinable future time, a sum certain in money to order or to bearer.

Sec. 127. A bill of itself does not operate as an assignment of the funds in the hands of the drawee available for the payment thereof, and the drawee is not liable on the bill unless and until he accepts the same.

Sec. 128. A bill may be addressed to two or more drawees jointly, whether they are partners or not; but not to two or more drawees in the alternative or in succession.

Sec. 129. An inland bill of exchange is a bill which is, or on its face purports to be, both drawn and payable within this State. Any other bill is a foreign bill. Unless the contrary appears on the face of the bill, the holder may treat it as an inland bill (*a*).

(*a*) It is the general rule in the United States that a bill drawn in one State and payable in another is to be regarded as a foreign bill. This applies to bank drafts and checks.

Sec. 130. Where in a bill drawer and drawee are the same person, or where the drawee is a fictitious person, or a person not having capacity to contract, the holder may treat the instrument, at his option, either as a bill of exchange or a promissory note.

Sec. 131. The drawer of a bill and any indorser may insert thereon the name of a person to whom the holder may resort in case of need, that is to say, in case the bill is dishonored by non-acceptance or non-payment. Such person is called the referee in case of need. It is in the option of the holder to resort to the referee in case of need or not as he may see fit.

ARTICLE II.

Acceptance.

Sec. 132. The acceptance of a bill is the signification by the drawee of his assent to the order of the drawer. The acceptance must be in writing and signed by the drawer (*a*). It must not express that the drawee will perform his promise by any other means than the payment of money.

(*a*) The English Bills of Exchange Act, following previous English statutes (1 & 2 George IV. C. 78; 19 & 20 Victoria, C. 78) requires that the acceptance be written on the bill. The American statutes do not generally require this. It would sometimes work inconvenience. Thus, it has been held that a bank can accept a check by telegraph, and such an acceptance has been held to be within the terms of a statute requiring acceptances to be in writing; but to require the acceptance to be in the instrument itself would preclude the giving of an acceptance by telegraph either by a bank or any other drawee.

Sec. 133. The holder of a bill presenting the same for acceptance may require that the acceptance be written on the bill, and if such request is refused, may treat the bill as dishonored.

Sec. 134. Where an acceptance is written on a paper other than the bill itself, it does not bind the acceptor except in favor of a person to whom it is shown and who, on the faith thereof, receives the bill for value.

Sec. 135. An unconditional promise in writing to accept a bill before it is drawn is deemed an actual acceptance in favor of every person who, upon the faith thereof, receives the bill for value.

Sec. 136. The drawee is allowed twenty-four hours after presentment in which to decide whether or not he will accept the bill (*a*); but the acceptance, if given, dates as of the day of presentation (*b*).

(*a*) See Byles on Bills 182; Daniel on Neg. Inst. Sec. 492.

By statute in Massachusetts, the drawee has until two o'clock on the day following. (Public Statutes, 1882, Ch. 77, Sec. 17.)

(*b*) There does not appear to be any direct authority on this point; the rule stated conforms to what is the common practice. See also statute of Massachusetts above referred to.

Sec. 137. Where a drawee to whom a bill is delivered for acceptance destroys the same, or refuses within twenty-four hours after such delivery, or within such other period as the holder may allow, to return the bill accepted or non-accepted to the holder, he will be deemed to have accepted the same.

Sec. 138. A bill may be accepted before it has been signed by the drawer, or while otherwise incomplete, or when it is overdue, or after it has been dishonored by a previous refusal to accept, or by non-payment. But when a bill payable after sight is dishonored by non-acceptance and the drawee subsequently accepts it, the holder, in the absence of any different agreement, is entitled to have the bill accepted as of the date of the first presentment.

Sec. 139. An acceptance is either general or qualified. A general acceptance assents without qualification to the order of the drawer. A qualified acceptance in express terms varies the effect of the bill as drawn.

Sec. 140. An acceptance to pay at a particular place is a general acceptance unless it expressly states that the bill is to be paid there only and not elsewhere.

Sec. 141. An acceptance is qualified, which is:

1. Conditional, that is to say, which makes payment by the acceptor dependent on the fulfillment of a condition therein stated.
2. Partial, that is to say, an acceptance to pay part only of the amount for which the bill is drawn.
3. Local, that is to say, an acceptance to pay only at a particular place.
4. Qualified as to time.
5. The acceptance of some one or more of the drawees, but not of all.

Sec. 142. The holder may refuse to take a qualified acceptance, and if he does not obtain an unqualified acceptance, he may treat the bill as dishonored by non-acceptance. Where a qualified acceptance is taken, the drawer and indorsers are discharged from liability on the bill, unless they have expressly or impliedly authorized the holder to take a qualified acceptance, or subsequently assent thereto. When the drawer or an indorser receives notice of a qualified acceptance, he must within a reasonable time express his dissent to the holder, or he will be deemed to have assented thereto.

ARTICLE III.

Presentment for Acceptance.

Sec. 143. Presentment for acceptance must be made:

1. Where the bill is payable after sight, or in any other case where presentment for acceptance is necessary in order to fix the maturity of the instrument; or
2. Where the bill expressly stipulates that it shall be presented for acceptance; or
3. Where the bill is drawn payable elsewhere than at the residence or place of business of the drawee.

In no other case is presentment for acceptance necessary in order to render any party to the bill liable.

Sec. 144. Except as herein otherwise provided, the holder of a bill which is required by the next preceding section to be presented for acceptance, must either present it for acceptance or negotiate it within a reasonable time. If he fail to do so, the drawer and all indorsers are discharged.

Sec. 145. Presentment for acceptance must be made by or on behalf of the holder at a reasonable hour, on a business day and before the bill is overdue, to the drawer or some person authorized to accept or refuse acceptance on his behalf; and :

1. Where a bill is addressed to two or more drawees who are not partners, presentment must be made to them all, unless one has authority to accept or refuse acceptance for all, in which case presentment may be made to him only.
2. Where the drawee is dead, presentment may be made to his personal representative.
3. Where the drawee has been adjudged a bankrupt or an insolvent or has made an assignment for the benefit of creditors, presentment may be made to him or to his trustee or assignee.

Sec. 146. A bill may presented for acceptance on any day on which negotiable instruments may be presented for payment under the provisions of sections seventy-two and eighty-five of this Act. When Saturday is not otherwise a holiday, presentment for acceptance may be made before twelve o'clock noon on that day.

Sec. 147. Where the holder of a bill drawn payable elsewhere than at the place of business or the residence of the drawee has not time with the exercise of reasonable diligence to present the bill for acceptance before presenting it for payment on the day that it falls due, the delay caused by presenting the bill for acceptance before presenting it for payment is excused and does not discharge the drawers and indorsers.

Sec. 148. Presentment for acceptance is excused and a bill may treated as dishonored by non-acceptance, in either of the following cases:

1. Where the drawee is dead, or has absconded, or is a fictitious person or a person not having capacity to contract by bill.
2. Where after the exercise of reasonable diligence, presentment cannot be made.
3. Where although presentment has been irregular, acceptance has been refused on some ground.

Sec. 149. A bill is dishonored by non-acceptance:

1. When it is duly presented for acceptance and such an acceptance as is prescribed by this Act is refused or cannot be obtained; or
2. When presentment for acceptance is excused and the bill is not accepted.

Sec. 150. Where a bill is duly presented for acceptance and is not accepted within the prescribed time, the person presenting it must treat the bill as dishonored by non-acceptance or he loses the right of recourse against the drawer and indorsers.

Sec. 151. When a bill is dishonored by non-acceptance, an immediate right of recourse against the drawers and indorsers accrues to the holder and no presentment for payment is necessary.

ARTICLE IV.

Protest.

Sec. 152. Where a foreign bill appearing on its face to be such is dishonored by non-acceptance, it must be duly protested for non-acceptance, and where such a bill which has not previously been dishonored by non-acceptance is dishonored by non-payment, it must be duly protested for non-payment. If it is not so protested, the drawer and indorsers are discharged. Where a bill does not appear on its face to be a foreign bill, protest thereof in case of dishonor is unnecessary.

Sec. 153. The protest must be annexed to the bill, or must contain a copy thereof, and must be under the hand and seal (*a*) of the notary making it, and must specify:

1. The time and place of presentment.
2. The fact that presentment was made and the manner thereof.
3. The cause or reason for protesting the bill.
4. The demand made and the answer given, if any, or the fact that the drawee or acceptor could not be found.

(*a*) In some of the States, as in New York, the use of a seal is not necessary where the certificate is to be used in the State; but a seal is probably desirable where the certificate is to be used in other jurisdictions.

Sec. 154. Protest may be made by:

1. A notary public; or
2. By any respectable resident of the place where the bill is dishonored, in the presence of two or more credible witnesses (*a*).

(*a*) See *Todd* vs. *Neal's Administrator*, 49 Ala. 273; Daniel on Neg. Inst. Secs. 934-934*a*; Civil Code of California, 3226.

This practice is seldom resorted to, though cases may arise where it might be necessary.

Sec. 155. When a bill is protested, such protest must be made on the day of its dishonor, unless delay is excused as herein provided. When a bill has been duly noted, the protest may be subsequently extended as of the date of the noting.

Sec. 156. A bill must be protested at the place where it is dishonored, except that when a bill drawn payable at the place of business or residence of some person other than the drawee, has been dishonored by non-acceptance, it must be protested for non-payment at the place where it is expressed to be payable, and no further presentment for payment to, or demand on, the drawee is necessary.

Sec. 157. A bill which has been protested for non-acceptance may be subsequently protested for non-payment.

Sec. 158. Where the acceptor has been adjudged a bankrupt or an insolvent or has made an assignment for the benefit of creditors, before the bill matures, the holder may cause the bill to be protested for better security against the drawer and indorsers.

Sec. 159. Protest is dispensed with by any circumstances which would dispense with notice of dishonor. Delay in noting or protesting is excused when delay is caused by circumstances beyond the control of the holder and not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate, the bill must be noted or protested with reasonable diligence.

Sec. 160. Where a bill is lost or destroyed or is wrongly detained from the person entitled to hold it, protest may be made on a copy or written particulars thereof.

ARTICLE V.

Acceptance for Honor.

Sec. 161. Where a bill of exchange has been protested for dishonor by non-acceptance or protested for better security and is not overdue, any person not being a party already liable thereon, may, with the consent of the holder, intervene and accept the bill *supra* protest for the honor of any party liable thereon or for the honor of the person for whose account the bill is drawn. The acceptance for honor may be for part only of the sum for which the bill is drawn; and where there has been an acceptance for honor for one party, there may be a further acceptance by a different person for the honor of another party.

Sec. 162. An acceptance for honor *supra* protest must be in writing and indicate that it is an acceptance for honor, and must be signed by the acceptor for honor.

Sec. 163. Where an acceptance for honor does not expressly state for whose honor it is made, it is deemed to be an acceptance for the honor of the drawer.

Sec. 164. The acceptor for honor is liable to the holder and to all parties to the bill subsequent to the party for whose honor he has accepted.

Sec. 165. The acceptor for honor by such acceptance engages that he will on due presentment pay the bill according to the terms of his acceptance, provided it shall not have been paid by the drawee, and provided also, that it shall have been duly presented for payment and protested for non-payment and notice of dishonor given to him.

Sec. 166. Where a bill payable after sight is accepted for honor, its maturity is calculated from the date of the noting for non-acceptance and not from the date of the acceptance for honor.

Sec. 167. Where a dishonored bill has been accepted for honor *supra* protest or contains a reference in case of need, it must be protested for non-payment before it is presented for payment to the acceptor for honor or referee in case of need.

Sec. 168. Presentment for payment to the acceptor for honor must be made as follows:

1. If it is to be presented in the place where the protest for non-payment was made, it must be presented not later than the day following its maturity.
2. If it is to be presented in some other place than the place where it was protested, then it must be forwarded within the time specified in Section 104.

Sec. 169. The provisions of Section eighty-one apply where there is delay in making presentment to the acceptor for honor or referee in case of need.

Sec. 170. When the bill is dishonored by the acceptor for honor it must be protested for non-payment by him.

ARTICLE VI.

Payment for Honor.

Sec. 171. Where a bill has been protested for non-payment, any person may intervene and pay it *supra* protest for the honor of any person liable thereon or for the honor of the person for whose account it was drawn.

Sec. 172. The payment for honor *supra* protest in order to operate as such and not as a mere voluntary payment must be attested by a notarial act of honor which may be appended to the protest or form an extension to it.

Sec. 173. The notarial act of honor must be founded on a declaration made by the payer for honor or by his agent in that behalf declaring his intention to pay the bill for honor and for whose honor he pays.

Sec. 174. Where two or more persons offer to pay a bill for the honor of different parties, the person whose payment will discharge most parties to the bill is to be given the preference.

Sec. 175. Where a bill has been paid for honor all parties subsequent to the party for whose honor it is paid are discharged, but the payer for honor is subrogated for, and succeeds to, both the rights and duties of the holder as regards the party for whose honor he pays and all parties liable to the latter.

Sec. 176. Where the holder of a bill refuses to receive payment *supra* protest, he loses his right of recourse against any party who would have been discharged by such payment.

Sec. 177. The payer for honor on paying to the holder the amount of the bill and the notarial expenses incidental to its dishonor, is entitled to receive both the bill itself and the protest.

ARTICLE VII.

Bills in a Set.

Sec. 178. Where a bill is drawn in a set, each part of the set being numbered and containing a reference to the other parts, the whole of the parts constitute one bill.

Sec. 179. Where two or more parts of a set are negotiated to different holders in due course, the holder whose title first accrues is as between such holders the true owner of the bill. But nothing in this section affects the rights of a person who in due course accepts or pays the part first presented to him.

Sec. 180. Where the holder of a set indorses two or more parts to different persons he is liable on every such part, and every indorser subsequent to him is liable on the part he has himself indorsed, as if such parts were separate bills.

Sec. 181. The acceptance may be written on any part and it must be written on one part only. If the drawee accepts more than one part, and such accepted parts are negotiated to different holders in due course, he is liable on every such part as if it were a separate bill.

Sec. 182. When the acceptor of a bill drawn in a set pays it without requiring the part bearing his acceptance to be delivered up to him, and that part at maturity is outstanding in the hands of a holder in due course, he is liable to the holder thereon.

Sec. 183. Except as herein otherwise provided where any one part of a bill drawn in a set is discharged by payment or otherwise, the whole bill is discharged.

Title III.—Promissory Notes and Checks.

ARTICLE I.

Sec. 184. A negotiable promissory note within the meaning of this Act is an unconditional promise in writing made by one person to another signed by the maker engaging to pay on demand or at a fixed or determinable future time, a sum certain in money to order or to bearer. Where a note is drawn to the maker's own order, it is not complete until indorsed by him (*a*).

(*a*) Properly speaking, a promissory note is always negotiable. But by an inaccurate use of terms, promises to pay, though not negotiable, are spoken of in some of the cases and statutes as promissory notes.

Sec. 185. A check is a bill of exchange drawn on a bank (*a*) payable on demand. Except as herein otherwise provided, the provisions of this Act applicable to a bill of exchange payable on demand apply to a check.

(*a*) *Bull* vs. *Kasson*, 123 U. S. 105; *Hopkinson* vs. *Forster*. L. R. 18 Eq. 74.

Sec. 186. A check must be presented for payment within a reasonable time after its issue, or the drawer will be discharged from liability thereon to the extent of the loss caused by the delay (*a*).

(*a*) For instances of unreasonable delay, see *Industrial Trust, Title and Savings Co.* vs. *Weakley*, Rhodes' Journal of Banking, Vol. XXI. p. 949; *Gifford* vs. *Hordell*, Rhodes' Journal of Banking, Vol. XXII. p. 35; *First National Bank of Wymore* vs. *Miller*, Rhodes' Journal of Banking, Vol. XXII. p. 435; *Comer* vs. *Dufour*, Rhodes' Journal of Banking, Vol. XXIII. p. 407; *Grange* vs. *Reigh*, Bankers' Magazine, Vol. LIII. p. 402; *Western Wheelep Scraper Co.* vs. *Sadilek*, Bankers' Magazine, Vol. LIV. p. 397.

Sec. 187. Where a check is certified by the bank on which it is drawn, the certification is equivalent to an acceptance (*a*).

(*a*) See *Merchants' Bank* vs. *State Bank*, 10 Wall. 648; *Cooke* vs. *State Nat. Bank*, 52 N. Y. 96; *Farmers and Mechanics' Bank* vs. *Butchers and Drover's Bank*, 16 N. Y. 125. As to the liabilities so incurred, see Sec. 62.

Sec. 188. Where the holder of a check procures it to be accepted or certified the drawer and all indorsers are discharged from liability thereon (*a*).

(*a*) See *Minot* vs. *Russ*, 156 Mass. 458; *Metropolitan Bank* vs. *Jones*, 137 Ill. 634; *Meridian Nat. Bank* vs. *First Nat. Bank* (Ind.). 33 N. E. Rep. 247; *First Nat. Bank* vs. *Leach*, 52 N. Y. 350. But where the check is certified when delivered it does not constitute payment any more than an uncertified check; and if it is presented promptly and dishonored, the loss must fall upon the drawer.

Sec. 189. A check of itself does not operate as an assignment of any part of the funds to the credit of the drawer with the bank, and the bank is not liable to the holder, unless and until it accepts or certifies the check (*a*).

(*a*) As to this there is considerable conflict in the authorities. The rule adopted in the Act is supported by the weight of authority. (See *Bank* vs. *Millard*, 10 Wall. 152; *Bank* vs. *Schuler*, 120 U. S. 511; *Bank* vs. *Whitman*, 94 U. S. 343, 344; *St. L. & S. F. Ry. Co.* vs. *Johnston*, 133 U. S. 566; *Attorney-General* vs. *Continental Life Insurance Co.* 71 N. Y. 325, 330; *First Nat. Bank of Union Mills* vs. *Clark*, 134 N. Y. 368; *O'Connor* vs. *Mechanics' Bank*, 124 N. Y. 324; *Covert* vs. *Rhodes*, 48 Ohio St. 66; *Pickle* vs. *People's Nat. Bank*, 88 Tenn. 380; *Boetcher* vs. *Colorado Nat. Bank*, 15 Colo. 16; *Hopkinson* vs. *Foster L. R.* 18 Eq. 74; *Contra—Fonner* vs. *Smith*, 31 Neb. 107; *Munn* vs. *Burch*, 25 Ill. 35; *Bank* vs. *Patton*, 109 Ill. 479, 485.)

TITLE IV.—GENERAL PROVISIONS.

ARTICLE I.

Sec. 190. This Act shall be known as the Negotiable Instruments Law.

Sec. 191. In this Act, unless the context otherwise requires:

"Acceptance" means an acceptance completed by delivery or notification.

"Action" includes counter-claim and set-off.

"Bank" includes any person or association of persons carrying on the business of banking, whether incorporated or not.

"Bearer" means the person in possession of a bill or note which is payable to bearer.

"Bill" means bill of exchange, and "note" means negotiable promissory note.

"Delivery" means transfer of possession, actual or constructive, from one person to another.

"Holder" means the payee or indorsee of a bill or note, who is in possession of it, or the bearer thereof.

"Indorsement" means an indorsement completed by delivery.

"Instrument" means negotiable instrument.

"Issue" means the first delivery of the instrument, complete in form, to a person who takes it as a holder.

"Person" includes a body of persons, whether incorporated or not.

"Value" means valuable consideration.

"Written" includes printed, and "writing" includes print.

Sec. 192. The person "primarily" liable on an instrument is the person who by the terms of the instrument is absolutely required to pay the same. All other parties are "secondarily" liable.

Sec. 193. In determining what is a "reasonable time" or an "unreasonable time" regard is to be had to the nature of the instrument, the usage of trade or business (if any) with respect to such instruments, and the facts of the particular case.

Sec. 194. Where the day, or the last day, for doing any act herein required or permitted to be done falls on Sunday or on a holiday, the act may be done on the next succeeding secular or business day.

Sec. 195. The provisions of this Act do not apply to negotiable instruments made and delivered prior to the passage hereof.

Sec. 196. In any case not provided for in this Act the rules of the law merchant shall govern.

Sec. 197. Of the laws enumerated in the schedules hereto annexed that portion specified in the last column is repealed.

Sec. 198. This chapter shall take effect on

BANKING LAW DEPARTMENT

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

LEASE OF BANKING HOUSE BEFORE NATIONAL BANK AUTHORIZED TO DO BUSINESS.

Supreme Court of the United States, March 1, 1897.

McCORMICK *vs.* MARKET NATIONAL BANK OF CHICAGO.

A National bank which has not been authorized by the certificate of the Comptroller of the Currency to commence the business of banking, has no power to execute a lease of a banking house for a term of years.

This was an action against the Market National Bank of Chicago to recover upon a lease. The lease had been executed by the President pursuant to a resolution of the directors, after articles of association and organization certificate had been executed, and filed with the Comptroller of the Currency; but before the Comptroller had issued his certificate that the association was authorized to commence the business of banking. Afterwards the persons who had executed the articles of association and organization certificate signed and transmitted to the Comptroller of the Currency a certificate revoking them, which he placed on file in his office; and all further steps towards the organization of the bank were abandoned.

MR. JUSTICE GRAY (after considering a question of jurisdiction): While, by the earlier provisions of section 5136 of the Revised Statutes, the association upon filing its articles of association and its organization certificate with the Comptroller of the Currency, becomes "as from the date of the execution of the organization certificate," and "for the period of twenty years from its organization," a body corporate, with the usual powers of a banking corporation, yet, by the last clause of that section, Congress has enacted that "no such association shall transact any business, except such as is incidental and necessarily preliminary to its organization, until it has been authorized by the Comptroller of the Currency to commence the business of banking."

By subsequent sections of the National Bank Act, the Comptroller is required to make a careful examination into the condition of the association, and taking into consideration a full statement upon the oaths of the President and Cashier and of a majority of the directors, and any other facts which may come to his knowledge, by means of a special commission of inquiry or otherwise, to ascertain and determine that at least fifty per cent. of the capital stock has been duly paid in, and that the association has in all other respects complied with the provisions of the National Bank Act, required to be complied with before commencing the business of banking; and thereupon, and not before, to make and to give to the association a certificate, under his hand and official seal, that the association has complied with all those provisions, and is authorized to commence the business of banking, (Rev. St. §§ 5168, 5159.)

The Comptroller, as this court has said, is "clothed with jurisdiction to decide as to the completeness of the organization." (*Casey* vs. *Galli*, 94 U. S. 673, 679; *Bushnell* vs. *Leland*, 164 U. S. 684.)

Until the association has been authorized by the Comptroller to commence the business of banking, section 5136 peremptorily forbids the corporation to "transact any business" whatever, whether appertaining or not to the business of banking, "except such as is incidental and necessarily preliminary to its organization." The only business which it is permitted to transact is "such as is incidental and necessarily preliminary," not to carrying on, or even to commencing, the business of banking, but "to its organization;" that is to say, such as is requisite to complete its organization as a corporation, which might doubtless include electing directors and officers, receiving subscriptions and payments for shares, procuring a corporate seal, and a book for recording its proceedings, temporarily hiring a room, and contracting any small debts incidental to the completion of its organization.

To take a lease is certainly to "transact business," within the meaning of the statute; and a lease for a term of years, at a large rent, of offices to be occupied by the bank "as a banking office, and for no other purpose," however necessary it might be for the transacting, or even for the commencing, of banking business by a corporation whose organization has been completed, and which had been lawfully authorized to commence the business of banking, is in no sense incidental or necessarily preliminary to the organization of the corporation.

The provision of section 5190, that "the usual business of each national banking association shall be transacted at an office or banking house located in the place specified in its organization certificate," refers to its "usual business," after obtaining the certificate from the Comptroller; and to "the place"—that is, the city or town—in which, after it has been authorized by the Comptroller's certificate to commence its business of banking, its "office or banking house" is located.

The lease sued on, therefore, was clearly prohibited by the very terms of the statute from which the association assumed to derive its power to execute the lease.

The doctrine of *ultra vires*, by which a contract made by a corporation beyond the scope of its corporate powers is unlawful and void, and will not support an action, rests, as this court has often recognized and affirmed, upon three distinct grounds: The obligation of any one contracting with a corporation to take notice of the legal limits of its powers; the interest of the stockholders, not to be subject to risks which they have never undertaken; and, above all, the interest of the public, that the corporation shall not transcend the powers conferred upon it by law. (*Pearce* vs. *Railroad Co.* 21 How. 441; *Pittsburgh, C. & St. L. Ry. Co.* vs. *Keokuk & Hamilton Bridge Co.* 131 U. S. 371, 384; *Central Transp. Co.* vs. *Pullman's Palace Car Co.* 139 U. S. 2

When the corporation is created by a charter granted by the Legislature, any person dealing with it is bound to take notice of the terms of the charter, and of the general laws restricting or defining the powers of the corporation. (*Pearce* vs. *Railroad Co.* above cited; *Zabriskie* vs. *Railroad Co.* 23 How. 381, 398; *Thomas* vs. *Railroad Co.* 101 U. S. 71; *Pennsylvania R. Co.* vs. *St. Louis, A. & T. H. R. Co.* 118 U. S. 290, 630.) In like manner, when the corporation is formed under general laws, by the recording or filing in a public office of the required articles of association and certificate, any person dealing with the association is bound to take notice of the documents recorded or filed, upon which, as authorized and controlled by the general laws, depend the existence of the corporation, the extent of its corporate powers, and its capacity to act as a corporation. (*Oregon Ry. & Nav. Co.* vs. *Oregonian Ry. Co.* 130 U. S. 1, 25; *Central Transp. Co.* vs. *Pullman's Palace Car Co.* above cited.)

It is settled, by a long series of decisions of this court, that a lease of a railroad by one railroad corporation to another, which is beyond the corporate powers of either, is unlawful and void, and cannot be made good by ratification or estoppel, so as to sustain an action upon the lease; that this is so, not only when the lease is *ultra vires* of the lessor corporation, and therefore open to the objection of disabling it from performing those duties to the public, its performance of which was the consideration upon which it received its charter from the State, but even if the lease is *ultra vires* of the lessee corporation only, and therefore not open to that particular objection. (*Thomas* vs. *Railroad Co.; Pennsylvania R. Co.* vs. *St. Louis, A. & T. H. R. Co.; Oregon Ry. & Nav. Co.* vs. *Oregonian Ry. Co.; Central Transp. Co.* vs. *Pullman's Palace Car Co.* above cited; *St. Louis, V. & T. H. R. Co.* vs. *Terre Haute & I. R. Co.* 145 U. S. 393, 404.)

The case at bar is no less clear than those just referred to. Congress, indeed in establishing the system of National banks, instead of undertaking to grant special charters of incorporation upon its own judgment of the expediency of doing so in each case, has allowed corporations to be organized by voluntary acts of the associates, under the general conditions defined in the statute. But the capacity of these voluntary associations to make contracts and to transact business has not been left to depend upon their own will, however formally expressed, without any public authority having ever passed upon their responsibility and fitness. On the contrary, Congress has intrusted to the Comptroller of the Currency the power and the duty of making a careful examination into the condition of the association, including the amount of its capital stock actually paid in, and its compliance with the requirements of the statute in other respects, and, if the result of his examination is satisfactory, of granting to the association an official certificate that it is authorized to commence the business of banking; and has forbidden the corporation to transact any business whatever, except so far as required to perfect its organization, until it has received the certificate of the Comptroller.

The result of the Comptroller's examination, and his certificate of that result, and of the authority thereupon granted the corporation to commence the business of banking, of course appear on the records of his office, as do the articles of association and the organization certificate previously transmitted to him. Every one dealing with the corporation is bound to take notice of the facts thus appearing on a public record, upon which, by the very terms of the National Bank Act, depend the right of the association to exist as a corporation, and its capacity to transact business.

The Comptroller's examination and certificate are required, not only for the security of those dealing with the bank, but also for the protection of the stockholders; for, without them, stockholders who had paid in the amount of their subscriptions might find themselves held liable for debts contracted by the corporation, without its having obtained the payments due from other stockholders, and otherwise complied with the requirements of the Act.

One important object of Congress, in requiring the fitness of each corporation for carrying on business, with safety to its stockholders and to all persons dealing with it, to be ascertained and certified by a public officer before the corporation should have power to transact any business whatever, except to complete its organization as a corporation, doubtless was to create and maintain public confidence in the new system of National banks established by Congress to take the place of the local banks to which the people had been accustomed.

The cases on which the plaintiff principally relied are distinguishable in essential elements from the case at bar. *Whitney* vs. *Wyman* (101 U. S. 392) *Harrod* vs. *Hamer* (32 Wis. 162) and *Hammond* vs. *Straus* (53 Md. 1) depended on provisions of local statutes, differing from those of the National Bank Act; and in Whitney *vs.* Wyman the corporation, after being authorized to commence business, had ratified the previous contract. *Chubb* vs. *Upton* (95 U. S. 665) was to the familiar point that one who has contracted with a *de facto* corporation can not set up irregularity in its organization in defense of a suit upon the contract. *Smith* vs. *Sheeley* (12 Wall. 858) merely held that, when land had been conveyed for full value to a *de facto* corporation, the grantor and those claiming under him could not afterwards deny its capacity to take the title. *Bank* vs. *Matthews* (98 U. S. 621) and *Bank* vs. *Whitney* (103 U. S. 99) depended upon section 5137 of the Revised Statutes, specifying the purposes for which a National bank might purchase, hold, and convey real estate, which, as construed by the court, did not make void mortgages taken for other purposes by a banking association authorized to transact business. (See also. *Fritts* vs. *Palmer*, 132 U. S. 282, 293, 93, and cases cited; *Thompson* vs. *Bank*, 146 U. S. 240, 251.)

The present case is not one of irregularity of organization, or of abuse of a legal power, but of an attempt to exercise a power expressly prohibited by statute.

The lease sued on having been executed by the defendant, contrary to the express prohibition of the statute, which peremptorily forbade the corporation to transact any business, unless to perfect its organization, and thus denied it the capacity of entering into any contract whatever, except in perfecting its organization, the lease is void, cannot be made good by estoppel, and will not support an action to recover anything beyond the value of what the defendant has actually received and enjoyed. (*Central Transp. Co.* vs. *Pullman's Palace Car Co.* 139 U. S. 24, 54, 61; *Bank* vs. *Townsend*, 139 U. S. 67).

The plaintiff, who by the judgment below has recovered rent at the rate stipulated in the lease for all the time of the defendant's occupation, as well as all that the defendant had agreed to pay towards the repairs, has certainly no ground of complaint; and the defendant, not having sued out a writ of error, is in no position to object to the amount recovered. Judgment affirmed.

RAISED CHECK—LIABILITY OF BANK—NEGLIGENCE.

Supreme Court of Appeals of Virginia, February 4, 1897.

NATIONAL BANK OF VIRGINIA *vs.* NOLTING.

The drawing and delivery of a check to a stranger is not such negligence that, if the same is raised, and as so raised paid by the bank, the loss will fall upon the drawer.

This was an action by W. O. Nolting, for the benefit of the Davis & Gregory Company, against the National Bank of Virginia, to recover a balance alleged to be due on a deposit account.

HARRISON, *J.:* It appears that a stranger, with whom the defendant in error sustained no business relation, and was under no obligation to accommodate, presented himself at the place of business of the Davis & Gregory Company, and secured from the Cashier of that firm (the defendant in error here) a check on the National Bank of Virginia for $10, in exchange for $10 in currency; that, when this check was presented and paid, it had been raised to $500. Must this loss fall upon the bank or upon the customer?

In their relations with depositors, banks are held to a rigid responsibility. They undertake the care and custody of the customer's money for the benefit derived from its use while in their hands, and they are bound to pay from time to time such sums as may be ordered. If, however, the banker unfortunately pays money belonging to the customer upon an order which is not genuine, he must suffer; and, to justify the payment, he must show that the order is genuine, not, in signature only, but in every respect. (*Hall* vs. *Fuller*, 5 Barn. & C. 750.)

The law governing in cases like this has been well stated as follows: "The rule requiring the bank to know the customer's handwriting was always confined to having a knowledge of his signature. Neither any rule of law nor the ordinary course of business renders it a matter of suspicion that the body of the check or bill is not written in the handwriting of the maker or drawer. Nevertheless, a false or fraudulent alteration in a material particular, made in the body of the check or bill after signature, constitutes a forged instrument, just as much as the simulating the signature itself. By such alteration the instrument is vitiated, even in the hands of a *bona fide* holder for value, although it might not be possible to discover the change even by a careful scrutiny. Of course, it follows, as between the bank and the depositor, that a payment by the bank is the loss of the bank; and such is the unquestionable rule, except in those instances wherein the negligence or laches of the drawer of the check has laid the foundation for the error of the bank. If, by any negligence upon his part, as by so carelessly writing the check as to render it easily open to material alteration without leaving evident traces for detection, the customer has furnished the opportunity for the fraud which has deceived the bank, then he must suffer the just consequences of his carelessness, by bearing the loss himself." (Morse, Banks, § 480.)

The depositor is only charged with the duty of ordinary diligence and care. The character of negligence that would impose the loss upon the customer is illustrated by the old case of *Young* vs. *Grote*, 4 Bing. 253, where the depositor, going away from home, left with his wife several checks which he had signed in blank, and which she was to fill up according to her needs. She filled up one for "fifty-two pounds two shillings," but she began the word "fifty" with a small letter, and in the middle of a blank line. In writing the marginal figures, likewise, she left a considerable space between the "pound mark" and the figures "52." She gave the check in this form to her husband's clerk, to get the money upon it. He inserted the words "three hundred" before the word "fifty," and the figure "3" before the figures "52," and then presented it, and drew £352 upon it. Here the check had been so carelessly written that the forgery was made the simplest matter in the world, and the court held that the loss must rest with the drawer.

In the case at bar it is not pretended that there was any negligence in drawing the check. It is, however, insisted that it was negligence in the drawer to deliver his check to a stranger, to whom he was under no manner of obligation; that this act furnished the opportunity and facilitated the forgery; and that, consequently, the drawer must bear the loss. This position is not tenable. Such negligence does not belong to the species that would impose the loss upon the drawer of the check. To make the drawer liable, the negligence must be immediately connected with the forgery. The negligence here complained of is too remote. This view was taken by the House of Lords in a case where it was held that leaving the seal of a corporation exposed, so as to be accessible to a forger, was not sufficient evidence of negligence to discharge a bank, where it had transferred stocks under a forged power of attorney to which the seal was affixed. It was said that the negligence was too remote to affect the case. (*Bank* vs. *Evans*, 5 H. L. Cas. 409.)

Drawing the check in favor of the stranger was not the proximate cause of the loss. The forgery was the immediate cause, and that could have been as readily perpetrated by an acquaintance. To hold that giving a check to a stranger where no business relation existed between the drawer and himself was sufficient evidence of negligence to excuse the bank, and impose the loss upon the drawer, if the check was forged by raising it to a larger amount than it was given for, would be to release the banks from the just responsibility imposed upon them by the law, as custodians of the customer's money, and expose the depositor to a risk and danger that would greatly impair the usefulness of the bank as a safe place of deposit.

The judgment of the court below is in conformity with these views, and must be affirmed.

COLLECTIONS—PAYMENT BY CERTIFIED CHECK—LOCAL USAGE.

Supreme Court of Tennessee, March 8, 1897.

JEFFERSON COUNTY SAVINGS BANK *vs.* COMMERCIAL NATIONAL BANK.

In the absence of special instructions, one forwarding paper for collection is bound by any reasonable usage prevailing and established among the banks at the place where the collection is made, without regard to his knowledge or want of knowledge of its existence.

A local usage to receive in payment of collections certified checks on banks in good standing in the same place, and to present such checks for payment at 11 A. M. on the next day, and to leave the same for examination until 2 P. M., is reasonable.

This was a bill by the Jefferson County Savings Bank against the Commercial National Bank to charge defendant with the proceeds of a note sent to it for collection. A decree in favor of the complainant was affirmed by the court of chancery appeals, from which decree the defendant appealed to the supreme court.

BEARD, *J.:* This cause was tried upon a statement of agreed facts. Those essential to its present determination are as follows, to wit: The complainant and defendant were corporations engaged in general banking operations—the one in Birmingham, Ala., and the other in Nashville, in this State. They were at the time of the transaction out of which this controversy arose, and had been for a considerable period antecedent, engaged in a mutual correspondence, as the exigencies of their business required or suggested. In the course of this correspondence, the complainant bank, as owner and holder, forwarded to the defendant bank, for collection, a note for $940, drawn by Loventhal & Son to the order of and indorsed by J. C. Marks & Co., and also a draft for $1,852, drawn by J. C. Marks & Co., and accepted by Sulzbacker Bros., both due and payable on Saturday, June 20, 1891. At 2 P. M. of the day of its maturity, the maker of the note and the acceptor of the draft tendered in payment thereof, to the teller of the Commercial National, their checks for the respective amounts due thereon, drawn on and properly certified by the Nashville Savings Bank (a banking corporation of good standing in Nashville); and these checks were accepted by this officer of the defendant, and the note and draft, after being stamped "Paid," were delivered into the hands of the parties respectively entitled to them. This was done in accordance with a well-established usage or custom of the various banks of Nashville. The checks thus received were carried over to Monday, June 22, on which day, at the hour of 11 A. M., they were presented to the Nashville Savings Bank for payment, this being the day and the hour, according to the custom and usage of the banks of Nashville, for their presentment. These checks were left with the Nashville Savings Bank for examination, according to another custom or usage of these banks, and at 2 P. M., June 22, they were returned unpaid to the defendant bank. At that hour the Nashville Savings Bank closed its doors, and the Commercial National Bank at once caused the checks to be presented and protested for non-payment. It is agreed that the Jefferson County Savings Bank had no knowledge of any of these local customs or usages of the banks of Nashville, and was ignorant of the methods pursued by the defendant bank in regard to this paper, until informed thereof by subsequent correspondence. Efforts made to collect the amount of these checks out of the drawers having proved abortive, the result is that the draft and note have been wholly lost to their owner. The bill in this cause seeks a decree against the Commercial National Bank covering this loss, upon the ground that it had no right, in the absence of express authority, to receive, in payment of this paper, anything but money, and that it cannot excuse itself from liability for doing otherwise, by setting up a local custom or usage of which the complainant was wholly ignorant. The court of chancery appeals held to this view, and accordingly entered a decree in favor of complainant for the full amount of the note and draft, with interest added.

In this decree there was error. The rule which that court invokes as decisive of this case—that is, that an agent, in the want of express authority, cannot accept anything in discharge of the principal's debt except money—is well settled, and has been frequently announced in such cases as *Walker* vs. *Walker* (5 Heisk. 425), but it does not control in a case like the present. A principal who selects a bank as his collecting agent, thus availing himself of the facilities which it holds out, in the absence of special directions, is bound by any reasonable usage prevailing and established among the banks at the place where the collection is made, without regard to his knowledge or want of knowledge of its existence. (*Sahlien* vs. *Bank*, 90 Tenn. 221; *Howard* vs. *Walker*, 92 Tenn. 452.)

This rule regulating the relations of collecting banks to parties who take advantage of the means which they offer in this respect is founded on sound reason. Every business man knows that in the constantly increasing volume and variety of banking transactions, the larger number of which are settled or disposed of by a simple exchange of credits, methods have been adopted by bankers to economize labor, reduce risks, and simplify dealing with one another, and with their customers. Some of these methods are of a general character, while others are dictated by local convenience or necessity. That these methods so prevail is a fact of such public notoriety that no business can well affect to be ignorant, and, least of all, a banking institution.

It is in view of this we have held that, in choosing a bank as a collecting agent, the principal impliedly agrees that the agency may be performed in accordance with such reasonable methods as, sanctioned by experience, have ripened into usage, when such usage is not in contravention of a general law; and in this holding we are well supported by authority, as will be seen by reference to the cases already cited. The usages which were observed in the unsuccessful effort to collect the paper in controversy, and which are shown to have been established among the banks of Nashville, we find were reasonable and proper. It follows that the complainant was conclusively affected by them, although actually ignorant of their existence.

The decree of the court of chancery appeals is reversed, and the bill is dismissed.

LIEN OF BANK UPON STOCKS—RIGHTS OF PLEDGEE.

Supreme Court of Michigan, December 24, 1897.

MICHIGAN TRUST COMPANY *vs.* STATE BANK OF MICHIGAN.

Under the statute of Michigan, giving banks a lien upon the stock of their stockholders for debt to the bank due and unpaid, such lien will have priority over the claims of a pledgee of the stock who gives notice to the bank, after the debt to the bank has matured, though the stock was actually hypothecated before the debt to the bank became due.

This was an action by the Michigan Trust Company against the State Bank of Michigan to recover the value of a certificate for ten shares of stock in such bank. The stock was owned by one William T. Lamoreaux, and had been pledged by him with the plaintiff for a loan of $1,000. At the time the pledge was made the bank held notes of Lamoreaux largely exceeding the par value of the stock, but which notes were not then due. The pledgee, however, did not give notice of the pledge until after the notes had matured.

LONG, *C. J.*: The plaintiff contends that the transfer and delivery of the stock to it by Lamoreaux on January 29, 1895, created a lien prior to any lien which the defendant afterwards obtained under the statute, and relies upon the following provisions of Howell's Annotated Statutes, section 4866:

"Whenever the capital stock of any such corporation is divided into shares, and certificates thereof are issued, such shares may be transferred by indorsement and delivery of the certificates thereof, such indorsement being by the signature of the proprietor, or his attorney or legal representative; but such transfer shall not be valid, except between the parties thereto, until the same shall have been so entered on the books of the corporation as to show the names of the parties by and to whom transferred, the number and designation of the shares, and the date of the transfer."

Section 4901 provides: "Any person holding stock in any such corporation may have the same transferred upon the books of such agency within this State, upon the same terms, conditions and restrictions as is provided by law, or the rules of such corporation, for such transfer at the principal office of such corporation, wherever it may be situated."

It is contended that, under these provisions of the statute, the property in the shares of stock passed to the plaintiff, by the delivery of the certificate and proper indorsement thereon, without the formality of a transfer on the books of the defendant bank, and that the defendant had no right in this stock, because, at the time of the transfer to plaintiff, it had no lien upon the stock, there being no indebtedness to the bank by Lamoreaux which was matured and unpaid.

On the other hand, it is contended by counsel for defendant that the transfer to the plaintiff was not effectual, except as between the parties thereto, and could not be made effectual, under the provisions of the statute, to transfer title, until such transfer be entered upon the books of the corporation, and that, at the time the defendant bank had notice of the transfer to the plaintiff, the indebtedness of Lamoreaux to the bank had matured and was unpaid, and it was not then bound to make the transfer upon the books of the bank, as its lien had then attached. Counsel cites 3 How. Ann. St. § 3208a8, as follows:

"The shares of stock of such bank shall be deemed personal property, and shall be transferred on the books of the bank in such manner as the by-laws thereof may direct, but no transfer of stock shall be valid against a bank so long as the registered holder thereof shall be liable as principal debtor, surety or otherwise to the bank for any debt which shall be due and unpaid, nor in such case shall any dividend, interests or profits be paid on such stock, so long as such liabilities continue, but all such dividends, interests or profits shall be retained by the bank and applied to the discharge of such liabilities; and no stock shall be transferred on the books of any bank without the consent of the board of directors, where the registered holder thereof is in debt to the bank for any matured and unpaid obligation."

It is unnecessary, in the present case, to determine what were the rights of the Michigan Trust Company at the time the certificate of stock was transferred to it in January, 1895. It is claimed that, had the plaintiff at that time demanded a transfer to it from the bank upon its books, the bank would have been obliged to have made such transfer; but that question we do not determine. Instead of the demand being made by the plaintiff to have the transfer made upon the books of the bank before the indebtedness from Lamoreaux to the latter had matured, the plaintiff waited from January to December 9 following before making such demand. In the meantime the bank had from time to time given Lamoreaux credit, taking and renewing his promissory notes, when, on December 9, a part at least, and enough to cover the amount of this certificate, had matured and remained unpaid.

It is evident that, under these statutes, at that time, the bank was not compelled to make the transfer of this certificate upon its books. The bank was in a position at least to assert a lien upon the certificate whenever the indebtedness matured and remained unpaid. We think this statute can have no other interpretation. The statute in relation to the transfer (section 4866) contains the express provision that "the transfer shall not be valid, except between the parties thereto, until the same shall have been so entered on the books of the corporation." It is evident that this provision is intended exclusively for the benefit of the bank.

In *Reese* vs. *Bank* (14 Md. 271) one of the debts owing to the pledgee arose September 27, 1854, which was prior to the time when the indebtedness to the bank arose and for which it claimed a lien accrued; but no notice thereof seems to have been given to the bank until demand for transfer on the bank was made. The assignee of the shares demanded the transfer of the bank, but refused to pay the debt owed the bank by the stockholder. The assignee then made a second demand. It appeared that other notes of the stockholder had by that time become due and payable, and the bank refused to make the transfer until all the notes then due and payable were first paid and discharged. The statute provided:

"The shares of capital stock of the corporation shall be transferable on the books of the corporation only according to such rules as shall be established by the president and directors; but all debts actually due and payable to the corporation by the stockholder requesting the transfer must be satisfied before such a transfer shall be made, unless the President and directors shall direct to the contrary."

It was held that, under the statute, the assignee of the stock had no right to demand a transfer upon the books of the corporation until he had paid and discharged all the debts of the stockholder which had become due and payable at the time of the second demand. In *Bank* vs. *Laird* (2 Wheat. 390) the same principle was stated. There the Act of incorporation provided:

"The shares of the capital stock at any time owned by an individual stockholder shall be transferable on the books of the bank according to such rules as may, conformably to law, be established in that behalf by the president and directors; but all debts actually due and payable to the bank (days of grace for payment being passed) by a stockholder requesting a transfer must be satisfied before such transfer shall be made, unless the President and directors shall direct to the contrary."

The certificate was issued to one Patton on March 26, 1811. It was for 500 shares of stock, and on that day he delivered it to the defendant Laird to secure him against his endorsement, and on July 10 he executed to Laird a power of attorney authorizing him to make the transfer of his stock, and on August 22 he executed a deed of assignment to Laird of this stock. It appears that he became indebted to the bank on July 17, 1811, and the bank, when requested by Laird to make the transfer, declined to do so. The Court said: "No person, therefore, can acquire a legal title to any shares, except under a regular transfer, according to the rules of the bank; and if any person takes an equitable assignment, it must be subject to the rights of the bank under the Act of incorporation, of which he is bound to take notice. The President and directors of the bank expressly deny that they have waived, or ever intended to waive, the right of the bank to the lien for debts due to the bank by the form of the certificate, and that they ever directed any transfer to be made to Patton which should stipulate to the contrary. Under such circumstances, it must be held that the shares are responsible for the debts due to the bank."

This rule is supported in *National Bank* vs. *Watsontown Bank* (105 U. S. 217). We think this is the general rule, and is upheld by the great weight of authority, and that it is in conformity, also, with the English doctrine. All that we need to decide in the present case is that, the demand not having been made upon the defendant bank until the debt of Lamoreaux to the bank had matured and was unpaid, the defendant bank was in a position to refuse to transfer upon its books the certificate of stock which had theretofore been pledged to the plaintiff, as we think it was the intent of the statute under such circumstances to give the bank issuing the stock priority of lien.

The judgment of the court below must be affirmed.

PRESENTMENT OF PAPER FOR PAYMENT WHERE BANK CLOSED.

Supreme Court of Tennessee, February 17, 1897.

HUTCHISON *vs.* CRUTCHER.

Where a National bank has been placed in the hands of a Receiver paper payable at the bank should be presented at the office of the Receiver.

Presentment at the office of the Receiver is not excused because the Receiver has removed his office and the assets of the bank to another building in the same place.

The complainant in this cause sought a personal decree against the defendant, as the indorser of a protested promissory note, and also to have it fixed as a lien on certain real estate described in the bill. This note was executed by one Smith in 1892, to the order of the defendant, Crutcher, and was made payable on May 31, 1896, at the Commercial National Bank, a banking institution then in successful operation in the city of Nashville. Before its maturity, the Commercial National Bank was found to be insolvent, and the Comptroller of the Currency appointed a Receiver, and placed him in charge of its assets. For some time after his appointment the Receiver was engaged in winding up the business of the bank, in "the house occupied by it at the time of its suspension. At the end of this period, he moved its books and other assets to another building in Nashville, where he opened a Receiver's office, and was there engaged in liquidating the affairs of the bank at the time this note fell due. On his removal the Merchants' Bank took possession of the house vacated by him, and was established there at the date last mentioned. The fact of this removal, as well as the place where after his removal he was engaged in administering his trust, were well known in the business community of Nashville. At maturity, the note sued on was placed in the hands of a notary, who, without making any demand, treated it as dishonored, and protested it for non-payment.

BEARD, *J.:* The court of chancery appeals held that the indorser was discharged, resting their opinion upon the failure of the notary to make demand for payment of the note at the Merchants' Bank. The correctness of this conclusion is called in question by the complainant, and we think properly so. The general rule certainly is, when the place of payment is specially designated in the note or bill—as, for instance, a bank—and it is closed on the day the paper falls due, the holder will not be required to make personal or other demand, as the paper is *ipso facto* dishonored (3 Rand. Com. Paper, § 1115; Tied. Com. Paper, § 314; 1 Pars. Notes & B. 438). In *Bank* vs. *Hughes* (2 Cold. 52), in recognition of this doctrine, it is said by this court:

"The law is well settled that, where a place of payment is stated in the face of the bill, it will be sufficient to present the bill for payment at the place specified, and, if no one can be found there, the protest may be made without demand or further inquiry."

This general rule we do not think is modified or altered by the fact that a new bank is then occupying the place where the old corporation had formerly been engaged in business. Mr. Daniels, in his work on Negotiable Instruments (vol. 2, § 1119), agreeing with the other text writers just referred to, says:

"If the holder, on the day of maturity, finds the bank or other place of business closed, he is not bound to make any further demand to charge either drawer or indorser."

But he then adds:

"If the paper is payable at a certain bank that has ceased to exist, or at the counting room of a firm which has dissolved before its maturity, it will certainly be sufficient to make presentment to the bank which has succeeded the former institution, if such there be, or at the counting room of the succeeding firm, if such there be."

It will be observed that the author does not say that such demand is essential, but that it will "be sufficient."

Of the cases cited to this text, only one supports this very cautious statement.

In *Bank* vs. *Allen* (16 Me. 41) the institution at which a note was payable had gone out of existence when it matured, and another banking corporation was then occupying its former place of business, and the Court say that presentment was properly made at this latter bank.

On the other hand, in *Roberts* vs. *Mason* (1 Ala. 373) it was held that, where the bank designated as the place of payment had ceased to exist, no demand was necessary, even though it had been sold to another similar corporation, which was made the former's agent for settling its affairs of discount and deposit. In such a case, the Court say, a demand upon the latter would be "an act of supererogation, and, of consequence, ineffectual for any purpose." To the same effect are *Spann* vs. *Baltzell* (1 Fla. 302) and *Berg* vs. *Abbott* (83 Pa. St. 177). The other cases cited by the author, to wit, *Sanderson* vs. *Oakey* (14 La. 373) and *Bynum* vs. *Apperson* (9 Heisk. 637) give no support to his text.

The first of these was a suit against the maker of a note, and in no way involved the liability of an indorser; while in the last the indorser of paper payable at the Union Bank of Memphis, in 1862, was discharged, because the holder did not, as he might have done, present it at maturity at that bank, but, instead, held it until the close of the Civil War, and then made personal demand of the maker. Though not noted by Mr. Daniel, the court of chancery appeals seem to regard *Lane* vs. *Bank* (9 Heisk. 419) as sustaining the view which they adopt. It is true that, in the opinion in that case, *Bank* vs. *Allen* (*supra*) in the course of the argument on the general question of diligence, is referred to by way of illustration; but the judgment of the court was rested upon the peculiar facts found in that record, which, taken as a whole, made "a case of gross and inexcusable negligence," relieving the indorser.

Without pursuing this discussion, while disagreeing with that court as to the ground upon which they place their judgment, we do concur with them in holding the indorser discharged, upon the facts set out in this record. We think the failure to present this note at the office of the Receiver of the Commercial National Bank was laches, which exonerates him. Although this bank had ceased to do business, yet it still had a legal existence. That it was no longer a going concern in the transaction of a banking business is certain. But it is equally certain that the act of the Comptroller of the Currency in closing its doors on account of insolvency, appointing a Receiver, and placing him in charge of its assets, to administer them for the benefit of its creditors, did not extinguish the corporation, or work a forfeiture of its charter. In *Bank of Bethel* vs. *Pahquioque Bank* (14 Wall. 383), the Supreme Court of the United States say:

"Beyond doubt, the appointment of a Receiver supersedes the power of the directors to exercise the incidental power necessary to carry on the business of banking, as the Receiver is required to take possession of the books, records, and assets of every description of the association, and from that necessarily the association is forbidden to pay out any of its notes, discount any notes or bills, or otherwise prosecute the business of banking, but the corporate franchise is not dissolved, and the association, as a legal entity, continues to exist."

So, it was held in that case that a creditor might institute suit in a State court against a National bank, after the appointment of a Receiver, and prosecute the same to judgment. Afterwards, in *National Bank* vs. *Insurance Co.* (104 U. S. 54), the same principle was announced and applied in the case of a National bank going into voluntary liquidation, and *Bank of Bethel* vs. *Pahquioque Bank*, *supra*, was cited and approved as authority. In *Rosenblatt* vs. *Johnston* (104 U. S. 462), this question again underwent examination, upon a claim of the State of Missouri to tax the assets of a National bank in the hands of a Receiver appointed by the Comptroller of the Currency. The courts, repelling this claim, said:

"Such property and assets, in legal contemplation, still belong to the bank, though in the hands of the Receiver, to be administered under the law. The bank did not cease to exist on the appointment of a Receiver."

To like effect is *Chemical Nat. Bank* vs. *Hartford Deposit Co.* (161 U. S. 1). This being the status of the Commercial National Bank at the time this note fell due, what was the duty of the notary? We think there can be no doubt, if it had matured on a day between the one on which the bank examiner took charge and the day on which the Receiver was appointed, its assets all remaining at the bank's place of business, and the doors being open, that it would have been the notary's duty to have presented it then, before making protest; yet the carrying on of business incidental to banking was necessarily as completely suspended during that period of time as afterwards, when the Receiver takes charge. It seems to us equally certain, if this maturity had occurred after the Receiver took possession and while he kept his office and the assets of the association at its old place of business, that presentment there would have been a condition precedent to protest. With regard to the assets of the bank, he had succeeded in a qualified degree to the trust which, while it was in active operation, was imposed by law upon the corporation itself; that is, of managing them wisely and discreetly for the benefit of its creditors. For the time being, and for the purpose of gathering in and distributing its assets, he stands in the shoes of the officers of the insolvent association controlling its processes of involuntary liquidation, as would be its officers in a case of voluntary liquidation.

If the law be as we have assumed it is, in the two cases put above by way of illustration, we cannot see why it should be otherwise where the Receiver still in charge has simply removed his office and the assets of the bank to another place in the same city; for he was still *pro hac vice* the representative of the corporation. It is not sufficient answer to this view to say that a demand at the office of the Receiver would have been futile, and therefore unnecessary; for, if this bank had been a going concern at the maturity of this paper, demand there would have been an essential prerequisite to holding the indorser, though it wasshown ever so clearly that the maker had no funds there to meet it, nor was there in person or by agent to care for it. The duty is made imperative by the designation of the place of payment, without regard to the probability of payment following such demand. We are the more content to rest our opinion on this ground because we think it is in harmony with the case of *American Nat. Bank* vs. *Junk Bros. Lumber and Man'f'g Co.* (94 Tenn. 624).

[The residue of the opinion is devoted to the question of equitable lien.]

DISCOUNTS—PROCEEDS TO BE PAID UPON CONTINGENCY—POWERS OF CASHIER.

Supreme Court of Kansas, March 6, 1897.

KANSAS NATIONAL BANK *vs.* QUINTON.

The discounting of commercial paper by a bank, and the receipt of the proceeds on deposit to disburse to a certain person when a certain service is performed, are included within the powers of a bank, and are incidental to the ordinary banking business, and such power may be exercised by the Cashier or managing officer of the bank.

This was an action brought by E. S. Quinton to recover $3,500 from the Kansas National Bank as for money had and received.

Quinton was engaged by the Topeka Rapid Transit Railway Company to perform legal services and obtain right of way and some franchises for the company in the city of Topeka. J. B. Bartholomew, the president of the company, agreed to pay Quinton $3,500 for the services mentioned. Quinton demanded that provision be made in advance for the payment of his services, and they went together to the Kansas National Bank, where an arrangement was made, the nature of which is a matter of dispute. Some negotiations were had with L. L. Turner who was Vice-President and acting Cashier of the bank, and Quinton claims and testified that an arrangement was made by which $3,500 was placed on deposit in the bank by Bartholomew, which was to be paid by the bank to him when the work for which he was employed was done.

This arrangement was made in April, 1890, and in December following, when the work was completed for which Quinton was employed, he went to the bank and demanded the money in accordance with the arrangement previously made.

On the part of the bank it was contended that no agreement was made whereby it became responsible for the payment of the debt, and it is denied that they ever represented, either by Turner or any one else, that there was $3,500 on deposit in the bank to be paid to Quinton. Its claim was that when Bartholomew and Quinton came to the bank a note for $3,500 was discounted, and the money was placed on deposit to the credit of Bartholomew, and that the bank never assumed any obligation to pay money to Quinton.

The questions of fact arising on the conflict of testimony were determined by the jury in favor of Quinton.

JOHNSTON, *J.* (omitting part of the opinion): There is a further contention that the arrangement made for the deposit and payment of the money was one which was beyond the power of the bank to make. We find nothing substantial in this contention. It was an ordinary bank transaction. There was a discount of the paper of Bartholomew, and a deposit of the proceeds in the bank, to be disbursed by the bank when certain things were done. The disbursement of a deposit upon a contingency is a matter incidental to the business of banking, and the arrangement was one which the Cashier or managing officer was authorized to make.

BANKABLE PAPER.

Supreme Court of South Dakota, March 17, 1897.

EDWARD P. ALLIS CO. *vs.* MADISON ELECTRIC LIGHT, HEAT AND POWER CO., *et al.*

The phrase "bankable paper," as used in a contract providing that notes to be given, due in six, twelve, and eighteen months, respectively, and drawing seven per cent. interest, should be bankable paper, means not discountable paper necessarily, but paper of such high credit that, if the time of payment was reasonable and the banks had loanable funds, it could be discounted.

This was an action by the Edward P. Allis Company against the Madison Electric Light, Heat and Power Company and others, to enforce a mechanic's lien for a balance claimed to be due plaintiff for material furnished to the defendant the electric light company.

By the terms of sale it was provided, among other things, that the electric light company should pay for the machinery as follows: $500 in cash and the balance in equal payments due in six, twelve and eighteen months, respectively, from the date of first payment, and all such deferred payments were to be secured by "bankable paper" drawing seven per cent. interest.

CORSON, *P. J.* (omitting part of the opinion): The principal objection to this finding is that the court was not justified in finding that the notes executed by the electric light company, and indorsed by J. A. Trow and the Citizens' National Bank, constituted "bankable paper," and this contention is based upon the claim that the testimony of the witnesses Brace, McKinney, and Baker was incompetent upon the issue of whether or not the notes sent to the plaintiff constituted bankable paper. The witnesses testified that they were engaged in the banking business in Sioux Falls, and had been so engaged for a number of years; that they knew the financial standing of James A. Trow and the Citizens' National Bank in 1889, among bankers; and that the paper in controversy was bankable paper. They were all officers of banks in Sioux Falls in this State, and were, as stated by them, acquainted with the financial standing and reputation of Trow and the bank. This rendered them competent to testify as to the character of the paper. It was shown on cross-examination that these gentlemen, as officers of their respective banks, by reason of the stringency in the money market and the demands of their customers, had declined to discount or purchase the paper. But this fact did not render the witnesses incompetent to testify as to whether or not the paper was bankable, or tend to discredit their evidence upon that subject. It will be noticed that the parties had, by their agreement, fixed definitely the time of payment of the notes at six, twelve, and eighteen months, and fixed the rate of interest at seven per cent. They had thus eliminated two important elements entering into the character of bankable paper.

What, then, was intended by that term in the contract? Evidently, paper so secured as to be regarded as bankable paper by banks—first-class paper. The term "bankable" does not seem to have any well-defined legal meaning in the law. Mr. Bouvier says of this term: "In mercantile law. Bank notes, checks and other securities for money received as cash by the banks in the place where the word is used." He then, in a note, discusses what bank notes or bills are usually receivable, and concludes: "The word is also sometimes applied to promissory notes and bills of exchange in high credit, thereby denoting that they will be discounted by the banks." Mr. Anderson, in his Law Dictionary, thus defines the term: "Receivable as the equivalent of cash at the bank; receivable for discount by a bank; as a bankable or a non-bankable bill or other paper." But neither Mr. Bouvier nor Mr. Anderson refers to any authorities. Mr. Webster defines the term as "receivable at a bank." We conclude, therefore, that the term, as used in the contract we are considering, was intended to mean high credit paper, which if the time of payment was reasonable and the banks had loanable funds, would be discountable paper. No other meaning could have been intended by either party. The high credit of the maker and indorsers might be such that banks would readily accept the paper in the form of sight drafts or short time paper, which, when made in the form of long time paper, the banks would not ordinarily discount. Our conclusion is that the paper in controversy was, within the meaning and intent of the parties, "bankable paper," and that the evidence fully justified the finding of the referee.

LIABILITY OF NATIONAL BANK AS STOCKHOLDER IN OTHER BANK.

United States Circuit Court of Appeals, First Circuit, March 5, 1897.

FIRST NATIONAL BANK OF CONCORD *vs.* HAWKINS.

A National bank which appears on the books of another National bank as a stockholder therein can not set up as a defense to an assessment that the purchase of such stock was *ultra vires*.

The liability of the stockholders in a National bank is not contractual, but exists by force of the statute.

This was an action by Edward Hawkins, as Receiver of the Indianapolis National Bank, against the First National Bank of Concord, to recover an assessment made by the Comptroller of the Currency upon the shares of stock in the former bank, which were held by the latter Receiver.

Before COLT and PUTNAM, *Circuit Judges*, and WEBB, *District Judge.*

PUTNAM, *Circuit Judge:* This case is based by the plaintiff in error on the proposition that it had no power under the law of its creation to acquire the stock of another National bank as an investment. It is not necessary for us to consider this proposition. It is settled that it had full power to loan on the stock as collateral, or to take it in settlement of a doubtful debt, and in either case, as incidental thereto, to cause the stock to be transferred into its own name absolutely, if it deemed it for its interest so to do, (*First National Bank of Charlotte* vs. *National Exchange Bank of Baltimore*, 92 U. S. 122; *Bank* vs. *Case*, 99 U. S. 628.)

Therefore, on the face of the transaction, no illegality appeared, and nothing to advise either the bank whose stock it acquired, or the existing or future creditors of that bank, or the Comptroller of the Currency, who was their *quasi* public representative, that the transaction was not in the scope of the unquestionable powers of the plaintiff in error. Under these circumstances, the entire trend of the law is that the plaintiff in error is estopped to deny its liability in this case. (*Chubb* vs. *Upton*, 95 U. S. 665; *Pullman* vs. *Upton*, 96 U. S. 328, 330; *Bank* vs. *Case*, 99 U. S, 628; *Scovill* vs. *Thayer*, 105 U. S. 143, 149; *Anderson* vs. *Warehouse Co.* 111 U. S. 479, 483.)

There might arise some exceptional instances where, for special reasons, this estoppel would not apply; as where stock had been issued in excess of the authorized limit (*Scovill* vs. *Thayer*, *ubi supra*), or where, in the cases represented by section 5152 of the Revised Statutes, there are no interests capable of binding themselves either by contract or estoppel, or where the substance of the transaction appears on its face, as in *Beal* vs. *Bank*, decided by us and reported in 15 C. C. A. 128, and 67 Fed. 816, although the latter class is not strictly exceptional. But none of those special elements are found here. We have no need to reconcile *Burgess* vs. *Seligman* (107 U. S. 20), which arose on a statute of Missouri, as the desisions referred to by us apply directly to National banks, and come down to a later date.

The plaintiff in error maintains that the liability sought to be enforced here is merely contractual, flowing out of the acquisition of the stock in question and continuous upon it; so that, therefore, if the original investment was unauthorized, the liability, being still *in fieri*, can not be enforced. But this does not correctly state the nature of the liability. There can be no substantial doubt that, whether the purchase of the stock was authorized or not, the plaintiff in error was after its transfer, by the force of the transaction, its owner, and that no one else could stand as such. Under these circumstances, the liability sought to be enforced here arises by force of the statute, and is not contractual. (*Keyser* vs. *Hitz*, 133 U. S. 138, 151.) Indeed, the expression of the Supreme Court found in *Bank* vs. *Case*, *ubi supra*, are so much in harmony with the rules deducible from its practical conclusions, in the cases to which we have referred, that we accept them as disposing of this case. The Court said, at page 633:

"There is nothing in the argument on behalf of the appellant that the bank was not authorized to make a loan with the stock of another bank pledged as collateral security. That is an ordinary mode of loaning, and there is nothing in the letter or spirit of the National Banking Act that prohibits it. But, if there were, the lender could not set up its own violation of law to escape the responsibility resulting from its illegal action."

The judgment of the circuit court is affirmed, with interest, and with the costs of this court to the defendant in error.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: ST. LOUIS, April 23, 1897.

SIR:—A gives to B (B is a bank in St. Louis) a draft on G. & G. of New York, with the following memorandum: "Will you kindly have your bank in New York wire us direct after banking hours February 18, if our draft on Good & Great is not paid. Yours truly (Signed) A." The letter and draft reached New York, February 17. Would you protest the draft on February 17, or wait until the 18th? Would you wire on the 17th or on the 18th, as requested? Would you give the letter any attention, or would you rely solely on the draft? Would you hold it until February 18 and wire that day, or would you send it back the same day you received it, viz., February 17? DIRECTOR, *Citizens' Bank.*

Answer.—It is the custom of all banks in New York to present sight or demand drafts on the day they are received, and if not paid, protest them on that day. If, therefore, the draft mentioned in the inquiry was received on February 17, the bank, according to custom, would present it on that day, and if not paid, protest it. The request in the memorandum accompanying the draft does not necessarily imply that the draft was not to be presented or protested in the usual course. The drawers merely wished to be advised on the 18th if the draft had not been paid. Nor is it to be inferred that they wished to be wired on the 17th if the draft was dishonored on that day. They might have had various reasons for wishing to be advised on the very day that they named, and the bank would not be justified in supposing that they desired something else. We think the proper course under the circumstances was for the New York bank to present and protest the draft in the usual way, though this might have been earlier than the 18th, and to wire on the 18th. The custom of banks in New York is not to return unpaid drafts until the next day, and though protested on the 17th, the draft would not be returned until after banking hours on the 18th.

Editor Bankers' Magazine: XENIA, Ohio, April 24, 1897.

SIR:—A customer "A" deposits in this bank his check on B National, New Orleans. We send it in regular remittance to C National, Cincinnati. They send to D National, New Orleans. D National collects from B National and remits to C National. D National fails and draft is dishonored. Who pays the bill? CASHIER.

Answer.—The rule in Ohio is that of the English and New York courts, that in the absence of an express agreement, a bank receiving paper for collection is regarded as an independent contractor, and the instrument employed by it in making the collection is deemed its agent, and not the sub-agent of the customer. (*Reeves* vs. *State Bank,* 8 Ohio St. 465.) Under this rule the liability of the collecting bank extends to any failure of its agent to account for or pay over the proceeds after the collection is made. (*Mackerly* vs. *Ramsays,* 9 Cl. & F. 818; *Simpson* vs. *Walby,* 63 Mich. 479; *Power* vs. *First Nat. Bank,* 6 Mont. 276.) Hence, in the case stated in the inquiry, the Xenia National Bank would be liable to its customer, and its Cincinnati correspondent would be liable over to it. (*Montgomery County Bank* vs. *Albany City Bank,* 7 N. Y. 459.)

Editor Bankers' Magazine: DENTON, Texas, April 26, 1897.

SIR:—The law of this State for days of grace is as follows: "Three days of grace shall be allowed on all bills of exchange and promissory notes assignable or negotiable by law." Now, suppose A. B. draws draft on C. D. on demand, has A. B. the legal right to accept it, and is be entitled to three days grace? S.

Answer.—By the terms of the Texas statute allowing days of grace, bills and notes payable on demand are expressly excepted. They are payable according to the rule of the commercial law without grace.

BANK OFFICERS AND DEPOSITORS.

[Paper read before Group VIII of the New York State Bankers' Association, by H. BERNARD COOMBE, Cashier People's Bank of Brooklyn.]

Many and varied opinions exist and have been expressed upon the subject of how a bank officer should treat the depositors, and to what extent the dignity of his position should be manifested and maintained.

This subject, to my mind, seems one of great importance, and worthy of attention, especially in view of the fact that the consideration of present economic and social questions brings interests, particularly labor and capital, nearer face to face to argue and settle the differences existing between them.

While a bank officer should always maintain and carry a certain amount of dignity, this should be done without assuming a manner of "superiority" so often observed in many men holding positions in nearly every walk of life. All men know and realize that there are and always will be class distinctions, but that fact should make *us* realistic that we should not laud our authority and position, but should meet our fellow men in an atmosphere which they can breathe with the same sense of freedom as the person to whom they may be conversing. Bank officers should remember that the capital entrusted to their care is simply the conversion of so much labor, hence the laborer, who is the producer of capital, cannot be ignored or treated with too much indifference if you expect his capital to remain in your custody.

One of the most essential elements to a successful and growing bank business is, that the officers of the institution exhibit a personal interest in the general welfare of the depositors. Wherever it is possible (and it is so with them all at some time) create in their mind a sense of feeling that they, individually, are partners in the business, and that the business of the institution is conducted in their interests as well as in the interests of the stockholders and officers.

Many directors feel that they alone are responsible for the growth and success of an institution, and while in some cases their claim may be valid, still, in the majority, it is the treatment which the depositors receive from contact with those through whom they transact their business, be it President, Cashier, teller or bookkeeper, whether they are satisfied or dissatisfied with the service rendered.

Personality counts for much in the banking business, and this fact is more fully demonstrated when we realize that scarcely ever do we open an account with one who has been attracted to the institution except by the influence or recommendation of some customer who is satisfied with the treatment he receives when visiting the bank, and by the way in which the business is conducted; hence we can see how important it is that interest should be manifested in the welfare of others, in order to insure a continuance of prosperity and growth.

Many unreasonable demands are made by some customers, but such demands should be listened to with consideration, and should be disposed of in a way that the person making them can take no offense at the manner in which you give your declination.

Bank officers resemble school teachers. They both are educators, and frequently have to exercise the greatest patience with their "subjects" in order to bring them to a realistic sense of an existing condition.

First impressions in business, and of a business, are great questions of consideration, and should be studied with intelligence and reason. Nothing is so lasting and so hard to remove as "a first impression" on one's mind; hence we should realize how important it is for the general reputation of institutions or individuals, to create in the minds of their patrons a favorable and pleasant impression. No growth is so fruitful of good results as that based upon "favorable lasting impression."

Small men; in closing let me say a word in favor of the small men. Of course we know that many small men are entitled to little or no consideration, but this does not apply to all. Many small men deserve and should receive the same proportionate amount (if not more) of consideration as the large man. If the small man is honest and respectable, do not turn a deaf ear to his proposition, but give him a chance and risk a little on him. It is not the little men who borrow that banks lose much of their money on, but the large ones. Remember, a business risk with an honest small man is a better and safer one than with a dishonest rich man.

H. BERNARD COOMBE, the author of the foregoing paper, was born in the year 1862 in the city of Quebec, Canada, of English parentage, his father being an English gentleman from Staffordshire, Newcastle-under-Lyme, and who emigrated to Canada in the year 1848, and there in the year 1850 married a Canadian lady.

H. BERNARD COOMBE.

After several years abode in Canada, the family, in the latter part of 1863, left there and took up their residence in the city of Brooklyn.

In the year 1871 the father of the family died, leaving the widow with four children, the youngest nine years of age, and who is the subject of this sketch.

When about eleven years of age, having inherited musical talent, he entered Trinity Church Choir, New York, where he sang for about five years, and earned sufficient to support and clothe himself during the years that he was attending public school and Trinity School, New York city.

In the year 1878, when sixteen years of age, he left school and obtained a position as junior clerk with an insurance brokerage firm in New York city at a salary of three dollars per week. He remained in their employ but a few months, having been offered a similar position at the same compensation in the office of one of the principal trans-Atlantic steamship lines, where he remained for five years, and from whence he entered the office of the New York agency of one of the largest banks in the country. He continued in this institution's employ for nearly eight years, and when leaving, occupied the position of loan clerk, from which experience he acquired a thorough knowledge of collaterals and their value.

In the year 1890 he accepted the position of teller of a bank in Brooklyn, and in April, 1898, resigned that position to accept the Cashiership of the People's Bank of Brooklyn, then organizing, and of which institution he is still the Cashier, and a member of the board of directors.

Although the bank which he represents is scarcely four years old, it has been so successful as to be enabled to erect a handsome stone building containing safe-deposit vaults, at a cost of about sixty-five thousand dollars ($65,000), nearly all of which amount has been earned in that period. It expects to occupy the building upon completion, which will be in a few months.

GOVERNOR JOSEPH F. JOHNSTON OF ALABAMA.

The outline history of the life of Governor Joseph F. Johnston, of Alabama embraces the following facts:

He was born in North Carolina in 1843 and as a youth of seventeen removed to Alabama in 1860. He was attending the High School in Talladega, Ala., when the Civil War commenced, and on April 21, 1861, at the age of eighteen, he enlisted as a private in the Eighteenth Alabama Regiment. That he did his full duty as a soldier at the front is amply attested by the four wounds he received at Chickamauga, at Spottsylvania Court House, at New Market and at Petersburg. When the war closed he was commanding a company in the Twelfth North Carolina Regiment.

JOSEPH F. JOHNSTON.

He returned to Alabama and began the study of law in the office of Gen. W. H. Forney, at Jacksonville, and in 1866 was admitted to the bar. He removed to Selma in October of the same year and for seventeen years continued in the practice of law, devoting his energies mainly to the business branches of his profession. The rapid development of the mineral resources of North Alabama during the last decade attracted to that region many strong and capable men from all parts of the State and it was natural that a man of Captain Johnston's practical mind should seek there a wider field for his capacity to manage large business enterprises. It was in 1884 that he removed to Birmingham, the capital of the mineral district, where he was made President of the Alabama State Bank. He held this position for ten years, voluntarily resigning in 1894. He is still a director of this bank, which was reorganized several years ago as the Alabama National Bank. In 1887 he was elected President of the Sloss Iron and Steel Co., the second largest industrial enterprise in the State, and in its formative period guided its fortunes and established it on a basis of permanent prosperity.

In politics Governor Johnston never held any public office until his inauguration as Governor on December 1, 1896.

In 1869 the then Captain Johnston married Miss Theresa V. Hooper, of South Carolina. Their home is now a handsome residence on the Highlands overlooking the city of Birmingham. Their three sons are still under the parental roof-tree.

Why he is Governor of his State is easily appreciated by the many thousands of the people in Alabama who know him personally. The story might be briefly told by saying that he always understands what he wants to do, goes at it in the nearest and most direct way and pursues it with unflagging industry. He is never long in reaching a conclusion and is never tired. His habits are regular, his ways of life simple and his wants few. Every moment not given up to the numerous callers is absorbed in letter writing and the critical examination of accounts, petitions, reports, the administration of the government in its larger aspects and its smallest details. His special scrutiny is directed to the expenditure of the public money, which he declares belongs to the people and of which the officials are the trustees or agents. The public schools he makes the chief object of his care, declaring that universal education is the only safeguard of universal suffrage and that it is the best and surest and quickest way to the development of the State's material resources and the increase of the material comfort and well-being of the people.

His simple habits have preserved to him through all his arduous labors, mental and physical, a sound body for a sound mind, and he gets through an enormous amount of work with ease. He reaches his office between half-past eight and nine o'clock and stays till he has finished the day's work, clearing off his desk before he closes it and leaving nothing for to-morrow that can be done to-day. He eats nothing from breakfast until the day's work is done, going home to dinner between five and six o'clock unless some unfinished work detains him later. But the day's work once over, he discards business as far as possible to one in his position and devotes himself to his family, to social relaxation and to mental rest until the next day begins. He declines to do any work, public or private, on Sunday, even refuses to look over his mail, and gives the day to rest and regular attendance on the Episcopal Church, of which he and his wife are members.

He has been in office only since the first of December last, but all those around him perfectly understand that under his administration there are none of what are called "soft snaps." Many applicants for appointment indicated that they rather expected something of that sort, and he had it publicly announced that every one of his appointees was expected to give six full days of work in every week. And he demands not merely an honest amount of work in return for the salaries paid by the people, but intelligent and careful work.

Governor Johnston is not a great orator. He is an educated, widely informed, cultivated gentleman and man of affairs, who speaks well and to the point and with boldness on every issue. He never won a delegate or a vote by capturing anybody's imagination from the stump, but when he gets through everybody knows exactly where he stands and what he means, and there is always some epigrammatic sentence, some happy thing said in a happy way and some apt anecdotes or witticisms which catch the memory and leave a pleasant impression to reinforce and prevent forgetfulness of the solid argument.

Nothing so well illustrates the character of the man as the story of his candidacy for the office of Governor. He has always been an active man in the fighting ranks of his party and was long credited with an ambition to be Governor. It is now known that in his theory service should go before preferment, and it was not until 1890 that he concluded that his services to his party and people fully justified his aspiration. He did not beat about the bush. He said in plain words: "I covet the honor of being Governor of Alabama. Nobody has urged me to enter the race. Nobody has dragged me out to lay me on the altar of my country. I am a candidate for the office because I want it. I believe I am capable of fulfilling its duties and of serving the people. I have done my share of party work, and my duty in all relations of life to the best of my ability. My record is before you and if you believe I am worthy, I ask your votes."

His appeal was as a plain man to plain men. Twice he was defeated in the State convention. In his third and successful race his victory was overwhelming.

Governor Johnston has made many speeches and delivered addresses before learned and scholarly audiences, demonstrating often his mastery of rhetoric and proficiency in grace as aids to argument. But his first message to the Legislature, though it touched on twenty-one topics, was absolutely without ornament and illustrates the real key of his character and of his success in four spheres of life—war, the law, business and politics.

He first understands the matter in hand, knows what he wants to do and takes the directest way of doing it. He then leaves the rest to the people and the people have responded by trusting him.

JEFFERSON AND SILVER.—Thomas Jefferson was not a believer in the free coinage of gold and silver at an arbitrary ratio. In 1788 he wrote:

"The proportion between the value of gold and silver is a mercantile problem altogether. * * * Just principles will lead us to disregard legal proportions altogether, to inquire into the market price of gold in the several countries with which we shall principally be connected in commerce and to take an average from them."

This does not declare that silver at a ratio of 16 to 1 is the "coin of the Constitution," or that this country should have a financial policy of its own, independent of the monetary systems of the rest of the civilized world.

In a lettter to Mr. Hamilton, in February, 1792, Mr. Jefferson expressed his opposition to cheapening the dollar or reducing the monetary unit. He said of the dollar:

"I very much doubt a right now to change the value, and especially to lessen it. It would lead to so easy a mode of paying off their debts. * * * Should it be thought, however, that Congress may reduce the value of the dollar, I should be for adopting for our unit, instead of the dollar, either one ounce of pure silver or one ounce of standard silver, so as to keep the unit of money a part of the system of measures, weights, and coins."

The original "demonetization of silver" was effected by the following order from Thomas Jefferson, addressed to the Director of the Mint:

"DEPARTMENT OF STATE,
May 1, 1806.

SIR: In consequence of a representation from the Directors of the Bank of the United States that considerable purchases have been made of dollars coined at the Mint for the purpose of exporting them, and as it is probable further purchases and exportations will be made, the President [Thomas Jefferson] directs that all silver to be coined at the Mint shall be of small denominations, so that the value of the largest piece shall not exceed half a dollar. JAMES MADISON."

Except a thousand pieces, no more silver dollars were coined till after Andrew Jackson retired from the Presidency.

INEQUALITY IN BANKING FACILITIES.

In a speech delivered in the House of Representatives on January 11, Hon. Marriott Brosius, of Pennsylvania, in discussing the bill providing for the organization of National banks with $20,000 capital, in towns of not more than 4,000 inhabitants, gave some striking illustrations of the unequal distribution of banking capital in various parts of the country. The tables show the banking conditions in the States voting for McKinley and also in those voting for Bryan. A careful study of these figures will help to explain why such a large body of voters gave their adherence to the free-silver cause in the hope of finding relief.

Students of banking problems are giving careful attention to the best means for extending the benefits of the national banking system. The bill above referred to, which is a step in this direction, has already passed the House.

The tables will be found on pages 747 and 748. Mr. Brosius comments on them as follows:

"This exhibit shows that the McKinley States contain seventy-five and the Bryan States but twenty-five per cent. of the total number of National banks. Of the capital stock the McKinley States have eighty-three and the Bryan States seventeen per cent. of the total. Of bonds deposited to secure circulation the McKinley States have eighty-nine and the Bryan States eleven per cent. of the total. Of bank-note circulation the McKinley States have eighty-eight and the Bryan States twelve per cent. of the total. Of individual deposits the McKinley States have eighty-five and the Bryan States fifteen per cent. of the total. Of loans and discounts the McKinley States have ninety-one and the Bryan States nine per cent. of the total. Of the money due from National and State banks and from reserve agents the McKinley States have between eighty and eighty-five and the Bryan States an average of about twenty per cent. of the total. Of the stocks and securities held by the banks the McKinley States have eighty-seven and the Bryan States thirteen per cent. of the total.

But a glance at these percentages will show how completely they conform to those in Table I, demonstrating that banks will exist here they are most needed and will multiply in proportion to the means of creating them and the need for their use.

Now, let me, in the way of an object lesson, submit an illustration of the disparity of banking benefits enjoyed in different sections on account of differences in the conditions under which banking operations are carried on.

Lancaster County, Pa., which constitutes the Tenth Congressional District of Pennsylvania, contains an area of less than 1,000 square miles and has a population of about 150,000. It is an agricultural county, containing 500,000 acres of cultivated land divided into 9,000 farms which are assessed at nearly $90,000,000. Its agricultural product in 1890 was $7,657,790, exceeding by at least twenty-five per cent. that of any other county in the Union. Its people have $21,500,000 invested in judgments and mortgages. It has twenty-six National banks, with a capital stock of $3,650,000 and a note circulation of $1,087,430. No citizen in the county need travel from his residence more than twelve miles at most to a National bank, where he can obtain all the accommodations he needs if he possesses the necessary collaterals.

TABLE I.—SHOWING THE BANKING CONDITIONS IN THE STATES NAMED.

McKINLEY STATES.	No. of banks.	Capital stock.	Bonds to secure circulation.	Note circulation.	Individual deposits.	Loans and discounts.	Due from National banks.	Due from State banks.	Due from reserve agents.	Stocks and securities.
Maine	83	$11,156,000	$5,724,490	$5,082,555	$15,620,057	$22,619,669	$746,086	$98,690	$3,007,252	$2,225,806
New Hampshire	50	5,830,000	4,074.000	3,616,987	8,824,362	10,560,433	196,737	59,533	1,938,240	2,788,477
Vermont	49	6,985,000	3,901,500	3.436,035	8,542,300	12,190,136	214,977	57,462	1,602,872	1,670,122
Massachusetts	268	95,377,500	34,458,400	30,612,288	169,847,137	244,741,613	17,517,081	594,060	31,402,308	16,223,078
Rhode Island	57	19,337,050	8,182,500	7,284,530	19,037,534	35,022,769	940,309	65,926	3,264,303	3,062,332
Connecticut	82	22,391,070	9,038,500	8,068,404	32,435,961	43,497,818	1,870,931	309,923	6,139,305	7,139,708
New York	327	85,486,040	42,064,900	37,128,369	383,903,458	425,984,986	29,525,885	5,376,147	16,866,212	52,527,533
New Jersey	102	14,395,000	6,033,250	5,319,982	52,139,195	51,426,414	1,964,081	469,234	7,702,978	8,548,248
Pennsylvania	419	74,663,820	32,649,050	28,999,464	132,143,550	242,803,386	10,105,494	1,363,343	28,881,753	33,989,392
Delaware	18	2,133,985	795,000	703,657	4,748,873	5,280.704	170,111	49,659	1,014,183	568,994
Maryland	68	17,054,960	5,258,750	4,653,285	33,110,307	41,524,882	2,373,139	425,542	4,530,423	3,490,922
West Virginia	33	3,451,000	1,288,000	1,151,120	7,100,781	8,405,921	265,307	171,312	736,732	440,486
Ohio	251	45,330,100	18,605,000	16,577,348	92,019,431	116,110,919	5,201,560	1,699,952	12,037,264	9,106,788
Indiana	113	14,262,000	5,293,550	4,746,727	29,604,637	31,906,376	1,486,056	569,894	3,463,065	2,750,602
Illinois	221	39,221,000	7,750,500	6,649,120	103,544,296	126,476,844	15,292,462	4,682,001	6,637,685	10,118,502
Michigan	91	13,109,000	4,628,500	4,111,682	34,868,155	42,548,965	1,158,173	743,385	5,839,442	1,372,105
Wisconsin	81	10,445,000	3,150,250	2,828,390	33,534,331	33,498,075	758,945	352,342	5,836,936	1,866,978
Minnesota	86	14,850,000	2,022,300	2,291,665	31,184,739	36,063,155	1,416,038	943,898	5,320,379	1,713,680
Iowa	166	13,095,000	4,160,950	3,713,375	23,725,111	30,851,727	1,055,512	479,560	3,739,774	2,294,052
North Dakota	29	1,810,000	490,000	440,297	5,047,948	4,962,140	83,346	71,478	889,556	396,246
Kentucky	77	13,084,400	4,224,250	4,673,660	15,640,253	26,035,866	906,998	408,213	2,352,474	1,050,014
Oregon	33	3,170,000	1,107,550	993,047	7,347,681	6,372,213	431,511	280,813	606,877	1,117,278
California	31	9,525,000	1,775,750	1,478,780	16,181,295	16,974,363	409,526	852,662	1,372,458	1,174,268
Total	2,735	$526,162,925	$206,676,940	$184,560,767	$1,250,151,392	$1,615,859,374	$89,090,265	$21,125,029	$155,182,471	$165,635,611
Percentage	75·1	82.9	88.6	88.4	85.1	91.4	84.0	72.6	85.3	86.8

TABLE II.—SHOWING THE BANKING CONDITIONS IN THE STATES NAMED—Continued.

BRYAN STATES.	No. of banks.	Capital Stock.	Bonds to secure circulation.	Note circulation.	Individual deposits.	Loans and discounts.	Due from National banks.	Due from State banks.	Due from reserve agents.	Stocks and securities.
Virginia	37	$4,796,300	$2,176,750	$1,891,145	$13,591,874	$15,261,317	$730,847	$499,473	$1,793,919	$1,157,518
North Carolina	28	2,766,000	806,000	705,385	4,869,968	6,432,705	402,308	246,368	577,955	316,603
South Carolina	15	1,848,000	409,750	446,785	3,744,481	5,856,344	169,817	181,460	440,120	931,496
Georgia	28	4,016,000	507,000	1,109,457	6,634,493	8,925,609	615,165	387,691	692,456	823,814
Florida	17	1,350,000	405,000	362,930	3,911,651	3,567,624	169,057	212,956	4,579,572	744,427
Missouri	65	16,615,000	2,862,050	2,568,320	32,230,542	45,174,149	3,978,314	1,961,085	992,864	7,040,668
South Dakota	30	1,885,000	535,750	476,572	3,909,709	3,148,994	266,059	86,566	859,727	621,154
Nebraska	113	10,975,000	2,512,400	2,235,640	17,037,122	19,903,647	599,364	594,049	3,725,437	1,205,022
Kansas	116	9,552,100	2,593,000	2,305,802	15,585,139	17,006,348	951,202	110,689	3,401,849	944,988
Tennessee	48	8,275,000	1,691,250	1,495,880	13,926,620	18,179,688	997,012	359,760	1,910,307	970,020
Alabama	27	3,405,000	1,215,500	1,063,660	5,727,797	6,417,525	361,037	256,646	729,766	1,152,953
Mississippi	10	855,000	242,650	216,790	2,032,424	2,034,329	177,538	35,122	210,655	414,522
Louisiana	18	2,860,000	1,115,000	997,232	14,081,010	12,882,970	387,833	284,649	1,321,199	2,229,525
Texas	207	20,920,000	5,064,700	4,515,340	30,552,776	38,948,048	2,746,738	866,121	4,242,004	1,362,977
Arkansas	9	1,220,000	248,500	268,190	1,661,422	2,355,437	67,496	36,017	243,154	117,671
Montana	25	3,350,000	739,350	659,740	1,418,179	9,619,487	670,130	196,413	1,669,257	1,231,133
Wyoming	11	860,000	240,000	214,085	11,865,321	1,721,965	42,354	6,348	302,120	217,961
Colorado	42	5,487,000	1,235,500	1,107,030	24,289,416	18,001,633	2,220,104	584,375	3,577,046	1,725,506
Utah	11	1,900,000	812,500	460,450	2,586,555	2,690,633	200,070	252,945	225,187	273,093
Nevada	1	82,000	20,500	18,450	151,442	118,517	....	524	5,557	9,565
Idaho	11	575,000	206,250	162,825	1,846,374	1,197,733	742,123	371,043	6,637,685	517,488
Washington	40	4,778,000	1,018,500	911,200	6,468,977	7,038,013	454,850	451,583	528,712	1,149,172
Total	909	$108,470,400	$26,747,900	$24,192,908	$218,123,292	$246,482,715	$16,988,918	$7,981,883	$38,666,548	$25,157,276
Percentage	24.9	17.1	11.4	11.6	14.9	8.6	16.0	27.4	14.7	13.2
Total of States	3,644	$634,633,325	$233,424,840	$208,753,675	$1,468,274,684	$2,862,342,089	$106,079,183	$29,106,912	$193,849,019	$190,792,887

The following exhibits the banking situation in that county on October 6, 1896:

BANK STATEMENT FOR LANCASTER COUNTY, PA.

Number of banks	26
Capital stock	$3,650,000.00
Bonds to secure circulation	1,344,500.00
Notes in circulation	1,203,920.00
Individual deposits	5,568,909.60
Loans and discounts	7,985,301.78

I now present, in order to bring the contrast fully into view, a corresponding statement of the banking situation in the seven Southern States named.

BANKING STATEMENT FOR SEVEN SOUTHERN STATES NAMED.

STATE.	*Number of banks.*	*Capital stock.*	*Bonds to secure circulation.*	*Note circulation.*	*Individual deposits.*	*Loans and discounts.*
North Carolina	28	$2,766,000	$806,000	$705,385	$4,869,968	$6,432,705
South Carolina	15	1,848,000	499,750	446,785	3,744,481	5,856,344
Georgia	28	4,016,000	507,000	1,109,457	6,634,493	8,925,609
Florida	17	1,350,000	405,000	382,930	3,911,651	3,567,624
Alabama	27	3,405,000	1,215,500	1,063,660	5,727,797	6,417,525
Mississippi	10	855,000	242,650	216,790	2,032,424	2,034,329
Arkansas	9	1,220,000	248,500	268,190	1,661,422	2,355,437
Total	134	$15,460,000	$3,924,400	$4,173,197	$28,582,236	$35,589,573
Average	19	2,208,571	560,628	596,171	4,083,176	5,084,224

In the foregoing comparison we see side by side two agricultural sections of our country—one a single county, with an area of 973 square miles, with a population of 150,000 and one Representative in Congress; the other, seven sovereign States, with an average area of 48,985 square miles, an average population of 1,225,524, and an average representation in Congress of seven members. The result of the comparison shows that the former area, limited in extent and population as it is, has thirty-seven per cent. more banks, sixty-five per cent. more capital stock, 140 per cent. more bonds deposited for circulation, 100 per cent. more circulating notes, thirty-six per cent. more individual deposits, and fifty-seven per cent. more loans and discounts than the average number and amounts in the States embraced in the latter extended area.

The conditions which account for such disparity in banking facilities as are revealed in the foregoing comparison are conspicuous factors in the problem of national banking. They render impossible of attainment the proposal of some enthusiastic currency reformers, viz., a banking system which will furnish equal facilities to and make credit equally available in all portions of the country and distribute the loanable capital of the country so as to meet the needs of all sections. This might be possible in a country of more homogeneous conditions than ours, but here and now it is one of the 'iridescent dreams' of financial Utopia, for dissimilar conditions will never yield similar or equal results in banking any more than in other realms. The best we can do will be an approximation to this ideal; to so amend our system as to secure the least of the worst and the most of the best results of a uniform national banking system. That such a scheme will be evolved in due time out of the chaos of suggestions submitted, I do not doubt. It will not be done, however, in mass meeting, but by the deliberate and painstaking action of the Committee on Banking and Currency of Congress, aided by the best light, the latest thought they can obtain on the subject."

In an article recently published in the "New York Herald," Hon. Maurice L. Muhleman called attention to the fact that the States and Territories representing seventy per cent. of the population have less than thirty-three per cent. of the banking power of the country.

BANKING AND COMMERCE IN CANADA.

QUARTERLY REVIEW OF THE CANADIAN BANK RETURNS.

The first quarter of the year in Canada is generally occupied in assorting and culling over what old stock has been left, shaping up new stock for the spring opening and ordering and receiving foreign goods.

The principal movement is in agricultural products and the production of logs to be made into lumber when the spring appears.

The Canadian winter has been unusually mild and less snow has fallen than formerly; indeed the usual traffic was somewhat impeded through lack of sufficient snow for sleighing and hauling purposes, as farmers and lumbermen have through long custom learned to sit down and calmly and contentedly wait for sleighing to forward their products to market.

The bank figures for January are invariably marked by large reductions in totals. The December holiday trade having depleted stocks time is necessary to replenish.

The decline in bank notes in circulation during last January was $2,887,627. That seems a large amount to be withdrawn from business during a month, with the wheels of commerce still to be kept moving. The preceding year the falling off between the end of December and the end of January was larger, so that comparison favors the present as an improvement upon the past. The amounts due to the banks from the Dominion and Provincial Governments is of small concern from a business or commercial point, but deposits of the public, which are certainly an indication of thrift in a country, make a fairly good showing.

Deposits payable on demand decreased it is true over three and a half millions, but increased during the year over four and a half millions. This is money placed to meet a coming emergency and drawn out when wanted. Deposits payable after notice, or what may be termed interest-bearing, increased $827,589 for the month, and about five and a quarter millions for the year.

Amounts due to banks and agencies in foreign countries were augmented during the month, also during the year, but the amount is not large enough to make it of much importance.

The banks keep an eye single to the increase of paid-up capital and reserve funds. Those not having reached the maximum of their limit are always placing additional amounts under these headings. A Canadian banker's glory seems to be in a satisfactory reserve fund.

Specie and Dominion notes held by the banks and which form an important part of the cash reserve, increased during January $250,046 and stood $2,242,684 higher than at the end of January, 1896. Notes of and checks on other banks, as usual, decreased largely. Balances due from banks and agencies in foreign countries dropped for the month $349,093, and compared with the same month of 1896 show a falling away of $3,138,861. Balances due from banks and agencies in Great Britain increased during the year $5,324,885. Municipal, railway and other securities make a favorable investment when money is plentiful and trade sluggish, hence an increase in these items. Loans on stocks and bonds on call were not favored. The falling off for the year is a reminder to many that the future of stocks and stock investments here was an unknown quantity. Current loans decreased $2,088,262. This seems strange, as the preceding January recorded an increase.

STATISTICAL ABSTRACT OF CANADIAN CHARTERED BANKS—COMPARISON OF THE IMPORTANT ITEMS.

ASSETS.	*Mar. 31, 1897.*	*Feb. 28, 1897.*	*Mar. 31, 1896.*	*Increase and decrease for month.*	*Increase and decrease for year.*
Specie and Dominion notes	$24,303,465	$24,014,877	$20,535,095	Inc., $288,588	Inc., $3,768,370
Notes of and checks on other banks	6,902,150	5,473,393	6,341,636	Inc., 1,428,757	Inc., 560,514
Due from banks and agencies in foreign countries	15,480,005	16,608,157	16,400,267	Dec., 1,128,152	Dec., 920,262
Due from banks and agencies in United Kingdom	7,965,774	9,146,849	4,417,380	Dec., 1,181,075	Inc., 3,548,394
Canadian municipal securities and British provincial or foreign or colonial, other than Dominion	11,330,760	11,016,349	8,854,878	Inc., 314,411	Inc., 2,475,882
Railway securities	12,508,735	12,027,213	11,023,015	Inc., 481,522	Inc., 1,485,720
Loans on stocks and bonds on call	14,069,277	13,764,862	13,849,628	Inc., 304,415	Inc., 219,649
Current loans to the public	213,232,438	208,732,374	211,603,718	Inc., 4,500,064	Inc., 1,628,720
Overdue debts	3,869,078	3,697,930	4,344,192	Inc., 171,148	Dec., 475,114
Total assets	$328,471,482	$323,303,595	$315,691,276	Inc., $5,167,887	Inc., $12,780,206
CAPITAL.					
Capital stock paid up	$61,893,256	$61,831,391	$62,196,536	Inc., $61,865	Dec., $303,280
Reserve fund	26,728,799	26,728,799	26,458,799	....	Inc., 270,000
LIABILITIES.					
Bank notes in circulation	$31,082,521	$30,409,197	$30,789,457	Inc., $673,324	Inc., $293,064
Balance due to Dominion Government	4,109,094	2,873,197	3,301,221	Inc., 1,235,897	Inc., 807,873
Balance due to Provincial governments	2,939,034	3,207,888	3,015,580	Dec., 268,854	Dec., 76,546
Deposits of the public payable on demand	67,456,225	65,095,602	59,874,493	Inc., 2,360,623	Inc., 7,581,732
Deposits of the public payable after notice	126,191,346	126,937,852	120,699,562	Dec., 746,506	Inc., 5,491,784
Deposits payable on demand or after notice between banks	2,652,299	2,587,137	2,502,104	Inc., 65,162	Inc., 150,195
Due to banks and agencies in foreign countries	471,211	355,138	135,817	Inc., 116,073	Inc., 335,394
Due to banks and agencies in the United Kingdom	3,534,556	2,489,107	5,052,394	Inc., 1,045,449	Dec., 1,517,838
Total liabilities	$239,088,492	$234,588,105	$226,070,832	Inc., $4,500,387	Inc., $13,017,660
MISCELLANEOUS.					
Directors' liabilities	$8,234,640	$7,912,382	$7,936,789	Inc., $322,258	Inc., $297,851
Greatest amount of bank notes in circulation at any time during month	31,750,563	30,974,636	31,521,232	Inc., 775,927	Inc., 229,331

Deposit with Dominion Government for security of note circulation (amount required being five per cent. on average maximum circulation for year ending June 30, 1896), $1,846,218.

Much of the dullness of trade during the early part of the curr it year is attributed, and no doubt rightly so, to the uncertainties of the tariff vision which is going on by the present Government.

The February returns follow those of January very closely. 'ie unimportant changes which are noticeable, and the quietness of the month : February, are by many connected with the tariff uncertainties. However that nay have been, it may be said that business, though holding its own, is without life. There were no preparations for laying in heavy stocks. There seems to be no den and to make the supplies necessary and the month seems to have passed in what so ie business men and politicians call "a hand-to-mouth" business policy.

Bank notes in circulation increased $201,040 over January and $ 9,661 over February, 1896. Deposits payable on demand decreased nearly two millions; those payable after notice show a slight increase, but the increase of the t ro combined for the year reaches over ten millions. For a dull business year this annot be looked upon as an adverse showing.

Current loans increased slightly for the month and during the y ar made a gain of over one and a quarter millions. Call loans and bonds and stocks show a reduction.

The bank figures for March are a slight improvement on the two preceding months, where decreases were the order. In the former month, as will be shown in the abstract, this is principally composed of increases. Indeed the great satisfaction and only one that can be gained is that it is an improvement on the preceding month of February, also the March report of a year ago.

Bank notes in circulation increased over February $673,824 and stand $293,-064 above March, 1896. Public deposits payable on demand show an increase for the month of over two and a quarter millions.

A slight decrease is shown in deposits payable after notice during March, but the combined increase under these headings during the year is over thirteen millions. Call loans on stocks, etc., seem to revive and are showing a slight increase and stand higher than a year ago. Current loans increased during the month over four and a half millions and stand over one and a half millions above what they did a year ago. The same can be said of specie and Dominion notes held by the banks.

The indications are most favorable and with the few changes announced in the tariff, and most of them unimportant, business should be resumed with greater vigor than if this torpidity had not occurred. Now that the new tariff under a new administration has been announced it would not seem out of place to note changes which are noticeable in the banking figures during the past eight years. It was in 1879 that a general overhauling took place and what is called the national protective policy was inaugurated. A few items will suffice to show the changes. We take for convenience the following:

	March, 1897.	*March, 1879.*
Bank notes in circulation	$31,082,521	$19,193,486
Public deposits payable on demand	67,456,225	31,328,009
Public deposits payable after notice	126,191,346	31,239,334
Total liabilities	239,088,492	94,170,681
Specie and Dominion notes	24,308,465	14,153,815
Balances due from banks and agencies in foreign countries	15,480,005	5,862,441
Balances due from banks in United Kingdom	7,965,774	788,808
Current loans to the public	213,232,438	117,069,749
Overdue debts	3,869,078	3,585,109
Total assets	328,471,482	175,293,475

If the accumulation of wealth in other branches of trade is on a par with this and like prosperity should continue under the new tariff, at the end of a decade Canada's progress shall certainly be worthy of notice.

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

ARKANSAS BANKERS' ASSOCIATION.

The Seventh Annual Convention of the Arkansas Bankers' Association convened in the Senate Chamber at Little Rock, Thursday, April 15, and was called to order by President B. J. Brown.

Rev. C. E. Pattillo, pastor of the First M. E. Church, South, delivered an appropriate invocation.

Judge W. S. McCain made the address of welcome. In the course of his remarks he said:

"You would hardly forgive me perhaps if I were to call you legislators, and yet the bankers are a recognized law-making power. That large and important branch of the law designated by the courts and lawyers as the law merchant is the product of the banks. What at first is a mere custom of banks crystallizes in the course of time into a positive law, having the same force and effect as a legislative enactment. Banks, therefore, do not need to wait upon legislation to secure reforms and to establish a healthy system of banking throughout the State, although legislation could do much to aid in this work.

The fact that no steps have been taken by the Legislature to supervise and regulate banks makes it more important, in my opinion, for the banks to undertake the work on their own account. Banks are to a large extent public institutions. Their success depends upon the patronage they secure from the public in the way of deposits, and hence it is essential that public confidence in the solvency of the banks be maintained. The failure of one hurts all. For this reason the banks owe it to themselves no less than to the public to see to it that no bank be allowed to fail where it can possibly be foreseen and prevented. I believe it would be well for this association to discard or at least to subordinate its social feature and organize more exclusively along the lines of practical business. The only reason for demanding legislation in regard to banks is to guard the public against losses by their insolvency. Yet the banks could do much in this direction without legislation through the instrumentality of your organization. This association might have an efficient bank examiner whose business it should be to work under the direction of a committee. To this committee might be submitted semi-annual reports, not general statements, but detailed statements, such as a person would require who was about to invest largely in the stock of the bank. Whenever in the judgment of the committee it became necessary, a special examination could be made by the examiner, and if it should become apparent that a particular bank was becoming a menace to the community the committee could require it to go into liquidation before its capital was exhausted and its depositors injured. Any bank refusing to submit to these terms should be denied membership in the association. If the public should get to understand that membership in your association guaranteed safe and conservative management it would give the banks of the association a great advantage over those who were unwilling to submit to your supervision."

W. H. Langford, President of the Citizens' Bank, Pine Bluff, responded to the address of welcome on behalf of the association.

At the afternoon session President Brown read his annual address, reviewing the work done during the past year.

Secretary M. H. Johnson read a report from the executive committee showing the association to be in good condition, and making certain recommendations.

The recommendation that the by-laws be changed to make the election of officers the last order of business was adopted.

A recommendation to defray the expenses of the executive committee when called together to transact association business was carried.

W. Y. Foster, of Hope, treasurer of the association, presented his report showing a balance of $441.58 in the general fund, and $256 in the protective fund.

"The Danger of a Kiting Customer and the Necessity of His Early Suppression" was discussed by Messrs. F. H. Head, of Pine Bluff; J. M. Woodsworth, of Marshalltown, Iowa; Chas. McKee, of Fordyce; C. N. Rix, of Hot Springs; J. S. Pollock, of Little Rock, and others.

Mr. Rix said that there was one branch of "kiting" which might be overlooked. A customer comes into a bank and wants to draw on his son in another place. This might be kept up a long time, the son drawing as many drafts, as his father. It was the universal practice, almost, that customers had gotten into the habit of sending their checks off to pay their bills. The banker is placed in this position: A sends his check for $50 to New York when he probably hasn't fifteen cents in the bank. The check goes the rounds and finally comes back to the bank. In nine cases out of ten the bank is compelled to pay the check, whether the customer had the money on deposit or not. Mr. Rix regarded that as a pernicious phase of "kiting."

Mr. McKee did not think the practice of sending out individual checks was "kiting." Nor did he believe it to be to the interest of bankers to restrict the largest possible use of checks. The wholesalers in the cities have combined to crush the individual check. Mr. McKee asserted that if the local banks shut out the checks of their merchants the latter would quit doing business with them. Mr. McKee, expressed a few thoughts on checks as currency. He argued that if it were not for checks the pressure for currency would be immense.

In the evening the visiting bankers were tendered a banquet at the Capital Hotel.

Second Day's Session.

The first business was the appointment of a committee to draft resolutions on the death of President Kramer, of the Bank of Commerce, Little Rock. Maxwell Coffin, J. S. Pollock and S. S. Faulkner were appointed.

The subject, "The Co-Relation of the Banks and the People to the Prosperity of the Country," was handled in a carefully prepared paper by I. J. Adair, Cashier of the Merchants and Planters' Bank, of Warren. He thought the bankers themselves should go further toward building up a more cordial relation between bankers and people generally. With his bank the farmers were among the very best paying customers.

A letter from the Secretary of the Texas Bankers' Association was read testifying to the satisfactory working of the reciprocal draft system in that State. After considerable discussion, on motion of W. Y. Foster the following were appointed as a committee to examine and report upon the subject of reciprocal drafts at the next meeting:

W. Y. Foster, of Hope; S. S. Faulkner, of Helena; J. S. Pollock, of Little Rock; S. H. Hornor, of Helena; John G. Fletcher, of Little Rock.

"The Best Methods of Protection to Bankers' Exchange Against Forgery and Alterations," was discussed intelligently and interestingly by Maxwell Coffin, President of the Bank of Little Rock. He knew of no better protection than the means now utilized.

W. J. Stowers, of Morrillton, chairman of the committee appointed to prepare a suitable memorial on the recent death of Wm. J. Echols, President of the Merchants' Bank, of Fort Smith, submitted a report which was adopted unanimously.

Officers for the ensuing year were chosen as follows:

President—F. H. Head, Pine Bluff.

First Vice-President—S. S. Faulkner, Helena.

Second Vice-President—J. W. White, Russellville.

Third Vice-President—C. F. Penzel, Little Rock.

Fourth Vice-President—D. P. Terry, Nashville.

Fifth Vice-President—I. J. Stacey, Augusta.

Sixth Vice-President—J. P. Eagle, Lonoke.

Executive Committee—C. N. Rix, Hot Springs; Gordon N. Peay, Little Rock; and Dolph Sloan, Walnut Ridge.

Delegates to American Bankers' Association—Geo. I. Sparks, Fort Smith, Delegate; S. H. Hornor, Helena, Alternate.

Treasurer—W. J. Stowers, Morrilton.

Secretary—M. H. Johnson, Pine Bluff.

CALIFORNIA BANKERS' ASSOCIATION.

The Fifth Annual Convention of the California Bankers' Association met at Los Angeles, April 19 and 20, President D. N. Rideout in the chair.

In his annual address President Rideout spoke hopefully of the future, referring to the large increase in the production of gold in California, and the generally improved outlook.

J. E. Baker, of the Bank of Alameda, read a paper on the "Banker in His Relation to the Public." He presented some excellent and practical ideas on the subject.

Benjamin C. Wright, financial editor of "The Bulletin," San Francisco, spoke on "The Money of the Future." He referred to the honorable record of the California banks in maintaining actual specie payments, and favored the issue of only one kind of credit currency by the banks or the Government, preferably by the banks.

At the second day's session, Mr. John J. Valentine, President of Wells, Fargo & Co's Bank, San Francisco, read an exhaustive and scholarly address on international bimetallism, which he clearly demonstrated to be unsound and unscientific.

Frank A. Gibson, Cashier of the First National Bank, Los Angeles, explained the causes for some of the existing prejudices against banks. He said the only remedy was the education of the public as to the true position and functions of banks. Charles Altschul, of the London, Paris and American Bank, San Francisco, spoke on the same subject.

H. W. Magee, one of the State Bank Commissioners, spoke of the careful regard that bankers should have for the interests of their patrons and the communities where they did business.

E. B. Pond, Vice-President of the San Francisco Savings Union, spoke on "Interest and Taxes."

Officers for the ensuing year were chosen as follows:

President—John J. Valentine, President Wells, Fargo & Co's Bank, San Francisco.

Vice-President—J. M. Elliott, President First National Bank, Los Angeles.

Treasurer—G. W. Kline, Cashier Crocker-Woolworth National Bank, San Francisco.

Secretary—R. W. Welch, San Francisco.

PLACE AND DATE OF FUTURE MEETINGS.

ALABAMA BANKERS' ASSOCIATION.—Birmingham, Ala., Wednesday, Thursday and Friday, June 9, 10 and 11.

AMERICAN BANKERS' ASSOCIATION.—Detroit, Mich., Tuesday, Wednesday, and Thursday, August 17, 18, and 19.

GEORGIA BANKERS' ASSOCIATION.—Warm Springs, Ga., Wednesday and Thursday, June 16 and 17.

IOWA BANKERS' ASSOCIATION.—Ottumwa, Iowa, Wednesday and Thursday, May 26 and 27.

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

MARYLAND BANKERS' ASSOCIATION.—Cumberland, Md., Tuesday and Wednesday. June 1 and 2.

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

MISSISSIPPI BANKERS' ASSOCIATION.—Water Valley, Miss., Tuesday and Wednesday, May 18 and 19.

MISSOURI BANKERS' ASSOCIATION.—St. Louis, Mo., Wednesday and Thursday, June 9 and 10.

TENNESSEE BANKERS' ASSOCIATION.—Nashville, Tenn., Wednesday and Thursday, May 19 and 20.

TEXAS BANKERS' ASSOCIATION.—Belton, Tex., Tuesday, Wednesday and Thursday, May 11, 12 and 13.

WEST VIRGINIA BANKERS' ASSOCIATION.—Parkersburg, West Va., Wednesday, June 2.

THE PADRONE BANKS.

In view of the fact that the New York Legislature has passed a bill requiring private bankers to deposit bonds for the protection of their depositors, the following description of the Italian Padrone Banks will be of special interest. The bill alluded to is aimed particularly at this class of banks. This description of them is given in a recent Bulletin of the Department of Labor, Washington.

"The peculiar system of banking in vogue among the Italians of this country deserves special attention. Its close alliance with the padrone system has been intimated. The boss supplies a large share of the patronage of the banker, at least indirectly. More often than not the boss requires his men to bring their savings for deposit with a named banker under threat of discharge. The banker frequently shares the *bossatura* and other moneys extorted from the laborer. The men who work under a boss during the summer fill his boarding houses in winter, etc. How invaluable the banker becomes to the boss has already been shown. Many of the present-time bankers are said to be retired bosses. Hence their institutions may also for this reason properly be called padrone banks, although they are not known under this appellation.

It has not been learned who came first, the bankers or the bosses. The former, however, have some excuse for their being in the fact that, in addition to the many facilities their places of business afford the Italians, as will presently be shown, they supply a distinct want. The laborer apparently cares little for ordinary rates of interest. A bank is to him not a place where his savings are increased, but simply a big safe where they may be kept intact until he wishes to send them to Italy. The American Savings banks are unwilling to have deposits withdrawn at the end of two or three months after the fashion of the Italian laborer, and they do not make it a business to transmit small sums abroad. Aside from the difficulties of language, which often debar the Italian from our own institutions, the Savings banks do not seek his patronage as a depositor.

The Italian quarter of New York contains about 150 so-called banks. Most of them are found on Mulberry, Mott, Elizabeth and Spring streets, some having branches in Little Italy uptown. Probably not a single one of them has a legal status under the banking laws of the State, not excepting the half dozen or so which are held to be honest in all transactions. Many of the bankers are presumably ignorant of the law, since they can neither read nor speak English. The number of these banks is not surprising when it is known that it does not require capital to open one. Not long ago a man who had just fitted up banking apartments sent a pitiful appeal to a friend requesting a loan of $10, as he had no money to buy food with.

Most of the banks in New York are shabby little affairs, run in connection with lodging-houses, restaurants, grocery stores, macaroni factories, beer saloons, cigar shops, etc., but under imposing names, such as *Banca Roma*, *Banca Italiana*, *Banca Abbruzzese*, and the like. Other signs read simply *Banchiere*, *Cambio Valute*, and *Avvisi Legali*. Some try to attract attention through a display in the windows of American currency, Italian lira notes, a few gold pieces, along with worthless duplicate drafts, old express receipts, and Confederate money. How multifarious are the occupations of the Italian banker may be gathered from the translation below of a letter head obtained from one of the profession:

'Remittances in any sum whatever to all the post offices in Italy, Switzerland, France, and Austria, in paper money, gold francs and florins, in the quickest and safest way. Telegraphic orders. Drafts, payable at sight, on all the principal cities of Europe. Notary public; legal advice free. Ocean and R. R. tickets. Intelligence office. Shippers by package post. Custom-house brokers. Depot for Marsala and table wines. Depot for S. Antonino tobacco, imported, prime quality.'

Most bankers have their own *compari*, one to four, according to the magnitude of the establishment, who may be seen loafing on the premises at all hours. How they facilitate the operations of the boss we already know. For the rest, their business is to attract customers and, by singing the praises of the bank, induce the laborer to deposit his money there, buy steamship tickets, or obtain any favor he may call for. They are also the ones who are to meet the new arrivals and conduct the immigrant to the wharf or railway station. The relation of the banker to his customer is of a peculiarly confidential nature. He writes the laborers' letters and receives them, the post-office branch of the bank being one of the most important. This work, called *franco bollo*, is invariably paid for. He becomes, furthermore, the *cafone's* marriage broker for a compensation, and acts frequently as his legal adviser. It is thus plain that the banker has exceptional opportunities for petty extortions. His principal business as a bankeris, of course, to exchange, remit, and receive money on deposit. On turning over his dollars to the bank, the laborer is not given a regular receipt, much less a bank book, but a slip of paper on which only the sum deposited is written. After several deposits and withdrawals have been made it commonly happens that the figuring of the banker does not agree with that of the customer. Since the latter is generally unable to read, it is easy for the banker to persuade him that he is mistaken. In any case a mistake can not be rectified after the customer leaves the bank. The profit remains with the banker, and the other, childlike as he is, soon forgets all about the possible injury done him. In exchanging money, both for immigrants and emigrants, dishonesty on the part of the banker is very common, but not easily detected on account of the ignorance of the average Italian. A third transaction which must be described is that of remitting money to Italy. No complaint is made because bankers allow themselves a liberal fee for this service. But it sometimes happens that the money never reaches its destination. Yet the banker retains a reputation for honesty, for did he not give the customer back fifty cents or a dollar, saying that it represented the exchange (*cambio*), and that he would not be guilty of taking more than his dues? Or if this excuse is too threadbare, the banker may say that the steamer carrying the mails has foundered, or, better, he blames the American post office, against which he will at once bring suit for the recovery of the loss. It is, in fact, a part of the policy of the Italian banker to instill suspicion of American officials into the minds of his countrymen for the purpose of retaining their trade.

Few of the bankers are licensed to conduct an employment office, still this is generally one of their most important occupations. As notaries they find opportunity for charging all sorts of imaginary fees under the pretense that so much must be paid for *registro*, *protocollo*, and the *bollo scrittura*. Their legal advice is either of a selfish nature or else plain humbug. They are, of course, not members of the bar. The services of a banker as a peacemaker are sometimes sought, or he may be said to sit as a kind of justice of the peace.

Finally, the banker is the one man who can furnish bail when one of his countrymen is arrested. Some establishments have a fixed tariff for giving bail or going on bonds. An instance was discovered in which $100 had been charged for furnishing bail to the amount of $200.

It is an old story that several Italian bankers have no other purpose than that of waiting until they have accumulated large deposits, when they abscond, leaving no trace behind them. In order to draw customers, they promise an unusual rate of interest (in a recent instance twelve per cent.), while they stipulate that no deposits shall be withdrawn within a specified time. During the progress of this investigation two bankers in New York left for parts unknown, taking with them, so it was reported, over $50,000 in workmen's wages. The affair created hardly a stir. No effort was made to find the defaulters, and they left no bondsmen who could make good the losses. The apprehension and conviction of a defaulting Italian banker is an exceedingly rare occurrence.

There is a class of bankers in New York occupying a still lower level than the one described. Their places are the haunts of the most degraded of their countrymen. The laborer is always made welcome there. A back room is reserved where he may drink and gamble by day and sleep at night. It is notorious that liquor is sold in these places seven days in the week.

It is interesting to note that an Italian Savings bank is about to be opened in New York under the auspices of certain bosses.

Statements relative to the vast sums sent out of this country through the medium of Italian banks should be taken with a grain of allowance for imaginative facts. The Senate Committee on Immigration, sitting in 1893, is said to have developed the fact that in an average year the Italian banks of New York send abroad from $25,000,000 to $30,000,000. It is known that other cities, even those in the immediate vicinity of New York, have their own Italian banks; furthermore, that the prominent Italian business man does not patronize the institutions on Mott and Mulberry streets. The vast sums mentioned must thus be taken to represent the earnings of laborers and small tradespeople. Assuming, therefore, that New York in 1892 contained 50,000 Italian wage earners, which would very nearly equal the total Italian population of New York, Brooklyn, Jersey City, and Newark together, according to the census of 1890, with no allowance for women and children, the average savings of these 50,000 would have to reach the sum of $500 per head annually in order to foot up the lesser of the two sums referred to. It is needless to say that the average gross earnings of the Italian in this country is much less than $500 per annum, let alone his possible savings.

Philadelphia has about twenty-five Italian banks. Most of them are to be sought in the so-called slum districts, on South Seventh street and near-by thoroughfares. In general character they are on a par with the better of the New York banks. One of them, a very uninviting place, advertises itself as representing two well-known strong banks under the control of the Italian Government (*rappresentanti del Banco di Napoli e del Banco di Sicilia*). A few years ago eight or nine of the bankers in Philadelphia defaulted at brief intervals. This gave a setback to the others and induced many Italians to trust their savings to American institutions. About 4,000 members of the colony are now stated to be regular depositors in ordinary Savings banks.

The banking business carried on in the Italian colony of Boston has gained a good deal of notoriety through the attempts made at exposing its abuses. It, as well as conditions generally, is pictured as follows in a recent public appeal of the Italian Workmen's Aid Association of Boston, a society under the supervision of prominent Americans:

'There are more than 15,000 Italian residents in Boston. Of these the greater part consists of peasants from the country districts of Italy, who are almost entirely unacquainted with the language and laws of our land. They are thus in a condition of such helplessness as makes them ready victims to the extortion and abuse of a small fraction of their number, who, under the pretense of finding them employment or of investing their savings and making transmittances of money to Italy, are simply robbing them and keeping them in squalor and misery. The former, as padrones or bosses, charge extortionate commissions whenever employment is provided, and sometimes even exact it without furnishing the work. The latter, under the name of bankers, demand extravagant rates for the transmission of money, and even then, in many cases, neglect to forward the sums that have been intrusted to them.'

To meet the situation, the association just referred to opened a bank of its own. Thus far it has not been able to compete with the Italian banks on an equal footing, partly for lack of funds, which allow it to keep open at intervals, while the others are accessible at all times, especially on Sundays, the banking day *par excellence*, and partly because it has not yet won the necessary confidence of the Italians.

Of the majority of the Italian banks in Boston it is enough to say that they are neither better nor worse than those of the other cities. There are about twenty of them all told. Notwithstanding the many lessons had, the forgetful Italian continues to trust them with his all. Owing to the movement of the population and the fresh immigration, the least scrupulous of the bankers experience no difficulty in finding customers who have not yet learned their ways."

National Surety Company.—As previously announced in the MAGAZINE, the new National Surety Company, organized under the laws of the State of New York, will shortly absorb the business and assets of the National Surety Company of Missouri, formerly doing business at Kansas City.

The new company will have a paid-up capital of $500,000 and a surplus of $500,000, paid in, thereby producing ample finances to give implicit confidence to the public. It will also have a specially selected list of stockholders distributed all over the United States, and a directorate composed of some of the best known capitalists in this country.

The organizers of the new company caused a most exhaustive examination to be made of the affairs of the Missouri Company, which resulted in the allowance of 115 per cent. for the stock of that company.

Mr. Chas. A. Dean, who has been the Vice-President and General Manager of the Missouri Company since its organization, and through whose tireless energy and tenacity of purpose that company has been made so successful, will be the chief executive officer of the new company. Mr. Dean's executive ability has stood the test of a number of years practical experience. So skillfully and successfully did he handle the affairs of the Missouri Company that the attention of the prominent business men and financiers who constitute the directorate of the New York Company was attracted, and the new organization, formed under the same title, was completed.

The incorporators of the New York Company include some of the most prominent and successful business men and financiers in the United States, among whom are John A. McCall, President of the New York Life Insurance Company, New York; William B. Hornblower, of Hornblower, Byrne, Taylor & Miller, Attorneys, New York; J. McD. Trimble, General Counsel, K. C. P. & G. R. R., Kansas City, Mo.; Chas. A. Dean, Vice-President National Surety Co.; Hon. Chas. S. Fairchild, Ex-Secretary of the Treasury of the United States, and Hon. Roswell P. Flower, Ex-Governor State of New York.

In addition to the incorporators the following equally prominent gentlemen will be among the directors: Hon. Richard Olney, Ex-Secretary of State; T. Jefferson Coolidge, Esq., President Old Colony Trust Company, Boston; A. B. Hepburn, President Third National Bank, New York; John D. Crimmins, Jr., President California Asphalt Company, New York S. B. Bertron, of Bertron & Storrs, bankers, New York; Percy T. Morgan, President California Wine Association, San Francisco.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

STATE OF RHODE ISLAND.

PROVIDENCE, R. I., March 22, 1897.

The same number of State banks, institutions for savings and trust companies filed statements with this department, showing their standing at the close of business, November 17, as for the year previous.

TRUST COMPANIES.

A Summary of the Condition of the Trust Companies on November 17, 1896.

RESOURCES.		LIABILITIES.	
Loans on mortgages of real estate	$2,340,430	Capital stock	$2,826,486
Bank and other stocks	693,283	Surplus	1,038,745
United States bonds	1,243,000	Profit on hand	171,223
State bonds	341,652	Amount of deposits, general account	9,543,920
City, county, town, railroad and other bonds	4,681,211	Amount of deposits, participation account	9,900,842
Loans on personal security	6,553,383	Bank deposits	225,694
Loans on collaterals	4,130,281	Other deposits	290,176
Cash on hand	1,188,538	Dividends unpaid	12,859
Real estate	2,269,502	Other liabilities	606,809
Furniture and fixtures	7,879		
Loans to banks, etc	562,336		
Expenses	29,068		
Call loans	323,345		
State and municipal warrants	44,981		
Other resources	207,861		
Total	$24,616,758	Total	$24,616,758

MISCELLANEOUS.

Whole number of depositors	7,066
Number depositing $500 and under $1,000	1,310
Number depositing $1,000 and upwards	2,374
Largest amount due any one depositor	$142,152
Amount of last dividend	168,684
Average rate of last dividend	3 7/8%
Average rate per cent. for last three years	3 11/16%
Amount of reserved profits at time of last dividend	$1,093,257

Table Showing Mortgage Loans in Other States by Trust Companies.

NAME OF STATE.	Amount loaned.	NAME OF STATE.	Amount loaned.
Colorado	$911	Nebraska	$206,318
Illinois	331,950	New York	20,000
Iowa	167,586	North Dakota	575
Kansas	48,350	South Dakota	2,107
Massachusetts	3,400	Texas	12,531
Minnesota	494,210		
Missouri	61,531	Total	$1,349,473

STATE BANKS AND SAVINGS INSTITUTIONS.

The total resources reported by Savings institutions, including those in liquidation, amount to $72,591,483, which shows a shrinkage since compiling the last report of $49,951. The deposits decreased nearly the same amount, while the whole number of depositors gained 896. Of this gain 610 were of those depositing under five hundred dollars.

As to the different items of investment, the following comparative ta le may be of interest:

Items of Investment.	Nov. 17, 1896.	Nov. 19, 1895.	Increase.	Decrease.
Mortgages on real estate, other States	$4,269,344	$5,554,946	....	$1,285,602
Mortgages on real estate, Rhode Island	22,655,641	21,371,816	1,283,824	....
Bank stock	2,380,760	2,406,990	....	26,230
Railroad stock	795,011	719,511	75,500	....
Manufacturing stock	52,348	52,348	....	....
Miscellaneous stock	689,697	674,235	15,462	....
United States bonds	3,040,887	2,921,662	119,225	....
State bonds	347,455	149,516	197,988	....
City, town and village bonds	9,358,529	9,787,852	....	429,323
County bonds	1,107,863	1,083,763	24,100	....
Railroad bonds	10,994,995	11,144,088	....	149,043
School and school district bonds	657,197	672,726	....	15,529
Miscellaneous bonds	4,243,498	4,329,214	....	85,716
Loaned on personal security	3,647,124	3,003,229	643,894	....
Loaned on collateral of personal property	2,452,976	3,307,274	....	854,297
Cash on hand	2,101,783	1,809,571	292,212	....
Real estate	2,348,458	2,063,541	284,917	....
Furniture and fixtures	9,525	9,525	....	....
Call loans	357,342	572,584	....	215,241
City, town and district notes	331,895	471,195	....	139,300
Profit and loss	102,035	94,415	7,619	....
Other resources	647,060	441,425	205,634	....
Total resources	$72,591,433	$72,641,385	....	$49,951

Seventeen declared annual and thirteen semi-annual dividends. Of those in liquidation the Hopkinton declared a dividend of fifteen per cent.; the Merchants' one of ten per cent.

The average rate of dividend for the past year by these institutions, including those paid in liquidation, was 4[illegible] per cent.

From 1856 to 1896 the progress of the Savings banks has been as follows:

	Number of banks.	Amount of deposits.	Increase of deposits.	Average to each depositor.	Average to each inhabitant.
1856	18	$5,797,857	*$2,489,088	$214.71	$39.29
1866	25	17,751,713	11,953,856	335.83	96.08
1876	39	50,511,979	32,760,266	505.80	195.60
1886	37	53,284,821	2,772,842	447.16	175.11
1896	35	68,683,697	15,398,876	504.48	178.51

* Increase from 1853 to 1856.

The cash capital of the State banks remains the same as last year. Their reserve profits at the time of last dividend amounted to $158,287, a decrease of $6,364 from the amount reported a year ago. The total resources of the trust companies show a shrinkage of $715,706. Their deposits, participation account, increased $437,788 and depositors 635, while the deposits, general account, decreased $1,235,131. The average rate of dividend for the year was three and seven-eighths per cent. Liabilities of the Savings banks on November 17 were as follows:

Amount due depositors	$68,683,697
Amount of profit on hand	3,247,963
Other liabilities	64,620
Profit and loss	595,132

Miscellaneous Statistics.

Amount of deposits	$68,683,697
Whole number of depositors	136,148
Number depositing $500 and under $1,000	17,800
Number depositing $1,000 and upwards	21,349
Number depositing under $500	96,999
Largest amount due any one depositor	$585,622
Amount of last dividend	$1,524,782
*Average rate per cent. for 1896	4[illegible]%
*Average rate per cent. for last three years	4[illegible]%
Amount of reserved profits	$2,880,001
Decrease of deposits from previous year	49,205

* Includes dividends paid in liquidation.

Increase of depositors	896
Increase of those depositing less than $500	610
Increase of those depositing more than $500 and less than $1,000	111
Increase of those depositing $1,000 and upwards	175
Loans on mortgages of real estate in Rhode Island	$22,655,641
Loans on mortgages of real estate in other States	4,269,344

Table Showing Mortgage Loans in Other States by the Several Savings Banks and Institutions for Savings.

NAME OF STATE.	*Amount loaned.*	NAME OF STATE.	*Amount loaned.*
Alabama	$10,000	Nebraska	$330,885
Arkansas	2,578	New Jersey	6,000
California	20,600	New Mexico	19,850
Colorado	135,320	New York	35,050
Connecticut	156,865	Ohio	134,536
Dakota	34,116	Omaha	61,000
Florida	30,905	Oregon	1,800
Georgia	2,600	South Dakota	109,295
Idaho	1,100	North Dakota	12,575
Illinois	467,315	Tennessee	206,421
Iowa	567,355	Texas	4,542
Kansas	548,236	Utah	2,700
Kentucky	6,500	Virginia	5,000
Massachusetts	244,786	Washington	[illegible],304
Minnesota	829,105	Wisconsin	50,365
Mississippi	600	Wyoming	8,350
Missouri	167,510		
Montana	1,175	Total	$4,269,344

ALBERT C. LANDERS,
State Auditor and Insurance Commissioner.

Connecticut Bank Commissioner.—CHARLES H. NOBLE, recently appointed a bank commissioner for Connecticut, was born at New Milford, Conn., December 13, 1842. He is of English descent, his emigrant ancestor being Thomas Noble, who is mentioned by Drake (History of Boston, p. 331) as being admitted, January 5, 1653, an inhabitant of Boston.

The subject of this sketch, after three years experience in a country store, and while still a boy, entered the Bank of Litchfield County, in 1863, and in 1878 resigned as Assistant Cashier from the First National Bank of New Milford, into which the former had been converted.

Upon leaving the bank he immediately engaged with Hon. A. B. Mygatt, National bank examiner for Connecticut and Rhode Island, to assist him in his examinations, and continued with him for eighteen months. He was again employed by Mr. Mygatt from January 1, 1883, to January 1, 1887, when Mr. Mygatt was superseded by Hon. J. W. Hyatt, who immediately employed Mr. Noble in the same capacity. Mr. Hyatt was soon after appointed Treasurer of the United States and took Mr. Noble with him to Washington to represent him in counting the funds before giving his receipt therefor.

During Mr. Noble's absence in Washington a vacancy occurred on the board of bank commissioners by the resignation of one of its members and the remaining member declined to serve any longer unless he could have for his associate a thoroughly competent accountant and one familiar with bank work. Mr. Noble was chosen by Gov. Lounsbury to fill the place.

The law requiring investment or mortgage companies to submit their affairs to examination by the bank commissioners, in order to enable them to sell their securities in the State, had just been passed and the report of the board following his appointment was the first one containing the reports of these companies. The report was of so much interest that the edition was soon exhausted, and the forms adopted by Mr. Noble in showing the condition of the companies were followed, not only by succeeding commissioners, but by commissioners from other States that adopted similar laws. When his term as commissioner expired he was not reappointed and he has since been employed in expert work, having insurance, manufacturing, publishing, as well as banking institutions to examine.

When Hon. D. N. Morgan was appointed Treasurer of the United States, he requested Mr. Noble to take charge of the count again as he had already done before for Mr. Hyatt.

His recent appointment as Bank Commissioner for the State of Connecticut for four years from July 1, 1897, is well received by the banking interests and also by the leading newspapers of the State which commend the appointment as one based upon especial fitness for the work.

8

NATIONAL BANK STATISTICS.

NUMBER ORGANIZED, IN VOLUNTARY LIQUIDATION, INSOLVENT, AND IN OPERATION.

The following statistical information in relation to National banks is supplied by the Comptroller of the Currency, under date of April 9. It furnishes some interesting facts in regard to the growth of the national banking system. Pennsylvania has more National banks in operation than any other State, and New York comes next. In the following States there have been no insolvent National banks: Maine, Rhode Island, Delaware, Maryland, West Virginia, Arizona and Indian Territory. In Delaware and the Indian Territory no National banks have become insolvent or gone into liquidation. Of the 5,060 National banks organized in the United States 1,080 have gone into liquidation, 346 are reported as having become insolvent and 3,634 are now in operation. Texas has the largest number of National banks of any Southern State, which may be attributed to the fact that State banks are prohibited by the Constitution of Texas. The Comptroller has wisely discarded the old geographical division of the country, substituting an arrangement more in accord with present conditions.

New England States.	*Organized.*	*In liquidation.*	*Insolvent.*	*In operation.*
MAINE	99	16	....	83
NEW HAMPSHIRE	60	7	3	50
VERMONT	68	15	4	49
MASSACHUSETTS	287	17	3	267
RHODE ISLAND	64	7	....	57
CONNECTICUT	98	13	3	82
Total	676	75	13	588
Eastern States.				
NEW YORK	471	110	36	325
NEW JERSEY	116	10	4	102
PENNSYLVANIA	486	44	20	422
DELAWARE	18	....	....	18
MARYLAND	71	3	....	68
DISTRICT OF COLUMBIA	19	2	3	14
Total	1,181	169	63	949
Southern States.				
VIRGINIA	54	12	6	36
WEST VIRGINIA	41	8	....	33
NORTH CAROLINA	37	5	3	29
SOUTH CAROLINA	20	4	1	15
GEORGIA	44	10	4	30
FLORIDA	25	3	7	15

Southern States—Continued.	*Organized.*	*In liquidation.*	*Insolvent.*	*In operation.*
ALABAMA	39	8	5	26
MISSISSIPPI	15	3	2	10
LOUISIANA	27	3	5	19
TEXAS	264	40	21	203
ARKANSAS	14	1	4	9
KENTUCKY	109	31	3	75
TENNESSEE	78	22	7	49
Total	767	150	68	549
Middle States.				
OHIO	351	92	12	247
INDIANA	183	60	10	113
ILLINOIS	301	66	17	218
MICHIGAN	168	70	9	89
WISCONSIN	123	39	3	81
MINNESOTA	109	30	6	73
IOWA	236	62	11	163
MISSOURI	123	47	10	66
Total	1,594	466	78	1,050
Western States.				
NORTH DAKOTA	42	6	10	26
SOUTH DAKOTA	53	17	9	27
NEBRASKA	166	38	18	110
KANSAS	217	76	29	112
MONTANA	44	13	9	22
WYOMING	15	2	2	11
COLORADO	65	14	8	43
NEW MEXICO	15	5	4	6
OKLAHOMA	7	1	1	5
INDIAN TERRITORY	9	....	....	9
Total	633	172	90	371
Pacific States.				
WASHINGTON	77	20	21	36
OREGON	42	4	5	33
CALIFORNIA	48	12	5	31
IDAHO	14	3	1	10
UTAH	17	5	1	11
NEVADA	3	1	1	1
ARIZONA	8	3	....	5
Total	209	48	34	127
Total United States	5,060	1,080	346	3,634

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Messrs. Matthews, Bean & Co., of Philadelphia, have opened an office at 40 Wall street.

—Charles Neukirch, of the firm of Theodore W. Myers & Co., has been expelled from the New York Stock Exchange, on the ground of fraud. Firm is now Myers & Co.

—The National Bank of Commerce now occupies the fine banking rooms in its new eighteen story office building at Nassau and Cedar streets. Like the bank itself the new building is a tower of strength and solidity, standing in the front rank of the many modern office structures in the banking centre.

—Mr. Lloyd Brice has been made chairman of the special committee appointed by the Democratic Honest Money League of America, to investigate certain phases of the monetary question abroad. He recently sailed for England and during his absence will make visits to the chief European capitals, in each of which he will pursue the proposed investigations.

—On April 22 Superintendent Kilburn issued a certificate authorizing the Washington Savings Bank to do business. It will be located on Columbus avenue or the Boulevard, between Sixty-second and Seventy-fifth streets.

—On April 22 the New York Credit Men's Association gave a dinner at the St. Denis Hotel. James G. Cannon, Vice-President of the Fourth National Bank, and an authority on banking and commercial credits, was one of the speakers. He said the motto of the association should be co-operation, not combination.

—It is announced that the Tradesmen's National Bank will resume the payment of dividends on July 1.

—On May 1 the National City Bank paid a regular dividend of five per cent. and an extra dividend of the same amount.

—A jury recently brought in a verdict for $410 in favor of Martin Cassidy on a suit brought by him against Joseph F. Blaut and Frederick Uhlman, who were officers and directors of the Madison Square Bank when it failed in the summer of 1893. Cassidy was a depositor and sued for the amount deposited by him at the time the bank failed, less fifty per cent. in dividends which was paid by the Receivers. The court instructed the jury that the defendants were liable if they actually participated in keeping the bank open for deposits with knowledge that it was in an insolvent condition. The case is a test one, involving the liability of the bank's officers for $63,000 in deposits.

—Secretary Sherman has appointed Seligman Brothers, London, special fiscal agents of the State Department. The same firm was recently appointed by the President as special fiscal agent of the Navy Department.

—April 27 was a legal holiday in the counties of New York, Kings, Queens and Westchester, the occasion being the ceremonies incident to the completion of the memorial erected in commemoration of the military and civic services of Gen. Ulysses S. Grant.

—Assistant U. S. Treasurer Conrad N. Jordan gave a dinner to Hon. Lyman J. Gage, Secretary of the Treasury, at the Lawyers' Club, April 29. Among those present were: William A. Nash, President of the Corn Exchange Bank; Gen. Thomas L. James, President of the Lincoln National Bank; Henry W. Cannon, President of the Chase National Bank; James T. Woodward, President of the Hanover National Bank; J. Edward Simmons, President, and James G. Cannon, Vice-President of the Fourth National Bank; A. B. Hepburn, President of the Third National Bank; Frederick D. Tappen, President of the Gallatin National Bank; Dumont Clarke, President of the American Exchange National Bank; W. W. Sherman, President of the National Bank of Commerce; John P. Townsend, President of the Bowery Savings Bank; George F. Baker, President of the First National Bank; James Stillman, President of the National City Bank, and Edward F. C. Young, President of the First National Bank of Jersey City.

After the dinner there was an informal talk, which showed that the relations of the bankers to the new Secretary of the Treasury are harmonious and cordial.

—The Western National Bank is now installed in its new building at the corner of Pine and Nassau streets, in the heart of the banking district. Every requirement of beauty and solidity is met by the new structure, which is not only of most handsome appearance but in every way suitably adapted to the safe and convenient dispatch of the banking business. On April 28, by invitation of President John E. Searles, a number of the prominent bankers of the city inspected the Western National's new banking rooms, and it was the general expression of opinion that perfection had been closely approximated in their design and arrangement.

—Henry W. Cannon, President of the Chase National Bank, returned to New York on April 18 from a trip abroad, having visited England, Germany, France and Italy. Concerning the prospects for international bimetallism, he said:

"There seems to be no basis for the proposal of such a conference, unless the United States has some definite and distinct proposition to make. All the European nations are agreed that the gold standard is perfectly satisfactory. The cause of bimetallism in Europe is not advancing, but, on the contrary, is retrograding."

While in London and Berlin, Mr. Cannon made a study of the clearing-houses of the banks in those cities. He found that our clearing system is much more advanced. The system there is laid out on the same lines as the one in use here, but the system in use in New York is much more comprehensive in scope. In both London and Berlin only a few bankers, and those the most prominent, belong to the clearing-house association. In London, for instance, there are only twenty-two banks in the clearing-house, while in New York sixty-five banks clear through the association.

—The United States Casualty Co. has elected James W. Hinkley, President, to succeed Benjamin F. Tracy. Henry W. Poor succeeds Charles S. Fairchild as Treasurer.

—State Comptroller Roberts has made the following awards of the $3,000,000 three per cent. non-taxable canal improvement bonds: Harvey Fisk & Sons of New York, on bid for entire issue or any part thereof, $2,688,000 at 101.279; to C. S. Byington of Albany, $6,000 at 102; to Maclay & Davies of New York, $6,000 at 101.50; to Blair & Co. of New York, $300,000 at 101.75. Twelve bids were received.

—It is stated that Conrad N. Jordan, Assistant Treasurer of the United States at New York, will be continued in office under the present Administration.

—David L. Harris, Cashier of the National City Bank, Brooklyn, has resigned, to take effect June 1, and will engage in other business. He has been in the employ of the bank for the last twenty years.

—There are now more than one hundred tons of gold stored in the clearing-house vaults, recent deposits bringing the amount up to nearly $53,000,000.

—H. I. Ditman, recently with Lazard Freres, has opened an office at 18 Wall street for the transaction of a general Stock Exchange business.

NEW ENGLAND STATES.

Boston.—Sensational reports of some recent litigation have led to unmerited aspersions on the management of the Howard National Bank. At a meeting of the Bank Presidents' Association, April 12, the following resolutions were passed:

"*Resolved*, That we take pleasure in expressing our unqualified confidence in the honor, integrity and truthfulness of our friends and associates, the President, Vice-President and Cashier of the Howard National Bank, and we deeply regret that counsel should have been permitted to make an uncalled-for attack upon them at the hearing of the charges against the chairman of the Police Commission."

—T. Quincy Browne, senior director of the Atlantic National Bank, has been elected President to succeed Isaac Pratt, Jr., who resigned on account of advancing years. Mr. Pratt became a director of the bank in 1866 and was elected President in 1869. Mr. Browne has also been connected with the bank for many years.

—At the annual reception and dinner of the Bank Officers' Association, April 14, more than five hundred bankers and guests of the organization were present. Among the latter were Governor Wolcott and Mayor Quincy.

—Alexander Fisk, of Messrs. Harvey Fisk & Sons, New York and Boston, has been admitted to membership in the Boston Stock Exchange.

—Charles B. Barnes, Jr., has been elected a director of the Atlas National Bank, in place of J. G. Wetherell, deceased.

New Bank in Prospect.—There is talk of organizing a discount and deposit bank at Hinsdale, N. H., with $50,000 capital.

Providence, R. I.—The Manufacturers' National Bank, which has been located in the Jones Building, 42 Westminster street, for many years, has moved into larger and more desirable quarters at 73 Westminster street.

Shareholders Assessed.—Nashua, N. H., stockholders in the Sioux National Bank, of Sioux City, Iowa, have been assessed $75 on their shares. They will resist the payment of the assessments.

A Cashier Murdered.—On April 16, Joseph A. Stickney, Cashier of the Great Falls National Bank, Somersworth, N. H., was killed by a robber who entered the bank while the Cashier was alone. After securing about $6,000 the robber fled. He was captured in Montreal, April 19, and made a full confession of the crime. Nearly all the money was recovered.

A Banker Honored.—James Minot, who has been in the banking business for more than thirty years, and is now a director of the Mechanicks' National Bank, Concord, N. H., has been elected Commander of the Department of New Hampshire, Grand Army of the Republic.

MIDDLE STATES.

Pittsburg.—By an unfortunate error, the Manufacturers' Bank was reported in the April number as having decided to go out of business on account of a lack of satisfactory earnings. The basis of this information was, apparently, authentic, but as a matter of fact the report is without foundation. It is probable that the original information referred to the Manufacturers' National Bank, of Pittsburg, Kansas, which has gone into voluntary liquidation.

The Manufacturers' Bank, of Pittsburg, Pennsylvania, has not gone out of business nor has it any intention of doing so, and instead of there being a lack of satisfactory profits the contrary is true. It has surplus and undivided profits amounting to $70,000, and $100,000 capital, while its business has been most gratifying to the shareholders. A correspondent of the MAGAZINE who is particularly well informed as to Pittsburg banking affairs, writes that "this bank is one of the strongest and most prosperous of our younger State institutions."

New State Bank.—The First State Bank, Canisteo, N. Y. has been authorized to begin business with $25,000 capital.

Banking Capital Reduced.—The Binghamton (N. Y.) Trust Co. has filed with the Secretary of State a certificate of reduction of capital stock from $400,000 to $300,000.

Holland, N. Y.—Philip D. Riley succeeds the late Jacob Wurst as Vice-President of the Bank of Holland. Cashier Geo. E. Merrill and Paul J. Wurst have been elected directors, to fill vacancies.

New York Bank Legislation.—Among the bills passed at the recent session of the New York Legislature affecting banks and bankers is one requiring private bankers to deposit a bond with the county clerks, in the county where they do business, to protect depositors. This measure is designed especially to protect the Italians who deposit a large part of their savings with so-called private bankers. Members of the New York State Bankers' Association are exempted from the provisions of the bill.

—A bill has been passed authorizing the Superintendent of Banks to appoint Receivers of insolvent banks.

Philadelphia.—Frank Thomson, President of the Pennsylvania Railroad Company, has been elected a director of the Philadelphia National Bank.

New Trust Co.—The Chester (Pa.) Trust Co. has effected a temporary organization. About $300,000 of the total capital of $500,000 has been subscribed.

Syracuse, N. Y.—At a meeting of the Board of Directors of the Commercial Bank, held April 13, Hendrick S. Holden was elected President to fill the vacancy caused by the death of Henry J. Mowry. George M. Barnes was elected Vice-President.

Buffalo, N. Y.—E. R. Spaulding has succeeded his father, Hon. Elbridge G. Spaulding as President of the Farmers and Mechanics' Bank. Henry Ganson has been promoted from Assistant Cashier to Cashier. W. H. Denniston has been appointed Assistant Cashier, and W. F. Jones, Second Assistant.

—At a meeting of the directors of the Columbia National Bank on April 12, Josiah Jewett resigned the office of President, owing to the increased demands on his time as manager of the business and estate of Sherman S. Jewett & Co., since the recent death of his father, Sherman S. Jewett. Edgar B. Jewett becomes President of the bank and George Wadsworth Vice-President.

To Tax Bank Deposits.—The first annual report of the New York State Board of Tax Commissioners, recently transmitted to the Legislature says:

"The most serious difficulty in carrying out the duties imposed by law arises from the failure of local assessors to assess property at its full value, and more particularly the failure to discover and assess personal property. We believe that a small uniform tax payable by the banks on all deposits liable thereto directly to the Comptroller of the State would yield a considerable revenue to the State, without necessitating decreased dividends to the stockholders of any single bank."

Pennsylvania Bankers.—Group VI of the Pennsylvania Bankers' Association met at Clearfield, April 16. Samuel R. Shumaker, Cashier of the First National Bank, Huntingdon, was chosen chairman. S. V. Wilson, of Clearfield, made an address of welcome, and Congressman W. C. Arnold spoke on the currency.

Short addresses were made by Rev. D. E. Craighead, of Curwensville, James Kerr and F. G. Harris. A paper written by T. H. Murray, on "Banking Lessons of the Panic," was read by H. B. Powell.

The two Clearfield banks entertained the visitors at dinner at the Witmer Inn, and afterward to a carriage drive.

The next meeting of this branch of the association will be held at Cresson, in July.

New Jersey Bank Commissioner.—William Bettle, of Camden, is now Commissioner of Banking and Insurance, succeeding Geo. W. Wurts, who is now Secretary of State.

Savings Bank Robbed.—The Yonkers (N. Y.) Savings Bank was robbed of $4,000 on April 12. One of the thieves engaged the attention of the Cashier, the other acted as a "lookout," while the third took the money.

Prospective Trust Company.--Preliminary steps have been taken for organizing a new trust and safe deposit company at West Chester, Pa.

SOUTHERN STATES.

Banking Business Transferred.—Recent advices state that the Farmers and Merchants' Bank, of Booneville, Miss., has gone out of business, transferring its deposits to the Tishomingo Savings Bank, Corinth.

New Southern Banks.—C. J. Beck and others have incorporated the New Martinsville, W. Va., Bank, with $25,000 capital.

—A new bank has been organized at West Point, Ga., with $50,000 capital, which will probably be increased to $100,000 in a few months.

—The Buckhannon (W. Va.) Loan and Trust Association was incorporated April 9, with $200,000 capital stock.

—Messrs. Coggin Bros. & Ford will open a bank at Brownwood, Texas, about July 1.

Atlanta, Ga.—The English-American Loan and Trust Co., of which Ex-Gov. Rufus B. Bullock is President, will erect a thirteen-story office building, at a cost of $225,000.

WESTERN STATES.

Chicago.—The Penny Savings is the name of a new agency organized to promote thrift among children. Stamps are provided to be affixed to the pass-cards held by each depositor.

—At the monthly meeting of the Bankers' Club, April 23, Hon. Edward S. Lacey, President of the Bankers' National Bank, offered the following resolution, which was adopted by a rising vote:

"*Whereas*, Hon. Lyman J. Gage, one of the charter members of this club and its first president, has been obliged to terminate his membership on account of his recent acceptance of the office of Secretary of the Treasury of the United States; and

Whereas, We desire to express our sincere appreciation of his indefatigable and effective efforts to promote the success of this club, as well as our respect for his high character as a citizen, his eminent abilities as a financier, and his genial qualities as a friend and associate; therefore, be it

Resolved, That Hon. Lyman J. Gage be, and hereby is, elected an honorary member of the Bankers' Club of Chicago."

John C. Neely, Cashier of the Merchants' National Bank, presided at the meeting of the club.

—As previously intimated the State Bank of Chicago has taken steps toward doubling its capital. Stockholders of the bank met on April 28 and authorized the increase, though it may not be made for several months yet.

—Gov. Tanner has signed the new Torrens Land Title bill, which, it is supposed, avoids the defects found by the courts in the first one enacted by the Legislature of the State.

—W. J. Wollman & Co. have been succeeded by F. M. Zeiler & Co. Mr. Wollman will return to Kansas City, where he will engage in the mercantile business.

—It is reported that the Prairie State National Bank is considering the advisability of uniting with the Prairie State Savings and Trust Co., and transacting business under a State charter, as by this arrangement it is believed the business of both banks (which are now practically under one management) could be retained and transacted with much less expense.

—Edward Tilden, Assistant Cashier of the Drovers' National Bank, has resigned to accept the treasurership of a business firm. He will be succeeded by his brother, W. A. Tilden.

Louisville, Ky.—An exceptionally good showing is made by the Columbia Finance and Trust Co. in its statement of March 31. Total resources now exceed $2,331,000. Of this amount $854,232 is represented by loans, including investments of trust capital. A large part of the assets is readily convertible, as besides the cash, $188,880, the demand loans amount to $196,842, and the investments in bonds and stocks exceed $1,000,000. The Company has less than $10,000 invested in real estate. Capital, surplus, and profits amount to $1,254,225, and deposits are $1,060,000. The board of directors includes some well-known capitalists and officers of other banks.

—On account of the recent decision imposing burdensome taxation on banking capital, the Union National Bank has decided to reduce its capital from $750,000 to $500,000, with $100,000 surplus. Stockholders will be allowed $112 per share for each share of the stock they give up, and they will also be allowed a semi-annual dividend of three per cent. upon the surrendered shares on July 1.

—An injunction suit has been brought by a number of leading banks to restrain the collection of taxes under the late decision of the court of appeals.

—The Northern Bank of Kentucky will reduce capital one-half, on account of the tax law.

Cedar Rapids, Iowa.—Prominent bankers, insurance men, and other capitalists have organized the Bankers' Fidelity and Surety Co., capital, $100,000.

Detroit, Mich.—At a meeting of the Bankers' Club, on April 22, Emory Wendell, a director of the First National Bank, was elected president; George H. Russel, President State Savings Bank, vice-president; Joseph Taylor, Vice-President Home Savings Bank, secretary and treasurer. S. M. Cutcheon, President of the Dime Savings Bank, and Alex. McPherson, President of the Detroit National Bank, were elected members of the executive committee. Meetings of the club will be held twice a year.

—The City Savings Bank has reduced its capital from $250,000 to $150,000.

A Prosperous Indiana Bank.—The Patriot (Ind.) Deposit Bank, organized in 1891, has had a successful career despite the fact that general business depression has prevailed throughout the country during the greater period of its existence. Its officers are: President, Hosier J. Harris; Vice-President, Capt. Silas Q. Howe; Cashier, William F. North. All are natives of Indiana, and are farmers and business men of property and reputation. Under their management the value of the stock has steadily increased and the bank has grown in popularity.

St. Louis, Mo.—On April 14 the formal consolidation of the National Bank of the Republic with the Merchants'-Laclede National Bank took place, the former bank going into liquidation. Several of the officers and clerks of the National Bank of the Republic have been given positions with the Merchants'-Laclede National.

Denver, Colo.—William C. Thomas, for a number of years first receiving teller of the First National Bank, has been promoted to the position of Second Assistant Cashier, made vacant by the death of Jerome B. Vickers. Mr. Thomas has been connected with the bank for eleven years, and was promoted for efficient and faithful services.

—Fred C. Schraeder has been elected Second Vice-President of the Western Bank and Safe Deposit Co.

Directors Held Responsible.—In a case decided in the United States court at Grand Rapids, Mich., April 22, two of the directors of a National bank at Greenville, Mich., which failed some time ago, were held responsible for losses amounting to upwards of $60,000. The court held that bank directors were not elected for ornamental purposes but to exercise a watchful care over the affairs of the bank.

Cincinnati, Ohio.—At the annual meeting of the clearing-house association on April 6 the former officers were re-elected. There was a decrease of $42,100,000 in the volume of business for the past six months as compared with that of the corresponding period ending March 31, 1896, but an increase of $11,000,000 over the corresponding period ending Sept. 30, 1896.

Change in Organization.—The First National Bank, of Romeo, Mich., has been succeeded by the Romeo Savings Bank. Frank C. Andrews, of Detroit a director of the National bank, gives the following reasons for the change in a recent issue of the Detroit "Evening News":

"Our main object in changing from a National to a State bank is to be in a position to accept real estate loans. We shall pay three per cent. on savings deposits—all that any bank can pay and exist, and we can take good real estate loans at six per cent., all that the majority of borrowers can pay. The days of eight and ten per cent. discounts in country banks are past, and will never return. No farmer or country merchant can pay such rates and also pay principal.

There is not a single benefit that a National bank enjoys in the rural districts to-day that compensates for its inability to accept real estate collateral. There is no money in what is called 'circulation' any more. The National bank circulation in this country has been reduced millions of dollars in the last six months. The BANKERS' MAGAZINE, the leading and representative bank publication of this country, has just come out with a long and interesting article on the subject. It advocates the repeal of the clause in the National Banking Act prohibiting loans on real estate. National banks are too greatly handicapped under the present conditions to permit of successful competition with Savings banks and trust companies."

Oklahoma Bank Supervision.—T. M. Richardson, Jr., has been appointed Territorial Bank Examiner, under the provisions of the new law providing for the supervision of the firms, individuals and corporations doing a banking business.

Michigan Trust Companies.—Attorney-General Maynard, of Michigan, has given an opinion to the effect that trust companies can not carry on a Savings bank business or receive deposits in the same manner as other banks.

Bank Reorganization.—Creditors of the Germania Bank, St. Paul, which closed Jan. 4, have signed an agreement favoring reorganization, which is yet to be ratified by a court.

Omaha, Neb.—The State of Nebraska has decided to bring suit against the Omaha National Bank of this city to recover the sum of $200,000 on the warrant which it sold for that sum to the Chemical National Bank, of New York, acting as the agent of Ex-State Treasurer Bartley. Bartley, it is alleged, pocketed the money, and the State accordingly lost it.

Minnesota Banks Unite.—It is reported that the Merchants' Bank and the German-American Bank, of Winona, Minn., have consolidated under the former title, using the building of the latter. The capital of the new bank may be $100,000, which is double the capital formerly used by either bank.

New State Banks.—The St. Francois County Bank has been organized at Farmington, Mo., with $10,000 capital.

—The People's Savings Bank, capital $10,000, has been organized at Bowling Green, Mo.

Victory for a Bank.—In 1888 an iron foundry failed owing the Union National Bank, Racine, Wis., $18,000, and the matter has been in litigation since that time. The bank has just secured a verdict in its favor for $19,000.

New Savings Bank.—The Hamilton (Ohio) Dime Savings Bank has been incorporated.

Des Moines, Iowa.—The new banking law does not provide for State supervision of private banks, but loan, trust and investment companies doing a banking business are placed under State supervision. They will be subjected to examinations and required to make statements similar to those of State banks.

New Iowa Banks.—The Citizens' Savings Bank has been organized at Atlantic, Iowa, and opened for business May 1.

—A branch of the Winnesheik County Bank was opened at Decorah on May 1.

Reduction of Capital.—The First National Bank, Duluth, Minn., now reports capital $500,000 and surplus $250,000.

National Bank Liquidates.—The First National Bank of Exeter, Neb., has gone into voluntary liquidation. The bank was in sound condition, and most of the time for the past three years has had available funds enough to pay all depositors, but owing to the unprofitableness of the business, caused by crop failures and financial depression, the stockholders wish to withdraw their capital and invest it in other lines of business.

Bank Examiner Appointed.—Secretary of State Lesueur has appointed William I. Oldham, of Springfield, as one of the State bank examiners for Missouri. Mr. Oldham has had many years' experience as a banker.

Wisconsin Banks Unite.—In accordance with a plan that was under contemplation for some time, the First National Bank, of Merrill, Wis., has consolidated its business with the National Bank of Merrill, capital, $100,000, and business will hereafter be carried on under the latter title.

A Banking Change.—The Edmore (Mich.) Exchange Bank, which was recently reported as having closed, according to later reports has passed into new hands, but will continue in business under the management of W. G. Wisner, the former owner.

Kansas City, Kan.—The Kansas City Savings Bank, which was connected with the Wyandotte National Bank, will go out of business, a new bank, the Wyandotte State Bank, absorbing both the old institutions.

An Ohio Bank Decision.—According to press despatches the Supreme Court of Ohio, in the case of Hubbard *vs.* Wellington National Bank, handed down a decision on April 30 to the following effect:

"In the administration of our laws, the holder of National bank shares has no right under the statutes, State or National, to deduct his *bona fide* debts from the value of such shares, but he is legally bound to pay tax upon the assessed value of such shares without deduction on account of such debts."

Milwaukee, Wis.—Chas. F. P. Pullen, Cashier of the German-American Bank, and Secretary of the Wisconsin Bankers' Association, has been appointed Public Debt Commissioner for this city. Mr. Pullen is a thorough business man, and is widely and favorably known among the bankers of the State.

Credit Men's Convention.—The Second Annual Convention of the National Association of Credit Men will be held at Kansas City, Mo., June 9, 10, and 11. Headquarters will be at the Coates House. J. G. Cannon, Vice-President of the Fourth National Bank, of New York, will deliver an address on "Individual Credits." John Field, President of the Philadelphia Association of Credit Men, and a member of the firm of Young, Smythe & Field, will present an address on "Failures." Hon. J. L. Torrey will speak on "Bankruptcy Legislation." Other speakers, subjects not yet announced, will be Gilbert S. Mann, Secretary of the Portland, Oregon, Association; B. G. McMechen, of Toledo, one of the prominent figures of the Toledo Convention of 1896; Jacob Furth, of St. Louis; O. L. Reddin, of New Orleans; G. H. Hovey, of Chicago, and T. J. Ferguson, of New Orleans. A railroad rate of one and one-third fare has been secured.

PACIFIC SLOPE.

San Francisco, Cal.—The Crocker-Woolworth National Bank is suing the Nevada Bank to recover the $22,000 paid on the $12 draft raised by A. H. Dean and others to the former amount. A full description of the transaction was published in the MAGAZINE some months since.

The Statistician of the United States Mint in this city has just forwarded to the Director of the Mint the annual report of the gold and silver production of California, which covers the yield of 1896. According to returns received at the Mint, the gold yield of this State last year was $17,181,562, an increase over 1895 of $1,847,245. The yield of silver was $422,436, a decrease of $177,353.

Helena, Mont.—President Hershfield, of the Merchants' National Bank, which closed February 18, has secured the consent of the Comptroller of the Currency to the resumption of business, under certain conditions which, it is believed, can be met.

Washington Bank Taxation.—A recent decision of the United States Supreme Court sustains the validity of the Washington law authorizing the State and county authorities to levy upon the safes, time locks and other personal property of the banks for the purpose of collecting a tax upon the capital stock of the banks under the State law of 1891.

CANADA.

Government Savings Banks.—After July 1 the rate of interest paid by the Government Savings banks will be reduced from three and one-half per cent. to three per cent. When the banks were established in 1868 four per cent. was paid, the reduction to three and one-half per cent. having been made in 1889. These deposits now amount to $47,500,000. It is said that the rate heretofore paid was higher than depositors could get from other banks, and that the Government was therefore unduly competing for deposits.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

California.—The Randall Banking Co., of Eureka, organized in 1892 with $57,000 capital, closed April 17, on account of a run caused by the filing of a mortgage by the late Cashier to secure the bank from loss.

Colorado.—The J. B. Wheeler Banking Co., of Manitou, assigned to M. A. Leddy, May 3.

—An assignment of the J. B. Wheeler Banking Company's business at Aspen was made to Herbert L. McNair, May 3.

Both the above banks closed, temporarily, in 1893. Their business of late had not been profitable.

Georgia—ATLANTA.—Cashier Harry A. Cassin, with the probable assistance of others, has, it is alleged, stolen most of the funds of the Georgia Savings, Loan and Banking Co., and the concern, or what is left of it, is in the hands of a Receiver.

The Receivers of the Merchants' Bank have paid another dividend of ten per cent., making thirty per cent. in all.

At a meeting of the depositors of the Fidelity Banking and Trust Co., April 23, it was agreed to accept payments as follows: Twenty-five per cent. in thirty days, twenty-five per cent. in sixty days, and the same amount in four and six months.

Illinois—CHICAGO.—Reports of the failure of the Globe Savings Bank have been growing more and more sensational. Charles W. Spalding who was President of the bank, has been sued by the University of Illinois, of which he was treasurer, for the recovery of $600,000 in bonds belonging to the University which Spalding is said to have stolen. Spalding is now in jail.

Receiver McKeon of the National Bank of Illinois has recommended another dividend to the creditors of that institution. It is at the rate of five per cent. This will be the third distribution to the creditors of the bank, and will make a total of sixty-five per cent. of their claims paid up.

On April 26 a Receiver was appointed for the private banking firm of Schaar, Koch & Co., upon application of one of the partners who was dissatisfied with the management. Liabilities are $80,000, of which about $50,000 is owing to depositors.

—The private banking-house of William Van Ordstrand & Co., at Heyworth, was closed April 28, and the voluntary assignment of William Van Ordstrand filed. The assets of the bank are given at $30,223, in addition to which there is an interest in the estate of the late Isaac Van Ordstrand, father of William Van Ordstrand, the value of which is not known. The liabilities are $22,345, of which the personal accounts and deposits amount to about $11,000. Among the assets is 160 acres of land valued at $12,000. It is believed the depositors will be paid in full.

—It is reported that the Farmers' Bank, of Keithsburg, which was owned by Drury, Burgett & Co., has gone into liquidation on account of the death of Wm. Drury. A new bank will probably be opened.

—John S. Sheldon, a banker at Loda, is missing and his bank is closed. He went to Chicago the latter part of April, and wrote a letter from which it would appear that he had drowned himself in the lake. His liability to bank depositors is said to be $50,000. Large trust funds are also involved in the failure.

Indiana.—The Citizens' State Bank, of Kewanna, organized in 1892, with $30,000 capital, which has not been doing a satisfactory business for some time, will go into liquidation. Depositors will be paid, and stockholders will lose but little.

Iowa.—It is reported that the holders of securities of the American Investment Co., Emmettsburg, which failed in 1894, will lose upward of $2,000,000 on guaranteed mortgages and debentures.

—H. P. Colb, of the South Ottumwa Bank, Ottumwa, has arranged to pay depositors seventy-five cents on the dollar.

Kansas.—The Ainsworth Bank, of Glasco, went into liquidation on April 21, having accumulated funds to pays depositors. It will be succeded by the Glasco State Bank.

—On April 28 the Bank of Hutchinson was closed by the State banking authorities. It was a reorganization of the Valley State Bank, which closed some time ago.

Kentucky—LOUISVILLE.—Comptroller Eckels has authorized Receiver Courtney of the German National Bank, which closed in January, to declare a dividend of forty per cent. This will be the first dividend. About twenty per cent. more will be realized, and the rest will be raised by an assessment upon the stockholders.

Maine.—The National Bank of Winthrop voted on April 17 to go into voluntary liquidation, after having done business for thirty-two years. A fifty per cent. dividend will be declared on the stock.

Massachusetts—BOSTON.—The National Mortgage and Debenture Co. is reported in liquidation.

Minnesota.—The National Bank of Commerce, of Duluth, which closed last December, after paying out eighty per cent. of its deposits, reopened April 16 for the purpose of paying off its depositors in full.

Missouri—ST. LOUIS.—On April 12 the National Bank of the Republic decided to go into liquidation, transferring its business to the Merchants'-Laclede National Bank. This decision was prompted by the recent death of President Bullen, who was closely identified with the Bank of the Republic. Deposits were about $1,350,000, and they will all be paid or will be transferred to the Merchants'-Laclede. Stockholders of the Bank of the Republic will also receive a fair return on their investments. Some of the officers of the liquidating bank will be associated with the Merchants'-Laclede in the future.

KANSAS CITY.—On April 21 the Receiver of the Missouri National Bank paid a dividend of forty per cent. to depositors.

—On May 3 the Secretary of State closed the Bank of Linn Creek, a private institution with $6,000 capital and $1,000 surplus.

Nebraska.—Wishing to invest their capital in other business, the stockholders of the First National Bank, of Exeter, placed the bank in voluntary liquidation, April 9, paying off depositors on demand.

—Reports to the State Banking Board on April 22 state that the Bank of Bartley, capital $10,000, has gone into liquidation.

New Hampshire.—The New Hampshire Banking Co. (Savings Bank), of Nashua, suspended April 29. It had been making only limited payments to depositors for some time. Deposits amount to $849,000.

New York.—On April 26 the Lumber Exchange Bank, of North Tonawanda, went out of business and transferred its deposits to the State Bank. It is reported that the bank was sound, and discontinued because profits were not satisfactory.

—It is said that depositors in the failed First National Bank, of Springville, may not get more than one-third of their claims, amounting to $175,000. The Receiver has $50,000 and a 100 per cent. assessment has been made on the shareholders. President Leland is under bail to answer the charge of wrecking the bank.

Pennsylvania—PHILADELPHIA.—The Receivers of the Spring Garden National Bank are making arrangements for paying depositors a two per cent. dividend this month. The amount to be distributed aggregates $40,000. When this dividend is paid the depositors will have been given twenty-two per cent of their deposits.

—The appraisers, in settling the affairs of the defunct bank of Gardner, Morrow & Co., of Hollidaysburg, have reported that the late A. S. Morrow, Cashier of the institution, had overdrawn his account $41,000, and F. H. Russ, the head-bookkeeper, had overdrawn $22,000. The two officers say they have not been credited with their services for twenty years! The entire shortage in the bank's accounts so far discovered is about $200,000.

Tennessee.—On April 1 the safe and fixtures of the Bank of Wartrace were sold to satisfy a judgment. It had been doing business about fifteen years.

Virginia.—Burrus, Son & Co., Norfolk, filed a deed of assignment to Theo. S. Garnett, April 27. Liabilities about $350,000, and assets $400,000 and upwards. A gradual withdrawal of deposits caused the failure. The bank was established in 1864 and has done a large business. A depositor has brought suit alleging that prior to the failure Burrus transferred $100,000 worth of the best property to his wife and left his worst property to his creditors.

About $30,000 deposited on the day of the failure has been returned to the depositors.

Washington.—The Bank of Rosalia recently notified its patrons to withdraw their deposits, as the bank would close owing to the continued ill-health of the owner.

—At a meeting of the stockholders of the Bank of Garfield, April 28, it was decided to go into voluntary liquidation, as the stockholders believe the capital can be employed to better advantage.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5063—First National Bank, Windom, Minnesota. Capital, $50,000.

5064—National Bank of Gaffney, Gaffney, South Carolina. Capital, $50,000.

5065—Ohio National Bank, Columbus, Ohio. Capital, $400,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Greensboro, Pa.; by David Gans, *et al.*

Rockville National Bank, Rockville, Ind.; by Frank H. Nichols, *et al.*

Moshannon National Bank, Philipsburg, Pa.; by W. D. Crosby, *et al.*

Nazareth National Bank, Nazareth, Pa.; by Conrad Miller, *et al.*

NEW BANKS, BANKERS, ETC.

GEORGIA.

BAXLEY—Comas Banking Co.; capital, $15,000; Pres., P. H. Comas.

WEST POINT—Bank of West Point; capital, $50,0000; Pres., Reuben Herzfeld; Cashier, S. T. Whitaker; Asst. Cas., J. C. McKemie.

ILLINOIS.

KEITHSBURG—Olcott, Witham & Co.

INDIANA.

EAST CHICAGO—Given's Lake Co. Bank (successor to Lake Co. Bank); capital, $12,000; Pres., G. Givens; Cashier, H. Givens.

INDIAN TERRITORY.

MUSCOGEE—Commercial Bank; Pres., G. H. Williams; Cashier, Jno. H. Dill.

IOWA.

ATLANTIC—Citizens' Savings Bank; capital, $25,000; Pres., J. H. Marshall; Vice-Pres., W. P. Oaks; Cashier, James G. Whitney.

CEDAR RAPIDS—Bankers' Fidelity and Surety Co.; capital, $100,000.

CALMAR—Winnesheik Co. Bank (branch of Decorah); capital, $25,000; Cas. Ole P. Ode.

GRISWOLD—Citizens' Bank; capital, $25,000; Pres., J. H. Alexander; Cashier, Hugh M. Reinig.

IOWA CITY—Frank H. Main (Real Estate Loans); capital, $50,000.

WEBSTER CITY—Webster City Savings Bank; Pres., D. C. Chase; Vice-Pres., W. C. Burleson; Cashier, F. A. Edwards; Asst. Cas., August W. Hoffman.

KANSAS.

GLASCO—Glasco State Bank (successor to Ainsworth Bank); capital, $6,000; Pres., L. Noel; Cashier, F. L. Ainsworth.

OVERBROOK—Farmers' State Bank; capital stock, $10,000.

KENTUCKY.

BARBOURSVILLE—Citizens' Bank.

CORBIN—Bank of Corbin; capital, $7,500; Pres, R. C. Ford; Cashier, W. H. Carrier.

MICHIGAN.

EDMORE—Edmore State Bank; capital, $15,000: Pres., John W. Pfeifir; 1st Vice-Pres., Fred Neff; 2d Vice-Pres., S. Neff: Cashier, Ed. A. Rundell.

ROMEO—Romeo Savings Bank (successor to First National Bank); capital, $50,000.

SOUTH LYON—Carpenter & Jacobus; Cashier, J. H. Jacobus.

MINNESOTA.

WELCOME—Welcome State Bank; capital, $10,000; Pres., A. L. Ward; Vice-Pres., J. V. Kline; Cashier, G. R. Reed.

WINDOM—First National Bank (successor to People's Bank and Bank of Windom); capital, $50,000; Pres., A. D. Perkins; Cashier, W. J. Clark; Asst. Cashier, T. A. Perkins.

MISSISSIPPI.

TCHULA—Bank of Tchula; capital, $15,000; Pres. S. D. Gwin; Vice-Pres., John Kelly: Cashier, W. B. Jones.

MISSOURI.

BOWLING GREEN—People's Savings Bank; capital, $10,000; Pres., D. Taylor; Cashier, R. L. Pollard; Asst. Cashier, J. E. Cash.

BRONAUGH—Brubaker Bros.; capital, $5,000.

FARMINGTON—St. Francois County Bank; capital, $10,000.

MOKANE—Farmers' Bank; Pres., J. S. Miller; Cashier, W. R. Wilkerson.

NEW JERSEY.

EAST ORANGE—New Jersey Registration & Trust Co.; capital, $100,000; Pres., Jas. B.

Dill; Vice-Pres., Henry C. Kelsey; Cashier, Malcom B. Cole; Asst. Cas., H. K. Wood.

NEW YORK.

New York City—Lathrop R. Bacon & Co.; 8 Broad Street.——Thompson & Mairs: 31 Broad Street.——Mathews, Bean & Co.; 40 Wall Street.

Port Jefferson—First National Bank (successor to Exchange Bank); capital, $50,000; Pres., O. T. Fanning; Cashier, F. A. Kline.

Union Springs—G. B. Backus (successor to Amos M. Clark).

OHIO.

Cleveland—People's Safe Deposit & Savings Bank Co.; capital, $50,000.

Columbus—Ohio National Bank; capital, $400,000; Pres., John Siebeck; Cashier, Emil Kiesewetter.——Central Ohio Banking Co.

Dennison—Merchants & Mechanics' Bank; Pres., M. Moody; Vice-Pres., T. A. Latta; Cashier, I. E. Demuth; Asst. Cashier, E. D. Moody.

Fostoria—Seneca Banking Co.

Hamilton—Hamilton Dime Savings Bank.

OKLAHOMA TERRITORY.

Newkirk—Kay County Bank (P. W. Smith.)

OREGON.

Hillsboro—Shute & Foote.

PENNSYLVANIA.

Chester—Chester Trust Co.; capital stock, $500,000; Pres., W. B. Broomall; Treas., Richard Wetherill; Sec., W. I. Schaffer.

Coraopolis—Coraopolis National Bank; capital, $50,000; Pres., J. A. Ferguson; Vice-Pres., E. A. Culbertson; Cashier, R. J. Davidson.

Greensboro—First National Bank; capital, $50,000.

Osceola—Cowanesque Valley Bank (successor to Morgan Seely); Pres., Morgan Seely; Vice-Pres., F. J. Seely; Cas., E. M. Seely.

RHODE ISLAND.

Providence—Dean & Shibley, 75 Westminster Street.——Shibley & Warner.

SOUTH CAROLINA.

Saint George—Bank of Saint George.

TEXAS.

Brownwood—Coggin Bros. & Ford.

Decatur—D. Wagoner & Son.

Galveston—Galveston Trust and Safe Deposit Co.; capital, $10,000.

Mason—Bank of Mason.

Port Lavaca—Bank of Port Lavaca (Felix Jackson).

UTAH.

Logan—Utah Mortgage Loan Corporation; capital, $25,000; Sec. and Treas., A. H. Thompson.

WASHINGTON.

Tacoma—Traders' Trust Co.

WEST VIRGINIA.

Buckhannon—Buckhannon Loan and Trust Assn.; capital stock, $200,000.

Montgomery—Montgomery Banking and Trust Co.; capital, $30,000; Pres., J. W. Montgomery: Vice-Pres., G. W. Champ; Cashier, E. W. McCormick.

New Martinsville—New Martinsville Bank; capital $25,000.

Wheeling—Howard Hazlett.

WISCONSIN.

Independence—Bank of Independence; capital, $10,000; Pres., John Sprecher; Cashier, Anton Senty.

CANADA.

ONTARIO.

Kincardine—John Boyer (successor to J. W. Rapley & Co.)

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Birmingham—First National Bank; Geo. L. Morris, director, deceased; J. H. Woodward, Vice-Pres., in place of Wm. A. Walker; W. G. P. Harding, 2d Vice-Pres.; T. M. Bradley, Asst. Cas.: no 2d Asst. Cas.——Birmingham Trust and Savings Bank; Josiah M. Davidson, Cas., deceased.

ARIZONA.

Phoenix—Phoenix National Bank; E. B. Gage, Pres.; P. J. Cole, Vice-Pres., in place of A. H. Harscher.

ARKANSAS.

Helena—First National Bank; no Pres. in place of Jacob Trieber.

CALIFORNIA.

Pasadena—Pasadena National Bank; Geo. F. Kernaghan, Pres., in place of T. P. Lukens.

San Diego—Merchants' National Bank; no Vice-Presidents.

Winters—Bank of Winters; W. E. Street, Cas., in place of J. H. Wright, resigned.

COLORADO.

Boulder—Boulder National Bank; H. N. Bradley, Vice-Pres., in place of Geo. S. Gibson, deceased.——National State Bank; corporate existence extended until April 18, 1917.

Denver—First National Bank; William C. Thomas, 2d Asst. Cas., in place of Jerome A. Vickers, deceased.——Western Bank and Safe Deposit Co.; Fred. C. Schraeder, 2d Vice-Pres.——People's National Bank; J. H. Clemes, Cas., in place of F. C. Schraeder.

Gunnison—First National Bank; William E. Fine, Cas., in place of S. D. Pulsifer.

CONNECTICUT.

BRISTOL—Bristol Savings Bank; Hobart A. Warner, Pres., in place of Henry A. Seymour, deceased.

NEW LONDON—Savings Bank of New London; Horace Coit, Vice-Pres., deceased.

DELAWARE.

DELMAR—Bank of Delmar; Joseph G. W. Pergue, Cas.

DISTRICT OF COLUMBIA.

WASHINGTON—Northwest Bank; Walter T. Wright, Cas., deceased.

ILLINOIS.

BLUE ISLAND—Commercial Bank; Zacharias, McCord & Co., reported proprietors.

CHICAGO—Commercial National Bank; no Pres., in place of H. F. Eames.——State Bank; voted to increase capital stock from $500,000 to $1,000,000.

DEER CREEK—Deer Creek Bank; Paul Stolz, Asst. Cas.

MOUNT CARMEL—First National Bank; S. R. Putnam, Vice-Pres., in place of James Mahon, deceased.

INDIANA.

CARTHAGE—Bank of Carthage; Thos. T. Newby, Pres.; W. P. Henley, Cas., in place of Jonathan Newlin, deceased.

INDIANAPOLIS—Merchants' National Bank; no 2d Asst. Cas.

NORTH VERNON—First National Bank; John Overmyer, Pres., resigned.

IOWA.

BEACONSFIELD — Farmers and Merchants' Bank; Ackerly & White, proprietors, in place of A. L. Ackerly.

CLARKSVILLE—L. Slimmer & Co., succeeded by L. Slimmer.

DOWS—Farmers' Exchange State Bank; L. R. Forbes, Pres.; G. H. Jameson, Vice-Pres.

DUBUQUE—German Bank; N. J. Schrup, Pres., in place of A. A. Cooper.

GARNER—First National Bank; no Pres. in place of J. M. Elder, deceased.

LAMONT—Bank of Lamont; consolidated with Lamont Savings Bank, under latter title; F. W. Sheldon, Asst. Cas.

MONROE—Bank of Monroe; Tunis Schenck, Pres., deceased.

PANAMA—Bank of Panama; sold to Sullivan Bros. & Co.

RADCLIFFE—Radcliffe Savings Bank; H. H. Espe, Asst. Cas., reported a defaulter.

SALIX—Salix State Bank; succeeded by Bank of J. C. Currier & Sons.

KANSAS.

FULTON—Bank of Fulton; John Bishop, Vice-Pres., deceased.

KANSAS CITY—Wyandotte State Bank; Geo. A. Stewart, Asst. Cas.

LA CROSSE—First National Bank; H. W. Grass, Cas. in place of H. L. Baker.

NESS CITY—Ness County State Bank; J. C. Hopper, Cas. in place of J. F. McKinney.

WILSON—Bohemian State Bank and Wilson State Bank; consolidated under latter title.

KENTUCKY.

COVINGTON — First National Bank; J. B. Jones, 2d Vice-Pres.; E. S. Lee, Cas. in place of J. B. Jones.

LOUISVILLE—Union National Bank; capital stock reduced to $500,000.

LOUISIANA.

NEW ORLEANS — Teutonia Savings Bank; title changed to Teutonia Bank.

MARYLAND.

CRISFIELD— Bank of Crisfield; L. E. P. Dennis, Cas. in place of John Sterling.

MASSACHUSETTS.

BOSTON—Beacon Trust Co.; O. M. Dennett, Treas. in place of Wm. R. Witherle, deceased. —— Atlas National Bank; C. B. Barnes, Jr., elected director in place of Jno. G. Wetherell, deceased; C. M. Clapp, director, deceased.——Harvey Fisk & Sons; Alexander G. Fisk admitted to Stock Exchange. ——Third National Bank; A. H. Wiggin, Asst. Cas., name wrongly reported in January, 1897, BANKERS' DIRECTORY on account of advice received from Comptroller of the Currency.——Central National Bank, American Loan and Trust Co. and Massachusetts Loan and Trust Co.; H. D. Hyde, director, deceased. —— Atlantic National Bank; T. Quincy Browne, Pres. in place of Isaac Pratt, Jr.——Gray, Dewey & Co.; William Gray, deceased.

BRIDGEWATER—Bridgewater Savings Bank; Lafayette Keith, Pres. in place of Spencer Leonard.

GREENFIELD—Greenfield Savings Bank; W. G. Packard, Sec.

MILLBURY—Millbury Savings Bank; Ira N. Goddard, Pres. in place of Levi L. Whitney.

NEW BEDFORD — National Bank of Commerce; O. N. Pierce, Pres. in place of Chas. W. Clifford; Walter Clifford, Vice-Pres. in place of O. N. Pierce.

MICHIGAN.

ANN ARBOR—First National Bank; no 2d Vice-Pres.

BAY CITY—Commercial Bank; Louis Goeschel, Cas. in place of Ira H. Wilder.

DETROIT—City Savings Bank; capital stock reduced from $250,000 to $150,000.——First National Bank; Edwin S. Barbour, director, deceased.

GRAND RAPIDS—National City Bank; R. C. Luce, Pres. in place of C. Morton.

KALAMAZOO — Kalamazoo Savings Bank; Henry Brees, Vice-Pres., deceased.

OVID—First National Bank; H. F. Harris, Asst. Cas.

MINNESOTA.

BELLINGHAM — Bellingham State Bank; Lucius F. Clark, Pres. in place of A. B. Dale: A. B. Dale, Vice-Pres.

DULUTH—First National Bank; capital reduced to $500,000.

GRANITE FALLS—Granite Falls Bank: K. E. Neste, Pres. in place of J. A. Willard.

PLAINVIEW—Plainview Bank; (J. H. Davis, Jr.,) sold out to Sylvester Bros.

ST. PAUL—Capital Bank; Walter F. Myers, Cas.

WINONA—Merchants' Bank; and German-American Bank; consolidated under former title.

MISSISSIPPI.

BOONEVILLE—Farmers & Merchants' Bank; absorbed by Tishomingo Savings Bank of Corinth.

MISSOURI.

ALBANY—Bank of Albany; capital increased to $30,000.

CARTERVILLE—First Nat. Bank and Bank of Carterville consolidated under former title; capital, $100,000, W. B. Kane, Cas. in place of C. W. Daugherty; no Asst. Cas. in place of Berenice G. Ashcraft.

CARTHAGE—First National Bank; C. L. Bartlett, Vice-Pres., deceased.

FULTON—Callaway County Savings Bank; Wm. C. Harris, Pres., in place of Philip D. Adams, resigned.

HOLT—Holt Bank; A. S. Gow, Cas. in place of John A. Eby.

LEXINGTON — Morrison-Wentworth Bank; capital reduced to $50,000.

PLATTSBURG — First National Bank; no Second Vice-Pres. in place of A. C, Cook.

ST. JOSEPH — First National Bank of Buchanan County; no Second Asst. Cas.

ST. LOUIS—Mississippi Valley Trust Co.; Thomas E. Tutt, director, deceased.——Southern Commercial and Savings Bank; J. H. Bobring, Pres. in place of John Krauss, deceased; Frank W. Fueurbacher, Vice-Pres. in place of J, H. Bobring.——Nat. Bank of the Republic; C. P. Gauss, Pres. in place of C. W. Bullen, deceased; O. H. Peckham, Second Vice-Pres. in place of C. F. Gauss.——Merchants'-Laclede National Bank; David R. Francis, Second Vice-Pres. in place of A. L. Shapleigh; W. H. Graham, Asst. Cas. in place of H. Fullerton.——Missouri Safe Deposit Co.; E. A. Smith, Vice-Pres. and General Manager in place of Paschall Carr, resigned.——National Bank of Commerce; Geo. J. Plant, director, deceased.

MONTANA.

GREAT FALLS—Great Falls National Bank; R. P, Reckards, Cashier in place of E. B. Weirick.

MILES CITY—State National Bank; Geo. H. Hyde, Asst. Cas.

NEBRASKA.

COLERIDGE—State Bank; F. A. McCormack, Pres. in place of T. F. Clark; Geo. I. Parker, Cas.

FREMONT—Fremont National Bank; no 2d Asst. Cas.

KENESAW—Kenesaw Exchange Bank; L. C. Norton, Cas.

PLATTE CENTRE—Farmers and Merchants' Bank; C. J. Carrig, Pres. in place of Frederick Jewell; J. W. Lynch, Cas. in place of D. D. Lynch.

SEWARD—First National Bank; John Zimmerer, Vice-Pres. in place of E. McIntyre.

ST. PAUL—Citizens' National Bank; A. McCormick, Cas.——St. Paul National Bank; succeeded by St. Paul State Bank; capital, $10,000.

NEW HAMPSHIRE.

CLAREMONT—Claremont National Bank; E. J. Rossiter, Asst. Cas.

DOVER—Strafford National Bank; E. R. Brown, Pres. in place of Wm. S. Stevens, deceased; no Vice-Pres. in place of E. R. Brown.

FITZWILLIAM—Fitzwilliam Savings Bank; Wm. F. Perry, Treas. in place of Stephen Batcheller.

LEBANON—National Bank of Lebanon; F. H. Hosford, Asst. Cas.

SOMERSWORTH—Great Falls National Bank; Joseph A. Stickney, Cas. and Treas. deceased.

NEW JERSEY.

BOUND BROOK—First National Bank; no Asst. Cas. in place of H. G. Herbert.

CAMDEN—Central Trust Co.; Alpheus McCracken, Pres. in place of Abraham Anderson.

NEW YORK.

BINGHAMTON—Binghamton Trust Co.: capital stock reduced from $400,000 to $300,000.

BROOKLYN—Brooklyn Trust Co., Long Island Loan & Trust Co. and Nassau National Bank; John T. Martin, director, deceased. ——National City Bank; David L. Harris, Cas., resigned.

BUFFALO—Columbia National Bank; Edgar B. Jewett, Pres. in place of Josiah Jewett; Geo. Wadsworth, Vice-Pres. in place of Henry C. Howard.——Farmers and Mechanics' Bank; E. R. Spaulding, Pres. in place of E. G. Spaulding; Henry Ganson, Cas.; W. H. Denniston, Asst. Cas.; W. F. Jones, 2d Asst. Cas.

HOLLAND—Bank of Holland; Philip D. Riley, Vice-Pres. in place of Jacob Wurst, deceased.

LYONS—Lyons National Bank; F. A. Tanner, Cas. in place of G. T. Kennedy.

MOHAWK—National Mohawk Valley Bank; J. B. Rafter, Pres.; R. M. Devendorf, Vice-Pres. in place of Henry A. Deimel.

NEW YORK CITY—United States Mortgage

Co.; Theodore A. Havemeyer, Vice-Pres., deceased.—Theodore W. Myers & Co.; name changed to Myers & Co.: Chas. Neukirch expelled from Stock Exchange.—Floyd-Jones & Robison; removed to 18 Wall Street.—Curtis & Romaine; removed to 30 Broad Street.—W. H. Granbery; removed to 18 and 20 New Street.—Geo. B. Hopkins & Co.; removed to Equitable Building.—White & Blackwell; removed to 47 Broadway.—Moffat & White; removed to 1 Nassau Street.—F. S. Smithers & Co.; Chas. Dieudonne retired from firm; Christopher D. Smithers admitted to firm.—Thompson, Adams & McNeil; succeeded by Adams, McNeil & Brigham.—Offenbach & Marx; Joseph Offenbach, admitted to Stock Exchange.—Smithers & Reimer; dissolved; business continued under same name by John Smithers & Otto E. Reimer.—Corn Exchange Bank; William W. Rossiter, director, deceased.—Union Square Bank; Jacob Siegel, director, deceased.—Colonial Trust Co.: capital stock increased from $500,000 to $1,000,000.—New York Security & Trust Co.; John L. Lamson, Vice-Pres., deceased.—Oriental Bank; Ludwig Nissen, elected director.—National Butchers & Drovers' Bank; John Wilkin, director, deceased.—Fifth National Bank; Richard Kelly, Pres., deceased.—United States Casualty Co.; Jas. W. Hinkley, Pres. in place of Benjamin F. Tracy; Henry W. Poor, Treas.; Edson S. Lott, Sec. in place of Chas. S. Fairchild.—Second National Bank; Chas. B. Fosdick, Pres. deceased; also director Hamilton Bank.—N. W. Harris & Co.; removed to 31 Nassau St.—Jacob Stout & Co.; dissolved.—National Bank of Commerce; removed to 31 Nassau St.—Goldman, Sachs & Co.; removed to 31 Nassau St.—Western National Bank; removed to corner of Pine and Nassau Streets.

OGDENSBURG—Ogdensburg Bank; Thomas Spratt, Vice-Pres.

ROME—Fort Stanwix National Bank; R. H. Huntington, Receiver, in place of Daniel G. Griffin, deceased.

SCHENECTADY—Mohawk National Bank; S. J. Schermerhorn, Vice-Pres.

SYRACUSE—Commercial Bank; Hendrick S. Holden, Pres. in place of Henry J. Mowry, deceased; Geo. M. Barnes, Vice-Pres. in place of Hendrick S. Holden.—Salt Springs National Bank; T. J. Leach, 2d Vice-Pres.

WATERTOWN—Jefferson Co. Savings Bank; Geo. Wiggins, Pres., D. W. Baldwin, 1st Vice-Pres.; J. L. Lawyer, 2d Vice-Pres.; Ross C. Scott, Sec.

NORTH DAKOTA.

STEELE—State Bank; D. H. Clark, Jr., Asst. Cas. in place of A. G. Clark.

OHIO.

BRIDGEPORT—First National Bank; no Cas. in place of H. M. Clark.

BRYAN—Farmers' National Bank; I. E. Gardner, Acting Cas.

CINCINNATI—Union Savings Bank and Trust Co.; James Hart, director in place of H. T. Proctor.

CLEVELAND—First National Bank; no Vice-Pres. in place of Solon Burgess, deceased.—National City Bank; Perry H. Babcock, Vice-Pres. and director, deceased.

CONNEAUT—Mutual Loan Assn.; Frank Reed, Cas. in place of Chas. Hayward, deceased.

MARTIN'S FERRY—People's Savings Bank Co.: B. F. Bradley, Pres.; F. R. Sedgwick, Vice-Pres.; C. K. Williams, Asst. Cas.

MASSILLON—Massillon Savings and Banking Co.: Fredk. H. Snyder, Pres. in place of W. K. L. Warwick, deceased.

MILFORD—Milford National Bank; no Asst. Cas. in place of G. M. Roudebush.

MOUNT VERNON—Knox National Bank; C. Cooper, Pres. in place of H. L. Curtis, deceased; F. S. Ringwalt, Vice-Pres. in place of C. Cooper.

PIQUA—Third National Bank; M. G. Smith, Cas. in place of J. A. Schafer.

TIFFIN—Miller & Son; W. C. Cook, Cas. in place of T. A. Miller.

WAYNESVILLE—Waynesville National Bank; Samuel McCune; Asst. Cas., deceased.

OKLAHOMA.

GUTHRIE—Capitol National Bank; Chas. E. Billingsley, Cas. in place of W. E. Hodges; C. M. Bosworth, Asst. Cas. in place of Chas. E. Billingsley.

POND CREEK—Bank of Pond Creek; J. W. Berryman, Pres. in place of C. Q. Chandler.

PENNSYLVANIA.

ALLEGHENY—Workingman's Savings Bank; succeeded by Workingman's Savings Bank and Trust Co.; capital, $100,000.—Second National Bank and Allegheny Safe Deposit Co.; A. N. Marshall, director, deceased.

CARBONDALE—First National Bank; I. Edwin Watt, Pres. in place of William W. Bronson, deceased.

GROVE CITY—First National Bank; W. S. McKay, Asst. Cas. in place of W. A. Kennedy.

LATROBE—First National Bank; Jno. L. Chambers, Pres., deceased.

LEWISBURG—Lewisburg National Bank; Jno. W. Bucher, Asst. Cas. in place of Cyrus A. Eaton.

MIDDLEBURGH—First National Bank; W. W. Wittenmeyer, Vice-Pres. in place of S. H. Yoder.

NORRISTOWN—Albertson Trust and Safe Deposit Co.; Clement J. Craft, Sec. and Treas. in place of W. E. Albertson.

PHILADELPHIA—Trust Company of North America; J. Wain Vaux, Pres. in place of John Cadwalader, resigned.—Philadelphia National Bank; Frank Thomson, elected director.

PITTSBURG—Fourth National Bank; Geo. H. Fulton, Cas. in place of Samuel D. Herron, Jr., deceased.—Anchor Savings Bank; Jesse H. Purdy, elected director.—West End Savings Bank; Roger Hartley, director, deceased.—Manufacturers' Bank; incorrectly reported out of business, in April number.

RHODE ISLAND.

NEWPORT—National Exchange Bank; Edward Newton, Cas., deceased.

SOUTH CAROLINA.

WINNSBORO—Winnsboro Bank; T. W. Lauderdale, Acting Pres. in absence of T. K. Elliott.

SOUTH DAKOTA.

STURGIS—Mead County Bank; H. E. Perkins, Cas.

TYNDALL—Albright, Smith & Dye; succeeded by Smith, Dye & Co.; J. A. Albright, retiring.

TENNESSEE.

DRESDEN—Mercantile Bank; removed from Martin.

NASHVILLE—First National Bank; Jno. P. White, director, deceased.

TEXAS.

AMARILLO—First National Bank; Chas. J. E. Lowndes, Cas., in place of H. R. Morrow; no Asst. Cas. in place of Chas. J. E. Lowndes.

BEEVILLE—Commercial National Bank; Jno. G. James, Cas.

BONHAM—First National Bank; no 2d Asst. Cas.

BROWNWOOD—Brownwood National Bank; no 2d Vice-Pres.

COMMERCE—Commerce National Bank; no 2d Vice-Pres.

NAVASOTA—First National Bank; Ewing Norwood, Cas., in place of James M. Shaw; no Asst. Cas., in place of Ewing Norwood.

ROCKPORT—First National Bank of Aransas Pass; J. W. Hoopes, Cas., in place of J. M. Hoopes; W. N. Mathis, Asst. Cas., in place J. W. Hoopes.

VAN ALSTYNE—First National Bank; R. L. Bowen, Vice-Pres.; no 2d Vice-Pres.

WASHINGTON.

EVERETT—First National Bank; no Asst. Cas., in place of Jas. A. Swalwell.

TACOMA—Pacific National Bank; no 2d Vice-Pres. in place of O. B. Hayden.

WEST VIRGINIA.

RAVENSWOOD—Bank of Ravenswood; J. A. McIntosh, Pres., in place of C. L. Brown; E. E. McKinley, Cas., in place of E. C. Smith.

SISTERSVILLE—First National Bank; S. L. Angle, Cas., in place of S. G. Pyle.

WISCONSIN.

BELOIT—Second National Bank; R. J. Burdge, Vice-Pres.

GREEN BAY—Kellogg National Bank; no Cas. in place of Henry B. Baker, deceased.

LA CROSSE—H. P. Magill & Burke; title changed to Henry P. Magill & Co.

MERRILL—First National Bank and National Bank of Merrill; consolidated under latter title; Chas. J. Oleson, Asst. Cas.

PHILLIPS—State Bank; Coat Ford, Cas., in place of E. H. Winchester; N. E. Lane, Asst. Cas.

CANADA.

ONTARIO.

ALMONTE—Bank of Montreal; H. Dupuy, Manager, in place of E. P. Winslow.

STRATFORD—Bank of Montreal; E. P. Winslow, Manager, in place of Thomas Plummer, deceased.

TEESWATER—Gillies & Smith; succeeded by Gillies & Co.

BRITISH COLUMBIA.

TRAIL—Bank of British North America; D. Doig, Manager.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

BIRMINGHAM—State Loan and Trust Co.

CALIFORNIA.

EUREKA—Randall Banking Co.

COLORADO.

ASPEN—J. B. Wheeler Banking Co.; assigned to Herbert L. McNair, May 3.

MANITOU—J. B. Wheeler Banking Co.; assigned to M. A. Leddy, May 3.

GEORGIA.

ATLANTA—Georgia Loan, Savings and Banking Co; in hands of Receiver.

OGLETHORPE—Lofley, Greer & Co.

THOMASVILLE—Thomasville Exchange and Banking Co.

ILLINOIS.

CHICAGO—Schaar, Koch & Co.; in hands of Chas. S. Boyd, Receiver, April 28.

HEYWORTH—Van Ordstrand Bank; assigned.

KEITHSBURG—Farmers' Bank.

LODA—John S. Sheldon.

IOWA.

DES MOINES—Central Loan and Trust Co.

WALFORD—Novak & Jilek.

KANSAS.

GAYLORD—Geo. R. Parker.

HUTCHINSON—Bank of Hutchinson.

KANSAS CITY—Kansas City Savings Bank.

OLATHE—Stephen J. Wilson; reported discontinued banking.

SYLVIA—Bank of Sylvia.

KENTUCKY.

MANCHESTER—Bank of Manchester.

MAINE.

WINTHROP—National Bank of Winthrop; in voluntary liquidation.

MASSACHUSETTS.

BOSTON—National Mortgage and Debenture Co.

MICHIGAN.

IMLAY CITY—Imlay City Exchange Bank.
ROMEO—First National Bank; in voluntary liquidation to take effect May 1.

MINNESOTA.

ST. CLOUD — German-American National Bank; in voluntary liquidation to take effect April 20.
ULEN—Julius Siemens.

MISSOURI.

AVA—Douglas County Bank.
BOWLING GREEN—Citizens' Bank; in hands of I. C. Dempsey, Receiver.
BROWNING—People's Exchange Bank.
LINN CREEK -Bank of Linn Creek.
ST. LOUIS—Chemical National Bank; in voluntary liquidation by resolution of April 1.——National Bank of the Republic.

NEBRASKA.

BARTLEY—Bank of Bartley; closing.
BIG SPRINGS—State Bank.
EXETER—First National Bank; in voluntary liquidation April 9.
FARNAM - Farnam State Bank.
HARRISBURG—Bank of Harrisburg.
HARTINGTON—Citizens' Bank.
STOCKVILLE—Farmers and Merchants' State Bank; in voluntary liquidation.

NEW HAMPSHIRE.

NASHUA—New Hampshire Banking Co. (Savings Bank).

NEW YORK.

NORTH TONAWANDA — Lumber Exchange Bank; out of business.

NORTH CAROLINA.

WINSTON—First National Bank; in voluntary liquidation.

SOUTH DAKOTA.

HERMOSA—Commercial Bank.

TENNESSEE.

WARTRACE—Bank of Wartrace.

TEXAS.

BROWNWOOD—Merchants' National Bank; in voluntary liquidation March 16.
FERRIS—Bank of Ferris.

VIRGINIA.

NORFOLK—Burruss, Son & Co.; assigned.

WASHINGTON.

ROSALIA—Bank of Rosalia; in voluntary liquidation.
VALLEY—Commercial State Savings Bank.

WISCONSIN.

MERRILL—First National Bank; in voluntary liquidation by resolution of March 27.

CANADA.

ONTARIO.

TIVERTON—J. C. Graham.

Approval from Scotland.—In concluding a review of the recent papers in the MAGAZINE treating of the Bank of England, "The Evening Dispatch," Edinburg, Scotland, says:

"A word may be said about the work of the BANKERS' MAGAZINE, New York, during the recent Presidential struggle. It carried on a vigorous propaganda against the financial heresies of the Silverite school, and conduced greatly to the success of the Gold party. It is at present advocating a reform of the monetary system of the United States on sound lines. It well says: 'The Treasury should retire from the banking business, and the function of issuing the paper currency of the country should be placed entirely in the hands of the banks. The banking laws should be so arranged that there will be no inducement to banking capital to prefer one system of banking to another.' There is no taint of State socialism here."

The Most Reliable.—H. P. MCNAIR, Cashier of the First National Bank, Mattoon, Ill., in a recent letter to the publishers says:

"I consider your MAGAZINE the most reliable and the most extensive authority on all banking subjects. I feel under many obligations to the BANKERS' MAGAZINE for a large fund of information."

Finds It Necessary.—CLIFF W. GRESS, Cashier of the Citizens' Bank, Cannon Falls, Minn., writes as follows under date of April 13:

"Enclosed please find our draft on Chase National, N. Y., for $8 to cover our subscription for the MAGAZINE for the year 1897 also for one copy of PATTEN'S PRACTICAL BANKING. We are more than pleased with the MAGAZINE; having read it for more than fifteen years it seems necessary to have it for the latest and best banking information."

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, May 4, 1897.

GOLD EXPORTS AND THE FOREIGN WAR COMPLICATIONS were the matters of interest which attracted the fullest measure of attention in financial circles. It was not until near the end of the month that any gold was shipped, and then it seemed as if everybody was unprepared for it. Even the sterling exchange market was out of joint with such a movement. As there was no warrant in our trade balances for gold exports at this time, the cause must be sought elsewhere. There is not space here to dwell at length upon the influences that have created a foreign demand upon our stock of gold, but in brief the main reason has been the changes made or contemplated in the currency systems of several European countries. Austria is accumulating gold towards that end, Russia is building up a gold standard and is taking the precious metal from London and Paris. Japan is making use of her war indemnity from China to build up a gold standard and is drawing gold from the Bank of England. A premium has been bid for American gold and up to the present time we have shipped about $8,000,000.

The possible effect of gold exports upon the Treasury reserves has been gravely discussed, but the financial position of the Government and of the country has so changed since gold shipments were a serious menace that apprehension now is scarcely warranted. For eight months down to March 31 the stock of gold in the country has been increased both by domestic production and by imports. The net imports during that period were more than $75,000,000, while about $36,000,000 more was added to the supply from the product of our mines, making the total increase $111,000,000. On April 30 there was in the United States Treasury $153,000,000 of gold in excess of the certificates outstanding as compared with only about $111,000,000 on August 1 last. Not since 1890 has the Government owned as much gold as it held last month. Both the Treasury and the country are better prepared to stand a drain of gold than during the periods of heavy shipments in 1892 to 1896.

From February, 1892, to July, 1896, gold exports were almost continuous, and during that period the Goverment's revenues for most of the time were less than the expenditures. We show here the periods of gold shipments, their volume, and the net deficit in Government revenues during those periods.

	Net gold exports.	*Deficit in Government revenues.*
Feb., 1892 to Sept., 1892—8 months	$52,120,114	*$6,856,375
Dec., 1892 to June, 1893—7 "	73,298,064	4,591,054
Dec., 1893 to Aug., 1894—9 "	76,141,581	83,965,950
Dec., 1894 to Jany., 1895—2 "	34,122,928	11,988,371
July, 1895 to Jany., 1896—7 "	63,018,381	20,516,164
Apl., 1896 to July, 1896—4 "	36,337,098	19,197,182

* Surplus.

While these extraordinary movements of gold were under way the Government was handicapped by deficient revenues. It is true that this difficulty has not yet been overcome although the Government did have a surplus of $9,000,000 in March, and of $6,000,000 in April. This is only a temporary condition and may involve a large falling off in revenue in the future, as importers have been getting merchandise into the country and out of warehouses in anticipation of the proposed increase in duties. But Congress is at work on legislation to increase the revenues. When that is done the Government will be better able to protect its gold reserve when gold is being exported.

The effect of the gold drain upon the supply of gold in the Treasury was painfully apparent from 1892 to 1896, but the influence of the Treasury deficit was felt at the same time. We now show the changes in the amount of net gold and also in the total net cash balance in the Treasury during the gold exporting periods.

Date.	*Net gold in Treasury.*	*Net Treasury balance.*
Feb. 1, 1892	$119,574,904	$131,868,460
Sept. 30, 1892	119,395,509	131,895,918
Dec. 1, 1892	124,409,656	130,328,919
June 30, 1893	95,485,413	122,462,290
Dec. 1, 1893	82,959,049	95,199,617
Aug. 31, 1894	55,216,900	127,148,097
Dec. 1, 1894	105,424,569	144,507,606
Jan. 31, 1895	44,705,967	144,603,304
July 1, 1895	107,512,362	195,240,154
Jan. 31, 1896	49,845,507	171,591,778
Apl. 1, 1896	128,646,460	271,641,748
July 31, 1896	110,718,745	256,158,472
Apl. 30, 1897	153,354,638	231,133,684

It will be observed that during the first gold exporting period, February to September, 1892, the Treasury lost no gold to speak of, while its cash balance gained a trifle. In the second period it lost $29,000,000 in gold and $8,000,000 cash; in the third period a loss of $27,000,000 only in gold is shown and a gain of $32,000,000 in cash balance, but in the mean time an issue of $50,000,000 in bonds had been made. During that period about $68,000,000 of gold was actually drawn from the Treasury, or within $8,000,000 as much as was exported.

In the fourth period, notwithstanding a second issue of $50,000,000 bonds was made in November, 1894, the Treasury lost more than $60,000,000 of gold, but its net cash balance was practically unchanged. In the fifth period the Treasury lost nearly $58,000,000 gold, within $5,000,000 of the total exported, and its cash balance declined nearly $24,000,000. In the sixth period it lost $18,000,000 gold, one-half of the exports, and $15,000,000 balance.

On April 30 the Government reported $153,000,000 net gold in the Treasury, an amount in excess of the total cash balance held at any time from January 1, 1892, down to December 1, 1895. The total net cash in the Treasury is $40,000,000 less than on April 1, 1896, but is considerably in excess of the balances reported prior to the last bond issue in February, 1896. The Government is certainly well entrenched as to gold and cash balances at the present time, and no gold movement that is likely to occur should cause apprehension as regards the Treasury.

Ordinarily the gold exporting season ends in July. In recent years abnormal conditions have prevailed, but without a large selling movement of American securities for foreign account, any extended export movement of gold seems impossible. In the nine months ended March 31, we have exported net of merchandise and specie $360,000,000, and since July 1, 1895, $575,000,000. It would be unwise to predicate gold exports on such a balance as that.

It has been a frequent experience in Wall Street that when the foreign exchanges were closed something has happened which has made our stock market the scene of a quickened speculation. Such an experience was witnessed last month. The

European market had closed on April 15 to remain closed until April 20 on account of the Easter holidays. The New York Stock Exchange was closed on April 16, Good Friday, but was open on Saturday, April 17, a half holiday when little business was transacted. On Sunday, April 18, came the news of the opening of hostilities between Turkey and Greece, and on Monday, April 19, the Stock Exchange opened with the market considerably excited. There was free selling of securities, being an international market, yet the aggregate transactions fell far below what was at one time considered an ordinary day's business, being only about 262,000 shares. Several times in the history of the Stock Exchange a day's sales of stock have aggregated 600,000 shares. While the sales were not large there was a considerable decline in prices. Between the highest prices recorded on Saturday and the lowest touched on Monday following, there were declines as follows: Chicago, Burlington & Quincy, 2⅜ per cent., St. Paul, 3⅛ per cent., Rock Island, 2 per cent., Northwest, 1¾ per cent., Omaha, 3½ per cent., Lake Shore, 2 per cent., Louisville & Nashville, 4 per cent., New York Central, 3¼ per cent., Southern Railway preferred, 2⅛ per cent., and Missouri, Kansas and Texas preferred, 2 per cent. St. Paul and Chicago, Burlington & Quincy were the leaders in activity, and the selling was all on the war situation abroad. There was, however, no resemblance of a panic, and while the lowest prices of the year for about one-half of the active list were made on or about April 19, investors generally felt confident that the foreign complications would not seriously affect values and were subsequently justified in their faith by a recovery in the stock market. It is not considered probable that the values of American securities will suffer any further decline in consequence of the war between Greece and Turkey, while the sentiment generally prevails that the war will not be of long duration.

There has been little to influence either trade or finance outside of the two events mentioned above. Tariff legislation has hung fire, but to-day the Senate Finance Committee, or the Republican majority of it, reported the bill to the Senate with the announcement that it would be called up for discussion on May 18. The bill differs very materially from the one passed by the House, and one of the most important changes is the omission of the retroactive clause. So far the Government has profited by the pendency of tariff legislation, in that its revenues from customs duties have been largely increased, and for two months the Treasury has received more money than it disbursed, and that is an event which has not happened before since May and June, 1893.

The railroads have been taking steps to put themselves in line with the recent Supreme Court decision, without abandoning their efforts to stave off absolute ruin. Conference associations are being organized for the purpose of keeping railroad managers in touch with each other until either the Supreme Court changes its opinion, or Congress grants railroads the privilege of joining to make equitable rates subject to proper Government supervision.

An event which hardly promises to be important in its results was the appointment last month by President McKinley of a commission on international bimetallism. The members of the Commission have sailed for Europe, and will pursue their investigations in various European countries. But little hope is entertained that any prominent government will give encouragement to the idea of an international agreement to establish bimetallism.

NATIONAL BANKS OF THE UNITED STATES.—The national banking system of the country has failed to show any growth for a long time past and the number of banks in the system and the capital invested are decreasing instead of increasing. The latest statement issued by the Comptroller of the Currency shows the condition of the National banks on March 9, 1897. The capital, surplus, deposits and reserves of the National banks during the past two years were as follows:

CONDITION OF THE NATIONAL BANKS OF THE UNITED STATES.

	Capital.	*Surplus.*	*Individual deposits.*	*Gold.*	*Silver.*	*Legal tenders.*
Mar. 5, 1895.......	$662,100,100	$246,180,065	$1,667,843,286	$178,160,435	$42,771,206	$144,936,622
May 7, 1895........	659,146,756	246,740,237	1,690,961,299	177,264,386	41,382,212	145,459,159
July 11, 1895......	658,224,179	247,782,176	1,736,022,006	171,217,437	43,209,757	168,515,172
Sept. 28, 1895......	657,135,498	246,448,426	1,701,653,521	162,925,290	33,312,021	143,866,685
Dec. 13, 1895......	656,956,245	246,177,563	1,720,550,241	168,244,430	38,467,979	130,649,423
Feb. 28, 1896......	653,994,915	247,178,188	1,648,092,868	156,894,060	39,123,428	141,242,513
May 7, 1896........	652,089,780	247,546,067	1,687,629,515	157,761,800	44,611,646	147,006,652
July 14, 1896......	651,144,855	248,368,423	1,668,413,507	161,853,560	41,961,889	140,878,290
Oct. 6, 1896........	648,540,325	247,690,075	1,597,891,058	160,723,890	40,084,742	142,334,730
Dec. 17, 1896.......	647,186,395	247,339,567	1,639,668,393	181,020,260	44,520,448	156,978,612
Mar. 9, 1897.......	642,424,195	247,130,031	1,669,219,961	188,304,755	45,644,107	186,332,852

The total number of banks in the National banking system has fallen to 3,634, a decrease of 27 since December, and of 55 since July last. For more than two years past the capital invested in National banks has been declining. It is $11,000,000 less than it was a year ago, and $20,000,000 less than it was two years ago. The surplus of the banks is about the same as it was a year ago and about $1,000,000 less than in 1895. Deposits have been increasing in the past few months, and are $71,000,000 more than on October 6 last, and $21,000,000 more than on February 28, 1896. The reserves have also increased considerably, but the gain is largely in legal tenders, nearly $30,000,000 since December, while the increase in gold was $7,000,000 and in silver, $1,000,000.

THE MONEY MARKET.—There has been no improvement in the local money market during the month, the supply of money still exceeding the demand and rates continuing at a very low level. The market has been in such a state that new methods have been devised in making quotations for call loans, and the fluctuations no longer move by fractions of one-half, but by quarters. About the middle of the month call money was quoted at 1¼ per cent., the novelty of which rate attracted general attention. At the close of the month call money ruled at 1¼ @ 1¾ per cent., the bulk of the transactions being at 1½ per cent., and the average rate about 1⅜ per cent. Banks and trust companies which offer their money at the Stock Exchange accept the current rate and lend very little money over the counter at the quoted rate of 2 per cent. Very little time money has been loaned, the principal business being in renewals at the close of April. Time money on Stock Exchange collateral was quoted at 2 per cent. for 30 to 60 days, 2½ per cent for 90 days to four months, 3 per cent. for five to seven months, and 3½ per cent. for longer periods. For commercial paper the rates are 3½ per cent. for 60 to 90 days endorsed bills receivable, 3¾ @ 4½ per cent. for first-class four to six months single names, and 4½ @ 5½ per

MONEY RATES IN NEW YORK CITY.

	Dec. 1.	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*	*May 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	1 —3	1½—2½	1½—2	1½—1¾	1½—2	1¼— 1¾
Call loans, banks and trust companies.	3 —	2 —	1½	1½—2	1½—2	1¼— 2
Brokers' loans on collateral, 30 to 60 days.	3 —	3 —	2	2	2	2 —
Brokers' loans on collateral, 90 days to 4 months.	3½—4	3½—	2½	2½—3	2½—3	2½—
Brokers' loans on collateral, 5 to 7 months.	4 —	4 —	3	3 —3½	3½	3 —
Commercial paper, endorsed bills receivable, 60 to 90 days.	4 —4½	3¾—4	3	3	3½—	3½—10
Commercial paper prime single names, 4 to 6 months.	4½—5	4 —4½	3 —3½	3½—4	3¾—4	3¾— 4½
Commercial paper, good single names, 4 to 6 months.	5 —6	4½—5½	4 —5	4 —5	4 —5	4½— 5½

cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the preceding table.

EUROPEAN BANKS.—The Bank of England was subjected to a considerable drain of gold during the month, being drawn upon by Japan, and also on account of Austria and Russia. It lost nearly $15,000,000 since April 1. The Bank of France has retained its gold but the Bank of Germany lost about $6,000,000, while the Austro-Hungarian Bank gained about $3,500,000. Compared with a year ago the gold in the Bank of England has decreased $56,000,000, and in the Bank of France $6,000,000, while the Bank of Austro-Hungary has gained nearly $25,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		April 1, 1897.		May 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,158,899	....	£39,342,455	....	£36,493,913	....
France	76,584,590	£49,130,797	76,736,938	£49,078,719	76,885,790	£48,869,839
Germany	28,505,450	14,252,750	30,896,900	15,916,500	29,551,200	15,223,350
Austro-Hungary	30,340,000	12,578,000	31,011,000	19,627,000	31,738,000	12,618,000
Spain	8,528,000	10,210,000	8,528,000	10,770,000	8,528,000	10,550,000
Netherlands	2,634,000	6,841,000	2,632,000	7,014,000	2,631,000	6,820,000
Nat. Belgium	2,736,667	1,368,333	2,783,333	1,391,667	2,807,333	1,403,667
Totals	£183,487,606	£94,380,880	£191,930,626	£96,792,886	£188,635,236	£95,484,856

FOREIGN EXCHANGE.—Rates for sterling exchange advanced early in the month owing both to the scarcity of commercial bills and the demand for remittances on account of goods imported and securities sold abroad. The low rates for money in the local market also affect sterling. The gold shipments which were made late in the month were independent of the sterling exchange market.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
Apr. 3	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85 @ 4.85¼	4.84½ @ 4.84¾
" 10	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85¼ @ 4.85½	4.84¾ @ 4.85
" 17	4.86¼ @ 4.86½	4.87½ @ 4.87¾	4.87¾ @ 4.88	4.85¾ @ 4.86	4.85 @ 4.85½
" 24	4.86½ @ 4.86¾	4.88 @ 4.88¼	4.88¼ @ 4.88½	4.86 @ 4.86¼	4.85½ @ 4.85¾
May 1	4.86¼ @ 4.86½	4.87½ @ 4.87¾	4.87¾ @ 4.88	4.85¾ @ 4.86	4.85¼ @ 4.85½

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Jan. 1.	Feb. 1.	Mar. 1.	April 1.	May 1.
Sterling Bankers—60 days	4.83½— ¾	4.84¾— 5	4.85 — ¼	4.85¾— 6	4.86¼— ½
" " Sight	4.86½— ¾	4.86¾— 7	4.87 — ¼	4.87¼—	4.87½— ⅝
" " Cables	4.87 — ¼	4.87¼— ½	4.87¼— ½	4.87¾—	4.87¾— 8
" Commercial long	4.83 — ¼	4.84 — ½	4.84¼— ¾	4.84¾— 5	4.85¾— 6
" Docu'tary for paym't.	4.82¼— 3	4.83¼— 4¼	4.83¾— 4½	4.84½— 5	4.85¼— ½
Paris—Cable transfers	5.17½—	5.16¼—	5.16¼— ⅛	5.15⅝—	5.14⅜—
" Bankers' 60 days	5.20 —19⅜	5.18¾—	5.18¾— ⅛	5.18⅛— 7½	5.16⅞— ¼
" Bankers' sight	5.18⅛—	5.16⅞—	5.16⅞— ¼	5.16¼— 5⅝	5.15 1/16— 4⅜
Antwerp—Commercial 60 days.	5.22½— 1⅞	5.21¼—20⅝	5.21¼—20⅝	5.20 —19⅜	5.19⅜— 8¾
Swiss—Bankers' sight	5.20 —19⅜	5.18¾—	5.19⅜—	5.18¾— ⅛	95⅝— ¾
Berlin—Bankers' 60 days	94⅞— 15/16	95 — ⅛	95⅝— 1/16	95 1/16— ⅛	95 3/16— ¼
" Bankers' sight	95 7/16— ½	95½— 9/16	95⅝—	95 3/16— ⅝	95⅝— ¾
Brussels—Bankers' sight	5.18¾— ⅛	5.17½— 6⅞	5.17½— 6⅞	5.16¼—	5.15⅝— 1/16
Amsterdam—Bankers' sight	40 3/16— ¼	40 11/16— ⅝	40¼— 5/16	40¼— 5/16	40⅝— 7/16
Kronors—Bankers' sight	27 — 1/16	26 15/16—27	26⅞— 15/16	27 —27 1/16	27 — 1/16
Italian lire—sight	5.45 — 35	5.41½—38½	5.46½— 4½	5.43¾— 1¼	5.42¾—40¾

Bank of England Statement and London Markets.

	Jan. 13, 1897.	*Feb. 10, 1897.*	*Mar. 17, 1897.*	*Apr. 14, 1897.*
Circulation (exc. b'k post bills)	£26,024,905	£25,644,360	£25,899,170	£27,839,865
Public deposits	6,992,759	13,175,053	16,835,294	10,945,120
Other deposits	45,042,695	40,699,405	38,540,872	38,817,957
Government securities	14,935,117	14,767,630	14,387,833	13,842,586
Other securities	28,898,268	28,456,015	28,911,575	28,451,585
Reserve of notes and coin	26,369,377	28,859,433	30,581,375	25,357,948
Coin and bullion	35,594,282	37,703,793	39,680,545	36,397,813
Reserve to liabilities	50 1/8%	53 7/16%	55%	50 3/4%
Bank rate of discount	4%	3%	3%	2 1/2%
Market rate, 3 months' bills	2 7/8%	1 7/8%	1 1/2%	1 3/4 @ 1 1/4%
Price of Consols (2 3/4 per cents.)	111 13/16	112 3/4	111 7/8	112 1/16
Price of silver per ounce	29 11/16d.	29 13/16d.	28 3/16d.	28 7/16d.
Average price of wheat	29s.	30s. 7d.	27s. 11d.	27s. 10d.

Silver.—The silver market in London was alternately weak and strong in April but at no time did the price rise above the opening figure of the month, 28½d., while finally it fell to 28 3-16, the lowest and last price for the month, a decline of 5-16d. since April 1. This is the lowest quotation since March, 1895.

Monthly Range of Silver in London—1895, 1896, 1897.

Month.	1895.		1896.		1897.		Month.	1895.		1896.		1897.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	27 1/16	27 3/16	30 1/8	30 7/8	29 13/16	29 11/16	July	30 5/8	30 1/4	31 5/8	31 3/8		
February	27 13/16	27 1/4	31 3/16	30 3/4	29 3/4	29 11/16	August	30 3/16	30 1/4	31 3/8	30 5/8		
March	30 1/4	27 5/8	31 13/16	31 1/8	29 5/8	28 3/16	Septemb'r	30 3/16	30 7/16	30 11/16	30		
April	30 7/8	29 7/8	31 3/16	30 13/16	28 1/2	28 3/16	October	31 1/8	30 5/8	30 3/16	29 3/4		
May	30 7/8	30 3/16	31 3/16	30 13/16			Novemb'r	31	30 5/8	30 3/16	29 3/4		
June	30 11/16	30 1/8	31 9/16	31 5/16			Decemb'r	30 11/16	30	30	29 13/16		

Money Rates Abroad.—The Bank of England, on April 9, reduced its rate of discount to 2½ per cent. from 3 per cent., the rate made on February 4 last. The Bank of France rate is 2 per cent., and the Bank of Germany's 3 per cent.

Discounts of 60 to 90 day bills in London at the close of the month were 1 5-16 per cent., and the open market rate at Paris 2 per cent., and at Berlin and Frankfort 2⅜ per cent., a decrease of ⅝ per cent. in the rate for the two latter cities, the Paris rate being unchanged.

Money Rates in Foreign Markets.

	Nov. 13.	*Dec. 11.*	*Jan. 15.*	*Feb. 12.*	*Mar. 19.*	*Apr. 16.*
London—Bank rate of discount	4	4	4	3	3	2 1/2
Market rates of discount:						
60 days bankers' drafts	3 5/8	3 1/8— 1/4	2 13/16	1 7/8	1 5/8— 1/8	1 1/4
6 months bankers' drafts	3 1/8—3 1/4	2 3/4	2 7/8	1 7/8	1 1/2	1 1/4— 5/16
Loans—Day to day	3	2 1/2	2 1/4	1 1/2	1 1/2	3/4
Paris, open market rates	1 7/8	1 3/4	1 7/8	1 3/4	1 3/4	1 3/4
Berlin, "	4 3/4	4 7/8	3 1/2	2 3/4	3 1/8	2 5/8
Hamburg, "	4 5/8	4 7/8	3 1/2	2 3/4	3 1/8	2 1/2
Frankfort, "	4 5/8	4 7/8	3 1/2	2 3/4	3 5/8	2 1/2
Amsterdam, "	3 1/8	3	2 7/8	2 5/8	2	2 1/2
Vienna, "	3 3/4	3 3/4	3 5/8	3 5/8	3 5/8	3 3/4
St. Petersburg, "	6	5 1/4	6	5 3/4	5 1/4	5 3/4
Madrid, "	5	4	4	4	4	4
Copenhagen, "	4 1/2	4	4	4	4	4

New York City Banks.—The deposits of the New York Clearing-House banks declined during the first half of April, but increased nearly $11,000,000 since April 10 and are now only about $18,000,000 less than the largest amount ever reported. The changes in the other items which compose the weekly statements of the banks have not been important. The total reserves increased more than $3,000,000 while the surplus reserve increased about $1,250,000. The surplus is about $26,000,000 more than it was a year ago and the deposits are $81,000,000 greater.

New York City Banks—Condition at Close of each Week.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
April 3...	$502,732,700	$85,988,300	$103,984,900	$569,226,500	$47,666,575	$15,701,800	$568,838,134
" 10...	502,512,600	85,868,400	101,780,800	565,916,600	46,170,050	15,589,200	501,673,302
" 17...	503,988,200	86,624,300	102,557,400	568,859,200	46,966,900	15,454,800	507,010,606
" 24...	504,847,200	87,073,100	105,881,000	574,784,890	49,257,900	15,372,300	535,713,688
May 1...	505,831,700	87,329,800	105,803,800	576,863,900	48,917,625	15,002,200	492,572,286

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1895.		1896.		1897.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$549,291,400	$35,268,850	$501,069,300	$15,969,675	$580,785,000	$83,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March........	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April..........	504,240,200	13,418,450	481,795,700	17,005,975	569,236,500	47,666,575
May...........	526,998,100	27,233,575	495,004,100	22,944,275	576,868,900	48,917,625
June	566,229,400	41,221,250	498,874,100	22,230,675		
July	570,436,800	84,225,925	499,046,900	20,828,275		
August........	574,804,500	40,917,175	485,014,000	17,728,600		
September....	574,929,900	39,149,925	451,934,800	8,836,200		
October.......	549,136,500	22,296,175	454,738,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,618,300	490,684,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

Coin and Bullion Quotations.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Trade dollars....................	$ .65	......	Twenty marks..................	$4.74	$4.79
Mexican dollars................	.48⅝	$ .49⅛	Spanish doubloons.............	15.50	15.70
Peruvian soles, Chilian pesos..	.44	.46	Spanish 25 pesos................	4.78	4.82
English silver....................	4.82⅛	4.85⅛	Mexican doubloons............	15.55	15.75
Victoria sovereigns............	4.86	4.89	Mexican 20 pesos...............	19.50	19.60
Five francs.......................	.93	.96	Ten guilders......................	3.95	3.99
Twenty francs..................	3.85	3.88			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 28 3/16d. per ounce. New York market for large commercial silver bars, 61½ @ 62⅛c. Fine silver (Government assay), 61⅝ @ 62⅝c.

Boston and Philadelphia Banks.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

Boston Banks.

Dates.	Loans.	Deposits.	Specie.	Legal Tenders.	Circulation.	Clearings.
April 3........	$178,413,000	$162,892,000	$10,123,000	$6,864,000	$9,361,000	$99,258,900
" 10........	177,114,000	165,430,000	10,022,000	7,250,000	9,393,000	96,766,900
" 17........	176,410,000	167,075,000	10,146,000	7,541,000	9,379,000	98,983,900
" 24........	176,180,000	166,134,000	10,166,000	7,267,000	9,441,000	83,260,200
May 1........	176,231,000	166,292,000	10,106,000	6,972,000	9,268,000	90,969,356

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
April 3	$108,207,000	$117,158,000	$38,135,000	$6,960,000	$64,109,500
" 10	108,638,000	118,210,000	38,398,000	6,988,000	57,589,900
" 17	108,620,000	119,345,000	38,249,000	6,882,000	52,444,600
" 24	108,584,000	119,245,000	39,082,000	6,928,000	60,899,100
May 1	109,081,000	119,925,000	39,151,000	6,865,000	52,404,086

GOVERNMENT REVENUES AND DISBURSEMENTS.—Only once in the past five years were the revenues in a single month as large as those received by the Government in April last. The total was $37,521,469, and in August, 1894, they were $40,417,-605. The large receipts of March were exceeded in April by $1,500,000. The large payments of customs duties in anticipation of a higher tariff on imports was the dominating cause of the increased revenue in both months. The custom receipts in

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.			EXPENDITURES.		
Source.	*April, 1897.*	*Since July 1, 1896.*	*Source.*	*April, 1897.*	*Since July 1, 1896.*
Customs	$24,454,352	$137,786,995	Civil and mis	$8,059,487	$78,575,799
Internal revenue	11,447,218	122,608,189	War	4,232,553	41,769,066
Miscellaneous	1,619,904	19,911,336	Navy	2,550,206	28,284,474
			Indians	573,312	11,658,188
			Pensions	10,763,091	118,619,126
Total	$37,521,469	$280,306,520	Interest	5,182,430	84,149,758
Excess of expenditures	*$6,160,390	$32,744,890	Total	$31,361,079	$313,051,411

* Excess of receipts.

UNITED STATES TREASURY CASH RESOURCES.

	Jan. 31.	*Feb. 27.*	*Mar. 31.*	*Apr. 30.*
Net gold	$144,637,729	$148,582,565	$151,834,395	$153,354,638
Net silver	19,369,997	19,571,812	19,868,501	21,414,112
U. S. notes	12,528,193	9,283,941	23,248,271	27,841,703
Miscellaneous assets (less current liabilities)	37,141,510	21,282,729	9,546,326	11,746,928
Deposits in National banks	16,550,565	16,281,980	16,450,076	16,776,302
Available cash balance	$230,227,994	$215,003,028	$220,947,569	$231,183,684

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	*1896.*			*1897.*		
	Receipts.	*Expenditures.*	*Net Gold in Treasury.*	*Receipts.*	*Expenditures.*	*Net Gold in Treasury.*
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	151,697,984
April	24,282,893	28,987,381	125,393,900	37,521,469	31,361,079	*153,354,638
May	24,643,718	28,426,592	108,345,234			
June	27,794,219	25,444,789	101,699,605			
July	29,029,209	42,088,468	110,718,746			
August	25,562,097	35,701,676	100,957,561			
September	24,584,244	26,579,535	124,034,672			
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

April were nearly $25,500,000, and in March and April $48,300,000. In the previous two months they were less than $23,000,000, and in the corresponding two months of 1896 were only about $25,000,000. For the month of April the receipts exceeded the expenditures by more than $6,000,000, making a surplus since March 1 of $15,000,000.

GOLD AND SILVER COINAGE.—The United States mints coined in April $8,800,400 of gold, $1,535,000 of silver, of which $1,400,000 was in silver dollars and $74,680 of minor coin.

COINAGE OF THE UNITED STATES MINTS.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January	$12,914,600	$65,000	$7,803,420	$1,964,800
February	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,683,531	13,770,900	1,617,654
April	1,500,000	1,831,000	8,800,400	1,535,000
May	2,857,200	1,826,490		
June	2,471,217	1,950,693		
July	2,918,200	1,092,000		
August	3,315,000	2,686,000		
September	3,140,923	2,754,185		
October	5,727,500	2,844,010		
November	5,064,700	2,305,022		
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	$40,526,720	$6,637,248

NATIONAL BANK CIRCULATION.—The National bank notes in circulation were reduced $906,650 during the month, making a decrease of nearly $3,000,000 since January 1. The decrease in circulation based on Government bonds was $999,153, while the amount secured by lawful money on deposit with the United States Treasurer was increased $92,503. The Government bonds deposited to secure circulation were reduced $944,050.

NATIONAL BANK CIRCULATION.

	Jan. 31, 1897.	*Feb. 28, 1897.*	*Mar. 31, 1897.*	*Apr. 30, 1897.*
Total amount outstanding	$235,008,085	$234,149,960	$233,708,894	$232,802,244
Circulation based on U. S. bonds	213,186,711	210,915,415	209,767,702	208,768,549
Circulation secured by lawful money	21,821,374	23,234,545	23,941,192	24,033,695
U. S. bonds to secure circulation:				
Four per cents. of 1895	37,213,050	36,032,050	35,890,550	35,397,550
Pacific RR. bonds, 6 per cent	8,961,000	8,885,000	8,586,000	8,573,000
Funded loan of 1891, 2 per cent	22,637,650	22,624,400	22,487,950	22,318,650
" " 1907, 4 per cent	153,182,050	152,060,000	151,222,500	150,978,750
Five per cents. of 1894	15,196,350	15,196,350	15,506,350	15,481,350
Total	$237,190,100	$234,797,800	$233,693,350	$232,749,300

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,400,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,033,000; 4 per cents of 1907, $11,970,000; 5 per cents. of 1894, $535,000, a total of $16,313,000.

The circulation of National gold banks, not included in the above statement, is $85,740.

FOREIGN TRADE MOVEMENTS.—The imports of merchandise into the United States in March were greater in value than for any previous month since April, 1893, and were nearly $10,000,000 larger than in April, 1896, and larger than in April, 1894, or 1895. This is the effect of promised tariff legislation rather than of an improvement in the business situation. Exports continue very large and still exceed the imports, the net balance in April being nearly $11,000,000, making for the nine months of the fiscal year a total of $323,381,519 for which there is no parallel in the previous history of our foreign trade. We gained by import $812,098 of gold coin and bullion and $546,292 of gold ore in March, and exported net $4,435,514 of silver coin and bullion, and imported net $1,495,126 silver ore.

The following table shows the movements of merchandise, gold and silver for the month and seven months ended January 31 for the past six years.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF MARCH.	MERCHANDISE.				GOLD BALANCE.		SILVER BALANCE.	
	Exports.	*Imports.*	*Balance.*					
1892	$81,829,702	$86,570,533	Imp.,	$4,740,831	Exp.,	$3,225,550	Exp.,	$1,565,616
1893	66,516,571	86,663,524	"	20,146,953	"	1,504,991	"	1,755,200
1894	70,640,839	66,031,689	Exp.,	4,609,150	"	2,929,241	"	2,837,722
1895	65,161,847	69,295,493	Imp.,	4,133,646	Imp.,	4,120,290	"	3,242,189
1896	75,574,184	66,455,663	Exp.,	9,118,521	"	293,653	"	3,661,200
1897	87,271,531	76,372,831	"	10,898,700	"	312,098	"	4,435,514
NINE MONTHS.								
1892	819,731,370	610,348,274	Exp.,	209,383,096	Imp.,	26,437,449	Exp.,	10,183,684
1893	653,389,931	643,737,443	"	9,652,488	Exp.,	52,254,180	"	12,398,786
1894	709,467,690	486,308,146	"	223,159,544	Imp.,	50,374,098	"	28,074,607
1895	623,047,515	535,529,109	"	87,518,406	Exp.,	38,249,153	"	27,102,021
1896	678,241,057	607,650,496	"	70,590,561	"	53,349,839	"	34,419,404
1897	822,269,744	498,888,225	"	323,381,519	Imp.,	64,492,070	"	37,994,911

MONEY IN THE UNITED STATES TREASURY.—There was an increase in the gross amount of cash in the Treasury last month of $1,000,000. while a decrease of $3,000,000 in the certificates and Treasury notes outstanding makes the increase in net cash nearly $4,000,000. The Government increased the net gold holdings by $1,500,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*Mar. 1, 1897.*	*Apr. 1, 1897.*	*May 1, 1897.*
Gold coin	$120,638,598	$139,356,408	$151,988,509	$157,976,832
Gold bullion	54,565,885	46,849,625	37,254,294	32,786,057
Silver Dollars	384,584,572	390,939,629	393,211,822	395,342,193
Silver bullion	110,815,247	108,914,614	107,862,462	106,990,150
Subsidiary silver	14,215,766	15,805,023	15,974,428	16,163,767
United States notes	85,313,258	85,946,400	98,167,876	98,942,880
National bank notes	14,278,970	15,005,984	11,374,958	8,676,050
Total	$784,411,796	$802,817,678	$815,833,349	$816,877,929
Certificates and Treasury notes, 1890, outstanding	529,044,460	563,325,941	566,187,302	563,334,565
Net cash in Treasury	$255,367,336	$239,491,737	$249,646,047	$253,543,364

MONEY IN CIRCULATION.—There was a further decrease in the volume of circulation in April of $2,440,000, making a contraction of more than $9,000,000 in two months. The most important changes are a decrease of $5,000,000 in old legal-tender notes, an increase of $2,000,000 in Treasury notes of 1890, making an increase of

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897.	*Mar. 1, 1897.*	*Apr. 1, 1897.*	*May 1, 1897.*
Gold coin	$517,743,229	$516,315,696	$517,125,757	$517,321,596
Silver dollars	58,581,819	55,378,762	54,507,319	53,776,448
Subsidiary silver	62,101,986	60,709,595	60,246,493	60,177,704
Gold certificates	37,887,439	37,544,819	37,456,889	37,421,999
Silver certificates	356,655,800	363,709,501	364,026,158	363,753,939
Treasury notes, Act July 14, 1890	84,171,221	85,546,621	90,244,810	92,253,627
United States notes	261,367,758	260,734,616	248,518,640	247,738,136
Currency certificates, Act June 8, 1872	50,330,000	76,525,000	74,460,000	69,905,000
National bank notes	221,384,148	219,230,343	222,420,183	224,211,934
Total	$1,650,223,400	$1,675,694,953	$1,669,000,694	$1,666,560,383
Population of United States	72,159,000	72,418,000	72,547,000	72,677,000
Circulation per capita	$22.87	$23.14	$23.01	$22.93

$10,000,000 in the latter since February 1 and an increase of about $1,800,000 in National bank notes. The preceding statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

THE SUPPLY OF MONEY IN THE COUNTRY.—The total stock of money in the country increased $1,500,000 in April. There was an increase of about $2,000,000 in gold and of $500,000 in silver and a decrease of $900,000 in National bank notes. The following statement shows the amount of each kind of money in the country on the dates mentioned.

TOTAL SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	*Mar. 1, 1897.*	*Apr. 1, 1897.*	*May 1, 1897.*
Gold coin	$638,381,827	$655,672,099	$669,114,266	$675,298,428
Gold bullion	54,565,385	46,849,625	37,254,294	32,786,057
Silver dollars	443,166,391	446,818,391	447,718,641	449,118,641
Silver bullion	110,815,247	108,914,614	107,862,462	106,990,150
Subsidiary silver	76,317,752	76,514,618	76,220,921	76,341,471
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	234,236,327	233,795,141	232,887,984
Total	$1,905,590,736	$1,915,186,690	$1,918,646,741	$1,920,106,747

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

UNITED STATES PUBLIC DEBT.—The total interest and non-interest bearing debt of the United States has suffered no material change since April 1, but by a small increase in the cash in the Treasury and a considerable reduction in the demand liabilities, a decrease of $5,700,000 in the net debt is shown. After standing above $1,000,000,000 for three months, the net debt is now down to $998,000,000.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*Mar. 1. 1897,*	*April 1, 1897.*	*May 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,639,600	559,639,600	559,639,850
Refunding certificates, 4 per cent	45,890	45,450	45,450	45,280
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,364,950	$847,364,950	$847,365,030
Debt on which interest has ceased	1,383,070	1,358,210	1,355,760	1,358,830
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	18,876,333	23,089,944	23,662,492	23,991,184
Fractional currency	6,890,504	6,889,241	6,889,241	6,889,241
Total non-interest bearing debt	$372,502,201	$376,714,549	$377,287,096	$377,615,789
Total interest and non-interest debt.	1,221,249,961	1,225,437,709	1,226,007,806	1,226,334,619
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	39,046,789	38,939,689	38,989,689
Silver "	370,883,504	373,585,504	376,561,504	377,531,504
Certificates of deposit	50,830,000	76,795,000	75,070,000	71,940,000
Treasury notes of 1890	119,816,280	117,550,280	117,131,280	116,696,280
Total certificates and notes	$580,809,573	$606,977,573	$607,702,478	$605,107,473
Aggregate debt	1,802,059,534	1,832,415,282	1,833,710,279	1,831,442,122
Cash in the Treasury:				
Total cash assets	853,463,551	864,338,166	875,239,759	876,746,655
Demand liabilities	625,143,172	651,500,911	653,194,153	648,656,138
Balance	$228,320,379	$212,837,255	$222,045,606	$228,090,517
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	112,837,255	122,045,606	128,090,517
Total	$228,320,379	$212,837,255	$222,045,606	$228,090,517
Total debt, less cash in the Treasury.	992,929,582	1,012,600,454	1,003,962,200	998,244,102

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of April, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		April, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	9⅛—Apr. 19	10⅞	9⅛	10¼
" preferred	28⅛	14⅛	25¾—Jan. 30	17 —Apr. 19	20½	17	18¾
Atlantic & Pacific	1	⅜	½—Jan. 14	⅛—Apr. 7	⅛	⅛	⅛
Baltimore & Ohio	44	10½	18 —Jan. 8	11¼—Apr. 29	14	11¼	11⅛
Bay State Gas	33	7	13¾—Jan. 6	7¾—Apr. 17	10	7¾	9
Brooklyn Rapid Transit	25⅛	18	21¾—Feb. 11	18⅝—Jan. 7	20½	20	20½
Canadian Pacific	62¾	52	56 —Jan. 8	46½—Mar. 29	51	48½	51
Canada Southern	51¾	40¾	51⅞—Mar. 17	44⅛—Jan. 13	48½	46	46½
Central of New Jersey	110	87½	103¼—Jan. 19	76½—Apr. 5	82½	76¼	77½
Central Pacific	16⅛	13⅛	15 —Jan. 5	7½—Apr. 20	8¼	7⅛	7½
Ches. & Ohio vtg. ctfs.	18⅛	11	18½—Mar. 15	15⅝—Mar. 29	17¼	16	16⅝
Chicago & Alton	164	146	170 —Mar. 1	162 —Feb. 15	169	162	163½
Chicago, Burl. & Quincy	83¾	53	78½—Mar. 18	69⅝—Jan. 5	73⅝	69½	72½
Chicago & E. Illinois	43	37½	45 —Mar. 13	45 —Mar. 13	....	....	....
" preferred	100½	90	98½—Feb. 3	95 —Feb. 8	....	....	....
Chicago Gas	78¾	44⅝	84⅞—Apr. 13	73¼—Jan. 5	84⅜	77⅝	81⅜
Chic., Milwaukee & St. Paul	80	59⅞	78½—Mar. 15	69¼—Apr. 19	73⅞	69¼	72¼
" preferred	131	117½	138¼—Mar. 18	131 —Jan. 6	132¾	131	132
Chicago & Northwestern	106¾	85½	110¾—Mar. 17	101¾—Apr. 19	105¼	101¾	103½
" preferred	152	140¾	155 —Feb. 20	153 —Jan. 12	153	153	153
Chicago, Rock I. & Pacific	74⅞	49¼	70 —Jan. 16	60¼—Apr. 19	63½	60¼	62¼
Chic., St. Paul, Minn. & Om.	49¾	30⅛	64⅞—Mar. 17	47 —Jan. 2	59¾	55	58⅛
" preferred	133	117	143 —Mar. 29	133 —Jan. 7	140	140	140
Clev., Cin., Chic. & St. Louis	39½	19½	33⅝—Mar. 17	26⅛—Feb. 16	30½	27	27¾
" preferred	90½	73	77 —Mar. 25	73 —Jan. 4	....	....	....
Col. Coal & Iron Devel. Co.	4⅛	¼	1 —Jan. 19	½—Jan. 29	½	½	½
Col. Fuel & Iron Co.	34¼	14⅝	27 —Jan. 19	16 —Apr. 19	19¼	16	16¾
Col. Hocking Val. & Tol	20½	12½	18 —Jan. 8	1½—Apr. 30	3⅞	1½	1½
" preferred	60	48	46 —Jan. 21	40 —Jan. 21	....	....	....
Consolidated Gas Co.	168	133	163 —Apr. 21	136½—Jan. 2	163	154½	159½
Delaware & Hud. Canal Co.	129⅝	114½	121¾—Jan. 6	99⅝—Apr. 1	106⅛	99⅝	104⅜
Delaware, Lack. & Western	166	138	157¾—Jan. 18	147¾—Apr. 30	153	147¾	148¼
Denver & Rio Grande	14	10	12¼—Jan. 19	9¼—Apr. 20	9¼	9¼	9¼
" preferred	51	37	43⅞—Feb. 21	36 —Apr. 20	39⅛	36	37¼
Edison Elec. Illum. Co., N. Y.	101½	89	107 —Mar. 23	101¾—Jan. 2	106½	106½	106½
Erie	17¾	10¼	15¼—Jan. 18	11½—Apr. 19	13⅜	11½	12⅜
" 1st pref	41¾	27	35½—Jan. 18	27 —Apr. 19	29½	27	27
" 2d pref	25	13	21 —Jan. 15	18 —Mar. 29	....	....	....
Evansville & Terre Haute	34½	24	....	....	....	....	....
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	151	148	151
" American	116	105	113 —Mar. 17	109½—Jan. 28	113	111½	112
" United States	48	35	41 —Apr. 30	37 —Feb. 3	41	39	41
" Wells, Fargo	101	80	103 —Apr. 21	97 —Jan. 2	103	100¼	103
Great Northern, preferred	122	108¼	122 —Feb. 5	120 —Jan. 16	120½	120½	120½
Illinois Central	98	84½	96¾—Mar. 16	91½—Apr. 19	93	91½	91½
Iowa Central	10¼	5½	8 —Jan. 16	6 —Apr. 15	6½	6	6
" preferred	38	19	27¼—Jan. 20	24½—Mar. 18	....	....	....
Laclede Gas	30	17	25 —Jan. 18	22½—Jan. 14	24	22½	23¼
" preferred	86¼	68¼	78 —Apr. 23	70¼—Mar. 23	78	73	75
Lake Erie & Western	22½	12½	18½—Jan. 18	13½—Apr. 12	15½	13½	14
" preferred	75	55½	70¼—Jan. 20	58¼—Apr. 1	65¼	58¼	65¾
Lake Shore	156	134¾	172½—Mar. 1	152 —Jan. 2	166	161	161
Long Island	84	40½	55 —Jan. 8	41 —Apr. 2	42½	41	41
Louisville & Nashville	55⅝	37½	52½—Jan. 19	40½—Apr. 19	46⅞	40⅛	43½
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	¼—Jan. 11	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	78¼	94 —Jan. 18	83 —Mar. 9	85¾	83	84¼
Metropolitan Traction	114	79¼	110⅞—Jan. 6	101⅜—Apr. 19	104¼	101⅜	102
Michigan Central	97⅞	89	100 —Mar. 15	90 —Jan. 28	98	98	98
Minneapolis & St. Louis	21¾	12	19¾—Jan. 29	17 —Mar. 26	18	17	17
" 1st pref	83	54	79½—Jan. 18	77¾—Mar. 18	....	....	....
" 2d pref	58½	30	48¾—Mar. 18	46 —Feb. 26	....	....	....
Missouri, Kan. & Tex.	14¾	9⅛	14½—Jan. 18	10 —Apr. 19	11⅞	10	10¾
" preferred	31⅛	16	32¼—Mar. 18	24¾—Apr. 19	28	24¾	27⅛

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.				April, 1897.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Missouri Pacific...............	29¾	15	24¼—Jan.	18	13¾—Apr.	24	16⅛	13¾	14¼
Mobile & Ohio...............	25	14	23½—Jan.	12	20 —Mar.	26	20	20	20
N. Y. Cent. & Hudson River..	99¾	88	102 —Mar.	22	92½—Feb.	18	101⅛	96¼	98⅞
N. Y. Chicago & St. Louis....	15	9	14⅛—Mar.	15	11 —Feb.	11	12	11⅛	11⅞
" 1st preferred........	80	67½	75 —Mar.	17	67⅝—Apr.	15	67⅝	67⅝	67⅝
" 2d preferred........	35⅝	20	34⅞—Mar.	17	24 —Feb.	10	30½	27	27
N. Y., New Haven & Hartf'd.	186	160	178 —Jan.	4	160 —Feb.	2	172¼	170	170
N. Y., Ontario & Western.....	16⅝	11⅛	15⅞—Jan.	18	12¾—Apr.	19	13¾	12¾	13¼
N. Y., Sus. & Western.........	12	6	9¾—Jan.	18	7 —Apr.	1	7¾	7	7⅞
" preferred............	31¼	12	26½—Jan.	18	20 —Apr.	13	23	20	21
Norfolk & Western............	12¾	⅛	14¼—Mar.	11	9 —Apr.	19	12	9	9
" preferred............	19¾	4⅛	28¼—Mar.	4	17 —Feb.	16	25⅛	23¼	23¼
North American Co...........	6½	3½	5 —Jan.	18	3⅝—Apr.	20	4¼	3⅝	3⅞
Northern Pacific tr. receipts.	16⅞	¼	16⅝—Feb.	1	11 —Apr.	19	13¼	11	11⅝
" pref tr. receipts.....	36	10	38⅞—Feb.	1	32⅛—Jan.	5	37	33⅛	34½
Oregon Railway & Nav........	24	10	17½—Jan.	18	10 —Apr.	20	10	10	10
" preferred............	40¼	35	45½—Feb.	3	37⅞—Jan.	8	42	39	42
Oregon Short Line............	18⅛	3⅛	16 —Jan.	28	10⅞—Mar.	30	11¼	11	11
Pacific Mail....................	31	15¼	27⅞—Mar.	18	24 —Jan.	9	27⅜	25⅛	27
Peoria, Dec. & Evansville....	3⅞	1¼	2½—Jan.	8	½—Apr.	26	⅛	½	½
Phila. & Reading..............	31¼	2⅞	28½—Jan.	18	17⅞—Apr.	13	21⅜	17⅞	18¼
Pitts., Cin. Chic. & St. Louis...	18¾	11	14 —Jan.	21	11½—Mar.	29	11⅝	11⅝	11⅝
" preferred............	59	40⅛	50 —Feb.	1	49⅞—Mar.	26	....	....	....
Pullman Palace Car Co........	164	138	168 —Mar.	3	152 —Jan.	2	159¼	157	157
Reading Voting Tr. ctfs.......	....	....	19⅛—Apr.	21	16¼—Apr.	19	19⅛	16¾	18
" 1st prefered..........	....	....	42¼—Apr.	8	38½—Apr.	19	42¼	38½	40
" 2d preferred..........	....	....	25⅞—Apr.	9	22½—Apr.	19	25⅞	22½	23½
Rome, Wat. Ogdens' g........	118	108	119 —Jan.	18	117 —Jan.	26	118½	118½	118½
St. Louis & San Francisco....	5⅝	4	5⅞—Feb.	4	4 —Apr.	19	4⅛	4	4⅝
" 1st preferred........	37	34¼	40¾—Mar.	4	37 —Jan.	29	38¼	37½	38
" 2d preferred........	14⅛	12	16 —Feb.	3	12 —Apr.	15	13⅜	12	13
St. Louis & Southwestern....	5¾	2⅞	4¾—Jan.	18	1 —Apr.	1	3¼	1	3⅛
" preferred............	13	6½	11½—Jan.	18	3½—Apr.	1	7¼	3½	6¾
St. Paul & Duluth............	27½	15	22½—Jan.	13	20 —Jan.	4	....	....	....
" preferred............	91	75	87 —Feb.	3	75 —Apr.	20	75	75	75
St. Paul, Minn. & Manitoba..	115	105	118 —Mar.	3	114 —Jan.	28	116¼	115	115
Southern Pacific Co...........	22¼	14	15¾—Jan.	18	13½—Jan.	13	15½	14	14⅝
Southern Railway............	11¾	6⅛	10 —Jan.	16	7 —Apr.	19	8⅞	7	7½
" preferred............	33¼	15½	29⅞—Jan.	19	22⅞—Mar.	19	26¾	22⅞	25⅞
Tennessee Coal & Iron Co....	34¾	13	31 —Jan.	18	19¼—Apr.	19	26¼	19¼	20⅞
Texas & Pacific................	12	5	10¼—Jan.	18	8 —Apr.	1	8¾	8	8¾
Union Pacific trust receipts..	12½	3⅞	10 —Jan.	5	4½—Apr.	19	6⅞	4⅛	5⅛
Union Pac., Denver & Gulf...	5½	1⅛	2½—Jan.	6	1 —Apr.	24	1¾	1	1
Wabash R. R..................	8	4½	7⅛—Jan.	16	4⅞—Mar.	29	5⅞	4¾	5⅞
" preferred............	19¾	11	17⅛—Jan.	18	11½—Apr.	19	13¼	11½	12¾
Western Union................	90¼	72¾	86⅛—Mar.	16	77¼—Apr.	30	82½	77¼	77⅞
Wheeling & Lake Erie.........	13¼	5¼	6½—Jan.	2	¾—Apr.	23	1⅛	¾	¾
" preferred............	40¾	20⅝	29 —Jan.	5	2⅝—Apr.	15	4	2⅞	2⅞
Wisconsin Central	4⅜	1⅜	2½—Jan.	6	1½—Mar.	31	1⅛	1½	1½
"Industrial"	Stocks:								
American Co. Oil Co..........	19	8	14¾—Jan.	16	10 —Apr.	28	11	10	10
" preferred............	68⅞	37	58 —Mar.	9	52¼—Feb.	16	57⅝	55½	55½
American Spirits Mfg Co.....	14⅞	4½	14½—Jan.	19	9¼—Apr.	23	13	9¼	10½
" preferred............	33¼	14¾	34⅞—Mar.	15	28 —Jan.	5	33	30¾	28
American Sugar Ref. Co......	126⅝	95	118⅝—Mar.	3	109⅛—Mar.	29	115	109¾	114
" preferred............	104	92¼	105¾—Mar.	15	100¼—Jan.	7	103¼	101½	102½
American Tobacco Co........	95	51	79½—Jan.	14	67½—Feb.	15	75⅛	68½	69½
" preferred............	106	95	108 —Mar.	12	100 —Feb.	11	106	104	104
General Electric Co...........	39½	20	36¼—Feb.	2	30 —Apr.	19	32⅛	30	30⅝
National Lead Co..............	28⅝	16	26⅝—Jan.	19	21⅞—Feb.	16	24	22¼	22¾
" preferred............	92¾	75	92 —Feb.	23	88⅜—Feb.	13	92	90¾	90¾
National Linseed Oil Co.......	21¼	11⅛	15 —Jan.	19	12 —Mar.	2	12	12	12
National Starch Manfg. Co...	7¾	4¾	5 —Jan.	4	5 —Jan.	4	....	....	....
Standard Rope & Twine Co..	12½	8⅛	11¾—Jan.	19	6½—Mar.	29	7	6½	6⅝
U. S. Leather Co..............	11⅞	5½	9⅝—Jan.	19	6½—Apr.	19	7	6½	6½
" preferred............	69⅛	41½	64 —Jan.	19	50½—Apr.	21	56⅛	50½	52⅝
U. S. Rubber Co...............	29	14½	25¼—Jan.	19	13 —Mar.	29	16½	13	13¾
" preferred............	89	65	76⅞—Jan.	5	61 —Mar.	29	66¼	62¼	63⅞

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
Ala. Midland 1st gold 6s..........1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	78	Apr. 30,'97	79	77	54,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	106,840,000	A & O	80	Apr. 30,'97	80⅞	78⅝	1,167,000
" adjustment, g. 4's.....1995	51,728,000	NOV	44¼	Apr. 30,'97	45¼	42⅝	960,000
" Equip. tr. ser. A. g. 5's1902	1,250,000	J & J	....	....	....	....	....
Chicago & St. Louis 1st 6's......1915	1,500,000	M & S	....	....	....	....	....
Colorado Mid.Tr.Co.cfs 1stg.6's.1936 assented..................	5,615,000	......	60⅛	Apr. 30,'97	60⅛	60	3,000
"Tr.Co.cfscons.g.4'sst'dgtd1940	988,000	F & A	21	June 6,'96	....	....	....
" assented...................	3,900,000	......	10	Apr. 15,'97	12	10	21,000
Atlan. av. of Brook'n imp. g. 5's, 1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's.....1950	1,238,000	J & J	90½	Feb. 25,'97	....	....	....
Atlan. & Pac. 2d W. d. g. g. s. f. 6's.1907	5,500,000	M & S	92	July 23,'90	....	....	....
" Western div. inc......1910	10,500,000	A & O	⅛	Apr. 20,'97	⅛	⅛	20,000
" div. small..............1910		A & O	10	Mar. 17,'98	....	....	....
" Central div. inc........1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.), 1919	3,000,000	A & O	110	Apr. 22,'97	110	109½	35,000
" 5's, gold..........1885–1925	4,956,000	F & A	92	Apr. 28,'97	92	92	3,000
" registered..................		F & A	85¼	Mar. 23,'97	....	....	....
" eng. ctfs of deposit.......	5,044,000	......	91	Mar. 25,'97	....	....	....
B. & O. con. mtge. gold 5's......1988	11,988,000	F & A	103	July 2,'96	....	....	....
" registered..................		F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd., 1990	6,000,000	M & N	94	Apr. 26,'97	94	94	2,000
W. Virginia & Pitts. 1st g. 5's...1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s, 1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s..........1993	10,483,000	J & J	96	Apr. 22,'97	97	96	4,000
" 1st inc. g. 5's "A" 2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
" "B"....................2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's...1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	2,500,000	M & S	98¾	Mar. 10,'97	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's..1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
" coupons off................	....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's..1946	2,536,000	J & J	103	Apr. 23,'97	103	103	10,000
Broadway & 7th av. 1st con. g. 5's, 1943	7,650,000	J&D	118⅞	Apr. 28,'97	119⅛	118⅞	15,000
" registered..................		J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's........1941	4,373,000	J & J	114¼	Apr. 30,'97	114½	114	20,000
Brooklyn Elevated 1st gold 6s's, 1924	3,500,000	A & O	77	Apr. 30,'97	79¼	76	175,000
" 2d mtg. g. 5's, ...1915	1,250,000	J & J	43½	Apr. 30,'97	45	42	112,000
Union Elevated 1st g. g. 6's.....1937	6,148,000	M & N	76⅞	Apr. 30,'97	79¼	75⅛	295,000
Seaside & Bkln Bdge 1st g. g. 5's.1942	1,365,000	J & J	80	Mar. 31,'96	....	....	....
Brooklyn Rapid Transit g. 5's...1945	5,181,000	A & O	75⅛	Apr. 30,'97	76⅛	75¼	34,000
Brunswick & Western 1s g. 4's....1938	3,000,000	J & J	74	Sept. 1.'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,407,000	M & S	96¾	Apr. 26,'97	98	96¾	3,000
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	121	Apr. 29,'97	121	119¾	16,000
" cons. 1st 6's, ...1922	3,920,000	J & D	119	Feb. 26,'97	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's, 1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered..................		A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	107¼	Apr. 29,'97	108¼	106⅞	38,000
" con. 1st & col. tst 5's...1934	6,425,000	A & O	103	Apr. 10,'97	104	103	6,000
" registered.................		A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	104¾	104	6,000
" 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	110⅛	Apr. 28,'97	110¾	110	99,000
" 2d mortg. 5's	1913	5,100,000	M & S	105⅛	Apr. 30,'97	105¾	105	42,000
" registered			M & S	105⅛	Jan. 30,'97	....	....	....
Col. & Cin. Midla'd. 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	93	Apr. 23,'97	93	93	2,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	113	Apr. 29,'97	113⅛	112⅝	31,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,500,000	M & N	92⅝	Apr. 21,'97	92⅝	91	53,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	28	Apr. 30,'97	29	28	72,000
" registered			OCT 1	....		....	....	....
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	10	Apr. 30,'97	11	9¼	92,000
" registered			OCT 1	....		....	....	....
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	5	Apr. 8,'97	5	5	10,000
" registered			OCT 1	....		....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	91	Apr. 20,'97	91	91	2,000
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	....		....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	106⅞	Apr. 20,'97	107	106⅛	123,000
" convertible 7's	1902	1,167,000	M & N	115	Mar. 22,'97	....	....	....
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	110¾	Apr. 30,'97	112	109	105,000
" registered			Q J	108⅛	Apr. 30,'97	109¼	106	129,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	98	Apr. 28,'97	98	90	17,000
" mortgage 5's	1912	2,887,000	M & N	80	Mar. 24,'97	....	....	....
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114	Apr. 15,'97	114	114	10,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	102¾	Apr. 28,'97	102¾	102⅛	18,000
" ext g 5s series A B C D	1898	5,598,000	J & J	101⅛	Apr. 14,'97	101⅛	100⅝	26,000
" ext g 5's series E	1898	3,210,000	J & J	....		....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	101	Apr. 29,'97	101	101	21,000
" gtd. g 5's	1939	11,000,000	A & O	84⅛	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	99	Apr. 24,'97	99	99	17,000
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107¼	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103½	Apr. 1,'97	103⅛	103½	5,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	88	Apr. 26,'97	88	87⅛	39,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	103⅛	Mar. 1,'97	....	....	....
" 6's, g., Series A	1908	2,000,000	A & O	121⅝	Mar. 31,'97	....	....	....
" Mortgage gold 6's	1911	2,000,000	A & O	120	Apr. 29,'97	120	119½	17,000
" 1st con. g. 5's	1939	23,553,000	M & N	112	Apr. 30,'97	112	110⅞	83,000
" registered			M & N	109⅛	Apr. 12,'97	109⅛	109½	3,000
" Gen. m. g. 4½'s	1992	21,799,000	M & S	72⅞	Apr. 30,'97	74	72¼	228,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	102	Apr. 30,'97	102¼	101⅛	72,000
" 2d con. g. 4's	1989	1,000,000	J & J	91½	Apr. 21,'97	91½	90½	12,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	99¼	Apr. 30,'97	100	99	72,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	112¾	Jan. 6,'97	....	....	....
" 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	105¾	105	2,000
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	105	Apr. 14,'97	....	....	....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	118⅛	Apr. 30,'97	118⅝	117⅞	120,000
" 5's, sinking fund	1901	2,315,000	A & O	105	Mar. 23,'97	....	....	....
" 5's, debentures	1913	9,000,000	M & N	101	Apr. 30,'97	101	100⅝	28,000
" convertible 5's	1903	15,263,900	M & S	100⅛	Apr. 29,'97	100⅞	100	58,000
" (Iowa div.) sink. f'd 5's	1919	2,811,000	A & O	105	Apr. 23,'97	105	105	1,000
" 4's	1919	7,571,000	A & O	98½	Apr. 29,'97	99	98	10,000

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NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
" Denver div. 4's	1922	6,141,000	F & A	94	Apr. 20,'97	94	94	1,000
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
" Chic. & Iowa div. 5's	1905	2,820,000	F & A	107⅛	Jan. 18,'96	....	....	....
" Nebraska extensi'n 4's	1927	26,730,000	M & N	92¾	Apr. 29,'97	93	90	159,000
" registered			M & N	89⅛	Feb. 10,'97	....	....	....
" Han. & St. Jos. con. 6's	1911	8,000,000	M & S	120	Apr. 28,'97	120½	120	11,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	115	Apr. 15,'97	115	114	10,000
" small bonds	...		J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	125⅛	Apr. 28,'97	125⅛	124	22,000
" gen. con. 1st 5's	1937	9,767,000	M & N	101	Apr. 30,'97	101	100	175,000
" registered			M & N	104¼	Nov. 25,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	98	Mar. 10,'97	....	....	....
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	105	Apr. 21,'97	105⅛	105	20,000
" 2d 7 3-10 P. D.	1898	867,000	F & A	132	Apr. 5,'97	132	131⅛	4,000
" 1st 7's $ gold, R. div.	1902	3,736,000	J&J	131	Apr. 28,'97	132¼	131	26,000
" 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
" 1st m. Iowa & M. 7's	1897	411,000	J & J	131¼	Apr. 28,'97	132	130	39,000
" 1st m. Iowa & D. 7's	1899	429,000	J & J	128½	Feb. 26,'97	....	....	....
" 1st m. C. & M. 7's	1903	2,391,000	J & J	134	Apr. 8,'97	134	134	3,000
Chicago Mil. & St. Paul con. 7's	1905	11,297,000	J & J	133¾	Apr. 28,'97	134¼	133¾	23,000
" 1st 7's, Iowa & D, ex	1908	3,505,000	J & J	134	Apr. 23,'97	134	134	1,000
" 1st 6's, Southw'n div.	1909	4,000,000	J & J	119	Apr. 30,'97	119	117½	26,000
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	111⅝	Apr. 5,'97	111⅝	110½	8,000
" 1st So. Min. div. 6's	1910	7,432,000	J & J	119	Apr. 21,'97	119	118	11,000
" 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	129½	Mar. 26,'97	....	....	....
" 5's	1910	990,000	J & J	109	Mar. 22,'97	....	....	....
" Chic. & Pac. div. 6's	1910	3,000,000	J & J	120	Apr. 17,'97	120	120	11,000
" 1st Chic. & P. W. 5's	1921	25,340,000	J & J	115⅛	Apr. 28,'97	115⅜	115	96,000
" Chic. & M. R. div. 5's	1926	3,083,000	J & J	110¾	Apr. 29,'97	111½	110	34,000
" Mineral Point div. 5's	1910	2,840,000	J & J	107	Jan. 25,'97	....	....	....
" Chic. & Lake Sup. 5's	1921	1,360,000	J & J	112	Apr. 2,'97	112	112	1,000
" Wis. & Min. div. 5's	1921	4,755,000	J & J	113¼	Apr. 30,'97	113¾	113	23,000
" terminal 5's	1914	4,748,000	J & J	113⅛	Apr. 24,'97	113⅛	113	11,000
" Far. & So. 6's assu.	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
" mtg. con. si'k. f'd 5's	1916	1,680,000	J & J	96	Jan. 7,'96	....	....	....
" Dakota & Gt. S. 5's	1916	2,856,000	J & J	110⅞	Apr. 29,'97	111	110¾	7,000
" g. m. g. 4's, series A.	1989	19,010,000	J & J	101¾	Apr. 30,'97	102	100¾	92,000
" registered		....	Q J	94½	Dec. 11,'95	....	....	....
" Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	119	Apr. 14,'97	119	119	1,000
" 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
Chic. & North Pacific 1st g. 5's	1940	25,953,000	A & O	42	May 12,'96	....	....	....
" U. S. Trust Co. eng. ctfs.			......	41	Apr. 30,'97	42¾	41¼	231,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	145	Apr. 28,'97	145½	143	17,000
" coupon gold 7's	1902	12,336,000	J & D	119	Apr. 29,'97	120	119	44,000
" registered d. gold 7's	1902		J & D	118¾	Apr. 26,'97	119	118¾	26,000
" sinking fund 6's	1879–1929	5,951,000	A & O	119	Mar. 11,'97	....	....	....
" registered			A & O	117¾	Mar. 11,'97	....	....	....
" 5's	1879–1929	7,237,000	A & O	109	Apr. 29,'97	109	108¾	4,000
" registered			A & O	106	Apr. 5,'97	106	106	1,000
" debenture 5's	1933	9,800,000	M & N	115	Apr. 30,'97	115	112⅝	91,000
" registered			M & N	112¼	Apr. 29,'97	113½	112¼	3,000
" 25 year deben. 5's	1909	6,000,000	M & N	110	Apr. 28,'97	110	109⅛	12,000
" registered			M & N	104	May 15,'96	....	....	....
" 30 year deben. 5's	1921	9,800,000	A & O	113	Apr. 13,'97	113	113	10,000
" registered			A & O	107	Nov. 20,'95	....	....	....
" extension 4's	1886–1926	18,632,000	F A 15	103	Apr. 30,'97	103¼	103	8,000
" registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	105	Apr. 20,'97	105	105	6,000
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,000,000	M & N	133½	Apr. 23,'97	134	133⅛	20,000
" con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	115	Apr. 29,'97	115	112	25,000
" Michigan div. 1st 6's	1924	1,281,000	J & J	130	Apr. 3,'97	130	130	6,000
" Ashland div. 1st 6's	1925	1,000,000	M & S	138	Dec. 16,'96	....	....	....
" income		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	132	Apr. 30,'97	132	132	1,000
" 6's registered	1917		J & J	130¾	Apr. 30,'97	130¾	130¾	15,000

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
" exten. and collat. 5's	1934	40,381,000	J & J	105	Apr. 30,'97	105	104⅛	170,000
" registered			J & J	104	Apr. 26,'97	104	103	125,000
" debenture 5's	1921	4,500,000	M & S	97½	Apr. 26,'97	97½	95	12,000
" registered		....	M & S	....		....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	88½	June 12,'96	....	....	....
" 1st 2½'s	1905	1,200,000	J & J	65	Nov. 18,'96	....	....	....
" extension 4 s		672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	102½	Apr. 23,'97	102½	102	9,000
" small bond	1923	....	A & O	100	Apr. 15,'97	100	100	2,000
Chic., St.P., Minn.& Oma. con. 6's	1930	13,413,000	J & D	130¾	Apr. 28,'97	131	130	31,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	131	Apr. 6,'97	131	131	3,000
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	130	Apr. 30,'97	130	129¼	19,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,149,000	M & N	106¼	May 15,'95	....	....	....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	117	Apr. 6,'97	117	117	8,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
" coupons off		....	......	....		....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	112	Apr. 26,'97	112	110	18,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g.6's	1930	730,000	F & A	....		....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.	1917	2,000,000	......	68	Apr. 13,'97	68	68	8,000
Clev., Cin., Chic.& St.L. gen.m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	89	Apr. 15,'97	89	89	1,000
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	96	Apr. 26,'97	96½	95¼	25,000
" registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89½	Apr. 15,'97	89½	89½	10,000
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,790,000	Q F	101¼	Apr. 19,'97	102	101	12,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's	1928	2,571,000	J & J	113	Apr. 22,'97	113	113	1,000
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	70	Apr. 17,'97	72	70	24,000
" income 4's	1990	4,000,000	A	10	Feb. 27,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd.	1899	3,000,000	M & N	109	Apr. 21,'97	109	109	2,000
" consol mortg. 7's	1914	3,991,000	J & D	133⅝	Apr. 2,'97	133⅝	133⅝	1,000
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	126¾	Apr. 28,'97	126¾	125	10,000
" registered			J & J	....		....	....	....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's	1901	1,000,000	A & O	105	Aug. 18,'96	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	102	Mar. 12,'97	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	103	Apr. 14,'97	103	103	1,000
" registered			Q J	....		....	....	....
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92	....	....	....
" gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	116½	Apr. 22,'97	116½	115¾	64,000
" registered			M&S	....		....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	3,868,000	M & S	69	Apr. 30,'97	71½	66½	82,000
" J. P. M. & Co. eng certf		4,132,000	......	....		....	....	....
" gen. mort. g. 6's	1904	2,000.000	J & D	59½	Apr. 29,'97	55	50	2,000
" gen. lien g. 4's	1996	852,000	J & J	....		....	....	....
" registered, $5,000			J & J	....		....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97	128	128	8,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97	125	123½	4,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	144½	Apr. 29,'97	144½	144	8,000
" bonds, 7's	1900	281,000	J & J	109½	Feb. 17,'97	....	....	....
" 7's	1871-1901	4,991,000	A & O	113⅝	Apr. 30,'97	113⅝	112	15,000
" 1st c. gtd 7's	1915	12,151,000	J & D	144	Apr. 21,'97	144	143½	42,000
" registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	136	Mar. 29,'97	....	....	....
" const. 5's	1923	5,000,000	F & A	116½	Mar. 26,'97	....	....	....
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143	Apr. 30,'97	143	143	15,000
" reg	1917		M & S	137	Oct. 7,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	116½	Apr. 26,'97	116½	116½	5,000
" registered			A & O	128½	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	118½	Mar. 31,'97	....	....	....
" registered			A & O	116½	Mar. 22,'97	....	....	....

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Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	145⅝	Feb. 5,'97	....	....	....
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver City Cable Ry. 1st g. 6's	1908	3,397,000	J & J	97½	Feb. 24,'93	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	....		....	....	....
Denver Tramway Co. con. g. 6's	1910	1,219,000	J & J	....		....	....	....
Denver Met. Ry. Co. 1st g. g. 6's	1911	913,000	J & J	....		....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	88	Apl. 19,'97	88¼	88	38,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	113⅞	Apl. 28,'97	113¼	112	79,000
" impt. m. g. 5's	1928	8,103,500	J & D	81½	Mar. 17,'97	....	....	....
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,030,000	A & O	18	Apl. 26,'97	18	17	11,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....		....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	98½	Apl. 28,'97	99	98½	41,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....		....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....		....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	101⅜	Apl. 30,'97	101⅛	100	21,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	108⅝	Apl. 1,'97	108⅝	108⅝	5,000
" 2d extended 5's	1919	2,149,000	M & N	117½	Mar. 23,'97	....	....	....
" 3d extended 4½'s	1923	4,618,000	M & S	112	Apl. 2,'97	112	112	12,000
" 4th extended 5's	1920	2,926,000	A & O	118½	Apl. 10,'97	118½	118½	1,000
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	140½	Apl. 26,'97	140½	139½	249,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	134	Apl. 15,'97	134	134	5,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	137¾	Apl. 23,'97	137¾	137¾	1,000
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....		....	....	....
" small			J&J	....		....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	106½	Apl. 12,'97	106½	106½	1,000
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	111⅞	Apl. 30,'97	112	111½	48,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....		....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	93⅝	Apl. 26,'97	94⅜	93⅛	110,000
" " registered			J&J	....		....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	63½	Apl. 29,'97	65	63¼	100,000
" " registered			J&J	....		....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	110	Apl. 22,'97	110	110	11,000
" 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	114	Apl. 24,'97	114	114	3,000
" 1st con. gold 5's	1939	2,100,000	M & N	80	Apl. 9,'97	80	80	5,000
" Port Huron d 1st g 5's	1939	3,063,000	A & O	78	Feb. 17,'97	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....		....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	....		....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	56¼	Apl. 30,'97	57	55	160,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,888,000	J & J	43½	Mar. 4,'97	....	....	....
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	103	Apl. 19,'97	103	103	3,000
" 2d mortgage 7's	1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	90	Apl. 29,'97	90⅝	90	100,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	Feb. 18,'97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	110	Apl. 17,'97	110	110	11,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	99¾	Apl. 7,'97	99¾	99¾	1,000
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	66	Apl. 30,'97	66½	65½	129,000

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" Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
" Deben. 4's p. & int. gtd,	1897	411,000	A & O	95	Apr. 14,'97	95	95	1,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	112	Apr. 23,'97	112	112	4,000
" registered			J&J	102¾	Dec. 30,'95	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	101½	Apr. 19,'97	102	101	20,000
" gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....
" gold 4's	1953	24,679,000	M & N	100¼	Apr. 12,'97	101¾	100¼	7,000
" gold 4's registered			M & N	....		....	....	....
" 2-10 g. 4's	1904	4,806,000	J & J	99	Apr. 20,'97	99	99	25,000
" 2-10 g. 4's registered			J & J	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 18,'96	....	....	....
" registered			M & S	....		....	....	....
" West'n Line 1st g. 4's,	1951	3,550,000	F & A	101½	Apr. 28,'97	103	101½	17,000
" registered			F & A	....		....	....	....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10,'95	....	....	....
" registered				....		....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100½	Aug. 17,'96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102¼	Nov. 27,'96	....	....	....
" 1st consol. 7's	1897	826,000	M & N	104½	Mar. 4,'97	....	....	....
" gold 5's	1951	16,526,000	J D 15	122¼	Mar. 20,'97	....	....	....
" gold 5's, registered			J D 15	118¼	Apr. 1,'97	118¼	118¼	20,000
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	98½	June 16,'95	....	....	....
" registered			J & D	....		....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4,'96	....	....	....
" stamped				27	Jan. 4,'97	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	103	Apr. 30,'97	103	101	32,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96	....	....	....
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	120	Apr. 24,'97	120	119	7,000
" 2d mortgage 4½-5's	1909	6,593,000	M & S	74¼	Apr. 30,'97	74⅝	74	28,000
" 3d mortgage 3-4's	1921	2,709,500	M & S	31	Apr. 22,'97	31	30	4,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	90	Apr. 28,'97	92	88	48,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....		....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	48	Apr. 28,'97	48	48	4,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	41¼	Mar. 25,'97	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115½	Apr. 26,'97	117	115½	28,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	102	Apr. 30,'97	102¼	101½	9,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	101	Apr. 20,'97	101	101	4,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	104	Apr. 21,'97	104	103¾	51,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,355,000	A & O	107	Apr. 19,'97	107	107	33,000
" con. co. 1st 7's	1900	14,890,000	J&J	112¾	Apr. 30,'97	113¼	112½	160,000
" con. 1st registered	1900		Q J	111	Apr. 29,'97	112¼	110¾	149,000
" con. co. 2d 7's	1903	24,692,000	J&D	123¼	Apr. 28,'97	123½	123⅛	92,000
" con. 2d registered	1903		J&D	123¼	Apr. 29,'97	123⅝	123	114,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21,'96	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	92½	Apr. 14,'97	96⅞	92½	7,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	108	Apr. 30,'97	108	106	29,000
" registered			A & O	106	Apr. 22,'97	106	106	25,000
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
" registered	1933		J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96	....	....	....
" registered			M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....		....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	116	Apr. 30,'97	116½	115¼	167,000
" registered			M&S	....		....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	106¼	Mar. 25,'97	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	118	Mar. 30,'97	....	....	....

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Long Island gen. m. 4's	1938	3,000,000	J & D	87¾	Apr. 13,'97	87¾	87¾	1,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	83½	Apr. 23,'97	83½	83½	3,000
" g. 4's	1932	325,000	J & D	....	....	....	....	....
" deb. g. 5's	1934	1,500,000	J & D	....	....	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	98	Dec. 5,'96	....	....	....
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,726,000	A & O	107½	Feb. 11,'97	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	31	Apr. 3,'97	31	31	6,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	103¼	Apr. 29,'97	103⅛	102¾	72,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	120⅛	Apr. 30,'97	120⅛	120⅛	33,000
" 2d 6's	1930	1,000,000	J & J	108	Apr. 6,'97	108	108	2,000
" E., Hend. & N. 1st 6's	1919	2,833,000	J & D	114¼	Apr. 14,'97	114¼	114¼	2,000
" general mort. 6's	1930	10,248,000	J & D	118	Apr. 20,'97	118	117	31,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	118	Aug. 28,'96	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107¼	Apr. 19,'97	107¼	107¼	1,000
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	99	Mar. 30,'97	....	....	....
" Unified gold 4's	1940	14,994,000	J & J	79¾	Apr. 28,'97	80	79	56,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	97½	Mar. 16,'97	....	....	....
" collateral trust g. 5's	1931	5,129,000	M & N	101	Apr. 9,'97	101	101	5,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104½	Mar. 16,'97	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	85	Jan. 9,'97	....	....	....
South & N. Ala. con. gtd. g. 5's	1936	3,678,000	F & A	91¾	Mar. 18,'97	....	....	....
Kentucky Cent. g. 4's	1987	6,742,000	J & J	86	Apr. 21,'97	86¾	86	6,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's	1910	3,000,000	J & J	113	Apr. 14,'97	113	113	1,000
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	84	Apr. 28,'97	84	83	9,000
" eng. Tr. Co. ctf. gen. g. 5's	1940	2,600,000	M & N	43	Mar. 3,'97	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	92¾	Apr. 29,'97	92⅝	91½	131,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	119⅞	Apr. 20,'97	119⅞	119	20,000
" 2d 6's	1899	4,000,000	M & N	107¾	Apr. 28,'97	107¾	106¾	15,000
Mexican Central. con. mtge. 4's	1911	58,903,000	J & J	68½	Jan. 22,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped	....	....	....	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	10	Jan. 15,'97	....	....	....
Mexican Northern 1st g. 6's	1910	1,383,000	J & D	97	Feb. 11,'97	....	....	....
" registered			J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	119	Apr. 30,'97	119	117½	68,000
" 1st con. 5's	1902	2,000,000	M & N	108	Apr. 22,'97	108	107½	13,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	105	July 30,'96	....	....	....
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil.Elec.R.&Light con.30yr.g.5's.1926	5,500,000	F & A					
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	140	Jan. 21,'97			
" 1st con. g. 5's............1934	5,000,000	M & N	103⅛	Apl. 22,'97	103⅛	103	26,000
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	123¾	Apl. 28,'97	123¾	123¾	3,000
" Southw. ext. 1st g. 7's...1910	636,000	J & D	129	May 16,'96			
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	121¾	Apl. 7,'97	121¾	121¾	1,000
Minneapolis & Pacific 1st m. 5's..1936	3,208,000	J & J	102	Mar. 26,'87			
" stamped 4's pay. of int. gtd.							
Minn., S. S. M. & Atlan. 1st g. 4's.1926	8,280,000	J & J	94	Apl. 2,'95			
" stamped pay. of int. gtd.			89¾	June 18,'91			
Minn., S. P. & S. S. M., 1st c. g. 4's.1838	6,710,000	J & J					
" stamped pay. of int. gtd.							
Minn. St. R'y 1st con. g. 5's......1919	4,050,000	J & J	97	Dec. 18,'95			
Missouri, K. & T. 1st mtge g. 4's.1990	39,774,000	J & D	83⅛	Apl. 30,'97	84¼	82	362,000
" 2d mtge. g. 4's.........1990	20,000,000	F & A	55⅞	Apl. 30,'97	57⅞	55¾	385,000
" 1st ext gold 5's.. 1944	998,000	M & N	80	Jan. 30,'96			
" of Texas 1st gtd g. 5's1942	2,685,000	M & S	80	Mar. 5,'97			
" Kan. C. & P. 1st g. 4's.1990	2,500,000	F & A	70	Apl. 22,'97	71⅛	69	24,000
" Dal. & Waco 1st g.g. 5's1940	1,340,000	M & N	76	Mar. 22,'97			
Booneville Bdg. Co. gtd. 7's... 1906	599,000	M & N					
Mo. Kan. & East'n 1st gtd. g. 5's.1942	4,000,000	A & O	91	Apl. 30,'97	91½	90⅛	39,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	74	Apl. 21,'97	75	71	18,000
" 3d mortgage 7's.......1906	3,828,000	M & N	99¼	Apl. 26,'97	100	99	12,000
" trusts gold 5's.........1917	14,376,000	M & S	70	Aug. 14,'96			
" registered.................		M & S					
" 1st collateral gold 5's.1920	7,000,000	F & A	52	Mar. 17,'97			
" registered.................		F & A					
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	100	Apl. 30,'97	100⅛	100	28,000
" 2d extended g. 5's.....1938	2,573,000	F & A	100	Apl. 12,'97	100	100	19,000
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S					
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J					
St. L. & I'rn. Mount. 1st ex. 5's.1897	4,000,000	F & A	101⅛	Apl. 15,'97	102⅛	101⅛	174,000
St. Louis & I'rn Mount. 2d 7's..1897	6,000,000	M & N	103¼	Apl. 15,'97	103¼	103	58,000
" Ark'nsas b'nch ext 5's1895	2,500,000	J & D	103	Apl. 12,'97	103	103	34,000
" Cario, Ark. & T. 1st 7's1897	1,450,000	J & D	102½	Mar. 24,'97			
" g. con. R.R. & l. gr. 5's1931	18,345,000	A & O	75	Mar. 31,'97			
" stamped gtd gold 5's..1931	6,945,000	A & O	70	Apl. 23,'97	71	70	50,000
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J					
" small........................	226,000	J & J					
" inc. g. 4's................1945	700,000	J & J					
" small........................	500,000						
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	119	Apl. 5,'97	119	119	2,000
" 1st entension 6's......1927	974,000	J & D	112	Mar. 25,'97			
" gen. mortgage 4's.....1938	9,470,500	Q J	66⅛	Apl. 29,'97	67	65	69,000
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	86	Dec. 17,'95			
Morgan's La. & Texas 1st g. 6's..1920	1,494,000	J & J	111	July 21,'96			
" 1st 7's...................1918	5,000,000	A & O	128	July 23,'95			
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	128¾	Apl. 14,'97	129¼	128¾	17,000
" 2d 6's.....................1901	1,000,000	J & J	101⅛	Apl. 14,'97	101⅛	101⅛	1,000
" 1st cons. g. 5's...........1928	5,594,000	A & O	99¾	Apl. 24,'97	100¼	99¾	16,000
" 1st 6's T. & Pb...........1917	300,000	J & J					
" 1st 6's McM. M.W. & Al.1917	750,000	J & J	108	Mar. 24,'96			
" 1st g.6's Jasper Branch.1923	371,000	J & J					
O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108⅛	Aug. 13,'94			
N. Y. Cent. & Hud. R. 1st c. 7's..1903	30,000,000	J & J	120¾	Apl. 30,'97	121¾	120⅛	150,000
" 1st registered..........1903		J & J	120¾	Apl. 30,'97	120¾	120¾	30,000
" debenture 5's..........1904	10,000,000	M & S	110	Apl. 24,'97	110	108¾	65,000
" debenture 5's reg..........		M & S	110	Apl. 30,'97	110	108¾	24,000
" reg. deben. 5's....1889-1904	1,000,000	M & S	107¼	Feb. 18,'97			
" debenture g. 4's..... 1905	15,000,000	J & D	105⅝	Apl. 28,'97	105⅛	104⅛	15,000
" registered.......... 1905		J & D	104	Mar. 23,'97			
" deb. cert. ext. g. 4's...1905	6,450,000	M & N	105⅛	Apl. 22,'97	105⅛	105⅛	5,000
" registered.................		M & N	100¾	May 12,'96			
Harlem 1st mortgage 7's c.....1900	12,000,000	M & N	114	Apl. 20,'97	114	113⅛	7,000
" 7's registered.........1900		M & N	110⅛	Apl. 21,'97	110⅛	110⅛	1,000
N. Jersey Junc. R. R. g. 1st 4's.1986	1,650,000	F & A	100	Nov. 25,'96			
" reg. certificates...........		F & A					

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West Shore 1st guaranteed 4's		50,000,000	J & J	109½	Apr. 30,'97	109½	107⅛	265,000
" registered			J & J	108¾	Apr. 30,'97	109	105¾	199,000
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	108¼	Apr. 30,'97	108¼	108¼	2,000
" registered			J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J	....	....	....	....	....
" registered		....	J & J	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....	....	....	....	....
" small bonds series B		33,100	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....	....	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	119	Apr. 20,'97	119¼	119	5,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....	....	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D	....	....	....	....	....
N. Y. & Putnam 1st gtd g. 4's	1993	4,000,000	A & O	108	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104⅞	Apr. 30,'97	104⅞	103⅛	183,000
" registered			A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	120	Mar. 2,'97	....	....	....
" 1st 6's	1905	4,000,000	J & J	114	Jan. 18,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's	1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts	$1,000	15,007,500	A & O	138	Apr. 24,'97	139½	138	10,000
" small certifs	$100	1,430,000	......	130½	May 29,'96	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119	Jan. 25,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	110	Apr. 29,'97	110	109¼	21,000
" Refunding 1st g. 4's	1992	8,375,000	M & S	92¾	Apr. 29,'97	93¾	92¾	75,000
" Registered	$5,000 only.	....	M & S	83⅜	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's	1937	3,750,000	J & J	102½	Apr. 24,'97	102⅝	102¼	5,000
" 2d mortg. 4½'s	1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's	1940	2,300,000	F & A	70	Apr. 30,'97	71	69	29,000
" term. 1st mtg. g. 5's	1843	2,000,000	M & N	107⅜	Mar. 18,'97	....	....	....
" registered	$5,000		M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	89⅞	Mar. 26,'97	....	....	....
Midland R. of N. Jersey 1st 6's	1910	3,500,000	A & O	116⅝	Apr. 26,'97	116⅝	116⅛	13,000
N.Y., Texas & Mexico g. 1st 4's	1912	1,442,500	A & O	....	....	....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's	1921	15,306,000	J & J	116¾	Apr. 30,'97	116¾	115½	43,000
" registered			J & J	116½	Apr. 30,'97	116¾	116	120,000
St. Paul & N. Pacific gen 6's	1923	7,965,000	F & A	127½	Apr. 19,'97	127½	127	11,000
" registered certificates			Q F	122⅜	May 18,'96	....	....	....
Dul. & Man. 1st g. 6's, en Tr. Co. ctfs								
" 10 p c purchase price paid		1,619,000	J & J	81	Jan. 28,'87	....	....	....
N. P. Ry prior ln reg. & ld. gt. g. 4's	1997	73,816,500	Q J	86¾	Apr. 30,'97	87	86	900,000
" registered			Q J	86	Apr. 22,'97	86⅛	85	104,000
" gen. lien g. 3's	2047	56,000,000	Q F	52⅝	Apr. 30,'97	54½	51⅛	1,292,000
" registered			Q F	....	....	....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	4,090,000	J & J	107	Apr. 30,'97	110	106⅛	127,000
Norfolk & Southern 1st g. 5's	1941	750,000	M & N	104	Mar. 29,'96	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	117	Jan. 13,'97	....	....	....
" New River 1st 6's	1932	2,000,000	A & O	116	Apr. 30,'97	116	111	7,000
" imp'ment and ext. 6's	1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off		....	......	....	....	....	....	....
" Sci'o Val & N.E. 1st g. 4's	1989	5,000,000	J & N	82	Apr. 24,'97	82½	82	19,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s	1996	22,172,500	A & O	68½	Apr. 30,'97	71¼	67½	42,000
" registered			A & O	....	....	....	....	....
" small bonds			A & O	....	....	....	....	....
Ogdb'g & L. Chapl. 1st con. 6's	1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc..1920	800,000	O	....		....	....	....
" inc....small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's...1898	3,435,000	J & J	104½	Apr. 24,'97	104½	104⅛	31,000
" consolidated 7's....1898	3,066,000	J & J	104¼	Apr. 20,'97	104¼	104⅛	4,000
" 2d consolidated 7's....1911	2,952,000	A & O	116	Apr. 8,'97	117½	116	6,000
" 1st Springf'd d. 7's....1905	1,984,000	M & N	105⅜	Apr. 30,'97	105	103¾	31,000
" 1st general 5's....1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's....1936	2,000,000	J & D	101½	Apr. 30,'97	101½	101½	1,000
" gen. mortg. g 6's....1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's....1921	3,924,000	J & D	90	Apr. 28,'97	90	85¼	5,000
" gen. mortg. g 4's....1921	1,543,000	M & N	10	Mar. 10,'97	....	....	....
" gen. eng. Trust Co. certs...	1,255,000	....	9	Apr. 23,'97	9	8⅛	14,000
Omaha & St. Lo. Tr Co. cts. 1st 4's.1937	2,717,000	....	54	Mar. 24,'97	....	....	....
Oregon & California 1st g 5's....1927	18,842,000	J & J	71½	Sept.17,'96	....	....	....
Oregon Improvement Co. 1st 6's.1910	743,000	J & D	89	Mar. 19,'97	....	....	....
" eng.Tr. Co. ctfs. of dep.....	3,328,000	....	88	Apr. 29,'97	88	85½	35,000
" con. mortg. g 5's....1939	2,911,000	A & O	15	Feb. 10,'97	....	....	....
" Trust Co. certificates......	3,638,000	....	19½	Mar, 15,'97	....	....	....
Oregon Ry. & Nav. 1st s. f. g. 6's..1909	4,451,000	J & J	113	Apr. 26,'97	114	113	18,000
Oregon R. R. & Nav.Co.con. g 4's.1946	15,174,000	J & D	82⅜	Apr. 29,'97	82½	81½	78,000
Paducah, Tenn. & Ala. 1st 5's....1920	....	....	....		....	....	....
" Issue of 1890....	1,815,000	J & J	....		....	....	....
" Issue of 1892....	617,000	J & J	....		....	....	....
Panama s. f. subsidy g 6's....1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.							
Penn. Co.'s gtd. 4½'s, 1st....1921	19,467,000	J & J	112¼	Apr. 30,'97	112⅜	111	40,000
" reg....1921		J & J	112	Apr. 30,'97	112⅞	110	15,000
Pitts., C. C. & St. Louis con. g 4½'s							
" Series A....1940	10,000,000	A & O	108¼	Apr. 28,'97	108	106⅞	42,000
" Series B....1942	10,000,000	A & O	107⅜	Apr. 7,'97	107½	106⅞	13,000
" Series C....1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
" Series D gtd. 4's....1945	4,863,000	M & N	102	Apr. 20,'97	102	102	4,000
Pitts., C. & St. Louis 1st c. 7's..1900	6,863,000	F & A	109¾	Apr. 3,'97	109¾	109¾	3,000
" 1st reg. 7's....1900		F & A	109¼	Apr. 23,'97	109¼	109	7,000
Pitts., Ft. Wayne & C. 1st 7's..1912	2,917,000	J & J	138½	Apr. 19,'97	138½	138¼	2,000
" 2d 7's....1912	2,546,000	J & J	136	Apr. 2,'97	136	136	500
" 3d 7's....1912	2,000,000	A & O	126	Aug.26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's..1932	1,506,000	A & O	112½	Apr. 15,'97	112½	112½	1,000
" registered....	....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's..1900	1,505,000	M & N	113¼	Apr. 14,'97	113¼	113¼	1,000
" Series A....1942	3,000,000	J & J	113½	Apr. 18,'95	....	....	....
" 4½ Series B....1942	1,561,000	A & O	....		....	....	....
St. Louis, V. & T. H. 2d 7's....1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
" 2d gtd. 7's....1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g 1941	4,016,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's...1942	5,389,000	M & S	....		....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	....	109	Apr. 14,'97	109	109	1,000
con. sterling gold 6 per cent...1905	22,762,000	J & D	....		....	....	....
con. currency, 6's registered...1905	4,718,000	Q M 15	....		....	....	....
con. gold 5 per cent....1919	4,998,000	M & S	....		....	....	....
" registered....		Q Mch	....		....	....	....
con. gold 4 per cent....1943	3,000,000	M & N	....		....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s1935	1,250,000	M & N	....		....	....	....
U'd N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	113¼	Apr. 23,'97	113¼	113¼	12,000
Del. R. RR. & BgeCo 1stgtdg.4's,1936	1,300,000	F & A	....		....	....	....
Peoria, Dec. & Evansville 1st 6's.1920	1,287,000	J & J	101½	Apr. 9,'97	101½	101½	5,000
" Evansville div. 1st 6's..1920	1,470,000	M & S	101	Apr. 12,'97	101	101	1,000
" Tr. Co. ctfs. 2d mort 5's.1926	1,778,000	M & N	24¾	Apr. 9,'97	24¾	24¾	2,000
Peoria & Pekin Union 1st 6's....1921	**1,500,000**	**Q F**	**112¾**	**Mar. 8,'97**	....	....	....
" 2d m 4½'s....1921	**1,499,000**	**M & N**	**80**	**Apr. 17,'97**	**80**	**80**	**3,000**

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				Price	*Date.*	*High.*	*Low.*	*Total.*
Phil. & Read. gen. g 4's Tr. Co. ctf's. assented	....	46,121,000	......	80¼	Apr. 30,'97	80⅝	79⅛	595,000
• registered	....	....	......	81	Jan. 22,'97	....	....	....
• 1st pref. inc. Tr. Co. certfs. all instal. pd	....	23,663,000	......	42	Apr. 5,'97	42	39	60,000
• 2d pref. inc. Tr. Co. certfs. all instal. pd	....	15,810,000	......	29	Apr. 5,'97	29	29	10,000
• 3d pref. inc	1958	21,634,462	F	18⅛	Feb. 7,'96	....	....	....
• 3d pr. in. con	1958			4¼	Oct. 24,'96	....	....	....
• Tr. Co. ctfs all instal. pd	...			32⅞	Mar. 15,'97	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
• 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	100⅝	Apr. 30,'97	100⅛	100	56,000
• 1st cons. 5's	1943	786,000	J & J	83½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	70¼	Apr. 30,'97	71¾	70¼	17,000
• Mort. g. 5's	1891-1941	3,500,000	M & N	83½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	31,000,000	J & J	....	....	....	....	....
• registered	....		J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	72¾	Apr. 30,'97	72⅞	71	221,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. Tr. Co. cfts. 1st 6's	1925	6,735,000	M & N	52	Apr. 14,'97	54¼	52	80,000
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	104⅛	Apr. 28,'97	104⅛	104⅛	1,000
• registered	....		J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	102	Dec. 22,'96	....	....	....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
• 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
• 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	Apr. 23,'97	115	115	2,000
• 2d g. 6's, Class B	1906	2,766,500	M & N	115⅝	Apr. 28,'97	115⅝	114¾	7,000
• 2d g. 6's, Class C	1906	2,400,000	M & N	115⅛	Apr. 26,'97	115⅛	115	18,000
• 1st g. 6's P. C. & O	1919	1,036,000	F & A	118	May 23,'92	....	....	....
• gen. g. 6's	1931	7,807,000	J & J	110¼	Apr. 23,'97	111	110¼	14,000
• gen. g. 5's	1931	12,293,000	J & J	96	Apr. 13,'97	96	96	3,000
• 1st Trust g. 5's	1987	1,099,000	A & O	90	Jan. 15,'97	....	....	....
Ft. Smith & Van B. Bdg. 1st 6's	1910	324,000	A & O	110	Mar. 30,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	100	Jan. 19,'95	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	63¾	Apr. 28,'97	65½	63	45,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	66½	Apr. 28,'97	66½	59	277,000
• 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	22	Apr. 29,'97	22	15	190,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
• gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
• 2d 5's	1917	2,000,000	A & O	102	Apr. 5,'97	102	102	9,000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	120¼	Apr. 19,'97	120½	119⅛	19,000
• Dakota ext'n 6's	1910	5,676,000	M & N	122	Apr. 20,'97	122	121⅛	8,000
• 1st con. 6's	1933	13,344,000	J & J	126¼	Apr. 13,'97	126¼	126¼	1,000
• 1st con. 6's, registered	....		J & J	120	Aug. 19,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low*	APRIL SALES. *Total.*
• 1st c. 6's, red'd to 4½'s....	21,248,000	J & J	106⅝	Apr. 30,'97	106⅛	105¾	165,000
• 1st cons. 6's register'd....		J & J	105	Nov. 4,'95	....	....	....
• Mont. ext'n 1st g. 4's..1937	7,805,000	J & D	92⅝	Apr. 29,'97	93	90	34,000
• registered................		J & D	89½	Apr. 23,'97	89½	89½	1,000
Minneapolis Union 1st 6's......1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	119	Apr. 24,'97	119	119	18,000
• 1st 6's, registered.........		J & J	115	Apr. 24,'97	115	115	5,000
• 1st g. g. 5's............ 1937	2,700,000	J & J	106⅛	Apr. 3,'97	106⅛	106⅛	10,000
• registered................		J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's..1908	4,700,000	A & O	107	Apr. 29,'97	108	106	17,000
• registered................		A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	107½	Mar. 24,'97	....	....	....
• registered................		J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's, 1943	18,886,000	J & J	57	Apr. 29,'97	58¼	57	167,000
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's...1934	4,056,000	A & O	114	July 24,'95	....	....	....
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	42⅝	Nov. 11,'96	....	....	....
• assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	92½	Apr. 30,'97	93	92	27,000
South'n Pac. of Ariz. 1st 6's 1909–1910	10,000,000	J & J	94⅛	Apr. 29,'97	94½	92¾	93,000
South. Pac. of Cal. 1st g 6's...1905–12	30,577,500	A & O	106⅛	Apr. 21,'97	106⅛	106⅛	4,000
• 1st con. gtd. g 5's.....1937	18,402,000	M & N	88	Apr. 29,'97	88¾	87¾	96,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	85	Apr. 29,'97	85¾	85	116,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's....1911	4,180,000	J & J	104½	Apr. 30,'97	104½	103⅛	102,000
Southern Railway 1st con. g 5's.1994	26,962,000	J & J	89¼	Apr. 30,'97	89⅝	88	261,000
• registered................		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	86⅛	Mar. 30,'97	....	....	....
• registered................		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	100¼	Feb. 3,'97	....	....	....
Atl. & Char. Air Line, 1st 7's..1897	500,000	A & O	121¾	May 25,'92	....	....	....
• income...............1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5–6's.....1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's...1900	8,123,000	J & J	109½	Apr. 26,'97	109½	109½	1,000
• divisional g 5's........1930	3,106,000	J & J	113⅛	Apr. 29,'97	115⅛	113⅛	14,000
• con. 1st g 5's..........1956	12,770,000	M & N	109⅛	Apr. 30,'97	109¾	109	125,000
Ga. Pacific Ry. 1st g 5–6's......1922	5,660,000	J & J	115	Apr. 28,'97	115	114⅝	23,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	114	Apr. 9,'97	114¼	114	3,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	122	Apr. 26,'97	122	121⅛	4,000
• equip. sink. f'd g 5's, 1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
• deb. 5's stamped.....1927	3,368,000	A & O	100⅝	Feb. 19,'97	....	....	....
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
• small.....................		M & S	....	....	....	....	....
• ser. B 6's.............1911	1,900,000	M & S	....	....	....	....	....
• small.....................		M & S	....	....	....	....	....
• ser. C 6's.............1916	1,100,000	M & S	....	....	....	....	....
• small.....................		M & S	....	....	....	....	....
• ser. D 4–5's...........1921	950,000	M & S	....	....	....	....	....
• small.....................		M & S	....	....	....	....	....
• ser. E 5's.............1926	1,775,000	M & S	....	....	....	....	....
• small.....................		M & S	....	....	....	....	....
• ser. F 5's.............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	101¾	Apr. 26,'97	102	101	24,000
• gen.5's. gtd. stamped.1926	2,466,000	M & N	102½	Apr. 30,'97	102½	101⅝	11,000
W. O. & W. 1st cy. gtd. 4's.....1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	114	Apr. 30,'97	114½	113¾	26,000
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	109½	Mar. 1,'97	....	....	....
• 1st con. g. 5's.....1894–1944	4,500,000	F & A	106¼	Apr. 24,'97	106¼	106¼	7,000
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
• Sabine d. 1st 6's.........1912	2,575,000	M & S	107½	Apr. 16,'96	....	....	....
• con. m. g 5's.............1943	1,620,000	F & A	95½	Apr. 30,'97	95¾	95¼	89,000

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Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's	2000	21,049,000	J & D	89⅞	Apr. 30,'97	90	88	151,000
" 2d gold income, 5's	2000	23,227,000	MAR.	20	Apr. 30,'97	20¾	18	458,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	121⅛	Apr. 7,'97	122	121⅛	2,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	103⅛	Apr. 23,'97	104	103⅛	12,000
" 1st M. g 5's West. div	1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	77	Mar. 17,'97	....	....	....
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	60	Apr. 23,'97	63	60	37,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	69	Apr. 22,'97	70	69¼	45,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	99	Apr. 29,'97	99	98	10,000
Union Pacific 1st g. 6's	1896		J & J	102	Apr. 30,'97	102	101⅛	8,000
" g. 6's	1897	11,604,000	J & J	102½	Apr. 30,'97	102½	101½	41,000
" g. 6's	1898		J & J	102½	Apr. 22,'97	102½	101¾	13,000
" g. 6's	1899		J & J	103	Apr. 29,'97	103	102¼	18,000
" g. 6's Tr.Co.cfs.ex mat cps	1896		......	104	Apr. 26,'97	104	102⅛	7,000
" g.6's Tr.Co. cfs.ex mat cps	1897	15,685,000	......	103¼	Apr. 24,'97	103¼	103¼	4,000
" g.6's Tr.Co. cfs. ex mat cps	1898		......	103¾	Apr. 12,'97	104	103¼	7,000
" g. 6's Tr.Co. cfs.ex mat cps	1899		......	104⅛	Apr. 24,'97	105	104¼	9,000
" collat. trust 6's		3,983,000	J & J	99	Apr. 30,'97	99	97	33,000
" 5's	1907	4,970,030	J & D	75	Dec. 3,'96	....	....	....
" g 4½'s	1918	2,000,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs			......	50	Jan. 23,'97	....	....	....
" gold notes,6's stampd	1894	8,488,000	F & A	101⅝	Apr. 28,'97	101⅝	101¼	172,000
Tr. Co. ctfs.Ext. sink'g f'd g 8's	1899	1,391,000	M & S	91	Apr. 26,'97	91	89	7,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	109¼	Apr. 22,'97	109¼	109¼	14,000
" eng.Tr.Co. cfs. ex mat cps		805,000	......	101⅛	Mar. 9,'97	....	....	....
" 1st 6's	1896	1,990,000	J & D	113⅛	Apr. 22,'97	113⅛	112	14,000
" eng.Tr.Co. cfs. ex mat cps		2,073,000	......	100¾	Apr. 22,'97	100¾	100¾	2,000
" Denver div. assd. 6's	1899	2,836,000	M & N	117¾	Apr. 24,'97	117¾	116¼	20,000
" eng.Tr.Co. cfs. ex mat cps		3,057,000	......	103¾	Mar. 8,'97	....	....	....
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	72	Apr. 24,'97	73⅝	71	37,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	25	Apr. 12,'97	25⅛	25	7,000
At., Jewell Co. & West. 1st 6's	1905	542,000	Q F	29	Mar. 17,'97	....	....	....
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	20	Mar. 30,'97	....	....	....
" Den.&Gulf 1st c. g.5's	1939	15,801,000	J & D	34¼	Apr. 30,'97	35	33	34,000
Or.S.L.&U.N.Tr.Co.cts1st cn.g.	1919	10,792,000	A & O	75	Apr. 29,'97	75⅛	74¼	110,000
" assented		....	......	....	....	....	....	....
Oregon Short Line 1st 6's	1922	3,538,000	F & A	118	Apr. 30,'97	118	116	8,000
" Trust Co. ctfs of dep		11,393,000	......	116	Apr. 28,'97	116	115⅛	71,000
Utah & Nor'n R'y 1st mtg 7's	1908	1,031,000	J & J	118	Mar. 3,'97	....	....	....
" gold 5's	1926	1,877,000	J & J	100	May 14,'96	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's	1909	1,495,000	J & J	75	Apr. 12,'97	75	75	23,000
" Tr.Co. ctfs.ext. 1st 7's	1909	1,924,000	J & J	75	Apr. 29,'97	75⅛	75	38,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	104⅞	Apr. 30,'97	105⅛	103	429,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	65⅛	Apr. 30,'97	65½	63½	69,000
" deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
" series B	1939	25,740,000	J & J	18⅛	Apr. 15,'97	19	18⅛	5,000
" 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	92	Apr. 26,'97	92	88¼	2,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's	1908	1,000,000	A & O	108⅛	Mar. 6,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	107	Apr. 30,'97	107	106¼	11,000
" gen g. 2-3-4's	1943	10,000,000	A & O	48	Apr. 5,'97	48	48	6,000
" inc. 5's	1943	10,000,000	Nov.	18¼	Mar. 20,'97	....	....	....
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	91⅛	Apr. 26,'97	91⅛	91	29,000
" Wheeling div. 1st g. 5's	1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
" exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	31¾	Apr. 13,'97	32	31¾	10,000
" eng. Trust Co. certificates.		10,013,000	......	29⅛	Apr. 30,'97	35	29⅛	281,000
" income mortgage 5's	1937	7,775,000	A & O	5	Mar. 26,'97	....	....	....

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MISCELLANEOUS BONDS.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	106⅝	Apl. 26,'97	107	106	16,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	74¼	Apl. 30,'97	77¾	70	70,000
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....		....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's	1945	12,336,000	M & M	112½	Apl. 30,'97	112⅝	110	201,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	94½	Apl. 30,'97	95	94	59,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	97½	Apl. 29,'97	98	96¼	111,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	92	Apl. 24,'97	92	92	5,000
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off		....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	90⅝	Apl. 30,'97	91¼	89½	44,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	73½	Apl. 24,'97	73½	73½	2,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	112	Apl. 30,'97	112	110¾	48,000
" 1st con. g. 5's	1995	2,156,000	J & J	110½	Apl. 24,'97	110¾	109	39,000
" Brooklyn 1st g. 5's	1940	1,250,000	A & O	110½	Feb. 4,'97	....	....	....
" registered			A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.								
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	100½	Apl. 26,'97	100¾	100⅝	24,000
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,000,000	J & J	....		....	....	....
General Electric Co. deb. g. 5's	1922	8,750,000	J & D	97	Apl. 29,'97	97⅝	96	53,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st								
" g. 5's	1915	1,225,009	F & A	92½	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107½	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 23,'97	70	70	15,000
Iron Steamboat Co. 6's	1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Int'r Cond & Insul Co. deb. g. 6's	1925	500,000	A & O	81	Oct. 16,'95	....	....	....
Jefferson & Clearfield Coal & Ir.								
" 1st g. 5's	1926	1,975,000	J & D	....		....	....	....
" 2d g. 5's	1926	1,000,000	J & D	80	Apl. 28,'97	80	80	1,000
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	97	Apl. 30,'97	97½	95	95,000
" small bonds				97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	....		....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	103¾	Jan. 5,'92	....	....	....
" registered			M & N					
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	89½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	112	Apl. 5,'97	112	112	1,000
Nat. Starch Mfg. Co., 1st g 6's	1920	3,887,000	J & J	101	Apl. 19,'97	102½	101	22,000
Newport News Shipbuilding & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
			......	....		....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	111½	Mar. 26,'97	....	....	....
" 2d 6's	1904	2,500,000	J & D	108	Apl. 22,'97	108	108	24,000
" 1st con. g 6's	1943	4,900,000	A & O	103	Apl. 21,'97	103	102½	46,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅜	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	3,000,000	F & A	68	Apr. 29,'97	68⅛	67	19,000
" " inc. g. 5's.1946	7,500,000	......	17⅝	Apr. 29,'97	20	17⅝	21,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,299,000	A & O	80	Apr. 30,'97	85	80	5,000
{ " Bir. div. 1st con. 6's...1917	3,490,000	J & J	80	Apr. 30,'97	86	79	29,000
{ Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's...1910	2,434,000	F & A	80⅛	Apr. 29,'97	80⅛	80⅛	5,000
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	113	Apr. 29,'97	113¾	113	3,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Union deb. 7's.....1875-1900	} 3,680,000	M & N	110	Apr. 10,'96	....	....	....
" 7's, registered..........1900	}	M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's......1884-1900	} 1,000,000	M & N	105	Aug. 25,'96	....	....	....
" registered..................	}	M & N	....	....	....	....	....
" col. trust cur. 5's.......1938	8,463,000	J & J	108	Apr. 17,'97	108¼	107⅛	48,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897. *High.*	YEAR 1897. *Low.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
United States 2's registered........Opt'l	25,364,500	Q M	....	....	....	....	......
" 4's registered..............1907 {	} 559,634,000	J A J&O	112	110⅝	111½	110⅞	479,000
" 4's coupon..................1907 {	}	J A J&O	113¼	111⅞	112¾	112	97,000
" 4's registered..............1925 {	} 162,315,400	Q F	123⅝	120¼	123½	123	33,000
" 4's coupon..................1925 {	}	Q F	124½	120½	124½	123⅝	517,000
" 5's registered..............1904 {	} 100,000,000	Q F	114¼	113¼	113¼	113¼	5,000
" 5's coupon..................1904 {	}	Q F	114⅝	113⅜	114⅝	114⅛	16,000
" 6's currency.................1898	29,904,952	J & J	103½	103⅛	....	....	......
" " 1899	14,004,560	J & J	107¾	106½	107¾	107⅛	22,000
" 4's reg. cer. ind. (Cherokee)1898	1,660,000	MAR	....	....	....	....	......
" " 1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BANKERS' OBITUARY RECORD.

Babcock.—P. H. Babcock, senior member of the wholesale grocery house of Babcock, Hurd & Co., and Vice-President of the National City Bank, Cleveland, Ohio, since 1876, died April 16, aged about eighty-two years.

Bartlett.—C. L. Bartlett, Vice-President of the First National Bank, Carthage, Mo., died April 30.

Brees.—Henry Brees, Vice-President of the Kalamazoo (Mich.) Savings Bank, died April 30, aged eighty-nine years.

Bronson.—William W. Bronson, an old and wealthy citizen of Carbondale, Pa., and President of the First National Bank, died April 12.

Cash.—L. S. Cash, who was for twenty-two years President of the Oakland (Ill.) National Bank, though not holding the office at the time of his death, died April 1. He left a large fortune.

Chambers.—John L. Chambers, President of the First National Bank, Latrobe, Pa., died April 4, aged seventy-four years.

Colt.—Horace Colt, Vice-President of the Savings Bank of New London, Conn., died April 13.

Cross.—William W. Cross died at Brockton, Mass., on April 25, aged sixty-four years. He was Vice-President of the Brockton National Bank, and a trustee of the Brockton Savings Bank at his decease, having held those positions since the incorporation of both institutions.

Fosdick.—Charles Baldwin Fosdick, President of the Second National Bank, New York city, died April 26, aged seventy-three years. He was one of the founders and first President of the Hide and Leather National Bank of that city. In 1886 he was elected a director and later Vice-President of the Second National Bank, succeeding to the Presidency three years ago upon the death of President Geo. Montague.

Frankel.—Isaiah Frankel, President of the Frankel State Bank, Oskaloosa, Iowa, died April 1. He was prominent both as a merchant and banker. He established the private bank of Frankel, Bach & Co., in 1873, which is now the Frankel State Bank. Mr. Frankel was born in Bavaria, Germany, in 1832, his residence in this country dating from 1856.

Gray.—William Gray, senior member of the Boston Stock Exchange firm of Gray, Dewey & Co., died at his home in Milton, Mass., April 27, at the age of forty-one years.

Griffin.—Daniel G. Griffin, Receiver of the Fort Stanwix National Bank, Rome, N. Y., died April 7. Mr. Griffin was a lawyer by profession, and had held many important positions. He was the candidate for Governor on the Democratic sound-money platform in New York State last fall.

Kelly.—Richard Kelly, President of the Fifth National Bank, New York city, and one of the founders of the bank, died April 21, aged seventy-six years.

Lamson.—John L. Lamson, Vice-President of the New York Security and Trust Co., New York city, died April 6, aged about thirty-nine years.

McCune.—Samuel McCune, for many years Assistant Cashier of the Waynesville (Ohio) National Bank, died April 14.

Mooney.—W. H. Mooney, for many years Cashier of the late banking firm of Sherrard, Mooney & Co., Steubenville, Ohio, died in New York city, April 23.

Newlin.—Jonathan Newlin, Cashier of the Bank of Carthage, Ind., died April 4, aged eighty-two years.

Newton.—Edward Newton, Cashier of the National Exchange Bank, Newport, R. I., died April 20, aged forty-eight years.

Ray.—Col. W. A. Ray, until recently President of the Calumet State Bank, Blue Island, Ill., died April 8. He was also at one time engaged in banking at Delavan, Wis., and later was President of a bank at Pasadena, California.

Schenck.—Tunis Schenck, President of the Bank of Monroe, Iowa, died April 24, aged seventy-five years.

Sedgwick.—Frank M. Sedgwick, chief accountant of the Hamilton Trust Company, of Brooklyn, N. Y., died recently, at his residence in that city. Before coming to Brooklyn Mr. Sedgwick held positions in the First National Bank, of Binghamton, N. Y., and the Consolidated National Bank, of San Diego, Cal.

Seymour.—Henry A. Seymour, President of the Bristol (Conn.) Savings Bank, died April 6.

Spaulding.—Elbridge Gerry Spaulding died at Buffalo, N. Y., May 5, in the eighty-ninth year of his age. In early life he was a lawyer but later engaged in the banking business. He was Mayor of Buffalo in 1847, was elected to the State Legislature in 1848 and also served several terms in Congress. When in Congress, during the war period, he drafted and introduced the greenback, or legal-tender Act, and the National Currency Banking Bill. He wrote the work, "Legal-Tender Paper Money During the Great Rebellion," and among the public addresses on monetary questions which he gave was one before the Banking Association at the Centennial Exposition on "One Hundred Years of Progress in the Business of Banking." He was known throughout the country as the "father of the greenbacks."

Stevens.—William S. Stevens, President of the Strafford National Bank, Dover, N. H., died April 15, aged eighty years. Mr. Stevens was Mayor of Dover from 1870 to 1872, and was several times a member of the New Hampshire Legislature. For forty years he was one of the trustees of the Strafford Savings Bank.

Stickney.—Joseph A. Stickney, Cashier of the Great Falls National Bank, at Somersworth, N. H., was killed by a robber on April 16.

Strayer.—Crawford C. Strayer died suddenly at his residence in Harrisonburg, W. Va., April 28, in the seventy-third year of his age. He was Cashier of the First National Bank of that place from its organization in 1865 until September, 1888.

Wetherell.—John G. Wetherell, for many years connected with the Atlas National Bank, Boston, Mass., died April 7, aged seventy-five years. He became a director of the bank in 1858, was elected Vice-President in 1875 and President in 1882, holding the latter office until the first of the present year when he resigned on account of failing health.

Wright.—Walter T. Wright, Cashier of the Northwest Bank, Washington, D. C., died April 15. Mr. Wright was born in Cleveland, Ohio, in 1865.

THE

BANKERS' MAGAZINE.

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

FIFTY-FIRST YEAR. JUNE, 1897. VOLUME LIV., No. 6.

THE PROTECTION OF BANK DEPOSITORS from losses by failure of banks has been the object of almost all banking laws. The intrusting of money to particular men was the commencement of the banking business. The convenience of allowing some one else to become responsible for the safe keeping of money and other valuables soon overcame natural distrust of others, and the interest the trustee had in remaining honest was increased by the profit he derived from the use of the thing intrusted to him or by the fee paid him for undertaking its guardianship. But in exceptional cases this general honesty of trustees was found to fail, and so laws and regulations to add to its security were invented.

According to NAPOLEON self-interest and fear are the two great motives by which men are controlled. In banking the self-interest is furnished by the profits of the trustee, and the fear by the laws imposing penalties for breach of trust. On these lines all banking laws for the protection of depositors are enacted. They extend the privilege of receiving deposits and threaten forfeiture and punishment if these deposits are not duly repaid to the owner.

Although banking legislation tends towards this object there are those who desire to carry measures of deposit protection still further out of the range of ordinary legal penalties into that of insurance or guarantee. Where the State grants the privilege of the use of bank credit in the form of promissory notes to circulate as money, this guarantee or insurance is frequently provided for by legislators. The bank note goes into the hands of third parties who have no reciprocal relations with the bank and who have not the same means of protecting themselves as a depositor has. Of course no one need legally receive a bank note, but in practice when such notes circulate every one is more or less compelled to take them by business competition.

A depositor however deals directly with the bank and can leave or withdraw his deposit as he sees fit. He has the choice of many banks and can satisfy himself of their several degrees of solvency. As a rule however a depositor keeps an account with a bank not only for the favor received in the safe keeping of his money but for the convenience of drawing checks and furthermore for the privilege of accommodation by loans to be used in his business.

It has not, therefore, been so generally thought necessary that deposits should be guaranteed in the same manner as bank notes. Nevertheless, with the advance of ideas the absolute safety of the depositor who gives more to the bank than the bank gives to him is an ideal which has occupied much thought.

The usual plan suggested for attaining this ideal is by means of an insurance fund to be accumulated from contributions made by all banks. Each bank pays annually a small percentage of its deposits as a premium for the insurance of the whole. The amount of this premium need not be large, for the experience of a long series of years has shown that where the banking business is conducted under the usual banking laws the loss to depositors from failures is remarkably small compared with the aggregate amount of deposits made. In fact if insurance companies were formed for the purpose of guaranteeing deposits, they could make large profits at hardly any risk for a very low premium even if they made no examination of the banks in which the insured deposits were made.

The plan of insuring deposits heretofore suggested is that the banks themselves should pay for the insurance. In this respect it differs from ordinary insurance, because in ordinary insurance each person insures his own property. The deposits do not belong to the bank but to the depositor, and there seems no reason why the depositor should not insure his own deposit. There are already insurance companies which insure banks against loss by burglaries and robberies, and here it seems perfectly right that the bank should pay the premium inasmuch as it is protecting its own property.

It seems plain at first sight that the insurance of deposits is a matter which properly belongs to private enterprise the same as fire and life insurance. People who deposit their money in banks do so with the most perfect confidence and probably an agent of an insurance company asking a depositor to insure his deposit would be met by the difficulty that the man whom he asks to insure would consider the bank itself a better protection than the insurance company would be. Moreover, such insurance companies in competition for business would be in danger of reflecting on the banks in which the deposits they sought to insure were held. In fact it would not be for the interest of the banks to have such insurance companies.

Therefore it follows that if deposits are to be guaranteed the banks would prefer to pay the premium themselves. Thus the conclusion is reached that a safety fund contributed by the banks is the best way in which both the depositor and the bank can be protected.

The stronger and more conservative banks do not, as a rule, regard the universal insurance of deposits as necessary or even desirable. They are confident that their own tried and careful management is all that is required for perfect safety. A general guarantee fund, it is claimed, would tend to wipe out preference for any particular bank on account of its record of safe management. A newly started mushroom bank would be just as good a depository as the giant that had weathered the financial shocks of a hundred years. The blood of the best would flow through the veins of the poorest institution. The only reason that would influence the depositors as to the bank selected would be convenience of location and facility of accommodation.

Therefore well-established banks do not look with much favor upon the plan of a State guarantee supported by a safety fund contributed by the whole number of banks. It is also to be feared that such a guaranty might tend to lower the standard of bank management, and that it would make bankers themselves less regardful of the interests of depositors, and thus put a premium on bad management. Those who oppose the insurance of deposits ask the pertinent question, Why should the honest and experienced banker be taxed for the benefit of the ignorant, reckless and insolvent ones?

The very essence of banking is honesty and well-deserved confidence, and the State by undertaking the guaranty of deposits weakens this pivotal pillar of the banking business.

It is a curious fact that when the banking business began in England, private credit was much better than that of the State. What would have been thought of a State guaranty during the reign of Charles II. When he was King the goldsmiths doing a banking business had advanced £1,300,000 to the Exchequer to be repaid as revenues came in. It was suddenly announced that the revenues were needed for other purposes and that the principal would not be paid. This money was the money of depositors entrusted to the bankers. The State refusing to return the money they could not meet their engagements to their depositors. "The exchange was in an uproar; several great mercantile houses broke, and dismay and distress spread through all society."

At the present day we have a different opinion of the state. It is lauded as the fountain of all trust and credit. An enlightened selfishness leads governments to preserve their credit above all things; and yet the arbitrary power in the hands of any government renders such acts possible in times of national stress and danger. When the Civil War broke out, the first disaster led to the passage of the legal-tender Acts, under the same plea of necessity urged by the ministers of Charles II when they impounded the deposits of the goldsmiths.

Within a few years has been witnessed the transfer of the trust fund for the redemption of National bank notes to the general fund of the Treasury for the mere purpose of making a monthly statement show a surplus instead of a deficit. This it is said is mere bookkeeping, but if an expensive war had been raging and revenues had been deficient, who can tell how this might have affected the credit of the National bank note. The plea of necessity will always tend to set aside any government guaranty.

Those who advocate the creation of a safety fund contend that it would not only be in the interest of the depositors but that it would tend to protect even the strongest and best managed banks from the direct and incidental losses which they sustain from sudden and heavy withdrawals of deposits and the consequent shock to public credit in times of panic, and that this saving would greatly exceed the tax required to maintain a fund for reimbursing depositors in insolvent banks.

6/97

THE CONSOLIDATION OF TWO LARGE BANKS in New York city will result in an institution having a larger volume of business than any other in the United States. The National City Bank, previous to its accepting a charter under Federal laws, was a State bank acting under a charter granted by the New York Legislature. It was one of the nineteen banks organized in New York State between 1784 and 1812. The Third National was a new organization under the national banking laws.

This consolidation is of interest not only because it will result in an institution having a larger demand deposit line than any in the United States, but because it seems to be the precursor in New York of what must take place to a still greater extent, if the evils of competition in the banking business are to be successfully counteracted. There have already been a number of bank consolidations in Boston, St. Louis and other cities hitherto referred to in the MAGAZINE.

The general tendency in the United States has been toward the distribution of banking capital among a large number of comparatively weak institutions, if measured by the standard of foreign banking. This has been due to the high rates of interest prevailing in a country of which the natural resources were still in the process of development. The independence of the pioneers who first subdued the wilderness was reflected in the men who started the first banks; and this spirit, fostered by ample profits, has shaped the whole banking policy of the several States. The banking laws of both the Federal Government and the States, in spite of some opposition, have been shaped in accordance with this idea. They permit any one who can accumulate or attract from others contributions of a moderate amount of capital to start a banking institution and solicit the custody of deposits. In the early history of the country the amount of deposits received bore only a moderate proportion to the capital of the banks. The bankers did business chiefly upon their own capital and credit. There was but little capital which could be procured for business enterprises outside of that possessed by the bankers.

Under the free circulation privilege, which enabled bankers to supplement their actual capital by a free use of their credit, the profits to banking institutions was very large, and naturally had the tendency to increase the number of competing banks. The dangers of the unrestricted issue of promissory notes began to be felt very early in the history of banking, and by degrees these issues were controlled by laws which reduced both the freedom and the profit of such issues.

If other conditions had remained stationary, the system of numerous independent banks would have been shaken much sooner. The development of the wealth and resources of the country however not only furnished abundance of capital, but it provided ways of investment. Banking was no longer the choicest form of investment. The result was an immense increase in the deposits made in all banking institutions of the capital waiting temporarily for employment. Instead of furnishing from their own resources and credit nearly all the capital used by the business community, the banks became the depositories and distributors of the capital belonging to the people. They now banked not so much on their own proper capital as upon the deposits they received from the outside public.

For the last thirty years at least the history of banking in the United States from the standpoint of the banker is that of competition for deposits. The State banks were cut off from all profit on the use of circulation in 1864–65 by the ten per cent. tax then imposed. While nominally retaining the circulation privilege in a restricted form, the National banks have derived very little profit from it since 1878. In fact large numbers of the National banks have retired their circulation altogether.

Notwithstanding that profits from this source have been entirely denied to the State banks, and practically denied to the National banks, yet until recent years there has been a constant increase in the numbers of both classes of institutions.

In gathering up the floating capital of the people in the form of deposits, there has been for nearly thirty years a vast field for usefulness and profit to banks and bankers. The old commercial banks found it impossible to fully occupy this field, as is shown by the increase of Savings banks and trust companies for the collection and use of deposits, and in the growth of loan and building associations. It seems somewhat unfair that these newer institutions should have stepped in and deprived the banks proper of so large a part of the harvest of wealth in the production of which they bore a very large share. For it will prove impossible to deny that the old State and private banks, with all their faults, were well adapted to develop and enhance the resources of a new country. It was their capital, as can be shown by statistics, that lubricated the wheels of early enterprise in all the States. The great increase of the wealth of the country induced by the use of this banking capital and credit, in the form of circulating notes, has furnished the wealth that in the form of banking deposits has made a basis for the prosperity of the country during the last thirty years. But since 1893 there has been at least a temporary check. The increase of deposits has been so great that they have at least for the present outrun the profitable uses to which they can be put. Rates of interest for absolutely safe investments have fallen, and we see the banks glutted with deposits for which they can find no profitable use in commercial business. Every new bank has for a number of years depended almost entirely upon its deposits for its profits, and there has of course been great rivalry and competition in building up a large deposit line. One of the means to attract depositors has been the payment of interest. This, though perfectly legitimate, has undoubtedly been overdone. Another means has been the extension of liberal facilities in the use of checks by the public. Bankers have devoted much thought to obviating the expense and labor to which they have been subjected by the growth in the use of checks by the public, but they have not yet arrived at any satisfactory means of securing adequate compensation for this service.

THE TRUTH SEEMS TO BE that the real difficulty lies beneath the surface. Bankers do not yet fully recognize the fact that their relations to the public have changed. They are still too much imbued with the traditions of a period when bankers really furnished their own capital and credit to the public. They could then justly take a more independent stand, and make rules and regulations with little fear of being forced by competition to abrogate them. But when they have in fact become no longer the managers of their own capital, but the directors and distributors and trustees of money entrusted to them by the public, they have to submit to the inevitable and accept dictation where they were formerly dictators.

The immense growth in the floating capital of the people, which they deposit with banks, has in fact outstripped the usual methods of available investments under the powers of commercial banks. This may be a temporary difficulty, and as the depression in business which has prevailed since 1893 wears off, there may be such a revival of enterprise as will enable the banks to profitably and safely use all their resources. Nevertheless, the present situation of banking is essentially different from what it was when the banks were not so dependent on the deposits made by the public. In order to make banking profitable, and to adapt itself to this different condition which will become more and more fixed with the increase of the floating capital of the country, bankers must recognize this important change in their status. One remedy for the competition which is the natural concomitant of the increase of deposits, is consolidation of some of the numerous banks. This consolidation reduces expenses, and in fact strengthens the consolidated institution, and benefits the stockholders of the united banks.

These consolidations of banking institutions may, no doubt, be expected to occur more frequently in the future than they have in the past, especially in the older sections of the country where the deposit lines are largest in proportion to capital. In the less developed parts of the United States, conditions are such that the small independent bank can still make a satisfactory profit. But as the country increases in wealth the tendency will be toward fewer and larger banks.

POSTAL SAVINGS BANKS operated by the Government are favored by many of those who are studying methods for the better distribution of banking facilities. Much has been said and written as to the advisability of the establishment of these banks by the Government. While there is no reason to discourage the inauguration of any system that will have a tendency to increase the thrift and saving habits of the people, yet there is reason to believe that the demand for postal Savings banks comes from the cultivation of the idea that government should undertake the management of all lines of business now managed by private capital. The same line of thought that approves the acquirement by the Government of the railroad and telegraph lines, and would have it supersede all large corporations, would also approve the establishment of postal Savings banks.

Postal Savings banks have been successfully established in many foreign countries, but their success has been due to the fact that they in great measure found a field of operation not already occupied by private enterprise. There never was any such development of Savings banks in England, France, or Germany, as has been brought about in the United States by private enterprise.

Therefore in this country, where every facility for the investment and safe keeping of small savings is already afforded, the establishment of postal savings facilities appears to be entirely unnecessary.

Moreover, the United States under ordinary conditions is not a borrowing country. Until the financial crisis of 1893 the national debt underwent a process of rapid reduction. As soon as a proper adjustment of revenue is again made the reduction of the debt will probably go on as before.

What gain can there be to the Government in accepting private deposits and paying interest thereon, when it has no use for the money for its own purposes and no method of investing it in other directions. The Savings banks, whether with or without capital, organized under State laws carefully drawn for the protection of the depositors, can and do invest the money entrusted to them so that they benefit the borrowing public, and at the same time acquire a legitimate revenue out of which they pay interest to their depositors, and meet all the expenses of running the institution.

The Government however would have to pay this interest and expense out of its own revenues. In other words, to carry on a system of postal Savings banks, the whole country would be taxed to pay interest to the depositors. The Savings banks collect their revenues from the people who are aided by loans, but the Government would collect by taxation from every taxpayer, to support a system by which the taxpayer would not necessarily benefit.

Of course, if the United States was in want of money it could as well pay interest on savings deposits as upon any other form of loan. But no one anticipates that there will be any necessity of indefinitely increasing the public debt after the business of the country settles itself under normal conditions.

The suggestion that the Government shall become a business rival of the Savings banks is precisely of the same nature as the belief that the Treasury should issue the currency.

The sooner all functions of Government that come into competition with private enterprise are abandoned the better. If there was one purpose that could be better effected by postal Savings banks than by the Savings banks that now receive deposits, there might be some reason why the Government should expend money to effectuate this purpose. But it is plain that postal Savings banks would be no safer and might be much more inconvenient for their customers. It is a question whether the money order system carried on by the post office is as convenient and cheap a method of making remittances as the facilities furnished by the banks and express companies. If it was it would before this have absorbed the whole business of small remittances. Whether this be so or not, there is is no doubt that it is unwise to extend the duties of the Government in this direction, because these duties can be more cheaply and acceptably performed by private enterprise.

SMALLER BANKING PROFITS are the natural results of the increase of competition and the continued growth of the volume of capital seeking profitable investment. The report of the Comptroller of the Currency for the year 1896 shows that there has been a falling off in the rate of dividends paid by the National banks for many years past. In the year ending March 1, 1870, dividends reached the highest point ever paid to the stockholders of the National banks. For that year the dividends paid averaged 10.5 per cent. of capital. In 1894 they sank to the minimum of 6.8 per cent. For the year 1896, the average rate of dividends to capital was 6.9 per cent. and if based on capital and surplus, only five per cent.

The investigation of the dividend statistics shows that the profits on National bank stock have been steadily decreasing, and that the total surplus of the National banks is also growing less.

This falling off in profits since the panic of 1893 was to have been expected and may be partly accounted for by the general depression in business. But this is not the only reason. Even if business revives it will not be in the power of the banks to restore the high profits that prevailed in 1870 and for some years after.

The increase in the wealth of the country has made it comparatively easy for any bank established in a community of average prosperity to obtain a reasonable line of deposits, but when these are obtained it is much more difficult to loan them to advantage. To retain them the banks have to perform without remuneration many services for their customers which at one time yielded a profit to the institution. They have also to pay interest on many lines of deposits that were formerly exempt from this charge. The National banks further derive very little if any profit from circulation.

The chief cause of these disadvantages is the competition that now prevails in the banking business, and which if it continues to increase must surely drive many of the weaker banks out of business. This competition is what forms the main burden of the complaints that are heard from bankers at all the meetings of banking associations. One delegate brings up the subject of the unprofitableness of handling what are known as country checks, but when some remedy for this burden is sought, it is found that nothing will prove effectual as long as this bugbear of competition still remains. No agreement as to the uniform treatment of these checks is found feasible, because each bank fears that it may lose patronage and prestige if it adopts the custom of charging customers for making collections. A bank dare not give up the practice of paying interest on deposits, because it is well known that the customer can easily find another bank which will pay interest for the same account. Many failures can be traced to this desire to show as large a line of deposits as possible, even if profit has to be sacrificed to retain them or even if the accommodation given to retain the custom is unwise and dangerous to the bank. In good times this competition is not felt so seriously but in times of depression every bank must suffer from its effects to some extent.

It is not difficult to recognize this cause, but to discover a remedy and make it effectual is something that will tax the highest powers of the banking community. If no united effort is made and things are permitted to drift, it is probable that many banks will in the end find it necessary to go into voluntary liquidation. Nor is it easy to see just how united action can be taken. The stronger banks do not desire nor are they able to undertake to carry out reforms to benefit competitors. The probability is that the effects of continued competition in banking circles will be in the long run counteracted by more economical methods, by the consolidation of capital and by taking up lines of business not now undertaken. The National and some of the State banks most hampered by legal restrictions will no doubt secure alterations in their powers either by legislation or by changing their character. If Congress sees fit to enlarge the privileges under the national banking laws, it will give relief in some directions. There is business to be done in the country by the extension of banking facilities, but most of the banks have always done business of so local a character that they do not seem capable of using their means in any but the old ruts to which they have always been accustomed. These regular lines of business too will grow as prosperity returns to the general public.

In fact banking capital is just now rather too abundant than otherwise, and yet its unequal distribution makes it seem scarce in some parts of the country and unprofitable from lack of employment in other sections. There has in some respects been a lack of enterprise among bankers in looking up new uses for the means at their disposal. Nor have any of the suggestions yet made seemed to reach the root of the difficulty. There is certainly a lack of homogeneity in the banking methods, when in some locality there seems to be a plethora of banking facilities and in others a dearth. There is as much room in the United States for new development of enterprise as there has ever been, but bankers have in the past always played a waiting game. Less than any other class controlling capital have they been compelled heretofore to resort to the methods commonly employed for drumming up business. In fact there has been a great deal of inertia in banking circles both in regard to securing laws favorable to their business and in looking up new and profitable methods for the employment of capital. The competition which has so much lessened the profits of banking may cause a new departure in this respect.

THE SOUND CURRENCY COMMITTEE of the Reform Club, of New York city, issues a semi-monthly pamphlet containing plans for the reform of the monetary laws of the United States. This pamphlet has been published for some time, and in October, 1896, the twenty-second number of the third volume had been reached.

The publication has afforded a very large fund of valuable information on currency and banking subjects, and has provided an outlet for a vast number of schemes for currency reform. Among so many it can not be expected that all will be good. There is therefore not entire absence of danger that the method pursued by the Reform Club will have a tendency to confuse the minds of the public whom it is intended to instruct in the essentials of a sound currency reform, and lead them to think that all the plans proposed or set forth in this semi-monthly pamphlet are sound, even when many of them appear so contradictory in principle.

In a genuine reform of the currency the free coinage of silver is not the only thing that needs to be opposed. A point even more important, according to the view consistently taken by the MAGAZINE, is the absolute retirement of the legal-tender notes at the least cost to the Government and the least shock to the business of the country.

There is undoubtedly throughout the country a sentiment in favor of the retention of Government notes in some form, founded on the fallacy that in a financial sense they saved the Union at the time of the Civil War, and this sentiment should not be encouraged.

The MAGAZINE has had occasion to criticize several propositions looking toward a retention of the legal-tender notes issued by the Treasury. It has also advanced its own proposition for the retirement of these notes without the issue of bonds, or the payment of interest, and the substitution of a sound and elastic bank currency.

The struggle to retain the legal-tender notes seems recently to have assumed a new form. It seems to be generally consented to that the present method of redeeming these notes in gold is a constant menace both to the Treasury reserve and to the credit business of the country. But the idea appears to have arisen almost simultaneously in diverse quarters that the legal-tender notes may be retained, and yet divorced from the danger attendant upon gold redemption on demand. The plan proposed is not new, it is simply a continued refunding and reissue plan by means of an interconvertible bond bearing a low rate of interest. This plan was evidently advocated by many during the currency debates that were prevalent during the period of specie resumption from 1877 to 1879. It was a great pet of the late Secretary WINDOM. It has been revived by WALTER STUART KELLY in proposals for currency reform, published in the October, 1896, pamphlet of the Reform Club, and more recently by JOHN BRISBEN WALKER in "The Cosmopolitan."

With the antecedent views of Mr. KELLY the writer is not acquainted, but the record of Mr. WALKER shows that he has almost universally favored what is known as soft money or inflation.

The interconvertible bond scheme should be looked upon with suspicion by all those who desire genuine sound money. Its appearance, with the *quasi* approval of the Reform Club, in a pamphlet assumed to be in favor of sound currency, is not unlikely to start again a controversy that was supposed to be pretty well settled.

If in 1878 the advocates of the interconvertible bond had triumphed, specie resumption would no doubt have been postponed for many years. Its appearance now is the more dangerous inasmuch as the country has since 1879 been enjoying the convertibility of the entire paper currency into coin, and this element of soundness in the legal-tender note derived from specie resumption will be fallaciously used as an argument for the interconvertible bond proposition. Because at great expense and under doubtful conditions the Treasury has maintained its gold reserve and has redeemed the legal-tender notes as presented, it will be reasoned by many that the legal-tender notes will be maintained as sound as ever even if they are removed from their foundation on the gold reserve and their solvency entrusted to the bond scheme. This is extremely doubtful.

But even if there were no hesitation in declaring that the interconvertible scheme would lessen the pressure on the gold reserve, and yet maintain the Government notes at the gold par, the plan is yet objectionable in that it would indefinitely fill up the entire currency field with Government notes, make all the business of the country even more dependent on the operations of the Treasury than it now is, increase rather than diminish the banking business of the Government, and in fact render the whole industry and enterprise of the country dependent upon the struggles of political parties in Congress.

Mr. KELLY proposes a new national currency to take the place of the present legal-tender and Treasury notes amounting to $500,000,000, approximately. These notes are to be independent of the gold reserve. They are to be secured by $500,000,000 of bonds payable interest and principal in gold, the interest to be two and a half per cent. These new notes when presented are to be redeemed in bonds, and the bonds when currency is demanded are to be payable in the notes. When money is redundant it can be exchanged for bonds; when money is scarce the bonds can be used to procure currency. Thus it is claimed that automatically the volume of the currency would correspond with the wants of business. The bonds are to be five-twenties. Mr. KELLY does not propose to make this form of currency permanent but presents it as an easy method of taking the legal-tender and Treasury notes out of circulation and relieving the Government of the necessity of maintaining a gold reserve. But it is almost obvious that if this method of retiring the present Government notes be adopted that it would not only be permanent, but would be a system tending to introduce all the evils of an irredeemable currency.

To maintain the gold or hard money standard, there must be no influence at work to make gold coin a commodity and drive it from ordinary circulation. To maintain the gold standard the business men of the country must have no difficulty in procuring gold coin in exchange for paper money at par, when they want it to meet payments both at home and abroad. The new notes will not procure gold. The Government will only give bonds for them. The bonds may be sold for gold in the markets, but as the demand for gold coin is greater or less their price, or what is the same thing the par value of the bonds as measured by gold coin, will fluctuate and the notes will follow the fluctuation of the bonds. Thus will gradually be established a distinction between the notes and the gold coin. The latter will be held so that the holder may make a profit out of these fluctuations. Gold will be bought up, cornered and sent out of the country. The restricted bank currency can not, under such circumstances, be maintained at exact par with gold coin. The currency field being occupied by the new Government notes, there will be no inducement to banks to increase their circulation. The bank notes if redeemable in the new Government notes will fluctuate with them. If redeemable in gold coin, while the Government notes are not, they can not be maintained in circulation. They will bear the same premium as gold and like gold coin be hoarded by the public.

If as a consequence of the introduction of the interconvertible bond scheme, as seems probable, both gold coin and bank notes redeemable in gold coin are withheld from circulation on account of the profit to be made by the fluctuations in the par value of the new notes, then will arise such a scarcity of money that there will be great temptation to pass the $500,000,000 limit. Does any one suppose that Congress under such temptation would or could resist popular outcry. After the limit is once passed a precedent would be established and no one can tell to what an extent the new notes and accompanying bonds might be increased. Gold coin and bank notes redeemable in gold would retire further into the background. The premium on gold would tend to still greater fluctuations. In the end the country would be upon a fluctuating paper basis.

In fact the interconvertible bond scheme, if adopted without maintaining the gold reserve so that the new notes could be exchanged either for gold coin or bonds at the option of the holder, would almost necessarily imply an abandonment of specie payments sooner or later. But if the gold reserve has to be maintained, what is the use of the bond scheme? The present inconvenience of Government notes would not be removed. In fact this would be a complicated way of retiring the present Government notes of which no one can foresee the full extent of the danger. Much better issue similar bonds at three per cent., and retire the present notes once for all. But still better retire the present notes through the banks, by permitting the latter to use them as a basis for circulation. The criticism has been made that this plan, involving as it does a gradual retirement of the notes held as security for bank notes, also includes a change from bank notes based on deposited security to bank notes based on the security of general bank assets and a safety fund, and that during the pendency of this change a bank would issue two kinds of currency. This might be so for a time, but it is a small objection, inasmuch as both kinds are equally secure, and of very little consequence anyway compared with the assured dangers of the interconvertible bond plan, which would almost certainly compel the abandonment of specie payments in a few months after it went into force.

THE DEATH OF HON. ELBRIDGE G. SPAULDING, the father of the greenback, calls up many reminiscences of the financial operations of the Civil War in which he bore a conspicuous part. In his "History of the Legal-Tender Paper Money Issued During the Great Rebellion," Mr. SPAULDING does not defend the legal-tender note as being absolutely the best remedy for the financial necessities of the period that might have been adopted. His attitude in regard to the part he played in the passage of the legal-tender Act is apologetic. It became in his opinion an absolute necessity in 1862 owing to the mistakes of Secretary CHASE in 1861.

"The first material mistake in the management of the finances," writes Mr. SPAULDING, "occurred when Secretary CHASE discarded the use of the bank check and the clearing-house in 1861. The Secretary might with the same propriety have rejected the railroad, the locomotive, and the telegraph."

Power was given to the Secretary by Congress in August, 1861, to have availed himself of these banking facilities. He refused to do so however, and as Mr. SPAULDING says, he broke the banks and at the same time broke the Sub-Treasury and both were discredited together. This was the first step in the wrong direction and combined with the constantly increasing expenses of the war made necessary the passing of the legal-tender Acts.

Mr. SPAULDING writes that the leading object of the legal-tender Act was to create a currency national in character, which could be used for liquidating war expenses, and to prevent any plethora or redundancy of such currency, and provide at the same time for funding it in six per cent. bonds. "The leading object was to *fund* the debt."

The second mistake, "greater than all other mistakes in the management of the war, was the abrogation of the right to fund the greenback currency in gold bonds. All other mistakes, civil and military, which occurred during the war were of slight consequence when compared with the mischievous and grave consequences resulting from this one mistake."

Mr. SPAULDING continues to criticize the management of the greenback currency during and after the close of the war, and claims that if the funding privilege had not been abrogated by Congress at the request of Secretary CHASE that there was no other reason why this currency should not have been all retired within two or three years after the cessation of hostilities.

Mr. SPAULDING has been widely known as the author of the legal-tender Act, and it is but due to him to remind our readers that in introducing and urging this measure under the plea of necessity, he had no design or intention of encouraging the issue of an inflated and irredeemable currency. He thought that he had amply guarded against this result, by the funding provision in the original Act. But the consequences were quite different from what he confidently expected, and illustrate the great danger there always is in giving the least pretext for departure from the standard of coined money.

After the Acts were passed Mr. SPAULDING found it impossible to control the Secretary or Congress. Mr. CHASE was seized with an ambition to do more than was possible, and secured discretionary power from Congress to abrogate the redemption of the greenbacks in six per cent. gold bonds, and to float a five per cent. loan. This rate of interest was too low for the times, and the greenbacks, deprived of the funding privilege, sank to less than half of their par value.

Mr. SPAULDING'S mistake was in supposing that the radical step of issuing a demand legal-tender note having once been taken that it would be possible to control the issues, and adhere to the engagement which might render them comparatively safe. But the history of such transactions is almost invariably the same. The first relief afforded by a resort to irredeemable paper is so great that the majority of legislators are almost sure to lose their heads and to forget the great truth that depreciation will follow excessive issues. The floodgates once opened it proves impossible to close them, and what might have been a salutary measure, if kept within bounds, has ever since been a detriment and drag upon the prosperity of the country.

Mr. SPAULDING was a man of wide experience in banking and legal matters and he fully recognized the advantages and the dangers of the legal-tender law. The history of the financial events of the Civil War as given by him is an explanation of how the measure with which he was identified became a law under safeguards which would have prevented all evil consequences. It was the abrogation of these safeguards which from that day to this has made the legal tenders a drawback upon the prosperity of the people of the United States.

THE CONSOLIDATION OF THE BUSINESS of the Third National Bank with the National City Bank of this city, which took effect on May 20, attracted wide attention on account of the magnitude of the business of the respective banks, and the consolidation has been universally commended by bankers and business men as an act of wisdom. In round numbers on the day of the consolidation the deposits of the respective banks were as follows:

	Bank deposits.	*Individual deposits.*
NATIONAL CITY BANK..............	$5,800,000	$32,400,000
THIRD NATIONAL BANK......................	9,000,000	3,000,000

An examination of these figures verifies the belief that the assimilation of the business of these two institutions is especially desirable, forming a symmetrical whole. Assuming that the Third National's deposits of both classes will be transferred, the total deposits of the National City Bank will reach the large aggregate of nearly $50,000,000.

The National City is one of the strongest banks in the country, with its $4,600,000 of capital, surplus and undivided profits. Its deposit line has more than doubled since Mr. STILLMAN became President, and his ability as a banker and financier is amply evidenced by the prominent service rendered by this bank in the placing of recent Government loans, as well as the prominent position it occupies in the larger financial transactions of the day.

Ex-Comptroller HEPBURN becomes Vice-President of the National City, and will prove a very valuable and efficient addition to the official force of that bank. His long banking experience has won for him the confidence and respect of his fellow bankers and the public generally, and President STILLMAN will find in him an able lieutenant in the management of the combined business of these two institutions, which will exceed in volume that of any other bank in the country.

More complete details of the consolidation will be found in another part of this number.

SILVER CERTIFICATES AND STANDARD DOLLARS.

FIXING THEIR STATUS WHEN THE LEGAL TENDERS ARE RETIRED.

Ever since the coinage of the standard silver dollars was authorized by the Act of February, 1878, there has been great difficulty in keeping them in circulation. If it were not for the fact that the public is permitted to deposit these dollars in the Treasury and receive in exchange silver certificates in convenient denominations, it is extremely doubtful whether the dollars alone would have added any great amount to the circulating medium of the country. Their weight and inconvenience would have been found insupportable in making large payments by people accustomed to a more convenient form of currency and to the use of checks.

The total amount of silver dollars coined on May 1, 1897, was $449,118,641. Of these $395,342,193 were deposited in the vaults of the Treasury and $53,976,448 were either in the banks or in the hands of the people. Against the $395,342,193 dollars in the Treasury there were $363,753,939 silver certificates issued and in circulation and $31,588,154 were still available for further issue either in the form of dollars or certificates, and formed one of the cash resources of the Government.

The extent to which the dollars themselves circulate when the public is free to use them either as coin or certificates is a criterion by which to judge of the unforced preference of the people as influenced by the convenience of handling money in ordinary business. The amount thus in circulation as dollars bears a certain relation to the amount of subsidiary silver required by the people and seems to correspond very closely in amount.

The subsidiary or fractional silver coins in circulation amounted on May 1 to $60,177,704, and these coins seldom vary more than five or six millions from the amount of dollars.

It is therefore plain that as long as there are also paper bills of denominations less than five dollars outstanding that the total amount of coin dollars and divisional coins required by the business of the country is about 120 millions of dollars.

If the denominations of paper currency of less than five dollars were called in this would make a field for another 100 millions of silver dollars, and if all under five dollars were called in there is little doubt that nearly the whole amount of silver dollars now coined would soon be required.

In all the plans for currency reform the silver certificates are more or less recognized as a stumbling-block in the way of maintaining the gold standard, after the legal-tender notes shall have been called in and cancelled. Not being directly redeemable in gold, the silver certificates are maintained at par by the fact that in the exchanges constantly going on for various purposes, some of which have to be settled in gold and some not, the silver certificates are now always exchangeable without difficulty for legal-tender and

Treasury notes, which in turn can be used to procure such gold as is required. If however the legal-tender and Treasury notes were retired, and there was no provision made for paying silver certificates in gold on demand, they could not be used to procure any coin but silver dollars. The banks would not be bound to redeem them nor would the Government as the law now stands.

Therefore it is necessary to consider, before retiring the legal-tender notes and substituting a bank currency, what means must be taken to maintain the silver certificates and silver dollars at par.

As has been stated, if all denominations of paper currency under ten dollars were called in it is probable that the requirements of business would absorb and keep in circulation the silver dollars just as they now do the subsidiary or divisional silver coins. But even then, at times when the lack of business caused these dollars to accumulate at the money centres, there would be danger of their temporary depreciation. This could be avoided however by the Government being ready to redeem them in gold when presented in certain fixed sums, as it now does with the subsidiary silver coinage. The margin that might be temporarily out of use would not be large, and probably a reserve of twenty-five millions of dollars in gold kept in the Treasury would be sufficient to guard against danger from this source. When the dollars were again in demand the Treasury could pay them out in exchange for gold which could be held to redeem them again when they were again presented. In this way the silver dollars would become a part of the subsidiary coinage of the country with a fixed status that would always maintain them at par with gold. Of course it would be necessary to call in all silver certificates of less denominations than ten dollars, and at the same time refuse to redeem any silver certificates in gold, confining the redemption to the dollars themselves. This would leave enough certificates outstanding for convenience in handling large sums but would at the same time have a tendency to restrict their use.

But while this course would probably maintain the silver dollars at par, the use of so much silver coin would assuredly be regarded as a great inconvenience to the country. There is however reason to think that if the Government shall relegate to the banks the business of issuing the paper currency, that most of the inconvenience of handling this silver could be overcome by banking machinery.

If the laws of the country should be shaped to confine the issue of paper currency to the banks, and to guard the silver dollars as specified, the result after the legal-tender and Treasury notes were retired would be as follows:

The banks would issue bills in denominations of not less than ten dollars. All business requiring money of less denomination would be done with gold coin, with silver dollars, or with subsiding silver. If the people found the use of silver dollars inconvenient, they would resort to checks on the banks. The banks would thus become the depositories of a large part of the silver dollars, just as the Treasury is to-day. The advantage, however, would be that the dollars, instead of being accumulated together in great masses in one or two places, would be scattered all over the country, each bank holding a comparatively small amount. Depositors' checks would be largely paid in these dollars when cash was demanded, and the whole tendency would be to take out of actual circulation and retain the greater amount of them as bank reserves. They would generally be handled in small quantities, their very bulk would prevent them from being sent unnecessarily from one place to another and the number presented for redemption to the Government would be reduced to a minimum.

As the country grows the requirements of business will increase, and in a very few years the silver dollars already coined as well as those which can be coined from the bullion now in the Treasury would be absorbed continually by the use of the dollars in ordinary payments or as reserves for deposits.

It would appear, therefore, that by giving to the banks the entire privilege of issuing the paper currency of the country, and at the same time calling in its own paper currency including all but silver certificates of large denominations, the Government would relieve itself almost entirely of the silver incubus which now weighs down its finances. A gold reserve of twenty-five millions would be ample to supply all those holders of silver dollars who actually needed gold coin. The reason why a very small gold reserve would answer every requirement is not far to see. The issues of the banks being all redeemable in gold, those who required gold would go to the banks first for it. The banks would only apply to the Government for gold in exchange for the silver dollars they might have when the proportion of silver dollars in their reserves became too great to answer their purposes. But while some banks might be short of gold, others would be short of silver, and the silver dollars redeemed by the Government one day would be paid out in exchange for gold the next. There would thus be a continual interchange between the silver and gold coin of the country which would not only relieve the Government of any danger of the depletion of its reserves, but would also maintain the credit of the silver dollars. The expense of such transfers of gold and silver coin as were necessary could be borne equally by the banks and the Government, but this expense could be much lightened by a system of checks. Thus a bank in one locality notifying the Government that it desired gold in exchange for silver dollars, and another in another locality notifying that it desired silver dollars for gold, the distance of actual transfer of the coin could be lightened by placing the banks nearest to each other in communication. In the end, when the system of exchanges became perfected, it might be found necessary to transfer very little coin. The effect of this system would be to maintain the credit of the silver dollars, when the legal-tender and other Government paper money is retired, and obviate a difficulty which it appears has been too little considered by those who propose plans for currency reform.

REDISCOUNTS—AUTHORITY OF PRESIDENT.—The authority of the President of a National bank to indorse the bills receivable of the bank for rediscount, without special authority from the board of directors, is sustained by the decision of the United States Circuit Court of Appeals for the Eighth Circuit in the case of United States National Bank *vs.* First National Bank, of Little Rock. The decision will be found on another page.

The court holds that the rediscounting of the negotiable paper of the bank is not so much outside of the ordinary business of the bank as to require a special authority from the directors. The decision is of much practical importance to the banking community.

THE BANKING SYSTEM OF SWITZERLAND.

The Swiss banking system is among the most modern in Europe in its origin and especially in its development, which dates from a time within the memory of the present generation. The first Swiss bank of issue was not established until 1836, and it was not until after the Franco-Prussian War of 1870-71 that an attempt was made to bring unity into the Swiss system by Federal legislation. Such defects, therefore, as have been disclosed in the operation of the Swiss banking system are in some measure the result of its birth-throes and of the fact that it has not yet attained a development fully adequate to the business needs of the country. Its growth within the past twenty years has been rapid and almost uniform, and the banks now work in harmony in fixing the rate of discount and in endeavoring to meet the demand for commercial accommodation. The clearest view of existing conditions will probably be obtained by setting forth first what has been accomplished and afterwards what remains to be accomplished in order to remove the defects of the existing system.

The elasticity of the Swiss note circulation has been somewhat impaired by the very regulations intended to promote security and a wider interchange of notes. The requirements of a fixed proportion of coin reserve and of the deposit of bonds against circulation have produced some of the restraints and evils which similar requirements have produced in the United States, but the Swiss banks have not fallen completely under these restrictions and the measure of liberty which they have preserved has enabled them to meet in some measure, within the limits of their operations, the varying demands of the money market. The circulation of the Swiss banks, taken in the aggregate, shows a regular course of expansion and contraction at different seasons of the year, which amounts at its two extremes to about fifteen per cent. of the average circulation. This variation between maximum and minimum is not equal to the variation in Canada, which is about twenty per cent., nor to that of the Bank of Austria-Hungary, which is about twenty-five per cent.* This fact does not of itself imply, however, that the Swiss system is less responsive to the barometer of business demands than the banking systems of other countries possessing an elastic currency, but may result from the different character of the demand in different parts of Switzerland. A maximum circulation in Eastern Switzerland, for instance, at a time when the circulation of the banks of the French cantons of the West had fallen to the minimum, might leave the net circulation unchanged and produce the impression that the note system of the country was rigid, when its real elasticity would be disclosed by comparison of the extremes in the two sections.

The circulation of the Swiss banks as a whole usually reaches its maximum

*The maximum of the Canadian bank-note circulation in 1894 was $34,516,000; the minimum, $28,467,000. The maximum circulation of the Austro-Hungarian Bank in 1896 was 668,009,000 florins; the minimum was 536,832,000 florins.

in the autumn and remains near the highest point until after the opening of the new year. The decline is then rapid, with the liquidation of business transactions, until the minimum is reached late in February or in March or early April. The circulation towards the close of April usually begins an ascending course, which is interrupted in May, begins again sharply in June and becomes more pronounced with the development of business activity in the autumn. The upward course of the autumn usually begins in September and becomes marked in October and early November until the maximum is reached. There is a slight decline in mid-December, but only for a brief period. The diagram indicates how uniform has been this course of the circulation for the past half dozen years. The minor fluctuations have been less acute during the last few years, but the extremes have been nearly the same distance apart. The following table shows the maximum and minimum points of the effective circulation outstanding for the past five years:

YEAR.	*Maximum.*		*Minimum.*	
	Week.	*Amount.*†	*Week.*	*Amount.*†
1892*	Jan. 2	168,531	Aug. 27	141,144
1893	Nov. 11	172,923	Feb. 25	142,905
1894	Nov. 10	175,111	Feb, 24	147,687
1895	Nov. 9	185,146	Feb. 23	154,264
1896	Nov. 14	190,194	Feb. 22	165,711

* The apparent departure from the usual rule in 1892 is not nearly so wide as the dates would indicate. The circulation fell as usual in the winter, touching 141,604,000 francs for February 20, and afterwards passed through the usual fluctuations, but the low point of August happened to fall a little lower than usual and below the February minimum.

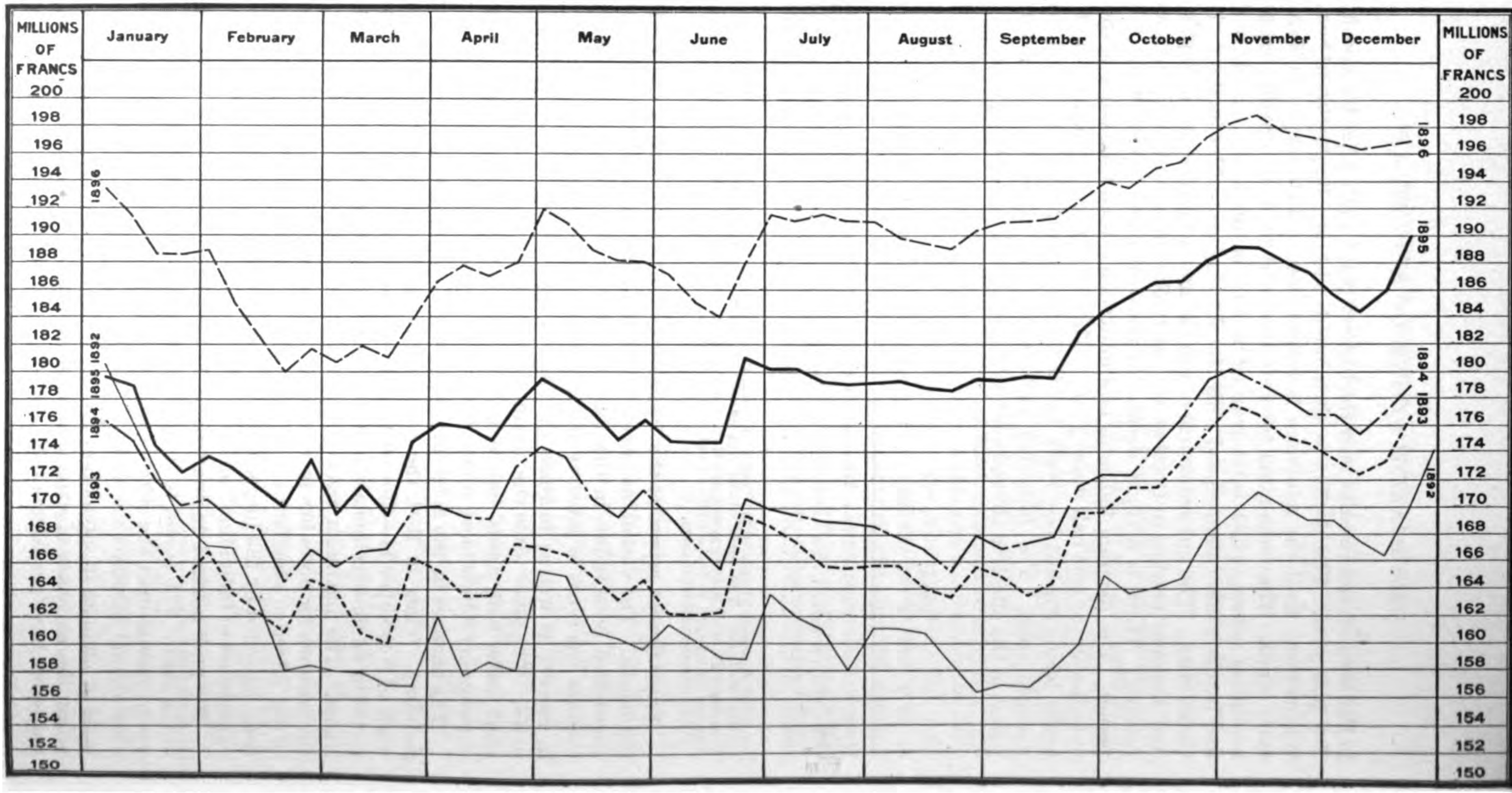
† In thousands of francs.

These figures represent the "effective circulation" outside the vaults of the banks. The variations are slightly wider that those given for the whole circulation outstanding in the diagrams prepared by the inspection bureau, because the times of greatest pressure reduce the notes of other banks held in reserve as well as increase the direct issues by the banks of their own notes. The dates when the maxima and minima are reached are usually the same under both heads, but occasionally the changes in the total circulation outstanding follow more slowly those in the effective circulation.

The changes in the notes in reserve vary inversely with the amount outstanding. Thus in 1896, the period of maximum effective circulation—the week of November 14—showed note reserves of 10,706,000 francs, while the period of minimum circulation in February showed note reserves of 29,381,000 francs. The maximum reserve ran as high in 1892 as 43,561,000 francs, but the pressure for notes has in recent years been more severe. The aggregate of the effective circulation and the notes in reserve makes the authorized issue conceded by the Inspectorate, which is occasionally increased upon the application of individual banks.

The most marked fluctuations of the circulation occur in the first quarter of the year. The ascent to the maximum begins in the autumn, but is much more gradual than the descent to the minimum, which usually sets in soon after annual accounts are closed in January. This fact gives interest to the table of changes in circulation for the first quarter of the year, which comprises the extremes of expanded and contracted circulation. The official inspectors have prepared a table showing these changes in circulation for the

VARIATIONS IN THE CIRCULATION OF SWISS BANKS OF ISSUE.



first quarter of 1897, from which the following figures are taken, the extreme points being indicated by full-face type :

WEEK OF 1897.	*Effective circulation.**	*Notes in reserve.**	*Required cash coverture of 40 per cent.**	*Excess of cash.**	*Per cent. of cash to effective circulation.**
January 2	**194,819**	**8,081**	**80,050**	**14,818**	**48.8**
" 9	187,841	15,018	79,602	17,185	51.6
" 16	182,161	20,300	79,011	18,821	53.7
" 23	178,054	24,477	78,817	20,149	55.3
" 30	183,674	18,793	78,391	18,667	52.8
February 6	179,655	23,078	78,449	18,765	54.1
" 13	175,437	26,973	77,436	19,713	55.4
" 20	173,037	**29,491**	76,495	20,852	**56.8**
" 27	174,729	26,641	75,476	**21,082**	55.2
March 6	**172,877**	28,629	**75,890**	20,830	55.7
" 13	174,771	25,615	75,617	20,678	55.1
" 20	175,007	26,079	75,785	20,577	55.2
" 27	178,236	23,151	76,242	18,858	53.4
Average	179,176	22,794	77,405	19,299	54.0

* In thousands of francs.

A more graphic representation of the variations in the circulation of the Swiss banks is presented in the engraved table on the opposite page.

THE RULES GOVERNING CIRCULATION.

The explanation of this table involves an account of the laws governing circulation in Switzerland. The requirements of these laws are substantially uniform so far as they are fixed by the Confederation, but they relate almost exclusively to the security of the circulation. The other conditions of the existence of the banks are determined by the charters granted by the several cantons.* The essential requirement of the Federal law regulating the circulation is that there shall always be held a cash reserve equal to forty per cent. of the outstanding notes. This metallic reserve must be kept independent from other coin on hand and cannot be employed for discounts or other transactions of the banks. It is as absolutely pledged as a guarantee for the circulation as the bonds required under the National Banking Act of the United States. This cash fund may consist of gold and silver coins which are legal tender in Switzerland, and gold coins of other countries for which a legal rate is fixed in Switzerland.† Fractional coins are not admissible as a portion of the reserve. The remaining sixty per cent. of the note issues must be covered either by specific securities, the guarantee of the canton where the bank is chartered, or by commercial paper. The securities may consist of Federal, cantonal, or foreign listed bonds, and must be deposited in trust under the guarantee of the canton. Commercial paper employed as a guarantee for circulation must consist of bills maturing within four months

*The Federal Government exercises some slight degree of supervision over the general accounts by the requirement of periodical reports, but has never extended its powers of inspection for the purpose of protecting depositors and creditors, as has the Comptroller of the Currency of the United States. An illustration of the limited scope of Federal supervision is afforded by the last report of the Bank Inspectorate, which relates that the Inspector, learning of an abuse of confidence by the officers of the Bank of Neuchatel, went there and "in order to protect the interests of note holders, proceeded immediately to a minute inspection of the securities provided by the bank as a guarantee of its note issues."

†The Swiss banks, like those of most European countries, have preferred gold for their reserves in recent years. The average gold holdings of 1896, were 85,819,000 francs or 89.7 per cent. of the metallic reserve, and the silver holdings, 9,894,000 francs, or 10.3 per cent. The average for the ten years ending with 1892, was 72.1 per cent. gold, and 27.9 per cent silver.

or less and signed by two solvent parties, one of whom must be a resident of Switzerland. The notes of other Swiss banks of issue, checks and Treasury vouchers and coupons of Government bonds may form part of the guarantee funds above the forty per cent. of metallic reserve.*

All these regulations were prescribed by the law of March 8, 1881, which is the law now governing Swiss banks of issue. Some of the essential requirements had been imposed by the law of 1875, but the mention of either date indicates how recent is the systematic regulation of Swiss banking. The notes of the Swiss banks are not a legal tender and each bank is responsible only for the redemption of its own paper. The Federal Assembly has the right to regulate the amount of the total issues of Switzerland and of each bank, but the Federation does not guarantee the notes. Banking is free in the sense that any association of capitalists is entitled to a charter if they comply with prescribed conditions. The capital of a new bank must not be less than 500,000 francs ($95,000), fully paid up, and the note issues are not permitted to exceed twice the paid-up capital. Weekly and monthly statements are required from the banks and they are subject to the visitation of a Government inspector, who makes a careful examination of the guarantees held against circulation at least once a year. Banks are required to accept each other's notes in payments and to lend their services free of charge for the redemption of the notes of other banks. The notes must be redeemed in legal-tender coin on demand at the central office of the bank or upon two days' notice at the branches. Bank notes which are not redeemed may be protested and the holder may demand that the delinquent bank be declared bankrupt and forfeit its right of issue. The banks pay a Federal tax of one per cent. on the amount of their note issues.

The Growth of Swiss Banking.

There are at present thirty-four banks of issue in Switzerland, only seven having gone into liquidation or been consolidated since Federal supervision was established in 1875. Of these thirty-four banks nine have deposited securities to cover their circulation in excess of the coin reserve. Twenty have the guarantee of the canton for the excess of their circulation and five rely upon their commercial paper as security.† The two latter classes are practically alike in the more complete control of their own assets than those depositing securities, in spite of the socialistic features involved in the public guarantee. The bank with the largest capital in Switzerland—the Bank of Fribourg, with a capital of 15,000,000 francs—is one of those having the guarantee of the canton. The cantonal banks of Vaud at Lausanne and of Zurich, each with a capital of 12,000,000 francs, also have the benefit of Government guarantee. The other two large banks, the Bank of Commerce of Geneva, and the Bank of Basle, each with a capital of 12,000,000 francs, rely upon their commercial bills for the security of their circulation above the metallic reserve. Of the nine banks which have deposited public securities to cover their excess of circulation the largest is the Mortgage Bank of Thurgau at Frauenfeld, with a capital of 8,000,000 francs. The banks hav-

* "A History of Banking in Leading Nations," III, 291; New York, 1896.

† There are only eighteen banks which are purely cantonal in ownership, three being owned partly by the canton and partly by private persons.—*Annual Report of the Comptroller of the Currency for 1896, I, 103.*

ing the security of the cantonal guarantee include several of large capital and all of those below 1,000,000 francs, except the Bank of Agricultural and Industrial Credit at Estavayer, which has a capital of 700,000 francs fully covered by the deposit of securities.

The rapidity of the extension of banking facilities in Switzerland during the past half-century is a striking verification of Mr. Bagehot's opinion "that the best way to diffuse banking in a community is to allow the banker to issue bank notes of small amount that can supersede the metal currency." "A single monopolist issuer," he declares, "works its way with difficulty through a country and advertises banking very slowly;" and he cites the fact that the Swiss banks in 1865 had already built up a deposit business of £4,709,000, with note issues of only £761,000 ($3,800,000), while the Bank of France had a deposit account of only £15,000,000, with note issues of £112,000,000—the deposits expanding under free banking in Switzerland to more than 600 per cent. of the note issues, while in France they were less than fourteen per cent.* This expansion in Switzerland began under conditions of almost absolute freedom and has not been completely checked under recent regulations. The aggregate circulation of eighteen banks existing in 1863, with their forty-two branch offices, was 13,755,290 francs, and the current deposit accounts were 22,007,740 francs. The circulation had increased at the close of 1869 to 18,468,122 francs, and current accounts to 49,166,405 francs. The number of the banks had risen in 1873 to twenty-eight, and their circulation to 47,500,000 francs.† The mean circulation of all the banks during the ten-year period ending with 1880 was 66,973,000 francs ($13,000,000). The average for 1883 had risen to 102,228,000 francs, and for 1887 to 134,835,000 francs. The mean for the ten years ending with 1890 was 123,754,000 francs. The circulation per capita which was 24 francs, 30 centimes for the ten years ending with 1880, had risen to 42 francs, 65 centimes for the ten years ending with 1890. The increase has been even more rapid during the past six years, as appears from the accompanying table. The circulation of notes for 1896 averaged 63 francs, 5 centimes, and the same upward tendency appears for the first quarter of 1897 as compared with the same quarter for 1896, the mean increase for the quarter being about 6,000,000 francs, or two francs per capita.

The following table exhibits the changes in the mean circulation for representative years :

YEAR.	*Circulation.*	*Population*	*Circulation per capita.*	YEAR.	*Circulation.*	*Population*	*Circulation per capita.*
	Francs.		Francs.		Francs.		Francs.
1863.......	13,755,290	2,500,000	5.50	1888......	139,637,000	2,027,900	47.70
1869.......	18,468,122	2,650,000	6.97	1889......	145,461,000	2,938,804	49.50
1871–80 *a* ..	66,973,000	2,757,625	24.30	1890......	152,444,000	2,949,706	51.70
1881.......	99,401,000	2,851,572	34.85	1881–90 *a* .	123,754,000	2,900,640	42.65
1882.......	98,235,000	2,862,476	34.30	1891......	163,487,000	2,960,612	55.20
1883.......	102,228,000	2,873,380	35.60	1892......	163,344,000	2,971,516	54.95
1884.......	114,801,000	2,884,284	39.80	1893	167,896,000	2,982,420	56.10
1885.......	123,431,000	2,895,188	42.65	1894......	171,285,000	2,993,324	57.20
1886.......	127,064,000	2,906,092	43.70	1895......	179,221,000	3,004,228	59.65
1887.......	134,835,000	2,916,996	46.20	1896......	190,155,000	3,015,132	63.05

a Annual average.

* The Works of Walter Bagehot, "Lombard Street," V, 59, 60: Hartford, 1889.

† Courcelle-Seneuil, "*Traité des Opérations de Banque*," pp. 395–6; Paris, 1896.

The increase in commercial discounts and in current accounts has been equally marked. The assets of the Swiss banks are not so exclusively for short terms as in some other banking systems, but the various classes of obligations are carefully separated in the published accounts and the liabilities include a large amount of Savings bank deposits and deposit bonds, which are payable only upon notice or at a fixed term. The credits secured by bills of exchange have not shown so rapid an advance during the last few years as other forms of loans. They have, however, advanced greatly since 1869, when the entire commercial portfolio at the close of the year was 71,667,706 francs. The bills of exchange carried, including about 20 per cent. of advances on securities, were 212,176,377 francs upon the average for 1888, and 211,325,-469 francs for 1896. The figures of other obligations held by the banks for fixed terms show a more visible increase. These include several forms of loans by other means than bills of exchange, and a large item of hypothecation loans. These several items were 515,537,954 francs in 1888, and advanced by almost uniform percentages to an average of 839,946,880 francs in 1896. The whole volume of assets of the banks, which was 876,061,643 francs during 1888, was 1,213,562,727 francs for 1896, and 1,355,953,640 francs ($260,000,000) on March 31, 1897.

The banking power of Switzerland per capita, as indicated by these figures, is about 450 francs, or $85. The corresponding figures for Great Britain at the close of 1896, were about £24, or $120. The average for the United States in 1896, was $93.69, and in Germany in 1894, 176 marks, or $44. Switzerland thus stands well up in the list of commercial countries in her banking facilities, ranking close to the United States and far ahead of Germany. Her average banking power, however, is much below that of such commercial States as Massachusetts, with a banking power per capita of $341.41, or New York with an average of $299.15,* and indicates the capacity for expansion which is still before her.

Historical Development of the Banking System.

"Two Swiss cities, Basle and Geneva," says M. Courcelle-Seneuil, "were renowned long ago for the skill and wealth of their bankers." Their banking methods, however, were those of foreign exchange, and the taking of national loans. It was elsewhere that the system of commercial discounts and note issues had its birth in Switzerland.† Each Swiss bank, prior to 1875, was the result of independent local conditions, was founded under authority of the canton in which it had its principal office, and had little relation with the other banks. The first Swiss bank of issue was established in St. Gall in 1836 by a company of private shareholders. The Cantonal Bank of Vaud and the Bank of Basle were founded in 1845, and by 1850 seven banks of issue were in existence. The charters were largely modelled upon that of the Bank of France, and the capital was furnished in some cases by the shareholders and in others by the canton. The introduction of notes into circulation was at first viewed with some suspicion and only attained importance after the creation of the Federal Bank by a syndicate of French capitalists in 1864. This bank established nine branches in the leading cities in Switzer-

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* "Annual Report of the Comptroller of the Currency," 1896, p. 718.

† "*Traité des Opérations de Banque*," p. 390; Paris, 1896.

land, and made an arrangement with several existing banks for the mutual acceptance of each other's notes. The banks of the leading cities were soon parties to this arrangement.

The system was inadequate to the needs of an extended commerce, especially after the various sections of the country became more closely connected by railways, and this fact became strikingly obvious at the outbreak of the Franco-Prussian War. The Swiss banks relied largely upon the collection of commercial paper in France for their supply of current cash. This was cut off by the suspension of the collection of paper by the French Imperial Government pending the close of the war. The knowledge of this fact resulted in something like a run upon the Swiss banks by frightening note holders. The banks protected themselves by reducing their discounts and calling in their loans. The reduction of commercial accommodation, inadequate as it had been at best for the growing needs of the country, caused an outbreak of discontent all over Switzerland. The Federal Council was aroused and asked the legislative body for the creation of a Federal banking system. The legislature passed a general resolution, assuming the right of the Federation to prescribe general rules for banking, but denying the intention of creating a monopoly of note issues.

It was not until September 18, 1875, that the deliberations over the subject bore fruit in a law, bringing Swiss banking into some degree of accord with modern requirements. The banks were required to form a convention for the mutual acceptance of each other's notes and their redemption in coin at par without charge. The agreement made in compliance with this law was known as the "Concordat," and the banks entering into it agreed also to collect commercial paper for each other wherever they had offices without any charge except actual expenses. The Bank of Zurich established a central bureau through which these clearings were made. The new law assumed the right of the Federation to fix the limit of note-issues for the country, and actually fixed the maximum for an individual bank at 12,000,000 francs ($2,400,000). Banks of issue were restricted to a discount, collection and deposit business.

The law of 1875 did not meet all the requirements for security and expansion desired by the Swiss people. The centralizing spirit was abroad and resulted in the proposition for a single great bank with monopoly of note issues. This was rejected on October 31, 1880, by a popular vote of 260,126 against 121,099 and of seventeen and a half cantons against four and a half.

The advocates of centralization then turned their attention to the control of the existing banks, and secured for this purpose the law of March 8, 1881, whose principal requirements have already been outlined. The new law established a more complete Federal supervision than the old and a more complete coöperation of the banks in the exchange of notes and commercial paper. Reforms were still demanded in many quarters and the bank inspectors under the existing law were among the severest critics of the system.

THE MOVEMENT FOR A SINGLE GREAT BANK.

The Constitution of Switzerland declared that it should not be in the power of the Federal Assembly to "establish a monopoly of the issue of bank bills nor decree their obligatory acceptance." * The Federal Council recommended, in a message of December 30, 1890, the advantages of a state bank in regard to regulating the money market, issuing notes without fixed limit to meet emergencies, and controlling the flow of the precious metals. A proposition for amending the constitution was submitted to the people on October 18, 1891, proposing the substitution of a new article for the old provision against monopoly. The new article was as follows:

"The right of issuing bank notes and all other credit money shall belong exclusively to the Federation.

The Federation may exercise the monopoly of bank notes by means of a bank of state placed under special control or by conceding the management, under reservation of the right to repurchase, to a central share bank, which shall be administered with the approval and under the control of the Federation.

The bank invested with monopoly shall have the duty of acting in Switzerland as the regulator of the money market and of facilitating transactions.

The net profits of the bank, after the deduction of an interest or dividend sufficient to compensate the capital, and after the levy of installments for a reserve fund, shall belong in the proportion of at least two-thirds to the cantons.

The bank and its branches shall be exempt from all imposts in the cantons. The obligatory acceptance of bank notes and all other credit money shall be decreed by the Federation only in case of necessity in time of war.

Federal legislation shall prescribe the regulations regarding the location of the bank, its statutes, organization and the general execution of this article." †

This article was adopted by the popular vote by a majority of 231,578 votes in the affirmative against 158,651 votes in the negative. It remained only for the Federal Council to prepare a project for the new bank and to determine whether it should be maintained by the funds of the state or by private capital. The Chambers decided in favor of a state bank and a project for such an institution was prepared in the summer of 1894. The principal seat of the bank was to be at Berne, but there was to be a branch or agency in each canton if desired. The principal provisions of the charter, as summarized by the author of the present article in another work ‡ were as follows:

"The name of the new institution is to be 'The Bank of the Swiss Confederation,' the capital is to be furnished by an issue of bonds and the Confederation makes itself responsible for the engagements of the bank in case its own means prove insufficient. The capital is fixed at 25,000,000 francs ($5,000,000), but may be increased to 50,000,000 francs by vote of the Federal Assembly. 'The exclusive right to issue bank bills' is conferred on the new institution and the existing banks are required to retire their circulation within two years and a half from the date when the new bank begins operations, by surrendering to the central bank quarterly one tenth of the notes outstanding at that date. Deficiencies in the quota of notes must be made up in specie, to be held as a redemption fund for the retirement of the notes.

No fixed limit is put upon the note issues of the new bank, but it is required to hold gold coin or bullion or legal silver coins to the amount of one-third of the circulation."

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* La Confédération a le droit de décréter, par voie législative, des prescriptions générales sur l'émission et le remboursement des billets de banque.

Elle ne peut cependant créer aucun monopole pour l'émission des billets ni décréter l'acceptation obligatoire de ces billets.

† "*Bulletin de Statistique et de Législation Comparée*," October, 1891, XXX, 418; Paris.

‡ "A History of Modern Banks of Issue, With an Account of the Economic Crises of the Present Century," p. 272; G. P. Putnam's Sons, New York, 1896.

Defeat of the State Charter.

This charter was generally condemned by the commercial interests of the country. A revised project passed the National Council in the summer of 1896 by a vote of 89 to 43 and passed the Council of the States by a vote of 27 to 17. The commercial and industrial organizations continued to adopt resolutions against the creation of a state bank and the new charter was submitted to the referendum, or popular vote, on February 28, 1897. The advocates of a scientific system of banking abandoned for the time being the defense of free banking as against a single institution, and made their attack upon the principle of state ownership. They pointed out that a bank owned by the state and entrusted to the hands of politicians would become a potent instrument of party purposes and would constitute a means of trying a great number of socialistic experiments without attracting attention and without consulting the people, either by aid to socialistic enterprises under the cover of loans or by foreclosure of properties upon which loans had been made and their conduct under state management. The arguments made in favor of the state bank were the usual ones—that the state would earn the profits of the circulation instead of the great capitalists, and that the bank would become a popular institution which would make loans to honest men upon the simple guarantee of their character.* These arguments prevailed in many of the cantons, but were overborne in the French districts of the West by opposition to the centralizing tendencies of the German cantons. The total vote throughout Switzerland was 194,465 in favor of the proposed charter and 244,219 against it.

The entire problem of the creation of a central bank is thus remitted back to the Government, without any definite instruction from the people regarding the course to be pursued. The creation of a bank owned by private shareholders would be the logical outcome of the rejection of the State bank charter, after the vote of 1891 in favor of a central bank of issue, but it is not yet apparent what course will be taken by the Federal authorities. The existing system has steadily improved in volume of business and capacity to meet the demands of Swiss commerce and if freed from certain restrictions might afford better results than a single great bank, but the spirit which seems about to seize upon the railways as an object of State ownership and exploitation may not be willing to rest content with leaving the banking system in private hands.

Defects of the Existing System.

That a powerful party exists in Switzerland favoring the abolition of the present banking system and the substitution of a central bank of issue is proved by the votes of the Federal Government and the people during the past twenty years. The fact that this party, in spite of constant agitation, has not yet been able to rally a permanent majority in favor of a definite proposition affords some evidence of the hold of the existing system upon the people, in spite of the fetters imposed upon it by the crude regulations of 1875 and 1881. The elements contributing to the agitation for a state bank may be discussed under the following heads:

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* "*Revue d'Économic Politique*," April, 1897, XI, 394-96.

1. The conflicting interests of different sections of Switzerland and the lack of union among the banks.

2. The inadequacy of the existing system to meet all the demands of the business community because of the fetters imposed by Government regulation.

3. The inefficiency of the existing system under present conditions in regulating the foreign exchanges and preventing the export of gold.

4. The growth of sympathy with State socialism in the German cantons and the desire to impose upon the banking system functions which cannot be assumed by banks under private ownership.

I. The Swiss States, in spite of their unity of action in their relations with other powers, vary greatly in their local interests and in the state of political feeling. Local interests have long prevailed over national interests. Political strife, in the language of a recent writer, "is so much hotter in cantonal than in Federal matters that the parties are divided on local rather than on national issues." * Differences of language and political tendency would not in themselves prevent a unified financial system, but they have contributed to delay its adoption as easily and as promptly as in more cohesive states. Even under the present Federal banking law, it is found necessary to give the denominations of the bank notes in three languages, French, German and Italian, and down to a recent time there have been differences in the metallic basis of the currency.

Absolute independence reigned down to 1875 in the conduct of the banks and in the provisions of their charters. The most serious feature of this difference of conditions and of regulations was the same which crippled the departmental banks of France prior to 1848, imposed such fetters upon commerce among the German States prior to the consolidation of the Empire, and contributed to leave such unhappy memories of State banking in the United States. This was the absence of any arrangement for the exchange of notes between the banks and for their general acceptance throughout the country. In France, in Germany, in the United States, and in Switzerland each bank was isolated, its credit was confined within a limited area, and its notes were necessarily at a discount outside its immediate neighborhood. Each bank had to bear the brunt of every storm without assistance and commerce was hampered by the lack of a medium of exchange equally good in all parts of the country. It required the birth of the modern clearing system and of coöperation among the banks to get rid of these evils, and this coöperation is of very recent origin in Switzerland.

The lack of a uniform national system became more serious every year with the closer linking of the several parts of the country by railways and business transactions, and in Switzerland its removal was more difficult because of political conditions. The laws of 1875 and 1881 tended to remedy the isolation of the banks by providing for the interchange of their notes. If they had been limited to this—or if the banks themselves had been left to form voluntary agreements, under the pressure of the demands of modern commerce—the present banking system of Switzerland might have operated as smoothly as those of Scotland and Canada in providing circulation and as efficiently as that of the United States in promoting the union of the banks.

* A. Lawrence Lowell, "Governments and Parties in Continental Europe," II, 314; Boston, 1897.

FETTERS IMPOSED BY THE GOVERNMENT.

II. The attempt to remedy the evils of lack of unity in the banking system was accompanied by other changes which crippled the expansion of the Swiss bank-note system at the very time when expansion was most needed. The banks have struggled bravely under the existing system to meet the demands of the business community, as the figures already given for their circulation and discounts plainly show. Such defects as have appeared in recent years have been due partly to the recent origin of the Swiss banks and the lack of coöperation already referred to, but very largely to the fetters imposed upon the circulation by the new banking laws. The regulations governing the banks were made so severe in 1881 that it was declared by M. H. Dameth, one of the most careful students of Swiss banking, that "It is generally believed that if the plan of the Council of States is adopted by the National Council, the larger part of the existing banks will renounce the right of issue or ask to become branches of the Federal bank, of which the law is obviously the forerunner." * The banks thought better of such radical departure and succeeded in obtaining some concessions in the law as finally enacted.

The existing Federal regulations are subject to nearly the same criticisms which lie against the national banking system of the United States in respect to elasticity of note issues. These defects, while more or less interlaced with each other in their results, may be treated separately thus:

1. The locking up of assets in long-term obligations as security for note issues. This evil is not so pronounced in the Swiss system as in that of the United States, since commercial paper is accepted in some cases by the Swiss laws as security for the note issues above the limit of the coin reserve, and the cantonal guarantee is accepted in many others. The essential evil of such requirements is in diverting into dead assets capital which should be employed in short-term banking transactions. It defeats the essential purpose of note issues so well defined by M. Horn, in cases where deposit banking has not attained large development, in the declaration, "To be able to extend credit upon a somewhat large scale, as is necessary in order to attract considerable capital, the local bank ought to be able to dispose of a surplus of capital; it can find it only in credit issues." † The process of locking up this capital in public securities impairs the banking power of a bank at the outset and has been one of the chief obstructions to the profitable extension of National banks in the rural districts of the United States.

2. A rigid limit of note issues. The fixing of a maximum limit, such as is imposed upon the Bank of France, is not so important when the limit is wide enough, as the limitation of the note issues in relation to the coin reserve. That there should be under ordinary conditions a reasonable proportion of coin held against outstanding circulating notes is not disputed by any competent authority upon banking. It is highly desirable, however, that this limit should either be left to the sound discretion of the banks or should possess some degree of elasticity. This is not the case when the law requires, as in the case of the Swiss banks, that there shall be definitely locked up an

* "*L'Économiste Français*," February 5, 1881, p. 162.

† J. E. Horn, "*La Liberté des Banques*," p. 438; Paris, 1866.

independent fund of coin equal to forty per cent. of the outstanding circulation. The result in times of crisis or of special demand for currency at particular seasons of the year is to tie the hands of the bank in a most injurious manner. The very pressure for money which causes the demand for notes diminishes the probability that the coin reserve will increase by means of deposits and hence diminishes the possibility of expanding the note issue within the legal limits. More than this, even if coin is received and makes possible the increase of note issues, this increase under the Swiss law impoverishes the reserve held against other liabilities.

3. The provision for the rigidity of the metallic reserve. A reserve which can not be employed in case of emergency might almost as well not exist for the practical purposes of banking. The working reserve has to be made up of funds outside the required legal reserve, which is only useful for the general purpose of promoting confidence and for liquidation in case of insolvency. The requirement of a rigid lawful money reserve which can not be touched for banking purposes is imposed by the law of the United States, but the amount required in coin is much smaller than in Switzerland. The moment the limit is infringed, the bank has violated the law and invoked the conditions of a panic. While some regulation on the subject of the amount of reserve may be justified, and failure to maintain an adequate reserve under normal conditions should subject a bank to correction by the authorities, the reserve should be available in periods of stringency, either by permitting other securities like clearing-house certificates to take the place of coin, or by the levy of a moderate tax upon the uncovered circulation, such as is levied upon the notes of the Imperial Bank of Germany, the Bank of Austria-Hungary, and the Bank of Japan when their circulation crosses prescribed limits.

4. The absence of the requirement of any reserve against other liabilities than circulating notes. It was a fundamental defect of the laws of 1875 and 1881—peculiar to the theory that bank notes constitute a different sort of obligation from deposits—that after providing for the large metallic reserve of forty per cent. against circulation no provision whatever was made for a reserve against deposits or other liabilities. The official Inspector pointed out in his report for 1886 that for the purpose of meeting a debt of 200,000,000 francs, exclusive of circulation payable on demand, the banks carried only 15,000,000 francs of ready cash, and that even this proportion was not attained in several individual cases. The Inspector has repeatedly since called attention to similar conditions, pointing out in his report for 1896 that the total reserve held, including the forty per cent. held against circulation, had fallen from 58.3 per cent. of the circulation in 1894 to 55.8 per cent. in 1895, and 53.9 per cent. in 1896. If the banks were not required to lock up so large a proportion of their coin in a rigid and unavailable reserve held against circulation, their reserve against all liabilities would be more nearly adequate to maintain a solvent banking business. There is a certain degree of logic in the requirements of the Swiss system, arising from the fact that the Government undertakes substantially no control over the banks except in regard to circulation, but from the standpoint of sound banking the metallic reserve is rendered as nearly useless as possible, and the banking reserve is thereby reduced far below the danger point.

THE SCARCITY OF CIRCULATING NOTES.

5. Again and again in recent years the official Inspector of the banks has complained that the Swiss banks failed to meet the demand for notes in the most active seasons of the year. Careful examination of these reports seems to indicate that the trouble lies partly with the method in which the notes are issued by the Government as well as with causes which are more fundamental. The Swiss circulation does not pass through the hands of the banks in process of redemption and through the Treasury note bureau with any such rapidity as that of Canada and Scotland, where redemptions are controlled by the banks rather than by the Government. The number of notes issued during 1896 was only 271,391 with a face value of 23,708,550 francs, or about one-eighth of the maximum circulation.

The last report of the Inspector states that in order to be able to meet demands and create a sufficient provision for future needs, the inspectorate has seen fit, as was announced in the last report, to provide during the year a new supply of paper. "A minute verification is extended over every bill in all the phases of its manufacture," is another declaration of the report, and with the narrow margin of reserve notes upon which the inspectorate works, it may well be that there is considerable delay in furnishing bills, even when the bank reserves would permit their issue. The fact seems to be substantially confessed, in spite of the share of blame which is put upon the banks in the last two annual reports. The report for 1895 declared that "the scarcity of notes has never been so obvious as this year and has barely escaped becoming a general calamity." * The report for 1896 returns to the subject and indicates that the Government and the banks have taken some steps to meet the commercial demand. The report declares: †

> "Although in the year 1896 the lack of notes was not felt as during the time covered by the preceding report, complaints have been renewed, especially at the principal places where at certain periods notes have been most lacking. The banks, through the experience gained last year at the moment of large payments, have during the past year taken measures for obtaining bills and employing them at the moments of greatest demand. This precaution was without doubt one of the factors which contributed to render transactions less stringent. It should be added that in 1896 there was not produced, as was the case in 1895, at the moment of large payments, a crisis which extended to all securities and of which the consequence was the absorption of almost everything available to meet the demands of the money market at the moment when the banks had already sufficient engagements for the urgent and real needs of commerce and industry."

The charge directed early in the present century against banks of issue—that they flooded the country with an excess of paper currency—has not at any time been seriously made against the banks of Switzerland. While the circulation has steadily increased from year to year under the demands of business expansion, the total net circulation of Switzerland per capita in 1895, both coin and paper, was less than half that of the Netherlands, barely more than half that of the United Kingdom of Great Britain and Ireland, little more than half that of Germany, and less than a third that of France. The Swiss banks have not been assailed, even by the defenders of the new system of a great state bank, upon the ground of the issue of an excessive volume of circulating notes. The argument is made, upon the contrary, that

* A. Raffalovich, "*Le Marché Financier en 1895–6*," p. 461; Paris, 1896.

† "*Controle des Billets de Banque, Department des Finances et des Douanes*," 1896, p. 14.

the state bank will increase the note issues and give them greater currency. "Experience and logic prove," says one of the advocates of the new system, "that under the *régime* of freedom or plurality of banks of issue, the notes do not enjoy so much confidence as those of a central bank ; that the latter circulate in much greater number, much longer, and that the bank is able to manage their redemption with less cash." *

The Swiss banks are not permitted to furnish the medium for small transactions. The minimum denomination of the notes was fixed by the law of 1881, at 50 francs ($10), and the amount of this denomination permitted to be issued is limited to one-fourth of the circulation. The amount on December 31, 1896, showed that the 50-franc notes were close to the limit, representing 46,279,200 francs, or 22.8 per cent of total issues of 202,400,000 francs, while 100-franc notes amounted to 111,698,800 francs, 500-franc notes to 28,109,000 francs, and 1000-franc notes to 16,313,000 francs.

The Regulation of the Exchanges.

III. One of the complaints occasionally brought against the existing banking system is its failure to so regulate the exchanges as to keep them uniformly favorable to Switzerland. The problem of the regulation of the exchanges is a difficult one in all countries, and appears to be controlled more by commercial conditions and the state of credit than by the mechanism of the banks. Austria-Hungary, with a great National bank, has seen adverse exchanges during the past five years keep her from resumption of specie payments upon the gold basis. The United States, with a national paper currency, have seen gold flowing in a torrent from their limits to foreign countries, while neither the Treasury Department nor the banks seem to have the power to regulate either the volume of the currency or the rate of discount.

The difficulty of controlling the exchanges is enhanced in Switzerland by her narrow territorial limits and the potent influence of surrounding countries. With Italy on one side, resting upon the paper basis and pouring her subsidary silver coins into Switzerland and France ; with Austria on another side, also upon a paper basis, but with a different system of metallic currency ; and with France on the west, with her great fund of gold and overvalued silver,—the problem would be an extremely serious one under any banking system of retaining within Switzerland at all times a proper supply of gold and silver, and preventing an excess of supply. Switzerland experienced the difficulties caused by the fall in the value of silver and the excess of coinage of silver five-franc pieces until the coinage was limited in 1873. She entirely suspended silver coinage when silver bullion began to fall in the markets of the world, long before suspension was adopted by the concert of the countries of the Latin Union, but her own restraint in this regard left her scarcely less open to the flood of French, Belgian and Italian silver coins, which enjoyed a general circulation in all the countries of the Union.† It is not surprising that these monetary causes, apart from the more general ones which affect the channels of trade, have from time to time caused adverse exchanges in Switzerland, even though her paper medium of circulation has been kept within restricted limits.

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* Henri Mayor, in "*La Revue Socialiste*," January, 1896, XXIII, 17.

†Ottomar Haupt, "The Monetary Question in 1892," pp. 85-86; London, 1892.

Switzerland has been subjected during the past year to high rates of foreign exchange, which have imposed burdens upon the banks and the business community. The reason seems to be found in excessive borrowings in France, which have been readily made because of the high rate of interest paid by Swiss enterprises, but which have required large foreign payments for interest charges. Over-speculation may be a cause of these conditions, but so far is it from being an excess of note issues that one of the critics of the existing system declares that the system "does not permit Switzerland to utilize credit circulation in so practical a manner as Belgium and Holland," Switzerland having only sixty-four francs in bank notes per head, while the Belgian circulation attains seventy-one francs and that of Holland eighty-four francs.*

The Tendency Towards State Socialism.

IV. The vague hope of benefits to the state and to the individual citizen by having the issue of the circulating medium in his own hands, has perhaps contributed as much to the movement for a change in the banking system of Switzerland as real defects in the existing system. As long ago as 1881, when the movement for Federal regulation was making head, the commission of the Federal Council which studied the project of a National bank reported that "the situation and condition of the Swiss banks was satisfactory and even better than of the larger part of the foreign banks." † But Switzerland, in the language of M. André Liesse, "has become during the past dozen years a laboratory of socialistic experiments. It lacks for this laboratory the nerve of all social experiments—money or easy means of credit."‡ It is logical, therefore, that these means should be found in the creation of a bank owned by the state.

The argument was made in behalf of the bank of state that it would put an end to the disturbances in the money market caused by speculation. Even the Federal Council declared in a message of October 23, 1894, that they wished to take away from the future bank the disastrous consequences of speculation, of strokes upon the bourse and of manipulation by shareholders. The argument was logically made that if the state was incapable of managing a bank, it should renounce also the nationalization of the railways, which has been adopted as the programme of the leading Swiss parties.§. Even the danger that the bank would be seized in case of war, where a private bank would be left unharmed, failed to convince the socialists that the experiment of linking the credit of the state with that of the financial system was an unwise one. M. J. J. Keller, a member of the National Council, declared in a public speech on December 18, 1892, that if a bank of State and its branches were strongly desired, it was because such banks ought not to pursue interested and financial ends, but ought to be compelled to satisfy, at as low a rate as possible, the needs for credit and for money among the Swiss people—to be, in other words, true popular banks. It was essential, he declared, to protect the interest of debtors; capitalists knew already how to protect theirs.

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* "*L'Économiste Européen,*" April 2, 1897, XI, p. 420.

† "*L'Économiste Français,*" March 19, 1881, p. 351.

‡ Courcelle-Seneuil, "*Traité des Opérations de Banque,*" 1896, p. 397; Paris.

§ The people rejected on December 6, 1891, by a vote of 289,406 against 130,729, a proposition for the purchase of the Central Railway; but a proposition is now under consideration for the purchase of all the railways by the State, the principal differences relating to the price to be paid to the shareholders.—"*Revue d'Économie Politique,*" April, 1897, XI, p. 397.

If the popular banks sought to earn only the cost of administration and a modest addition to their reserve funds, they would by this course compel the other banks to follow their example and thereby augment indirectly the prosperity of commerce, industry and agriculture.*

Hopes like these undoubtedly controlled many of the votes cast in February last in favor of the state charter. The charter itself would hardly have justified such hopes, without amendments. The charter proposed in 1894 declared specifically that "The operations of the bank are limited to the issue of notes, to credit transfers, and to discount."† There was not even provision for a mortgage loan department, as in the Bank of Austria-Hungary and the Italian banks. The same language was repeated in the charter voted upon in 1896 and submitted to the popular vote. But these were likely to have proved only "obstacles of paper," in the language of M. Liesse, if the experiment of state banking had been entered upon. The ultimate purpose of the socialists was to create an institution which would furnish the funds for great state enterprises and the cantons where German immigration has planted deep the seeds of socialism gave great majorities for the state bank.

The Swiss people in the aggregate have shown themselves more conservative than their rulers. In the language of a recent writer upon the economic effects of the referendum, "The decisions of the people are more favorable than those of their representatives to economic liberty."‡ Only nine of the twenty-two cantons gave majorities for the state bank. The most important of these were the German districts of Zurich and Berne, which cast a combined affirmative vote of 82,052 and a negative vote of 51,873. The vote of the remaining cantons was 113,712 in the affirmative and 204,111 in the negative.

The French cantons of the West rolled up majorities against the bank of 40,504 against 4,462 in Vaud, 9,946 against 2,931 in Geneva, 11,984 against 3,244 in Neuchatel, 16,483 against 3,337 in Fribourg, and 16,660 against 1,247 in Valais. In Switzerland, as in the United States, the submission to the popular judgment of an intricate financial proposition was answered in a manner to strengthen the faith of the supporters of the popular government.

CHARLES A. CONANT.

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* "*La Revue Socialiste*," January, 1896, XXIII, pp. 10-11.

† "*Bulletin de Statistique*," November, 1894, XXXVI, p. 583.

‡ Vilfredo Pareto in "*Le Journal des Économistes*," April, 1897, p. 47. M. Pareto gives the detailed vote by cantons upon the State bank and other propositions submitted to the referendum in recent years.

SOUND CURRENCY LEGISLATION.—In his recent address before an organization of Cincinnati business men Hon. Lyman J. Gage, Secretary of the Treasury, spoke reassuringly of the intentions of the Administration to do everything possible, at the opportune moment, to secure the enactment of the legislation needed to place the currency of the country on a sound basis. He also expressed his conviction that both houses of Congress would in due time give effect to the popular verdict of last November, both with reference to the tariff and the currency. No one doubts the sincerity of the Administration in its efforts to secure the needed legislation, and the co-operation of the House is also reasonably certain, but in view of its past performances Secretary Gage's prophecies in regard to what the Senate will do appear somewhat optimistic. It is possible, however, that the capacity of the Senate for always talking and never doing anything may finally exhaust itself.

*THEORY AND HISTORY OF COINAGE.

History of Modern Coinage.

The history of modern coinage may be said to begin with the reformation of the coinage of Rome under Constantine, who introduced the solidus = 1-72 of a pound = 4.55 grams = 70.2156 grains of gold, of the value of $3.02, as the principal coin. Besides this, he provided for a silver coin of the same weight, which was to have the value of 1-1000 of a gold pound. After Julian's time the principal piece coined was a silver one of the weight of 1-144 of a pound, called a siliqua, which was given an increased nominal value, since twenty-four of them were reckoned equal to a gold solidus.

In the Frankish Empire, under the Merovingians, the gold solidus was the basis of the coinage system, which was then in a rather undeveloped state; yet its metallic contents sank in the second half of the sixth century to 1-84 of a pound. The silver pence of the Franks had their origin probably in the siliqua, which had become continually lighter. Forty of them were reckoned equal to the gold solidus; but there were also old heavy pence, twelve of which constituted a solidus. In the eighth century gold became rarer and rarer, and a gradual transition to the silver standard was made by the substitution for the gold solidus of a silver unit of account, also called a solidus, divided into twelve pence. This silver solidus subsequently received the name of shilling in England and Germany. At first 300 pence were coined out of a pound of silver; but under Pepin it was provided that twenty-two solidi of twelve pence each should be stamped out of a pound of silver, and that the coiner should retain one solidus out of the twenty-two as seigniorage.

Pepin, however, soon adopted a heavier standard, the twenty-shilling standard, which was further improved under Charlemagne by his making the basis of the coinage a still heavier pound, containing probably 370 grams, or 5,709.840 grains, the mint weight, and providing that 240 pence, or twenty solidi of account, should be stamped out of it. Prof. Sherwood says that Charlemagne's system was the direct successor of an old Roman system of coinage which then prevailed. Its basis was a pound of silver divided into 240 pence. Charlemagne rather debased the Roman standard; *i. e.*, he made a pound of silver about one-tenth less than the old Roman pound of silver had been, but he kept the system of 240 pence in the pound, and this system was introduced with more or less success into what is now France and Germany.

Charlemagne's system has remained, as to form, up to the most recent period, the basis not only of the countries of his Empire but also of England. Indeed, England is the country, as already remarked, in which the pound of twenty shillings and 240 pence has lost least in intrinsic value. Originally, indeed, it was not the Carlovingian but the Saxon pound, lighter by about one-sixteenth. But even the English unit of account could not escape the fate of gradual debasement; the pound weight became a pound tale—*i.e.*, a

* Continued from the May number of the MAGAZINE, page 685.

sum of 240 pence in the coins then existing—and the latter were diminished several times in weight after the year 1300, while their fineness still remained a high one (11.1 to 12).

After the time of Henry VIII came a period of coinage debasement which culminated in 1551. But a thorough reform of the coinage was effected in 1560 under Elizabeth. The first large coinages of gold in England were made under James I, and from the time of his accession until the death of William III, in 1701, they amounted to £15,764,357. Silver, however, was still the principle standard metal, and in 1695 another attempt was made to reform the currency by the recoinage of silver pieces, most of which had been abraded and clipped. While this attempt was making, the coinage of gold, with an exception in favor of the African Company, was prohibited. The new full-weight silver coins were soon exported, and the reduction of the current value of the guinea in 1717, on the advice of Newton, did not suffice to arrest the outflow of silver. In 1774 the gold standard in England achieved an almost complete victory by the Act of 14 George III, cap. 42, which provided that silver coins not of full weight (and there were no others then in circulation) need not be accepted in payments of more than £25 except by weight (standard silver being sixty-two pence per ounce). This provision was renewed several times and made permanent in 1798. As early as 1797 the coinage of silver was suspended, and the single gold standard, therefore, in principle, introduced. Its normal operation was prevented by the existence of a paper currency. The law of July 22, 1816, which established the present English monetary system, held fast to the gold standard and introduced it for the first time in history in all its strictness, since it provided that silver pieces should be used only as divisional coin, with a legal-tender power limited to forty shillings.

While England had the silver standard the largest silver coin actually stamped was the crown, of the value of five shillings, with a weight of 464.516 grains and a fineness 0.925, or a fine weight of 429.677 grains. The guinea, which was first coined under Charles II, had a variable value, rising from twenty to twenty-two shillings and more. It was subsequently rated at twenty-one shillings. Its weight was 129.432 grains and, with a fineness of eleven-twelfths, it had a fine weight of 118.651 grains. The law of 1816 substituted for it the sovereign of twenty shillings, which, therefore, represents the old silver pound in gold and weighs 123 17-163 grains, with a fine weight of 113 1-623 grains. The silver coins, being divisional coins, were lessened in weight in the proportion of sixty-two to sixty-four.

In France the livre of twelve sols, or sous or 240 deniers or pence, remained the unit of account up to the time of the French Revolution, but gradually declined in value to about nineteen cents American money—that is, to one eighty-third of its original value. The denier at last could not be coined at all; the liard, equal to one-fourth sou, was the smallest copper coin. After the violent usurpation of Louis XIV and the John Law catastrophe, the coinage system of France from 1726 to the Revolution was in a rather stable condition. The principal French silver coin from 1726 to 1793 was the new écu of six livres, weighing 29.488 grams, or 455.058816 grains 0.916⅔ fine, with a fine weight of 27.031 grams, or 417.142392 grains. The livre in this écu corresponds almost exactly to the franc of the new French system, which was given its final form by the law of March 28, 1803, which provided that the franc was to contain 5 grams of standard silver. The ratio of 1 to 15½ between gold and silver was made the basis for determining the weight of the gold coins, and at this ratio the legal weight of the twenty-franc gold piece was 6.4516 grams, and its fine weight 5.8065 grams, or 89.6059080 grains.

COINAGE IN THE UNITED STATES.

The United States dollar had its origin in the Spanish piaster of eight reals of Mexican silver, which, in turn, was patterned after the Joachimsthaler. There was properly no coinage in the United States during the colonial period. Maryland had a mint at one time, and one or two of the other States, but they practically amounted to nothing. Massachusetts had one or two issues; but the coins, so far as the United States had coins before the Revolution, were English coins to some extent, and later, Spanish coins that were circulated by Spain in the South American countries and traveled up to the United States. In the early colonial period the different colonies used all sorts of substitutes for coin—for instance, Indian wampum and bullets in Massachusetts, skins and furs in New York, tobacco in Maryland and Virginia. The unit of account was the Spanish milled dollar or piece of eight (*pieza de ocho*). Up to about 1775, however, accounts were keep in pounds, shillings and pence —a pound consisting then as now, of twenty shillings, and a shilling of twelve pence "colonial" or "pound" currency, 133⅓ pounds of which were equal to 100 pounds sterling. Four pounds "colonial currency" were therefore, equal to three pounds sterling. This par of the colonial and the sterling pound was established by the fact that the Spanish piaster, or milled dollar, was worth in the colonies six shillings, while in England it was valued at only four and a half shillings. Calculated in accordance with the legal weight and fineness of the Spanish silver piaster (up to 1772, eight and a half pieces from the gross Castilian marco 0.909722 fine), the "pound currency" was a quantity of 82.069966 grams, or 1,296.503715 grains of fine silver.

Besides the Spanish milled dollar, there was a variety of other foreign coins in circulation, but in keeping accounts the pound and the shilling come next in order of common usage to the dollar. The method by which the colonial composite system of current coins was regulated consisted in coinage tariffs, so much in vogue in early European monetary history. Such a tariff, issued in 1750, valued the ounce of silver at six shillings eight pence and the Spanish milled dollar at six shillings, the guinea at twenty-eight shillings, and the English crown at six shillings eight pence. In this tariff all foreign coins were valued in proportion to the Spanish piece of eight, it being considered that many and great inconveniences would arise in case any coined silver or gold, or English half pence and farthings, should pass current at any higher rate that in just proporiion to that piece. The shilling was stamped by some of the colonies, and constituted a large part of the money in circulation. It, however, varied greatly in value in the different colonies. Thus the Spanish dollar equaled five shillings in Georgia; eight shillings in North Carolina and New York; six shillings in Virginia, Connecticut, New Hampshire, Massachusetts, and Rhode Island; seven shillings six pence in Maryland, Delaware, Pennsylvania, and New Jersey; thirty-two shillings six pence in South Carolina. This accounts for the present reckoning of twelve and a half cents to a "shilling" in New York Ohio, etc., and of sixteen and two-thirds cents in New England and Virginia. The Spanish dollar, with which this comparison was made, was itself not unfrequently below the legal weight, and therefore varied in value. If the pieces mentioned in the coinage tariff of 1776 were of full weight, the ratio there established was the English ratio of one to 15.21. The ratio for bullion was not materially different.

The tariff of 1776 had been in operation six years when the Colonies began to feel keenly the difficulties caused by the variety of coins constituting their metallic circulating medium, as well as its injurious effects on business and on the methods of keeping accounts. The need of a special American coinage was frequently expressed, and in 1782 (January 15), Robert Morris, the Superintendent of Finance, at the request of a committee of the Congress of the Confederation, submitted a scheme for a national coinage and for the establishment of an American mint, which met with its approval. Jefferson, like Morris, recommended the decimal system, but advocated the dollar as the unit. The proposals of Morris and Jefferson were, however, not carried into effect, and the matter remained in this unsettled state until May 13, 1785, when the grand committee on the money unit made its report. The report of the grand committee on the money unit contended that the exchange in the United States should not be more than fifteen grains of silver for one of gold; that the charge for coinage should be two and-a-half per cent. for gold and a little over three per cent. for silver; that the unit should be a dollar of 362 grains of pure silver with a multiple gold piece of five dollars and decimal aliquot parts. In 1786 the Congress of the Confederation chose as the monetary unit of the United States the dollar of 375.64 grains of pure silver. This unit had its origin in the Spanish piaster or milled dollar, which constituted the basis of the metallic circulation of the English colonies in America. It was never coined, there being at that time no mint in the United States.

The Act of April 2, 1792, established the first monetary system of the United States. The bases of the system were: The gold dollar, containing 24.75 grains of pure gold, and stamped in pieces of $10, $5 and $2½, denominated, respectively, eagles, half eagles and quarter eagles; the silver dollar, containing 371.25 grains of pure silver. A mint was established. The coinage was unlimited and there was no mint charge. The ratio of gold to silver in coinage was 1:15. Both gold and silver were legal tender. The standard was double. The Act of 1792 undervalued gold, which was therefore exported. The Act of June 28, 1834, was passed to remedy this by changing the mint ratio between the metals to 1:16.002. The latter Act fixed the weight of the gold dollar at 25.8 grains, but lowered the fineness from 0.916⅔ to 0.899225. The fine weight of the gold dollar was thus reduced to 23.2 grains. The Act of 1834 undervalued silver as that of 1792 had undervalued gold, and silver was attracted to Europe by the more favorable ratio of 1:15½. The Act of Jan. 18, 1837, was passed to make the fineness of the gold and silver coins uniform. The legal weight of the gold dollar was fixed at 25.8 grains, and its fine weight at 23.22 grains. The fineness was therefore changed by this Act to 0.900 and the ratio to 1:15.988+. Silver continued to be exported. The Act of Feb. 21, 1853, reduced the weight of the silver coins of a denomination less than $1, which the Acts of 1792, 1834 and 1837 had made exactly proportional to the weight of the silver dollar, and provided that they should be legal tender to the amount of only $5. Under the Acts of 1792, 1834 and 1837 they had been full legal tender. By the Act of 1853 the legal weight of the half dollar was reduced to 192 grains, and other fractions of the dollar in proportion. The coinage of the fractional parts of the dollar was reserved to the Government.

The Act of February 12, 1873, provided that the unit of value of the

United States should be the gold dollar of the standard weight of 25.8 grains, and that there should be coined besides the following gold coins: A quarter eagle, or two and-a-half-dollar piece; a three-dollar piece; a half eagle, or five-dollar piece; an eagle, or ten-dollar piece, and a double eagle, or twenty-dollar piece, all of a standard weight proportional to that of the dollar piece. These coins were made legal tender in all payments at their nominal value when not below the standard weight and limit of tolerance provided in the Act for the single piece, and when reduced in weight they should be legal-tender at a valuation in proportion to their actual weight. The silver coins provided for by the Act were a trade dollar, a half dollar, or fifty cent piece, a quarter dollar, and a ten cent piece, the weight of the trade dollar to be 420 grains troy; the half dollar, twelve and-a-half grams; the quarter dollar and the dime, respectively, one-half and one-fifth of the weight of the half dollar. The silver coins were made legal tender at their nominal value for any amount not exceeding \$5 in any one payment. The charge for converting standard gold bullion into coin was fixed at one-fifth of one per cent (abolished by the Act of January 14, 1875). Owners of silver bullion were allowed to deposit it at any mint of the United States to be formed into bars or into trade dollars, and no deposit of silver for other coinage was to be received. Section 2 of the joint resolution of July 22, 1876, recited that the trade dollar should not thereafter be legal tender and that the Secretary of the Treasury should be authorized to limit the coinage of the same to an amount sufficient to meet the export demand for it.

The Act of March 3, 1887, retired the trade dollar and prohibited its coinage. That of September 26, 1890, discontinued the coinage of the one dollar and three-dollar gold pieces. The Act of February 28, 1878, directed the coinage of silver dollars of the weight of 412½ grains troy, of standard silver, as provided in the Act of January 18, 1837, and that such coins, with all silver dollars theretofore coined, should be legal tender at their nominal value for all debts and dues, public and private, except where otherwise expressly stipulated in the contract. The Secretary of the Treasury was authorized and directed by the first section of the Act to purchase from time to time silver bullion at the market price thereof, not less than \$2,000,000 worth nor more than \$4,000,000 worth per month, and to cause the same to be coined monthly, as fast as purchased, into such dollars.[1] A subsequent Act, that of July 14, 1890, enacted that the Secretary of the Treasury should purchase silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as might be offered, each month, at the market price thereof, not exceeding \$1 for 371.25 grains of pure silver, and to issue in payment thereof Treasury notes of the United States, such notes to be redeemable by the Government, on demand, in coin, and to be legal tender in payment of all debts, public and private, except where otherwise expressly stipulated in the contract. The Act directed the Secretary of the Treasury to coin each month 2,000,000 ounces of the silver bullion purchased under the provisions of the Act into standard silver dollars until July 1, 1891, and thereafter as much as might be necessary, to provide for the redemption of the Treasury notes issued under the Act. The purchasing clause of the Act of July 14, 1890, was repealed by the Act of November 1, 1893. The Act of June 9, 1879, made the subsidiary silver coins of the United States legal tender to the amount of \$10. The minor coins are legal tender to the amount of twenty-five cents.

FOREIGN BANKING AND FINANCE.

Land Credits in Russia. An interesting summary of the loans by land credit companies in Russia is made in the "*Bulletin Russe de Statistique*" for November-December last. The figures show a growth in the aggregate loans by land mortgage companies, both official and local, from 654,445,048 rubles ($330,000,000) on January 1, 1887, to 1,314,358,874 rubles ($660,000,000) on July 1, 1896. The increase in rural loans has been from 573,901,532 rubles to 1,134,245,026 rubles, while the increase in urban loans has been only from 80,543,516 rubles to 180,113,848 rubles. The most striking increase among the public institutions has been in the case of the Bank of the Nobility, whose loans, entirely rural, have increased from 68,783,300 rubles to 423,408,491 rubles. The associations of borrowers have shown an increase from 75,792,147 rubles to 133,225,160 rubles, while the remaining increase during the nine years, amounting to 244,763,730 rubles, has been among the ten mortgage banks owned by individual shareholders. The "*Bulletin Russe*" presents, for the purposes of comparison, the figures of outstanding land bank obligations in Germany, which amounted on January 1, 1896, to 4,883,205,157 marks ($1,200,000,000). The proportion falling to distinct mortgage banks was 1,836,374,175 marks in Prussia and 1,768,817,090 marks in other German States, leaving to mixed institutions mortgage issues of 1,278,013,892 marks. The corresponding figures for Austria-Hungary show total mortgage issues on January 1, 1896, of 1,062,625,296 florins ($425,000,000), of which 128,541,300 florins in four per cent. bonds constitute the issues of the Austro-Hungarian Bank and 568,016,746 florins of the remainder were issued by Austrian institutions and 366,067,250 florins by Hungarian institutions.

The scope and growth of the Bank of the Nobility are sketched in an interesting manner in the "*Bulletin Russe de Statistique*" for January-February, 1897. The Bank loans only to the amount of three-fifths of the estimated value of the property pledged and does not consent to loans for short terms. Its borrowers may, however, obtain short-term loans under special conditions from the Bank of Russia by means of paper bearing only their own signature. The amount of such advances on February 16, 1897, was nearly 24,000,000 rubles. Most of the mortgage loans of the Bank of the Nobility have been made upon property already mortgaged, by means of the redemption of the old mortgage and the transfer to the borrower of the excess of the new loan over the old. Many borrowers take only a part of the permissible loan at first and obtain the remainder at a later date. During 1895 these supplementary loans amounted to 34,738,400 rubles. The Bank of the Nobility has been in operation only ten years, but has consented to 17,610 loans amounting in gross to 523,689,700 rubles ($261,000,000). The number has varied considerably from year to year, having touched the minimum of 1,090 loans for 39,195,400 rubles in 1894 and advanced to the maximum of 2,125 loans for

81,976,400 rubles in 1895. Of the amount loaned in 1895, 58,162,946 rubles was employed in the reimbursement of preceding loans by other lenders, so that only thirty per cent. constituted a real increase of the mortgage indebtedness of the borrowers. The outstanding loans on January 1, 1896, were 13,614 in number, and 384,290,768 rubles in amount.

The Extent of Postal Savings.

An interesting exposition of the great development of postal Savings banks during recent years is embodied in the annual report addressed to the President of the French Republic upon the Savings banks of that country and published in the "*Bulletin de Statistique*" for April. The figures in the case of France and the United Kingdom of Great Britain include only the national postal Savings banks and not the private and trustee banks, which have attained a large development. The general table for the close of 1895 is as follows:

COUNTRY.	*Depositors Dec. 31, 1895.*	*Amount due Depositors.*	*Mean per depositor.*	*Depositors per 1,000 inhabitants.*	*Sums due per 1,000 inhabitants.*
		Francs.	Francs.		Francs.
Austria	1,110,091	110,610,780	99	46.00	4,583
Belgium	882,370	318,466,872	360	137.64	49,676
Canada	125,353	146,263,918	1,166	25.00	29,253
France	2,488,075	753,458,527	302	64.55	19,548
Hungary	276,565	27,145,492	98	16.00	1,444
Italy	2,896,768	448,622,323	154	102.00	15,763
Netherlands	499,963	92,788,254	185	104.03	19,348
United Kingdom	6,453,597	2,446,724,375	379	164.00	62,275
Sweden	408,268	53,483,725	130	83.00	10,872

The returns for 1896 for the French Savings banks other than the postal banks showed 6,626,650 books outstanding at the close of the year representing deposits to the amount of 3,370,789,959 francs. The Belgian Savings banks of all classes showed total deposits on December 31, 1896, of 481,981,503 francs, distributed among 1,243,139 depositors. The total on December 31, 1895, was 466,360,863 francs. The deposits with the Russia Savings banks at the end of November, 1896, were 425,570,722 rubles ($123,000,000), distributed among 2,098,434 depositors.

The Banking Situation in Australia.

Loanable capital seems to be plentiful in Australia at the present time, but mercantile affairs have not resumed the activity which prevailed prior to the panic of 1893. The usual consequences of a crisis have ensued, the piling up of idle capital which is offered at low rates upon first-class security, but finds few takers who can give such security outside the holders of Government bonds. The tendency to investment in such bonds became so strong in Melbourne that the Victorian four per cents rose to such a capitalization as to pay only two and three-quarters per cent., while the London quotation afforded a return of three and a quarter per cent. It only required to have attention called to this situation to lead Australian investors to ship their money to London for the purchase of the bonds and to lead to a fall in quotations at Melbourne from 116½ to 112½. The Melbourne correspondent of the "London Economist," in the issue of May 1, 1897, reviews the financial situation there as follows:

"Owing to the somewhat disorganized condition of financial affairs in the Australasian colonies, it is impossible to arrive exactly at what may be considered the normal rate of interest. Not only is the supply of loanable capital in excess of requirements, but the sharp lesson taught by the banking crisis of 1893, and its disastrous results, have induced a feeling of caution in investors which manifests itself in part in indifference to the rate procurable, provided the principal can be safeguarded. In short, a species of demoralization has aided natural causes in operating to bring about a fall in the rate of interest. A few months ago, when comparatively high rates and some degree of stringency prevailed in London, a hardening tendency displayed itself in the colonies, but latterly, notwithstanding an abnormally large outflow of gold (the first three months of the year will show shipments from all ports aggregating about three and a half millions), ease again prevails."

The Gold Demand in Austria.

The explanation of a part of the recent demand for gold from the United States is afforded by the persistence of Austria-Hungary in her measures for the restoration of specie payments. Some of the gold taken from the United States Treasury has been called for in a form suitable for inland shipment after delivery in Europe, and has doubtless gone to Austria. The Vienna correspondent of the "London Economist," in discussing the means by which some of this gold has been obtained, in its issue of April 24, 1897, says:

"It is announced that the Austro-Hungarian Bank during the last three weeks purchased seven million florins' worth of gold. Austria would have taken much more gold from the Bank of England than this amount if Japan and Russia had not applied at the same time. At first the purchase of gold was an easy matter, because the price had not been raised, and the Vienna rate of exchange was under par. But even when the price rose to seventy-eight shillings it was still possible to carry out large transactions, thanks to a particular circumstance. When the price of gold is seventy-eight shillings for a standard ounce, and the Vienna rate of exchange 11 florins 95½ kr. for £1 sterling, one kilogram of fine gold, expenses of the transaction included, costs 1,638 florins, 19 kr. Now the Bank only pays 1,638 florins, so that the operation would cause a loss. But at the same time another transaction was carried out—English purchases of Austrian Exchequer bills covered by the Government salt mines, an investment in which is just now profitable. The Exchequer bills were bought with Austrian bank notes in Vienna. Vienna firms and English firms shared the business between them. The Vienna firm would defray the price of the Exchequer bills, and the English firm would deposit the means for purchasing the gold required in Vienna. But the whole of the purchases of gold were not made in connection with the purchases of Austrian Exechequer bills—for of these London only bought 2½ million florins' worth, whereas the amount of gold purchased for the Austro-Hungarian Bank in London was seven million florins."

Bank Regulation in Mexico.

The recent law establishing free banking in Mexico has been modified by a law promulgated on March 18 last, establishing some restrictions upon the general incorporation of banks. It is declared by Mexican journals that the law does not traverse the principle of freedom in banking, but introduces in practice certain restrictions which will prevent that excess of paper money in Mexico which has had such a baneful influence in the United States, the Argentine Republic and so many other countries. The privileges accorded to banks of issue in the Act of 1896 will be applicable to the first bank established in each State of the Republic. These privileges consist of exemption from the payment of Federal, State and local imposts and of certain stamp taxes. New banks established in States where one already exists will be subjected to all general imposts and to a special tax of two per cent. upon their paid-up capital. The existing banks—the National Bank, the Bank of London and the Mortgage Bank—will be permitted to enjoy the privilege of priority, provided that within a period of four months they comply with the requirements of the general law regarding banks of issue. It is pointed out that even if these banks decide to continue business without the power of issue, they can have but one rival in the State of Mexico, because the first bank established under the general law will enjoy the right of priority, and the old banks will continue to enjoy the prestige in discount and deposit business derived from their long and honorable records.

Popular Banking in Italy.

An interesting review of the spread of popular banks in Italy is made by Mr. E. Fitz-Gerald Law, the British Consul at Rome, in a report printed in the "London Bankers' Magazine" for May. It is stated that in June, 1896, there were 1,324 coöperative banks, including rural banks (generally of the German, Raiffeisen type), the number of which has increased enormously of late years, and so-called "popular" banks (*Banche Popolari*); there was also 151 ordinary credit societies (*Societa Ordinarie di Credito*); eighteen agrarian and real property credit societies; 895 ordinary Savings banks (*Casse di Risparmio Ordinarie*); 4,763 postal Savings bank offices; and two foreign banks, one in Genoa, and one in Rome. As an example of the administration of a successful coöperative bank, Mr. Law makes the following summary of the management and accounts of the Banco Populare Di Milano:

"The paid-up capital of this bank is 8,634,250 lire, ($1,700,000) in shares of fifty lire, but there is no limit to the amount of capital, and fresh shares are issued on the demand of applicants approved by the management. No shareholders can, however, obtain more than one new share in five years, and no share is transferable for five years after the date of issue. Each individual shareholder is limited to one vote, no matter how many shares he may hold. Shareholders alone are admitted to the privileges of discount, but full discretion as to the acceptance or rejection of all bills presented for discount is vested in a committee elected by the shareholders, consisting of forty members, who take it in turns to attend the committee meetings. The reserve is equal to one-half of the capital, and new shares are issued at a sufficient premium to maintain this proportion. The present market value of the shares is 120 lire, and the annual dividends reach about 8½ per cent. on the paid-up capital, exclusive of the reserve. A great feature in the operations of the bank is the Savings bank department. There are two classes of accounts in this department, one for the more important, and one for smaller depositors. There are altogether 18,080 saving accounts, and sums as small as one lira are accepted; 2½ per cent. interest is allowed on the larger accounts, and three per cent. on the smaller. No depositor can withdraw more than 150 lire in one day. The average amount of the deposits in the Savings bank department is 340 lire. There are 7,530 accounts under fifty lire, 1,937 between fifty and 100 lire, and 5,408 between 100 and 500 lire. Interest at the rate of two per cent. per annum is allowed on ordinary accounts current."

The Bank of Paris and the Netherlands. The meeting of the shareholders of the Bank of Paris and the Netherlands on May 8, revealed a remarkably successful management of the bank during its brief history of twenty-five years. The net profits for 1896, were 6,431,137 francs ($1,250,000), and the net profits during its quarter century of life have been 160,077,633 francs ($31,000,000), of which 136,875,000 francs have been paid in dividends averaging 8¾ per cent., and 23,202,633 francs have been carried to the reserve fund. The real profits, therefore, if nothing had been carried to the reserve funds, would have averaged 10½ per cent. per year. The bank carried at the close of 1896, 8,170,843 francs in public securities, 38,563,416 francs in stock and bonds of other corporations, and 7,141,673 francs in various enterprises. The bank is interested in many new enterprises, but seems to have handled its investments with great skill. The considerable advance made to the Spanish Government for the war in Cuba was repaid from the proceeds of the big popular loan in Spain, and the Bank of Paris and The Netherlands has now very limited engagements in that country. The Russo-Chinese Bank, which was constituted just after the war between China and Japan, is one of the enterprises in which the Bank of Paris and The Netherlands is interested and has already begun business at St. Petersburg and Shanghai, with branches at Paris, Lyons, and various places in Siberia. There are branches of the Bank of Paris and The Netherlands at Brussels, Amsterdam, and Geneva, which have earned liberal profits by aiding in the placement of public and municipal loans and in the institution of new banks.

Effect of the German Bourse Law. The German Bourse Law continues to be a subject of discussion and complaint by the commercial interests. The proceeds of the imposts on the operations of the bourse for the fiscal year closing March 31, fell from 19,881,118 marks ($4,900,-000) in 1896, to 13,260,567 marks ($3,250,000) in 1897. The report of the Deutsche Bank, the powerful credit institution of Germany which took a portion of the last United States loan, reviews some of the results of the bourse law as follows:

"If in certain trades progress was arrested, and if a few agricultural products—for instance, sugar—did not yield such profitable results as were expected, the cause was not due to the general commercial position, but should rather be sought for in the operatian of new laws, which were of too partial a character, and did not lead to the result desired. On the German bourses a reactionary tendency manifested itself, which in the latter half of the year became very marked. Owing to the limitations imposed on time bargains and the development which was thereby produced in dealings for cash, a larger supply of working capital was required for conducting the business of the bourses under the new regulations. This extra demand for capital, arising concurrently with an increased demand for money for industrial and trade purposes, effected a rise in interest rates. On the other hand, the shrinkage thereby entailed in the volume of business caused a reduction in the amount of commissions earned. That these circumstances are only partially reflected in our balance-sheet for the past year is explained by the increased business transacted by our branches and profits arising from some fresh international connections."

Banking and Financial Notes.

—The Finance Minister of the Argentine Republic addressed a letter about the middle of April to the President of the National Bank, which is in liquidation, explaining the scope of the recent transfer to the National Treasury of $22,000,000 of the funds of the bank. The Minister explains that the Government only wishes to make temporary use of these funds, while the National Bank has no immediate use for them; but the moment the Bank requires them they will be handed back to it. This note is an indirect reply to the protest of Messrs. Cohen & Co., against the withdrawal of the money from the Bank, which they held to be an infringement on the rights of the holders of the municipal bonds of 1888, whom they represent.

—The Bank of Japan had outstanding on January 16, 1897, 187,680,761 yen ($94,000,000) in bank notes, against which it held gold coin and bullion to the amount of 82,321,340 yen; silver, 39,268,280 yen; Government obligations, 39,906,740 yen; and other securities held against circulation to the amount of 26,184,401 yen. The Chancellor of the Japanese consulate at London, who is quoted upon this subject by the "*Bulletin de Statistique*" for April, declares that he is authorized to declare that the Japanese Government has no intention of getting rid of its silver money even after the adoption of the gold standard, but that the silver will be employed for subsidiary coinage.

—The deposit business of the Bank of Spain increased largely during 1896, in spite of the heavy demands made upon the Bank by the Treasury. The total transactions on deposit current accounts were 11,845,247,570 pesetas ($1,800,000,000), which is 1,506,500,000 pesetas more than for 1895. The balance on hand on December 31, 1896, was 376,225,628 pesetas, an increase of 15,500,000 pesetas over the close of 1895. The deposit of securities attained a total of 170,000,000 pesetas more in 1896 than in 1895, partly as the result of loans upon railway obligations, but this source of increase proved less potent than the older methods of loans upon warehouse receipts. The profits from purely commercial operations during 1896 were 18,296,879 pesetas, an increase of 2,500,000 over 1895, in spite of the restriction imposed upon discounts by the increase of the discount rate on June 9 from four and a half to five per cent.

—The Spanish Government has decreed a new loan of 200,000,000 pesetas ($30,000,000) from the Bank of Spain. The loan is to be secured by Treasury obligations based upon the custom receipts and is a part of the loan authorized by the law of July 10, 1896, and the royal decree of November 3, 1896. The new securities bear five per cent. interest and will be placed with the public by the Bank as rapidly as circumstances permit without depressing their value. This loan, while imposing a considerable burden upon the bank for the necessary advances, does not hamper the bank so much as would have been the case if a large part of previous advances had not been repaid from the popular loan of 400,000,000 pesetas last autumn.

—The Australian banks have not yet escaped from all the embarrassments which followed the crisis of 1893. The banks which did not suspend at that time are now paying only two and a half per cent. upon deposits, while most of the deposit receipts given by the suspended banks bear interest at four and a half per cent. The London Bank of Australia has been seeking a special bill from Parliament, permitting a new readjustment with its creditors by which half of the deposits are to pay interest at two and a half per cent., the other half at three per cent., and the time for repayment is to be prolonged from 1907 to 1911. The Australian Joint Stock Bank has just issued a circular admitting a loss of £48,200 for the last half year, and proposing a new adjustment with its depositors at a reduced interest rate, with a share in the contingent profits, or the alternative of dissolution and bankruptcy.

—The progress of business and banking in Mexico was brought out in a striking manner at the annual meeting of the shareholders of the London Bank of Mexico and South America, held in London on March 24. It seems that Mexican business men desired the Mexican branch of the Bank converted into an independent institution and sent the Mexican director to London to discuss the subject. The Bank accepted the proposition of the Mexicans and became the possessor of $3,333,333 of stock in a new institution with a capital of $10,000,000 in exchange for the former allotment of $2,000,000 for business in Mexico. The last three months of 1896 showed an available balance at the Mexican branch of $423,665, of which $300,000 was added to the reserve of the new institution. One of the advantages of converting the Mexican branch into a separate institution is the power to issue nótes, of which $11,000,000 are now in circulation.

—Some painful voids were left in prominent financial families in Paris by the terrible fire at the charity bazaar. M. Hoskier, head of the great Franco-Russian Bank, who was on his way to St. Petersburg, loses his wife and a daughter, Mme. Roland-Gosselin, wife of a stockbroker; another victim is the wife of M. Theodore Porges, of the firm of bankers, Ephrussi & Porges. Relatives of several *coulissiers* and managers of firms and *agents de change* lost their lives. A daughter of M. Henri Germain, chairman of the *Crédit Lyonnais*, and two daughters of M. Mazerat, managing director of the same establishment, were among those happily saved. Mr. Henry Blount, son of Sir Edward, chairman of the *Société Générale*, and former chairman of the Western Railway Company, escaped with burns on the head, and his life is believed not to be in danger.

—A statement, apparently upon official information, is made by "*L'Economiste Européen*" of May 7 regarding the financial system of Madagascar. French coins are legal tender in that dependency and there is a sharp demand for silver pieces of one franc and two francs and for minor coins of twenty centimes, of which the Government has a considerable supply and which are not in common use in France. The French journal declares that the Government has decided that "the existence of bankable paper ought to precede the creation of a bank of issue and discount. This creation will come in time, when our new colony shall be regularly organized and when the development of interior and foreign commerce shall reveal the necessity for it."

C. A. C.

Newport News 1897

	Details	Dr bal	Cr bal
Bills Discoun		265000.00	
U. S. Bonds		50000.00	
Banking Hou		30000.00	
Five Per Cent. acc		2250.00	
Expense acct		2250.00	
Cash	0000 0	5536.00	
Bank of N.	0000 0 0	32829.13	
Third Nat Phila	0000 0000 0000	17770.87	
Norfolk Nat	0000	22800.00	
Capital Stoc			100000.00
Surplus			50000.00
Discounts			7100.00
Exchange pro[fit &] Lo[ss]			510.00
Rents			2500.00
National Circula			45000.00
Dividends unpa			150.00
Sundry Bank			17000.00
Certified Check			500.00
Inactive Deposi			77000.00
Certificates of Dep			13000.00
Active Depos			155000.00
		467760.00	467760.00

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

GENERAL LEDGER FORM.

L. M. von Schilling, of the First National Bank, Newport News, Va., sends to the MAGAZINE the form for a general ledger given herewith, and the following description of its working and advantages :

"I noticed in the March number of the BANKERS' MAGAZINE a form of general ledger, which impressed me as a very good one, and with a few changes could be made nearly perfect.

The general ledger, embracing the changes which I shall suggest, has been used by us with marked satisfaction for the last five years. Two of our neighboring banks have also recently adopted the same. It is the simplest form of general ledger I have ever seen, and must win favor with all banks doing a large business, and struggling to economize time and labor.

An open page of this general ledger shows the work of one week, also the statement of our condition for each day, which is a decided advantage over most others ; for instance, when we have a call from the Comptroller, it is only necessary for us to turn to the statement of the day called for, and make a copy. When the National bank examiner made his last examination, he expressed himself as being very favorably impressed with the system, and said that in all his territory our system of general ledger was by far the easiest to check up with the statement made to the Comptroller, taking him only ten minutes, whereas in most banks it required from an hour to an hour and a half.

The accompanying form shows Saturday's statement as brought forward, and the work and statement of Monday. Since the names of all our accounts are printed, our balances, which are in the form of a statement of our condition, require only a few moments at the end of each week to transfer them.

When the letter R or C appears, it means the remittance or collection credited to the bank whose account it appears opposite ; and the debit, of course, represents the total from the remittance register. When we have several items to return we list them separately in the debit detail column with our total remittance, and extend the total. Our ledger in this respect, you will observe, is exactly like that in your March number, from which it is very easy to render an account, or check up an account rendered.

Our individual deposits are divided into two classes, active and inactive, and the totals are posted accordingly, making it much easier for the bookkeepers to take off their proofs. This, I suppose, is done in most banks of any size.

It will be observed that the general ledger brings together every department without the use of the old-time cash-book (a book which is fast disappearing, and giving place to new and far superior forms), dealing only with total debits and credits as taken from the auxiliary books direct.

I will venture to say that the Cashier of the largest bank in this country, with this system, could enter the totals as called off from each department, make his additions, subtract debit from credit and call for the teller's cash, all in about thirty minutes ; enjoying at the same time the supreme satisfaction of balancing his own books.

My praise of this system of general ledger is probably very great, but I am by no means alone in my opinion. I have heard officials in the two other banks, which were induced by us to use this system, say that it was the greatest book for economizing time and labor they had ever seen. Of course we all recognize the fact, that to preserve a perfect record of everything is one of the most essential features of banking. Our system accomplishes this in a most satisfactory way.

Our departments are so arranged that the work in each is completed at about the same time, after which an average of fifteen minutes is required to figure the ledger. If cash is not correct on the first trial, officials change departments, beginning to check; and if it is necessary to go through the whole thing, it generally requires about an hour. If at the end of that time efforts are not successful, we, of course, have to check each item to its source, which requires considerable time.

Follow closely the figures and make the calculations on the enclosed form. For example, Saturday's statement shows bills discounted, $250,000. On Monday, $10,000 worth of new notes were discounted, and $5,000 paid, which leaves a balance of $255,000 to be extended in Monday's statement.

Every other account is figured and carried in the same way except the cash, which is taken from the teller's cash-book, and should represent the excess of credit over debit, which it necessarily will if the books are kept in balance. Of course when this form of ledger is adopted, it will often be necessary to make other slight changes, at least such has been our experience; but I am persuaded when it is once adopted, there will be no desire to return to the old form."

GENERAL LEDGER WITH TWO BALANCE COLUMNS.

In the present issue of the MAGAZINE is shown a form of general ledger with a double balance column. In an individual ledger only one balance column is necessary as the overdrafts can be shown in red ink. In the general ledger, however, the balances vary so greatly that two balance columns are desirable. Bookkeepers who have never used a balance column in a ledger usually object that it must take too long to strike the balance with every posting. "The proof of the pudding is in the eating," and all we can say to such objectors is to try it and be convinced.

RECONCILEMENT FORMS COMMENDED.

A National bank examiner of wide experience writes to the MAGAZINE strongly commending the forms for reconciling accounts between banks, published on pages 240, 241 of the February number. He states that after using these forms constantly for the past five years nothing better has been found for the purpose, and he urges all subscribers of the MAGAZINE to examine the forms and to test their practical value.

Fourth National Bank

1897			Charges	Debit Balance	Credit Balance	1897			Credits
					29 617 01	Apr.	2	Cash letter	29 617 01
Apr.	2	Cash letter	34 617 19	5 000 18					
	"	Beaver & Co.	1 516 22	6 516 40					
					8 399 77		3	" "	14 916 17
	3	Cash letter	27 684 16	19 284 39					
		Horton - Returned	416 75	19 701 14					
				86 35			5	" "	19 614 79
	5	Cash letter	31 416 08	31 502 43					
					8 661 65		6	" "	40 164 08
					10 556 71		"	McCormick	1 895 06
	6	" "	14 674 19	4 117 48					

FORM FOR A GENERAL LEDGER WITH TWO BALANCE COLUMNS.

THE SAVINGS BANK AS A PUBLIC SCHOOL OF PRIMARY ECONOMIC INSTRUCTION.

[Address delivered by Hon. WM. L. TRENHOLM at the Annual Meeting of the Savings Banks' Association of the State of New York, held at the Chamber of Commerce, New York city, Thursday, May 20, 1897.]

The most pressing need of the people of the United States to-day is a generally diffused elementary knowledge of economic science.

Every voter should be able to discern the difference between an economic truth and a demagogic fallacy; for, unfortunately, as the poisonous toadstool resembles the succulent mushroom, so does the economic fallacy put on the appearance of truth, insomuch that whole communities are suffering because a majority of their voters have mistaken the toadstools of their political theorists for the mushrooms of the political economists.

Such suffering must continue, and will even extend more widely, until at least a majority of our voters attain sufficient knowledge on the subject to enable them to select as their Senators and Representatives in Congress, and in the State Legislatures, only men qualified to deal understandingly, and therefore wisely, with the important economic questions which at present dominate both local and national politics, and which apparently must be settled ultimately by the people at the ballot-box.

Some of these questions involve the public utility, perhaps even the future lawfulness, of long-established methods of business and widely accepted principles of commercial dealings; while others affect the scope, and indeed the further existence, of corporations and other associations by means of which men having common interests and objects have been accustomed to unite their means and abilities for the more effective protection of those interests and the surer accomplishment of those objects.

The commercial methods and principles, the combinations of effort and of capital, that are thus called in question have heretofore been regarded as the products of a natural and healthy economic evolution. As such they have been accepted by all our people, and we are all dependent upon them in greater or less degree. They have so completely taken possession of every department of industry, of every branch of trade, of all our systems and channels of transportation, of our banking arrangements and internal exchanges, that to disturb them is to provoke an industrial, financial and social revolution co-extensive with the national domain.

It is manifest that when such far-reaching questions once absorb public attention, all other issues will be postponed until these are settled; and it is well that this is so, for a speedy settlement is of pressing importance.

It may be expected, therefore, that for many months to come—perhaps for years—the minds of voters will be occupied with these matters; and hence, although truth and right must finally prevail, every man who can enlighten the understandings, and guide aright the thoughts of others, should do his utmost towards producing a public sentiment that alone can thwart and speedily defeat the agitators who are now so disastrously disturbing the industrial peace of the country.

It seems to me that you gentlemen, officers of Savings banks, can do good service by taking part in the discussion of these questions. You enjoy exceptional opportunities for giving object-lessons to great numbers of our fellow citizens who are of all others the most deeply interested in good economic legislation. You can show to your depositors, on the one hand, and on the other hand to those to whom, on the security of their property, you lend the money of these depositors, how closely related are the interests of lenders and borrowers; how necessary the secure tenure of property is to the very existence of labor-employing industries. A Savings bank exists only by being both debtor and creditor, especially when, as in this State, it has no capital and consequently no stockholders. Any person of ordinary intelligence can be made to understand that the depositors in such an institution are the capitalists who really own the money it lends to borrowers; and hence that every such depositor, however small his deposit may be, should find out surely how any proposed legislation touches the interests of capital before he commits himself in favor of it.

The creditors of a Savings bank, its depositors, belong generally to the "masses;" its debtors to the "classes" so-called. Is it not well, and will it not be easy, to have this understood? The politicians pretend that the "masses" alone are debtors, and that all capitalists and creditors belong to the "classes." Again, a Savings bank is an agency by means of which its numerous depositors are able to combine their several small capitals into larger masses, thus securing by combination a rate of interest which could not be obtained with equal security if each had to lend out his own capital separately. Here is an object-lesson for those who are being cajoled to to their own detriment by the politicians through legislation which makes it a crime for any one to contribute to effecting combinations of capital, which, whatever their design, may result in so vague a thing as "the restraint of trade." Every depositor in a Savings bank is in danger of being made a criminal by the mere enactment of the anti-trust laws of this enlightened State of New York. If those laws should be strictly interpreted and impartially enforced who can escape?

No doubt it sometimes occurs that the officers of a given Savings bank will be able to show practically how the savings of the laborers in a local factory, or other industrial establishment, become combined by deposit in the bank into large sums which are lent by the bank to that very establishment, thereby increasing its facilities and enlarging its laboring force. Here would be an opportunity to impress upon both employers and employed the great truth that organized industry is the solvent which blends harmoniously and indistinguishably the interests of labor and capital. This truth is not self-evident, but it needs but little argument to be proven. Every organized industry in this country is subject to competition with similar organizations both here and abroad, and as long as they compete on equal terms, they should all succeed; but any such industry, wherever situated, will surely fail if it should be burdened more than its competitors. If the masses of our people could be taught to see things as they really are, they would perceive that, when labor and capital make a partnership in New York to compete with a similar partnership between labor and capital in New England, New Jersey, or in Europe, any burden laid upon either labor or capital in any one of these places is a burden upon the partnership, handicapping it in the competition and inflicting a loss that has eventually to be shared between the partners, without regard to which was primarily subjected to it. Any burden upon capital here places a premium upon capital similarly employed elsewhere; any burden upon labor here benefits labor elsewhere; any burden upon a combination of labor and capital here gives, inevitably, greater profits to similar combinations of labor and capital elsewhere.

Suppose the case is put this way: Capital and labor are the two legs upon which industry walks. No man can favor one of his legs except by fettering the other, and there never yet has been seen a man with one leg free and a ball and chain on the other who would not be a faster mover and a happier fellow if both legs were free.

From of old until recent years, European industry had its labor leg fettered; for about one hundred years, American industry has had both legs free, and all the world has been amazed at its strides; but now we are putting fetters on the capital leg, and wonder that industry halts in its pace!

England, where capital has always been unfettered and vested rights secure, struck the fetters from the labor leg of her industries when she abolished the corn laws, and so made bread cheap; and, since that day, she has had both legs free, and all her people have prospered. The interests of capital in England shared in the benefits following the unfettering of labor there, while the magnitude of our Savings banks deposits is conclusive proof that American labor got its full share of the prosperity that fairly deluged this country as long as capital was free from the threats and assaults of politicians. "Why," you are entitled to ask your depositors, "why should we not revert to our former estate of unfettered industry, since we have seen how England has been prospering while we have been suffering from industrial paralysis." This industrial paralysis, our political wiseacres tell us, is the result of an irrepressible conflict between labor and capital; they pretend that capital has been oppressing labor and that legislation is necessary in order to protect labor from capital. If the magnitude of the deposits in the Savings banks of this State is the measure of the oppression of labor by capital, the more of that oppression we have the richer will our laborers become.

The truth is, capital cannot oppress labor without detriment to its own interests; and labor cannot oppress capital without like detriment to itself. Taking the community as a whole, capital and labor are partners, as I have said, and what hurts one hurts both. But, say the politicians, in particular cases the profits of the partnership are not fairly divided—capital exacts too large a share. The answer is, "leave both capital and labor free to make their own bargains, and trust the result to the operation of those natural economic laws which Divine wisdom has devised to provide for these very cases."

We may well say to those who are trying to nullify great Nature's ordinances by statutes enacted at Albany and Washington, "Look far and wide upon this glorious country of ours, its seventy millions of people well fed, well clad, well housed, its cities, railroads and steamboats, its factories, mines, forests and fields, its infinitely varied resources, and its abounding products. Does it not seem beyond comprehension, almost, that all this affluence of wealth and power should have been accumulated during little more than a century of national life?"

A hundred years or so ago the thirteen colonies began their free and independent political existence. Thirteen little seedling communities, torn by the rude hand of Revolution from the parent civilization and thrust bruised and ragged as they were into the soil of an unexplored continent. Three millions of people in all, scattered along more than a thousand miles of coast, with three thousand miles of sea in their front, and a still greater expanse of primeval forest at their back.

A hundred years ago there was not anywhere on the continent of North America a steam engine of any kind, not a mine, not a spinning frame, not a power loom, or anything that would now be called a factory; not an agricultural implement, except the simplest forms of hoes, rakes and plows; hardly any paved streets, and very few miles of road practicable all the year round.

Set this picture of our country as it was in 1797 against your knowledge of it as it is in 1897; and then believe, if you can, that this great change could have been wrought if the statutes of to-day had been in force during that hundred years. Indeed it was from the eighteenth century prototypes of these very statutes that the Colonial Fathers sought relief in emigration, and against the extension of them to the Colonies that the Revolutionary Patriots took up arms; yet to-day we have deliberately re-enacted these laws and are wondering that so many people are impoverished, harassed and dissatisfied. If we and our children had been taught economics as we were taught heroics; if the industrial value of personal freedom were as well understood as is its priceless political value, everybody would know that meddlesome laws destroy prosperity and breed discontent. No one would suppose that men can prosper, or that they can be happy, if they are compelled, like half-broken setters and pointers, to hunt industrial fields, with spiked collars and checkstrings on their brains, or that they can keep up in the industrial race with the free men of other communities, when their own State or country handicaps them with statutory burdens upon either the capital or the labor necessary to their success.

It may perhaps seem a great task to educate the masses of voters in elementary economics, but they will really educate themselves if once they become emancipated from the prejudices which are bred by narrowness of environment and which have been fostered by the politicians and so-called labor leaders. All that is needed is that they should do their own thinking, and the first step in that direction is for them to learn that the way to understand and to test the truth of economic principles is by studying the various industrial facts within their own observation and by applying what they thus learn about the things which they are familiar with, they will soon discover how to form correct opinions on the greater questions upon which they are called upon to vote. The daily operations of Savings banks supply many most instructive economic facts in a form easily understood.

Charlatans and others who mislead the people on these subjects always deal in generalities and confuse their followers with great numbers. Millions and billions are incomprehensible to the average voter, and he is bewilderingly impressed by an orator who seems familiar with what men do and think when they are numbered by the million, and what dollars are capable of accomplishing when they are aggregated into billions; but you gentlemen can explain that a million men can do no more than one man repeating his effort a million times, and therefore, while a million men, by combining, may accomplish in one year what no one man could accomplish unless he lived a million years, still the limits of human capacity are not enlarged by aggregating individuals, indeed they are rather lessened since the average capacity only prevails when large numbers combine. It is demonstrable that a thousand men, taken indiscriminately, cannot accomplish a thousand times as much as one man specially selected for the thing to be accomplished. Men constrained to move or act in combination generally lose capacity—the average soldier will travel faster, farther and with less fatigue, walking alone, than he can do marching in the ranks.

All this goes to show that when men combine in corporations they do not gain capacity necessarily, and therefore there is no reason to fear that corporations will extinguish or even discourage individual effort.

As with men so with dollars. A million dollars will buy property or products a million times more valuable than property or products purchasable with one dollar, but there the advantage of the greater sum ends. When A pays a dollar for a yard of silk, he parts with his dollar and has the silk; so when B buys a million yards of silk for a million dollars, he parts with his million dollars and has the silk.

If you gentlemen can only succeed in disseminating one primary truth among the people, you will do a great deal. It is the truth which Adam Smith made the basis of his political economy and which lies at the root of all sound economic doctrine; namely, that not money, but money's worth, value, is the object of pursuit in communities which, like ours, are engaged in industry.

The money that comes as wages to the laborer goes out again; a part is paid for expenses, the balance is paid into the Savings bank. Where is the money itself? Gone; he knows it, but is satisfied. He has the entry in his bank book, and he prefers that to money. Why? Because that draws interest, while the money never draws interest. This man who has a Savings bank book is a capitalist, while the grocer to whom he probably looks up socially has no bank account drawing interest. The grocer and all other traders pay interest to banks; they receive none; their need to borrow capital contributes to the economic adjustments which enable the Savings banks to pay interest to their depositors.

The Savings bank depositor, besides drawing interest on his deposit, is vitally interested in the ability of the bank to return to him on demand the principal sum of money on which interest has been paid; and here the question of money's worth comes home to him in a vital way. If, through the fault or the misfortune of the Government or the community, the money in circulation becomes depreciated in real value, those to whom payments are due suffer, each in proportion to the amount he is to receive, the full effect of such depreciation. When, for example, depositors in the Savings banks represented here to-day desire to withdraw their deposits, they will receive money that will buy just as much as the money they put into the bank; whereas, had the basis of our currency been changed from the dollar of gold to the dollar of silver, each depositor, in withdrawing his deposit, would find that it would purchase only half as much as the money he had put in before the change took place. It is a momentous thing to a poor man to have the value of his savings cut in half. The rich men are making a great outcry because it is proposed to assess upon their estates a tax varying from ten to twenty per cent. upon the value of that which they leave behind them. This measure of taxation is supposed to be in the interest of the poor: and yet great numbers of those who have advocated the tax are also advocates of a monetary system which will tax the thrifty poor man who has a Savings bank deposit quite fifty per cent. of his savings, as against the ten or twenty per cent. which the law proposes to exact from the rich man.

I hate appeals made to men as rich or poor. In a republic all men are equal before the law; and the law should be blind to inequalities of fortune, as Nature is blind to the inequalities of opportunity. In a republic the law should make it easy for every man, be he rich or poor, to better his condition, to accumulate wealth and to acquire property to the full value represented by the personal effort or the accumulated savings which he has put into its acquisition. The very politicians who insist upon always harping upon the inequalities of fortune, have been for a long time creating and aggravating inequalities of opportunity, and now they are attributing to the greed of the wealthy, or to the craft of those employed by corporations, economic conditions which are only the fruit of unwise and improvident laws. These laws have been placed upon the statute book by the aid and with the concurrence of the very men who use their injurious effects as political capital in their trade of mischief-making agitation. Mr. Micawber, as we all know, defined riches to be an excess, however small, of income over out-go; and poverty to be an excess, however small, of out-go over income; and this, after all, is the final difference. One man who saves from his income enough to put up money in bank, is rich, in comparison with his neighbor, who, receiving the same income and spending more freely, puts up nothing. Why should the law distinguish between these two men, to the injury of him who saves? By saving, he contributes to the available productive capital of the country; he contributes to the enlargement of its industrial facilities, and therefore to the larger employment of labor.

You will observe, gentlemen, that I have only skimmed over the surface, as it were, of the suggestive field of thought, to which the invitation of your committee has opened the way. No doubt you will all be able to turn to advantage the opportunities afforded by your close relations with large bodies of our fellow citizens; and if in the course of your dealings and communications with them anything here said may suggest how an economic truth may be illustrated or enforced, I shall feel all the more grateful to you for having afforded me an opportunity of saying what I have said, and for having been listened to so patiently.

STATE BANK SUPERVISION.

VARIETY OF THE LAWS RELATING TO THE EXAMINATION AND CONTROL OF STATE AND PRIVATE BANKS.

Every National bank in the United States is under the direct control of the same supervising officer—the Comptroller of the Currency, and with a few special exceptions all are doing business under precisely the same laws. They must make reports when called on by the Comptroller, and all are subject to examination by officers appointed by him.

Under the State banking laws of the country there are many kinds of institutions doing business, and the provisions in regard to their examination and control are of great diversity. In several States banks are not subject to any supervision and in others the regulations are fully as stringent as those under which the National banks operate. Most of the States carefully regulate the banking business, and their banks are in no sense inferior to those in the national system.

It is also true that in some of the States having no rigid system of direct supervision the banks are generally well managed and failures are infrequent. In Maryland, for instance, while the banks make and publish reports twice a year, they are not subject to examination nor is there any direct supervision by the State. Yet bank failures seldom occur, doubtless because of the conservative character of the people or for some other reason in no wise related to the banking law.

It is the general opinion of those most competent to judge, however, that State control of banks tends to promote sound methods of banking, and to minimize the losses to stockholders and depositors. In the parts of the country where the growth in population and wealth has been rapid and the temptations to speculation and loose business methods correspondingly great, a need of some wise restraint on the banking business has been especially apparent. Many of the newer States have modelled their banking laws on those of older settled States, adding such new features as the local requirements seemed to demand.

No system of State or national control has succeeded in preventing bank failures, but it is believed that such laws set up a higher standard of banking to which most institutions seek to conform.

We present below some of the salient provisions of the banking laws of the various States, having obtained the information in every instance from official sources.

Acknowledgment is due to the bank superintendents and other State officials for their prompt and courteous responses to the enquiries sent out by the MAGAZINE.

These enquiries were in the following form:

Are your banks under State supervision?

If so, are private banks, loan, trust and investment companies required to submit to examination and make reports?

How many reports are required each year?

What is the official title of the supervising officer?

By whom is the office held at present?

What is the compensation, and how determined?

Are the examiners of banks paid a salary, or a fixed sum for each bank examined?

In case the report from any bank is unsatisfactory, what power has the supervising officer in the premises.

What per cent. of reserve is required?

Is there any requirement as to the amount of paid-in capital, and if so what is the minimum?

Please add any other information in regard to bank supervision in your State.

ALABAMA.—Sworn statement must be filed with the Secretary of State by the incorporators when bank begins business. After that there are no further requirements.

Minimum paid-up capital, $25,000.

CALIFORNIA.—All classes of banks are required to submit to examinations and to make three reports each year.

Banks are under the supervision of the Board of Bank Commissioners, at present constituted as follows: Paris Kilburn, J. B. Fuller, H. W. Magee; C. W. Dunsmoor, Secretary. Each member of the board receives an annual salary of $3,600, and travelling expenses. The office of the board is at San Francisco.

Requirements as to capital are as follows: Cities of less than 5,000 population, $25,000; cities of 5,000 to 10,000, $50,000; cities of 10,000 to 20,000, $100,000; cities of 25,000 and upwards, $200,000. Fifty per cent. of capital must be paid in at time of incorporation, and balance within two years.

In case the report of any bank is unsatisfactory the Attorney-General may begin proceedings against it.

There is no fixed reserve required.

A distinguishing characteristic of the California banks is that they pay their obligations in gold, a custom that prevails in only a few other States.

COLORADO.—Reports are required of State banks, trust companies and Savings banks. The latter institutions make four reports annually and the former two. There are no examiners. Reports are made to Geo. W. Kephart, State Treasurer, Denver.

Savings banks are required to keep a reserve of twenty per cent.

Minimum paid-in capital of banks organized under State laws, $25,000.

In case of unsatisfactory reports from any bank the supervising officer has no jurisdiction.

CONNECTICUT.—All banking institutions are under supervision, except private banks.

State banks and trust companies must report four times a year, Savings banks and mortgage companies once a year.

Board of Bank Commissioners—Edward R. Doyle, Hartford; S. W. Crofut, Danielson; Charles H. Noble, New Milford. Salary, $2,500 a year, each, and an allowance of $500 for travelling expenses.

When the condition of any bank is found unsatisfactory, the State's Attorney is notified.

Banks and trust companies are required to keep in their banking offices in gold and silver coin, bullion, bonds, legal-tender notes or National bank currency an amount not less than one-tenth of their liabilities, except capital stock; but the bonds of the United States so included in said reserve fund shall never exceed one-twentieth of said liabilities.

DELAWARE.—There is no general banking Act, and no provision for official examination. The directors of the Farmers' Bank of the State of Delaware, and its branches, are required to make an annual report of condition to the Governor.

Banking associations are prohibited from being formed, except under special Act of the Legislature.

FLORIDA.—Annual returns of condition must be made to the State Comptroller by banking corporations and individual bankers. They are also subject to the inspection and supervision of the Comptroller, who must report the result of his examination to the next session of the Legislature.

At the date of compiling this summary, amendments to the law were pending in the State Legislature. The MAGAZINE is advised that in the event of the adoption of these admendments, the banking law of Florida will closely resemble the national banking law.

GEORGIA.—State banks only are under supervision, and make not to exceed four reports a year to the State Bank Examiner, W. J. Speer, who is also State Treasurer. Compensation of the examiner is $1,200 a year, which is assessed against the banks in proportion to their capital. Examiner is allowed an assistant. Personal examination of the banks is made once a year without previous notice to banks.

Reserve required, twenty-five per cent.

IDAHO.—Has no banking law.

ILLINOIS.—State and Savings banks and trust companies are under supervision and are required to make four reports a year.

The official title of the supervising officer is Chief Clerk of the Banking Department, and the office is held at present by George S. Thomas, Springfield. His salary is $2,400 a year.

As often as he may deem necessary the Auditor of State shall appoint a suitable person to make a thorough examination of the affairs of every bank established under the provisions of the banking Act. He is authorized to make an examination (and must do so once a year) of all the officers and employees of the bank under oath, and to make a detailed report of the condition of the bank to the Auditor. Examiners receive ten dollars for each day actually employed in making the examination, and two dollars for each twenty-five miles travelled. They are paid by the banks examined.

Requirements as to capital stock vary from $25,000 to $200,000, according to population.

The Auditor may proceed against banks whose capital is impaired, either compelling them to make good the impairment, or he may apply for the appointment of a Receiver.

Twenty per cent. reserve is required. Trust companies must also submit to examination, and file a report with the Auditor once a year. They may be proceeded against for violations of law or for doing an unsafe business.

It has been proposed recently to create a separate banking department, and also to place a special officer in charge of the banks. At present the bank department is an auxiliary of the State Auditor's office.

INDIANA.—State banks, Savings banks and loan and trust companies are under the supervision of the State Auditor, who is at present A. C. Daily, Indianapolis.

Banks make five reports a year; trust companies one report. These reports shall be in the form required by the Auditor and must be published. Examinations may be made by the Auditor whenever he deems necessary, and if the condition is unsatisfactory he may take charge of the bank and apply for the appointment of a Receiver. The Auditor may also call for special reports at his discretion.

Compensation of examiners is fixed in proportion to the capital of the bank examined.

Fifty per cent. of capital must be paid in before a bank may begin business.

IOWA.—Banks are subject to examination by the State Auditor as often as he may deem necessary. Four reports are required during each year.

Supervising Officer—C. G. McCarthy, Auditor of State, Des Moines.

Examiners are paid a sum varying in proportion to the capital of the banks.

The Auditor has power to enforce compliance with the banking laws.

No stated amount of reserve is required.

Minimum capital of State banks is $25,000; in cities of over 3,000 population, $50,000. The minimum capital of Savings banks is $10,000, and $50,000 in cities of more than 10,000 population.

[The last session of the Iowa Legislature amended the banking law in several important particulars. These amendments take effect October 1. After that date State banks in towns of less than 3,000 inhabitants must keep a reserve of ten per cent., and in other towns and cities fifteen per cent. of deposits. Savings banks in towns of less than 3,000 will be required to keep a reserve of fifteen per cent. of their commercial and eight per cent. of their Savings deposits. In other towns and cities the cash reserve must be twenty and eight per cent. respectively.]

KANSAS.—There has been a recent revision of the banking law of this State. Both State and private banks are subject to control of the Bank Commissioner, and must make reports to him in such form as he may prescribe. Private bankers are required to keep their banking separate from other business, to select a name for their bank and hold all its property in this name instead of the name of the owner. By a regulation of the banking department loans to stockholders of an incorporated bank are restricted to fifty per cent. of capital.

Banks are required to make four reports a year.

Bank Commissioner—John W. Breidenthal, Topeka; salary, $2,500. There are also two deputies who are paid a salary of $1,200 each.

The commissioner may call for any information he desires, and may close the bank for failure to comply with his request. He also has power to compel banks to make good any impairment of capital.

Twenty per cent. reserve is required in towns and cities under 5,000 population, and twenty-five per cent. in cities of more than 5,000.

Minimum capital, $5,000.

Total investments of banks are limited to four times their capital and surplus. Investment in banking house, furniture and fixtures limited to one-third of capital.

KENTUCKY.—Banks are required to make reports four times a year to the Secretary of State, who may have bank placed in hands of Receiver if condition is unsatisfactory.

Twenty per cent. reserve is required.

Minimum capital, $15,000.

LOUISIANA.—Banks and individuals doing a banking business are under the supervision of the State Treasurer and the Secretary of State, and are subject to examination and required to publish reports.

MAINE.—All State banking institutions are subject to examination, and by law the Bank Examiner is required to make such examination at least once each year.

All State banking institutions are required to make report whenever required to do so by the banking department. All Savings banks have heretofore been required to make reports each year; trust companies, one each year.

Bank Examiner—Fremont E. Timberlake, Augusta; paid salary.

When reports are unsatisfactory the bank examiner may apply to the Supreme Judicial Court for orders restraining State banking institutions from transacting business contrary to regulations prescribed by law, and when necessary, to appoint Receivers to wind up their affairs.

Reserves—Savings banks, one-half of one per cent. annually, till reserve equals five per cent. of deposits; trust companies are required at all times to keep on hand as a reserve, in lawful money of the United States, an amount equal to fifteen per cent. of the aggregate amount of their deposits which are subject to withdrawal upon demand or within ten days.

Savings banks have no capital stock; capital stock of trust companies fixed by charters granted by Legislature.

The banking laws have recently been amended in the following features: Savings banks are required to make report at any time when required to do so by the banking department; trust companies placed under the same supervision and subject to the same restrictions by the banking department and court as Savings banks.

MARYLAND.—Banks are not subject to direct State supervision, but make semi-annual statements of condition to the State Treasurer, which reports must be published. They are also required to make one report a year to the State Tax Commissioner for taxation purposes.

A notable feature of the banking law is that prohibiting any person or bank from rehypothecating any stock, bonds or other security which is held by them as security, the title to which passes by delivery or endorsement, without the consent of the pledgor.

A correspondent sends to the MAGAZINE the following additional information in regard to bank supervision in Maryland.

"There is no Commissioner of Banking or any other State official having control and supervision over Maryland banks. There are in fact very few banks doing business under the laws of the State of Maryland. Almost all of the institutions are National banks or are Trust companies, or are companies specially incorporated by Acts of the State Legislature. Our code, however, Article 11, provides for the formation of banks by any number of persons, not less than five, and makes various provisions in respect to the management of the corporation, powers of the officers, etc. All such institutions formed under the general laws of this State are subject to the provisions of Article 11, Section 23, Sub-Article IV, which is as follows:

'The treasurer of this State shall be furnished with statements of the amount of the capital stock of the corporation, and of the debts due to and from the same, specifying those due to and from other banks, of the moneys deposited therein, of the notes in circulation, of the cash on hand, specifying the amounts of coin, and of the notes of other banks; of the value of the real estate held by the corporation, and of the amount and value of public or other stocks owned by the corporation; said statement to be furnished twice in each year, and to show the condition of the corporation in the said particulars, as the same shall appear at the close of the business transactions of the day in settlement thereof, on the first Monday of January, and the first Monday of July; and each of the said corporations shall publish said statement so made to the treasurer, in at least one of the daily newspapers published in the City of Baltimore, if the corporation be located in said city, or in a newspaper published in the county in which the corporation may be located, if not located in said city; said statements in all cases to be verified by the oath, or affirmation of the President or Cashier of the corporation.'

There is also a provision to the effect that:

'The Comptroller shall require of the President and directors of each of the banks of this State which by their respective charters are directed to furnish statements once a year or oftener to the Treasurer or Comptroller, to furnish such statements within the month of January in each year and to transmit to the said Comptroller an abstract of the condition of each bank as they may respectively stand on the first Monday of said month of January. But nothing herein contained shall diminish or impair the right of the Comptroller to make such requisitions for information from said banks at other times, and as often as he shall deem necessary.'

There is no requirement of our law in reference to the supervision of unincorporated banks or of banking firms. For the purpose of taxation of shares of stock, all of the banking corporations of every kind are required to make returns to the State Tax Commissioner, of the names and addresses, etc., of the stockholders."

MASSACHUSETTS.—Savings banks, co-operative banks, and loan and trust companies are under State supervision. Has no private banks. Savings banks and co-operative banks are required to make annual reports, October 31. Trust companies are required to make semi-annual reports, and some of them to make reports at other times when called for by the commissioners.

Board of Commissioners of Savings Banks—Starkes Whiton, Chairman; Wm. D. T. Trefry, Warren E. Locke. Salary of Chairman, $3,500; other two, $3,000 each; fixed by Legislature.

Commissioners are the examiners and are paid salaries as above stated out of State Treasury.

Banks may be restrained by injunction when their reports are unsatisfactory.

Reserve—In case of trust companies, with a few exceptions, fifteen per cent. of deposits.

The general law in relation to trust companies, as amended at the recent session of the Legislature, provides that "the capital stock of every such corporation shall not be less than $500,000 nor more than $1,000,000, except that in any place the population of which does not exceed 100,000, the capital may be not less than $200,000."

MICHIGAN.—All banks except private banks are under State supervision, and are required to make four reports a year.

Commissioner of Banking—Josiah E. Just, Lansing; salary, $2,500 and expenses. Examiners are paid a salary and expenses, which is provided by an assessment of .01 of one per cent. on daily statement footing on day of examination.

Commissioner has power to take possession and close banks when condition is unsatisfactory.

Reserve required, fifteen per cent. of deposits, except reserve cities, twenty per cent.

Minimum capital, $15,000.

MINNESOTA.—All banking institutions are under State supervision except general loaning companies and private banks.

Commercial banks are required by law to make four reports a year, and Savings banks one report. As a matter of practice reports are made by the commercial banks on the same dates as the National banks, which report five times a year to the Comptroller of the Currency.

Superintendent of Banks—M. D. Kenyon, St. Paul; salary, $3,500 a year. Examiners are also paid a salary, appropriated by the State.

Stockholders may be assessed when reports show impairment of capital, and Receivers may be appointed for violations of law.

Reserve required, twenty per cent.

Capital fixed by law varies from $10,000 to $25,000 according to population, and must all be paid in before bank begins business.

MISSISSIPPI.—This State shows a somewhat remarkable record for the past four years, only four banks having closed during that time. Three of these were National banks, two of which went into voluntary liquidation. Considering that this period includes the panic year of 1893 when bank failures were numerous in nearly all the States, this is a fact worthy of mention. The law of Mississippi in regard to bank statements is very simple, being as follows:

Bank Statements.

Banks to make and publish (Acts 1888, p. 29).—Every bank and every person, corporation or association of persons receiving money on deposit, or issuing, buying or selling exchange, or otherwise doing a banking business, shall make a balanced statement, under the oath of the owner, or one or more of the officers of the bank, to the Auditor of Public Accounts, at least four times in each year, of the condition of the bank or banking business, showing the resources and liabilities thereof, and the amount of the indebtedness to the bank which is owing by its owners, or stockholders and officers and directors, on the blank forms prescribed by the Auditor, and in duplicate. On receiving the statement the Auditor shall examine it, and, if found correct, shall file one copy and return the other to the bank, indorsed "Examined and found correct," and the bank shall thereupon, within ten days, cause the same to be published, with the indorsement of the Auditor, at its own expense, in a newspaper published at the place of the domicile of the bank, or, if there be none so published, in a convenient newspaper having a circulation in such place.

When made; requisitions for.—The Auditor shall, at least four times in each year, and at times known only to himself, make a requisition upon each bank and banking house for the statement required by the preceding section; and, upon receipt of the requisition, each bank or banking house shall forthwith forward the duplicate statements of the condition of the bank on the close of the day named by the Auditor.

Penalty for neglect or refusal.—If any bank or banking house shall refuse or neglect to return such statement, within ten days after the mailing of the requisition, it shall forfeit and pay to the State twenty-five dollars for each day's delay, and the Auditor shall cause suit to be instituted for the forfeiture at once; and he shall, immediately after the expiration of the ten days, publish the fact of the failure to make the statement in a newspaper published at the capital, unless he shall have reason to believe that the failure had been caused by some casualty.

The statements provided for above are made in the following form:

Statement Showing the Condition of the .... of
................................, Mississippi, on .... 189....

Published by Direction of Chapter 14 of Annotated Code of 1892.

Resources.		Liabilities.	
Loans and discounts on personal endorsements, real estate or collateral securities,	$..........	Capital paid in,	$..........
Overdrafts secured,	....	Surplus,	....
Overdrafts unsecured,	....	Undivided profits,	....
Stocks,	....	Individual deposits subject to check,	....
State bonds,	....	Time certificates of deposit,	....
County bonds,	....	Bills payable,	....
Leveé bonds,	....	Due other banks,	....
City bonds,	....	Rediscounts,	....
Banking house,	....		
Other real estate,	....		
Furniture and fixtures,	....		
Expenses,	....		
Taxes,	....		
Sight exchange,	....		
Cash on hand,	....		
Total,	$..........	Total,	$..........

Of the above amount of loans and discounts.

To officers of the bank, ... $..........
To directors of the bank, ...
To stockholders of the bank, ...

I, ... of .... bank, of .... Mississippi, do hereby certify that the foregoing is a true, full and exact statement of the assets and liabilities of said bank on the day and date named therein, as shown by the books of same.

....
....

Sworn to and subscribed before me, a .... in and for the county of .... Mississippi, this the .... day of .... 189....

....
....

Examined and found correct.

.... *Auditor.*

This .... day of .... 189....

MISSOURI.—Banks are under the supervision of the Secretary of State, who is at present A. A. Lesueur, Jefferson City. He is paid a salary, and the bank examiners are likewise compensated from the bank examination fund paid in by the banks in proportion to their capital.

All kinds of banks must make at least two reports a year.

When reports are not satisfactory, compliance with the law may be demanded, which if not made the Secretary of State may take charge and apply for the appointment of a Receiver.

No fixed reserve required.

Minimum capital is $10,000 for incorporated banks and $5,000 for private banks.

MONTANA.—Four reports a year to State Auditor are required of all banks except private banks.

Examinations are made by the State Examiner, who is at present John G. Morony, of Helena. His salary is fixed by law at $2,500 a year.

Action may be taken by the proper State authorities when reports from any bank are unsatisfactory.

Reserve required, twenty per cent.; one-half may be kept with other solvent banks, balance must be in cash.

Capital stock of State banks must not be less than $20,000, which must all be paid in in cash. For State Savings banks the minimum capital is $100,000.

NEBRASKA.—In this State the supervising authority is the State Banking Board, composed of the State Treasurer, Attorney-General, Auditor of Public Accounts, and Secretary of the State Banking Board. The latter has general supervisory powers, subject, however, to an appeal to the board.

Incorporated commercial and Savings banks and private banks are under supervision, four reports being required each year.

Supervising Officer—P. L. Hall, Secretary State Banking Board, Lincoln; salary, $1,500 a year. Examiners are paid a fixed sum for each bank examined.

When the condition of any bank appears to be unsatisfactory, an examiner may take charge and hold until Attorney-General can apply for a Receiver.

Reserve required, fifteen to twenty per cent.

Minimum capital, $5,000.

NEVADA.—No supervision of banks and bankers.

NEW HAMPSHIRE.—State and Savings banks and loan, trust and investment companies are under State supervision. Private banks are not.

Two reports a year must be made to the Board of Bank Commissioners, at present composed of Alpheus W. Baker, John Hatch and Thos. J. Walker. Their salary is $2,000 a year each. In regard to weak or insolvent banks their control is almost unlimited.

The reserve which banks shall hold is not fixed by law.

NEW JERSEY.—All kinds of banks are under supervision. By law reports are required on Dec. 31 of each year, and additional reports may be called for at any time. Actually reports are called for on the same dates as the National banks render statements to the Comptroller of the Currency, five times a year.

Supervising officer—William Bettle, Commissioner of Banking and Insurance, Trenton; salary, $4,000. There is also one regular examiner who is paid a salary.

Banks that are deemed unsound may be enjoined from continuing business.

There is no requirement as to reserve. The minimum paid-in capital is $50,000.

NEW YORK.—State banks, Savings banks, individual banks and trust companies are under supervision.

Discount and individual banks are required to make four reports a year; Savings banks and trust companies, two.

Supervising officer—Frederick D. Kilburn, Superintendent of Banks, Albany; salary, $7,000, fixed by the Legislature.

Examiners are paid by the day when actually employed.

When the report of any bank shows it to be in an unsatisfactory condition, it may be required to make good the impairment of capital or other defective condition, failing to do this the superintendent may take charge and apply for the appointment of a Receiver.

Fifteen per cent. reserve is required in cities of 800,000 or over, ten per cent. in other cities or villages. Minimum capital is $25,000, which must be fully paid in.

Banks are examined once a year, and oftener if the superintendent thinks best. Savings banks are examined once in two years.

NORTH CAROLINA.—All banks are under supervision, and are required to make five reports a year.

Bank Examiners—S. L. Crowder and Robert T. Joyce, Raleigh; compensation is a certain amount for each bank examined, graded according to capital.

There is no requirement as to reserve or minimum amount of paid-in capital.

W. H. Worth, the State Treasurer, reports that the banks of the State are in good condition.

NORTH DAKOTA.—A notable feature of the banking law of North Dakota is that requiring all banks to be incorporated either under the State or national law. Private banks are not allowed. All moneyed institutions must submit to examination and make reports upon call. Five reports are required each year.

State Examiner—H. A. Langlie; salary, $2,000. Deputy, R. E. Wallace; salary, $1,800. Banks pay fee for examinations; fees all go to the State.

When bank is in an unsatisfactory condition examiner may take charge.

Reserve required, twenty per cent.; capital from $5,000 up.

The examiner thinks the law in that State is one of the best.

OHIO.—Has no distinct supervision, but banks report to Auditor of State in April and October of each year. A letter from the Auditor of State says:

"The laws in force in this State do not require examination, except of one institution in the city of Cleveland, viz., Society for Savings, organized under an old statute. There seems to be practically no control of banks, after their organization, by any State officers."

OKLAHOMA TERRITORY.—A new banking law went into effect on March 12, 1897. It embodies a number of the best features of such laws.

The supervising power is vested in the Territorial Banking Board, composed of the Governor, Secretary, Treasurer, Auditor and Attorney-General. This board has control of "any and all corporations, partnerships, firms and individuals, and any and all associations of any and all persons engaged in transacting and carrying on a banking business in this Territory." All associations, firms or individuals wishing to carry on a banking business must incorporate. Reports are required five times a year, on the same dates as the National banks report.

Section 16 of the Act is as follows: "On the first Monday in January, April, July and October every bank shall furnish each depositor a statement showing the condition of the bank at the close of the last business day of the previous quarter, by posting the same to the postoffice address of each depositor, if known."

Fifteen per cent. of the aggregate deposits must be kept as a reserve; two-fifths of this amount must be in cash in the vaults of the bank.

Rediscounts and bills payable must not exceed two-thirds of the paid-in capital.

Dividends must not be paid out of capital, and no dividend shall be made to an amount greater than the net profits on hand less the losses and bad debts.

Before declaring a dividend a bank shall carry one-tenth of its profits to its surplus fund until the same shall amount to twenty per cent. of the paid-up capital.

When the capital of a bank is impaired, or it appears to be in an unsafe condition, the board shall take possession, and proceedings for the appointment of a Receiver may be instituted.

The officer appointed to examine the banks must have had three years actual experience in the banking business. He shall examine the banks once a year and as much oftener as may be deemed necessary. His compensation is assessed against the banks according to their capital.

Bank Examiner—T. M. Richardson, Jr., Oklahoma City.

OREGON.—Has no supervision.

PENNSYLVANIA.—All banks, except private banks, make reports and are under State supervision. Two reports a year are required. Examinations may be made whenever deemed proper.

Commissioner of Banking—B. F. Gilkeson, Harrisburg; salary, $6,000 a year. Examiners are paid not to exceed $10 a day and travelling expenses for each day actually employed.

When the capital of a bank is impaired, or it is doing business in violation of its charter, or is an unsafe condition, the Commissioner of Banking shall take steps to have the bank dissolved.

Minimum capital, $50,000, one-half of which must be paid in and the remainder in monthly payments of ten per cent.

RHODE ISLAND.—State banks, loan and investment companies are required to make two reports a year to the State Auditor and Insurance Commissioner.

Banks are not examined except by request of the Governor.

SOUTH CAROLINA.—There is a law requiring the appointment of a bank examiner, but there is no such officer. An effort is being made to create a separate department of banking and insurance. The State banks do make and publish quarterly statements, as a rule, but some banks hold that this is not obligatory and occasionally omit the publication of statements.

SOUTH DAKOTA.—All classes of banks are under State supervision, four reports being required a year, except in the case of loan and trust companies, which are not subject to stated calls. The examiner must make examination of all State and private banks at irregular periods, at least once in each year.

Public Examiner and ex-officio Superintendent of Banks—Maris Taylor, Huron; salary, $1,500, paid by State. Examiners are paid a salary and necessary expenses.

When the condition of a bank is found to be unsatisfactory the matter is called to the attention of the Attorney-General. Twenty per cent. reserve is required.

One-half of a bank's capital must be paid in at organization and ten per cent. in each period of six months following. In the biennial reports of the Public Examiner reports are given as of four different dates.

TENNESSEE.—Wm. S. Morgan, Secretary of State, writes: "Our banks are not under State supervision. A bill putting them under the Secretary of State's supervision was recently defeated by last Legislature."

There is an old law requiring publication of reports, but it is practically a dead letter. Many of the State banks voluntarily publish statements at regular intervals. In Chattanooga, for instance, the State banks, with one exception, publish statements at the same time as the National banks, but this is simply a matter of custom. Tennessee has about 185 State and private banks and forty-seven National banks.

TEXAS.—No supervision; corporate banking institutions are forbidden by the State constitution. There are four State banks doing business under an old law which requires semi-annual reports. (See RHODES' JOURNAL OF BANKING, January, 1895, page 74.)

UTAH.—State banks are under supervision.

Supervising officer—James T. Hammond, Secretary of State and State Bank Examiner, Salt Lake City. Four reports a year are required. Examiners are paid $10 a day and mileage. Supervising officer has no power to act when reports are unsatisfactory. No fixed reserve is required.

VERMONT.—All banks are under State supervision, and are required to make one report a year.

Supervising officer—Hosea Mann, Inspector of Finance, Wilmington; salary $1,000 a year and expenses. Payment for examination is made by assessments against the banks in proportion to capital and deposits.

When reports of condition are unsatisfactory, the inspector can order compliance with the law, and if bank seems to be doing an illegal and unsafe business, he can proceed against it and close it up, subject to the review of a court.

There is no fixed reserve required.

VIRGINIA.—While there is no special State supervision, the banks are required by law to make reports to the Auditor of Public Accounts on the dates the National banks report to the Comptroller of the Currency, and upon application of stockholders representing one-fifth of the capital stock, special examinations shall be ordered. Reports must also be published in some newspaper in the town or vicinity.

WASHINGTON.—Banks are under the supervision of the State Auditor, and are required to make reports annually. The Auditor says there is no penalty for the failure of banks to report, and that "the law is very defective."

WEST VIRGINIA.—Banks chartered by the State, and loan and trust companies are subject to supervision and are required to make one report a year.

State Bank Examiner—O. B. Wetzel, Ravenswood; examiner receives a salary, and also a fee for each examination. Fifteen per cent. reserve is required. Ten per cent. of capital must be paid in before a charter can be issued.

WISCONSIN.—All kinds of banks are under State supervision, and are required to make three reports a year.

Bank Examiner—Edward I. Kidd, Madison; salary, $3,000 a year.

When condition is unsatisfactory, can give thirty days' notice to make good any deficiency or irregularity. If not made good in that time exact condition is published in local papers. No stated reserve required; minimum capital, $15,000.

(A new banking law was passed by the last Legislature, but it must be voted on by the people before going into effect. For the main provisions of this law, see the BANKERS' MAGAZINE for May, page 670.)

WYOMING.—All banking institutions except private banks are under State supervision, and must make not less than four reports a year (the average of the reports made is five a year).

State Examiner—Harry B. Henderson; salary paid by the State. Banks are not required to pay for examination or supervision.

When the reports from any incorporated bank are unsatisfactory, the examiner may compel compliance with the law, and in case of insolvency take charge.

There is no statutory requirement as to reserve, but the examiner requires State banks to have a reserve of not less than twenty-five per cent.

Minimum capital, $10,000. Loans to any individual, company or corporation are limited to one-seventh of capital stock.

SOME OF THE CHANGES MADE BY THE NEGOTIABLE INSTRUMENTS LAW.

The new law in regard to negotiable instruments, published in the May number of the MAGAZINE (page 697), will go into effect in New York State on Oct. 1, but its application will not be limited to instruments made after that date. An instrument made and delivered after the day the law was approved by the Governor (that is, on May 19), will be equally within its operation after October 1. For example, if a note payable four months after date should be dated and delivered July 15, it must at maturity be presented for payment in the manner prescribed by the statute; and if dishonored the statutory rules as to giving notice of dishonor must be complied with. But in the case of a note dated and delivered May 1, and payable six months after date, none of the provisions of the statute will apply; for by section 6 it is provided that the provisions of the Act do not apply to negotiable instruments made and delivered prior to the passage of the Act.

CHANGES IN THE EXISTING LAW.

There are several points wherein the statute makes changes in the existing law. One of these is with regard to the time of presentment of notes payable on demand. Prior to the statute the rule in New York was that such a note was a continuing security on which an indorser remains liable until an actual demand, and the holder is not chargeable with neglect for omitting to make such demand within any particular time (*Merritt* v. *Todd*, 23 N. Y. 28; *Parker* v. *Stroud*, 98 N. Y. 379, 385). But by the statute such notes must be presented for payment within a reasonable time after their issue. (Section 131.) What will be a reasonable time will depend upon the facts of the particular case. (Section 4.) If they are not so presented the indorsers will be discharged. In Connecticut the former statute required promissory notes payable on demand to be presented within four months. The Negotiable Instruments Law, therefore, also changes the law in that State.

Another important change, and one which specially affects banks, is that in regard to restrictive indorsements. In *National Park Bank* vs. *Seaboard National Bank* (114 N. Y. 28) the Court of Appeals of New York held that where a bank, which had acted merely as a collecting agent, had paid the proceeds of a check over to its principal, the bank making the payment could not recover from the collecting bank upon subsequently discovering that the check had been raised. In this case the check was presented by the Seaboard Bank through the clearing-house, and does not appear to have been indorsed by that bank; and hence there was no question as to liability of the Seaboard Bank as an indorser. But in the case of *United States* vs. *American Exchange National Bank* (70 Fed. Rep. 232), the United States District Court for the Southern District of New York, proceeding upon principles similar to those relied upon in the New York case, held that the indorsement of a bank to which paper has been indorsed for collection does not import a guaranty of the genuineness of all prior indorsements, but only of the agent's relation to the principal as stated upon the face of the paper, and that in such case the collecting bank was not liable after it had paid the proceeds to its principal, though a prior indorsement was a forgery. But by the Negotiable Instruments Law all indorsers who indorse without qualification, that is without recourse, warrant the genuineness of the instrument in all respects; and there is no exception in favor of those indorsers to whom the instrument has been indorsed restrictively as agents only. Hereafter, therefore, in all cases governed by the statute, banks may rely upon the indorsement of the transmitting bank, though the prior indorsement was "for collection" only.

Another very important change is that which makes an antecedent indebtedness a sufficient consideration to constitute one a holder for value. The statute abolishes the rule in the leading case of *Coddington* vs. *Bay*, and the numerous other New York cases based upon that decision. The rule adopted is that of the Supreme Court of the United States.

The statute also changes the law in regard to the liabilities of persons signing for or on behalf of a principal. Formerly a person so signing was not liable in the instrument, notwithstanding he had no authority to bind his principal. There was an implied warrant on his part that he possessed such authority, and if he did not he became liable upon such warranty for the damages resulting from the breach. (*Miller* vs. *Reynolds*, 92 Hun, 400.) But no action could be maintained against him on the instrument when by its terms it did not purport to bind him. But the effect of the statute is to permit the holder to sue the agent on the instrument, if he was not duly authorized to sign the same on behalf of the principal.

The law provides that every negotiable instrument is payable at the time fixed therein without grace. As days of grace had already been abolished in New York, New Jersey and Connecticut, this makes no change in the laws of those States. But it does change the law of Colorado. The statute also makes Saturday, after twelve o'clock, a half-holiday; and provides that instruments falling due on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday, when that entire day is not a holiday. This does not alter the present practice in New York and New Jersey; but it does change the law of Connecticut and Colorado.

PRODUCTION OF MINERALS AND METALS.—The "Engineering and Mining Journal" presents its annual report of the production of metals and minerals in the United States for the year 1896, from which we quote: "We find that the total value of the results of the mineral industry of the United States in 1896 reached the great sum of $751,732,782, which compares with a similar total of $732,941,518 for 1895. Of the total for 1896 we find that $495,747,553 was the value of the non-metallic products, while $255,985,229 was that of the metals. The former includes the sum of $5,000,000 for the value of various minor products.

It is necessary to make some deductions from these totals for products which are necessarily duplicated in the table, such as iron ore used in making pig iron, coal used in making coke; lead used in making white lead; copper used in making copper sulphate; limestone in making lime; salt for making soda; and a few other less important items of the same class. Making the deductions required for these, amounting to $45,717,371, we have as the total value of the production $706,015,411 in 1896, as compared with $682,065,118 in 1895; the change shown being an increase of $23,950,293, or 3.5 per cent. for last year.

The United States in 1896 was the largest gold producer of the world and the largest silver producer; it was also by far the largest producer of copper, furnishing over one-half of the world's supply of that metal. Notwithstanding the decrease in the pig iron output it was still larger than that of any other country. In coal the total was still less than that of Great Britain, though it is gradually approaching the point where the two will be equal. In short, no other country in the world possesses a mineral industry of nearly as great value or variety.

Gold.—Activity in the older mining regions of California and other States and the increased production of Cripple Creek and of some minor districts in Colorado, with improvements in several other States and in the territory of Alaska, carried the gold production up to $58,660,727, showing an increase of $11,830,527 over 1895.

Silver.—The production of silver showed a large increase over the previous year, the total refined or obtained from our own ores having been 56,222,322 fine ounces, or 9,891,087 ounces more than in 1895. In addition to this product there was obtained by our smelters and refiners from foreign ores and bullion—chiefly from Mexico and British Columbia—33,053,555 ounces, making the total of silver put into marketable form 89,275,877 ounces."

BANKING LAW DEPARTMENT

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

NATIONAL BANK STOCK—LIABILITY WHERE TRANSFER MADE TO IRRESPONSIBLE PERSON.

United States Circuit Court of Appeals, Sixth Circuit, February 2, 1897.

COX *vs.* MONTAGUE.

In order that the transferrer of stock in an insolvent National bank may be held liable thereon, it is not necessary that he should have had actual knowledge of the insolvency of the bank; it is sufficient if he had good ground to apprehend the failure of the bank, and made the transfer to an irresponsible person, with intent to relieve himself from individual liability.

A letter addressed by a stockholder to a National bank examiner in regard to the sale of his stock in a National bank, though in reply to a letter from the examiner marked "confidential," is admissible in evidence against such stockholder.

Appeal from the Circuit Court of the United States for the Southern Division of the Eastern District of Tennessee.

This was an action by the Receiver of the First National Bank of Johnson City against T. G. Montague to set aside a transfer by the latter of sixty shares of the stock in said bank to his sister Clara W. Montague, and to recover an assessment levied on such stock by the Comptroller of the Currency.

Before TAFT and LURTON, *Circuit Judges*, and SAGE, *District Judge*.

SAGE, *District Judge:* Montague's letters and telegrams to the Johnson City Bank make it evident that he knew months before he made the transfer of his stock to his sister that the bank was in imminent danger of insolvency. The transfer was not only without consideration, but, at the time, without even the knowledge of his sister. It was made on April 28, 1894. She testified that, according to her recollection, she was informed of it in May or June, 1894, but added that it might have been in April. Her testimony as to her financial condition is altogether unsatisfactory. Her unwillingness at first to give any testimony on the subject was enough to warrant the most unfavorable inferences. At last she admitted that she had no property in Tennessee. Said that she did own some property somewhere, which she thought was in her own name, but did not know whether it was or not. That she did not take sufficient interest in the case to make any answer, and that she suffered decree against her by default, strongly indicates that she was utterly irresponsible financially, or that she had herself no faith in the integrity of the transaction. She was not even a witness of her own volition, or upon the call of the defendant, but was subpœnaed and examined on behalf of the complainant. Montague himself was not a witness in the case—a circumstance which, in view of the evidence against him, is of great weight. A like circumstance in Bowden *vs.* Johnson, 107 U. S. 251, 2 Sup.

Ct. 246, cited later in this opinion, was so characterized by the Supreme Court. In his answer Montague set up that a few days prior to the transfer of his stock he was offered by a responsible party in Johnson City fifty cents on the dollar for a portion thereof, with the assurance that a great part, if not all, of the residue would be taken at the same price. That averment undoubtedly relates to the offer above referred to, for it does not appear that any other was made. It does not appear from the evidence that the person who made the offer was insolvent, although one person is said to have declared that he had good credit in the Jonesborough Bank. The offer was for $1,000 of the stock at fifty cents on the dollar. It was not made until April 27. Montague's letter inclosing to the bank the certificates for his shares with an order for their transfer to his sister was dated and mailed the next day, April 28, 1894, at which time the offer to him could not have been received. That fact alone is sufficient explanation of his declination.

It may have been also that, while he had abundant reason to apprehend the failure of the bank, he still hoped that it would pull through, in which event the stock could be transferred to him by his sister. If there were any doubt as to the motive which induced him to make the transfer, it would be removed by his letter under date of November 8, 1894, to the bank examiner, who had on the previous day written him a confidential letter inquiring concerning the President of the Johnson City Bank, and asking for the name of some thoroughly reliable and well-posted person at or near Johnson City to consult "on credits," etc.

The learned judge who heard the case below was of opinion that this letter could not be properly used against the defendant, because it was a confidential letter, and voluntarily turned over by the bank examiner to the Receiver. We do not concur in that view. The letter was in no sense a privileged communication, and the mere fact that it was in answer to a letter marked "Confidential" cannot in our opinion, be regarded as a legal objection to its use as testimony. The authorities are the other way. In *Wilson* vs. *Rastall* (4 Term. R. 753), Lord Kenyon said:

"But if a friend could not reveal what was imparted to him in confidence, what is to become of many cases even affecting life, *e. g.*, Doctor Ratcliff's Case, 9 State Tr. 582. And if the privilege now claimed extended to all cases and persons, Lord W. Russell died by the hands of an assassin, and not by the hands of the law, for his friend, Lord Howard, was permitted to give evidence of confidential conversations between them." (3 State Tr. 715.)

In the same case, Buller, *J.*, said that it was indeed hard in many cases to compel a friend to disclose a confidential conversation, but that the privilege must be confined to the cases to which it extends. In *Loyd* vs. *Freshfield* (2 Car. & P. 329), it was held that a banker is bound to disclose a communication, however confidential.

The letter to Montague was written by Miller in his official capacity, and signed by him as examiner. Montague's answer is addressed to the examiner in his official capacity. It may well be doubted whether such letter, whatever may have been the intention of the writer, can be regarded as confidential in the sense in which the court below regarded it, and in the sense which counsel for appellee seek to apply here. Besides, the information called for by the examiner was with reference to the President of the Johnson City Bank. Montague's answer volunteered, in addition, among other things, this very significant statement respecting the Johnson City Bank:

"I became alarmed after seeing several of his reports as made to the Comptroller, showing his cash often below the required reserve, and disposed of my stock some time ago."

We know of no reason founded upon any principle of the law of evidence why this statement, which is a distinct and unequivocal admission of a fact, should be excluded. It tells the reason for the transfer of the stock in plain, direct words, which cannot be mistaken. This statement, taken in connection with the letters first above referred to, the testimony of Clara W. Montague, and the omission of defendant, Montague, to testify as a witness for himself in answer to the evidence against him, brings the case clearly within the rule stated in *Bowden* vs. *Johnson* (107 U. S. 261) that:

"Where the transferror, possessed of information showing that there is good ground to apprehend the failure of the bank, colludes and combines, as in this case, with an irresponsible transferee, with the design of substituting the latter in his place, and of thus leaving no one with any ability to respond for the individual liability imposed by the statute, in respect of the shares of stock transferred, the transaction will be decreed to be a fraud on the creditors, and he will be held to the same liability to the creditors as before the transfer. He will be still regarded as a shareholder *quoad* the creditors, although he may be able to show that there was a full or a partial consideration for the transfer as between him and the transferee."

The rule does not require proof that the transferrer had actual knowledge of the insolvency of the bank, and that the transfer was made with a purpose to avoid individual liability. It is enough if the transferrer had "good ground to apprehend the failure of the bank," and made the transfer to an irresponsible person, with intent to relieve himself from individual liability. Proof of actual knowledge of the insolvency of the bank was not made in *Stuart* vs. *Hayden* (18 C. C. A. 618, 72 Fed. 402) but the court of appeals of the eighth circuit held the transferrer liable. In *Foster* vs. *Lincoln* (74 Fed. 382) the defendant was President of the National Bank of Lyndon, Vt., and held twenty-five shares of stock in the First National Bank of Deming, N. M., which telegraphed to the Lyndon Bank, also a stockholder, for $5,000, to be sent by telegraph, for its aid. Within a week afterwards defendant made a voluntary transfer of his stock to his children, all of whom were financially irresponsible.

The facts above stated were put in evidence, and it was shown, in addition, that the telegram for aid, when it was received, came to the knowledge of the defendant, who was sued to enforce his individual liability as a stockholder. That was all the evidence against him. The court regarded the telegram, which was received and came to defendant's knowledge six days before the transfer of his stock, as sufficient warning to him of the straits of the bank, and entered decree for the complainant. That case was not so strong for the complainant as is this case. There the defendant was a witness. Here the defendant was silent, and, although the transfer was voluntary, and made to his own sister, without her knowledge, she being financially irresponsible, and so little interested in the result as to make no defense, he declined to be a witness, made no explanation, and rested solely upon the contention that the complainant had not succeeded in making specific proof of the insolvency of the bank at the date of the transfer of the stock; and that, if the bank was then insolvent, it was not proven that he knew it or had notice of any other facts from which such knowledge could be inferred. That the contention is not well founded is apparent from what has been already expressed in this opinion. The appellant is entitled to decree as prayed in the bill. The decree below will be reversed, with instructions to enter a decree in accordance with this opinion.

LOANS FOR CUSTOMERS—LIABILITY OF NATIONAL BANK FOR.

Supreme Court of Arkansas, February 6, 1897.

GROW *vs.* COCKRILL.

A National bank is not authorized to engage in the business of lending money for its customers; and it cannot be held liable for the acts of its officers in so doing.

This was an action by Jennie Grow against the Receiver of the First National Bank of Little Rock.

Bunn, *C. J.* (after stating the facts): The complaint, in brief, charges that the bank and its President, contemplating insolvency, and desiring to keep plaintiff's money from being checked out of the bank by her, combined with its Cashier, and entered into a conspiracy to deceive her, and to induce her to allow her money to remain in the bank, to be used by its President; and to accomplish this scheme the Cashier, with the connivance of the President of the bank, wrote to appellant at Washington, D. C., proposing to lend out her money on good security, and, she assenting to this arrangement, these bank officials induced Brown to execute the note to her for the $1,000, and assign the stock certificate to her as collateral security to the note, they pretending to her that the bank had loaned her money to Brown, that he was solvent, and that he owned the bank stock, and that the same was good security; with many specifications thereunder. Brown and the Receiver each filed a separate answer specifically denying each allegation and charge affecting him and the bank respectively.

None of the material allegations of the complaint controverted by the separate answer are sustained by the evidence (the whole of which we have substantially set forth in our statement of facts); nor does it appear from the testimony that the bank officials conspired together to deceive appellant as charged, for in the correspondence between them she seems to have taken the initiative, and their letters appear as letters usually do in such cases.

The loan, as it was finally made, viewed in the light of subsequent events, may, and doubtless does, give rise to inference as to motives actuating the parties from the beginning. But that is all, and that is scarcely sufficient to base judgment upon. Moreover, appellant having given authority to these people to take her money from the bank, and pay it over to the borrower, whoever he might be, it does not appear just how she, alone, can complain of the mere manner in which her account was balanced up on the books, or because Brown, the borrower, chose to let Allis use the money, or have the same credited to his account. The loan itself seems to be all that may be questioned, and this Powell, the confidential agent and relative, seems to have regarded as proper, although he himself might have been deceived.

On the coming in of the testimony, Brown was let out of the case by the plaintiff, and the court, sitting by consent as a jury, found for the Receiver; whether on the law or facts does not appear, as there were no special findings, but presumably on both, judging from the grounds of the motion for new trial.

After all, the facts still remain that within about six months next after the loan was made the bank was wrecked by the misconduct of its President, and its stock (including the collateral stock held by the plaintiff) was rendered worthless. Brown was made insolvent, and it appears that appellant must lose her entire debt, unless, in this proceeding, she can show the bank is liable for the tortious acts of its officials in dealing with her, if they were guilty of such at all; and, of course, the liability of the bank, if any exists, grows out of the relation it had with its President and Cashier, and the connection it had, through them, with the transaction with appellant; and this is the only proposition we have to consider.

We think it rests solely on the principle that one is civilly bound for the tortious acts of his agent, committed within the scope of his business and authority.

The general rule is, "The principal is liable for the wrongful, fraudulent, or deceitful act of the agent committed within the scope of his authority, but we must distinguish between the authority to commit a fraudulent act and the authority to transact the business in the course of which the fraudulent act was committed. Tested by reference to the intention of the principal, neither negligence nor fraud is within the scope of the agency; but, tested by the connection of the act with the property and business of the agency, fraud in taking the very property is as much within the scope of the agency as negligence in allowing others to take it. The proper inquiry is whether the act was done in the course of the agency, and by virtue of the authority of the agent. If it was, then the principal is responsible, whether the act was merely negligent or fraudulent." (Mechem, Ag. § 739.)

The line between the tortious acts of the agent when committed within the scope of his authority as such agent and those when committed without the scope of his agency, as those acts may or may not affect the principal, is rather sharply and forcibly drawn in the case of *Foster* vs. *Bank*, 17 Mass. 479.

Again, it must not be lost sight of that, while the principal is responsible for the tortious acts of his agent committed while in the exercise of his authority, as such, yet the principal is subject to another principle, and that is the acts of the agent must be such as the principal has a right to require of him, or he will not be liable by operation of law, unless he has made himself actually liable otherwise. The services the Cashier undertook to render for the appellant seem to have been a mere gratuity, done as an accommodation to her, if not deceptively. There is no showing that the bank, by its charter, had authority to transact such business as that of loaning the money of its depositors or of other people in general. Such authority we have failed to find in the national banking law, and the decisions on the subject, or rather the decisions involving analogous facts, all seem to be to the effect that the business of a broker (and a broker's business is to loan the money of others, or borrow for others, or buy and sell property of others, and such like) is not a business in which a National bank can lawfully engage, since it is not mentioned in the National Back Act, and the Act is strictly construed as against the grantee corporation as to powers conferred as in all cases of private corporate grants of power.

In the case of *Weckler* vs. *Bank*, 42 Md. 581, suit was brought against the bank for damages growing out of the purchase of certain bonds which the teller of the bank had sold him, and falsely represented to be what they really were not, to the injury of plaintiff, the complaint averring that the bank was engaged in buying and selling these bonds, and was, therefore, liable for damages occasioned by the false representation in relation thereto of the teller, one of the agents in the transaction of its business. The plaintiff was defeated in his suit, the court holding that the bank had no authority to transact that kind of business, and the teller was therefore not acting within the scope of his authority and business when he committed the torts complained of. To the same effect is the ruling in the case of *Bank* vs. *Hoch*, 89 Pa. St. 324, and that in the case of *Dresser* vs. *Bank* (Mass.) 42 N. E. 567.

We have been unable to find a case exactly on all fours with the case at bar as to the subject-matter of the transaction, a case where the bank officials were engaged in making loans for other people to third parties, and gratuitously; but involving acts of the same class the cases are quite numerous. The case really is between appellant on the one hand and the stockholders (if they really have any interest left in it) and other creditors. We are unable to find any ground upon which we would reverse the judgment, and the same is therefore affirmed.

LIEN OF BANK ON STOCK OF STOCKHOLDERS.

Supreme Court of North Carolina, April 13, 1897.

BOYD *vs.* REDD, *et al.*

The statutory lien of a bank upon the stock of its stockholders is intended to secure only the direct indebtedness which the stockholder creates with the bank, either as principal debtor or surety, and not any involuntary indebtedness to it caused by the purchase of his liabilities incurred to third persons.

As the lien is conferred by the statute, and not by estoppel, the fact that the stockholder is President of the bank when the indebtedness is assigned to it does not alter the case.

Delay of the bank to organize until after the statutory period of two years has elapsed does not impair the lien conferred by the charter.

This was an action by Samuel H. Boyd, guardian, against E. M. Redd, administrator of A. J. Boyd, and the Bank of Reidsville. Judgment below was for the plaintiff and the defendant Redd appealed.

CLARK, *J.:* It is clear that at common law a corporation has no lien upon the shares of its stockholders for debts due from them to the company. The policy of the common law has always been to discountenance secret liens, inasmuch as they hinder trade and restrict the safe and speedy transfer of property. (Cook, Stock & S. § 521 ; 2 Thomp. Corp. § 2317 ; 2 Wat. Corp. 227 ; *Heart* vs. *Bank*, 17 N. C. 111.)

The statute, in such cases, being in derogation of common right, must be strictly construed to the purpose of its enactment. That purpose is thus clearly stated in *Bank* vs. *Smalley* (2 Cow. 770): "This clause in bank charters is intended merely for the protection of the bank, *i. e.*, to give them a lien on the stockholder for what he owes the bank."

It is conceded that for any indebtedness a stockholder incurs to a bank directly, whether as principal or surety, his stock in the bank is collateral security, by virtue of the terms of such charters. The stockholder knows that fact when he makes the bank his creditor. By such voluntary act he gives the lien, and waives his constitutional right to a personal property exemption. As to the direct indebtedness of A. J. Boyd to the bank, it holds thirty seven shares of his stock, which is admittedly sufficient to pay that indebtedness. A. J. Boyd, however, executed the note to the plaintiff, as guardian, on August 4, 1893, which is the subject of this action, and, to secure the same, deposited with him forty other shares of stock of the bank as collateral. In April, 1893, A. J. Boyd had executed his two notes, aggregating $7,300, to the Hermitage Cotton Mills, which notes, together with many others, were deposited in June, 1893 (being indorsed in blank), by said cotton mills, with the bank (of which said A. J. Boyd was President), as collateral to secure an indebtedness of the cotton mills to the bank.

The question is whether, as to this indirect indebtedness of A. J. Boyd to the bank by reason of its taking his paper to another party, it acquires a lien upon the forty shares of stock, and thereby renders worthless his deposit of the stock with the plaintiff as collateral. When the stockholder, as we have said, makes the bank his creditor, knowing the statute, he voluntarily assents to the stock being impounded, and waives his personal property exemption. But he cannot be thus taken as giving a lien on his stock, and waiving his constitutional exemption, when he executes a bond or contracts a debt to other parties ; and the fact that such other party transfers the indebtedness of the stockholder, either by sale or as a collateral, to the bank, cannot have the effect of giving to the indebtedness a security it did not have when it was created, nor can it waive, in *invitum*, the personal property exemption, which the debtor did not do, and had no intention of doing, when the contract or indebtedness was made. Besides, the funds of the bank are a trust fund for all the stockholders, and if it is admissible to use that common fund for buying up negotiable paper or other indebtedness of a stockholder to third parties, and immediately securing it, against his intention, by the shares of such stockholder, and depriving him of his personal property exemption, it would become easier for the managers of any corporation to "freeze out" any stockholder they may wish.

Our conclusion is that, upon a reasonable construction, the statutory lien on stock is intended only to secure the direct indebtedness which the stockholder creates with the corporation, either as principal or surety, and not any involuntary indebtedness to it caused by the purchase of his liabilities incurred to third parties. (*White's Bank of Buffalo*, vs. *Toledo Fire & Marine Ins. Co.* 12 Ohio St. 601 ; *Bank* vs. *Smalley*, *supra*, Cook, Stock & S. § 529 ; 2 Beach, Corp. § 645 ; *Cross* vs. *Bank*, 1 R. I. 89.)

This being the construction of the effect of the statutory lien conferred by such provisions in a charter. it has no significance, and is purely incidental, that when the notes of the stockholder, Boyd, to a third party, were deposited with the bank as collaterals, Boyd himself was President of the bank. The lien is statutory, and not conferred by an estoppel; and Boyd, as President, when the bank took by assignment his indebtedness to a third party, must have understood it as being taken like any other stockholder's paper thus bought in, and that there was no statutory lien attached to it.

We concur with his honor that there was no impairment of whatever lien was conferred by the charter by the delay of the bank to organize till after the statutory period of two years had elapsed. (Code, § 688.) A defect of that kind cannot be taken advantage of in this collateral way. The sovereign is the proper party to set it up, and by a direct proceeding. (*Navigation Co.* vs. *Neal*, 10 N. C. 520; *Elizabeth City* vs. *Lindsay*, 28 N. C. 476; *Asheville* vs. *Aston*, 92 N. C. 578.) But for the misdirection to the jury there must be a new trial.

INCREASE OF NATIONAL BANK STOCK—MEETING OF STOCKHOLDERS.

United States Circuit Court, District of Washington, March 31, 1897.

MATTHEWS *vs.* COLUMBIA NATIONAL BANK, *et al.*

Where the articles of association of a National bank provide that meetings of the stockholders may be called by the board of directors, or by any three stockholders, a meeting called by the President and Cashier is not lawfully convened.

A proxy cannot bind his principal by attending at, and participating in, a meeting of stockholders not lawfully called.

In 1892 the stockholders of the C. National Bank voted to increase the capital stock $300,000; and M. subscribed for twenty-three shares of such increase and paid in the amount of his subscription. The full amount of such increase not having been taken, the President and Cashier called a meeting of stockholders in 1895, at which meeting an increase of capital stock in the sum of $150,000 was authorized, which was approved by the Comptroller of the Currency. M. was not present at such meeting, though one B. who held a proxy authorizing him to attend meetings of shareholders and represent M's stock, was present: *Held*, that the subsequent action of the stockholders was not binding upon M., and that he could recover the amount paid in by him.

HANFORD, *District Judge:* From the evidence and admissions of the parties on the trial the facts of this case appear somewhat different from the allegations of the plaintiff's complaint heretofore considered upon a demurrer. (77 Fed. 372.)

The true history of the case, briefly stated, is as follows: In 1892, the Columbia National Bank was in operation with a capital stock of $200,000. The shareholders voted to increase the capital to $500,000, and new stock was subscribed and paid for to the amount of $150,000. On account of the failure on the part of the shareholders to take the remaining one-half of the proposed new issue of stock, the matter hung fire until in the month of July, 1895, when the directors of the bank requested the Comptroller of the Currency to authorize and certify an increase of the capital stock to the amount which had been paid for. The Comptroller of the Currency did not take definite action by refusing to grant the certificate, but notified the officers of the bank that the increase of capital would be authorized and certified, provided the shareholders would vote in favor of an increase to that amount. A meeting of the shareholders, called by the President and Cashier of the bank, was held in September, 1895, and at said meeting a large majority of the stock, but not all of it, was represented, and a resolution in favor of an increase of capital to the amount of $150,000 was carried. This action was reported to the Comptroller of the Currency, and on October 23, 1895, he certified that the capital had been increased and paid up, and on the following day he declared the bank to be insolvent, and placed a bank examiner in charge of it.

In the year 1892, the plaintiff subscribed for twenty-three shares of the proposed new stock, and made full payment therefor, and this action is to recover back the amount so paid.

The plaintiff was not present at the meeting of the shareholders in September, 1895, although he was represented by one T. W. Bean, who assumed to act for him, and voted in his name under a proxy authorizing him to attend meetings of the shareholders, and represent the plaintiff's stock. The plaintiff did not at any time subscribe for new stock after the proposal to make the increase $150,000 instead of $300,000. The books of the bank at all times showed that the proposed increase of capital remained uncertified.

Although one of the grounds for my ruling on the demurrer to the complaint in this action has been eliminated by the evidence showing that the Comptroller of the Currency did not exhaust his power to determine whether or not an increase of the capital of the bank to the amount of $150,000 should be authorized by a definite refusal to grant the request of the board of directors, still enough of the plaintiff's case has been established upon the trial to entitle him to recover.

The case is materially different from the cases of *Delano* vs. *Butler* (118 U. S. 634), *Aspinwall* vs. *Butler* (133 U. S. 595) and *Bank* vs. *Eaton* (141 U. S. 227); for in those cases it was decided that the board of directors had power to make disposition of the increased capital of the bank in excess of the amount subscribed for, and that the action of the board of directors and the Comptroller of the Currency was binding upon all of the subscribers for new stock; and the court found as a fact that the corporation, through its board of directors, had given its assent to the proposed increase of capital in a manner authorized by law. But under the law existing at the time of the transactions involved in this case, and the ruling of the Comptroller of the Currency, the board of directors of the bank were not authorized to cancel one-half of the proposed additional stock, which had not been subscribed for, nor to give the assent of the corporation to an increase of any amount. The shareholders alone were authorized to determine for the corporation whether or not there should be any increase, and to fix the amount. The action of the shareholders in 1892, failed to become effective, because only one-half of the proposed increase was subscribed and paid for.

The resolution authorizing an increase of the capital to the amount of $150,000 carried at a meeting of the shareholders in September, 1895, was not a valid act of the corporation, because the meeting was not called by competent authority. The articles of association of the bank provide that meetings of the shareholders may be called by the board of directors, or by any three shareholders. The President and Cashier are not empowered to call meetings of the shareholders. A meeting not called lawfully cannot act so as to bind the corporation, unless all the shareholders attend, which they did not in the case of the meeting referred to.

The plaintiff is not estopped from questioning the validity of said meeting by reason of his participation in the proceedings by proxy. Mr. Beam was only authorized to act at lawful meetings. He could not bind the plaintiff by waiving objections to a meeting not lawfully called, and not attended by all the stockholders. Even if otherwise valid, the vote at said meeting in September, 1895, failed to become effective so as to bind this plaintiff, because it was the initiation of a plan to increase the capital of the bank, entirely different from the first attempt; and the plaintiff's subscription for stock to be issued under the plan of 1892, could not be carried over as a subscription for new stock under the plan of 1895, without his assent. There is no pretense that he ever did assent to any subscription for shares of an issue of $150,000 of new stock.

The argument advanced on the part of the Receiver that effect must be given to the Comptroller's certificate as a *quasi* judicial determination of a fact of the same character as where the Comptroller decides that a National bank has become insolvent, and that the certificate is, therefore, not subject to collateral attack, is in my opinion unsound. Subscription for stock is a contract, and the elementary principles of the law of contracts make it impossible for a person to be bound as a subscriber for stock who has never assented to be thus bound. I hold that the plaintiff is entitled to recover back the amount of money which he paid into the bank for stock which he never received. Let there be findings and a judgment for the plaintiff in accordance with this opinion.

ACTION AGAINST DIRECTORS—ALLEGATIONS AS TO INJURY.

United States Circuit Court of Appeals, Sixth Circuit, February 2, 1897.

BRADY *vs.* EVANS, *et al.*

In an action of deceit against the directors of a bank for making false statements as to its condition, whereby the plaintiff was induced to leave in the bank a deposit previously made, which was lost by the failure of the bank, it is not sufficient to allege that the plaintiff was induced to remain a depositor by the statements so made, but it must be directly averred that, but for such statements, he would have withdrawn his deposits before the failure of the bank.

This was an action to recover damages of the defendants, who were the directors of the New Farmers' Bank of Mt. Sterling, Ky. The ground of the action was that the defendants published in newspapers and otherwise a false statement of the condition of the bank, upon which statement the plaintiff relied.

TAFT, *Circuit Judge* (omitting part of the opinion): The common-law action for deceit is an action in tort. There can be no recovery unless it can be shown that injury was done and loss occasioned by the false statement relied upon. In actions of this sort it was long ago laid down that fraud without damage or damage without fraud would not give rise to such an action. (*Derry* vs. *Peek*, L. R. 14 App. Cas. 337–343.)

It must, therefore, clearly appear upon the face of the petition that the false statement complained of actually caused loss to the plaintiff. In this case it appears that at the time the statement complained of was made the plaintiff was a depositor in defendants' bank, and the averment is that he was induced to remain a depositor by these statements. He does not aver that, but for these statements, he would have withdrawn his deposit before the failure of the bank. The date of the statements precludes the possibility that he was induced to make the deposits in the bank because the deposits were all made before the statement.

The fact is, therefore, that he lost nothing by reason of the false statements, unless he would have done something but for the false statements; otherwise he was not induced to alter his position by the statements, and no loss was occasioned to him thereby. It may be argued that the words he was "induced to remain" imply that otherwise he would not have remained a depositor. But we think that, as the action of deceit is founded on fraud, every element of the cause of action must affirmatively appear. While the common-law rule that the pleadings must be construed most strictly against the pleader has been abrogated under most code systems, it is not required, even under the code system, that every equivocal word or phrase shall be construed most strongly in favor of the pleader. On the contrary, the meaning of the pleader must be fairly ascertained, without regard to technical rules, from the whole instrument. (*Robinson* vs. *Greenville*, 42 Ohio St. 625; *Crooks* vs. *Finney*, 39 Ohio St. 57.)

The words of the petition really charge no more than that the plaintiff, being a depositor in the defendants' bank, acquired confidence in its safety from the statements made; whereas, if he had known the truth, he would not have remained a depositor. It is not enough in deceit to show that, if the plaintiff had known the truth, he would have done otherwise than he did. It must appear that he did otherwise than he would have done if the false statement had not been made to him.

POWERS OF NATIONAL BANK—PURCHASE OF STOCK OF OTHER CORPORATIONS.

Supreme Court of the United States, May 24, 1897.

THE CALIFORNIA NATIONAL BANK *vs.* KENNEDY.

A National bank has no power to deal in stocks; the prohibition is implied from the failure to grant the power.

Where a National bank has purchased stock in another corporation, out of the ordinary course of its banking business, and not as security for a debt previously contracted, it may plead that such act was *ultra vires* as a defense in an action against it as a stockholder of such corporation.

This action was commenced in the Superior Court of the county of San Diego, State of California, against the California Savings Bank, and other defendants, including the plaintiff in error. In each of five counts of an amended petition a separate cause of action was stated, seeking judgment against the Savings bank for the amount of a particular deposit of money alleged to have been made with it on a specified date, and a recovery was asked against the other defendants upon the ground that they were stockholders in the Savings bank on the dates of the various deposits, and in consequence liable under the laws of California to pay the debts of the Savings bank in proportion to the amount of stock held and owned by each stockholder. A demurrer to the amended complaint was overruled, and the California National Bank answered, denying that it was ever the owner of any stock in the Savings bank, and alleging that if any such stock was ever issued to it, it was issued without due authority from the bank in its corporate capacity and without authority of law. The answer also averred that the bank never acquired "in the usual course of business or now has as owner any stock with the said defendant, the California Savings Bank."

No issue was taken upon the truth of the averments in the amended complaint as to the amount and date of the respective deposits which plaintiff alleged he had made in the Savings bank.

From the evidence it appeared that the Savings bank began business in January, 1890. Its stock consisted of twenty-five hundred shares, and was originally distributed in five certificates, each for 500 shares, one certificate being made in the name of each of the following persons: J. W. Collins, S. G. Havermale, D. D. Dare, William Collier and H. F. Norcross. Norcross had no official connection with the National bank, but Collier, Dare and Collins were, respectively, President, Vice-President and Cashier of the National bank, and were also, with Havermale, directors of the bank during the period when the alleged transfers of stock were made to the bank.

The certificates in the names of Collier and Norcross were never delivered, and when subsequently canceled contained no endorsement. In the stead of these certificates, however, on September 10, 1890, three certificates, aggregating 990 shares, were issued in the name of J. W. Collins, Cashier, and two certificates, each for five shares, were issued to Collier and Norcross, respectively. On January 2, 1891, the three certificates for 990 shares in the name of Collins, Cashier, were surrendered, and a single certificate for that number of shares was issued in the name of the California National Bank.

In December, 1890, and January. 1891, five per cent. dividends were declared and paid on the stock of the Savings bank. The amount of each dividend received by the California National Bank was $750. No direct evidence was introduced accounting for these payments having been made on the basis of an ownership of 1,500 shares, when the bank was sought to be held liable for and appeared to be the holder of but 990 shares, put in its name as above stated. Both the Savings bank and the National bank became insolvent; the former suspending November 12, 1891, while the Receiver of the National bank qualified December 29, 1891.

The cause was tried by the court without a jury, and by findings of fact and conclusions of law rested thereon the court sustained the averments of the complaint, adjudged the National bank to be the holder of 990 shares of the stock of the Savings bank, and responsible to the creditors of the Savings bank in that proportion. Judgment was entered against the Savings bank for $47,497.75, and against the National bank for $18,507.52, a payment to the Savings bank, however, to be a satisfaction of the judgment against the National bank. Both at the hearing, by objection to the introduction in evidence of the certificate of stock and in a statement filed with the motion for a new trial, the point was made that the issue of the stock to the bank was void because not shown to have been acquired pursuant to authority of its board of directors, and because the stock was not taken in the ordinary course of the business of the bank as security for the payment of a debt or otherwise. In addition, by the first, second and third specifications of errors of law occurring at the trial it was specially stated that error had been committed in admitting the certificate in evidence and holding the National bank liable—substantially the same language being employed in each specification—because the National bank, a corporation under the banking laws of the United States, could "not in law become a stockholder or incorporator in any other corporation." The motion for a new trial was overruled, and an appeal was taken to the Supreme Court of the State, by which court the judgment was affirmed. (101 Cal. 495.) A writ of error was allowed, and the cause has been brought here for review.

Mr. Justice WHITE (after considering a question of jurisdiction):

The Federal questions which arise on the record may be thus stated: First, do the statutes of the United States (Rev. Stat. 5136 *et seq.*) relating to the organization and powers of National banks, prohibit them from purchasing or subscribing to the stock of another corporation? and, second, if a National bank does not possess such power, can the want of authority be urged by the bank to defeat an attempt to enforce against it the liability of a stockholder?

As to the first question. It is settled that the United States statutes relative to National banks constitute the measure of the authority of such corporations, and that they cannot rightfully exercise any powers except those expressly granted, or which are incidental to carrying on the business for which they are established. (*Logan County Bank* vs. *Townsend*, 139 U. S. 67, 73.) No express power to acquire the stock of another corporation is conferred upon a National bank, but it has been held that, as incidental to the power to loan money on personal security, a bank may in the usual course of doing such business accept stock of another corporation as collateral, and by the enforcement of its rights as pledgee it may become the owner of the collateral and be subject to liability as other stockholders. (*National Bank* vs. *Case*, 99 U. S. 628) So, also, a National bank may be conceded to possess the incidental power of accepting in good faith stock of another corporation as security for a previous indebtedness. It is clear, however, that a National bank does not possess the power to deal in stocks. The prohibition is implied from the failure to grant the power. (*First National Bank* vs. *National Exchange Bank*, 92 U. S. 128.)

On behalf of the plaintiff below it was admitted at the trial that the stock of the Savings bank was not "taken as security or anything of the kind," and it is not dis puted in the argument at bar that the transaction by which this stock was placed in the name of the bank was one not in the course of the business of banking for which the bank was organized.

2. The transfer of the stock in question to the bank being unauthorized by law, does the fact that under some circumstances the bank might have legally acquired stock in the corporation estop the bank from setting up the illegality of the transaction?

Whatever divergence of opinion may arise on this question from conflicting adjudications in some of the State courts, in this court it is settled in favor of the right of the corporation to plead its want of power, that is to say, to assert the nullity of an act which is an *ultra vires* act. The cases of *Thomas* vs. *Railroad Company* (101 U. S. 71); *Penn. Company* vs. *St. Louis, Alton, &c Railroad* (118 U. S. 290); *Oregon Railway Co.* vs. *Oregonian Railway Co.* (130 U. S. 1); *Railway Companies* vs. *Keokuk Bridge Co.* (131 U. S. 371); *Central Transp. Co.* vs. *Pullman's Car Co.* (139 U. S. 24); *St. Louis Railroad* vs. *Terre Haute Railroad* (145 U. S 393); *Union Pacific R'y Co.* vs. *Chicago, &c. R'y Co.* (163 U. S. 564), and *McCormick* vs. *Market Nat. Bank* (165 U. S. 538), recognize as sound doctrine that the powers of corporations are such only as are conferred upon them by statute, and that, to quote from the opinion of the court in *Central Transp. Co.* vs. *Pullman's Palace Car Company, supra* (pp. 59 to 60)—

"A contract of a corporation, which is *ultra vires*, in the proper sense, that is to say, outside the object of its creation as defined in the law of its organization, and therefore beyond the powers conferred upon it by the Legislature, is not voidable only, but wholly void, and of no legal effect. The objection to the contract is, not merely that the corporation ought not to have made it, but that it could not make it. The contract cannot be ratified by either party, because it could not have been authorized by either. No performance on either side can give the unlawful contract any validity, or be the foundation of any right of action upon it."

This language was also cited and expressly approved in *Jacksonville, &c. Railway* vs. *Hooper* (160 U. S. 514, 524, 530).

As said in *McCormick* vs. *Market National Bank, supra*, (p. 550):

"The doctrine of *ultra vires*, by which a contract made by a corporation beyond the scope of its corporate powers is unlawful and void, and will not support an action, rests, as this court has often recognized and affirmed, upon three distinct grounds: The obligation of any one contracting with a corporation to take notice of the legal limits of its powers; the interest of the stockholders, not to be subject to risks which they have never undertaken; and, above all, the interest of the public, that the corporation shall not transcend the powers conferred upon it by law. (*Pearce* vs. *Madison & Indianapolis Railroad*, 21 How. 441; *Pittsburg, C. & St. L. Ry. Co.* vs. *Keokuk & Hamilton Bridge Co.* 131 U. S. 371, 384; *Central Transp. Co.* vs. *Pullman's Palace Car Co.* 139 U. S. 24, 48.)"

The doctrine thus enunciated is likewise that which obtains in England. (*Ashbury Carriage and Iron Company* vs. *Riche*, L. R. 7 H. L. 653; *Attorney-General* vs. *Great Eastern Railway Company*, 5 App. Cas. 473; *Baroness Wenlock* vs. *The River Dee Company*, 10 App. Cas. 354; *Trevor* vs. *Whitworth*, 12 App. Cas. 409; *Ooregum Gold Mining Company of India* vs. *Roper* [1892] A. C. 125; *Mann* vs. *Edinburgh Northern Tramways* [1893] A. C. 70.)

Applying the principles of law thus settled to the case at bar, the result is free from doubt.

The power to purchase or deal in stock of another corporation, as we have said, is not expressly conferred upon National banks, nor is it an act which may be exercised as incidental to the powers expressly conferred. A dealing in stocks is consequently an ultra vires act. Being such, it is without efficacy. (*Pearce* vs. *Railroad Company*, 22 How. 441, 445.) Stock so acquired creates no liability to the creditors of the corporation whose stock was attempted to be transferred. (Cook on Stock and Stockholders, Vol. 1, p. 485, note 1 to sec. 316, and authorities there cited.)

In the *Royal Bank of India's case*, L. R. 4 Ch. 252 (1869), while it was held by the Court of Appeal that, as incidental to the power to advance money on a deposit of shares of stock, a corporation might do such acts as were reasonable and proper for making the security available, it was conceded that a purchase of stock of another company as a speculation would have been *ultra vires*, and despite acts of ownership exercised by the company, the shares might be repudiated at any time.

Sir C. J. Selwyn, L. J., said (p. 261):

"If it could have been shown that it was an act absolutely prohibited by their memorandum of articles of association, then, no doubt, a different question would have arisen; the act would have been *ultra vires* and incapable of confirmation or ratification."

Sir G. M. Giffard, L. J., said (p. 262):

"I quite agree that the Royal Bank of India had no authority to speculate in shares, and that if it had gone upon the Stock Exchange and bought shares as a speculation, such a proceeding would have been *ultra vires*, and all that has taken place would not have been enough to constitute the Royal Bank of India shareholders in this bank, or prevent them from repudiating these shares."

In *Ex parte Liquidators of the British Nation Life Assurance Association* (L. R. 8 Ch. Div. 679) [1879], the Court of Appeals, (Lords Justices James, Baggally and Thesiger) discharged an order of an arbitrator which had put the British Nation Association on the list of contributories of the British Commercial Insurance Company, a corporation in the process of being wound up. Pursuant to authority conferred by its deed of settlement, the British Nation Association had, through its directors, purchased the business of the British Commercial Insurance Company. Under the agreement entered into between the companies, certain stock of the British Commercial Company was transferred to the trustees appointed by the British Nation Company. Subsequently this stock was transferred into the name of the association, and it was sought to hold it liable as a stockholder, because of its alleged ownership of such stock. Lord Justice James delivered the opinion of the court, holding that while the British Nation Association was empowered to purchase for investment shares of a certain character, it was not empowered to purchase stock which would practically constitute it a partnership in business speculations or adventures, and that the transfer of the stock in question into the name of the bank was *ultra vires* and void. It was further held that the shareholders who had transferred the stock to the British Nation Association had no power, as between themselves and the association, to transfer their liability to the latter, and that—

"No other person or body of persons could be prejudiced or benefited or affected by an instrument to which they were absolutely strangers, such instrument being void as between the parties to it."

The case before the court was declared to be not one of a person induced to become a shareholder, and who had become a shareholder by fraud, but that of a person who had never in fact become a shareholder.

The circumstance that the dealing in stocks by which, if at all, the stock of the California Savings Bank was put in the name of the California National Bank, was one entirely outside of the powers conferred upon the bank, and was in nowise the transaction of banking business or incidental to the exercise of the powers conferred upon the bank, distinguishes this case from the class of cases relied upon by the defendant in error. (*Bank* vs. *Whitney*, 103 U. S. 99; *Bank* vs. *Matthews*, 98 U. S. 621.) The difference between those cases and one like this was referred to in *McCormick* vs. *Market National Bank of Chicago* (*supra*), and it is, therefore, unnecessary to particularly review them. The claim that the bank in consequence of the receipt of it of dividends on the stock of the Savings bank is estopped from questioning its ownership and consequent liability, is but a reiteration of the contention that the acquiring of stock by the bank under the circumstances disclosed was not void but merely voidable. It would be a contradiction in terms to assert that there was a total want of power by any act to assume the liability, and yet to say that by a particular act the liability resulted. The transaction being absolutely void, could not be confirmed or ratified. As was said by this court in *Union Pacific R'y Co.* vs. *Chicago, &c. R'y Co.* (163 U. S. 564), speaking through Mr. Chief Justice Fuller (p. 581):

"A contract made by a corporation beyond the scope of its powers, express or implied, on a proper construction of its charter, cannot be enforced, or rendered enforceable by the application of the doctrine of estoppel."

It follows from the foregoing that the judgment of the Supreme Court of California against the bank was erroneous, and it must, therefore, be reversed.

Mr. Justice Harlan dissented.

REDISCOUNTS—AUTHORITY OF PRESIDENT TO MAKE.

United States Circuit Court of Appeals, March 1, 1897.

UNITED STATES NATIONAL BANK *vs.* FIRST NATIONAL BANK OF LITTLE ROCK.

It is within the scope of the implied power of the President of a bank to indorse negotiable paper in the ordinary transaction of the bank's business, and a special authority for this purpose need not be conferred by the board of directors.

The rediscounting by a bank of its negotiable paper is not a transaction so far outside the scope of ordinary banking transactions as to impose upon the bank buying such paper the duty of ascertaining that the act has been specially authorized by the board of directors.

Before SANBORN and THAYER, *Circuit Judges*, and LOCHREN, *District Judge*.

THAYER, *Circuit Judge*: This is the second writ of error which has been sued out in this case by the United States National Bank of New York, the plaintiff in error, hereafter termed the "New York Bank." When the case was here formerly (13 C. C. A. 472, 64 Fed. 985), we decided that the notes on which the suit is brought were in such form, and were so indorsed, when they were tendered to the New York bank for discount, as to create the presumption that they were the property of the First National Bank of Little Rock, the defendant in error, hereafter termed the "Little Rock bank,' and that they had been acquired by the latter bank in the usual course of business, for value. We further held that this presumption was confirmed bv the correspondence between the two banks relative to the discount of the notes, and that an instruction given by the trial court on the first trial was erroneous which told the jury, in substance, that the notes bore upon their face evidence which should have satisfied the New York bank that they belonged to H. G. Allis, the President of the Little Rock bank; that he was discounting paper which belonged to himself, and was using the name of the Little Rock bank as an indorser for his own accommodation.

The facts proven on the second trial do not differ in any material respect from those proven on the first trial, and do not alter the conclusions announced in our former opinion. The New York bank was the Eastern correspondent of the Little Rock bank. Between June 21, 1892, when business transactions between the two banks commenced, and December 13, 1892, when the notes in suit were tendered for discount, the New York bank had discounted, from time to time, for the Little Rock bank, as the necessities of its business required, paper to the amount of about $175,000, the proceeds of which the Little Rock bank had received and used.

The application for the discount of the notes in suit was made both by W. C. Denney and H. G. Allis, who were, respectively, the Cashier and the President of the Little Rock bank, in letters which clearly showed that the discount was sought for and in behalf of the bank; and the reasons stated for asking the discount were such as would naturally disarm suspicion, namely, that the bank's customers were not shipping and selling their cotton, but were waiting for higher prices, which compelled the bank to rediscount some of its bills receivable. Besides, the Cashier of the Little Rock bank acknowledged the receipt of the proceeds of the notes in suit when they had been placed to the bank's credit by its Eastern correspondent. It must be held, therefore, that the record made on the last trial discloses no defense which should preclude the New York bank from recovering against the Little Rock bank as an indorser of the notes in suit, notwithstanding the fact that H. G. Allis, the President of the latter bank, did wrongfully appropriate the proceeds of the rediscount, unless it be true, as contended, that the plaintiff bank could not lawfully deal with the officers above named in the matter of rediscounting paper without first ascertaining that they had been authorized by the board of directors to rediscount the notes in controversy, and that the President had been authorized to indorse them.

The second trial of the case was conducted on the theory, which was embodied in the charge of the trial court, that a rediscount by a bank of its bills receivable, where the paper is indorsed, constitutes a borrowing of money by the bank; and that the President of a National bank, by virtue of his office, has no power to indorse its commercial paper, or to rediscount its bills receivable. Proceeding from these postulates, the trial court further instructed the jury, in substance, that there was no evidence that the President of the defendant bank had any actual authority to indorse and rediscount the notes in suit; and that, before there could be a recovery, the plaintiff bank must show affirmatively that the board of directors of the defendant bank either knew that its President had previously exercised the power of indorsing and rediscounting its bills receivable, or that he had been permitted, without their actual knowledge, to exercise such powers, through a series of transactions such as would amount to a custom to do so, or else that the board of directors had negligently permitted him to carry on such a course of dealing with the plaintiff bank as to induce the latter to believe that the board of directors of the defendant bank had conferred upon the President thereof the power to indorse and rediscount its bills receivable. To all of these instructions exceptions were taken, and they constitute the errors to be reviewed.

We are of opinion that that part of the aforesaid charge which declared that a rediscount by a bank of its bills receivable, if it indorses the same, is a borrowing of money, and that part, which declared, in substance, that the President of a National bank has no implied power to indorse its commercial paper, were erroneous. There is an obvious difference between a transaction where a bank goes into the market as a borrower, giving its own notes, bills or other obligations for the money borrowed, and a transaction where it disposes of the notes and bills of third parties which it has previously discounted. In the former case it becomes primarily bound; it is the principal debtor; while in the latter, even if it indorses the paper, it only incurs a contingent liability, which may never ripen into an absolute obligation to pay. The latter transaction has more, if not all, of the characteristics of a sale, and it is generally regarded as a sale whereby assets of a certain kind are converted into cash. It may be said that a bank or an individual borrows money when they can execute their own notes or bills, and receive the money thereon from a third party, even though the interest to accrue is deducted in advance, in the form of a discount. But we can see no propriety in characterizing the transaction as a borrowing of money, when a person or a corporation sells commercial paper made by third parties, which they happen to own. There are some authorities, it is true, which maintain that the President of a bank has no implied power to bind the bank by an indorsement of commercial paper, and that, when an indorsement by the President is relied upon as transferring a title thereto, a special authority to indorse must be shown. (*Smith* vs. *Lawson*, 18 W. Va. 212, 228; *Bank* vs. *Hamlin*, 14 Mass. 178, 180; *Gibson* vs. *Goldthwaite*, 7 Ala. 281, 293.) But we think the weight of reason and authority is in favor of the view that it is within the scope of the implied powers of the President of a bank to indorse negotiable paper in the ordinary transaction of the bank's business, and that a special authority to that end need not be conferred by the board of directors. Such implied power is generally conceded to bank Cashiers, and we know of no sufficient reason why the implied powers of the chief executive officer of a bank should be more limited in this respect than those of its Cashier. (*Bank* vs. *Smith*, 23 C. C. A. 80, 77 Fed. 129, 135; *Fleckner* vs. *Bank*, 8 Wheat. 338, 360; *Wild* vs. *Bank*. 3 Mason, 505, Fed. Cas. No. 17,646; *Bank* vs. *Perkins*, 29 N. Y. 554, 569; *Cooke* vs. *Bank*, 52 N. Y. 96, 114, 115; *Bank* vs. *Wheeler*, 21 Ind. 90; *Merchants' Bank* vs. *State Bank*, 10 Wall. 604, 650.) It can hardly be expected that the Cashier of a bank will be in attendance on all occasions when it becomes necessary for the bank to indorse notes and bills, draw drafts and checks, certify checks, or issue certificates of deposit. Such transactions as these are of hourly occurrence in all banks located in large business centres, and the exigencies of business demand that the power to perform such acts should be vested in some other officer as well as in the Cashier. Our observation teaches us that such power is very generally exercised by bank Presidents; and in ordinary transactions, no layman, we think, would hesitate to accept negotiable paper which had passed through a bank, because it was indorsed by the President rather than by the Cashier. In its practical operation the rule that a bank President has no implied power to indorse commercial paper for and in behalf of his bank would seriously interfere with the transaction of business, and put the public to great inconvenience, while it would have no marked tendency to prevent fraud or breaches of trust on the part of bank officers. The public interest requires that the same presumptions should attend an indorsement made by the President of a bank which exist in favor of an indorsement made by a Cashier, and that banks should be held bound by acts of that nature when done by either of such officers in the ordinary course of business. Aside from these considerations, we think that it has been settled, so far as the Federal courts are concerned, by the decision in *People's Bank* vs. *National Bank*, 101 U. S. 181, that the President of a National bank, by virtue of his office, does possess the power to bind his bank by a contract of indorsement or guaranty, made in the usual course of business. It was held in that case, where the Vice-President of a National bank, contemporaneously with a sale of certain notes to another bank, guaranteed their payment, that the latter bank could rightfully presume, without inquiry, that the Vice-President had authority to execute the guaranty. And the same doctrine has been approved by some of the State courts. (*Thomas* vs. *Bank* [Neb.] 58 N. W. 943; *Palmer* vs. *Bank*, 78 Ill. 380; Thomp. Comm. Law Corp. § 4621.)

We turn at this point to consider one of the most important questions in the case, and that is whether the transaction in controversy, to wit, the rediscounting of the notes in suit, was an act so far outside the sphere of ordinary banking as to impose upon the New York bank the duty of ascertaining that the President and Cashier of the Little Rock bank had been duly authorized by its board of directors to rediscount the paper in question. That the power to rediscount its bills receivable was vested in the defendant bank admits of no controversy. The act, therefore, was not *ultra vires*. (*Bank* vs. *Sharp*, 6 How. 301, 322, 323; *Bank* vs. *Smith*, 23 C. C. A. 80, 77 Fed. 129, 135; *Bank of Genesee* vs. *Patchin Bank*, 13 N. Y. 309;

Marvin vs. *Hymers*, 12 N. Y. 228; *Houghton* vs. *Bank*, 26 Wis. 663; *West St. Louis Sav. Bank* vs. *Shawnee Co. Bank*, 95 U. S. 557, 559; *Cooper* vs. *Curtis*, 30 Me. 488, 490; *Davenport* vs. *Stone* [Mich.] 62 N. W. 722). In *Bank* vs. *Armstrong* (152 U. S. 346) it was decided that the borrowing of money by a National bank is such an unusual proceeding that when persons or corporations are solicited by a bank President to loan money to his bank they "must see to it" that the requisite authority to borrow money has been conferred by the board of directors. But the decision referred to did not go beyond that point, and, as we have already held that the conversion of bills receivable into cash by rediscounting them differs essentially from borrowing money, it is not a controlling authority in the case at bar.

We are not left in doubt by the present record as to the practice of the defendant bank in the matter of rediscounting negotiable paper. The evidence shows, without contradiction, that it had long been in the habit of rediscounting its bills receivable in large amounts; that all other banks doing business in the same locality pursued the same practice, and that the demand for money at certain seasons of the year, usually in the summer and fall, made it necessary to convert a portion of their bills receivable into cash by selling them in the East. The plaintiff bank offered to prove by the official report of the Comptroller of the Currency that the amount of rediscounted paper held by National banks at various times between March 1, 1892, and January 1, 1893, ranged from $8,500,000 to $17,132,497, the largest amount being held in September, 1892, but the trial court rejected such proof.

We think, however, that, notwithstanding the rejection of this proof, we must presume that the practice which was shown to exist among the banks located in Little Rock and in that vicinity prevails in other sections of the country, inasmuch as the defendant bank offered no testimony tending to show that banking operations are conducted differently in that region than they are elsewhere, or that the practice of rediscounting paper is confined to that locality. The laws of trade are generally uniform in their operation, and the same causes which at certain seasons of the year occasion a greater demand for money and a dearth of currency in one section of the country, doubtless produce the same results, at certain seasons, in other sections. It is the duty of banks to make all reasonable efforts to supply their customers with money for all legitimate business purposes. To that end it is their right to exercise all of their corporate powers, including the power to rediscount. On some occasions, if this latter power was not freely and speedily exercised, a bank would be derelict in the discharge of its obligations to the public. One of the most useful functions which banks perform is to equalize the distribution of money, and make the supply in their respective localities satisfy, as far as possible, the demands of trade and commerce, by withdrawing money, as the occasion requires, from those financial centres where it has a tendency to accumulate. It is obvious that this function can be best performed by banks by selling or rediscounting a portion of their bills receivable in those places where money is most abundant and cheap; and we have no doubt that it is usually so performed, and that many banks throughout the country are in the habit, at certain seasons of the year, of replenishing their stock of money by such means. It results from these considerations that we are unable to assent to the proposition that the rediscounting by a bank of its negotiable paper is a transaction so far outside the scope of ordinary banking transactions as to impose upon the bank buying such paper the duty of ascertaining that the Act has been specially authorized by the board of directors. If, as in the present case, the proposal to rediscount emanates from the President and Cashier of a bank, and is made to its regular correspondent, and there are no circumstances attending the transaction which are calculated to arouse suspicion, we think that the bank to which the proposal is addressed may safely act on the proposition without further inquiry, on the assumption that the Act has either been specially authorized, or that the officers from whom the proposition emanates are acting within the purview of their general powers.

But, whether the conclusion last announced be sound or unsound, we are satisfied, in either event, that in the present case the defendant bank is estopped from asserting, as against the plaintiff bank, that its President had no authority to indorse and rediscount its negotiable paper. It is a fact which admits of no controversy that for many months prior to the transaction in question the President of the Little Rock bank had been in the habit of rediscounting its bills receivable, as the exigencies of business demanded. Reference has already been made to the fact that during the six months preceding the rediscount of the notes in suit, rediscounts had been obtained from the New York bank to the amount of about $175,000, the proceeds of which the Little Rock bank had received and used. This power, it seems, had been exercised with the knowledge and concurrence of the Cashier of the Little Rock bank, but without any formal action having been taken by its board of directors. All of the directors, however, who testified at the trial, admitted, in substance, that they were aware that the bank had been in the habit of obtaining rediscounts. Indeed, a report made to the Comptroller of the Currency on July 12, 1892, which was read in evidence, and was sworn to by three of the directors, showed the amount of rediscounted notes and bills then outstanding and held by other banks to be $81,748.80. Under these circumstances, it is quite immaterial that three of the directors testified that they were not aware that the President had ever been authorized to indorse and rediscount its bills receivable. They did know that paper was being rediscounted in large amounts under the President's direction without consulting the board, and that the bank was using in its daily business transactions the money so obtained. Knowing this fact, it was their duty to inquire and to ascertain in what way paper was being rediscounted, whether by the indorsement of the Cashier or by the President, if they considered the mode of indorsement of any importance. By their silence and acquiescence they ratified the practice of obtaining rediscounts which the President had seen fit to adopt, and remitted the whole matter to his judgment and discretion. The President was, in effect, held out to the world, or at least to those banks with which he dealt, as having the powers which he assumed to exercise; and in a controversy between one of such banks, with which he had large dealings, and the defendant bank, the latter will not be heard to deny such authority. (*Merchants' Bank* vs. *State Bank*, 10 Wall. 604, 645, 646; *Butler* vs. *Cockrill*, 86 U. S. App 702, 712, 20 C. C. A. 122, and 73 Fed. 945, and cases there cited; *Farmers and Mechanics' Bank of Kent Co.* vs. *Butchers & Drovers' Bank*, 16 N. Y. 125, 134, 135.)

[The court then considered a question of practice.] Judgment reversed.

REPLIES TO LAW AND BANKING QUESTIONS.

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

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

Editor Bankers' Magazine: —— N. Y., May 21, 1897.

SIR:—On Saturday, May 15, we received from our Albany correspondent, a check drawn in the usual form on the First National Bank of this place. On presentation of the check before 12 M. Saturday, payment was refused on account of drawer's account not being good, and we protested it. The First National Bank claims that we ought not to have protested the check Saturday, but should have held it until the following Monday. Please inform us whether our action was correct or not? CASHIER.

Answer.—The New York statute, after enumerating the various holidays, and declaring that Saturday, from twelve o'clock noon, shall be a half-holiday, provides: "And all such bills, checks and notes otherwise presentable for acceptance or payment on any of the said days, shall be deemed to be payable and be presentable for acceptance or payment on the secular or business day next succeeding such holiday; but in the case of a half-holiday, shall be presentable for acceptance or payment at or before twelve o'clock noon, of that day. Provided, however, that for the purpose of protesting or otherwise holding liable any party to any bill of exchange, check or promissory note, and which shall not have been paid before twelve o'clock at noon on any Saturday, a demand of acceptance or payment thereof may be made and notice of protest or dishonor thereof may be given on the next succeeding secular or business day. And provided, further, that when any person shall receive for collection any check, bill of exchange or promissory note, due and presentable for acceptance or payment on any Saturday, such person shall not be deemed guilty of any neglect or omission of duty, nor incur any liability in not presenting for payment or acceptance, or collecting such check, bill of exchange or promissory note on that day. And provided, further, that in construing this section, every Saturday, unless a whole holiday as aforesaid, shall until twelve o'clock noon be deemed a secular or business day." While the statute would thus have permitted the bank, in the case stated, to have presented and protested the check on Monday, this was not required; but the bank was at liberty to present and protest it on Saturday if it saw fit to do so.

Editor Bankers' Magazine: PEORIA, Ill., May 20, 1897.

SIR:—Does a check payable to "Jno. Smith, or bearer," have to be endorsed by Jno. Smith to become negotiable? TELLER.

Answer.—An instrument payable to "Jno. Smith, or bearer," is in legal effect the same as if payable simply to bearer; and no indorsement is necessary to pass the legal title. (*Wilbour* vs. *Turner*, 5 Pick. 526.)

Editor Bankers' Magazine: TRAVERSE CITY, Mich., May 11, 1897.

SIR:—In your issue of December, 1896, pages 671 and 672, you quote the decision of a Vermont court to the effect that a guardian is liable as stockholder on stock purchased in name of his ward. Section 5152 of the National Banking Act reads: "Persons holding stock as guardians or trustees shall not be personally subject to any liability as stockholder, but estates and funds in their hands shall be liable in like manner and to the same extent as the ward or person interested in such funds would be if competent to act and hold stock in his own name." Is the court decision in harmony with the section above referred to?

C. A. HAMMOND, *Cashier*.

Answer.—In the case referred to the defendant had bought the stock in the names of his minor children; and the theory of the decision is that as he could not bind them by the contract he bound only himself. This in no way conflicts with the provision of the statute that one holding stock as guardian shall not be liable thereon. In the latter case, the stock belongs to the estate of the infant, and the guardian has no relation to it, except as he represents that estate.

Editor Bankers' Magazine: BLOOMINGTON, Ind., May 12, 1897.

SIR:—X executed his negotiable note to A without consideration, on account of A's fraud on him; A assigned the note to B, B endorsed the note to C, an innocent purchaser for value. Can C collect from X notwithstanding A's fraud?

Please mention any cases you may know of deciding this, and oblige a reader of your valuable MAGAZINE. S. C. DODDS, *Cashier*.

Answer.—The mere fact that A *assigned* the note to B did not throw any suspicion upon the character of the paper (*Lomax* vs. *Priot*, 2 Rand. 260); and C being an innocent purchaser for value is entitled to recover thereon from the maker, notwithstanding the note was obtained from him by the fraud of the payee. (*Vosburgh* vs. *Diefendorf*, 119 N. Y. 357; *Canajoharie National Bank* vs. *Diefendorf*, 123 N. Y. 202.)

Editor Bankers' Magazine: LOWELL, Mass, May 25, 1897.

SIR:—Embodied in the collateral notes in general use among the banks is a clause similar to the following: "And pledged as collateral security for the payment of this note as well as for the payment of any other liability or liabilities of the undersigned maker to the holder whether due or to become due and whether now existing or hereafter arising, the following property." Query: Has this ever been tested in court, whether the collateral so pledged can be applied on other direct or indirect liabilities of the maker to the holder?

TREASURER.

Answer.—We do not know of any case where this particular form of pledge has been construed by the courts; but in a number of cases where the language was less clear and precise, it has been held to comprehend all demands subsequently arising. (See *Merchants' Nat Bank of Whitehall* vs. *Hall*, 83 N. Y. 338; *Agawam Bank* vs. *Strever*, 18 N. Y. 502; *Douglass* vs. *Reynolds*, 7 Pet. [U. S.] 113.) But the language would have to be construed with reference to the situation of the parties, and would be confined to dealings between them in the way of banker and customer; and would probably not include indirect claims arising in other ways. For example, if the bank should purchase from some third person the note of the pledgee, its claim against him upon such note would probably not be deemed within the terms of the pledge. (See cases cited above.)

Editor Bankers' Magazine: TORONTO, Ont., May 17, 1897.

SIR:—Will you inform me what practice prevails in the United States with reference to the payee's endorsement upon checks which pass through one or more banks before reaching the payee's bank. To be more explicit, our customer's checks are frequently presented through the clearing-house by other city banks (acting as collecting agents of United States banks) endorsed in the payee's name by rubber stamp only. In the eyes of the law, is this a sufficient endorsement, and can recourse be had against the bank originally accepting such rubber stamp, in case it was subsequently proven that the same was surreptitiously used? Or is it necessary, in order to be bound, that the bank should guarantee endorsement of such checks as I have mentioned?

GEO. WILSON.

Answer.—An indorsement by a stamp is as valid as if made in the handwriting of the indorser. The only objection to it is that it is more difficult to prove. In case, however, the stamp should be placed upon a check without the authority of the person whose indorsement it purports to be, the bank first receiving the check would be liable for any money collected thereon, whether it did or did not guarantee the indorsement.

A BENEVOLENT BANKER.—Philadelphia has given place in front of its city hall to a statue of Stephen Girard, the monument standing near a similar tribute to William Penn. The unveiling of the statue recently brought out many extended biographical articles relating to one of the most remarkable men among the adopted sons of this nation.

Girard was a man of contradictions on the surface, yet his life was secretly devoted to schemes of the broadest benevolence. He cared little for individuals, but aimed to aid mankind, not for a day or an age, but throughout all time. It is pleasant to realize that his great purpose has not miscarried. The $8,000,000 he left for the rearing of male orphans has grown to $25,000,000, and the income from it is not less than $1,000,000 a year. About 1600 orphans are fed, clothed, sheltered and educated in the college he founded, and nearly 5,000 have graduated from its walls. The orphans, who include those who are fatherless, are admitted between the ages of 6 and 10, and after reaching 14 spend four years in the practical study of some mechanical, agricultural or commercial occupation. All sectarianism is excluded from the college, though general religious exercises are held under its officers. The faculty now numbers seventy, and every year about 200 graduates, thoroughly grounded in a business vocation, leave the institution which has bestowed upon them a parental care.—*St. Louis Globe-Democrat.*

A PROPHECY AND A PROMISE.

SECRETARY GAGE ON THE BUSINESS OUTLOOK AND CONGRESSIONAL ACTION.

A union meeting of the commercial clubs of Boston, Chicago, St. Louis and Cincinnati was held at Covington, Ky., recently. At a dinner given to the clubs at Cincinnati, on the evening of May 28, Lyman J. Gage, Secretary of the Treasury, made a speech that has attracted considerable attention because of its hopeful tone. Mr. Gage said:

"As I have observed and listened to the words passing from lip to lip among the members of the commercial clubs gathered here, I discovered two particular themes which have a first place in the thoughts of all. These two themes are tariff and the public finances. Upon the settlement of these two questions enterprise waits and industry languishes. Over fifty times I have been asked, 'When will the tariff discussion end and the measures proposed receive the final vote which will formulate the measure into law?' Over fifty times more I have been asked, 'Have the financial reforms, for which the people struggled in November last, been forgotten?'

As to the great fabric now before Congress, known as the Tariff bill, I have nothing to say in detail. I want to bear testimony, however, to the zeal and good faith of those in both Houses who have that measure in charge. They are fully conscious of their great responsibilities, and are working faithfully to discharge them. Nor do I think that the opponents of these measures are likely to oppose with wilful and unjust obstructions the course of legislation. That there will be more or less fencing for position must be expected, but having now come into contact with many of the representatives of both Houses of Congress, I deem it my duty to bear witness, so far as it may have value, to the honorable and patriotic motives that inspire the minds of the great majority, whether upon one side of the House or the other, and I prophesy an early result in the national councils to which this great commercial question is now committed. I make these remarks, not to defend a body for whom I hold no commission to speak, but to correct, in one direction, if I may, the operation of an injurious sentiment—a sentiment which is sowing evil seeds in many directions. It is dividing classes, destroying unity and breeding hatreds. The one word for that sentiment is 'distrust.' Faith and courage lead to conquest and victory. Distrust paralyzes and destroys.

As to the financial question, to which I have already referred, I must content myself with few words. I am glad that they may be words of assurance. If any of you harbor the suspicion that the Administration, but just now installed into the responsibilities of high office, has forgotten or is likely to forget the mandate of the people, whose voice in behalf of honest money and sound finances rang out loud and clear in November last, put that suspicion aside. It is unjust and unfounded. In good time and in proper order the affirmative evidences of my declaration will appear.

In the meantime, my friends, do your part to help those charged with the legislative and administrative duties. Do not let the inertia engendered by fear and distrust creep over you. We have been passing through a period of great trial and nobly we have endured the strain. The future is not dark with forebodings. It is illuminated with rational hope. The revival of industry is near, and with the establishment of a revenue law sufficient to bring into the Treasury an amount adequate to meet the reasonable needs of our Government and with the establishment of our finances on a sound and enduring basis, nothing now foreseen can delay the recovery of past losses and the inauguration of a new forward movement along the lines of material advancement and social progress, which we may humbly trust is in the benevolent mind of God to bestow upon the American people."

Secretary Gage said that before starting from Washington he had called on the President, and asked permission to say for the Administration that there must be proper revenue raised, and that there must be a sound system of currency established. The President said: "That is exactly what I want you to say."

In an address before the Maryland Bankers' Association, held at Cumberland, on June 3, Secretary Gage reiterated the substance of his Cincinnati speech. He said:

"Reference was made here this evening to my recent address in Cincinnati. Let me repeat here the substance of the conclusion of that address. The prophecy made then will be fulfilled. The promise I am absolutely certain will be. The prophecy was that both bodies of Congress would soon put through an adequate tariff bill, and the promise was that the Administration would be faithful to the task imposed upon it by putting the currency of the country on a sound, enduring and solid basis."

Notices of New Books.

Proceedings of the Second Annual Convention of the Pennsylvania Bankers' Association. Philadelphia: Published by the Pennsylvania Bankers' Association.

In presenting the proceedings of its annual conventions in an attractive and permanent form the Pennsylvania Bankers' Association has set an example worthy of imitation by other like organizations. The volume is handsomely and substantially bound in cloth, while the typography is attractive and the arrangement of the different features of the report is all that could be desired.

Interesting and valuable as are the proceedings of the second annual convention of the Pennsylvania Bankers' Association, additional value is given to the volume by the large amount of historical matter and the artistic illustrations which it contains.

The history of banking in Pennsylvania is rich in the lives of eminent bankers of the State and nation. It was here that the earliest banks in the country were founded, and it was here that financial assistance for carrying on the great wars of the nation was sought and found. A large part of the money for conducting the War of the Revolution, the War of 1812, the War with Mexico and the War of the Rebellion, was raised and furnished to the Government by the bankers of the State in Philadelphia. Reference to the first of these, Robert Morris, the patriot financier of the War of the Revolution, and the father of banking in Pennsylvania and in the United States, appropriately appears in the Introduction to the Proceedings of 1895. The Introduction to the Proceedings of 1896 is in like manner devoted to a sketch of the second great banker of the State and nation, Stephen Girard, the financier of the War of 1812, whose beneficent charities have given him a claim throughout the world to the title of the "Benevolent Banker." The volume is illustrated with a portrait of Girard, and with views of his banking house—the oldest in the United States, of the magnificent college he founded, and of his statue in bronze which was unveiled in Philadelphia on City Hall plaza on May 20, the anniversary of his birth, in the presence of the Governor of the State, the Mayor of the City, the Board of City Trusts, and the alumni and pupils of Girard College and a large concourse of people, including many distinguished citizens.

The various State bankers' associations are making important contributions to the history and literature of banking and finance, and these records should be preserved.

The sub-committee on publication, of which Mr. William H. Rhawn, of Philadelphia, is chairman, has displayed admirable taste in the preparation and publication of the above report.

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

IOWA BANKERS' ASSOCIATION.

The Eleventh Annual Meeting of the Iowa Bankers' Association convened at Ottumwa, May 26.

After prayer by Rev. L. F. Berry, Hon. Wm. McNett welcomed the convention to Ottumwa. He said that the city where the convention assembled had no prejudice against banking institutions, which he attributed to the creditable record of the local banks as well as of those of the State in general.

President J. K. Deming, Cashier of the Second National Bank, of Dubuque, delivered his annual address.

In speaking of the sound money victory of last fall, he said:

"While the victory was complete and the enemy routed, it is not yet safe to lay down our arms. The same menace to American honor will appear again in 1900, unless in the meantime our present monetary system is revised, and in the work of educating statesmen and voters alike, the banker, individually and in association may and should perform an important part."

In reviewing the recent banking legislation, President Deming said:

"And here let me express my firm conviction that the policy of this association in the future should be to interfere as little as possible in legislative affairs. As good citizens we should accept and abide by just laws enacted for our governance, and in no class of business will unjust laws so quickly react upon the people as they will when applied to banks. The people own the greater part of the assets of the banks—they are beginning to realize this, and they are less inclined to cut their own throats by passing unreasonable and unfair banking laws.

There is other work for this association to do, which conforms strictly to the purposes laid down in our constitution, and which, if vigorously carried out, will give the best answer to that question which has sprung up of late. 'What good do we accomplish?' And the first thing is to inaugurate some system of mutual protection against fraud. In line with this, I would suggest the adoption of a cipher code for use among our members, by means of which information can be quickly and safely given or obtained regarding the transfer of funds, the validity of drafts, the movements of criminals, etc. These books should remain the property of the association and be loaned to members, to be returned whenever their membership ceases. This plan might be elaborated by issuing a book containing facsimiles of signatures of bank officers, as a further safeguard against forgery."

President Deming thought there ought to be a change in the method of representation of State associations at the conventions of the American Bankers' Association. "The fact that we are now permitted to send a delegate," said he, "a voiceless delegate, to the convention of the American Bankers' Association, does not meet the necessity."

Secretary J. M. Dinwiddie, Cashier of the Cedar Rapids Savings Bank, read his report, showing 201 banks in good standing in the association.

Treasurer C. H. Martin, Cashier of the People's Savings Bank, Des Moines, submitted his report of the disposition of funds. It showed that there had been received from advertisements for the year, $150.00; dues and memberships, $1,176.50; cash on hand last year, $532.51; paid out during the year, $762.68; balance on hand, $1,096.33.

Charles R. Hannan, Cashier of the Citizens' State Bank, of Council Bluffs, presented the report of a special committee appointed to consider the group system of organization. The report was favorable to the plan, but action was deferred.

Governor F. M. Drake spoke at length on the finances, dealing in an able manner with the several crises in the country's history.

S. F. Smith, Mayor of Davenport, spoke on Banking, Etc."

Lowrie C. Blanding, National Bank Examiner, Rock Island, Ill., presented a valuable paper on "The Study of Commercial Credits," which was in part as follows:

"There is no fixed and specific rule for guidance, unless we may say it is imperative that the utmost care and prudence be exercised. Seldom, if ever, has a bank been seriously impaired by reason of its small loans; in the large lines of credit lie the danger; watch then, carefully, large lines af accommodation: true, small loans need attention as well as large, but the latter, when under consideration, should be very carefully weighed and judged from every standpoint; if, after reasonable consideration, question arises as to advisability of loan, do not make it; it is better to be on the safe side than to suffer a loss. If large loans are to be renewed, give them the same careful scrutiny as when first made. The financial standing of individuals and firms varies so much that a loan safe to-day might be unsafe to make four or eight months hence.

A bank should, as far as possible, be in close touch with its customers; mutual confidence will be of mutual benefit and should be encouraged; to know the exact financial condition of the borrower is the best possible way to determine the amount of credit to which he is entitled, taking into consideration habits, character and disposition to be made of money borrowed: it cannot fail to be of use to the bank; it may benefit the borrower. Many individuals and firms would to-day be doing a successful business if unwise accommodation had not been given by banks; if business condition requires retrenchment and close sailing it is the part of a wise banker to refuse accommodation intended for branching out and enlarging the business; by so doing he may preserve the business of his customer and save the bank a loss.

Every statement of condition given to the bank should be carefully studied and analyzed; consideration should be taken of cost price of goods or material; market price; whether old or new stock; whether slow or quick assets; whether business is prosperous or not; reliance to be placed on veracity of maker of statement: amount of money borrowed and to whom owed: not overlooking the fact that assets may shrink while liabilities are certain and may increase; judge the statement on its merits, apart from any consideration of friendship. Commercial paper purchased outside should be just as closely scrutinized as loans made to local customers; avoid the glamour surrounding great names and great companies; if financially strong they will court investigation; if they refuse this they are not worthy of accommodation.

The loaning of money for any considerable amount is a business transaction and should always be so treated. When loaning for any amount to friends treat them as rigidly as if they were simply acquaintances; if their financial condition does not warrant it, they are not entitled to the accommodation, and in asking it they impose on your good nature. 'Our friends' have been the downfall of many a banking institution. If your friend is not entitled to the accommodation, and loan is made, you are betraying the confidence reposed in you by your depositors; they have placed funds with you with the expectation that you will carefully look after their interests by making safe loans. If you loan money on the score of friendship, loan it out of your own rather than bank funds.

The purpose for which money borrowed is to be used, is important; a legitimate business requirement calls for more consideration than a speculative deal, no matter what its character; a prudent bank will be careful in loaning money for 'deals;' the element of chance and uncertainty enters too largely into them; they may appear alluring and sure, but so many banks have been drained by just as sure and certain 'deals' that a good principle to adopt for loans of this character would be 'to-morrow.'

If collateral security is required, do not be satisfied with collateral of doubtful worth; give it the same careful scrutiny that you do a statement of condition, and determine its value before making loan; if the borrower is of doubtful responsibility and collateral of doubtful worth, you may be justified in making loan for small amount; not so for large amount; when trouble comes doubtful collateral will be found of little value. If borrower is financially responsible and collateral security is called for, why should a bank accept or be satisfied with poor collateral? Does it add any special safety to the loan? Ask for the best the borrower can give, and do not be satisfied with any unless it is good.

Rigorous examination of its own assets on the part of the bank is as necessary as careful investigation and study of credit to be extended to its customers; a careful inventory should be taken at frequent intervals; if anything develops bad or doubtful, look at it in the face; determine its value, and treat it accordingly; if you fondle and nurse it, trusting that time will make it all right, you are deceiving yourself; a bank cannot afford this; it has a demoralizing effect; if bad items are promptly disposed of as they come, provision can be made for them.

Successful banking does not depend on doing the largest business in the community, nor does it depend on loaning all available funds. It does depend, however, on making safe loans; a bank confining itself to a reasonably conservative business will steadily grow in public confidence and get its share of legitimate business; the principle of safety for depositors and stockholders is a good one to follow; reasonable conservatism and safe banking go hand in hand; good judgment on part of managing officers; constant study of human nature, and courteous and fair treatment to all customers at all times on their part, are essential requirements.

Let us hope the day of careless banking has passed, and in its place may we see the dawn of a better era where careful, prudent banking will prevail; where constant watchfulness and unremitting attention will bring safety alike to the depositor and stockholder."

THE BANQUET.

On the evening of the 26th the visiting bankers were tendered a banquet by the bankers of Ottumwa.

Toasts were responded to as follows:

"The Stranger Within our Gates"—Rev. F. E. Brush.

"The State of Iowa"—Governor Francis M. Drake, President Centerville National Bank.

"The Tough Customer"—S. F. Smith, Mayor of Davenport.

"A Glimpse into the Future"—Maj. Samuel Mahon, of Ottumwa.

"The Railroads and the Banks"—General Manager W. C. Brown, of the Burlington railway system. In the course of his remarks he said:

"The story of the development of the railroad during the sixty-eight years since the laying of the first bar of railroad iron is a history of the mighty progress of the nation. From this small beginning—from nothing—the railroads of this country have grown to 185,000 miles, handling annually seven hundred million tons of freight and five hundred million passengers, employing a little less than one million men, to whom is paid annually more than $725,000,000 in salaries, and a larger sum to labor employed indirectly in the production and manufacture of supplies and equipment.

Nearly 70 per cent. of the gross earnings of the railroads of the country is returned to circulation almost at once through the medium of labor employed and taxes paid."

"Amusing Experiences of a Cashier"—Ackley Hubbard, Cashier First National Bank, Spencer.

"Pioneer Banking in Iowa"—W. B. Bonnifield, President of the First National Bank, Ottumwa. He gave many interesting reminiscences of banking in the early history of the State.

Edward P. Seeds, Professor of Law in the State University, read a paper on "The Banker and Legislation."

Geo. F. Henry, of Des Moines, delivered an address on "The Bank's Attorney."

The districts were then called and the vice-presidents responded, telling of the condition of banking in their districts. At 2 o'clock the meeting reconvened, and the following chairmen of the nine groups into which the State was divided under the new constitution were reported as follows:

First—J. A. Patton, Cashier First National Bank. Council Bluffs

Second—O. P. Miller, Lyon County Bank, Rock Rapids.

Third—Ackley Hubbard, Cashier Citizens' State Bank, Spencer.

Fourth—Arthur Reynolds, Cashier Des Moines National Bank, Des Moines.

Fifth—C. H. McNider, Cashier First National Bank, Mason City.

Sixth—A. T. Lusch, President Iowa Trust and Savings Bank, Dubuque.

Seventh—E. M. Scott, Cashier Security Savings Bank, Cedar Rapids.

Eighth—J. T. Brooks, Cashier Bank of Hedrick, Hedrick.

Ninth—James T. Whiting, Cashier National State Bank, Mt. Pleasant.

Prof. Isaac A. Loos, Professor of Political Science at the State University at Iowa City, delivered an address on "The Beginnings of Banking"

E. L. Johnson, Treasurer of the Leavitt and Johnson Trust Co., of Waterloo, read a paper on "The Correct Estimate of Land Values as a Basis for Real Estate Loans."

Considerable discussion arose over the proposal to appoint delegates to represent the Iowa Bankers' Association at the coming convention of the American Bankers' Association at Detroit. Assertions were made to the effect that the American Bankers' Association was undemocratic, that it was run by a coterie of Eastern bankers, and that only those in "the ring" had a voice in the management.. Mr. Heintz, of Davenport, said that this was not true; that he had the pleasure of attending the last meeting of the association as a delegate and was never treated better.

Finally the President was authorized to appoint seven delegates to represent the State at the Detroit convention. The secretary was authorized to correspond with other State associations with a view of forming another national association.

Resolutions were adopted in favor of having the State banks publish their four yearly statements on dates coincident with National bank reports.

Five hundred dollars was appropriated to carry out the recommendations of the president for a protective committee to prosecute criminals, arrange a system of cipher dispatches, and a book with the facsimiles of all bankers' signatures.

The secretary was allowed a salary of $300 per year in the future with the services of a stenographer when needed.

The usual resolution of thanks to the city was passed.

Officers were elected as follows:

President—Charles R. Hannan, Cashier Citizens' State Bank, Council Bluffs.

Vice-Pres.—Alfred F. Balch, Cashier Marshalltown State Bank, Marshalltown.

Secretary—J. M. Dinwiddie, Cashier Cedar Rapids Saving Bank, Cedar Rapids.

Treasurer—Chas. H. Martin, Cashier People's Savings Bank, Des Moines.

Next year's convention will be held at Mason City.

MARYLAND BANKERS' ASSOCIATION.

The Second Annual Convention of the Maryland Bankers' Association was opened in the county court-house at Cumberland, June 2, Vice-President John B. Ramsay, President of the National Mechanics' Bank of Baltimore, calling the assemblage to order.

He referred to the death of Enoch Pratt, the president of the association, and to the unavoidable absence of the Vice-President, Jacob Tome, of Port Deposit.

Speaking on the currency issue he said:

> "The currency system must be reformed in some good way that will forever prevent all illegitimate drains upon the gold reserve of the Treasury. The masses of the people must be educated to believe that capital is a friend of labor and not its enemy, and every man who loves his country and its flag must be taught to insist that every obligation of this Government, be it unconditional or implied, shall be sacredly fulfilled."

Prayer was offered by Rev. Dr. James E. Moffatt, pastor of the Presbyterian church, Cumberland.

City Attorney Robert H. Gordon delivered the address of welcome on behalf of the City of Cumberland.

Vice-President Ramsay, on behalf of the associated banks of Baltimore, thanked the bankers of Allegany county for the welcome extended through their representatives.

Charles T. Crane, of the Farmers and Merchants' National Bank, Baltimore, responded to Mr. Gordon's address on behalf of the city.

Hon. J. W. Hering, Cashier of the Union National Bank, Westminster, responded for the banks outside of Baltimore.

Secretary Lawrence B. Kemp, President of the Commercial and Farmers' National Bank, Baltimore, read his report, showing an enrollment of ninety-one financial institutions as members—a very large proportion of the total number in the State.

E. H. Pullen, Vice-President of the National Bank of the Republic, New York, and ex-President of the American Bankers' Association, delivered a thoughtful address on banking and other topics. In reference to currency plans he said:

"Innumerable plans, more or less meritorious, have been offered, notably the Baltimore plan, but nothing has resulted. The problem presents itself with increasing pressure to the best thought and ripe experience of our country, and must be solved as soon as practicable, or we shall have to fight the same battle within four years, with very uncertain result. It is true that this question has been dragged into politics, and it is equally true that expediency and political considerations have become conspicuous factors in its settlement. These factors should be eliminated.

Any plan compelling National banks to hold two-fifths of their legal reserve in silver coin is impracticable. Any plan that contemplates the issue of National bank notes that shall be secured by a first lien on their assets is also impracticable. Some satisfactory solution of this grave question must, and doubtless will, be made."

In the afternoon the bankers visited the coal mines in the vicinity, and dined at Frostburg in the evening.

Second Day's Session.

Hon. J. W. Hering, Cashier of the Union National Bank, Westminster, read a paper on "The Relation of a Bank to the Community in Which It Is Located." In concluding he referred to his thirty years in the ranks of the Maryland bankers, during which, embracing periods of financial disturbance of the most serious character, they have not failed to uphold the usefulness, the honor and dignity of the calling.

Robert Shriver, President of the First National Bank of Cumberland, read a paper on "Early Banking in Maryland." After giving many interesting facts in regard to early banking methods, he referred to the present demand for an elastic currency. The term as commonly used was, in his judgment, largely mythical.

E. J. Penniman, Cashier of the First National Bank, Baltimore, read a paper on "Banking Laws of Maryland; Their Defects and the Safeguards Needed." He called the attention of the association, as well as the people of the State at large, to the law of the State of Maryland governing banks of discount and deposit in comparison with those of other States, that it may be seen how urgent is the need for the revision of the Maryland laws, which as at present in force are too lax to protect the interests of the people, who may be induced by the allurements of high rates of interest or other means to entrust their savings to the custody of irresponsible or dishonest persons conducting banking operations under State charters. As a case in point he cited the recent failure of the Lexington Savings Bank, of Baltimore. Continuing, he said:

"The only penalty imposed for misdeeds or violations is the liability of directors, recoverable if possible. No official examinations are required and nothing to show the actual condition of the bank except the published statements twice a year verified by the affidavit of the President or Cashier, who makes oath that the statement is true to the best of his knowledge and belief. That is a very frail reed to lean upon when the gentlemen in charge are helping themselves."

He said that the Maryland laws were inadequate, antiquated and afforded insufficient protection, and offered the following resolution as the primary step toward inaugurating a remedy:

"That the President of this convention shall appoint five of its members, who shall be known as the legislative committee, with power to act, whose duty it shall be to present to the Legislature at its next session a measure that will fully meet the requirements of a good banking law and urge its passage and adoption."

Mr. Penniman's resolution was unanimously adopted with the amendment giving the committee power to increase its number if necessary.

Lawrence B. Kemp, President of the Commercial and Farmers' National Bank, Baltimore, and Mr. Granville S. Haines, President of the First National Bank, Westminster, were named to represent the association at the convention of the American Bankers' Association, which assembles at Detroit, Mich., in August.

W. T. Dixon, President of the National Exchange Bank, Baltimore, offered a resolution asking Congress before adjourning to make provision for the appointment of a commission to consider the revision of the currency laws of the country, said commission to submit its report and recommendations to the next session of Congress. The resolution was unanimously adopted and a copy was ordered to be sent to each member of Congress.

C. T. Crane, Cashier of the Farmers and Merchants' National Bank, Baltimore, offered a resolution similar to the one passed at the previous convention, declaring for the gold standard. Adopted.

H. H. Haines, President of the National Bank of Rising Sun, offered a resolution extending the thanks of the members of the association for the great kindness and unsurpassed hospitality extended them during their visit to Cumberland and Allegany county, to the different railroads and the press.

The following officers were elected by acclamation for the ensuing year:

President—John B. Ramsay, President of the National Mechanics' Bank, Baltimore.

Vice-Presidents—Lloyd Lowndes, President of the Second National Bank, Cumberland; Granville S. Haines, President of the First National Bank, Westminster; James Sloan, Jr., President of the Farmers and Merchants' National Bank, Baltimore; J. D. Wheeler, Cashier of the Drovers and Mechanics' National Bank, Baltimore; C. C. Homer, President of the Second National Bank, Baltimore; James Alfred Pearce, President of the Second National Bank, Chestertown; Nicholas M. Smith, President of the German-American Bank, Baltimore; John Mason, Vice-President of the Farmers and Merchants' National Bank, Baltimore; Charles S. Lane, of Eavey, Lane & Co, bankers, Hagerstown; Edwin Warfield, President of the Fidelity and Deposit Company, Baltimore.

Secretary—Lawrence B. Kemp, President of the Commercial and Farmers' National Bank, Baltimore.

Treasurer—William Marriott, Asst. Cashier Western National Bank, Baltimore.

Committee of Administration—W. T. Dixon, President of the National Exchange Bank, Baltimore; E. J. Penniman, Cashier First National Bank, Baltimore; Eugene Levering, President of the National Bank of Commerce, Baltimore; Daniel Annan, Cashier of the Second National Bank, Cumberland, and Joseph D. Baker, President of the Citizens' National Bank, Frederick.

President Ramsay and Secretary Kemp both made felicitous speeches of acceptance, after which the convention adjourned *sine die*.

The convention closed with a fine banquet at the Queen City Hotel. Many distinguished guests were present, including Gov. Lowndes, Senator Wellington, Secretary of the Treasury Gage and Comptroller Eckels. The speech of Mr. Gage will be found elsewhere in this number. In the course of his remarks Comptroller Eckels paid the following tribute to the integrity of the bankers of Maryland. He said: "I never trouble anyone that does not trouble me. No banker in Maryland in my official life has given me any trouble whatever."

MISSISSIPPI BANKERS' ASSOCIATION.

The Ninth Annual Convention of the Mississippi Bankers' Association was held at Water Valley, May 18 and 19.

James E. Negus, President of the association, and also President of the First National Bank, Greenville, called the convention to order at the opening session on May 18, and prayer was offered by Rev. G. H. Hogan.

An address of welcome was made by Hon. I. T. Blount, and was responded to by Phil. A. Rush, President of the Tate County Bank, Senatobia.

About fifty of the banks in the State (practically one-half) responded to the roll call.

Joseph Newburger, Vice-President of the Grenada Bank, presented an able paper on the subject of "Cotton Credits," which elicited considerable interesting discussion.

At the evening session Wm. A. Graham, Cashier of the Citizen's Bank, Sidney, Ohio, spoke on the subject, "Shipping Currency and Valuables by Registered Mail under Insurance." This paper brought out remarks on the subject by several of the members. During the discussion B. W. Griffith, President of the First National Bank, Vicksburg, offered the following resolution, which was adopted:

Resolved, That the members be requested not to cash express money orders, or to receive them on deposit, except at a discount of one-quarter of one per cent., with a minimum discount of ten cents for any one order.

A. G. Campbell, of Natchez, Vice-President of the American Bankers' Association, for Mississippi, spoke of the "Practical Benefits Received by Members of the American Bankers' Association."

At night a reception was held by the City Board of Trade at Odd Fellows' Hall, and after two hours spent in meeting the guests and enjoying social recreation, they all adjourned to the city hall, where a bountiful banquet was spread.

At the banquet toasts were responded to as follows:

"Our Guests"—Dr. H. A. Gaut, of Water Valley.

"Banking as a Factor in the World's Civilization"—B. W. Griffith, President First National Bank, Vicksburg.

"Mississippi"—R. W. Millsaps, President of the Capital State Bank, Jackson.

"Banks in Crises of the World's History"—J. C. Wilson, Water Valley.

The following officers were chosen:

President—G. D. Able, Cashier Bank of Water Valley.

Vice-President—C. R. Sykes, Cashier First National Bank, Aberdeen.

Secretary and Treas.—B. W. Griffith, President First National Bank, Vicksburg.

Executive Committee—R. Griffith, Cashier Merchants' Bank, Jackson; B. L. Roberts, Cashier Mississippi State Bank, Canton; Jno. M. Fletcher, Cashier Merchants and Farmers' Bank, Kosciusko; Edwin McMorries, Cashier First National Bank, Meridian; I. N. Gilruth, Vice-President Bank of Yazoo City.

The association adjourned to hold its next session in Greenville, on the third Tuesday in May, 1898.

SAVINGS BANKS ASSOCIATION OF THE STATE OF NEW YORK.

The Fourth Annual Meeting of the Savings Banks' Association of the State of New York was held at the rooms of the Chamber of Commerce, New York city, May 20, J. Harsen Rhoades, President of the Greenwich Savings Bank, New York, presiding. There was a large attendance of members.

President Rhoades delivered an address, containing a thoughtful treatment of several matters of deep interest to Savings banks. This address will be printed in the July number of the MAGAZINE.

The report of the executive committee dealt at length with the recommendation contained in the first annual report of the State Board of Tax Commissioners, proposing to tax Savings bank deposits. In the view of the executive committee a tax on Savings bank deposits would be unwise and unjust. Savings banks in this State have no stockholders, and are conducted as benevolent institutions, the profits going to the depositors. A tax on this kind of deposits would bear heavily upon the poorer classes of people, who already pay their full share of taxes, and would necessitate a reduction in the rate of dividends now paid. Savings banks now carry over eighty per cent. of the municipal debt of the State, and a tax on their deposits would lead them to seek investments in securities bearing a higher rate of interest, thus restricting the market for the municipal bonds of the State. Under existing laws the Savings banks had been of great benefit, and to tax their deposits would discourage habits of thrift.

The committee recommended that municipal bonds should be registered and certified by a responsible trust company.

Superintendent Kilburn was commended for his work in behalf of the Savings banks and their depositors.

The following ticket, proposed by the committee on nominations, was unanimously elected:

President, J. Harsen Rhoades, President Greenwich Savings Bank; First Vice-President, James McMahon, President Emigrant Industrial Savings Bank; Treasurer, Andrew Mills, President Dry Dock Savings Bank; Secretary, Wm. G. Conklin, Secretary Franklin Savings Bank.

Executive Committee—William C. Sturges, President Seamen's Bank for Savings; Edward S. Dawson, President Onondaga County Savings Bank, Syracuse; Samuel R. Rainey, Secretary and Treasurer Hudson City Savings Institution, Hudson; James M. Wentz, Vice-President Newburg Savings Bank; J. Howard King, President Albany Savings Bank; Bryan H. Smith, President Brooklyn Savings Bank; John P. Townsend, President Bowery Savings Bank; Robert S. Donaldson, Secretary Erie County Savings Bank, Buffalo; Alexander E. Orr, President South Brooklyn Savings Bank; and officers of the Association members ex-officio.

Nominating Committee—Samuel D. Styles, President North River Savings Bank; J. B. Currey, Secretary Metropolitan Savings Bank; Henry Geckler, Secretary Dime Savings Bank of Williamsburgh.

Hon. F. D. Kilburn, State Superintendent of Banks, made a short address, in which he praised the conservative spirit of the association, as evidenced by the fact that in the past eighteen years there had not been a failure of a Savings bank in the State.

Hon. Wm. L. Trenholm, ex-Comptroller of the Currency, and President of the American Surety Company, New York, read a paper on "Savings Banks as Primary Schools of Economic Instruction." This paper will be found on another page of this number.

After luncheon, Edward Atkinson, of Boston, spoke on "One Function of the Savings Bank; Its Importance as a Lender or Distributor of Capital."

Mr. Atkinson said it is the function of the officers of Savings banks to bring to their depositors the knowledge that they are the men who can bring about good government and be a protection against the bad legislation which would destroy property. He then gave figures of deposits in Massachusetts Savings banks, and said that of the $480,000,000 of money placed in them by the people $91,000,000 is out on personal security, lent to factories—so that their working capital is composed largely of the deposits of workmen in these same factories. The most important use of deposits in these banks was the loan of $202,000,000 on real estate. He calculated that over 600,000 homes had been made possible by the lending of the money of the thrifty classes.

The man who owns his own home, he said, is the safe man, the man on whom we may rely against financial crazes. It was the men who own unmortgaged homes in the Middle West who saved the last election. Mr. Atkinson referred with approval to the Torrens system of registering deeds to property and issuing certificates of ownership guaranteed by the State, upon which money may be borrowed as easily as on a registered bond. He also commended the land banks of Europe, which, he declared, had been potent in identifying the interests of the people with those of the State. He pronounced impracticable any extensive adoption of the postal Savings bank system in this country, because we have no permanent national debt and the Government could not invest the immense sums that would come into its hands.

TENNESSEE BANKERS' ASSOCIATION.

The Eighth Annual Convention of the Tennessee Bankers' Association met at Watkins Hall, Nashville, May 19, there being a large and representative attendance of bankers from all parts of the State. Prominent bankers and financiers from other parts of the country, also, were present.

After prayer by Rev. James I. Vance, President D. N. Kennedy called the convention to order and introduced Albert S. Williams, Cashier of the City Savings Bank, of Nashville, who made the address of welcome. T. T. Latham, Cashier of the Memphis National Bank, responded on behalf of the association. He spoke in the highest terms of the enterprise of the people of Nashville in designing and carrying out the great memorial exhibition now in progress in that city.

President Kennedy, in his annual address, said that the condition of the banks was prosperous and that the association was flourishing. With reference to currency reform he said:

"As a first and necessary step to this reform the Government should go out of a business for which it has no attribute or function; should confine itself to its legitimate duties, and hand the business of issuing currency over to the banks, organized under such laws and placed under such supervision as will give absolute security to their notes. At the same time it should provide for volume and flexibility by leaving the banks a certain measure of freedom in its issue, trusting much to natural causes, to the free and spontaneous adjustment of means to ends; looking for the redemption in gold at the counter and at designated centers as the principal regulator of volume.

This currency should rest on the assets of the bank—on commercial paper itself resting on the products of the country, which are being prepared for, or are already moving in the channels of commerce. Only thus can be combined in harmony the three essentials—security, volume and flexibility. Under the national banking law the Government provides for the first by requiring Government bonds as a basis, but at the expense of the remaining two. Bonds as a basis is incompatible with flexibility, and volume can only be secured in proportion to the margin of profit left to the banks."

President Kennedy next turned his attention to banking, speaking as follows:

"Having had an experience of fifty-two years in banking under the different systems that have prevailed in Tennessee during that period, forty-three of these years in the Northern Bank of Tennessee, first organized under the free banking law of this State in 1854, I may be pardoned if I venture a few suggestions as to the conditions essential to sound and safe banking.

It is of paramount importance that a bank should have capital in proportion to the business done. It should at all times keep ample reserve, not yielding to the temptation to minimize it in the hope of larger dividends. In its investments it should give preference to commercial paper based on products of industry intended to provide for its payment at maturity, as far as possible at all times avoiding what may be termed dead investments. It should discountenance frequent renewals; they permit, if they do not encourage, the diversion of the property against which the paper was originally drawn to the payment of other and perhaps more pressing claims. It should refuse to loan to one man or firm, however safe the loan may be supposed to be, a disproportionate part of its capital. It is justly open to censure if, in violation of this rule, it assists its customer in undue expansion of his credit. A bank should be conducted exclusively in its own interest, not in the interest of any officer or director in charge, or in the interest of any business in which he or they may be openly or privately interested. A disregard of this right rule of conduct has been a prolific source of misfortune to innocent stockholders and creditors of banks. Too much vigilance cannot be used in this direction. To this end, no officer in a bank should be permitted to borrow its money, and speculation in futures should at once vacate his office. I would, therefore, emphasize as absolutely essential to safe banking, for which no iron-bound rules formulated by government will serve as a substitute, honest and conservative management. Stockholders, in the interest of themselves and the public, should rigidly demand this much.

Bank directors should remember that they take upon themselves an obligation, sacred alike to stockholders and creditors, which cannot be discharged by any perfunctory service. It is not so much their duty to bring business to the bank as to see that the business it has is properly cared for. This will establish the bank in the confidence of its customers and invite further business. A man has no right to accept the position of director in a bank, and by this act say to the public he will watch over its management, unless he intends to do it. His position is misleading. It is a lamentable fact that many directors have proven themselves utterly ignorant of the condition of the bank whose business they have undertaken to direct, until informed by its failure."

Secretary John W. Faxon read his annual report, which showed a net increase of four in the membership during the past year.

The report of the committee appointed at the last meeting of the association to recommend a form of collateral note submitted a report through Herman Justi.

Mr. Faxon spoke on the subject of shipping currency by insured registered mail. His investigations led to the conclusion that the total cost of moving currency by this method was much less than by express.

L. D. Tyson, of Knoxville, read an interesting paper on "A General Bankruptcy Law and What Effect It Would Have.".

President W. B. Mitchell, of the Third National Bank, Chattanooga, presented a paper on "The National Folly." He strongly denounced some features of our national finances, and concluded by saying; "Let us have a safe banking system, and it is safe to say that the question of the standard of value would take care of itself and cease to be a question."

At the night session the subject of insuring against bank robberies was discussed.

Second Day's Session.

The opening feature was the address by Capt. Robert J. Lowry, President of the American Bankers' Association. He spoke of the great advantages to be gained by membership in bankers' associations, and referred to the obligations imposed upon bankers as the custodians of wealth and credit. He regarded unyielding integrity as the chief corner-stone of the banker's character.

Captain Lowry's address was received with great applause and was ordered spread upon the minutes.

P. D. Madden, of Nashville, read a valuable paper on the liability of banks as collecting agents, and G. N. Tillman spoke upon "A Sound Currency."

F. O. Watts, of Union City, chairman of the executive council, submitted the report of the council. In reference to the abolition of the days of grace, the report said:

"At the last convention the council was instructed to urge the Legislature to pass a law repealing the Act requiring three days grace upon commercial paper. It seems that the legislative element in Tennessee is adverse to passing any law that may be advocated by a banker, or by any person who may have proved to be a success in business. The impression seems to prevail that by continuing this law it will enable the masses, or rather that portion of that element who borrow from banks, 'to beat the banks out of three days interest;' in fact, there are a number of people in Tennessee who do not know that interest is invariably charged upon these three days of grace."

Uniform statement blanks, as adopted in New York and Pennsylvania, were recommended.

Secretary Faxon presented an interesting paper containing suggestions for increasing the working facilities of banks. He also spoke on the great practical advantages to be derived from membership in the American Bankers' Association.

A motion to reduce the salary of the secretary from $600 to $300 per annum was defeated.

Officers for the ensuing year were chosen as follows:

President—Samuel J. Keith, President Fourth National Bank, Nashville.

Vice-Presidents (for East Tennessee)—J. E. Johnston, Cashier Cleveland National Bank, Cleveland; for Middle Tennessee, F. A. Pattie, Cashier Bank of Winchester, Winchester; for West Tennessee, J. L. Granbery, Cashier Bank of Collierville, Collierville.

Executive Council—J. P. Gaut, Cashier Holston National Bank, Knoxville: D. W. Shofner, Cashier Bank of Erin, Erin; H. L. Armstrong, Cashier Continental National Bank, Memphis; J. B. Frierson, Assistant Cashier Farmers' Bank, Shelbyville; John W. Faxon, Assistant Cashier First National Bank, Chattanooga. The last two gentlemen are also treasurer and secretary respectively.

At the night session President Kennedy introduced Hon. James H. Eckels, Comptroller of the Currency, who delivered an interesting and valuable address on banking and currency. Some of the points of his remarks were as follows:

"I think that there is nothing more striking in the history of the people of Tennessee than in the legislation indulged in by the State as affecting the well-being of the people than that which was incurred in 1821 by the then Governor of Tennessee, Mr. McMinn, and that which followed when his successor, Mr. Carroll, was inaugurated. * * * Gov. Carroll laid down the principle that the State should have as little to do with the active management and with co-partnerships with banks as possible; that the people were not made rich or benefited by property laws or stay laws; but that instead the wealth of the people of Tennessee was to be created by the individual effort of the individual citizen, relying upon his own energy, relying upon his own business sagacity, relying upon his own prudence, and above all else relying upon incorporating into his private and public ventures the strictest rules of economy—and at a time such as this, when complaint is heard on every hand, when discontent is everywhere manifest, when the tendency of the people is to seek through legislative enactment, national, private and State, the building of property rights instead of relying upon economy and upon individual effort, the people of this country may turn and read with benefit to themselves the State papers of Gov. Carroll of Tennessee.

It has so happened that, under the national system of banking, the banking facilities of this country have been very greatly enlarged. Through a uniform system of supervision, through a uniform system of law governing them, through a uniform system of publication as to their condition, much money theretofore invested in other matters and other kinds of business has gone into the banking business, and as a consequence this country, since the establishment of the national banking system, has been given a better banking system than is known in any other country.

So far as the deposit and the discount feature of banking is concerned; but perfect as is that system upon the point of creating banks of discount and banks of deposit, it is imperfect, in a measure at least, in that which was supposed to be the prime object of its creation, the issuing of notes. The fault lies in the fact that at the base of the note-issuing system of the national bank is an unbanking principle, that of requiring the deposit of bonded security. The national banking system, in a large degree, found its creation in the necessities of the war, which required a larger revenue and a sale for the bonds to be issued. But a note issue, based upon bonded securities, lacks that essential quality of elasticity which is requisite to the meeting of the needs of trade and commerce.

There ought to be under national supervision such a system of note-issue attaching to the banks as would permit the issuance of notes against the quick commercial assets of the bank, and only by such a system, surrounded by every safeguard possible, can it be expected that the bank note issues of this country will be sufficient to meet the needs of the commercial and the agricultural world.

To-day, in the thirteen Southern States, when it comes to the moving of that which is the staple crop of those states, the cotton crop, it is found necessary to borrow a large amount of money, mostly from the Northern States. Upon October 6 last, there had been borrowed by these thirteen Southern States more than thirteen millions of dollars, the most of which, I take it, was for the purpose of moving the cotton crop. When the 9th of March was reached and the cotton crop had been moved, the borrowings of these banks had fallen to but little more than two million and a half of dollars. There is no reason why these States should be compelled to borrow that sum of money at high rates of interest, charging those rates of interest to the Southern customer, when it could be obviated by a currency issue against the very produce upon which this money is borrowed at the North, and the people who borrow it thereby given the benefit of lower rates of interest. That could be obviated by a credit currency system that could be done away with and greater benefits conferred upon the people of the South by such a bank note currency than could ever come to them through having a depreciated metal money in the country.

What is needed is to have such legislation upon banking and currency as will take away all idea as to what standard of value we shall maintain, as to remove all questions as to what credit we shall here maintain, and then, in addition, such rational banking legislation as will give each community the banking facilities which it best can sustain and the banking currency which is established upon banking principles, and when to that is added the individual effort of the individual citizen; when economy is practised, when prudence and judgment control in making investments, we will see a condition prevail in this country of prosperity and happiness which ought, under all circumstances, to be inheritances of this people."

The convention was suitably entertained by the Nashville bankers, the visit to the Tennessee Centennial Exposition being an especially enjoyable feature.

TEXAS BANKERS' ASSOCIATION.

The thirteenth annual convention of the Texas Bankers' Association met at Belton, May 11, and was called to order by President C. C. Hemming. Rev. M. K. Little offered prayer. Mayor John A. Sanford, on behalf of the city, extended a welcome to the convention. Judge X. B. Saunders delivered the welcome for the citizens. The response for the association was made by J. E Longmoor, Cashier of the First National Bank, Rockdale.

Secretary Charles F. Smith read his annual report, which was in part as follows:

To the Texas Bankers' Association—Gentlemen: The past year has been one of importance to this association, in that the value of its membership has been well tested. First, by a radical change in its regular customs, in holding its annual convention in one of the smaller cities of the State for the first time since its second session, and secondly, by the adoption of the new district plan of organization. * * *

While it may be said that as a whole the district system has not accomplished all that has been expected, yet there are several good reasons, and it is believed that by making a few changes which appear to be necessary, owing to existing conditions, it will yet accomplish all the good results which its advocates have claimed for it. In dividing the membership according to districts as now outlined, it will be seen that some of them are so small that, to make the work more efficient, it would appear advisable to decrease the number of districts. For this reason, and doubtless others, chief of which was the very bad weather prevailing, upon the date set for the January meeting, quite a number of districts failed to meet during the year, but where meetings were held the work appears to have been productive of good results.

The secretary suggested that some of the districts be consolidated, making the total number seven instead of thirteen as at present.

The membership at the close of the last convention numbered 195. Ten have withdrawn from the association from the following causes: Two failures, three in liquidation and five without giving reasons. Four new members have been added, making a total of 189 at this date, and we may expect the usual number of additions at this convention.

The secretary has received no report of any fraud or crime perpetrated upon any member during the past year.

The State clearing-house plan, discussed at our last convention, appears to be a live topic as it has received attention from a number of State associations. It is an idea worthy of our most serious thought and best efforts to devise, if possible, some practical improvement upon present methods of handling collections.

The reciprocal draft is now in a condition similar to that of a new and attractive line of goods which has been placed on the market by a manufacturer in a limited way only, and has been by the merchant placed behind instead of on his counters, and which he makes little or no attempt to display or advertise to the public. Hence the strongest and best reasons exist why it is not better known and has not become more generally useful. It has become valuable and a source of some small profit to those who have taken interest enough to use them, and the fact that the secretary has received inquiries from many States in the Union, from Canada, and even from schools of political science, also indicates that they are regarded as something more than a mere experiment. Other bankers' associations are considering similar forms, and will doubtless adopt them. There is absolutely no good reason why banks should continue to issue drafts which, in many cases, lay upon the public the double burden of a charge for their purchase and a charge for cashing them, and the best of reasons do exist why this custom should cease. This form of draft seeks to accomplish that purpose, and in its limited field is doing the work successfully. The money orders with which we seek to compete are most extensively pushed and advertised in every paper in the land, hence we cannot hope to accomplish much unless we increase our efforts and push and advertise what we have for sale. This draft could be made a much greater power for good in increasing our membership, a steadily increasing source of small profit, and a great convenience to our customers, as well as a decreasing exchange business. It rests with the association what shall be done with it.

The president then delivered his annual address, as follows:

PRESIDENT'S ANNUAL ADDRESS.

Gentlemen: It affords me much pleasure to enjoy the privilege of meeting again with you, especially so since we come together at the home of one of our most zealous and earnest members, one whose faithful words of encouragement have from time to time given to this association new life, new energy and new hope. * *

No organization in this State represents the responsibility or the diversity of interest to any such degree as this. Every enterprise is dependent upon the well-ordered success and faithful management in an individual capacity of the great trusts which are confided in you. You are the commercial reservoir into which all the aggregate wealth of this great State is poured from season to season, and from which it is distributed as conditions and demand require. You therefore can be not only educators of the people in the line of a correct individual economical and frugal policy, but the results of your labor in your personal relations to the public are copied after and exampled more than you might be aware of. Therefore it should be your earnest duty to inculcate those ideas and teach those policies which, coming from your experience and observation, are of infinite value to your constituents. You not only know those who are prosperous in your community, but you also know those who are living beyond their means and are on the sure road to adversity. You see those who are careful, who provide against future want, and those likewise who live regardless of the most commonplace demand suggestive of future provision. Your vocation and your experience therefore reflected by your own life and counsel should and properly do make you a most valuable member of your community, for in matters of finance your people not only look at you but they look up to you, if you are the man of the right stamp and the right principle.

How important, then, that you should appreciate the great responsibility of your own position and use it for the good of all. You should keep before your people the necessity of avoiding debt, and buying, as far as possible, exclusively for cash. The greatest curse of this country to-day is, as you know, that system which mortgages, before the seeding of the soil itself, almost the entire agricultural products of our State, and the whole South as well, and which absolutely confiscates in advance almost the entire surplus productive power of our laboring classes, converting at a loss of forty per cent. on time transactions as compared with a cash basis. I estimate the loss to Texas farmers, on farm machinery alone, at $400,000 annually, which goes to the northern manufacturers direct from our pocket by this defective system of credit instead of cash buying.

While this fact is startling and the evidence is overwhelming, it is a custom generally observed throughout the country to mortgage the coming crop, regardless of resultant loss. Hence it forces upon us the conclusion not only that the policy is unwise, but that our soil, to stand such a drain, is the most productive in the world, for otherwise no people have borne from year to year such a great tax upon their resources, and yet build up homes, paid for farms, and in a measure gotten fairly well on the road to prosperity under circumstances so much against them as these, wherefore we are bound to admit that if they would practice self-denial for a few years they would become the richest in the United States, and every tenant, as well as every one in Texas, would be astonished at the wonderful results of the experiment.

Right here your influence among your people at home should be exerted in order to let them see the wisdom of keeping out of debt, living economically and practicing for a few years the self-restraint which would make them independent; and it is your duty to use it especially on this line, not only in their behalf, but in your own. Their prosperity is yours; their adversity is also yours.

Do you not know, gentlemen, from what you see on every side, that the wastefulness and improvidence of our people demand that a direct and positive influence should be at work and counteract and stay that which is so detrimental to us and to them?

It is an undeniable fact that more food and farm products and more farm machinery are wasted in the sum of dollars and cents annually in Texas than many other States produce. When the wheat and oat crop of this year is harvested, around many of the farms you will see the reapers and the binders standing out on the fields exposed to all kinds of weather, there to remain, most of them, until needed for the next crop. Such carelessness is inexcusable not only in this, but it taxes a man's labor thirty-three and one-third per cent. to keep up with it, for machinery so exposed will last but three years, and if housed and painted now and then it would run for ten years. I believe we lose $250,000 per annum in this item alone that might be saved.

We have the most wonderful country in the world, the most productive soil, or Texas would have been bankrupt long ago. But what grand results would come if our people would take a little thought for to-day in preparing for to-morrow, and simply save what they throw away.

It gives me great pleasure to observe the splendid record which has been made by our associated banks and bankers in this State under the severe trials which have beset them in the past four years, and I note with high satisfaction the excellent condition universally of our banking institutions. However what we need here in Texas and throughout the South and West to give stability to business and more encouragement to enterprise is more good laws and more capital. We can not be too careful of the laws we enact and must see that those already on the statute books are carried out more faithfully. Then we shall have an influx of investors in Texas, which will relieve very largely our wants in this direction.

I regard it as most unfortunate that some effort has not been made by Congress to enact a law which would give to banks desiring it, in the sections named, a small degree of elastic circulation, based upon municipal, county or State bonds. A circulation of this sort to the extent of thirty or forty per centum of capital would give us relief at those periods when money was close and hard to command, and not only would it be beneficial to the banks, but largely advantageous to the various interests of the country, which are dependent upon them and must be sustained by them. We must have such legislation on this line as will take redemption of bills in gold out of the hands of the Government and give it to the banks before we get permanent stability to our finance.

Again, we are not only wasteful, but we are extravagant. To-day we are paying tribute to all the leading fire and life insurance companies of the land outside of our own domain. We are contributing lavishly to this vast accretion of wealth elsewhere, and we will do this so long as we are not aroused to our own interest and combine together for home advancement and home protection. Every dollar of the premiums that goes away from us is just so much tax upon our resources and so much of a drain upon our cash circulation, for it not only leaves us but leaves us permanently. If we were a wise people we would combine our capital and pay tribute to home industries, building up home institutions, thus retaining and saving what is now entirely lost to the circulation of our State. In this you see one of the reasons of the immense holdings of the cash of our country in certain localities. For there are located these great suction pipes that drink up our capital and our substance, legitimately of course, but detrimentally nevertheless. But this is only one of the causes which has concentrated in certain States of the Union so much of the cash and which still increases it there while other sections control barely one-sixteenth as much, an amount entirely inadequate to the needs of trade and commerce."

To remedy this he suggested the organization of factories at favorable points in the State. He also suggested the organization of State fidelity and insurance companies. These would retain in the State vast amounts of money now sent to other States, besides being sources of revenue to the companies themselves.

"Another matter I would avoid by all means, paying interest on deposits to any great extent, for the bank that does that will some day fail to pay either principal or the interest."

Afternoon Session.

The first business of the afternoon session was the report of the legislative committee, which reported that it had memorialized the Legislature for repeal of the constitutional prohibition against State banks of discount and deposit, and second, "the imposition of a just and equitable tax against express companies as dealers in exchange," and third, the creation of an efficient system of State depository banks.

The committee did not feel encouraged to hope for legislation.

Reports were received from districts, giving favorable accounts of meetings held at Waco and Brownwood.

A letter was read from the American Bankers' Association, submitting to the Texas association as proper subjects for legislation: Uniformity of holidays; abolition of days of grace, and taxation of bank stock. The letter was referred to the committee on legislation.

An able paper was submitted by Captain M. B. Loyd, President of the First National Bank, Fort Worth, on "Loans and Discounts and Overdrafts." He said in part:

"In banking we are governed by our surroundings and conditions. When the money market is close we are very conservative and when otherwise we must grasp the situation as appears to us best and make the most of it. The latter condition often leads us to take risks that are not legitimate. We forget that we are to receive our little pittance of interest, while in other lines of business men make profits that justify them in taking what the commercial world calls good business risks. The banker cannot afford to indulge in any transaction which smacks of risk. It must be considered absolutely safe when the transaction is made. He should look first to the ability of the party borrowing to pay, and to his business capacity and integrity. To successfully conduct a bank you must know your customers personally; know their habits, understand their business, talk and advise with them. Should you have a customer who declines to make his business prospects clear to you, refuse his business. As to overdrafts, they should not be encouraged. Perhaps yon will be surprised when I tell you that I do not condemn the custom of allowing them temporarily; they are absolutely necessary occasionally for a short time only. You must consider your customer."

The paper was ordered printed in the minutes.

Discussion of the topic "Undue Competition," was opened by Edwin Chamberlain. The discussion was participated in by J. H. Brown, the president, and J. F. Thompson, Cashier of the Seaboard National Bank of New York, and F. E. Marshall, Cashier of the Continental National Bank of St. Louis.

Topic: "Duties of Bank Directors." Discussion opened by W. L. Murphy, Cashier of the First National Bank, Mexia, participated in by F. F. Downs and E. M. Reardon. The opinion of these gentlemen was that directors met to get their dividends, but that it was difficult to get them to meet for any other purpose.

At night the bankers and their ladies were handsomely entertained at the residence of Colonel J. Z. Miller, President of the Belton National Bank. The entertainment was designed and managed by the ladies composing the Belton Kooking Klub, and to them the visiting bankers were indebted for a most pleasant evening. The music was furnished by the Waco string band.

Second Day's Session.

On Wednesday morning, May 12, at 8.30 o'clock the bankers and their ladies were taken in buggies and carriages and driven to all points of interest in and near the town. They expressed themselves as being astonished at the richness of the soil, the beauty of the scenery and the solidity of the city.

It was nearly 11.30 before Chairman C. C. Hemming called the association to order.

None of the parties assigned for papers at the morning session were present, and so the president called over the subjects for the day until he reached the topic "Should Interest be Paid on Deposits?" The discussion was opened by T. J. Groce, President of the Galveston National Bank, favoring the idea under some circumstances.

The committee on officers' reports reported, endorsing the address of the president and concurring in the secretary's report, and stating that the treasurer's report had been found correct. The committee also commended the good work done by the American Bankers' Association in apprehending forgers.

The president was commended for his faithful service and untiring zeal for the interest of the association.

The report of the committee was adopted.

Messrs. J. H. Brown, W. L. Murphy and C. C. Hemming discussed the topic "For What Purpose and to What Extent Should Banks Borrow Money?" These gentlemen believed that under ordinary circumstances banks should not borrow money, still when it was necessary to move crops or tide over emergencies, banks should not hesitate to borrow money but borrowing should not be done for the purpose of relending.

A. U. Quint of the Bankers' Mutual Casualty Company, of Des Moines, Iowa, made a speech advocating the shipping of currency by registered mail to be insured in preference to shipping by express

At the afternoon session D. E. Waggoner, Cashier of the First National Bank, Ladonia, read a paper on "Cotton Accounts; How Should We Handle Them?" He recommended that the association should adopt a uniform system of requiring cotton buyers to keep a margin on hand; that the bank should have the cotton insured and keep the policies; that it should require the buyer to submit daily the number of bales bought or shipped and the grades. He recommended a committee of three to devise and recommend a form and system for use by members of the association. This paper received very high praise from all the bankers. Then followed the topic, "What Method Should be Used to Convey to the Public a Better Knowledge of the Banking Business?"

The discussion was opened by W. Goodrich Jones, President of the Temple National Bank, of Temple. Mr. Jones thought there ought to be better knowledge of the banking business. He thought that the National banks were doing a good work. He believed the time would come when private banks would publish statements as the National banks do now. A better knowledge of the banking business would increase confidence and deposits, and a better understanding between bankers and depositors would still more increase confidence.

J. E. McAshan, Cashier of the South Texas National Bank, Houston, submitted a paper on "Uniform Statements by Borrowers," which was, in part, as follows:

A statement to be of any value must be full and absolutely truthful. Many statements that have a fair outward appearance are really like whited sepulchres, full of dead men's bones. They are chiefly remarkable for what they conceal. Such statements, I need hardly say, are of no value whatever, whether uniform or otherwise, and therefore we come at last to that which is uniformly the basis of credit in its highest forms, and that which likewise underlies all satisfactory relations, to-wit: Personal truth and honor; no matter what statement is made by a rogue and liar, it is valueless.

Therefore, I say before placing too much reliance upon statements, know well your man; know whether or not he is truthful and honorable, and know likewise whether he is sanguine or otherwise before placing your money in his keeping. It is a fact which admits of no question that the use of credit is a necessity of business life.

There is no large commercial house or enterprise which can at all times furnish as much good collaterals as are necessary to procure as much money as their business requires. And my experience has been that lines of straight paper where proper care and dilligence have been observed in ascertaining the truth, honor, solvency and resources of the borrower, are in times of stringency much more reliable classes to realize on than those lines where we depend more upon the value of the collateral than upon the truth and honor of the debtor. I lay it down as a broad and general proposition that no honest borrower desires to conceal any material fact in his business from the lender, and if a borrower makes concealments or for any reason refuses to make a full, fair and candid exposition of his affairs to the lending bank, he can at once be classified as not honest, and no bank for the moral health of the buisness community should aid, abet or encourage a dishonest man to continue in business. If it does, sooner or later it or its friends will surely suffer. The dishonest borrower is a business leper, and he will surely spread his contagion if he has a chance.

Borrowing or lending are both sciences, and almost exact sciences, and are based upon a knowledge of human nature. This knowledge is to some extent intuitive, but is more largely the result of experience and education. We should study human nature as closely as we do statements. In the banking business, the poet's words, "The proper study of mankind is man," will be found to contain as much truth as poetry.

There are several classes of borrowers. We all know and love the new borrower, the fresh borrower, fresh in more ways than one. When he wants your money he is afraid somebody will think he wants to steal it, unless he offers you all the security he can scare up and sometimes it is twenty for one. He is absolutely prodigal of security. He not only takes you into his confidence on business matters, but he impresses upon you how economical his life is, and how little it takes to support his family; but the old borrower, as is stated in the Psalms of the ungodly, is not so. The old experienced borrower, and I say it advisedly, is the foxiest old coon we have to deal with in business. When we say no to him he regards it as a joke, and after passing the compliment of the season renews the attack with new and astonishing vigor, as though the question had never been broached before. He deals in broad and often magnificent generalities. His mind is too great for details. He leaves much to be inferred and lays a very broad predicate for the inference, but never says enough to prevent his denying in trying times that he ever threw out such an impression. Under no circumstances does he ever give more security than is absolutely necessary. He knows the value of collateral. The fresh borrower does not. The veteran knows that he may need more money at another time. The fresh borrower never expects to have to borrow another cent. The old soldier is often afraid that you are not doing your duty by your bank in keeping so much idle money on hand. He is therefore never a depositor or he would not hold such views. He often carries his saddle bags stuffed with two name paper, and both names rated way up in "G" in Dun and Bradstreet, but who, notwithstanding this fact, in the day of storm are found to be houses built on sand and not like those of oak and rock.

No statement that such a borrower might make to any bank would be worth the paper it was written on. Such men are pirates upon the high seas of commerce. Their hands are against every bank, and the hands of every bank should be against them.

Did it ever occur to you that few banks have ever lost any money by mean men? These mean, stingy, miserly, crabbed old fellows, who squeeze the Goddess of Liberty on the great American dollar until she squalls for mercy, rarely fail to pay their debts. And their statements are reliable, because they look, as it were, through an inverted telescope, and see things smaller than they really are. I like to lend money to mean men, for I never have failed to get it back.

I stand in profound awe and dread of the leading citizen, the high-spirited, high-roller, the open-hearted, generous, enterprising man, who sees things greatly enlarged through the business end of the telescope. He magnifies everything, his debts excepted, particularly his assets; everything is rose-colored to him, but when impartial fate confronts him with the day of reckoning, what a fall, my countrymen, there is in resources! I have known estates of some such men reckoned at near a million dollars pan out a scant $50,000. How they do shrink!

Men, unless they inherit money and do not know its value, or are so rich as not to have to borrow, are seldom public-spirited and enterprising with their own funds, but use them cautiously. But the leading citizen is always willing to back public enterprise with his own name and the bank's money. Beware of such a man. Don't lend him any money or believe his statement, no matter how good it appears.

There is still another borrower of whom banks should beware, and that is the plunger. Such borrowers are often perfectly sincere and honorable, but have such inordinate conceit and value their own judgment so highly and have so little caution, that they will risk everything they have, or can beg or borrow, upon some venture which as often turns out disastrously as otherwise. To me it is sad to see a man plunge not only himself but his friends into ruin from his own blind infatuation and overweening vanity.

From these few remarks it may be inferred that statements are of no value. This, however, is not the case. Statements are of the utmost value when you have such an analytical knowledge of the makers as will enable you to give them their true and proper value. The banker should so study his borrower as to know how much truth and how much error his statement is likely to contain. Then the contents of statements are valuable and so unerring that, properly made and studied, will prevent any bank from making a loss. There is no quarrel between the banks and their borrowers. They well know that they are necessary to each other, and cultivate close confidential relations. The borrower who has not the confidence of his banker, and the banker who has not the confidence of his borrower, had best part company. When each has and deserves the confidence of the other, I would suggest that uniform statements something like the following might be useful and should be renewed at regular intervals, whether the borrower receives constant accommodations or not, viz.:

BUSINESS RECORD OF BORROWER.

Experience in present line of business..

Capital in business..

Capital needed in business...

Cash on hand..

Good bills receivable on hand, not due and when due......................................

Good bills receivable on hand, overdue and secured..

Bills receivable on hand and not secured...

Good accounts receivable, not due and when due...

Good accounts receivable, overdue and secured..

Accounts receivable, overdue and not secured...

Stock of merchandise on hand..

Stocks and bonds on hand...

Miscellaneous personal property...

Real estate not exempt..

Then should follow liabilities...

Bills payable to banks, when due and how secured..

Bills payable to others, when due..

Accounts payable, when due..

Other liabilities, if any...

Now for the analysis of such a statement:

The cash can, of course, be taken at par. The accounts received and bills rendered, not due, can, in ordinarily well managed business houses, be considered worth ninety per cent. of their face; notes and accounts, overdue and secured, should be valued at fifty per cent.; notes and accounts, overdue and unsecured, should be valued at twenty-five per cent. The merchandise should be estimated at eighty per cent. of cost. The stocks, bonds and other property should be taken at about ninety per cent. of the market value. The real estate ought scarcely to be taken into account in most cases, because it is seldom a quick asset.

Then, after these deductions and valuations, the assets are twice as much as the liabilities, including the desired line of credit, and have been approximately so for some time, and an experienced and honest man is in charge of the business, the risk can generally be regarded as a good one. If statements so rendered and so appraised should be uniformly required, and if banks would absolutely refuse to lend a dollar to any officer or director, or to any corporation in which they are interested, who often use their positions to terrorize subordinate officers, fewer items would be charged to profit and loss and the weeds would much sooner be cleared from the commercial world; interest rates would naturally decrease and the banks make more clear money.

Discussion of the topic "Reminiscenses of Banking in Texas," was opened by Colonel J. Z. Miller, President of the Belton National Bank, and Edwin J. L. Green, President of the First National Bank, San Marcos.

The convention adopted resolutions of thanks by a rising vote to the press, the citizens and ladies of Belton. Resolutions of regret on the death of C. W. Bullen, of St. Louis, were adopted.

On motion, the president appointed Messrs. J. J. Gannon, J. W. Butler and G. W. Voiers a committee to investigate and report on the feasibility of establishing a State clearing-house.

The time for the election of officers for the association having arrived, T. J. Groce nominated J. E. Longmoor, Cashier of the First National Bank, of Rockdale, for president, and he was unanimously elected. M. B. Loyd, President of the First National Bank, of Fort Worth, was elected first vice-president; George B. Webb, President of the Concho National Bank, of San Angelo, second vice-president; Charles F. Smith, Cashier of the First National Bank of McGregor, secretary;

G. W. Voiers, Cashier Farmers and Merchants' Bank, Clifton, assistant secretary, and J. W. Butler, Cashier of the National Bank of Forney, treasurer.

The time for holding the next convention was fixed for the second Tuesday in May, the executive committee to select and announce the place.

PLACE AND DATE OF FUTURE MEETINGS.

AMERICAN BANKERS' ASSOCIATION.—Detroit, Mich., Tuesday, Wednesday, and Thursday, August 17, 18, and 19.

GEORGIA BANKERS' ASSOCIATION.—Warm Springs, Ga., Wednesday and Thursday, June 16 and 17.

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

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

MISSOURI BANKERS' ASSOCIATION.—St. Louis, Mo., Wednesday and Thursday, June 9 and 10.

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

New York State Bankers' Association—Fourth Annual Convention.

At a meeting of the Council of Administration of the New York State Bankers' Association, held at the rooms of the Chamber of Commerce, New York city, May 26, it was decided to hold the fourth annual convention of the association in the assembly room of the Grand Union Hotel, Saratoga Springs, Thursday and Friday, July 15 and 16.

Two sessions will be held each day. The first session will be devoted to the opening exercises, to the annual message of the president, reports of treasurer and secretary, and reports from chairmen of the several groups, and the nomination of officers for the ensuing year. The second and third sessions will be devoted to papers and discussions; the fourth session to the election of officers and transaction of miscellaneous business.

Papers upon the following topics have been arranged:

"Is a Bankrupt Law Desirable?" Hon. F. H. Hamlin, Canandaigua.

"History of the Banking Systems of New York State and the Banking Department;" Hon. F. D. Kilburn, Superintendent Banking Department.

"A Phase of Currency Reform;" F. E. Lyford, of the First National Bank of Waverly.

"The Cause or Causes of the Low Prices at the Present Time;" Dr. J. W. Jenks, Professor of Economics at Cornell University.

"Some Things the Bankers' Association Might Do;" A. J. Barnes, chairman Group I, Buffalo.

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

A Discussion: "What National Legislation, if any, is Required to Improve the Business of the Country?" It is also expected that there will be papers on currency and banking reform.

There will be the usual social features, and the outlook is promising for a large attendance and a successful meeting. Ledyard Cogswell, Vice-President of the New York State National Bank, Albany, is chairman of the committee of arrangements.

The Council of Administration of the New York State Bankers' Association is now composed as follows:

SEYMOUR DEXTER, Second National Bank, Elmira, president.
JOHN A. KENNEDY, Niagara Bank, Buffalo, secretary.
CHARLES F. VAN INWEGEN, First National Bank, Port Jervis, treasurer.
JAMES G. CANNON, Fourth National Bank, New York, ex-president;

and the chairmen of the nine groups into which the State is divided as follows:

Group I—A. J. BARNES, Cashier City Bank, Buffalo.
Group II—F. H. HAMLIN, President Canandaigua National Bank.
Group III—GEORGE R. WILLIAMS, President First National Bank, Ithaca.
Group IV—F. C. EDDY, Cashier Bank of Syracuse.
Group V—GEORGE T. DUNHAM, Cashier Chenango National Bank, Norwich.
Group VI—J. H. DE RIDDER, Cashier Citizens' National Bank, Saratoga Springs.
Group VII—BRADFORD RHODES, President Mamaroneck Bank, Mamaroneck.
Group VIII—WALTER E. FREW, President Queens County Bank, Long Island City.
Group IX—FREDERICK B. SCHENCK, President Mercantile National Bank, New York.

NEW YORK BANKS CONSOLIDATE.

UNION OF THE THIRD NATIONAL WITH THE NATIONAL CITY BANK.

On May 20 the Third National Bank addressed the following letter to its customers:

DEAR SIR—The stockholders of the Third National Bank having by resolution this day determined to consolidate their business with that of the National City Bank of New York, under Section 5,220 of the United States Revised Statutes, and that bank having agreed to assume and pay in full all the depositors of this bank, we are requested by the board of directors to state that the action of the stockholders was taken upon the recommendation of the directors, and to urge the customers and depositors of this bank to consent to transfer all their accounts and balances to the City Bank; and we take pleasure in personally recommending to you this action.

The National City Bank of New York is one of the oldest and strongest banking institutions in this city, having a capital of $1,000,000, a surplus and undivided profits of $3,600,000, and a line of deposits averaging more than $30,000,000; and in asking you to transfer your account to it we feel that we are conserving your best interests. You will receive the same consideration from that bank as you have received from this bank, and your accounts will be continued upon the same basis as that at present existing. We sincerely trust that you will promptly authorize us to make the transfer of your account.

H. CHAPIN, JR., *Cashier.* A. B. HEPBURN, *President.*

This was supplemented by a letter from the President of the National City Bank, on the same date, in the following terms:

DEAR SIR—Having arranged to consolidate the business of the Third National Bank of this city with our own, and agreed to pay in full all the depositors of that bank, we respectfully solicit the transfer of your account and the favor of your business.

We take pleasure in announcing that Hon. A. B. Hepburn, the President of the Third National Bank and the former Comptroller of the Currency, will act as Vice-President of this bank, and will have special charge of the business taken over by us.

Assuring you that every effort on our part will be taken to make this proposed arrangement mutually satisfactory, we remain, etc., JAS. STILLMAN, *President.*

The conditions which are tending to cause a consolidation of the banking institutions of the country are fully discussed in another part of this number of the MAGAZINE.

It is well known that the Third National Bank made large gains in deposits under Mr. Hepburn's management, and the only difficulty has been in finding profitable employment for these deposits under existing conditions. Mr. Hepburn is a banker and financier of very high reputation, and he will be a valuable acquisition to the official force of the National City Bank, which is already possessed of a strong executive staff.

Mr. James Stillman, President of the National City Bank, has been one of the active forces in bringing the bank up to its present high standing. As stated elsewhere in this issue of the MAGAZINE, the bank's deposits have more than doubled since he became President.

Mr. G. S. Whitson, Cashier of the National City Bank, has been connected with the institution during the past twenty-nine years, and is regarded in banking and financial circles as an officer of unusual ability. He began with the bank as gold teller. He has been actively associated with the progress of the institution during all these years, and has made an excellent record. He was elected Cashier on the death of Mr. George D. Meeker.

Mr. Jas. Ross Curran is the Assistant Cashier and Mr. William A. Simonson is the Second Assistant Cashier.

The present directors of the National City Bank are: James Stillman, President; Hon. Samuel Sloan, President of the Delaware, Lackawanna & Western Railroad Company; Lawrence Turnure, of Lawrence Turnure & Co.; Rosewell G. Rolston, President of the Farmers' Loan and Trust Company; Cleveland H. Dodge, of Phelps, Dodge & Co.; Henry A. C. Taylor, William Rockefeller, President of the Standard Oil Company; H. Walter Webb, 3d Vice-President New York Central and Hudson River Railroad Company; Francis M. Bacon, of Bacon & Co.; M. Taylor Pyne, William Douglas Sloane, of W. & J. Sloane; Robert Bacon, of J. P. Morgan & Co.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The United States Savings Bank has moved from Third avenue and Sixty-second street to Madison avenue and Fifty-ninth street.

—Messrs. E. H. Gay & Co., Boston, have opened a New York office in the new Manhattan Trust Co. building.

—Hans Sommerhoff has retired from the firm of Woerishoffer & Co.

—Francis A. Palmer, President of the National Broadway Bank, has given $20,000 to Legrand College (Eldora, Iowa), and as the result of the gift the name of the institution has been changed to Palmer College.

—Deposits of gold coin in exchange for certificates, recently made by the National Park Bank and the Bank of New Amsterdam, bring the total gold held in the clearing-house vaults up to about $55,000,000.

—President J. Edward Simmons has presented a portrait of Alexander Hamilton to the clearing-house. A portrait of Washington will also be given shortly. This will form the nucleus of a collection of portraits to adorn the walls of the new building.

—Messrs. N. W. Harris & Co., bankers and dealers in Government and municipal bonds, have removed into the new National Bank of Commerce building.

—Wm. Sherer, Manager of the clearing-house, sailed for Europe June 8, and will make a study of prominent banking systems abroad.

—The United States National Bank succeeds the Third National Bank as clearing agent for the Colonial Bank.

—Ex-Secretary of the Treasury John G. Carlisle has become an associate counsel of a city law firm.

—A special meeting of the shareholders of the Fifth National Bank will be held June 18 to amend the by-laws so as to provide for nine members of the board of directors.

—Hon. Ellis H. Roberts, President of the Franklin National Bank and formerly Assistant Treasurer at New York, has been appointed Treasurer of the United States.

—Application has been made for the dissolution of the New York Surety Co.

—Permission was recently granted the Receivers of the Murray Hill Bank to pay a dividend of twenty-five per cent.

—The following have been elected officers of the Colonial Trust Company: Roswell P. Flower, President; J. E. Borne and C. C. Dickinson, Vice-Presidents; James W. Tappin, Secretary; A. S. Grossman, Treasurer: Edmund L. Judson, Assistant Secretary.

—There has been some speculation as to the probable effect of the law consolidating Brooklyn and New York, in regard to the reserve of the Brooklyn banks. It is the general opinion that after Jan. 1, 1898, the National banks of Brooklyn will be considered as included in the central reserve city of New York and will have to keep their reserves in their own vaults, instead of being allowed, as now, to keep one-half of it with other banks in a central reserve city.

—Hon. Conrad N. Jordan has been nominated as his own successor as Assistant Treasurer at New York. Mr. Jordan is a Democrat, and while his re-appointment is especially pleasing to the sound-money wing of that party, it is also favorably regarded by bankers and business men generally without regard to politics.

—Charles E. Sprague, President of the Union Dime Savings Bank, has been appointed Assistant Paymaster-General on the staff of Governor Black.

—The Central National Bank is now located in the fine building which it recently erected on the old site, corner of Broadway and Pearl street.

—It was reported recently that some of the banks in the city were making call loans as low as one per cent.

—Dr. Stephen Kelly, who has been Vice-President of the Fifth National Bank, has been elected President to succeed his father, the late Richard Kelly. Dr. Kelly's brother, Robert B., becomes Vice-President.

—The Bank of New Amsterdam has been admitted to the clearing-house association.

—The members of the New York Credit Men's Association have opened their new rooms in the Central National Bank building, 320 Broadway.

NEW ENGLAND STATES.

Providence, R. I.—The twenty-sixth anniversary of the Bank Clerks' Mutual Benefit Association was made the occasion for a pleasant meeting and banquet on the evening of May 11. About 600 members and guests were present. One of the principal speakers was Mr. Eugene H. Pullen, Vice-President of the National Bank of the Republic, New York. He said:

"Character makes manhood; in using the word character I mean good character. Character is the corner stone and cap sheaf of its column; character is what the man is—not what he has. Character radiates silently an influence that is as vital as the air we breathe. Money is a power; the sword is a power; the pen is mightier than the sword, but character is the greatest power of all; it consecrates money, sheathes the sword and guides the pen. Character utilizes all our gifts and talents, be they great or small, and forms and combines them into a true and symmetrical manhood.

A man's life is what his character is—it is the fruitage, the outward development of his soul, and if we measure a man, his character, or the value of his life, by the amount of his perishable possessions, we employ the lowest possible standard. If any man finds his life, all its joys, hopes, aspirations and possibilities in the narrow sphere of such materialities, he has lost his life for time and eternity. The differences that exist among men are essential. They are wisely ordered, nicely adjusted to each individual capacity and promote the general good. We are severally placed just where we are needed and where we can do the best.

We should learn the lesson of self-reliance - not self-assumption, not self-conceit, not egotism, so insufferable and yet so prevalent, but an honest, brave self-reliance. Each man should win his way in life by his own exertions. While he should not reject but accept gratefully the aid his fellow men may proffer—for no man is independent—yet he must press on with all his might as if he were alone. Men who go through life relying on the assistance of others, and making no effort themselves, are but so many miserable cripples hobbling on crutches. A man's destiny is in his own hands; he alone can work it out."

Prof. Henry B. Gardner, of Brown University, spoke on the banking systems of foreign countries, and the advantages to be gained by a careful study of these systems.

Boston.—A. M. King, a messenger of the Boylston National Bank, who recently disappeared, taking with him nearly $30,000 of the bank's funds, has been captured and substantially all the money recovered.

—The Boston Stock Exchange has passed a resolution providing a fine of $1,000 for any member who knowingly deals in a bucket shop, and on conviction for the second offense the member is subject to expulsion from the Exchange.

Springfield, Mass.—The banks which are members of the clearing-house association have voted to close Saturday afternoons, until Oct. 1, on account of the Saturday half-holiday law.

Maine Banking Law Changes. - Through the courtesy of the National Shoe and Leather Bank, Auburn, Me., the MAGAZINE is advised that the following changes and amendments in the laws relating to commercial paper and bank holidays have been passed by the Legislature of the State of Maine, to take effect on and after July 1, 1897:

CHAPTER 247.—Sec. 1. Every Saturday, which is not a bank holiday according to law, from twelve o'clock noon until twelve o'clock midnight, shall, for all purposes whatever as regards the presenting for payment or acceptance and the protesting and giving notice of dishonor of bills of exchange, drafts, bank checks and promissory notes made after the passage of this Act, be treated as and deemed a half holiday; and all bills of exchange, drafts, bank checks and promissory notes which are liable to be protested for non-acceptance or non-payment at twelve o'clock noon on any Saturday which is not a bank holiday according to law, may be protested for non-acceptance or non-payment, as the case may be, on any such Saturday at any time after 12 o'clock noon, or on the next succeeding secular or business day.

Sec. 2. This Act shall take effect July 1, eighteen hundred and ninety-seven.

CHAPTER 259.—Sec. 1.—Any day of public fast or public thanksgiving, appointed by the Governor and council, or by the President of the United States, the first day of January, the twenty-second day of February, the 30th day of May, the 4th day of July, the first Monday of September and the 25th day of December, are hereby declared to be bank holidays.

Sec. 2. No days of grace, according to the custom of merchants, shall be allowed on any promissory note, draft, check, bill of exchange, bond or other evidence of indebtedness made, drawn or accepted after this Act shall take effect, unless expressly stipulated therein, but the same shall be due and payable as therein expressed, without grace; provided, that this Act shall not apply to any draft or bill of exchange drawn payable at sight.

Sec. 3. Any promissory note, draft, check, acceptance, bill of exchange, bond or other evidence of indebtedness made, drawn or accepted after this Act shall take effect, that shall fall due on Sunday or any bank holiday, shall be payable and presentable for payment on the secular or business day next succeeding such Sunday or holiday. If a bank holiday falls on Sunday, the following Monday shall be deemed a bank holiday for the purposes of this Act.

Sec. 4. Section 9 of chapter thirty-two of the revised statutes is hereby repealed.

Sec. 5. This Act shall take effect July one, eighteen hundred and ninety-seven.

MIDDLE STATES.

Philadelphia.—Wm. C. Marshall has been appointed Cashier of the Sixth National Bank to succeed the late Robert B. Salter. Mr. Marshall has been with the bank almost from the time of its organization.

Washington, D. C.—It is reported that there has been a change in the ownership of a large block of stock of the National Metropolitan Bank, at a good price.

Failed to Become a Law.—The bill requiring private bankers in New York to file bonds has failed to become a law. Governor Black did not sign it.

A Teller Defaults.—W. N. Boggs, paying teller of the First National Bank, Dover, Del., is alleged to be a defaulter to an amount that may reach $100,000. It is believed that the bank will be fully able to stand the loss, even should it prove as large as above estimated.

Trust Co. May Invest in Banking House.—An opinion has been written by Attorney-General Hancock (New York) holding that a trust company may invest part of its capital in a banking house to be used as its place of business. The Attorney-General says the banking law empowers trust companies to purchase and hold real property necessary and requisite for the business and purposes of the corporation.

Bank Officers Short.—The teller and Cashier of the South Bethlehem, Pa., National Bank, are reported missing. There is a small shortage in their accounts, but not enough to affect the bank seriously.

New Bank in Maryland.—At a recent meeting of the citizens of upper Marlboro', Md., it was decided to organize the Southern Maryland Bank, capital $25,000.

New National Bank.—The Comptroller of the Currency has authorized the Adirondack National Bank of Saranac Lake, N. Y., to begin business; capital $50,000.

New York Central Debt.—At the special meeting of the stockholders of the New York Central and Hudson River Railroad Co. held at Albany, N. Y., May 26, the proposed issue of $100,000,000 of three and a half per cent. bonds, to take up outstanding issues bearing a higher rate of interest, was authorized by the stockholders.

Promotion Offered a Banker.—Cornelius A. Pugsley, Cashier of the Westchester County National Bank, of Peekskill, N. Y., and former chairman of Group VII of the New York State Bankers' Association, has been offered a position as President of a National bank in New York city. Mr. Pugsley is a capable banker and a courteous gentleman, and the success of the bank with which he is at present identified is largely due to his able management.

Appointment of Receivers.—Senator Ellsworth's bill, empowering the State Superintendent of Banks of New York to appoint Receivers for insolvent institutions under the supervision of the Banking Department, which passed the Legislature, failed to receive the approval of the Governor.

Pittsburg, Pa.—The May number of R. J. Stoney's "Pittsburg Banker" contains a table showing the changes in the condition of the State banks and trust companies of this city since 1892. Considering the period of general depression covered by the table, the showing is regarded as highly satisfactory.

There has been a net increase of two in number of institutions, and $1,598,593 in capital. The investment securities owned have increased nearly $9,300,000 during the past five years. The increase in deposits was less than half a million, and the available cash decreased about $3,000,000. There was an increase in surplus and profits of $1,334,000, this item now aggregating $4,500,000, which is about 70 per cent. of the capital stock.

Bank Robbers Caught.—Through the efforts of the American Bankers' Association two of the men who robbed the Yonkers (N. Y.) Savings Bank of $4,400, on April 12, have been captured. They are said to be noted bank thieves.

Amendment to Banking Law.—The Governor of New York has signed Mr. Costello's bill amending the banking law relative to the liability of stockholders.

SOUTHERN STATES.

Bank Discontinues.—The State Exchange Bank, Hot Springs, Ark., went out of business on May 28, transferring its deposits and good will to the Arkansas National Bank.

Prospective Bond Issue.—Huntsville, a substantial Texas town, with a population of 2,500, will soon issue $18,000 permanent improvement bonds, for water works and school house purposes. They will probably be 6 per cent. forty or fifty year bonds. The city's assessed valuation is over $600,000, and there is no other indebtedness.

Atlanta, Ga.—On May 19, the injunction against the Georgia Loan and Savings Bank was dissolved, and the application for the appointment of a Receiver was denied.

—It is expected that a strong attempt will soon be made to revise the laws of this State relating to banking, such revision being strongly favored by the Governor and State Treasurer.

New Bank in Arkansas.—A bank has been opened in the new town of Mena, Ark. R. M. Quigley is President and J. Spencer Kelly, Cashier.

Nashville, Tenn.—At the annual meeting of the board of directors of the City Savings Bank, May 17, Dr. C. J. Franklin, a well-known business man, was elected President to succeed W. S. Settle, who was not a candidate for re-election. Wm. B Payne, Secretary and Treasurer of the Peabody Normal College, and one of Nashville's shrewd young business men, was elected Vice-President to succeed Dr. Franklin. A. S. Williams was re-elected Cashier.

WESTERN STATES.

Cleveland, Ohio.—At a meeting of the board of directors of the Commercial National Bank, May 27, President Dan P. Eells presented his resignation, which was accepted to take effect July 1. He resigned because of failing health. Mr. Eells has been connected with the Commercial National Bank and its predecessor since 1849.

Torrens Law Void.—The Ohio Supreme Court has declared the law unconstitutional passed last winter whereby the Torrens system of recording land titles was adopted.

Des Moines, Iowa.—The German Savings Bank, which suspended a short time since, has been reorganized.

Colorado Banks Consolidate.—It is reported that H. Schiffer & Bro., proprietors of the Bank of Alamosa, Alamosa, Colo., have purchased a controlling interest in the First National Bank and will consolidate the business of the two banks, using the latter name.

Chicago.—Several of the banking institutions changed their locations on the 1st of May. Among them was the Illinois Trust and Savings Bank, which is now established in its own magnificent building at La Salle and Jackson streets.

—The Northern Trust Co. has moved into the banking rooms formerly occupied by the Illinois Trust and Savings Bank, and the State Bank of Chicago has gone into the former quarters of the Northern Trust Co. at La Salle and Washington streets.

—Farson, Leach & Co. are now located at Washington and Dearborn streets.

—F. L. Hankey is now Second Vice-President of the Northern Trust Co., having been succeeded as Cashier by Geo. F. Orde. The latter is succeeded by Thomas C. King as Assistant Cashier.

—Carl Moll has resigned as Cashier of the Garden City Banking and Trust Co.

—Interest on country bank balances has been generally reduced from two to one and one-half per cent.

St. Louis, Mo.—The Southern Illinois National Bank, capital $100,000, has been organized at East St. Louis, Ill., as successor to the Workingmen's Banking Co.

West Superior, Wis.—At a special meeting of the shareholders of the Northwestern National Bank, May 15, it was voted to reduce the capital from $300,000 to $150,000, and to charge off $30,000 from the surplus and undivided profits. It is stated that this action was rendered necessary because of losses sustained under the management of a former President. New officers have been elected as follows: President, Frank Ostrander; Vice-President, James Ferguson; Cashier, D. W. Twohy.

Kansas City, Mo.—Consolidation of the Metropolitan National Bank with the National Bank of Commerce was effected on May 24. J. K. Burnham, President, and J. G. Strean, Cashier, of the Metropolitan National, will both be officially identified with the National Bank of Commerce in the future.

—The Armours, of Kansas City and Chicago, and several other large stockholders of the Inter-State National Bank have organized a trust company to be known as the Kansas City

Cattle Loan Company, which will lend money to farmers and stock raisers through local live stock commission merchants, taking as security chattel mortgages on stock and grain.

—E. C. Sattley, sentenced some time ago to four years' imprisonment for certain transactions in connection with the failure of the Kansas City Safe Deposit and Savings Bank, has been pardoned after serving about one-half his term.

—The Stock Yards Bank of Commerce has been incorporated with $10,000 capital. It is a branch of the National Bank of Commerce.

Change in Cashiers.—At a recent meeting of the directors of the Rushville (Ind.) National Bank, Capt. J. B. Reeve was elected Cashier to succeed Edwin Payne, who has tendered his resignation, to take effect July 1. Mr. Payne has served as Cashier for twenty-seven years, and is well able to forego the cares of active business. His successor is a retired dry goods merchant who has been a director of the bank for many years.

Milwaukee, Wis.- It is reported that the South Milwaukee National will be reorganized about July 1, as a State institution, with $25,000 capital, finding it undesirable to maintain the larger capital required by the national law.

Reduction of Kentucky Bank Stock.—It is reported that the Secretary of State of Kentucky has refused to permit the reduction of capital applied for by several of the banks of that State, on the ground that it is an attempt to evade taxation. The Northern Bank of Kentucky, with head office at Lexington, sought to reduce its capital from $1,800,000 to $900,000. The bank denies that it intended to issue certificates of deposit in lieu of the surrendered stock, and states that the reduction was made simply for the reason that so large a capital cannot be profitably employed at the present time.

Reliable Low Cost Insurance.—The Provident Savings Life Assurance Society of New York was the pioneer in offering insurance at a low cost upon a secure and scientific basis, with the intention of furnishing the greatest amount of insurance protection for the least amount of money. It was organized in 1875, and its career has been one of steady success and progress.

The record of this company since its organization is worthy of a more extended notice than our space will admit of at this time. Its income, which in 1881 was $82,000, increased to an income of more than $2,000,000 in 1896. During the same period its assets have grown from $172,000 to $2,000,000, while the amount of insurance in force has multiplied itself many times, having increased during these fifteen years from the modest sum of $3,000,000 to $80,000,000 in force at the end of 1896.

It has enlarged upon its original plan of furnishing insurance at cost for protection only, and has added from time to time all the forms of insurance contracts that are desired by the insuring public; until at the present day it is able to meet every requirement of the prospective policy-holder. Despite these additions to its original plan of insurance, it has still kept constantly in sight its primal theory of maximum protection at minimum cost, and has adapted this theory to other forms of insurance in such a way as to produce policies of the greatest attraction to assurers. Especially noteworthy in this connection has been the engrafting of this actuarial principle upon the theory of endowment insurance, which has resulted in one of the most attractive contracts issued by the Company—its assurance bond.

In December, 1896, a change was effected in the executive direction of the Company, the stockholders electing as President Mr. Edward W. Scott, who had been for twenty years connected with the Equitable Life in various official positions, and who, at the time of his resignation from that Company a year ago, was its Third Vice-President.

Mr. Scott's well-known executive ability and his personal magnetism have already, during the short time of his tenure of office in the Provident Savings, effected a considerable increase in the activity of the Company. His favorable reputation among agents and his extended acquaintance among the underwriters of the country have attracted to the Provident Savings a large number of experienced agents and agency managers, who have hastened to enlist under his leadership.

Further evidences of the advance of the Company since Mr. Scott's election are shown in its recent decision to accept women as assurers upon the same terms as men, in the embodiment of new and liberal provisions in the policy contracts, and in the confidence of the public, as evidenced by the constantly increasing amount of new business written. During the first three months of 1897 the Company made a gain of 100 per cent. over the amount of new business written during the same period of 1896. A further comparison of the above-mentioned periods of 1896 and 1897 shows a decided decrease in the expense of management of the Company during the current year. These evidences of aggressive and at the same time careful management, should be a source of congratulation to anyone having the interests of the society at heart, whether policy-holder, officer or agent.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Colorado.—The Miners' State Bank, Cripple Creek, assigned to Henry P. Clark, May 19. A report filed by the assignee on May 29 shows: deposits, $13,555; bills receivable, $12,407: notes secured by stock, $21,650.

Georgia—ATLANTA.—The Atlanta Trust and Banking Co., has decided to go out of business. There was some disagreement among the managers a short time ago, which doubtless hastened the closing of the bank. There is about $75,000 due depositors.

Illinois—CHICAGO.—The Atlas National Bank, which went into liquidation shortly after the collapse of the National Bank of Illinois, has paid all of its indebtedness except $275,000. All depositors have been paid and the balance is due to the clearing-house banks which aided in the liquidation. To secure this $275,000 there are assets of the face value of $1,200,000, which, while not worth the face, are ample to leave something for stockholders.

—It is estimated that creditors of John S. Sheldon, of Loda, will not get more than ten cents on the dollar.

Indiana.—The State National Bank, Logansport, was closed on May 20, having been wrecked by the President, John F. Johnson. There is a shortage of several hundred thousand dollars, which Johnson is said to have secured by means of forged notes, bogus certificates of deposit, etc. Johnson has been sentenced to ten years in prison.
On June 2 it was reported that $200,000 had been subscribed for the reorganization of the bank.

—The State Bank, Monticello, of which John F. Johnson was President, also closed on May 20, owing to the Logansport failure. The last statement shows that the bank has $129,276 individual deposits, payable on demand, with $66,000 cash on hand and in other banks. Of the deposits $40,000 belongs to White county and $6,000 to the city of Monticello.

Iowa.—A defalcation was reported in the Radcliffe Savings bank a short time since. Deposits have been transferred to another bank in the town, and the Savings bank has gone out of business.

Minnesota—ST. PAUL.—Schedules of the assets and liabilities of the Allemania Bank, recently filed by the Receiver, show: liabilities, $1,179,500; assets, $237,600. The Receiver's estimate is $706,148 less than the face value of the securities, and also excludes certain assets altogether.

MINNEAPOLIS.—The Franklin State Bank, which assigned in 1892, has paid depositors in full and has also paid a ten per cent. dividend to stockholders with prospects of further payments.

Schedules of the assets and liabilities of the Washington bank show: total liabilities $515,967; good assets, $167,094, worthless, $190,922; doubtful, $223,101.

—The St. Charles Deposit Bank has paid depositors and gone out of business.

Missouri.—KANSAS CITY—On May 27 the Whipple Loan and Trust Co. was placed in the hands of Clarence S. Palmer, Receiver. Eastern investors are said to hold a large amount of its paper. Liabilities are about $500,000.

Nebraska.—On May 22 the State banking board took possession of the Bank of Johnstown. The bank had not been receiving deposits since last November, and its liabilities are not large.

—The Eddyville Bank has gone into voluntary liquidation.

—The Taylor State Bank is reported as having gone out of business.

—The Merchants' Bank, of Lincoln, closed June 1. Liabilities to depositors, $38,000.

—The First National Bank of Orleans closed May 21. The failure is attributed to slow collections. The bank carried notes of a great many farmers who have not been able to dispose of their crops to advantage. The capital stock of the bank is $50,000.

—On May 10 the Bradshaw bank was closed by the State banking board. Efforts are being made to reopen the bank.

—The Exchange Bank, Atkinson, was closed by the State banking authorities, May 7. Ex-State Treasurer Bartley was President. Deposit liabilities were about $70,000. Cash on hand, $3,800.

New Hampshire.—At a meeting of the trustees of the Belknap Savings Bank, of Laconia, on May 18, it was voted unanimously that the bank go into liquidation. Western investments are said to have caused great loss to the bank, which was one of the oldest in Northern New Hampshire. Liabilities to depositors exceed $1,000,000, and the estimated market value of the assets is stated to be slightly above this amount.

New York—NEW YORK CITY.—Griswold & Gillett, bankers and financial agents, made an assignment on June 1.

Ohio.—Brooks, Butler & Co., Columbus, went into voluntary liquidation June 8. It was one of the oldest banking institutions in the city, but had been injured to some extent by a recent commercial failure.

Virginia.—At a meeting of the stockholders of the Traders' Bank, Lynchburg, May 11, it was decided to make a general deed of assignment to prevent any creditors obtaining prior liens, one over another. Since the practical suspension of business in September the bank has paid depositors about $250,000, and there is a balance on deposit to be paid of only $50,000. The assets of the bank are placed at $380,000 and the liabilities at $150,000.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5066—Moshannon National Bank, Philipsburg, Pennsylvania. Capital, $50,000.
5067—Rockville National Bank, Rockville, Indiana. Capital, $50,000.
5068—First National Bank, Port Jefferson, New York. Capital, $50,000.
5069—Coraopolis National Bank, Coraopolis, Pennsylvania. Capital, $50,000.
5070—Southern Illinois National Bank, East St. Louis, Illinois. Capital, $100,000.
5071—Middlesex County National Bank, Winchester, Massachusetts. Capital, $50,000.
5072—Adirondack National Bank, Saranac Lake, New York. Capital, $50,000.
5073—Merchants' National Bank, Kittanning, Pennsylvania. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Merchants' National Bank, Glendive, Mont.; by Chas. W. Butler, *et al.*
National Bank of Decorah, Decorah, Iowa; by H. C. Hjerleid, *et al.*
First National Bank, Salinas, Cal.; by Henry Brunner, *et al.*
Paris National Bank, Paris, Texas; by H. A. Clements, *et al.*

NEW BANKS, BANKERS, ETC.

ARKANSAS.

MENA—Bank of Mena; Pres., R. M. Quigley; Vice-Pres., Ed. Keogh; Cas., J. Spencer Kelly.

PIGGOTT—Clay County Bank; capital stock, $10,000; Pres., J. P. Potter; Vice-Pres., J. E. Franklin; Cas., B. L. Royall.

CALIFORNIA.

SALINAS—First Nat. Bank; capital, $50,000; Pres., Jno. H. Menke; Cas., B. G. Tognazzi; Asst. Cas., O. B. Root.

SAN FRANCISCO—Swiss American Bank; capital, $300,000; Brunner, Martin & Tognazzi, Agents.

GEORGIA.

ABBEVILLE—Bank of Abbeville; capital, $10,000; Pres., J. J. Smith; Cas., A. E. Potter.

OGLETHORPE—S. T. Lofley (successor to Lofley, Greer & Co.)

IDAHO.

ST. ANTHONY—Bank of St. Anthony; Pres., L. L. Maurer; Cas., A. M. Slattery.

ILLINOIS.

CHICAGO—F. M. Zeiler & Co. (successor to W. J. Wollman & Co.)——Chandler Mortgage Co. (successor to Chandler & Co.); capital stock, $201,000; Pres., F. R. Chandler; Vice-Pres., W. H. Rose; Cas., Henry T. Chace; Asst. Cas., F. M. Reynolds.

EAST ST. LOUIS—Southern Illinois National Bank (successor to Workingmen's Banking Company); capital, $100,000.

ROBERTS—J. P. Smith.

SIGEL—Berchtold & Bigler (Collections and Exchange.)

THAWVILLE—B. H. Skeel's Exchange Bank.

INDIANA.

CHRISNEY—People's Bank; Pres., John B. Chrisney; Cas., Jno. C. Fellas.

REYNOLDS—Bank of Reynolds; Pres., John C. Vanatta; Cas., Fred. Dahling.

ROCKVILLE—Rockville National Bank (successor to National Bank of Rockville); capital, $50,000; Pres., S. L. McCune; Cas., F. H. Nichols.

IOWA.

MANNING—Bennett Bank (A. T. Bennett); capital, $20,000; Cas., W. F. Carpenter.

KANSAS.

CAWKER CITY—Farmers and Merchants' State Bank (successor to Farm. and Merchants' Nat. Bank); capital, $10,000; Pres., Lincoln Paris; Cas., J. G. McClun.

COLUMBUS—State Bank; capital, $10,000; Pres., John E. Tutton.

EVEREST—Farmers' State Bank (successor to Everest State Bank); capital, $5,000; Pres., F. Barnes; Cas., H. Krebs.

GOVE CITY—Exchange State Bank (successor to Exchange Bank); capital, $25,000.

TOPEKA—Realty Trust Co.

WELLINGTON—Security State Bank; capital, $25,000; Pres., Thos. J. Garland; Cas., W. H. Burks.

KENTUCKY.

CANEYVILLE—Bank of Caneyville; capital, $15,000; Pres., T. M. Bond; Vice-Pres., R. B. Porter; Cas., Eli Harned.

MARYLAND.

UPPER MARLBORO—Southern Maryland Bank; capital stock, $25,000; Pres., Clarence Hodson; Cas., Andrew M. Coffman.

MASSACHUSETTS

LYNN—Lynn Real Estate Trust and Deposit Co.; organizing.

WINCHESTER—Middlesex Co. National Bank; capital, $50,000; Pres., Lewis Parkhurst; Cas., Chas. E. Barrett.

MICHIGAN.

EDMORE—E. S. Wager's Bank (successor to Exchange Bank); Cas., W. G. Wisner.

MARINE CITY—Algonac Banking Co.; Pres., Frank McElroy; Cas., J. W. McKenzie.

REESE—Bank of Reese (Carson, Ealy & Smith); Cas., Jno. M. Smith.

MINNESOTA.

WELCOME—Citizens' Bank; organizing.

WEST DULUTH—West Duluth Bank (successor to H. E. Smith & Co. Bank).

MISSOURI.

BROWNING—Farmers' Exchange Bank; capital, $20,000; Pres., J. I. Harmon; Vice-Pres., A. N. Thurlo; Cas., S. L. Gibson.

EXCELSIOR SPRINGS—Hunter Banking Co.; Pres., S. D. Henry; Vice-Pres., J. W. Hunter; Cas., W. W. Thompson.

KANSAS CITY—Stock Yards Bank of Commerce (branch of National Bank of Commerce): capital, $10,000.

MONTANA.

WIBAUX—Exchange Bank; Cas., Frank Cannon.

NEBRASKA.

BARTLEY—State Bank; capital, $5,000; Pres., J. E. Hathorn; Vice-Pres., E. E. Smith; Cas., W. V. Vickery; Asst-Cas., Louis Cochran.

BRADSHAW—State Bank; capital, $5,000; Pres., Geo. W. Post; Cas., Geo. S. Cook.

EXETER—Wallace & Co. (successors to Exeter National Bank); capital, $15,000; Pres., Robert Wallace; Cas., W. H. Wallace; Asst. Cas., S. P. Rogers.

NEW JERSEY.

UNION HILL—People's Safe Deposit and Trust Co.

NEW MEXICO.

SOCORRO—J. M. Tyler.

NEW YORK.

CANISTEO—First State Bank; capital, $25,000; Pres., L. D. Whiting; Cas., H. H. Summers.

NEW YORK CITY—Heinemann & Co., 45 Broadway.——E. H. Gay & Co.

ONEONTA—Otsego County Savings Bank.

SARANAC LAKE—Adirondack National Bank; capital, $50,000; Pres., Richard H. McIntyre, Cas., John F. Neilson.

NORTH CAROLINA.

GREENVILLE—Bank of Pitt County (successor to Greenville Bank); capital, $10,000; Pres., R. R. Fleming; Vice-Pres., A. G. Cox; Cas., E. B. Higgs; Asst.-Cas., H. Harding.

LUMBERTON—Bank of Lumberton; capital, $15,000; Pres., Thomas A. McNeill; Vice-Pres., R. D. Caldwell; Cas., C. B. Townsend.

OHIO.

NAPOLEON—Citizens' Bank.

PENNSYLVANIA.

KITTANNING — Merchants' National Bank; capital, $50,000; Pres., J. B. Neale; Cas., Jas. M. Painter.

PHILIPSBURG—Moshannon National Bank; capital, $50,000; Pres., T. Barnes; Cas., Charles G. Avery.

SOUTH DAKOTA.

CASTALIA—State Bank of Castalia; capital, $5,000; Pres., J. H. Wolf; Cas., F. C. Smith.

DAVIS—Bank of Davis; Cas., Charles Rummel.

OACOMA—Case & Whitbeck; capital, $5,000; Pres., A. C. Whitbeck; Cashier, F. A. Smith.

TENNESSEE.

NASHVILLE Seabright Banking Co.

TEXAS.

WALLER—German-American Bank (Geo. P. Zeiss).

VIRGINIA.

RICHMOND—Lancaster & Lucke.

BRITISH COLUMBIA.

SLOCAN CITY—Bank of British North America.

MANITOBA.

HAMIOTA—Inman & Co.; Herbert Inman, Mgr.

WINNIPEG—Dominion Bank; F. L. Patton, Mgr.

NOVA SCOTIA.

BARRINGTON PASSAGE—Union Bank of Halifax; J. D. Leavitt, Agent.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

OPELIKA—Shapard Bank; C. C. Torbert, Pres., in place of W. L. Dowdell, deceased.

ARIZONA.

PRESCOTT—Prescott National Bank; Morris Goldwater, Cas. in place of Russell C. Woodruff, deceased.

ARKANSAS.

HELENA—First National Bank; S. Seelig, Pres.

CALIFORNIA.

CHICO—Bank of Chico; James M. Haven, Pres., in place of Orrin Gowell.

FRESNO—Farmers' Bank; Walter Shoemaker, Cas., in place of J. Reichmann.

LOS ANGELES—East Side Bank; Frank P. Flint, Vice-Pres., in place of Thos. Meredith.

PASADENA—Union Savings Bank; capital increased to $30,000.

SAN FRANCISCO—French Savings and Loan

Society; title changed to French Savings Bank; Howard Park, Sec., in place of L. Brand.

SANTA ANA—First National Bank; Joseph Yoch, Vice-Pres., in place of S. W. Preble, deceased.

COLORADO.

ALAMOSA—Bank of Alamosa; reported consolidated with First National Bank.

GREELEY—Union Bank; E. M. Gale, Cas., in place of B. D. Harper: C. A. Jackson, Asst. Cas., in place of E. M. Gale.

GUNNISON—First National Bank; Wm. J. Fine, Cas.

CONNECTICUT.

BRIDGEPORT—City National Bank; Geo. E. Winton, elected director, in place of Geo. Mallory, deceased.

DANBURY—Danbury National Bank; Thos. C. Millard, Pres., in place of Samuel H. Rundle; G. Mortimer Rundle, Vice-Pres. in place of T. C. Millard.

FALLS VILLAGE—National Iron Bank; Edwin W. Spurr, Pres., in place of A. C. Randall.

DELAWARE.

DELMAR—Bank of Delmar; Jos. G. W. Perdue, Cas., instead of *Pergue* as reported in previous number.

HARRINGTON—First National Bank; W. H. Murphy, Vice-Pres., in place of Robert H. Smith.

DISTRICT OF COLUMBIA.

WASHINGTON—National Bank of the Republic; S. W. Woodward, Pres., in place of Daniel B. Clarke; Jno. B. Larner, Vice-Pres., in place of A. A. Wilson.——Lincoln National Bank; Henry F. Bauer, Asst. Cas., deceased.——National Metropolitan Bank; E. S. Parker, Pres. in place of J. W. Thompson; S. W. Woodward, Vice-Pres. in place of Henry A. Willard.

FLORIDA.

EUSTIS—Bank of Eustis; W. S. McClelland, proprietor, in place of Bishop Bros.

GEORGIA.

AUGUSTA—Commercial Bank; Frank E. Fleming, Pres., in place of P. G. Burum. ——Fleming, Thomas & Co.; reported absorbed by Commercial Bank.

DARIEN—Darien Bank; Aug. Schmidt, Pres., in place of Adam Strain, deceased.

ILLINOIS.

CHICAGO—Drovers' National Bank; W. A. Tilden, Asst. Cas., in place of Edward Tilden, resigned.——State Bank of Chicago; removed to Chamber of Commerce Building.——Lobdell, Farwell & Co.; removed to S. W. corner La Salle and Quincy Streets. ——Northern Trust Co.; removed to 215 La Salle Street.——Farson, Leach & Co.; removed to N. W. corner Washington and Dearborn Streets.——Northern Trust Co.; Geo. F. Orde, Cas.; Thomas C. King, Asst. Cas.——Garden City Banking and Trust Co.; Carl Moll, Cas., resigned.

EDWARDSVILLE—Madison Co. State Bank; capital, $25,000; Wm. H. Krome, Pres.; Geo. Kalbfleisch, Cas.; A. P. Wolf, Asst. Cas.—— First Nat. Bank; C. N. Travons, Vice-Pres.

GOLCONDA—Pope Co. State Bank; Jno. Gilbert, Jr., Pres., in place of Wm. P. Sloan.

MONTICELLO—First National Bank; Jno. N. Dighton, Pres. in place of William Noecker, deceased; Wm. Dighton, Vice-Pres. in place of Jno. N. Dighton; G. B. Noecker, Asst. Cas. in place of Wm. Dighton.

OREGON—First National Bank; Isaac Rice, Pres., deceased.

PAXTON—First National Bank; R. Cruzen, Vice-Pres., in place of F. L. Cook.

INDIANA.

GOSPORT—Henry, Gray & Co.; succeeded by Henry & Pritchard.

GREENSBURGH—First National Bank; Geo. P. Shoemaker, Asst. Cas., in place of F. M. Dowden.

NORTH VERNON—First National Bank; V. C. Meloy, Pres., in place of John Overmeyer; J. D. Cone, Vice-Pres., in place of V. C. Meloy.

PORTLAND—Citizens' Bank; Isaac Silvernale, Cas.

ROCKVILLE—National Bank of Rockville; corporate existence expired by limitation, May 14, 1897.

RUSHVILLE—Rushville National Bank; J. B. Reeve, Cas., in place of Edwin Payne, resigned.

INDIAN TERRITORY.

MUSCOGEE—Commercial Bank; capital, $10,000.

IOWA.

CONWAY—Conway Exchange Bank; N. P. Nelson succeeded by Nicholson & Leachey as proprietors.

DES MOINES—German Savings Bank (resumed); capital, $100,000.

MAQUOKETA—Jackson Co. Bank; O. C. Kucheman, Cas.

RIVERSIDE—Riverside Savings Bank; A. R. Ford, Cas. in place of D. A. Fisher.

SHENANDOAH—First National Bank; corporate existence extended until May 5, 1917.

KANSAS.

DOUGLASS—Bank of Douglass; G. E. House, Pres. in place of W. A. Phipps.

TOPEKA—Bank of Topeka; Speed Hughes, Asst. Cas. in place of Fred Freeman, resigned.

KENTUCKY.

LANCASTER—National Bank of Lancaster; W. R. Robinson, Pres., deceased.

LEXINGTON—Northern Bank of Ky.; applied for authority to reduce capital stock from $1,800,000 to $900,000.

OWENSBORO—Owensboro National Bank; H. B. Phillips, Pres. in place of Richard Monarch.

MAINE.

Saco—Saco National Bank; Chas. L. Batchelder, Cas. in place of H. A. McNeally.

MARYLAND.

Baltimore—National Marine Bank; Andrew K. Shriver, director, deceased.——Third National Bank; Bernard Gilpin, director, deceased.

Crisfield—Bank of Crisfield; L. E. P. Dennis erroneously reported as Cas. in previous number; John Sterling, Cas.

MASSACHUSETTS.

Boston—Hancock National Bank (in liquidation); Denman Blanchard, Cas. in place of William H. Abbott.——Mercantile Loan and Trust Co.; title changed to Mercantile Trust Co.——International Trust Co.; John C. Paige, director, deceased.——Eliot National Bank; William H. Goodwin, Pres., deceased.——Lincoln National Nank; E. C. Whitney, Cas., deceased.——National Rockland Bank; Phineas B. Smith, director, deceased.

Marlboro—First National Bank; William H. Fay, Pres., deceased.

Springfield—Chapin National Bank; William K. Baker, Pres., deceased.

Worcester—Central National Bank; Chas. M. Thayer, elected director in place of G. W. Knowlton.

MICHIGAN.

Alpena—Alpena National Bank; F. W. Gilchrist, Pres. in place of Geo. L. Maltz; W. L. Churchill, Vice-Pres. in place of F. W. Gilchrist.

Ann Arbor—State Savings Bank; John C. Walz, Jr., Cas.

Detroit—Detroit River Savings Bank; Wm. E. Reilly, Cas. in place of Geo. S. Robinson.

Ovid—First National Bank; no Cas. in place of H. N. Keys.

MINNESOTA.

Grand Rapids—Lumberman's State Bank; title changed to Lumberman's Bank.

Lanesboro—Lanesboro Bank; Olaf Habberstad admitted as partner.——Citizens' Bank; reported resumed.

East Grand Forks—First National Bank; C. Madson, Pres. in place of E. R. Jacobi; G. R. Jacobi, Vice-Pres.

St. Cloud—Merchants' National Bank and German-American National Bank; consolidated under former title.

Stillwater—First National Bank; E. L. Hospes, Acting Cas.

Welcome—Bank of Welcome; succeeded by Welcome State Bank.

MISSOURI.

Butler—Bates County Bank; capital stock reduced from $125,000 to $75,000.——Dallas Co. Bank; capital stock reduced from $35,000 to $20,000.

Drexel—Interstate Bank; capital stock reduced from $25,000 to $12,500.

Farmington—St. Francois County Bank; capital, $5,000; Wm. R. Taylor, Pres.; John S. Towl, Cas.

Kansas City—National Bank of Commerce and Metropolitan National Bank; consolidated under former title.

Rogersville—Bank of Rogersville; N. M. Leonard, Cas., in place of I. N. Rogers.

Stewartsville—First National Bank; Jno. A. Deppen, Asst. Cas.

St. Louis—Southern Commercial and Savings Bank; Wm. A. Kammerer, Cas., in place of W. Frank Street, resigned.

NEBRASKA.

Beatrice—First National Bank; corporate existence extended until May 11, 1917.

Clatonia—Bank of Clatonia; title changed to Farmers' Bank.

Cordova—State Bank; succeeded by C. A. Pierson.

NEW HAMPSHIRE.

Manchester—Second National Bank; corporate existence extended until May 15, 1917.

Somersworth—Great Falls National Bank; Fred. M. Varney, Cas., in place of Joseph A. Stickney, deceased.

NEW YORK.

Albany—First National Bank; no Cas. in place of S. W. Rowell; C. Tremper, Jr., Asst. Cas.——Albany Savings Bank, Wm. B. Van Rensselaer, Vice-Pres., in place of Matthew Hale.

Brooklyn—Brooklyn Trust Co.; Charles A. Schieren, elected trustee.——Nassau Trust Co.; A. D. Wheelock, Pres., deceased.

Buffalo—Union Bank; Henry Breitwieser, elected director.——Metropolitan Bank; Elmore A. Willets, elected director.

Chester—Chester National Bank; B. C. Durland, Asst. Cas.

Cornwall—Cornwall Savings Bank; S. B. Young, Pres., in place of C. E. Cocks, resigned.

Dobbs Ferry—Dobbs Ferry Bank; Geo. C. Todd, Cas., deceased.

New York City—Bacon, McKinley & Sherman; succeeded by Lathrop R. Bacon & Co.——Price, McCormick & Co.; Geo. Crocker admitted to Stock Exchange.——Bank of New Amsterdam; admitted to clearing house; J. Edward Simmons and Thomas F. Ryan, elected directors.——Jesup & Lamont; Lansing Lamont, deceased.——Fifth National Bank; S. Kelly, Pres., in place of Richard Kelly, deceased; Richard B. Kelly, Vice-Pres., in place of S. Kelly.——Colonial Trust Co.; Roswell P. Flower, Pres. ——New York Surety Co.; applied for voluntary dissolution.——Third National Bank; consolidated with National City Bank.

Oneida—Oneida Savings Bank; Geo. Berry, Pres., deceased.

WATERTOWN—City National Bank; F. Waddingham, Vice-Pres., in place of R. E. Smiley.

NORTH CAROLINA.

GASTONIA—First National Bank; J. D. Moore, Cas.

RUTHERFORDTON—Carpenter & Morrow Bank; succeeded by Bank of Rutherfordton; M. H. Morrow, Asst. Cas.

NORTH DAKOTA.

ST. THOMAS—Farmers' State Bank; Ed. O. Davis, Asst. Cas.

OHIO.

BRIDGEPORT—First National Bank; Joseph B. Loe, Asst. Cas.

CHARDON—Citizens' Bank Company; succeeded by Smith, Fowler & Co.; C. L. Smith, Cas.

CINCINNATI—City Hall Bank; T. J. Peale, elected director.——German National Bank; J. D. Koch, director, deceased.

CLEVELAND—Cleveland National Bank; Henry E. Mussey, director, deceased.——Commercial Nat. Bank; Dan. P. Eels, Pres., resigned (in effect July 1).

LEBANON—Lebanon National Bank; corporate existence extended until May 16, 1917.

MASSILLON—First National Bank; George Harsh, Vice-Pres., deceased.

MAUMEE—Union Deposit Bank; R. B. Mitchell, owner, deceased.

MOUNT GILEAD—First National Bank; C. W. Schaaf, Asst.-Cas.

OBERLIN—Citizens' National Bank; A. B. Spear, Cas. in place of Arthur H. Johnson; C. C. Beckwith, Asst. Cas. in place of A. B. Spear.

WAYNESVILLE—Waynesville National Bank; J. O. Cartwright, Asst. Cas. in place of S. McCune, deceased.

WILLIAMSBURG—Lochard Banking Co; succeeded by Farmers and Merchants' Bank; D. K. Peterson, Cas.

ZANESVILLE—Union National Bank; W. H. Pierpoint, Cas. in place of Edward Martin; H. J. W. Smith, Asst. Cas. in place of W. H. Pierpoint.

OKLAHOMA.

POND CREEK—Bank of Pond Creek; J. C. McClelland, Cas.

OREGON.

ASTORIA—First National Bank; J. O. Hanthorn, 2d Vice-Pres., in place of Geo. C. Flavel.

PENNSYLVANIA

BETHLEHEM—First National Bank; W. B. Myers, Cas., in place of C. E. Breder.

FAYETTE CITY—Binns, Cope & Brown; Gibson Binns, deceased.

LATROBE—First National Bank; James Peters, Pres., in place of J. L. Chambers; Wm. Anderson, Vice-Pres., in place of James Peters.

MEDIA—First National Bank; H. E. Hoopes, Cas., in place of J. Frank Kitts.

PHILADELPHIA—Manayunk National Bank; Jos. V. Kelly, elected director in place of C. J. McGlinchey, deceased.——Manayunk Penny Savings Bank; Cornelius J. McGlinchey, director, deceased.——Sixth National Bank; Wm. C. Marshall, Cas., in place of Robert B. Salter, deceased.——Southwark National Bank; Alexander Purves, director, deceased.——Fourth St. National Bank; S. M. Prevost, elected director in place of Robert J. C. Walker, resigned.——Philidore S. Bell, Banker, deceased.

PITTSBURG—Pennsylvania National Bank; Henry W. Borntraeger, director, deceased.——West End Savings Bank; Wm. H. Wilson, Cas., deceased.

PUNXSUTAWNEY—Citizens' Bank; Levi McGregor, Pres., in place of W. F. Beyer.

SOUTH BETHLEHEM—South Bethlehem National Bank; Jno. B. Meixell, Cas., reported an embezzler.

STEELTON—Steelton National Bank; E. C. Felton, Pres., in place of L. S. Bent.

WATERFORD—Wm. Benson, banker, deceased.

RHODE ISLAND.

NEWPORT—National Exchange Bauk; Geo. H. Proud. Cas. in place of Edward Newton, deceased.

PROVIDENCE—Westminster Bank; Geo. H. Darling, director, deceased.

TENNESSEE.

JACKSON—People's Savings Bank; Hervey B. Gilmore, Cas. deceased.

MORRISTOWN—Merchants' Bank; Jas. A. Rice, Asst. Cas. in place of J. N. Fisher.

NASHVILLE—City Savings Bank; J. C. Franklin, Pres. in place of W. S. Settle; William R. Payne, Vice-Pres.

TEXAS.

WOLFE CITY—Wolfe City National Bank; M. H. Turner, Pres. in place of J. H. Nail; C. L. Parrott, Vice-Pres. in place of M. H. Turner; Geo. Wolf Holstein, Second Vice-Pres. in place of W. I. Cook.

VIRGINIA.

NORFOLK—Merchants and Mechanics' Savings Bank; W. H. Wales, Cas. deceased.

RICHMOND—Metropolitan Bank; Thomas N. Carter, Pres. in place of Nathan W. Nelson, deceased.——City Bank; Nathan W. Nelson, director, deceased.

WASHINGTON.

TACOMA—Traders' Trust Co.; W. G. Heller, Pres.; G. M. Hellar, Vice-Pres.; John F. Lyon, Sec. and Treas.

WEST VIRGINIA.

PARKERSBURG—Second National Bank; E. M. Gilkeson, Cas. in place of W. F. Wolfe.

WHEELING—Consolidated Loan and Trust Co.; capital, $20,000; L. D. Wilson, Pres.; Geo. J. Mathison, Secretary.

WISCONSIN.

BERLIN—Berlin National Bank; Horace E.

Stedman, Asst. Cas., in place of D. P Blackstone.

IOLA—Bank of Iola; S. M. Myhre, Cas., in place of C. W. Guldager.

MONTFORT—Montfort State Bank; L. H. Stevens, Cas., in place of F. W. Stevens.

WEST SUPERIOR — Northwestern National Bank; capital stock reduced from $300,000 to $150,000; Frank Ostrander, Pres., in place of Louis Hanitch, resigned.

CANADA.

ONTARIO.

ELORA—Farran & Archibald; succeeded by W. W. Farran.

TORONTO—Bank of Montreal; C. Brough, Manager, deceased.

QUEBEC.

MONTREAL—Molsons Bank; J. H. R. Molson, Pres., deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

HOT SPRINGS - State Exchage Bank; deposits transferred to Arkansas National Bank.

COLORADO.

CRIPPLE CREEK—Miners' State Bank; assigned to Harry H. Clark, May 19.

DENVER—People's National Bank; in voluntary liquidation by resolution of April 27.

GEORGIA.

ATLANTA—Atlanta Trust and Banking Co.; winding up business.

TALLAPOOSA—Merchants and Miners' Bank; W. J. McCurdy and C. A. Williams appointed permanent Receivers.

INDIANA.

KEWANNA—Citizens' State Bank; in voluntary liquidation.

LOGANSPORT—State National Bank.

MONTICELLO—State Bank.

IOWA.

RADCLIFFE—Radcliffe Savings Bank.

KANSAS.

AURORA—D. H. Atwood.

CHANUTE—Chanute National Bank; in voluntary liquidation May 6.

GARNETT—Anderson County National Bank; in voluntary liquidation April 5.

HUTCHINSON—Bank of Hutchinson: Jno. M. Kinkel, Receiver.

KANSAS CITY—Wyandotte National Bank; in voluntary liquidation April 13.

MASSACHUSETTS.

BOSTON—Hancock National Bank; in voluntary liquidation.

MICHIGAN.

THREE RIVERS—Three Rivers National Bank; in voluntary liquidation April 27.

MINNESOTA.

ST. CHARLES—St. Charles Deposit Bank.

MISSOURI.

KANSAS CITY—Whipple Loan and Trust Co.; in hands of Clarence S. Palmer, Receiver.

ST. LOUIS—National Bank of the Republic; in voluntary liquidation April 18.

MONTANA.

GREAT FALLS—Northwestern Nat. Bank; James T. Stanford, Receiver in place of James B. Lazear, resigned.

NEBRASKA.

ATKINSON—Exchange Bank.

BRADSHAW—Bradshaw Bank.

EDDYVILLE—Eddyville Bank; in voluntary liquidation.

EXETER—Exeter National Bank; in voluntary liquidation April 30.

JOHNSTOWN—Bank of Johnstown.

LINCOLN—Industrial Savings Bank; reported discontinued.——Merchants' Bank.

ORLEANS—First National Bank.

TAYLOR—Taylor State Bank; out of business.

WINSIDE—Wayne County Bank.

NEW HAMPSHIRE.

LACONIA—Belknap Savings Bank; in voluntary liquidation.

NEW YORK.

NEW YORK CITY—Myers & Co.; retired from business.——Griswold & Gillett; assigned to Wm. F. Tufts.

WATERLOO—Leonard Story; in voluntary liquidation.

OREGON.

ST. HELEN—Columbia Banking Company.

THE DALLES—The Dalles National Bank; in hands of Charles Clary, Receiver, May 7.

SOUTH DAKOTA.

IROQUOIS—Bank of Iroquois; in voluntary liquidation.

TENNESSEE.

ERWIN—Unicoi County Bank.

TEXAS.

GATESVILLE—City National Bank; in hands of Thomas M. Thornton, Receiver, May 29.

VIRGINIA.

CULPEPER—Farmers' National Bank; in voluntary liquidation.

LYNCHBURG—Traders' Bank; in hands of Chas. M. Blackford and James E. Edmunds, trustees.

WASHINGTON.

GARFIELD—Bank of Garfield; in voluntary liquidation.

SPOKANE—First National Bank; Augustus D. Lynch, Receiver in place of F. Lewis Clark, resigned.

CANADA.

ONTARIO.

THOROLD—Canadian Bank of Commerce; branch discontinued.

WATERFORD—Canadian Bank of Commerce; branch discontinued.

U. S. NATIONAL BANK RETURNS—RESERVE CITIES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on May 14, 1897. These are published below in conjunction with the two preceding statements of March 9, 1897, and December 17, 1896. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

NEW YORK CITY.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$339,963,264	$354,979,582	$355,090,811
Overdrafts	187,943	138,696	157,863
U. S. bonds to secure circulation	23,047,000	20,069,000	19,256,000
U. S. bonds to secure U. S. deposits	1,220,000	1,220,000	1,300,000
U. S. bonds on hand	1,147,600	4,365,450	4,296,200
Premiums on U. S. bonds	1,881,666	2,091,477	2,057,824
Stocks, securities, etc	35,941,703	37,852,880	39,339,656
Banking house, furniture and fixtures	12,796,703	13,400,069	13,652,947
Other real estate and mortgages owned	1,645,557	1,831,096	1,829,145
Due from National banks (not reserve agents)	30,398,114	25,136,503	30,039,894
Due from State banks and bankers	4,515,696	4,756,222	5,536,684
Due from approved reserve agents	......	......	......
Checks and other cash items	1,960,425	1,515,517	2,075,393
Exchanges for clearing-house	49,287,611	41,107,378	46,747,960
Bills of other National banks	1,182,570	803,443	765,563
Fractional paper currency, nickels and cents	61,229	49,140	48,144
*Lawful money reserve in bank, viz.:			
Gold coin	14,082,424	15,815,129	17,258,969
Gold Treasury certificates	8,970,350	9,431,350	9,170,160
Gold clearing-house certificates	38,808,000	44,120,000	45,346,000
Silver dollars	72,434	106,622	99,233
Silver Treasury certificates	5,568,699	5,062,880	5,837,371
Silver fractional coin	453,181	406,777	442,899
Legal-tender notes	42,176,304	42,143,514	38,984,723
U. S. certificates of deposit for legal-tender notes	25,305,000	47,375,000	35,810,000
Five per cent. redemption fund with Treasurer	1,029,319	893,827	857,242
Due from U. S. Treasurer	906,418	496,967	1,288,471
Total	$642,626,550	$674,666,991	$677,253,677
LIABILITIES.			
Capital stock paid in	$50,600,000	$49,600,000	$46,600,000
Surplus fund	42,486,000	43,152,000	43,042,000
Undivided profits, less expenses and taxes paid	18,686,831	17,173,109	17,958,901
National bank notes issued, less amount on hand	20,176,990	16,647,505	14,786,305
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	145,974,388	176,197,685	161,847,029
Due to State banks and bankers	62,976,954	73,485,201	71,758,220
Dividends unpaid	92,323	98,763	103,475
Individual deposits	299,912,326	297,028,713	316,669,249
U. S. deposits	896,026	896,895	885,533
Deposits of U. S. disbursing officers	275,612	241,278	292,812
Notes and bills rediscounted	......	......	......
Bills payable	455,000	......	100,000
Liabilities other than those above stated	75,541	129,781	198,598
Total	$642,626,550	$674,666,991	$677,253,677
Average reserve held	32.18 p. c.	34.73 p. c.	32.83 p. c.

*The total lawful money reserve was $135,431,593 on December 17, 1896; $164,460,772 on March 9, 1897; $152,949,355 on May 14, 1897.

ALBANY, N. Y.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$7,781,639	$7,157,573	$7,518,866
Overdrafts	3,127	2,443	1,607
U. S. bonds to secure circulation	500,000	400,000	400,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......

ALBANY, N. Y.—Continued.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Premiums on U. S. bonds	$27,500	$27,500	$27,500
Stocks, securities, etc	835,733	772,921	765,836
Banking house, furniture and fixtures	295,000	295,000	295,000
Other real estate and mortgages owned	29,165	29,165	27,962
Due from National banks (not reserve agents)	1,108,722	1,337,625	1,543,749
Due from State banks and bankers	134,969	101,069	655,064
Due from approved reserve agents	1,645,833	3,379,695	4,696,821
Checks and other cash items	37,508	99,756	111,669
Exchanges for clearing-house	109,239	68,376	88,056
Bills of other National banks	63,458	51,537	65,364
Fractional paper currency, nickels and cents	3,121	3,051	2,758
*Lawful money reserve in bank, viz.:			
Gold coin	455,312	465,711	487,711
Gold Treasury certificates	284,300	304,500	304,250
Gold clearing-house certificates	......	......	......
Silver dollars	21,671	18,610	18,501
Silver Treasury certificates	38,245	35,000	51,000
Silver fractional coin	26,508	28,726	37,718
Legal-tender notes	262,764	244,488	301,077
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	22,500	18,000	18,000
Due from U. S. Treasurer	......	......	......
Total	$13,326,290	$14,885,721	$17,468,516
LIABILITIES.			
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000
Surplus fund	1,396,000	1,396,000	1,396,000
Undivided profits, less expenses and taxes paid	179,701	130,078	175,568
National bank notes issued, less amount on hand	440,320	343,960	351,250
Due to other National banks	2,979,975	2,927,199	3,115,269
Due to State banks and bankers	1,895,048	1,692,705	1,545,423
Dividends unpaid	647	817	2,131
Individual deposits	4,810,858	6,771,200	9,259,133
U. S. deposits	43,963	46,078	46,214
Deposits of U. S. disbursing officers	6,066	3,921	3,785
Notes and bills rediscounted	21,738	21,738	21,738
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$13,326,290	$14,885,721	$17,468,516
Average reserve held	33.14 p. c.	45.43 p. c.	50.91 p. c.

* The total lawful money reserve was $1,088,801 on December 17, 1896; $1,092,035 on March 9, 1897; $1,200,257 on May 14, 1897.

BALTIMORE, MD.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$31,155,223	$29,496,758	$31,160,684
Overdrafts	28,698	32,678	40,717
U. S. bonds to secure circulation	3,160,000	3,074,000	2,979,000
U. S. bonds to secure U. S. deposits	202,000	202,000	202,000
U. S. bonds on hand	25,000	50,530	80,500
Premiums on U. S. bonds	369,828	357,089	357,761
Stocks, securities, etc	1,699,521	3,066,856	2,958,664
Banking house, furniture and fixtures	2,075,795	2,184,795	2,185,521
Other real estate and mortgages owned	157,286	153,646	153,257
Due from National banks (not reserve agents)	2,076,642	1,812,785	2,086,462
Due from State banks and bankers	329,355	304,113	393,070
Due from approved reserve agents	3,064,916	3,790,192	2,854,927
Checks and other cash items	112,289	66,119	66,177
Exchanges for clearing-house	1,473,840	1,432,025	1,739,334
Bills of other National banks	228,380	214,335	227,551
Fractional paper currency, nickels and cents	15,183	14,591	12,898
*Lawful money reserve in bank, viz.:			
Gold coin	1,790,580	1,865,234	1,946,946
Gold Treasury certificates	354,120	626,590	347,140
Gold clearing-house certificates	......	......	......
Silver dollars	61,546	64,667	55,014
Silver Treasury certificates	1,522,198	1,436,400	1,626,527
Silver fractional coin	91,400	79,353	83,002
Legal-tender notes	783,678	560,042	622,135
U. S. certificates of deposit for legal-tender notes	1,390,000	1,720,000	1,600,000
Five per cent. redemption fund with Treasurer	142,200	138,330	134,055
Due from U. S. Treasurer	7,175	4,000	2,000
Total	$52,316,860	$52,747,136	$53,915,348
LIABILITIES.			
Capital stock paid in	$13,243,260	$13,243,260	$13,243,260
Surplus fund	4,699,750	4,923,000	4,923,000
Undivided profits, less expenses and taxes paid	1,301,669	950,186	1,152,206
National bank notes issued, less amount on hand	2,800,520	2,716,600	2,639,587
State bank notes outstanding	4,606	4,606	4,606
Due to other National banks	5,261,028	5,770,118	5,334,565
Due to State banks and bankers	1,357,059	1,251,142	1,282,256

BALTIMORE, MD.—Continued.

LIABILITIES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Dividends unpaid	$51,808	$58,364	$74,281
Individual deposits	23,264,822	23,489,741	24,949,148
U. S. deposits	232,841	216,117	210,436
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	100,000	124,000	102,000
Liabilities other than those above stated	......	......	......
Total	**$52,816,860**	**$52,747,136**	**$53,915,348**
Average reserve held	**35.81 p. c.**	**38.05 p. c.**	**33.83 p. c.**

* The total lawful money reserve was $5,993,522 on December 17, 1896; $6,352,287 on March 9, 1897; $6,280,764 on May 14, 1897.

BOSTON, MASS.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$145,506,391	$156,535,096	$154,983,505
Overdrafts	96,450	81,135	79,962
U. S. bonds to secure circulation	11,547,000	10,697,000	10,047,000
U. S. bonds to secure U. S. deposits	265,000	515,000	265,000
U. S. bonds on hand	105,000	455,000	105,000
Premiums on U. S. bonds	1,198,917	1,190,632	926,912
Stocks, securities, etc	6,864,247	7,973,593	7,414,048
Banking house, furniture and fixtures	2,378,410	2,377,686	2,397,989
Other real estate and mortgages owned	436,031	437,617	440,900
Due from National banks (not reserve agents)	14,323,223	13,061,679	14,898,676
Due from State banks and bankers	516,762	529,202	578,010
Due from approved reserve agents	27,445,346	26,281,827	27,161,941
Checks and other cash items	403,851	384,675	317,640
Exchanges for clearing-house	7,877,090	8,397,093	11,844,921
Bills of other National banks	1,069,830	956,472	1,040,738
Fractional paper currency, nickels and cents	21,869	20,600	23,580
*Lawful money reserve in bank, viz.:			
Gold coin	6,704,912	7,148,717	7,156,271
Gold Treasury certificates	1,218,500	1,251,660	1,255,750
Gold clearing-house certificates	......	......	......
Silver dollars	79,724	80,018	76,575
Silver Treasury certificates	2,924,882	2,268,967	2,871,149
Silver fractional coin	171,451	151,581	156,198
Legal-tender notes	6,542,112	5,987,460	5,635,508
U. S. certificates of deposit for legal-tender notes	1,570,000	1,820,000	1,410,000
Five per cent. redemption fund with Treasurer	519,614	492,615	488,615
Due from U. S. Treasurer	181,214	80,660	209,240
Total	**$239,967,872**	**$249,125,962**	**$250,660,060**

LIABILITIES.			
Capital stock paid in	$50,750,000	$50,750,000	$50,750,000
Surplus fund	14,950,325	14,950,325	14,946,578
Undivided profits, less expenses and taxes paid	5,019,944	5,868,829	4,765,370
National bank notes issued, less amount on hand	10,141,890	9,594,055	8,354,270
Due to other National banks	34,302,084	39,039,129	35,197,919
Due to State banks and bankers	15,587,717	18,374,916	18,847,417
Dividends unpaid	37,477	31,917	50,677
Individual deposits	108,203,918	106,918,684	115,954,068
U. S. deposits	109,158	117,967	118,598
Deposits of U. S. disbursing officers	82,886	65,182	72,727
Notes and bills rediscounted	......	......	427,667
Bills payable	776,717	1,412,240	1,068,035
Liabilities other than those above stated	6,283	3,215	106,739
Total	**$239,967,872**	**$249,125,962**	**$250,660,060**
Average reserve held	**35.07 p. c.**	**31.64 p. c.**	**32.07 p. c.**

* The total lawful money reserve was $19,211,622 on December 17, 1896; $18,658,373 on March 9, 1897; $18,061,446 on May 14, 1897.

BROOKLYN, N. Y.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$11,215,136	$11,497,804	$11,802,675
Overdrafts	5,947	1,642	1,376
U. S. bonds to secure circulation	642,000	642,000	642,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	5,000	105,000	105,000
Premiums on U. S. bonds	52,500	65,125	63,750
Stocks, securities, etc	2,422,111	2,617,609	2,236,735
Banking house, furniture and fixtures	442,830	599,859	600,854
Other real estate and mortgages owned	247,458	92,500	92,500
Due from National banks (not reserve agents)	235,703	201,216	187,809
Due from State banks and bankers	109,997	70,923	144,078
Due from approved reserve agents	2,918,610	2,408,562	2,523,068
Checks and other cash items	106,940	71,727	106,887
Exchanges for clearing-house	1,169,535	930,519	880,896
Bills of other National Banks	232,362	224,692	157,886
Fractional paper currency, nickels and cents	8,334	6,016	6,662

BROOKLYN, N. Y.—Continued.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
*Lawful money reserve in bank, viz.:			
Gold coin	$677,776	$823,140	$786,350
Gold Treasury certificates	185,000	285,000	185,000
Gold clearing-house certificates	......	......	......
Silver dollars	17,300	21,100	20,000
Silver Treasury certificates	299,282	602,640	631,895
Silver fractional coin	43,276	51,374	50,191
Legal-tender notes	1,315,823	1,346,888	1,181,717
U. S. certificates of deposit for legal-tender notes	......	40,000	......
Five per cent. redemption fund with Treasurer	28,890	28,890	28,890
Due from U. S. Treasurer	......	......	5,000
Total	$22,581,835	$22,984,232	$22,641,213
LIABILITIES.			
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000
Surplus fund	2,240,000	2,350,000	2,600,000
Undivided profits, less expenses and taxes paid	537,557	354,563	172,232
National bank notes issued, less amount on hand	575,700	575,050	571,900
State bank notes outstanding	1,846	1,846	1,846
Due to other National banks	251,580	238,111	257,052
Due to State banks and bankers	477,170	274,415	256,335
Dividends unpaid	1,091	1,060	453
Individual deposits	16,942,652	17,576,775	17,215,967
U. S. deposits	172,609	170,682	154,786
Deposits of U. S. disbursing officers	28,292	29,517	43,440
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	1,337	10,209	15,178
Total	$22,581,835	$22,984,232	$22,641,213
Average reserve held	34.02 p. c.	33.25 p. c.	32.66 p. c.

* The total lawful money reserve was $2,538,457 on December 17, 1896; $3,170,143 on March 9, 1897; $2,855,153 on May 14, 1897.

CHICAGO, ILL.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$82,467,525	$75,599,441	$81,165,934
Overdrafts	266,963	178,402	308,934
U. S. bonds to secure circulation	1,450,000	1,150,000	1,150,000
U. S. bonds to secure U. S. deposits	550,000	550,000	550,000
U. S. bonds on hand	78,800	105,100	792,350
Premiums on U. S. bonds	76,000	63,795	100,678
Stocks, securities, etc	5,207,025	6,573,723	6,576,183
Banking house, furniture and fixtures	823,363	822,853	821,853
Other real estate and mortgages owned	721,446	621,000	663,317
Due from National banks (not reserve agents)	17,637,104	22,039,119	21,327,774
Due from State banks and bankers	4,052,812	4,323,798	4,694,174
Due from approved reserve agents	......	......	......
Checks and other cash items	65,976	38,514	52,966
Exchanges for clearing-house	4,829,461	3,815,258	3,804,565
Bills of other National banks	1,606,245	1,690,523	1,939,405
Fractional paper currency, nickels and cents	21,155	21,573	15,644
*Lawful money reserve in bank, viz.:			
Gold coin	14,410,596	13,473,277	13,450,030
Gold Treasury certificates	2,474,270	2,169,700	2,535,000
Gold clearing-house certificates	......	......	......
Silver dollars	191,261	155,237	153,890
Silver Treasury certificates	2,889,335	2,664,132	4,366,270
Silver fractional coin	203,176	179,178	204,285
Legal-tender notes	13,354,423	12,784,711	18,618,766
U. S. certificates of deposit for legal-tender notes	1,500,000	2,490,000	3,360,000
Five per cent. redemption fund with Treasurer	63,000	49,5 0	49,500
Due from U. S. Treasurer	114,582	94,000	95,982
Total	$155,054,524	$151,652,842	$166,797,807
LIABILITIES.			
Capital stock paid in	$21,400,000	$20,400,000	$20,400,000
Surplus fund	9,549,400	8,444,400	8,419,101
Undivided profits, less expenses and taxes paid	2,674,468	1,958,461	1,914,290
National bank notes issued, less amount on hand	1,008,115	709,045	695,835
Due to other National banks	32,981,773	35,872,988	42,060,974
Due to State banks and bankers	20,130,269	22,593,066	23,806,983
Dividends unpaid	31,954	3,519	3,701
Individual deposits	66,584,076	60,581,513	68,658,101
U. S. deposits	498,608	490,753	489,512
Deposits of U. S. disbursing officers	72,342	40,074	53,762
Notes and bills rediscounted	......	......	......
Bills payable	100,000	456,020	267,645
Liabilities other than those above stated	23,516	3,000	5,900
Total	$155,054,524	$151,652,842	$166,797,807
Average reserve held	38.07 p. c.	38.68 p. c.	41.36 p. c.

* The total lawful money reserve was $35,023,061 on December 17, 1896; $33,916,236 on March 9, 1897; $42,688,541 on May 14, 1897.

CINCINNATI, OHIO.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$21,136,306	$21,241,496	$22,842,814
Overdrafts	18,817	19,335	9,713
U. S. bonds to secure circulation	5,344,500	4,944,500	4,844,500
U. S. bonds to secure U. S. deposits	850,000	850,000	1,200,000
U. S. bonds on hand	441,150	889,150	842,000
Premiums on U. S. bonds	698,073	709,914	766,636
Stocks, securities, etc	2,848,119	3,335,971	4,623,185
Banking house, furniture and fixtures	479,840	479,340	479,340
Other real estate and mortgages owned	100,507	119,737	151,518
Due from National banks (not reserve agents)	2,794,664	2,899,837	3,170,622
Due from State banks and bankers	631,265	470,351	504,853
Due from approved reserve agents	4,135,083	4,654,464	4,027,897
Checks and other cash items	144,167	185,651	124,366
Exchanges for clearing-house	198,101	260,533	264,800
Bills of other National banks	244,684	251,227	422,954
Fractional paper currency, nickels and cents	2,717	2,505	3,427
*Lawful money reserve in bank, viz.:			
Gold coin	975,547	955,330	980,543
Gold Treasury certificates	288,910	292,810	299,390
Gold clearing-house certificates	......	......	......
Silver dollars	57,640	49,487	73,382
Silver Treasury certificates	500,294	511,488	617,369
Silver fractional coin	19,100	27,596	27,516
Legal-tender notes	2,261,747	2,326,794	2,563,524
U. S. certificates of deposit for legal-tender notes	480,000	650,000	700,000
Five per cent. redemption fund with Treasurer	240,502	222,502	218,002
Due from U. S. Treasurer	1,400	2,250	1,000
Total	$44,879,140	$46,302,273	$49,849,306

LIABILITIES.			
Capital stock paid in	$8,000,000	$8,000,000	$8,000,000
Surplus fund	2,680,000	2,680,000	2,680,000
Undivided profits, less expenses and taxes paid	1,042,024	1,106,194	917,274
National bank notes issued, less amount on hand	4,795,200	4,363,850	4,324,400
Due to other National banks	5,634,067	6,885,380	7,283,369
Due to State banks and bankers	2,800,345	3,602,418	3,598,519
Dividends unpaid	3,837	2,272	31,191
Individual deposits	18,862,995	18,092,434	21,090,368
U. S. deposits	827,949	847,282	1,180,766
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	782,700	720,500	748,416
Total	$44,879,140	$46,302,273	$49,849,306
Average reserve held	37.69 p. c.	37.93 p. c.	38.10 p. c.

*The total lawful money reserve was $4,583,239 on December 17, 1896; $4,813,505 on March 9, 1897; $5,261,674 on May 14, 1897.

CLEVELAND, OHIO.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$26,311,249	$26,502,702	$27,071,768
Overdrafts	41,359	28,479	28,029
U. S. bonds to secure circulation	1,450,000	1,450,000	1,450,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	52,165	51,300	51,300
Stocks, securities, etc	710,028	863,015	1,033,362
Banking house, furniture and fixtures	506,500	506,500	507,500
Other real estate and mortgages owned	269,561	269,407	264,303
Due from National banks (not reserve agents)	1,827,767	1,969,632	1,786,618
Due from State banks and bankers	766,056	611,874	721,801
Due from approved reserve agents	3,498,616	5,364,737	3,246,501
Checks and other cash items	72,203	54,157	83,436
Exchanges for clearing-house	253,408	211,409	193,264
Bills of other National banks	142,362	134,997	157,764
Fractional paper currency, nickels and cents	4,887	5,765	3,738
*Lawful money reserve in bank, viz.:			
Gold coin	1,394,795	1,496,027	1,471,705
Gold Treasury certificates	236,000	237,750	239,780
Gold clearing-house certificates	......	......	......
Silver dollars	79,000	71,458	62,523
Silver Treasury certificates	104,280	118,313	123,305
Silver fractional coin	45,450	42,918	31,248
Legal-tender notes	759,051	1,056,600	1,162,475
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	63,100	64,550	65,250
Due from U. S. Treasurer	20,702	13,140	10,550
Total	$38,670,542	$41,186,731	$39,826,244

CLEVELAND, OHIO.—Continued.

LIABILITIES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000
Surplus fund	2,066,000	2,066,000	2,085,000
Undivided profits, less expenses and taxes paid	659,157	697,327	544,710
National bank notes issued, less amount on hand	1,284,470	1,245,260	1,284,240
Due to other National banks	2,804,326	3,091,614	2,979,482
Due to State banks and bankers	1,625,876	2,238,008	2,135,051
Dividends unpaid	1,793	1,377	10,329
Individual deposits	18,790,484	20,758,060	19,719,822
U. S. deposits	43,341	42,034	51,517
Deposits of U. S. disbursing officers	18,491	17,876	11,370
Notes and bills rediscounted	391,852	......	......
Bills payable	1,175,000	725,000	750,000
Liabilities other than those above stated	759,748	756,152	756,718
Total	$38,670,542	$41,186,731	$39,828,244
Average reserve held	31.22 p. c.	38.05 p. c.	29.04 p. c.

* The total lawful money reserve was $2,618,576 on December 17, 1896; $3,023,061 on March 9, 1897; $3,091,036 on May 14, 1897.

DES MOINES, IOWA.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$2,218,024	$1,978,936	$2,356,942
Overdrafts	25,285	12,437	17,892
U. S. bonds to secure circulation	292,200	292,200	292,200
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	13,000	13,000	13,000
Stocks, securities, etc	284,724	261,197	236,910
Banking house, furniture and fixtures	143,675	143,541	143,541
Other real estate and mortgages owned	91,102	92,615	95,365
Due from National banks (not reserve agents)	100,272	164,592	182,552
Due from State banks and bankers	30,941	40,570	31,520
Due from approved reserve agents	337,631	602,749	580,182
Checks and other cash items	9,000	7,437	6,141
Exchanges for clearing-house	81,579	39,463	70,966
Bills of other National banks	26,059	53,524	57,298
Fractional paper currency, nickels and cents	671	738	1,226
*Lawful money reserve in bank, viz.:			
Gold coin	114,640	78,007	105,822
Gold Treasury certificates	2,290	2,540	2,800
Gold clearing-house certificates	......	......	......
Silver dollars	18,194	13,350	20,094
Silver Treasury certificates	8,921	21,864	18,362
Silver fractional coin	11,765	13,066	18,482
Legal-tender notes	233,082	242,058	312,199
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	13,094	13,094	13,094
Due from U. S. Treasurer	3,522	1,023	1,023
Total	$4,059,677	$4,063,001	$4,577,614

LIABILITIES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Capital stock paid in	$800,000	$800,000	$800,000
Surplus fund	236,000	236,000	221,000
Undivided profits, less expenses and taxes paid	56,255	41,746	57,621
National bank notes issued, less amount on hand	255,153	252,547	248,027
Due to other National bank	411,849	531,943	724,910
Due to State banks and bankers	929,476	869,851	1,006,666
Dividends unpaid	3,572	3,824	3,294
Individual deposits	1,352,370	1,327,588	1,501,093
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	15,000	20,000	15,000
Liabilities other than those above stated	......	......	......
Total	$4,059,677	$4,063,001	$4,577,614
Average reserve held	30.09 p. c.	40.53 p. c.	37.01 p. c.

* The total lawful money reserve was $388,892 on December 17, 1896; $370,885 on March 9, 1897; $477,759 on May 14, 1897.

DETROIT, MICH.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1397.*
Loans and discounts	$13,610,485	$13,589,637	$14,016,726
Overdrafts	6,358	7,457	3,066
U. S. bonds to secure circulation	1,450,000	1,250,000	1,150,000
U. S. bonds to secure U. S. deposits	300,000	300,000	300,000
U. S. bonds on hand	......	300,000	300,000
Premiums on U. S. bonds	150,500	198,250	186,000
Stocks, securities, etc	3,193	1,365	41,265

DETROIT, MICH.—Continued.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Banking house, furniture and fixtures	$39,788	$39,788	$31,788
Other real estate and mortgages owned	159,861	165,126	230,425
Due from National banks (not reserve agents)	866,787	1,530,374	1,235,748
Due from State banks and bankers	348,058	335,495	373,583
Due from approved reserve agents	3,530,364	3,637,791	3,[illegible]61,222
Checks and other cash items	24,676	17,570	11,745
Exchanges for clearing-house	292,060	120,546	222,478
Bills of other National banks	185,159	159,369	188,170
Fractional paper currency, nickels and cents	15,111	11,066	9,619
*Lawful money reserve in bank, viz.:			
Gold coin	1,208,757	1,233,965	1,244,172
Gold Treasury certificates	10,860	13,260	13,230
Gold clearing-house certificates	......	......	......
Silver dollars	71,530	109,468	27,076
Silver Treasury certificates	152,599	113,518	161,440
Silver fractional coin	50,360	46,084	41,296
Legal-tender notes	647,978	536,584	650,503
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	65,160	56,160	51,660
Due from U. S. Treasurer	11,387	11,457	5,246
Total	$23,200,998	$23,784,337	$23,556,477
LIABILITIES.			
Capital stock paid in	$3,600,000	$3,600,000	$3,300,000
Surplus fund	618,000	618,000	605,000
Undivided profits, less expenses and taxes paid	480,147	315,760	341,611
National bank notes issued, less amount on hand	1,246,310	982,330	909,890
Due to other National banks	2,367,443	2,902,491	2,826,671
Due to State banks and bankers	4,463,635	5,381,400	5,023,615
Dividends unpaid	300	386	220
Individual deposits	10,115,052	9,738,129	10,245,406
U. S. deposits	274,516	259,866	265,422
Deposits of U. S. disbursing officers	35,587	40,951	38,639
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$23,200,998	$23,784,337	$23,556,477
Average reserve held	36.86 p. c.	35.64 p. c.	32.06 p. c.

* The total lawful money reserve was $2,142,080 on December 17, 1896; $2,052,879 on March 9, 1897; $2,137,718 on May 14, 1897.

HOUSTON, TEXAS.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$2,047,048	$1,719,274	$1,792,168
Overdrafts	152,465	182,837	28,328
U. S. bonds to secure circulation	200,000	200,000	200,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	21,900	21,600	21,388
Stocks, securities, etc	32,907	58,776	51,698
Banking house, furniture and fixtures	182,851	182,851	182,920
Other real estate and mortgages owned	35,375	39,896	115,235
Due from National banks (not reserve agents)	450,671	606,466	571,585
Due from State banks and bankers	36,758	20,250	15,507
Due from approved reserve agents	890,583	833,043	528,006
Checks and other cash items	1,287	1,907	4,084
Exchanges for clearing-house	......	11,016	25,062
Bills of other National banks	27,098	73,086	44,665
Fractional paper currency, nickels and cents	1,976	3,936	5,120
*Lawful money reserve in bank, viz.:			
Gold coin	272,577	309,528	290,984
Gold Treasury certificates	123,720	131,250	129,450
Gold clearing-house certificates	......	......	......
Silver dollars	39,150	63,096	72,132
Silver Treasury certificates	90,735	153,625	116,140
Silver fractional coin	12,365	20,854	16,627
Legal-tender notes	623,501	710,775	688,960
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	9,000	9,000	9,000
Due from U. S. Treasurer	......	......	......
Total	$5,256,972	$5,300,024	$4,908,764
LIABILITIES.			
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000
Surplus fund	540,800	546,800	546,800
Undivided profits, less expenses and taxes paid	123,795	76,874	110,594
National bank notes issued, less amount on hand	149,960	142,690	135,190
Due to other National banks	488,293	609,770	396,714
Due to State banks and bankers	424,895	258,730	224,247
Dividends unpaid	3,873	4,352	3,848
Individual deposits	2,318,958	2,464,306	2,278,369

HOUSTON, TEXAS.—Continued.

LIABILITIES.	Dec. 17, 1896.	Mar. 9 1897.	May 14, 1897.
U. S. deposits	$50,000	$50,000	$50,000
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	1,500	1,500	3,000
Total	$5,300,024	$5,300,024	$4,908,764
Average reserve held	83.43 p. c.	83.43 p. c.	80.26 p. c.

*The total lawful money reserve was $1,167,048 on December 17, 1896; $1,389,128 on March 9, 1897; $1,314,263 on May 14, 1897.

KANSAS CITY, MO.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$11,662,334	$12,519,701	$13,880,159
Overdrafts	114,321	140,270	67,172
U. S. bonds to secure circulation	350,000	350,000	350,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	......	250,000	350,000
Premiums on U. S. bonds	29,000	96,750	96,750
Stocks, securities, etc	828,870	881,975	961,116
Banking house, furniture and fixtures	89,108	86,343	86,343
Other real estate and mortgages owned	380,861	387,521	480,346
Due from National banks (not reserve agents)	669,079	760,442	668,903
Due from State banks and bankers	1,112,838	1,841,168	1,179,573
Due from approved reserve agents	3,552,303	3,771,140	3,973,926
Checks and other cash items	101,926	146,048	109,537
Exchanges for clearing-house	535,527	694,719	631,085
Bills of other National banks	258,686	251,979	226,329
Fractional paper currency, nickels and cents	3,538	5,727	4,288
*Lawful money reserve in bank, viz.:			
Gold coin	1,056,475	866,295	924,000
Gold Treasury certificates	52,020	47,160	32,260
Gold clearing-house certificates	......	......	......
Silver dollars	91,979	115,262	85,415
Silver Treasury certificates	870,628	417,758	406,648
Silver fractional coin	28,063	22,416	23,926
Legal-tender notes	1,160,210	1,065,448	996,013
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	15,750	15,750	15,750
Due from U. S. Treasurer	16,100	23,060	14,800
Total	$23,079,594	$24,426,929	$25,663,845
LIABILITIES.			
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000
Surplus fund	539,500	521,000	525,000
Undivided profits, less expenses and taxes paid	217,529	175,630	230,059
National bank notes issued, less amount on hand	315,000	315,000	315,000
Due to other National banks	4,626,701	4,966,984	5,199,585
Due to State banks and bankers	4,821,220	5,396,545	5,787,941
D vidends unpaid	1,506	2,090	1,607
I dividual deposits	8,696,084	9,872,961	9,729,917
U. S. deposits	101,182	82,743	77,192
Deposits of U. S. disbursing officers	10,868	23,972	22,544
Notes and bills rediscounted	......	......	......
Bills payable	450,000	300,000	525,000
Liabilities other than those above stated	......	......	......
Total	$23,079,594	$24,426,929	$25,663,845
Average reserve held	43.54 p. c.	37.82 p. c.	35.75 p. c.

*The total lawful money reserve was $3,259,347 on December 17, 1896; $2,554,329 on March 9, 1897; $2,468,262 on May 14, 1897.

LINCOLN, NEB.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$1,722,325	$1,546,327	$1,501,962
Overdrafts	16,770	12,976	16,688
U. S. bonds to secure circulation	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	21,340	......	......
Premiums on U. S. bonds	5,500	5,500	5,500
Stocks, securities, etc	58,438	85,166	84,833
Banking house, furniture and fixtures	74,994	8,994	8,994
Other real estate and mortgages owned	82,391	69,776	71,175
Due from National banks (not reserve agents)	63,115	54,973	83,962
Due from State banks and bankers	54,187	13,881	52,788
Due from approved reserve agents	153,123	164,277	219,661
Checks and other cash items	9,968	35,079	41,561
Exchanges for clearing-house	15,200	9,411	9,354
Bills of other National banks	2,445	3,800	3,100
Fractional paper currency, nickels and cents	844	609	710

LINCOLN, NEB.—Continued.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
*Lawful money reserve in bank, viz.:			
Gold coin	$183,710	$76,782	$105,795
Gold Treasury certificates	......	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	5,683	17,186	18,116
Silver Treasury certificates	2,213	8,254	1,812
Silver fractional coin	2,858	4,416	6,276
Legal-tender notes	87,791	154,189	139,376
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	6,750	6,750	6,750
Due from U. S. Treasurer	......	......	......
Total	$2,619,150	$2,423,208	$2,528,439
LIABILITIES.			
Capital stock paid in	$850,000	$850,000	$850,000
Surplus fund	85,000	85,000	85,000
Undivided profits, less expenses and taxes paid	28,277	8,865	22,827
National bank notes issued, less amount on hand	183,100	184,400	183,650
Due to other National banks	61,228	88,012	91,843
Due to State banks and bankers	96,159	94,907	149,357
Dividends unpaid	......	......	......
Individual deposits	1,310,283	1,182,777	1,245,761
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	26,801	5,000	......
Bills payable	28,800	29,740	......
Liabilities other than those above stated	......	......	......
Total	$2,619,150	$2,423,208	$2,528,439
Average reserve held	25.67 p. c.	33.37 p. c.	37.21 p. c.

*The total lawful money reserve was $182,255 on December 17, 1896; $255,677 on March 9, 1897; $271,375 on May 14, 1897.

LOUISVILLE, KY.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$7,575,427	$6,948,529	$7,227,760
Overdrafts	23,512	12,649	9,588
U. S. bonds to secure circulation	1,775,000	1,575,000	1,575,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000
U. S. bonds on hand	200,000	250,000	200,000
Premiums on U. S. bonds	174,421	241,487	244,300
Stocks, securities, etc	335,416	534,159	517,106
Banking house, furniture and fixtures	195,567	188,400	188,400
Other real estate and mortgages owned	28,587	5,765	3,668
Due from National banks (not reserve agents)	608,691	707,698	668,974
Due from State banks and bankers	265,270	213,868	236,849
Due from approved reserve agents	1,550,416	2,081,318	1,426,062
Checks and other cash items	7,736	5,135	11,594
Exchanges for clearing-house	304,701	65,222	156,502
Bills of other National banks	224,235	49,825	73,984
Fractional paper currency, nickels and cents	1,195	1,101	3,310
*Lawful money reserve in bank, viz.:			
Gold coin	1,065,430	812,170	718,855
Gold Treasury certificates	5,000	5,000	5,000
Gold clearing-house certificates	......	......	......
Silver dollars	42,790	41,272	31,869
Silver Treasury certificates	......	......	......
Silver fractional coin	13,029	14,965	21,610
Legal-tender notes	458,735	402,834	636,901
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	79,465	70,695	70,695
Due from U. S. Treasurer	4,000	7,200	16,800
Total	$15,439,428	$14,686,287	$14,588,267
LIABILITIES.			
Capital stock paid in	$3,601,500	$3,850,000	$3,860,000
Surplus fund	719,000	694,000	651,500
Undivided profits, less expenses and taxes paid	209,796	200,002	213,554
National bank notes issued, less amount on hand	1,580,170	1,413,900	1,412,200
Due to other National banks	2,244,977	2,517,813	2,451,532
Due to State banks and bankers	1,655,578	1,697,957	1,796,848
Dividends unpaid	4,935	2,670	5,279
Individual deposits	4,834,577	4,307,094	4,147,281
U. S. deposits	277,820	359,172	366,809
Deposits of U. S. disbursing officers	221,708	140,677	133,021
Notes and bills rediscounted	13,063	......	......
Bills payable	69,000	......	......
Liabilities other than those above stated	7,299	3,000	8,286
Total	$15,439,428	$14,686,287	$14,588,267
Average reserve held	41.02 p. c.	42.29 p. c.	37.40 p. c.

*The total lawful money reserve was $1,584,984 on December 17, 1896; $1,276,241 on March 9, 1897; $1,407,735 on May 14, 1897.

MILWAUKEE, WIS.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$13,226,112	$13,798,085	$14,308,492
Overdrafts	84,751	93,137	106,086
U. S. bonds to secure circulation	920,000	720,000	720,000
U. S. bonds to secure U. S. deposits	390,000	390,000	390,000
U. S. bonds on hand	7,750	7,250	10,550
Premiums on U. S. bonds	139,659	108,159	120,859
Stocks, securities, etc	896,900	835,960	837,696
Banking house, furniture and fixtures	127,263	126,763	126,763
Other real estate and mortgages owned	27,522	59,438	62,030
Due from National banks (not reserve agents)	647,305	1,229,964	1,907,497
Due from State banks and bankers	364,165	374,344	757,991
Due from approved reserve agents	2,714,028	3,951,441	4,808,674
Checks and other cash items	10,715	3,686	4,447
Exchanges for clearing-house	336,378	260,460	411,657
Bills of other National banks	49,736	62,176	62,243
Fractional paper currency, nickels and cents	2,770	5,087	3,336
*Lawful money reserve in bank, viz.:			
Gold coin	1,787,170	1,668,645	1,691,726
Gold Treasury certificates	......	......	30,000
Gold clearing-house certificates	......	......	......
Silver dollars	55,102	21,020	20,290
Silver Treasury certificates	84,761	102,962	114,732
Silver fractional coin	15,057	21,838	25,460
Legal-tender notes	592,239	825,296	1,115,761
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	41,400	32,400	32,400
Due from U. S. Treasurer	16,650	5,000	10,400
Total	$22,037,432	$24,703,084	$27,679,094
LIABILITIES.			
Capital stock paid in	$3,250,000	$3,250,000	$3,250,000
Surplus fund	521,000	531,000	531,000
Undivided profits, less expenses and taxes paid	278,198	251,198	300,704
National bank notes issued, less amount on hand	823,900	648,000	643,300
Due to other National banks	2,109,671	2,474,521	2,486,700
Due to State banks and bankers	972,844	1,405,250	1,483,920
Dividends unpaid	250	187	125
Individual deposits	13,681,106	15,750,271	18,592,641
U. S. deposits	320,004	280,831	291,690
Deposits of U. S. disbursing officers	80,457	111,823	98,921
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$22,037,432	$24,703,084	$27,679,094
Average reserve held	33.55 p. c.	36.60 p. c.	39.56 p. c.

*The total lawful money reserve was $2,534,329 on December 17, 1896; $2,639,731 on March 9, 1897; $2,997,969 on May 14, 1897.

MINNEAPOLIS, MINN.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$11,217,568	$9,661,020	$9,405,274
Overdrafts	15,338	12,423	11,604
U. S. bonds to secure circulation	400,000	350,000	300,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	500	......	......
Premiums on U. S. bonds	31,532	24,125	24,125
Stocks, securities, etc	321,291	343,157	349,810
Banking house, furniture and fixtures	159,188	147,381	105,950
Other real estate and mortgages owned	307,103	230,635	70,000
Due from National banks (not reserve agents)	919,705	829,276	912,904
Due from State banks and bankers	535,214	626,243	563,432
Due from approved reserve agents	1,186,823	1,350,228	1,931,033
Checks and other cash items	51,765	18,234	32,974
Exchanges for clearing-house	600,849	344,978	414,462
Bills of other National banks	88,900	72,468	85,286
Fractional paper currency, nickels and cents	2,159	3,561	4,668
*Lawful money reserve in bank, viz.:			
Gold coin	889,452	773,417	835,855
Gold Treasury certificates	9,000	2,500	3,500
Gold clearing-house certificates	......	......	......
Silver dollars	41,197	31,454	37,402
Silver Treasury certificates	149,000	86,216	45,500
Silver fractional coin	30,028	22,745	28,518
Legal-tender notes	488,634	308,074	402,917
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	17,699	15,750	12,900
Due from U. S. Treasurer	3,442	......	1,500
Total	$17,516,389	$15,298,892	$15,629,617

MINNEAPOLIS, MINN.—Continued.

LIABILITIES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Capital stock paid in	$5,200,000	$5,000,000	$4,500,000
Surplus fund	461,000	476,000	476,000
Undivided profits, less expenses and taxes paid	489,288	355,658	350,013
National bank notes issued, less amount on hand	324,150	277,010	222,560
Due to other National banks	2,089,188	1,724,395	1,868,486
Due to State banks and bankers	1,551,324	1,079,081	1,881,110
Dividends unpaid	886	954	1,170
Individual deposits	7,253,277	6,290,324	6,806,785
U. S. deposits	39,948	39,049	41,447
Deposits of U. S. disbursing officers	7,700	6,418	7,054
Notes and bills rediscounted	......	......	......
Bills payable	50,000	25,000	......
Liabilities other than those above stated	49,600	25,000	25,000
Total	$17,516,889	$15,298,892	$15,629,617
Average reserve held	31.96 p. c.	35.58 p. c.	40.81 p. c.

*The total lawful money reserve was $1,607,311 on December 17, 1896; $1,219,406 on March 9, 1897; $1,353,692 on May 14, 1897.

NEW ORLEANS, LA.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$11,849,709	$10,365,918	$10,218,735
Overdrafts	990,661	466,417	406,954
U. S. bonds to secure circulation	900,000	872,000	872,000
U. S. bonds to secure U. S. deposits	......	......	......
U. S. bonds on hand	2,800	10,300	1,200
Premiums on U. S. bonds	55,870	42,852	41,000
Stocks, securities, etc	2,182,432	2,566,390	2,555,291
Banking house, furniture and fixture	619,289	621,122	621,247
Other real estate and mortgages owned	98,818	96,827	99,292
Due from National banks (not reserve agents)	620,649	500,104	435,488
Due from State banks and bankers	286,199	474,571	432,712
Due from approved reserve agents	2,087,718	3,080,221	2,729,390
Checks and other cash items	19,709	23,259	9,753
Exchanges for clearing-house	1,601,214	1,064,189	983,901
Bills of other National banks	57,610	81,514	47,536
Fractional paper currency, nickels and cents	4,387	8,810	11,417
*Lawful money reserve in bank, viz.:			
Gold coin	718,886	752,251	782,579
Gold Treasury certificates	119,500	121,800	136,600
Gold clearing-house certificates	......	......	......
Silver dollars	61,279	105,595	84,190
Silver Treasury certificates	746,653	993,894	466,504
Silver fractional coin	68,077	89,659	59,016
Legal-tender notes	980,968	1,858,781	1,417,142
U. S. certificate of deposit for legal-tender notes	285,000	860,000	265,000
Five per cent. redemption fund with Treasurer	40,500	39,240	39,240
Due from U. S. Treasurer	......	10,000	10,000
Total	$23,792,836	$24,105,666	$22,651,153

LIABILITIES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Capital stock paid in	$2,300,000	$2,800,000	$2,800,000
Surplus fund	2,260,000	2,285,000	2,285,000
Undivided profits less expenses and taxes paid	418,128	312,060	409,071
National bank notes issued, less amount on hand	796,695	770,795	767,145
Due to other National banks	1,480,699	1,766,175	1,274,685
Due to State banks and bankers	1,722,857	1,897,609	1,232,689
Dividends unpaid	11,248	10,065	8,400
Individual deposits	14,582,697	14,763,970	14,874,271
U. S. deposits	......	......	......
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	75,000	......	......
Bills payable	200,000	......	......
Liabilities other than those above stated	......	......	......
Total	$23,792,836	$24,105,666	$22,651,153
Average reserve held	32.74 p. c.	42.29 p. c.	39.66 p. c.

*The total lawful money reserve was $2,925,305 on December 17, 1896; $3,781,980 on March 9, 1897; $3,201,031 on May 14, 1897.

OMAHA, NEB.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$7,421,821	$7,738,290	$7,846,174
Overdrafts	79,575	80,365	96,638
U. S. bonds to secure circulation	730,000	600,000	600,000
U. S. bonds to secure U. S. deposits	450,000	450,000	600,000
U. S. bonds on hand	12,000	12,000	12,000
Premiums on U. S. bonds	101,471	98,971	96,221
Stocks, securities, etc	688,802	578,185	677,764
Banking house, furniture and fixtures	862,068	862,068	862,069

OMAHA, NEB.—Continued.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Other real estate and mortgages owned	$478,864	$486,465	$517,081
Due from National banks (not reserve agents)	422,512	647,606	598,886
Due from State banks and bankers	611,887	438,318	482,850
Due from approved reserve agents	1,492,595	1,679,254	1,678,684
Checks and other cash items	118,292	84,889	99,685
Exchanges for clearing-house	848,370	417,770	495,885
Bills of other National banks	152,842	158,490	110,290
Fractional paper currency, nickels and cents	5,228	3,381	2,977
*Lawful money reserve, viz.:			
Gold coin	1,506,925	1,545,062	1,618,457
Gold Treasury certificates	2,020	29,020	30,270
Gold clearing-house certificates	......	......	......
Silver dollars	101,922	97,257	106,279
Silver Treasury certificates	150,805	118,838	117,523
Silver fractional coin	52,157	45,078	55,572
Legal-tender notes	920,350	386,408	249,098
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasury	32,630	27,000	27,000
Due from U. S. Treasury	690	26	2,100
Total	$16,707,802	$16,534,883	$16,847,425
LIABILITIES.			
Capital stock paid in	$3,750,000	$3,750,000	$3,750,000
Surplus fund	812,000	825,500	825,500
Undivided profits, less expenses and taxes paid	83,222	76,944	70,116
National bank notes issued, less amount on hand	656,995	539,995	539,995
Due to other National banks	1,965,069	1,909,731	2,849,113
Due to State banks and bankers	1,784,408	1,990,065	2,159,698
Dividends unpaid	483	483	873
Individual deposits	7,641,912	7,411,263	7,109,456
U. S. deposits	259,219	231,188	206,601
Deposits of U. S. disbursing officers	164,491	184,741	204,570
Notes and bills rediscounted	......	......	.....
Bills payable	90,000	115,000	......
Liabilities other than those above stated	......	......	185,000
Total	$16,707,802	$16,534,883	$16,847,425
Average reserve held	41.43 p. c.	39.01 p. c.	37.50 p. c.

* The total lawful money reserve was $2,734,179 on December 17, 1896; $2,221,678 on March 9, 1897; $3,172,194 on May 14, 1897.

PHILADELPHIA, PA.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$85,739,612	$89,412,647	$93,570,784
Overdrafts	20,139	17,285	3,582
U. S. bonds to secure circulation	8,377,500	8,232,500	8,232,500
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	50,000	300,000	1,300,000
Premiums on U. S. bonds	870,988	995,959	868,701
Stocks, securities, etc	9,097,880	9,484,787	9,842,922
Banking house, furniture and fixtures	4,383,217	4,352,792	4,358,660
Other real estate and mortgages owned	662,749	582,564	558,841
Due from National banks (not reserve agents)	6,514,762	6,889,3 3	8,516,822
Due from State banks and bankers	1,387,110	1,420,108	1,654,426
Due from approved reserve agents	14,698,787	17,077,157	15,917,215
Checks and other cash items	927,177	1,052,188	1,084,908
Exchanges for clearing-house	7,884,505	7,416,389	7,900,562
Bills of other National banks	430,513	365,622	383,266
Fractional paper currency, nickels and cents	65,047	59,196	52,578
*Lawful money reserve in bank, viz.:			
Gold coin	1,476,135	1,487,757	1,455,945
Gold Treasury certificates	256,980	177,900	162,190
Gold clearing-house certificates	4,240,000	5,450,000	5,900,000
Silver dollars	256,777	244,677	198,272
Silver Treasury certificates	4,5?9,825	4,523,175	3,670,507
Silver fractional coin	337,473	260,528	248,774
Legal-tender notes	2,797,152	2,819,488	2,718,444
U. S. certificates of deposit for legal-tender notes	5,230,000	11,245,000	8,605,000
Five per cent. redemption fund with Treasurer	366,648	370,462	369,393
Due from U. S. Treasurer	127,006	51,028	98,978
Total	$160,962,885	$178,968,519	$177,829,512
LIABILITIES.			
Capital stock paid in	$21,965,000	$21,915,000	$21,915,000
Surplus fund	14,718,000	14,658,000	14,668,000
Undivided profits, less expenses and taxes paid	2,762,051	2,859,997	2,558,409
National bank notes issued, less amount on hand	7,193,082	7,180,892	7,051,192
Due to other National banks	18,505,187	22,787,009	22,732,660
Due to State banks and bankers	5,281,909	5,875,066	6,892,150
Dividends unpaid	53,158	43,243	197,078
Individual deposits	89,156,229	98,075,950	101,407,560

PHILADELPHIA, PA.—Continued.

LIABILITIES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
U. S. deposits	$196,509	$198,340	$202,460
Deposits of U. S. disbursing officers	2,074	......	......
Notes and bills rediscounted	......	......	......
Bills payable	800,000	400,000	270,000
Liabilities other than those above stated	299,783	......	......
Total	$160,932,885	$173,988,519	$177,829,512
Average reserve held	35.81 p. c.	38.92 p. c.	34.75 p. c.

* The total lawful money reserve was $19,184,292 on December 17, 1896; $25,708,526 on March 9, 1897; $22,949,132 on May 14, 1897.

PITTSBURG, PA.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$42,852,577	$41,767,147	$43,951,772
Overdrafts	65,301	37,707	36,516
U. S. bonds to secure circulation	5,160,250	5,125,250	5,285,250
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000
U. S. bonds on hand	700	114,550	216,600
Premiums on U. S. bonds	507,783	532,552	590,287
Stocks, securities, etc	2,830,514	2,949,664	2,862,775
Banking house, furniture and fixtures	3,242,106	3,260,578	3,375,338
Other real estate and mortgages owned	544,908	533,388	529,820
Due from National banks (not reserve agents)	1,438,533	2,279,961	1,876,534
Due from State banks and bankers	271,559	272,372	322,972
Due from approved reserve agents	3,156,464	4,953,539	4,849,921
Checks and other cash items	226,822	281,880	250,806
Exchanges for clearing-house	1,625,659	1,571,001	1,610,659
Bills of other National banks	288,012	278,145	328,474
Fractional paper currency, nickels and cents	17,618	21,732	18,200
*Lawful money reserve in bank, viz.:			
Gold coin	3,082,617	3,161,652	3,282,758
Gold Treasury certificates	375,770	381,660	390,090
Gold clearing-house certificates	......	......	......
Silver dollars	248,019	241,132	215,828
Silver Treasury certificates	721,593	626,460	775,755
Silver fractional coin	180,560	190,195	159,626
Legal-tender notes	2,324,006	2,037,135	2,018,914
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with treasurer	197,778	230,611	237,811
Due from U. S. Treasurer	32,718	86,400	6,000
Total	$69,541,368	$71,084,738	$72,872,711
LIABILITIES.			
Capital stock paid in	$12,100,000	$12,800,000	$12,800,000
Surplus fund	9,321,468	9,648,268	9,658,268
Undivided profits, less expenses and taxes paid	1,841,037	1,580,913	1,740,141
National bank notes issued, less amount on hand	4,582,802	4,552,012	4,712,422
Due to other National banks	4,516,738	6,082,411	5,197,299
Due to State banks and bankers	1,776,149	1,992,580	1,822,849
Dividends unpaid	60,146	59,874	93,486
Individual deposits	34,604,247	34,623,615	37,144,005
U. S. deposits	130,588	141,426	139,054
Deposits of U. S. disbursing officers	71,826	58,535	65,082
Notes and bills rediscounted	354,368	......	......
Bills payable	182,500	85,000	......
Liabilities other than those above stated	......	5,100	5,100
Total	$69,541,368	$71,084,738	$72,872,711
Average reserve held	27.27 p. c.	30.65 p. c.	28.30 p. c.

* The total lawful money reserve was $6,882,565 on December 17, 1896; $6,638,234 on March 9, 1897; $6,822,969 on May 14, 1897.

ST. JOSEPH, MO.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$2,424,280	$2,196,6 1	$1,874,221
Overdrafts	12,016	26,147	10,340
U. S. bonds to secure circulation	200,000	200,000	150,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000
U. S. bonds on hand	......	770	700
Premiums on U. S. bonds	3,500	3,500	70
Stocks, securities, etc	73,616	73,616	12,300
Banking house, furniture and fixtures	108,350	103,350	72,000
Other real estate and mortgages owned	47,863	49,656	......
Due from National banks (not reserve agents)	295,557	274,410	334,564
Due from State banks and bankers	85,439	117,372	59,660
Due from approved reserve agents	552,787	783,266	522,027
Checks and other cash items	19,538	32,564	25,900
Exchanges for clearing-house	70,824	59,452	46,516
Bills of other National banks	10,247	9,715	10,965
Fractional paper currency, nickels and cents	647	489	301

ST. JOSEPH, MO.—Continued.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
*Lawful money reserve in bank, viz.:			
Gold coin	$161,707	$130,512	$93,777
Gold Treasury certificates	10,860	5,860	7,380
Gold clearing-house certificates	......	......	......
Silver dollars	18,562	15,121	21,657
Silver Treasury certificates	71,926	72,367	76,079
Silver fractional coin	5,265	6,218	3,741
Legal-tender notes	161,373	207,739	175,422
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	8,955	8,955	6,705
Due from U. S. Treasurer	2,900	3,000	......
Total	$4,389,316	$4,430,705	$3,559,420
LIABILITIES.			
Capital stock paid in	$850,000	$850,000	$350,000
Surplus fund	142,500	142,500	108,484
Undivided profits, less expenses and taxes paid	41,691	38,833	30,960
National bank notes issued, less amount on hand	179,100	179,100	134,100
Due to other National banks	273,469	420,073	404,947
Due to State banks and bankers	602,992	597,632	603,875
Dividends unpaid	672	231	125
Individual deposits	2,246,169	2,152,711	1,883,234
U. S. deposits	48,660	49,290	48,970
Deposits of U. S. disbursing officers	342	332	584
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	3,718	......	......
Total	$4,389,316	$4,430,705	$3,559,420
Average reserve held	36.57 p. c.	44.58 p. c.	36.62 p. c.

*The total lawful money reserve was $429,693 on December 17, 1896; $437,818 on March 9, 1897; $383,056 on May 14, 1897.

ST. LOUIS, MO.

RESOURCES.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$24,941,743	$25,802,706	$28,100,360
Overdrafts	31,474	20,530	18,296
U. S. bonds to secure circulation	1,677,000	1,625,000	1,727,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000
U. S. bonds on hand	......	150,400	100,000
Premiums on U. S. bonds	184,500	156,915	175,281
Stocks, securities, etc	1,484,875	1,474,571	1,441,588
Banking house, furniture and fixtures	954,056	941,810	935,374
Other real estate and mortgages owned	171,447	171,072	171,085
Due from National banks (not reserve agents)	5,516,848	8,706,508	6,020,540
Due from State banks and bankers	994,963	1,335,126	1,496,530
Due from approved reserve agents	......	......	......
Checks and other cash items	89,240	58,660	67,885
Exchanges for clearing-house	1,348,613	1,779,882	2,176,962
Bills of other National banks	864,979	346,624	340,764
Fractional paper currency, nickels and cents	1,663	2,225	2,450
*Lawful money reserve in bank, viz.:			
Gold coin	2,069,390	2,092,202	2,127,420
Gold Treasury certificates	181,890	182,480	184,800
Gold clearing-house certificates	......	......	......
Silver dollars	46,424	34,831	40,784
Silver Treasury certificates	787,606	1,781,906	1,068,409
Silver fractional coin	25,619	20,636	20,773
Legal-tender notes	3,773,097	4,337,097	3,806,683
U. S. certificates of deposit for legal-tender notes	855,000	1,725,000	1,430,000
Five per cent. redemption fund with Treasurer	63,042	73,125	77,667
Due from U. S. Treasurer	13,200	10,793	5,500
Total	$46,066,678	$52,827,105	$52,037,076
LIABILITIES.			
Capital stock paid in	$9,400,000	$8,700,000	$8,400,000
Surplus fund	1,871,000	1,740,000	1,700,000
Undivided profits, less expenses and taxes paid	589,970	672,729	670,262
National bank notes issued, less amount on hand	1,490,530	1,452,180	1,419,790
Due to other National banks	8,356,931	11,663,894	11,486,619
Due to State banks and bankers	6,325,683	8,505,539	7,971,781
Dividends unpaid	4,972	1,605	6,475
Individual deposits	17,509,146	19,561,754	19,853,993
U. S. deposits	500,000	524,903	519,954
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	18,442	4,500	8,200
Total	$46,066,678	$52,827,105	$52,037,076
Average reserve held	31.84 p. c.	36.48 p. c.	29.38 p. c.

*The total lawful money reserve was $7,729,028 on December 17,1896; $10,174,155 on March 9, 1897; $8,678,869 on May 14, 1897.

ST. PAUL, MINN.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$10,725,266	$9,564,859	$8,487,249
Overdrafts	12,864	7,718	4,565
U. S. bonds to secure circulation	252,000	252,000	252,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	......	......	......
Stocks, securities, etc	962,496	1,000,288	1,172,751
Banking house, furniture and fixtures	702,718	702,718	702,718
Other real estate and mortgages owned	75,138	75,188	75,128
Due from National banks (not reserve agents)	496,845	683,183	725,374
Due from State banks and bankers	217,238	152,823	211,248
Due from approved reserve agents	2,125,417	2,680,060	3,598,182
Checks and other cash items	86,215	39,919	80,498
Exchanges for clearing-house	412,651	128,447	196,867
Bills of other National banks	125,444	148,841	102,664
Fractional paper currency, nickels and cents	2,442	3,255	3,097
*Lawful money reserve in bank, viz.:			
Gold coin	2,152,142	2,060,713	2,151,666
Gold Treasury certificates	8,400	8,800	10,820
Gold clearing-house certificates	......	......	......
Silver dollars	69,728	67,655	117,050
Silver Treasury certificates	231,802	276,611	92,205
Silver fractional coin	30,289	33,348	47,147
Legal-tender notes	386,401	399,993	247,321
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	11,298	11,298	11,298
Due from U. S. Treasurer	24,210	15,180	82,030
Total	$19,584,996	$18,747,265	$18,798,605
LIABILITIES.			
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000
Surplus fund	1,055,000	1,055,000	855,000
Undivided profits, less expenses and taxes paid	1,062,065	1,000,960	897,642
National bank notes issued, less amount on hand	222,300	220,820	217,650
Due to other National banks	2,127,062	2,002,650	2,005,377
Due to State banks and bankers	1,786,532	1,463,405	1,687,439
Dividends unpaid	2,328	2,526	2,766
Individual deposits	9,054,834	8,154,991	8,648,051
U. S. deposits	205,677	237,219	225,366
Deposits of U. S. disbursing officers	269,196	235,954	214,312
Notes and bills rediscounted	......	......	......
Bills payable	......	573,767	240,000
Liabilities other than those above stated	......	......	......
Total	$19,584,996	$18,747,265	$18,798,605
Average reserve held	41.12 p. c.	50.38 p. c.	54.31 p. c.

*The total lawful money reserve was $2,878,762 on December 17, 1896; $2,867,120 on March 9, 1897; $2,667,230 on May 14, 1897.

SAN FRANCISCO, CAL.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$7,019,299	$6,859,809	$7,458,969
Overdrafts	60,422	67,831	88,657
U. S. bonds to secure circulation	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	......	50,000	......
Premiums on U. S. bonds	12,660	17,660	12,660
Stocks, securities, etc	148,666	200,669	744,309
Banking house, furniture and fixtures	345,048	345,296	345,221
Other real estate and mortgages owned	83,440	92,188	90,068
Due from National banks (not reserve agents)	120,468	112,625	126,896
Due from State banks and bankers	526,638	515,378	338,519
Due from approved reserve agents	571,084	270,802	229,755
Checks and other cash items	8,290	8,290	8,290
Exchanges for clearing-house	181,318	71,376	186,964
Bills of other National banks	8,700	2,280	2,450
Fractional paper currency, nickels and cents	380	788	657
*Lawful money reserve in bank, viz.:			
Gold coin	2,560,477	2,386,470	1,559,157
Gold Treasury certificates	......	......	......
Gold clearing-house certificates	......	......	......
Silver dollars	39,900	21,040	21,200
Silver Treasury certificates	22,159	5,848	6,258
Silver fractional coin	87,228	28,456	34,715
Legal-tender notes	7,300	1,095	2,000
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	6,750	6,750	6,750
Due from U. S. Treasurer	......	900	1,080
Total	$11,909,227	$11,815,470	$11,459,456

SAN FRANCISCO, CAL.—Continued.

LIABILITIES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Capital stock paid in	$2,500,000	$2,500,000	$2,500,000
Surplus fund	1,450,000	1,475,000	1,475,000
Undivided profits, less expenses and taxes paid	223,013	120,068	185,219
National bank notes issued, less amount on hand	90,000	90,000	90,000
Due to other National banks	584,768	665,550	658,474
Due to State banks and bankers	1,191,805	758,381	777,166
Dividends unpaid	50	1,985	1,110
Individual deposits	5,758,149	5,610,140	5,665,657
U. S. deposits	111,441	99,375	106,827
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	......	......	......
Liabilities other than those above stated	......	......	......
Total	$11,909,227	$11,815,470	$11,459,456
Average reserve held	47.30 p. c.	42.32 p. c.	28.16 p. c.

* The total lawful money reserve was $2,667,064 on December 17, 1896; $2,442,909 on March 9, 1897. $1,623,331 on May 14, 1897.

SAVANNAH, GA.

RESOURCES.	Dec. 17, 1896.	Mar. 9. 1897.	May 14, 1897.
Loans and discounts	$1,439,608	$1,236,869	$1,267,268
Overdrafts	1,125	400	770
U. S. bonds to secure circulation	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	90,000	90,000	90,000
U. S. bonds on hand	......	......	......
Premiums on U. S. bonds	11,150	11,150	10,900
Stocks, securities, etc	66,183	64,283	58,908
Banking house, furniture and fixtures	67,239	67,239	67,239
Other real estate and mortgages owned	18,961	16,592	16,801
Due from National banks (not reserve agents)	58,182	73,301	51,601
Due from State banks and bankers	24,757	23,357	52,157
Due from approved reserve agents	139,933	65,240	37,040
Checks and other cash items	......	......	499
Exchanges for clearing-house	36,822	17,571	36,016
Bills of other National banks	25,000	35,000	25,000
Fractional paper currency, nickels and cents	940	804	719
*Lawful money reserve in bank, viz.:			
Gold coin	17,000	15,000	32,500
Gold Treasury certificates	......	2,000	2,000
Gold clearing-house certificates	......	......	......
Silver dollars	22,000	18,000	3,000
Silver Treasury certificates	43,486	77,431	39,322
Silver fractional coin	6,861	5,700	13,000
Legal-tender notes	50,000	60,000	50,000
U. S. certificates of deposit for legal-tender notes	......	......	......
Five per cent. redemption fund with Treasurer	4,548	4,543	4,548
Due from U. S. Treasurer	7	7,581	2
Total	$2,225,820	$1,994,065	$1,956,291

LIABILITIES.	Dec. 17, 1896.	Mar. 9. 1897.	May 14, 1897.
Capital stock paid in	$750,000	$750,000	$750,000
Surplus fund	225,000	225,000	225,000
Undivided profits, less expenses and taxes paid	58,824	49,050	59,925
National bank notes issued, less amount on hand	86,960	83,625	80,335
Due to other National banks	71,810	84,303	70,869
Due to State banks and bankers	101,532	156,026	122,652
Dividends unpaid	960	1,338	1,050
Individual deposits	601,623	549,181	546,250
U. S. deposits	13,940	......	26,107
Deposits of U. S. disbursing officers	74,151	549,181	64,100
Notes and bills rediscounted	16,019	......	......
Bills payable	225,000	......	......
Liabilities other than those above stated	......	......	......
Total	$2,225,820	$1,994,065	$1,956,291
Average reserve held	39.46 p. c.	33.63 p. c.	26.83 p. c.

*The total lawful money reserve was $139,347 on December 17, 1896; $178,131 on March 9, 1897; $139,822 on May 14, 1897.

WASHINGTON, D. C.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Loans and discounts	$8,090,981	$7,965,789	$8,087,818
Overdrafts	9,294	9,666	15,233
U. S. bonds to secure circulation	904,150	929,150	929,150
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000
U. S. bonds on hand	330,000	372,650	533,100
Premiums on U. S. bonds	61,159	69,578	92,001
Stocks, securities, etc	1,351,357	1,342,444	1,349,443
Banking house, furniture and fixtures	1,069,994	1,069,994	1,069,994

WASHINGTON, D. C.—Continued.

RESOURCES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Other real estate and mortgages owned	$58,059	$53,658	$52,958
Due from National banks (not reserve agents)	710,441	912,386	1,146,061
Due from State banks and bankers	472,002	587,846	510,516
Due from approved reserve agents	1,562,147	1,684,100	2,574,778
Checks and other cash items	146,852	249,823	139,006
Exchanges for clearing-house	197,793	204,815	193,612
Bills of other National banks	8,348	13,091	7,408
Fractional paper currency, nickels and cents	8,781	7,958	7,651
*Lawful money reserve in bank, viz.:			
Gold coin	864,652	854,960	880,092
Gold Treasury certificates	634,460	637,570	690,050
Gold clearing-house certificates	......	......	......
Silver dollars	8,962	9,793	9,272
Silver Treasury certificates	784,161	1,397,807	1,226,216
Silver fractional coin	38,023	32,802	30,647
Legal-tender notes	666,127	682,131	607,563
U. S. certificates of deposit for legal-tender notes	160,000	......	120,000
Five per cent. redemption fund with Treasurer	36,169	195,744	37,294
Due from U. S. Treasurer	......	......	......
Total	$18,268,418	$19,383,048	$20,359,890

LIABILITIES.	Dec. 17, 1896.	Mar. 9, 1897.	May 14, 1897.
Capital stock paid in	$3,075,000	$3,075,000	$3,075,000
Surplus fund	1,401,500	1,422,000	1,422,500
Undivided profits, less expenses and taxes paid	319,416	263,366	334,632
National bank notes issued, less amount on hand	710,095	705,785	703,865
Due to other National banks	318,973	336,828	413,987
Due to State banks and bankers	153,243	180,127	217,464
Dividends unpaid	2,993	3,110	3,024
Individual deposits	12,153,080	13,296,487	14,112,866
U. S. deposits	94,666	74,842	55,548
Deposits of U. S. disbursing officers	......	......	......
Notes and bills rediscounted	......	......	......
Bills payable	39,500	28,500	21,000
Liabilities other than those above stated	......	......	......
Total	$18,268,418	$19,383,048	$20,359,890
Average reserve held	39.48 p. c.	41.78 p. c.	44.21 p. c.

* The total lawful money reserve was $3,156,386 on December 17, 1896; $3,615,056 on March 9, 1897; $3,563,860 on May 14, 1897.

Gold and Silver in the European Banks.

	January 1, 1897.		May 1, 1897.		June 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,158,899	....	£36,493,913	....	£36,531,749	....
France	76,584,590	£49,130,797	76,885,790	£48,869,839	79,016,984	£49,148,851
Germany	28,505,450	14,252,750	29,551,200	15,223,359	30,762,000	15,[illegible]
Austro-Hungary	30,340,000	12,578,000	31,738,000	12,618,000	33,698,000	12,[illegible]
Spain	8,528,000	10,210,000	8,528,000	10,550,000	8,649,000	10,[illegible]
Netherlands	2,634,000	6,841,000	2,631,000	6,820,000	2,680,000	6,[illegible]
Nat. Belgium	2,736,667	1,368,833	2,807,333	1,403,667	2,791,333	1,[illegible]
Totals	£183,487,606	£94,380,880	£188,635,236	£95,484,856	£194,079,066	£96,305,818

Bank of England Statement and London Markets.

	Feb. 10, 1897.	Mar. 17, 1897.	Apr. 14, 1897.	May 12, 1897.
Circulation (exc. b'k post bills)	£25,644,360	£25,899,170	£27,839,865	£27,409,295
Public deposits	13,175,053	16,835,294	10,945,120	10,188,734
Other deposits	40,699,405	38,540,872	38,817,957	39,446,125
Government securities	14,767,630	14,387,833	13,842,586	13,842,586
Other securities	28,456,015	28,911,575	28,451,585	28,052,106
Reserve of notes and coin	28,859,433	30,581,375	25,357,948	25,611,289
Coin and bullion	37,703,793	39,680,545	36,397,813	36,220,584
Reserve to liabilities	53 7/16%	55%	50 3/4%	51 5/8%
Bank rate of discount	3%	3%	2 1/2%	2%
Market rate, 3 months' bills	1 7/8%	1 1/2%	1 3/4 @ 1 1/4%	7/8 @ 15/16%
Price of Consols (2 3/4 per cents.)	112 3/4	111 7/8	112 1/16	113 5/8
Price of silver per ounce	29 11/16d.	28 9/16d.	28 7/16d.	27 3/4d.
Average price of wheat	30s. 7d.	27s. 11d.	27s. 10d.	28s. 4d.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, June 4, 1897.

THE RECOVERY FROM THE BUSINESS DEPRESSION which has prevailed for several years still moves with laggard steps, but an improved sentiment is beginning to make itself manifest. The delay in tariff legislation still has a retarding influence, and will until a law has been enacted and business has adjusted itself to the changes in tariff provisions. A general desire prevails that Congress shall quickly dispose of the bill, and there is reason to expect that the popular wish will be gratified. An amended bill was reported to the Senate on May 4, and on May 25 general debate on the measure began. While unlimited debate is the rule in the Senate, neither the friends nor the opponents of the bill seem disposed to prolong the discussion unnecessarily, and the final enactment is looked for before midsummer.

With tariff legislation out of the way an early resumption of business activity in the autumn is expected. The realization of this hope will depend to some extent upon the showing made by the growing crops. The outlook at present is favorable although the season has been somewhat backward.

Investors in railroad properties have still to solve the problem how to secure a reasonable return upon their capital. The adverse influences which affect all forms of investments in railroad securities are so many and so diverse that it is not easy to see a way out of the difficulty. Adverse legislation, State and national, makes the situation of the owners of this class of property precarious. The evil of unchecked competition strikes at the very root of profitable employment of capital in railroad enterprises. A bankrupt railroad, unlike an insolvent merchant, does not cease to become a competitor, but its very insolvency enlarges its capacity for reckless and damaging competition.

The income derived from investments in railroad stocks has seriously declined in almost every case. Even the best managed properties, and those most favorably situated, have been compelled to reduce the dividends which they were paying ten or twenty years ago. A number of railroads, formerly large dividend payers, have been forced to suspend dividends altogether or have gone into receivers' hands. The following is only a partial list of railroads which are no longer paying the dividends which they once disbursed to shareholders.

PER CENT. OF DIVIDEND.

	Former.	*Present.*
Atchison	6	0
Baltimore and Ohio	10	0
Central Pacific	8	1
Central New Jersey	7	4
Chicago, Burlington and Quincy	8	4
Chicago, Milwaukee and St. Paul	7	4
Chicago and Northwestern	7	5
Chicago, Rock Island and Pacific	8	2
Delaware and Hudson	7	5
Delaware, Lackawanna & Western	8	7
Evansville and Terre Haute	7	0
Illinois Central	10	5
Lake Shore	8	6
Long Island	5	0
Louisville and Nashville	6	0
Michigan Central	8	4
Missouri Pacific	7	0
New York Central	8	4
N. Y., New Haven and Hartford	10	8
Oregon Railway and Navigation	8	0
Panama	16	0
Pennsylvania	8	5
Union Pacific	8	0

Nine of the twenty-three stocks named above which paid from five to sixteen per cent. per annum at one time within the past twenty years now pay nothing at all, while six others have reduced their dividends one-half or more. All but five have reduced their dividends three per cent. or more. Such a showing is not an encouraging one for owners of railroad property in this country.

Another comparison shows how seriously investors have suffered from the decline in the value of their property. We present a list of railroad stocks with the prices at which they were once quoted on the Stock Exchange since 1878 and their lowest recorded quotation in the present year:

Year.	*Then sold.*	*Lowest in 1897.*	*Year.*	*Then sold.*	*Lowest in 1897.*
1881..Atchison....................	154	9⅛	1886..Manhattan................	175	81¾
1881..Baltimore and Ohio.......	210	9⅛	1882..Missouri, Kansas & Texas.	54	10
1892..Central New Jersey.......	145	68¼	1886..Missouri Pacific............	119	10
1881..Central Pacific............	102⅞	7⅛	1880..Nash., Chat. & St. Louis...	128	70
1887..Chicago and East Illinois..	110	45	1889..N. Y., New Haven & Hart.	279	160
1881..Chicago, Mil. and St. Paul.	129¼	69¼	1882..Northern Pacific, pref....	100⅝	32⅛
1881..Chic., Rock Isl. & Pacific..	148⅝	60¼	1881..Oregon Railway & Nav...	190	10
1890..Clev., Cincin., Chic. & St. L.	80¼	26⅛	1879..Philadelphia and Reading.	78	16¾
1888..Colo., Hock. Val. & Toledo.	80	1⅛	1881..Texas and Pacific..........	73⅝	8
1881..Denver and Rio Grande...	118¼	9¼	1886..Tennessee Coal and Iron..	118	17
1893..Long Island................	118⅛	41	1881..Union Pacific..............	131¾	4⅛
1880..Louisville and Nashville..	174	40⅛	1881..Wabash, preferred	96¼	11⅛
1881..L'ville, N. Albany & Chic..	117⅛	¼	1887..Wheeling and Lake Erie..	69⅝	⅝

The many millions of dollars lost to investors by the depreciation in the stocks listed above are not to be estimated by the decrease in prices. The owners of some of these stocks have been assessed and assessed again, and the present quotations are less than the sums paid in cash by the holders to save something from the wreck. Beside these there are many stocks which have completely disappeared from sight, stocks which at one time commanded high prices. We might refer to Oregon Transcontinental, which fell from 98¾ in 1882 to 6¼ in 1884; Richmond and West Point, from 250 in 1882 to 12 in 1884, and Indiana, Bloomington and Western from 100½ in 1881 to 7½ in 1885.

With such experiences it is not surprising that investors view with alarm every effort of legislation to reduce the profits of the railroads, or to force or to encourage cuts in rates. Some little comfort is found in the decision of the United States Supreme Court last month, holding that the Inter-State Commerce Commission has no power to fix railroad rates. Unfortunately the decision in the Nebraska case has been postponed until the autumn. That case involves the right of the State to do what the court denies the right of the Inter-State Commerce Commission to do. The railroads are, however, still entangled in the meshes of the anti-pooling decision rendered by the Supreme Court last March, and the task of maintaining uniform rates, which shall also be profitable, is trying the powers of railroad managers.

Some of the railroads are so situated that it is possible for them to save something for their stockholders by reducing the interest on their funded debt. The New York Central and the Lake Shore have been arranging to refund their high interest-bearing bonds at a lower rate, and will save considerable in interest disbursements in consequence. The Illinois Central has also marketed $30,000,000 of 3½ per cent. bonds, a part of which will take the place of 7 per cent. bonds. While the railroads are following a policy of careful financiering, it is unfortunate that they are made the shining mark of legislative prejudice.

No recent event has attracted more general attention in local financial circles than the retirement from business of the Third National Bank of this city. That a bank with $1,000,000 capital, and deposits aggregating from $10,000,000 to $12,000,000, should decide to liquidate at a time when there was no special stress of circumstances to imperil its interests, would be inexplicable but for the fact that it is generally known that the banking business is showing as narrow a margin of profit as at almost any period in the recent history of our banking institutions. The arrangements made to transfer the deposits of the Third National to the National City Bank, so far as the depositors of the former are willing, appear to be working out successfully. In the week ended May 29 the deposits of the Third National have been reduced $5,000,000, while those of the National City increased $8,000,000, the latter institution now holding $40,000,000 of deposits.

The retirement of the Third National bank and the admission of the Bank of New Amsterdam to the clearing-house association last month suggest an inquiry into the changes which have occurred in the membership of that important institution in recent years. One fact which must impress every observer is that in the past fifteen years there has been no increase in the aggregate capital of the clearing-house banks, but, on the contrary, a decrease. On December 31, 1881, the total capital of those institutions was $61,162,700, while at the present time, exclusive of the capital of the Third National Bank, the total is only $59,022,700.

A number of banks, some of them among the leading banks of the city, have reduced their capital; the Bank of America from $3,000,000 to $1,500,000; the Tradesmen's from $1,000,000 to $750,000; the Merchants' Exchange from $1,000,000 to $600,000; the Nassau from $1,000,000 to $500,000; the Central National from $2,000,000 to $1,000,000, and the Western National from $3,500,000 to $2,100,000.

In the fifteen years fourteen banks have been admitted to membership in the clearing-house and nine have retired, one by consolidation with another bank and eight by failure or voluntary liquidation. The changes in membership are shown as follows:

ADMITTED.

Year.		*Year.*	
1882	Lincoln National Bank.	1887	Western National
1883	Garfield " "	1889	First National of Brooklyn.
1883	Fifth " "	1892	Southern National.
1884	Bank of the Metropolis.	1894	National Union.
1885	West Side.	1894	Liberty National.
1885	Seaboard National.	1895	New York Produce Exchange.
1885	Sixth "	1897	Bank of New Amsterdam.

RETIRED.

Year.		*Year.*	
1884	Metropolitan National	1889	North River.
1884	Marine "	1893	St. Nicholas.
1884	Wall Street.	1896	Southern National.
1885	Union National.	1897	Third "
1887	*Fulton National.		

* Consolidated with Market National.

While there has been a decrease in the capital of the banks and only a small increase in number, the aggregate deposits have more than doubled, increasing from $289,890,400 in 1881, to $575,600,000 in 1897. Only seven banks held over $10,000,000 of deposits each in 1881, while the statement of May 29, 1897, shows 17 banks whose deposits exceed that amount. The following list shows the deposits of the largest banks in each of the years mentioned:

	Dec. 31, 1881.		*Dec. 31, 1881.*
Importers and Traders	$20,973,700	Chemical	$12,798,000
National Park	20,850,000	Metropolitan	10,466,000
Fourth National	17,275,000	American Exchange	10,112,000
First National	14,817,900		

	May 29, 1897.		May 29, 1897.
National City	$40,219,500	Manhattan	18,918,000
National Park	34,011,800	American Exchange	18,058,000
Importers and Traders	28,684,000	Commerce	17,688,700
Fourth National	24,307,000	Western National	15,804,700
Hanover	24,148,400	Merchants'	14,916,700
Chemical	23,690,700	Republic	13,777,000
Chase	22,587,800	Bank of New York	12,850,000
First National	21,720,200	National Union	10,603,000
Bank of America	21,688,000		

Except in 1894 the deposits of the New York banks are now larger than ever before known, and they are within $20,000,000 of the highest total ever recorded. The very low rates prevailing for money, however, are keeping the profits of the banks at a low point, and while the banking institutions of this city are financially strong they are generally feeling the effect of the business depression.

There were further gold shipments during May aggregating about $13,000,000. About $6,000,000 net was exported in April. Only about $7,000,000 went out of the United States Treasury, and as it still holds $144,000,000 in excess of certificates outstanding, there is no apprehension felt as to the safety of the gold reserve held against the redemption of legal tenders.

The extraordinary imports of merchandise in April, exceeding $101,000,000, make a new record for the country's import trade, but the movement is falling off, and in a short time our exports may be expected to exceed our imports, although the balances may not again reach the large figures of a few months ago.

Bank of England.—For the fourth time since the beginning of the year the Bank of England has reduced its rate of discount, and now the rate is 2 per cent., the lowest which the Bank ever posts. This rate was maintained for a period of nearly two years and seven months, from February 22, 1894. until September 10, 1896. Three times the rate was advanced until on October 22, 1896, it was made 4 per cent., which rate was kept posted until January 20 last. Since that date it has been lowered until it is again 2 per cent. The changes made in the rate of discount during the period mentioned have been as follows:

	Per cent.		Per cent.
February 22, 1894	2½ to 2	January 20, 1897	4 to 3½
September 10, 1896	2 to 2½	February 4, 1897	3½ to 3
September 24, 1896	2½ to 3	April 9, 1897	3 to 2½
October 22, 1896	3 to 4	May 13, 1897	2½ to 2

The Money Market.—The local money market remains in a state of stagnation, and the plethoric supply which so long has been apparent in New York has manifested itself in other money centers, notably in Chicago where the rates have dropped to almost as low a figure as those ruling here. Money on call has ruled at about 1½ @ 1¼ per cent. except early in the month when some money loaned at as high as 2 per cent. The banks have abandoned all effort to maintain a 2 per cent. rate and those which offer their money on the Exchange accept the current rate. For time money and commercial paper the rates are all low and the inquiry is generally light. At the close of the month call money ruled at 1¼ @ 1½ per cent., the average rate being about 1⅜ per cent. Banks and trust companies loan at the rate current at the Stock Exchange; some large time loans have been made at 3 per cent. for the remainder of the year and the inquiry for money for long periods has improved. Time money on Stock Exchange collateral was quoted at 2 per cent. for 30 to 60 days, 2½ per cent. for 90 days to four months, 3 per cent. for five to seven months, and 3½ per cent. for eight months. For commercial paper the rates are 3½ per cent. for 60 to 90 days endorsed bills receivable, 3¾ @ 4½ per cent. for first-class four to six months single names, and 4½ @ to 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	Jan. 1.	Feb. 1.	Mar. 1.	April 1.	May 1.	June 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	1½–2½	1½–2	1½–1¾	1½–2	1¼– 1¾	1¼–1½
Call loans, banks and trust companies	2 —	1½	1½–2	1½–2	1¼– 2	1¼–1½
Brokers' loans on collateral, 30 to 60 days	3 —	2	2	2	2 —	2 —
Brokers' loans on collateral, 90 days to 4 months	3½–	2½	2½–3	2½–3	2½–	2½–
Brokers' loans on collateral, 5 to 7 months	4 —	3	3 –3½	3½	3 —	3 —
Commercial paper, endorsed bills receivable, 60 to 90 days	3¾–4	3	3	3½–	3½–	3½–
Commercial paper prime single names, 4 to 6 months	4 –4½	3 –3½	3½–4	3¾–4	3¾– 4½	3¾–4½
Commercial paper, good single names, 4 to 6 months	4½–5½	4 –5	4 –5	4 –5	4½– 5½	4½–5

EUROPEAN BANKS.—The withdrawal of gold from the Bank of England was checked in May although nearly $1,500,000 went out in the first half of the month. It now holds a few thousands more than a month ago. The principal Continental banks have been gaining gold continuously during the month. The Bank of France gained $10,500,000 during May, the Bank of Germany $1,000,000 and the Bank of Austro-Hungary nearly $10,000,000. The last-named institution has $31,000,000 more gold than it held a year ago.

FOREIGN EXCHANGE.—The sterling exchange market has been quiet during the month and generally weak. Bills were drawn against exports of provisions and silver as well as gold, while the demand for remittances for imported goods has been light. There is still some gold going out but the rates for sterling do not encourage such shipments

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Feb. 1.	Mar. 1.	April 1.	May 1.	June. 1.
Sterling Bankers—60 days	4.84¾– 5	4.85 – ¼	4.85¾– 6	4.86¼– ½	4.86 – ¼
" " Sight	4.86¾– 7	4.87 – ¼	4.87¼–	4.87½– ¾	4.87 – ¼
" " Cables	4.87¼– ½	4.87¼– ½	4.87¾–	4.87¾– 8	4.87¼– ½
" Commercial long	4.84 – ½	4.84¼– ¾	4.84¾– 5	4.85¾– 6	4.85 – ¼
" Docu'tary for paym't.	4.83¼– 4¼	4.83¾– 4½	4.84½– 5	4.85¼– ½	4.84¾– 5¼
Paris—Cable transfers	5.16¼–	5.16¼– ⅛	5.15⅝–	5.14⅜–	5.15 – 4⅜
" Bankers' 60 days	5.18¾–	5.18¾– ⅛	5.18⅛– 7½	5.16⅞– ¼	5.16⅞–
" Bankers' sight	5.16⅞–	5.16⅞– ¼	5.16¼– 5⅝	5.15 1/16– 4⅜	5.15 1/16– 5
Antwerp—Commercial 60 days.	5.21¼–20⅝	5.21¼–20⅝	5.20 –19⅜	5.19⅜– 8¾	5.19⅜– 8⅜
Swiss—Bankers' sight	5.18¾–	5.19⅜–	5.18¾– ⅛	95⅜– ¾	5.17½– 6⅞
Berlin—Bankers' 60 days	95 – ⅛	95⅜– 1/16	95 1/16– ⅛	5.18¾– ¾	95 3/16– ¼
" Bankers' sight	95½– 9/16	95⅝–	95 9/16– ⅝	95⅝– ¾	95 9/16– ⅝
Brussels—Bankers' sight	5.17½– 6⅞	5.17½– 6⅞	5.16¼–	5.15⅝– 1/16	5.15⅝–
Amsterdam—Bankers' sight	40 15/16– ⅜	40¼– 5/16	40¼– 5/16	40⅜– 7/16	40 5/16– ⅜
Kronors—Bankers' sight	26 15/16–27	26⅞– 15/16	27 –27 1/16	27 – 1/16	26 15/16– 27
Italian lire—sight	5.41½–38½	5.46⅛– 4⅛	5.43¼– 1¼	5.42¾ –40¾	5.40½–37½

MONEY RATES ABROAD—The Bank of England again reduced its rate last month, and it is once more at the minimum point, 2 per cent. The rate was reduced from 3 to 2½ per cent. on April 9, and to 2 per cent. May 18. No change was made in the rates of the Bank of France and Bank of Germany, which remained at 2 and 3 per cent., respectively. Discounts of 60 to 90 day bills in London at the close of the month were 1 per cent., a decline of 5-16 for the month. The open market rate at Paris was 1¾ per cent., a decline of ¼; at Berlin 2⅜ per cent., the same as a month ago, and at Frankfort, 2½ per cent., an advance of ⅛.

MONEY RATES IN FOREIGN MARKETS.

	Dec. 11.	Jan. 15.	Feb. 12.	Mar. 19.	Apr. 16.	May. 14.
London—Bank rate of discount.....	4	4	3	3	2½	2
Market rates of discount:						
60 days bankers' drafts......	3⅛—¼	2 15/16	1⅞	1⅜—½	1¼	⅞
6 months bankers' drafts....	2¾	2⅞	1⅞	1½	1¼—5/16	1⅛—¼
Loans—Day to day...........	2½	2½	1½	1½	¾	½
Paris, open market rates............	1¾	1⅞	1¾	1¾	1¾	1¾
Berlin, "	4⅞	3½	2¾	3⅛	2⅝	2¼
Hamburg, "	4⅞	3½	2¾	3⅛	2½	2¼
Frankfort, "	4⅞	3½	2¾	3⅜	2½	2⅜
Amsterdam, "	3	2⅞	2⅝	2	2½	2½
Vienna, "	3¾	3⅝	3⅝	3⅝	3¾	3½
St. Petersburg, "	5¼	6	5¼	5¼	5¾	5¾
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4	4	4	4	4	4½

SILVER.—The price of silver in London last month fell to the lowest point touched since February, 1895, the price quoted on May 21 being 27d. per ounce. The closing price for the month is only ⅛ higher, 27⅝d., a decline for the month of 9-16d. Since the beginning of the year silver has declined 2 3-16d.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	1895.		1896.		1897.		MONTH.	1895.		1896.		1897.	
	High	Low.	High	Low.	High	Low.		High	Low.	High	Low.	High	Low.
January..	27 7/16	27 3/16	30⅛	30⅞	29 13/16	29 11/16	July......	30⅝	30¼	31⅝	31⅝		
February	27 11/16	27¼	31 3/16	30¾	29¾	29 11/16	August ..	30 7/16	30¼	31⅜	30⅝		
March....	30¼	27⅝	31 13/16	31⅛	29⅝	28 3/16	Septemb'r	30 3/16	30 7/16	30 11/16	30		
April.....	30⅞	29⅞	31 5/16	30 13/16	28½	28 3/16	October..	31⅜	30⅝	30 3/16	29¾		
May......	30⅞	30 3/16	31 3/16	30 13/16	28 3/16	27⅝	Novemb'r	31	30⅝	30 3/16	29¾		
June.....	30 11/16	30½	31 9/16	31 9/16			Decemb'r	30 11/16	30	30	29 11/16		

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	Asked.		Bid.	Asked.
Trade dollars..................	$ .65	......	Twenty marks..................	$4.77	$4.80
Mexican dollars..................	.47⅜	$ .48¼	Spanish doubloons............	15.50	15.70
Peruvian soles, Chilian pesos..	.44	.46	Spanish 25 pesos...............	4.78	4.82
English silver..................	4.85	4.88	Mexican doubloons............	15.50	15.70
Victoria sovereigns............	4.86	4.89	Mexican 20 pesos..............	19.50	19.60
Five francs......................	.93	.96	Ten guilders....................	3.95	3.99
Twenty francs..................	3.85	3.88			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27⅝d. per ounce. New York market for large commercial silver bars, 60¼ @ 60⅞c. Fine silver (Government assay), 60⅜ @ 61⅛c.

NEW YORK CITY BANKS.—The condition of the New York Clearing-House banks continues to reflect the plethora of money. Even the gold exports have had no appreciable effect upon the bank reserve, for the holdings of specie are $1,650,000 greater than a month ago, while the amount of legal tenders held is only about

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
May 1...	$505,831,700	$87,329,800	$105,803,800	$576,863,900	$48,917,625	$15,002,200	$492,572,236
" 8...	504,920,100	87,570,700	99,115,600	570,361,300	44,095,975	14,672,300	627,710,500
" 15...	505,951,100	88,132,200	99,411,500	572,212,800	44,490,500	14,484,100	542,384,200
" 22...	504,952,300	88,295,500	100,736,300	572,131,400	45,998,950	14,405,800	536,402,900
" 29...	507,509,700	88,979,200	101,536,900	575,600,000	46,616,100	14,329,000	502,727,200

$4,200,000 less than on May 1. The surplus reserve exceeds $46,000,000, while the deposits are $68,000,000 in excess of the loans, two conditions that testify to the surfeit of banking funds in the present state of business activity. Loans are $32,000,000 larger than they were a year ago, but deposits are nearly $77,000,000 greater than they were then, and the surplus reserve is $24,000,000 larger.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1895.*		*1896.*		*1897.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,989,675	$530,785,000	$33,286,950
February	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April	504,240,200	13,418,450	481,795,700	17,005,975	569,226,500	47,666,575
May	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June	566,229,400	41,221,250	496,874,100	22,230,675	575,600,000	46,616,100
July	570,436,800	34,225,925	499,046,900	20,828,275		
August	574,804,500	40,917,175	485,014,000	17,728,600		
September	574,929,900	39,149,925	451,934,800	8,836,200		
October	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $595,104,900 on November 3, 1894, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
May 1	$176,231,000	$166,292,000	$10,106,000	$6,972,000	$9,268,000	$90,969,356
" 8	175,230,000	165,980,000	10,373,000	7,176,000	8,928,000	107,734,500
" 15	173,308,000	166,416,000	10,300,000	7,418,000	8,261,000	99,525,800
" 22	171,228,000	166,559,000	10,400,000	7,865,000	7,941,000	95,375,600
" 29	170,981,000	164,858,000	10,357,000	7,944,000	7,988,000	87,028,400

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
May 1	$109,081,000	$119,925,000	$39,151,000	$6,865,000	$52,404,086
" 8	109,427,000	118,994,000	38,406,000	6,816,000	60,148,300
" 15	110,164,000	119,534,000	37,513,000	6,831,000	55,999,000
" 22	110,976,000	118,942,000	37,293,000	6,826,000	59,978,000
" 29	111,369,000	118,696,000	37,384,000	6,861,000	45,013,400

GOVERNMENT REVENUES AND DISBURSEMENTS.—There was a decided falling off in the Government revenues in May, as compared with either March and April, the

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.			EXPENDITURES.		
Source.	*May, 1897.*	*Since July 1, 1896.*	*Source.*	*May, 1897.*	*Since July 1, 1896.*
Customs	$16,885,011	$154,672,007	Civil and mis	$6,104,000	$84,721,840
Internal revenue	10,673,012	133,281,201	War	4,098,582	45,944,852
Miscellaneous	1,794,191	21,996,192	Navy	2,537,237	30,902,426
			Indians	470,406	12,124,309
			Pensions	12,408,000	131,028,602
Total	$29,352,214	$309,949,400	Interest	3,119,000	37,689,079
Excess of expenditures	*$614,988	$32,551,707	Total	$28,737,225	$342,501,411

* Excess of receipts.

rush of imports in anticipation of tariff legislation having of late suffered a check. This fact, and a holiday on the last day of the month, make the revenues nearly $8,500,000 less than in April, the total being $29,352,214. With the exception of the two previous months, however, the receipts were larger than for any other month during the current fiscal year, and $4,700,000 larger than in April last year. The expenditures were $28,787,225, leaving a surplus of $614,988 and making the deficit for the eleven months ended May 31, $32,551,707, as compared with about $31,000,000 for the corresponding period last year.

United States Treasury Cash Resources.

	Feb. 27.	*Mar. 31.*	*Apr. 30.*	*May. 29.*
Net gold	$148,582,565	$151,884,895	$153,354,638	$144,261,249
Net silver	19,571,812	19,868,501	21,414,112	24,728,126
U. S. notes	9,283,941	23,248,271	27,841,703	32,409,910
Miscellaneous assets (less current liabilities)	21,282,729	9,546,826	11,746,928	13,293,263
Deposits in National banks	16,281,980	16,450,076	16,776,302	17,300,952
Available cash balance	$215,003,028	$220,947,569	$231,133,684	$231,993,500

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896.			1897.		
	Receipts.	*Expenditures.*	*Net Gold in Treasury.*	*Receipts.*	*Expenditures.*	*Net Gold in Treasury.*
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,352,214	28,737,225	*144,261,249
June	27,794,219	25,444,789	101,699,605			
July	29,029,209	42,088,468	110,718,746			
August	25,562,097	35,701,676	100,957,561			
September	24,584,244	26,579,535	124,034,672			
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

National Bank Circulation.—The circulation of the National banks continues to decline; the net decrease last month being $1,012,098 or more than $4,000,000 since January 1. The total is now only $6,589,803 more than a year ago. The circulation based on U. S. bonds was reduced $1,629.168 last month.

National Bank Circulation.

	Jan. 31, 1897.	*Mar. 31, 1897.*	*Apr. 30, 1897.*	*May 31, 1897.*
Total amount outstanding	$235,008,085	$233,708,894	$232,802,244	$231,790,151
Circulation based on U. S. bonds	213,186,711	209,767,702	208,768,549	207,139,381
Circulation secured by lawful money	21,821,374	23,941,192	24,033,695	24,650 770
U. S. bonds to secure circulation:				
Four per cents. of 1895	37,218,050	35,890,550	35,397,550	33,495,050
Pacific RR. bonds, 6 per cent	8,961,000	8,586,000	8,578,000	8,673,000
Funded loan of 1891, 2 per cent	22,637,650	22,487,950	22,318,650	22,347,900
" " 1907, 4 per cent	153,182,050	151,222,500	150,978,750	150,918,250
Five per cents. of 1894	15,196,850	15,506,350	15,481,350	15,481,350
Total	$237,190,100	$233,693,350	$232,749,300	$230,915,550

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,500,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,083,000; 4 per cents of 1907, $12,275,000; 5 per cents. of 1894, $535,000, a total of $16,718,000.

The circulation of National gold banks, not included in the above statement, is $85,690.

and the amount of lawful money on deposit with the U. S. Treasurer to retire National bank notes was increased $617,075. The Government bonds deposited to secure circulation were reduced $1,833,750.

GOLD AND SILVER COINAGE.—The coinage executed at the Mints of the United States in May aggregated $6,199,080, of which $4,489,950 was gold, $1,600,000 silver, and $109,130 minor coins. There were $1,400,000 of standard silver dollars coined.

FOREIGN TRADE MOVEMENTS.—The report of the Bureau of Statistics on the foreign trade in April shows as was expected an enormous increase in the imports of merchandise. They are valued at $101,305,131, an amount never before equalled in the history of the country. Last autumn the imports were only about $50,000,000 a month. The largest total previously recorded was $86,668,524 in March, 1893. The exports of merchandise have fallen off as is usual at this time of year, the total value being $77,725,700 or nearly $10,000,000 less than in March, and comparing with $116,000,000 in December last year. Still they are larger than for April of any previous year in the past twenty years. For the first time since September, 1895, the imports exceeded the exports, the net balance being $23,579,431. Even then there is a net balance of exports for the ten months of the fiscal year of nearly $300,000,000. We exported $6,009,967 of gold coin and bullion, and $4,318,771 of silver coin and bullion, and imported $347,804 of gold ores and $1,604,104 of silver ores.

The following table shows the movements of merchandise, gold and silver for the month and ten months ended April 30 for the past six years.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF APRIL.	MERCHANDISE.				*Gold Balance.*		*Silver Balance.*	
	Exports.	*Imports.*	*Balance.*					
1892	$75,954,962	$76,341,449	Imp.,	$386,487	Exp.,	$7,064,782	Exp.,	$989,889
1893	59,878,346	77,018,701	"	17,140,355	"	18,344,979	"	1,426,789
1894	64,124,812	60,090,037	Exp.,	4,034,775	"	9,402,110	"	3,489,488
1895	65,255,641	68,749,958	Imp.,	3,494,317	Imp.,	2,029,761	"	3,645,758
1896	71,091,747	58,649,579	Exp.,	12,442,168	Exp.,	2,662,498	"	4,570,677
1897	77,725,700	101,305,131	Imp.,	23,579,431	"	6,009,967	"	4,318,771
TEN MONTHS.								
1892	895,686,332	686,689,723	Exp.,	208,996,609	Imp.,	19,402,667	Exp.,	11,173,573
1893	713,263,277	720,751,144	Imp.,	7,487,867	Exp.,	70,599,159	"	13,820,525
1894	773,592,502	546,398,183	Exp.,	227,194,319	Imp.,	40,971,968	"	31,564,095
1895	688,303,156	604,279,069	"	84,024,089	Exp.,	36,219,392	"	30,747,779
1896	749,332,804	666,300,075	"	83,032,729	"	56,011,837	"	38,990,061
1897	899,963,963	600,171,969	"	299,811,994	Imp.,	58,482,106	"	42,313,692

MONEY IN THE UNITED STATES TREASURY.—The Treasury reports an increase of about $300,000 in net cash for the month of May, although there was a decrease

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*Apr. 1, 1897.*	*May 1, 1897.*	*June 1, 1897.*
Gold coin	$120,636,598	$151,968,509	$157,976,832	$155,167,732
Gold bullion	54,565,385	37,254,294	32,786,057	26,539,659
Silver Dollars	384,584,572	393,211,322	395,342,193	397,511,546
Silver bullion	110,815,247	107,862,462	106,990,150	106,042,493
Subsidiary silver	14,215,766	15,974,428	16,163,767	16,210,920
United States notes	85,313,258	98,167,376	98,942,880	97,832,313
National bank notes	14,278,970	11,374,958	8,676,050	7,109,698
Total	$784,411,796	$815,833,349	$816,877,929	$806,414,360
Certificates and Treasury notes, 1890, outstanding	529,044,460	566,187,302	563,334,565	552,583,043
Net cash in Treasury	$255,367,336	$249,646,047	$253,543,364	$253,831,317

of more than $10,000,000 in the total money in the Treasury of which $9,000,000 was gold. Nearly $11,000,000 of certificates and Treasury notes were returned to the Treasury during the month.

MONEY IN CIRCULATION.—The amount of money in circulation was reduced last month $6,826,488. There were $5,612,221 Treasury notes retired, and $4,120,000 currency certificates, while the gold coin in circulation increased $2,900,327, and United States notes $1,110,567. Silver certificates to the amount of $985,181 were withdrawn from circulation. National bank notes were increased $554,209. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897.	*Apr. 1, 1897.*	*May 1, 1897.*	*June 1, 1897.*
Gold coin	$517,743,229	$517,125,757	$517,321,596	$520,221,923
Silver dollars	58,581,819	54,507,319	58,776,448	58,007,095
Subsidiary silver	62,101,966	60,246,493	60,177,704	60,806,968
Gold certificates	37,887,439	37,456,339	37,421,999	37,887,829
Silver certificates	356,655,800	364,026,158	363,753,989	362,768,808
Treasury notes, Act July 14, 1890	84,171,221	90,244,810	92,253,627	86,641,406
United States notes	261,367,758	248,518,640	247,738,136	248,848,703
Currency certificates, Act June 8, 1872	50,330,000	74,460,000	69,905,000	65,785,000
National bank notes	221,384,148	222,420,183	224,211,984	224,766,143
Total	$1,650,223,400	$1,669,000,694	$1,666,560,383	1,659,733,895
Population of United States	72,159,000	72,547,000	72,677,000	72,807,000
Circulation per capita	$22.87	$23.01	$22.93	$22.80

UNITED STATES PUBLIC DEBT.—The net debt of the Government was reduced in May $1,560,000, making a total reduction since March 1, of nearly $16,000,000, but the debt is still nearly $4,000,000 more than it was at the beginning of the year. The reduction is small as compared with that of either March or April, in the former month the decrease having been nearly $9,000,000, and in the latter nearly $6,000,000. A reduction in the revenues for customs will put a stop to further reductions until new legislation for increasing the revenues becomes operative. There was little change in the gross debt, but the cash balance in the Treasury increased $2,000,000.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*April 1, 1897.*	*May 1, 1897.*	*June 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,639,600	559,639,850	559,639,850
Refunding certificates, 4 per cent	45,890	45,450	45,280	45,280
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,364,950	$847,365,030	$847,365,030
Debt on which interest has ceased	1,383,070	1,355,760	1,353,830	1,348,510
Debt bearing no interest:				
Legal tender and old demand notes	346,735,863	346,735,863	346,735,863	346,735,863
National bank note redemption acct.	18,876,333	23,662,492	23,991,184	24,459,719
Fractional currency	6,890,504	6,889,241	6,889,241	6,889,241
Total non-interest bearing debt	$372,502,201	$377,287,096	$377,615,789	$378,084,324
Total interest and non-interest debt.	1,221,249,961	1,226,007,806	1,226,334,619	1,226,797,864
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,939,689	38,969,689	38,843,169
Silver "	370,883,504	376,561,504	377,531,504	374,345,504
Certificates of deposit	50,830,000	75,070,000	71,940,000	66,565,000
Treasury notes of 1890	119,816,280	117,131,280	116,696,280	115,782,280
Total certificates and notes	$580,809,573	$607,702,473	$605,107,473	$595,535,953
Aggregate debt	1,802,059,534	1,833,710,279	1,831,442,122	1,822,333,817
Cash in the Treasury:				
Total cash assets	853,463,551	875,239,759	876,746,655	867,496,896
Demand liabilities	625,143,172	653,194,153	648,656,138	637,383,014
Balance	$228,320,379	$222,045,606	$228,090,517	$230,113,812
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	122,045,606	128,090,517	130,113,812
Total	$228,320,379	$222,045,606	$228,090,517	$230,113,812
Total debt, less cash in the Treasury.	992,929,582	1,003,962,200	998,244,102	996,684,052

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of May, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		MAY, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	9⅛—Apr. 19	11	10⅛	10⅞
" preferred	28⅛	14⅛	25¾—Jan. 30	17 —Apr. 19	22	18⅝	21⅞
Atlantic & Pacific	1	⅜	½—Jan. 14	⅛—Apr. 7	....	....	....
Baltimore & Ohio	44	10⅛	18 —Jan. 8	9⅛—May 27	12¾	9⅛	10
Bay State Gas	33	7	13¾—Jan. 6	7¾—Apr. 17	9⅝	8⅛	9
Brooklyn Rapid Transit	25⅛	18	21¾—Feb. 11	18⅜—Jan. 7	20⅛	19	19
Canadian Pacific	62¾	52	57½—May 28	46½—Mar. 29	57½	54	57½
Canada Southern	51¾	40¾	51⅞—Mar. 17	44⅛—Jan. 13	48¾	46⅝	48¼
Central of New Jersey	110	87½	103¼—Jan. 19	68¼—May 24	80	68¼	74⅛
Central Pacific	16⅛	13⅛	15 —Jan. 5	7⅛—Apr. 20	8¾	7½	8¾
Ches. & Ohio vtg. ctfs	18½	11	18⅛—Mar. 15	15⅝—Mar. 29	16⅞	15¾	16¼
Chicago & Alton	164	146	170 —Mar. 1	151 —May 7	167	151	151½
Chicago, Burl. & Quincy	83¾	53	78⅛—Mar. 18	69⅝—Jan. 5	77	72	77
Chicago & E. Illinois	43	37⅛	45 —Mar. 13	45 —Mar. 13	....	....	....
" preferred	100½	90	98½—Feb. 3	95 —Feb. 8	98¼	98¼	98¼
Chicago Gas	78¾	44⅝	84⅜—Apr. 13	73¼—Jan. 5	84	78¾	83⅜
Chic., Milwaukee & St. Paul	80	59⅞	78½—Mar. 15	69¼—Apr. 19	76	71¾	75¾
" preferred	131	117½	138¼—Mar. 18	130½—May 6	133	130½	133
Chicago & Northwestern	106¾	85⅛	110¾—Mar. 17	101¾—Apr. 19	107⅜	102¾	107¼
" preferred	152	140¾	155 —Feb. 20	153 —Jan. 12	155	153	155
Chicago, Rock I. & Pacific	74⅞	49¼	70 —Jan. 16	60¼—Apr. 19	66⅝	61⅛	66⅝
Chic., St. Paul, Minn. & Om.	49¾	30⅛	64⅞—Mar. 17	47 —Jan. 2	59½	55	59
" preferred	133	117	143 —Mar. 29	133 —Jan. 7	....	....	....
Clev., Cin., Chic. & St. Louis	39½	19⅛	33⅝—Mar. 17	24 —May 29	29½	24	24
" preferred	90½	73	80 —May 6	73 —Jan. 4	80	75	75
Col. Coal & Iron Devel. Co.	4⅛	¼	1 —Jan. 19	½—Jan. 29	½	½	½
Col. Fuel & Iron Co.	34¼	14¾	27 —Jan. 19	15¾—May 11	17½	15¾	16¾
Col. Hocking Val. & Tol.	20½	12½	18 —Jan. 8	1½—Apr. 30	3	1¾	2½
" preferred	60	48	46 —Jan. 21	40 —Jan. 21	....	....	....
Consolidated Gas Co.	168	133	164 —May 7	136½—Jan. 2	164	158	160¾
Delaware & Hud. Canal Co.	129⅝	114½	121¾—Jan. 6	99⅝—Apr. 1	107	101⅞	103¾
Delaware, Lack. & Western	166	138	157¾—Jan. 18	146½—May 20	149⅛	146½	148
Denver & Rio Grande	14	10	12¼—Jan. 19	9¼—Apr. 20	....	....	....
" preferred	51	37	43⅞—Feb. 21	36 —Apr. 20	39	38¼	39
Edison Elec. Illum. Co., N. Y.	101½	89	116½—May 29	101¾—Jan. 2	116½	110	116½
Erie	17¾	10¼	15½—Jan. 18	11½—Apr. 19	12½	11⅝	12½
" 1st pref	41¾	27	35½—Jan. 18	27 —Apr. 19	31	28½	31
" 2d pref	25	13	21 —Jan. 15	15½—May 24	15½	15½	15½
Evansville & Terre Haute	34½	24	....	....	....	....	....
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	153	148½	150
" American	116	105	114½—May 27	109½—Jan. 28	114½	112	114½
" United States	48	35	41 —Apr. 30	37 —Feb. 3	39¾	38	39½
" Wells, Fargo	101	80	103½—May 26	97 —Jan. 2	103½	102½	103½
Great Northern, preferred	122	108¼	122 —Feb. 5	120 —Jan. 16	121	120	121
Illinois Central	98	84½	97¼—May 29	91½—Apr. 19	97¼	92	97¼
Iowa Central	10¼	5⅛	8 —Jan. 16	6 —Apr. 15	6	6	6
" preferred	38	19	27¼—Jan. 20	24½—Mar. 18	....	....	....
Laclede Gas	30	17	25 —Jan. 18	22 —May 4	23¼	22	22¾
" preferred	86¼	68¼	83½—May 25	70¼—Mar. 23	83½	78	83½
Lake Erie & Western	22½	12⅛	18½—Jan. 18	13½—Apr. 12	14	14	14
" preferred	75	55½	70¼—Jan. 20	58¼—Apr. 1	64	62	62
Lake Shore	156	134¾	172½—Mar. 1	152 —Jan. 2	165¼	160⅛	165¼
Long Island	84	40½	55 —Jan. 8	41 —Apr. 2	42½	42	42½
Louisville & Nashville	55⅝	37⅞	52½—Jan. 19	40⅛—Apr. 19	46¼	43	46¼
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	¼—Jan. 11	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	94 —Jan. 18	81¾—May 7	85¾	81⅝	85¼
Metropolitan Traction	114	79¼	110⅞—Jan. 6	99⅝—May 3	107¼	99⅝	106¾
Michigan Central	97⅞	89	100 —Mar. 15	90 —Jan. 28	98	95½	98
Minneapolis & St. Louis	21¾	12	19¾—Jan. 29	16 —May 14	18	16	18
" 1st pref	83	54	79½—Jan. 18	77¾—Mar. 18	....	....	....
" 2d pref	53½	30	48¾—Mar. 18	46 —Feb. 26	....	....	....
Missouri, Kan. & Tex.	14¾	9⅛	14½—Jan. 18	10 —Apr. 19	11⅝	10¼	11⅝
" preferred	31⅛	16	32¼—Mar. 18	24¾—Apr. 19	29¼	26¾	29

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.				May, 1897.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	24¼—Jan.	18	10 —May	6	15¼	10	15
Mobile & Ohio	25	14	22½—Jan.	12	20 —Mar.	26	....	....	....
N. Y. Cent. & Hudson River	99¾	88	102 —Mar.	22	92½—Feb.	18	100⅝	98⅝	100¼
N. Y. Chicago & St. Louis	15	9	14½—Mar.	15	11 —Feb.	11	....	....	....
" 1st preferred	80	67½	75 —Mar.	17	67⅝—Apr.	15	....	....	....
" 2d preferred	35⅝	20	34⅞—Mar.	17	24 —Feb.	10	28¼	25	28¼
N. Y., New Haven & Hartf'd	186	160	178 —Jan.	4	160 —Feb.	2	170	165½	167½
N. Y., Ontario & Western	16⅝	11⅛	15⅝—Jan.	18	12¾—Apr.	19	14⅛	13½	14⅛
N. Y., Sus. & Western	12	6	9¾—Jan.	18	6½—May	28	7½	6½	6½
" preferred	31¼	12	26½—Jan.	18	18¼—May	20	21½	18¾	20½
Norfolk & Western	12¾	⅛	14¼—Mar.	11	9 —Apr.	19	10½	10⅝	10⅝
" preferred	19¾	4½	28¼—Mar.	4	17 —Feb.	16	28	24½	27
North American Co	6½	3½	5 —Jan.	18	3⅝—Apr.	20	4½	3¾	4½
Northern Pacific tr. receipts	16⅞	¼	16⅝—Feb.	1	11 —Apr.	19	13⅝	12	13½
" pref tr. receipts	36	10	38⅞—Feb.	1	32⅛—Jan.	5	36⅝	34	35⅝
Oregon Railway & Nav	24	10	17½—Jan.	18	10 —Apr.	20	43	43	43
" preferred	40¼	35	48 —May	17	37⅞—Jan.	8	15⅞	11½	11¾
Oregon Short Line	18⅛	3⅛	16 —Jan.	28	10⅞—Mar.	30	28¼	25⅞	27
Pacific Mail	31	15¼	28¼—May	6	24 —Jan.	9	⅛	⅛	⅛
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan.	8	½—Apr.	26	....	....	....
Phila. & Reading	31¾	2⅝	28⅞—Jan.	18	17⅝—Apr.	13			
Pitts., Cin. Chic. & St. Louis	18¼	11	14 —Jan.	21	11½—Mar.	29	12½	12½	12½
" preferred	59	40⅛	50 —Feb.	1	44¼—May	28	47½	44¼	44¼
Pullman Palace Car Co	164	138	168 —Mar.	8	152 —Jan.	2	159	157	159
Reading Voting Tr. ctfs	....	....	19⅝—May	10	16¼—Apr.	19	19⅝	17⅝	19⅛
" 1st prefered	....	....	42¼—Apr.	8	38½—Apr.	19	42	39¼	41⅝
" 2d preferred	....	....	25⅞—Apr.	9	22½—Apr.	19	25	23	25
Rome, Wat. Ogdens' g	118	108	119 —Jan.	18	117 —Jan.	26	118	118	118
St. Louis & San Francisco	5⅝	4	5⅞—Feb.	4	4 —Apr.	19	5¼	4⅛	5¼
" 1st preferred	37	34¼	44¾—May	29	37 —Jan.	29	44¾	38	44¾
" 2d preferred	14⅛	12	16 —Feb.	3	12 —Apr.	15	15¾	13	15⅝
St. Louis & Southwestern	5¾	2⅞	4¾—Jan.	18	1 —Apr.	1	3⅛	3	3⅛
" preferred	13	6½	11½—Jan.	18	3½—Apr.	1	8¼	6½	7⅞
St. Paul & Duluth	27⅛	15	22½—Jan.	13	20 —Jan.	4	....	....	....
" preferred	91	75	87 —Feb.	3	75 —Apr.	20	....	....	....
St. Paul, Minn. & Manitoba	115	105	118 —Mar.	3	114 —Jan.	28	117	116½	117
Southern Pacific Co	22¼	14	15¾—Jan.	18	13½—Jan.	13	15¾	14½	14½
Southern Railway	11¾	6⅛	10 —Jan.	16	7 —Apr.	19	8¼	7⅞	8¼
" preferred	33¼	15⅛	29⅞—Jan.	19	22⅞—Mar.	19	27	24⅞	27
Tennessee Coal & Iron Co	34¾	18	31 —Jan.	18	17 —May	20	20⅝	17	19⅛
Texas & Pacific	12	5	10¼—Jan.	18	8 —Apr.	1	9⅝	8¼	9
Union Pacific trust receipts	12½	3⅞	10 —Jan.	5	4⅛—Apr.	19	7⅝	5⅝	7
Union Pac., Denver & Gulf	5½	1⅛	2½—Jan.	6	1 —Apr.	24	1½	1¼	1⅛
Wabash R. R	8	4⅛	7⅛—Jan.	16	4⅞—Mar.	29			
" preferred	19¾	11	17⅛—Jan.	18	11½—Apr.	19	5⅞	4¾	5⅞
Western Union	90¼	72¾	86⅛—Mar.	16	77¼—Apr.	30	13¼	11⅞	13¼
Wheeling & Lake Erie	13¼	5¼	6½—Jan.	2	⅝—May	28	80⅝	75⅞	80
" preferred	40¾	20⅝	29 —Jan.	5	2⅝—Apr.	15	1	⅝	⅝
Wisconsin Central	4⅜	1⅜	2½—Jan.	6	1½—Mar.	31	3¼	2⅝	2⅝
"Industrial"	Stocks:								
American Co. Oil Co	19	8	14¾—Jan.	16	9¼—May	28	12	9¼	10⅝
" preferred	68⅞	37	59½—May	11	52¼—Feb.	16	59⅛	53¾	55
American Spirits Mfg Co	14⅞	4½	14½—Jan.	19	9¼—Apr.	23	11½	9⅝	10¼
" preferred	33¼	14¾	34⅞—Mar.	15	26 —Jan.	5	30½	26⅞	28½
American Sugar Ref. Co	126⅝	95	118⅝—Mar.	3	109⅛—Mar.	29	118	112⅛	116½
" preferred	104	92¼	105¾—Mar.	15	100¼—Jan.	7	104½	103	104½
American Tobacco Co	95	51	79½—Jan.	14	67½—Feb.	15	72¾	67¾	71¾
" preferred	106	95	108 —Mar.	12	100 —Feb.	11	104½	103	103
General Electric Co	39⅛	20	36¼—Feb.	2	28⅝—May	19	31⅞	28⅝	30¾
National Lead Co	28⅝	16	27¼—May	29	21⅞—Feb.	16	27¼	22½	27⅛
" preferred	92¾	75	94¼—May	29	88⅝—Feb.	13	94¼	90¼	94½
National Linseed Oil Co	21¼	11⅛	15 —Jan.	19	10 —May	17	10½	10	10½
National Starch Manfg. Co	7¾	4¾	5 —Jan.	4	3 —May	5	3	3	3
Standard Rope & Twine Co	12⅛	8⅛	11¾—Jan.	19	6⅛—Mar.	29	7½	6⅝	7
U. S. Leather Co	11⅞	5⅛	9⅝—Jan.	19	6½—Apr.	19	7¼	6¾	6¾
" preferred	69⅛	41½	64 —Jan.	19	50½—Apr.	29	55⅞	52½	55½
U. S. Rubber Co	29	14½	25¼—Jan.	19	10⅞—May	27	14	10⅞	12½
" preferred	89	65	76⅞—Jan.	5	58¾—May	27	64	58¾	60⅝

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	May Sales. *High.*	May Sales. *Low.*	May Sales. *Total.*
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	78¾	May 28,'97	79	78	99,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	106,902,500	A & O	81⅞	May 29,'97	82	79¾	1,354,000
• adjustment, g. 4's	1995	51,728,000	NOV	47¾	May 30,'97	47¾	44½	1,281,000
• Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	....	....	....	....	....
• Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	90½	Feb. 25,'97	....	....	....
Atlan. & Pac. 2d W. d. g. g. s. f. 6's	1907	5,500,000	M & S	92	July 23,'90	....	....	....
• Western div. inc	1910	10,500,000	A & O	⅛	Apr. 20,'97	....	....	....
• div. small	1910		A & O	10	Mar. 17,'93	....	....	....
• Central div. inc	1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	110	May 13,'97	110	110	33,000
• 5's, gold	1885–1925	4,956,000	F & A	82	May 29,'97	90	80	30,000
• registered			F & A	75	May 27,'97	83	75	11,000
• eng. ctfs of deposit		5,044,000	......	91	Mar. 25,'97	....	....	....
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	90	May 27,'97	102	90	6,000
• registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	102	May 29,'96	....	....	....
• 1st c. g. 4½'s	1993	10,483,000	J & J	97½	May 14,'97	98½	97½	4,000
• 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
• "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	96¾	Mar. 10,'97	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
• coupons off		....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	108	Apr. 28,'97	....	....	....
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	120½	May 25,'97	120½	119½	24,000
• registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,378,000	J & J	115½	May 28,'97	115½	114½	14,000
Brooklyn Elevated 1st g. 6s's,	1924	465,000	A & O	76	May 28,'97	77½	76	88,000
• eng. Trust Co. ctfs		3,035,000	......	74½	May 26,'97	75½	74⅝	31,000
• 2d g. 5's	1915	123,000	J & J	43	May 20,'97	44	43	73,000
• eng. Tr. Co. ctfs		1,126,000	......	....	....	....	....	....
Seaside & Bkln Bdge 1st g. g. 5's	1942	120,000	J & J	80	Mar. 31,'96	....	....	....
• eng. Tr. Co. ctfs		1,245,000	......	....	....	....	....	....
Union Elevated 1st gtd. g. 6's	1937	936,000	M & N	76	May 27,'97	78	76	48,000
• eng. Tr. Co. ctfs		5,212,000	......	74	May 29,'97	75	74	12,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	70	May 28,'97	75¾	70	46,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	97½	May 28,'97	98	97½	9,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	126	May 20,'97	126	126	1,000
• cons. 1st 6's,	1922	3,920,000	J & D	119	Feb. 26,'97	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
• registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	108	May 27,'97	108½	106½	47,000
• con. 1st & col. tst 5's	1934	6,425,000	A & O	103	May 24,'97	103	103	2,000
• registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g,	1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
" 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	111⅛	May 26,'97	111⅛	110	111,000
" 2d mortg. 5's	1913	5,100,000	M & S	106¾	May 28,'97	106¾	106	45,000
" registered			M & S	106⅛	May 22,'97	106⅛	106⅛	2,000
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	93	Apr. 23,'97	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	113	May 26,'97	113	113	25,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,500,600	M & N	89	May 8,'97	89½	89	28,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	28	May 29,'97	28¼	28	31,000
" registered			OCT 1	....		....	....	....
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	10	Apr. 30,'97	....	....	....
" registered			OCT 1	....		....	....	....
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	5	Apr. 8,'97	....	....	....
" registered			OCT 1	....		....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	91	Apr. 20,'97	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	94⅛	May 18,'97	94⅛	94⅛	11,000
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	106⅝	Apr. 20,'97	....	....	....
" convertible 7's	1902	1,167,000	M & N	115	Mar. 22,'97	....	....	....
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	108⅛	May 29,'97	110¾	106	280,000
" registered			Q J	106	May 27,'97	109	105	56,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	92½	May 26,'97	97¾	92½	11,000
" mortgage 5's	1912	2,887,000	M & N	75½	May 20,'97	75½	75½	1,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	115⅝	May 22,'97	115⅝	114⅝	13,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	102¾	May 27,'97	103¼	102½	84,000
" ext g 5s series A B C D	1898	5,598,000	J & J	101⅛	Apr. 14,'97	....	....	....
" ext g 5's series E	1898	3,210,000	J & J	....		....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	101⅛	May 25,'97	101⅛	101⅛	5,000
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	96½	96½	10,000
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	May 29,'97	103½	102¼	79,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	88¼	May 29,'97	88¼	87½	35,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	106⅛	Mar. 1,'97	....	....	....
" 6's, g., Series A	1908	2,000,000	A & O	120	May 6,'97	120⅛	120	4,000
" Mortgage gold 6's	1911	2,000,000	A & O	120⅛	May 24,'97	120¼	119⅝	11,000
" 1st con. g. 5's	1939	23,558,000	M & N	109¾	May 28,'97	110⅛	109¼	58,000
" registered			M & N	107½	May 3,'97	107½	107½	3,000
" Gen. m. g. 4½'s	1992	21,803,000	M & S	73	May 29,'97	73¾	72¾	285,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	102	May 28,'97	102¼	101½	38,000
" 2d con. g. 4's	1989	1,000,000	J & J	92	May 14,'97	92	91½	6,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	99⅝	May 27,'97	100⅛	99½	52,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	110¼	May 13,'97	110¼	110¼	3,000
" 2d 7's	1900	300,000	M & N	107½	Oct. 7,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 26,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	104	May 29,'97	104¾	103½	10,000
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	119¼	May 28,'97	119¼	118⅝	82,000
" 5's, sinking fund	1901	2,315,000	A & O	103	May 17,'97	103	103	1,000
" 5's, debentures	1913	9,000,000	M & N	100	May 27,'97	100	98½	26,000
" convertible 5's	1903	15,263,900	M & S	102½	May 29,'97	102¾	100½	57,000
" (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	105	Apr. 23,'97	....	....	....
" 4's	1919	7,571,000	A & O	99½	May 20,'97	99½	98½	10,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
" Denver div. 4's	1922	6,141,000	F & A	95¼	May 11,'97	95⅛	94¼	4,000
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'96	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....
" Nebraska extensi'n 4's	1927	26,730,000	M & N	91	May 29,'97	92	90¾	296,000
" registered			M & N	89⅛	Feb. 10,'97	....	....	....
" Han. & St. Jos. con. 6's	1911	8,000,000	M & S	120	May 21,'97	120⅛	120⅛	3,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
" small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	126	May 21,'97	126	125	21,000
" gen. con. 1st 5's	1937	9,767,000	M & N	99⅛	May 29,'97	100	99⅛	90,000
" registered			M & N	99½	May 14,'96	99½	99½	3,000
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	98	Mar. 10,'97	....	....	....
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	105⅝	May 27,'97	105⅝	105⅛	7,000
" 2d 7 3-10 P. D.	1898	766,000	F & A	131½	May 12,'97	131½	131½	2,000
" 1st 7's $ gold, R. div.	1902	3,736,500	J&J	131¼	May 15,'97	131¼	131	2,000
" 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
" 1st m. Iowa & M. 7's	1897	383,000	J & J	131¼	Apr. 28,'97	....	....	....
" 1st m. Iowa & D. 7's	1899	421,000	J & J	132	May 26,'97	132	132	1,000
" 1st m. C. & M. 7's	1903	2,391,000	J & J	134	Apr. 8,'97	....	....	....
Chicago Mil. & St. Paul con. 7's	1905	11,297,000	J & J	134¾	May 29,'97	134¾	133	83,000
" 1st 7's, Iowa & D. ex	1908	3,505,000	J & J	135¾	May 22,'97	135¾	135	6,000
" 1st 6's, Southw'n div.	1909	4,000,000	J & J	118½	May 4,'97	119	118½	9,000
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	111⅝	Apr. 5,'97	....	....	....
" 1st So. Min. div. 6's	1910	7,432,000	J & J	119	May 25,'97	119¾	119	10,000
" 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	129½	May 18,'97	130	129	3,000
" 5's	1910	990,000	J & J	109	Mar. 22,'97	....	....	....
" Chic. & Pac. div. 6's	1910	3,000,000	J & J	121¼	May 20,'97	121¼	121	10,000
" 1st Chic. & P. W. 5's	1921	25,340,000	J & J	116½	May 28,'97	116½	115¾	104,000
" Chic. & M. R. div. 5's	1926	3,083,000	J & J	111	May 10,'97	111	111	16,000
" Mineral Point div. 5's	1910	2,840,000	J & J	108	May 21,'97	108	108	1,000
" Chic. & Lake Sup. 5's	1921	1,360,000	J & J	112	Apr. 2,'97	....	....	....
" Wis. & Min. div. 5's	1921	4,755,000	J & J	113½	May 24,'97	114½	113½	8,000
" terminal 5's	1914	4,748,000	J & J	114¼	May 25,'97	114¼	113½	23,000
" Far. & So. 6's assu.	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
" mtg. con. si'k. f'd 5's	1916	1,680,000	J & J	106½	May 4,'97	106½	106½	5,000
" Dakota & Gt. S. 5's	1916	2,856,000	J & J	112¼	May 25,'97	112½	110¾	17,000
" g. m. g. 4's, series A	1989	19,010,000	J & J	102	May 29,'97	102¼	101	91,000
" registered		....	Q J	94½	Dec. 11,'95	....	....	....
" Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	120	May 27,'97	120	120	1,000
" 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
Chic. & North Pacific 1st g. 5's	1940	25,953,000	A & O	42	May 12,'96	....	....	....
" U. S. Trust Co. eng. ctfs.			......	41½	May 29,'97	42⅞	41	281,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	144½	May 28,'97	144½	143	87,000
" coupon gold 7's	1902	12,336,000	J & D	121¼	May 17,'97	121¼	119½	40,000
" registered d. gold 7's	1902		J & D	116¼	May 27,'97	119½	116¼	38,000
" sinking fund 6's	1879-1929	5,591,000	A & O	119	Mar. 11,'97	....	....	....
" registered			A & O	117¾	Mar. 11,'97	....	....	....
" 5's	1879-1929	7,237,000	A & O	111	May 21,'97	111	109	30,000
" registered			A & O	106	Apr. 5,'97	....	....	....
" debenture 5's	1933	9,800,000	M & N	115	May 25,'97	115	112½	13,000
" registered			M & N	112½	May 7,'97	112½	112½	22,000
" 25 year deben. 5's	1909	6,000,000	M & N	108½	May 19,'97	108½	107½	55,000
" registered			M & N	104	May 15,'96	....	....	....
" 30 year deben. 5's	1921	9,800,000	A & O	110½	May 12,'97	111	101½	25,000
" registered			A & O	107	Nov. 20,'95	....	....	....
" extension 4's	1886-1926	18,632,000	F A 15	104	May 28,'97	104	103½	6,000
" registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	105	Apr. 20,'97	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,000,000	M & N	131	May 28,'97	131¼	131	8,000
" con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	114½	May 26,'97	115	114¼	8,000
" Michigan div. 1st 6's	1924	1,281,000	J & J	130	May 28,'97	130	130	1,000
" Ashland div. 1st 6's	1925	1,000,000	M & S	128	Dec. 16,'96	....	....	....
" income		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	132	May 24,'97	132	132	5,000
" 6's registered	1917		J & J	130¾	Apr. 30,'97	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
" exten. and collat. 5's	1934	40,381,000	J & J	105¼	May 29,'97	105½	104¾	164,000
" registered			J & J	103½	May 24,'97	103½	103⅛	10,000
" debenture 5's	1921	4,500,000	M & S	98	May 28,'97	98	97	51,000
" registered		....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	88½	June 12,'96	....	....	....
" 1st 2½'s	1905	1,200,000	J & J	62½	May 17,'97	62½	62½	1,000
" extension 4 s		672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	101½	May 24,'97	101½	101½	5,000
" small bond	1923	....	A & O	100	Apr. 15,'97	....	....	....
Chic., St.P., Minn.& Oma.con. 6's	1930	13,413,000	J & D	133⅛	May 29,'97	133¼	130	51,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	131	Apr. 6,'97	....	....	....
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	130½	May 22,'97	131	130½	16,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,149,000	M & N	106¼	May 15,'95	....	....	....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	117	Apr. 6,'97	....	....	....
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
" coupons off		....	......	....	....	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	108	May 28,'97	108	107½	8,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅜	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A	....	....	....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.	1917	2,000,000	......	70	May 25,'97	70	70	2,000
Clev., Cin., Chic. & St.L. gen.m. 4's	1993	5,000,000	J & D	86	May 25,'95	....	....	....
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	89	Apr. 15,'97	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	95½	May 25,'97	95¾	94	123,000
" registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89½	Apr. 15,'97	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,790,000	Q F	100¾	May 17,'97	101¾	100¾	30,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	113	Apr. 22,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	70	May 21,'97	70	70	7,000
" income 4's	1990	4,000,000	A	19	Feb. 27,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd.	1899	3,000,000	M & N	105¾	May 20,'97	105¾	105⅝	8,000
" consol mortg. 7's	1914	3,991,000	J & D	134¼	May 29,'97	134¼	134¼	1,000
" sink. fund 7's	1914		J & D	119⅜	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	127¾	May 14,'97	127¾	127	13,000
" registered			J & J	....	....	....	....	....
Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	106	May 4,'97	109	109	1,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	199	May 19,'97	99½	98	32,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	103	Apr. 14,'97	....	....	....
" registered			Q J	....	....	....	....	....
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92	....	....	....
" gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col. Midld Tr. Co. ctfs. 1st g. 6's asst.	1936	5,615,000	J & D	60	May 26,'97	61½	60	22,000
" Tr. Co. cfs. cn. g. 4's stm gtd.	1940	988,000	F & A	21	June 6,'96	....	....	....
" " assented		3,900,000	......	6½	May 27,'97	7½	6½	26,000
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	117	May 25,'97	117	116¼	94,000
" registered			M&S	....	....	....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	733,000	M & S	68½	May 5,'97	68½	68½	2,000
" J. P. M. & Co. eng certf.		7,267,000	......	66¾	May 25,'97	68	66½	42,000
" gen. mort. g. 6's	1904	2,000.000	J & D	50	May 4,'97	50	50	1,000
" gen. lien g. 4's	1996	852,000	J & J	....	....	....	....	....
" registered, $5,000			J & J	....	....	....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	144	May 29,'97	144	141½	30,000
" bonds, 7's	1900	281,000	J & J	111½	May 17,'97	112	111½	5,000
" 7's	1871–1901	4,991,000	A & O	113½	May 26,'97	113½	113½	11,000
" 1st c. gtd 7's	1915	12,151,000	J & D	145¼	May 27,'97	145½	144	65,000
" registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	138¼	May 21,'97	138¼	137¼	7,000
" const. 5's	1923	5,000,000	F & A	116½	Mar. 26,'97	....	....	....
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	143	Apr. 30,'97	....	....	....
" reg	1917		M & S	143	May 4,'96	143	143	10,000

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Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	122½	May 22,'97	122½	122½	3,000
″ registered			A & O	128½	Feb. 12,'94	....	....	....
″ 6's	1906	7,000,000	A & O	117½	May 24,'97	117½	116	8,000
″ registered			A & O	116½	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	145	May 6,'97	145	145	1,000
″ 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	3,397,000	J & J	....	....	....	....	....
Denver T'way Co. con. g. 6's	1910	730,000	A & O	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	1,219,000	J & J	....	....	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	87½	May 25,'97	88¼	87½	25,000
″ 1st mortg. g. 7's	1900	6,382,500	M & N	109⅝	May 27,'97	110¼	109⅝	39,000
″ impt. m. g. 5's	1928	8,103,500	J & D	81½	Mar. 17,'97	....	....	....
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,080,000	A & O	18	May 24,'97	18	18	32,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
″ g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	99	May 19,'97	99½	98½	25,000
″ registered			A & O	101½	July 23,'89	....	....	....
″ 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	101¾	May 24,'97	103¾	101	32,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	106⅝	Apl. 1,'97	....	....	....
″ 2d extended 5's	1919	2,149,000	M & N	117½	Mar. 23,'97	....	....	....
″ 3d extended 4½'s	1923	4,618,000	M & S	114½	May 14,'97	114½	112½	18,000
″ 4th extended 5's	1920	2,926,000	A & O	119½	May 21,'97	120	119½	17,000
″ 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
″ 1st cons gold 7's	1920	16,890,000	M & S	141½	May 27,'97	141½	141	39,000
″ 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1938	7,500,000	A & O	135	May 29,'97	135	135	2,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	137¾	Apl. 23,'97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
″ small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	106½	Apl. 12,'97	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	108¾	May 29,'97	109½	108¼	123,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	89½	May 29,'97	93⅝	88¼	1,042,000
″ ″ registered			J&J	....	....	....	....	....
″ ″ gen. lien 3-4s	1996	30,927,000	J&J	63½	May 27,'97	63½	62	97,000
″ ″ registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	111	May 21,'97	111	111	5,000
″ 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
″ Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
″ Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	114	Apl. 24,'97	....	....	....
″ 1st con. gold 5's	1939	2,100,000	M & N	80	Apl. 9,'97	....	....	....
″ Port Huron d 1st g 5's	1939	3,083,000	A & O	78	Feb. 17,'97	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
″ 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
″ 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	....	....	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	57½	May 28,'97	58¾	56½	219,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,888,000	J & J	48	May 6,'97	48	48	2,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	103	Apl. 19,'97	....	....	....
″ 2d mortgage 7's	1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
″ Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	89¼	May 29,'97	89¼	88	126,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,230,000	A & O	....	....	....	....	....
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	Feb. 13,'97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,090	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
″ 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
″ 1st g. 5's (int. gtd)	1937	7,381,000	J & J	111	May 20,'97	111	110	9,000
″ Con. g. 6's (int. gtd)	1912	3,455,000	A & O	102½	May 17,'97	102½	102½	5,000
″ Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	67	May 26,'97	68½	66	68,000

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• Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
• Deben. 4's p. & int. gtd,	1897	411,000	A & O	95	Apr. 14,'97	....	....	....
Illinois Central 1st g. 4's	1951	1,500,000	J&J	112	Apr. 23,'97	....	....	....
• registered			J&J	102½	Dec. 30,'95	....	....	....
• gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
• registered			J&J	97	Dec. 17,'95	....	....	....
• gold 4's	1952	15,000,000	A & O	102½	May 13,'97	102½	102½	2,000
• gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....
• gold 4's	1953	24,679,000	M & N	101¼	May 25,'97	102	101¼	26,000
• gold 4's registered			M & N	....		....	....	....
• 2-10 g. 4's	1904	4,806,000	J & J	99	Apr. 20,'97	....	....	....
• 2-10 g. 4's registered			J & J	....		....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered			M & S	....		....	....	....
• West'n Line 1st g. 4's,	1951	3,550,000	F & A	105½	May 24,'97	105½	103	10,000
• registered			F & A	....		....	....	....
• Cairo Bridge 4's g	1950	3,000,000	J & D	101½	Sept. 10,'95	....	....	....
• registered				....		....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100½	Aug. 17,'96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27,'96	....	....	....
• 1st consol. 7's	1897	826,000	M & N	104⅛	Mar. 4,'97	....	....	....
• gold 5's	1951	16,526,000	J D 15	123	May 10,'97	123	122½	12,000
• gold 5's, registered			J D 15	118½	Apr. 1,'97	....	....	....
• Memph. div. 1st g. 4's,	1951	3,500,000	J & D	98½	June 16,'95	....	....	....
• registered			J & D	....		....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	28½	Dec. 4,'96	....	....	....
• stamped				27	Jan. 4,'97	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	102	May 26,'97	103	102	28,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96	....	....	....
• 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	117¾	May 25,'97	118	117	42,000
• 2d mortgage 4½-5's	1909	6,593,000	M & S	75	May 29,'97	76	74½	31,000
• 3d mortgage 4's	1921	2,709,500	M & S	30	May 24,'97	31½	30	17,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	89¾	May 17,'97	90½	89¾	18,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....		....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	48	Apr. 28,'97	....	....	....
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	40	May 20,'97	40	40	4,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	117	May 25,'97	117	115	38,000
• 2d mtge. g. 5's	1941	2,600,000	J & J	101¾	May 28,'97	102½	101¾	21,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	101½	May 22,'97	102	101	9,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,755,000	A & O	104	May 28,'97	104⅛	103¾	23,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,355,000	A & O	107¼	May 13,'97	107¼	107¼	10,000
• con. co. 1st 7's	1900	14,890,000	J&J	113½	May 28,'97	113¼	112½	86,000
• con. 1st registered	1900		Q J	111½	May 28,'97	111½	110½	204,000
• con. co. 2d 7's	1903	24,692,000	J&D	123¾	May 28,'97	123¾	123	60,000
• con. 2d registered	1903		J&D	120¼	May 28,'97	123⅜	120	146,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Dec. 21,'96	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	96	May 28,'97	96	94	18,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	108	May 31,'97	109¼	108	44,000
• registered			A & O	107⅛	May 10,'97	107⅛	107⅛	30,000
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
• registered	1933		J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96	....	....	....
• registered			M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....		....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	116	May 28,'97	117	116	184,000
• registered			M&S	....		....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	103¼	May 14,'97	103¼	103¼	10,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	119	May 12,'97	119	119	5,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	88⅝	May 17,'97	88½	88⅝	4,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	83¼	May 11,'97	83¼	83¼	1,000
" g. 4's	1932	325,000	J & D					
" deb. g. 5's	1934	1,500,000	J & D					
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	100	May 25,'97	100	100	5,000
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96			
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,726,000	A & O	105¼	May 21,'97	105¼	105¼	15,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S					
" 1st 5's	1911	750,000	M & S	107½	July 16,'96			
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103½	June 17,'95			
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J					
Montauk Extens. gtd. g. 5's	1945	300,000	J & J					
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	30	May 21,'97	30	30	11,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Dec. 5,'96			
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	103⅝	May 29,'97	103¾	103¼	91,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96			
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	121½	May 28,'97	121½	120½	32,000
" 2d 6's	1930	1,000,000	J & J	108	May 27,'97	108	103	12,000
" E., Hend. & N. 1st 6's	1919	2,833,000	J & D	115	May 11,'97	115	115	1,000
" general mort. 6's	1930	10,248,000	J & D	118½	May 19,'97	118¾	118	30,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97			
" St. Louis div. 1st 6's	1921	3,500,000	M & S	118	Aug. 28,'96			
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95			
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	109½	May 28,'97	109½	109½	3,000
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96			
" 5% 50 year g. bonds	1937	1,764,000	M & N	95½	May 7,'97	95½	95½	1,000
" Unified gold 4's	1940	14,994,000	J & J	80	May 29,'97	80	79	98,000
" registered	1940		J & J	83	Feb. 27,'93			
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	95⅛	May 5,'97	95⅛	95⅛	6,000
" collateral trust g. 5's	1931	5,129,000	M & N	101	Apr. 9,'97			
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104½	Mar. 16,'97			
" N. Fla. & S. 1st. g. g. 5's	1937	2,096,000	F & A	85	Jan. 9,'97			
South & N. Ala. con. gtd. g. 5's	1936	3,678,000	F & A	91¾	May 25,'97	91¾	91¾	1,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	88	May 20,'97	88	86¾	9,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97			
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S					
Louisv'e, New Alb. & Chic. 1s 6's	1910	3,000,000	J & J	114	May 13,'97	114	114	1,000
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	81	May 28,'97	84	81	3,000
" eng. Tr. Co. ctf. gen. g. 5's	1940	2,609,000	M & N	44	May 27,'97	44	44	3,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92			
Manhattan Railway Con. 4's	1990	24,065,000	A & O	92⅞	May 28,'97	92⅞	92¼	88,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D					
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J					
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95			
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	120½	May 29,'97	120½	119½	54,000
" 2d 6's	1899	4,000,000	M & N	104½	May 19,'97	105	104½	11,000
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	67	May 3,'97	67	67	1,000
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96			
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96			
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97			
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95			
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96			
" coup. stamped								
" 2d inc. 6's "B"	1917	12,265,000	A	10	May 28,'97	10	9	30,000
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97			
" registered			J & D					
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	116⅝	May 26,'97	116½	116	57,000
" 1st con. 5's	1902	2,000,000	M & N	108	Apr. 22,'97			
" 6's	1909	1,500,000	M & S	118	May 23,'96			
" coup. 5's	1931	3,576,000	M & S	111½	July 24,'96			
" reg. 5's	1931		Q M	115	Apr. 29,'96			
" mort. 4's	1940	2,600,000	J & J	105	July 30,'96			
" mtge. 4's reg			J & J	102	Jan. 20,'96			
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	MAY SALES. High.	MAY SALES. Low.	MAY SALES. Total.
Mil. Elec. R. & Light con. 30 yr. g. 5's.1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	140	Jan. 21,'97	....	....	....
„ 1st con. g. 5's............1934	5,000,000	M & N	101⅝	May 28,'97	102	101	50,000
„ Iowa ext. 1st g. 7's......1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	....
„ Southw. ext. 1st g. 7's...1910	636,000	J & D	129	May 16,'96	....	....	....
„ Pacific ext. 1st g. 6's....1921	1,382,000	J & A	121¾	May 11,'97	121¾	121¾	8,000
Minneapolis & Pacific 1st m. 5's..1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
„ stamped 4's pay. of int. gtd.			....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.1926	3,280,000	J & J	94	Apl. 2,'95	....	....	....
„ stamped pay. of int. gtd.			89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's.1938	6,710,000	J & J	....	....	....	....	....
„ stamped pay. of int. gtd.			....	....	....	....	....
Minn. St. R'y 1st con. g. 5's......1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's.1990	39,774,000	J & D	84⅞	May 29,'97	84⅞	83¼	193,000
„ 2d mtge. g. 4's.........1990	20,000,000	F & A	59⅛	May 29,'97	59½	54¾	516,000
„ 1st ext gold 5's.. 1944	998,000	M & N	80	Jan. 30,'96	....	....	....
„ of Texas 1st gtd g. 5's 1942	2,685,000	M & S	57	May 22,'97	75	75	7,000
„ Kan. C. & P. 1st g. 4's.1990	2,500,000	F & A	66¼	May 27,'97	66¼	66¼	2,000
„ Dal. & Waco 1st g.g. 5's 1940	1,340,000	M & N	72½	May 19,'97	72½	72½	2,000
Booneville Bdg. Co. gtd. 7's... 1906	599,000	M & N	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's.1942	4,000,000	A & O	89	May 29,'97	92	88½	58,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	68	May 22,'97	70¼	68	11,000
„ 3d mortgage 7's.......1906	3,828,000	M & N	99¼	Apl. 26,'97	....	....	....
„ trusts gold 5's.........1917	14,376,000	M & S	70	Aug. 14,'96	....	....	....
„ registered...............		M & S	....	....	....	....	....
„ 1st collateral gold 5's.1920	7,000,000	F & A	42½	May 5,'97	42½	40	8,000
„ registered...............	....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	101	May 29,'97	101	100	19,000
„ 2d extended g. 5's.....1938	2,573,000	F & A	101¼	May 22,'97	102	101¼	27,000
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s...1897	4,000,000	F & A	101⅛	Apl. 15,'97	....	....	....
„ Ark'nsas b'nch ext 5's 1895	2,500,000	J & D	104⅛	May 15,'97	104⅛	103	5,000
„ Cario, Ark. & T. 1st 7's 1897	1,450,000	J & D	102½	Mar. 24,'97	....	....	....
„ g. con. R.R. & l. gr. 5's 1931	18,845,000	A & O	75	Mar. 31,'97	....	....	....
„ stamped gtd gold 5's..1931	6,945,000	A & O	70	May 28,'97	70	67½	60,000
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	....	....	....	....	....
„ small......................	226,000	J & J	....	....	....	....	....
„ inc. g. 4's...............1945	700,000	J & J	....	....	....	....	....
„ small......................	500,000	......	....	....	....	....	....
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	121	May 28,'97	121	120¼	4,000
„ 1st entension 6's......1927	974,000	J & D	112	Mar. 25,'97	....	....	....
„ gen. mortgage 4's.....1938	9,470,500	Q J	67	May 27,'97	67	66½	19,000
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's..1920	1,494,000	J & J	111	July 21,'96	....	....	....
„ 1st 7's...................1918	5,000,000	A & O	128	July 23,'95	....	....	....
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	130¾	May 24,'97	131	130	32,000
„ 2d 6's......................1901	1,000,000	J & J	101½	Apl. 14,'97	....	....	....
„ 1st cons. g. 5's...........1928	5,594,000	A & O	99½	May 27,'97	99½	99	20,000
„ 1st 6's T. & Pb...........1917	300,000	J & J	....	....	....	....	....
„ 1st 6's McM. M.W. & Al.1917	750,000	J & J	108	Mar. 24,'96	....	....	....
„ 1st g. 6's Jasper Branch.1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's..1903	30,000,000	J & J	120¼	May 29,'97	120⅝	119⅞	188,000
„ 1st registered.........1903		J & J	120¼	May 21,'97	120⅝	119¼	104,000
„ debenture 5's..........1904	10,000,000	M & S	109¾	May 25,'97	110⅝	109¾	32,000
„ debenture 5's reg..........		M & S	109¾	May 27,'97	110	109¼	26,000
„ reg. deben. 5's....1889-1904	1,000,000	M & S	107¼	Feb. 18,'97	....	....	....
„ debenture g. 4's.....1905	15,000,000	J & D	105⅝	May 4,'97	105⅝	105⅝	4,000
„ registered..........1905		J & D	104	Mar. 23,'97	....	....	....
„ deb. cert. ext. g. 4's...1905	6,450,000	M & N	108¾	May 28,'97	108¾	108	16,000
„ registered................		M & N	108⅝	May 19,'97	108⅝	108⅝	3,000
Harlem 1st mortgage 7's c.....1900	12,000,000	M & N	110¼	May 28,'97	110¼	110	70,000
„ 7's registered.........1900		M & N	110	May 19,'97	110⅛	110	69,000
N. Jersey Junc. R. R. g. 1st 4's.1986	1,650,000	F & A	103	May 7,'97	103	103	1,000
„ reg. certificates..........		F & A	....	....	....	....	....

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West Shore 1st guaranteed 4's.....	50,000,000	J & J	109	May 29,'97	109⅛	108	276,000
" registered..................		J & J	108¾	May 28,'97	109	108	186,000
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108¼	Apr. 30,'97	....	....	....
" registered		J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's..............1936	500,000	J & J	....		....	....	....
" registered	....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	....		....	....	....
" small bonds series B......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,061,000	A & O	120	May 18,'97	120	119	27,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	108	Dec. 4,'95	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's..1993	4,000,000	A & O	106	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	104⅛	May 29,'97	105	104⅛	214,000
" registered................		A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's......1905	6,000,000	J & J	121	May 27,'97	121⅝	121	19,000
" 1st 6's....................1905	4,000,000	J & J	114	May 27,'97	114	113¾	2,000
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000	15,007,500	A & O	138	May 18,'97	138	137	116,000
" small certifs............$100	1,480,000	......	130⅛	May 29,'96	....	....	....
N. Y. & Northern 1st g. 5's.......1927	1,200,000	A & O	121	May 12,'97	121⅛	121⅛	5,000
N.Y., Ontario & W'n con. 1st g. 5's1939	5,600,000	J & D	110¾	May 29,'97	111	109⅛	33,000
" Refunding 1st g. 4's.....1992	8,375,000	M & S	93¼	May 28,'97	93⅛	92⅞	92,000
" Registered ......$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	101⅛	May 27,'97	101½	101¼	6,000
" 2d mortg. 4½'s........1937	636,000	F & A	68	Sept. 30,'96	....	....	....
" gen. mtg. g. 5's........1940	2,300,000	F & A	70	May 6,'97	70	70	5,000
" term. 1st mtg. g. 5's...1943	2,000,000	M & N	105¼	May 27,'97	105¼	105	7,000
" registered..........$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	89⅞	Mar. 26,'97	....	....	....
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	117⅛	May 18,'97	117⅛	117⅛	1,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	14,924,000	J & J	117⅛	May 27,'97	117¾	117	64,000
" registered..................		J & J	117¼	May 28,'97	117½	116⅛	55,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	128	May 21,'97	128	128	2,000
" registered certificates....		Q F	122⅝	May 18,'96	....	....	....
Dul. & Man. 1st g. 6's. en Tr. Co. ctfs " 10 p c purchase price paid	1,619,000	J & J	81	Jan. 28,'87	....	....	....
N. P. Ry prior ln reg. & ld. gt. g. 4's.1997	78,816,500	Q J	88⅛	May 29,'97	88¼	86¾	1,502,000
" registered..................		Q J	88	May 19,'97	88	88	5,000
" gen. lien g. 3's..........2047	56,000,000	Q F	54⅛	May 29,'97	54⅛	51⅛	1,261,000
" registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	4,090,000	J & J	103	May 28,'97	107⅝	97¾	251,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	104	Mar. 29,'96	....	....	....
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	122	May 3,'97	122	122	3,000
" New River 1st 6's........1932	2,000,000	A & O	118	May 20,'97	118	118	6,000
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off..................	....	......	....		....	....	....
" Sci'o Val & N.E. 1st g. 4's,1989	5,000,000	J & N	80	May 20,'97	80⅛	80	21,000
" C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.1996	22,172,500	A & O	69⅝	May 28,'97	70	67⅛	85,000
" registered.........		A & O	....		....	....	....
" small bonds................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	94	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
″ inc	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	104⅝	May 28,'97	104⅞	104½	49,000
″ consolidated 7's	1898	3,066,000	J & J	104¼	Apr. 20,'97	....	....	....
″ 2d consolidated 7's	1911	2,952,000	A & O	116	Apr. 8,'97	....	....	....
″ 1st Springf'd d. 7's	1905	1,984,000	M & N	102	May 21,'97	102¾	102	31,000
″ 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¼	May 11,'97	102¼	102	9,000
″ gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	88	May 4,'97	88	88	5,000
″ gen. mortg. g 4's	1921	1,543,000	M & N	10	Mar. 10,'97	....	....	....
″ gen. eng. Trust Co. certs.		1,255,000	......	8½	May 10,'97	8½	8½	5,000
Omaha & St. Lo. Tr Co. cts. 1st 4's.	1937	2,717,000	......	52	May 28,'97	52	52	1,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	71½	Sept. 17,'96	....	....	....
Oregon Improvement Co. 1st 6's.	1910	743,000	J & D	89	Mar. 19,'97	....	....	....
″ eng. Tr. Co. ctfs. of dep.		3,328.000	......	87½	May 28,'97	89	87½	3,000
″ con. mortg. g 5's	1939	2,633,000	A & O	15⅛	May 14,'97	15⅛	15⅛	5,000
″ Trust Co. reor cts 1st ins pd		3,916,000	......	19½	Mar. 15,'97	....	....	....
Oregon Ry. & Nav. 1st s. f. g. 6's.	1909	4,451,000	J & J	112½	May 14,'97	113	112½	21,000
Oregon R. R. & Nav. Co. con. g 4's.	1946	15,174,000	J & D	86	May 29,'97	86	82¼	255,000
Paducah, Tenn. & Ala. 1st 5's	1920	....	......	....	....	....	....	....
″ Issue of 1890		1,815,000	J & J	....	....	....	....	....
″ Issue of 1892		617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's	1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	113½	May 27,'97	113½	112¼	27,000
″ reg	1921		J & J	111½	May 17,'97	111½	111½	1,000
Pitts., C. C. & St. Louis con. g 4½'s								
″ Series A	1940	10,000,000	A & O	108¼	Apr. 28,'97	....	....	....
″ Series B	1942	10,000,000	A & O	110	May 28,'97	110	110	3,000
″ Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
″ Series D gtd. 4's	1945	4,863,000	M & N	102	Apr. 20,'97	....	....	....
Pitts., C. & St. Louis 1st c. 7's.	1900	6,863,000	F & A	110½	May 14,'97	110½	110½	5,000
″ 1st reg. 7's	1900		F & A	109¼	Apr. 23,'97	....	....	....
Pitts., Ft. Wayne & C. 1st 7's.	1912	2,917,000	J & J	138½	Apr. 19,'97	....	....	....
″ 2d 7's	1912	2,546,000	J & J	136½	May 26,'97	136½	136½	1,000
″ 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's.	1932	1,506,000	A & O	113	May 14,'96	113	113	1,000
″ registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's.	1900	1,505,000	M & N	113¼	Apr. 14,'97	....	....	....
″ Series A	1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
″ 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	Apr. 23,'96	....	....	....
″ 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,029,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's.	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	May 12,'97	108½	108½	10,000
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
″ registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	113¼	Apr. 23,'97		....	....
Del. R. RR. & BgeCo 1stgtdg. 4's,	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's.	1920	1,287,000	J & J	92	May 28,'97	100¼	92	18,000
″ Evansville div. 1st 6's.	1920	1,470,000	M & S	93½	May 27,'97	94½	92¼	17,000
″ Tr. Co. ctfs. 2d mort 5's.	1926	1,778,000	M & N	11	May 24,'97	12	10	19,000
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
″ 2d m 4½'s	1921	1,499,000	M & N	79½	May 21,'97	79½	79½	3,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's. Paid	Last Sale. Price	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Pine Creek Railway 6's	1932	8,500,000	J & D	123½	Oct. 26,'93			
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	106½	Apr. 5,'93			
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96			
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93			
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89			
• 2d g. 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95¼	Apr. 2,'95			
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	103½	May 27,'97	103½	100¼	104,000
• 1st cons. 5's	1943	786,000	J & J	83½	June 5,'96			
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	68	May 21,'97	70⅛	68	16,000
• Mort. g. 5's	1891-1941	3,500,000	M & N	83⅛	Mar. 1,'97			
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N					
Reading Co. gen. g. 4's	1997	87,500,000	J & J	81⅜	May 29,'97	81⅜	80¼	744,000
• registered			J & J					
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	73¼	May 28,'97	73⅛	72⅛	233,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96			
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97			
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J					
St. Jo. & Gr. Isl. Tr. Co. cfts. 1st 6's	1925	6,735,000	M & N	54	May 29,'97	54⅛	52	57,000
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	104⅛	Apr. 28,'97			
• registered			J & D					
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96			
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	102	Dec. 22,'96			
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96			
• 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91			
• 1st con. 5's	1939	399,000	M & S					
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S					
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	112½	May 25,'97	112½	112½	1,000
• 2d g. 6's, Class B	1906	2,766,500	M & N	113½	May 27,'97	113½	112	15,000
• 2d g. 6's, Class C	1906	2,400,000	M & N	113¼	May 26,'97	113¼	111¾	17,000
• 1st g. 6's P. C. & O.	1919	1,036,000	F & A	118	May 23,'92			
• gen. g. 6's	1931	7,807,000	J & J	113¾	May 29,'97	113¼	111	89,000
• gen. g. 5's	1931	12,293,000	J & J	99	May 28,'97	99	96¼	102,000
• 1st Trust g. 5's	1987	1,099,000	A & O	89½	May 26,'97	90	86	11,000
Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	110	Mar. 30,'96			
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	100	Jan. 19,'95			
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D					
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	66⅞	May 28,'97	67⅛	63½	162,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	65	May 21,'97	65⅝	64½	51,000
• 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	21	May 17,'97	22	21	9,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97			
• gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96			
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94			
• 2d 5's	1917	2,000 000	A & O	102½	May 28,'97	102½	102	8.000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	121	May 21,'97	121	120½	17,000
• Dakota ext'n 6's	1910	5,676,000	M & N	119¾	May 11,'97	119¾	119¼	6,000
• 1st con. 6's	1933	13,344,000	J & J	127½	May 29,'97	127½	126¾	9,000
• 1st con. 6's, registered			J & J	120	Aug. 19,'95			
• 1st c. 6's, red'd to 4½'s		21,248,000	J & J	106⅝	May 29,'97	106⅝	106⅜	104,000
• 1st cons. 6's register'd			J & J	105	Nov. 4,'95			
• Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	94½	May 24,'97	94½	92⅝	12,000
• registered			J & D	89½	Apr. 23,'97			
Minneapolis Union 1st 6's	1922	2,150,000	J & J	124	July 31,'96			
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	120	May 28,'97	120	119	7,000
• 1st 6's, registered			J & J	115	Apr. 24,'97			
• 1st g. g. 5's	1937	2,700,000	J & J	107½	May 21,'97	107½	106	6,000
• registered			J & J					
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	107¾	May 27,'97	107¾	107¾	3,000
• registered			A & O					
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	108	May 22,'97	108	107¾	7,000
• registered			J & J					
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	57¾	May 28,'97	57⅞	56⅞	263,000
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	100	Mar. 17,'96			
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	114	July 24,'95			

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low	May Sales. Total.
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
" assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	91	May 29,'97	91¼	90	228,000
South'n Pac. of Ariz. 1st 6's 1909–1910	10,000,000	J & J	94	May 22,'97	96¼	94	35,000
South. Pac. of Cal. 1st g 6's...1905-12	30,577,500	A & O	106	May 6,'97	106	106	2,000
" 1st con. gtd. g 5's.....1937	18,402,000	M & N	88½	May 29,'97	89	86	124,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	84¾	May 29,'97	84¾	84¼	114,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's...1911	4,180,000	J & J	106	May 28,'97	106	104¾	120,000
Southern Railway 1st con. g 5's.1994	26,962,000	J & J	90⅝	May 29,'97	90⅝	88¾	358,000
" registered.................		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	86	May 8,'97	86	86	10,000
" registered.................		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	109¼	Feb. 3,'97	....	....	....
Atl. & Char. Air Line, income..1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's...1900	8,123,000	J & J	110	May 25,'97	110	109⅝	25,000
" divisional g 5's........1930	3,106,000	J & J	114	May 7,'97	114	114	8,000
" con. 1st g 5's..........1956	12,770,000	M & N	107⅛	May 27,'97	107¾	107⅝	173,000
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	116	May 14,'97	116	115¼	4,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	115	May 28,'97	115	114	3,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	123	May 12,'97	123	122	12,000
" equip. sink. f'd g 5's, 1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped......1927	3,368,000	A & O	98¼	May 26,'97	98¼	97	4,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. B 6's..............1911	1,900,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. C 6's..............1916	1,100,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. D 4-5's............1921	950,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. E 5's..............1926	1,775,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. F 5's..............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	100	May 20,'97	100	100	13,000
" gen. 5's. gtd. stamped.1926	2,466,000	M & N	100	May 19,'97	100	99½	16,000
W. O. & W. 1st cy. gtd. 4's.....1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	114¼	May 13,'97	114⅝	114¼	15,000
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's...1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	109½	Mar. 1,'97	....	....	....
" 1st con. g. 5's.....1894-1944	4,500,000	F & A	107¼	May 20,'97	107¼	106¾	13,000
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	108⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105⅜	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
" Sabine d. 1st 6's.........1912	2,575,000	M & S	106	May 17,'96	106	106	2,000
" con. m. g 5's............1943	1,620,000	F & A	96	May 28,'97	96	95¼	113,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's..............2000	21,049,000	J & D	89¾	May 28,'97	89⅞	88¾	480,000
" 2d gold income, 5's.....2000	23,227,000	MAR.	21¾	May 29,'97	22	20	554,000
Third Avenue 1st g 5's..........1937	5,000,000	J & J	123	May 22,'97	123	123	11,000
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	108⅛	May 26,'97	108⅛	108⅛	7,000
" 1st M. g 5's West. div...1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's.... 1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's.1990	2,340,000	A & O	75	May 8,'97	75	75	2,000
Toledo, Peoria & W. 1st g 4's....1917	4,[illegible]00,000	J & D	60	May 13,'97	60	60	2,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's.1916	8,234,000	M & N	72	May 26,'97	72	66½	165,000
Ulster & Delaware 1st c. g 5's....1928	1,852,000	J & D	102¼	May 21,'97	102¼	100	14,000
Union Pacific 1st g. 6's............1896	11,604,000	J & J	103¼	May 19,'97	103¼	102⅝	24,000
" g. 6's...................1897		J & J	108	May 18,'97	108	102½	51,000
" g. 6's...................1898		J & J	103¼	May 19,'97	108¼	102¾	11,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
" g. 6's....................1899	15,685,000	J & J	103¼	May 5,'97	103¼	103¼	1,000
" g. 6's Tr.Co.cfs.ex mat cps 1896....................		......	103½	May 27,'97	103⅞	102½	20,000
" g.6's Tr.Co. cfs.ex mat cps 1897....................		......	102	May 3,'97	102	102	3,000
" g.6's Tr.Co. cfs. ex mat cps 1898....................		......	103½	May 27,'97	103½	102½	14,000
" g. 6's Tr.Co. cfs.ex mat cps 1899....................		......	103⅞	May 20,'97	104½	102½	6,000
" collat. trust 6's............	3,983,000	J & J	101	May 27,'97	101⅝	100	71,000
" 5's....................1907	4,970,000	J & D	72	May 3,'97	72	72	1,000
" g 4½'s..................1918	2,000,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs.......		......	50	Jan. 23,'97	....	....	....
" gold notes 6's stampd,1894	8,150,000	F & A	101⅝	May 1,'97	101⅝	101⅝	5,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's.1899	1,891,000	M & S	88	May 20,'97	88	88	2,000
Kansas Pacific 1st 6's...........1895	1,436,000	F & A	110	May 27,'97	110¼	110	23,000
" eng.Tr.Co. cfs. ex mat cps	805,000	......	101½	Mar. 9,'97	....	....	....
" 1st 6's..................1896	1,990,000	J & D	114½	May 25,'97	114½	114	20,000
" eng.Tr.Co. cfs. ex mat cps	2,073,000	......	100	May 26,'97	100	100	2,000
" Denver div. assd. 6's..1899	2,886,000	M & N	117⅞	May 27,'97	117⅞	117½	53,000
" eng.Tr.Co. cfs. ex mat cps	3,051,000	......	102½	May 4,'97	102½	102½	10,000
" Tr.Co. ctfs. 1st con. 6's 1919	11,474,000	......	69	May 26,'97	72	68	130,000
Cent. Br. Un. Pac. f'd cpns 7's.1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's.......1905	4,070,000	Q F	25	Apr. 12,'97	....	....	....
U. P., Lin. & Colo. 1st gtd g. 5's.1918	4,480,000	A & O	19¼	May 28,'97	19⅝	19⅛	14,000
" Den.&Gulf 1st c. g.5's.1939	15,801,000	J & D	84⅝	May 28,'97	85	84	72,000
Or.S.L.&U.N.Tr.Co.cts 1st cn.g.1919	10,792,000	A & O	74½	May 26,'97	75	74½	53,000
" assented....................	....	......	....	....	....	....	....
Oregon Short Line 1st 6's.......1922	8,538,000	F & A	118	May 21,'97	118	117½	52,000
" Trust Co. ctfs of dep.....	11,893,000	......	117⅝	May 27,'97	117⅝	115¾	160,000
Utah & Nor'n R'y 1st mtg 7's..1908	1,031,000	J & J	118	Mar. 3,'97	....	....	....
" gold 5's................1926	1,877,000	J & J	102	May 24,'94	102	102	2,000
Utah So'n Tr.Co.cts.gen.mg 7's.1909	1,495,000	J & J	75	Apr. 12,'97	....	....	....
" Tr.Co. ctfs.ext. 1st 7's.1909	1,924,000	J & J	74⅛	May 26,'97	74⅛	74⅛	7,000
Wabash R.R. Co., 1st gold 5's....1939	31,664,000	M & N	101½	May 29,'97	102½	101½	275,000
" 2d mortgage gold 5's..1939	14,000,000	F & A	64½	May 28,'97	65½	64½	74,000
" deben. mtg series A..1939	3,500,000	J & J	....	....	....	....	....
" series B................1939	26,740,000	J & J	21	May 26,'97	21	19½	11,000
" 1st g.5's Det.& Chi.ex.1940	3,500,000	J & J	92¼	May 7,'97	92½	90	10,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's..................1908	1,000,000	A & O	108½	Mar. 6,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's..1937	10,000,000	J & J	108	May 27,'97	108	107	8,000
" gen g. 2-3-4's............1943	10,000,000	A & O	43	May 6,'97	43	43	7,000
" inc. 5's..... 1943	10,000,000	Nov.	9⅛	May 17,'97	9⅛	9	12,000
West Va. Cent'l & Pac. 1st g. 6's.1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's....1926	3,000,000	A & O	91½	May 28,'97	91⅝	91½	28,000
" Wheeling div. 1st g. 5's.1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
" exten. and imp. g. 5's...1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's....1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's 1937	1,987,000	J & J	31¾	Apr. 13,'97	....	....	....
" eng. Trust Co. certificates.	10,013,000	......	30½	May 29,'97	30½	28	119,000
" income mortgage 5's...1937	7,775,000	A & O	5	Mar. 26,'97	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

Name. Principal Due.	Amount.	Int'st Paid.	Year 1897. High.	Year 1897. Low.	May Sales. High.	May Sales. Low.	May Sales. Total.
United States 2's registered.........Opt'l	25,364,500	Q M	....	....	....	....	......
" 4's registered..............1907	559,634,000	J A J&O	112	110⅝	111	110¾	86,000
" 4's coupon..................1907		J A J&O	113½	111⅛	112⅝	112	211,000
" 4's registered..............1925	162,315,400	Q F	123⅝	120¼	123¼	122¾	33,000
" 4's coupon..................1925		Q F	124½	120½	123¼	122½	533,000
" 5's registered..............1904	100,000,000	Q F	114¼	113	113¼	113	23,000
" 5's coupon..................1904		Q F	114⅝	113	113¼	113	153,000
" 6's currency..................1898	29,904,952	J & J	103½	103⅛	....	....	......
" " 1899	14,004,560	J & J	107¾	106½	....	....	......
" 4's reg. cer. ind. (Cherokee)1898	1,660,000	MAR	....	....	....	....	......
" " 1899	1,660,000	MAR	106⅝	106⅝	....	....	......

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MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
American Cotton Oil deb. g. 8's..1900	3,068,000	Q F	106¼	May 12,'97	106⅝	106	8,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	2,000,000	M & S	75	May 28,'97	76	73	63,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	....		....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's.1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union GasCo.1stcon.g.5's.1945	12,836,000	M & M	111¾	May 29,'97	112	109¾	391,000
B'klyn Wharf & Wh. Co. 1st g. 5's.1945	17,500,000	F & A	96⅝	May 28,'97	97⅛	94	124,000
Chic. Gas Lt & Coke 1st gtd g. 5's.1937	10,000,000	J & J	98½	May 29,'97	99	97¼	76,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's..1900	2,954,000	F & A	92	May 28,'97	93	92	10,000
Colo. C'l & I'n Devel.Co. gtd g.5's.1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off..................	....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's..........1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..1943	2,021,000	F & A	80	May 27,'96	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	12,500,000	Q & J	103	May 28,'97	103	98	118,000
" registered....................		Q & J	....		....	....	....
Con'rs Gas Co. Chic. 1st g. 5's....1936	4,346,000	J & D	93½	May 28,'97	93½	90¾	44,000
Detroit Gas Co. 1st con. g. 5's....1918	2,000,000	F & A	78	May 29,'97	78	72	161,000
Edison Elec. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	112½	May 28,'97	112½	111	46,000
" 1st con. g. 5's............1995	2,156,000	J & J	113	May 27,'97	113	111¾	26,000
" Brooklyn 1st g. 5's......1940	1,250,000	A & O	110½	Feb. 4,'97	....	....	....
" registered..................		A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.....							
" 1st con. g. 5's...........1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's.1905	2,000,000	J & J	102	May 21,'97	102	101	11,000
Erie Teleg. & Tel. col. tr. g s fd 5's.1926	1,000,000	J & J	....		....	....	....
General Electric Co. deb. g.5's...1922	8,000,000	J & D	98	May 21,'97	98	96½	48,000
Grand Riv. Coal & Coke 1st g. 6's.1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st							
" g. 5's....................1915	1,225,000	F & A	92½	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's...........1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.							
" 1st g. 5's.................1926	1,975,000	J & D	107	May 27,'97	107	107	1,000
" 2d g. 5's.................1926	1,000,000	J & D	80	May 4,'97	80	80	9,000
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	97	May 27,'97	97	94¼	141,000
" small bonds.................			97½	Nov. 1,'96	....	....	....
Madison Sq. Garden 1st g. 5's....1919	1,250,000	M & N	....		....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
" registered.....................		M & N					
Mich. Penins. Car Co. 1st g 5's...1942	2,000,000	M & S	89½	Oct. 23,'96	....	....	....
Mutual Union Tel. Skg. F. 6's....1911	1,957,000	M & N	112	Apl. 5,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's...1920	8,837,000	J & J	101	Apl. 19,'97	....	....	....
Newport News Shipbuilding &	2,000,000	J & J	94	May 21,'94	....	....	....
Dry Dock 5's.............1890-1990		......	....		....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.1904	2,100,000	M & N	111½	Mar. 26,'97	....	....	....
" 2d 6's......................1904	2,500,000	J & D	108½	May 29,'97	108½	108	7,000
" 1st con. g 6's.............1943	4,900,000	A & O	105½	May 25,'97	105½	103	19,000
Peoria Water Co. g 6's......1889-1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's....1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 15t g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued*.

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	3,000,000	F & A	67⅞	May 29,'97	70	66⅛	110,000
" " inc. g. 5's.1946	7,500,000	......	16⅛	May 27,'97	18	16⅛	19,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,299,000	A & O	80	May 20,'97	80	80	2,000
{ " Bir. div. 1st con. 6's...1917	8,490,000	J & J	80	May 18,'97	83⅛	80	4,000
{ Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's...1910	2,434,000	F & A	80⅛	Apr. 29,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	111⅝	May 29,'97	111⅛	110	81,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Gar. Co. col. tr. g. 5's...1933	3,805,000	M & N	....	....	....	....	....
Western Union deb. 7's.....1875-1900	} 3,680,000	M & N	110	Apr. 10,'96	....	....	....
" 7's, registered..........1900	}	M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's......1884-1900	} 1,000,000	M & N	105	May 8,'96	105	105	1,000
" registered....................	}	M & N	105	May 10,'97	105	105	2,000
" col. trust cur. 5's.......1938	8,463,000	J & J	108	May 24,'97	108	107⅛	41,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

The Supply of Money in the United States.

The stock of money in the United States decreased $6,500,000 last month. The loss is mainly in gold, in which there is a reduction of $6,000,000. There is also a decrease in National bank notes of $1,000,000 while the changes in the other classes of money were trifling. The following statement shows the amount of each kind of money in the United States on the dates mentioned:

	Jan. 1, 1897.	*Apr. 1, 1897.*	*May 1, 1897.*	*June 1, 1897.*
Gold coin..................................	$638,381,827	$669,114,266	$675,296,428	$675,389,655
Gold bullion..............................	54,565,385	37,254,294	32,786,057	26,539,659
Silver dollars............................	443,166,391	447,718,641	449,118,641	450,518,641
Silver bullion............................	110,815,247	107,862,462	106,990,150	106,042,492
Subsidiary silver.......................	76,317,752	76,220,921	76,341,471	76,517,908
United States notes....................	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes....................	235,663,118	233,795,141	232,887,964	231,875,841
Total....................................	$1,905,590,736	$1,918,646,741	$1,920,103,747	$1,913,565,212

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

Coinage of the United States Mints.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January....................................	$12,914,600	$65,000	$7,803,420	$1,964,800
February..................................	1,240,000	1,500,000	10,152,000	1,519,794
March......................................	1,540,555	1,683,531	13,770,900	1,617,654
April..	1,500,000	1,831,000	8,800,400	1,535,000
May..	2,857,200	1,826,490	4,489,950	1,600,000
June...	2,471,217	1,950,693		
July..	2,918,200	1,092,000		
August......................................	3,315,000	2,686,000		
September................................	3,140,923	2,754,185		
October....................................	5,727,500	2,844,010		
November..................................	5,064,700	2,305,022		
December..................................	4,363,165	2,551,968		
Year..	$47,052,561	$23,089,899	$45,016,670	$8,237,248

BANKERS' OBITUARY RECORD.

Baker.—William K. Baker, President of the Chapin National Bank, Springfield, Mass., and one of the most prominent men of that city, died May 18.

Brough.—C. Brough, Manager of the Bank of Montreal, Toronto, Canada, died May 10, aged sixty years. He was an expert financier.

Escandon.—Don Antonio Escandon, Vice-President and Acting President of the National Bank of Mexico, died May 21, of pneumonia at his home in Mexico City. Mr. Escandon was seventy-five years of age. He was a Spaniard and went to Mexico when quite young. He quickly acquired considerable wealth by his industry and close application to business. He leaves a fortune estimated at from $6,000,000 to $8,000,000.

Fay.—Wm. H. Fay, for the past twelve years President of the First National Bank, Marlboro, Mass., died May 12, aged seventy-six years.

Gilmore.—H. B. Gilmore, Cashier of the People's Savings Bank, Jackson, Tenn., and a prominent young business man, died May 25.

Goodwin.—William H. Goodwin, President of the Eliot National Bank, Boston, while walking near his residence, on May 13, was struck by a falling bough and fatally injured, his death occurring within twenty minutes after the accident. Mr. Goodwin was seventy-four years of age, and had been President of the Eliot National Bank for twenty-five years.

Harsh.—George Harsh, Vice-President of the First National Bank, Massillon, Ohio, a citizen of wealth, and also prominent in the politics of his State, died May 5.

Hunter.—James C. Hunter, one of the founders of the American Exchange Bank, Duluth, Minn., died May 13, aged sixty-seven years.

Lawrence.—Charles F. Lawrence, until about five years ago a member of the banking firm of Lawrence, Frazier & Co., New York city, died May 12. Mr. Lawrence was born in Massachusetts fifty-five years ago.

Mather.—Roland Mather, who was formerly prominently identified with banks in Hartford, Conn., and a member of a distinguished New England family, died May 10, aged about eighty-six years.

Molson.—J. H. R. Molson, President of the Molsons Bank, Montreal, died May 28.

Nelson.—Nathan W. Nelson, President of the Metropolitan Bank, Richmond, Va., died by his own hand, May 8. He had been in very poor health for a long time. He was seventy-seven years of age at the time of his death. Mr. Nelson was a successful merchant, and had amassed considerable wealth, which he used in building up business and banking enterprises.

Noecker.—William Noecker, President of the First National Bank, Monticello, Ill., died May 4.

Rice.—Isaac Rice, President of the First National Bank, Oregon, Ill., since 1879, died May 3, aged seventy-one years.

Robinson.—W. R. Robinson, President of the National Bank of Lancaster, Ky., died recently.

Salter.—Robert B. Salter, Cashier of the Sixth National Bank, Philadelphia, died recently.

Todd.—George C. Todd, Cashier of the Dobbs Ferry (N. Y.) Bank, died May 22, aged forty years.

Van Inwegen.—Eli Van Inwegen, Vice-President of the First National Bank, Port Jervis, N. Y., from 1874 until his recent retirement from active business, died May 7. Mr. Van Inwegen was born at Huguenot, N. Y., April 23, 1816. He was long and prominently identified with banking and local politics, and was a man of the highest integrity. His son, Charles F. Van Inwegen, is now President of the First National Bank of Port Jervis.

Wales.—W. H. Wales, Cashier of the Merchants and Mechanics' Savings Bank, Norfolk, Va., for about twenty years, died May 21.

Wheelock.—A. D. Wheelock, President of the Nassau Trust Co., Brooklyn, N. Y., died June 6. Mr. Wheelock was born in Massachusetts seventy-four years ago.

Whitney.—E. C. Whitney, Cashier of the Lincoln National Bank, of Boston, died June 3, aged sixty years.

Wilson.—William H. Wilson, for twenty-six years Cashier of the West End Savings Bank, Pittsburg, Pa., died May 4, in his sixty-ninth year. He had been long identified with banking interests, and was highly respected.

Woodruff.—Russell C. Woodruff, Cashier of the Prescott (Arizona) National Bank, died May 24, aged thirty-eight years. Mr. Woodruff was formerly engaged in banking at Detroit, Mich.