THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JANUARY, 1870.

GOLD BELOW 120.

It is not difficult to understand how the steady decline in gold from 135 to below 120 should have excited more interest than is usually felt in the fluctuations of the premium. In the first place, the change involves an appreciation in the gold value of the currency from 74 cents on the dollar to 83⅓ cents, which calls for a very important modification of prices generally; and, in the next place, it brings us much nearer to that stage of decline at which public opinion would materially incline toward preparations for a return to the specie basis. It is, therefore, most important to appreciate correctly the uses of this decline and the probabilities as to its permanence.

For several months past, we have seen a decline in thepublic expenditures and an increase of the revenues. This surplus of income has been devoted to the purchase of the Government obligations; so that, within the nine months end-ing with the present year, $90,000,000 of six per cent bonds have been taken into the Treasury. In making these purchases, a large amount of Government gold has been placed upon the market; and yet so ample has been the coin revenue that the sales have not reduced the surplus in the Treasury below the average amount. This great fiscal achievement, accomplished without any special effort and from revenues which the country has yielded without complaint, is such a conc[redacted]he Government to li[redacted]al improvement in the public credit; which, so far as it affects the value of United States notes, implies a decline in the premium of gold. These operations o the Treasury were, for some time, prevented from having their due effect upon the premium by speculative obstructions. There were those who had no faith in the wholesome tendency of Secretary Boutwell's policy, but, on the contrary, regarded it as affording an occasion for speculation in favor of a higher premium. The result of their operations was exposed in the panic of September 24; since which period, speculation having been too feeble to affect the market in either direction, the premium has been free to take its natural course; during this interim, however, the effects which had been previously postponed by artificial operations have found expression, as well as those resulting from a continuance of the Treasury policy. Here, then, we have one prominent cause of the decline in the premium.

The improvement in the public credit has naturally augmented the demand for our securities abroad; and, within the present month, this demand has been further stimulated by the favorable reception in Europe of the President's message and the report of the Secretary of the Treasury, and especially the allusions in those documents to the refunding of the debt at a lower rate of interest—recommendations which, perhaps, have commanded even more confidence abroad than at home. The export o securities from these causes may not have been so large as to augment the shipments beyond the average of former years; but as the bonds have gone out at higher prices they have made a very large amount of exchange. Nor is it to be overlooked that the extension of railroad enterprises in the South and West has been attended with the exportation of an important amount of mortgage bonds, which have been extensively taken in Germany and England; and so far as these securities have been exported, they have tended to keep the foreign exchanges easy, to limit the outflow of the precious metals, and consequently to depress the premium on gold, which always advances as coin is exported, and *vice versa.*

The course of our foreign commerce, taken in connection with these movements in securities, has also favored a decline in the premium. Ever since the close of the war, one of the principal causes sustaining the premium has been the fact that our exports of produce and specie combined have been from $60,000,000 to $100,000,000 below our imports and interest obligations to Europe; exposing us to an exhaustive drain of gold, in the contingency of Europe being unwilling to accept a settlement of the balance in securities. The continuance of the foreign demand for bonds having been always felt to be an uncertain contingency, and the extent of those remittances for any given period having been difficult of estimate, the seasons of the export of specie have always been attended with speculation for an advance in the premium. The improvement in the public credit, however, diminishes the liability to a sudden cessation of the foreign demand for securities and lessens the danger of their sudden return home; and, so far, mitigates the sensitiveness connected with the foreign exchanges. But beyond this, we have, within the last half year, been able to accomplish a much more conservative adjustment between the imports and the exports. The best possible indication of the improving condition of home industry has been afforded by the abundance of the crops having given us a large increase in the exportable surplus of produce. As an indication of the increase in the exports of Western and Northern produce, we present the following statement of the shipments from New York from June 22 to December 14, compared with the same period of last year:

June 22 to December 14, 1869	$106,104,000
Same period, 1868	76,576,000
Increase	$29,528,000

We thus have an increase in the produce exports, at this port alone, of $29,528,000 for twenty-five weeks. Considering that the exports are entered in currency value, and that gold has ruled lower during these months than at the same period last year, the difference in gold value is greater than appears from these figures. While there has been this large increase in the value of our exports, there has been a gain in the imports of merchandise, from June 26 to December 11, of only $6,000,000. So much for the trade movement at this port. How it may have been at other ports we have no means of ascertaining definitely. Usually, New York is a fair criterion of the movement for the whole country. The cotton exports have largely exceeded those of last year, and have realized a handsome value in gold. From September 1 to December 10, the total shipments, from all ports, were 495,000 bales, against 389,000 bales for the corresponding period of last year; which argues a large increase in the exports at the Southern ports.

From this survey it will be seen that the foreign movement in bonds and the foreign commerce of the country have combined to lessen the occasion for the shipment of specie; which circumstance accounts for the unusual lightness of the exports of the precious metals during this year. From January 1 to December 18 the export of specie from this port amounted to only $31,199,000, against $69,988,000 for the same period of last year, and $59,627,000 upon an average for the three last years. It is thus apparent that, this year, we have retained at home an unusually large proportion of our annual product of the precious metals. The evidence of this accumulation is apparent in the fact that, while a considerable amount of coin has been distributed at the South, and while California has sent East less of its product than usual, yet the private coin on deposit in the Treasury was $36,862,000 on December 1, against $23,200,000 at the same period of last year and $18,400,000 in 1867, while the specie in the Associated Banks on December 18 was $30,068,000, against $18,643,000 on December 19, 1868. The pressure of this large supply on the market will be augmented by the payment of about $32,-000,000 of coin, interest on the public debt, due January 1, the prepayment of which commences on the 24th inst. According to Washington advices, there was, at the beginning of this week, $38,000,000 of private coin on deposit in the Treasury; adding to this the amount to be received on January interest, and say $10,000,000 for coin in banks and in private safes of bankers and dealers, and we have a grand total of $80,000,000 of coin at present upon or within control of the market. Can it be considered unnatural that, with such an enormous supply pressing upon the market, bearing no interest, but being carried at a heavy cost —a supply equal to that held by all the banks of the country at some periods immediately before the war—the price of gold should steadily sink to 120?

As to the future course of the premium, while we decline prophetic functions, there are yet some circumstances affecting the question which may be estimated with approximate accuracy. There is too much uncertainty as to what may be accomplished toward immediately reducing the interest on the six per cent debt, to allow of that element being taken into account. In financial circles, the early adoption of any really practical measure of that character is not generally expected; if, therefore, the effort should fail, the failure would not be likely to produce any material reaction in the premium; while, if it should succeed, the effect might appear in a further decline. The same general view may be taken relative to the question of specie payments. As to our ability to continue remittances of bonds to Europe, in part payment for our imports, it would seem probable that the steady improvement in the public credit would favor such a movement; and it may be stated that the very general opinion of our foreign bankers inclines decidedly to that view. There are some conditions connected with our foreign commerce which admit of reasonable estimate. We hold ample stocks of Western and Northern produce, from which we may anticipate a continuous gain in our exports. The exportable surplus of the cotton crop is likely to realize a higher value, in gold, than on any former year in our history. Taking, for the sake of estimate, the moderate expectation of a total crop of 2,500,000 bales, and supposing that, of this amount, we export, within the cotton year, 1,500,000 bales, the remainder being retained for consumption and stock. Upon anticipations of this extent of supply, Liverpool estimates generally agree in fixing the average price of cotton at 11d. to 12d. per pound. This range of prices would realize about $115 in gold per bale; which would give about $170,000,000 in gold as the value of our cotton exports from Sept. 1, 1869, to Sept. 1, 1870. If the cotton crop should exceed these figures, the price might rule proportionately lower; but as the quantity exported would be correspondingly increased, the aggregate value would be about the same as upon a crop of 2,500,000 bales. It is not easy to over-estimate the importance of this enormous export in its bearings upon the foreign exchanges. For the fiscal year 1868–9, the value of our cotton exports, according to the returns of the Bureau of Statistics, was $162,000,000 in currency, and in 1867–8 only $152,000,000. It would thus appear that the cotton exports are likely to realize somewhere near $50,000,000 in gold more than the average of the two last years. What may be the course of the import trade, it is difficult to estimate. On the one hand, it would seem reasonable to expect that the fall in gold, by reducing the price of imported goods, would be likely to tempt importers into increased purchases; and yet, on the other, the fact that the past season has not been a profitable one is discouraging to a large importation.

Having laid before our readers an impartial statement of the main facts and probabilities affecting the premium, we leave them to act as the jurors.

THE FUNDING BILL AND THE PRICE OF FIVE-TWENTIES.

It was reported yesterday in Wall street that the funding scheme proposed by Mr. Secretary Boutwell is not likely to find favor with Congress, and that there is no prospect whatever that any such measure will be passed during the current session. If this is so, we hope that the agitation on this subject will be arrested, for there is no doubt that the quota- tions for government securities have been seriously injured by the uncertainty as to whether the outstanding bonds will be called in under the five years' option. If there was a certainty that the five twenties would not be paid off before maturity, they would certainly be worth more, and would probably command more in the market, than even the highest figures at which they have ever sold at the Stock Exchange. We have often pointed out the difficulties which must impede the refunding of the debt at 4 per cent, and the impossibility of so disposing of it while the 6 per cent debt is below par. When once our debt is freed, however, from the mischievous depression which keeps down its quotations on the Stock Exchange and allows its intrinsic value to rule its price without the disturbing element of uncertainty, we shall have advanced one step nearer to the success of the scheme, which is certain one day of accomplishment, when our whole debt will be funded in long bonds at 4 to 5 per cent, and will be selling at or about par. By deferring the funding process for awhile, we shall render it more certain of early achievement.

Some of the objectors argue that no time is so favorable as the present for paying off the debt, or for funding it, and urge with much assumed wisdom the dangers of delay. But this misuse of old proverbs is out of place here, and might have been as justly employed, as indeed it was employed, against incurring our war debt at all. If it was sound policy to make our national debt at first, it is, perhaps, equally wise to let it remain pretty much at its present aggregate until the exhaustion caused by the unparalleled exertion of our war against the South has passed away. However this may be, it is certainly wise for us not to disturb the funded debt until we are ready to refund it to advantage. The process by which the debt was funded in its existing form was a very expensive and costly process.

The next funding operation must be final, and as we are certainly not ready for it, all attempts at its negotiation must inevitably end in disappointment, if not in more serious mischief still. There is reason to fear that the efforts to impart an element of uncertainty to our Government securities have induced multitudes of investors in all parts of the country to change their Government securities for railroad and other bonds of far inferior character. Congress is unlikely to take up and enact into a law any scheme for disturbing on any extensive scale the five-twenties, as at present funded.

The only argument in favor of such a disturbance is founded on the heavy annual expenditure for interest. But this whole sum paid for interest, if divided up among our whole population, amounts to no more than about three dollars for each person every year. The pressure of interest, then, it is evident, cannot be regarded as so serious that the removal of a part of it must be at all hazards undertaken at once.

The hazard of disturbing the five-twenties resides not only in the probability that any effort at refunding would be unsuccessful at present, but also in the fact that the Government securities lie at the foundation of the financial machinery of the country, and that any attempt to disturb those foundations would not fail to cause perturbation and wide-spread mischief throughout the movements of monetary and industrial enterprise.

Much remains to be done in the revision of our fiscal system, in the discipline of our banks, and in the promotion of further economy in the various branches of administration. Those reforms cannot wait. They must be undertaken without delay. The funding of the debt was very lately completed, and completed as we supposed for a permanent settlement extending for several years to come. No refunding that may be hereafter needful should, by its premature discussion, be allowed to do harm to the interests which it was ostensibly designed to promote.

THE CONDITION OF BUSINESS.

If all is to be believed that we have lately heard respecting the condition of business, there is little occasion for closing the year with joyous satisfaction. Before, however, giving full credence to the current complaints and forebodings of a section of the press, it may be well to call to mind that the war has left a strong dash of the bilious in our national mood, which must ever and anon find vent and expression in an outburst of croaking. The costly wars of Great Britain transformed "merrie England" into a nation of grumblers; and we need not be surprised if our own struggles should tone down our proverbial self-satisfaction into a modified form of discontent.

Because a few failures have recently occurred, we are told that business is in an essentially unsound condition, that many of our merchants have lost or wasted their capital, and that we are bordering on general bankruptcy and panic. Although this cry of "wolf" has become so common that it should be no longer heeded, there are a few timid people who give ear to it and are alarmed into a very unreasonable caution; and, for the satisfaction of such, it may be well to inquire somewhat into this alleged danger. In the first place, the recent failures have been no more in number and have really been less in importance than usually occur at this period of the year—a season when a large amount of mercantile obligations always fall due, and a majority of the suspensions have been those of small firms, whose combined liabilities are scarcely equal to those of a single first-class house. And, in the next place, there is this peculiarity in the affairs of the larger suspensions; the occasion is traceable mainly to causes other than legitimate business losses. Most of the failures among the dry goods commission merchants have arisen from the firms assuming the responsibilities of manufacturers, and taking the risks of unprofitable mill properties. In other branches of the wholesale business, the insolvencies have been induced, in nearly every instance, by the firms having assumed risks or engaged in speculations which have no proper connection with their business. Much as has been said of the disaster which must accrue from the decline in prices, yet it is a fact that although values have been steadily falling, for the last three years, and in the case of breadstuffs have fallen to ante-war figures, yet scarcely a single instance can be quoted of a failure from this cause; nor is there anything tangible to show that, as a rule, the capital of merchants has thereby been seriously impaired. Where men of business have been tempted to employ their capital in oil speculations, in stock ventures, or in the gambling operations of the Gold Room, they have in most cases lost credit, and in too many cases capital also; and these are the parties whose names fill up the late record of failures.

Upon the whole, there is really much in the present condition of the country to bespeak satisfaction and confidence. During the war, and for two years succeeding, we experienced the evils of inflation in its worst forms. That was a period of extreme danger to the country. A similar condition of affairs prevailed in Great Britain after the conclusion of her Continental and American wars. There, however, the inflation attained such a pitch as to burst in a ruinous panic, sweeping away hundreds of banks, prostrating credit universally, and creating general bankruptcy, with a sudden fall of about 50 per cent in prices. Very fortunately, with us the inflation of the currency and of prices has culminated without any such catastrophe. The reaction has come by a natural process. The intelligence of the people discovered the danger of the situation, and caution gradually succeeded imprudent speculation; credits were carefully watched, and traders were consequently spared the risk of carrying too heavy stocks upon declining markets. In view of this steady and natural process of reaction from inflation, we are at a loss to conceive of the grounds for the vague but settled conviction, now so general, that the financial and commercial derangements growing out of the war must sooner or later issue in general panic and insolvency. There could be on better guarantee against such a catastrophe than the universal caution which now prevails. The sentiment of the country is essentially conservative. An expansion of the currency would be so unpopular to the people at large that there are few members of Congress who have the daring to propose such a measure; no enterprises can be floated which do not present good evidence of soundness; Wall street speculators find it far more difficult to promote an advance in st cks than a decline; and upon the question of specie payments there is a marked conversion of public opinion in favor of an early adoption of the measure. These are plain indications of a wholesome commercial sentiment, such as usually precedes public prosperity, and cannot, with any congruity, be regarded as the forerunner of panic.

A fair survey of the condition of the country appears to us to warrant the expectation of a steady, prosperous business in 1870. The abundant crops of this year should certainly lay the basis of an improved trade. Our grain crops have been such as to reduce the prices of flour to about the figures of 1860. The wool crop has been so abundant as to reduce the value of that staple to about ante-war prices. The production of coal is so ample that, in spite of artificial manipulation of the retail market, the late high prices can be no longer maintained; while the decline in gold naturally contributes to a generally lower scale of prices. We thus have a condition of affairs calculated to lower, by a natural process, the general costs of living; which supplies one of the chief pre-requisites to a reduction in the scale of wages, the high rates of which are still the bane of our industrial progress.

These tendencies toward a natural decline in prices may not appear very flattering to surface observers—indeed, to the inverted vision of some they afford the basis of prophesies of disaster—but they are really the condition precedent to a sounder condition of industry and trade, and are evidence of a national gain in production over consumption, and of a consequent recovery of stocks of products in the various markets.

The great value of the cotton crop must prove an important stimulus to business. In another column, we show that the exports of cotton are likely to realize about $170,000,000 in gold; and it may be further shown, upon that basis, that the whole crop will realize for the South about $280,000,000 in gold. The immense value of this one crop, far exceeding all precedent, may be reasonably expected to induce an unusually active business between the North and the South. The West has been somewhat backward in its settlements with the East, owing partly to the low prices realized on its crops, and partly to the holding back of produce. There is, however, still a large amount of grain in the hands of farmers, fully guaranteeing the ability of that section to meet its engagements and to buy moderately for the Spring trade.

There is reason to hope that Congress may adopt some measures calculated to lighten the public burdens upon commerce. Some judicious modification in the tariff may apparently be expected, especially in the way of lightening the duties on the raw material of our manufactures. A partial alleviation of the internal revenue taxes, especially of the onerous income tax, seems also to be quite probable, the effect of which upon business would be immediately advantageous.

Upon the whole, then, if we may not look upon 1870 with sanguine expectations, neither may we view it with apprehension. If the prospect holds out no great promise, neither is it freighted with any special danger; and, perhaps, the mercantile community need less to be cautioned than encouraged.

REPUDIATION IN CONGRESS.

Amidst the conflicts which have raged in financial circles about the partial or total repudiation of our National Debt, we have uniformly maintained that there was no real danger that the American people, who have twice paid off their public debt, would dishonor themselves and make the American name a by-word throughout the world by attempting to repudiate the war debt of the nation. This declaration has been well sustained. The first act of Congress which received the signature of President Grant declared that the debt shall be paid in gold or its equivalent, and the past month, in Congress, it was resolved by the House, with scarcely one dissentient voice, "That the proposition, direct or indirect, to repudiate any portion of the debt of the United States, is unworthy the honor and good name of the nation, and that the House, without distinction of party, hereby sets its seal of condemnation on any and all such propositions." Such facts as these are as potent to strengthen the credit of the Government in time of peace as are the most brilliant victories in time of war. It is now settled as firmly and inevitably as the American people and the American Government can settle it that the public debt is sacred, and that the very whisper of repudiation shall not be tolerated among us. This action on the part of Congress has been taken at a very opportune time, but it is worthy of notice that it produced no appreciable advance in the sensitive quotations of Wall street. A more conspicuous proof could not be given of the stability of the confidence of capitalists in the faith and credit of the Government as pledged for the gold payment of the principal of the entire war debt of the country. In connection with this matter, however, the discussion has been revived as to whether the whole debt or the greater part of it could not be refunded at four or four and a half per cent. It seems to be admitted on all hands that in this country the task would be hopeless to attempt to sell at par a four per cent bond, even if the temptation of freedom from taxation were offered to investors. The banks, of course, could be compelled to accept four per cent instead of six per cent on the bonds they deposit as security for their circulation. But this levying of two per cent on the bank circulation could be effected and carried fully out by an easier method than that of calling in all the outstanding five-twenty bonds, and substituting for them the new four per cent consols. It is scarcely just for the banks to engross the whole profit of this circulation, which is probably four or five per cent. One half of this, if Congress should so decree, might be made payable to the Treasury, and thus, so far as the banks are concerned, the rate of interest on the five-twenties would be put down to four per cent.

If we are to go beyond this and reduce the rate of interest on the government bonds held by our private citizens the result would inevitably be that these persons would buy other securities instead. And the multitude of railroad and other bonds which are soliciting and tempting investors by offering high rates for money would be rapidly increased. Hence private citizens would cease to a large extent to be holders of government bonds, and these securities would gradually seek foreign markets.

And now comes the question whether abroad any more than at home we could float a four per cent bond, so long as the existing six per cents are outstanding. It is surprising that Mr. Secretary Boutwell in his recent Treasury report is so sanguine of the practicability of borrowing n Europe at four or four and a half per cent. It is said that authentic proposals have been made with a view to such a loan to a large amount by capitalists of standing. The financial public would much like to see these proposals and to examine the conditions. We are much inclined to think, however, that no such definite offer has as yet been made. We have no doubt that Baring or Rothschild, or any of the large bankers in the Old World would be very glad to "make advances" to our government at four or four and a half per cent, pending the negotiation of any new European loan. But this is a very dangerous proposition. Advances at four per cent can be had from our own banks. Nay, at this very moment the Government borrows at three per cent from our own banks vast sums on clearing house certificates. Foreign bankers could well afford to make "temporary advances" at four per cent if our American banks could do so at three per cent. But the questionis how far it would promote our own national interests to giveto these foreign houses snch complete control as they would thus gain over the foreign exchange market; and, secondly, what good these temporary advances would do to us if, as is possible, the new loan scheme itself should prove a failure. One may well fear that almost the only effect which would result would be to make our bonds the foot-ball of speculators in almost every Bourse and Stock Exchange in Europe. For these reasons the public would be glad to know what are the terms of the proposals, if any, which have been made for refunding our debt at a low rate of interest in Europe; and, meanwhile, we are not sure thta the report is unfounded which affirms that Mr. Boutwell has gone to the expense of sending two or three special agents to Europe to make preliminary arrangements with a view to such negotiations as we have specified for a foreign loan. Such a mission would, as yet, be premature and fruitless. To have destroyed the fear of repudiation may help the Government credit abroad but it will certainly not render possible the negotiation of a four per cent loan at par so long as the six per cent five-twenties can be bought at a lower price in the open market.

THE PRESIDENT AND OUR FINANCES.

An unusual amount of public interest has been excited by the financial part of the President's Message, which has just been presented to Congress. The accompanying reports of the Secretary of the Treasury and of the Comptroller of the Currency provoke less discussion, but on account of their importance for reference, we print elsewhere. The changes of policy which these two reports suggest are considerable, and we shall leave them for future consideration. Most of these proposed changes we are sure Congress will be slow to adopt, while some of them will probably be lost sight of altogether. The case is otherwise, however, with the recommendations of the President's Message, the influence of which has already begun to appear in the proceedings of Congress. These recommendations have three different aspects, and address themselves first to the currency,secondly to the management of the debt, and thirdly to the consolidation and reduction of the federal taxation. As to each of these topics the President offers suggestions which are some of them novel, while nearly all are destined sooner or later to be adopted. On the currency question General Grant is extremely conservative. An irredeemable currency, he says, is as evil, and the paramount duties and prerogative of government demand that a commercial people like ourselves shall enjoy the use of a medium of exchange of fixed value. As the securing of this end requires a specie basis, and as no substitute for it can be devised, we should at once begin to lay a foundation for specie payments, and should do this at the earliest practical moment consistent with the interests of the debtor class. Such are the fundamental principles laid down in the message. This policy it will be seen, strikes a middle course between the two extreme views now agitating the financial circles. It opposes on the one side those theorists who seek to leap at one bound to specie payments, and would thus let loose upon the country a torrent of evils, whose prodigious extent it is impossible to measure; and on the other side the President's views are equally fatal to the schemes of those enthusiasts of inflation, who would expand irredeemable currency still further, and make it a perpetua curse to the country. It is impossible to surpass the vivid distinctness with which the President lays down the fundamental laws of finance on this point. "Immediate resumption, if practicable, he says, would not be desirable. It would compel the debtor class to pay beyond their contracts the premium on gold at the date of their purchase, and would bring bankruptcy and ruin to thousands. Fluctuation, however, in the paper value of the measure of all values, gold, is detrimental to the interests of trade. It makes the man of business an involuntary gambler, for in all sales where future payment is to be made both parties speculate as to what will be the value of the currency to be paid," and he concludes by recommending "such legislation as will insure a gradual return to specie payments, and put an immediate stop to fluctuation in the value of currency."

And here comes the most noteworthy part of the President's scheme. To secure specie payments the methods are too numerous and too vague, so he dismisses them without notice. But to prevent fluctuation in the value of the currency he regards as a matter easier of accomplishment. To realize it he proposes two or three simple and effective expedients. These he explains as follows:

"I see but one way, and that is to authorize the Treasury to redeem its own paper at a fixed price whenever presented, and to *withhold from circulation* all currency so redeemed *until sold again for gold.* The vast resources of the nation, both developed and undeveloped, ought to make our credit the best on earth, with a less burden of taxation than the citizen has endured for six years past. The entire public debt could be paid in ten years; but it is not desirable that the people should be taxed to pay it in that time. Year by year, the ability to pay it increases in a rapid ratio. But the burden of interest ought be reduced as rapidly as can be done without the violation of contract. The public debt is represented, in a great part, by bonds having from five to twenty, and from ten to forty years to run, bearing interest at the rate of six per cent, and five per cent respectively. It is optional with the Government to pay these bonds at any period after the expiration of the last time mentioned upon their face. The time has already expired when a great part of them may be taken up, and is rapidly approaching when all may be. It is believed that all which are now due may be replaced by bonds bearing a rate of interest not exceeding four and one half per cent, and as rapidly as the remainder becomes due, that they may be reduced in the same way. To accomplish this it may be necessary to authorize the interest to be paid at either of the three or four of the money centres of Europe, or by any Assistant Treasurer of the United States, at the option of the holder of the bond. I suggest this subject for the consideration of Congress, and also simultaneously with this the propriety of redeeming our currency as before suggested at its market value at the time its law goes into effect, increasing the sale at which currency will be bought and sold from day to day or from week to week, at the same rate of interest as Government pays upon its bonds.

The plan here proposed has been submitted to very anxious canvass in Wall street, and though the first effect was to stop the fall in gold and to give it a slight upward impulse, still the details of the scheme are not sufficiently full to enable us to form a precise notion of its probable effect. What is particularly dubious about it is: First, the conditions under which the redeemed greenbacks would be "sold for gold," and secondly, the contraction of business which might be produced by the contracting and locking up of the greenback circulation. These and other points are discussed with no small anxiety, and the most divergent opinions prevail respecting them. This scheme is regarded with the more interest as it is rather novel, although projects somewhat resembling it have several times been offered to Congress without securing much attention.

As to taxation, the President contents himself with recommending the postponement of all reduction of taxes until we have reduced the principal of our debt sufficiently to enable us to negotiate a new loan at 4 or $4\frac{1}{2}$ per cent. He admits, however, that it may be needful to reduce the income tax to 3 per cent, and to modify other taxation and tariff duties in case of unjust or burdensome restrictions. When the debt is funded, the President thinks that the taxes can be reduced from sixty to eighty millions of dollars a year. Here then we have a fine comprehension of general principles of policy sketched out for the consideration of Congress and of the people. First, there are to be no rude, rash experiments with the currency; but well directed efforts are to be made to preserve our greenbacks from mischievous fluctuations in value. Secondly, we are to keep our national credit good by a rigorous collection of the revenue and by sustaining the income of the Treasury so as to secure a surplus of money with which to pay off large annual instalments of our bonds. Thirdly, we are to lessen the pressure of the debt by negotiating a loan as soon as possible at 4 or $4\frac{1}{2}$ per cent. Fourthly, to pay off as early as possible all the bonds of 1862 and 1864, which are already liable to redemption under the law by which they were negotiated. What may be the ultimate fate of these suggestions, and how far they may be adopted by Congress, is uncertain. What is certain is that they have produced a reassuring effect on the public credit.

RAILROAD EARNINGS FOR OCTOBER AND FOR TEN MONTHS OF THE YEAR.

The monthly statement of railroad earnings for October and the past ten months of the year is of more than usual interest at the present time, in consequence of the continued depression in prices at the Stock Exchange and the frequent assertions that this is the result of decreased traffic. As a rule, the returns for October, 1869, do not show a wide variation from those of the same month last year. The principal exceptions to this are the Chicago and Northwestern Company, which reports a decrease of $155,835, and the Ohio and Mississippi, which returns an increase of

$44,715. Milwaukee and St. Paul returns the largest earnings of any one month since the consolidation of the road, with the single exception of October, 1867. Lake Shore and Michigan Southern shows an increase of $29,651 and Michigan Central a decrease of $21,048.

The October earnings, upon the whole, must be considered exceedingly favorable, from the fact that no general decrease is shown compared with October, 1868, which was probably the most favorable month that the Western roads have ever known; the latter fact may be seen by an examination of the comparative table of monthly earnings of three years past, which will be found on a subsequent page. The earnings of October, 1868, were disproportion ately large and fell off rapidly in the succeeding month. The following will show the figures for the two months and the decrease on several of the principal Western roads:

	October. 1868.	November. 1868.	Decrease.
Chicago & Alton	$503,745	$409,568	$94,077
Chicago & Northwestern	1,570,066	1,135,334	434,732
Chicago & Rock Island	591,209	424,589	166,620
Illinois Central	931,529	685,400	246,129
Michigan Central	511,820	410,825	100,995
Milwaukee & St. Paul	1,037,463	556,917	480,546
Toledo, Wabash & Western	429,898	323,279	106,619

We observe here an uniform decrease, ranging from $100,995 on Michigan Central, to $480,546 on Milwaukee & St. Paul, and as a natural consequence of that position of affairs in those months of 1868, we should expect to see a falling off in the October earnings of this year compared with last, and an increase in the month of November. So far as the earnings for the first week of November have come in, this anticipation is fully warranted. Chicago and Northwestern shows a decrease of only $9,893, which is quite insignificant compared with ny previous week for long time past, and this road, as we have often stated, has special cause for a falling off in earnings by reason of the loss of freight for construction of the Union Pacific road, which was last year a very large item. Chicago and Rock Island shows an increase of $44,486, Lake Shore and Michigan Southern an increase of $24,000, and Milwaukee and St. Paul an increase of $50,858, making a total increase on the latter of $142,000 in the two weeks past. These are the only roads which have reported at the time of writing, and they promise very favorably. In the table following it will be noticed that in addition to the roads heretofore reported the Pacific Railroads are given for 1869, though no comparison with a previous year can yet be made:

EARNINGS FOR OCTOBER.

	1869.	1868.	Inc.	Dec.
Central Pacific	$622,000	$....	$...	$....
Chicago & Alton	463,108	503 745	....	40,636
Chicago & Northwestern	1,414,231	1,570,066	....	155,835

	1869.	1868.	Inc.	Dec.
Chicago, Rock Island & Pacific	*581,000	591,209	...	10,209
Cleveland, Col., Cinn & Indianapolis	293,615	293,296	319	....
Illinois Central	894,934	901,630	....	6,696
Kansas Pacific	287 000	....	...	....
Lake Shore & Michigan Southern	1,279.602	1,249,950	29,651	....
Marietta & Cincinnati	132,869	125,065	7,804	....
Michigan Central	490,772	511,820	..	21,048
Milwaukee & St. Paul	1,039 811	1,037,463	2,348	....
Ohio & Mississippi	328,044	283,329	44,715	....
St. Louis, Alton & Terre Haute	205,750	210,473	....	4,723
Toledo, Wabash & Western	422,368	429,898	....	7,530
Union Pacific	878,617	....	....	....
	$9,333,721	$7,707,944	$84,837	$246,677

A more correct and fairer estimate of the earnings of our railroads can be made, by taking the past ten months of the year and comparing the totals with the same period in 1868, and in this comparison it must still be remembered that the traffic of 1868 was unprecedentedly large and much in excess of 1867. The table following shows the earnings for the period referred to, and all the roads continue to report a considerable increase in their earnings from January 1 to November 1, with the single exception of Ohio and Mississippi, and this company has reduced the previous deficiency by an increase of $44,000 in the month of October. The Lake Shore and Michigan Sonthern consolidated roads report an increase of $720,943 for the ten months, the particulars of which, belonging to separate companies previous to the consolidation in August last, had not heretofore been published:

EARNINGS FROM JANUARY 1 TO NOVEMBER 1.

	1869.	1868.	Inc.	Dec
Chicago and Alton	$3,926,394	$3,737,429	$188,965	....
Chicago & Northwestern	11,403,664	11,283,452	120,212	....
Chicago, Rock Island & Pacific	4,411,309	3,947,439	463,870	....
Clev., Col Cin. & Ind	2,601,789	2,425,483	176,306	....
Illinois Central	7,029,656	6,440,741	588,915	....
Lake Shore & Mich. Southern	10,745,343	10,024.400	720,943	....
Marietta & Cincinnati	1,150,174	1.053,518	96.656	....
Michigan Central	3,926,202	3.768,318	157,884	....
Milwaukee & St. Paul	5,852,027	5,491,848	360,179	....
Ohio & Mississippi	2,362.620	2,446,542	....	83,922
St. Louis, Alton & Terre Haute	1,656,719	1,591,983	64,736	....
Toledo, Wabash & Western	3,529,418	3,290,487	238,931	...
Total for ten months	$58,595,315	$55,501,640	$3,177.597	....

We have endeavored to state above the exact position of our railroads as established by the figures in regard to their earnings; and such a statement seems to be particularly called far at the present moment, from the many rumors and misreprosentations which have been circulated with intent to damage the cred of the companies, or for speculative purposes.

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* Exact earnings in 1868, approximate in 1869.

THE RETROSPECT.

Those who foretold disaster to business during 1869 look in vain for the fulfilment of their prophesies. The record of the year is, on the whole, encouraging. Though only the fourth since the close of a great war, it shows rapid progress in recovery from the numerous derangements consequent upon the struggle. In every department of commercial and financial affairs, the drift has been in a healthier direction. To say that the year has restored a really sound and normal condition of things in any one branch of affairs would perhaps be too much; but to expect such a change in so comparatively short a period would betray ignorance of the laws controlling business affairs.

1. The national finances have been placed in a much healthier condition. Partly as the result of a better condition of business, and partly from a more effective enforcement of the revenue laws, the income of the Government has been so far in excess of its ordinary expenditures as to enable the Secretary of the Treasury to purchase, within the last nine months, nearly $90,000,000 six per cent obligations; an achievement which, by tending to enhance the Government credit, helps to alleviate the burdens of taxation. Partly as the result of this improvement in the public credit, and partly from other causes, the gold premium has steadily declined to below 120, crushing in its fall a class of speculators whose baneful function it has been, for years, to produce artificial fluctuations in the premium, much to the injury of legitimate business. This is so much progress accomplished toward the ultimate recovery of the specie basis; a consummation for which conservative capitalists impatiently await.

2. The long predicted crisis in our foreign trade, which, it is said, must, some day, result from a suspension of foreign purchases of our bonds has not darkened the record of 1869. On the contrary, the price of Five-Twenties has advanced, at London, from 79 to 86½, or to within about 5 per cent of the equivalent of par in United States coin; and Europe has taken fully its average amount of our securities. Our foreign commerce has, within the last half of the year, assumed a much more conservative course. While the imports now show only a nominal increase upon the same months of last year, the exports both at New York and at the cotton ports have been very largely in excess of last year; the result having been that we have retained in the country a very considerable proportion of our production of the precious metals, with the effect of depressing the premium on gold. It has long been felt that an important condition precedent to a permanent decline in the gold premium is an increase in our surplus of exportable produce; and the crops of this year have enabled us to make very important progress in that direction. The fall in the pre-

mium has caused some uneasiness in credits, from an impression that the consequent fall in prices of large classes of commodities portended losses to merchants; but, in point of fact, the injury, as under all similar fluctuations for the last eight years, has been greatly exagger- ated in the popular estimate, no failures being traceable to this cause.

3. Another season of abundant crops has made a most substantial contribution toward the recovery of a sounder condition in our industries and commerce. The wheat crop has been such as to reduce the price of flour to near its former gold value. Some of the other cereal crops have been deficient, especially corn; it is, however, a matter of most essential consequence to the trade of the country that the main staple of food has been once more reducd to its former value. The wool crop has been such as to reduce the price of that staple sufficiently to benefit both the manufacturing interest and consumers. The cotton crop, though not sufficiently large to result as yet in any material reduction in the cost of cotton fabrics to home consumers, will yet realize probably a much larger amount, in gold value, upon the exportable surplus, than in any former year; which is to be viewed as another very important contribution toward the correction of the chronic derangements in our foreign exchanges. But, while there has been this increase in the natural productions of the country, with a consequent decline in the prices of important classes of commodities, it is to be regretted that a corresponding reduction in the scale of wages has not been accomplished. That there is a natural and just basis for such a reduction cannot be reasonably questioned; but it is one of the many pernicious evils of "trades' unions" that they tend to keep up the cost of labor when the general interest of the community, the operative interest included, calls for a reduction of wages. However, these conventional obstructions can only temporarily delay a natural adjustment of the profits of industry between the capitalist and the operative classes.

4. There is, of course, a class who would be reluctant to regard any downward turn in the value of real estate as a satisfactory feature in the year's history. It must, however, be chronicled that such a tendency has really set in; nor will the laborer, who has urged his heavy payments for rent as one reason of his demands for high wages, nor the merchant, who has had to devote a very large slice of his profits for rent for his store, find much difficulty in understanding how a fall in house rent or store rent should enable them either to save more or to spend more upon their enjoyments.

5. A very healthy symptom in the year's record is the declension in Wall street speculation. The registered business at the Board of Brokers shows that the transactions in stocks have fallen off very nearly one-half

from those of 1868. One cause of this may have been that some of the expedients for stimulating speculation have spent their force; but perhaps the more important reason lies in the fact that, after an experience of some years in this class of operations, a majority of the habitues of the "street" have found that speculation has been a comparatively profitless employment of capital. The improvement in general business, the growing steadiness in values, and the gain of confidence in legitimate enterprises have also had their influence in drawing away capital from speculative employments. The Gold Room panic of September 24 has left behind it a lesson as to the dangers of gold gambling which has since severely restricted operations of that character, and which, it may be hoped, will hereafter contribute much toward moderating artificial fluctuations in the gold premium.

6. Although the remarkable activity in railroad building which has sprung up within the year is at present viewed with some caution, yet, upon the whole, it is to be regarded as a really healthy movement. Most of the roads are intended to supply the wants of existing commerce, and to meet the deficiency in transportation facilities growing out of the check to building new roads pending the war; and the movement is therefore to be regarded as indicating, on the one hand, that the trade of the country is expanding, and, on the other, that we have surplus capital enough to provide for its wants.

Upon a fair review of 1869, therefore, the country has abundant reason for satisfaction, and many enter upon the New Year with hopes of a continued improvement in all our industrial, commercial and financial interests.

THE FINANCES OF CALIFORNIA.

The annual report of the State Comptroller of California shows that the receipts of the fiscal year ending June 30, 1869, were $2,417,699. The expenditures during the same period were $3,180,725. The apparent excess of expenditures over receipts was occasioned by large amounts transferred to counties from the Swamp Land Fund, under an act of the Legislature. The Comptroller thinks a tax of $1 on each $100 of assessed value will be ample for all State purposes during the next two fiscal years. The State debt on the 1st of November, 1869, stood as follows: Funded and bearing interest, $4,068,000; outstanding warrants on the Capitol Fund, $270,879 93; warrants on Military Fund, $3,571 10; total debt, $4,342,451 03. Compared with the figures of two years ago, this statement shows the gratifying reduction of $1,078,500.

NATIONAL BANKS OF EACH STATE—THEIR CONDITION OCTOBER 9, 1869.

We are indebted to the Comptroller of the Currency for the following reports of the National Banks of each State and redemption city at the close of business on the 9th day of October, 1869.

RESOURCES.

	Maine.	New Hampshire.	Vermont.	Massachusetts.	City of Boston.	Rhode Island.	Connecticut.	New York State.
Loans and discounts	$11,095,394 39	$4,624,873 43	$6,431,224 15	$47,705,130 27	$72,545,257 46	$22,464,669 16	$29,858,730 82	$61,253,890 55
Overdrafts	17,305 86	28,669 11	93,120 98	108,369 22	58,161 38	20,219 61	109,191 63	640,011 53
U. S. bonds to secure circulation	8,378,750 00	4,897,000 00	6,701,000 00	35,261,850 00	29,968,650 00	14,193,600 00	19,756,100 00	33,392,450 00
U. S. bonds to secure deposits	545,000 00	575,000 00	300,000 00	1,480,000 00	950,000 00	260,000 00	642,000 00	1,656,500 00
U. S. bonds and securities on hand	634,450 00	210,750 00	466,050 00	3,502,300 00	2,318,900 00	256,500 00	1,373,450 00	2,107,800 00
Other stocks, bonds and mortgages	259,664 60	92,643 84	206,200 00	960,327 15	425,043 60	303,160 58	782,365 77	3,355,502 52
Due from redeeming agents	1,232,710 46	922,389 62	826,658 71	5,977,859 03	5,746,778 96	1,945,651 98	3,709,609 70	7,736,438 20
Due from other national banks	76,838 08	55,653 29	48,048 42	543,029 26	2,867,936 10	393,028 82	1,738,426 39	2,036,575 22
Due from other banks and bankers	6,976 07	41,992 34	29,180 88	144,721 12	62,611 94	44,356 62	304,234 98	674,435 48
Real estate, furniture and fixtures	229,748 72	113,257 91	140,711 68	898,276 50	1,478,344 48	564,252 52	760,271 83	1,772,955 36
Current expenses	41,474 13	32,355 16	36,755 04	1[illegible]2,498 73	34,811 91	110,203 50	239,857 50	585,313 54
Premiums	6,148 80	895 00	24,890 93	44,328 86	14,700 00	3,920 69	18,772 07	252,767 22
Checks and other cash items	184,801 70	87,552 04	102,495 04	743,355 64	6,637,093 01	594,392 63	694,453 81	1,748,412 53
Bills of national banks	169,244 00	210,461 00	91,147 00	882,559 00	879,087 00	162,663 00	329,687 00	701,662 00
Bills of State banks	874 00	1,706 00	....	465 00	354 00	5,543 00	215 00	6,696 00
Fractional currency	29,909 24	9,974 81	18,680 41	172,925 11	66,519 12	42,675 52	59,345 65	192,735 33
Specie	18,819 16	12,729 77	22,622 83	143,178 68	1,057,503 27	41,337 17	88,775 95	232,227 01
Legal tender notes	1,127,830 00	477,221 00	581,984 00	4,457,134 00	7,414,694 00	1,424,563 00	2,340,739 00	5,397,439 00
3 per cent certificates	10,000 00	20,000 00	115,000 00	240,000 00	4,480,000 00	110,000 00	205,000 00	1,055,000 00
Total	$24,065,439 21	$12,405,024 32	$16,235,870 07	103,388,307 57	$137,006,446 23	$42,940,737 80	$63,013,227 10	$124,798,811 49

LIABILITIES.

	Maine.	New Hampshire.	Vermont.	Massachusetts.	City of Boston.	Rhode Island.	Connecticut.	New York State.
Capital stock	$9,125,000 00	$4,835,000 00	$6,810,012 50	$38,272,000 00	$47,550,000 00	$20,364,800 00	$24,606,820 00	$36,822,241 00
Surplus fund	1,397,815 42	612,430 26	879,109 27	8,803,869 97	9,485,816 18	1,672,413 50	4,484,369 95	5,903,011 62
Undivided profits	809,781 15	455,597 89	431,098 55	2,661,742 76	1,817,298 72	1,237,029 79	1,767,898 14	4,922,903 57
National bank notes outstanding	7,401,441 00	4,256,308 00	5,901,160 00	30,950,910 00	25,693,444 00	12,408,935 00	17,363,128 00	29,167,888 00
State bank notes outstanding	52,585 00	30,265 00	27,974 00	253,411 00	122,867 00	167,882 00	256,288 00	474,149 00
Individual deposits	4,503,461 05	1,895,486 35	1,901,327 83	20,724,410 08	37,427,796 98	5,787,533 46	11,554,315 55	40,123,243 62
U. S. Deposits	129,192 07	110,094 53	98,948 80	472,985 52	40,094 86	93,435 62	235,382 31	730,517 75
Deposits of U. S. disbursing officers	222,573 54	202,465 47	115,241 98	75,661 84	....	15,063 36	38,760 13	138,802 01
Due to national banks	243,378 39	4,042 54	57,908 08	809,803 86	13,526,971 34	790,590 69	2,280,058 83	3,894,197 46
Due to other banks and bankers	66,736 32	1,160 47	999 06	161,624 81	1,342,157 15	353,054 37	323,573 69	1,389,991 17
Notes and bills rediscounted	113,045 27	....	11,544 00	150,213 77	....	50,000 00	100,000 00	942,019 98
Bills payable	430 00	2,173 81	,540 00	51,723 96	....	....	1,632 50	289,846 31
Total	$24,065,439 21	$12,405,024 32	$16,285,870 07	103,388,307 57	$137,006,446 23	$42,940,737 80	$63,013,227 10	$124,798,81 49

RESOURCES

	New York.	Albany.	New Jersey.	Pennsylvania.	Philadelphia.	Pittsburg.	Delaware.	Maryland.
Loans and discounts	$158,392,983 81	$6,370,574 06	$20,260,327 01	$34,184,200 57	$37,301,183 66	$13,536,604 25	$2,150,625 66	$2,967,349 74
Overdrafts	91,054 67	72,044 70	50,671 39	241,290 96	5,193 05	33,260 04	2,558 35	27,557 36
United States bonds to secure circulation	41,732,450 00	2,184,000 00	10,610,450 00	25,482,350 00	13,066,700 00	7,704,500 00	1,348,200 00	2,008,250 00
United States bonds to secure deposits	1,474,000 00	200,000 00	430,000 00	1,159,000 00	300,000 00	200,000 00	60,000 00	200,000 00
United States bonds & securities on hand	5,011,500 00	116,950 00	504,250 00	2,550,150 00	1,346,950 00	168,950 00	1,000 00	278,750 00
Other stocks, bonds and mortgages	6,514,988 07	743,536 60	283,622 84	1,005,983 24	1,412,517 37	178,917 54	92,643 86	267,811 14
Due from redeeming agents	....	2,037,629 75	2,908,510 05	4,055,635 13	1,112,276 63	1,532,570 50	353,165 24	584,311 35
Due from other national banks	13,952,536 46	981,129 60	1,277,545 12	2,206,563 80	2,531,357 67	454,711 10	130,112 15	159,795 71
Due from other banks and bankers	1,806,730 91	280,004 40	460,982 30	786,462 06	603,410 10	146,323 30	38,942 41	25,935 02
Real estate, furniture and fixtures	7,122,039 95	182,900 00	801,097 30	1,311,416 41	1,663,346 91	596,891 87	112,418 29	125,369 33
Current expenses	1,103,007 65	3,826 39	143,491 19	461,891 05	501,721 82	139,203 86	20,331 24	32,087 92
Premiums	805,568 82	1,190 44	16,535 74	76,851 17	32,497 33	39,905 47	3,014 50	28,435 92
Checks and other cash items	81,029,623 72	695,247 40	691,437 00	548,017 11	7,237,472 62	670,275 15	91,870 33	103,257 64
Bills of national banks	1,747,530 00	202,140 00	320,416 00	508,931 00	557,444 00	71,455 00	26,684 00	86,946 00
Bills of State banks	7,811 00	3,279 00	1,108 00	7,219 00	13,194 00	1,115 00	1,252 00	1,741 00
Fractional currency	318,252 74	40,965 02	82,818 47	133,100 52	119,225 88	47,630 28	7,038 38	15,570 85
Specie	19,704,589 45	16,282 20	52,711 95	56,430 46	269,826 91	43,288 57	4,847 85	40,527 06
Legal tender notes	21,333,861 00	1,139,083 00	1,890,246 00	4,168,406 00	6,398,529 00	1,850,922 00	265,504 00	472,471 00
Three per cent certificates	27,995,000 00	445,000 00	270,000 00	785,000 00	5,755,000 00	620,000 00	100,000 00	40,000 00
Total	$390,563,093 35	$15,665,682 56	$41,069,220 36	$77,758,918 48	$80,228,347 95	$28,036,548 93	$4,841,308 26	$7,416,437 04

LIABILITIES

	New York.	Albany.	New Jersey.	Pennsylvania.	Philadelphia.	Pittsburg.	Delaware.	Maryland.
Capital stock	$73,218,100 0	$2,650,000 00	$11,465,350 00	$24,055,240 00	$16,555,150 00	$9,000,000 00	$1,428,185 00	$2,348,217 50
Surplus fund	17,768,667 71	975,000 00	2,451,040 17	4,974,495 56	6,197,217 33	2,171,125 46	317,787 78	357,643 32
Undivided profits	10,964,277 76	423,142 63	1,270,778 45	2,045,442 13	2,083,314 32	770,029 48	81,475 51	237,550 17
National bank notes outstanding	34,083,075 00	1,888,497 00	9,237,762 00	20,579,358 00	10,985,605 00	6,662,262 00	1,186,287 00	1,732,960 00
State bank notes outstanding	243,974 00	23,375 00	121,485 00	184,803 00	93,070 00	90,404 00	17,182 00	16,664 00
Individual deposits	190,523,446 53	6,993,445 77	13,818,616 55	22,981,178 77	37,706,160 94	8,294,887 55	1,435,763 54	2,544,872 85
United States deposits	253,692 98	72,672 32	204,773 59	416,034 52	76,731 72	25,941 58	38,289 16	29,407 95
Deposits of U. S. disbursing officers	.....	162,493 27	87,729 08	24,338 94	....	....	37,555 29	17,529 32
Due to national banks	50,005,913 23	2,019,453 71	2,108,905 90	2,031,425 26	5,591,240 29	742,436 45	247,056 84	81,408 98
Due to other banks and bankers	12,901,946 14	457,602 86	260,165 02	268,521 42	906,358 35	264,517 17	43,276 14	36,597 95
Notes and bills rediscounted	....	....	24,480 58	178,182 64	....	14,945 24	5,000 00	12,500 00
Bills payable	....	....	18,134 02	19,808 24	33,500 00	....	3,500 00	1,085 00
Total	$390,563,093 35	$15,665,682 56	$41,069,220 36	$77,758,918 48	$80,228,347 95	$28,036,548 93	$4,841,308 26	$7,416,437 04

RESOURCES.

	Baltimore.	Washington.	Virginia.	W. Virginia.	N. Carolina.	S. Carolina.	Georgia.	Alabama.	N. Orleans
Loans and discounts........	$15,212,328 21	$1,457,507 32	$3,975,025 93	$2,842,915 11	$1,401,811 08	$1,481,477 76	$2,260,168 81	$324,445 04	$1,412,289 69
Overdrafts................	11,354 93	18,073 47	69,303 68	37,880 30	18,196 52	2,983 70	14,382 75	1-4 11	20,000 00
U. S. bonds to secure circul'n	8,007,500 00	1,003,000 00	2,329,000 00	2,143,250 00	445,100 00	277,000 00	1,283,500 00	310,500 00	1,205,000 00
U. S. bonds to secure deposits	400,000 00	300,000 00	252,000 00	200,000 00	....	....	100,000 00	......	....
U. S. bonds & secur's on hand	50,650 00	257,000 00	1,500,000 00	232,100 00	85,000 00	1,000 00	....	550 00	....
Other stocks bonds & mort's	824,060 97	10,839 50	45,231 22	171,980 00	140,751 07	38,170 79	24,649 16	101,000 00	41,000 00
Due from redeeming agents.	1,310,449 43	112,662 55	179,335 96	219,951 43	102,133 36	37,603 59	218,548 41	68,534 42	333,410 98
Due from other nat'l banks	436,911 46	35,118 47	247,740 48	158,587 09	38,960 81	61,590 60	25,516 00	8,524 36	50,869 97
Due f'm other b'ks & b'kers	77,041 69	63,976 09	116,436 55	27,189 92	74,983 47	21,845 03	104,838 15	9,787 71	41,622 70
Real estate, furniture, &c...	547,915 17	247,348 84	308,225 75	203,462 01	92,079 35	39,849 66	98,843 97	15,696 72	184,121 47
Current expenses.....	154,648 61	30,223 41	66,272 78	26,655 65	19,857 03	21,238 90	32,516 38	24,660 04	31,719 58
Premiums	38,518 75	18,891 54	50,962 50	31,164 86	23,252 11	3,022 50	2,231 52	5 00	77,000 00
Checks and other cash items	1,855,412 22	66,769 52	270,956 16	72,195 74	13,380 74	6,814 61	23,958 88	27,444 19	303,757 78
Bills of national banks.....	203,389 00	155,259 00	127,108 00	21,387 00	68,076 00	80,035 00	101,075 00	12,935 00	12,861 00
Bills of State banks........	3,937 00	....	750 00	1,444 00	2,432 00	....	....	....	....
Fractional currency	9,415 30	3,160 48	15,579 83	20,692 64	15,886 96	4,568 40	18,102 67	3,013 61	5,517 35
Specie	137,983 66	21,955 24	73,360 48	9,739 40	46,238 80	13,913 12	32,822 22	16,920 82	39,601 53
Legal tender notes	1,689,011 00	293,530 00	395,741 00	352,183 00	232,090 00	309,201 00	585,049 00	114,703 00	326,858 00
Three per cent certificats...	940,000 00	220,000 00	5,000 00	65,070 00	....	....	75,000 00	....	....
Total	$31,916,167 40	$4,315,390 43	$8,529,559 32	$6,847,783 16	$3,020,259 30	$2,400,314 66	$5,001,192 92	$1,038,909 02	$4,088,630 05

LIABILITIES.

	Baltimore.	Washington.	Virginia.	W. Virginia.	N. Carolina.	S. Carolina.	Georgia.	Alabama.	N. Orleans
Capital Stock.........	$10,891,985 00	$1,050,000 00	$2,223,300 00	$2,116,400 00	$846,600 00	$823,500 00	$1,500,000 00	$400,000 00	$1,300,000 00
Surplus Fund.............	1,686,805 73	241,000 00	163,275 69	286,531 69	58,185 03	73,746 43	186,900 00	13,873 15	70,000 00
Undivided profits..........	850,062 42	97,326 47	162,259 98	95,404 62	102,080 65	94,193 04	231,760 77	72,111 12	93,301 16
National bank notes outst'g	7,071,293 00	810,255 00	2,060,480 00	1,886,578 00	379,390 00	181,385 00	1,147,300 00	261,079 00	1,051,793 00
State bank notes outstand'g	145,433 00	....	....	756 00	....	....	....	....	....
Individual deposits.........	9,292,947 07	1,496,870 62	2,935,902 30	2,112,287 02	1,401,735 08	1,027,510 18	1,621,495 91	286,351 56	1,482,764 92
U. S. deposits	137,939 17	176,219 66	348,273 75	62,734 43	91,073 14	....	33,918 31	....	....
Deposits of U. S. dis. officers	....	....	107,854 48	46,247 49	57,401 11	....	72,225 48	....	....
Due to national banks.....	1,941,808 61	433,895 69	275,412 68	117,445 86	64,603 69	129,276 33	162,612 61	732 65	34,266 43
Due to other bnks & bankers	255,782 13	9,822 99	72,796 32	58,231 40	6,190 60	44,018 68	44,979 84	4,761 54	56,504 54
Notes and bills rediscounted	179,311 27	....	151,999 12	65,166 65	10,000 00	26,680 00	....	....	....
Bills payable............ ...	....	....	22,000 00	....	8,000 00	....	....	....	....
Total	$31,916,167 40	$4,315,390 43	$8,529,559 32	$6,847,783 16	$3,020,259 30	$2,400,314 66	$5,001,192 92	$1,038,909 02	$4,088,630 05

RESOURCES.

	Texas.	Arkansas.	Kentucky.*	Louisville.	Tennessee.	Ohio.†	Cincinnati.	Cleveland.	Indiana.
Loans and discounts	$474,752 15	$165,331 64	$2,327,618 97	$1,042,736 48	$3,231,527 75	$22,612,220 69	$5,812,[illegible]0 95	$4,856,7[illegible]4 92	$16,6[illegible]8,[illegible]8 39
Overdrafts	377 50	[illegible],827 66	14,571 41	4,532 71	89,746 20	223,240 05	12,182 24	21,708 69	133,779 56
U. S. bonds to secure circul'n	472,100 00	200,000 00	1,822,200 00	905,000 00	1,540,200 00	14,655,150 00	3,428,000 00	2,281,000 00	12,928,[illegible]50 00
U. S. bonds to secure deposits	200,000 00	50,000 00	50,000 00	50,000 00	35[illegible],000 00	786,500 00	1,075,500 00	3[illegible]0,000 00	576,[illegible]00 00
U. S. bonds & secur's on hand	30,700 00	20,750 00	87,150 00	55,950 00	108,5[illegible]0 00	1,417,150 00	558,900 00	14,5[illegible]0 00	567,650 00
Other stocks, bonds & mort's	12,216 25	73,821 72	3,100 00	25,600 00	187,501 59	327,482 06	21,000 00	5,240 70	201,969 84
Due from redeeming agents.	52,396 80	6,813 14	276,9[illegible]5 04	157,933 96	412,[illegible]29 01	2,168,158 14	973,822 59	554,461 59	1,6[illegible]6,[illegible]99 45
Due from other nat'l banks	12,433 92	8,226 37	46,779 92	61,859 33	222,240 41	735,6[illegible]8 57	191,108 76	269,318 36	571,673 41
Due from other b'ks & b'kers	50,853 65	16,5[illegible]9 61	123,877 88	31,685 99	160,699 15	578,535 75	144,510 93	163,566 27	268,235 73
Real estate, furniture & fix's	17,224 48	17,481 76	115,481 90	25,796 33	198,846 81	882,233 83	169,808 32	198,072 75	719,744 73
Current expenses	12,812 51	2,222 66	14,429 89	23,421 11	52,870 44	287,620 69	38,639 14	97,942 32	159,804 29
Premiums	17,879 42	4 45	7,020 05	....	42,488 01	35,949 26	....	908 43	24,317 76
Checks and other cash items.	8,512 90	3,531 29	9,906 14	7,172 74	48,140 00	362,[illegible]31 10	106,842 60	164,[illegible]39 87	2[illegible]9,1[illegible]5 92
Bills of national banks	30,707 00	2,758 00	37,036 00	10,151 00	217,402 00	44[illegible],538 00	133,746 00	137,132 00	298,184 00
Bills of State banks	....	....	....	....	....	11,028 00	749 00	6,445 00	9,979 00
Fractional currency	1,778 76	960 05	7,609 38	4,618 28	18,829 87	90,426 74	12,508 81	30,540 53	71,813 70
Specie	314,308 13	442 65	2,354 42	14,533 83	11,244 90	28,850 10	19,347 17	2,284 92	46,770 14
Legal tender notes	70,527 00	22,619 00	346,113 00	205,002 00	557,500 00	3,010,459 00	1,196,595 00	586,858 00	2,245,395 00
Three Per Cent Certificates	....	....	....	5,000 00	....	370,000 00	125,000 00	290,000 00	70,000 00
Total	$1,779,580 47	$597,320 00	$5,292,234 00	$2,630,993 76	$7,450,116 17	$49,030,713 98	$14,020,871 51	$9,984,809 35	$37,468,540 92

LIABILITIES.

	Texas.	Arkansas.	Kentucky.*	Louisville.	Tennessee.	Ohio.†	Cincinnati.	Cleveland.	Indiana.
Capital stock	$525,000 00	$200,000 00	$1,935,000 00	$950,000 00	$2,017,250 00	$15,379,700 00	$3,700,000 00	$3,100,000 00	$13,187,000 0
Surplus fund	42,100 00	37,124 06	203,259 69	127,813 54	193,208 51	2,835,134 45	570,813 71	614,826 84	2,815,4[illegible]0 34
Undivided profits	83,557 01	516 94	131,219 20	99,062 40	238,966 14	1,380,858 06	2[illegible]8,454 23	360,090 87	836,309 95
National bank notes outsta'g	386,020 00	178,[illegible]7 00	1,561,056 00	788,028 00	1,145,188 00	12,941,476 00	2,901,870 00	1,832,482 00	11,205,2[illegible]6 00
State bank notes outstand'g	....	....	....	....	....	68,573 00	....	10,512 00	7,795 00
Individual deposits	561,709 16	73,163 18	1,256,212 71	475,612 19	3,30[illegible],793 54	14,835,725 18	3,863,415 26	2,919,299 67	8,456,164 68
United States deposits	65,081 63	46,825 43	47,049 93	23,524 53	189,785 60	482,812 15	236,829 72	176,675 56	28[illegible],2[illegible]6 57
Deposits of U.S. Dis Officers	62,718 39	41,288 69	7,850 82	....	169,244 61	190,109 03	....	139,930 13	327,635 28
Due to national banks	45,966 01	5,993 67	34,285 52	120,294 82	103,477 40	3[illegible]8,764 98	2,210,839 24	163,053 60	96,668 01
Due to other banks & bankers	7,428 27	631 03	105,973 13	46,658 28	45,620 89	259,278 02	328,649 35	117,269 90	140,95[illegible] 26
Notes and bills rediscounted	....	....	10,321 00	....	35,480 48	167,373 11	....	250,658 78	5,000 00
Bills payable	....	10,000 00	....	....	3,000 00	110,910 00	....	300,000 00	....
Total	$1,779,580 47	$597,320 00	$5,292,234 00	$2,630,993 76	$7,450,116 17	$49,030,713 98	$14,020,871 51	$9,984,809 35	$37,468,540 92

RESOURCES.

	Illinois.	Chicago.	Michigan.	Detroit.	Wisconsin.	Milwaukee.	Iowa.	Minnesota.	Missouri.
Loans and discounts	$10,553,785 29	$14,027,1[illegible]0 43	$5,931,184 31	$3,443,802 15	$3,113,726 89	$1,500,622 46	$6,358,352 31	$2,913,349 35	$1,739,208 74
Overdrafts	253,969 94	88,605 20	131,869 26	11,6[illegible]8 69	66,271 58	31,397 13	112,119 08	67,182 96	2[illegible],50[illegible] 71
U. S. bonds to secure circul'n	6,310,850 00	4,955,000 00	3,271,300 00	1,093,8[illegible]0 00	1,873,550 00	791,500 00	3,595,750 00	1,713,200 00	797,900 00
U. S. bonds to secure deposits	531,000 00	....	100,000 00	250,000 00	100,0[illegible]0 00	300,000 00	325,0[illegible]0 00	205,000 00	200 000 00
U. S. bonds, etc., on hand..	411,450 00	117,450 00	78,500 00	....	176,250 00	38,900 00	199,500 00	22,050 00	65,9[illegible]0 00
Other stocks, bonds & mort's	381,922 37	194,587 28	160,212 82	....	42,003 33	22 562 22	248,981 34	75,649 85	228,9[illegible]5 81
Due from redeeming agents.	1,375,585 31	1,760,507 78	646,528 90	739,137 25	340,267 00	3[illegible]2,356 43	520,711 51	179,820 01	188,566 49
Due from national banks....	485,047 40	510 360 18	245,597 65	248,377 96	217,173 16	65,722 87	205,[illegible]32 08	163,854 55	110,980 74
Due from other bks & b'kers	199,861 57	161,602 37	101,230 11	62,182 34	34,589 35	27,802 59	149,988 75	95,865 57	92,004 46
Real estate, furniture & fix's	514,516 24	514,029 28	296 747 14	113,757 34	123,144 21	107,672 82	359,296 77	142,874 26	95,109 89
Current expenses......	13[illegible],214 48	195,441 61	72,852 44	34,813 50	54,762 58	13,810 47	118,928 98	45,600 29	22,937 88
Premiums	12,033 49	42,510 03	4 151 81	6,330 84	3,998 92	20,118 21	22,184 47	24,264 00	13,459 86
Checks and other cash items	241,671 74	1,726,258 07	113,176 72	179,749 68	83,888 30	204 877 70	126,072 44	93,540 50	44,526 09
Bills of national banks......	286,405 00	487,035 00	96,512 00	33,855 00	55,120 00	15,862 00	260,447 00	52,844 00	93,420 00
Bills of State banks....... ..	171 00	....	396 00	....	20 00	....	344 00	176 00	470 00
Fractional currency.........	61,008 58	47,536 65	24,357 55	33,275 12	29,257 18	32,841 83	45,155 94	18,365 61	7,229 72
Specie.....	85,373 25	17,771 62	9,272 95	1,005 00	10,810 85	1,945 90	33,076 95	7,826 27	40,0[illegible]9 78
Legal tender notes	1,604 874 00	3,079,264 00	787,659 00	4[illegible]0,178 00	454,504 00	339,310 00	1,189,757 00	483,526 00	272,322 00
Three per cent certificates..	100,000 00	500,000 00	40,000 00	150,000 00	50,000 00	15,000 00	25,000 00	85,000 00	10 000 00
Total..................	$23,547,739 66	$28,425,079 50	$12,111,648 66	$6,861,873 87	$6,829,347 35	$3,826,802 63	$13,890,878 62	$6,440,989 22	$4,043,794 17

LIABILITIES.

	Illinois.	Chicago.	Michigan.	Detroit.	Wisconsin.	Milwaukee.	Iowa.	Minnesota.	Missouri.
Capital stock...............	$6,570,000 00	$5,000 000 00	$3,835,000 00	$1,750,000 00	$1,860,000 00	$850,000 00	$3,742,000 00	$1,780,000 00	$1,000,000 00
Surplus fund...	1,664,909 52	1,7[illegible]4,500 00	9[illegible]6,063 81	375,000 00	413,816 96	180,128 10	8[illegible]2,761 32	286,012 31	210,567 88
Undivided profits	69[illegible],043 78	523,539 51	291,[illegible]78 45	135,430 80	277,778 04	60,650 [illegible]0	417,106 00	[illegible]01,561 84	220,163 28
National bank notes outst'ng	5,475,956 00	4,3[illegible]2,681 00	2,854,2[illegible]9 00	949,451 00	1,6[illegible]7,587 00	693,400 00	3,085,076 00	1,495,310 00	663,046 00
State bank notes outstanding	1,732 00	......	1,070 00	....	....	250 00	2,326 00	2,254 00	....
Individual deposits.........	8,123,125 67	10,799,801 77	3,851,055 68	2,778,538 81	2,522,931 93	1,375,245 21	5,251,850 26	2,156,613 23	1,785,053 33
United States deposits.....	452 7[illegible]0 81	....	40 0[illegible]3 75	165,005 32	38,719 09	139 986 17	[illegible]0 407 51	100,583 56	131,532 00
Deposits of U. S. dis. Officers	318 2[illegible]4 64	.....	52,298 81	370,[illegible]63 41	1,971 43	182,635 18	264 275 90	14[illegible],949 99	....
Due to National Banks. ...	1[illegible]0 0[illegible]9 88	2,[illegible]07,291 71	42,911 78	211,123 03	35,045 91	[illegible]19,118 21	71 183 54	106 [illegible]05 60	29,599 01
Due to other banks & bankers	66,9[illegible]7 65	2,136,118 16	18,785 53	82,561 50	27,98[illegible] 94	11[illegible],388 53	[illegible]0 453 81	25,248 39	34,923 17
Notes and bills Rediscounted	38,[illegible]09 71	[illegible]00,[illegible]22 32	200,804 45	44,000 00	17,700 00	10,000 00	33 435 25	82,500 00	....
Bills payable.......... ...	19,500 00	20,625 00	8,0[illegible]8 00	... .	5,816 00	... .	30,000 00	55,220 30	18,919 50
Total..................	$23,547,739 66	$28,425,079 50	$12,111,648 66	$6,861,873 87	$6,829,347 35	$3,826,802 63	$13,890,878 62	$6,440,989 22	$4,043,794 17

RESOURCES.

	St. Louis.	Kansas.	Leavenworth.	Nebraska.	Nevada.	Oregon.	Colorado.	Montana.	Idaho.
Loans and discounts........	$9,008,469 37	$285,881 45	$168,334 64	$996,497 28	No report.	$116,825 84	$531,211 65	$123,574 47	$73,647 64
Overdrafts..................	43,627 21	11,294 71	10,063 71	15,294 59		20,261 08	20,721 59	2,969 33	10,530 73
U. S. bonds to secure circul'n	3,988,450 00	182,000 00	200,000 00	235,000 00		100,000 00	297,000 00	40,000 00	75,000 00
U. S. bonds to secure deposits	180,000 00	50,000 00	350,000 00	450,000 00		50,000 00	150,000 00	20,000 00	....
U. S. bonds, etc. on hand ..	143,750 00	28,350 00	1,900 00	219,000 00		59,550 00	5,500 00	....	....
Other stocks, bonds & mort's	1,564,272 34	2[illegible],068 98	6,322 69	92,307 81		44,884 91	16,217 29	18,024 51	....
Due from redeeming agents	486,762 15	68,256 33	126,785 46	166,134 56		....	234,722 15	1,250 50	2,394 82
Due from national banks ...	102,689 01	139,859 85	85,713 68	99,426 45		....	74,098 20	2,041 20	357 01
Due from other bks & b'kers	133,303 32	8,289 08	1,335 76	40,781 29		....	67,105 55	43,675 11	37,785 12
Real estate, furniture & fix's	342,713 94	25,518 32	48,070 31	100,092 50		2,200 00	97,744 00	17,2[illegible]6 37	12,982 65
Current expenses...........	143,415 92	9,956 22	6,421 85	24,614 56		2,913 97	80,054 43	20,509 66	753 05
Premiums	156,399 49	2,966 78	....	11,490 44		5,912 26	9,959 81	12,575 32	....
Checks and other cash items	337,026 85	23,318 78	6,851 94	41,141 19		6,887 57	50,9[illegible]6 62	8,581 25	7,9[illegible]7 09
Bills of national banks......	262,583 00	10,060 00	14,445 00	41,433 00		35,000 00	24,592 00	3,310 00	1,250 00
Bills of State banks.........	1,700 00	....	....	92 00		....	....	....	....
Fractional currency.	23,868 16	4,385 08	12,003 64	24,718 62		1,331 39	2,634 07	3[illegible]0 10	44 45
Specie.....	80,969 08	2,799 05	214 81	8,586 29		19,782 72	21,527 12	23,431 15	6,563 22
Legal tender notes...... ..	1,079,139 00	75,052 00	110,827 00	176,380 00		121,959 00	160,175 00	19,500 00	23,4[illegible]9 00
Three per cent certificates..	500,000 00	....	10,000 00	....		....	....	....	....
Total.................	$18,559,138 84	$943,056 63	$1,159,291 49	$2,743,040 58		$587,512 74	$1,797,839 48	$359,048 97	$252,714 78

LIABILITIES.

	St. Louis.	Kansas.	Leavenworth.	Nebraska.	Nevada.	Oregon.	Colorado.	Montana.	Idaho.
Capital stock...............	$6,810,300 00	$200,000 00	$200,000 00	$500,000 00	No report.	$100,000 00	$350,000 00	$100,000 00	$100,000 00
Surplus fund................	624,765 40	12,847 90	[illegible]9,814 18	53,600 00		5,000 00	78,000 00	10,000 00	4,563 78
Undivided profits...........	498,852 04	27,987 78	17,668 68	94,649 97		11,[illegible]97 17	76,530 46	19,[illegible]21 77	5[illegible] 87
National bank notes outstd'g	3,46[illegible],811 00	159,970 00	178,000 00	168,196 00		88,225 00	254,000 00	35,955 00	62,600 00
State bank notes outstanding	37,528 00	....	....	....		....	....	....	....
Individual deposits	4,18[illegible],[illegible]81 72	385,357 94	281,629 73	1,341,754 56		114,670 93	77[illegible],728 77	75,525 29	66,524 07
U. S. deposits..............	18,516 52	20,656 81	36,211 71	224,265 09		51,384 60	138,408 66	26,954 4[illegible]	....
Dep's of U.S. disburs'g offic's	....	121,761 21	273,198 35	129,139 17		193,012 47	35,800 16	60,987 66	....
Due to National banks......	752,324 60	4,809 14	24,941 69	83,037 49		1,394 83	53,914 80	....	....
Due to other banks & bank's	640,439 08	9,665 85	32,637 15	74,796 82		22,528 21	38,455 63	29,804 85	18,971 06
Notes and bills rediscounted.	485,000 00	....	....	123,257 48		....	....	....	....
Bills payable................	1,040,740 48	....	62,200 00	....		....	....	....	....
Total..................	$18,559,138 84	$943,056 63	$1,159,291 49	$2,743,040 58		$587,512 74	$1,797,839 48	$359,048 97	$252,714 14

TOTAL RESOURCES AND LIABILITIES OF THE NATIONAL BANKS.

The following is an abstract of the reports made to the Comptroller of the Currency, showing the condition of all the National Banks of the United States, at the close of business on the 9th of October, 1869:

RESOURCES.

Loans and discounts	$679,517,795 15
Overdrafts	3,365,311 82
United States bonds to secure circulation	339,480,100 00
United States bonds to secure deposits	18,704,000 00
United States bonds and securities on hand	25,903,950 00
Other stocks, bonds and mortgages	22,250,697 14
Due from redeeming agents	56,669,562 84
Due from National banks	35,393,563 47
Due from other banks and bankers	8,790,418 57
Real estate, furniture and fixtures	25,169,188 95
Current expenses	5,646,382 96
Premiums	2,092,364 85
Checks and other cash items	108,717,642 37
Bills of National banks	10,776,023 00
Bills of State banks	92,175 00
Fractional currency	2,090,727 38
Specie	23,002,405 83
Legal tender notes	83,719,295 00
Three Per Cent Certificates	45,845,000 00
Total	$1,497,226,604 33

LIABILITIES.

Capital stock	$426,399,151 00
Surplus fund	86,165,334 32
Undivided profits	40,687,300 92
National bank notes outstanding	293,593,645 00
State bank notes outstanding	2,454,697 00
Individual deposits	511,400,196 63
United States deposits	7,112,645 67
Deposits of United States disbursing officers	4,516,648 12
Due to National banks	95,067,892 83
Due to other banks and bankers	23,849,371 62
Notes and bills rediscounted	3,839,357 10
Bills payable	2,140,363 12
Total	$1,497,226,604 33

THE INDEBTEDNESS OF OUR CITIES.

An exhibition of the financial condition of our leading cities is very instructive, as an indication of the extent to which they have been encumbered with debts and their growth and prosperity naturally impeded, by the increased taxation requisite to meet the interest and maturing principal of such debts. Considering the statement in this view, it must be acknowledged that our cities as a general rule, are in a sound and healthy financial condition, their debts bearing but a very small proportion to the amount of their taxable property, and within such limits as to be easily manageable with judicious legislation. It will be noticed also that the sinking fund principle has been extensively applied in the government of their finances, and the amounts held in this way are in many cases equal to a very large proportion of the whole debt. The table which follows contains a summary of the total indebtedness of each city, the amount of its sinking fund, the property owned by the city in the shape of stocks bonds, or other assets apart from the sinking fund, and the assessed valuation of taxable property within the corporate limits.

Cities.	Gross amount of funded debt.	Sinking fund.	Par value of property owned by the city.	Assessed valuation of taxable property.
Alexandria, Va	$918,356	....	....	....
Augusta, Ga	1,143,750	....	$1,248,810	R.E., $6,500,000
Augusta, Me	303,000	....	....	4,483,432
Bangor, Me	2,528,700	....	2,792,000	....
Boston, Mass	16,959,500	$6,869,989	R. E., 15,000,000	493,573,700
Br'klyn, Jan, '68	14,139,419	934,810	....	....
Burlington, Ia	700,000	....	....	....
Buffalo, N.Y	858,500	....	R.E., 758,265	36,516,263
Baltimore, Md	24,947,985	4,384,985	17,632,274	....
Cleveland, O	1,581,100	1,008,883	....	35,121,419
Charleston, S.C	5,196,000	....	891,624	R.E., 2[illegible],000,000
Chicago, Ill	11,000 000	....	....	....
Columbia, S.C	367,0[illegible]0	....	160,000	....
Columbus, Ga	395,800	....	195,000	R. E., 3,500,000
Concord, N. H	379,000	....	....	....
Davenport, Ia	450,000	....	....	....
Des Moines	50,000	....	....	....
Detroit, Mich	3,272,195	67,146	R.E., 3,037,343	....
Evansville, Ind	631,301	....	....	16,063,377
Indianapolis	225,000	5,500 yearly.	....	....
Jersey City	2,424,429	112,875	R.E., 210,450	....
Leavenworth, K	49[illegible],[illegible]0	....	....	....
Louisville, Ky	4,952,199	1,549,548	....	....
Lynchburg, Va	698,385	59,760	537,823	4,201,336
Madison, Ind	74,500	....	....	....
Memphis, Tenn	3,623,792	....	2,743,000	33,000,000
Milwaukee, Wis	705,000	....	....	....
Montgomery Ala	518,000	....	566,000	R. E., 5,000,000
Mobile, Ala	1,262,500	....	536,000	....
New Bedford	788,000	....	....	....
Norwich, Ct	350,000	....	....	....
New Haven	360,000	....	....	....
New York city	35,000,000	17,000,000	....	908,435,337
Do county	17,000,000	....	....	....
Newport	174,118	5,000 annually	....	....
New Orleans	10,740,850	650 000 annually	....	....
Newark	2,301,000	471,000	....	....
Peoria, Ill	919,000	80,000	....	....
Philadelphia	36,737,735	11,916,488	....	463,904,989
Providence	1,400,000	400,000	....	....
Savannah, Ga	2,048,740	....	1,311,000	....
Utica, N.Y	750,000	....	....	....
Portland	4,711,900	3,365,650	747,500	28,572,478
Wilmington, Del	500,000	....	....	5,000,000
Pittsburgh	3,160,000	....	....	....
Rochester, N.Y	666,000	....	....	....
San Francisco	4,709,100	1,298,234	....	106,414,028
St. Joseph, Mo	490,000	....	600,000	12,000,000
St. Louis, Mo	12,642,000	40,000 to 75,000 yearly	....	....

While it appears from these figures that the financial condition of cities is generally good, there are a few exceptions to the rule, in which the corporations are in an insolvent or embarrassed situation, either from unwise and careless legislation in issuing bonds, or from a decline in the value of their taxable property, which could not be foreseen. For instance, in the city of Galena, Ill., the following figures, showing the decline in value of taxable property since 1856 are given by the Council Committee of Finance as a reason why the interest on a debt of $200,000 can not be paid.

Years assessed.	City assessments.	Years assessed.	City assessments.	Years assessed.	City. assessments.
1856	$2,212,674	1861	$1,284,751	1866	$443,802
1857	2,337,488	1862	920,495	1867	447,436
1858	2,188,061	1863	785,839	1868	443,911
1859	1,431,824	1864	697,461		
1860	1,436,940	1865	644,020		

An unusual interest attaches to the circumstances of Galena, as the former home of President Grant, and from his characteristic remark—now become historical—that the only political honor he desired was to be elected mayor of Galena and have a plank walk laid on his street. Considering the financial situation of the city, it is probably as well that the walk was not laid. It is also fortunate that the General afterwards modified his views slightly, so as to be willing to include the rest of the country *with* Galena under his magis- tracy. From another Western city we have the following pertinent reply: "Our city is now in an utterly insolvent condition, and the aggregate of her debt is so large that the publication of it in your valuable journal would give our city undue notoriety, the details of which could be no possible service to others than the creditors of our city, with whom we have to communicate personally to make settlements." And from a prominent city in one of the border States the following: "So great is the disorder in which we find the affairs of the city handed over by those who for several years have controlled them, the statement you desire cannot be furnished."

These instances, however, are quite exceptional, and indeed the only ones out of some sixty cities, in which the financial condition was positively bad.

Investments in city lands and city bonds are among the most favored of any in the country, as experience has shown that the rapid and steady increase in wealth and population renders these investments probably more safe and profitable than any other one class which can be named. As to their bonds, the security offered in the whole taxable property of the corporation is far beyond the security of ordinary railroad or company bonds, and is always increasing as the city grows; while in comparison with the obligations of States, the city securities have the very important advantage that their owner can sue and obtaian judgment for his demand, whereas a State cannot be sued by an individual; this simply means that States can repudiate, but cities cannot. Attempts have been made from time to time on the part of several of the smaller cities of the West, to refuse payment of their bonds issued to railroads, and after much litigation in both State and Federal courts the following conclusion seems to have been arrived at, as stated by the Des Moines *State Register:*

"The conflict in the decisions and orders of the State and Federal Courts on the question of the payment of certain bonds issued by various cities and counties in this State for the purpose of aiding in the construction of railroads, we are glad to know, is substantially at an end. The late decision of the State Supreme Court, in the case of Jas. Holman et. al. vs. Harry Fulton, settles the question so far as any interference by the State Courts with the processes of the Federal Courts is concerned; and the Federal Courts having already determined that all the power of the government under the control of the Court should be used to enforce its mandate for the collection of these bonds, there seems to be no other alternative than for the cities and counties who have issued their bonds to go to work in good faith and honestly to compromise or pay them."

For the purpose of showing the price at which city securities are current, we give the following table of the ruling quotations at which the bonds or stock of the principal cities are now sold, and these prices, w think, will generally be found to be higher than the prices of railroad or other company bonds belonging to the same localities, and bearing the same rate of interest:

City.	Per cent.	Price.	City.	Per cent.	Price.
Boston	6	100½@....	New Orleans	7	71 @ 71½
New Haven	7	95 @ 99	Memphis	6	50 @.....
New York	7	102½@103	Nashville	6	45 @ 60
Brooklyn	7	100½@....	Pittsburgh	7	99½@100
Jersey City	6	92 @.....	Chicago	7	92½@ 93½
Philadelphia	9	89 @ 99	Cincinnati	6	86 @ 90
Baltimore	6	91½@.....	St. Louis	6	80 @ 82½
Richmond	..	73 @ 73½	Detroit	7	99½@100½
Charleston	6	60 @.....	Louisville	6	74 @ 75
Savannah	7	86 @.....	St. Joseph	7	.....@ 75
Mobile	8	76 @ 78	San Francisco	7	85 @ 95

RAILROAD EARNINGS FOR NOVEMBER AND FROM JAN. 1, TO DECEMBER 1.

The returns of Railroad Traffic for the month of November are generally favorable, most of the roads showing a considerable increase over the same month in 1868 as we anticipated.

The continued large business on the leading Western roads has had the natural result of inspiring confidence in their stocks, and has done much to assist in placing financial affairs upon a healthy basis again, after the ruinous gold panic of September last. The most conspicuous line for large increase in earnings last month was the Milwaukee and St. Paul, the total earnings being $801,163, and the increase over the same month in 1868 nearly a quarter million dollars. The Chicago and Northwestern shows an increse of $36,946, Chicago and Rock Island $51,011, Lake Shore and Michigan Southern $61,313, Ohio and Mississippi $23,391, and other roads a similar improvement.

	1869.	1868.	Inc.	Dec.
Central Pacific (gold)	532,000	......	......	5,877
Chicago and Alton	403,691	409.568	......	....
Chicago and Northwestern	1,144,029	1,107,033	36,996	....
Chicago, Rock Island and Pacific	475,600	424,589	51,011	....
Cleveland and Pittsburg	219,735	190,987	28.448	....
Clev., Columbus, Cin. and Indianapolis	271,555	262,798	8,757	....
Illinois Central	825.055	699,532	125,523	....
Lake Shore and Michigan Southern	1,124,745	1,063,432	61,313	....
Marietta and Cincinnati	131,019	119,169	11.850	....
Michigan Central	448,419	410,825	37,594	....
Milwaukee and St. Paul	801,163	556.917	244,246	....
North Missouri	248 438	112,340	136,099	....
Ohio and Mississippi	298,027	274,636	23,391	....
St. Louis, Alton and Terre Haute	188,148	175.379	12,769	....
Total	$7,111,324	$5,807,255	$777,945	$5,877

The prospects for December would seem to be, that the earnings will be about the same as those of the corresponding month last year. December is usually one of the dullest months of the year, and as the traffic is comparatively small at best, no important increase or decrease should be shown.

As eleven months of the year 1869 have now passed it is easy to determine very nearly what the earnings of the whole year will be, and to compare them with the earnings of previous years. If the year 1866, for instance, be compared with the year 1869 the differences in earnings will appear most conspicuously. If such a steady advance should be kept up in the business of the roads for the next four years, it would appear that the highest prices at which the stocks of these speculative favorites have ever sold, even in periods of excitement, would be fully warranted by the actual value of the several properties. It is not probable, however, that such a large and continuous increase can be realized, and if the year 1870 should be only as favorable as 1869 has been, no depreciation in the value of stocks should be anticipated. This comparison is very favorable to nearly all the roads embraced in the succeeding table, and shows that a very steady, and in some cases remarkable, progress has been made in traffic during the past four years. The following table will show the comparative earnings of the principal lines for eleven months:

EARNINGS FROM JANUARY 1 TO DECEMBER 1.

	1869.	1868.	Inc.	Dec.
Chicago and Alton	$4,330,085	$4,146,997	$183,088	$........
Chicago and Northwestern	12,547,693	12,390,535	157,158	....
Chicago, Rock Island and Pacific	4,886,909	4,372,028	514,881	....
Clev., Col., Cin. and Indianapolis	2,873,344	2,688,281	185,063	....
Illinois Central	7,854,711	7,140,273	714,438	....
Lake Shore and Michigan Southern	11,870,088	11,087,832	782,256	....
Marietta and Cincinnati	1,281,193	1,172,687	108,506	....
Michigan Central	4,374,621	4,179,143	195,478	....
Milwaukee and St. Paul	6,653,190	6,048,765	604,425	....
Ohio and Mississippi	2,660,647	2,72 ,178	......	60,531
St. Louis, Alton and Terre Haute	1,844,867	1,767,362	77,505	....
Total	$61,177,348	$57,715,081	$3,422,798	$60,531

THE CHESAPEAKE AND OHIO RAILROAD—A NEW ROUTE TO THE WEST.

A railroad from the port of Norfolk, on the Atlantic coast, to the nearest practicable point on the Ohio River, has long been contemplated as a favorite project by capitalists in this country and in England. Much progress has in fact been made already towards completing the proposed line, as the Chesapeake and Ohio Railroad (formerly the Virginia Central), extends now from Richmond, Va., to White Sulphur Springs, Va., a distance of 227 miles. The completion of the line through to the Ohio River has been commenced at different times, both previous to and since the war, but the work has each time been discontinued from various causes not particularly affecting the present subject, except that it was never stopped from any impracticability of the route.

At a recent meeting of the stockholders of the Chesapeake and Ohio Railroad a contract was ratified with certain prominent New York capitalists, under which the road is to be completed to the Ohio River without unnecessary delay, and the names of the contracting parties furnish a guaranty in themselves that if undertaken by them it will in all probability be carried through. The contract entered into is to complete and equip the road to the Ohio River at the mouth of the Big Sandy at a cost of $15,000,000—$10,000,000 for construction and $5,000,000 for equipment; distance to be built, 200 miles.

As this line, when finished, will form a new trunk route from the Atlantic coast to the Western States, it is worth while to inquire into the traffic and earnings of the old established lines, and the prospect of the new route for commanding a share of our immense East and West business.

There are now four great trunk lines of railroad between the seaports of the Atlantic coast and the Upper Mississippi Valley. (1) The New York Central and Lake Shore (2) The Erie and Atlantic and Great Western (3) The Pennsylvania Central. (4) The Baltimore and Ohio. Each of these has its interlocking branches and extensions, but practically they constitute the four through lines connecting the Ohio Valley with the great centres of population at the East. It is instructive to note to what dimensions the tonnage of these several trunk lines has grown. The increase in five years is shown in the following:

	N. Y. Central, tons.	Erie, tons.	Pa. Central, tons.	Balt. & O. tons.
1863	1,449,604	1,874,634	2,454,076	934,378
1867	1,667,925	3,401,546	4,[illegible]00,538	*1,557,561
1868	1,846,559	3,908,243	4,722,015	....

The gross earnings of these four roads were, for 1868: New York Central, $14,381,303; Erie, $14,376,872; Pennsylvania Central, $17,233,497; Baltimore and Ohio (1866) $8,698,425—or a total of nearly fifty-five millions per annum for the four roads.

As yet, railroads cannot successfully compete with vessels for the transportation of heavy freights over long distances; it becomes important to secure, therefore, the shortest distances between navigable waters. A glance at the map will show that the westermost limit of tidewater navigation, north of Cape Hatteras, is found in the indentations of the Chesapeake Bay, while the eastermost limit of reliable river navigation on the other side of the Alleghanies is on the Ohio River at about the same latitude. The distance between these points of water transit is about 400 miles, with a series of favorable passes through the mountain ridges. The maximum grades along the Baltimore and Ohio route are 116 feet to the mile, those along the Pennsylvania Central 90 feet to the mile, and on the Erie 60 feet to the mile, while on the Chesapeake and Ohio the grades are said to be low reaching only 75 feet at one or two points. In carrying freight, low grades are of the greatest importance. It is not difficult to perceive the several advantages of location which have attracted the attention of prominent capitalists, and induced them to put the enterprise on a new and improved financial basis, and to undertake the construction of another Grand Trunk Line from the seaboard to the west. The region traversed by the new road between the waters of the James at Richmond, and those of the Kanahwa and Big Sandy Rivers abounds also in the best coal, (both anthracite, bituminous and splint), as well as iron, salt, timber and productive farming lands, so that the advantages of cheap fuel and a considerable local traffic would be added to the others which have been noticed.

* 1866.

NEW RAILROADS IN MINNESOTA.

The following interesting statements in regard to the railroads of Minnesota are from the St. Paul *Pioneer:*

As the season for active operation in extending these different lines of road is about closing, it may be of interest to learn what progress has been made in railroad building in Minnesota during the past year. The year 1869 will be long remembered as one peculiarly unfavorable for railroad work. The spring was backward, and the greater portion of the summer and fall months marked with heavy rains. Yet, notwithstanding all the difficulties that contractors had to meet with, the season's work shows in the aggregate that 244 miles of road has been built and put in operation, divided among the different roads as follows:

St. Paul and Pacific (Main Line), to Chippewa River, 90 miles west of Crow River; total, 171 miles from St. Paul. The grading will be continued beyond Chippewa River until the weather compels a suspension of work.

As soon as practicable the work will be resumed next spring, and the road completed to its terminus at the western boundary of the State (some 75 miles) early in the season.

Lake Superior and Mississippi Road.—47 miles have been completed and put in running order during the year, making a total of 77 miles from St. Paul toward Duluth.

It is expected that the road will be completed through to the lakes and trains running regularly early in August next, in time to move the next harvest of wheat.

St. Paul and Sioux City Road have extended their line of road from Mankato to Crystal Lake, a distance of fifteen miles, and in conjunction with the Milwaukee and St. Paul road have completed the new line across the Mississippi River and brought the cars from the western and southern portion of the State directly into the city, thus giving St. Paul an all-rail eastern connection.

The Southern Minnesota Road have built their line from Ramsey, a point of junction with the Milwaukee and St. Paul Road, to Wells, at distance of forty miles, to which freight and passenger trains are now running regularly.

Winona and St. Peter Road.—This company have added twenty miles to their road during the present season, leaving only fifteen or eighteen more of road to build to complete the entire line to St. Peter.

St. Paul and Chicago Road.—This new road has sprung into existence only during the present year, and has not made so much progress as the other railroads in Minnesota. The grading has been done and the iron nearly laid from St. Paul to Hastings. That portion of the road may be running in December.

Hastings and Dakota Road is another new road. During this season it has been extended from Farmington, where it crosses the Milwaukee and St Paul road, to Lakeville, a distance of ten miles, and the cars are running regularly to that point.

This gives 794 miles of completed road in the State, divided among the different companies as follows:

St. Paul & Pacific (Main and Branch Line)	213	Winona & St. Peter	126
Milwaukee & St. Paul (Min Div)	131	Southern Minnesota	90
Lake Superior & Mississippi	77	Hastings & Dakota	30
St. Paul & Sioux City	107	St. Paul & Chicago	20
Total			794

Department Reports.

REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT, Dec. 6, 1869.

I have the honor to submit herewith the annual report of the doings and conditions of the Treasury Department. In this report I naturally treat first the matters of administration and their measures of public policy.

The officers in charge of the various bureaus and divisions of the Treasury Department have faithfully performed their duties, and I commend their several reports to the consideration of Congress.

The Treasurer of the United States has prepared an elaborate report setting forth the condition of the Treasury and furnishing a *resume* of the business of the Treasurer's office from 1861 to the present term. The long and faithful services of the present Treasurer entitle him to the gratitude of the country.

The report of the Commissioner of Internal Revenue is respectfully commended to the attention of Congress. Since the appointment of the present Commissioner the administration of the office has been constantly improving. The increase of receipts for the first five months of the present fiscal year, in the sum of $14,431,333 06 over the amount collected in the first five months of the last fiscal year, is satisfactory testimony to the ability and integrity of the persons employed in that branch of the public service. The amount paid by warrants for collecting the revenue from Customs during the fiscal year ending June 30, 1868, was $6,378,385 43 and for the year ending June 30, 1869, $5,376,738 13, showing a decrease of $1,001,647 30. The decrease in the cost of collecting the revenue has not been attended by any loss of efficiency in the service. On the other hand it is believed that the means for the detection of smuggling are better than ever before, and that the Custom House service is also constantly improving. It ought to be understood that the chief means of collecting the revenue, and enforcing the Revenue laws, must be found in the administration of the Appraiser's Department. The frauds and losses arising from actual smuggling are unimportant when compared with the losses sustained through the incompetent or dishonest examiners and appraisers. Assuming that honest men may be obtained for these important positions at the present salaries, it is yet true that an incompetent appraiser or examiner may daily subject the Government to losses far exceeding the amount of his salary. Under existing laws certain revenue officers, and other persons appearing as informers are entitled to shares in fines, penalties and forfeitures. During the fiscal year 1868-69, the Treasury Department distributed the sum of $286.073 61 to such officers and to informers in the various cases arising under the Customs and Revenue laws. A large additional sum was also paid through the Internal Revenue office. The reason on which the laws granting such allowances are based, is that officers of the Government are stimulated to greater activity in the discovery of frauds and in bringing offenders to punishment. There can be no doubt that such is the effect of this policy, but the experience I have had in the Treasury Department has convinced me that the evils attending the system are greater than the benefits derived from it. It often occurs that revenue officers are led to assert claims in behalf of the Government which have no just foundation in law or in the facts of the respective cases, and where real claims exist it is often the object of the informer and officers who share in the penalties to misrepresent the case to the Government so as to secure the greater advantage to themselves. But a more serious evil is found in the practice quite general of allowing persons to pursue a fraudulent course until a result is reached which will inure to the benefit of the officers and informers, instead of checking criminal practices at the outset. It is impossible to set forth in exact language the character of the evils that grow out of the present system. I am, however, clearly of the opinion that the Government ought to rely upon public officers for the proper performance of their duties without stimulating them by any contingent advantages. I have elsewhere recommended an increase of salaries of Custom House officers, and the abolition of the system of giving to them a share of the fines, penalties and forfeitures will be an additional reason for the increase of salaries in this Department of the public service. It has become a practice for clerks and other persons who have held office in the Treasury Department to accept employment as agents or attorneys for parties having claims against the Department; and there is reason to believe that in some instances the information obtained while in the public service has been used in aid of the claimants. Without detailing all the objections to this practice, I respectfully suggest that a law be passed barring persons from practicing before the the Treasury Department as agents or attorneys in behalf of claims that were pending when such persons were officers of the Department.

In March last there were employed in the Treasury Department at Washington 2,848 clerks, messengers and laborers, at a monthly cost of $285,921 51. At present the whole number of such employes is 2 441, and their monthly pay amounts to $238,280 84, showing a decrease of expenses at the rate of $571,-688 04 per annum. It was found necessary, however, during the periods mentioned, to increase the force in the Internal Revenue office, and in the office of the First Comptroller. This increase, in the aggregate, is at the rate of $80,440 per annum. This statement does not relate to the force employed in the Bureau of Engraving and Printing. In March last there were sixty-two special agents in the Department, receiving in the aggregate for their services $371 10 per day. Each of these agents made his reports to the Department and acted under its direct orders. The number at present employed is fifty-four, and their daily pay amounts to $368 85. The pay of the agents has been increased generally, in the hope that more efficient services might be obtained. The sea coast and frontiers of the country have been divided into sixteen special agency districts, and a superintendent appointed for each. Assistants have been appointed and detailed to act under the several district agents. The orders of the Department are in all cases sent to the agent in charge of the district, and the reports of his assistants aremade to him. The agent is required to make a monthly report of his own doings, and of the doings of his subordinates. The results thus far obtained appear to justify the organization introduced. Arrangements have been made for the manufacture of paper for the currency and other obligations of the United States and for the printing of the same, which increase the security of the Government against unlawful issues from the genuine plates. Under the eleventh section of an act approved June 30, 1864, entitled "An Act to provide ways and means for the support of the Government and for other purposes," a peculiar paper has been designated as the Government paper, and by that act it is made a felony for any person to have or retain in his possession any similar paper adapted to the making of any obligation or security of the United States, except under the authority of the Secretary of the Treasury or some other proper officer of the United States. Arrangements have been made for the manufacture of this paper by Messrs. Wilcox & Co., near Philadelphia, and the mills owned by them, which are exclusively devoted to this purpose, have been placed under the supervision of the officers of the Government, and such precautions have been taken for the custody of portions of the machinery as to render it improbable that the paper manufactured can be obtained by dishonest means. It is received by an agent of the Government stationed at the mills, and upon the requisition of the Department it is shipped to the National Bank Note Company, the American Bank Note Company, or to the Printing Bureau of the Treasury Department, as the case may require. Arrangements have also been made with each of the two Companies mentioned for preparing one set of plates for every issue of currency or other obligations. The Engraving and Printing Bureau at Washington prepares a third set, and each office places an imprint upon every obligation of the government. Notice of the transmission of paper from the agent at the mills, and its receipt by each of the several offices of the deliveries therefrom to the Sealing Bureau in the Treasury Department, and also of deliveries to the Treasurer of the United States, is given each day by telegram or by letter, and on the following day the accountants in the Treasury Department prepare a statement showing the disposition of every sheet of paper manufactured. In the month of November the paper at the mill, and in each of the several printing establishments, was carefully counted, and the result compared with the accounts in the Treasury Department. In an aggregate of about 7,000,000 of sheets received by the agent at the mills, discrepancies were found to the extent of sixty sheets of fractional currency paper, and for the money value of which the companies doing the work are responsible. It is believed that these arrangements furnish better security than has heretofore existed against the fraudulent issue of currency, or other obligations of the government, by the use of the original dies or plates, and the system of the frequent examinations of the several establishments intrusted with the work will disclose at once any discrepancy in the accounts. It is not probable that the changes made will diminish the expense—indeed the cost is greater than it would be if the work in all its branches were done in the Treasury Department. In my judgment, however, the additional security is of more consequence to the government than the mere economy of money in the expense of engraving and printing. The marine hospital service of the country is, upon the whole, in an unsatisfactory condition. Several hospitals have been erected at points where at present they are not needed, while the great commercial cities like New York, Philadelphia, and Baltimore have no hospital for sick and disabled seamen. A careful examination of these institutions has been made by Dr. Stewart, an agent of the Treasury Department, and by Dr. Billings of the United States army. The result of these examinations is that several hospitals have not been properly managed; that others should be closed, and that hospitals should be erected at New York, Baltimore, and Philadelphia. Measures have already been taken for the sale of the hospitals at several places where they are not needed. The hospital at New Orleans is represented as unsuitable, from bad location and other circumstances. The War Department is in possession of suitable hospitals at New Orleans and New York, which, I am informed, are no longer needed for the use of the army. I respectfully recommend that they be transferred to the Treasury Department. The revenue-marine system is an important and expensive branch of the customs-revenue service. There are thirty-six vessels belonging to the Department, of which twelve are sailing vessels and twenty-four are steamers. They vary in size from 40 to 480 tons. 173 officers and 2,400 men are required to man these vessels, and their running expenses amount to about $865,000 a year. Four of these vessels, side-wheel steamers of 480 tons burden, are lake steamers, and out of commission. They are rapidly diminishing in value, while the care of them involves an annual expense of about $10,000. The vessels now in the service have been purchased and built at various times, and, as far as I can ascertain, without special reference to the nature of the duty to be performed, and certainly without any matured plan. From one-half to three-fourths of the whole number are not adapted to the business. Congress recently appropriated $300,000 for the construction of four additional vessels, and proposals were issued and bids received under the authority thus conferred upon the Secretary of the Treasury, but no contracts have yet been made. An examination of the subject has forced the conviction upon me that it is inexpedient to incur the expenditure until the Department is in possession of more accurate and complete information. I shall, therefore, take the opinion of a board of competent officers upon the following points: First, the size and character of vessels required by the nature of the service they are to perform; secondly, whether they should be constructed of iron or wood, or of a combination of these materials. When the report of the Commissioner shall have been received, proposals will be issued for the construction of four vessels as authorized.

In addition to the present mint at Philadelphia six branch mints have been established at various times in different parts of the country, one at San Francisco, one at New Orleans, one at Charlotte, N. C., one at Dahlonega, Ga., one at Denver, Colorado, and one at Portland, Oregon.

Since the commencement of the war the branches at New Orleans, Dahlonega, and Charlotte have been closed. An assay office, it is believed, will satisfy the necessities of the mining interests of Colorado, and for the present only a limited business will be done at the Portland Mint. Indeed, with the construction of railroads, and the consequently increasing facilities for communication, I am of opinion that the business of coining will be chiefly at one mint upon the Pacific and one upon the Atlantic coast. Under an act of Congress, passed July 23, 1866, preparations are making for the sale of the mints at Charlotte and Dahlonega. 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 in the Treasury Department at Washington charged specially 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.

An agreement was made on the 11th day of February, 1869, between the Secretary of the Treasury on behalf of the United States and certain parties in California, leasing a lot of land in San Francisco known as the Custom House block, for the period of twenty-five years. This lease is subject to the condition that it shall be void if Congress, on or before the 1st day of January, 1870, shall take adverse action in reference thereto. In view of the fact that the lease is for a long period of time, and being of the opinion that the Government should retain control of property that may be needed for public purposes, I think it expedient for Congress to annul the lease.

Considerable progress has been made upon the foundations of the Post Office building in the City of New York, and of the Post Office and Independent Treasury building in the City of Boston. The supervising architect of the Treasury Department is of the opinion that the walls and roofs of the buildings may be completed during the next year if sufficient appropriations are furnished. The works have been undertaken, I am of opinion that it is economical to make the necessary appropriations for their speedy completion.

During the month of December the Department will be prepared to submit a report upon the condition of our commercial marine. That report will show that the navigation interests of the country have not recovered from the losses sustained during the war, and that efficient measures are necessary for its restoration. I cannot omit to call the attention of Congress to the inadequacy of the salaries paid to officers in the Treasury Department who exercise discretion and whose acts bind the Government, or effect directly its expenditures or revenues. Some of the salaries were fixed when the Government was organized—others when new officer were added, and but few of them have been increased recently. It is unquestionably true that persons having equal ability and clothed with similar responsibility receive much larger compensation from individual and corporations, and although many of the officers now in the public service are likely to continue from the circumstance that their vocation has led aside from the ordinary channels of business, yet, as an act of justice to them and in the interest of the Government, I earnestly recommend an increase of their pay. Speaking generally, this increase of pay should be extended to revenue officers in the Customs service, such as Collectors, Surveyors, Naval Officers, and especially to Appraisers and Examiners in the Appraiser's Department. Should the recommendation to repeal, the laws granting shares of penalties, fines and forfeitures to public officers be adopted, it will be necessary to increase the salaries of Collectors, Naval Officers and Surveyors at all the principal ports of the country. It is a plain truth that the Government has no right to expect the service of such competent men as appraisers and examiners at the present inadequate salaries. In the larger cities they are insufficient for the support of a family and under such circumstances the Government is not without responsibility when it places its officers in such a position that they are compelled to choose between dishonest on the one hand and penury on the other. The salaries of the Assistant Treasurer and the principal officers should also be increased and for substantially the same reasons. It has been found impossible for the last few years to retain the services of the most efficient clerks in the Treasury Department except by additions to their lawful salaries, through an appropriation placed in the hands of the Secretary for that purpose.

The distribution of this appropriation is an unpleasant duty for the Secretary and cannot be performed without producing jealousies and discontent among the officers of the Department. Speaking generally, it may be said that the heads of bureaus, chief clerks, and clerks in charge of divisions, are inadequately compensated for the services they perform. The routine business of the Department can be performed in a satisfactory manner by clerks receiving the compensation now provided by law, but men on whose discretion and judgment the Government relies for the proper transaction of the business of the country, and whose labors are not limited to the ordinary hours of duty, should be made to feel that they are properly compensated. There are two changes in the organization of the Treasury Department which I consider important. The first change to which I refer is the creation of a Chief Comptroller of the Treasury, who shall be authorized to control the system of accounting by the several Auditors and Comptrollers, and to whom all appeal shall be made upon questions arising in the accounting offices of the Treasury. The creation of this office, clothed with the powers indicated, will give uniformity to the accounting system, and I trust it will be in the power of the officer appointed to simplify the system and materially reduce the expense of the Department in this particular.

The second change to which I call attention is in my opinion even more important. At present there are eight divisions in the Secretary's office whose duties are connected exclusively with the Customs revenue system. There is no person, except the Secretary of the Treasury, who is authorized by law to pass finally, or in any way authoritatively, upon questions arising in the administration of the Customs Revenue laws. At the present time the revenue from Customs is as large as the revenue from the excise system. The number of men employed and the field of its operations are nearly as great. It is impossible for the Secretary of the Treasury to give the various questions that arise in the administration of the system that attention which is essential to the service. The duties of superintending the collection of Customs revenue are so varied, delicate and important as to justify and require the exclusive attention of the most competent person whose services can be obtained. The experience of the present year in the administration of the internal revenue system and the collection of the excise tax justifies the opinion that the establishment of the office of Commissioner of Customs Revenue, corresponding in powers and position to that of Commissioner of Internal Revenue, and the appointment of a competent commissioner would render the execution of the Customs' Revenue laws much more efficient and harmonious, while the revenue would probably be increased to the amount of many millions of dollars annually; nor is it probable that the expenditure would be materially greater.

Including interest earned and not paid and deducting cash on hand the debt of the United States on the first of March last, was $2,525,463,260 01, and subject to the same conditions it was $2,453,559,735 23 on the first of the present month, showing a decrease of $71,903,524 78. This apparent decrease of the public debt is less than the actual decrease. Considerable sums have been paid on account of war and other old claims, not previously ascertained, and therefore not included in any debt statement. The account of March 1, from the necessity of the case, included only the interest accrued and not then payable, but as a matter of fact there were outstanding and overdue interest coupons, and these, several millions have since been paid out of the ordinary revenue. Previous to March 1 no interest account had ever been kept with the several loans; such measures as were found practicable have since been taken to ascertain the exact condition of these accounts. The bonds issued by the United States in aid of railways, amounting to $62,625,320, being in the nature of a loan, are not included in the foregoing statement. During the year ending June 30, 1869, there was an excess of receipts over expenditures, including the interest on the public debt, of $49,453,149 46; of this excess $12,992,-370 03, as nearly as can now be ascertained, arose previous to March 1, and the remainder, $36,460,779 43, between that time and the first day of July. This excess was applied from time to time to the purchase of five-twenty bonds, and the excess of receipts since July 1 has been used in the same manner. The purchases amounted in the aggregate on the 30th day of November to $75,476,800. As a large part of the excess of receipts was realized in coin, sales of gold have been made from time to time, and the proceeds applied to the purchase of bonds. With the exception of the sale of moderate amounts of coin in Chicago, New Orleans, St. Louis and Baltimore for the payment of duties, the sale of gold and the purchase of bonds have been made uniformly through the agency of the United States Treasury in New York, and without any expense to the Government except the comparatively small amount paid for advertising the proposals. The average premium on gold sold since March 1 has been 32 8-10 per cent., and the average premium paid for bonds has been 16 98 100 per cent.; upon this basis of the sales of gold and the purchase of bonds, the average price paid for bonds in coin has been 88 55-100 per cent. The act of Feb. 25, 1862, provided that the coin received for duties upon imported goods should annually be set apart as a sinking fund to the extent of one per centum of the entire debt of the United States. In conformity with this requirement I have purchased bonds to the amount of $20,044,800, and designated them as belonging to the Sinking Fund. These purchases are a substantial compliance with the statute. From the 4th of March last I have not felt myself authorized or required to make any provision for the time that elapsed after the passage of the act, and previous to the commencement of the administration. With the excess of means at my command, I have purchased bonds in addition to those purchased for the Sinking Fund to the amount of $55,432,000. These are held as a special fund, subject to the action of Congress, and I respectfully recommend that they be added to the Sinking Fund, and that any further purchases that may be made be so added until the gross amount shall constitute a fund equal to that which would have been created if there had been no delay in the execution of the law. The depreciation of currency is due to two causes: First, an excessive issue, and, secondly, to the want of faith in the Government, and the extent of the influence of the first named cause cannot be ascertained until the second is removed substantially. Whenever our credit shall be so much improved at home and abroad that holders of our bonds are disposed to retain them even when the public mind is excited upon financial subjects, we shall be able to judge more accurately the extent of the overissue of paper money. It is also true that the quantity of currency necessary for the transaction of the business of the country cannot now be fixed accurately. Since the close of the war the wants of the States of the South have increased, and consequently a large amount of currency has been withdrawn from other sections to supply the demand there created. The amount necessary for the South will steadily increase for the next two years.

The construction of the Pacific Railroad is likely to result in the substitution of paper for coin by the people on the Pacific coast. It is probable that the demand for paper for that purpose will not be less than $30,000,000. As a consequence, a very large quantity of coin will be withdrawn from circulation, and thus practically the coin will be increased upon the Atlantic coast, and the paper in circulation in the States east of the Rocky Mountains will be materially reduced. These changes will tend to diminish the difference between paper and coin. The ability of the country to resume specie payments will not be due to any special legislation upon that subject but to the condition of its industries and to its financial relations to other countries. These, of course, will be more or less dependent upon the general policy of the Government. The war exhausted the country of its material wealth, and the States of the South were literally impoverished. A necessary condition for the resumption of specie payments was the development of the industry of the nation, both South and North, and the consequent accumulation of movable products of industry to such an extent that our exports of those products should be equal substantially to our imports. So long as is necessary to pay for merchandise imported by the transfer of Government bonds or other evidences of indebtedness to other countries, so long it will be impracticable to resume and maintain specie payment. When the products of industry exported shall be equal, substantially, to the products of other countries imported, there will be no demand for specie for export except what may arise from the circumstances that our bonds held abroad are sent home, sold in our markets and the proceeds exported in coin. When the credit of the country shall be fully established in Europe, and there shall be no doubt either of our ability or disposition to meet all our obligations, bonds, heretofore and now, to a large extent held by merchants and bankers, will be transferred to capitalists for permanent investment. When this change shall have taken place, the probability of our securities being sent home under the influence of political or financial disturbances in England will be very slight, and when as a concurring fact, our exports exclusive of public securities, shall be equal to our imports, specie payments may be resumed without even a temporary embarrassment to the business of the country.

One of the most efficient means of strengthening the country in its financial relations with other countries is the development of our commercial marine. The returns show that a very large amount of the foreign trade is in English hands. We are not only thus dependent upon a rival country for the performance of the business which should be in the hands of our own people, but our ability to maintain specie payments is materially diminished. If the entire foreign trade of the country, both of exports and imports, were carried on in American ships, the earnings would not be less than $75,000,000 a year. At present the freights of the foreign trade in American ships do not exceed $28,000,000. Were the trade exclusively in American hands, a large part of this difference of $47,000,000 would be due to citizens of the United States, and payable in other countries. This amount would be thus added to our ability to pay for goods imported from those countries. If, for example, an American citizen purchase in New York, a thousand barrels of flour for $6,000, and export it to Liverpool in an American vessel, and it is there sold for $7,000 a bill of exchange may be drawn against the proceeds, and an invoice of goods of the value of $7,000 purchased in England entirely liquidated, although at the Custom House at New York, there would be an apparent balance against the country of $1,000. But if, on the other hand, the thousand barrels of flour are exported in a British vessel, the proceeds of the flour realized in New York, and which can be applied to the payment of goods bought in England, will be only $6,000, and there will remain an actual balance against the country of $1,000. This familiar example shows the importance of reestablishing our commercial supremacy upon the ocean; and I deem it, therefore, essential to our prosperity that the shipping interest of the country be fostered, not only as a nursery for seamen, but also an essential agency in enabling the Government to institute and maintain specie payments. It is an interest also which, in its development, is as important to the States and people remote from the seacoast as it is to the maritime sections. Every addition to our facilities for the export of the products of the interior is as advantageous to the producers as to the merchants and shipbuilders of the coast. While I do not anticipate that it will be necessary to delay resumption until our proper commercial position is regained, I am satisfied that the development of the navigation and shipbuilding interest will improve the credit and rapidly augment the wealth of the country. The sugsuggestions that I have made indicate my opinion that it will not be wise to resume specie payments while so large a part of the interest bearing debt of the country is represented by five-twenty bonds and held by European merchants, bankers and manufacturers. Questions that have been raised in regard to the nature of the obligation assumed by the Government in the issue of these bonds, have undoubtedly deterred many persons from purchasing them as a permanent investment, and consequently they are largely held in this country and in Europe for speculative purposes by persons who design to put them upon the market whenever the advance shall furnish a sufficient inducement, or whenever political or financial disturbances may create a demand for money for other purposes. It is probable that from seven to nine hundred millions of these bonds are now held in Europe, and to aconsiderable extent by persons who will dispose of them under the influence to which I have referred. Such a panic as existed in Europe in 1866 at the opening of the Austrian and Prussian war would be likely to induce the return of a sufficient amount to this country for sale, to embarrass business, and in case of resumption, to cause the suspension of the banks. It is therefore, in my judgment, essential that the larger part of the five-twenty bonds be withdrawn, and that other bonds be substituted in their place, issued upon terms and conditions which admit of no doubt. In fine, the practical question is not merely the resumption of specie payment as a measure by itself; it is not difficult, but the problem is to resume under such circumstances that the position can be maintained, not only in times of tranquility, but also in periods of excitement and peril. Our course, it seems to me, is plain. Every measure of the Government bearing upon the subject should tend to appreciate the value of our paper currency. It is probable that some decrease in the volume of paper will ultimately be necessary, and I therefore respectfully suggest that the Secretary of the Treasury be clothed with authority to reduce the circulation of United States notes in amount not exceeding $2,000,000 in any one month. Thus will the country be brought gradually (it may be, and yet without disaster) into a condition when the resumption of specie payments will be easy, if not unavoidable.

On the 1st of December, 1869, the principal of the public debt of the United States, not deducting bonds and cash on hand, amounted to $2,605,2?6,786 82. Of this amount the sum of $356,113,258 50 is represented by United States notes not bearing interest. The larger part of this is needed for circulation, but the amount can be reduced from the ordinary revenue of the country, if Congress shall consider it expedient to make provision for such reduction. The fractional currency in circulation was $38,885,564 68, and there is no occasion for any legislation in reference to this item of the public debt. There were outstanding, also, certificates for gold deposited in the Treasury to the amount of $36,862,940. These certificates are redeemable on presentation. These three items amount in the aggregate to $431,861-788 18, and in making provision for the public debt they are not necessary to be considered. Of the loan of Jan. 1, 1861, the sum of $7,022,000 is outstanding and payable on the 1st of January, 1871. The loan of 1868, of $20,000,000, is payable in 1873. The bonds known as ten-forty bonds, amounting to $194,557,300 are not payable until 1874. The six per cent bonds, payable in 1881, amount to $283,-677,000. As the bonds known as eighty-ones and ten-forties, amounting in the aggregate to $478,244,900, are not due and cannot be paid previous to 1874 and 1881, it is unnecessary to consider them in making provision for a new loan. The five-twenty bonds, amounting in the aggregate to $1,602,671,100, are either due or will become soon due; and it is to this class of the public debt, and this class alone, that attention should be directed. Of this amount the sum of $75,477,800 has been purchased since March last, and the bonds are now held by the Government. Before any measure for funding the five twenty bonds can be consumated, the Government will be able to purchase $75,000,000 more. There will then remain on the 1st of July next about $1,450,000,000 of the five-twenty bonds in the hands of the public creditors. Of the entire indebtedness of the United States, only the unimportant sum of $27,000,000 will be due and payable previous to 1874.

Under these circumstances it does not seem to me to be wise to authorize the funding of the whole amount of the five-twenty bonds, which as is now anticipated, will be outstanding on the 1st of July next; but that $250,000,000 at least should be suffered to remain either for purchase or redemption previous to 1874. Should the sum of $250,000,000 be left for that purpose, the entire public debt would be in a condition to be easily redeemed. Between 1874 and 1881 the ten-forty bonds could be paid, and provision also made for the redemption of the bonds which will become due in the year 1881. It may be wise to reduce the proposed loan to $1,000,000,000, which would then leave for payment previous to 1881 the sum of about $670,000,000, or hardly more than $60,000,000 a year. Assuming that the proposed loan will be for an amount not exceeding $1,200,000,000, I recommend that it be offered in three classes of $400,000,000 each, the first class of $400,000,000 to be payable in fifteen years, and to be paid in twenty years; the second class of $400,000,000 to be payable in twenty years, and to be paid in twenty-five years, and the third class of $400,000,000 to be payable in twenty-five years, and to be paid in thirty years. The essential conditions of the new loan appear to me to be these: First—That the principal and interest shall be made payable in coin; second that the bonds known as five-twenty bonds shall be received in exchange for the new bonds; third, that the principal be payable in this country, and the interest payable either in the United States or in Europe, as the subscribers to the loan may desire; fourth, that the rate of interest shall not exceed 4½ per cent per annum; fifth, that the subscribers in Europe shall receive their interest at London, Paris, Berlin, or Frankfort, as they may elect; sixth, that the bonds, both principal and interest, shall be free from all taxes deductions, or abatements of any sort unless it shall be thought wise to subject citizens of the United States to such tax upon income from the bonds as is imposed by the laws of the United States to such tax upon income derived from other money investments. There are two reasons, and each seem to me to be a controlling reason, why the bonds of the United States should be exempt from State and local taxes. If not so exempt, the amount of the taxes imposed by the local authorities will be added to the interest the government will be required to pay, and thus the national government will be compelled to provide for taxes imposed by the local authorities.

Secondly—Inasmuch as the ability to borrow may under some circumstances be essential to the preservation of the government, the power should not, even in times of peace and prosperity, be qualified by any concessions to the States of the right to tax the means by which the national government is maintained. The right to use its lawful powers free of any condition, restriction, or claim of another is an essential condition of sovereignty, and the national government should never surrender or equalify its powers in this particular. In offering the new loan citizens and subjects of other governments should receive the strongest assurance that the interest and principal are to be paid in coin according to the terms of the bonds issued, without any deduction or abatement whatsoever. In order to avoid the necessity of employing agents for the negotiation of the loan, I respectfully recommend that a liberal commission be allowed to subscribers, and that those who first subscribe be permitted to select the class of bonds in which their subscriptions respectively shall be made. I further recommend, in connection with the proposed loan, that the banks established under the act to provide a national currency, be required to substitute the bonds that may be issued under the proposed loan act for those now deposited as security for the redemption of their bills.

Should any bank be unwilling to accept the new condition, provision should be made for the surrender of its charter, and authority given for the organization of new banks to supply the deficiency thus created.

An essential condition to the success of the proposed new loan is the continuance of the present revenue system. A chief means by which the present holders of the five-twenty bonds can be induced to surrender them and receive a bond upon longer time and at a lower rate of interest is the certainty furnished by the magnitude of the national revenue that these bonds are soon to be redeemed. We must be prepared to offer them the alternative, either of accepting the new bond at a lower rate of interest, or payment of the principal of the existing bonds. When the five-twenty bonds shall have been funded to the amount of $1,000,000,000 or $1,200,000,000 the revenues can be reduced materially, and yet sufficient sums be raised to meet the ordinary expenses of the government, to pay the interest on the public debt, and also to pay $25,000,000 to $50,000,000 of the principal annually. Should our success in negotiating a loan be equal to my expectations, based upon the fact that the ability and disposition of the people of the United States to pay the public debt are sufficient to justify me in assuming that the bonds of the United States will command the highest rates in the markets of the world, we shall then be in a condition to enter upon the work of reducing taxation at the commencement of the next session of Congress. On the 30th of June 1868, the amount of outstanding three per cent certificates, and compound-interest notes convertible into three per cent certificates, was $71,604,890; on the 30th of June, 1869, the amount outstanding was $54,991,410, showing a reduction of $16,613,480 on that form of indebtedness. On the 1st of December, 1869, the amount outstanding was still further reduced to $49,716,150, showing a total reduction in seventeen months of $21,888,740. The three per cent certificates are a substitute to a considerable extent for the United States notes, being largely held by the banks as a portion of their reserves, and thus indirectly, though not to their full nominal value, they swell the volume of the currency. I recommend that a provision be made for the redemption of the three per cent certificates within a reasonable time, and as a compensating measure for the reduction in the amount of currency which would thus be caused, the authority be given to grant charters for banks in the States where banking capital is less than the share to which they would be entitled to, an amount not exceeding $35,000,000 in the aggregate. The redemption of the three per cent certificates, and the addition to the banking capital might be so arranged as not to produce serious disturbance in the finances or business of the country, while additional banking capital would be supplied to the sections now in need of it, and this without any increase of the volume of circulation.

There are two evils in the present banking system which require remedy by prompt and efficient legislation. The first is the practice on the part of banks of allowing interest upon deposits. The effect of the practice is, that moneys in the hands of individuals, which otherwise might be loaned for regular mercantile and other business purposes, are diverted into the custody of banks upon the idea that if the security is not better, payment can be obtained at a moment's notice. Country banks and others remote from the large centres of trade, having received money on deposit, for which they pay interest, are anxious to transfer such funds to other banks and from which they will receive an equal or larger amount of interest in return. They are stimulated, also, by the desire to place their funds where they can be at all times commanded. Thus influenced, large sums are placed on deposit with banks in the cities, especially in the City of New York, which is the great centre of trade and finance for the Atlantic coast. In the ordinary course of trade the currency of the country tends rapidly to the cities, and it is unwise to stimulate this tendency by artificial means. But the evil does not end with the impoverishment of the country. As the banks in the cities may be called upon at any moment to respond to the drafts of their depositors, they decline to make loans representing such funds upon commercial paper payable upon time, but insist upon making call loans, as they are termed, with Government bonds or other obligations, pledged as collateral security. Merchants generally will not borrow money in large sums payable upon demand. The consequence is that the moneys thus accumulated in the city banks are loaned to persons engaged in speculative pursuits. The extent of this evil is seen in the fact that of the bank loans in the city of New York, in October, 1868, $98,000,000 were upon commercial paper, and $68,000,000 upon demand, with a pledge of collaterals, and in October, 1869, $99,000,000 were upon commercial paper, and $59,000,000 upon demand. In the former year, forty-one per cent, and in the latter year thirty-seven per cent of the loans made by the New York banks were upon demand. A further result is seen in the fact that parties borrowing money upon commercial paper for legitimate commercial purposes pay from three to six per cent additional interest per annum as compared with persons who borrow money for speculative purposes. I therefore respectfully recommend that a law be passed prohibiting absolutely the payment of the interest by banks upon deposits, and limiting also their loans upon collaterals to an amount not exceeding ten per cent of their capital. I am satisfied also that the practice of certifying checks even when funds are in the bank to the credit of the drawer of the check, is fraught with evil, and that it ought to be entirely prohibited. The following statement exhibits the receipts and expenditures for the fiscal year ending June 30, 1869:

Receipts.

From Customs	$180,048,420 63
Internal Revenue	158,356,460 85
Lands	4,020,344 34
Direct tax	765,685 61
Miscellaneous sources	27,752,859 97
Total, exclusive of loans	$370,943,747 71

Expenditures.

Civil service	$56,474,061 53
Pensions and Indians	35,519,544 84
War department	78,501,990 61
Navy Department	20,000,757 97
Interest on the public debt	130,694,242 80
Premium on 7 3 10 United States Treasury notes	300,000 00
Total, exclusive of loans	$321,490,597 75
Receipts in excess of expenditures	49,453,149 46

The following statement exhibits the receipts and expenditures for the quarter ending Sept. 30, 1869:

Receipts from Customs	$52,598,921 86
Internal Revenue	47,926,[illegible]52 51
Lands	89[illegible],864 08
Miscellaneous,	7,412,483 57
Total, exclusive of loans	$168,831,622 02

Expenditures, after deducting the amount of repayments by disbursing officers and others:

Civil service	$15,102,20[illegible] 05
Indians and Pensions	13,547,942 79
War department	13,595,468 05
Navy department	5,682,630 96
Interest on the public debt	37,4[illegible]2,270 74
Total, exclusive of loans	$85,480,514 59
Receipts, in excess of expenditures	23,351,107 43

The estimated receipts and expenditures for the three remaining quarters of the fiscal year ending June 30, 1870, are as follows:

Receipts.

Customs	$135,000,000
Internal revenue	127,000,000
Lands	4,000,000
Miscellaneous sources	20,000,000
Total	$286,000,000

Expenditures.

Civil service	$40,000,000
Pensions and Indians	21,000,000
War department	40,500,000
Navy department	14,000,000
Interest on the public debt	93,750,000
Total	$209,250,000

Estimated receipts in excess of expenditure, $76,750,000. Estimated receipts and expenditures based upon existing laws for the fiscal year ending June 30, 1871:

Receipts.

Customs	$185,000,000
Internal revenue	175,000,000
Lands	5,000,000
Miscellaneous sources	28,000,000
Total	$393,000,000

Expenditures.

Civil, foreign and miscellaneous	$60,000,000
Interior, Indians and Pensions	33,000,000
War department	50,000,000
Navy department	18,000,000
Interest on the public debt	127,000,000
Total	$291,000,000
Estimated receipts in excess of expenditures	102,000,000

The foregoing estimates of receipts are made upon the assumption that the laws now in force relating to customs and internal revenue will not be so changed as to materially affect the revenues and the estimates of the expenditures are based upon the expectation that no extraordinary appropriations will be made.

GEORGE S. BOUTWELL,
Secretary of the Treasury.

REPORT OF THE COMPTROLLER OF THE CURRENCY.

OFFICE OF THE COMPTROLLER OF THE CURRENCY,
Washington, Nov. 10, 1869.

SIR: In compliance with the provisions of section 61 of the national currency act, I have the honor to present through you, to the Congress of the United States the following report:

Since the last annual report nine national banks have been organized, of which eight are new associations, and one a conversion from a State bank, making the total number organized up to October, 1869, sixteen hundred and ninety-four.

A table exhibiting the number of banks, with the amount of capital, bonds deposited, and circulation, in each State and Territory, on the 30th of September, 1869, will be found on the first page of the Appendix to this report.

From the number of banks organized, above stated to be sixteen hundred and ninety-four, should be deducted seventy-four, leaving the number in active operation sixteen hundred and twenty.

The banks to be excluded are the following:

NEVER COMPLETED THEIR ORGANIZATION SO AS TO COMMENCE BUSINESS.

The First National Bank of Lansing, Michigan, No. 232.
The First National Bank of Penn Yan, New York, No. 169.
The Second National Bank of Canton, Ohio, No. 463.
The Second National Bank of Ottumwa, Iowa, No. 195.

SUPERSEDED BY SUBSEQUENT ORGANIZATION WITH THE SAME TITLES.

The First National Bank of Norwich, Connecticut, original No. 65; present No. 458.
The First National Bank of Utica, New York, original No. 120; present No. 1,395.

IN VOLUNTARY LIQUIDATION.

The First National Bank of Columbia, Missouri.
The First National Bank of Carondelet, Missouri.
The National Union Bank of Rochester, New York.
The National Bank of the Metropolis, Washington, D. C.
The First National Bank of Leonardsville, New York.
The Farmer's National Bank of Richmond, Virginia.
The Farmer's National Bank of Waukesha, Wisconsin.
The City National Bank of Savannah, Georgia.
The National Bank of Crawford County, Meadville, Pennsylvania.
The First National Bank of Elkhart, Indiana.
The First National Bank of New Ulm, Minnesota.
The Pittston National Bank, Pennsylvania.
The Berkshire National Bank of Adams, Massachusetts
The Fourth National Bank of Indianapolis, Indiana.
The Kittanning National Bank, Kittanning, Pennsylvania.
The First National Bank of Providence, Pennsylvania.
The National State Bank of Dubuque, Iowa.
The Ohio National Bank of Cincinnati, Ohio.
The First National Bank of Kingston, New York.
The First National Bank of Bluffton, Indiana.
The First National Bank of Skaneateles, New York.
The First National Bank of Jackson, Mississippi.
The First National Bank of Downington, Pennsylvania.
The National Exchange Bank of Richmond, Virginia.
The Appleton National Bank, Appleton, Wisconsin.
The National Bank of Whitestown, New York.
The First National Bank of New Brunswick, New Jersey.
The First National Bank of Titusville, Pennsylvania.
The First National Bank of Cuyahoga Falls, Ohio.
The First National Bank of Cedarburg, Wisconsin.
The Commercial National Bank of Cincinnati, Ohio.
The Second National Bank of Watertown, New York.
The Second National Bank of Des Moines, Iowa.
The First National Bank of South Worcester, New York.
The National Mechanics and Farmers' Bank of Albany, New York.
The First National Bank of Plummer, Pennsylvania.
Since October 1, 1868.
The First National Bank of Steubenville, Ohio.
The First National Bank of Danville, Virginia.
The First National Bank of Oskaloosa, Iowa.
The Merchants and Mechanics' National Bank of Troy, New York.
The National Savings Bank of Wheeling, West Virginia.
The First National Bank of Marion, Ohio.
The National Insurance Bank of Detroit, Michigan.
The National Bank of Lansingburg, New York.
The National Bank of North America of New York, New York.
The First National Bank of Hallowell, Maine.
The First National Bank of Clyde, New York.
The Pacific National Bank of New York, New York.
The Grocers' National Bank of the city of New York, New York.
The Savannah National Bank, Savannah, Georgia.
The First National Bank of Frostburg, Maryland.
The First National Bank of La Salle, Illinois.
The First National Bank of Dorchester, Massachusetts.

A statement showing the capital, bonds deposited to secure circulation, circulation delivered, circulation redeemed, and circulation outstanding October 1, 1869, of the foregoing banks, will be found in the Appendix.

NATIONAL BANKS WHICH HAVE FAILED TO REDEEM THEIR CIRCULATING NOTES, FOR WHICH RECEIVERS HAVE BEEN APPOINTED.

The First National Bank of Attica, New York, Leonidas Doty, receiver.*
The Venango National Bank of Franklin, Pennsylvania, Harvey Henderson, receiver.
The Merchants' National Bank of Washington, D. C., James C. Kennedy, receiver,
The First National Bank of Medina, New York, Edwin P. Healey, receiver.
The Tennessee National Bank of Memphis, Tennessee, William A. Hill, receiver.
The First National Bank of Newton, Newtonville, Massachusetts, D.* Wayland Jones, receiver.
The First National Bank of Selma, Alabama, Cornelius Cadle, Jr., receiver.
The First National Bank of New Orleans, Louisiana, Charles Case, receiver.
The National Unadilla Bank, Unadilla, New York, Lewis Kingsley, receiver.
The Farmers and Citizens' National Bank of Brooklyn, New York, Frederick A. Platt, receiver.
The Croton National Bank of the city of New York, C. P. Bailey, receiver.

* Finally closed.

The National Bank of Vicksburg, Mississippi, B. H. Polk, receiver.
The First National Bank of Keokuk, Iowa, O. C. Hale, receiver.
The First National Bank of Bethel, Connecticut, E. S. Tweedy, receiver.

Since last report but one bank has failed—The First National Bank of Rockford, Illinois, R. P. Lane, receiver.

During the past year the following dividends have been paid:—

To the creditors of The First National Bank of Medina, New York, 38¾ per cent.

To the creditors of the Farmers and Citizens' National Bank of Brooklyn, New York' additional dividends of 32 per cent., making in all 87 per cent.

To the creditors of The Croton National Bank of the city of New York, an additional dividend of 25 per cent., making in all 75 per cent.

To the creditors of the Tennessee National Bank of Memphis, a dividend of 14 per cent. has been declared, but has not yet been paid, owing to a failure on the part of the leading creditor to present the proper vouchers.

A statement showing the capital, amount of United States bonds deposited to secure circulation, circulation delivered, circulation redeemed at the Treasury of the United States, and the amount outstanding October 1, 1869, of national banks in the hands of receivers, will be found in the Appendix.

NOTES IN CIRCULATION.

The following statement exhibits the number and amount of notes issued, redeemed and outstanding, September 30, 1869:—

	No. of Notes.	Amount.
ONES.		
Issued	9,589,160	$ 9,589,160 00
Redeemed	904,013	904,013 00
Outstanding	8,685,147	$ 8,685,147 00
TWOS.		
Issued	3,209,388	$ 6,418,776 00
Redeemed	232,224	464,448 00
Outstanding	2,977,164	$ 5,954,328 00
FIVES.		
Issued	23,676,760	$118,383,800 00
Redeemed	985,940	4,929,700 00
Outstanding	22,690,820	$113,454,100 00
TENS.		
Issued	8,094,645	$ 80,646,450 00
Redeemed	272,495	2,724,950 00
Outstanding	7,821,150	$ 78,221,500 00
TWENTIES.		
Issued	2,269,764	$ 45,395,280 00
Redeemed	71,655	1,433,100 00
Outstanding	2,198,109	$ 43,962,180 00
FIFTIES.		
Issued	363,523	$ 18,176,150 00
Redeemed	22,859	1,442,950 00
Outstanding	334,664	$ 16,733,200 00
ONE HUNDREDS.		
Issued	274,799	$ 27,479,900 00
Redeemed	25,968	2,596,800 00
Outstanding	248,831	$ 24,883,100 00
FIVE HUNDREDS.		
Issued	13,668	$ 6,834,000 00
Redeemed	2,585	1,292,500 00
Outstanding	11,083	$ 5,541,500 00
ONE THOUSANDS.		
Issued	4,769	$ 4,769,000 00
Redeemed	2,415	2,415,000 00
Outstanding	2,354	$ 2,354,000 00
Total amount of denominations outstanding on the 30thday of September, 1869		$299,789,055 00
Add for fragments of notes outstanding, lost or destroyed, portions of which have been redeemed		840 45
Total		$299,789,895 45

The following statement shows the amount and kinds of United States bonds held by the Treasurer of the United States to secure the redemption of the circulating notes of national banks on the 30th day of September, 1869.

Registered bonds, act of June 14, 1858	$675,000
Registered bonds, act of June 22, 1860	35,000
Registered bonds, act of February 8, 1861	3,491,000
Coupon bonds, act of March 2, 1861	16,000
Registered bonds acts of July 17 and August 5, 1861	58,930,050
Registered bonds, act of February 25, 1862	59,228,850
Coupon bonds, act of February 25, 1862	4,200
Registered bonds, act of March 3, 1863	33,345,900
Registered bonds, act of March 3, 1864, 5 per cent	91,579,450
Coupon bonds, act of March 3, 1864, 5 per cent	10,000
Registered bonds, act of March 3, 1864, 6 per cent	2,753,500
Registered bonds, act of June 30, 1864	35,218,700
Registered bonds, acts July 1, 1862, and July 2, 1864	18,523,000
Registered bonds, act of March 3, 1865, 1st series	25,465,200
Registered bonds, act of March 3, 1865, 2d series	10,392,800
Registered bonds, act of March 3, 1865, 3d series	2,678,450
Registered bonds, act of March 3, 1865, 4th series	128,000
Total	342,475,100

In my report for 1867, I called the attention of Congress to the fact that, in several instances notes prepared in the usual manner for issue to national banks had been purloined from this office. Two amounts larger than the rest were mentioned, to wit: $4,500 in fifty and one hundred dollar notes of The National City Bank of Lynn, Massachusetts, and $12,000 in fifty and one hundred dollar notes of the First National Bank of Jersey City, in addition to which several thefts of a single sheet had occurred, making in all $17,560. Suspicion at that time was directed to a colored man, who had been employed in the office from the time of its organization, in a confidential capacity, and who was then under arrest. The evidence against him, though very strong, was not considered to be conclusive, and it was thought best not to bring the case to trial at once, but to wait and see what additional testimony might be developed by the lapse of time. During the past year, efforts made by the guilty party to avail himself of the stolen notes furnishing conclusive proof of his guilt, he was tried in the criminal court of the District in August last, and convicted, but a motion in arrest of judgment was granted by the court for some defect in the indictment, and the criminal was discharged. He was at once re-arrested on several other charges, and is now awaiting his trial on new indictments. Only about $1,400 of the stolen notes have been recovered, and it is a serious question whether provision should not be made for the payment of these stolen notes when found in the hands of innocent holders. Their similarity to the genuine issues of the same and other national banks, and the difficulty, to any but the most expert and skillful, in recognizing the forged signatures, make it impossible for the great majority of those who may handle money to distinguish the spurious from the genuine issues. The subject is respectfully submitted to the consideration of Congress.

REPORTS.

Under the act of Congress of March 3, 1869, three reports have been called for. The first call was made Tuesday, April 20, for a report showing the condition of the banks at the close of business on the previous Saturday, April 17.

The second call was made June 15 for a report showing the condition of the banks on Saturday, the 12th of June.

The third call was made October 13, for a report showing the condition of the banks on the 9th of that month.

The first report showed a larger number of banks than usual deficient in their reserve of lawful money, but generally in small amounts.

The second and third reports, successively, exhibited an improvement in this respect; and as they are regarded as setting forth the actual working condition of the banks, without manipulation or preparation, the results are far more valuable and gratifying. In fact the two evils most complained of under the former system of reports, to wit: previous preparation on the part of the banks, and the opportunity afforded to speculators to manipulate the money market, have been almost entirely done away with. The banks habitually keep themselves in better condition, as a rule are less extended, and have more complete control of their affairs. If they carry out this policy a little more thoroughly, they will be less at the mercy of the borrowers, will be better able to protect the legitimate interests of their customers, and better entitled to the fostering care of the government.

LIQUIDATION.

As the law now stands, a bank may, by a vote of the shareholders owning two-thirds of its stock, go into liquidation and close up its affairs. After the expiration of one year from the publication of notice to its bill-holders and creditors, as required by the statute, it may deposit with the Treasurer of the United States legal-tender notes for its outstanding circulation, and take up the bonds held as security therefor.

This section was undoubtedly intended to provide for the winding up of banks under the ordinary conditions incident to specie payments. The natural flow of notes to the place of their issue, when banks are paying specie, would cause a large portion of them to be redeemed during the year; and if the bank is solvent, and in good faith endeavoring to close up its affairs, the most of its creditors would probably be paid by the expiration of that period. So that, supposing the liquidation to have progressed so far that the bank is ready to distribute its capital among its stockholders, the law provides the manner in which the liquidation shall be completed, and the shareholders discharged from all further liability on account of its circulating notes, within a reasonable time

In this view of the case the provisions of the statute are reasonable and proper. But, under existing circumstances, when bank notes remain in circulation until they are worn out, and when the use of the notes as money is so much more valuable to the holder than any gain he may realize from their redemption that he will not send them home for that purpose, the year provided in the law, and the purpose of that provision, are of no moment whatever. Banks go into liquidation, and call upon note holders to present their notes for redemption, by published notice, as required by law, but, during the whole year that follows, are not obliged to redeem anything except now and then a worn-out or defaced note. This facility of circulation, and the absence of all cost of redemptions, have probably induced some associations to take the legal steps for going into liquidation, with the expectation of continuing to reap the benefit of their outstanding circulation, while they continue to do a banking business under State laws, or as private bankers.

This is an abuse that could only be practiced under a suspension of specie payments, and during the absence of all demand for redemptions: but for the time it is none the less an abuse that requires correction. Congress provided by law for the organization of banking associations, which should be subject to certain restrictions, and which should be authorized to issue notes for circulation as national currency. The privilege of issuing circulation was granted upon certain conditions. The privilege and the conditions go together. The law does not contemplate that the conditions should be cast aside or disregarded while the privilege is retained. Unfortunately the phraseology of the law seems not to forbid such operations, and the interference of Congress is necessary to prevent its privileges from being abused, and to protect those banks which are in good faith endeavoring to comply with all the requirements of the law.

It is respectfully recommended that Congress should pass an act in one section, unconnected with any other subject, requiring all banks that go into liquidation to deposit legal-tender notes for their outstanding circulation, and take up their bonds deposited with the Treasurer of the United States as security for such circulation, within sixty days from the date of the vote of the shareholders to go into liquidation.

METHOD OF COLLECTING UNITED STATES TAXES.

Section 41 of the national banking law provides for taxing the circulation, deposits, and capital not invested in United States bonds, of national banks. The banks are required to report and pay these taxes semi-annually to the Treasurer of the United States. This they have done regularly since their organization, paying into the treasury several millions every year, without trouble, and without expense to the government.

Under the internal revenue law they are required to pay a special tax, and a dividend tax to the collectors of the several districts in which they are located.

It is recommended that all taxes imposed on national banks by the United States be made returnable and payable to the Treasurer of the United States, in the same manner that the larger portion of them now are.

This change would avoid confusion, save expense and trouble, collect the taxes more promptly, and probably more thoroughly, and place the whole business under the supervision of one officer, by which means, also, all information on the subject would be concentrated in one office, and so be more accessible.

SPECIAL EXAMINATIONS.

Perhaps no one thing has done more to promote the safety and sound management of national banks than their liability to examination without previous notice, by an agent appointed for that purpose, and probably no provision of the law was more unpopular among the banks when the law first went into effect; but the good results brought about, directly and indirectly, by such examinations, have fully vindicated the wisdom of the provision. The examiner's work is done silently, and the public are not aware of either the amount or the importance of the work done. In quite a large number of cases examination have brought fact to light that have enabled the Comptroller to interpose in time to save banks from failure. Defalcations have been exposed; abuses, irregularities, and violations of law have been discovered and corrected.

The compensation allowed by law is totally insufficient to pay the right kind of men to undertake this duty. The labors of examiners are very severe, involving work by day and travel by night, while the rigid and careful scrutiny required to investigate fully the condition and accounts of the banks is weary and exhausting. In New York, Boston and Philadelphia, the banks have cheerfully acknowledged the value and efficiency of examinations, by making voluntary provision somewhat commensurate with the arduous nature of the work and the importance of the results attained.

An increase in the amount of their compensation is a matter of necessity as well as a matter of justice; and Congress is urged to make provision for that purpose. All the expense involved in these examinations is now defrayed by the banks, under the law, and no appropriation of the public moneys will be necessary. An increase in the rate of compensation should be authorized by law, and provision made for its assessment upon the several banks examined, in proportion to the time and labor spent in the examination.

SALARIES.

In the organization of the National Currency Bureau, the Comptroller was authorized to "employ, from time to time, the necessary clerks to discharge such duties as he shall direct, which clerks shall be appointed and classified by the Secretary of the Treasury in the manner now provided by law."

Under this provision of law the highest salaries that could be paid were already fixed by laws passed nearly seventeen years ago. Perhaps in the beginning such provision was adequate for all practical purposes; but as the nature of the duties to be performed became more arduous, and the responsibilities greater, more difficulty has been experienced in securing the services of competent men in the various positions to be filled.

The leading places in this office, now filled by clerks receiving salaries of $1,800, require abilities of a high order and integrity of the most undoubted character—abilities and integrity that in other pursuits command much higher compensation. The salaries paid by banks to officers for the performance of duties no more difficult and no more responsible than those devolving upon the clerks in this office, are from one hundred to three hundred per cent greater. The consequence has been that, even after the services of the right kind of men have been secured by a course of instruction and training, the higher prices offered by private interests outside of the department constantly draw them from the department, and leave the same difficulties to be again encountered.

It seems to me evident, if the salaries fixed seventeen years ago were not then too high, when all the necessaries of life were much cheaper than now, that at the present time they are totally inadequate, in view of the enormous advances in the expense of living. It is not wise to place men upon a salary meagre and barely sufficient to furnish the necessaries of life—perhaps even insufficient for that—in positions of responsibility where the most thorough integrity is required. It is exposing them to temptations to which they ought not to be subjected. And I earnestly recommend a general increase of salaries, and especially an increase in the salaries of those men who have the most important positions in the bureau.

The salary of the Deputy Comptroller is not equal to the importance and responsibility of his position. It is less than that now paid to men in the office of the Treasurer of the United States, whose positions are no more responsible and no more important, and very much less than the salaries paid by banking institutions in the large cities.

The position of the cashier of the division of issues is also one of labor and responsibility, as is that of the cashier of the division of redemptions.

The division of reports requires for its chief a man of peculiar qualifications. It is his duty to examine all reports received from the national banks, and he has charge also of all the correspondence growing out of them. The position is one of great labor, requiring no ordinary judgment and skill.

The various accounts kept in the office are extensive and complicated, requiring vast labor and skill.

The correspondence of the office is very extensive, and cannot be carried on as a mere matter of routine. It requires knowledge, intelligence and ability to conduct it properly.

I would recommend that the Deputy Comptroller should be paid a salary of $3,500; the head of each division $2,400; two correspondents $2,200 each; and two bookkeepers $2,000 each.

I do not think the government would lose anything by a fair compensation for honest labor. The duties would be more ably and satisfactorily performed, and the efficiency of the public service would be increased.

CENTRAL REDEEMING AGENCY.

The recommendation contained in my last annual report, looking to the establishment of an agency in the city of New York in the interest of the national banks, owned and controlled by them, for the redemption of all their issues, and for the transaction of their business, is again submitted to the consideration of Congress.

Careful observation and study during the year have confirmed the opinion then expressed as to the practicability and usefulness of such an institution. In the first place, it would be the clearing-house for all the bank circulation in the country—the reservoir to which it would flow, and from which it would be distributed again whenever and wherever needed.

A common misapprehension prevails as to the effect or practical result of general and uniform redemptions in New York, the impression being that such an arrangement would be onerous upon the country banks, and would compel them to pay tribute to that city. No apprehension could be more unfounded. As long as every bank redeems independently at its own counter, or at the nearest redemption city—Cleveland, Pittsburg, Cincinnati, or St. Louis, and *not* in New York—funds that are par, that will pay debts in the latter city, will command a premium; and the old-time system of assorting and returning the notes of country banks for the purpose of procuring New York exchange, will be renewed. The brokers, finding they can make a profit in this way, will divide the territory between them, and will compel the banks to supply themselves regularly with gold and exchange to meet their demands.

On the other hand, if all agree to establish their own agency in New York, to take care of and to protect their own notes, all currency will be par in New York. There will be no running upon the banks, for there will be nothing to gain by it. A certain amount of currency will always be required to transact the business of the country, and this will be furnished proportionately by all the banks. The excess of circulation only, over and above this amount, will have to be redeemed; and this excess will also be equally apportioned to all the banks. So that, by the adoption of one general agency, as proposed, every bank in the country will have its just proportion of the benefit to be derived from the circulation; sharing also, in the same proportion, in the expense of redeeming any excess that there may be from time to time. And that is all there is in a uniform system of redemption in New York—equal rights and equal privileges to all, special hardships or heavy expense to none.

While such would be its salutary effect upon the banks, the people at large would rejoice in a currency of uniform value all over the country. All inconveniencies growing out of local values would disappear, and we should have a truly *national* currency.

The proposed agency, being controlled and managed by the joint banking interests of the country as their own fiscal agent, would necessarily be a highly conservative institution, which would operate as a check upon the speculative tendencies of the times, and exercise a healthful influence upon the interests of trade. The banks would attend to their own business in New York, thus saving the expenses and profits heretofore paid to their correspondents; and they would have the satisfaction of knowing that their reserve funds, upon which so much depends, were not risked in Wall street speculations, or used in a manner detrimental to the public interests.

INTEREST ON DEPOSITS, AND CALL LOANS.

It is a common saying among bankers, when speaking of governmental supervision, "Take care of the currency; make that as secure as possible, but do not interfere with the *business* of the banks."

As far as practicable, business *should be* left free and untrammeled; but, in this country, the business of issuing circulating notes is so involved with the lending of money; the ability to redeem on demand is so dependent on the amount of reserve kept on hand, and the character of the loan, that it is impossible to apply safeguards to the currency, without applying prudence and reasonable restrictions to the business of lending. If a bank pledges its capital by the deposit of bonds for the redemption of its circulation, it must so use that circulation as not to lose it; so invest it as to have it coming back with a profit; must use it judiciously, and safely so that it will protect itself.

The government, in delegating the power to issue notes, has the right to prescribe the conditions upon which they shall be issued. If harsh or unnecessary conditions are imposed, they should be abrogated. If the conditions are wise and wholesome, they should be honestly observed. In prescribing rules, reference should be had to the object to be attained by the organization or incorporation of banking institutions. A charter to carry on the business of banking does not give power to buy and sell real estate, to ship goods to a foreign port, *or to engage in, or promote, any speculative operation.* The business of banking, properly conducted, is just as sure, and just as safe, as any other business; but it must be confined to its proper and legitimare sphere.

In the case of an incorporated banking association, its powers are prescribed in its charter. The law for the organization of national banks defines their powers with precision. They are empowered to exercise, under the act, "all such incidental powers as shall be necessary to carry on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; by obtaining, issuing, and circulating notes," &c.—from which it will be seen that national banks are authorized, among other things, "*to receive deposits;*" that is, when money is brought tothem, they are authorized to receive it.

They are not, however, authorized to *hire* deposits, and the law does not contemplate that they should solicit loans, under the guise of deposits, by the offer to pay interest on them. This practice, however, prevails extensively; and although, by implication, the law forbids it, the prohibition is not sufficiently explicit or positive to prevent it. The evil of the practice is this: All the banks in the leading cities, and nearly all the country banks, keep balances in New York, which by law constitute a portion of their reserve. The offer of interest on these balances is an inducement to keep as large a portion of their reserve on deposit in New York as the law will allow. Banks in the leading cities—which are named in section thirty-one of the act—are permitted to keep one-half their reserve in New York; and all other banks are permitted to keep three-fifths of their reservethere.

If then, New York banks pay interest on these deposits, they must, of course, use them; and, as they are payable on demand, they must be loaned on call. Callloans, as a rule, are made to brokers and operators in stocks and gold. Men engaged in trade cannot ordnarily afford to borrow money which they may be called upon to refund at an hour's notice.

It is, moreover a prevalent opinion in the large cities that a large call loan is a good thing for a bank to have—that it makes a bank strong; and bank officers exhibit with evident satisfaction a large proportion of their loan payable on demand. And why? Money loaned on call is loaned at a lower rate of interest than when time is specified, and therefore cannot be more profitable. The truth is, they have a large deposit, upon which they are paying interest, that may be checked out at any moment. They are obliged to get something for the use of their money, but are afraid to give time, and so have to lend on call at low rates. They know their weakness in this respect, and feel obliged to fortify. The fortifications are, perhaps, the best possible; but if there were no weak points, there would be no danger to guard against. Perfect immunity from danger is better than the strongest fortifications against an ever impending danger.

The most objectionable feature of the whole transaction, however, lies in the fact that the facility with which large loans can be effected, payable on call at low rates of interest, while commercial paper is only done at high rates, or is declined altogether, fosters speculation. Paragraphs like the following may be found in the money articles of the New York papers almost every day:—"Money was fairly active on call at six to seven per cent.; commercial paper very dull; prime names ten per cent. to fifteen per cent.;" which means, money for speculation, six to seven per cent; money for trade, ten to fifteen per cent.

Call loans are a necessity, when interest is paid on deposits. Competition for the accounts of country banks has led to the payment of interest. The New York banks see and deprecate the evils of the practice. They have several times attempted to put an end to it; but there will always be one or more banks which see their opportunity in such an effort, and will refuse to come into any arrangement intended to put a stop to it. The fact that the reserves of the country are hawked on the street, and are tendered and used for speculation, is sufficient ground for an interference of the law.

INTEREST, TAXES, AND PROFITS.

A bank that has its capital invested in interest-bearing securities, upon deposit of which it obtains an issue of circulating notes—which notes are to be used in its banking operations as money—can afford to lend its money at lower rates of interest than a bank that issues no notes for circulation, but lends its capital directly to its customers. The bank with circulation derives a portion of its profit from the interest on its securities, and a portion from its customers; while the bank without circulation derives all its profit from its customers. The delegation by the government to banking associations of the power to issue notes to circulate as money, therefore, has a tendency to lower the rate of interest, and so to furnish cheap money to the business community.

That this is actually the case will appear upon investigation. The incorporated bank doing business, and issuing circulation under the authority of the goverment is uniformly regarded as the most reliable and reasonable source of accommodation by the business community. The private banker, depending upon the active use of his capital for his profit, must charge a much higher rate of interest to realize the same relative profit, supposing, of course, that the deposits of the two institutions are equal. A bank with $100,000 capital invested in securities bearing six per cent. interest, upon which it has received $90,000 in circulation, can lend that $90,000 at seven per cent., and yet realize a profit of $12,300 on its capital. The private banker, lending his capital of $100,000 directly, must charge his customers *twelve per cent.* to realize the same profit as the bank. The merchant and the tradesman know this, and expect to pay about that difference for the use of money when their necessities compel them to resort to private bankers or brokers.

The government, therefore, confers a greater boon upon the business public, by enabling it to borrow money at moderate rates of interest, than is generally realized or admitted. If all the banks were deprived of their circulation during the coming year, by act of Congress, the rates at which money could borrowed in most sections of the country would be nearly doubled. The assumption by the government of the sole power to issue circulating notes would in no wise furnish relief. The United States can get its notes into circulation by paying them out for its expenses, and in payment of its debts. Not being able to do a banking business, however, it cannot lend them as a bank can, but would have to pay them out to its creditors, and, in the end, the notes would come into the hands of capitalists, who would lend them to the people at high rates of interest.

Taking the country as a whole, government and people as one, the profit gained by the government on the issue of its own notes—or, to use an expression in common use, the amount saved by the use of its own notes as a loan without interest—would not compensate for the additional tax upon the business of the country, caused by the advance in the rates of interest which would be likely to follow such a change in the circuation.

The amount loaned by the national banks to the business interests of the country will average about seven hundred millions; and for every addition of one per cent. to the rate of interest, a tax of not less than seven millions would be imposed on the business of the country. An increase of five per cent. to the rate of interest would make the tax not less than $35,000,000. This would be the actual money tax. But the depression caused by this additional burden, while it would be a very serious drawback to the prosperity of the country, could not well be estimated in money. As a general thing, national banks lend money to their customers at about the legal rates, though, of course, there are exceptional cases.

Heavy taxation, also, is a burden on the business of the country; and like every other item that enters into the expense of conducting any business, the burden is borne in the end by the customer, or consumer. The tax upon gas companies, for instance, is added to the monthly bill of every consumer; and the tax upon banks is merely the addition of something to the rate of interest. Within a certain limit the tax is proper and legitimate. Every business should bear its share of the public burden; and if the rates are equitably and wisely adjusted, no complaint can be made. But in many sections the local taxation growing out of the expenses of the war is so high, as, when added to the United States taxes, to absorb a large proportion of the profits of the banks. Limited by law to the legal rate of interest, the bank must wind up, or its shareholders must be content with meagre dividends. Some banks in this predicament have actually taken the necessary steps to close up their affairs. Others, probably, have resorted to usury to increase their profits to the paying point.

Banking systems had been in operation in several of the States for a number of years before the war, that issued circulation based upon a deposit of State or United States bonds; and there was no limitation to the number of such banks, or to the amount of circulation they might issue. The deposit of United States bonds required as security for circulation of national banks is nothing new, either in theory or practice. The fact that the United States paid the interest on its bonds in gold, which gold was sold by the banks at a premium, enabled them to make larger profits than were accustomed to be realized by State banks formerly doing business under similar circumstances. And the additional fact that the amount of circulation that could be issued by national banks was limited to $300,000,000—giving to the system the semblance of a monopoly—operated to produce an impression in the public mind that national banks were mines of wealth, realizing to their stockholders fabulous dividends. Some of the earlier banks which sold their gold interest at from 100 to 180 per cent. premium, and which sold five-twenty bonds for the agents of the government to the amount of millions, probably did realize very large profits. But that day has passed.

The average dividends made by the banks during the last year will probably not exceed ten per cent. upon their capital, after deducting taxes and expenses. And as the premium on gold shall diminish, and the national banking system shall be made free to all who are able and choose to comply with its conditions, the average profit will conform to the law which governs all business. It will be a fair living profit, and no more.

SOUND CURRENCY.

The currency constitutes a very important part of the financial system of any country. Without a sound currency, a healthy financial condition is impossible. There are two requisites to a sound currency; convertibility and elasticity, and either of the two involves the other. The present currency of the United States possesses neither of these requisites. During the past year it has neither increased nor diminished, but stands about as it did this time last year * — $390,000,000 issued by the government, and $300,000,000 issued by the banks—neither redeemable nor convertible into anything more valuable, and therefore not susceptible of reduction by any ordinary process; each issued to the full limit allowed by law, with no power of expansion. The whole amount must be employed, whether it is wanted or not, and the limit cannot be exceeded

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**Statement of the United States Currency for* 1868 *and* 1869.

November 1, 1868.		November 1, 1869.	
Legal tenders	$356,021,073	Legal tenders	$356,113,253
Fractional curreny	33,413,985	Fractional currency	37,035,412
	389,435,058		393,148,700
			389,435,058
Total increase			3,713,642
Increase of legal tenders			92,185
Increase of fractional currency			3,621,457

no matter how urgently more may be required. During the summer months, when there is rest in almost all branches of trade, the whole circulation was in market seeking employment; and now that autumn has come, with its bounteous harvests, when the farmer seeks to realize in money the reward of his labor and the interest of his capital for the whole year, when hundreds of millions must be distributed throughout the length and breadth of the land, we have the same unvarying amount of currency to use.

There are two kinds of currency in use: one issued directly by the government, the other issued by the banks. One kind would seem to be enough. The best should be preserved and perfected; the other withdrawn.

Applying the test first to the government issues, it is noted at once that they are not redeemable, and that no provision has ever been made for that purpose. The very moment that they are made redeemable they will cease to answer the purposes of currency; for, after they are redeemed, they are in the treasury and cannot again be paid out except upon appropriation made by law, in accordance with the constitutional provision, and consequently cannot again be put in circulation, except as disbursements may be necessary to pay expenses and debts of the government. So that government circulation is not convertible, and therefore is not elastic, and cannot be made so without first making a radical change in the organization of the United States Treasury by which it should be converted into a huge banking institution calculated to receive deposits, make loans, and otherwise perform the functions of a national bank.

The notes issued by national banks are nominally redeemable; and, if the legal tender notes were out of the way, would be actually so, and, being issued by institutions in sympathy with trade, would contract and expand in obedience to the law of supply and demand, so that they would also possess the element of elasticity.

As to the comparative merits of the two kinds of currency, an impartial consideration would probably decide in favor of a bank circulation, principally because it would possess the power of adapting itself to the exigencies of trade. If government issues could be made to possess the same power of adaptation, the verdict would be in their favor. A candid investigation, however, cannot fail to develop the fact that there is no branch of the fiscal service adequate to the direct issue and care of such a currency as the country requires. The treasury system is so arbitrary in its collections and disbursements, so little in harmony with the business interests of the community, that it frequently absorbs large amounts of currency at most inopportune seasons, and disburses them with just as little regard to the wants of trade. If the treasury were redeeming its issues, large amounts would be presented for payment when money was plenty; but, as the return of this money to the channels of trade would depend upon the disbursements of the government, there could be no certainty that it could find its way back again when needed. In fact, the current operations of the treasury of the United States are regarded by business men as constituting a powerful, and, at the same time, a very uncertain element, difficult to estimate, but which must necessarily be taken into consideration in all their business transactions. It is but justice, however, to say that the inconveniencies and defects inherent in the present system have been obviated as far as possible by the present administration of the department, and where they could not be obviated entirely, they have been reduced to a minimum.

So long, therefore, as the collection of the revenues is liable to be a process of contraction, and their disbursement a process of inflation, the agencies through which collections and disbursements are effected cannot be regarded as suitable agencies for furnishing a sound currency to the people.

The argument that the government should furnish the currency in order that it may realize the profit upon its circulation is a common one, but will not bear scrutiny. There is no profit to the government on the circulation of an inferior currency. Only a sound currency will promote the material prosperity of the people; and the government can realize no profit from anything detrimental to their interests. As a currency, therefore, government issues are not profitable. As a loan without interest they are equally unprofitable, because they are injurious to the national credit, and add enormously to the expenses of the government.

If, however, it is impossible for the government to comply with the conditions necessary in order to furnish a sound currency, it can at least provide for the withdrawal of its own notes, and prescribe the conditions upon which, and the agencies through which, a better currency may be provided. As before stated, there should be but one paper currency in the country, and that should emanate from a source that is influenced by, and is amenable to, the laws of trade. No check or limitation should be imposed upon it, other than the law of supply and demand.

FREE BANKING

The banking system now in operation under the act of Congress, is doubtless an improvement upon the condition of things that prevailed prior to its inauguration. It may have imperfections, but most of them can be traced to the evils of an irredeemable currency. Abuses of various kind are practiced, or tolerated, during a suspension of specie payments, that would disappear of themselves in a healthier financial atmosphere; and as observation and experience bring to light defects, they may be corrected by judicious legislation. Any radical changes now would affect so many and such great interests, that it would be safer and wiser to build upon and improve the present system, so as to bring it fully up to the requirements of the age and the country, than to undertake to build up a new one. It may be made the means of supplying a safe, convertable, and elastic currency in any volume that may be required by the business of the country.

No human intelligence can fix the amount of currency that is really needed; for it is continually varying, and is never fixed. If Congress limits the amount, there will always be those who will be dissatisfied, and who will seek legislation either for the purposes of contraction or expansion. And so long as the volume of currency depends upon legislative enactment, uncertainty and instability will pervade all financial operations.

If, however, notes for circulation are issued by a banking association composed of business men and capitalists, who are obliged to furnish security for the prompt and easy conversion of their issues into coin on demand, no other limit to the amount of such notes need be fixed than that imposed by self interest. If there is a legitimate demand for currency, the notes will remain in circulation long enough to make their issue profitable. If there is not such a demand, the notes will be hurried home for conversion into coin. In this way the business demand for currency will get its supply; and the surplus, if any, will always be retired.

A self-adjusting system of currency is the only one that is adapted to the exigencies of trade, and to the wants of the country; and it is a vital question at this time, whether this result can be reached before the return of specie payments. It possible at all, it is only possible through the agency of national banks. The machinery of the government is not adapted to such ends. And further, if possible, it is so only upon the adoption of a policy which will tend gradually but surely to a resumption of specie payments. It must be the gradual development of a process which shall absorb legal tenders, and put in their place a paper currency which shall at all times and under all circumstances be exchangeable for coin, either of paper* or gold—a paper currency which shall gradually increase, while the legal tenders for its redemption shall gradually decrease, in such a ratio as a healthy demand for banking facilities may determine.

Where banking facilities were already abundant, there would be no inducement for the establishment of banking institutions for the issue of currency upon conditions that would inevitably diminish the volume of lawful money applicable to its redemption, and so gradually but surely enhance the cost of such redemption; while in other sections destitute in whole or in part of banking facilities for the legitimate demands of business, the necessity for banks and currency would justify the increase of bank circulation, notwithstanding the fact that by such increase the burden of its redemption would also be enhanced.

The entire South and many portions of the West are very much in need of the facilities and advantages to be derived from properly organized banking institutions, and their necessities would justify them in deliberately adopting measures to supply their wants, the direct tendency of which would be to hasten the return of specie payments in the manner indicated, to wit, by the increase of bank notes, and the absorption of the legal tender notes. As the former increased, the latter would diminish. As lawful money became scarce, its value would be enhanced, and would gradually approximate to par with gold. Thus specie payments may be reached through the agency of the national banks, and by the operation of natural causes. The process will not be rapid or spasmodic, because it will in all its stages, and in all its details, be governed by sound principles and conform to established laws. At the same time, the benefits and advantages of the national banking system would gradually become more equally diffused, until all sections would at length get their just and equal share, apportioned beyond cavil or objection, because regulated by the actual requirements of business.

While free banking may thus be established with safety, anterior to specie payments, conditioned only upon the withdrawal and cancellation of a legal-tender dollar for every dollar of bank currency issued, free banking upon a specie basis may also be permitted, with equal safety, and without delay. With details properly adjusted, banks may be established with authority to issue and put in circulation gold notes—limiting the amount only by the ability of the banks to comply with the necessary conditions, and to redeem their issues. Some provision of this kind is probably necessary in order to supply the Pacific and gold-producing States with a paper currency. A circulating medium, cheaper and more convenient than coin, has long been a necessity in those States, and would undoubtedly do much to promote activity, enterprise, and development. Experience has demonstrated to them that a currency composed exclusively of specie is not exempt from the fluctuations to which money and trade everywhere are subject, and has awakened an anxiety on the subject, which may lead to the introduction of paper money, if the opportunity is afforded.

By the establishment of banks on a specie basis, the resumption of specie payments is only anticipated; and familiarity with gold values will do much to relieve the subject of the mystery with which it is associated in the minds of many. Looking forward to the day when uniform values shall again prevail, it may be that, by wise legislation now, a banking system can be established, truly national in its character and scope, which will furnish a sound currency of uniform value in every State in the Union.

Respectfully submitted.

HILAND R. HULBURD,
Comptroller of the Currency.

HON. GEORGE S. BOUTWELL,
Secretary of the Treasury.

APPENDIX.

Statement showing the number of banks, amount of capital, amount of bonds deposited, and circulation, in each State and Territory, on the 30th of September, 1869.

States and Territories.	Organizations. Organised.	Closed or closing.	In operation.	Capital paid in.	Bonds on deposit.	Circulation issued.	In actual circulation.
Maine	62	1	61	$9,185,000 00	$8,438,750	$7,682,256	$7,509,196 00
N. Hampsh'e	41	....	41	4,835,000 00	4,897,[illegible]00	4,994,395	4,281,195 00
Vermont	40	...	40	6,810,012 50	6,538,5[illegible]0	5,016,800	5,751,720 00
Massach's'ts	209	3	206	85,082,000 00	65,230,500	60,104,670	57,046,930 00

* Legal tenders.

Rhode Isla'd	62	....	62	20,364,800 00	14,193,600	12,940,850	12,486,900 00
Connecticut	83	2	81	24,606,820 00	19,758,100	18,215,115	17,433,978 00
New York	315	21	294	116,284,941 00	79,096,900	76,067,510	68,553,175 00
New Jersey	55	1	54	11,565,350 06	10,710,450	9,736,245	9,407,115 00
Pennsylva' a	205	8	197	50,235,390 00	44,353,500	40,769,220	38,748,606 00
Maryland	32	1	31	12,790,202 50	10,068,750	9,436,780	8,910,880 00
Delaware	11	...	11	1,428,185 00	1,358,200	1,244,725	1,197,625 00
Dist. of Col	6	2	4	1,350,000 00	1,337,000	1,339,500	1,099,571 00
Virginia	20	3	17	2,623,300 00	2,405,000	2,177,580	2,134,980 00
W. Virginia	15	1	14	2,216,400 00	2,243,250	2,068,950	1,988,050 00
Ohio	138	6	132	22,954,700 00	20,642,150	19,076,260	18,405,385 00
Indiana	71	3	68	12,932,000 00	12,554,150	11,391,695	11,017,627 90
Illinois	84	2	82	12,570,000 00	11,352,850	10,315,825	9,950,275 00
Michigan	43	2	41	5,460,010 00	4,365,100	3,957,555	3,824,755 00
Wisconsin	37	3	34	2,760,000 00	2,715,050	2,626,750	2,508,102 00
Iowa	48	5	43	4,017,000 00	3,671,750	3,436,135	3,217,077 00
Minnesota	18	1	17	1,840,000 00	1,772,200	1,604,100	1,548,900 00
Kansas	5	....	5	400,000 00	382,000	371,400	341,000 00
Missouri	20	2	18	7,810, 00 00	4,786,350	4,419,170	4,164,525 00
Kentucky	16	....	16	2,885,000 00	2,725,700	2,428,470	2,366,720 00
Tennessee	14	1	13	2,015,300 00	1,490,200	1,291,170	1,191,551 00
Louisiana	3	1	2	1,300,000 00	1,258,000	1,251,120	1,094,589 00
Mississippi	2	2	...	...	....	66,000	53,383 00
Nebraska	4	....	4	450,000 00	235,000	171,500	170,000 00
Colorado	3	....	3	350,000 00	297,000	255,700	252,000 00
Georgia	9	2	7	1,600,000 00	1,383,500	1,229,900	1,234,100 00
N. Carolina	6	....	6	823,400 00	445,100	384,700	379,700 00
S. Carolina	3	...	3	823,500 00	277,000	192,500	192,500 00
Alabama	3	1	2	400,000 00	310,500	353,025	288,647 00
Nevada	1	...	1	250,000 00	155,000	131,700	129,700 00
Oregon	1	...	1	100,000 00	100,000	88,560	88,500 00
Texas	4	....	4	525,000 00	472,100	429,535	407,535 00
Arkansas	2	....	2	200,000 00	200,000	180,200	178,900 00
Utah	1	....	1	150,000 00	150,000	135,500	135,000 00
Montana	1	....	1	100,000 00	40,000	36,000	36,000 00
Idaho	1	....	1	100,000 00	75,000	63,500	63,500 00
Fractional redemptions reported by the Treasurer of the U. States	...	.	....	....	....	....	3 45
Total	1,694	74	1,620	432,163,611 00	342,475,100	317,992,516	299,789,895 45

Statement showing the national banks in liquidation, their capital, bonds deposited to secure circulation, circulation delivered, circulation surrendered and destroyed, and circulation outstanding October 1, 1869.

Name and location of bank.	Capital.	U. S. bonds on deposit.	Circulation delivered.	Circulation returned and destroyed.	Circulation outstanding.
Nat. Union Bank of Rochester, N. Y.	$400,000	$220,000	$192,500	....	$192,500
First Nat Bank of Leonardsville, N. Y	50,000	50,500	45,000	....	45,000
Farmers' Nat. Bank of Richmond, Va	100,000	89,000	85,000	$5,000	80,000
Nat. B'k of the Metropolis, Wash D.C	200,000	198,000	180,000	3,839	176,161
First National Bank of Elkhart, Ind*	100,000	100,000	88,147	....	88,147
Nat. B'k of Crawford Co. Meadville, Pa	300,000	...	(†)	....	....
City National Bank of Savannah Ga	100,000	....	(†)	....	
First Nat. Bank of New Ulm, Minn	60,000	59,000	54,000	1,000	53,000
First Nat. Bank of Kingston, N. Y	200,000	198,000	180,000	6,300	173,700
First Nat. Bank of Bluffton, Ind	50,000	50,000	45,000	1,275	43,725
First Nat. Bank of Skaneateles, N. Y	150,000	153,000	135,000	...	135,000
Appleton Nat Bank of Appleton, Wis	50,000	50,000	45,000	....	45,000
Nat Bank of Whitestown, N Y.	120,000	50,000	44,500		44,500
First Nat. B'k of Cuyahoga Falls, Ohio	50,000	50,000	45,000	2,000	43,000
Nat. Mech. & Farm. B'k of Alb'y, N.Y	350,000	335,000	314,950	14,580	300,370
First Nat. Bank of Steubenville, Ohio	150,000	150,000	135,000	....	135,000
First National Bank of Danville, Va.	50,000	44,000	45,000	5,800	39,200
First Nat. Bank of Oskaloosa, Iowa	75,000	75,000	67,500	....	67,500
Merch & Mech. Nat. Bank of Troy, NY	300,000	215,000	184,750	3,200	181,550
First National Bank of Marion Ohio	125,000	125,000	109,850	1,000	108,850
Nat. Insurance Bank of Detroit Mich	200,000	100,000	85,000	....	85,000
Nat. Bank of Lansingburgh, N. Y	150,000	160,000	135,000	....	135,000
Nat. Bank of N. America, N. York, N Y	1,000,000	340,000	333,000	27,000	306,000

* The First National Bank of Elkhart, Ind., has been reorganized under the same name and resumed business.
† No circulation.

First Nat. Bank of Hallowell, Me	60,000	60,000	53,350	500	52,850
Pacific Nat. Bank of New York, N.Y	422,700	150,000	134,990	....	134,990
Grocers' Nat. Bank of New York, N.Y	300,000	100,000	85,250	27,000	58,250
Savannah Nat. Bank of Savannah, Ga	100,000	100,000	85,000	....	85,000
First Nat. Bank of Frostburg, Md	50,000	53,000	45,000	....	45,000
First National Bank of La Salle, Ill	50,000	50,000	45,000	....	45,000
Pittston Nat. Bank of Pittston, Pa	200,000	....	(†)	....	....
Fourth Nat. Bank of Indianapolis, Ind	100,000	93,500	85,700	2,100	83,600
Berkshire Nat. Bank of Adams, Mass	100,000	....	(†)	....	....
First Nat. Bank of Providence, Pa	100,000	99,850	90,000	2,250	87,750
Nat. State Bank of Dubuque, Iowa	150,000	143,000	127,500	5,950	121,550
Kittanning Nat. B'k of Kittanning, Pa	200,000	....	(†)	....	.
Ohio Nat. Bank of Cincinnati, Ohio	500,000	524,000	450,000	4,500	445,500
Nat. Exchange Bank of Richmond, Va	200,000	198,400	180,000	1,500	178,500
First Nat. Bank of Titusville, Pa	100,000	97,000	86,750	3,292	83,458
Second Nat. Bank of Watertown, N.Y	100,000	99,000	90,000	900	89,100
First Nat. Bank of Dorchester, Mass	150,000	150,000	132,500	....	132,500
Nat. Savings Bank of Wheeling, W.Va	100,000	100,000	90,000	....	90,000
First National Bank of Clyde, N.Y	50,000	50,000	44,000		44,000
First Nat. Bank of Downingtown, Pa	100,000	100,000	89,500	3,500	86,000
First Nat. Bank of N. Brunswick, N.J	100,000	100,000	90,000	2,000	88,000
Second Nat. Bank of Des Moines, Iowa	50,000	50,000	42,500	500	42,000
First National Bank of Plumer, Pa	100,000	100,000	87,500	1,600	85,900

Statement showing the national banks, in voluntary liquidation, that have deposited lawful money with the Treasurer of the United States to redeem their circulation, withdrawn their bonds, and are closed under the provisions of section 42 *of the act; their capital, circulation issued, circulation surrendered, circulation redeemed by the Treasurer of the United States, and circulation outstanding on the* 1st *day of October*, 1869.

Name and location of bank.	Capital.	Circulation delivered.	Circulation surrendered & destroy'd	Circulation redeem'd by U. S. Treasurer and destroyed.	Outst'nding circulation.
First Nat. Bank of Columbia, Mo	$100,000	$90,000	$78,010	$8,670 00	$3,320 00
First Nat. Bank of Carondelet, Mo	30,000	25,500	....	20,634 50	4,865 50
Farm. Nat. B'k of Waukesha, Wis	100,000	90,000	....	29,948 00	60,052 00
First Nat. Bank of Jackson, Miss	100,000	40,500	....	7 50	40,492 50
First Nat. Bank of Cedarburg, Wis	100,000	90,000	18,000	3,000 00	69,000 00
Com. Nat. Bank of Cincinnati, Ohio	500,000	345,950	....	....	345,950 00
First Nat. Bk of So. Worcester, N.Y	175,000	157,400	4,500	..	152,900 00

Statement showing the national banks in the hands of receivers, their capital, amount of United States bonds and lawful money deposited to secure circulation, amount of circulation delivered, the amount of circulation redeemed at the treasury of the United States, and the amount outstanding on the 1st *day of October*, 1869.

Name and location of bank.	Capital.	U. S. bonds on deposit.	Leg. tend'rs deposi'd as realiz'd f'm sale of bo'ds	Circu'ation delivered.	Circulation redeemed.	Circu'ation outstanding.
First Nat. Bank of Attica, N.Y ..	$50,000	......	$44,000 00	$44,000	$38,228 00	$5,772 00
Venango Nat. Bank of Franklin, Pa	300,000	......	85,000 00	85,000	74,798 50	10,201 52
Merch'ts' Nat'al Bk of Wash. D.C.	200,000	$50,000	180,000 00	180,000	150,489 75	29,510 25
First Nat. Bank of Medina, N.Y..	50,000	20,000	32,154 45	40,000	32,912 75	7,087 25
Tenn. Nat. Bk of Memphis, Ten. .	100,000	......	90,000 00	90,000	74,219 00	15,781 00
First Nat. Bank of Selma, Ala .	100,000	......	85,000 00	85,000	64,377 50	20,622 50
First Nat. Bk of New Orleans, La.	500,000	50,000	155,874 15	180,000	144,511 00	35,489 00
Nat. Unadilla Bank of Unadilla, N.Y	120,000	......	100,000 00	100,000	82,157 50	17,842 50
Farmers' & Citizens National Bk of Brooklyn, N. Y.	300,000	.....	253,900 00	253,900	191,923 50	61,976 50
Croton Nat. B'k of N. York, N. Y.	200,000	......	180,000 00	180,000	142,407 50	37,592 45
First Nat. Bank of Bethel, Conn..	60,000	......	26,300 00	26,300	14,255 00	12,045 00
First Nat. Bank of Keokuk, Iowa.	100,000	......	90,000 00	90,000	62,342 25	27,657 75
Nat. Ba'k of Vicksburg, Miss......	50,000	....	25,500 00	25,500	12,609 25	12,890 75
First Nat. Bank of Rockford, Ill...	50,000	37,000	17,475 00	43,000	6,730 00	38,270 00
First National Bank of Newton, at Newtonville, Mass............	150,000	146,000	....	130,000	12,500 00	117,500

Table of the state of the lawful money reserve (required by sections 31 and 32 of the National Currency Act) of the National Banking Associations of the United States, as shown by their reports of the 9th of October, 1869.

States and Territories.	Number of banks reporting.	Liabilities to be protected by a reserve of 15 per cent.	Amount required as reserve.	Items of reserve — Legal tenders.	Items of reserve — Specie.	Items of reserve — Three per cent. temp loan certificates.	Items of reserve — Amt. in redem. cities avail for redemption of circulation.	Amount of avail. reserve.	Per cent of available reserve to liabilities.
Maine	61	$12,482,968	$1,872,445	$1,127,830	$18,819	$10,000	$1,232,710	$2,389,359	19.1
New Hampshire	41	6,464,354	969,653	477,221	2,730	20,000	922,290	1,422,241	22.
Vermont	40	8,016,685	1,202,503	581,984	22,623	115,000	826,659	1,546,266	19.3
Massachusetts	160	52,466,796	7,870,019	4,457,134	143,179	240,000	5,977,859	10,818,172	20.6
Rhode Island	62	18,501,334	2,775,200	1,424,563	41,3 7	110,000	1,945,652	3,521,552	19
Connecticut	81	29,577,557	4,436,634	2,340,739	88,776	205,000	3,709,610	6,344,125	21.4
New York	233	72,486,729	10,873,009	5,397,439	232,227	1,055,000	7,736,438	14,421,104	19.9
New Jersey	54	23,979,425	3,596,914	1,8[illegible]0,246	52,712	270,000	2,908,510	5,121,468	21.4
Pennsylvania	151	44,000,910	6,605,137	4,168,406	56,420	785,000	4,055,635	9,065,471	20.6
Delaware	11	2,819,123	422,869	266,504	4,848	100,000	353,2 5	724,617	25.7
Maryland	18	4,324,770	648,716	472,471	40,527	40,000	584,311	1,137,309	26.3
Virginia	16	5,452,516	817,877	395,741	73,369	5,000	179,336	653,446	12
West Virginia	14	4,107,847	616,177	352,188	9,739	65,000	219,951	646,878	15.7
North Carolina	6	1,929,599	289,440	232,090	46,239	......	102,133	380,462	19.7
South Carolina	3	1,298,755	194,813	309,201	13,913	......	37,604	360,718	27.7
Georgia	7	2,952,178	442,827	585,049	32,822	75,000	218,518	911,429	30.9
Alabama	2	547,441	82,115	114,703	16,941	......	68,534	200,163	36.6
Texas	4	1,075,529	161,329	70,527	314,308	......	52,397	437,232	40.7
Arkansas	2	343,154	51,473	22,619	443	......	6,313	29,875	8.7
Kentucky	12	2,872,169	430,825	346,113	2,354	......	276,985	625,453	21.8
Tennessee	13	4,813,013	721,952	557,500	11,245	.	412,329	981,074	20.4
Ohio	120	28,450,122	4,267,518	3,010,459	28,850	270,000	2,168,158	5,577,467	19.6
Indiana	69	20,379,372	3,056,906	2,245,395	46,770	70,000	1,666,999	4,029,164	19.7
Illinois	68	14,370,117	2,155,518	1,604,874	85,373	100,000	1,375,585	3,165,832	22.3
Michigan	38	6,797,657	1,019,648	787,659	9,273	40,000	646,529	1,483,461	21.8
Wisconsin	29	4,191,210	628,681	454,5 4	10,811	50,000	340,267	855,582	20.4
Iowa	43	8,691,610	1,303,741	1,189,757	33,057	25,000	520,712	1,768,526	20.3
Minnesota	17	3,901,457	585,219	483,256	7,825	35,000	179,820	706,172	18.1
Missouri	10	2,529,631	879,445	272,322	40,090	10,000	188,566	510,978	20.2
Kansas	3	687,746	103,162	75,052	2,799	......	63,256	141,107	20.5
Nebraska	4	1,863,655	279,548	176,380	8,586	......	166,185	351,151	18.8
Oregon	1	471,216	70,682	121,959	19,783	......	......	141,742	30.1
Colorado	3	1,200,938	180,141	160,175	24,527	......	234,722	419,424	34.9
Montana	1	199,422	29,913	19,500	23,431	......	1,251	44,182	22.2
Idaho	1	129,124	19,369	23,499	6,563	......	2,395	32,457	25.1
Total	1,398	$391,376,119	$59,156,419	$36,215,334	$1,573,800	$3,195,000	$39,382,014	$80,965,618	20.5

Statement of the condition of the lawful money reserve, (required by sections 31 *and* 32 *of the National Currency Act) of the National Banking Associations located in the cities named in section* 31, *except in New York, as shown by the reports of their condition at the close of business on the* 9*th day of October*, 1869.

REDEMPTION CITIES.									
Boston	46	$68,891,134	$17,222,783	$7,444,694	$1,057,503	$4,480,000	$5,746,779	$18,698,976	27.1
Albany	7	9,976,938	2,494,234	1,139,083	16,282	445,000	2,037,630	3,637,995	36.5
Philadelphia	30	45,210,975	11,302,744	6,398,529	269,827	5,755,000	1,112,277	13,535,633	29.9
Pittsburg	16	14,808,919	3,70[illegible],230	1,850,922	43,289	630,000	1,532,571	4,046,782	27.3
Baltimore	13	16,367,500	4,091,875	1,689,611	13[illegible],984	940,000	1,3[illegible]0,449	4,078,044	24.9
Washington	3	2,457,117	614,279	293,530	21,955	22[illegible],000	112,663	648,148	26.4
New Orleans	2	2,230,800	557,700	326,858	39,602	. ..	333,411	699,871	31.4
Louisville	4	1,355,001	338,750	205,002	14,534	5,000	157,934	382,470	28.2
Cincinnati	6	8,117,312	2,029,328	1,196,595	19,347	125,000	973,823	2,314,765	28.5
Cleveland	6	4,887,236	1,221,809	586,858	2,285	290,000	554,463	1,433,605	29.3
Chicago	14	17,541,498	4,385,374	3,079,264	17,772	500,000	1,760,508	5,357,544	30.5
Detroit	3	4,131,307	1,032,827	400,178	1,006	150,000	789,137	1,350,321	32.7
Milwaukee	5	2,348,845	587,211	339,310	1,946	15,000	302,356	658,612	28
St. Louis	8	8,528,401	2,132,100	1,079,139	80,969	500,000	486,762	2,146,870	25.2
Leavenworth	2	769,000	192,250	110,827	215	10,000	126,786	247,828	32.2
Total	165	$207,621,983	$51,905,494	$26,170,400	$1,724,516	$14,055,000	$17,287,548	$59,237,464	28.5

Statement of the condition of the lawful money reserve (required by sections 31 *and* 32 *of the National Currency Act) of the National Banking Associations located in the City of New York, as shown by the reports of their condition at the close of business on the* 9*th day of October*, 1869.

	Number of banks reporting.	Liabilities to be protected by a reserve of 25 per cent.	Amount required as reserve.	Items of reserve — Legal tenders.	Items of reserve — Specie.	Items of reserve — 3 p. c. temp. loan certf's stamp as Clearing House certificates.	Items of reserve — 3 p. c. temporary loan certificates.	Amount of avail. reserve.	Per cent of available reserve to liabilities
New York	54	$196,010,349	$49,002,587	$21,[illegible]33,[illegible]61	$18,6[illegible]0,[illegible]41	$18,295,000	$9,700,000	$68,019,202	34.7

REPORT OF THE COMMISSIONER OF INTERNAL REVENUE.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
WASHINGTON, November 20th, 1869.

SIR—I have the honor to transmit herewith the tabular statements made up from the accounts kept in this office, which the Secretary of the Treasury is required to lay before Congress. * * * * * * *

The total receipts from internal revenue sources, exclusive of the direct tax upon lands and the duty upon the circulation and deposits of national banks were, for the fiscal year 1869, $160,039,344 29.

This includes the sums refunded for taxas illegally assessed and collected, amounting to $360,235 12, nearly all of which was for taxes assessed and collected in previous years.

For the fiscal year 1868 there were refunded $1,018,334 81.

Drawbacks were also allowed to the amount of $1,379,980 01.

No drawbacks were allowed during the fiscal year 1869 by this bureau, excepting on general merchandise, under section 171 of the act of June 30th, 1864, limited under the act of March 31st, 1868, to ale and patent medicines, amounting to $377,411 31. The drawback on rum and alcohol is not allowed by this bureau.

The receipts for the current year are estimated at $175,000,000.

RECEIPTS FOR THE FIRST SIX MONTHS OF THE FISCAL YEARS 1868 AND 1869 COMPARED.

A comparative statement is submitted showing the total receipts from the same general sources of taxation for the first six months of the fiscal years 1868 and 1869:

From July to December, 1868, inclusive	$67,296,388
From July to December, 1867, inclusive	66,110,030
Total gain for first six months of 1869	$1,186,358

The following table exhibits the aggregate receipts from the same general sources of revenue taxable under existing laws, for the first six months of the fiscal years ending June 30th, 1868 and 1869; also the gain or loss per cent. of those in the latter over those in the former period:—

Sources of Revenue.	Rec'pts for the last six mos. —of the fiscal year.— 1868.	1869.	Gain.	Loss.
Spirits	$9,537,940	$19,124,462	$9,586,522	——
Tobacco	10,059,456	9,991,224	——	$68,232
Fermented liquors	3,035,475	3,088,311	52,836	——
Gross receipts	3,246,659	3,216,675	——	29,984
Sales	2,264,589	3,930,693	1,666,104	——
Income, including salaries	21,801,114	13,053,615	——	8,747,499
Banks and bankers	1,494,376	1,339,065	——	155,311
Special taxes not elsewhere enumerated	5,109,985	3,674,366	——	1,435,619
Legacies	653,624	546,220	——	107,404
Successions	511,577	484,054	——	27,523
Articles in Schedule A	576,394	341,628	——	234,766
Passports	20,365	13,040	——	7,325
Gas	773,878	853,116	79,238	——
Penalties	483,271	491,227	6,956	——
Net receipts from stamps	6,540,327	7,148,692	608,365	——
Total	$66,110,030	$67,296,388	$12,000,021	$10,813,663
Total gain for the above period			$1,186,358	

During this period the amount gained on spirits is	$9,586,522
The amount gained on stamps is	608,365
The amount gained on sales is	1,666,104
The greatest loss from any one source of taxation for this period was upon incomes, which amounts to	8,747,499
In special taxes, not included under spirits, tobacco, &c, the loss was	1,435,619

It is worthy of special notice that in regard to the receipts from tobacco since January 1, 1869 and hereafter referred to as being largely increased, the loss of revenue on this article for the preceding six months amounted to $68,232; and it should be borne in mind, in considering this loss, that the present system of collecting the tax on tobacco had not gone into full operation prior to January 1, 1869.

RECEIPTS FOR THE LAST SIX MONTHS OF THE FISCAL YEARS 1868 AND 1869 COMPARED

A comparative statement is submitted, showing the total receipts from the same sources for the last six months of the fiscal years 1868 and 1869:—

From January to June, 1869, inclusive	$90,542,760
From January to June, 1868, inclusive	64,479,948
Total gain of last six months of 1869 over 1868	$26,[illegible]62

The following table exhibits the aggregate receipts from the same general sources of revenue taxable under existing laws, for the last six months of the fiscal years ending June 30, 1868 and 1869; also the gain or loss, and gain or loss per cent. of those in the latter over those in the former period:—

Sources of Revenue.	Receipts for the last six mos. of fiscal year. 1868.	1869.	Gain.	Loss.
Spirits	$2,917.691	$25,901,940	$16,784,249	——
Tobacco	8,670,639	13,439,483	4,768,844	——
Fermented liquors	2,920,394	3,011,568	91,174	——
Gross receipts	3,030,507	3,034.324	53,817	——
Sales	2,331,089	4,276,146	1,945,057	——
Income, including salaries	19,654,484	21,738 241	2,083,757	——
Banks and Bankers	1,862,753	1,996,451	133,698	——
Special taxes not elsewhere enumerated	5,289.180	5,127.089	——	162,091
Legacies	864,764	698,617	——	166,147
Successions	793,447	705,702	——	87,745
Articles in Schedule A	529,985	541 233	11,248	——
Passports	7,915	16,413	8,498	——
Gas	1,128,203	1,261,890	134,687	——
Penalties	772,611	385,862	——	386,749
Net receipts from stamps	7,506,786	8,356,301	850,515	——
Total	$64.479,948	$90,542,760	$26,865,544	$802,732

Total gain for the above period, $26,062,812.

It will be observed that the gain on distilled spirits during this period of comparison is	$16,784,249
On tobacco	4,768 844
On fermented liquors	91,174
On incomes	2,083,757
On stamps	850,515
From gas companies	134,687
From banks and bankers	133,693

The only articles on which a loss was sustained are legacies, successions and penalties—special taxes not included under spirits, &c.—and these aggregate only $802,732.

RECEIPTS FROM THE SAME GENERAL SOURCES FOR THE SIX MONTHS ENDING SEPTEMBER 30, 1868 AND 1869.

From April to September, 1869, inclusive	$102,861,950
Twenty-six districts for this period, not yet returned, estimated at	1,516,000
Total amount for this period	$104 377.950
From April to September, 1868, inclusive	80,543,082
Total gain of last period	$23,834,868

The following table exhibits the aggregate receipts from the several general sources of revenue subject to tax under the laws now in force, for the six months ending September 30, 1868 and 1869; also the gain or loss of those in the latter over those in the former period:—

Sources of Revenue.	Receipts for the six months ending Sept. 30. 1868.	1869.	Gain.	Loss
Spirits	$13,686,801	$24,687,952	$11,001.151	——
Tobacco	8,900,722	15,509,252	6,608,530	——
Fermented liquors	3,571.643	3,560 956	——	$10,677
Gross receipts	3,016,317	3,236 832	220,515	——
Sales	2,927,499	4,029 100	1.101 601	——
Income, including salaries	27,466 162	30,239 073	2,772.914	——
Banks and bankers	2,193,661	2,521,094	327,433	——
Special taxes not elsewhere enumerated	7,787,809	7 858 538	70,729	——
Legacies	674 068	663,285	——	10,683
Successions	652,188	565.412	——	86,776
Articles in Schedule A	811 827	813,253	1 426	——
Passports	12,945	11,596	——	1,349
Gas	875,523	896.498	20.975	——
Penalties	745,894	344,116	——	401,778
Net receipts from stamps	7,220,023	7,924,883	704,860	——
Total	$80,543,082	$102,861,950	$22,830,131	$511,263

The aggregate receipts for the present year will be increased by the returns from twenty-six districts, amounting, it is estimated, to $1,516,000. Total gain, not including the receipts from those districts, $22,318,868. If the receipts from the unreported districts equal the above estimate the total gain will be $23,834,868, or 29½ per cent.

During this period the gain on spirits is	$11,001,151
On tobacco	6,608,530
On sales	1,101,601
On incomes	2,772 911
On stamps	704,860
From banks and bankers	327,433

The gain on spirits during this six months of comparison is not so large by nearly $6,000,000 as it was for the six months ending the 30th of June last. This is accounted for by the circumstance that the old spirits in bonded warehouse on the 30th of August, 1868, when the new law went into effect, were all by operation of law to be withdrawn from bond and tax to be paid prior to July 1, 1869. It is a fact, however, that the gain on tobacco for this period of comparison exceeds that for the six months ending June 30, 1869, by $2,000,000, showing a steady and continuous increase of revenue from this source. The gains on stamps, incomes and sales correspond very nearly with the gains on these articles for the six months of comparison ending June 30, 1869.

It is to be remembered in referring to the foregoing comparative tables that they do not profess to give the gross receipts of revenue for the periods of comparison, but the receipts from the same general sources merely. The reason is that alterations in the law changed the subjects of taxation during the periods of comparison, and hence a statement of the gross receipts would not exhibit the relative and economical increase and decrease of the revenue. Referring to the gains on spirits and tobacco for these periods, it seems proper to say that there is every cause for congratulation that the law of July 20, 1868, taxing these articles was enacted.

RECEIPTS FROM THE SAME GENERAL SOURCES FOR THE FIRST QUARTERS OF THE FISCAL YEARS 1869 AND 1870 COMPARED.

The following statement of the receipts from the several general sources of revenue for the first quarter of the present and the last fiscal years includes the returns of twenty out of the twenty-six districts not given in the table immediately preceding, and received since the preparation of that table. The receipts of the following districts only are, therefore not included in the receipts for the year 1870:—Third Mississippi and Ninth Kentucky, for the month of July; Third Mississippi, for August; Eleventh New York, Sixth Tennessee and Fourth Texas, for September.

Sources of Revenue.	Receipts for the first quarter of fiscal year. 1869.	1870.
Spirits	$8 465,443	$10,017 031
Tobacco	4,295 674	8,131,298
Fermented liquors	1,790 602	1,739,609
Banks and bankers	886 078	1,246,286
Gross receipts	1.514,756	1.727,206
Sales	1,739,513	1 961,888
Special taxes not elsewhere enumerated	2,969,427	3,243 684
Income, including salaries	11,201,809	13,278,504
Legacies	278,590	340 361
Successions	254,065	265,287
Articles in Schedule A	300,843	317,984
Passports	8,665	2 583
Gas	341,128	400,577
Sources not otherwise herein specially enumerated. (Articles now exempt from taxation)	874,431	126,328
Net receipts from stamps	3,393,472	3,695.678
Penalties	306,402	156,111
Total	$38,620,898	$46,641,415

Total gain, $8,020,517, or 20.8 per cent.

It will be seen that the gain on tobacco during this period of comparison is increased and that on stamps is sustained, while that on spirits is fully sustained, if allowance be made for the fact that the old spirits in bond had all been withdrawn and the tax paid before this period commenced. The gain on tax of banks and bankers is likewise more than sustained by this comparison, and the entire table affords ample promise of satisfactory future results.

AGGREGATE RECEIPTS FOR THE FIRST FIVE MONTHS OF THE FISCAL YEARS 1869 AND 1870 COMPARED.

The following is a statement showing the aggregate of certificates of deposits received at this office from July to November, 1868 and 1869:—

	1868.	1869.
July	$16,990 649	$21,578,634
August	13,900,385	15,015,396
September	9,760,796	13,022,303
October	10,092,335	12,054,799
November	9,641 304	13,145,569
Total	$60,385,471	$74,816,704

SPIRITS.

In considering the large increase of revenue from distilled spirits for the last six months of the fiscal year ending June 30, 1869, the subjoined facts should be remembered. There were in bonded warehouses on 1st July, 1868, as shown by the accounts kept in this office, 27,278,420 gallons of spirits. This included all claims for leakage then outstanding and a large quantity claimed to have been destroyed by the burning of several bonded warehouses, as well as certain amounts which had previously been withdrawn upon fraudulent bonds and were still unaccounted for.

Under the provisions of the act of July 20, 1868, as amended, all spirits in bonded warehouse at the time of the passage of the act were required to be withdrawn and the tax paid thereon prior to July 1, 1869; and by this requirement 24,383,951 gallons of spirits were necessarily forced upon the market during this fiscal year, and served, to that extent, to increase the revenue from this source; while on the 1st of July, 1869, there remained in bonded warehouse of the new product only

16,663,838 gallons. It thus appears that the quantity of spirits in bond, to be withdrawn and tax paid during the fiscal year ending June 30, 1870, is less by nearly eight millions gallons than the quantity which was compelled to be withdrawn and tax paid for the fiscal year ending June 30, 1869.

The following statement, exhibiting the movements in distilled spirits, is made from statistics furnished by the division in charge of the subject in this bureau; and, although the figures may not be absolutely accurate, they approximate it so nearly as to be deemed reliable.

Number of gallons withdrawn from bonded warehouses from July 1, 1868, to June 30, 1869, produced prior to July 1, 1868, at 50 cents per gallon		24,383,951
Produced prior to July 1, 1868, on which tax was paid at $2 per gallon		95,561
Total gallons distilled spirits, old product		24,479,512
Number gallons apple brandy produced prior to July 1, 1868, and tax paid after that date at $2 per gallon		37,122
Total gallons		24,516,634
Number of gallons of spirits produced from July 20, 1868, to June 30, 1869, on which tax was collected at 50 cents per gallon		36,704,046
Number of gallons of grape and apple brandy, tax paid at 50 cents per gallon		871,737
Total gallons		37,575,783
Total amount on which the tax was collected		62,092,417
Number of gallons withdrawn for consumption and export from July 1, 1867, to June 30, 1868	10,936,647	
Of this was exported without payment of tax	4,227,101	
Balance on which the tax was collected for the fiscal year 1868		6,709,546
From which it appears that the amount for which tax was collected for 1869 exceeded that for 1868, gallons		55,382,871
There was produced during the year and in bond, July 1, 1868, gallons		5 459,704

It would appear, also, if the records of this office exhibit fully all the spirits that were consumed and exported during the two years, that for the year 1869 the consumption and exportation exceeded that of 1868 to the extent of 51,155,770 gallons.

These figures are presented not for the purpose of showing the true amount of production and consumption of distilled spirits, but to exhibit the fact that, prior to the law of July 20, 1868, the government did not collect a tenth part of its tax on distilled spirits.

After July 20, 1868, and prior to June 30, 1869, a period of eleven months, the number of gallons of spirits, shown by the records of this office to have been produced, and the tax paid thereon, was	36,704,046
And of brandy from fruit during the same period	871,737
Total on which the tax was collected	37,575,783
Produced during the same period and remaining in bond July 1, 1869	16,663,838
Showing a production in eleven months of	54,239,621

Being at the yearly rate of 59,170,496 gallons.

The following table shows the receipts for distilled spirits and fruit brandy for the four years ending June 30, 1869:—

Year.	Spirits.	Brandy.
1866	$29,198,578	$283,499
1867	28,296,264	868,145
1868	13,419,092	871,688
1869	33,225,212	510,111

These figures show simply the gallon tax. They do not include the capacity tax nor the special taxes of distillers, rectifiers, liquor dealers, &c., which are elsewhere included in the receipts from spirits. The rate of tax for three years was $2 per gallon until July 20th, 1868, when it was reduced to 50 cents.

It is not believed, however, that for the year ending June 30th, 1869 the tax has been collected on all the spirits which have gone into consumption, or that all manufactured, on which the tax was uncollected, have been placed in bonded warehouse; and it is not doubted that the results of the current year will verify the accuracy of this opinion.

RESURVEYS AND CAPACITY OF DISTILLERIES.

According to the plan of surveying distilleries originally adopted by this bureau, the average fermenting period is seventy-nine hours. There have been surveyed and operated, under the law of July 20th, 1868, by this plan, 864 distilleries. These distilleries have a total mashing and fermenting capacity of 150,155 bushels of grain in twenty-four hours, and a spirit producing capacity of 473,666 gallons for the same period. The number of these distilleries now in operation is 444, with a producing capacity of 243,410 gallons each twenty-four hours when operating to their full extent. The number now under temporary suspension is 420, with a producing capacity of 230,252 gallons each twenty-four hours. Of these it is estimated that at least fifty per cent. will renew operations during the winter months. One hundred now running have resumed, with the approval of the government, since the 1st of September last.

Having become convinced that the average fermenting period heretofore established was much too great, and was a means of fraud upon the revenue, I have ordered a resurvey of all distilleries in the United States. This work is now progressing upon the basis of forty-eight hours for the average fermenting period which it is believed is sufficient time, though, under necessary circumstances and conditions, longer time may be given.

By this resurvey the following result is obtained:—The present capacity of the 864 distilleries, at seventy-nine hours' fermentation, is 473,666 gallons for every twenty-four hours.

By the resurvey, at forty-eight hours' fermentation, the capacity for each twenty-four hourss timated at 677,342 gallons.

The present capacity of the 444 distilleries now operating, at seventy-nine hours' fermentation, is 243,410 gallons for every twenty-four hours.

The capacity of the same, by the resurvey, on forty-eight hours' fermentation, is 348,076 gallons, or an increase of 104,666 gallons for each twenty-four hours.

The per cent of increase in capacity by the new system of survey is 43-100.

While this action is believed to be just to the manufacturer, it is expected to work a large increase of the revenue by preventing evasions of the tax, and inmany instances positive frauds.

LEAKAGE.

The practice of allowing spirits when taken out of bond to be regauged in order to deduct the difference, under the title of leakage, between the quantity gauged when the spirits were received in bond and when taken out, has been a fruitful source of fraud. This office is in possession of facts showing that the government has been generally and almost systematically cheated by this practice. Measures have been taken which it is hoped will result in recovering some of the losses thus sustained.

In view of these facts, and with a clear conviction that the act of July 20, 1868, abolished all provisions for leakage on spirits manufactured after that date, and that, by the proper construction, spirits previously made and placed in bond were no longer subject to deductions for leakage, this office issued an order, on the 14thof April last, dssallowing leakage in all cases.

It is believed that this regulation works no injustice to the dealer, while it saves the revenues from fraudulent depletion.

THE LAW AS TO SPIRITS.

In the absence of reliable data to fix the annual consumption of distilled spirits, we are left to the necessity of conjecture. Were I to express an opinion on this subject I should place the amount at not less than 80,000,000 of gallons. This quantity, if the tax were collected, would yield a revenue of not less than $52,000,000 basing the estimate on the hypothesis that the entire tax on spirits equals sixty-five cents per gallon.

The best consideration I have been able to give this subject has brought me to the conclusion that, after the present law taxing spirits has been brought into complete execution, and such amendments have been made as time and experience may demonstrate to be necessary to perfect the system, it will yield an annual revenue of $60,000,000.

In view, therefore, of these probabilities, it is submitted whether it will be wise or expedient for Congress to change its legislation in any essential particular as to the amount or as to the collection of the tax on distilled spirits until further time shall be given to test the merits of the present law in all of its important provisions.

TOBACCO.

Referring to the comparative statements of reciepts for different periods, so far as the same relates tobacco, I have to say that, during the first six months of the fiscal year 1869 the gain on cigars over the corresponding period of the year 1868 was fifty-six per cent.

The loss on chewing and smoking tobacco for the same period was fifteen per cent; the increased revenue from these articles, under the law of July 20, 1868, not being realized until after January 1, 1869, while on cigars the appreciation commenced immediately after the passage of the law.

The number of cigars returned for taxation during the last seven years is as follows:—

1863, at an average tax of $2 37½ per 1,000	199,288,281
1864, at an average tax of $2 37½ per 1,000	492,780,700
1865, at an average tax of $18 20 per 1,000	693,230,989
1866, at a uniform tax of $10 per 1,000	347,443,894
1867, at an average tax of $6 66 2-3 per 1,000	483,806,456
1868, at a uniform tax of $5 per 1,000	59[illegible],335,052
1869, at a uniform tax of $5 per 1,000	991,535,934

It will be seen that during 1866, when the tax was at a uniform rate of ten dollars per thousand, only 347,443,894 cigars were returned for taxation, while under the present law there were returned for the year 1869 nearly three times the number, with the tax at the uniform rate of five dollars per thousand.

The amount of tax collected on cigars was for the fiscal year

1869	$4,957,679
1866	3,474,438
Showing an increase of revenue on the article for 1869 over 1866, at half the rate of taxation, of	$1,483,2[illegible]1

TOBACCO STAMPS.

Since assuming the duties of this office much time, labor and expense have been bestowed upon the preparation of suitable stamps for the collection of the tax on tobacco. An entirely new set of stamps has been provided, greatly superior, it is believed, to any internal revenue stamps for tobacco previously issued by the government. A stamp in serial numbers has been adopted for plug tobacco, adapted for all packages of ten pounds and upwards. This stamp is prepared with a stub and the regulations require, in its use, the name of the collector who sells it and that of the manufacturer who uses it to be written thereon, and consists of seven denominations, as follows:—Ten pounds, fifteen pounds with nine coupons, twenty, twenty-one, twenty-two, twenty-three, forty and sixty pounds. These stamps have been prepared with as much skill as possible by the engraver, with the view of protecting the government from imitations. The former stamp for plug tobacco, of ten pounds and upwards, is known to have been extensively counterfeited, greatly to the loss of revenue.

The stamps for smaller packages of tobacco have also been changed, to prevent, as far as possible fraudulent imitations. These improvements were found to be necessary, and have thus far aided in protecting the government to a large extent, though it has not been possible to wholly defeat the practices of counterfeiters.

THE LAW AS TO TOBACCO.

I am of the opinion that it will be unwise to make any material change in the present classification of tobacco for taxation, or in the rate of tax imposed on the different classes

Manufacturers and dealers are rapidly becoming accustomed to the terms and requirements of the law, and it is believed that less objection will be urged to the law as it now stands than to a change to any new system of taxation, collecting the necessary amount of revenue from tobacco, that is likely to be devised.

Some few amendments to improve the efficiency of the law, which have been prepared for this office, may be deemed necessary, and which I shall be ready to communicate through you to Congress when required.

REVENUE STAMPS.

The following table is submitted, showing the net receipts from revenue stamps from March to October, inclusive, for the years 1868 and 1869:—

	1868	1869.
March	$1,270,095	$1,602,648
April	1,468,393	1,466,864
May	1,230,837	1,465,333
June	1,125,630	1,307,007
July	1,095,189	1,208,977
August	1,133,769	1,2[illegible]6,156
September	1,165,513	1,250,543
October	1,367,033	1,271,364
Total	$9,856,461	$10,798,[illegible]93

This shows an increase in revenue from stamps during this six months of nearly one million dollars. This increase, though considerable, is by no means reckoned satisfactory. It has resulted mainly from the policy of this office, in April last, requiring all stamps to be so placed on the instrument of writing as to exhibit the entire face of the stamp and prohibiting the practice which had obtained extensively of covering the supposed half of one stamp by the attachment of another, when, in fact, the stamp was cut in two and one half used to represent a full stamp in another instance.

The gross receipts from stamps for the last fiscal year were $16,420,710. For the current year they are estimated at $17,500,000, but it is believed that this tax ought to yield at least $20,000,000.

The British government collects a much larger sum from the same source, its receipts averaging from 1865 to 1869, inclusive, over $60,000,000 per annum. This fact is frequently stated by public speakers and journals as an evidence of the great defect of our system; and while there is some reason there is yet more injustice, in this strict comparison. The British system is not so well understood in this country as to make a comparison of receipts, merely, fair to us. The one salient point however, that we fail to collect as much revenue as our system ought to yield, cannot be ignored. The cause of this failure, and the remedy for it, have received as much attention from me as the increasing labors of this bureau will permit.

One undoubted cause is that parties frequently omit to stamp instruments required to be stamped by law. This is the result of negligence, frequently, and often of design. A remedy for this would be found by invalidating all instruments not stamped according to law, and by making the penalty, though comparatively light, at least twice the stamp duty, and never less than five dollars where the omission appeared to be from neglect only, and not design.

I am of opinion that the most serious abuse in the evasion of the stamp laws is the fradulent second use of stamps after washing and cleansing them from the first official cancellation. Various methods for preventing this practice has been suggested, but none free from difficulty or objection. One plan is the adoption of the mechanical cancellation. Various instruments have been presented for this purpose possessing more or less merit. The objections to this plan are the expense of the instrument to be purchased and used, and the inconvenience to those remote from towns and cities, doing little business and requiring few stamps, who would be obliged to provide themselves with a cancelling instrument out of proportion to their means and necessities.

Another plan is to print stamps with a fugitive ink, so as to render it impossible to remove the cancellation mark without destroying the face and body of the stamp. The favorable and adverse opinions of experts and chemists as to the practicability of this plan seem to be about equally divided. It is urged that stamps so printed, when subjected to atmospheric action and exposure to dampness, would be found to deface so readily as to render them frequently worthless to the purchaser.

A third plan is to print stamps on a distinctive paper, to be provided by the Treasury Department for all government stamps, and which, for revenue stamps, is to be enamelled and printed in permanent ink, not subject to fade from exposure but by which the whole face of the stamp would be obliterated by an attempt to wash off the marks of cancellation.

While it is doubtful if this last plan is feasible, from the liability of the enamelled stamp to break when folded, I am unwilling to express any opinion at present—as between the plans or in favor of any one of the plans proposed.

I would suggest that it be recommended to Congress to authorize the Commissioner of Internal Revenue to send an agent to Europe to examine and become familiar with the stamp systems of other governments. In this manner alone, and at small expense, this government can avail itself of the knowledge which science and long experience have furnished on this subject to older governments.

INCOMES FROM INDIVIDUALS.

The total amount collected on the annual list of incomes for 1867 was	$27,417,957
For 1868	23,390.370
For 1869 up to November	25,293,680

This last sum will be increased to an amount over $26,000,000.

As this tax expires with the assessment for 1870 it will be for Congress to determine whether we can part entirely with the receipts from this source of revenue; and if not, whether any substitute can be devised more just and equitable and less burdensome to taxpayers.

If the income from this source cannot be spared from the general receipts, and other objects cannot be found more acceptable as a substitute, it is for Congress to determine whether or not the tax shall be renewed.

In considering this question, after determining the total amount which ought to be realized from internal revenue sources, and considering carefully what will be realized by the present system, without resorting to incomes, the question will present itself whether the entire income tax, as now assessed, shall be revived, or whether it shall be renewed at a less rate of taxation. My opinion is, that so long as a large internal revenue is required by the financial necessities of the government, a portion of that revenue should be collected from incomes. The reasons for this seem apparent and forcible. This tax reaches simply the profits of trade and business, and the increased wealth of individuals from investments. If the tax were paid as these profits and accumulations accrue it is not believed that it would be thought objectionable; but, being required to be paid all at one time, and often after the income has been reduced by the expenses of the taxpayer or reinvested in business, it seems more onerous is more seriously complained against.

The objection most frequently and earnestly made against this tax is that it leads to a system of espionage into private affairs that is not only offensive, but sometimes injurious to individuals.

I do not see why this objection may not, with equal force, be urged against all taxes upon personal property. Such taxes cannot be collected without ascertaining the amount of taxable property possessed by the taxpayer. The law imposing a tax upon incomes does nothing more than this, if so much. It simply requires a truthful and honest statement of the actual income of the taxpayer during the preceding year, which can be complied with as easily and with as little exposure of private affairs as any other law—national, State or municipal—which seeks to raise revenue from the personal estate of taxpayers.

After all, it is but a tax upon the increased wealth of the nation, and when it is understood that government securities are exempted from taxation, and that the interest on these securities produces a large amount of the incomes of taxpayers, I submit if it will be wise to abolish the income tax so long as the labor, industry and business of the country are directly or indirectly subjected to any considerable taxation. These observations are intended to apply to the questions whether the income tax shall be retained or abolished, and not to the rate of the tax or the manner of its assessment and collection.

SUPERVISORS AND DETECTIVES.

The policy of changing supervisors from one jurisdiction to another has been found to be advantageous. It inspires new zeal and energy in the officers, and frequently relieves them from local embarrassments that tend to diminish their usefulness. This office has proved of great importance to the service, and should always be filled with men of undoubted integrity and capacity, who possess a high order of general business qualifications. The present salary is not sufficient to always command such qualifications, and I venture to recommend the propriety and economy of increasing the salary. The apparent reason for placing the appointment of supervisors where it now rests no longer exists, and is not likely to again occur. I would, therefore, suggest that the law be amended, so that this officer shall be nominated by the President and confirmed by the Senate.

Detectives, as they are now termed by law, are in fact but the assistants of supervisors. The name has proved of no advantage to the service, is generally regarded as odious, and for this reason many very competent men have been unwilling to accept of the appointment of detective. I am of opinion that the public service would be promoted by changing the name to that of assistant supervisor, leaving the manner of appointment, the tenure of office and compensation as now provided by law.

PREVENTION OF FRAUDS.

The experience of this office has confirmed the opinion I entertained when entering upon its duties as to the only means of preventing frauds and enforcing the revenue laws. These objects, if accomplished, must be attained through the local officers in each collection district. In this view it was that extraordinary endeavors were made for the selection of proper internal revenue officers, with the incoming of the present administration.

Where the government has placed efficient and honest assessors and assistants the taxes are assessed without delay and with reasonable accuracy. The same may be said of the collection of the revenue, where collecting officers of like character are found. With capable and honest gaugers and storekeepers, it is not perceived how there can be any failure to collect the tax on distilled spirits. It is a fact worthy of note that while it is nearly impossible for a distiller to defraud the revenue without the knowledge and privity of either gauger or storekeeper, or of both, the records of this bureau furnish scarcely an instance where one of these officers has disclosed the fraudulent practices of a manufacturer to reform this branch of the service, a rule has been adopted to appoint assistant assessors and gaugers on the recommendatson of assessors, and storekeepers on the recommendation of collectors. This rule is adhered to except for special reasons. Circular letters have been addressed to all assessors and collectors enforcing the importance of recommending proper men only for such positions; and when these officers are made to feel that they are responsible for the execution of the laws in their districts, and that their tenure of office, as well as reputation depends on their success, it is believed that most of the evils and obstructions will be remedied. Certainly, I have more hope of success by securing the aid of honest, capable and faithful local officers than seems to be warranted in any or all the mechanical devices which have been or can be suggested for the prevention of frauds in the revenue service.

THE INTERNAL REVENUE LAWS NOT UNJUST OR BURDENSOME.

Of the total receipts of internal revenue for the fiscal year 1869, there were collected from the following sources:—

Spirits	$45,062,402
Tobacco	23,430,708
Fermented liquors	6,099,879
Incomes and salaries	34,791,856
Stamps	16,420,710
Banks and bankers	3,335,517
Legacies and successions	2,434,593
Schedule A, and passports	912,314
Gas companies	2,116,006
From other sources	25,471,359
Total	$160,039,344

The amount from other sources was collected from the gross receipts of railroads, insurance and express companies, from the sales of brokers, dealers and manufacturers, from special taxes and from penalties and miscellaneous sources.

It is estimated that at least ninety per cent of the entire receipts was collected from a few objects and sources, all of which may be classed as luxuries or as the accumulated and associated wealth of the country.

It is difficult to see how the necessary revenue from internal sources can be obtained with much greater respect for labor, and with more justice to the common industry than is secured by the present law.

It may well be doubted if any considerable portion of the tax can be objected to on principle or for injuriously interfering with the manufacturer, or being too high. It is the fairest tax, the most equal and least burdensome of any laid on the citizen, for it is a revenue paid in proportion to the free consumption and increasing profits of the people.

I desire to add my opinion that the present system ought, in a short time, if faithfully administered, to yield a revenue not below the following estimate, from the following sources:—

Spirits	$6[illegible],000,000
Tobacco	35,000,000
Fermented liquors	8,000,000
Incomes, salaraies and schedule A	40,000,000
Stamps	20,000,000
Banks and bankers	3,500,000
Legacies and successions	4,000,000
Gas companies	2,500,000
Total	$173,000,000

If these conjectures are well founded, after a brief period the excise tax can be limited to still fewer objects of taxation than at present, and those such as all admit to be the ones that should bear the burden. The realization of these anticipations will enable Congress to sweep away the special or license tax and all other that rest upon the labor, industry and smaller business transactions of the country.

AMENDMENTS TO THE LAWS.

The practical operation of the revenue laws has suggested to officers of this bureau having charge of the respective branches of the service various amendments, which, if made, will facilitate, it is believed, the collection of the revenue, and secure, in the administration of the laws, a more perfect accomplishment of the intent and purpose of Congress.

These amendments do not affect the general system, but look entirely to an explanation of provisions not clear from doubt and ambiguity, and the supplying of some few manifest ommissions in the law. After being well considered a synopsis will be prepared, to be used by the Secretary of the Treasury, according to his discretion, or to be furnished to Congress or its committee, as shall be required.

SPIRIT METERS.

The facts preceding and attending the adoption by this office of the instruments known as the Tice meters, as means of measuring the quantity and determing the strength of distilled spirits, with the view of arriving at a correct basis of taxation, and also as means of preventing and detecting frauds, by the process of automatic registration in sealed and otherwise protected safes, have been so fully reported by my predecessor as to render unnecessary any mention of them here.

Since first undertaking the discharge of the duties of this office I have readily borne in mind the importance of correctly ascertaining the quantity and strength of the spirits distilled at any distillery operating under the laws and regulations governing this branch of domestic industry, to the end that no part of the revenue legitimately derivable from this source might be lost to the government. Hence, by regulations and instructions, I have endeavored to obtain whatever aid in this direction was to be had from the instruments named above, approved and recommended, as they were, by a committee of distinguished scientific gentlemen, and adopted by my predecessor, with the sanction of the Secretary of the Treasury. And it now become my duty to say that while the Tice meters appear to have operated well under circumstances in every respect favorable, under other circumstances, by which they must at all times and in all places be more or less affected, the weight of testimony before me is such that I have been led to doubt their sufficiency for the purposes designed. In consequence of such doubt and that distilleries might not be subjected to an expense which is represented to be burdensome without the government attaining thereby a corresponding protection to its revenue accruing from this source, I have recently provided for certain experimental tests with these instruments which will determine their utility or otherwise, in the light of practical experience. These tests are now under way and are conducted by persons who and in a manner which can hardly fail to bring about satisfactory results, whether favorable to the instrument or not.

The results thus anticipated will be made known in a supplemental report at the earliest time practicable after their development.

EXPENSES OF COLLECTING THE REVENUE.

There were paid for expenses incident to the collection of the revenue for 1868..........		$8,776,814
For 1869..........	$7,394,395	
Deduct the amount paid to storekeepers, act of July 20, 1868..........	608,918	
Leaving for this year on the basis of the account for 1868..........		6,785,477
Decrease in favor of 1869..........		1,991,337

By an amendment to the act of July 20, 1868, passed March 4, 1869, the compensation of storekeepers is to be repaid to the government by the manufacturers of distilled spirits and owners of warehouses. These re-payments are found to be difficult to collect, and I am of opinion that this mode of paying storekeepers should be abolished at once. Only $175,785 of the amount expended by the government for this purpose had been repaid on the 30th of June, 1869.

The accounts of this bureau do not show precisely the expenses of collecting the revenue for each year, because the amounts charged during each year embrace expenses actually incurred in the preceding year. The expenses of the bureau for the year 1868 were..........$567 214

Deduct the cost of printing stamps, and for rent..........		150,000
Actual expenses of the bureau for 1868..........		$417,214
Expenses for the year 1869..........	$656 395	
Deduct for printing stamps, &c..........	256,000	
Actual expenses..........		40[illegible],3[illegible]5
Decrease in favor of 1869..........		$16,819

Prior to the act of July 20, 1868, no stamps for distilled spirits and tobacco were required. This expense has now become an important item.

The commissions allowed on the sale of stamps for 1869 were..........	$915,217
For 1868..........	805,638
Increase for 1869..........	$109,579

These commissions were at the same rate during each year and the increase is due to the larger sale of stamps during the year 1869.

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THE DEBT STATEMENT FOR JANUARY.

The following is the official statement of the public debt, as appears from the books and Treasurer's returns at the close of business on the last day of December, 1869:

Debt bearing interest in Coin.

Character of Issue.	When Payable.	Amount Outstanding.	Accrued Interest.
5's, Bonds	After 15 years from January 1, 1859	$20,000,000 00	$500,000 00
5's, Bonds	After 10 years from January 1, 1861	7,022,000 00	175,550 00
6's of 1881	After December 31, 1880	18,415,000 00	5[illegible]2,4[illegible]0 00
6's, Oreg. War, '81.	Redeemable 20 years from July 1, 1861	945,000 00	28,350 00
6's of 1881	At pleas. after 20 years from June 30, '61	189,317,600 00	5,679,528 00
6's, 5-20s	20 years from May, 1, 1862*	514,771,600 00	5,147,716 00
6's of 1881	After June 30, 1881	75,0[illegible]0,000 00	2,25[illegible],000 00
5's, 10-40's	40 years from March 1, 1864†	194,567,300 00	3,242 7[illegible]8 33
6's, 5-20's	20 years from November 1, 1864*	3,882,500 00	3[illegible]825 00
6's, 5-20's	20 years from November 1, 1864*	125,561,300 00	12[illegible]5,613 0[illegible]
6's, 5-20's	20 years from November 1, 1865*	203,327,250 00	2,[illegible]33,272 50
6's, 5-20's	20 years from July 1, 1865*	332,998,950 00	9 989 968 50
6's, 5-20's	20 years from July 1, 1867*	379,590,150 00	11,387,737 50
6's, 5-20's	20 years from July 1, 1868*	42,539,350 00	1 276,180 50
Aggregate of debt bearing interest in coin		$2,107,930,000 00	$43,5[illegible]7,[illegible]79 33
Coupons due, not presented for payment			5 239,704 25
Total interest			$48,797,[illegible]83 [illegible]8

Debt bearing interest in Lawful Money.

3's, Certificates	On demand (interest estimated)	$45,545,000 00	$910,900 00
3's, Navy pen. f'd.	Interest only applic. to pay. of pensions	14,000,000 00	210,000 00
Aggregate of debt bearing interest in lawful money		$59,545,000 00	$1,120,900 00

Debt on which interest has ceased since maturity.

6's, Bonds	Matured December 31, 1862	$6,000 00	$360 00
6's, Bonds	Matured December 31, 1867	14,150 00	849 00
6's, Bonds	Matured July 1, 1868 (9 months' inter.)	58,700 00	2,641 50
5's, Texas indem.	Matured December 31, 1864	242,000 00	12,100 00
Var., Tr'y notes.	Matured at various dates	103,564 64	3,069 35
5@5½'s, Tr'y n'es.	Matured March 1, 1859	2,400 00	120 00
6's, Treas. notes.	Matured April and May, 1863	3,250 00	195 00
7 3-10's, 3 years	Matured August 19 and October 1, 1864	30,750 00	1,120 35
5's, 1 & 2 years	Matured from Jan. 7 to April 1, 1866	288,392 00	13,720 08
6's, Certif. of ind.	Matured at various dates in 1866	12,000 00	720 00
6's, Comp. int. n.	Matured June 10, 1867, and May 15, 1868	2,458,820 00	475,298 00
4, 5 & 6's, Temp. l.	Matured October 15, 1866	182,060 00	7,562 80
7 3-10's, 3 years	Matured August 15, 1867, and June 15 and July 15, 1868	743,850 00	27,150 52
Aggr'te of debt on which int. has ceased since matur		$4,140,936 64	$544,906 60

Debt bearing no interest.

Authorizing acts.	Character of issue.	Amt. outstand.
July 17, 1861 and Feb. 12, 1862	Demand notes	$113,098 50
Feb. 25 & July 11, '62, & Mar. 3, '63	U. S. legal-tender notes	356,000,000 00
July 17, 1862	Postal currency	39,762,664 68
March 3, 1863 and June 30, 1864	Fractional currency	
March 3, 1863	Certificates for gold deposited	40,170,380 00
Aggregate of debt bearing no interest		$436,046,143 18

Recapitulation.

	Amount Outstanding.	Interest
DEBT BEARING INTEREST IN COIN—Bonds at 5 p. cent	$221,589,300 00	
Bonds at 6 p. cent	1,836,349,800 00	
Total debt bearing interest in coin	$2,107,939,100 00	$48,797,683 53
DEBT BEARING INTEREST IN LAWFUL MONEY—		
Certificates at 3 per cent	$45,545,000 00	
Navy pension fund, at 3 per cent	14,000,000 00	
Total debt bearing interest in lawful money	$59,545,000 00	1,120,900 00
DEBT ON WHICH INT. HAS CEASED SINCE MATURITY	4,140,936 64	544,906 60
DEBT BEARING NO INTEREST—		
Demand and legal tender notes	$356,113,098 50	
Postal and fractional currency	39,762,664 68	
Certificates of gold deposited	40,170,380 00	
Total debt bearing no interest	$436,046,143 18	
Total	$2,607,671,179 82	$50,463,490 18
Total debt, prin. & int., to date, including coupons due not presented for payment		$2,658,134,670 00
AMOUNT IN THE TREASURY—		
Coin		$109,159,475 96
Currency		12,773,963 02
Sinking fund, in U. S. coin int'st b'ds, and accr'd int. thereon		22,545,927 34
Other U. S. coin int. b'ds purchased, and accr'd int. thereon		64,908,350 37
Total		$209,387,716 69
Debt, less amount in the Treasury		$2,448,746,953 31
Debt, less amount in the Treasury on the 1st ultimo		2,452,559,735 23
Decrease of debt during the past month		4,812,781 92
Decrease of debt since March 1, 1869		$76,716,306 70

Bonds issued to the Pacific Railroad Companies, Interest payable in Lawful Money.

Character of Issue.	Amount outstanding.	Interest accrued and not yet paid.	Interest paid by United States.	Interest repaid by transp'tion of mails, &c.	Balance of inte't paid by United States.
Union Pacific Co	$27,075,000 00	$812,27[illegible] 32	$2,081,869 89	$1,107,427 54	$974,442 35
Kansas Pacific, late U.P.E.D	6,303,000 00	189,090 00	834,813 09	631,224 99	203,588 10
Sioux City and Pacific	1,628,320 00	48,849 60	96,508 69	369 40	96,139 29
Central Pacific	2,362,000 00	61,874 22	588,816 83	116,763 86	1,602,450 72
	23,519,000 00	701,209 86	1,130,399 75		
Central Branch Union Pacific, assignees of Atchison & Pike's Peak	1,600,000 00	48,000 00	205,808 26	5,301 92	200,506 34
Western Pacific	1,648,000 00	26,615 64	46,606 03	....	46,606 03
Total issued	64,135,320 00	1,890,856 64	4,984,822 51	1,861,059 71	3,123,732 83

* These bonds are redeemable at any time after 5 years from the date here given and payable after 20 years.

† These bonds are redeemable at any time after 10 years from the date here given and payable after 40 years.

ANNUAL TABLES.

The tables which follow on succeeding pages present our usual annual statistics of the fluctuations in the price of Gold, Stocks, Government Bonds, and Foreign Exchange in the New York market during the year 1869.

In the MAGAZINE of February, 1869, the tables in similar form for a number of years previous were published.

COURSE OF NEW YORK STOCK EXCHANGE BOARD FOR 1869.

The following is the Course of Prices at the New York Stock Exchange Board, each month, for 1869:

Statement showing the Highest and Lowest Sale Prices of Shares at the New York Stock Exchange Board in each Month.

STOCKS.	January.	February.	March.	April.	May.	June.	July.	August.	September	October.	November	December.
1—*Rail'd shares:*												
Alton & T. Haute..	42¾-39	41⅜-39	38-35	39¾-36	40-38	40-38	....	36-33	....	32-30	29-25	26⅝-25
do pref.	69½-63	68½-65½	66-65	67½-65¼	72¼-63	63-59	60½-59⅜	59-58	59-54	60-56	58-58	57-57
Boston H. & Erie..	28-27	....	25⅜-25⅜	....	....	....	....	....	....	18-17	11-9⅞	10-7½
Chicago & Alton...	151-147	161-152	159-149½	162-149	161-156	162-152½	166-158	168-153	154¼-135	146-135½	152-145	146½-141
do pref.	150-148	160-153	156½-154	161½-150	161-159½	160-159	166-159	162½-155	156-135	147-136½	149¾-146½	145⅜-140
Chic. Bur. & Quin.	200-185	190-187	174½-172	175-172	199-180	199-190	191-188	200-193½	170-160	165-159½	155-147	151-147½
Chic. & Gt. Eastern	48-43	....	....	....	....	....	....	....	....	....	....	....
Chic. & N'western.	84¾-81	84¾-82	85¼-81	87⅝-83	94-85	93¼-77⅜	83-78¾	93¼-83⅜	86¼-63	73¾-69¾	75⅞-65⅝	76½-66¾
do pref	92-83¼	92¾-90	92¾-89⅛	98½-91½	106⅜-96¾	105⅛-93⅜	96¾-93⅝	101-93¾	95-79	85⅞-83¾	89-83¼	90⅜-[illegible]0⅞
Chic. & R. Island..	135⅝-117⅛	132-126¼	131-124⅝	139-128	138¼-125	123-115	118⅞-113¼	118¼-114⅛	115⅛-1[illegible]2	110-103¾	106¼-102⅜	108½-101⅞
Cin., Ham. & Day..	77-77	....	....	....	....	....	....	....	....	....	....	75-75
Col., Chic. & Ind. C	59-43½	56-45⅝	46-42½	49-38½	47-41⅛	43¾-39	39⅛-36	37-33	34-24¼	26½-22	28-21¼	23-19
Cleve. & Pitts......	98½-82¼	94-89⅜	89¼-87	94-86½	99¾ 92	108½-91¾	109¼-102	108⅛-104	112-82	104-86½	86-79	84-79
Cleve. & Toledo...	107-100¼	106⅝-103¼	107⅜-107¼	97-96¾	....	....	....	....	....	....	....	....
Cl., Col., Cin. & In.	75-73	74-68½	69-62	79-64⅞	75⅛-68½	75⅛-73	76-72	8[illegible]-73½	79-73	78-73¾	78-74½	75-73½
Del., Lack. & West.	120½-119	119½-115	117½-113⅞	116-113	119½-115	119-113	113-110	113-111½	113-105¼	111-109	111-104¾	08-105¾
Dubuque & S. City.	97-94	107-103	115¼-107	116-114¾	116¾-110	109-105	105-102	113-104½	111-104	110-108	109-108	112-107¾
do pref.	....	....	101-101	....	....	....	....	....	....	....	....	....
Erie..............	40½-38	33-33	....	....	....	....	....	....	42-27	34⅜-29¼	30-27	27½-21
do pref.........	64-61½	....	....	....	....	....	....	....	71-57½	59⅛-54	53-42	46-39

COURSE OF NEW YORK STOCK EXCHANGE BOARD FOR 1869.—Continued.

STOCKS.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.
Harlem	142½-125	140 -137	137 -134½	150 -135	152 -146¼	157 -142	168¾-142¾	167 -160	160 -123	149½-129½	141⅛-129	163 -162
do pref	....	....	....	....	150 -145	....	....	....	....	....	....	....
Han. & St Joseph	110 - 90	122 -109	119 -103	119 -114	120 -114½	1?9 -117½	133 -115	131 -122	125 - 92	112 -105½	108½-107	109 -104¼
do pref.	110 - 91¾	11? - 08	115 -110	114 -112	119½-112½	134 -118	130 -119	128½-120	123 - 97	111 -108	109 -106	109 -104½
Hudson River	137½-130	138¼-135	1?0½ 135¾	156 -138	164½-152	166½-153½	194 -159¾	188⅝-179¼	186⅝-134	174½-156½	172¼-154	....
Illinois Central	141½-139	145 -138¾	14? -139	145¾-139	148 -145	147 -143	146 -140¾	142 -139½	139 -134	13? -132	140 -131	134 -130
Joliet & Chicago	92 - 92	95 - 95	96 - 96	95 - 95	....	96 - 96	....	....	....	92½- 92½	....	....
Long Island	46 - 45	....	47 - ?5	46 - 46	....	59 - 50	50 - 50	....	....	....	....	52½- 52½
Lake Shore	103 - 99	105¾-101½	107⅛-105	10?¾- 97	117 -103	117 -107⅜	....	....	....	....	....	....
L. Sh. & Mich. S	....	....	....	....	....	....	....	109¾-104¾	105½- 76⅛	94¼- 81⅛	91⅝- 86¾	87¾- 83½
Marietta & Cin., 1st	....	28 - 23½	21 - 23	23½- 20½	23 - 21	23¾- 23	23 - 23	22 - 22	20 - 20	20 - 18	1 - 18¾	21½- 20
do 2d	9 - 9	8½- 8	8¾- 8½	8½- 8½	9 - 8	8¾- 8¾	9½- 9½	9 - 9	8½- 8	....	....	....
Macon & Western	....	....	....	....	....	....	120 -120	....	....	....	....	....
Michigan Central	121 -114	120 - 17½	118½-117½	132 -118¼	129½-126	136½-123	136¾-127½	132¾-128	131 -116	124 -119	121 -119½	124½-117
Mich S. & N Ind.	96 - 87¼	97¾- 92⅛	97⅝- 94⅜	103⅜- 95¾	118⅞-105	11? -107¼	....	....	....	....	....	....
Mil. & St. Paul.	77½- 68	67 - 64½	71⅝- 64½	81 - 71⅝	79½- 75½	80 - 70½	78¾- 72	84⅞- 78	80¾- 61	70 - 65¾	71 - 6?¾	74⅝- 66¼
do pref.	96⅝- 87¼	81⅞- 77	80¼- 76	88 - 80	91¼- 85	91 - 81½	89¼- 84⅝	92⅜- 86¾	89¼- 75	83½- 79⅝	84¼- 78½	87⅜- 8?½
Morris & Essex	87½- 85½	87 - 86	88 - 86⅞	89½- 87⅝	91 - 90	93½- 89	90 - 87¾	89½- 87½	88½- 87½	88½- 86½	88 - 87	88¾- 85
New Hav. & Hart.	....	....	....	....	210 -210	....	....	....	232 -232	....	....	....
New Jersey	130 -128	130 -129½	129 -129	126 -124	1?7 -127	133 -130	....	123 -123	123½-120	120 -117½	120 -120	119½-119½
do scrip	....	....	....	....	....	....	....	....	....	....	11? -112	....
New Jersey Central	116½-112¾	114 -110	112 -108½	112 -108	121 -111	122½-103	104½- 97	109¾-103	107½- 97	102 - 94½	98½- 88	94⅛- 85¾
New York Central	166⅜-154⅛	165¼-160	164½-155½	175¾-159⅛	194½-172¾	197½-183	217⅞-189¾	212⅝-197	205½-153	19? -171¾	192¼-169¼	....
N. Y. C. & Hd con	....	....	....	....	....	....	....	....	....	....	96 - 87	92¼- 83¾
do scrip	....	....	....	....	....	....	....	....	....	....	83¾- 74	81½- 77
N. York & N. Hav	160 -139	154 -143	....	121 -120	140 -130	140 -135	131 -1?5½	145 -132½	140 -135	140 -125	141 -138½	140 -140
do scrip.	....	....	....	....	125 -120	125 -124½	128 -124	140 -128	130 -130	131 -130	141 -132	140 -137
Norwich & Worcester.	100 - 95	105 - 98	105½-100	104 -100	105 -104	105 -105	105 -104⅜	112 -112	112 -112	....	108 -108	....
Oil Creek & Alleg.	77 - 77	75 - 75	....	....	....	....	....	....	....	....	....	....
Ohio & Mississippi	39 - 32⅝	38¾- 33	34 - 32	34¼- 32¼	36⅛- 32⅛	37 - 32	33 - 31½	32⅞- 31⅝	32⅜- 24	28¾- 26	27⅞- 24⅛	26¼- 22⅝
do pref.	77 - 77	77 - 75½	76 - 75	76 - 75	79¾- 76½	70 - 70	....	....	....	70 - 70	69 - 69	....
Panama	348 -340	340 -3?2	3?5 -330	3?0 325	325 -3??	300 -295	285 -270	270 -230	251 -240	240 -200	207½-203	205 -193
Pitts., Ft. W. & C.	124⅜-112¾	123 -117½	125½-117	139 -123	159¼-140	159 -152½	157½-150	151¼-151½	....	....	....	....
do guar	....	....	....	....	....	....	....	90 - 83½	....	85½- 83¾	88 - 85	89½- 85½
Reading	98¼- 93	96⅛- 91⅞	92⅝- 91	97⅜- 91	101⅛- 95	100¼- 96	99¾- 92⅛	98 - 95¼	97¼- 91	97 - 93	99⅝- 95⅜	101¼- 97¾
Rome, W. & Ogden	....	....	111½ 111½	....	125 -120	125 -125	....	100½-100½	110 -105	....	105 -105	....
Stonington	81 - 80	82 - 82	....	83 - 83	....	....	....	....	....	....	....	....
Third avenue	....	....	....	....	....	....	....	....	185 -185	197½-197½	....	....
Toledo, W. & W.	67 - 59½	68 - 63½	63 - 65¾	7?¾- 63¾	78⅛- 72	77¾- 66¾	77 - 71⅛	88 - 74	83⅛- 50	67 - 55	63¼- 55	57½- 49¼
do pref.	78 - 73	77½- 77	78 - 79	80 - 77½	82⅛ -79	82 - 80	86 - 76	87¾- 74	83 - 80	80 - 76¼	75 - 75	72 - 72
Warren	....	....	87⅜- 87¾	....	....	....	....	....	....	....	....	....

2—Coal share list:												
American	48 – 48	...	...	40 – 40	...	...	...	...	40 – 40	40 – 40	...	...
Ashburton	...	2 – 2	...	...	...	...	...	...	...	...	...	...
Central	64 – 50	65 – 60	63 – 62½	62½ – 62½	66 – 66	...	...	...	60 – 60	...	...	...
Cumberland	39 – 37	38¾ – 36	37 – 37	35 – 30	6 – 30	36 – 33½	33½ – 30	35¼ – 33	31½ – 28	29 – 26½	8 – 26	26½ – 24
Del. & Hud. Canal	132 – 125½	129 – 125	129 – 127	130 – 125½	134 – 130	134 – 130	131 – 127	128 – 126	126 – 122	124 – 120	122 – 120	21 – 120
Pennsylvania	222 – 15	...	217 – 212½	...	...	225 – 225	...	...	...	250 – 220	...	235 – [illegible]
Spring Mountain	40 – 40	50 – 50	...	44 – 44	...	...	...	...	...	...	...	...
Wilkesbarre	...	...	28 – 28	...	45 – 35	66 – 45	62 – 55	65 – 65	...	...	...	65 – 60
3—Gas share list:												
Citizens	...	...	...	...	...	...	160 – 160	150 – 150	150 – 150	...	...	...
Manhattan	230 – 230	250 – 250	...	...	230 – 230	250 – 250	...	...	...	...	...	...
4—Mining sh. list:												
Mariposa Gold	8½ – 6	11⅛ – 8	19¼ – 13	23 – 18¾	24⅞ – 18¼	24½ – 7	9 – 8¼	8 – 8	10½ – 8	9⅝ – 8	8 – 8	8 – 7½
do pref.	25¼ – 20	32½ – 21¼	35 – 31¼	44⅜ – 31	53 – 52⅛	59¾ – 14	17 – 15	16 – 10¼	19 – 12¼	18 – 16	16¾ – 15⅛	6¼ – 14
do 1st pref.	...	...	...	...	...	83 – 81½	...	...	...	...	...	...
Quicksilver	26 – 22	25⅛ – 22½	25¾ – 19½	22¾ – 20	21¼ – 14	18½ – 14	16¼ – 15½	16 – 11	15¼ – 12	15 – 12	15½ – 13¼	1[illegible]¼ – 12½
5—Land & Imp:												
Bos. Water Power	16 – 13⅞	16 – 15¼	18¾ – 16	17½ – 16	17½ – 16	17 – 16¼	15½ – 15½	15 – 13⅞	16 – 13	11½ – 13	...	13¾ – 13¾
Brunswick City Land	10 – 9¾	10 – 9½	9¾ – 9¾	9½ – 9½	9 – 8¾	11 – 8½	11 – 11	8½ – 8½	...	9½ – 9½	9 – 9	8½ – [illegible]½
Canton Improv'ment	62 – 49½	63½ – 60	61½ – 59	63 – 59	65⅛ – 62[illegible]	68 – 62	62¾ – 60	58⅞ – 58	56 – 50	51 – 50	52½ – 50¾	51 – 48½
6—Telegraph:												
Western Union	39⅛ – 33½	39 – 36¼	38½ – 36¾	43⅞ – 39	41⅜ – 42	43¼ – 35	39 – 36	39 – 37	37⅞ – 35	37 – 36	3[illegible]⅞ – 34¼	35¼ – 32
7—St's'n shares:												
Atlantic Mail	22 – 21	...	20 – 20	22 – 22	...	...	...	...	29½ – 29½	...	...	...
Pacific Mail	123⅝ – 117⅝	120 – 97⅝	101½ – 88¼	95⅛ – 89⅛	95⅝ – 80¼	93¼ – 80½	92¼ – 81¾	87 – 79	80¾ – 59½	69½ – 56¾	63 – 51	53⅛ – 42
8—Express shares:												
Adams	65 – 48	69½ – 55	64 – 58	63 – 58⅜	62 – 59	63½ – 58	62 – 58½	59½ – 56	57½ – 49¾	58½ – 52½	59 – 55	63¾ – 59
American	...	...	...	...	...	4[illegible] – 40⅜	...	...	...	...	...	...
Amer. Mer. Union	45 – 38	5[illegible]⅛ – 38	45 – 39½	42 – 39⅞	41 – 38½	44¼ – 39	43½ – 39¾	42¼ – 35½	38 – 39	35 – 30	36¾ – 32	42 – 35
Merchants Union	18¼ – 12½	2[illegible]½ – 16	17½ – 15	16 – 15	15 – 14½	15½ – 14	6 – 6	11 – 10	11½ – 11	...	...	9½ – 9½
United States	59 – 43	...	55⅝ – 54	63 – 56	68 – 63	73 – 66	75 – 69½	69½ – 62½	63 – 50	60 – 49¾	58¼ – 51½	52½ – 48½
Wells, Fargo & Co	30¾ – 23	31¼ – 30½	32 – 30	37½ – 30⅜	35⅞ – 31½	32¾ – 29½	31⅝ – 21½	22 – 18⅛	19 – 16	26½ – 17	20½ – 16¾	22 – 16
9—Tr. &c. shares:												
Union Trust	...	...	145 – 145	...	...	...	...	150 – 150	...	...	...	...
New York Guano	5 – 5	...	...	...	...	...	...	...	...	...	...	...
Bankers & Br. Ass.	101 – 100	...	...	...	108 – 105	110 – 103	...	110 – 108½	...	105 – 104	103½ – 103½	...

COURSE OF THE GOLD MARKET FOR 1869.

The following table will show the highest and lowest prices of gold each day during the year 1869:

Day of month.	January.	Feb uary	March.	April.	May.	June.	July	August.	September.	October.	November.	December.
1....	*Holiday.*	135⅝-136¼	131⅛-132	131⅜-131⅝	134½-131⅞	138⅜-139½	136⅞-137⅝	S.	133⅛-133½	130 -130½	128⅛-128⅜	121 -122½
2 ...	134¾-135⅜	135½-135¾	131¾-132¼	131½-132	S.	138½-139½	136½-137⅜	136 -136½	133¼-135⅛	129¾-130⅞	127¼-128	122⅛-122⅝
3. ..	S.	135½-135¾	131¾-132½	131⅜-131½	135⅛-136	138⅛-138½	136¾-137⅛	135⅝-136⅛	135⅜-136	S.	127 -127⅝	122⅛-122½
4....	135⅛-135½	135¼-135⅝	131⅝-131⅞	S.	135¾-136¼	137¾-138¼	S.	135¾-136	135⅝-137¼	128⅝-130	126⅜-127⅛	122⅜-123
5...	134⅝-135⅛	135 -135¼	131 -131⅝	131⅜-131¾	135½-135¾	138⅜-138¾	*Holiday.*	136 -138⅜	S.	128⅞-130¼	126⅝-127⅛	S.
6....	134⅞-135⅛	135 -135¼	130⅜-130⅞	131⅝-131⅞	136 -136½	S	135¼-137	136⅛-136⅜	137 -137⅝	130 -131	126⅝-127⅜	122¾-123⅝
7....	135⅛-135¼	S.	S.	131⅝-131¾	136⅝-137¾	138½-138⅞	134¼-135⅜	136⅛-136¼	136⅛-137	131⅛-132	S.	122⅞-123¼
8....	134⅞-135⅛	135¼-135½	131⅜-132	131⅝-132⅛	137⅝-139	138⅜-139	135¼-135⅞	S	134⅞-136	130⅝-131⅝	126⅝-126⅞	123⅝-124
9....	135⅛-135⅜	135 -135½	130⅞-131⅜	132⅛-133⅛	S.	138¾-139¼	135¾-136¼	135⅝-136⅜	135⅛-135⅞	130½-130¾	126⅞-127⅜	123⅜-123⅞
10....	S.	134¾-135⅛	131½-132	132⅞-133¾	137 -137¾	138⅝-139¼	135¾-135⅞	135⅝-135¾	135 -135¼	S.	126⅞-127⅛	122⅞-123¼
11....	135⅛-135⅝	135⅛-135½	131⅜-131⅞	S.	137⅞-138¾	138⅞-139⅝	S.	135 -135½	135¼-135⅞	130¼-130¾	126⅝-127	123⅛ 123⅜
12....	135¼-135½	135⅛-135⅜	131 -131⅜	133 -133½	137⅞-138⅝	138⅞-139⅝	136¼-137⅛	131¼-135⅛	S.	130⅛-130¾	126⅝-126⅞	S.
13....	135⅝-135⅞	134⅞-135⅛	121¼-131¼	132½-132⅞	137⅞-138⅝	S.	136¾-137¾	134⅛-134¾	135½-135⅞	130⅛-130¼	126¾-127	122¼-123
14....	136⅛-136½	S.	S.	132⅜-133	138½-138¾	138⅞-139⅜	137 -137½	136⅞-134⅜	135¾-136⅛	130 -130⅛	S.	122 -122¼
15....	136¼-136½	135 -135¼	131 -131½	132½-132¾	139⅛-139¾	137¾-138¾	136⅝-137	S.	136⅛-136⅜	130 -130⅛	126⅝-127⅛	121¼-121¾
16....	136⅛-136⅜	135 -135⅛	131⅜-131¾	132⅝-133⅜	S.	137⅜-138⅛	135¾-136¾	133½-134	136¼-136⅜	130 -130⅛	127⅛-127¼	121½-121⅞
17....	S.	134⅞-135¼	131½-131⅞	133⅛-133⅜	141 -141¾	137⅞-138¼	135¾-135⅞	133 -133⅝	136½-136¾	S.	126⅞-127⅛	120½-121⅞
18....	135⅞-136⅛	134⅞-135¼	130⅞-131¼	S.	141½-142½	136¾-137⅞	S.	132⅞-133⅜	136⅝-136¾	130 -130⅜	*Th'ksgiv'g*	120¼-120⅞
19 ...	135½-135⅝	133⅜-134¼	130⅝-131¼	133½-133⅞	141⅞-144	136½-137	135¾-136¼	132¾-133¼	S.	130 -130⅛	126½-126¾	S.
20....	135¼-135½	133¼-133½	130¾-131⅛	133⅞-134¼	143⅝-144¾	S.	135⅛-135½	132½-133	136¾-137⅜	130 -130⅛	126½-126⅝	120⅜-121⅛
21....	135⅝-135⅞	S.	S.	134½-134⅝	143¾-144⅛	136½-137¾	135 -135½	131⅜-132	137½-137¾	130⅛-131⅛	S.	119⅞-121⅛
22....	135½-135⅞	*Holiday.*	131 -131⅜	134 -134⅝	140⅛-141¾	137½-138¼	135⅛-135½	S.	137½-141¾	130⅞-131¾	126¼-126½	120⅛-120¾
23...	135⅞-136⅛	132⅜-133⅛	131 -131¼	133⅜-133¾	S.	137 -137⅜	135¼-135¾	131½-132½	141½-143¾	130⅞-131⅜	126⅛-126⅞	120⅝-120⅞
24....	S.	132⅜-132⅞	131¼-131½	133¼-133½	141¼-142½	136¾-137⅛	135⅝-136½	132⅜-132⅞	133 -162½	S.	125¾-126⅝	‡120⅝-120¾
25....	136⅛-136⅝	132¾-133¼	131 -131¼	S.	140¾-141¼	137 -137⅜	S	132⅞-133¾	*..........	130⅝-131⅛	124¾-125¼	*Holiday.*
26....	136¼-136⅝	131⅞-132¼	*Gd Friday*	133⅜-133⅝	139⅜-140⅞	137¼-137⅝	136½-137½	132⅞-133⅞	S.	130⅛-130¼	124½-124⅞	S.
27....	136⅜-136½	130⅞-131¾	130⅞-131¼	133½-134	138⅞-139½	S.	136⅝-137⅝	132⅛-134¼	*..........	129⅞-130⅛	123⅞-125	120⅛-120⅝
28....	136⅜-136⅝	S.	S.	133½-133⅞	139¼-139¾	137¼-137⅝	135⅞-136¾	133⅞-134¼	*..........	128⅞-129⅜	S	120 -120⅜
29....	136⅜-136⅝	....	131⅛-131⅜	132¾-134¼	139¼-140⅛	137⅛-137½	135¾-136½	S.	*..........	128¼-128¾	121¾-123	119¾-120
30....	136 -136⅜	....	131⅜-131½	134⅛-134½	S.	137 -137¼	136¼-136⅝	133½-134	†129¾-132	128⅝-129¼	121⅛-122¾	119½-120
31....	S.	....	131¼-131½	....	138½-139	....	136⅛-136⅜	133⅝-133⅞	....	S.	....	119⅝-120¾
Month	134⅝-135⅝	130⅞-136¼	130⅜-132½	131⅜-134⅝	134½-144¾	136½-139⅝	134¼-137¾	131⅜-136½	129¾-162½	128¼-132	121½-128⅜	119½-124

* No transactions; Board adjourned. † Called at National Stock Exchange, highest and lowest prices of sales at that Board. ‡ Adjourned at 11:30 A.M., out of respect to the memory of Hon. E. M. Stanton.

FLUCTUATIONS IN BANK SHARES FOR 1869.

Banks.	January.	February.	March.	April.	May.	June.	July.	August.	Sept'ber.	October.	Novem'r	Dec'ber.
America	146 -146	147 -147	146 -146			141 -141					143 145	
American Exchange	114 -115	115½-116	117 -119	113 -118	111½-115	112½-114½	113 -115	115 -115¾	116 -118	116 -117	110 -110	109½-110
Butchers & Drovers				135 -135								
Central	105 -106½	108 -110	109¾-110	108½-110	110½-116	116 -116½	108 -116½	111 -113	109 -112	111 -111	107½-110¾	108 -109
Chatham												
City												
Commerce	119 -122	121½-123	122 -123	122½-125	127 -127	127 -129	123 -128	124 -126	126 -127	124 -126½	121 -123	121½-123
Commonwealth	110 -110	112 -112	114 -114	115 -115			112 -112	112 -113	110 -110½		111 -111½	112 -112
Continental	98 -100	99 -100	99¾-100	99¾-101	101½-103	101 -103	99 -103	100 -101	100 -101	100 -100½		101 -102½
Corn Exchange				134 -124			133 -133	133 -133				
East River		102 -103½										
Fourth	100½-104½	103 -104	101 -103½	102½-104½	104 -106⅝	102½-107½	101¼-105	104½-105¾	104¾-105½	103 -104½	102½-105	100 -105½
Gold Exchange			138 -138									
Grocers												
Hanover	108 -108		109 -109	110 -110	114 -115		107 -107			109 -109	108 109	109 -109
Importers' & Traders'	127 -130	130 -130	130 -130		138 -138	138 -138	133 -133	140 -140			139½-140	
Irving			111 -111								115 -115	
Leather Manufacturers		185 -185										
Manhattan					147 -147	147 -147		140 -140	145 -145	143 -145		143 -143
Manufacturers & Merchants				102 -102	103 -103		99⅞- 99⅞	100 -100				
Market		120 -120	122 -122								124 -124	
Mechanics					134 -135					144 -144		143 -140
Mechanics & Traders	126 -126				139 -139							
Merchants	120 -124	124 -125		132 -132		130 -130		129 -129		128 -130		
Merchants Exchange	118 -118	117½-117¾	119 -119	115½-117	118½-119	119 -119	118 -118	118 -118		119 -119		120 -120
Metropolitan	139 -139	138 -141	141 -143	142 -143	142 -142	142½-143	136½-138	136 -140	140 -140	139¾-140		138 -138
Nassau		105½-105½	106 -106		105 -105		104 -104		106 -107	106 -106½	103 -103	103 -103
National (Gallatin)				109 -110		112 -112	114 -114		118 -11[illegible]	115 -115	114 -115	
New York	134½-134½	124½-134½	133 -133	132 -132			137 -137	140 -145		131¼-131½	135 -135	135 -135
Ninth	108 -109	109 -109	111 -112	111½-112	113 -113	110½-116	110¼-112	113 -115	113 -115	114 114	114 -114	113 -113½
North America	108 -110	108 -110	110 -111		110 -112			110 -110	109¼-109½	108 -108		106 -108
North River											97 - 97	
Ocean	103 -106	106 -107	106 -106½	105 -106	106 -108	109½-109½	94 -109½	101 -102	98 - 98		75 - 87	78 - 84
Park	147 -154	154 -157½	157 -159	159 -159		163 -167	160 -160	167 -168	170 -170	166½-167	165 -165	165 -165
Phoenix	103 -105	107 -107			108 -108		110 112	109½-110		109 -109½		
Republic	121¼-121½	116 -119	117 -118¼	118 -118	118 -120	120 -122	120 -122	120 -121	120 -121	118 -119	119 119	
St. Nicholas		106 -112			114 -116		120 -120		112 -112			
Seventh Ward							112 112				116 -116	
Shoe & Leather	125 -130	130 -130½	132 -132	133 -134	130 -130	132 -133	133 -133	145 -145				142 -142
State of New York	111 -114		112 -114	114 -114	110 -113	112 -112½	112 -112	110½-112	112 -112	111 -112	107 -111	108 -108
Tenth	95 -100	100 -100	98 - 98	98 - 98		92 - 92	94 -100	102½-107	103½ 103½		85 - 85	
Tradesmen's											150 -150	
Union			126 - 26	130 -131		130 -130		126 -126		125 -125	120 -125	
Shares sold	3,510	2,4[illegible]6	2,545	3,207	3,209	1,556	1,929	2,363	1,533	767	1,203	13,326

FOREIGN EXCHANGE AT NEW YORK ON FRIDAY, WEEKLY, FOR 1869.

Date.	London, Commercial	London (Bankers') Long.	London (Bankers') Short.	Paris Long.	Paris Short.	Continental Markets: Antwerp.	Swiss.	Hamburg	Amsterdam	Frankfort.	Bremen.	Berlin.
Jan. 8	....	109⅝-....	110⅛- ..	516¼-515½	513¾-513⅛	517½-516¼	517½-516¼	36 -36⅛	41 -41⅛	41 -41⅛	78⅝-78⅞	71¾-71⅞
" 15	.....	109⅝-109¾	110⅜-110½	515⅝-515	512½-511½	517½-516¼	517½-516¼	36 -36⅛	41 -41⅛	41 -41⅛	78⅝-78⅞	71¾-71⅞
" 22	109⅝-109¾	109¾-110	....	515⅛-514⅜	513⅜-511⅞	517½-516¼	517½-516¼	36 -36⅛	41 -41⅛	41 -41⅛	78⅝-78⅞	71¾-71⅞
" 29	109⅝-109⅞	109¾-110⅛	...	515 -513¾	512½-511¼	516 -515	516¼-5..	36⅛-36¼	41 -41⅛	41⅛-41¼	79 -79⅛	71⅞-72
Feb. 5	109⅝-109⅞	110 -110¼	....	515⅝ 515	512⅛-512⅛	517⅛-516⅛	517 -516½	36⅛-36¼	41 -41⅛	41⅛-41¼	79 -79¼	71⅞-7..
" 12	.....	109⅛-109⅜	109⅝ 109¾	517⅞-51. ¼	515 -513¾	518¾-51.½	518¾-517½	36⅛ 36¼	40⅞-41	41⅛-41¼	79 -79¼	71⅞-7
" 19	.....	109 -109⅛	109⅜-109⅝	517½-516¼	515 -513¾	518 -517½	518¾-517½	35⅞-36	40⅞-40⅞	40¾-40⅞	78¾-78⅞	71½-71¾
" 27	....	108 -108⅛	109⅝-109⅜	517½-516¼	515 -513¾	518¾-517½	518¾-517½	35⅞-36	40½-40⅝	40¾-40⅞	78¾-78⅞	71½-71¾
Mar. 5	108⅜-108½	108¾-108⅞	109⅜-109⅝	520 -517½	517½ 516¼	521¼-520	521¼-520	35⅝-35¾	40⅝-40¾	40⅝-40¾	78⅝-78¾	71⅜-71½
" 12	108½-108⅝	108⅞-109	109 -109⅛	518¾-517½	515⅝-515	520 -518¾	520 -518¾	36 -36⅛	40⅞-41	40⅝-40¾	78¾-78⅞	71½-71⅝
" 19	108 -108¼	108¾-108½	108⅞-109	521¼-520	518¾-517½	522½-521¼	522½-521¼	35¾-35⅞	40⅞-40¾	40⅞-41	78¼-78⅜	71⅛ 71½
" 26	108 -108⅛	108 -108½	108⅞-109	520 -519⅛	517½-516¾	522½-521¼	522½-521¼	35⅞-36	40⅝-40⅝	40¾-40⅞	78⅞- ..	71⅛-71⅛
April 2	.....	107⅞-108	108⅞-108⅞	525 -523¾	522½-521¼	527½-52	525 -523¾	.....	39⅞-40	40 -40⅛	.....	70⅞-70⅞
" 9	107⅝-107¾	108 -108	108⅝-108⅞	522½-521¼	520 -518¾	525 -521¾	525 -521¾	35⅛-35⅜	40⅛-40½	40⅛-40½	78 -78¼	70⅝-71
" 16	107⅝-107⅞	108⅝-.....	109 -.	523¾-522½	521¼-520	525 -522½	525 -522½	35½-35⅝	40⅛-40⅛	40⅛-40⅜	78¼ 78⅜	71⅛-71⅝
" 23	107¾-108	108⅛-108⅜	109⅛ 109¼	521¼-520	51 ¾-5 ¼	5 3¾-522	52 ¾ 52 ½	35⅝-35⅝	40¾-40⅞	40⅞-40⅞	78 -78⅜	70¾-71
" 30	108⅝-108⅞	109⅛- ..	10 -109⅞	518¾-51 ½	516¼-515	52 ¼-5 8¾	521¼-518¾	35¾-35⅞	40¼-40⅜	40 -40⅛	78⅜-78⅝	71 -71¼
May 7	....	109¼-....	110 -	517½-516¼	51 -513¾	518¾-517	518⅛-517½	35⅞-36	40⅜-40⅝	40½-40⅝	78¾ 78⅞	71⅛-71¼
" 14	108⅞-	109¾-109⅞	110¼-110⅜	516⅞-516¼	513¾-513⅛	518⅜-516⅞	518⅛-51 ⅞	35⅞-35⅞	40⅜-40⅝	40⅜-40⅜	78⅝-78⅞	71 -71¼
" 21	....	109⅞-109⅝	110⅛-110¼	518¾ 517½	516¼-515	520 -518¾	520 518¾	35⅝-35⅞	40⅜-40⅜	40½-40⅝	78½-78⅝	71 -71⅛
" 28	108½-108¾	109⅜- ..	110 -	517⅛-516¾	514⅛-513¾	520 519⅜	520 -519⅜	35⅜-35⅜	40⅜-40⅜	40½-40⅝	78⅝-78⅞	70⅞ 71
June 4	108⅝ 108⅞	109¼-..	110¼-.	517⅛-516⅛	515 -513⅝	517⅛-518⅛	517⅛ 518⅛	35⅝-35⅞	40⅜-40½	40½-40⅝	78¼-78⅜	70⅞-71
" 11	108⅞-109	109½ 109⅝	110¼-110⅜	518⅜-517	516¼-515	520 -518¾	520 -518¾	35¾-35⅞	40½-40⅝	40½-40⅝	78⅛ 78¼	71 -71¼
" 18	109 -109¼	108⅞-109	110⅛-110¼	517½ 516¼	515 -513¾	520 -518¾	520 -518¾	35¾ 35⅞	40½-40⅝	40½-40⅝	78⅛-78¼	71 -71⅛
" 25	109 -109⅛	109⅝-109¾	110⅜-110½	516⅛-515⅝	515 -513⅜	520 -518¾	520 -518¾	35¾-35⅞	40½-40⅝	40½-40⅝	78⅛-78¼	71 -71⅛
July 2	109 -109⅛	109¾-109⅞	110½-110⅞	515⅛-515	513¾ 513⅛	517½ 516¼	517 -516¼	35¾-35⅞	40⅜-40⅝	40 -40⅝	78⅛-78¼	71 -71⅛
" 9	109¼-109½	109⅞-110	110⅛-110⅜	515 -513⅜	512½ 511⅞	516¼-515	516¼-515	35⅞-36	40½-40⅝	40⅝-40¾	79 -79⅛	71⅛-71¼
" 16	109⅜-109⅝	110 -110⅛	110⅜-110⅝	513¾-513⅛	511⅛-510⅝	515 -513¾	515 -513¾	35⅞-36	40 -40⅝	40⅝ 40¾	79 -79⅛	71⅛-71¼
" 23	109 -109⅛	110½ 110⅝	110½-110⅝	513¾-513⅛	511¼-510⅝	515 -513¾	515 -513¾	35⅞-36	40½-40⅝	40⅝-40¾	79 -79⅛	71⅛-71¼
" 30	109 -109¾	110⅛-110¼	110½ 110⅝	513¾-513⅜	511¼-510	515 -513¾	515 -513¾	36 -36⅛	40⅝-40⅞	40⅞ 41	79 -79⅛	71¼-71½
Aug. 6	109¼-109½	110 -110⅛	110⅛-110⅝	515 -513⅜	512½-511¼	516¼-515	516¼ 515	35¾-35⅞	40⅝-40¾	40⅝-40¾	79 -79⅛	71 -71⅛
" 13	109⅜-109⅝	110 -...	110½-	515 -513¾	51 ½-51 ¾	51 ¼-515	516¼ 515	35¾-35⅞	40⅝-40¾	40⅝-40¾	79 -79⅛	71 -71⅛
" 20	109¼-109⅜	109¾-109⅞	110¼-110⅜	516¼-515	513¾-512½	516⅞-515⅝	516⅞-515⅝	35⅞-36	40⅝-40¾	40¾-40⅞	78⅞ 79	71 -71⅛
" 27	109 -109¼	109½-109⅝	110 -110⅛	513⅞- 15⅝	514⅜-513⅛	517½-516¼	517½-516¼	35¾ 35⅞	40⅝-40¾	40¾-40⅞	79 -79⅛	71⅛-71¼
Sept. 3	108¾ 109	109⅜-109½	108½-108⅝	517 -516⅞	515 -513⅜	518¾-517½	518¾ 517½	35⅞-36	40⅝-40¾	40⅝ 40¾	79 -79⅛	71 -71¼
" 10	107⅞-108	108⅜ 108½	108⅝-109	521¼-518¾	518⅝-516½	522½-520	522½-520	35⅜-35½	40⅜-40½	40⅜-40½	78⅛-78¼	70⅝-70¾
" 17	107½-107¾	108 -.....	108½- ..	521¼ 520	518¾-517½	522½-521¼	522½-521¼	35⅜-35½	40¼-40⅜	40¼-40⅜	78 -78⅛	70⅜-70½
" 24					Too irregular to admit of quotations.							
Oct. 1	107¾-108	108½-108½	106¾-107¼	522½-520	520 -517½	522¾-522½	522¾-522½	35⅝-35½	40 -40⅛	40½-40¾	78 -78½	70½-70¾
" 8	108 -108⅛	109 -109¼	109½-109¾	518¾-517½	516¼-515	520 -518¾	520 -518¾	35⅝-35¾	40⅝-40¾	40⅝-40¾	78⅝-78¾	70⅝-70¾
" 15	107¾-108¼	109 -109¼	109⅛-109⅝	518⅛-517½	515⅝-515	520 -518⅛	520 -518⅛	35¾-35⅞	40⅝-40¾	40½-40¾	78⅝-78¾	70¾-70⅞
" 22	108¾-108⅞	109⅜-109½	109⅞-110	516¼-515	513¾-512½	517⅛-516¼	517⅛ 516⅛	36 -36⅛	40⅝-40¾	40¾-40⅞	78⅞-79	71¼-71⅜
" 29	108¾ 108⅞	108⅜-108⅞	109¼-109⅜	518⅛-517⅛	515⅝-515	519¾-518⅛	518⅛-518⅛	35¾-35⅞	40⅜-40½	40⅝-40¾	78¾ 78⅞	71¼-71⅜
Nov. 5	108 -108¼	108¾-105⅞	109⅜-109½	517½-516⅞	515 -513¾	518⅛-517½	518⅛-517⅛	35¾-35⅞	40⅜-40⅛	40⅝-40¾	78¾-78⅞	71⅛-71⅜
" 12	108¼-108⅜	108⅞-109	109⅜-109⅝	518¾-517½	516¼-515	518⅛-518⅛	518¾-518⅛	35⅞-36	40⅝-40¾	40⅝-40¾	78¾-78⅞	71⅛-71¼
" 19	108½-108¾	109 -109⅛	109⅝-109¾	518⅜-517½	515⅜-515	518¾-518⅛	518¾-518⅛	35⅞-36	40⅝-40¾	40⅝-40¾	78¾ 78⅞	71⅛-71¼
" 26	108 -108¾	108⅞-109	109⅜-109⅝	518⅛-517½	515⅝-515	518¾-517½	518¾-517½	35⅝-36	40⅝-40¾	40⅝-40⅞	78⅞-79	71⅛-71¼
Dec. 3	108¼-108½	108½-108⅞	109⅜-109½	518⅛-517½	515 -515	518¾-517½	518¾-517½	36 -36⅛	40¾-40⅞	40⅞-41	79⅛-79⅜	71¼-71⅜
" 10	108 108⅛	108⅜-108⅝	109 -109¼	519⅜-518⅛	516⅞ 515⅝	520 -518¾	520 -518¾	35⅞-36	40 -40⅝	40⅝-40¾	79¼-79⅜	71¼-71⅜
" 17	108¼-108½	108¼-108½	109⅜-109½	518⅛-517½	515⅝-515	518¾-517½	518¾-517½	35⅞-36	40⅝-40¾	40¾-40⅞	79 -79⅛	71 -71¼
" 24	108 -108¼	108⅞-109	109½-109⅝	518⅛-517½	515⅝-515	518¾-518⅛	518¾ 518⅛	35⅞-36	40⅝-40¾	40¾-40⅞	79 -79⅛	71 -71¼
" 31	108⅛-108⅝	108¾-108⅞	109⅜-109½	517½-.....	515 -....	518⅛-517½	518⅛-517½	35⅞- .	40¾-....	40⅞-. .	78¾-....	71⅜-....

RANGE OF GOVERNMENT SECURITIES FOR 1869.

The following table will show the monthly range of Government Securities as represented by daily sales at the New York Stock Exchange Board during the year 1869:

	6's of 1881 Coup.	6's of 1881 Reg.	6's (5-20 y'rs) Coupon 1862.	1864.	1865	new.	1867.	1868.	5's, 10-40, Coup
January—									
Opening	111⅛	109⅛	111⅜	107¾	108⅜	107	107¾	107½	106
Highest	112⅝	111½	113⅝	109¾	110⅝	108⅝	10[illegible]	109½	10[illegible]⅝
Lowest	111	109	111⅛	107⅝	107¾	106⅝	106⅞	107¼	105¾
Closing	112¼	111⅜	113⅜	109½	110⅝	108⅝	108⅝	109	103⅝
February—									
Opening	112⅛	111½	113	104¾	110½	108⅜	108⅝	108⅞	108⅛
Highest	116¾	114½	118½	115¼	116⅛	113¼	113⅝	112¼	110¼
Lowest	112⅛	111½	113	109¼	110½	108⅜	108⅝	108⅞	108¼
Closing	116⅜	114½	118½	115¼	116⅛	113¼	113⅛	112¼	110¼
March—									
Opening	115¾	115⅛	118	114¾	115	112⅞	113	112¾	106⅛
Highest	117¼	116½	120	115½	118	113¾	113⅝	114	106¼
Lowest	115⅜	114⅞	117⅜	113¾	114⅞	112½	112½	112¾	105⅛
Closing	115⅜	115	118	113⅞	115⅛	113	113	113	105⅜
April—									
Opening	11[illegible]⅜	115	118	114	115⅞	112⅞	112⅞	112⅞	105
Highest	118¾	118	122	117¾	119⅜	116½	115⅝	116½	108⅛
Lowest	115⅜	115½	117¾	113⅝	115⅞	112⅝	112⅞	113⅝	105
Closing	118¾	118	121⅝	117⅞	119⅛	116½	116½	116½	108⅛
May—									
Opening	118⅝	119	117⅞	113⅝	115⅝	116⅛	116½	116½	108⅛
Highest	123⅛	122⅛	12[illegible]⅝	117½	119½	120¼	120¼	120¼	110
Lowest	118	118½	117½	113½	114½	115⅞	115¾	115¾	107⅛
Closing	122	121⅛	122¾	117	118⅞	120	120	119⅝	109⅜
June—									
Opening	12[illegible]⅜	117⅛	122⅜	117¼	118⅞	120	120	120¼	10[illegible]⅛
Highest	122⅜	117½	122¾	117⅝	119	120	120⅛	120¼	109[illegible]
Lowest	121	116½	121⅝	116¾	117⅞	119	119¼	118⅞	1[illegible]7⅜
Closing	121½	117	121⅝	116⅞	118⅜	119½	119½	119⅝	107¾
July—									
Opening	117⅛	117⅛	121⅝	117⅛	118⅛	116½	115¼	116⅛	108
Highest	123¾	122⅛	125⅝	123½	123¾	122¼	122½	122	114⅝
Lowest	116¾	117⅛	121¼	117⅛	118⅛	116⅛	115⅞	116	107½
Closing	123¾	122⅛	125⅛	123½	123½	122¼	122½	122	114⅝
August—									
Opening	124⅛	124¼	125¼	123⅞	123⅝	122⅜	122⅝	122½	116
Highest	125	125	125[illegible]	124	124⅛	122⅝	122⅞	122¾	116⅛
Lowest	121¾	122⅝	122⅜	120⅛	120⅝	119⅛	119⅜	120½	112½
Closing	123¾	123⅛	123⅛	122½	122⅝	121⅜	121⅜	120½	115½
September—									
Opening	123	123¼	123¼	122¼	122½	121⅜	121½	120¾	112¼
Highest	123	123¼	123¼	122¼	122½	121⅜	121½	120¾	112¼
Lowest	119	119	119¼	118½	118¼	116¼	116⅞	117	108¼
Closing	119¼	119	119¼	118½	118⅞	117¼	117⅜	117	108¼
October—									
Opening	119⅜	119	120	119¼	119⅝	117⅞	118⅛	118⅛	109⅜
Highest	120¼	120	121	119½	120	118⅛	118⅛	118⅛	109⅜
Lowest	119	118½	119¼	117	117	115⅞	115⅞	116¼	107⅜
Closing	119⅛	119¼	119¾	117¾	119⅝	116⅛	116⅛	116⅜	107⅜
November—									
Opening	119¼	119¾	116	113⅜	114	119	116⅛	116⅛	108
Highest	119¼	119¼	116	113⅜	114	116⅛	116¼	116¼	108
Lowest	115⅜	115¼	112⅜	110¾	111	113½	113¾	113¼	106½
Closing	115	115¼	112⅝	111	111⅜	113½	113¾	113¾	107
December—									
Opening	115⅞	112¼	112⅝	110½	110¾	113	113¼	113	[illegible]06⅜
Highest	120⅜	116½	116	113½	114⅛	116⅛	116½	116¼	11[illegible]⅞
Lowest	115⅛	112¼	111⅞	110½	110¾	113	113¼	11[illegible]	
Closing	118¼	114¼	111⅞	112	111¾	115⅛	115¼	115	

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

The closing month of 1869 was one of general dulness in business circles, partly perhaps the result of the bilious croakings of a section of the press, but more to be regarded as the expression of the generally conservative feeling which characterized the latter half of the year. The condition of the money market was comparatively easy. Some considerable amounts of currency were sent, during the first two or three weeks, to the West and the South, but without materially affecting the legal tenders of the banks, the weekly averages of which ranged between $46,800,000 and $44,300,000. This amount of the paper lawful money reserve was of course very unusually low, and one or two brief efforts were made to turn that feature of the banking situation to speculative account, by locking up currency: but, on the other hand, the specie portion of the reserve stood unusually high, ranging between $28,400,000 and $30,600,000, so that the combined reserve maintained constantly an ample proportion to the demand liabilities of the banks. The operations of the Treasury were on the whole favorable to the banks, its disbursements on account of purchases of bonds being materially in excess of its receipts against sales of gold. The continued scarcity of small currency had the effect of limiting the money remittances to the West and the South; toward the close of the month, however, the lower denominations of notes were in better supply, but without affecting the shipments of currency, the course of exchanges with the interior having turned in favor of this city. At the close of the month there was the usual calling in of loans by corporations, to provide for the payment of dividends and interest, with the result of a partial stringency and an advance in rates on call loans to 7 per cent. in gold; the general rate on demand loans for the month, however, was 7 per cent. currency. The discount market has showed more steadiness, and, as usual at the close of the year, less activity. The occurrence of a few failures, mainly of minor firms, temporarily checked confidence, and helped to sustain rates at their former high figures, prime double name paper ranging from 8@12 per cent., and prime single names at 10@20 per cent.

The market for Government Securities has been more active and more buoyant. There has been a diminished supply of bonds coming from bank investors which, together with a good export demand and the purchase of $13,000,000 Five Twenties by the Treasury, produced a comparative scarcity of bonds and an advance of 1½@3 per cent in prices. The tone of the President's message, and of the department reports, at the opening of Congress, had a favorable effect upon the public credit in Europe, resulting in the shipment of several millions of bonds during the first half of the month, Sixes of 1881 and Ten-Forties being in especial demand, owing to Secretary Boutwell's recommendations relative to the funding of Five-Twenties. The usual purchases of dealers, in anticipation of the January demand for the reinvestment of interest and dividends, also had a tendency to strengthen the market toward the close of the month.

The following were the amounts of bonds purchased by the Treasury during December. The purchases marked * are for the Sinking Fund:

Dec. 1	$2,000,000
" 2	1,000,000
" 3	2,000,000
" 15	2,000,000
" 16	*1,000,000
" 22	2,000,000
" 29	2,000,000
" 30	*1,000,000
Total	13,000,000

The total transactions in United States bonds at the Stock Exchange for the month amounted to $12,500,000, against $13,800,000 for the same month of last year.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	$13,882,600	$12,522,900	$	$1,359,700
State & city bonds	4,965,750	3,804,000	....	1,161,750
Company bonds	1,212,200	1,568,000	355,800	.....
Total—December	$20,060,559	$17,894,900	....	$2,165,650
Since January 1	245,245,240	310,541,559	$65,296,319	....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of December as represented by the latest sale officially reported, are shown inthe following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, (5-20 yrs.) Coupon 1862.	1864	1865,	new.	'67.	'68.	5's, 10-40. C'pn.
1	.....	.....	112⅝	110½	110¾	113	113¼	113	106⅜
2	115⅞	.....	113	110¾	111⅛	113	113⅜	113¼	106⅜
3	116	.....	.	110⅞	111⅜	113⅜	113⅝	113½	107½
4	.	112¼	114⅜	111¾	112¼	114	114½	.. ..	108⅛
6	116⅛	113¼	116	112⅝	114⅛	115⅜	115¾	... .	107⅞
7	118⅝	114½	115⅝	....	113⅝	115⅝	116	.....	.....
8	118½	114¼	115¼	.....	.....	...	115¾	.....	108⅜
9	120½	.....	115⅛	113⅛	113⅝	115⅞	116⅛	115¾	110⅛
10	120⅜	.....	115½	113⅜	113½	115⅞	116⅛	. .	110¼
11	120⅝	115⅝	115½	113½	113⅞	116⅛	116½	116⅛	110⅞
13	120¼	.....	115¼	113¼	113½	115⅞	116	116¼	110⅜
14	119½	116½	114⅝	112⅞	113⅛	115½	115⅞	116	110⅛
15	119¼	116	114	112⅜	112½	115	115½	.....	109½
16	119⅛	115	113⅞	112⅜	.....	115	115½	115½	109⅜
17	118⅞	115¾	113¾	111⅞	112⅛	115	115¼	.	109¼
18	118¾	115½	113¼	.....	111⅞	114	114⅜	114⅜	.....
20	118½	... .	113¼	111⅝	111⅞	114	114¼	.....	109
21	118	.....	112⅞	111⅛	111⅜	113¾	114⅛	.....	108¾
22	118⅞	.....	113¼	111⅝	111¾	113⅜	114½	114¾	108⅞
23	119	.....	113½	.....	112¼	.	115⅛	115	.....
24	.....	.....	.....	.....	.....	114½	.....	.....	.....
25				(Christmas).					
27	119	.....	113¼	.....	.....	114¾	114⅞	.....	108⅞
28	118¾	.....	113⅛	112	112	114½	114⅞	.....	.....
29	118¾	114½	112¾	111⅝	112	114⅝	114¾	.....	109
30	118½	114¼	111⅞	112	111¾	114⅝	114⅝	.....	108½
31	.....	....	.....	.....	.....	115⅛	115¼	.....	109⅜
Opening	115⅞	112¼	112⅝	110½	110¾	113	113¼	113	106⅜
Highest	120⅝	116½	116	113½	114⅛	116⅛	116½	116¼	110⅞
Lowest	115⅞	112¼	111⅞	110½	110¾	113	113¼	113	106⅜
Closing	118½	114¼	111⅞	112	111¾	115⅛	115¼	115	109⅜

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Wednesday ... 1	92½	84¾	99¼	21	Thursday ... 23	92⅛	85⅞	99¾	16¾
Thursday ... 2	92¼	84⅞	99	20¾	Friday ... 24	92⅛	85¾	99½	17⅝
Friday ... 3	92⅜	85	99¼	20¾	Saturday ... 25		(Holiday)		
Saturday ... 4	92¼	85¾	99¼	20	Monday ... 27		(Holiday.)		
Monday ... 6	92¼	85⅞	100¼	20½	Tuesday ... 28	92⅛	86	99¾	18¼
Tuesday ... 7	92¼	86	99¾	20½	Wednesday ... 29	92	86⅛	99¾	17¾
Wednesday ... 8	92¼	86⅛	99¾	20¼	Thursday ... 30	92⅛	86⅜	100¾	17
Thursday ... 9	92¼	85½	99¾	20¼	Friday ... 31	92⅛	86½	102¼	17¼
Friday ... 10	92¼	86	99¾	20½					
Saturday ... 11	92¼	85⅞	100	20	Lowest ...	92	84¾	99¼	16¾
Monday ... 13	92⅛	85⅞	99½	20½	Highest ...	92½	86½	102¼	21
Tuesday ... 14	92⅛	84⅞	99¾	20½	Range ...	½	1¾	3	4¼
Wednesday ... 15	92	86¼	100	20½	Last ...	92⅛	86½	102¼	17¼
Thursday ... 16	92⅛	85⅞	99½	19¾					
Friday ... 17	92⅛	85¾	99½	19¾	Low } Since Jan. 1 ...	92	74⅝	92½	16¾
Saturday ... 18	92⅛	86	99¾	18	High } Since Jan. 1 ...	94	86½	102¼	23⅛
Monday ... 20	92¼	86	100	17¾	Rng } Since Jan. 1 ...	2	11⅞	10	11⅜
Tuesday ... 21	92⅛	85⅞	100	17¼	Last ...	92⅛	86½	102¼	17¼
Wednesday ... 22	92⅛	85⅞	99¾	17					

The stock market has shown an extreme dullness, as will sufficiently appear from the fact that the total transactions at the Stock Exchange for the month were only 189,840 shares, against 1,093,730 shares in December, 1868 This depression appears to be due to a natural reaction from speculative excesses, and to the exhaustion of the means of a large proportion of the large class known as "inside operators." The causes of this reaction are discussed at length in another column. There have nevertheless been wide fluctuations in prices, the variations having ranged between 4 to 10½; and the fact that these wide variations have failed to induce a more active speculation only indicates the depression in this particular interest. Toward the close of the week, a stringent condition of the money market, concurrently with a decline in the earnings of the Western roads, had the effect of weakening prices, and the year closed with a market as weak as it was dull. We take this occasion of correcting an error in our last monthly summary of transactions in November. The sale of railroad stocks at the Stock Exchange should have been stated at 369 6?0 shares, and the total of all classes of stocks for the month at 44 ,462 shares. From the subjoined statement it will be seen that the total sales of stocks at the Exchange for 1869 was 10,513,058 shares, which is 9 2 0,344 shares less than the aggregate business of 1868; a fact which strikingly illustrates the declension of speculation.

STOCKS SOLD AT THE NEW YORK STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares	1,6?7	3, 26	1,6?9	.....
Railroad "	965,099	95,0?1	....	870,098
Coal "	5,757	3,308	.....	2 449
Mining "	15,080	23,7?0	8,650	....
Improv'nt "	9,100	1,000	....	8,108
Telegraph "	24,686	12,118	.....	12,568
Steamship "	41,?69	33,996	....	7,373
Expr'ss&c "	30,942	17, 71	...	13,671
Total—December	1,093,730	189,840	.....	903,890
Since January 1..	19,713,402	10,513,058	.....	9,200,244

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities sold at the New York Stock Exchange during the months of November and December, 1869 :

Railroad Stocks—	November Open.	High.	Low.	Clos.	December Open.	High.	Low.	Clos.
Alton & Terre Haut	29	29	25	25	26	26⅝	25	25
" " " pref	58	58	58	58	57	57	57	57
Boston, Hartford & Erie	11	11	9⅞	10	10	10	7½	7½
Chicago & Alton	146⅛	152	145	148½	145	146½	141	142
do do pref	146¼	149¾	146½	148¾	145⅛	145⅜	140	143
Chicago, Burl. & Quincy	155	155	147	152	151	151	147½	148
do & Northwest'n	69	75⅞	65⅝	74⅝	71	76½	66¾	68
do do pref	84	89	83¾	87½	87½	90⅜	80⅞	82¼
do & Rock Island	103	106¼	102⅜	105½	103⅞	106½	101⅞	103½
Cin Ham. & Dayton	....		....	...	75	75	75	
Columb., Chic. & Ind. C.	28	28	21¼	21½	22	23		
Clev. & Pittsburg	86	86	79	80	79	84	79	83
do Col., Cin & Ind	78	78	74½	74½	74	75	72½	74½
Del., Lack & Western	111	111	104¾	105	105	108	103¾	107¼
Dubuque & Sioux city	109	109	108	109	109	112	107¾	108
Erie	29½	30	27	27½	27⅜	27½	21	22¼
do preferred	51	53	42	46¼	45	46	39	39
Harlem	141⅛	141⅛	121	129	126	136	121	130
Hannibal & St Joseph	107	108½	107	107½	104½	109	104½	107¾
do do pref	107	109	106	106	104½	109	104½	107¾
Hudson River	172¼	172¼	154	155	....	....		...
Illinois Central	137½	140	131	133	132½	134	130	130
Lake Sho. & Mich. South	91½	91⅝	86¾	86¾	83⅝	87¾	83½	85
Long Island	.		....	...	52½	54½	52½	52½
Mar. & Cincin., 1st	20	21	18¾	20	20½	21½	20	21
Michigan Central	119½	121	119½	121	120	124½	117	117¾
Milwaukee & St. Paul	67⅜	71	66¾	67½	66⅜	74⅝	66¼	73
do do pref	79¾	84¼	78½	82⅜	81½	88⅜	81½	85⅛
Morris & Essex	87½	88	87	87	87¼	88¾	85	85
New Jersey	120	120	120	120	119½	119½	119½	119¼
do scrip	112	112	112	112	..	....	....	....
do Central	95	98¼	88	88	87	94½	85¾	92
New York Central	192¼	192¼	169¼	169½	....	....		
do & H. R. C stk	96	96	87	87	85¾	90¼	83¾	85⅞
do scrip	82	83¾	74	74	77	81½	77	81⅞
do & N. Haven	139	141	138½	140	140	140	140	140
do do scrip	132	141	132	141	140	140	137	137
Norwich & Worcester	108	108	108	108	....	....		....
Ohio & Mississippi	26	27⅞	24½	24⅝	24¼	26¼	22½	23⅞
do do pref	69	69	69	69				
Panama	207½	207½	203	203	200	205	193	193
Pitts., F. W. & Chi. guar	85	88	85	87¼	86½	89½	85½	86½
Reading	96⅛	99⅜	95⅜	98⅝	97¾	101¼	97¼	99⅞
Rome, W. & Ogdensb'g	105	105	105	105	...			....
Toledo, Wab. & Western	63¼	63¼	55	55	51½	57½	49¾	49½
do do do pref	75	75	75	75	72	72	72	72
Miscellaneous—								
Cumberland Coal	27	28	26	26	24	26½	24	25
Pennsylvania Coal	...	...	....	...	235	235	235	235
Wilkesbarre	...	....	...	...	60	65	60	60
Del. & Hud. Canal	122	122	120	120	120	121	120	120
Pacific Mail	59¼	63	51	51	47	53½	42	43½
Boston Water Power	....	....	....	....	13¾	13¾	13¼	13¾
Brunswick City Land	9	9	9	9	8½	8½	8¼	8½
Canton	52	52½	50¾	51	50	51	48½	48½
Mariposa	8	8	8	8	7¾	8	7½	7½
do pref	16¼	16¾	15½	15⅝	15	16¼	14¾	14
Quicksilver	15	15½	13¼	13½	13½	15¾	12½	14½
West. Union Telegraph	36⅝	36⅞	34¼	34¾	34⅞	35¼	32	32¼
Bankers & Brokers Ass	103½	103½	103½	103½	....	....		....
Express—								
American M. Union	34	36¾	32	35½	35¼	42	35	38
Adams	58	59	55	57	50	63¼	50	63¾
Merchants' Union	..	....	....	....	9½	9½	9½	9½
United States	58¼	58¼	51½	52	49¾	52½	48½	50¼
Wells, Fargo & Co	19	20½	16¾	16¾	16	22	16	20⅞

The gold premium ranged during the month between 119½ and 124 the bulk of business having been done between 120 and 121. The steadiness of the premium, together with the continued depression in speculation, have caused the transactions of the Gold Exchange to be very light. Repeated efforts have been made by a few wealthy operators to influence the premium, but with discouraging results, the largeness of the supply having rendered the market, to a certain extent, unmanageable. The Treasury issued proposals for the sale of $11,000,000 of coin during the month; but of this amount only $8,000,000 was actually sold, the bids for $1,000,000 being refused as too low, and $2,000,000, announced for sale in the last week, being withdrawn, apparently from an indisposition on the part of the Secretary to unduly depress the premium. The exports of specie for the month were strictly nominal, and the payments for customs at this port only $6,969,000. At the close of the month the Treasury held $40,170,380 of private coin against certificates, while the average amount of specie in the associated banks, for the week ending on December 31, was $31,166,908—figures which sufficiently indicate the unusually heavy supply of gold on the market and in part account for the weakness of the premium.

COURSE OF GOLD AT NEW YORK.

Date.	Openi'g	Lowest.	High'st.	Closing.	Date.	Openi'g	Lowest.	High'st.	Closing
Wednesday............... 1	122⅛	121	121½	122	Friday 24	120¾	120⅝	120¾	120⅝
Thursday............... 2	122¼	122⅛	122⅝	122¼	Saturday.......25		Holi	day.	
Friday 3	122⅛	122½	122½	122¼	Monday........27	120⅝	120⅛	120⅝	120⅜
Saturday 4	122⅜	122⅜	123	122¾	Tuesday.......28	120¼	120	120⅜	120
Monday.................. 6	123¾	122¾	123⅝	122⅞	Wednesday .29	119⅞	119¾	120	119¾
Tuesday 7	122⅞	122⅞	123¼	123⅛	Thursday . .30	119⅞	119½	120	119⅞
Wednesday............... 8	122⅝	123⅝	124	123⅞	Friday 31	119⅝	119⅝	120⅜	120⅛
Thursday................ 9	123⅞	123⅛	123⅞	123⅜					
Friday..................10	123	122⅞	123¼	123¼	Dec., 1869...	122⅛	119½	124	120⅛
Saturday 11	123¼	123⅛	123⅜	123⅛	" 1868....	135⅛	134⅜	136¾	135
Monday..................13	123	122⅛	123	122¼	" 1867....	137⅜	132½	137⅞	133⅝
Tuesday 14	122¼	122	122¼	122	" 1866....	141½	131¼	141⅝	133¼
Wednesday...............15	121¾	121½	121¾	121⅝	" 1865....	148	144½	148½	145
Thursday................16	121⅝	121½	121⅞	121⅝	" 1864 ...	228½	212¾	243¾	226
Friday...................17	121⅞	120½	121⅞	120¾	" 1863....	148½	148½	152¾	151⅞
Saturday.................18	120½	120¼	120⅞	120½	" 1862....	130¼	128½	134	131½
Monday...................20	120⅞	120⅜	121⅜	120½	" 1861....	100	100	100	100
Tuesday..................21	120⅞	119⅞	121⅛	120⅛					
Wednesday...............22	120⅛	120⅛	120¾	120⅝	S'ce Jan 1, 1869.	134¾	119½	162½	120⅛
Thursday.................23	120¾	120⅝	120⅞	120⅞					

Foreign exchange was steady, but, as usual toward the close of the year, the demand for bills for annual settlements of accounts produced a firmer feeling for the last half of the month.

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin cents for thalers.
1	109 @109⅛	518⅛@517½	40⅜@40½	78⅞@79	35⅞@36	71⅛@71¼
2	108⅞@109	518⅛@517½	40¾@40⅞	79¼@79⅜	36 @36⅛	71¼@71⅜
3	108¾@108⅞	518⅛@517½	40¾@40⅞	79¼@79⅜	36 @36⅛	71¼@71⅜
4	108¾@	518¾@518⅛	40¾@40⅞	79¼@79⅜	36 @36⅛	71¼@71⅜
6	108⅝@108¾	518¾@518⅛	40¾@40⅞	79¼@79⅜	36 @36⅛	71¼@71⅜
7	108⅝@108¾	518¾@518⅛	40¾@40⅞	79¼@79⅜	36 @36⅛	71¼@71⅜
8	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
9	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
10	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
11	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
13	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
14	108⅜@108⅝	519⅜@518⅛	40½@40⅝	79¼@79⅜	35⅞@36	71¼@71⅜
15	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
16	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
17	108¾@108⅞	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
18	108¾@108⅞	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
20	108⅝@108¾	518¾@518⅛	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
21	108⅝@108¾	518¾@518⅛	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
22	108⅝@108¾	518¾@518⅛	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
23	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
24	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
25			(Holiday).			
27	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
28	108⅞@109	518⅛@517½	40⅝@40¾	79 @79⅛	35⅞@36	71 @71¼
29	108⅝@108¾	517½@	40¾@....	78¾@....	35⅞@....	71⅜@....
30	108⅝@108¾	517½@	40¾@....	78¾@....	35⅞@....	71⅜@....
31	108¾@108⅞	517½@	40¾@....	78¾@....	35⅞@ ...	71⅜@....
Dec., 1869	108⅝@109⅛	519⅜@517½	40⅜@40⅞	78¾@79⅜	35⅞@36⅛	71 @71⅜
Dec., 1868	109 @109¾	518¾@513¾	41 @41½	78¾@79⅛	36 @35¼	71½@72⅛

RAILROAD ITEMS.

THE LOUISVILLE BRIDGE.—The Louisville Bridge is opened for traffic. This is one of the most remarkable engineering achievements in America. Several of its piers are built in the rapids of the Ohio, where the water runs at the rate of twenty miles an hour. Its total length is exactly one mile—5,280 feet—and it has twenty-seven spans, two of which are longer than any others now in existence in America. The spans over the channels are 350 and 400 feet long. The superstructure is placed above the grade on these spans, so as to give as much space as possible underneath for the passage of steamboats. In the Indiana channel there will be a perpendicular space below the bridge of 45½ feet at high water, and 67½ feet at low water, which will permit the passage of most Ohio boats without opening the draw. The plan of the bridge is the Fink suspension truss. Although so large and so satisfactory in every way, its cost will not exceed $1,500,000, including the approaches at each end, which are 2 7 miles long. The bridge was designed and superintended by Albert Fink of the Louisville & Nashville Railroad, its Chief Engineer, and F. W. Vaughan, Assistant Engineer. It has been built by a company, which was organized by the late James Guthrie, but of which Mr. W. B. Hamilton is President. It was commenced in July, 1867. This bridge will be especially valuable to Louisville, for while it permits the cars of the northern roads to enter that city, the broader gauge of the roads south of the Ohio will prevent the extension of those advantages further south.—*Western R. R. Gazette.*

KANSAS PACIFIC RAILWAY BONDS.—The large amount of funds thrown upon the market for investment by the heavy purchases of five twenties on the part of Secretary Boutwell, must find new chambers into which they can be safely and profitably directed. A great part of these funds are undoubtedly re-invested in first-class railroad bonds at such rates as to pay a very large difference to the holders in the way of interest. Take for instance, the Kansas Pacific Railway gold bonds, now offered by Dabney, Morgan & Co. and M. K. Jesup & Co., two eminent banking houses in New York. This loan is secured by a railroad in successful operation for 437 miles, and earning more than enough to pay the interest on the new loan. It has also 3,000,000 of acres in Kansas, which are being sold for its development, together with an additional 3,000,000 acres in Kansas and Colorado, which have been set apart as a sinking fund for the payment of the loan. The agents estimate the value of the road to-day at $22,300,000, and this property is offered as security for $6,500,000. The price of the Kansas Pacific Railway bond is 96, with accrued interest in currency, five twenties of '65 sell at 115, and as both securities bear 6 per cent. gold interest, the difference in the railroad bonds is apparent. Already $2,500,000 of the bonds have been sold. The agents reserve the right to increase the rate, and it will be well for our friends to send to them or pamphlets, maps and circulars, and investigate the matter for themselves.

ALABAMA RAILROADS.—The following extract from the late message of the Governor of Alabama shows the operation of the law of that State granting aid to railroads:

"By an act of the General Assembly, approved February 19, 1867, it was made the duty of the Governor, on the part of the State, to endorse the first mortgage bonds of railroad companies, when certain conditions were complied with. Before such endorsements could be obtained, twenty miles of road had to be built and equipped. Then, the Governor was to endorse for $12,000 per mile for the road proper, and an additional amount for bridges, viz.: sixty dollars per lineal foot for bridges made of wood, and one hundred per foot for such as were constructed of iron. This rate of endorsement was to continue for every subsequent section of twenty miles until the road was completed.

"By an act approved September 22, 1867, this law was so amended as to increase the rate of indorsement to $16,000 per mile. It also provided that indorsements should be made for each section of five miles completed after the first twenty, and so much of the former law as related to bridges was repealed. Under the law, as thus amended, indorsements up to the present time have been made as follows:

For the Alabama & Chattanooga Railroad	$1,800,000
For the Montgomery & Eufaula Railroad	480,000
For the Selma, Marion & Memphis Railroad	320,000
	$2,600,000

"These roads are in the hands of gentlemen of capacity, energy and responsibility. There is every reason to believe that they will be completed at an early day, that the interest on the bonds will be promptly paid as it falls due, and that everything else will be done to prevent loss to the State on account of the indorsement."

DETROIT AID TO RAILROADS.—The Detroit *Tribune* says: "At the request of ninety-four electors of our city, among whom we recognize many of our heaviest business men Mayor Wheaton has ordered a special election, to be held on January 10, for the purpose of deciding whether municipal aid to the extent of three hundred thousand dollars shall be granted to the Detroit and Howell Railroad Company. The conditions upon which the loan is asked are that the shops of the company shall be permanently located in our city; that the aid shall be in the form of coupon bonds payable semi annually at the rate of 7 per cent; that one-third of the bonds shall be delivered to the company upon the completion of the road from Detroit to Plymouth, one third when it is completed to Howell, and the remainder when it is completed to Lansing; and finally that the company shall execute a second mortgage on the road and its property to secure the payment of the interest on the bonds accruing after ten years, and to secure the full payment of the principal at the maturity of the bonds, the first mortgage not to exceed $18,000 for each mile of its track."

THE PACIFIC ROADS have agreed upon Ogden as their connecting termini, on the following basis:

The Central pays the Union for the track $3,200,000; but the former will obtain the subsidy bonds of the government at the rate of $32,000 per mile, about $1,900,000. The Central, therefore, really pays but $1,300,000 for the 60 miles, or about $20,000 a mile. The $3,200,000 which the Union gets will enable that company to settle with its contractors and creditors.

It was of the highest importance to the Central Company to own the road as far east as Ogden, as it secures three desirable things; admission to the Weber coal mine; connection with the entrepot of the Montana trade; directness to Salt Lake City. The great highway between the Montana gold fields and the Pacific Railway strikes the latter at Ogden; and the road to the Mormon capital commences at the place. Both companies intend to erect extensive engine and repair shops at this grand junction.—*Railway Review.*

THE CHESPEAKE AND OHIO RAILROAD.—RICHMOND, Va., Nov. 28.—The stockholders of the Chesapeake and Ohio Railroad, last night, ratified a contract with C. P. Huntington, W. H. Aspinwall, Pliny Fisk, and their associates, of New York, for the completion of the road. The gentlemen named and their associates in the contract were elected directors for the ensuing year, with Joseph R. Anderson and General Wickham. The contracting parties are to finish the road or get nothing for their labor. It is stated that Mr. Huntington will be President, to reside in New York, and General Wickham, the present President, will be Vice-President, to reside on the line of the road.

SPECIAL NOTICE.