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The Bankers magazine

General

The BANKERS' MAGAZINE

0TH JANUARY 1906 Year

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THE

BANKERS' MAGAZINE

RHODES JOURNAL OF BANKING AND THE BANKERS' MAGAZINE

CONSOLIDATED

VOLUME LXXII

JANUARY TO JUNE

1906

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SIXTIETH YEAR JANUARY, 1906 VOLUME LXXII, No. 1

Sixtieth Anniversary of the Bankers' Magazine

WITH this issue THE BANKERS' MAGAZINE enters upon its sixtieth year, the first number having appeared in 1846. Instead of indulging in historical reminiscences—which might be pardoned at three-score—the publishers have deemed it best to signalize the sixtieth anniversary of the MAGAZINE by making some improvements, and inaugurating several new features that will be of interest and value to subscribers and advertisers.

Following the remarkable expansion of productive industry and trade, the banking business in the United States is growing at an unprecedented rate and has now attained enormous proportions.

To be representative of such an important interest demands of a publication not only the conservatism which from time immemorial has been a distinctive characteristic of banking, but a full recognition of the progressive spirit of the times. The fundamental principles of currency and banking are firmly fixed, and these have no more persistent advocate than THE BANKERS' MAGAZINE; but methods of business and the problems to be met in the every-day work of a bank are undergoing changes—some of them taking place slowly, and being of little importance, while others are comparatively sudden and involve radical readjustments.

To keep its subscribers well furnished with the latest and best information on banking, finance and kindred subjects will be the continued aim of the publishers of THE BANKERS' MAGAZINE, and to this end the coöperation of our readers is earnestly invited.

EDITORIAL COMMENT

HIGH rates for money marked the closing of the year in New York, the rate on call loans going up at one time to 125 per cent. It is not exceptional for the interest rate to rise in the latter part of December, owing to special requirements at that season, but this year the situation was aggravated by exceptional activity in the stock market and a determination on the part of the speculative element to push prices up still higher. The New York banks had already been heavily drâwn upon to meet the fall demands, which were unusually large, and were therefore not in a position to meet further drafts upon their reserves; at least not for purposes of speculation. Ordinary commercial loans appear to have been handled at the customary rates.

So far as the high interest charge tends to restrict undue speculation, it cannot be regarded as an unmixed evil. It is well enough that the sky-rocketing speculator should realize, once in a while, that he can not go on forever getting credit accommodation from the banks at two per cent. or less. Perhaps it might be a legitimate subject of inquiry to endeavor to ascertain just what effect this low rate on call loans, for the greater part of the year, has upon the discount charge regularly made by the banks on commercial paper. Do ordinary business enterprises have to pay more for credit accommodations because of the fact that, owing to the surplus of loanable funds at the financial centres in the summer, the banks there become more or less tied up by the loans made for speculative purposes?

A RECENT decision of the United States Supreme Court confirms the right of a shareholder in a National bank to inspect the books for the purpose of determining whether the bank is being properly managed. Of course, such inspection may be withheld in the sound discretion of the courts, and is to be permitted only for legitimate purposes and at reasonable times.

As pointed out by the court, the directors of a National bank need not, necessarily, own a majority of the stock; and to deny stockholders the right of reasonable inspection might operate to place the management under the control of a minority of the shares. Although the shareholders delegate authority to the directors, by so doing they do not renounce their right to exercise a watchful supervision over their property; or, as the court said: "The right of inspection rests upon the proposition that those in charge of the corporation are merely the agents of the stockholders, who are the real owners of the property."

No doubt if this right of inspection were exercised more frequently by shareholders who are not directors, the number of bank failures would be greatly diminished. Banks are not, as a rule, ruined through the transactions of one man. The master spirit is generally aided, either actively or passively, by those who are themselves unscrupulous or who are the weak and compliant tools of the financial Napoleon. If a committee of shareholders, made up neither of officers nor directors, would inspect the affairs of their institution, with a view to ascertaining the character of its management—as the United States Supreme Court has declared it is their right to do—the shareholders could not then plead ignorance should their institution fail, and it is believed that such inspection would, in many cases, operate as an effectual check against mismanagement and fraud.

THE system of redepositing bank reserves has been criticised as tending to foster speculation in stocks; and no doubt there is some truth in this criticism, but it would be very costly to require all banks to keep their reserves in their own vaults. Besides, as a matter of fact, much of the money that gravitates to New York is used as widely for the benefit of the whole country as it would be if left in the country banks; even dealing in stocks, where it is not mere speculation, but a wise recognition of the growth of the country in wealth, is of some advantage outside the narrow circle of the Stock Exchange. The security for the stocks and bonds traded in is coextensive with the country's domain. Every bank finds the marketability of its stocks and bonds increased by the activity in dealing in these securities at the financial centres.

The so-called "pyramiding" of bank reserves is only another way of economizing the use of cash, but little different from the check and deposit system, the growth of which has become so marked a feature of modern banking. Of course, every bank could keep its reserve in its own vaults, just as a man could keep his money in his own house; but such a policy would be but little wiser in the one case than in the other. If money could be as safely and profitably loaned at all seasons of the year by the country banks direct, there would be no flow of idle funds to New York, for there would be no such funds. The out-of-town banks evidently take the view that it is better to send their idle money to the money centres, where it is available at call, than to lend the money at home, even at higher rates, but on longer time.

Except in times of panic this method of redeposit of reserves has worked well enough; nor would a change of method prevent panics. Just as the Bank of England keeps the banking reserves of the United Kingdom, so have the great banks at the chief money centres of the United States become the custodians of the bank reserves here, or at least of such portions which have been found in practice not needed to be held in the immediate possession of the out-of-town banks. That provision of the National Bank Act which permits the redeposit of reserves is but a legal recognition of what the banks find by experience to be the wisest course; *i. e.*, to place idle funds where they can be most safely and profitably employed, and where they will be available at call.

IDLE funds, however, if considered mischievous and conducive to speculation, can be disposed of in another way—by retiring that part of the bank-note circulation not needed at seasons of slackened trade and production. As if the present bond-secured circulation were not already sufficiently lacking in the elements of elasticity, Congress has taken care to render it more inflexible by limiting to $3,000,000 the amount of lawful money that may be deposited in one month to retire the circulating notes of National banks. Although business conditions might indicate that $30,000,000 should be retired within a month, the law stands in the way. The repeal of this statute would by no means render the National bank-note system elastic, but it would at least remove an aggravating feature of a system that must always remain imperfect until it is fundamentally changed.

AS pointed out by Former Deputy Comptroller COFFIN in his paper on another page, dealing with interest rates in New York, the recent monetary tension in this market was in part relieved by help from Canada. That country has a flexible bank currency, contrasted with the National bank circulation, which always expands and never contracts. Since March, 1900, the National bank notes outstanding have increased from about $250,000,000 to over $500,000,000, representing a permanent addition of that much paper money to our currency stock. In view of the great business activity of the period under consideration, such an increase may not have been unwarranted—though there are some indications pointing the other way; but the defective feature of the bond-secured bank-notes is to be found in their fixed character, defeating the real purpose of a genuine bank-note circulation, which is to provide credit instruments to supply temporary demands, the instruments themselves disappearing with the disappearance of the exceptional demand. It is precisely because National bank circulation uses up in a two per cent. money market the powers of expansion that should be reserved for exceptional seasons, that renders it powerless to afford any aid in relieving a monetary stringency.

But the real element of elasticity should be supplied by the intelligent handling of bank reserves; and while the present method of issuing bank notes probably interferes artificially with the economic conditions that should determine the volume of credits granted by the banks, there are other influences acting in the same way. One of these arises from the lack of unanimity among the banks regarding the payment of interest on deposits and in fixing the rate of discount in conformity thereto. This subject is so fully considered in Mr. COFFIN'S article, already referred to, that we need not discuss it further here.

In solving the complicated problems of money and finance, the country can expect no aid from Congress, that body refusing to act in such matters except under the spur of necessity. The inspiration to action is usually afforded either by political exigencies or a financial crisis. Time may be counted on to set one of these springs of action in motion. Meanwhile the bankers should be studying the situation attentively, so as to be prepared to render helpful service in guiding legislation along safe lines when the opportune moment arrives. They may also do much, even without legislation, to give the New York money market more stability than is evidenced by a call loan rate varying from one per cent. to 125 per cent.

SECRETARY SHAW'S annual report on the finances is presented in another part of this issue of the MAGAZINE. The Secretary renews his recent proposal that National banks be allowed to issue an additional amount of circulation equal to fifty per cent. of the notes they are now authorized to emit, the additional circulation to be subject to a tax of five or six per cent., with a view to limiting its use to emergencies.

It is proposed that this currency shall be similar to that now issued, except that the words "secured by United States bonds" are to be eliminated—not presumably from the "additional" currency only, but from all National bank notes. Secretary SHAW says that this would not alarm anybody, for it would not be known. Much criticism has been aimed at the Secretary for proposing, in an official recommendation, something having the appearance of sharp practice. But, considerations of casuistry aside, the point has not much importance. Even without the pledge of United States bonds National bank notes are entirely safe, and whether the words referred to are omitted or not does not make any difference so far as the safety of the notes is concerned. Besides, it would doubtless be better to omit the words than to put in a statement like this: "These notes are not secured by United States bonds."

BUT we can not quite understand what the Secretary means in saying that "no new and distinct or unguaranteed form of money should be injected into our system," for the "additional" notes would be a new and distinct form of money, since they would not be secured, dollar for dollar, as are the present notes by a deposit of United States bonds. Should this recommendation be adopted, the margin of circulation a bank had out in excess of its bond deposits to secure its circulating notes would, to that extent, constitute a new form of money; it would be, in short, "asset currency," guaranteed, it is true, by the Government, which would have ample security for the guaranty from the fund derived from the extra tax imposed on this additional circulation.

THERE are now five hundred carloads of silver dollars in the Treasury vaults, and the Secretary recommends that these be gradually recoined into subsidiary pieces, as required, there now being no more bullion on hand available for this purpose. It is proposed to recoin only the abraded silver dollars at first, and this would not only be a prudent way to inaugurate the new policy, but would actually result in a considerable saving, as the silver in a dollar will make more than two half-dollars.

As the country grows in wealth, population and business, the demand for subsidiary coins will, of course, increase, and under all the circumstances it would be wiser to recoin the silver dollars into smaller denominations than to buy more silver bullion for the purpose. The recoinage of the dollars would bring about the retirement of the silver certificates, and in time this might cause a scarcity of these bills, particularly the smaller denominations; but this difficulty could be met by issuing gold certificates in denominations of $5 and $10, and by increasing the proportion of five-dollar notes allowed to be issued by the National banks. If the quantity of subsidiary coin becomes too great at any time, there is no reason why the silver certificates, redeemed through the retirement of the dollars, might not be reissued again, if desired, in exchange for the subsidiary coin—the latter to be again reissued in turn when needed.

CLEAN money is favored by the Secretary. He recommends such legislation as will place upon the Government the cost of transportation to the Treasury for redemption of worn and mutilated United States notes and certificates below the denomination of $10. The cost of transportation of National bank notes to the Treasury for redemption is now a charge upon the bank of issue and not upon the sender. It is apparent that if this cost had to be borne by the bank sending in the notes, there would be few, if any, sent in, and the already sluggish redemption of the bank-note circulation would practically come to a standstill.

Our paper circulation ought to be kept as clean as checks or Bank of England notes, though this is an ideal not likely to be attained for some time; but a good beginning may be made if Congress will heed the Secretary's recommendations. As he says, "It is but reasonable that the Government, which issues the major portion of our paper money, should likewise bear the burden of its return when no longer fit for current use."

COUNTRY checks are once more engaging considerable attention among bankers. Quite recently Chicago imposed a charge for collecting these items, analogous to that fixed by New York some time ago. Philadelphia, with its traditional spirit of deliberation, continues in its accustomed ways, the banks there charging or not for such collections, according to special circumstances. Much could be said in support of this policy; for if an account is highly profitable to a bank, there does not seem to be any necessity for imposing a petty charge for collecting out-of-town checks. But doubtless while the door remains open there is always the possibility of abuses creeping in, the bank making the highest bid for business granting concessions that other banks do not feel warranted in offering.

While the banks of New York and Chicago have been governed in this matter by considerations of sound banking policy, so far as the immediate profits to be realized are concerned—and in view of all the conditions they could hardly be expected to be governed by other considerations—nevertheless, it is still an open question whether the country check problem has been settled properly or whether it has been settled at all. One of the reports from Chicago stated that these items had become so numerous that it was absolutely necessary to make a charge for collecting them. From one standpoint this statement is easily understood. If a bank had an account that showed a moderate profit so long as its customers presented only a small number of out-of-town checks for free collection, this profit might be swallowed up altogether when the number of such items grew to large proportions.

On the other hand, to say that country checks are becoming so numerous that they must be taxed with a view to curtailing their use, seems to be very much like saying that one of the chief features of banking prosperity—the growth and development of the check and deposit system—should be circumscribed. It would seem to be a more proper source of banking activity to extend the use of both city and country checks to the utmost limit.

Of course, THE BANKERS' MAGAZINE is not unmindful of all the complex elements this country check problem involves; and in view of these difficulties, the action taken by the clearing-houses of New York and Chicago can hardly be criticised; nevertheless, it is believed that the Boston plan of handling out-of-town checks is the more scientific. The fundamental principles that should govern a final determination of this matter are well summed up in a paper published elsewhere in this issue of the MAGAZINE: "To begin with, we must find just where the burden belongs; we must not compromise with any system which will eliminate the country check from commercial transactions; on the contrary, we want to increase its usefulness and facilitate its collection."

MUCH moralizing has been indulged in over the recent failures of the Chicago banks conducted by JOHN R. WALSH. It was at first pointed out by the financial experts of the daily press that these failures indubitably proved that it was unsafe to have a National bank, a Savings bank and a trust company under one roof and practically under the same management. Later developments hardly sustained this conclusion, and it was vigorously denied that there had been any passing back and forth of securities and cash between the institutions for the purpose of deceiving the examiners.

There is no doubt that while examinations by State and National authorities are made at different dates, combinations of the character referred to render it easier for bankers who are so disposed to deceive the examiners, but this can be remedied by having the State and National examinations made simultaneously wherever such combinations exist.

The real causes that led to the downfall of the Chicago National Bank, the Equitable Trust Company and the Home Savings Bank seem to have been the same as those which have brought about the failures of many other banks—the employment of their funds by those in charge for the carrying on of enterprises in which the officers were interested, resulting in large loans, not widely distributed, and partaking too much of the character of fixed investments.

Mr. WALSH has long borne a reputation as a successful banker and financier, and but for the late disturbances in the money market he might have carried his undertakings along until they worked out satisfactorily. But it is just these contingencies that are to be guarded against, and that make it essential for banks to keep their assets free from entanglements such as caused the stoppage of the WALSH banks.

ONE impressive incident of the Chicago failures is worthy of notice—the manner in which the banks of that city stood together in assuming the liabilities of the suspended banks, thus preventing what might easily have grown into a panic of more than local proportions. The liabilities of the three banks, amounting to about $26,000,000, were guaranteed by the clearing-house banks of Chicago, and this was so effectual in restoring confidence that many of the depositors have showed no haste in presenting their claims.

Whether the associated banks will be fully reimbursed out of the assets of the suspended institutions has not been determined, though it seems probable that the amount realized will be sufficient to meet all claims, and possibly leave a surplus.

It does not by any means detract from the worthiness of the action of the Chicago banks in this matter to say that they were, to some extent, actuated by motives of enlightened self-interest. While it was not exactly a case where they must all hang together or be hanged separately—since the banks of Chicago are generally strong and carefully managed—yet no doubt the bankers had reason to dread the alarm that would have been occasioned had the WALSH banks not been helped out in this critical emergency. This alarm might have grown to the proportions of a panic, causing numerous failures and widespread disaster.

The action of the Chicago banks in standing together to prevent these dreadful consequences of unwise banking is a striking and impressive illustration of the value of coöperation, and is also an example of financial courage and skill on the part of the associated banks of the Western Metropolis that is greatly to the credit of those institutions.

PROSPERITY appears to have touched high-water mark in the year just ended. Production, trade and industry have gone on at an unexampled rate. While stock exchange transactions are to a considerable extent speculative, this speculation bears a close relation to business conditions. With an agricultural output for the year valued at six thousand million dollars, it can hardly be denied that the present era of prosperity has substantial foundations.

But as it is the bright day that brings forth the adder and that craves wary walking, the present high tension of business activity cannot be regarded as wholly free from possibilities of danger. The tremendous expansion of banking, the continued additions to the volume of currency, the high prices, abnormal interest rates, speculation, and the rapid pace of business enterprise—all these factors are such as to counsel prudence on the part of bankers.

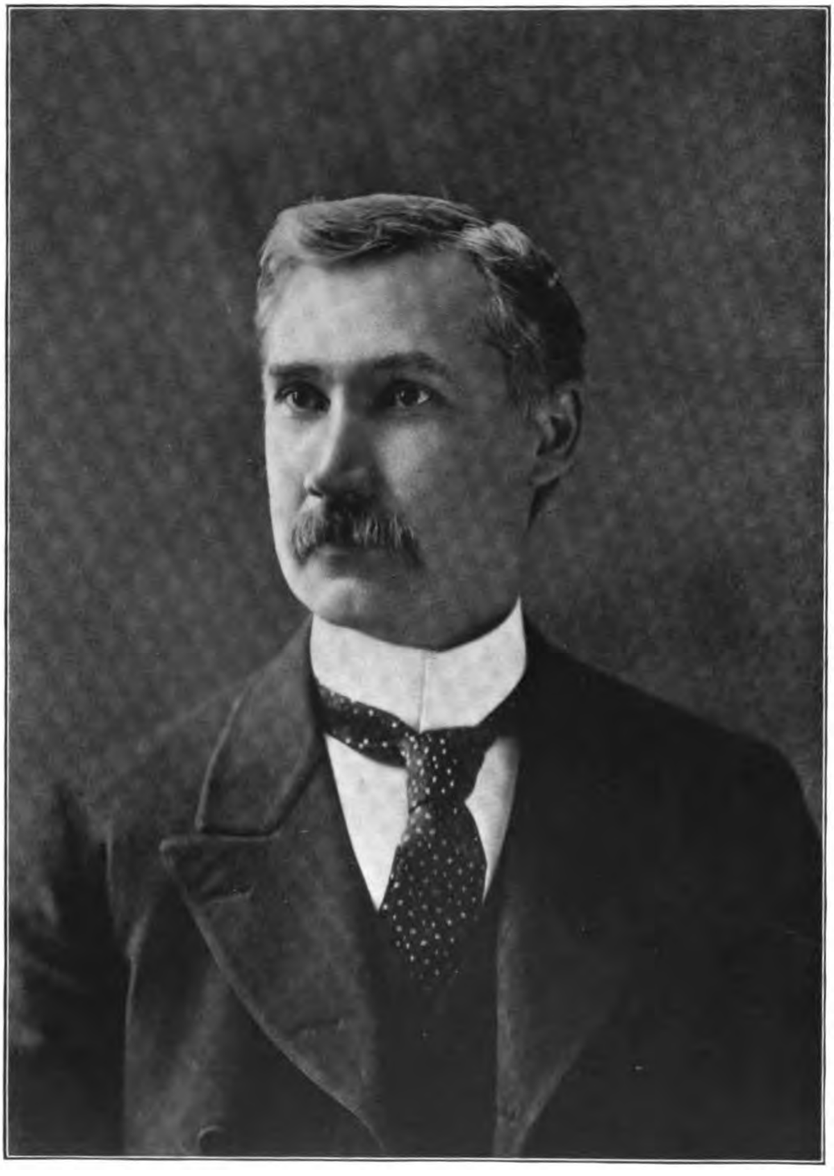
JACOB H. SCHIFF, of the banking firm of Kuhn, Loeb & Co., New York city, made a speech at the meeting of the Chamber of Commerce of the State of New York January 5, favoring an elastic bank-note circulation. The speech has attracted wide attention, both on account of its character and its source. As with many similar matters, the discussion in regard to an elastic currency has been thus far, of necessity, more or less academic. But Mr. SCHIFF's speech at once lifts this question out of the domain of the theoretical and makes of it a problem of immediate practical importance. Mr. SCHIFF is at the head of one of the leading international banking houses of New York, and is far removed from the doctrinaire type of currency reformer. The weight attached to his opinions may be inferred from the effect produced on the stock market by his remarks.

As the speech is printed elsewhere in this issue, we shall only refer to its specific proposal, which is contained in the following extract: "If any increase of circulation is secured solely by legitimate commercial paper—commercial paper based upon, possibly, a deposit with certain clearing-houses in the country—it is certainly safe."

This suggestion contemplates the issue of bank currency based on a deposit of commercial paper with certain clearing-houses, and this is one of the soundest and most practicable plans yet devised for issuing an elastic bank-note circulation. It is to be hoped that the marked impression created by Mr. SCHIFF's timely and forceful address will lead the Chamber of Commerce to take steps to give practical effect to his recommendations.

GOLD is the one subject of perpetual fascination. Just at present everybody is engaged in a scramble to get as much gold as possible; and while the supply of the metal was never before so large, never before did the great Treasuries of the world seem so eager to add to their hoards or show such reluctance in parting with what they have.

Hon. GEORGE E. ROBERTS, Director of the Mint, presents an exceedingly interesting paper in this issue, dealing with the new gold supplies. He says that after gaining nearly $1,000,000,000 in cash in nine years, it might seem that the United States could spare $100,000,000 without a panic; but we could not, or the half of it, without alarm.



HON. GEORGE E. ROBERTS,
DIRECTOR OF THE MINT.

INFLUENCE OF THE NEW GOLD SUPPLIES.

BY HON. GEORGE E. ROBERTS,

DIRECTOR OF THE MINT.

DURING the ten years from 1851–1860, inclusive, the average annual production of gold in the world was $132,298,000; for the period 1861–1870, $126,301,000; for 1871–1880, $115,081,500; for 1881–1890, $107,504,950; for 1891–1900, $210,124,900, and for the five years 1901–1905 the average will be about $320,000,000. From 1890 the world's production has been as follows:

YEAR.	*World's production of gold.*	YEAR.	*World's production of gold.*
1890	$118,848,700	1898	$286,879,700
1891	130,650,000	1899	306.724,100
1892	146,651,500	1900	254,576,300
1893	157,494,800	1901	260,992,900
1894	181,175,600	1902	296.048,800
1895	199,304,100	1903	325,527,200
1896	202,956,000	1904	347,150,700
1897	237,504,800	1905 (estimate)	375,000,000

The present stock of gold in the world in use as money is estimated by the Bureau of the Mint to be approximately $6,000,000,000. There is, of course, more or less of speculation about the amounts "in circulation" in all countries, but the amounts in the principal banks and public treasuries on January 1, 1905, aggregated $3,364,600,000. The increase in these stocks since 1883 is shown in the table on the following page.

The total stock of gold in the world in 1850 was estimated by Messrs. Tooke and Newmarch in the "History of Prices" at about $2,800,000,000, but their figures were intended to include all plate, jewelry, etc., and were made upon vague data. The amount of gold that could be actually counted, as the stocks in banks and treasuries in the above table have been counted, was very small. England was practically the only country in Europe that had a considerable amount in circulation. January 1, 1850, the stock in the Bank of England was about $85,000,000, and Tooke and Newmarch estimated the amount of gold coin in circulation in the United Kingdom at $250,000,000. On the Continent silver was the common money of trade. France was estimated to have had $500,000,000 in silver coin and $15,000,000 in gold. The United States, according to an estimate by the Secretary of the Treasury, had about $150,000,000 of gold and silver. In any calculation of the relative importance of the new supplies of money, of course the entire stock and production of both gold and silver must be taken into account. Also the use of paper money.

The metallic additions after 1850 were very large in proportion to the existing stock. After 1860 the output of gold declined and that of silver

Gold Stocks of the Principal Banks and Treasuries on Dates Given.

NAMES OF BANKS.	*December 31, 1883.*	*December 31, 1895.*	*December 31, 1900.*	*December 31, 1904.*
Bank of Austria-Hungary	$37,500,000	$98,932,000	$186,361,000	$233,723,000
Bank of Denmark	13,100,000	18,895,000	19,667,000	22,195,000
Bank of Spain	4,300,000	38,619,000	67,550,000	71,989,000
Bank of France	185,800,000	378,859,000	450,230,000	513,187,000
Banks of United Kingdom *	139,200,000	255,836,000	189,447,000	192,738,000
Banks of Issue of Italy	43,000,000	84,939,000	77,683,000	120,625,000
Bank of the Netherlands	9,500,000	17,988,000	23,700,000	27,406,000
Bank of Roumania	6,600,000	11,773,000	7,681,000	10,808,000
Bank of Russia	135,100,000	370,560,000	364,480,000	447,760,000
Banks of Issue of Sweden	5,600,000	8,588,000	12,584,000	16,984,000
Banks of Issue of Switzerland	7,600,000	16,096,000	19,319,000	20,651,000
Nat'l Banks and Treasury of U. S.	275,600,000	259,939,000	680,898,000	887,790,000
Banks and Treasury of Canada	6,200,000	18,123,000	25,117,000	52,900,000
Banks of Germany †	72,000,000	167,484,000	150,375,000	194,557,000
Banks of South Africa ‡	8,100,000	15,987,000	24,083,000	41,000,000
Banks of Australasia	50,700,000	122,643,000	113,080,000	113,031,000
Banks of Portugal	1,500,000	5,100,000	5,200,000	5,200,000
Banks of Norway §	6,300,000	9,000,000	11,900,000	6,800,000
Bank of Japan	None.	15,692,000	32,544,000	42,619,000
Government Reserve of India	"	None.	36,498,000	52,507,000
Argentine Conversion Office	"	"	None.	72,100,000
Total	$1,007,700,000	$1,915,053,000	$2,498,397,000	$3,146,570,000

* Bank of England and Banks of Issue of Scotland and Ireland.

† Reichsbank and "War Fund."

‡ Natal and Cape Colony.

§ Does not include gold in private banks in 1904; included in the other years.

increased, and after 1870 came the movement of nations to demonetize silver. The persistent decline in the output of gold was disquieting to many economists and brought about the agitation for international action to reinstate silver. This situation influenced the Congress of the United States to pass the silver-purchase acts of 1878 and 1890. It is only fair to the men who supported that legislation to judge their acts in view of the conditions existing at that time. The gold fields which are now yielding most bountifully were then unknown. Metallurgical discoveries and mechanical inventions have since contributed as much as new fields to the increased output.

EFFECTS OF THE RAPID INCREASE IN THE SUPPLY OF STANDARD MONEY.

At this writing it seems more than probable that the world's production of gold will rise in 1906 above $400,000,000, and it is a conservative calculation that it will average at least that amount for the next twenty years. A fair estimate for the industrial consumption in that period is $100,000,000 per year. It is not more likely to exceed this than the production is to exceed the figures named above. This rate of increase per annum will double the present world's stock of gold money in twenty years. These figures naturally arouse an interest in the business world, where the bank reserves of every important country are scrutinized daily with reference to the burden of credit they are carrying. What effect will this rapid increase in the supply of standard money have upon prices and wages, the relations of debtor and creditor, the values of real estate and securities, the progress of industry, and the social life of the people? It is a practical question and an exceedingly interesting one.

What is known as the quantity theory of money, which, as simply stated by Mill, is that the value of money, other things being equal, varies inversely with the quantity, has been so often appealed to as authority for inflating the volume of the currency at the expense of its quality, that some people have become habitually antagonistic to it. Every period of slackening trade, low prices, and falling wages, is explained in some quarters as due to an insufficient supply of money, and some plan for creating more money is offered as the remedy. In opposing these propositions economists have naturally emphasized the "other things" which have bearing upon prices and which do not remain the same. There are continual changes in the labor cost of producing and transporting commodities, which of course affect money prices; different peoples differ in their habits as to the use of coin and paper instruments of exchange, and also as to the amount of cash reserves kept in banks; and these customs affect the efficiency of the monetary stock. The state of credit varies in the same country from time to time, and as credit is purchasing power, its contraction and expansion influence prices. These are the "other things" which Mill referred to, and it must be assumed that everybody who writes on the subject with any authority takes them into account. All the "other things" make themselves felt through their bearing upon supply and demand. Professor Irving Fisher illustrates this relation between supply and demand for money by comparing it to the relation between power and speed in an automobile. There is an evident relation between power and speed in an automobile, but of course the character of the road and the grade to be surmounted have much to do with the speed. "Other things" being equal, the amount of power does make the rate of speed.

Professor J. Laurence Laughlin is chief among those who avowedly attack the quantity theory. His most important contention is that by the development of banking facilities and clearing-house methods the commodities of trade are balanced and offset against each other to such an extent that increasing transactions have no effect to speak of on the value of gold or on the level of prices. In a country of advanced commercial and financial development, he says, "for the preservation of its standard and the maintenance of the solvency of its various media of exchange, no very great quantity of gold is needed—a quantity which bears no definite relation whatever to the amount of the community's transactions."

Now, that was a very plausible argument against the claim made ten years ago, that gold was appreciating because the supply was relatively decreasing; but how can it be used to-day against the argument that gold must depreciate under the enormous supplies impending? If it be true that gold is not required in increasing supply by the increasing business of the world, what is to be done with all that is coming? How can it all be sold for plate and jewelry unless its value declines? And if its value for industrial uses declines, will not its monetary value decline also? Professor Laughlin's argument against the quantity theory appears, therefore, to be adapted only to a decreasing supply of gold, and rather to aggravate the difficulty of dealing with an increasing supply. His theory is a vigorous protest against the idea that any medium of exchange, in itself or by its quantity, constitutes or creates a demand for commodities or furnishes a stimulus to business. He says that commodities themselves give the impulse to trade by creating a demand for each other, money being only the medium used. Thus, a big crop of wheat in Kansas creates a demand for goods in Kansas. Just as well, he says, expect to stimulate commerce by multiplying the number of railway cars as by increasing the supply of the medium of exchange. This view has support from other economists—for instance, from an English writer of note who declares that an increasing production of gold cannot possibly have as much influence upon trade and prices as a similar increase in the production of steel.

Without spending too much space on this proposition, the truth in it may be recognized. There is much of error in the common talk of how the output of a gold country like Alaska stimulates business by the demand it creates for goods. If all the people who have gone to Alaska, first and last, had remained at home, and employed their labor and capital at home, the production of wealth would probably have been as great, and their purchases as great, as in Alaska. There is another way, however, by which new supplies of gold act upon prices, and there are benefits not to be overlooked, derived from any discovery or movement which breaks up routine, opens new countries, starts new currents of energy and infuses new ambition into masses of men.

Professor Laughlin holds that new supplies of gold may have difficulty in making their way into monetary use. He says that "if not needed for monetary purposes" the only possible destination of new gold is the arts. In another place he says that "the stream of new gold will first flow into circulation and the reserves, if needed there, and all additional supplies will pass into the arts for general use." He speaks repeatedly of the monetary demand for gold as though it was a fixed demand which could be satisfied, and being satisfied, could take no more.

This is an error. The demand for gold at a given level of prices may be satisfied, but with open mints new supplies have the power to force their way into monetary use by diluting and lowering the value of the whole stock, thus forcing a higher level of prices. This is the essence of the quantity theory. The precise method by which it will make a place for itself in monetary use may be easily shown.

GOLD COIN BOTH MONEY AND CAPITAL.

It is true that interest is a payment for the use of capital, and that a clear distinction must be kept between capital and money. But the fact must not be overlooked that gold coin is both money and capital. Futhermore, it is the most liquid form of capital. It can be readily converted into any other form of reproducible property. The man who has $100,000 of capital invested in a mill may not be able to convert it readily into cash, but the man who has $100,000 in cash can hire labor, buy machinery, and have a mill within a short time, and that is precisely what he will do if the returns from milling property are long maintained above the ordinary interest rate upon loans. New supplies of gold find their way first to the banks, and the immediate effect is to lower the rate of interest. A reduction of the rate of interest naturally increases the demand for and value of investments which pay a better return, and real estate, securities, and all kinds of property, are forced to higher prices. When interest rates drop from six to four per cent. a security that is deemed safe to pay six per cent. rises from par to 150.

Then will come a movement to convert this new supply of liquid capital into the various forms of fixed capital which are advancing in value. If railway stocks move up to higher levels, there will be a revival of railway building. If the rents upon houses pay better than money at interest, houses will advance rapidly in selling value and the owners of capital at interest will call it in, hire men, buy materials, and build houses until the old equilibrium between capital in houses and capital at interest is restored. And so all around the circle of the various forms of property. Moreover, the demand for labor thus stimulated causes a rise in wages, the demand for constructive materials of all kinds affects their prices in like manner, and so all prices and rates of compensation, reacting upon each other, find a new level, with the new supplies of gold absorbed and the returns upon capital in the form of coin and capital in fixed forms practically equalized.

EMPLOYMENT OF GOLD FOR BANKING RESERVES.

There is still another respect in which gold coin, as the standard money, is a superior form of capital, and may exert greater power over prices than the same value of steel or other commodities. Gold is the money of bank reserves, and under the modern system of banking a given sum in the reserves may support bank credits aggregating several times as much. In the United States, in central reserve cities, the National banks are required to keep a reserve of twenty-five per cent. against deposits, and in other cities a less percentage. Deposits are the basis of loans, and loans in turn create deposits. If a deposit of $100,000 in new gold reaches a central reserve bank, it is possible to make it the basis of $400,000 of credits. Thus, of the original deposit, $75,000 may be immediately loaned, and as soon as this becomes a deposit $56,250 more may be loaned, and when this becomes a deposit $42,187.50 more may be loaned; and so on until the deposits based on the $100,000 in coin aggregate $400,000. Each dollar deposited has had its purchasing power multiplied by four.

All of this has been demonstrated during the period of expansion occurring in the United States since January 1, 1897. Herewith are submitted figures showing the stock of money in the country at the dates named, with the amounts in the Government Treasury and all banks and in private hands:

General Stock of Money in the United States.

DATES.	*In United States.*	*In Treasury and banks.**	*In private hands.*
June 30, 1896	$1,930,690,878	$925,565,678	$1,005,125,200
June 30, 1902	2,558,770,769	1,160,341,357	1,398,429,412
June 30, 1903	2,668,149,621	1,149,026,411	1,519,123,210
June 30, 1904	2,801,865,204	1,271,313,677	1,530,551,527
June 30, 1905	2,885,079,229	1,282,462,758	1,602,616,471

* Includes National, State and private banks and trust companies. See Reports of the Comptroller of the Currency.

Here are the figures for the capital, surplus and undivided profits, deposits, loans, and investments, and lawful money reserve of the National banks in the three central reserve cities, New York, Chicago, and St. Louis, for the dates given:

National Banks of Central Reserve Cities.

DATE OF REPORT.	*Capital, surplus and net profits.*	*Deposits.*	*Loans and investments.*	*Lawful money.*	*Percentage of reserve to deposits.*
December 17, 1896......	$157,257,270	$541,390,368	$512,118,196	$78,183,684	33.13
September 15, 1902....	259,316,193	1,040,587,878	1,061,409,107	250,684,716	24.09
September 9, 1903......	291,166,075	1,021,574,470	1,103,550,431	271,153,300	26.54
September 26, 1904.....	298,627,126	1,340,729,685	1,311,773,527	365,808,007	27.28
August 25, 1905........	303,675,819	1,342,243,861	1,330,652,911	343,998,608	25.63

Here are the figures for the same items as above, for all the National banks in the United States upon the same dates:

All National Banks.

DATE OF REPORT.	*Capital, surplus and undivided profits.*	*Deposits.*	*Loans and investments.*	*Lawful money.*	*Percentage of reserve to deposits.*
December 17, 1896.....	$990,318,299	$2,142,556,399	$2,233,839,585	$391,925,869	18.29
September 15, 1902....	1,201,145,882	4,543,568,570	4,066,471,615	523,793,416	11.53
September 9, 1903.....	1,310,094,107	4,533,425,810	4,333,803,336	572,911,120	12.63
September 6, 1904.....	1,363,914,901	5,131,209,893	4,636,936,482	661,456,529	12.89
August 25, 1905........	1,420,164,186	5,508,643,084	4,943,478,455	688,833,426	12.50

The statement for December 17, 1896, was taken when business was at a low ebb. Enterprise had been dead while an agitation over the country's monetary standard was going on, and much capital had been withdrawn from the country. The percentage of reserves to deposits in the central reserve cities at that time shows a considerable capacity for credit expansion. The statement dated nearly six years later, September 15, 1902, shows an extraordinary change. The items of deposits and loans and investments are doubled, and the banks have strained to the utmost their ability to make advances, the cash reserve being under the legal requirement. And they have been close to their limit in the fall months every year since. The relations between deposits and loans may be readily observed, and also the dependence of both upon the lawful money reserve. The check given to credit expansion and to industrial enterprise in 1902 is well remembered. All plans that called for new capital had to be laid aside for a time until the reservoir of liquid capital could be replenished.

RELATIVE SUPPLY OF LIQUID AND FIXED CAPITAL.—FLUCTUATIONS IN THE INTEREST RATE.

The fluctuations from time to time in interest rates are caused by changes in the relative supply of liquid capital to fixed capital. By "liquid" capital is meant capital capable of easy conversion to meet any demand, money being the most available kind. In a period of depression, when nobody wants to begin new enterprises, debts are paid, money and credit accumulate, lenders are many and borrowers few. Interest rates are low. Such a period was experienced all over the world about the middle of the decade, 1890–99. The Bank of England's official rate of discount stood unchanged at two per cent. throughout the entire year 1895, and at the close of the year its stock of gold was $215,000,000. Four years later, notwithstanding the heavy world's production in the meantime, the stock of gold in the same institution was $150,000,000 and the bank rate on three months' bills was 6¾ per cent. There was as much capital in the country at the last date as the first, but there had been a change in the relative supply of and demand for money. The London "Bankers' Magazine," January, 1900, described the situation in these words:

> "Expressed in the briefest terms, the situation may be said to be that of a universal scramble, not for money, but for the precious metal itself—gold. Nor are the reasons for this condition of things far to seek. Trade during the past three or four years has expanded rapidly in almost all parts of the world, and with the consequent increasing demands upon money to finance it, each country affected has had to see to it that its gold reserves on which its financial transactions are based are well maintained."

In 1896 money and credit were idle in the United States and the interest rate was low. Caution and economy had been the watchword for several years. The money question settled, enterprise began to move. The demand for commodities, materials, labor, money, and credit, was like a flood let loose. The low interest rate which had been prevailing had its own stimulating effect. In 1897 the first 3½ per cent. railway bonds were floated and gave perhaps the initial impulse to the rise in railway stocks. Low interest encouraged the policy of rebuilding the railway systems of the country, to secure economy in operation, and, in some parts of the country, to new lines. The expenditures for these purposes from 1897 to 1902 were enormous and had much to do with the unparalleled industrial activity of that time. Of course, every upward movement in stocks or real estate is accompanied, and stimulated, by buying for speculation, and speculation helped to build up the fabric of credits which is shown by the above figures for the deposits and loans of the National banks on September 15, 1902. At that date expansion had gone to the limit. By taking up the slack which existed December 17, 1896, and with an increase of $210,827,583 in capital items, and $131,867,547 in the legal reserves, the National banks had enlarged their loans and investments nearly two billions of dollars and their deposits nearly two and one-half billions. Money and credit had been tied up until the free supply was desperately scarce, interest rates went to exorbitant figures, and the country trembled on the verge of panic.

Ordinarily, years would be required for recovery from such a strain upon credit as that which culminated in the fall months of 1902, coming as it did after a period of capital expenditure and company flotation without a parallel in any country. Usually, there must be painful liquidation, a cessation of constructive work, with a consequent demoralization of industry, and a lengthy period of depression, until by slow accumulations the supply of free capital available for investment is replenished. Then, when the stimulating influence of a low interest rate has again made itself felt, a new cycle begins and history repeats itself.

But a new influence has been at work since 1902 to mitigate the usual penalty for speculative excesses and exhausted credit. Instead of being forced to discharge obligations and to build up new credits dollar for dollar, debtors have had succor of the potential kind which makes four dollars of credit for each one of new capital. From September 15, 1902, to August 25, 1905, with the help of an increase of $219,000,000 in capital, the addition of $165,000,000 to the reserves enabled the National banks to enlarge their deposits by nearly $1,000,000,000 and their loans by nearly $900,000,000.

GOLD DISCOVERIES IN CALIFORNIA AND AUSTRALIA.

The experience of the United States in the last eight years has been very similar to that of England and the principal countries of Europe in the early fifties, when the stream of new gold from California and Australia made its first appearance. The later years of the decade ending with 1849 had been years of bad harvests, industrial depression and political unrest in Europe. The gold reserves of the Bank of England were practically exhausted in October, 1847, and the institution was saved only by governmental action. The Bank of France was forced to suspend specie payments in March, 1848, and did not resume until August, 1850. Political agitation, extending in several countries to attempts at revolution, prompted in large degree by the desperate condition of the people, were general over Europe. Gold was discovered in California in 1848 and in Australia in 1851, and by 1852 these new fields were producing together over $100,000,000 per year. The first sign of the influx into Europe was in the gold reserves of the Bank of England, which reached $110,000,000 in June, 1853. To get this idle money into use the bank reduced its regular rate of discount to two per cent., and the market rate for a considerable time was reported in financial journals at 1½ per cent. The belief that the new supplies of gold would effect a permanent reduction in the interest rate was so general that Mr. Gladstone, then Chancellor of the Exchequer, proposed in Parliament a scheme to refund the consols below three per cent., and fixed the rate on Exchequer bills at 1½ per cent. It was soon demonstrated, however, that the rate of interest is not permanently affected by the supply of money. The rate paid in money for the use of money is one thing, and the value of money in commodities and fixed property is another thing.

The first economic effect was felt in the shipping and ship-building industry. Emigration, due to the hard times and particularly to the famine in Ireland, had already been heavy. Nearly a million people had fled from Ireland in the five years preceding 1850, and in the eight years from 1848 to 1855 upwards of $40,000,000 was sent from the United States to Ireland to aid friends and relatives to come to this country. The discovery of gold and the demand for labor in the United States accelerated this movement. Every shipyard in England was crowded with orders. Then came a new demand for manufactures, and a great revival of constructive work of all kinds. The price of building materials went up fifty per cent. in London, every idle man was in demand, and a general advance in all commodities took place. The business revival extended to the Continent. In France, Germany, and other countries enterprise was stimulated and all the features of a period of construction, expansion and speculation were observed.

At this time much apprehension was felt as to the extent and ultimate effect of the threatened inundation of gold. Michel Chevalier, a French economist of high standing, wrote a book, published in 1857, in which he reviewed the situation, and reached the conclusion that a revolution in monetary values was threatened, and urged the Government of France to demonetize gold. Holland and Belgium stopped the coinage of gold and made their outstanding pieces redeemable in silver.

The war in the Crimea came on in 1854, and the purchase of supplies, movement of troops and demand for men gave additional impetus to the upward movement of prices and wages. The war lasted two years and caused a heavy drain upon the coin reserves of both England and France, by requiring large sums to be shipped to the seat of operations. About this time another and yet more important development began, to wit, the enlarged exports to India. In 1855–56 the construction of an extensive system of railways in India was commenced, and large sums of British capital in the form of silver were conveyed to India to pay for this work. The silver was obtained from the circulation of France, and replaced with gold. Furthermore, the construction of railways facilitated the shipment of produce from the interior to the coast and stimulated exports from India, creating permanently a heavier balance of trade in her favor, to be settled in the precious metals. These exports of silver from Europe to the East, which ran as high as $90,000.000 in a single year and averaged fully $50,000,000 from 1855 to 1865, by making place for new gold, to that extent nullified the influence in Europe of the new supplies.

In 1857 expansion had run to the limit. Money and credit were tied up to the strangulation point, and every banking center in Europe and America was under tremendous strain. In the United States most of the banks suspended payment; the Bank of England reserve was practically exhausted, and the Government had to intervene again to save the institution. With an unparalleled outpouring of gold during the period, the cycle from smash to smash was complete in ten years.

In 1856 Messrs. Tooke and Newmarch prepared as the sixth volume of Tooke's "History of Prices" a review of the influence of the new gold supplies, as observed during the nine years which had intervened since the discovery of gold in California. In summing up the authors said:

> "That the first decided effects produced by the new gold in this country were in 1851–53, in the form of large additions to the total metallic reserve of the Bank of England; that by means of the magnitude of that reserve, and the consequent reduction of the rate of discount by the Bank of England, a powerful influence was exerted in depressing the general rate of interest on all descriptions of advances. And that since 1853 an opposite state of things has prevailed; first, in consequence of the extension of trade and enterprise, partly excited in the first instance by the low rates of interest; second, by the necessity of importing large quantities of corn to supply domestic deficiencies, and, third, by the foreign expenditures entailed by the war.
>
> That since 1852 the arrival month by month of large convoys of treasure has been, on several occasions, the means of removing actual or apprehended financial pressure of the most formidable character. And hence, that the effect of the influx since 1852 has been to prevent any violent commercial revulsion, and to moderate from time to time the operation of the high rate of interest arising from the ordinary relation between the supply of capital on the one hand, and the demand for it on the other.
>
> That as far as can be ascertained by a careful examination of the course of prices in this country as regards a considerable number of leading commodities, it does not appear that the prices prevailing in the early part of 1857, when compared with the prices prevailing in 1851, justify the inference that, in any manifest and appreciable degree, the increase

> in the quantity of metallic money, by means of the new gold, has raised the price of commodities; in other words, in every instance of a variation of price, a full explanation of the change is apparently afforded by circumstances affecting the supply or the demand.
>
> That during the last four years, 1853-56, the markets for a large and important class of commodities—both articles of food and articles of raw material—have been seriously deranged by the war, by the sudden return of peace, and by the occurrence of deficient crops in several parts of the world.
>
> That the wages of labor in this country, both skilled and unskilled, have increased during the last four or five years in the proportion of fifteen to twenty per cent. over the previous rates.
>
> That the whole process of the distribution of the new gold, in the first instance among the laborers and capitalists of the gold countries, and in the second instance, among the capitalists and laborers of this and other countries—resolves itself into a demand for more labor, and through the demand for more labor into a gradual rise of all classes of incomes.
>
> That set in motion and sustained by the production year by year of large quantities of new gold, there is at work a vast and increasing number of causes, all conducing to augment the real wealth and resources of the world—all conducing to stimulate and foster trade, enterprise, discovery and production—and therefore all conducing with a greater and greater force to neutralize by extensions of the surface to be covered, and by multiplying indefinitely the number and magnitude of the dealings to be carried on, the *a priori* tendency of an increase of metallic money to raise prices by mere force of enlarged volume."

In considering the effect of the new gold Messrs. Tooke and Newmarch had to allow for natural reaction from the depression which had existed for several years prior to 1850. They had to measure the influence of the emigration movement which had set in before the gold discoveries, and of the rising demand in the United States for English manufactures. They had to consider the very important influence of war and short harvests. They declared themselves unable, amid the results of these various influences, to distinguish the effect upon prices due to the new gold. And yet it is impossible not to conclude that the new supplies had an important underlying influence. Other writers, of no less reputation than Messrs. Tooke and Newmarch, have not hesitated to assert that the influence of the new gold supplies could be clearly traced and approximately estimated. Among them was Professor Stanley Jevons, an economist of recognized authority. He gave more study to the subject and wrote more upon it than any other man. Writing in 1865 he showed by Tooke's "History of Prices" that almost without interruption there had been a continual fall of prices from 1810 to 1849, which could only be explained, in his opinion, by "supposing that the supply of the precious metals did not keep pace with the demand." He said:

> "Thus, while industry, trade, and property were rapidly advancing in Great Britain, America, and most other parts of the world, there was no corresponding advance in the production of the precious metals. Prices, both in gold and silver, continually receded. Now if, while the introduction of free trade, railways, telegraphs, and innumerable other improvements accelerated the extension of trade, and the consequent demand for the precious metals after 1849, no new discoveries of gold and silver had been made, what must have ensued? Prices must have continued in the downward course they had pursued for thirty or forty years before. But they did not continue in this course—on the contrary, they turned upwards in a sudden and decided manner, as shown in the body of this tract."

Reviewing the price records following 1849, he said:

> "If we compare prices now (March, 1865) with what they were at their lowest in 1849, we find there has been a rise of twenty-one per cent. If we take the average of 1845-50 as our standard of comparison, the rise is eleven per cent. The real permanent rise due to the gold discoveries is doubtless something between these, or probably nearer the higher

> limit, twenty-one per cent. The gold discoveries have caused this rise of price. They have also neutralized the fall of prices which might have been expected from the continuous progress of invention and production, but of which the amount is necessarily unknown."

He gave much importance to the large exports of specie to India, which have been alluded to above, and expressed the opinion that European markets alone could not have absorbed the new supplies without a revolution in prices. He said, upon this point:

> "Asia, then, is the great reservoir and sink of the precious metals. It has saved us from a commercial revolution, and taken off our hands many millions of bullion which would be worse than useless here. And from the earliest historical ages it has stood in a similar relation to Europe. In the Middle Ages it relieved Europe of the excess of Spanish-American treasure, just as it now relieves it of the excess of Australian treasure. 'The Indian trade,' says Macpherson, 'arose to considerable magnitude at the same time the American mines began to pour their treasures into Europe, which has happily been preserved by the exportation of silver to India from being overwhelmed by the inundation of the precious metals, as it must have been had no such exportation taken place.'"

In 1869 Professor Jevons reviewed the subject finally in an article upon the "Depreciation of Gold" published in the London "Economist." His conclusions were as follows:

> "I cannot help, then, reasserting with the utmost confidence that a real rise of prices, to the extent of eighteen per cent , as measured by fifty chief commoditi-s, has been established since the year 1849. This is an undoubted depreciation of gold, because it represents a real diminution in the general purchasing power of gold. Nor can we well avoid attributing it to the effect of the gold discoveries. Indeed, as Professor Cairnes has so distinctly pointed out, the effect of those discoveries is probably much greater than we can prove, because the course of prices was in previous years decidedly downwards, so that the new gold has both prevented a further fall and occasioned a rise in its stead."

THE NEW GOLDEN ERA.

It is now in order to inquire what, if any, movement of prices can be determined to have occurred since the new flood of gold began to show itself in the financial markets of the world. We have seen that the new golden era began about 1890. The world's production did not reach $200,000,000 per annum until 1896, and the gain had scarcely attracted attention at that time. During the first half of that decade Russia and Austria-Hungary were withdrawing important sums from circulation to prepare for the resumption of specie payments. Russia did not release any until the latter part of 1897 and Austria-Hungary has put little into circulation even yet. After its war with China in 1894–95, Japan began to prepare to go on a gold basis, which it did in 1897. India began about the latter date to accumulate a gold reserve. For several years, midway in the decade, conditions in the United States were abnormal by reason of the silver agitation, and trade in Europe was depressed. After 1897, however, a rise in prices began, not only in the United States, but in world markets, which it is worth while to examine.

The recognized method of determining price levels is by tables which consolidate the prices of a considerable number of staple commodities. There are several such tables of European prices which have been continued for many years, and several tables for the United States which have been continued for ten or fifteen years. To show the movement of the price level since 1890 we have made use of the tables prepared by the Bureau of Labor, Dun's Mercantile Agency, and Bradstreet's Mercantile Agency, in the United

States, and the well-known London tables prepared by Mr. Augustus Sauerbeck.

The Bureau of Labor tables are composed of the wholesale prices of 260 commodities, taken monthly, and the twelve quotations averaged for the year. The average for all the quotations for the ten years 1890–99 is taken as the base or standard. This base is rated as 100 and the average of all quotations for each year is compared with the base by percentage. The result is called the index number.

The Dun tables are especially designed to show fluctuations in the cost of living. They include prices of all the necessaries of life; in each case the price per pound is multiplied by the per capita consumption in pounds, for the purpose of giving each item its due weight in the result.

The Bradstreet index number is the sum total of the prices per pound of one hundred articles of common consumption.

The Sauerbeck index numbers are prepared on the same plan as those of the Bureau of Labor. They are based on the quotations of forty-five commodities in London, taken monthly or weekly. The average of the eleven years 1867 to 1877 is used as the base and the average for each year is com-

The Movement of Prices.

YEAR.	*Bureau of Labor.*		*Bradstreet's.*		*Dun's.*		*Sauerbeck's.*	
1867 to 1877	...		...		...		151.5	
1878 to 1885	...		...		...		126.6	
1885	...		...		...		109.0	106.2
1886	...		...		...		104.0	
1887	...		...		...		103.0	
1888	...		...		...		106.0	
1889	...		...		...		109.0	
1890	112.9	106.48	112.0	105.98	105.0	106.4	109.0	103.9
1891	111.7		111.0		114.0		109.0	
1892	106.1		108.0		104.0		103.0	
1893	105.6		105.0		109.0		103.0	
1894	96.1		93.9		100.0		95.5	
1895	93.6	93.6	91.6	93.72	94.0	93.08	93.9	96.02
1896	90.4		85.9		90.0		92.4	
1897	89.7		89.6		89.0		93.9	
1898	93.4		96.5		92.4		96.9	
1899	101.7		105.0		100.0		103.0	
1900	110.5	111.7	113.0	111.8	109.0	113.6	113.0	106.6
1901	108.5		108.0		111.0		106.0	
1902	112.9		109.0		117.0		104.0	
1903	113.6		114.0		115.0		104.0	
1904	113.0		115.0		116.0		106.0	
1905, January 1 to November 1 (eleven months)	...		119.6		116.6		108.9*	

* Nine months to October 1.

NOTE ON TABLES.—The figures for each year are a percentage of the average of the same table for the ten years 1890–99. The Dun figures for 1890 and 1891 are for January 1 only.

pared with the base by percentage. In order to compare these four sets of prices we have brought them all into correspondence with the Bureau of Labor figures by taking the years 1890–99 as the base. Thus Sauerbeck's ten index numbers for 1890–99 are averaged for a new base and his figures for each year compared therewith. And the same with the Dun and Bradstreet figures. The result is as shown in the table on the preceding page.

The close correspondence between these four independent sets of figures for the period 1890–99 is calculated to give confidence in their significance. They all show a decline to 1896–97, and a later rise. The three sets of United States figures are very close together. The Sauerbeck figures do not show the extreme fluctuations, a difference for which we are prepared, as the depression of 1896–97 did not go so low in England as in the United States, and the boom periods following 1890 and 1900 unquestionably carried prices higher in the United States than in England.

Averaging the three United States tables, it appears that there was a fall of twelve per cent. from the first five-year period to the second and a rise of 20.2 per cent. from the second period to the third, while by the Sauerbeck tables there was a fall of 7.5 per cent. from the first period to the second and a rise of 11 per cent. from the second to the third. The net rise from the first to the third periods was 5.7 per cent. in the United States and 2.6 per cent. in London.

The United States tables do not extend back of 1890, but the Sauerbeck tables do. His base, which was the average of the eleven years 1867–77, is shown to be 51.5 per cent. above the average for 1890–99, and his average for the period 1885–89 is almost the same as his average for 1900–05. According to the Sauerbeck figures the prices of the last five years have been about on a level with the prices of 1885–89.

The first thing to be observed is that after a heavy and continuous decline from 1867–77, the period from which Jevons at date of his last writings looked back over the course of prices since 1849, there has occurred, since 1897, a change in the tendency which is suggestive of the change Jevons noted as occurring in 1849. Prices have turned upward. We are now too close to the event to have the perspective that Jevons had in 1869, or to measure the influence behind the new movement so confidently as he did. We stand relatively about where Tooke and Newmarch did in 1856.

It must be recognized that after the depression which followed the financial panic of 1893 and lasted about four years, a reaction was due which would naturally carry prices as high as they were in the years immediately preceding the panic, and, in the congestion of demands, even temporarily higher. But may it not be fairly reasoned that this reaction had spent itself when the check to industrial development was felt in 1902–04? Was it not to be expected that thereafter industry and trade would fall back to the usual volume and ordinary growth measured by previous records, and that prices would resume the downward tendency which had characterized them since 1867–77? But events did not take this course. On the contrary, there was a speedy recovery of energy, and the volume of business was never so great in this country or, on an average, throughout the commercial world, as it is in 1905, and prices by all the tables still tend upwards. The situation this year, or since 1902, does not appear to be due to the influence of speculation or to temporary causes.

VARIOUS FACTORS INFLUENCING PRICES.

There are reasons independent of monetary conditions why prices might not continue to decline as they did in the seventies and eighties. Agricultural products are important in all price tables, and there has been no such improvement in the implements of production or in facilities for transportation during the last fifteen years as in the twenty years preceding 1890. The production of farm staples and natural products, such as coal and lumber, will have a tendency to fall behind population, or be kept up only at higher costs, as cheapest supplies are exhausted, unless improved methods offset the cost of transportation over greater distances and of production under less favorable conditions. In fact, the production of farm staples has not fallen behind population. The world's crops of wheat for the five years 1900–04, were twenty-five per cent. greater than for the years 1890–04, and of cotton 22.7 per cent. greater. Coal and lumber are among the products which are much higher, and they, particularly coal, affect the cost of other products. There have been, however, gains in the efficiency of steam boilers and engines and in mechanical appliances for mining coal.

Another explanation for present high prices is found by some people in trade and labor organizations. But when all these influences have been considered they do not seem sufficient to offset the constant gains achieved by inventive genius in all lines and to alone reverse the movement of prices. A steadily enlarging money supply seems to account for this change better than any other known influence.

The next question is, How far will the rise be likely to go? That is too intricate a matter for definite calculation; the contingencies are so many that it is only possible to describe the modifying influences.

If every other factor remained unchanged, which is impossible, we might assume that doubling the money supply would double prices. If the new supply came in equal annual amounts for twenty years, the greatest effect would be at first, because each successive installment would be a smaller percentage of the existing stock. The stock of money in the United States June 30, 1896, was $1,930,690,878. In the following nine years $954,388,351 was added, or fifty per cent. But the same amount now would be an addition of only thirty-three per cent. To have the same effect each year would require a constantly increasing addition which, indeed, we may get.

The new supplies come first to the important monetary centers, chief of which are London, New York, Paris and Berlin. To these cities come all the large projects of the world for capital, and a cheapening of money there gives encouragement to industrial enterprises in the furthermost parts of the earth. In this manner currents are started which cause widespread distribution and absorption. As gold in increasing quantities is offered for labor and materials of construction, the latter rise, relatively, and this rise constitutes the depreciation of gold. With modern facilities of transportation markets the world around are in close touch with each other, and a stimulus in one is shared with and modified by others. As money loses value relatively under the rising movement of labor, commodities and real property, the entire stock of money in the world necessarily shares in the depreciation. These two absorbents, to wit, the expansive capacity of the world's industry and commerce and the great stock of money already in the world, will modify the influence of the new supplies.

THE GOLD SUPPLY CONSIDERED WITH RELATION TO INCREASED POPULATION AND WEALTH.

The increasing population and wealth of all countries will absorb some portion of the increasing supply without a disturbance of prices. How much more gold is required as a country grows in population and wealth, is one of the debated questions. The gold stock of England seems to have increased but slightly in recent years. The holdings of the issue department of the Bank of England at the beginning of the year 1880 were $132,500,000 and at the beginning of the year 1905, $147,500,000. The amount of gold coin in the United Kingdom at the beginning of 1880 was estimated by Mr. Freemantle, Master of the Mint, at £122,474,000 or about $600,000,000, while the official estimate for January 1, 1905, was only £100,000,000 or about $500,000,000. If the latter was right, the former was too high. In providing for the restoration of the gold coinage in 1893, the Chancellor of the Exchequer adopted an estimate of about £90,000,000 in the Kingdom. This was of coin only; the holdings of the Bank always include considerable bullion. The coin holdings of the Irish banks increased from £2,447,601 at the beginning of 1880 to £3,419,480 at the beginning of 1895. The coin holdings of the Scotch banks increased from £3,885,467 to £6,520,733 in the same period. The population of the United Kingdom was 35,246,562 by the census of 1881 and 41,976,827 by the census of 1901.

Messrs. Tooke and Newmarch estimated the stock of coin and bullion in the United Kingdom in 1850 at $335,000,000, when the population was about 27,000,000. The number of bank offices in 1850 was 1,481; in 1880, 3,600 and at the beginning of 1905, 7,238. The London Clearing-House returns for 1881 were £6,357,059,000 and for 1904, £10,564,197,000. The total deposits of banks in the United Kingdom, according to the London "Economist," were about £525,000,000 in the spring of 1880 and £845,000,000 at the beginning of 1905. The gold actually in the banks at the beginning of 1904 was estimated by "The Economist" at £60,000,000.

No other country shows such a growth of business without a large increase in its gold stock. In the United States the stock of gold, and the aggregate stock of all money, has gained fifty per cent. in the last ten years. Our system of gold certificates is not economical of gold, but on the other hand the prevailing opinion in England is that that country is running on too small a gold reserve, and that some steps should be taken to increase it. In the United States the great gold reserve is maintained at the expense of the whole country, while in England reserves must be maintained at the expense of the banks. Hence, extravagance here, and economy, perhaps to the danger line, there.

The effect of invention and improved methods is to cause a constant reduction in the labor-cost of products, and, with a standard of value bearing a stable relation to labor, prices have a natural tendency to decline with this industrial progress. The influence of a depreciating standard must equal and overcome this counteracting influence before any actual fall of prices can appear in market quotations.

ENLARGEMENT OF THE DEMAND FOR GOLD.

The most important enlargement of the demand for gold is likely to come by the development of countries which heretofore have been comparatively small factors in the commercial world. At this time, when the uttermost parts of the earth are being explored, and when practically everywhere encouragement and protection are afforded to investments, a heaping up of capital in the form of coin at the financial centers will surely stimulate the development of the hitherto dormant and neglected countries. We have seen how with an increasing supply of the precious metals in the seventeenth century and again fifty years ago, there came a great development of trade with India and a heavy absorption of gold and silver in that quarter. There is every reason to anticipate that in this respect history will repeat itself, and on a larger scale. Such a movement is already discernible. In Asia, South America, the West Indies, Africa, Southern and Eastern Europe, new forces are in action. Japan has led the way in Asia. Her entire industrial system has been revolutionized in the last twenty-five years. Her bank deposits have more than quadrupled in the last ten years, a large advance in wages has occurred, and the country has necessarily increased its monetary stock in an important degree. China is making progress in the same direction and will no doubt adopt a coherent monetary system before long. With the United States in the Philippines and all peoples looking for commercial opportunities in Asia, steady and probably rapid development may be expected. In Russia a breakup of old conditions is going on. When the present troubles are past it is probable that, with new opportunities open to the people, and their energies aroused by the events they have passed through, there will be such industrial progress as the country has never before known.

Throughout Eastern and Southern Europe progress is to be expected. All of those countries are rich in natural resources and have industrious populations capable, when organized and supplied with modern instruments of production, of increasing their present output of commodities enormously. There is a great disparity between the monetary stocks of the countries of Western and Eastern Europe. France heads them all with about $40 per capita; Holland and Belgium have about $24 per capita; Germany, $21.50 per capita; Russia, less than $7; Bulgaria, Roumania, and Turkey, $3 or $4; and even Italy and Austria-Hungary only about $10. Wages in Mexico have doubled in the last five years under the new demand for labor due to an influx of capital, and the Government has adopted the gold standard to encourage further investments. The new supplies of gold, the most mobile and universally available form of capital, will facilitate this migration of capital from the countries where it is abundant, and where its earnings are small, to the new fields where it is needed.

It is to be observed that the capacity of a country to absorb new gold without disturbing the level of world prices depends upon its ability to expand its industries and trade. And by expansion is meant an increase in the actual quantity of commodities produced and exchanged, not a mere increase in their value. There must be more grain and cotton and iron produced, more men employed, more days' works done. This is why the best chance for absorption of the new supplies without serious disturbance to present values lies in the development of now backward countries. These regions are neither producing nor consuming as they have the capacity to do. Their production and consumption will develop together without disturbing the world's equilibrium, but their enlarged exchanges will take up more gold. It is true, also, that even the advanced countries have greater capacity for production and consumption than they ordinarily employ. The most ambitious and efficient workers can always have employment, but the less efficient class find it more or less precarious. The modern industrial system, with its complicated division of labor, is wonderfully effective when all its parts are working together in perfect balance, but much of the time there is more or less disarrangement. There is a serious falling off in production and trade, much enforced idleness and suffering, and a loss of wealth whenever the machine is disorganized, as it was in the United States from 1893 to 1898 and has been recently in Germany. With new supplies of gold flowing constantly into the money market, as at present, there is, as illustrated in 1902–04, a comparatively quick recovery from disorganization, a constant impulse to "take up the slack" and push the machine to its utmost capacity. The production of coal in this country for the five years 1890–94 was 766,750,895 tons, and of pig iron 40,421,463 tons; the production of coal during the five years 1900–04 was 1,405,572,434 tons, and of pig iron 81,995,188 tons. The enormous gain in the output of all our industries, indicated by this increase of one hundred per cent. in these basic constituents, must have been due in great part to the more constant and complete employment of the population.

This constant stimulus is not an unmixed good. It has its unhealthful influence, but it keeps the productive forces working at high tension. All the economic gains due to it come in this way, for when every man is at work, when all the productive forces of society are in full action, you cannot make the world richer by pouring money into it. A point is reached then where every addition means dilution, where the new supplies can only find employment by decreasing the value of the old stock. When this occurs, all business relations based upon terms of money are disturbed; speculation instead of orderly industry is promoted; there is danger that waste and adventure may run riot and that speculation and industry may go down together in a general collapse.

HOW THE DEPRECIATION OF GOLD WILL AFFECT THE GOLD-MINING INDUSTRY.

There is another factor of importance to be considered, and that is the effect of the depreciation of gold upon the gold-mining industry. As the metal loses in purchasing power over labor and commodities, the owner of a gold mine must pay a correspondingly larger share of his output in operating costs, and this must in some degree act as an automatic check upon production. The profits of gold mining vary with the mines, some of them paying very largely, some moderately, and some only a small percentage of the gross, while there is always a considerable production from mines operated at a loss but with hopes that they will do better. An important increase in mining costs would reduce the profits of the first class, transfer many of the second and third classes to the fourth, and close more or less of the latter. Allowance must be made for the persistency of the gambling spirit and also for the possible achievements of engineers and metallurgists struggling with adverse conditions. In the long run a steady loss of profits would curtail production.

The Homestake Mine, in the Black Hills, which has been the greatest producer in the United States, has yielded $80,000,000 and paid about $20,000,000 in dividends. At this rate, a rise in costs of 33⅓ per cent. would extinguish its profits. The Cripple Creek district had produced about $140,000,000 to January 1, 1905, and the dividends of incorporated companies had amounted to about $35,000,000. This would be an average of approximately twenty-five per cent. of the gross. A rise of costs that would close the Homestake would cut off a large part of the Colorado product, and the same would be true of California. Australasia as a whole, with its product of $86,000,000, last year averaged a little better than the above figures, twenty-four of the largest companies in West Australia paying thirty-five per cent. of their gross product in dividends. It is to be remembered that these are averages, much of the yield being from mines which paid only small profits. The mines of the Transvaal last year paid in dividends about twenty-five per cent. of the gross product.

In conclusion, while repeating that with so many changing and speculative elements entering into the problem it is manifestly impossible to prophesy with any degree of precision the influence of the new supplies of gold, we may set probable limits to that influence and to some extent define and measure the factors that have weight. So far as can now be seen no revolutionary results are impending. The best assurance of that is found in the cost of our present gold product. We have seen that a rise of 33⅓ per cent. of the cost of mining operations will make an important share of the product unprofitable, and certainly act as a deterrent upon future explorations. Mining costs consist chiefly of labor, timber and machinery, and may be expected to conform to any general movement which includes a rise of wages and prices. Here, then, we have a definite limit, subject, of course, to the possibility of a more rapid decline in the cost of producing gold than of commodities in general.

But the depreciation of gold may not go so far as to raise wages and prices 33⅓ per cent. The rise in staple commodities for the last five years over the five years beginning with 1890 was less than five per cent. in an open world-market. During this time the stock of money in the United States was increasing fifty per cent. and the available cash of the principal banks of the world over fifty per cent. During this time industry has been in some degree interrupted, and prices and interest rates affected by three great wars. The war debts incurred by the United States, Great Britain, Russia and Japan, since 1898, aggregate over $2,000,000,000* and the wars costs probably double that sum. All of this capital was burned up, and so much less has been available for industry. Interest rates have been higher in consequence and the natural effect of the new gold upon the world's development has been retarded. If order is now established in Russia and the boon of world-wide peace is granted, normal conditions will be resumed.

To the extent that a depreciation of gold occurs, people whose incomes have been previously fixed by contracts, or by salaries or wages which cannot be readily raised, are losers, and the owners of real estate, stocks, and properties which feel the stimulus are benefited. Economists have usually held the view that increasing supplies of money, with the accompanying industrial stimulus, were advantageous to the wage-earning class because of

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* Does not include bond issues since the peace.

the demand created for labor. There is an advantage to the wage-earner in having more regular employment, but when prices are rising he is under the necessity of continually getting his wages advanced in order to hold his own. The most commanding position for the man who has permanent employment is to have a standard of value in which wages may be steady while the prices of commodities fall to correspond with every elimination of labor from their cost. Then all the forces of progress work for him. His share of a constantly increasing production is laid promptly at his door. The purchasing power of wages increases without aggressive action on his part. None are so ignorant, timid or dependent as to be unable to buy at lower prices when they are prevalent; but all are not equal in the intelligence, courage and resources required to make a continuous fight for higher wages. It must be recognized, however, that natural forces are always at work to restore an equilibrium wherever disturbed, and the balance is more nearly maintained than we commonly think.

This effort to maintain an equilibrium is seen in the relations between interest on loans and the returns on property investments. When money depreciates and property rises, the lender of money is plainly at a disadvantage, if the interest rate remains the same. But it does not remain the same. The money-lender will average as smart as the other man, and when property values are rising there will be a tendency among lenders to withdraw funds from loans and buy property themselves. That movement will proceed until the interest rate advances far enough to balance the chance of profit on investments. If, therefore, we are to have a period of advancing values, as seems probable, the corporations which have recently issued long-term bonds at low rates are fortunate.

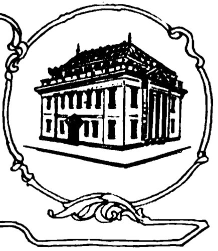
An increasing money supply does not mean uninterrupted prosperity. No supply can come fast enough to outrun the imagination of speculators. Whatever may be the original impulse to an advance movement, if the movement continues speculation will become a factor in it, and a reaction must follow. The weakness of modern finance is in the vast holdings of marginal ownership, and no matter how much prosperity or how much money we have, that condition seems to remain much the same. This practice of using credit and reserves to the utmost exaggerates the effect of every fluctuation in the supply of money. After gaining nearly $1,000,000,000 in cash in nine years, it might seem that the United States could spare $100,000,000 without a panic, but we could not, or the half of it without alarm.

Finally, while an ample supply of so peculiarly available a form of capital as gold plays an evident part in world-development, let it again be said that its work is as a medium and lubricant. It is not an ultimate form of wealth. Blanqui, the French economist, stated this with striking emphasis, about 1840, when after recounting the results in Europe of the discovery of America, and the outpouring of the precious metals which followed, he summed up as follows:

> "Everyone knows to-day that the real advantages which Europe derived from the discovery of the mines of the New World do not come exclusively from the abundance of the precious metals, but from the cultivation of the commodities for consumption which constitute the basis of our exchanges with that country. Gold and silver have disappeared; cotton, sugar and coffee remain. The single discovery of the potato was worth more than all the mines of Mexico and Peru."

WASHINGTON, December, 1905.

TRUST COMPANIES



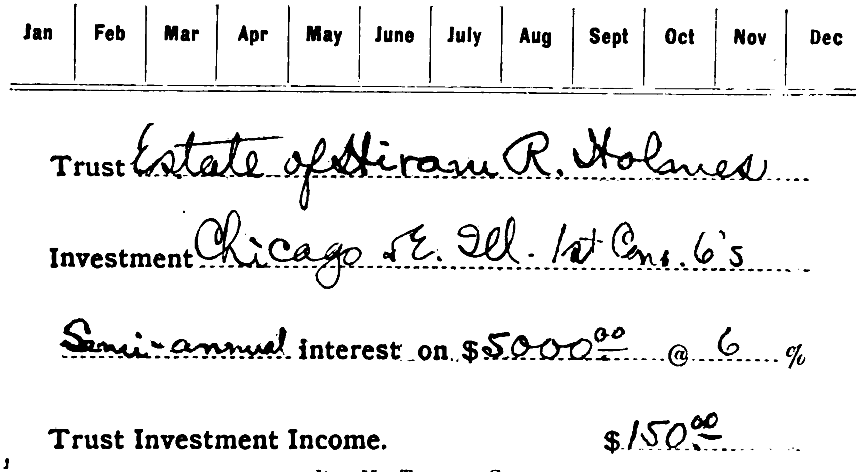
TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

BY CLAY HERRICK

BOOKS, RECORDS AND FORMS FOR THE TRUST DEPARTMENT —*Continued.*

SUNDRY FORMS FOR THE ESTATES DIVISION OF THE TRUST DEPARTMENT.

FOR the Tickler of this division of the trust department, the various forms already shown† are adapted, the card forms being the most convenient. Other cards may easily be added, suited to special needs. Figure 55 shows a form that is in use, and is very convenient for tickling items of income regularly recurring, and for other uses. The arrangement for dates at the top of the card saves much time and writing. Where an item is to be attended to on the first of each month, for example, the figure 1 is inserted



Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec

Trust Estate of Hiram R. Holmes

Investment Chicago & E. Ill. 1st Cons. 6's

Semi-annual interest on $5000.00 @ 6 %

Trust Investment Income. $150.00

FIG. 55.—TICKLER CARD.

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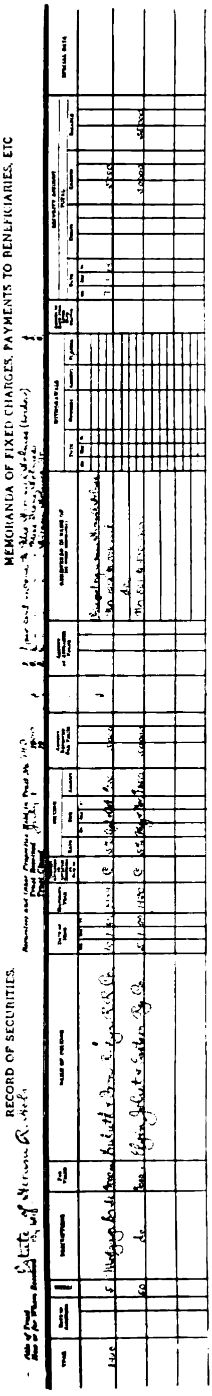
* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

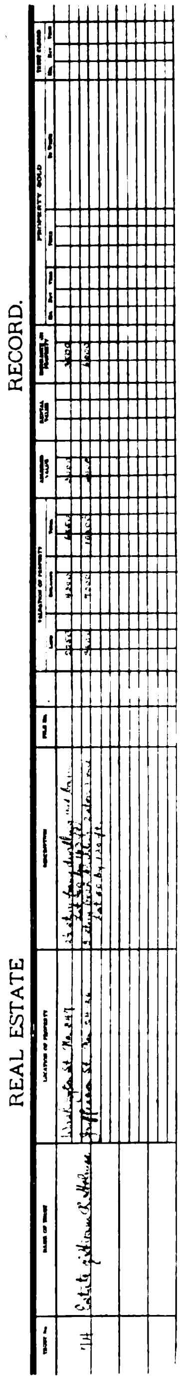
† THE BANKERS' MAGAZINE, November, 1905, pp. 622-624.



RECORD OF SECURITIES.

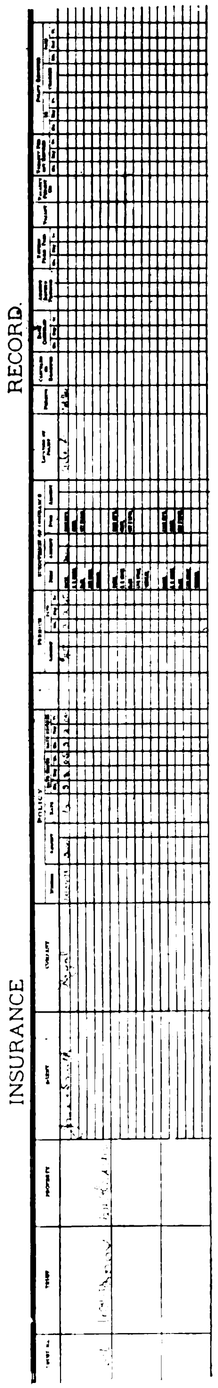
MEMORANDA OF FIXED CHARGES, PAYMENTS TO BENEFICIARIES, ETC

FIG. 56.—RECORD OF SECURITIES.



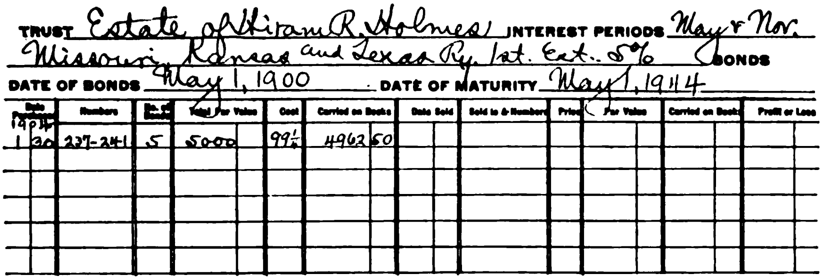
REAL ESTATE RECORD.

FIG. 68.—REAL ESTATE RECORD.



INSURANCE RECORD.

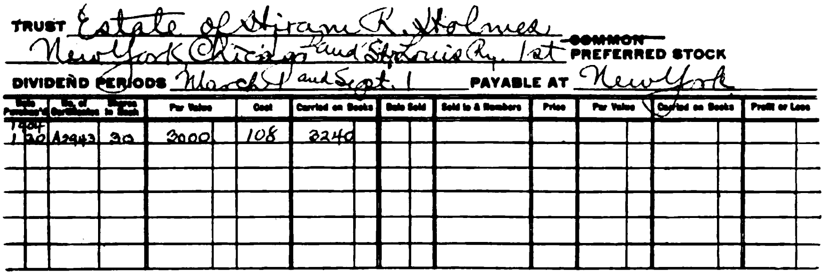
FIG. 74.—INSURANCE RECORD.



TRUST Estate of Hiram R. Holmes INTEREST PERIODS May & Nov.
Missouri, Kansas and Texas Ry. 1st. Ext. 5% BONDS
DATE OF BONDS May 1, 1900 DATE OF MATURITY May 1, 1944

Date Purchased	Numbers	No. of Bonds	Total Par Value	Cost	Carried on Books	Date Sold	Sold to & Numbers	Price	Par Value	Carried on Books	Profit or Loss
1904 1 30	237-241	5	5000	99½	4962 50						

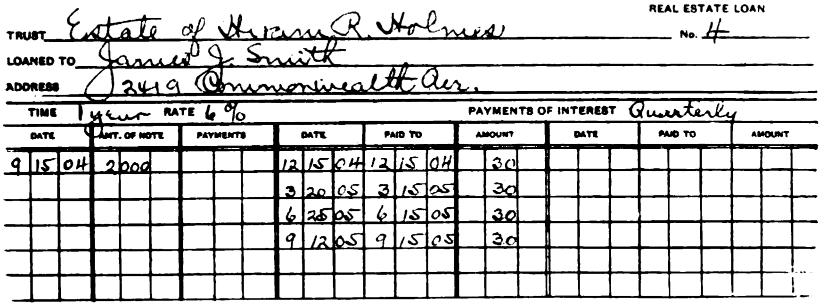
FIG. 57. CARD RECORD OF SECURITIES BONDS.



TRUST Estate of Hiram R. Holmes
New York Chicago and St. Louis Ry. 1st ~~COMMON~~ PREFERRED STOCK
DIVIDEND PERIODS March 1 and Sept. 1 PAYABLE AT New York

Date Purchased	No. of Certificates	Shares in Each	Par Value	Cost	Carried on Books	Date Sold	Sold to & Numbers	Price	Par Value	Carried on Books	Profit or Loss
1904 1 30	A2943	30	3000	108	3240						

FIG. 58.—CARD RECORD OF SECURITIES—STOCK.

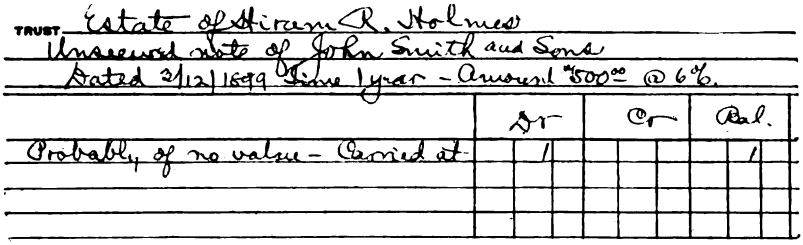


REAL ESTATE LOAN

TRUST Estate of Hiram R. Holmes No. 4
LOANED TO James J. Smith
ADDRESS 2419 Commonwealth Av.
TIME 1 year RATE 6% PAYMENTS OF INTEREST Quarterly

DATE	AMT. OF NOTE	PAYMENTS	DATE	PAID TO	AMOUNT	DATE	PAID TO	AMOUNT
9 15 04	2000		12 15 04	12 15 04	30			
			3 20 05	3 15 05	30			
			6 25 05	6 15 05	30			
			9 12 05	9 15 05	30			

FIG. 59.—CARD RECORD OF SECURITIES—REAL ESTATE LOANS.



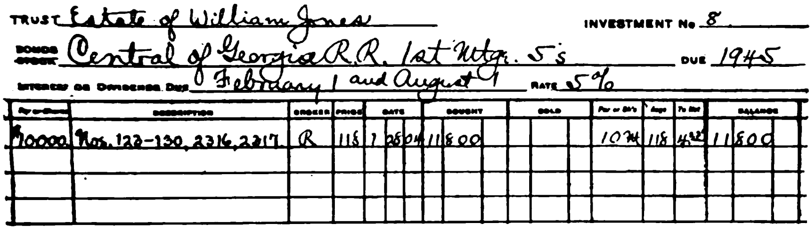
TRUST Estate of Hiram R. Holmes
Unsecured note of John Smith and Sons
Dated 3/12/1899 Time 1 year — Amount $\$500^{00}$ @ 6%.

	Dr	Cr	Bal.
Probably of no value — Carried at	1		1

FIG. 60.—CARD RECORD OF SECURITIES, NOTES, ETC.

under the name of each month; after the item has been attended to for one month, the card is moved forward in the tickler case to the next month.

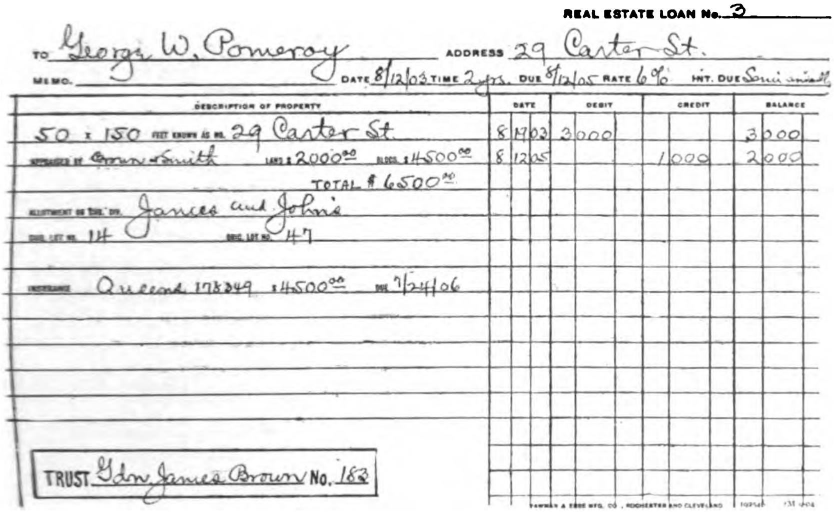
An important form is the Record of Securities held in the various trusts. Figure 56 shows, with some slight changes, the form for this record given in the Book of Forms of the Trust Company Section of the American Bankers' Association. One double page, or more if necessary, is devoted to the securi-



TRUST Estate of William Jones
INVESTMENT No. 8
BONDS / STOCK Central of Georgia R.R. 1st Mtg. 5's
DUE 1945
INTEREST OR DIVIDENDS DUE February 1 and August 1
RATE 5%

Par or Shares	Description	Broker	Price	Date			Bought	Sold	Par or Sh's	Age	To Net	Balance
10000	Nos. 122-130, 2316, 2217	R	118	1	25	04	11800		10M	118	4.32	11800

FIG. 61.—CARD RECORD OF SECURITIES—BONDS OR STOCK.



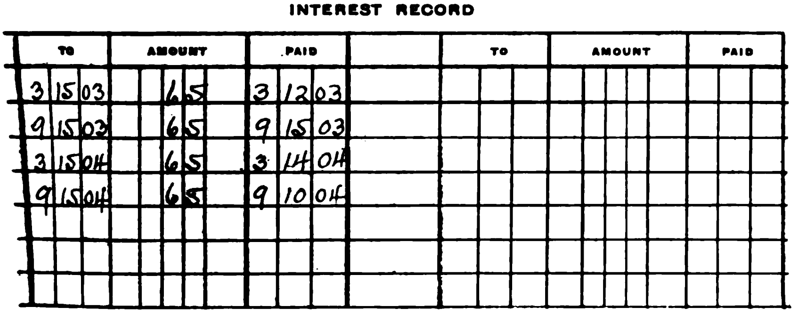
REAL ESTATE LOAN No. 3
TO George W. Pomeroy ADDRESS 29 Carter St.
MEMO. DATE 8/12/03 TIME 2 yrs. DUE 8/12/05 RATE 6% INT. DUE Semi annually

DESCRIPTION OF PROPERTY
50 x 150 FEET KNOWN AS NO. 29 Carter St.
APPRAISED BY Brown & Smith LAND $ 2000.00 BLDG. $ 4500.00
TOTAL $ 6500.00
ALLOTMENT OR SUB. DIV. James and John's
SUB. LOT NO. 14 ORIG. LOT NO. 47
INSURANCE Queens 178349 $4500.00 DUE 7/24/06

TRUST Gdn. James Brown No. 182

Date			Debit	Credit	Balance
8	12	03	3000		3000
8	12	05		1000	2000

FIG. 62.—CARD RECORD OF SECURITIES—REAL ESTATE LOANS.

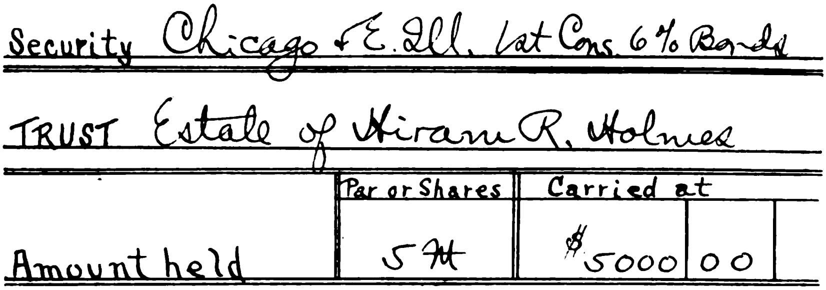


INTEREST RECORD

To			Amount	Paid				To	Amount	Paid
3	15	03	65	3	12	03				
9	15	03	65	9	15	03				
3	15	04	65	3	14	04				
9	15	04	65	9	10	04				

FIG. 63.—RECORD OF INTEREST ON LOANS.

ties of each trust. This book is designed to serve as the ledger for the securities account, in the space provided at the right-hand side of the form. Certain memoranda are called for at the top of the form that are usually included either in the trust register or in the memorandum page at the beginning of the account for each trust in the Trust Ledger. They are not needed in all of these records, and will naturally be omitted here if given elsewhere. The size of the pages is 21¾ by 18 inches. The book is provided with an index at the front; or a separate index may be used.

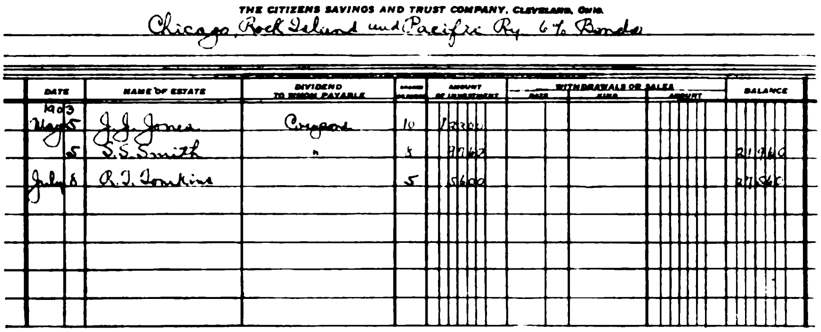


Security Chicago & E. Ill. 1st Cons. 6% Bonds

TRUST Estate of Hiram R. Holmes

	Par or Shares	Carried at	
Amount held	5 M	$5000	00

FIG. 64.—INDEX TO SECURITIES HELD IN TRUST.

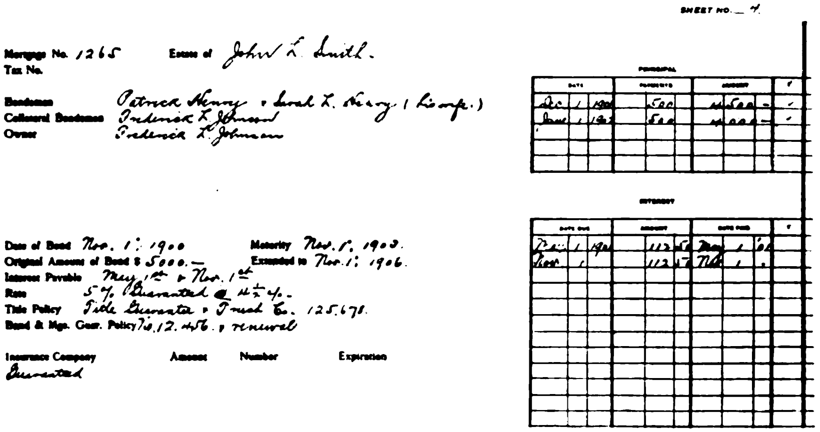


THE CITIZENS SAVINGS AND TRUST COMPANY, CLEVELAND, OHIO

Chicago, Rock Island and Pacific Ry. 6% Bonds

DATE		NAME OF ESTATE	DIVIDEND TO WHOM PAYABLE	[illegible]	AMOUNT OF INVESTMENT	WITHDRAWALS OR SALES			BALANCE
						DATE	KIND	AMOUNT	
1903 May	5	J. J. Jones	Coupon	10	12200				
	5	S. S. Smith	"	5	9762				21962
July	6	R. J. Tomkins		5	5600				27562

FIG. 65.—REAL ESTATE LEDGER.



SHEET NO. 4

Mortgage No. 1265 Estate of John L. Smith.
Tax No.

Bondsmen Patrick Henry & Lord L. Henry (Comp.)
Collateral Bondsmen Frederick L. Johnson
Owner Frederick L. Johnson

Date of Bond Nov. 1st 1900 Maturity Nov. 1st 1903.
Original Amount of Bond $ 5000.— Extended to Nov. 1st 1906.
Interest Payable May 1st & Nov. 1st
Rate 5% Guaranteed @ 4½%.
Title Policy Title Guarantee & Trust Co. 125.678.
Bond & Mge. Guar. Policy No. 12.456. & renewal

Insurance Company	Amount	Number	Expiration
Guaranteed			

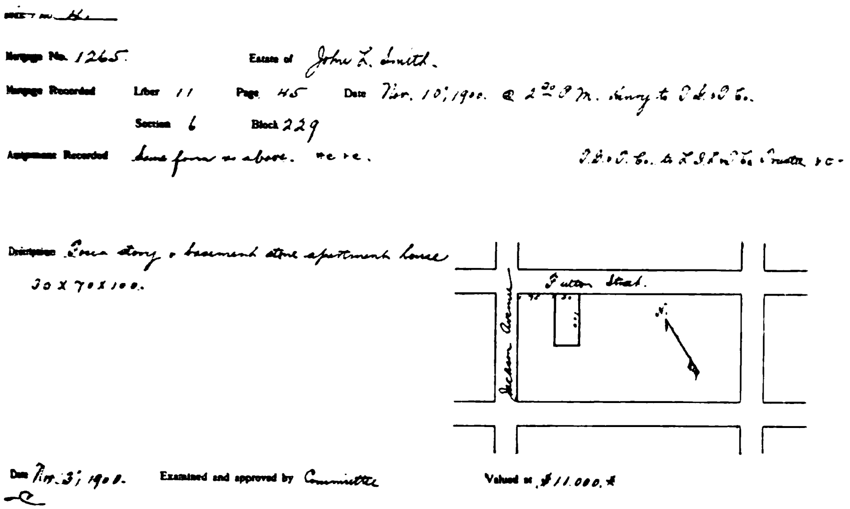
PRINCIPAL

DATE			PAYMENTS		AMOUNT		✓
Dec.	1	1901	500		4500	–	✓
June	1	1902	500		4000	–	✓

INTEREST

DATE DUE			AMOUNT		DATE PAID			✓
May	1	1901	112	50	May	1	'01	
Nov.	1		112	50	Nov.	1	"	

FIG. 66.—RECORD OF SECURITIES—MORTGAGE LOANS.



[illegible] No. [illegible]

Mortgage No. 1265. Estate of John L. Smith.

Mortgage Recorded Liber 11 Page 45 Date Nov. 10, 1900. @ 2.30 P.M. [illegible]

Section 6 Block 229

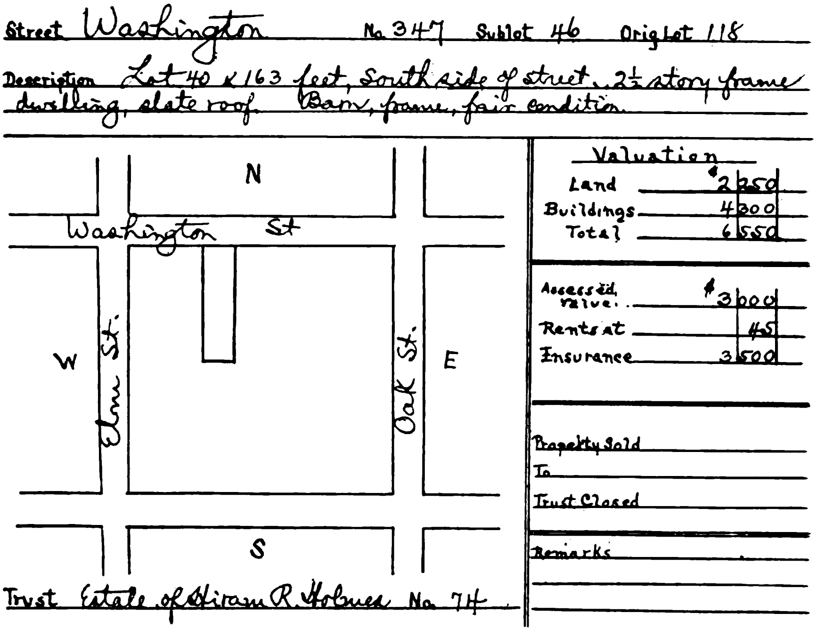
Assignment Recorded Same time as above. [illegible] [illegible]

Description Four story & basement stone apartment house 30 X 70 X 100.

Date Nov. 3, 1900. Examined and approved by Committee Valued at $11,000.00

FIG. 67.—REVERSE SIDE OF LEAF SHOWN IN FIG. 66.

Many companies keep the Record of Securities in card form. Figures 57, 58, 59 and 60 show the set of card forms used for this purpose by one large company having many estates in charge. The first three of these forms explain themselves. The fourth, shown in Figure 60, is used for the record of any securities other than bonds, stocks or real estate loans. For example,



Street Washington No. 347 Sublot 46 Orig Lot 118

Description Lot 40 x 163 feet, South side of street. 2½ story frame dwelling, slate roof. Barn, frame, fair condition.

Valuation

Land	$2,250
Buildings	4,300
Total	6,550
Assessed Value	$3,000
Rents at	45
Insurance	3,500

Property Sold

To

Trust Closed

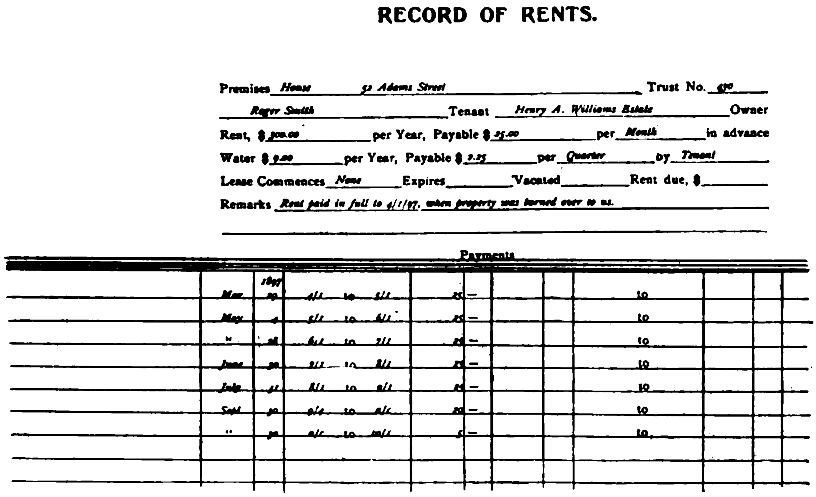
Remarks

Trust Estate of Hiram R. Holmes No. 74

FIG. 69.—CARD REAL ESTATE RECORD.

estates are often received in trust which are the owners of unsecured notes, or of time loans secured by collateral. The size of the cards is 8 by 6½ inches. They are contained in a case which is provided with index cards bearing the names of the different trusts, arranged in alphabetical order. They may, of course, be arranged numerically by the numbers of the trusts if preferred. In Figure 61 is shown another card form designed to serve for the record of either bonds or stocks; and Figure 62 gives another form for the record of real estate loans. The back of these cards contains a form for the record of interest or dividends, that for interest being shown in Figure 63.

These records give complete lists of all the securities held in each trust, but in order to know the amount of any given security held in all the trusts in the department, it is necessary to provide another record indexed according to the securities. Figure 64 shows an index card for such use. Its use is merely to serve as an index to show what trusts hold any given security, and how much of it they hold. The total amount of the security held by all the trusts must, of course, be found by adding the amounts on the several cards filed after the index card for the security. Some companies keep a regular line ledger for securities held in trust, a loose-leaf form for which is shown in Figure 65.



RECORD OF RENTS.

Premises House 32 Adams Street Trust No. 450

Roger Smith Tenant Henry A. Williams Estate Owner

Rent, $300.00 per Year, Payable $25.00 per Month in advance

Water $9.00 per Year, Payable $2.25 per Quarter by Tenant

Lease Commences None Expires Vacated Rent due, $

Remarks Rent paid in full to 4/1/97, when property was turned over to us.

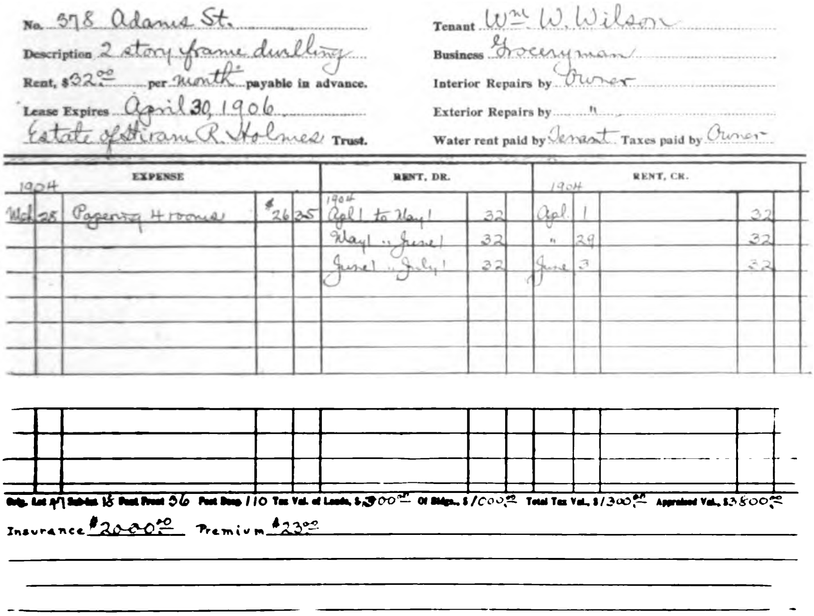
			Payments								
		1897									
	Mar	29	4/1 to 5/1	25	—			to			
	May	4	5/1 to 6/1	25	—			to			
	"	28	6/1 to 7/1	25	—			to			
	June	30	7/1 to 8/1	25	—			to			
	July	31	8/1 to 9/1	25	—			to			
	Sept	30	9/1 to 10/1	25	—			to			
	"	30	10/1 to 11/1	5	—			to			

FIG. 70. - RENT BOOK.

Loose-leaf Records of Securities are used by some companies, and Figures 66 and 67 show the first and second pages respectively of a form for the record of mortgage loans used by a New York company. This record permits of more detailed information than is usually given in a card system.

Usage seems to vary greatly in the matter of record of real estate held in trust. Some companies depend for a complete record of such real estate upon the rent book and the tax book—in addition, of course, to the original entries in the Trust Register and in the ledger accounts of the trusts concerned. Other companies add a complete list, in separate form, of such real estate. Figure 68 shows the form of Real Estate Record given in the Book of Forms of the Trust Company Section of the American Bankers' Association. The book is provided with an index in front.

Figure 69 shows a card record for real estate, giving about the same information as that given in Figure 68, and adding a plat of the property. Additional information, if desired, may be put on the back of the card. These cards may either be grouped according to the trusts owning the property, or arranged alphabetically according to streets. If the former plan is adopted, an index by streets will be needed to make the record complete; and if the latter plan be followed, an index by trusts owning the property should be added.



No. 378 Adams St.
Description 2 story frame dwelling
Rent, $32.00 per month payable in advance.
Lease Expires April 30, 1906
Estate of Hiram R. Holmes Trust.

Tenant Wm. W. Wilson
Business Groceryman
Interior Repairs by Owner
Exterior Repairs by "
Water rent paid by Tenant Taxes paid by Owner

EXPENSE					RENT, DR.			RENT, CR.				
1904					1904			1904				
Mch	28	Papering 4 rooms	$26	35	Apl 1 to May 1	32		Apl.	1		32	
					May 1 " June 1	32		"	29		32	
					June 1 " July 1	32		June	3		32	

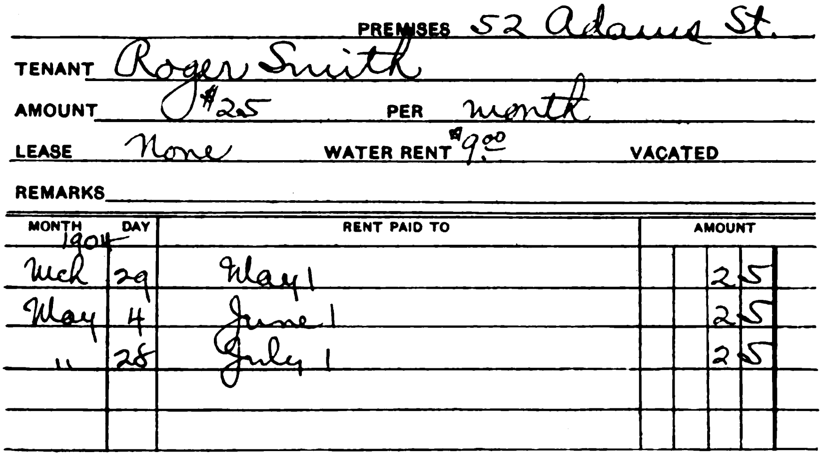
Orig. Lot 47 Sub-lot 15 Feet Front 36 Feet Deep 110 Tax Val. of Lands, $300.00 Of Bldgs., $1000.00 Total Tax Val., $1300.00 Appraised Val., $3800.00

Insurance $2000.00 Premium $23.00

FIG. 71.—RENT BOOK.

The form for the Record of Rents recommended in the Book of Forms of the Trust Company Section of the American Bankers' Association is given in Figure 70. This is made up as a loose-leaf book, the pages being arranged numerically as to trusts and alphabetically as to tenants in each trust. Another form of Rent Book is shown in Figure 71, in which provision is made for the record of expenses on the premises rented. Some companies elaborate the records in the rent book still further, showing expenses in two columns, headed "Repairs" and "Sundry," and also providing a column for the record of sundry receipts, such as repayments of water rents, etc. Figure 72 shows a rent record in card form, the cards being five inches wide by eight inches long.

Companies handling a number of trusts which are the owners of real estate are of course compelled to look after a great many fire insurance policies, seeing to it that all buildings are covered by sufficient insurance, and that



PREMISES 52 Adams St.

TENANT Roger Smith

AMOUNT $25 PER month

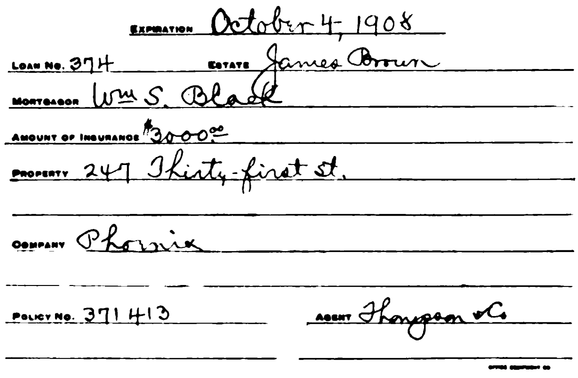
LEASE None WATER RENT $9.00 VACATED

REMARKS

MONTH	DAY	RENT PAID TO	AMOUNT
1904			
Mch	29	May 1	25
May	4	June 1	25
"	28	July 1	25

FIG. 72.—RENT RECORD IN CARD FORM.

policies are renewed in due season. For proper attention to the matter of renewals, reliance is, of course, placed upon the Tickler. Some companies file insurance expiration cards in the general Tickler of the Department, while others maintain a special Tickler for insurance expirations. Figure 73 shows the form of a card used for such a special Tickler. This also serves as a complete list of all insurance carried in the department. Some companies keep in book form a complete insurance record, and Figure 74 shows a form based on that given in the Book of Forms of the Trust Company Section of the American Bankers' Association.



EXPIRATION October 4, 1908

LOAN NO. 374 ESTATE James Brown

MORTGAGOR Wm S. Black

AMOUNT OF INSURANCE $3000.00

PROPERTY 247 Thirty-first St.

COMPANY Phoenix

POLICY NO. 371413 AGENT Thompson & Co.

FIG. 73.—INSURANCE TICKLER.

(*To be continued.*)

NEW YORK TRUST COMPANIES.

FREDERICK D. KILBURN, Superintendent of the Banking Department of the State of New York, has the following to say regarding trust companies in his recent annual report:

"There were eighty-one trust companies at the close of the fiscal year, of which, however, one is in the process of liquidation, and one other has paid all of its depositors whom it has been able to locate, and is doing no new business. During the year the Home Trust Company, the Jenkins Trust Company and the Citizens' Trust Company, all in Brooklyn, and the Italian-American Trust Company in New York were authorized, and the Lawyers' Title Insurance and Trust Company, also in New York, capitalized at $4,000,000, came into being through the merger of the Central Realty Bond and Trust Company and the Lawyers' Title Insurance Company. Only one other trust company has a larger capital. The Continental Trust Company merged with the New York Security and Trust Company, which has since taken the title New York Trust Company. The Trust Company of America and the City Trust Company were merged into the North American Trust Company, taking the name Trust Company of America. The only change other than these was the closing of the Merchants' Trust Company in New York, because it was deemed by the Superintendent of Banks unsafe and inexpedient that it should continue longer in business.

In 1904 the trust companies reported only as of the first of January and July, while in 1905 they are reporting, as is now required by law, 'at least once in every three months,' and without advance knowledge of when such reports are to be called. Comparing their reports as of September fifth, 1905, with those for July in 1904, these companies gained $1,100,000 in capital, $13,459,624 in book surplus and undivided profits, and $291,696,379 in total resources. Their combined assets were $1,500,147,309. Their surplus calculated on the market value of their investments is $162,081,840, and upon this basis the companies are measurably stronger even than at book value—upon the latter basis their surplus as to capital being 245 to 100, while upon the former it is 256 to 100."

REGULATION OF TRUST COMPANIES IN IOWA.

ALTHOUGH the State of Iowa enjoys the distinction of possessing more banking institutions than any other State in the Union, there have been comparatively few trust companies organized within its limits. Some of the few companies now in existance were organized as early as the seventies but the institution in general has met with little encouragement or even attention on the part of the State. The Legislature of 1904 passed some general legislation on the subject and the Attorney-General, at the suggestion of the Auditor of State, has given an opinion by which the new statutes are construed to require a periodical examination and a report to the Auditor's office.

The situation is deemed somewhat unsatisfactory, however, and a bill is being prepared under the auspices of the banking interests, for presentation at the coming session of the Legislature. The new measure is more comprehensive in its scope than any of its predecessors and is intended to make the supervision of trust companies by the State as complete as that now exercised over banks and building and loan associations. The measure is being framed along the lines of the New York law, which has been selected as a standard.

The bill provides that all companies using the word "trust" as a part of their corporate title must have a capital stock of at least $100,000, except in cities of less than 25,000 population, where the capital may be $50,000. No certificate of incorporation may be issued until the Auditor of the State shall be satisfied by examination that the amount of the capital has actually been paid in and that there has been deposited with him ten per cent. of the capital in approved securities. The measure also prescribes that if a trust company does a general banking business it shall maintain a reserve of ten per cent. if in towns of less than 3,000 population and of fifteen per cent. where the population is greater. When the trust company confines its banking business to savings accounts the required reserve is eight per cent.

TRUST DEPARTMENTS IN NATIONAL AND STATE BANKS.

AT the recent meeting of Group I, New York State Bankers' Association, in Buffalo, in addition to the resolution calling upon all conservative trust company officials to urge upon the Legislature the passage of a suitable reserve law for all banking institutions receiving deposits subject to check, the following was also adopted unanimously:

"*Resolved*, That we, the representatives of the National and State banks of Group I, New York State Bankers' Association, request the Hon. William B. Ridgely, Comptroller of the Currency, and the Hon. Frederick D. Kilburn, Superintendent Banking Department of the State of New York, to consider the advisability of an amendment to the National and State bank acts, providing for a trust department in National and State banks."

Both resolutions were offered by J. H. Lascelles, Cashier of the Marine National Bank, Buffalo.

Some years ago THE BANKERS' MAGAZINE suggested that all State banks be permitted to do a trust company business. This would certainly seem only fair, inasmuch as most of the trust companies are already doing a banking business.

FEDERAL REGULATION OF TRUST COMPANIES.

IN his annual report Hon. Leslie M. Shaw, Secretary of the Treasury, renews his recommendation of last year, that certain trust companies be permitted the privilege of incorporation under Federal laws.

There is considerable sentiment among trust company officers favorable to more uniform laws relating to such institutions; but opinion is divided as to the best way to secure this—whether under State or Federal laws. That uniformity could best be attained under a Federal law is indisputable; but, on the other hand, there are some advantages of State regulation that tend to counterbalance this advantage.

TRUST COMPANY IN CUBA.

THE Trust Company of Cuba has been organized at Havana with $500,000 capital. This is the first trust company organized in Cuba to do a regular trust and banking business such as done by similar companies in the United States.

J. A. Gonzalez Lanuza is President of the new company; Norman H. Davis, Vice-President, and Oswald A. Hornsby, Secretary and Treasurer.

FOREIGN EXCHANGE.

II.

THE CUT RATE.

WHILE engrossed each by the haste and necessity of holding his own during the development of a new business, foreign bankers are in some senses excusable for having paid scant attention to their welfare as a body. But foreign banking in the United States long since emerged from the shell; it is a great, going and well-distributed business, having all the necessary capital and facilities for the immense turnover involved. Notwithstanding this fact, it is still a financial foundling, exposed to the influence of unfit standards, unguided and uncontrolled by common consent as to what is good and what is not. A great number of the methods employed in it are crude, indefinite, wasteful of time and energy and wholly unreasonable in many ways. Such conditions, even though there be just excuse for their existence up to the present time, cannot with equal grace be allowed to continue indefinitely. To take these matters earnestly and intelligently in hand as a body, to search out and remove the deleterious causes where possible and establish in their stead orderly fundamental principles which tend to stability, regularity and sound banking, is a duty which foreign bankers, if they have self-interest properly in mind, should not neglect too long.

To one, then, who attempts to discover the sources of the disturbing factors now obtaining in the business of foreign exchange, they appear, at first glance, to be many and various. But it is the writer's firm conviction, as a party in active interest, that the more serious ones, of which complaint is most frequently and justly made, are, in the last analysis, chargeable to individual competition. Lest some misunderstand, it may be well to explain that by individual competition is meant the competing for business by a foreign banker along lines which seem best to conduce to his immediate advantage, without taking into account the effect which his methods and practices may have upon the business of foreign bankers as a body, or upon the business of foreign banking as a part of our commercial system; in short, looking continually to present individual interests and leaving future common interests to care for themselves.

It is this individual competition which stands like a hard master over the foreign banker, driving him to sorry passes daily, and causing him to use many stratagems which are incompatible with the dignified position which he occupies. And the last word of this individual competition is the cut rate, before which everything else goes down. Whatever may be a foreign banker's idea as to a fair and safe rate under any given circumstances, he is not in position to command it. Upon being applied to for exchange on a certain point by a prospective customer he may indeed, having in hand the day's cabled rates and discounts from his correspondents abroad, by an equitable computation arrive at a rate which represents his idea of safety and fairness. But upon quoting this rate to his prospective customer, he meets with the assertion that the customer has already in hand a lower rate for the same exchange. At this critical point the banker has three alternatives: (1) refuse to quote a lower rate than that dictated by his sense of what is proper and just, in which case the prospective customer will look elsewhere; (2) meet the quotation which his prospective customer has already in hand, in which case he may win the business, if such customer be favorably disposed toward him; (3) quote a lower rate than that which his prospective customer has in hand, in which case the latter, after shopping at some length among the foreign banker's competitors, will at last accept his rate, if it still be the lowest quoted. Thus it will be seen that the cut rate is the baneful magic, the black art, so to speak, by which the foreign banker's business vanishes or materializes. His financial stability, his well-earned reputation as a fair and sound banker, his facilities, which are perhaps the product of years of faithful labor and thought—in a word, all that it is considered worth while for high-principled men to strive for in the financial world—these are of no avail. They are all instantly defeated, they count for nothing as against the cut rate; to quote which, be it said, certainly requires no banking ability. So it is that the foreign banker, not being able to command a proper reward for his labor and facilities, is made to forego it; which necessity robs his endeavor of its keen edge and causes him to put into his business only the lukewarm spirit of a man engaged in work no longer worthy in the highest sense of his steel.

In the light of these conditions it is plain that the whole effect of cutting rates is demoralizing; on the one hand, to the banker who refuses to lower his rate because it unreasonably lessens the earning power of his ability and facilities; on the other, to the banker who cuts the rate, because it engenders an improper ideal of business and, like an insidious poison, causes him to exult in the patronage he secures by cutting rates rather than by adherence to safe and dignified banking principles.

In fact, it may be truthfully said, and the writer here asserts, notwithstanding the current misgiving in regard to non-competition as a business principle, that individual competition, as heretofore defined, which amounts to competition as to rates, should under no circumstances be applied to banking. Survival of the fittest, which is the ultimate effect of this competition, does not apply to banks: they must all survive, as far as their ability to pay one hundred cents on the dollar is concerned. Whether they stand alone, be liquidated or merged, this ability must always obtain; it is the very life-blood of our whole commercial body. The far-reaching disasters resulting from failure in this ability at once set the business of banking in a class by itself, exempting it from principles which may with more or less propriety be applied to other classes of business. Sound banking is bound by certain hard and fast limits, within which safety lies, and profits should lie, and without which danger lies. Therefore, when the irreducible minimum of safety as to rates is reached, competition becomes a menace and should be dealt with as such.

But here a vital distinction is to be noted: competition which does not operate to reduce or menace this minimum of safety as to rates is the parent of all banking fitness and greatly to be desired. Competition as to the perfecting of foreign banking facilities, the extending of attractive courtesies, and all that tends to keep the banker on his best mettle and improve his business standing and the service which he renders, makes for proper and dignified banking and should be welcomed always as a saving grace. But the present individual competition between foreign bankers, having for its last word the cut rate, tends to none of these desirable ends; in fact, it is in every way the very antipode of them. The smallest margin of profit compatible with fairness and safety was reached long since; more, it is exceeded time and again in the course of every business day, as all parties in interest well know. Rates are now driven to a point which makes no provision for insurance on the risk always incurred in buying the various bills of exchange; they do not even afford a proper return on the capital and labor involved in the operations. Under these conditions it is altogether human that foreign bankers should speak so often and regretfully, and in some instances almost bitterly, of the condition under which they are forced to conduct their business.

It would seem, then, highly desirable that the demoralizing influence of this individual competition and its exponent, the cut rate, should be removed, and thus, in a large measure at least, restore foreign banking to the salutary plane of competition as to enterprise and facilities. When thus restored, foreign bankers could with pride and propriety, devote their time and talents to it, as to a business worthy in the very highest sense of their ambition and ingenuity.

NEW YORK. FRANKLIN DICKEY.

REVISION OF THE BANKING LAW.

FORMER COMPTROLLER ECKELS, now President of the Commercial National Bank, Chicago, was recently quoted as follows in the daily press regarding the National Banking Law:

"The whole National Bank Law ought to be revised. Everybody knows the currency feature is defective. The idea of banking is to assist commerce, manufacturing and the business world, and it ought in all features to be so adjusted that it would conform to the demands of business and not undertake to make the demands of business conform to it."

Concerning reports that Secretary Shaw might make heavy public deposits to relieve the financial strain in New York, Mr. Eckels said:

"If the Secretary wants to increase public deposits it ought to be done in New York, because New York has to bear the burden of the stringency. Chicago bankers feel that the situation here does not require such deposits."

CAMPAIGN CONTRIBUTIONS BY BANKS.

THE Senate recently received from Secretary Shaw the reply of the Comptroller of the Currency to Senator Tillman's resolution calling for information as to the revelations of bank inspectors regarding contributions made by National banks for campaign purposes.

The Comptroller says that there are about 100,000 such reports on file, and while he cannot without inspecting all of them state their character, he is confident that, except in one or two instances, they show no contributions for political purposes since 1891. The exceptional reports showing contributions cover transactions of $200 or $300 in small banks and do not go into detail.

The Comptroller says that when an examiner's report shows any unlawful use of funds of a bank by its officers it is the practice to call the attention of the directors of the bank to the subject and require them to cause a restoration of the amount unlawfully used. The names and locations of the one or two banks whose officers were called on to make good the sums contributed to campaign funds were not recalled, and to find them would take many days.

THE NEW YORK RATE OF INTEREST.

BY GEO. M. COFFIN,

FORMER DEPUTY COMPTROLLER OF THE CURRENCY; VICE-PRESIDENT PHENIX NATIONAL BANK, NEW YORK.

The following article on the New York Rate of Interest was prepared for the Bankers' Magazine by Geo. M. Coffin, Vice-President of the Phenix National Bank, New York city, and formerly Deputy Comptroller of the Currency.

Mr. Coffin entered the office of the Comptroller of the Currency, under Mr. Trenholm, in May, 1886, and in March, 1896, was promoted to be Deputy Comptroller, on the unsolicited recommendation of Comptroller Eckels. Mr. Coffin's work in the Comptroller's office extended over a period of twelve years, during which he enjoyed the confidence and esteem of Comptrollers Trenholm, Lacey, Hepburn, Eckels and Dawes. His pen has from time to time been employed in the interest of sound money and sound banking. He is the author of the work "Hand-book for Bank Officers," now out of print, that passed through several editions, and in 1896 he published a pamphlet, "Silver and Common Sense," which was extensively used as a campaign document. His latest work is the "A. B. C. of Banks and Banking," which has had extensive circulation as a text-book for universities, colleges and students of banking generally.

THE sharp advance in the rate of interest on "call" loans in New York from five per cent. on November 3 to an extreme of twenty-five per cent. on November 13, coming as it did after a prolonged period of low rates and an easy market, produced something of a shock in financial circles and caused much unfavorable criticism of the system or lack of system under which it was possible.* This criticism was all the keener, because during the same period rates in the leading European money markets, in spite of great demands upon them and the serious political turmoil in Russia, held steady at a minimum of three per cent. in Paris, four per cent. in London, with a maximum of five per cent. in Berlin.

The immediate cause of the advance was the withdrawal of some $20,000,000 in cash or legal reserves from the clearing-house banks in New York city between the week ending October 28 and that ending November 11, which presumably was shipped to the South and West to meet "crop-moving" requirements. This withdrawal in cash led to a shrinkage in deposits between November 4 and 18 of $52,000,000, and in loans of $41,000,000, when, at the latter date, the legal ratio of twenty-five per cent. of reserve to deposits was restored.

HELP FROM CANADA.

The enforced liquidation of "call" loans caused a temporary slump in prices on the stock exchange, but the high rates for money naturally attracted outside supplies which, in the course of a few days, relieved the strain. It is notable that some $2,000,000 of these outside funds was sent in from Canada, and the pressing needs of New York, the financial centre of a country with over 80,000,000 people and a per capita circulation of $31, were

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*Since this article was prepared, the rate for call loans in New York have touched the extreme high point of 125, so that criticism of the system under which this condition is possible has been further justified.

largely relieved by Canada with its 5,000,000 people and $18 per capita of circulation. This phenomenon is probably explained by the existence of a flexible bank currency in Canada, contrasted with an ever-expanding and never-contracting National bank currency in the United States.

For nearly a year preceding this sharp rise, the rate on call loans in New York had been remarkably low, averaging about two and two-third per cent., which was the cost to National banks of loanable funds derived from all deposits upon which they paid two per cent. after laying aside the required twenty-five per cent. cash reserve. In other words, the loaning of money in large amounts for a protracted period at cost with no allowance for operating expenses was most unprofitable to New York banks, and makes it worth while to examine the causes of such a condition and to seek a corrective remedy if this can be found.

MAGNITUDE OF THE AGRICULTURAL INTERESTS.

We must first recognize that the agricultural interests of the United States, the foundation of commercial prosperity, are of immense magnitude, especially in the past few years, with the yield of enormous crops at good prices. The moving of these crops to market in the fall and winter of every year has a most important influence on the ebb and flow of banking funds from and to the financial centres, of which New York is chief. For instance, the cotton crop alone, with a yield of 11,000,000 bales at ten cents per pound, represents $550,000,000 or $650,000,000 when the market value of the seed is added. This crop begins to move about October 1, and by February 1, or four months later, the bulk of it has been marketed, about two-thirds of it going abroad. As it comes from a rather sparsely-settled region, covering a large area, and for this reason lacking highly-developed banking facilities, it is likely that a larger proportion of actual currency is needed for the movement of the cotton crop than for that of the other great crops of wheat, corn, hay, etc., in the West and Northwest, where the population is denser and banking power consequently greater.

Following the rhythmic course of the seasons, the proceeds of these crops when marketed find their way into the country banks, there to remain until needed for cultivating and moving the next crop. It is during this period of redundance that the surplus reserves of these country banks, not needed at home, flow into the banks in reserve cities, attracted there by the minimum fixed rate of two per cent. interest, almost universally paid on bank balances, great or small. New York city, as a central reserve city, holding the reserves of other reserve cities and the great financial centre of the country, always reflects a redundancy or scarcity of funds in its bank statements.

CONTINUED EXPANSION OF THE NATIONAL BANK CIRCULATION.

Besides the two per cent. rate of interest when funds are plentiful to attract them to financial centres, another cause has for years been operating in the same direction. This is the steady and constant expansion of our National bank currency, which under the fiscal policy of the Treasury since March, 1900, has grown from $250,000,000 to more than $500,000,000.

Subordinating all other considerations to a "stand-pat" tariff policy as unchangeable as the laws of the Medes and Persians, and without sufficient surplus revenues to reduce materially the Government bonded debt, the Treasury for the past six years has offered every inducement to refund higher-rate bonds approaching maturity in two per cent. thirty year bonds. by making them the basis of National bank circulation on most favorable terms. But while this expansion has been so sedulously fostered, the Government has refused to repeal the law which prohibits any contraction of the currency in excess of $3,000,000 a month, or a maximum of $36,000,000 a year. The operation of these two causes—two per cent. interest on bank balances and the constant expansion of bank currency—in a period of unexampled agricultural and commercial prosperity, has brought banking funds to New York in such volume as to produce a call rate for money averaging about two and two-thirds per cent. for the first nine months of 1905, and such a corresponding enlargement of speculative ventures, great and small, on the various exchanges in which these surplus banking funds become involved in periods of cheap money, as to cause violent fluctuation in the interest rate when it becomes necessary to release a portion of these outside funds for their legitimate function of moving the crops.

CONSIDERATION OF REMEDIES.

These being the causes, what can be done to remedy or at least ameliorate the resulting conditions, so unsatisfactory, from the standpoint of the banker and the merchant?

First, let us learn from the experience of other commercial countries. Our little agricultural neighbor, Canada, easily provides for her crop movements by a flexible bank currency, and has something to spare big New York when the latter is in distress. Germany, with the emergency currency of her Imperial Bank taxed at five per cent. to force it back when temporary need has ceased, controls speculative and industrial movements without difficulty. The great conservative Bank of France, with a rate of three per cent., retains her gold and holds business steady, while the Bank of England gradually pushes her minimum rate of interest up as her gold reserves run down, and *vice versa*, for the purpose of attracting or repelling banking funds from the outside. As this Bank of England rate, fixed weekly, sets the key for all the joint-stock banks of Great Britain, regulating the rate of interest *on deposits* as well as those on loans, the following letter, recently received by the writer from Mr. Robert Blyth, General Manager of The Union Bank of Scotland, Ltd., so tersely and clearly sets forth the plan and policy of the great Scotch banks as to make it most interesting just now in any discussion of this subject.

GLASGOW, 7th Novr., 1905.

In reply to your favour of 26th ulto., I may explain that the rate of interest for deposits and loans, as also the commission for the collection of bills, cheques, &c., are fixed from time to time by the General Managers of the various Scotch banks, and uniform rates are thus maintained and observed by all.

No interest is allowed on current accounts. Any sums which are to bear interest have to be placed on "deposit receipt," and to be lodged for not less than one month, but are, of course, repayable on demand. This interest varies with the Bank of England minimum rate of discount and is usually one and one-half per cent. under that rate; *e. g.*, with a Bank of England minimum at present four per cent., the rate allowed on deposit receipts is two and a half per cent.

Loans and advances may be classified under three heads:

(*a*) Loans for fixed amounts and for specific periods, fully covered by Stock Exchange or other marketable securities.

(*b*) Advances on operative account, fully secured, and Cash Credits.

(*c*) Overdrafts on operative account, whether partly secured or without security.

In the case of "*a*." the lowest rate charged is usually one-half to one per cent. over Bank of England minimum, but a higher rate is exacted for loans over two months currency. In the case of "*b*," the rate is usually one and a half to two per cent. over the Bank of England minimum, while "*c*," the highest rate of all, is nearly always one-half per cent. more than for advances under "*b*."

You will observe, therefore, that the Bank of England minimum is really the determining factor in fixing our rates of interest to be charged and received. Perhaps the simplest plan will be for me to enclose, as I now do, a print of the tariff as presently in operation, along with specimens of our rates circulars.

I may say that while the figures given you above are the *minimum* rates exigible on loans and advances, it is perfectly legitimate for a banker to get a higher rate for any transaction where this may be deemed advisable. On the other hand, in the case of interest allowed on deposit receipts, and other charges, no variation or alteration is permissible to individual banks.

I trust the foregoing will meet your wants, but if not I shall be happy to furnish any other information required.

I have the pleasure to remain,

Yours very truly,
(Signed) ROBERT BLYTH,
Gen'l Mgr.

The important points made in the letter are:

1.—The Bank of England rate is the determining factor in fixing rates of interest to be charged on loans and paid on deposits.

2.—The maximum rate paid on deposits lodged not less than one month is one and one-half per cent. below the Bank of England loan rate. For instance, the Scotch banks allow two and one-half per cent. on deposits when the bank rate is four per cent., and one and one-half per cent. when the bank rate is three per cent.

3.—The Scotch bank schedule on loans, when the bank rate is four per cent., varies from four and one-half to six per cent., according to character and security.

But the ten Scotch banks, with their numerous branches, practically represent a monopoly of banking in Scotland, and what law and custom allows them to do might not be permissible in the United States. Still, the New York Clearing-House, with its great financial power and prestige, might, through a committee, make periodical recommendations, as to a minimum rate of interest on call loans, which would have all the force and effect of the Bank of England rate on the money market, and exert the same steadying effect. Recently, the Imperial Bank of Germany advanced the rate to check speculation on the exchanges, and our clearing-house, if it had the desire, might do likewise, wherever necessary. But as such a clearing-house rate must fluctuate with supply and demand, it ought to go hand-in-hand with some plan for adjusting the rate paid *on deposits* by New York banks; and such a plan should, of course, apply as well to deposits made with the banks by trust companies as by outside banking institutions.

SLIDING RATE OF INTEREST ON DEPOSITS.

Some years ago, the writer discussed a sliding rate of interest on deposits, conforming ratably to the call loan rate, and recently this idea has been advanced by one of New York's ablest bankers. The maintenance of a twenty-five per cent. cash reserve on deposits complicates the matter for New York banks, but the following table will illustrate the working of such a sliding scale of rates on deposits based on a minimum rate on loans recommended by the clearing-house. When a bank pays two per cent. interest on a deposit of $100,000, the annual interest is $2,000, but after reserving twenty-five per cent., it can loan only $75,000, for which it must get two and two-thirds per cent. to reimburse the $2,000 interest paid, so the following table is based on this calculation:

At rates below on deposits. *Per cent.*	Loanable funds cost bank. *Per cent.*	Rate on call loans. *Per cent.*	Margin of profit to banks. *Per cent.*
1	1 ⅓	2	0.66
1 ¼	1 ⅔	2 ½	0.83
1 ½	2	3	1.00
1 ¾	2 ⅓	3 ½	1.17
2	2 ⅔	4	1.33
2 ¼	3	4 ½	1.50
2 ½	3 ⅓	5	1.66
2 ¾	3 ⅔	5 ½	1.84
3	4	6	2.00
3 ¼	4 ⅓	6 ½	2.17
3 ½	4 ⅔	7	2.33
3 ¾	5	7 ½	2.50
4	5 ⅓	8	2.66

The deposit rate is fixed at one-half the loan rate upon the theory that with very low rates more money would be loaned at a small margin of profit to the banks, while, at the higher rates, deposits would be lower, but the margin of profit greater on the smaller amount. Again, the lower rates on deposits would discourage the sending of funds to New York, and the higher rates would attract them, as was recently the case, to meet the demand for legitimate business purposes, and the result would be more stable rates of interest, a matter of vital concern to the mercantile and agricultural interests.

Relief Must Come from the Banks, Not from Congress.

As no reasonable legislation on the subject of the currency can be expected from Congress, it is incumbent on the banks themselves to devise expedients to overcome the defects of the existing order. They have the power to do this, provided it is backed by the wish; and somewhere along the lines here suggested lies the way. Some years ago, the "powers that be" in the clearing-house fixed an arbitrary rate of discount on outside collections, punishable by a heavy fine for violation, and in the same way they could establish a minimum rate on loans, and on deposits by recommendation if a majority of clearing-house members desire to have it so.

By common consent the rate of two per cent. on bank deposits almost universally prevails in New York and the smaller banks dare not deviate from the custom so long as the larger ones observe it. In the same way the clearing-house banks could conform their practice to a sliding scale of rates on deposits by mutual consent, with results more profitable and satisfactory to all, for outside banks would probably look favorably on it as a profit-sharing plan, and leave their balances in New York banks when rates are high instead of loaning these funds directly, as some of them now do, taking the risk of any sudden drop in prices which would wipe out margins before the loans could be called.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

LOANS TO DEALERS IN GRAIN AND OTHER AGRICULTURAL PRODUCE.

GRAIN—CHEESE AND BUTTER—PORK—WOOL AND HAY.

PURSUING the subject of independent warehouse receipts, it may be noted that they are *by no means all equal in quality.* If given by a private individual, a banker needs to make enquiry as to his reliability before advancing money on his receipts, for sometimes the relations between a warehouseman or wharfinger and the borrower of money are closer than is desirable. Without any intention to defraud, a warehouseman has sometimes been induced to give a receipt for goods before he has obtained them, trusting to his customer sending them on. There is a particular temptation to do this in these days of exceptionally heavy deliveries, which are common in the grain trade. Such cases are of course rare, and every warehouseman knows it to be a dangerous business.

The receipts of a railway corporation or a city warehousing company are the most reliable a banker can have. This is especially the case when a banker is making advances in the grain centres of the United States. In Chicago and Minneapolis the system by which warehouse receipts are registered and checked renders them exceptionally valuable as a security. Error or fraud are practically impossible in connection with them.*

When a borrower can present documents of this kind, insurance in all cases being effected in favor of the bank, advances may be safely made to a far greater extent than when they are secured by guarantee or by a dealer's own pledge. In all such cases a margin is required and given, and if the margin is well looked after, loss is practically impossible, so long as the grain is in the warehouse.

There is, however, a danger which arises out of the necessity for parting with the receipt when the time comes for grain to be delivered. It is practically impossible for the ordinary dealer to pay for the grain before it is delivered, yet without possession of the receipt the warehouse company will not allow it to be moved. The bank cannot attend to this matter of shipment; none but the owner can do it, but to do it he must have the warehouse receipt in his possession. The necessity of the case has given rise to the standing custom in such cases of delivering the document to the bor-

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* But Canadian bankers who have, during some years, advanced money to grain merchants in Duluth and Minneapolis have learned by experience how much difference in quality there is between receipts technically known as terminals; that is, those given by the great warehouses at the terminal of a railroad, and those given by small country elevators situated along the line. The former have invariably proved satisfactory. The grain never failed of delivery. But the latter were not seldom the occasion of long correspondence, disputes, lawsuits, and injunctions—which lasted for months before final settlement was reached.

rower, he giving the banker a formal pledge by which the shipper is constituted a BAILEE of the property for the purpose of shipment or sale, and under which he undertakes to account for the proceeds if sold, or to bring back a bill of exchange if shipped. A breach of this engagement renders the party liable to *prosecution for fraud*. In an active shipping season the amount of grain *in transit* in this shape, owned by a single firm at a particular time, is often very large, involving large sums of money for which the banker during a short time has no security but the borrower's pledges.

The amount of these in Chicago during any grain season runs up into millions, yet it is a fact that failures to meet the engagement of a bailee have scarcely ever been known, even in such a vortex of speculation as Chicago. The experience of other grain centres has not been materially different. Yet it is natural for bankers who have large grain accounts, involving the necessity of temporarily parting with security, to feel anxiety when many sales are being effected at the same time, and large amounts are afloat on the mere honor of borrowers. These are times that press strenuously on a banker's attention the importance of having *honorable men* as borrowers, even if at the outset all transactions rest on undoubted security.

When the borrower brings a bill of lading, or railway receipt, for the goods he is shipping, he almost invariably draws a draft against them. The bill of lading being attached to the draft, gives to the banker discounting it the same rights and powers over the property that the warehouse receipt does. And practically most of the risk of the transaction is then at an end, except in certain cases that arise in foreign ports. These matters, however, are dealt with under the head of foreign bills.

Owing to the closing up of navigation, on the lakes and canals of Canada and the Northern States, it is sometimes necessary to hold grain for many months in warehouse. To send it by rail would be altogether too costly. It would destroy the profit of the dealer, unless there had been a large advance in the price. These long periods of holding grain are not without anxiety to bankers who have made advances on it, for the holder may be at the mercy of the market for a long period, during which neither he, nor any other person, can move the grain. In former days great losses have resulted to merchants from this circumstance, and not a few have been ruined altogether with considerable loss to their bankers. Now, however, the system of dealing in "*futures*" and "*options*" has become so perfected that it is possible for a holder of grain, who is compelled to carry it for a considerable season, to guard himself from loss. And thus the very speculation in grain, which, under one aspect, is in a high degree baneful, becomes in another aspect the means of guarding an ordinary trader from risk. Of course, such contracts for future delivery are liable to fail in execution, in case misfortune overtakes one of the contracting parties, or, in case he becomes involved in the vast operations of one of those speculative "corners" that loom up now and then in the trade. But the risk of this is small compared with the risk of long winter holding.

On the whole, and to sum up the matter in few words, the banker, in carrying on the account of a grain merchant, will need first to be thoroughly satisfied, as to the honorable character of his customer. A failure here is sure to end in trouble sooner or later. But equally necessary it is for the dealer to be a prudent and cautious man; for the grain trade is—of all others—the most dangerous to a man of sanguine temperament. With customers of honor and prudence, whose capital is proportional to the amount of business they do, and who understand the trade, both as to the article itself and the markets for buying and selling, a banker may do business from season to season with no greater liability to loss than would be found in the average of occupations. But he certainly does need to be on the watch for any *symptoms* of a speculative spirit in his customer, and especially of his taking money lent to him, for the purchase of grain, and using it as a margin for speculative operations.

The TRADE BILLS drawn by grain dealers on correspondents are dealt with in subsequent pages.

It is now necessary for other branches of the trade in farm products to be brought under review, and the first to be taken up will be:

THE CHEESE AND BUTTER TRADE.

This, as is well known, has attained very large dimensions in Canada during the last quarter of a century, and the accounts of merchants in it are amongst the largest of those carried on by Canadian bankers. Yet the trade in cheese and butter is a wholly different one from the trade in grain. It is not so easy to enter upon; it demands far more special knowledge of the article, and also more intimate acquaintance with the markets and merchants of foreign countries. There is no speculative centre like Chicago, for this trade, and comparatively little of that buying and selling in which the article is never handled at all. And though the prices fluctuate, they seldom fluctuate from anything but natural causes, such as the abundance or scarcity of grass and fodder, or the conditions of the markets of Great Britain. The trade is not in many hands; and most of those who carry it on are men of knowledge, experience and good connections abroad. Moreover, the small dealers in country places are seldom merchants on their own account, but act as agents for large dealers in cities. The transactions of banks through their country branches, with this class of men, are numerous, and involve little risk, owing to the fact that they are almost always in the shape of drafts from city dealers duly authorized. A large part of the cheese and butter exported from Canada is purchased at first hand from farmers, creameries and cheese factories by this useful class of men. But their dealings with a banker, though numerous, and large in the aggregate, are matters which practically involve no risk. The real risk begins with advances to the cheese merchant of a city. These advances, as in the case of grain, and other analogous trades, are almost invariably arranged beforehand for a whole season. In considering them a banker has to give unusual weight to the character of the borrower for honesty and reliability, seeing that it has come about, by force of circumstances, that cheese and butter are almost invariably stored in warehouses belonging to, or leased by, the merchant.

The ordinary warehouse, or elevator, has not the appliances necessary in this climate for the safe-keeping of cheese and butter, as they are specially liable to deterioration under changes of temperature; from all which it follows that much more of the security tendered in this trade is in the shape of a merchant's own receipts. When, therefore, an application is made for advances to carry on a season's trade in these articles, the banker needs, above all things, to be sure of the men he is dealing with. If the applicants be a firm, with one or more partners, the character of every partner is a matter for weighty consideration. If during the currency of advances an additional partner is taken in, that also should be a matter for consideration, lest an unsound element be allowed to creep in, and damage the stability of the firm.†

The matter of knowledge and experience in the trade no banker will lose sight of in considering an application; but the men who propose to obtain advances from a bank to buy cheese and butter are seldom deficient in this respect, either as to the article or the markets. But a banker will require to be particularly well satisfied as to the applicant's capital; for it may be taken as a rule, in this line of business, that the capital, in proportion to the advances asked, should be large. The fluctuations in prices are sometimes rapid and very considerable.‡ The article is required at times to be held in large quantities and for long periods, at the risk of the market, and there are not many facilities for rapid selling in a falling market, whereby men may escape loss. There are, too, more dangers from the fluctuations of the seasons, and the suitableness, or otherwise, of the article to the market it is bound for.

All these considerations naturally lead up, not only to the requirement of a large capital in the borrower, but that his capital should be in some available shape, in case of a bad season, unfavorable markets and loss to the buyers.

This trade is one giving rise to large amounts of exports, especially to Great Britain. The consumption of cheese is much larger in the agricultural districts of both England and Scotland than in Canada.

The *cheese* trade in Great Britain is in many respects as different from the *grain* trade as it is on this side the Atlantic. It is not so rapid, so changeable or so speculative. The article, moreover, is itself a finished product, not requiring a manufacturing process to make it available. It is, therefore, commonly held longer in stock, and as it cannot be held in ordinary warehouses, it comes about that merchants in Great Britain must more commonly ask for bills of lading to be given up on acceptance, in order to remove the stock to their own warehouse. To this, of course, the banker must consent if it is to be done at all; but bankers on this side are usually ready to meet the views of their customers in this matter, as the persons in the trade on both sides the Atlantic are usually men of capital and standing, and the bill will have two presumably good names on it, even when the bill of lading has been given up. So great is the confidence between one merchant and another in this trade, that it has not been uncommon for parties

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† Bankers are often taught, by severe experience, how dangerous are the risks involved in the change of the personnel of firms. A father may build up, by years of prudence and honesty, a lucrative and prosperous business: sons grow up who, being taken into partnership, may destroy the work of a lifetime by a few years of incapacity and, possibly, dishonesty. Yet the name of the firm may be the same as before, and the traditions of honorable dealing will survive, although the foundation for it has disappeared.

‡ These fluctuations are apt to appear less than they are, owing to the quotations for cheese and butter, even in the wholesale trade, being at so much per pound. The rise or fall of a cent per pound sounds like a very small affair, yet it may amount to as much as ten to fifteen per cent., according to the price of the article. Thus, if a merchant is carrying a heavy winter's stock (and such stocks are sometimes carried of a value of two or three hundred thousand dollars), this seemingly trifling change of a cent per pound may make a difference of twenty or thirty thousand dollars in its value. The changes in values in this trade are, in truth, heavier than in the grain trade, and need more constant watching.

in England to accept bills drawn against goods *warehoused on this side.* Experience, however, has proved this practice to be exposed to peculiar risks, which may render it dangerous for the foreign merchant, and unsatisfactory for the Canadian banker.

THE CATTLE TRADE.

Passing from the trade in dairy products to the trade in the animals themselves, we enter upon another set of considerations altogether.

Advances for the purpose of dealing in cattle or feeding them commonly begin with loans to small dealers in country districts who gather together small lots and sell them to large dealers or distillers. These advances are usually of moderate amount, and such short time that they can be reasonably secured by an endorsement or guarantee. Such small dealers, indeed, are sometimes ambitious to become exporters, but bankers are usually chary of encouraging such operations. Small dealers, as a rule, have neither the knowledge of foreign markets, nor the experience, nor the capital necessary to do this successfully. Their proper business is to pass on the animals to men of greater weight.

Of these some of the most prominent are distillers. The advances to distillers for the purpose of feeding cattle, in some cases, are on a large scale, and continued for a considerable time. They are commonly secured by the pledge of the distiller, which pledges are of a much safer character than any others handled by bankers; the reason being that the animals, having once entered the distillery, are never removed until finally shipped away. An inspection of them, moreover, is perfectly easy.

When the process of fattening is completed, and the time has arrived for shipping, they are generally sent in a live state across the Atlantic. The trade of shipping live cattle across the Atlantic is a development of recent years; and until it was better understood and more perfect shipping facilities were devised for it, it was attended with heavy casualties and losses. This trade is not one of those that are easy to enter upon. None but men who are familiar with cattle ever think of meddling with it. It has been proved to require not only large capital and thorough knowledge of animals, but first-rate arrangements for handling cattle in Great Britain. Naturally, it is a far more difficult business to handle live animals than grain, cheese, or pork. They are exposed to far more casualties both from cold and heat. The risks of land transport are considerable, but the risk of ocean transport is immensely greater. But perhaps the greatest risk of all is in the hot days of summer before steamers are well out at sea. The risks of this trade are considerably augmented by the fact that the cattle cannot be held in one English port, or sent into the interior. They must be sold and slaughtered at once, be the market bad or good, the price high or low. It is evidently a trade therefore for men of large means, and for no others.

With regard to security for the loans of bankers, the pledge of the dealer in the case of live animals herded or yarded is of the weakest quality, theoretically, for it is obviously more easy to take cattle away than to move any other commodity. The case is entirely different with the distiller, for the cattle in his byres are a part of the very machinery of his business. He could not take them away while feeding without suffering heavy damage. But the cattle dealer can make away with his property without the slightest difficulty if he chooses. The animals can walk off by themselves and need neither trunks, wagons nor carts to transport them.

Yet this cattle trade is one of the most important that Canada has; and with the development of the Northwest, with its great stretches of ranches, is becoming increasingly so. And in the hands of men with adequate capital and knowledge, it may be conducted as safely as any other branch of export business. But woe to the men, or firms, that plunge into it without these requisites, or to the unfortunate banker who is beguiled into lending them money. And one consideration will be found by bankers to be fundamental, never to make advances or buy bills against cattle *shipped in winter.*

PORK AND PROVISION TRADE.

In this trade the animal itself is never exported. But Canada carries on a very large business in its products, and some of them, namely, ham and bacon, are figuring heavily in our list of exports. The trade is different from that in grain or cheese in this respect, that the portions of the slaughtered animals undergo a change before being sold. This can hardly be called a *manufacturing* process, being merely salting and curing, for which reason it is not dealt with under the head of loans to manufacturers. Yet the *packing* of pork (for the operation goes by this name) is a large and important industry, carried on in costly establishments, full of a valuable plant, requiring large capital to carry them on.

At the very outset the question arises, when considering loans for this business, at what point bank advances may be reasonably asked for, and the answer must, of course, be given, as in analogous cases, that the factory should be completed and paid for, before a banker is approached. This circumstance will be in itself a guarantee of the borrower possessing considerable capital. But to be a satisfactory customer to a bank he certainly ought to have more than this; viz; as much more as would enable him to provide against the losses of an unfavorable season without mortgaging his property.

In this trade security offered to a banker is almost invariably a pledge of the newly-slaughtered animal; the law allowing the pledge to subsist during the process of converting it into pork, ham, or bacon, and attaching to the finished product.

Again must be emphasized the importance of a continuously good record to every member of a borrowing firm, both at the time, and as it may be subsequently changed by the entrance of other partners. It is far more difficult for a banker to judge of the value of his security in this business than in any of the foregoing. And there are hindrances in the trade itself.

Pork packing is a different trade from the curing of hams and bacon. Barrelled pork is essentially for the home market, being the staple food of lumber camps. In centres like Chicago, barrelled pork is often speculated in; "corners" are made in it, and the fluctuations in its price are heavy. There is the same reason for a banker to beware of his advances being used to put up a margin there as there is in the grain trade. No advances in this business can be considered safe unless to men of solid temperament and judgment, whose capital is large in proportion to their business—and who understand well both the article, the process, and the markets.

The export of hams and bacon to Great Britain has now attained large dimensions, and is subject to the same conditions as pertain to other branches of the export trade. It requires good connections on the other side of the Atlantic; it should be conducted on the principle of purchase and sale, and not of consigning; for it cannot be too often repeated that consigning is the road to ruin in this, as in every other branch of the export business.

As in other branches of production, the maker of hams and bacon will find it highly conducive to profit to establish a *name* for his article, as Armour & Co. of Chicago have done.

The special danger to bankers, in this line of business, is that the packer's building and plant may not be kept abreast of modern improvements; also that changes in the firm may deteriorate it, new members not having the same ability as the old, competent and able fathers being succeeded by incompetent sons. (The latter, however, is not peculiar to the pork trade.)

HIDES AND WOOL.

The last branch of the agricultural products to be noted is the trade in hides and wool, these generally going together. This trade, like the foregoing, has its peculiarities, and special sources of risk and danger. Hides and wool are articles that only experts can deal in, for no outsider can possibly tell the value of a given quantity of either of them. There are in this trade, as in the others, small dealers and large—the men who gather up small lots in the country, and the men who have large wholesale dealings in the city. And, as in other branches of trade, the small dealer is sometimes too ambitious for his means and experience, and too desirous to enter upon operations that he has neither the capital nor the ability to carry on.

Bankers cannot do a greater service to a man of this class than to refuse to lend him sums of money large enough for wholesale operations; for it is, in truth, often learned at a bitter cost, that many a man in trade has been ruined by having too free a use of money, loaned him by a compliant banker.

The trade in hides and wool provides raw material for two important lines of manufacture; viz., woolen mills and tanneries. In both of these much of the raw material is produced in foreign countries, and the large merchants in wool and hides become *importers* from Australia and South Africa. To carry on these operations the banker is asked to issue to his customer Letters of Credit authorizing their correspondents to draw upon a bank in London, for the value of the wool or hides shipped, attaching bills of lading and policies of insurance thereto. The issuing of such letters of credit is a special branch of a banker's business both in Canada and in the United States and is treated of subsequently. Its special advantages and risks are there completely opened up; meanwhile, it is sufficient to say, that no small dealer should ever be encouraged to enter upon this line of operations. For the losses of a single unfavorable season might sweep away all he had.

Merchants in hides and wool, in large cities, applying for advances, generally offer, as in other cases, warehouse receipts as security. And here again they will desire that the goods shall be stored in their own warehouses, for the reason that goods require to be *handled* during the progress of warehousing. This may be conceived of as an element of risk, and so it is. But it may be taken as a general rule, that unless a banker can trust his customer so far, he ought not to advance him anything at all on his own pledge.

As the articles dealt in by men in this trade are the raw material of manufacturers, they come under that general law, applicable to all such cases, that raw materials should not be sold *on credit*. Every manufacturer should have capital (or, at any rate, credit) enough to enable him to pay cash for his raw material. And this is almost universally the case.

Canadian dealers export large quantities of home-grown wool to manufacturers in the United States. They also sell to such manufacturers considerable quantities of wools imported from abroad under letters of credit. These are entered in American ports. But it is a dangerous experiment to give time to manufacturers, on such goods. Though they may be reported in high credit and possessed of large capital, *the very fact of their asking credit should be the reason for refusing it.*

HAY.

The growing of hay, in some districts of Canada, forms an important part of a farmer's operations. But the hay crop, though of very great value, seldom calls for bank advances to any extent. Farmers use much of it themselves. A good part of the rest is handled by small dealers scattered through the country districts. The article is too bulky to be gathered into warehouses; but considerable quantities are sent over the border, into the United States. Banking transactions arising from these are almost universally in the shape of sight drafts, with bill of lading attached. Occasionally, however, when the hay crop is a bad one in England, owing either to rain or drought, a demand sets in from that quarter to Canadian dealers. In such circumstances, a large and active trade has been done. It is a trade that involves unusual trouble in handling, and merchants in large centres do not care to meddle with it. But exporting, as has been said already, is a business by itself; and country dealers, in venturing upon the export of hay, have sometimes brought infinite trouble upon themselves, their correspondents in Great Britain, and also upon London bankers. Although the difference in price paid to the Canadian farmer and the price as quoted in England is unusually great, and seems to give opportunities for large profits, the multiplied cost of freight by land and water, added to the cost of warehousing, wharfage, demurrage and commissions in England, generally swallows up this difference. Sometimes, as a matter of fact, they do much more, and involve the Canadian shipper, and sometimes his banker, in heavy losses.

It has been known that in an active season enormous quantities of baled hay have been lying about on the wharves and docks of England for weeks together. The risk of this, in that climate, may be imagined. It has also happened that canal boats loaded with Canadian hay have been held under demurrage for many consecutive weeks, at enormous cost, owing to the refusal of purchasers to receive the goods and accept bills drawn against them. In that case it has happened that scores of bills have lain unaccepted in the London banks, to whom they were sent for collection; and that the hay, when brought to forced sale, did not realize a half, or even a quarter, of what was drawn against it.

It may be concluded, therefore, that no Canadian banker will in future make advances to any country dealer for the purpose of buying hay for export. And if bills drawn against hay shipped across the Atlantic are offered him, he will prefer to make a moderate advance, and send them on for collection.

Of all the various descriptions of advances referred to in this chapter, there is one thing to be said that admits of no exception; viz., that they should be paid off at the end of every season. On no account should one season's advances ever run into another.

G. H.,
Former Gen. Mgr. Merchants' Bank of Canada.

BANK EXAMINERS.

BY A. R. BARRETT, C. P. A.

FORMERLY UNITED STATES EXPERT AND BANK EXAMINER.

I WAS much pleased to see the excellent article in the December number of THE BANKERS' MAGAZINE by Hon. Geo. M. Coffin, former Deputy Comptroller of the Currency, upon the important question of "National Bank Examinations," and note his remarks regarding the present erroneous methods of compensation and of appointment or selection of bank examiners.

I have also been pleased to learn that Mr. John L. Hamilton, Jr., President of the American Bankers' Association, in an address recently made before the Illinois Manufacturers' Association, voiced similar sentiments.

For thirteen years I have talked and written on this subject, and sincerely hope, for the benefit of the service, that the agitation will be continued until the much-needed reforms are obtained.

Permit me, as one who has had extensive experience as a banker, and as an examiner of banks for the United States, and as a private examiner for the banks themselves, and as one who is, and has been, enabled to look behind the scenes and observe much, to say a few words on this subject.

EXAMINERS CENSURED WHEN FAILURES OCCUR.

It is very natural when a failure of a bank occurs, and fraud is suddenly developed, that these questions should arise: Where was the bank examiner? What was he doing? Why were these things not discovered before?

There are reasons, which I will here attempt to present.

The business of our country passes through the banks. They have the care of the funds and credits of the people. The people have confidence in them, because they feel that, in a measure at least, the Government is behind them, and that the Government supervision is a protection, consequently no service of the Government should be more carefully and intelligently performed than this supervision.

To obtain the best supervision, naturally requires skilled men. A blacksmith would not be employed to examine and repair a watch, nor would a day laborer be employed to construct a locomotive. Each requires the attention of a man skilled in his especial branch.

Banking is a business peculiar to itself, and the men engaged in making examinations should be skilled in that line of business, and should be paid as skilled men.

THE POWER OF POLITICAL INFLUENCE.

No class of men should be more absolutely free from all outside or inside influences, particularly political, than the bank examiner. Yet it is a known fact and a sad one, that no matter how skilled a man may be in the banking business, or how high his character, unless he has the indorsement of some leading politicians he can hardly expect to obtain an appointment as a National bank examiner. I have received letters from capable men in the banking business asking what course of study or preparation was necessary to obtain an appointment as a National bank examiner, showing that intelligent people believed that special study or fitness was necessary for so important a position. I regret to say I have been obliged to inform them that the chief qualification was to cultivate the acquaintance of the leading politicians in their State and obtain their endorsement to their application.

I know thoroughly capable and efficient men, with many years' experience as bankers, who would have done credit to the Comptroller's Department, and were desirous of obtaining appointments as bank examiners, but would not place themselves under obligations by soliciting the endorsement of politicians, feeling that an examiner should be in no way tied or obligated. This is the type of men the Government should have.

This condition of affairs is not as it should be, for we all know how the politician usually pays his political debts, and certainly, of recent years, the name "politician" is not one that stands high.

While there are some very good examiners in the service, yet a large percentage are utterly ignorant of the principles of banking, and having never worked in a bank are ignorant of the relations between the various departments, and of the methods employed. Some whom I have met are ignorant of the simplest business principles. I have made private examinations where the most glaring wrong conditions existed, such that if permitted to continue would surely have resulted in serious loss, if not failure.

I have visited banks where the capital stock had never been paid, and others where the capital stock account was out of balance, and had been so for years, and many conditions worse than these. Yet in all these cases the National bank examiner had made his usual examinations and had given no unfavorable criticism. When criticising these things in my reports the excuse has been raised that the bank examiner had found no fault, to which I invariably say, I have nothing to do with him; I must criticise what I know to be wrong.

The Comptroller's office can only judge of conditions as reported by the examiner. If in consequence of ignorance or influence he neglects to report a wrong condition, the truth will not be known until the failure of the bank.

WRONG METHOD OF COMPENSATION—EXAMINERS OVERWORKED.

The compensation and method of paying a bank examiner is another important obstacle to thorough and careful examinations.

There are seventy-eight examiners in the service, and they are expected to make 11,716 examinations during a year, or an average of about 150 examinations to each examiner. This for about 300 working days makes one examination for every two days, allowing no time for travelling or for making out reports. Any thoughtful person can see at once that it is practically impossible for any man to make thorough examinations in that way; and examinations that are not thorough are worthless.

The paying of a specified fee for each examination (the average being $20 outside of the reserve cities) induces the men to make as many examinations as possible, and to do this they necessarily hurry their work, and such work cannot be done satisfactorily in this way. I have often seen them work till midnight and later, then catch a night train for another town. Any man who knows anything about that kind of work, and the amount of thought and concentration necessary, knows that no one can perform it satisfactorily in that way.

The only way to secure the best service is to pay well for it, and the character and responsibility of this work certainly demand such pay as will secure the best men. The most satisfactory form of compensation will be found to be either a stated salary or a per diem with sufficient allowance for travelling expenses and subsistence.

I cannot agree with the Comptroller as to the necessity of each examiner having a clerk or assistant. In the large cities it is necessary, and in some cities they have several assistants, but with a large number of banks in the country sections no assistants are needed.

I note that the Comptroller states that "the assistant should be a good accountant, familiar with bank books, and able to count money quickly and accurately;" but he says nothing of the kind regarding the examiner; yet if it is important that the assistant should have these qualifications how much more necessary is it that the examiner himself should have them. There is only a certain kind of work, chiefly mechanical, which the asssistant should perform; the most important part should come under the direct eye of the examiner. The assistants are generally young men, but with naturally limited experience, and here is where experience should be the judge. It is almost impossible for an assistant to see things with the experienced eye of a principal—*if* that principal *is* an experienced man; if he is not, he had better not be in the business.

Fortunately, the majority of our bankers are honest men.

SUGGESTED REFORMS.

I sincerely hope the American Bankers' Association will use its influence to have these reforms carried out; viz., make the appointment of National bank examiners subject to competitive examinations, under the civil service rules if possible, thus relieving it from political influence, and change the method of compensation, and increase the number of examiners.

In some sections of the country it is growing to be the custom to select men for important positions in banks from those belonging to the American Institute of Bank Clerks, and who can be especially recommended as having passed the most satisfactory examinations.

This association is national in its character, and contains among its members some of the brightest young bankers in the country, and their course of study fits them for filling high positions. From this class the Comptroller could well fill any positions of bank examiner, especially if relieved of the political odium.

I heartily endorse Mr. Coffin's idea that the bankers write to their members of Congress and use their influence to have the proper legislation passed to bring about the reforms desired.

BANKING AND COMMERCIAL LAW

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKRES.

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

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

LIABILITY OF STOCKHOLDERS—GEORGIA STATUTES.

Supreme Court of Georgia, August 4, 1905.

REID *VS.* JARNETTE; SAME *VS.* YOUNG; SAME *VS.* LAWSON.

A provision, in a charter granted prior to the act of 1893 (Acts 1893, p. 70; Civ. Code 1895, §§ 1903-1911) to the promoters of a banking enterprise, to the effect that "each stockholder in said corporation shall be individually liable for the debts of the corporation to the amount of his unpaid subscription to the capital stock of the corporation, and for an additional amount equal to his subscription," is, in view of the policy then adopted by our General Assembly of providing in each particular instance under what circumstances and to what extent the owners of stock in such institutions may be held liable for corporate debts, to be understood as imposing individual liability upon such stockholders only as became such by subscribing to the capital stock, and not upon shareholders who by way of succession from the original stockholders became owners of stock. (Syllabus by the court.)

These were actions by the Receiver of the Putnam County Banking Association to enforce the personal liability of certain stockholders.

EVANS, *J.* (omitting part of the opinion): An examination of the various charters granted to banking institutions prior to, at nearly the same time as, and subsequently to the passage of the special act incorporating the Putnam County Banking Company, satisfies us that the General Assembly had no settled policy with regard to the terms upon which such charters should be granted, or any formulated scheme looking to the protection of creditors of this class of institutions. The reported cases which involved a construction of acts imposing an individual liability upon holders of stock in banks bear out this statement, so far as early legislation is concerned. (See Lane vs. Morris, 8 Ga. 468; 10 Ga. 162; Lane vs. Harris, 16 Ga. 217; Thornton vs. Lane, 11 Ga. 459; Neal vs. Moultrie, 12 Ga. 104; Moultrie vs. Smiley, 16 Ga. 289; Robinson vs. Lane, 19 Ga. 337; Robinson vs. Beall, 26 Ga. 17.)

In 1880 the General Assembly passed an act incorporating the Commercial Bank of Savannah, and the only liability imposed upon its stockholders was for unpaid stock subscriptions. (Acts 1880-81, p. 229, § 14.) In the following year a charter was granted to another banking company, provision being made that "each stockholder shall be liable for the debts of the bank, created while he is a stockholder in said company, in proportion to the amount of stock held, owned, or subscribed for by him at the time the debt was created." (Id. p. 197, § 10.) At the same session of the Legislature a charter was granted to another institution, on condition that "the stockholders shall be bound and liable as sureties to contribute to the payment of the debts of the bank, each in an amount equal to the par value of the stock held by him at the time of the bank's failure or insolvency, or so much thereof as may be necessary." (Id. p. 208, § 10.) And, in amending the charter of a bank previously incorporated, provision was made that "the private property of each and all of the corporators of the said institution for the time being shall be liable for the payment of all deposits made with said institution [and for all debts contracted or incurred by said institution] during their membership therein, in the same manner as in ordinary commercial cases or cases of debt." (Id. p. 209, § 4.) Still another scheme of liability was adopted in incorporating the Citizens' Bank of Augusta. (Id. p. 194, § 13.) In 1886 a charter was granted to the Commercial Bank of Atlanta; the act of incorporation stipulating "that each stockholder in said corporation shall be individually liable for the debts of the corporation to the amount of his or her unpaid subscription to the capital stock of the corporation, and the stockholders of said corporation shall be individually liable to creditors of said corporation to the amount of the capital stock subscribed or at any time held by them, respectively." During the same year other acts of incorporation were passed, in each of which special provision was made as to the liability of shareholders. (Acts 1886, p. 65, § 8; Id. p. 70, § 16.) In one of them the "individual property of the stockholder, at the time of suit," was declared to be subject to "the ultimate payment of the debts of the company in proportion to the amount of stock owned by each stockholder." (Id. p. 78, § 2.) Different terms of liability were imposed on the stockholders of other banking institutions chartered in 1887. (See acts 1886-1887, pp. 333, 339, 341, 343, 360, 372.)

In the instance last noted the liability feature was the same as in the act now under consideration. During the session of the Legislature at which this act was passed no less than twenty other charters were granted to banking institutions to be located at various points in the State. (See acts 1888, pp. 56-135.)

An examination of these charters will disclose the fact that different terms of liability were imposed upon shareholders in each particular instance. The General Assembly seems not to have been at a loss for appropriate words with which to express the legislative will, and, its intent was to make all classes of stockholders accountable for the debts of the corporation. The intention so to do was clearly conveyed in language indicating that the terms "stockholders," "shareholders," and "subscribers" were not understood as being synonymous, but as having each a precise and independent meaning. For illustration, the act incorporating the Merchants and Farmers' Bank of Hogansville declared (page 63) "that each stockholder shall be individually liable for the debts and obligations of said corporation to the extent of his or her paid in stock, at its par value, and, in addition thereto, shall be liable for all debts and obligations of said corporation, to the extent of his or her capital stock, equally and ratably and not one for another."

At the succeeding session of the Legislature as many as fifty-five new banking houses were incorporated, and amendments were made to a number of charters previously granted. (See acts 1889, pp. 452-664.) Still the General Assembly pursued the policy of specifying, in each case, under what condition owners of stock might be held responsible for debts contracted by the corporation, and to what extent they would be liable therefor, if at all. And it was not until the act of 1893 (acts 1893, p. 70.) providing for the incorporation of banks (Civ. Code 1895, §§ 1903-1911), that the Legislature declared a settled policy as to liability of stockholders.

In view of all this legislation on the subject, we cannot but conclude that the General Assembly intended each act of incorporation to speak for itself, and to be construed in accordance with the cardinal rule of construction that words of ordinary significance are to be given their usual and customary meaning. The particular act we are now called on to construe has irreproachable letter, but is apparently devoid of deducible spirit. We cannot undertake to imbue it with this intangible attribute, without doing violence to what we conceive to have been the legislative will; and therefore we follow the letter, with the result above announced.

Judgment in each case affirmed. All the Justices concurring, except Simmons, C. J., absent.

CERTIFICATE OF DEPOSIT—WHEN SUFFICIENT NOTICE OF TRUST.

Supreme Court of Tennessee, March 31, 1905.

FORD, *et al.* *vs.* H. C. BROWN & CO., *et al.*

Two certificates of deposit were drawn, payable, one to C., "trustee," and the other to C., "trustee of B. F." At the time they were wrongfully indorsed by the trustee in the same form, one of them had almost twelve months to run, and the other six months before maturity, and both drew interest to maturity only, and were not subject to check. Held, that the certificates themselves gave actual notice to the indorsee that the paper represented a trust fund, and obligated such indorsee to inquire into the right of the trustee to dispose of it, within Negotiable Instruments Law, § 56 (Acts 1899, p. 150, c. 94), providing that to constitute notice of an infirmity in the instrument or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith.

McALISTER, *J.*: Complainant exhibited this bill against the defendants, Henry C. Brown, Fred Laitenberger, and Jesse Trinum, as individuals and as a partnership using the firm name of H. C. Brown & Co., against the First National Bank, of Nashville, Tenn., and the Chattanooga Savings Bank. The principal object of the bill was to enjoin the Chattanooga Savings Bank against the payment of two certificates of deposit which that bank had issued to Woodworth as trustee for complainant Betty Ford, and which certificates of deposit had been indorsed and transferred by Woodworth to H. C. Brown & Co. in payment of a gambling indebtedness. H. C. Brown & Co. indorsed said certificates of deposit to the First National Bank, of Nashville, and that bank had forwarded the certificates to Chattanooga, and was seeking to collect them from the Chattanooga Savings Bank at the time the original bill herein was filed.

It is alleged that these two certificates of deposit represented the earnings of the complainant Betty Ford as a domestic in the family of D. Woodworth, Jr., of Chattanooga, during a period of eighteen or twenty years. D. Woodworth, Jr., had died, and the certificates of deposit which had been issued to him were changed, and issued in the name of C. N. Woodworth, trustee.

These certificates of deposit were as follows:

"CHATTANOOGA SAVINGS BANK.
No. 13,493. Chattanooga, Tenn., October 7, 1902.

C. N. Woodworth, trustee, has deposited in this bank $994.97, payable to the order of same, twelve months after date, with interest to maturity only at the rate of 4½ per cent. per annum, upon the return of this certificate properly indorsed. Not subject to check. R. W. BARR, Cashier."

"CHATTANOOGA SAVINGS BANK.
No. 13,704. Chattanooga, Tenn., March 21, 1903.

C. N. Woodworth, trustee for Betty Ford, has deposited in this bank thirteen hundred and seventy-five & 55/100 dollars ($1,375.55), payable to the order of same twelve months after date, with interest to maturity only at the rate of 4½ per cent. per annum upon the return of this certificate properly indorsed. Not subject to check. R. W. BARR, Cashier."

The Chattanooga Savings Bank answered the bill, and averred that it had issued the certificates, but refused to pay the same, because they were not due, and because it had received notice from Betty Ford not to pay them; that it had no interest in the controversy, but was willing to pay the certificates to whomsoever the court might adjudicate they should belong.

The defendants H. C. Brown & Co. also answered the bill, denying all of its material allegations.

The First National Bank, of Nashville, also answered, denying all knowledge upon its part of the gambling transactions, and all knowledge of the relations between Woodworth and Betty Ford, and denied any knowledge that its codefendants had conducted any gambling establishment or rooms; denied all knowledge of the intoxication of Woodworth, or of his transaction with H. C. Brown & Co. with regard to said certificate. It admitted, however, that on April 24, 1903, these certificates of deposit were presented by H. C.

Brown & Co. to the First National Bank at Nashville for discount, and avers that it purchased said certificates from H. C. Brown & Co., and paid their face value in cash, and then sent the certificates to Chattanooga for collection. It avers that it took these certificates in due course of trade for a valuable consideration, and without any notice of the rights and equities of Betty Ford, or of any one else, and avers that it is an innocent holder for value in due course of trade and without notice.

The Court of Chancery Appeals finds that C. N. Woodworth, having possession of those certificates, brought them to Nashville, Tenn., and on or about the 22d or 23d, or, possibly, the 24th or 25th, of April, 1903, he went to the gambling house located over the Climax Saloon on Cherry street, in Nashville, Tenn., and there engaged in gambling. It is shown he drank heavily and lost large sums. While thus drinking and gambling, he not only lost a large amount of his own money, but also indorsed and transferred these certificates of deposit belonging to the complainant, upon which he obtained money and chips to be used in gambling. He lost and gambled away all of the money and chips so obtained, except about the sum of $600 or $700, which the gamblers in charge of the place offered to repay him, but which he at the time declined.

That court further finds that H. C. Brown & Co. came into possession of these certificates, and on April 25, 1903, took them to the First National Bank, of Nashville, and there sold and disposed of them to the First National Bank for cash. The Bank, overlooking the fact that the certificates were not due, took them for cash, as H. C. Brown & Co. were among their regular customers. They paid cash for them, and sent them to Chattanooga, through their correspondent at that place, for collection. In the meantime, C. N. Woodworth, having become to some extent rational, telegraphed the Chattanooga Savings Bank at Chattanooga not to pay these certificates. The Bank at once notified the mother of C. N. Woodworth, and Betty Ford, who immediately advised the bank not to pay or recognize these certificates.

It further appears that when these certificates were first presented to the First National Bank, they bore the indorsement of complainant C. N. Woodworth and the indorsement of H. C. Brown & Co., but at that time the First National Bank refused to take the certificates, because one of them was not properly indorsed; that is to say, it was simply indorsed by C. N. Woodworth, when it should have been indorsed, as it was payable on its face, by "C. N. Woodworth, Trustee for Betty Ford." Thereupon H. C. Brown & Co. took the certificates back, and returned with them in a short time properly indorsed.

The Court of Chancery Appeals finds as a matter of fact that this new indorsement was made by C. N. Woodworth. After the indorsement was corrected, the certificates were taken back to the First National Bank, and on April 25th the teller of the bank bought the certificates in question from H. C. Brown or H. C. Brown & Co., paying cash therefor, overlooking the fact that the certificates were not due. The officers of the First National Bank & Co. and their employees, or of any person who obtained these certificates and all knowledge of the transaction between Woodworth and H. C. Brown & Co. and their employes, or of any person who obtained these certificates of C. N. Woodworth, and the court of Chancery Appeals finds there is nothing in the record to indicate that these officers had any knowledge of the transactions mentioned.

The Court of Chancery Appeals further finds there is no evidence in the record from which we are justified in finding that the officers of the bank had any knowledge in regard to the gambling carried on over the Climax Saloon.

The Court of Chancery Appeals finds that H. C. Brown & Co. was affected with full notice and had knowledge of this embezzlement on the part of Mr. Woodworth, and of this violation of his trust, and had full knowledge of his legal right and capacity to transfer this property. They must have known, and did know, that they were taking the certificates in violation of this trust, and taking funds which Woodworth was practically embezzling. As to the First National Bank, there is no proof to show that the officers of the bank had any knowledge of these transactions, or even that H. C. Brown & Co. conducted gambling rooms over the Climax Saloon, and hence the rights of the First National Bank must depend upon the facts disclosed upon the face of the paper itself and the indorsements thereon.

As already stated, one of these certificates was payable to C. N. Woodworth, trustee for Betty Ford, and the other simply to C. N. Woodworth, trustee. One of them was dated March 21, 1903, due twelve months after date, and the other was dated October 7, 1902, and due twelve months after that date. Each of them bears interest to maturity only at the rate of 4½ per cent. per annum. It is disclosed on the face of each certificate that it is not subject to check, but is an interest-bearing certificate of deposit. The first certificate, which was made payable to C. N. Woodworth, trustee for Betty Ford, was indorsed by C. N. Woodworth, trustee, and afterwards the words, "for Betty Ford" were added by him. The other certificate was simply indorsed "C. N. Woodworth, Trustee."

That court further finds that these certificates were sold and transferred by H. C. Brown to the First National Bank, of Nashville, on April 25, 1903. On April 24, 1903, at 7:45 a. m., C. N. Woodworth had telegraphed the Cashier of the Chattanooga Savings Bank, which had issued these certificates, not to pay them. So when the certificates were sent to Chattanooga for collection, the Chattanooga Savings Bank refused to pay them, on the ground that they were not due and on the further ground that Betty Ford contested the right of the First National Bank to them. It appears, herefore, that before the First National Bank took these certificates, all the authority which C. N. Woodworth had, if any, to transfer them had been revoked by Mrs. Ford. It does not, of course, appear that he ever had authority to transfer them, especially for his own benefit.

The Court of Chancery Appeals was of opinion that these certificates, not being due, and being made payable to C. N. Woodworth, trustee, in the one instance, and to C. N. Woodworth, Trustee for Betty Ford, in the other, and so indorsed, destroyed the negotiability of the paper to the extent of giving notice that they constituted trust funds, and that the purchaser must inquire into the right of the trustee to dispose of them.

We have no doubt of the correctness of the conclusion of law reached by the Court of Chancery Appeals upon the predicate of facts found by them.

In the case of Bank vs. Looney, 99 Tenn. 278, this question was considered by this court, and it was said by the Chief Justice, who delivered the opinion, that in a controversy between a beneficiary of a trust fund and the holder of a paper disposed of by a trustee in violation of his trust, the word "trustee," appearing upon the face of the paper, is sufficient to put any taker upon notice. The court in that case referred to the authority of Duncan vs. Jordan, 15 Wall. 175, in which it was held that the word "trustee" gave notice of the existence of a trust, and that the party taking the paper was charged with the duty of ascertaining what, if any, restrictions were imposed upon the trustee.

The court also cited the case of Third Nat. Bank of Baltimore vs. Lange, 51 Md. 138.

This court further remarked that the correctness of these holdings is now conceded by the courts with practical unanimity. The effect of them is that, if the trustee, Sykes, disposed of this paper in violation of his trust, then the word "trustee" would convert any one who so obtained it into a constructive trustee at the instance of the cestui que trust.

To the same effect is Fox vs. Bank, decided by the Court of Chancery Appeals, and reported in 35 L. R. A. 678, in which Judge Wilson stated as follows:

"In the contest between the beneficiary of these notes (assuming that Anderson was not their real owner) and the transferee of Anderson, the fact that the notes, on their face, appeared to be payable to him as trustee would put the transferee on notice, and the claims of the beneficiaries would be superior." (Alexander vs. Alderson, 7 Baxt. 403; Covington vs. Anderson, 16 Lea, 310; Caulkins vs. Gaslight Co., 85 Tenn. 684.)

It is insisted, however, on behalf of the appellants that the rule announced in Bank vs. Looney and the other Tennessee cases on this subject has been modified and entirely superseded by what is known as the "Negotiable Instruments Law," which provides in section 56 as follows:

"To constitute notice of an infirmity in the instrument or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith." (Acts 1899, p. 150, c. 94.)

This section of the Negotiable Instruments Law was construed by this court in the case of Unaka National Bank vs. Butler, reported in 83 S. W. 655. The court held that the effect of this section of the statute was to embody the majority rule upon the subject of notice as it has been held and administered by the courts of New York and other States and the Federal courts for many years, and to discard the doctrine of constructive notice, which had prevailed for many years in this State. The rule as administered in this State was that, if a purchaser of negotiable paper had implied notice of prior equities or infirmities of any nature whatever in the title of the holder from whom he purchased—that is, if anything appeared upon the face of the paper, or from the facts and circumstances attending its possession or sale, which would put one of ordinary prudence upon inquiry that would lead to actual knowledge of the equities or infirmities—he was bound to pursue such inquiries, and was charged with notice of the facts he could have learned; citing the Tennessee cases on the subject.

It is then stated in the opinion that the rule of constructive or implied notice had been abrogated by the Negotiable Instruments Law, enacted in April, 1899, and what may be called the majority rule was adopted by the enactment of section 56, which has already been quoted.

It will be observed that this section provides that a party "must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith."

In Unaka Bank vs. Butler, supra, the court was dealing with a check which did not carry on its face any notice of defective title, but notice of the infirmity was sought to be fixed by the surrounding facts and circumstances. It will be observed that in the present case each of these certificates of deposit was indorsed by C. N. Woodworth as trustee, and we are of opinion that such an indorsement prima facie and presumptively fixed the purchaser with actual knowledge of want of authority in the trustee to dispose of the paper for his own benefit.

In Third National Bank vs. Lange, 51 Md. 138, the note was payable to a trustee, and indorsed in the same style by the trustee. The court said:

"In the case of the present note, it cannot be read understandingly without seeing on its face that it is connected with a trust and is part of a trust fund. It was the duty of the bank before purchasing to have made inquiry into the rights of the trustee to dispose of it. This it wholly failed to do, and as it turned out he was disposing of the note in fraud of his trust, the bank must suffer the consequences of the risk it assumed."

In Shaw vs. Spencer, 100 Mass. 382, the court, in speaking of the effect of the word "trustee," says it means trustee for some one whose name is not disclosed; and there is no greater reason for assuming that a trustee is authorized to pledge for his own debt the property of an unnamed cestui que trust than the property of one who is known. In either case it is highly improbable that the right to do so exists. The apparent difference between the two springs from the erroneous assumption that the word "trustee" alone has no meaning or legal effect.

It has already been seen that one of the certificates of deposit in the case at bar was payable to C. N. Woodworth, trustee for Betty Ford, and indorsed in the same style, but actual notice to a purchaser of the fiduciary character of a paper is no more effective in the one case than in the other.

In the case of Swift vs. Smith, 102 U. S. 442, it is said:

"There is nothing in the case to show that Smith's purchase was not in good faith. There was nothing upon the note nor anything in the indorsement thereon to notify him that it did not belong to Jackson both legally and equitably. It was a mercantile paper, and not due. * * * It is true that if the bill or note be so marked on its face as to show that it belongs to some other person than the one who offers to negotiate it, the purchaser will be presumed to have knowledge of the true owner, and its purchase will not be held to be bona fide."

These authorities sustain our position that the word "trustee" in an indorsement of this character is express notice to a purchaser that there is a cestui que trust or beneficiary, and that his rights may not be sacrificed by the trustee in the sale or pledge of the note for his own benefit; in other words, our holding distinctly is that such an indorsement is actual knowledge to the purchaser of such paper, within the meaning of section 56 of the Negotiable Instruments Law, supra.

Now it is very true, as said by Mr. Perry in his work on Trusts (volume 1, § 225):

"The mere fact that the word 'trustee' is on the face of the securities cannot put a purchaser to any inquiry beyond ascertaining whether the trustee has power to vary the securities. If he has such power, a purchaser in good faith will be protected, although the trustee use the money for his private purposes. But if a purchaser takes securities from a trustee with the word 'trustee' upon their face, in payment of a private debt due from the trustee, the sale may be avoided by the cestui que trust, or the purchaser may be held as trustee."

As stated in Looney vs. Bank, supra, the rule is that he who takes a security from a trustee with the fiduciary character displayed upon its face is bound to inquire of his right to dispose of it; but if upon inquiry it is found that there is no restriction upon the trustee's power of disposition, or, it may be added, there is nothing in the nature of the transaction to indicate any abuse of his trust, that the title of a purchaser in good faith for value and before maturity will be protected.

It appears that our Negotiable Instruments Law is a substantial reproduction of a similar law enacted by the State of New York in the year 1896. In the year 1903, with that law on the statute books, the Court of Appeals of New York decided the case of Cohnfeld vs. Tannenbaum, reported in 176 N. Y. 126. The court said in the midst of the opinion that the signature to the check, "Isidore Cohnfeld, Guardian," gave the defendant notice that presumptively the funds being paid to him were not those either of the Cohnfeld Manufacturing Company or of Isidore Cohnfeld personally, and he was put upon inquiry to ascertain the authority of Cohnfeld to apply the money in payment of the company's debts. This proposition is conceded by both the courts below. Had he made the inquiry, he would have learned the facts which have already been stated. He is therefore chargeable with all that those facts import, or which is fairly to be inferred from them.

Again in West Virginia, where a Negotiable Instruments Law similar to our own prevails, the Supreme Court of that State held, in the case of Hazeltine vs. Keenan, 54 W. Va. 600, that a negotiable note, payable on its face to a payee, with the word "attorney" suffixed to his name, indicates an interest in other parties, and puts the purchaser upon inquiry as to their rights and the right of the payee to sell the note.

In addition to all this, the certificates show on their face that they bear interest to maturity only at the rate of 4½ per cent. per annum, and further that they are not subject to check, but are interest-bearing certificates of deposit; one of them having almost twelve months to run and the other six months at the time they were transferred. It is admitted by the officers of the First National Bank that they overlooked this fact when they bought these certificates for cash, but we agree with the Court of Chancery Appeals that the fact that the bank overlooked these things will not relieve them of responsibility as to any notice the paper itself gives.

All these facts disclosed on the face of the paper, including the express indorsement of C. N. Woodworth, trustee, etc., gave actual notice to the bank that this paper represented a trust fund, and obliged the bank to inquire into the right of the trustee to dispose of it. If the bank had made such inquiry, it could easily have ascertained that the paper had been embezzled and the money lost in a gambling transaction by the trustee; and further, the bank would have discovered that, before the paper had been purchased by it, all right and authority of the trustee to act had been withdrawn.

We are therefore of opinion that the indorsements and recitals of these certificates communicated actual knowledge to the bank that they represented a trust fund, and, even under the Negotiable Instruments Act, no title was acquired by the bank to the paper.

TAXATION OF NATIONAL BANK STOCK—PROCEEDING TO REVIEW ASSESSMENT.

Court of Appeals of New York, October 10, 1905.

IN THE MATTER OF THE APPLICATION OF THE FIRST NATIONAL BANK OF OSSINING, N. Y., FOR A WRIT OF CERTIORARI, ETC.

A National bank may institute certiorari proceedings to review an assessment for purposes of taxation of its shares of capital stock. (Tax Law, sec. 250.)
The assessors, in fixing the value of the shares of capital stock of a bank, should include and take into account the value of its real estate. (Laws of 1901, sec. 24, art. 2.)

GRAY, *J.*: The First National Bank of Ossining, N. Y., sued out a writ of certiorari to review the proceedings of the board of town assessors, upon the assessment of its shares of capital stock for the purpose of taxation for the year 1904. Its complaint is that the assessors, in determining the value of the stock, included the value of the bank's real estate and refused its application to make any deduction thereof. The bank has failed, in the courts below, to obtain the relief to which it deemed itself entitled and now appeals to this court; claiming, in substance, that under the provisions of section 24 of article 2 of the Tax Law the real estate should have been "eliminated from consideration as part of the capital stock, surplus and undivided profits of the bank."

That the bank was aggrieved within the meaning of section 250 of the Tax Law, and, therefore, was entitled to sue out the writ of certiorari is, in my opinion, beyond question. The Tax Law makes the bank the agent for the collection of the tax and subjects it to a penalty for failure to pay over the same to the county treasurer, or, in the City of New York, to the receiver of taxes. The representative capacity of a bank to maintain a suit in behalf of its stockholders, in relation to the assessment and taxation of its shares of stock, was sufficiently declared in the recent case of Mercantile Nat. Bank vs. Mayor, &c., of N. Y. (172 N. Y., 35, 45), and it can undoubtedly institute such a proceeding as this. Such was the procedure as far back as the case of People ex rel. Gallatin Nat. Bank vs. Comm'rs of Taxes, 67 N. Y., 516.

As to the principal question in this case, the relator argues that chapter 550, of the Laws of 1901, which amended section 24 of article 2 of the Tax Law of 1896, should be construed as intending that the real estate shall be excluded in ascertaining the value of the shares of bank stock, and suggests, in favor of such construction, that, if the law is not so construed, the result is double taxation.

I think that the board of assessors proceeded correctly. The Tax Law, as amended with respect to banks, in 1901, devised a new plan for the assessment and taxation of shares of stocks of banks and banking associations.

It is apparent from the language of the enactment, among other things, that their real estate remained, as before, subject to taxation as a part of the corporate property; although entering into the valuation of the shares when assessed against the shareholders.

As section 24 of the Tax Law read, when originally enacted in 1896 (chap. 908, Laws of 1896), it was expressly provided that the assessed value of the real estate should be deducted, in the assessment, from the value of the shares of stock.

In 1901, the Legislature passed the act in question, which was entitled "An act to amend the Tax Law relating to the taxation of the stockholders of banks and banking associations." Section 24 was re-enacted without that provision for the deduction of the value of the real estate, and there was provided a new and complete system for taxing the shares of banks, under which a uniform rate of one per cent. upon their value was imposed as a tax, which was to be in lieu of all other taxes whatsoever, for State, county or local purposes. This was to be collected and paid over by the bank, and the privilege of share owners to claim deductions from the taxable value of their shares on account of their personal indebtedness, or otherwise, was withdrawn. The Legislature proposed a simple, certain and uniform mode of taxation of this kind of personal property throughout the State, and the loss of the prior privileges of making deductions was compensated for in an exemption of that property from all other taxes for State, county or local purposes. The question of what represented the value of the shares of stock ought not to be in doubt. According to the act, it is ascertained by "adding together the amount of the capital stock, surplus and undivided profits" of the bank. That necessarily comprehends the real estate, which represented an asset of the bank. The President of the bank admitted it in stating that a part of the capital, surplus and undivided profits was invested in real estate.

The rule has been laid down, in cases in this court, that the capital of a corporation includes every asset, or investment, and that the actual value of the corporate shares is to be ascertained from the total value of the corporate possessions. (See People ex rel. Tradesmen's Nat. Bank vs. Comm's of Taxes, 669 N. Y., 91; People ex rel. Union Trust Co. vs. Coleman, 126 ib. 433; People ex rel. Equitable Gaslight Co. vs. Barker, 144 ib. 94.)

I think that the statutory provision in question clearly requires of the assessing officers, when ascertaining the value of the shares of bank stock from the total value of the corporate properties, to include the value of the real estate. Not only was there no authority in the act to make any deduction of the value of the real estate, but the concluding words of section 24 evidence the legislative intent that no such deduction should be allowed. It had been provided in the section that "mortgages, judgments and other choses in action and personal property held or owned by banks, or banking associations, the value of which enters into the value of said shares of stock, shall also be exempt from all other State, county and local taxation." The concluding words of the section are that "this act is not to be construed as an exemption of the real estate of banks or banking associations from taxation." The significance of this clause is that, although the value of the real estate was to be considered and taken into account in fixing the value of the shares of stock, no exemption should be implied of the real estate as a subject of taxation.

The tax to be collected under this section of the Tax Law is upon the shares of stock held by stockholders. It is not upon the property owned by the bank, and the distinction in the scheme of taxation is evident. What is intended to be reached, for the purposes of taxation, is the personal property held and owned by persons in shares of the capital stock of banks. The value of that species of property is required by the law to be ascertained by adding together the amount of the capital stock, surplus and undivided profits of the bank, and that necessarily must include the value of every corporate possession.

I think that the assessing officers were correct in their proceedings and that the assessment should be upheld. The order of the Special Term quashed the writ of certiorari and dismissed the proceedings, but, as there was no ground for the dismissal of the writ, except that the determination of the board of assessors was correct, the order should be amended so as to read that it affirms the proceedings of the board of assessors and dismisses the writ of certiorari. As so amended the order should be affirmed, with costs.

Cullen, Ch.J.; Bartlett, Haight, Vann and Werner, JJ., concur; O'Brien, J., absent.

Ordered accordingly.

NATIONAL BANK—ACCOMMODATION GUARANTY.

Supreme Court of Pennsylvania, May 22, 1905.

NATIONAL BANK OF BRUNSWICK *vs.* SIXTH NATIONAL BANK.

A National bank has no authority to guarantee the payment of a draft to be drawn by a third person upon one of its customers.

Brown & Co. were dealers in melons in the State of Georgia. J. F. Eilenberg was a produce dealer in the city of Philadelphia. Under date of June 17, 1902, the Cashier of the Sixth National Bank of Philadelphia, the defendant, wrote the National Bank of Brunswick, Ga., the plaintiff, as follows:

"Gentlemen: We will accept drafts drawn on J. F. Eilenberg by Brown & Co. for watermelons and cantaloupes, melons not to exceed $100 per car, and cantaloupes not to exceed $500 per car, bills of lading attached, until further notice."

In reply to this communication, on June 20, the Cashier of the National Bank of Brunswick wrote the following letter:

"Gentlemen: We beg to own receipt of your valued favor of the 17th inst., guarantying drafts to be made by Brown & Co., on J. F. Eilenberg against bills of lading for watermelons and cantaloupes at the rate of $100 per car for the former and $500 per car for the latter. Please advise whether or not bills of lading are to be 'to order,' and whether the rate named includes prepaid freights."

On June 23 the defendant bank by its Cashier wired the plaintiff bank that the drafts were not to be to order and that the rate named did not include prepaid freight. The receipt of this message was acknowledged by the Cashier of the National Bank of Brunswick by a letter, dated June 21, as follows:

"Dear Sir: We are in receipt of your telegram of this date, and in negotiating drafts drawn on Mr. J. F. Eilenberg by Messrs. Brown & Co. will be governed accordingly."

Subsequent and pursuant to these communications, Brown & Co. drew nine sight drafts for different amounts addressed to J. F. Eilenberg, care of the Sixth National Bank, Philadelphia, Pa., in favor of the National Bank of Brunswick. Ga., noting thereon the number of the car and that it was for melons. There was attached to each draft a bill of lading for a carload of melons. The first of these drafts was dated June 26, 1902; the last July 3, 1902. When the drafts were received by the National Bank of Brunswick, they were, by agreement between the bank and Brown & Co., to be placed to the credit of Cave & Co., depositors in the bank, in their account. The credit was to be given at the time the drafts were delivered to the bank.

The first two drafts were sent by the plaintiff to the Merchants' National Bank of Philadelphia, its Philadelphia correspondent, and were duly paid. On July 1 the plaintiff bank received from Brown & Co. two drafts and credited them to Cave & Co. On the same day, but after banking hours, it received another draft, and on July 2 placed it to the credit of Cave & Co. On July 3 the plaintiff received from Brown & Co. a draft, and gave Cave & Co. credit for it on the same day. On that day, the plaintiff also received three other drafts after banking hours, and placed them to the credit of Cave & Co. on July 5, the next succeeding business day. No credit was given Brown & Co. for the drafts drawn by them, and the credit given Cave & Co. was the consideration paid by the plaintiff bank for the drafts.

The seven unpaid drafts were sent by the plaintiff to its Philadelphia correspondent, and payment was refused both by Eilenberg and the defendant bank. The plaintiff first learned of the non-payment of the two drafts received by it on July 1 late in the afternoon of July 3 by a telegram from its Philadelphia correspondent, and through the same source it was first advised of the non-payment of the other drafts on July 5.

Late in the afternoon of July 3, and subsequent to the receipt by the plaintiff bank of all the drafts drawn by Brown & Co., but before credit had been given on the books of the bank for three of the drafts, the plaintiff received from the defendant the following telegram:

"Philadelphia, July 3, 1902. Bank of Brunswick, Brunswick, Ga.: We revoke order to pay drafts to Eilenberg by Brown & Co., per ours of 6/17th. Sixth National Bank of Philadelphia, Daniel Baird, Cashier."

MESTREZAT, *J.*: This action is assumpsit, and was brought to recover the amount of the unpaid drafts and the accrued interest. The statement avers that on the faith of the agreement made by the correspondence between it and the defendant, and prior to the telegraphic cancellation of that agreement, it purchased the drafts with the bills of lading attached: that they were presented to J. F. Eilenberg, and payment was refused; and that subsequently the defendant bank, on demand, also declined payment. On the trial of the cause, the learned judge instructed the jury to find a verdict for the plaintiff for the amount of all the drafts, "subject to the point of law reserved that if hereafter the court should be of the opinion that a

Cashier of a National bank cannot bind the bank to pay the draft of a third person drawn on one of its customers, to be drawn at a future day, the court will have the right to enter judgment for the defendant non obstante veredicto." Subsequently the court entered judgment for the plaintiff on the question of law reserved. The defendant has taken this appeal.

The defense set up to defeat a recovery in this action is, as stated in the printed brief of appellant's counsel, "that a National bank has no power to guarantee the draft of a third person on one of its customers, to be drawn on a future day; that such guaranty is ultra vires, and no action will lie against the bank for its refusal to pay such a draft, in the absence of evidence to show that the bank received the fruits of the transaction." To this proposition the plaintiff replies that the agreement between the parties was not a guaranty of the payment of the drafts to be drawn by a third person on one of its customers, but a contract to purchase the drafts, and that therefore the agreement between the parties was not ultra vires the defendant bank.

In determining whether the transaction between the plaintiff and defendant was a guaranty or a purchase of the drafts in suit, recourse must be had, not only to the written communications which passed between the parties, but also to the acts of the parties and the circumstances surrounding the transaction. The language of the letters and telegrams does not clearly disclose the intention of the parties. When, however, it is read in the light thrown upon it by the conduct of the parties and the existing circumstances, the conclusion, we think, is irresistible that both parties regarded the contract entered into by them as one of guaranty and not of purchase.

The initiatory letter came from the defendant bank on June 17, 1902, and shows that the drafts were to be drawn by Brown & Co. on Eilenberg for melons purchased by the drawee of the drawers. The name of the payee is not mentioned, nor does the evidence disclose who the payee was to be, or what negotiations took place between the parties prior to the date of the letter. It is drafts of this character that the defendant agreed to "accept." Had the drafts been drawn on the defendant bank, and it had agreed to pay them, its liability would be unquestioned. The defendant, however, was not to be the drawee in the drafts, and hence by the use of the word "accept" the defendant could not have been regarded by the parties as assuming the liability of an ordinary acceptor of a draft or bill of exchange. This leaves the undertaking of the defendant bank, as disclosed by the letter, uncertain and unintelligible, requiring explanation dehors the paper. It received no consideration for its contract. Immediately following, and acknowledging the receipt of the defendant's communication, we have the letter of the plaintiff bank which discloses its interpretation of the defendant's agreement. It construes the defendant's contract as "guarantying drafts to be made by Brown & Co. on J. F. Eilenberg against bills of lading for watermelons and cantaloupes at the rate of $100 per car for the former and $500 for the latter."

This language is clear of doubt, and the term used by the writer in designating the character of the defendant's undertaking, unlike that employed by the defendant bank for the same purpose, leaves no uncertainty as to the liability which the plaintiff thought the defendant had assumed by its communication of June 17.

As thus interpreted, the defendant's contract was a guaranty of the payment of the drafts by Eilenberg to be drawn on him by Brown & Co. in payment for the melons. So far as the evidence discloses, no other or different interpretation was subsequently placed on the contract by either party until after this action had been brought. On the contrary, the acts of the parties were all confirmatory of this construction of the agreement. As appears by the testimony of the plaintiff's Cashier, the first two drafts, drawn in pursuance of the agreement between the parties, were sent by the plaintiff bank to the Merchants' National Bank, its Philadelphia correspondent, and paid in that city.

The testimony does not show who paid the drafts; but, as Eilenberg was the drawee and payer, and resides in Philadelphia, it must be assumed that they were presented to and paid by him. When the drafts in suit were drawn and received by the plaintiff bank, it pursued the same course and sent them to its Philadelphia correspondent. They were first presented to Eilenberg, who refused to accept or pay them, and they were protested. It was not until Eilenberg had declined to honor them that they were presented for payment to the defendant bank. This course of conduct on the part of plaintiff with regard to each of the several drafts leads to but one conclusion, and that is, that it regarded the defendant as secondarily liable on the drafts. It is plainly and clearly contradictory of the theory that the defendant was to be considered as having purchased the drafts and thereby to have assumed a primary liability for their payment. If that was the theory of the plaintiff, and that was the interpretation of the contract, why did it first present the drafts to Eilenberg, the drawee, for payment? Why was he not ignored in the transaction and payment demanded of the defendant in the first instance?

As further evidence of a like construction by the plaintiff of defendant's agreement, it will be observed that, in each instance when the plaintiff transmitted the drafts to the Merchants' National Bank of Philadelphia for collection, it gave in its letter the names of the drawers of the drafts and stated that Eilenberg was the payer. No reference whatever was made in these communications to the defendant bank or to its liability to pay the drafts. Again, during the trial of the cause, the plaintiff's counsel made an offer, which was rejected, to show at that the date of the letter of June 17 the defendant had in its possession as a depositary of J. F. Eilenberg, the drawee, upwards of $10,000. This testimony would only be admissible on the theory that the defendant's liability was that of a surety or guarantor, and the offer, therefore, supports the contention that such was the purpose of the defendant's contract.

We are of opinion that the liability of the defendant bank was that of guarantor and not as purchaser of the drafts. It is conceded by the plaintiff "that the weight of authority is in favor of the position that a National bank has no power or authority to become a mere accommodation indorser or guarantor of the payment of the debt of another without benefit to itself." So far as we are advised, the question has not been determined by the Supreme Court of the United States; but the inferior courts of that jurisdiction have uniformly put this construction on the powers of a bank chartered under the National Banking Act, and as the subject is one of Federal origin and of Federal control, we must follow those precedents. (Fowler vs. Scully, 72 Pa. 456.)

We therefore hold that the contract on which this suit was brought was ultra vires the defendant bank, and that the court erred in entering judgment for the plaintiff.

The judgment of the court below is reversed, and judgment is now entered on the reserved question for the defendant non obstante veredicto.

PURCHASE BY BANK OF MUNICIPAL BONDS—NOTICE TO BANK OF DEFECTS.

Supreme Court of Michigan, September 19, 1905.

THOMPSON, *et al. vs.* VILLAGE OF MECOSTA.

When a bank has purchased municipal bonds, the test as to whether it is a bona fide holder is not whether its officials had knowledge of facts which would lead a prudent man to make inquiry, but whether these facts were of such a nature as to make it bad faith not to do so.

The knowledge or information of a bank officer as to the character of paper purchased by the bank does not affect the bank, unless such officer acted for it in the transaction.

This action was brought to recover upon a municipal bond issued by the village of Mecosta, Michigan. The bond was irregular, and in order that the plaintiffs might recover, it was necessary for them to show that the Jackson Bank, from which they acquired it was a bona fide purchaser for value.

HOOKER, *J.* (omitting part of the opinion): The court charged the jury that "upon this question of knowledge, of notice, gentlemen, you are instructed that when the Jackson City Bank got the bond in question it could not be a bona fide holder, if at the time its President or Cashier had any notice or knowledge of facts and circumstances which would naturally or reasonably lead an ordinarily careful and prudent man to make inquiry as to what the bond was given for." This instruction was erroneous, for the reason that the test is, not whether the circumstances would naturally lead the ordinarily prudent man to investigate, but whether they were such as to make it bad faith not to do so. (Brewster vs. McCardell, 8 Wend. 478; New York Mine vs. Bank, 44 Mich. 353; Mace vs. Kennedy, 68 Mich. 397; Stevens vs. McLachlan, 120 Mich. 290; Glines vs. State Bank [Mich.] 94 N. W. 195.)

Again, if this instruction was intended to mean that knowledge by or notice to the officer purchasing the paper would bind the bank, it might not be erroneous; but it would be naturally interpreted as meaning that knowledge or notice to either of these officers would be notice to the bank, although the purchase was made by one having neither such knowledge or notice. It would be a burden upon banks to hold that all of its officers must anticipate the offer to the bank of all doubtful paper of which he might have knowledge.

The judgment should be reversed, and a new trial ordered.

PROMISSORY NOTE—PROOF OF SIGNATURE OF INDORSER.

Supreme Court of North Carolina, September 19, 1905.

TYSON *vs.* JOYNER, *et al.*

In an action upon a promissory note the mere production of the note bearing what purports to be the signature of the payee, does not, without proof of such signature, establish that the holder has such title as will cut off defences available as against the payee.

This action was brought to recover on a note for $200 executed in 1897 by defendant, and payable to J. L. Little, or order. Defendant alleged, and there was evidence tending to show, that he, at the request of his brother, S. V. Joyner, signed the note for the accommodation of the latter, and gave a mortgage to secure it. S. V. Joyner received the amount of the note, less the discount. Little did not discount the note or pay any consideration for it, but indorsed it to B. F. Tyson, who, it seems, paid the money to S. V. Joyner. Plaintiff at the trial introduced the note and rested. The name of B. F. Tyson was indorsed on the note, but there was no proof of the signature, other than the production of the note by plaintiff. Indorsement of the note by B. F. Tyson was alleged in the complaint and denied in the answer. Defendant further alleged that Tyson, who was commissioner to sell certain land, had agreed, at the time the note was executed, to pay it out of that part of the proceeds of the sale which would go to defendant in satisfaction of a judgment held by him, and which was a lien on the land, and he afterwards collected more than enough for that purpose. Defendant relied upon this agreement and the receipt of the money by Tyson as a payment or satisfaction of the debt, or at least as a set-off or counterclaim.

WALKER, *J.* (omitting part of the opinion): The court erred in holding that the mere introduction of the note was evidence of its indorsement by Tyson; so as to vest the legal title in plaintiff, and cut off any defenses good against Tyson. It is very true, as contended by counsel, that the introduction of the note by plaintiff raised the presumption that she was its owner, but only the equitable owner or assignee, and it was subject in her hands to any equities or other defenses of the maker against prior holders. The note must have been indorsed specially to her, or at least in blank, to justify the claim that she is its legal owner, and the bona fide holder of a title good against prior equities of which she is not shown to have had notice. It was necessary, therefore, to show such an indorsement in order to defeat any equity the defendant may have against B. F. Tyson.

Referring to this doctrine, Harlan, J., in Osgood's Adm'rs vs. Artt (C. C.) 17 Fed. 575, says:

"It is a settled doctrine of the law merchant that the bona fide purchaser for value of negotiable paper, payable to order, if it be indorsed by the payee, takes the legal title unaffected by any equities which the payor may have as against the payee. But it is equally well settled that the purchaser, if the paper be delivered to him without indorsement, takes by the law merchant only the rights which the payee has, and therefore takes subject to any defense the payor may rightfully assert as against the payee. The purchaser in such case becomes only the equitable owner of the claim or debt evidenced by the negotiable security, and, in the absence of defense by the payor, may demand and receive the amount due, and, if not paid, sue for its recovery in the name of the payee, or in his own name when so authorized by the local law."

In Trust Co. vs. Bank, 101 U. S. 68, the court says:

"The contract cannot, therefore, be converted into an indorsement or an assignment; and, if it could be treated as an assignment of the note, it would not cut off the defenses of the maker. Such an effect results only from a transfer according to the law merchant, that is, from an indorsement. An assignee stands in the place of his assignor, and takes simply an assignor's rights, but an indorsement creates a new and collateral contract."

In Lyon vs. Bank, 85 Fed. 120, it is held that a mere assignee of a promissory note, like an assignee of any other chose in action, takes his title subject to all equities and defenses which exist between the assignor and the other parties to the instrument; but an indorsee for value without notice before maturity takes the title to such a note, according to the custom of merchants and the now established law of the land, free from all such equities and defenses. (See, also, Tiedeman on Commercial Paper, §§ 246, 247.)

The same principle is well stated and illustrated by Rodman, J., in the leading case of Miller vs. Tharel, 75 N. C. 148, which has been followed in numerous cases by this court. (Spence vs. Tapscott, 93 N. C. 246; Lewis vs. Long, 102 N. C. 206; Jenkins vs. Wilkinson, 113 N. C. 532; Christian vs. Parrott, 114 N. C. 215; Bresee vs. Crumpton, 121 N. C. 122.)

An instrument payable to bearer can be negotiated by delivery, and consequently no indorsement is required. (Norton on Bills & Notes, § 58; Bresee vs. Crumpton, supra.) "When, however, a bill or note unindorsed by the payee, or indorsed by the payee specially, and unindorsed by his indorsee, is in the possession of another person, the question whether or not its bare possession is evidence of his right to demand payment is of a different character. Without the indorsement of the payee or special indorsee, such possession would clearly not entitle the holder to the privileges of a bona fide holder for value, as, at best, he would only hold the equitable title to the instrument, and could not sue at law upon it as a ground of action." (1 Daniel, Neg. Inst. [5th Ed.] § 574.)

The signatures of indorsers, where indorsement is required to vest the legal title, must be proved. (Norton on Bills & Notes, 331.) In the case of an assignment of a bill or note, which transfers only the equitable ownership, as distinguished from an indorsement according to the law merchant, which transfers the legal title, the equitable owner, being the party in interest, may now sue in his own name (Code, § 177), and he may recover subject to prior equities (Spence vs. Tapscott and Bresee vs. Crumpton, supra).

When it is said in the cases that "there is a prima facie presumption of law in favor of every holder of negotiable paper, to the extent that he is the owner of it, that he took it for value and before dishonor and in the regular course of business," it will be found that reference is made to a holder by indorsement, or to an instrument which, under the law merchant, was not required to be indorsed, but which was negotiable by delivery. The expression was used in Tredwell vs. Blount, 86 N. C. 31, cited by plaintiff's counsel; but in that case the note was indorsed and the signature of the indorser was proved. It is familiar learning that, where a note is indorsed in blank, the holder has the authority to make it payable to himself or to any other person by filling up the blank over the signature, and this may be done at or before the trial. (Johnson vs. Hooker, 47 N. C. 29; Lilly vs. Baker, 88 N. C. 151.) It then becomes a special indorsement. In the case last cited, this court reversed the judgment below, upon the ground that the indorsement should have been filled up before judgment was rendered, assigning as a reason for its decision that the courts were particular in this respect, in order to avoid the danger of notes being subsequently indorsed and again put in circulation. However this may be, the plaintiff in this case may fill up the indorsement, if she is so advised.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

SALE OF GOODS—SUSPENSIVE CONDITION—TERM OF CREDIT—DELIVERY—PLEDGE—SHIPPING BILLS—BILLS OF LADING—INDORSEMENT OF BILLS—NOTICE—FRAUDULENT TRANSFER—INSOLVENCY—BANKING—BAILEE RECEIPT—BROKERS AND FACTORS—PRINCIPAL AND AGENT—RESILIATION OF CONTRACT.

GOSSELIN *vs.* THE ONTARIO BANK.

(Supreme Court Reports, Volume 36, page 406.)

This was an appeal from the Court of the Kings' Bench of the Province of Quebec, by which the judgment of the superior court in favor of the plaintiff was reduced and modified.

The plaintiff sued for the recovery of 5,324 bales of hay and fifty-four bills of lading, granted by several railway companies to the plaintiff in May, 1894, and prayed that the defendants should be ordered to return the hay and bills of lading, and in default, condemned to pay him $5,244.50.

The plaintiff, having agreed to sell hay to the firm of Marsan & Brosseau at $8.50 per ton, loaded the hay on cars, and took said bills of lading from the railway companies in his own name, consigned to himself at New London, Conn., New York and Boston, forwarding the bills to Marsan & Brosseau as evidence of the shipment, but without being endorsed by him, thereby retaining the ownership in the hay. He alleged that there were in all fifty-four cars of a value of $5,244.50; that Marsan & Brosseau illegally transferred the bills of lading to the Ontario Bank, without paying for the hay; that said firm were insolvent at the time of transfer, to the knowledge of the bank; that the bank acquired no rights in said bills of lading, and received them for the purpose of obtaining an undue preference over the creditors of Marsan & Brosseau; and he prayed for the resiliation of the sale, and to be acknowledged as the owner of the hay and of the bills of lading.

The bank, besides making a general denial, pleaded that Marsan & Brosseau became the owners of the hay sold to them by the plaintiff; that the latter well knew the former had no means to pay for the hay except either by delivering it and obtaining the money from the purchaser, or by pledging the bills of lading with a bank for the purpose of obtaining advances thereon; and that at the time of the transactions Marsan & Brosseau were believed to be merchants in good standing and solvent, and the bank dealt with them in good faith, in the usual course of business.

From the evidence in the case it appears that the hay in question was to be shipped to England, and that the railway receipts or inland bills of lading were to be exchanged for ocean bills of lading through Marsan & Brosseau or their agents and sold in England also through the same agent; that the plaintiff's name was entered on said railway receipts as shipper and consignee for the purpose of retaining the control over the hay and the ownership thereof until paid for, plaintiff expecting the ocean bills to be made to his order as shipper and consignee; and that the bank made advances to Marsan & Brosseau upon these railway receipts upon the sole indorsement of Marsan.

The Trial Judge ordered the Ontario Bank to deliver over to the plaintiff the hay and bills of lading within fifteen days and on default to pay the plaintiff the sum of $4,934.44 with interest. On appeal, the Court of King's Bench considered that Gosselin had a right to recover the hay contained in twenty-seven of the cars only, and reduced the amount of the judgment accordingly.

JUDGMENT (TASCHEREAU, C. J. GIROUARD, DAVIES, NESBITT and IDLINGTON, JJ.): The whole difficulty * * * arises from a misconception of the true nature of the contract of sale agreed to by the parties, although the thing sold was not delivered; original bills of lading were issued in favor of the appellant, who did nothing to deprive him of the rights he acquired under the same and the agreement; that is the whole case. He should succeed.

The contract of sale was perfect and binding by their mere consent, as held by the courts below, * * * but it was subject to a suspensive condition or condition precedent that the property and its legal possession were not to pass until the price was paid. * * *

Both courts have found, as a matter of fact, that twenty-seven cars of the hay had been pledged to the bank by Marsan & Brosseau under the railway bills of lading, and as to these cars both courts condemned the bank to pay the value of the hay. But as to the balance of the hay contained in the twenty-six cars, the Court of Appeal would not adopt the conclusion of the Trial Judge, as in their opinion the plaintiff had not sufficiently proved that the hay in these cars had been pledged to the bank under the railway bills of lading. * * * As to those cars, remarks Chief Justice Lacoste, plaintiff's remedy is against the railway companies.

There is no doubt that as to the twenty-seven cars ocean bills of lading were obtained and delivered to the bank after the advances had been made on the railway bills. * * * The railway companies evidently thought that Marsan & Brosseau, as in previous years, could obtain ocean bills without the order of Gosselin, but that the bank could not after their insolvency. * * * By issuing these ocean bills to the order of Marsan & Brosseau * * * the railway companies misunderstood their obligations or duty; possibly they may be responsible to Gosselin for the loss, as suggested by the Court of Appeal, but their mistake did not give a title to the bank, because it knew that these ocean bills were substitutes for the railway bills issued in favor of the appellant and in fact this substitution was done at the request of the bank. The Court of Appeal so held as to twenty-seven cars, and I cannot see how, on the evidence, a distinction can be made as to the other cars.

I therefore agree with Mr. Justice Pagnuelo that the bank should pay the price of the fifty-three cars, namely, the sum of $4,934.44, less the sum of $125, admitted by both parties to be a final dividend received by Gosselin out of the insolvent estate of Marsan & Brosseau, the whole with interest and costs in all the courts. * * *

Banks when dealing with this kind of security must ascertain that they are contracting with the owner or holder or his agent or assignee before they can get a title. Bills of lading are not like bills of exchange and promissory notes, where actual honesty goes very far to protect the holder. But if a bill or note payable to the order of a payee be taken by a bank or anyone else without the indorsement of the payee, or with a forged indorsement, honesty or honest blundering will not be sufficient to give the holder a title. Likewise in cases of restrictive endorsements which prohibit or merely restrict the transfer of the ownership of a bill of exchange, the holder is bound to notice the restrictions, and comply with their requirements; his honesty will not save him from the consequences of his failure in this respect. (See Sec. 35 of the Bills of Exchange Act, 1890, which reproduces the common law.) Surely the holder of a bill of lading cannot be in a better position.

* * * I am of opinion that the appeal of the appellant should be allowed and the judgment of the Superior Court restored, less a sum of $125, with costs in all the courts, and that the cross-appeal of the respondent be dismissed with costs. However, I am alone of that opinion with my brother Idlington. We all, with the exception of the Chief Justice, agree that the sale was conditional and that the judgment of the Court of Appeal should be confirmed.

The cross-appeal is therefore dismissed with costs and the principal appeal of the appellant is allowed in part, and the judgment of the Court of Appeal is varied by adding the price of the six cars (deducted by the Court of Appeal, because no ocean bills were issued against them at the time any advance 'was made, and therefore the bank must have obtained the hay upon the original railway bills), namely, $562.33 less a sum of $125, with interest and costs.

REPLIES TO LAW AND BANKING QUESTIONS.

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

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Selma, Ala., December 15, 1905.

Editor Bankers' Magazine:

Sir: One of the banks in this place has always refused to sell its drafts to strangers. Is there any real danger in our doing so? We know that careless writing of drafts might make us liable for the payment of these drafts as raised, but would we be any more liable because of the fact that we sold them to strangers?

We will be very glad indeed to have your opinion regarding this question.

C. M. Howard, *President*.

Answer.—By delivering its draft the bank does not give any assurance to the world that it knows the payee, nor does it make any representations as to his character; and it is no more negligence for a bank to issue its draft to a person unknown to it than it is for a man to draw his check to the order of a stranger.

Astoria, Oregon, Dec. 19, 1905.

Editor Bankers' Magazine:

Sir: We are carrying a demand note for A, on which the interest is paid to the close of November. On the morning of December 11, A offers to pay the note with ten days' interest, claiming that the day of payment should not be included in reckoning the interest due. We claim eleven days' interest. Who is right?

Cashier.

Answer.—The bank is right. As the law does not take into account the fractions of a day, the day on which payment is made is to be included in computing interest, whether payment is made in the morning or at the end of the day. In Bank of Burlington vs. Durkee (1 Vt. 399, 403), it was said: "It [the note in suit] being discounted on the 16th, any time on the 17th, without regarding the fractions of that day, there would be one day's interest; and so on through the whole sixty-four days."

Toledo, Ohio, December 15, 1905.

Editor Bankers' Magazine:

Sir: A grain commission firm made arrangements with a miller to buy corn and ship it to this commission company. The miller claims he was acting as agent and was to receive two cents per bushel commission. The commission company claims that he was not its agent, but it was to furnish quotations for the corn f. o. b. cars, and the miller's compensation was to be whatever he could buy the corn for less than the quotation. The commission firm was not known to the miller, but agreed to arrange with a bank to deposit $350 as a guarantee that the drafts of the miller accompanied by a bill of lading would be promptly paid. The commission company forwarded their check on a trust company to the bank agreed upon for the $350.

The letter enclosing the remittance was the first information the bank had that there was any business relations between the parties.

The bank collected the check, and deposited the proceeds, issuing a certificate of deposit to themselves for the amount; the certificates recited that the money was deposited by the commission company.

The bank notified the miller of the deposit by the commission company as a guarantee. The miller then shipped quite a number of cars of corn and all the drafts with the bills of lading were promptly paid, up to the time of the withdrawal of the $350 deposit. The deposit was made in December and withdrawn the latter part of February following. On receipt of the drafts and bills of lading, the bank credited the amount to the individual account of the miller, who paid for the corn purchased by his personal checks. The $350 had at no time been placed to the credit of the miller.

The miller was notified in person by an officer of the bank of the withdrawal of the deposit sometime during the month of March. Shipments were made at intervals during March and April, and were all paid, but in May two cars of corn were shipped by the miller to the commission company for which drafts accompanied by bills of lading were drawn.

The bills of lading were drawn by the railroad agent as having been received from the commission company and making them the consignees. The commission company claimed the corn was damaged, and objected to paying the drafts, and refused payment, but sold the corn. The bank knows nothing of what disposition was made of the proceeds, only the commission company claimed it did not owe the miller anything, but on the contrary that the miller owed the company.

The bank had no knowledge of the terms of the contract between the commission company and the miller. In making the original remittance of $350 the commission company wrote the bank they were making the deposit, having agreed to do so with the miller, because they were strangers to the miller and the bank, and so the bank would not hesitate to advance the money on the drafts when accompanied by bills of lading. On withdrawing the deposit the commission company wrote the bank that if its credit had not been sufficiently established, the bank could write the commission company's bank, and they would arrange the credit. The bank however did not write to the bank referred to, and made no further effort to establish credit with the commission company. The bank is prepared to offer testimony that the miller paid less than a difference of two cents per bushel, with a view of showing that the miller was not acting as agent as he claims, but the judge rules this is immaterial. Who is liable? CASHIER.

Answer.—It does not seem to us that the bank could be deemed the agent of either party. Its operations were merely to discount the drafts, and whether it did this at the instance of the drawer or drawee is immaterial. Nor is it important that the drawee at one time placed funds with the bank as security; for this security was merely in addition to that afforded by the paper itself. By drawing the draft, the drawer engaged that it would be paid on presentation, and we see nothing in the facts of the case to relieve him from that obligation.

FOND DU LAC, Wis., December 29, 1905.

Editor Bankers' Magazine:

SIR:—Please answer the following question in the columns of THE BANKERS' MAGAZINE: "When a notary public sends a protest notice in a bank envelope, is it necessary to erase the bank's return card on the envelope?" If so, why?

ASSISTANT CASHIER.

ANSWER.—The direction to return should be erased. The Negotiable Instruments Law (Sec. 1678. Wisconsin Act) provides that "Where notice of dishonor is duly addressed and deposited in the post office, the sender is deemed to have given due notice, notwithstanding any miscarriage in the mails." But, obviously, in such case the failure to deliver the notice must be occasioned either by the neglect of the indorser to call for his mail, or by the fault of the postal service. The holder, therefore, or the notary acting in his behalf, must relinquish all control over the paper after it is deposited in the post office. The postal regulations fix thirty days as the time for which letters must be held at the post office to which they are addressed, unless delivered or called for sooner. If, then, the notary requests that the notice be returned say, in ten days, this act may be the cause of the non-delivery. The rule that all requests to return shall be erased is the one which obtains in the service of all legal process by mail, and similar reasons apply where the paper served is a notice of dishonor.

THE SAFETY-VALVE OF BANKING.

ALFRED H. CURTIS, President of the New York State Bankers' Association, a member of the executive council of the American Bankers' Association, and President of the National Bank of North America, New York city, made an address before the meeting of Group I of the New York State Bankers' Association, at the Ellicott Club, Buffalo, on the evening of December 29. His theme was, "The Safety-Valve of Banking," and he spoke as follows:

"I deem it a great privilege to be with you this evening, and to renew many old friendships, also to have the pleasure of making new acquaintances. The hospitable City of Buffalo is endeared to me as being the home of some of my warmest friends, and it is also my desire on this visit to say a few words on a subject of vital importance, not only to our associate bankers, but to the people in general. This section of the State is looked upon as the land of promise for the bank depositor, and it is a mystery to your fellow bankers from other sections, and very difficult for them to understand, how it is possibble to pay four per cent. on checking accounts, comply with the essential provisions of the banking law, make allowances for losses, taxes and expenses, and after providing a respectable reserve, have anything left for the stockholders, much less making an addition to your surplus. This condition of affairs has been brought about by the advent of the modern trust company into the banking world.

RESERVE THE SAFETY-VALVE OF BANKING.

When the National Banking Act and the laws of some States were enacted many years ago, the framers of these laws very wisely insisted upon a cash reserve. This reserve was considered the safety-valve, and to-day you hear from all parts of the country that this National bank or that State bank is being liquidated to become a trust company and the safety-valve is day by day gradually becoming reduced in size. Only a few days ago, I heard a prominent official of a large New York Clearing-House bank remark 'that if he thought the present condition of affairs would continue much longer, he would convert his bank into a trust company.'

I tell you, gentlemen, the present situation is, to say the least, uncomfortable, and is a matter of much concern to those who have studied the subject. In New York city, the trust compaines have over a billion of dollars on deposit and less than two per cent. cash in their vaults. Now, let the banks of our Clearing-House fall two per cent. below their customary twenty-five per cent. reserve, and it is heralded all over the country in large type, and a financial crash is prophesied.

I have spent my entire business life in Wall Street and have witnessed every panic since the memorable Black Friday, and I know too well how easy it is to retire at night, in the calm of a summer evening, and awaken in the wildest storm. Sometimes we receive a warning, and then again it may come like a bolt out of the clear sky, similar to the crash of May, 1901.

The last report of the Superintendent of Banking showed that one large trust company in New York city had nearly sixty millions of deposits and did not have one dollar of cash in its vaults. It is true that this trust company, like many others, had a good sized bank account, but the banks cannot pay from two and two-thirds per cent. to over three per cent. on these accounts, and keep this vast sum, amounting to nearly one hundred millions of dollars, idle. They must also invest it, and if called upon to-morrow by the trust companies to pay, they must meet the demand, or suspend payment.

TRUST COMPANIES SHOULD KEEP STRONG RESERVES.

The City of New York is a central reserve city, and is carrying a large portion of the reserves of many out-of-town banks. If, in addition to this, they are compelled in times of stress to also carry the reserves for the trust companies, the load may prove too heavy. I do not wish to appear as an alarmist, and am not running a discretionary pool like the gentleman from Boston, but many competent to speak from their own experiences, like Festus J. Wade, President of the Mercantile Trust Co., of St. Louis, a man eminent in his profession, has warned his trust company associates that to do business without a reserve is dangerous. Skating on thin ice has long been known as a dangerous sport. Banking on thin reserves may prove equally dangerous. Let me quote a few of Mr. Wade's remarks:

'The trust company should not only keep a reserve, but a strong reserve. While it was well enough years ago, when the trust companies simply discharged the functions of trustee, registrar, executor and administrator, for them to keep a nominal amount of cash on hand, with a comparatively small amount on deposit with banks, that condition has now ceased to exist, and is so recognized to-day. The methods applied to trust companies ten, fifteen or twenty years ago, are not applicable to-day, nor are trust companies doing business on the lines established ten, fifteen or twenty years ago. If you will show me the trust company to-day which keeps a reserve both in cash and in bank, in comparison with the successful National banker, I will show you the trust company that pays its stockholders not only a handsome return, but that is constantly developing its business. The surest way to retard the growth of a trust company is to decrease its reserves. The most certain way to develop its resources and power, is to increase its reserves.'

When an old and tried veteran banker, like William A. Nash, late chairman of the New York Clearing-House, uttered a cry of warning, in no uncertain language, that a disastrous state of affairs would certainly ensue if a remedy was not applied, we thought some action might be taken, but up to this time, not a move has been made. In our own State, the financial papers have called attention to it again and again, also the Superintendent of our Banking Department. His words should certainly have some weight, for I do not think we ever had a more able, more careful or progressive Superintendent than Frederick D. Kilburn. To be sure, he has been deceived, but you gentlemen have also been deceived many times by your customers; then how much easier must it be for a banker of good reputation, who wishes to do wrong, to falsify his books and lie about the value of his collateral. We should be very proud of our Banking Department; it is a model for other States.

In recent years the honorable and dignified profession of banking has been made to appear ridiculous by the advertisements of some trust companies soliciting the deposits of infants, and making the collection of small coins in tin boxes. Two of the most prominent offenders in this line have ceased to exist, due to their shipbuilding and electric trolley promotions. Other advertisements are equally unique; one makes the claim of being a 'model bank,' while another wonders 'why anybody should keep money in a commercial bank, that pays no interest, when this particular trust company will pay you three per cent.' Others will take out-of-town checks, as far as San Francisco, give credit at once and make no charge of either exchange or interest, while the clearing-house bank must make a uniform charge or pay a $5,000 fine. Moreover, there is no such organization for protective purposes among trust companies as the associated banks have in the New York Clearing-House. Its great value as an institution, and the men of brain who have directed its affairs, have saved the finances of our country on more than one occasion.

Trust Companies Will Not Voluntarily Reduce Their Profits.

The trust company officers are a live, able and aggressive body of men, gentlemen of the highest character, many of them former bank officials; they know their advantage under the present law, and our weakness, and it is useless to expect them to take the initiative in this much-needed reform, for why should they be expected to seek a reduction of their profits? Very few of the trust companies could pay expenses, much less a dividend, if they depended entirely on purely trust company business. Many of the new companies have little, outside of banking business, and they are to all intents and purposes nothing but a commercial bank, except in name. They pretend not to discount notes, but acknowledge that they do buy paper. All banks that are compelled to charge their unpaid notes to profit and loss account, realize that they have purchased them also.

Probably few people who deposit money ever read the laws which govern the institution. In National and State banks, all depositors are equal; in trust companies, the court funds are first preferred, the Savings banks, second, and the ordinary, common, every-day mortal, third and last. It should be borne in mind that the theory upon which the commercial banking system was based contemplates the accommodation, primarily, of the business community, which involved on the part of the bank a considerable and inevitable risk. The new theory upon which trust company banking proceeds, utterly disregards the good old-fashioned conservatism, which was helpful to both banker and customer, and undertakes a startling experiment so menacing, if not speedily checked, as to threaten the very foundations of our economic and trade system.

EQUAL LAWS DEMANDED.

We do not wish to take any unfair advantage of our friends in the same line of business, but we do demand equal laws for banks, called National and State banks, and banks called trust companies, and it is high time that our Rip Van Winkles awakened, ceased their selfish methods of promoting individual success, and try to do something for the general good.

Never before have we had such a condition of affairs as we have at present; we know that one of the greatest countries in the world is in insurrection and on the verge of ruin, money on call as high as 110 per cent., three important banks failing in the second city of the country—yet the stock market is booming.

It only emphasizes the wonderful prosperity of the country, and proves that the great majority of the people are working and not speculating; but while we are on the top wave of prosperity, let us safeguard the banking interest of our State, lest, before it is too late, we may be overtaken by disaster."

When Mr. Curtis concluded his address, J. H. Lascelles, Cashier of the Marine National Bank of Buffalo, presented the following resolution, which was adopted unanimously:

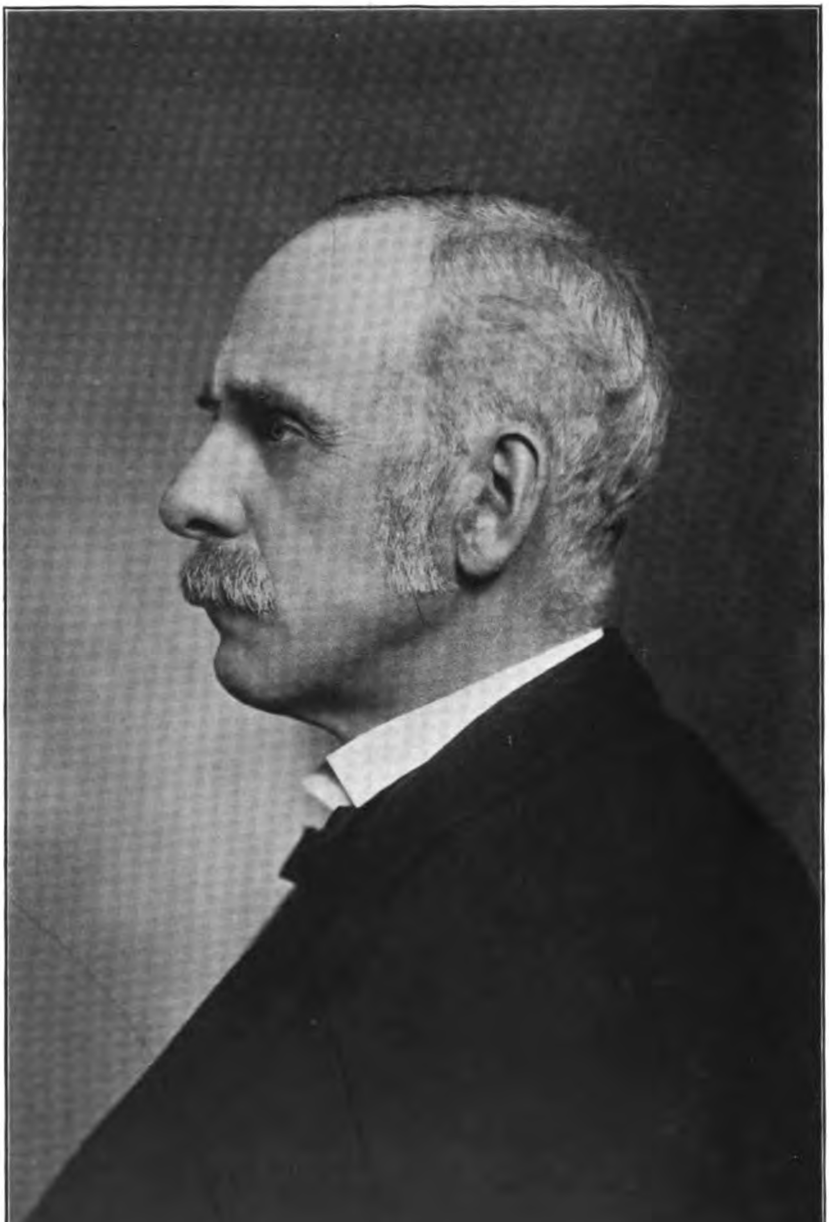
"*Resolved*, That the failure of the trust companies which conduct a banking business to maintain a proper reserve is a menace to the business community, and that we, the officers of the National and State banks of Group I New York State Bankers' Association, call upon all conservative trust company officials to indorse, and upon our law-makers at Albany to enact, a suitable reserve law for all banking institutions receiving deposits subject to check."

Among those who took part in the discussion were Elliott C. McDougal, President of the Bank of Buffalo; Charles Adsit, President of the First National of Hornellsville, and E. O. Eldredge, Cashier of the Owego National Bank, Owego.

PRODUCTION OF GOLD AND SILVER.

PRELIMINARY estimates of the Director of the Mint on the production of gold and silver in the United States in the calendar year 1905 show a gain of approximately $6,000,000 in gold and 1,000,000 ounces of silver over the product of 1904.

The gain in gold is almost entirely represented by the increased output of Alaska, the product of which is placed at $14,650,100, against $9,160,500 in 1904. California shows a loss of about $1,500,000, due to severe drought. Nevada shows a gain of about $400,000 and Utah as much. Colorado gained about $1,000,000. The Klondike continues to fall off and is about $2,000,000 below 1904.



HON. LESLIE M. SHAW,

SECRETARY OF THE TREASURY.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY.

SECRETARY SHAW'S Annual Report on the Finances, transmitted to the Speaker of the House of Representatives December 6, contains an interesting summary of the operations of the Treasury for the past year, and also several recommendations relating to the currency and other matters. Below is presented the chief portions of the report dealing with loans, currency, coinage, etc.

RECEIPTS AND EXPENDITURES, FISCAL YEAR 1905.

Receipts.

The revenues of the Government from all sources (by warrants) for the fiscal year ended June 30, 1905, were;

From customs	$261,798,856.91
From internal revenue	234,095,740.85
From revenues of the District of Columbia	5,643,257.47
From sales of public lands	4,859,249.80
From profits on coinage, bullion deposits, etc	4,419,593.99
From reimbursement of loan to Louisiana Purchase Exposition Company	4,404,942.96
From fees—consular, letters patent, and lands	4,087,561.88
From sales of Indian lands, proceeds of Indian labor, etc	3,965,087.32
From navy pension, navy hospital, clothing, and deposit funds	2,845,334.03
From immigrant fund	2,054,600.85
From tax on circulation of National banks	2,034,501.90
From trust funds, Department of State	1,230,954.67
From payment of interest by Pacific railways	1,000,007.59
From miscellaneous	922,985.48
From customs and navigation fees, fines, penalties, etc	872,539.35
From prize money	749,005.20
From Soldiers' Home permanent fund	743,792.25
From sales of Government property	578,266.94
From judicial fees, fines, penalties, etc	472,677.23
From sale of lands, buildings, etc	458,673.93
From proceeds of dividends on Panama Railroad stock, etc	369,945.00
From deposits for surveying public lands	235,198.25
From sales of ordnance material	219,545.09
From contributions for river and harbor improvements	116,000.00
From tax on sealskins	134,233.80
From depredations on public lands	80,740.45
From license fees, etc., Territory of Alaska	67,334.26
From Alaska fund, act January 27, 1905	40,172.23
From Spanish indemnity	28,500.00
From part payment Central Pacific Railroad indebtedness	5,745,385.17
	$544,274,684.85
From postal revenues	152,826,585.10
Total receipts	$697,101,269.95

The expenditures for the same period were:

Expenditures.

For the civil establishment, including foreign intercourse, public buildings, Panama Canal, collecting the revenues, District of Columbia, and other miscellaneous expenses	$131,887,294.65
For the military establishment, including rivers and harbors, forts, arsenals, seacoast defenses, and expenses of the war with Spain and in the Philippines	122,175,074.24
For the naval establishment, including construction of new vessels, machinery, armament, equipment, improvement at navy-yards, and expenses of the war with Spain and in the Philippines	117,550,308.18
For Indian Service	14,236,073.71
For pensions	141,773,964.57
For interest on the public debt	24,590,944.10
For deficiency in postal revenues	15,065,257.00
	$567,278,913.45
For Postal Service	152,826,585.10
Total expenditures	$720,105,498.55
Showing a deficit of	$23,004,228.60

In addition to the revenues collected during the year and the amounts received on the indebtedness of Pacific railroads, the cash in the Treasury was increased $1,345 by the issue of four per cent. bonds in liquidation of interest accrued on refunding certificates converted during the year.

The securities redeemed on account of the sinking fund were as follows:

Fractional currency	$2,140.80
Treasury notes of 1861	100.00
One-year notes of 1863	145.00
Seven-thirties of 1864 and 1865	300.00
Compound-interest notes	330.00
Old demand notes	565.00
Refunding certificates	140.00
Five-twenties of 1862	10,000.00
Funded loan of 1881, called	200.00
Funded loan of 1891, called	10,750.00
Funded loan of 1891, continued at 2 per cent	1,000.00
Loan of 1904, called	483,000.00
Funded loan of 1907, purchased	300.00
National bank notes redeemed in excess of deposits	3,299,440.50
Total	$3,808,411.30

Compared with the fiscal year 1904, the receipts for 1905 increased $12,886,896.21, as follows:

There was a decrease of $5,879,447.10 in expenditures, as follows:

FISCAL YEAR 1906.

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

From customs	$286,000,000.00
From internal revenue	242,000,000.00
From miscellaneous sources	40,000,000.00
From postal revenues	170,590,515.00
Total estimated revenues	$738,590,515.00

The expenditures for the same period are estimated as follows:

For the civil establishment	$128,000,000.00
For the military establishment	93,000,000.00
For the naval establishment	118,000,000.00
For the Indian Service	13,000,000.00
For pensions	143,000,000.00
For public works	57,000,000.00
For interest on the public debt	24,000,000.00
For Postal Service	170,590,515.00
Total estimated expenditures	$746,590,515.00
Or a deficit of	$8,000,000.00

The ordinary revenues for 1905, as compared with 1904, show an increase of $3,642,935.45, while the expenditures were less by $15,123,407.86. The net results for the fiscal year was an excess of expenditures over revenues of $23,004,228.60.

For the past two years the expenditures of the Government have been in excess of the revenues to the aggregate amount of more than $64,000,000. This, however, included the extraordinary expenditures in 1904 of $50,000,000 on account of the Panama Canal.

During the fiscal year 1905 there was an addition of $900 to the interest-bearing debt, while there were reductions of $600,675 in the items on which interest had ceased since maturity, and $3,302,146.30 in the debt bearing no interest. The net reduction was $3,901,921.30.

The available cash balance in the general fund June 30, 1905, was $145,477,491.89, a reduction for the year of $26,574,076.13.

The revenues for the first quarter of 1906 were $147,014,725.10 and the expenditures $156,588,966.66, an excess of expenditures over receipts of $9.574,241.56. In the first quarter of 1905 expenditures were $17,856,615 in excess of receipts.

United States notes to the amount of $11,517,579 and Treasury notes for $340,675 were redeemed in gold from the reserve fund during the last fiscal year. The redeemed notes were immediately exchanged for gold, and the reserve was thus kept intact.

The trust funds at the close of the fiscal year 1905 amounted to $992,467,969, a net increase for the year of $14,723,400.

The total amount of United States paper currency issued during the last fiscal year was $637,750,000, and the redemptions were $623,026,600.

Gold certificates increased $23,499,400, while silver certificates were reduced $5.211,000 and Treasury notes $3,565,000. The annual cost of maintenance of the paper currency issued by the Government averages about two-tenths of one per cent. of the amount outstanding.

National-bank notes to the amount of $308,298,760 were presented for redemption during the year. This was 65.84 per cent. of the average amount of notes outstanding. The expenses incurred were $247,973.26, which have been assessed upon the banks at the rate of $0.80 993-1000 per $1,000 of their notes redeemed.

The deposits in National banks to the credit of the general fund at the beginning of the year were $102,290,863.64, but the excess of expenditures over revenues in the early part of the year soon made it apparent that the cash in the Treasury vaults would be reduced below the limit required by prudence. Calls were therefore issued withdrawing from the depository banks a part of the public moneys held by them, and the balance therein to the credit of the general fund at the close of the fiscal year 1905 was $65,084,246.87. This withdrawal of public funds from the banks was accomplished without disturbance to business.

The withdrawal of public moneys from depository banks released a considerable amount of Government bonds, which the banks have used largely as a basis for increasing their circulation. The bonds pledged to secure bank circulation have increased $52,050,250 during the year, while those pledged to secure public deposits have decreased $39,578,600.

During the year $68,739,793 was added to the money in circulation. The per capita circulation advanced from $30.77 July 1, 1904, to $31.38 November 1, 1904; then declined to $30.86 April 1, 1905, and at the close of the year, June 30, 1905, stood at $31.08. By October 1, 1905, the total money in circulation had advanced to $2,624,230,391, a per capita circulation of $31.39, 42.8 per cent. of which was gold.

To maintain the present per capita circulation the increase in population of the country makes it necessary to add about $50,000,000 to the monetary stock each year.

The gold in the Treasury, including the reserve and trust funds, October 9, 1905, amounted to $739.898.600.36, a sum never equaled in our annals; nor has any other government ever held so much of the precious metal.

The demand for small denominations of currency has been continuous throughout the year. The volume of United States paper currency of the denominations of $10 and under has increased $167,186,321 since March 1, 1900, but only $14,629,320 of this increase took place during the last fiscal year. Bills of the denomination of $20 and over have been redeemed and reissued in the smaller denominations in an effort to respond to the demands for small notes. The limit has practically been reached in making changes in the denominations outstanding through the process of redemption and reissue. In future the redemption of outstanding large United States notes and silver certificates will be too slow to meet the call for small bills.

During the past year the usual facilities have been extended to aid in the movement of the crops. The deposits for transfer in the New York and Chicago sub-Treasuries were $30,093,034, for which payments by telegraph were made at other points in the denominations required to meet the demands of the locality in which the funds were to be used. Heretofore the Treasury has been able to keep up this exchange by vigilance and forethought in the preparation of currency for the anticipated needs. If these accommodations are to be continued, some action must soon be taken by Congress to enlarge the volume of small notes.

The moneys received in the redemption and exchange account during the fiscal year 1905 amounted to $1,150,625,763, and were equal to forty-four per cent. of the money in circulation at the close of the year.

The silver dollars in circulation June 30, 1898, were $58,482,966. The amount of this coin distributed at Government expense for transportation. from July 1, 1898, to June 30, 1905, was $275.536,512, but the amount in circulation on the latter date was only $73,584,336.

Subsidiary silver coin to the amount of $27,606,185 was distributed to depositors during the last fiscal year. The average rate for transportation on shipments of silver coin during the year was $1.90 per $1,000.

MINT SERVICE—DOMESTIC COINAGE.

The domestic coinage of the mints during the fiscal year amounted to 152,422,302 pieces, of the value of $91,172,729.83. Of this, $79,983,691.50 was gold coin. The coinage of the standard silver dollars was $310; of subsidiary silver, $9,123,660.60, and of minor coin, $2,065,067.73. The silver dollars were coined from bullion purchased under the act of July 14, 1890. Of the subsidiary silver, $7,752,131.75 was likewise coined from this bullion.

SILVER COIN.

The stock of bullion purchased under the act of July 14, 1890, became wholly exhausted during the past year. The coinage of silver dollars is necessarily discontinued, and no subsidiary silver coins are being made except by the recoinage of the abraded and uncurrent coins of the same denominations as they accumulate in the Treasury. It probably will be necessary during the coming year to draw on some other supply of silver to meet the constant demand for these coins, and I recommend that the Secretary of the Treasury be authorized to cause the recoinage of abraded and uncurrent silver dollars, in amounts not exceeding $5,000,000 per year, into the several denominations of subsidiary coins as they are required. These abraded dollars, unfit for circulation, are accumulating, and some provision for their recoinage should be made. They can not be recoined into dollars without a loss which the Secretary of the Treasury is not authorized to incur. As the subsidiary coins are of lighter proportionate weight than the dollar pieces, the latter may be converted into them without loss to the Treasury or to the circulation. In view of the enormous additions now being made to the country's monetary stock by the coinage of gold, the objection sometimes suggested that the stock of full legal-tender money would be reduced by such conversion seems unimportant.

I would invite your attention, also, to a feature of the law governing the issue of subsidiary coins which should be changed. Section 3527, Revised Statutes, provides that "silver coins other than the trade-dollar shall be paid out at the several mints, and at the assay office in New York city, in exchange for gold coins at par, in sums not less than one hundred dollars." Under this mandatory statute the mints are called upon to supply new coin, although there may be an abundance of coin in good condition for use in all the offices of the Treasury. The purpose of the applicants is to obtain coin which has never been in circulation. Instances have been noted of banks and department stores which made a specialty, for advertising purposes, of paying out only new coin. The manufacture and issue of new coin by the mints, when the Treasury already holds a stock ample to supply all needs, involves useless expense; it causes a redundancy in the circulation and forces an equal quantity into the Treasury for redemption. It is evident that the system is wrong, for if the practice of obtaining new coin at the mints continues to grow the Treasury will be unable to put out any coin that has been in circulation. The issue and redemption of these coins should be through the Treasury and sub-Treasuries only. I recommend the repeal of the provision quoted, which requires issue by the mints and assay office.

MINOR COINAGE.

Section 3528, Revised Statutes, provides a minor coinage metal fund not exceeding $50,000, which the Secretary of the Treasury may place at the disposal of the superintendent of the mint at Philadelphia for the purchase of metal for the one and five cent coins. The total value of metal in the mint for this purpose, including that in all stages of coinage, can not therefore exceed $50,000. When this fund was created by the act of February 28, 1873, the amount was ample (the total minor coinage for that year was $494,050), but last year the minor coinage amounted to $2,065,067.73, and in the month of October alone to $285,350. The fund is inadequate to handle this volume of business, and inconvenience is experienced in consequence. There is no good reason why the making of minor coins should be restricted to the mint at Philadelphia. The Secretary of the Treasury should be authorized to use any of the mints for this coinage and to increase the minor coinage metal fund to a maximum of $250,000.

GOLD BULLION IN THE REDEMPTION FUND.

In my report of 1904 attention was called to the fact that the provision of the monetary act of March 14, 1900, requiring that whenever the gold coin in the redemption fund shall fall and remain below $100,000,000 the issue of gold certificates shall cease, virtually restricts the amount of bullion in the redemption fund to $50,000,000. No good purpose is served by arbitrarily fixing the proportions of coin and bullion in this fund, and it was probably unintentional. The law in its first section directs the Secretary of the Treasury to maintain a reserve fund of $150,000,000 "in gold coin and bullion," apparently leaving the relative proportions to the discretion of the Secretary. In another section, the purpose of which was to prevent the depletion of the fund below $100,000,000, the provision referred to is made. The security and effectiveness of the fund would not be diminished if this section was made to read that "whenever and so long as the gold coin *and bullion* held in the reserve fund in the Treasury for the redemption of United States notes and Treasury notes shall fall and remain below one hundred million dollars," etc. There is practical convenience and advantage in having a considerable share of the gold in the reserve fund in the form of bullion. No important demand upon the Treasury for gold ever occurs except for export, and for that purpose bullion is always preferred by the shipper and is the most desirable form of payment for the Government, as it saves the cost of coinage. The law as it stands has the practical effect of limiting the Treasury holdings of bullion and of causing an unnecessary amount of coinage. I recommend the amendment of section 6 of the act of March 14, 1900, to read as above.

PRODUCTION AND DEPOSITS OF GOLD.

The production of gold in the United States for the calendar year 1904 is estimated at $80,464,700, and the industrial consumption at $28,655,963, of which $22,930,036 was of new material. The original deposits of gold at the several mints and assay offices aggregated $143,378,969.86.

LOANS AND CURRENCY.

The outstanding principal of the public debt June 30, 1905, was $895,158,340, an increase of $900 in the fiscal year, due to the issue of four per cent.

bonds of the funded loan of 1907 in settlement of accrued interest on four per cent. refunding certificates surrendered during the year, in accordance with the act of February 26, 1879.

On October second the refunding of three per cent. bonds of the loan of 1908-1918 and four per cent. bonds of the funded loan of 1907 into two per cent. consols of 1930 was resumed in pursuance of the circular published September 28, 1905, the outstanding bonds to be received at a valuation equal to their present worth to realize an income of two and one-half per cent. per annum, and the two per cent. consols to be issued at a premium of one per cent. These terms differ from those of the refunding under the circular of September 23, 1903, only in the premium charged for the new bonds, which is one per cent. less than in 1903.

Up to and including November 15 there were refunded $10,488,300 three per cent. bonds and $33,422,950 four per cent. bonds, for which the Department has issued $43,911,250 two per cent. consols of 1930.

The interest-bearing debt of the United States outstanding November 1, 1905, was $895,158,940. Of this amount, bonds of the face value of $549,599,590 were held by the Treasurer of the United States in trust for National banks as security for circulating notes and deposits, leaving $345,559,350 in the hands of other investors.

REVENUES.

It is impossible to adjust revenue laws with mathematical accuracy. The amount that given schedules of customs duties and internal-revenue laws will yield is always uncertain. Conditions which can not be anticipated are always reflected in revenues. A very small cloud in the financial sky will cause a marked fluctuation in customs receipts. Thus far in the current fiscal year receipts from customs have been fourteen per cent. higher and internal-revenue receipts five per cent. higher than during the same period of the preceding year. Should these percentages of increase continue throughout the year, public revenues from these sources will be increased $48,000,000. Because of these uncertainties Treasury estimates have been based upon a probable net increase in all classes of revenues of $24,000,000. Should anything arise or anything be done to disturb industrial conditions, however, receipts are as likely to fall below those of a year ago as to continue at the present rate of increase.

Expenditures also fluctuate. Appropriations for public buildings, river and harbor improvements, and for the construction of naval vessels are available until expended, but it is impossible to anticipate with what rapidity the authorized work will progress. Then, in addition, appropriations are made a long time in advance, while receipts are current. It follows, therefore, that revenues and expenditures are never equal. Each fiscal year of our history has shown either a deficit or a surplus, and each has received equal criticism, and from the same sources.

The difference between actual receipts and actual expenditures during the last fiscal year was smaller than in any year since 1897, and smaller than any year save seven since 1860. On sixteen occasions since 1860 the difference between receipts and expenditures exceeded $100,000,000; on nine occasions the difference, though less than $100,000,000, exceeded $50,000,000, and on twelve occasions the difference, though less than $50,000,000, was greater than in the last fiscal year. In the entire forty-five years, on seven occasions only has the difference between actual receipts and actual expenditures been less than during the fiscal year of 1905. It will be wise, therefore, to keep extraordinary appropriations as low as possible, or it may be found necessary to provide more revenues. Fortunately, the Treasury holds a surplus of $80,000,000 above a reasonable working balance, available if unexpected conditions should arise. This surplus, in my judgment, should not be encroached upon deliberately, for it will be found very convenient to offset the results of political or economic disturbances certain to arise in the near or remote future.

CURRENCY.

The necessity for an elastic currency has received fresh emphasis in the last few months. Millions were loaned, approximately at one per cent. in midsummer, and call money reached twenty-five per cent. in November. The exceedingly low rate was about as dangerous as the high rate, for the latter was the logical result of the former. Such extremes can and should be rendered impossible.

As a means to this end, I suggest the advisability of permitting National banks to issue a volume of additional Government guaranteed currency, equal in amount to fifty per cent. of the bond-secured currency maintained by them, but subject to a tax of five or six per cent. until redeemed by the deposit of a like amount in the Treasury. By eliminating the words "secured by United States bonds deposited with the Treasurer of the United States" from National bank notes now authorized, the additional currency would be identical in form with that based upon a deposit of bonds, and its presence would not alarm, for it would not be known. No new and distinct or unguaranteed form of money should be injected into our system. The tax would be ample, and more than ample, to cover the risk to the Government in guaranteeing redemption. Manifestly, this additional currency would not spring into being until interest rates exceeded six per cent., and it would as promptly retire when rates became normal. Under these or any similar provisions ten per cent. money would be well-nigh impossible, and the Treasury Department would be saved a most embarrassing responsibility. This may not be the only means of adding an element of elasticity to our currency system, the need of which is universally recognized. I suggest it as the plan which to my mind seems most feasible, and one fraught with no danger.

TRUST COMPANIES.

In my report of one year ago I called attention to the large increase in the number of trust companies and the extraordinary growth of deposits therein. Few States require trust companies to carry any reserve whatever. Some of these institutions carry none, and few of them carry much. They are permitted by law to engage in well-nigh every kind of legitimate business appropriate to private citizens or corporations. Many of them are convenient adjuncts of National banks, and some, I fear, are occasionally used as a means to encroach upon the reserve contemplated by statute. I repeat some observations I made on the subject one year ago:

> It is manifest that these institutions in our great cities, helpful as they have been to American development and commerce, unless conservatively managed, may become an element of danger to our financial system. They are already national in character, and several of them are of international influence. I suggest the propriety, therefore, of a law giving trust companies of large capitalization in large cities the privilege of incorporating under Federal law, with corresponding supervision. If such right were extended, the more conservative would probably avail themselves thereof, and this would compel others to cultivate conservatism. It would not be necessary to extend to them the distinctive prerogatives of National banks beyond the capacity of being designated financial agents of the Government, thereby justifying Federal jurisdiction; nor should they be brought into competition with commercial banks, but they should be required to keep an appropriate, though relatively small, reserve within their own vaults, lest in times of financial distress their large deposits with National banks increase, rather than diminish, the evils of financial panics. These great concerns, if properly and conservatively conducted, may prove of great and even unforeseen advantage to public as well as to private interests; and the best time to safeguard the country is when skies are clear.

PANAMA BONDS.

By act of Congress approved June 28, 1902, an issue of bonds was authorized in aid of the Isthmian canal, now in process of construction. The act provides that the bonds shall bear interest at two per cent., and shall not be sold below par. In former reports I have called attention to the fact that these bonds, if now issued, would not be available as security for National bank circulation at a less rate of taxation than one per cent. per annum, and, therefore, would not be worth par. I believe a general statute should be enacted making all future issues of Government bonds available for National bank circulation subject to a tax of but one-half of one per cent, as in the case of the consols authorized by act of March 14, 1900.

SUBSIDIARY COINAGE.

In several previous reports attention has been called to the necessity for additional subsidiary coinage. The time has arrived when it must be determined whether the Government will again become a purchaser of silver or will use for this purpose, as the demands of the country require, the five hundred carloads of silver dollars now in the vaults of the Treasury, the metallic value of which is approximately fifty per cent. of their circulating value. Since their recoinage into smaller denominations will in nowise contract the volume of currency, every principle of prudence points to their gradual use rather than to the purchase of more silver. In any event, I think the abraded and uncurrent silver dollars, which can not be recoined into dollars without loss, should be converted into subsidiary coinage at not to exceed $5,000,000 per annum.

CLEAN MONEY.

For the purpose of providing the people of localities distant from sub-Treasuries with cleaner currency, I recommend such legislation as will place upon the Government the cost of transportation to the Treasury for redemption of worn and mutilated United States notes and certificates below the denomination of $10. The cost of transportation of worn National bank notes to the Treasury for redemption is now a charge upon the bank of issue and not upon the sender. It is but reasonable that the Government, which issues the major portion of our paper money, should likewise bear the burden of its return when no longer fit for current use.

A DEPARTMENT SAVINGS BANK.

There are in the District of Columbia, approximately, 17,000 clerks and other permanently employed officials, receiving a salary of $900 or more per annum. Many of these are well advanced in years, several nearly ninety, quite a number past eighty, and hundreds past seventy. Some of these would have been separated from the Service ere this but for the element of sympathy which cannot be eliminated in concrete cases where separation means casting the unfortunate upon the charity of friends, and especially if there be no friends. It is impossible to observe the faithful service of this great army of associates for any considerable period without becoming intensely interested in their welfare.

The atmosphere of the departments is not favorable to the accumulation of savings. The average clerk lives to the limit of his income, and many are in debt. There is probably no city in the world where the rate of compensation for ordinary services is as high as in Washington, and there is certainly no city of its size in this country where savings banks deposits are as small. Six Savings banks in the city of Washington report deposits aggregating but little over $3,000,000, while Detroit, Mich., about the same size as Washington, has one savings bank with deposits of $7,500,000; Minneapolis, Minn., slightly smaller than Washington, has a single Savings bank with $12,000,000 on deposit, and Cleveland, Ohio, slightly larger than Washington, has one Savings institution where 70,000 depositors have $46,000,000 on deposit.

I believe it incumbent upon the Government to do everything reasonably within its power to inculcate within the departments principles of economy such as Benjamin Franklin taught, the application of which will, in every case, barring sickness and misfortune, insure competency.

There are in the Treasury building 359 clerks who have served over thirty years. One hundred dollars saved each year and kept at interest at four per cent. would have yielded nearly $6,000, which is a competency in many portions of the United States and actual wealth in some.

For the purpose of encouraging those in departmental service to save something from their salaries (which average, in my judgment, fully twenty-five per cent. higher, all things considered, than is paid for like services elsewhere), I think it would be wise to charter a Savings bank upon the mutual plan prevalent in some of the States.

If this should be deemed expedient, I suggest that the board of directors include an assistant secretary from each department, to be named by the head of the department. The executive committee should be chosen from among the best business men of the city, whose known interest in others will prompt them to render thoughtful, efficient, and unselfish service free of charge. The institution could be placed under the supervision of the Comptroller of the Currency without additional expense. The only persons, therefore, to draw salaries would be a treasurer and the few necessary clerks. Having no capital on which to pay dividends, and with expenses reduced to the minimum, such an institution ought to yield the depositors approximately four per cent. To insure its management solely in the interest of Government clerks and employees, deposits should not be accepted from others.

The institution, I think, should be called the Department Savings Bank, and if properly managed, and if due encouragement and advice be extended throughout the departments, I see in it great possibilities. About all that the departments now teach is punctuality and faithfulness in the discharge of the particular duties brought to each desk. There is no reason why they should not teach self-reliance and independence. Nothing will put spirit into a clerk quicker than the dawn of consciousness that there is within his reach a competency, and a competency is within the reach of every clerk in the departments who will practice even a few of the rigid economies which have laid the foundation of nearly every American fortune.

This must not be understood as a recommendation that the Government embark in the banking business. I favor no such policy, and I very much doubt the wisdom of withholding a portion of accrued compensation to provide an annuity, or a gross sum to be paid when existing relations terminate. Such a course inculcates dependence and careless extravagance. Nothing would so surely sap the self-reliant independence of a clerk as to regard the Government as his voluntary and benevolent guardian. The Government can well afford to surround its servants with a wholesome instructive atmosphere and to afford every encouraging opportunity, but in the last analysis the individual must be taught self-reliance.

LESLIE M. SHAW,
Secretary of the Treasury.

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

A DEMAND FOR MORE SMALL BILLS.

AN evidence of the business prosperity of the country is afforded by the demands made upon the banks for notes of small denominations. The difficulty of meeting this demand, and a proposed remedy, are given in the following letter:

Editor Bankers' Magazine:

SIR: The National banks throughout the country are having endless trouble to satisfactorily supply their customers with paper money of the denominations of one and two dollar bills, and the laws are such, restricting their issue, that the Treasury Department cannot overcome the difficulty unless a change in the law is made. Various propositions have been suggested to remedy the trouble, but nothing practical has resulted. About a year ago, Treasurer Roberts made a suggestion in his annual report somewhat as outlined in the following proposed bill, but even that got no further than a suggestion from his pen.

The demand for the small denominations is increasing each year, as the volume of business throughout the country grows, and bankers are feeling the pressure upon them. The trouble is not confined to any section of the country. From my correspondence upon this subject with bankers, I find a remedy is wanted as much in New Orleans as in Chicago, and as badly in

Boston, New York and Cincinnati as anywhere else, and in the rural districts also.

I feel that some remedy should be given, and with this in view, I have prepared the accompanying proposed bill, which, if nothing better can be suggested, will be presented to Congress and urged by Senator Daniel this coming winter.

I feel it would be well for you to give some publicity to it, as it is a question of much interest to the bankers, and if it is thought that this bill will meet all requirements, they can urge its passage through their Senators and Representatives.

In explanation of the proposed bill, it will be observed by reference to the National Bank Act, Sec. 5172, that the "denominations prescribed by law," are set forth in the following language. After reference to the manner of engraving plates, and dies for National bank notes, the act recites: "and shall have printed therefrom, and numbered, such quantity of circulating notes, in blank, of the denominations of $5, $10, $20, $50, $100, $1,000, as may be required," etc.

There will be, by the adoption of this bill, no restriction to a bank taking out all of its circulation in $5 bills, if it so desires, and it seems to be the accepted theory in the Treasury Department, that the inevitable result of increasing the circulation of $5 bank notes, and printing $5 gold certificates, will be the greater flow into the Treasury and sub-Treasury of silver certificates for redemption, the only notes, under the law, in lieu of which one and two dollar bills may be issued.

I would like for you to give this subject some consideration, and if you think well of it, to make some mention of its provision, if nothing more, in your journal.

Robert N. Harper,

Washington, D. C., Dec. 16, 1905. *President American National Bank.*

A Bill to be Presented to Congress to Increase the Number of One and Two Dollar Bills in Circulation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled: That Sec. 6, of the Act of March 14, 1900, reading as follows: "That the Secretary of the Treasury is hereby authorized and directed to receive deposits of gold coin with the Treasurer or any Assistant Treasurer of the United States in sums of not less than twenty dollars, and to issue gold certificates therefor in denominations of not less than twenty dollars," be so amended to read as follows: The Secretary of the Treasury is hereby authorized and directed to receive deposits of gold coin with the Treasurer or any Assistant Treasurer of the United States in sums of not less than five dollars, and to issue gold certificates therefor in denominations of not less than five dollars.

And be it further enacted: That Sec. 12, of the Act of March 14, 1900, which provides: "That the circulating notes furnished a National banking association under the provision of this act shall be of the denominations prescribed by law, except that no National banking association shall be entitled to receive from the Comptroller of the Currency, or to issue, or to reissue, or place in circulation, more than one-third in amount of its circulating notes of the denominations of five dollars; be amended by striking out all that part of the section after the words "prescribed by law," beginning with the word "*except*" and ending with, and including in the elimination, the words "denominations of five dollars."

SOME PHASES OF THE COUNTRY CHECK QUESTION.*

ONE of the very important questions which the American banker has not yet solved, one which he is daily struggling with in his own way, but which must be answered for all, is the handling of the exchange of this great country with the greatest facility and at the least expense. Certainly, outside of New England, or more correctly speaking, that section covered by the Boston Country Clearing-House, we are paying the maximum cost both in the matter of time and of exchange. The burden has from the beginning fallen almost entirely on the reserve and the central reserve city banker. I say almost entirely, for in a few instances the country banker allows his reserve funds to rest without interest with the city agent, thus allowing the full income on the available balances to cover the items of cost and services. In still other instances, a deduction from interest allowances for average outstanding time is permitted to partially cover this cost, but on the whole the exchange balance is found on the debit ledger of the city bank, and in increasingly large figures.

MEANING OF THE TERM "EXCHANGE."

Let us inquire as to the meaning of the term exchange. Commonly the act of giving one thing for another which is regarded as equivalent, is exchange. In foreign transactions, that is, between one country and another, presuming that all countries have the same currency and that the sum of the debts due from one country to another are equal, the transactions are liquidated without the passage of any money. This also is exchange, and what is commonly termed par exchange, but if there is a greater sum due from one country than is due it from another, the debts cannot be simply written off, but the balance, after one has been applied as far as it will go toward covering the other, must be transmitted in the precious metals. Then the bills of the creditor country become at a premium, and this is the sum which is sufficient to cover freight and insurance of the metal with a profit sufficient to compensate the banker for trouble and the temporary occupation of his capital. To reverse this proposition would be to put exchange at a discount; or, in other words, in the creditor country the debtor country's bills would be at a discount. This, then, is the basis for establishing international exchange rates, unless some extraordinary condition develops, such as the anticipated difficulty in procuring the metal for shipment. The premium, however, could not exceed the cost and risk of remittance in gold, together with a trifling profit, because if it did the debtor would send the gold itself in preference to buying a bill.

PRINCIPLES GOVERNING EXCHANGE.

Now, let us inquire how far these principles govern the exchange transactions in this country.

With the passing of the unfortunate State bank currency came the establishment of banks under Federal control, and through that agency the use of the check and the draft became prevalent. Under the provisions of the National Bank Act banks of the National association in certain cities were appointed reserve agents. In selecting the reserve city in which he purposed to carry the reserve funds of his bank the country banker naturally selected the one to which his section was tributary. Thus the banks of New

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* An address, delivered before the Philadelphia Chapter American Institute of Bank Clerks, by Wilson T. Berger, of the Merchants' National Bank, Philadelphia.

England, with few exceptions, selected Boston and New York their reserve cities. Those in the Middle States selected New York and Philadelphia as their convenience suited. The South Atlantic States selected Baltimore and New Orleans. The Middle West was divided between Cincinnati, Cleveland and Chicago. All Michigan went Detroit way, and so on covering all the States; but few indeed were the banks that did not have at least one New York city correspondent. Besides the reserve city banks each bank corresponded with from three to a dozen banks in neighboring counties, among which the checks of each circulated freely and settlements were made weekly or semi-monthly, as the case required. Frequently these balances were written off without the necessity of disturbing the reserve balances, so that the expense of labor only entered into the cost of collecting the local check. At that period the check seldom got out of the immediate neighborhood, for when the merchant or manufacturer purposed paying a bill in the commercial center of his State, or in some foreign State, he would invariably purchase a bank draft. The rate of exchange in these instances was, as a rule, arbitrary, depending more upon the value of the purchaser as a patron of the bank along some other line than on the elements entering into the above-referred-to basis of rates. But as the banks grew in numbers and the use of checks in payment of foreign bills became more general, the banker found he could charge the collecting bank a maximum rate with less compunction than he could charge his depositor a minimum rate, and so he encouraged the use of the check. It then became more advantageous to discontinue the reciprocal arrangements between the local banks, so that all checks would come through the reserve city banks for collection and remittance, less, of course, a certain rate of exchange. As before mentioned, nearly every country bank carried at least one New York city account, and to that bank was sent practically all the foreign checks received, so that the several New York city banks became a national clearing-house. The burden was tremendous and resulted in the well-known action of the associated banks fixing certain rates for certain zones. But that did not solve the problem, and certainly no one expected that it would. What happened, however, was to transfer the burden to other reserve cities. This business has not come to the reserve city banker without solicitation; on the contrary, it has been most studied and competition among banks in the same city has been of the keenest sort. As a result of this competition some of the most flagrant abuses have been created. It is ridiculous for a country bank with a reserve balance, we will say of $25,000, to divide it among six or eight correspondents, ostensibly for the purpose of a greater measure of safety, but really for the purpose of corralling all or nearly all of the exchange drawn on his bank. Yet this in many instances is a fair average of the number of reserve accounts carried in proportion to reserve balances. One and sometimes two of the six or eight banks are selected (because of special facilities for handling the business) to collect all the country cash and collection items which the bank will have in the course of things to collect, and on the collecting banks falls the burden of the country check. The collecting banks naturally and deservedly expect a balance, the income of which is sufficient to cover the expense of collecting these checks along with a reasonable profit; but he is left to do it with a many times divided balance, and therefore with resulting losses. And in seven cases out of ten the collecting bank is obliged to pay the same rate of exchange to the referred-to patron as his neighbor who enjoys a dormant balance. When attention is called to the unprofitable side of an account the country banker will invariably express surprise that his particular checks are expensive to collect, while he at the same time is charging a fixed rate of exchange on all items sent him for collection. This practice of the divided reserve account is prevalent only in a town where there are two or more banks, because the one-bank-town banker will surely get all checks drawn on his bank and of course on his own terms.

Recently on the occasion of a personal call soliciting the account of a newly-organized bank in this State, I was told by the prospective Cashier that he would not connect with a reserve city bank having a large country business, because he wanted to favor his collecting bank with a par collection and by connecting with one doing a large collecting business he would be taking checks at par on which, if he had no reciprocal connection with the bank, he would be able to charge a certain rate of exchange. He, therefore, purposed to open an account with a reserve city bank with few, if any, country connections, and how they collected his items, he cared not.

SOME EVILS OF DIVIDED RESERVES.

The dividing of the reserve balances among several reserve cities has made possible the practice of kiting on a much larger scale than formerly. Usually, this is the last resort of the under-capitalized merchant or manufacturer, but it has developed that two or more banks in different communities have operated together along these lines to create exchange on which they were charging their usual rate. This is one of the most reprehensible practices I know, and that a banking system is extant which permits that sort of business is extremely unfortunate. Another very common abuse is the practice of issuing Cashier's checks to pay bills in a foreign State. Recently one came to my notice which was drawn in a little town up the State and made payable to a Kansas City, Missouri, firm. The issuing bank enjoyed the use of the funds representing the amount of this check for a much longer period than it would if a draft had been drawn on a reserve city, besides by this method the drawer was able to charge a certain rate of exchange when the item was presented for payment, which doubtless was the real motive. The practice of drawing on one reserve city through another reserve city on account of transfer of funds has grown out of the present system. I refer to the banker, we will say, in South Carolina, who having an account in each of the reserve cities of New York, Philadelphia and Cincinnati, desires to transfer his Cincinnati funds to Philadelphia, and does so by drawing a draft on Cincinnati and sending it to Philadelphia. By this process his funds are drawing interest in both cities, while the draft is in transit between Philadelphia and Cincinnati. He would not think of transferring the same balances from Cincinnati to New York in that way, for if he did he would be obliged to pay New York a fixed rate of exchange and suffer a deduction of at least four days from his interest-bearing balances. Instead, he requests the Cincinnati bank to make the transfer to New York for his credit and advice; which is straight business. We ask ourselves why we cannot here in Philadelphia conduct our collection business in a similar businesslike way. The answer is this: some one or another of the Philadelphia banks are daily being told what they were similarly told the day before to the effect that their neighbors or their competitors in other cities allow interest on day of receipt and say nothing of the character of the items. So it becomes a question of putting up with these abuses or seeing your account go to one of your competitors.

PRESENT RATES ARBITRARY.

We find, then, that the rate of exchange governing settlements between the country banks and the reserve city banks are with few exceptions purely arbitrary, depending entirely upon the country banker's sense of fairness.

Few indeed are the instances where the rate of exchange is governed by the cost of transferring currency, because the use of the check has become so general that more than ninety per cent. of all trade balances are liquidated through that medium, and the country banker is able to write all of his debts by the use of foreign bills which he receives, unless, of course, local conditions are greatly affected by the disbursement of large sums of money in payroll accounts, as is the case, we will say for instance, with the City of Altoona. There the Pennsylvania Railroad is practically the sole resource of the working people, and wages are paid for in cash, which drifts into the banks and must be shipped in order to cover the foreign bills of the merchants and dealers. So it is that the country banker likes the present check system, because it delays the date of payment and is moreover one of his considerable sources of income. It has been my privilege to meet a great many country bankers in their own bank home, and I have met with but one who really "cussed" the country check, and that because his two more energetic neighbors succeeded in securing about all the checks drawn on his bank, which he was obliged to pay at par. The problem is truly with the reserve and central reserve cities, one each of which has in a way solved it for themselves.

OBJECTIONS TO THE NEW YORK PLAN.

The action of the associated banks of New York has not met with the approval of the bankers throughout the country for several reasons. One reason particularly which appeals to us here in Philadelphia is that it makes no discrimination between the bank carrying the profitable balance and the one carrying the unprofitable balance; that however large the balance of the country bank the rule applies just the same. These charges, too, are not always used to pay for direct service but are turned to profit account and the checks sent on the long circuit for collection. Moreover, and this is the real objection, if all reserve and central reserve cities adopted a similar plan the burden would fall back upon the people, I mean the masses—for that system presupposes the use of drafts drawn on reserve points in payment of merchandise bills which, if the country merchant and manufacturer was obliged to pay with an additional rate of exchange, it would mean that just that much additional must be added to the selling price of his goods, and the people—the masses—would be carrying a burden which need not be a burden at all, if carried where it should be carried. There is absolutely no merit in the New York plan which commends itself to the student of economics. The New York bankers simply used the easiest and most effective way of keeping out the country check. They were able to do this because of their great commercial as well as their great financial strength.

THE BOSTON PLAN COMMENDED.

The Boston Country Clearing-House appeals to us as the most economic and most expeditious plan which has yet been devised. We remember with pleasure and profit the address of the manager, Mr. Sears, before this chapter last winter, in which he remarked the operations of the clearing. You all remember in this connection that the cost of converting the New England country check into loanable funds is but seven cents per thousand, as compared with the average rate for the Middle and South Atlantic States of from $1.00 to $1.50 per thousand and from two to four days' time. The system can well be practiced in New England but nowhere outside unless adopted by all reserve cities.

AMERICAN BANKERS' ASSOCIATION AS AN INSTRUMENTALITY OF REFORM.

Should not this great question be solved by the American Bankers' Association? Through what other medium could so vast a scheme be effected, and why, granting that there is no other, is it that this question does not form even a part of the deliberations of their annual meetings?

This question was put a few days since to a western reserve city banker who was laboring with the question in his way, and he replied promptly, "They are afraid of it;" so perhaps we as young bankers are rushing in where wise men fear to tread.

Let us then make some inquiries in this connection. To begin with, the New York bankers are not particularly interested, because they have already met the issue to them very satisfactorily. While Boston would undoubtedly be a large gainer by the spread of their own system, they do not appear to be zealous in that direction; certainly they have no occasion to take the initiative. We now confine the inquiry to the two remaining central reserve cities; namely, Chicago and St. Louis, and all other reserve cities. Suppose that all country bankers, National, State and private—all members of the American Bankers' Association—would consent to either remit at par to some designated point in their section or pay all their checks at par presented at the counter of their designated reserve agents, what would be the result? Doubtless this, an entire readjustment of reserve balances. The New England banker would no longer maintain balances with Albany, Baltimore and Philadelphia, as nine-tenths of them now do. There would be no occasion to do so. Their exchange would naturally be collected through their immediate reserve centers; namely, Boston and New York. By such an arrangement Albany, Baltimore and Philadelphia would lose heavily in deposits to both those cities, because therein is their greatest need, which need would be augmented on account of the concentration of exchange naturally collectable through those centers instead of by the present arrangement whereby they are presented through at least a half dozen reserve cities. It is not likely, therefore, that any one of the three cities would take the initiative; it is not likely that there will be *concerted* action without the co-operation of all reserve cities. It will be readily admitted that no other reserve city could take action similar to that of Boston and New York. While Philadelphia is from her peculiar geographical position the gainer by the action of both Boston and New York, her position is such that similar action would mean the withdrawal of almost the entire country bank business which would unquestionably go to our neighboring reserve cities. Continuing on the supposition that all country banks would pay their checks at par, there would be in all other reserve cities a readjustment of balances, and all would lose to New York, for New York is, and will undoubtedly continue to be, the greatest selling city in the United States. New York under such a system would be an even greater financial center than it is to-day. The advantage or disadvantage of such a condition to the manufacturing and industrial centers is a debatable question and will not be considered in this paper; but with the present high premium which is paid here in Philadelphia and in Pittsburg, just two instances may be taken as an indication of what it might be if large sums were withdrawn from useful commercial pursuits and taken to New York where they are pretty apt in figuring in Wall Street manipulation.

We then conclude that whatever action is taken to bring about a more suitable adjustment of exchange rates or the enlargement of the New England plan must come through the united efforts of all the reserve and central reserve cities. This is possible only through the American Bankers' Association. It may be necessary to bring all banks of deposit under Federal control before the desired result can be brought about. I know of no more profitable employment for the American Institute of Bank Clerks than a thorough study of this really great problem. To begin with, we must find just where the burden belongs; we must not compromise with any system which will eliminate the country check from commercial transactions; on the contrary, we want to increase its usefulness and facilitate its collection.

WILSON T. BERGER,
Merchants' National Bank, Philadelphia.

CHANGES IN THE NATIONAL BANKING LAWS.

CHANGES in the National Banking Law were urged at the recent annual dinner of the Illinois Manufacturers' Association at Chicago by John L. Hamilton, president of the American Bankers' Association.

"We need at first a properly secured elastic currency under Federal control," said Mr. Hamilton. "Secondly, there should be a change in the limitations on the amount of loans, a provision that is constantly violated by all National banks. The third suggestion covers the privilege of loaning a limited amount on not to exceed 40 to 50 per cent. of a fair cash value of real estate. I recommend also a change in the manner of selecting bank examiners, and the payment to each examiner of a fixed salary, with such assistants as may be required to properly perform his duties."

INSURANCE OF DEPOSITS FROM THE DEPOSITOR'S STANDPOINT.

FOR some years the matter of insuring or guaranteeing bank deposits has been talked of and written about. The subject is now attracting more and more attention. It is being forced to the front. It has been taken up by State bankers' associations, and plans have been presented by the members; it has been discussed in banking papers, and by bankers individually or in groups of two or more, but almost always from the viewpoint of the banker.

Some bankers seem to be under the impression that by having deposits insured they are granting too much and acknowledging that there is a weakness in their banks which does not really exist. The banker may be very sure his bank is strong and well managed, but the depositor can only hope and believe it is strong, well managed and safe—he has no means by which he can have the same positive knowledge that the banker has.

GOVERNMENT DEPOSITS ALREADY GUARANTEED.

The United States Government and many State governments require from banks a full guarantee for the funds deposited with them. The governments have no more right to such insurance than has the individual depositor. Some bankers seem to recognize this and decline to handle Federal or State deposits. Many bankers who have National, State and city deposits seem to think it a thing to be proud of—for they make special mention of it in their advertisements and on their statements. But some of their depositors do not think it so fine when they know it means that the governments—National, State or city—are preferred depositors, because the deposits are insured against loss or depreciation, while they themselves have no recourse whatever if the bank should fail.

A bank should not show partiality any more than a railroad should, and the agitation now going on concerning the partiality shown by railroads can be applied to banks with equal force—and it is so applied by some depositors.

CHARACTER OF SECURITY FOR DEPOSITS.

Deposits are really call, demand or time loans to the bank for which the bank gives no security or collateral to the individual depositor. Of course, the depositor has the services of the bank at his command for the collection of checks, drafts and notes that come to him in the course of business. But in many places he has to pay exchange for this service, and so he should if his average balance does not warrant the bank collecting them free; the sensible and honest depositor knows this and willingly pays the exchange.

But the question is, What security has he that the money he has on deposit in the bank will be returned to him when he wants it? No security whatever beyond the general condition and standing of the bank. In many cases this is sufficient and the depositor feels satisfied and loses no sleep over it. Nevertheless the bank should be willing to guarantee to him the return of his money whenever he may want it—especially if the bank can by some means, without great expense to itself, do this; and it can do it by insurance on the plan recently proposed.

There is one exceedingly pleasant feature about this question—it is this: The agitation is not being carried on by the depositors, but by the bankers themselves, and this is very gratifying to the depositor. It is true that every banker is a depositor as well as a banker; because the items he receives on deposit he must deposit in another bank to secure payment, unless they are drawn on his own bank. He may not consider the sending of an item for collection and remittance as a deposit with the bank to which it is sent, but it is such in reality although not in the same way as the merchant is a depositor in his bank. The banker therefore has a very personal interest in the insurance of the deposits of other banks.

MR. ALLIS' PLAN DISCUSSED.

Amongst the various plans suggested the one that seems most complete and that covers the ground most fully is the one that was presented by Mr. C. F. Allis, of Erie, Pa., at the American Bankers' Convention recently held at Washington, D. C. It has many commendable features, and no banker ought to seriously oppose it unless he has something vastly better to propose in its place. But even this contains a few provisions that the depositors would like to see improved for their personal benefit. Still, they would rather have this proposed amendment become a law than not to have any law on the subject.

Concerning the main feature of this plan Mr. Allis says: "The Receiver must first collect the assets, and assess the stockholders 100 per cent. if necessary. The stockholder loses his stock (twice), the banker loses his bank and his reputation besides, but the deficit comes out of this guarantee fund."

The depositor asks: *When* does the deficit come from the guarantee or insurance fund? Will it not be until after all the assets have been realized on and the stockholders have paid their assessments, or the Receiver is convinced that he cannot collect them? These questions are answered by section 2 of the proposed amendment thus:

"That whenever a Receiver of a National bank who has been appointed by the Comptroller of the Currency shall have collected and realized from the assets of any bank which has been placed in his charge all that in his judgment can be realized from said assets and shall have collected from the stockholders an amount equal to the par value of their stock as far as is possible, in accordance with existing law, and shall have made his final report, showing the amounts due and unpaid to the depositors and other creditors, the Comptroller of the Currency shall forthwith draw his draft upon the insurance fund in the hands of the United States Treasurer and shall remit to each individual depositor the balance due and unpaid as shown by the proof of claim which has been certified by the Receiver as correct."

How long will it take the Receiver to realize on these sources and be ready to make his final report? Sometimes it can be done in a short time—inside of twelve months, and sometimes it takes more than twelve years. The depositor might not object to waiting a few months for his money, although it may inconvenience him very much; but it would be almost as good as lost to have to wait ten or twelve years for it, or for part of it. In *this* connection Mr. Allis says: "There would be some delay in payment (*i. e.* from the insurance fund to make up the deficit), but a receiver's certificate would not be much below par, and could be sold." If there was a good prospect of an early settlement the certificate could be sold easily at a small discount, but if the time of settlement was uncertain the discount might be very heavy.

TIME REQUIRED FOR FAILED BANKS TO MAKE SETTLEMENT.

The best way to get light on the time it would take to make the final settlement, is to go to the same source of information from which Mr. Allis gathered some of his facts for argument—the Comptroller's Reports. The report for 1904 shows that 438 National banks had gone into the hands of the Receivers between February 25, 1863 and October 31, 1904. Of this number twenty-one had been restored to a condition that allowed them to be reopened for business, and that left 417 to be wound up by the Receivers. Of these

417 there were seventy-one, as shown by this report, that were not yet finally closed.

On June 27, 1887, the 115th National bank that failed passed into the hands of the Receiver. It was the Fidelity National, of Cincinnati, Ohio; and after seventeen years it was still unsettled, and only 59.40 per cent. due to depositors had been paid.

In 1890 two failed that were still unsettled when the report was made; one had paid twenty per cent. and the other seventy per cent. to the depositors—both were Kansas banks. Fourteen years would have been a long time for the depositors to wait for the guarantee to be fulfilled.

In 1892 twelve banks were taken charge of by the Receivers. One was still pending final settlement—it was a bank in New Mexico, and only 63½ per cent. had been paid to the depositors.

During the year 1893—the banner year for National bank failures—sixty-nine banks failed, and seven of them were still indebted to their depositors from 4½ to fifty per cent. of their deposits.

By way of favorable contrast only twenty-three National banks failed in 1894. Two of these were still unsettled, and, what is still worse, they had only paid fifteen and twenty per cent. to depositors—one was in Missouri, the other in Denver. The depositors in these banks would not think very favorably of a guarantee of their deposits if they were still waiting—after ten years—for their money to come from the insurance fund.

In January, 1895, one failed in Binghamton, N. Y.; and the depositors were still waiting for half of their money, as only fifty per cent. had been paid up to October 31, 1904.

We might follow on in this way through the Comptroller's lists and see how long some would have had to wait for their money—and some of these may still be unsettled. The 1905 report of the Comptroller may show that some or all of these were finally closed—the report has not been issued at the time of writing this. It is hoped that most of them have been settled.

But before leaving the list of failed banks let us notice this: Since March 26, 1900, when the 391st National bank that failed—the Merchants' of Rutland, Vt.—was taken charge of by the Receiver there were forty-seven other National banks that failed, and only thirteen of them had been finally closed, leaving the depositors of thirty-five banks still waiting for part of their deposits.

Occasionally a bank that had failed is settled quickly. The First National, of Cape May, N. J., the 433rd in the list, failed May 24, 1904, and was finally closed October 11, the same year, in the short time of four months and eighteen days, and paid 100 per cent. to depositors.

The one most quickly settled of those that failed in 1892 was the 172nd—time eight months and three days, paying 100 per cent. Of those that failed in 1894 the most quickly settled one was the 263rd—time one year, one month and three days, and paid 100 per cent.

The last that had been finally closed from the failures of 1892 was on August 28, 1901; from those of 1893 was on September 30, 1904; from those of 1894 on April 27, 1904—nine, eleven and ten years respectively.

These extracts from the Comptroller's Report are interesting, and prove to the depositors and bankers that something definite should be done in connection with the insurance, as to the greatest length of time the depositors would have to wait to get all their money, if the bank should for any cause fail to meet its obligations and go into the hands of a Receiver.

Depositors of Failed Banks Should Be Paid in a Reasonable Time.

The noteholder need not care what bank goes into the hands of a Receiver, for he can get the note redeemed any time. Why not give the depositor the promise of a definite time within which his deposit would be paid back?

If a National bank officer wished to present insurance of deposits as a favorable argument to a party who kept his account with a trust company, a State bank or a private bank, to induce him to bring his account to the National bank, the party's natural question would be—how soon would the money be paid? If he had to answer, not until after all collections are made from assets and stockholders that can possibly be collected; and that it may be one year, five years, or ten or more years before the final payment is made, he would not be likely to be favorably impressed by the argument.

The thing that should be done is this: Guarantee to pay the depositors in full at, or before the end of one year after the Receiver takes charge. If the Receiver has not made collections enough by the end of the year to pay in full, draw the balance, or deficit, from the insurance fund; and then turn all proceeds from the remaining assets into the insurance fund. This will be a guarantee that will appeal to the depositors with some force, and it will make the National banks by far the safest banks in the world.

In his address Mr. Allis said, as an argument in favor of his plan, "There would be no runs if deposits were guaranteed by a fund in the hands of the United States Treasurer." We believe he is right in principle, but if no definite time for payment from that fund was known it would not be a very strong preventative.

To make full payment within a year might cost the bankers a little more for the insurance (no change in Mr. Allis' plan need be made to create the fund), but it will be worth all it costs—even if it is never needed. We carry fire insurance, not because we expect to need it, but simply as a guarantee in case a loss by fire should occur, over which we would have no control, our loss would be made good: and we do not consider the premiums paid as money wasted because we have had no occasion to collect from the insurance companies on account of a loss by fire. In the same way insurance of deposits should be looked at by the banker.

Mr. Allis' plan of making the insurance compulsory, and a part of, every National bank is a wise provision, for if it were in any degree optional it would weaken it at once. There is one optional feature in the National banking law: it is concerning the issue of currency; but only ten out of the 5495 banks in operation October 31, 1904, did not issue currency. Still, they were compelled to make the necessary deposit of United States bonds with the Treasurer at Washington, and they have $246,500 in par value of bonds deposited.

May success soon crown the efforts of those who have labored and studied to bring so useful and helpful a provision into operation; and may it be the wisest and most beneficent that can be produced by the mind of man!

CHARLES WESLEY REIHL.

If bank deposits are to be insured, it would certainly be desirable that a time be fixed when depositors would be paid. But to delay this payment for one year, or for any time, would defeat one of the principal objects of such insurance—the protection of general business interests from the hardship caused by bank failures.—Editor BANKERS' MAGAZINE.

THE CASSANDRAS.

Mister Vanderlip gib warnin',
  Hard times come along,
Dis chile keep right on a shoutin'
  Spendin' wif a song.

Mister Schiff, he say a panic
  Comin' some fine day,
Dis chile ain't the least bit frightened,
  Fling de coin away.

Like as not it nebber happen,
  All men make mistakes,
So I just go on a livin',
  Free fum chills an' shakes.

But when my ole woman, Chloe,
  Tells me, onprepared,
"Rastus, dat ar stockin's empty,"
  Den I'm gittin' scared.

—McLandburgh Wilson, in "New York Times."

CANADIAN BANKING, COMMERCE AND MANUFACTURES.

THE universal material prosperity at present enjoyed in Canada is certainly worthy of emphasis. The crops have exceeded all previous records, and, as one result, $75,000,000 of profits will be distributed amongst the small population of Manitoba and the new provinces. It is, moreover, calculated that less than ten per cent. and probably not more than five per cent. of the available fertile lands have as yet been brought under cultivation in the West. Farmers, merchants, manufacturers and railways are growing rich and fat, immigration continues on a large scale, and the future seems exceedingly bright.

While much is heard of the remarkable growth and development of the West, it is mostly in regard to the vast prairie lands so fertile for grain production. Of British Columbia little is heard at the present, but in reality changes of great importance are rapidly taking place. The country has gone through the various stages of development of a purely lumber country; then was added the resource of mining, and this province is now coming rapidly to the front in the most satisfactory of all industries, that of agriculture. In the Okanogon Valley fruit is grown that equals anything that is produced in any other part of Canada, its peaches and grapes comparing favorably with those of California. Cleared land is selling all the way from $200 to $400 an acre; and this can be better understood when one realizes that an acre of land in the prairie section will produce about $25 per annum gross at its best; but an acre of land in the mountain district will produce in apples or peaches an annual gross return in the neighborhood of $500. This comparison will show readily what a valuable asset British Columbia has in its agricultural land, and few persons realize the thousands and thousands of acres of valuable property lying in the mountain valleys only awaiting the settler's hand.

It is noteworthy, therefore, that besides the immense grain-producing areas in the West, there are tracts of country, equally desirable or even more so, that have not yet begun to attract immigrants.

ENORMOUS INCREASE IN TRADE.

The total exports of Canada for the five months ending November 30, of the current fiscal year were greater by five millions than the total exports for the whole of the fiscal year 1895. The increase in domestic exports for the five months over the same period of last year was in round figures $18,000,000, and the gain in the aggregate trade for the five months was $26,000,000. These figures denote the remarkable expansion that has taken place in the trade of Canada in the last decade, and which is still going forward at a rapid rate.

Comparing the wages paid in Canada with those paid in American manufacturing establishments, it is found that the Canadian manufacturer pays $148.64 less a year to each employee than is paid in the United States; and this despite the fact that there has been an increase of about 33⅓ per cent. in the wages of Canadian workers in the last twenty years. But of course, cheap labor is not always an advantage in the conduct of industries, and the question deserves more investigation. Why in all the groups is the average price of labor cheaper in Canada than in the United States—in two countries contiguous to each other, and peopled by the same races of men employed in the same industries? It may be due to a lower cost of living in one country than in the other, or to less efficiency of labor, or to a relatively larger supply of workmen, or to a narrower margin of profit on a more circumscribed production—although as a matter of fact the ratio of wages to the value of products is 2.58 less in the United States than in Canada. But in the home of great industries with capital and products of multiplied millions, the advantage of conditions is almost sure to prevail. This is indicated by the ratio of capital to value of product, which is 75.50 in the United States, and 92.90 in Canada, as well as by the average value of product per employee, which is $2,279 in the United States, and $1,398 in Canada.

IMPORTS.	*November, 1904.*	*November, 1905.*	*Five months, 1904.*	*Five months, 1905.*
Dutiable goods	$11,284,965	$13,746,974	$62,430,244	$69,863,976
Free goods	10,174,270	9,739,518	42,172,945	42,633,145
Total	$21,459,235	$23,486,492	$104,603,189	$112,497,121
Coin and bullion	321,136	149,595	4,554,586	4,038,427
Grand total	$21,780,371	$23,635,887	$109,157,775	$116,535,548
Duty collected	3,383,577	3,722,392	17,704,705	18,928,144
DOMESTIC EXPORTS.				
The mine	$2,131,921	$2,812,522	$15,179,926	$15,282,328
The fisheries	1,912,044	1,976,080	5,564,269	7,340,767
The forest	2,952,903	3,139,811	17,840,010	18,034,634
Animals and products	3,346,760	9,366,126	34,501,279	39,135,464
Agriculture	3,471,290	9,669,428	12,641,023	22,744,436
Manufactures	1,606,497	2,100,933	8,350,952	9,222,702
Miscellaneous	5,471	7,894	21,688	30,751
Total	$18,426,886	$29,072,794	$94,099,147	111,791,082

NAVIGATION.

Much attention is still being given to navigation in the St. Lawrence. The intention is to light and buoy this route and the Atlantic seaboard so as to lessen the risks of navigation, decrease the number of losses, and thereby directly affect the rate of insurance paid by Canadian manufactured products exported to other countries. These improvements are being carried on and will be completed as quickly as possible. The Government is sparing no efforts to make this route safe and desirable.

CANADIAN BANK STATEMENT.

Owing to the high rates for money recently prevailing in New York, considerable interest attaches to the changes in the Canadian bank-note circulation incident to the crop-moving period. It may be safely said that the fall demands were met without any especial strain on the banks. Indeed, the Canadian banks have been sending money to New York, as is shown by the increase in the item of call loans elsewhere than in Canada. From September 1 to October 31 the note circulation increased by $14,393,000. The maximum circulation for October was $78,464,000—not far from the legal limit. But future demands for an enlarged note issue will be met by the additions now being made to the country's banking capital.

At the close of October the total liabilities of the banks were $658,645,000, showing an increase of 12.9 per cent. over the previous year.

Altogether the bank statements are of a satisfactory character and indicate a healthy growth of business.

ANNUAL REPORT OF THE SUPERINTENDENT OF BANKS, NEW YORK.

On January 3 Frederick D. Kilburn, Superintendent of the Banking Department of the State of New York, transmitted the following report to the Legislature:

Though for several years the number of State banks of deposit and discount has and no great variation, growth in their volume of business and improvement in their condition have been considerable and practically continuous. The September, 1905, reports of these institutions show aggregate resources never before equaled, the increase for the year having been sixty-four million dollars, and for two years one hundred and forty millions. Moreover, the gain has proceeded gradually, and almost uninterruptedly by quarterly periods, testifying that its causes are not local or transitory. While it is true, of course, that it could not have occurred except for the marked general prosperity that the State has enjoyed, it is gratifying that it represents also, as I believe, better banking methods and a more thoughtful care in the administration of the banks themselves. Unquestionably fewer faults are discovered in institutions by the Department's examiners than they customarily reported only a few years ago, and I think that "book surplus" stands today more nearly than ever before for actual values. Certainly the Department is increasingly insistent that doubtful loans and investments be charged to profit and loss, and so eliminated from assets; and it finds a far readier and more cheerful compliance with such requirements than bankers were formerly wont to manifest. Indeed, there are but few banks the market value of whose stocks and bonds and real estate is not reported at a higher valuation than that at which they are carried on the books, and thus, if the loans and discounts be good, the reported surplus of the banks fails to reflect fully their actual strength.

I am not, however, to be understood as suggesting that there are no banks whose administration does not call for betterment, or whose affairs are in quite a satisfactory state, though these are fortunately in the very small minority. They are in the main institutions whose officers are not of the most competent, and whose boards of directors have been inattentive to their duties. Recent startling disclosures in other fields of finance ought to be a lesson to such directors, and induce more vigilant and thoughtful regard by them for the obligations which their trusts impose. The Superintendent of Banks neglects no proper opportunity to urge this requirement, and to try to impress upon the directors the necessity of closer attention to their duties.

There were one hundred and ninety-two banks in the State system at the close of the fiscal year, a net increase of six from the corresponding date in 1904. Of the whole number forty-six were located in the Borough of Manhattan, one in the Borough of Bronx, one in the Borough of Queens, and twelve in the Borough of Brooklyn. During the year fourteen new banks were authorized, and eight were closed. Of those newly organized, one went into voluntary liquidation within a few weeks of its opening, the field which its management had hoped to have it occupy not proving as profitable as had been anticipated. Of the remaining seven closed banks, two were merged with other institutions, two went into voluntary liquidation, and three failed. The two that voluntarily liquidated are continued as branches of other institutions; one as a branch of a trust company, and the other as a branch of a bank.

In estimating the extent of the State banking system, however, mere numbers of separate organizations are not alone to be considered, for seventy-four branch offices of banks have been established in the city of New York since 1898, and each of these branch offices is to the locality where it is situated at least equal in the accommodations it affords and the general convenience which it serves to that which an independent organization would extend. In effect the whole number of State banks may, therefore, be regarded as two hundred and sixty-six rather than one hundred and ninety-two.

Five banks increased their capital during the year by an aggregate of $1,035,000, and none reduced its capital. The total capital of the banks organized during the year was $1,930,000, and of those that were closed $750,000. The net increase in capital was $2,215,000, and the total at the close of the year was $30,585,700. Surplus gained in the same period $2,630,321, and totaled $36,718,118, which is to capital as 120 to 100.

The reports of the banks as of September fifth, 1905, made their aggregate resources $507,582,970, which, as already stated, are the largest in the history of the system.

NATIONAL BANKS.

The following statement concerning National banks as of August 25, 1905, the date of report by these institutions nearest to the close of the fiscal year, is based upon data furnished me by the Comptroller of the Currency. On the date named there were three hundred and seventy-eight National banks engaged in business in this State, a net gain of eleven for the year. Later in the fiscal year one other bank was chartered. Forty-two of these institutions were located in the old city of New York, and four in the Borough of Brooklyn. The aggregate capital of National banks in the State of New York was $143,908,001, their aggregate surplus and undivided profits $154,498,042, and their aggregate resources $1,917,585,535. Surplus stood as to capital as 107 to 100, or thirteen points under the like comparison in the case of the State banks. The new National banks organized during the fiscal year numbered twenty-four, and the number closed by voluntary liquidation ten. Two National banks in the State failed, and were placed in charge of Receivers during the year.

FAILURES DURING THE YEAR.

Three State banks and one trust company failed during the fiscal year. Two of the banks were small institutions, and were dragged down by outside connections.

One, the State Bank of Ovid, was owned almost wholly by A. C. Wilcox & Co., a firm of private bankers in New York city, with branches scattered in a dozen or more small places about the State, and controlling also this institution at Ovid and a National bank at Cornwall. The firm failed, and the two banks which it dominated had to be closed. That at Ovid has thus far paid eighty per cent. of depositors' claims.

The State Bank of Forestville was so involved with the National Bank of Fredonia that when the misdeeds of the Cashier of the latter were discovered, the ruin that he had wrought was found to have wrecked the Forestville institution also. The Bank of Forestville has thus far paid fifty per cent. to its depositors, and is expected to pay about thirty per cent. additional.

The failure of the German Bank of Buffalo was in circumstances out of the ordinary, and affected something like eight thousand depositors. The disaster that came to it may be traced primarily to an excessive payment of interest on deposits, a practice which I regard as the greatest menace of the day to safe banking, and which I have done my utmost to discourage and diminish; to large loans to each of three or four interests on inadequate security, and to careless management.

A change of ownership of the German Bank had occurred in March, 1904, control having passed from Buffalo interests to parties who were strangers to the locality and unidentified with its people and affairs. Between examinations they borrowed largely from it. Distrust of the new management developed, and caused a run upon the bank. Its directors declined to support the institution with their personal means and credit, and under these conditions the clearing-house refused assistance and relief. In consequence I was compelled to close the bank, and take possession of its business and affairs. It was in due time referred by me to the Attorney-General, and a Receiver was appointed.

The Merchants' Trust Company in New York is the only trust company that has failed in more than ten years past, and the second in the history of the system in this State.

Wretchedly poor judgment and mismanagement had loaded up this company in 1903 with guarantees and poor loans and investments to an aggregate exceeding five million dollars. The condition thus created left to the Superintendent of Banks only the alternative of reporting the company at once to the Attorney-General for institution of proceedings in insolvency, or of trying to work it out of its difficulties. It seemed clear that to pursue the former course would surely impose a loss of at least half upon the depositors, while negotiations which were at once opened by me encouraged the hope that the institution might be saved, or at least that depositors might be saved from loss. As to a single transaction these efforts brought release to the company from one obligation of three-quarters of a million dollars, and collected a debt of over two millions and a quarter on account of an enterprise which afterwards became bankrupt. Provision for taking out the other slow and insufficiently collateraled loans, though continually promised by the trust company officers, could not be made, and in May last the doors of the institution were closed. It has since paid every depositor one hundred cents on the dollar, and if matters pending in the courts be decided in its favor there is promised a substantial dividend to the stockholders.

Certainly between three and four million dollars more were realized by the creditors and stockholders of the Merchants' Trust Company by the course pursued with regard to it than could have been realized if it had been reported to the Attorney-General at once upon my discovery of the blundering and mismanagement of its officers. In a considerable number of other cases, banks are to-day prosperous and strong which could not possibly have paid out in full had they been closed summarily when conditions in them occasioning apprehension and anxiety were ascertained by this Department.

The Peconic Bank at Sag Harbor was found in May, 1905, to have been systematically robbed by its Cashier, and had to be closed. However, recovery of a part of the sums stolen, and a voluntary payment of an assessment by the stockholders, made the impairment good within a few days, when the bank was reopened, and is still doing business.

It is pertinent, I think, in connection with recital of these failures to observe that it is a strange and wholly unwarrantable theory of supervisory responsibilities and obligations that some modern critics assert as to the Banking Department. Unregardful of the fact that an institution may be found and left by an examiner clean and strong, and that it may nevertheless be wrecked or looted by its management almost in a day, and unheedful, also, that the Superintendent of Banks has no voice in choosing officers, or authority to compel directors to be attentive to their trusts, they would yet charge him with the requirement that he be informed constantly of every bank and trust company's exact condition, possess the prescience to know with certainty what loans and investments will prove good or bad, and decide instantly with infallibility of judgment whether the interests of creditors and of the public will be best served by closing at once an institution that is in difficulties, or by permitting it to continue business under surveillance, and undertaking to save it. Indeed, some deny to the Superintendent the right to the exercise of any discretion whatever in such a case, and insist that he ought to proceed immediately to take possession of any institution whose affairs he may find to be so involved as to make doubtful its ability to meet fully all of its obligations at the moment.

BANKING LAW AMENDMENTS.

There were more changes in the Banking Law in 1905, and of larger import, than had been made before in years. Most of them were suggested, and the conditions prepared which predisposed the Legislature to their enactment, by the circumstances attending the failure of the German Bank in Buffalo. But for the sentiment aroused by that experience it is doubtful if a number of the acts in question could have been passed. The first of the statutes so induced is not an amendment of the Banking Law at all, but of the Penal Code, the provision of which inhibiting overdrafts by officers, agents, tellers or clerks of any bank, banking association or Savings bank having been broadened to include directors and employees also, and, further, to make the provision applicable to trust companies as well. There seems a grim significance, too, in the fact that whereas the old provision contained the words, "and thereby wrongfully obtains the money, notes or funds of such bank" the word "wrongfully" is dropped in the new.

A new subdivision is added, making it a misdemeanor also for an officer, director, agent, teller, clerk, or employee of any bank, Savings bank, banking association or trust company to ask, or to receive or to consent or agree to receive, any commission, emolument, gratuity or reward, or any money, property or thing of value or of personal advantage for procuring, or endeavoring to procure, for any person, firm or corporation any loan from, or the purchase or discount of any paper, note, draft, check or bill of exchange by, any such institution, or for permitting any person, firm or corporation to overdraw an account.

This new subdivision has been criticized in banking circles in New York city, with complaint that if it be held to mean what it seems clearly to say difficulty will be experienced in finding men of wealth and influence to serve as directors of banks and trust companies. It is represented—I do not say how truthfully—that hitherto the practice has obtained where a director of, say, a railway corporation arranged for a loan to it, or for the financing of one of its enterprises, by a banking institution of which he was also a director he was accorded for such a service a personal commission of some sort; and it has been seriously suggested that if denied the opportunity thus to profit from such transactions, men of large means and influence would decline to be directors in banks and trust companies. It would be a reflection, I think, upon one's standard of business propriety if an actual instance of this character were to arise, and also a forceful illustration of the necessity for the enactment in question. Acts performed in a dual relationship of trust should be regulated by the most rigorous rules of fidelity, and, surely, on neither side should the interests of the trust be sacrificed or subordinated to the personal profit of the trustee.

No less than thirteen acts were passed in 1905 amending the Banking Law, and in some respects radically.

Chapter 297 changes the requirements for reports by banks and trust companies to the Superintendent of Banks, compelling trust companies to report upon call by the Superintendent of Banks "at least once in every three months," instead of semi-annually at fixed dates; and providing also that both banks and trust companies shall state in such reports "the amount of deposits the payment of which in case of insolvency is preferred by law or otherwise over other deposits."

Chapter 394 directs examinations of banks, individual bankers and trust companies to be made by the Superintendent of Banks at least twice a year, instead of annually, as heretofore.

Chapter 414 enlarges the powers of trust companies with regard to serving as guardian, receiver or trustee of any minor, and as depositary of any moneys paid into court, whether for the benefit of any such minor or other person, corporation or party. Prior to this enactment a trust company could so act only when the annual income of the estate was not less than one hundred dollars. The amendment removes that limitation.

Chapter 416 is aimed against "one-man banks," and is designed to make "directors direct." It provides that "each communication directed by the Banking Department to a bank, Savings bank or trust company, pertaining to an investigation or examination conducted by the Department, or to the affairs of such a bank, Savings bank or trust company, or containing suggestions or recommendations as to the conduct of the business thereof, shall be submitted by the officer receiving it to the board of directors or trustees of such bank, Savings bank or trust company at the next meeting of such board."

Chapter 418 has a like purpose, and by exacting examinations by the directors themselves of banks and trust companies, the reports of which must be submitted to boards of directors, tends to acquaint such officers with the conditions which obtain in their respective institutions. The beneficial possibilities under this requirement are large, and if the examinations for which it provides be carefully and thoroughly made concealment of matters which comprehend danger or loss ought not to be practicable. The examinations in question must be made in April and October of every year by such number of directors, not less than three, as the board may decide, and must cover particularly "the loans and discounts, with a special view of ascertaining the value and security thereof and of the collateral security, if any, given in connection therewith." The reports of these examinations must be sworn to, and, besides being made to the boards of directors, must be filed in duplicate within ten days of their completion in the respective banks or trust companies and in the Banking Department.

One of the greatest causes of bank failures is the fault of making excessive loans to a single individual or interest. Chapter 456 amends section 25 of the Banking Law so as to prohibit unsecured loans by a bank or trust company to any person, company, corporation or firm to an amount exceeding the one-tenth part of the bank or trust company's capital and surplus, and also any liability by any person, company, corporation or firm, no matter how well secured, beyond forty per cent. of the bank or trust company's capital and surplus. The former limitations were twenty per cent. for an unsecured loan, and fifty per cent. for a secured liability, or on commercial or business paper actually owned by the person negotiating it.

Chapter 564 adds to the previously existing restrictions against individuals or corporations other than Savings banks advertising or representing themselves as Savings banks, a prohibition of the use of the word "savings" in their banking business by banks, banking associations, individual bankers, firms, associations, corporations or persons other than Savings banks or building and loan associations organized under the laws of the State of New York.

Until chapter 649 of the Laws of 1905 was passed the method prescribed in the Banking Law for making good an impairment of capital was of doubtful interpretation, and unworkable besides. The amendment in question simplifies the procedure, and makes it practical in such exigencies.

The only act passed by the Legislature in 1905 particularly affecting Savings banks was chapter 401, amending subdivisions 5 and 6 of section 116 of the Banking Law, which regulate in part the investments permissible to those institutions. The amendment departs from the old law, which specified the cities outside of the State of New York, and also the particular railway companies, in whose bonds the Savings banks might invest, in that, instead of limiting such investments to named railway companies and cities, it establishes a standard based upon certain defined conditions, the possession of which by any railway company or municipality entitles its bonds to admission into the list of Savings banks securities. The change would seem to be wise in every respect. It lays down safe lines for determination of allowable investments, and will tend to make it more difficult hereafter for intrigue and combinations to put through measures legalizing bonds for Savings banks which could not otherwise procure such recognition. Moreover, it broadens the list of investments for Savings banks without impairing its quality, and thus may be expected to operate to make such yield a slightly higher average income.

NEW BANKS.

Whereas but a single State bank was organized during the fiscal year ended September thirtieth, 1904, fourteen such banks were authorized during the last fiscal year. Just half of the whole number were located in the city of New York. One, the Metropolitan Bank, was converted from the national system and two of the up-State institutions represented the business of former private bankers. Only four of the fourteen, an unusually small proportion, are capitalized at the statutory minimum. The list is as follows:

NAME.	Location.	Date of Authorization.	Capital.
Prospect Park Bank of Brooklyn	Brooklyn	Oct. 7, 1904	$100,000
Prattsburg State Bank	Prattsburg	Oct. 14, 1904	25,000
Union Stock Yards Bank of Buffalo	Buffalo	Nov. 3, 1904	150,000
Interboro Bank, New York	New York	Dec. 16, 1904	100,000
Newark State Bank	Newark	Jan. 24, 1905	50,000
Bank of the Commonwealth, Brooklyn	Brooklyn	Feb. 15, 1905	100,000
Bank of Lima	Lima	Feb. 28, 1905	25,000
State Bank of Trumansburg, N. Y., The	Trumansburg	Mar. 10, 1905	25,000
Ridgewood Bank, Brooklyn	Brooklyn	Mar. 15, 1905	100,000
Metropolitan Bank, New York	New York	Apr. 25, 1905	1,000,000
Mattituck Bank	Mattituck	Apr. 26, 1905	25,000
Home Bank of Brooklyn	Brooklyn	Jun. 30, 1905	100,000
United States Exchange Bank, New York	New York	Jul. 8, 1905	100,000
State Bank of Williamson, The	Williamson	Jul. 14, 1905	30,000
			$1,930,000

CLOSED BANKS.

The banks that closed during the year number eight, and of these two are practically continued by merger with other banks, and one by succession of a trust company to its business and location. The closed banks are:

NAME.	Location.	Date of closing.	Capital.
*German Bank, Buffalo	Buffalo	Dec. 5, 1904	$100,000
†Stuyvesant Bank, Brooklyn	Brooklyn	Apr. 26, 1905	200,000
‡Bank of the Commonwealth, Brooklyn	Brooklyn	May 10, 1905	100,000
*State Bank of Ovid, Ovid	Ovid	May 15, 1905	25,000
‡Gansevoort Bank, New York	New York	Jun. 13, 1905	200,000
*State Bank of Forestville, Forestville	Forestville	Jun. 21, 1905	25,000
†Merchants Bank of Brooklyn	Brooklyn	Aug. 26, 1905	100,000
§Coney Island & Bath Beach Bank, Coney Island	Brooklyn	Sep. 18, 1905	100,000
			$750,000

INCREASE OF CAPITAL.

Five banks increased their capital during the year, two of them in considerable amounts, as follows:

NAME.	Location.	Date of increase.	Increase of capital.
State Bank of Belmont	Belmont	Jan. 4, 1905	$15,000
State Bank of Canastota	Canastota	Feb. 7, 1905	20,000
Union Bank of Brooklyn	Brooklyn	April 26, 1905	100,000
Mechanics Bank	Brooklyn	May 8, 1905	500,000
Fourteenth Street Bank in the City of New York	New York	May 15, 1905	400,000
			$1,135,000

ASSETS AND LIABILITIES.

The following table compares the condition of the State banks by aggregates of items as reported September 8, 1904, and September 5, 1905:

Assets.

	1904.	1905.
Loans and discounts, less due from directors	$240,312,935	$272,369,835
Liability of directors as makers	9,478,286	8,198,114
Overdrafts	160,091	129,755
Due from trust companies, banks, bankers and brokers	42,767,603	46,346,852
Real estate	12,695,340	13,739,095
Mortgages owned	4,885,216	5,351,014
Stocks and bonds	31,149,232	38,314,619
Specie	40,980,063	35,985,372
United States legal tender notes and notes of National banks	19,601,875	19,305,329
Cash items	40,543,027	66,445,800
Assets not included in any of the above heads	913,048	1,396,579
Add for cents	591	606
Total	$443,487,307	$507,582,970

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* Failed.

† Closed by merger.

‡ Voluntary liquidation.

§ Succeeded by a trust company.

Liabilities.

	1904.	1905.
Capital	$28,070,700	$30,585,700
Surplus fund	22,994,282	25,300,231
Undivided profits	11,093,515	11,417,887
Due depositors on demand	304,866,403	370,357,663
Due to trust companies, banks, bankers and brokers	57,091,626	50,263,043
Due Savings banks	16,561,922	17,457,606
Due Treasurer State of New York	1,903,660	....
Due building and loan associations	....	531,973
Deposits preferred because secured by pledge of part of bank assets	....	270,000
Amount due not included under any of the above heads	904,901	1,398,549
Add for cents	298	318
Total	$443,487,307	$507,582,970

It is worth noting that according to the reports of these institutions as of November 9, 1905, a further gain is made in resources, the total being $522,616,915.

TOTAL RESOURCES.

The reports to the Banking Department of the several classes of institutions subject to its supervision show, for the dates given, total resources as follows:

Banks of deposit and discount, September 5, 1905	$507,582,970
Savings banks, July 1, 1905	1,367,692,595
Trust companies, September 5, 1905	1,500,147,309
Safe deposit companies, July 1, 1905	7,462,660
Foreign mortgage companies, January 1, 1905	4,858,068
Domestic mortgage and security companies, January 1, 1905	2,222,667
Building lot associations, January 1, 1905	585,532
Securities' companies, January 1, 1905	3,013,770
Building and loan associations, January 1, 1905	41,883,842
	$3,435,449,413
The gain over the previous year is	$446,846,991
And since January, 1896, the time I became Superintendent of Banks	1,885,213,169

Note.—The resources of mortgage and security companies and of building lot associations did not appear in the like table given in reports previous to 1903, and they are not included in the figures of increase here given since 1896.

RECOMMENDATIONS.

Legislation enacted in 1905 covered so many important matters in the Banking Law which the public interest counseled should be changed that there is present occasion for but few recommendations.

The experience of the year confirms me in the opinion that some requirement should be formulated and embodied in law to prevent the use of Savings banks by people of independent means and business capabilities for investment purposes. With possibly a few exceptions accounts of this character are not sought by the banks, and, therefore, the remedy should be to restrain the depositors rather than the banks. The case would be covered, I think, by the requirement proposed by me in former years, viz.: That a limit be fixed to the aggregate amount that any one person may have on deposit in any or in all of the Savings banks in the State, and that then, when any one offers for deposit in any Savings bank a sum equal to or exceeding an amount to be specified in the law, he must make and subscribe an affidavit, to be filed with the bank, that the deposit so offered will not carry the aggregate of his deposits in all Savings banks in New York above the statutory limit. It should be further provided that false swearing in such a case be perjury.

I renew also my recommendation of a year ago for the legislative authorization of branches of Savings banks.

The Attorney-General advises me that under the law a trust company may open branches at its pleasure in the city named in its charter at the place where its business is to be transacted, and that while in case of a bank application must be made to the Superintendent of Banks for his approval to open a branch, the approval must be given unless there is some question as to the solvency of the bank making the application. It is respectfully suggested that if there is reason for vesting the Superintendent of Banks with discretion to refuse authorization of a trust company, yet better grounds obtain why he should have power to determine whether a company is sufficiently strong and managed with such conservatism and prudence that it ought to be permitted to branch out in order to extend the field of its operations. The disposition on the part of the trust companies to establish branches is more general and more urgent than meets my approbation, especially in consideration of the fact that it obtains even more with new organizations than with most of those which have already earned success and demonstrated prudence and wisdom in the conduct of their affairs. The same disposition is also manifest on the part of some banks. The tendency of trust companies and banks in thus reaching out for business into districts which are not tributary naturally to their principal location is to beget an unhealthy competition, inciting a bidding of interest at unwarranted and unprofitable rates. In my judgment power should be possessed by the Superintendent of Banks to apply when needful to such branching out a check both as to banks and trust companies.

The Legislature of Massachusetts passed an act last year which requires that all corporations, firms and persons engaged in the selling of steamship or railroad tickets for transportation to or from foreign countries, who, in conjunction with said business, carry on the business of receiving deposits of money for the purpose of transmitting the same or equivalents thereof to foreign countries, shall make, execute and deliver a bond to named State officials conditioned for the faithful holding and transmission of any money or equivalents thereof which shall be delivered to it or them for transmission to a foreign country. Transatlantic steamship companies, or their duly authorized agents, are alone exempted under this statute. Any person or firm continuing in the aforesaid business contrary to the provisions of the act are subject to a fine of from fifty dollars to one thousand dollars, or imprisonment of from thirty days to one year.

One of the New York city dailies recently investigated the operations of so-called bankers and ticket agents of these classes in that city, and claims to have found more than three hundred of them who conduct their business "without the first principle of method or law to justify their existence."

It is charged by the paper in question that immigrants are thereby swindled out of more than one million dollars every year—a part by the flight of the "bankers" after they have accumulated deposits of from five thousand dollars to fifty thousand dollars, but more by their accepting funds from newly arrived immigrants for the purchase of steamship tickets, with agreement to transmit the same to friends or to relatives of the immigrants who had been left in Europe, and for whom the immigrants desire to provide means for coming to this country. It is represented that the tickets are neither purchased by the "bankers" nor sent, and that when an immigrant makes complaint to the "banker" he is tricked or frightened into not carrying the matter further, a not uncommon representation to this end being that it is a crime to send money out of the country, and that if the matter should reach the ear of the authorities the complainant would simply bring down a criminal prosecution upon himself.

In view of such practices as these, it may be thought advisable that New York establish requirements on the subject similar to those in effect in Massachusetts.

DANGEROUS COMPETITION.

I can but look with fear and misgiving upon the competition for deposits which has arisen in the last few years among and between the banks and trust companies of the State. This competition is so great that unusual, and, in my opinion, unwarranted rates of interest are paid to depositors. Competition in banking is not like competition in mercantile and other branches of business. The banks and trust companies are dealing with the people's money. Their first duty is to so manage their institutions as to keep this money safe beyond question, and it is far more important to the depositors that their principal be safely invested, and that the bank or trust company be at all times ready and able to pay them back upon demand, than that they should get a little more interest upon it. As I have frequently pointed out before, the payment of undue rates of interest upon deposits is necessarily followed, and naturally so, by a desire on the part of an institution to obtain the greatest possible rate upon its loans and investments. This in turn strongly tends to loans and investments which in other circumstances ordinary prudence would reject. I regard this competition, and its attendant results, as the greatest menace to banking in this State to-day. The task of abating the evil lies with the officers and directors of our banks and trust companies. There is nothing in the law which will prevent the payment of interest at such rates as they may determine, but common prudence counsels that it is time to call a halt, and that all should get together for the purpose of putting these matters upon a more conservative basis, and adjusting them so as to eliminate so far as possible the element of danger to which I have referred. I can not too strongly impress this upon the bankers of the State.

The danger of the practice was recognized a year ago by the bankers in Albany, and an understanding was arrived at by which the banks and trust companies in that city agreed not to pay interest upon active accounts having balances of less than ten thousand dollars. It has worked to the entire satisfaction of all. Very few, if any, deposits have been lost, and it has put banking upon a much more conservative basis than before.

It seems to me that the matter is one which should be taken up seriously by the banks and trust companies. Otherwise, I believe that the present tendency will ultimately lead to disaster.

It may be that the Legislature has the power of regulation in this matter, and, if it has, I recommend it as a proper subject for its consideration.

LEGAL RESERVE FOR TRUST COMPANIES.

In my last two annual reports I have recommended that the Legislature pass a law requiring trust companies to keep reserves, but nothing has been done in this direction.

The clearing-house association in the city of New York several years ago undertook to regulate the matter, so far as that city was concerned, but the attempt was a failure, and it was clearly demonstrated that the object could not be accomplished by the clearing-house.

While there appears to be a sentiment on the part of bankers, in the city of New York especially, that trust companies should be compelled by law to keep reserves, a goodly proportion of which should be in cash, it seems to be impossible to secure any concerted action upon their part to vitalize the idea. This is due perhaps in a measure to the fact that in many instances control of both banks and trust companies is by identical interests.

As pointed out in my report for 1903, it will hardly be disputed that the greater portion of the business of most trust companies is a general banking business, and, this being so, and admitting that there is good reason for providing that banks of deposit and discount be obliged to keep reserves, the some obligation would seem to apply to trust companies, and for the same reasons. I recommended in my reports, both for 1903 and for 1904, that the trust companies in the city of New York be obliged to keep fifteen per cent. of their deposits as reserve, at least one-third of which should be in cash. The present legal requirement regarding State banks in the city of New York is that they shall keep a reserve of fifteen per cent. one-half of which shall be in cash, so that the only difference between the reserve now required by law to be kept by banks and that which I recommend regarding trust companies is two and one-half per cent. in cash; and this discrimination between the two classes of institutions I think is offset by the fact that trust companies are compelled to invest their capital in certain securities designated by law. Outside of the city of New York, State banks are required by law to keep a reserve of ten per cent., one-half of which shall be in cash, and my recommendation covering trust companies outside of the metropolis is for the same requirement.

It may be that the legal requirements regarding reserve with respect to State banks are not sufficiently conservative, and that more should be required.

It is objected on the part of some that to require trust companies to keep cash reserves, or to require banks to keep such reserves in excess of the present legal percentage, would retire from circulation a large volume of money.

It was shown in my report for 1903 that if the trust companies of the State were obliged to keep the cash reserve therein recommended, five per cent. of their deposits, it would retire from circulation nineteen millions of dollars, after taking into consideration cash then held by the trust companies, amounting to $26,708,000. The same percentage of cash reserve upon the deposits held by the trust companies as reported on the ninth day of November, 1905, would retire from circulation a little over thirty-four millions of dollars.

As a matter of fact, the trust companies on the average now keep upon deposit and in cash a reserve equal to or exceeding the total amount which I recommend. The contention is, however, that there is no statutory requirement upon them to keep any reserve, and that, as a matter of fact, a very small percentage of cash reserve is kept, and that therein lies the danger.

The reports of trust companies located in the city of Nw York showed on the ninth day of November last: Due depositors, including banks and Savings banks, $1,010,988,654; deposited in banks, $94,874,903; cash on hand, $19,936,623.

They thus had in cash and on deposit only eleven and one-fourth per cent. of their deposits, of which a little less than one-fifth, or less than two per cent. of deposits, was in cash.

The reports of trust companies located in the city of New York showed as of the same date: Due depositors, including banks and Savings banks, $126,036,668; deposited in banks, $25,240,230; cash on hand, $2,636,935; showing that they had in cash and on deposit over twenty-two per cent. of their deposits, of which something more than one-ninth, or two and two-tenth per cent. of deposits, was in cash.

The question of the weekly bank statement of the associated banks of the city of New York has of late received a great deal of attention on the part of the clearing-house and the press of that city, and the almost utter worthlessness of this statement as a guide to local financial conditions is not only recognized by the public, but is openly admitted by the banks themselves. This unsatisfactory condition can not be remedied unless, nor until, some system is adopted which will include the condition of the trust companies in the weekly returns of the clearing-house. No voluntary action upon the part of the clearing-house association and the trust companies will insure any lasting remedy for the evil, and that it is an evil no one at all familiar with the situation will deny. The deposits and loans in the trust companies located in the city of New York amount to nearly as much as those in the banks belonging to the clearing-house association, and they are, therefore, equally important in determining the weekly condition of financial affairs.

I have yet to see any evidence of a mutual desire on the part of the banks and the trust companies to adjust this matter among themselves, and I believe it is of sufficient importance to engage the consideration and attention of the Legislature, to the end that such weekly reports may be required of the trust companies, and be included in the weekly bank statement, so that it shall truly and impartially reflect the financial condition of the greatest financial center of our country.

Bank Examinations.

There seems to be a tendency, in some quarters at least, to require that bank examination and supervision shall be of that infallible nature which would utterly prevent failures or dishonesty. It seems to me that, while every officer should be held to a strict accountability in the performance of his duty, and that every examiner should be held responsible for thorough work in his field, it is beyond the power of any official supervision or examination which can be devised wholly to prevent disaster or dishonesty.

The law regulates the manner in which examiners shall be chosen. A supervising officer can not choose them in any other way. Upon these examiners he must rely, and I have yet to learn of any other method of choosing examiners or system of examinations which will improve upon those now in operation under both Federal and State supervision.

The Comptroller of the Currency, in his late annual report, gives considerable space to this subject, and I take the liberty of quoting some things therein said by him:

"After a careful study of the cases which have come under my observation during the past four years, I am firmly convinced that no system of bank examination or supervision from the outside of the bank can absolutely prevent fraudulent bank failures. The more thorough and efficient the supervision, the more surely and quickly frauds will be discovered, and the more fear of detection will tend to prevent them; but they can not be surely and in every case prevented by any practical means outside of the bank.

I am also equally convinced by the same experience that with careful and efficient work on the part of the examiner, aided by intelligent and thorough letters of criticism based on the examiners' reports, any board of bank directors of fair intelligence, with an honest desire to obey the law, can by co-operating with the examiner and the Comptroller make the failure of their bank practically, if not absolutely, impossible.

No outside supervision can supply honesty or brains for the management of a bank, or take the place of either when it is lacking. The best it can do is to discover acts of dishonesty or bad errors of judgment after they have occurred, and to some extent prevent illegal acts by fear of their discovery and punishment.

A bank does not often fail suddenly. The condition which leads to it is apt to be of comparatively slow growth. Far the most frequent cause of failure is a large line of loans to some concern or group of concerns in which the officers are interested, or to the officers themselves. When the loans are new they look all right, and frequently are good; but, if things go wrong and this outside venture loses money, the loans begin to increase, and soon good money begins to go after bad with the inevitable result. It is surprising to see in how few cases men who may have been theretofore honest and square have the honesty and moral courage to face the failure of their bank, when due to bad judgment or incompetency, without resorting to frauds of some kind. It is extremely rare to find a bank has failed without some of the officers committing fraudulent or illegal acts to hide it.

After a bank fails and disclosures of dishonesty are made, it is wondered why such things could go on undiscovered so long. The examiner is blamed and abused with or without reason. In some cases he is very much to blame, but in those which I have had occasion to investigate this has not very frequently been found to be true. It must be remembered that these frauds and deceptions are in most instances carried on by men of unusual ability—men who stand very high among their neighbors, not only in business, but also in social, religious and political matters. Almost invariably they deceive the whole community, their business associates, their friends, and even their families. It is frequently an astonishing revelation to all of these that the banker who has failed, defaulted, and perhaps absconded or killed himself, is not a man of wealth, as well as the ideal of honor and business integrity."

I do not know that I agree entirely with the Comptroller in his conclusions, but his experience as related in this report must appeal, it seems to me, to any fair mind as a truthful and conservative statement of the situation. A supervising officer must of necessity depend upon the reports of his examiners; and even when these reports show a bank to be in a somewhat dubious condition, it does not necessarily follow that it is best to take precipitate action, because the Comptroller of the Currency can cite you to many cases, as I can, where institutions have been saved whose solvency seemed questionable, and the condition of which was somewhat precarious. I believe it to be one of the highest duties of a supervising officer to try to save an institution if it be reasonably possible to do so. To do otherwise would be to resolve himself from a conservative supervising officer into a wrecker.

During my term of office, which began in January, 1896, up to the close of the last fiscal year, the whole number of State banks which have closed otherwise than by voluntary liquidation is eleven, and one trust company, the Merchants' of New York. This trust company has paid its depositors in full, and of the eleven banks, two paid their depositors in full; one, the Elmira City Bank, owed no depositors, and was put into the hands of a Receiver simply for the purpose of disssolving the corporation and paying back the stockholders, which I understand was done in full. Two of the banks did not go into the hands of Receivers, but were taken over by other institutions for liquidation, to wit: The Niagara Bank of Buffalo, and the New York State Banking Company of Syracuse.

The Murray Hill Bank of the city of New York, which was closed in August, 1896, paid its depositors fifty-six and one-half per cent., and the Bank of Commerce in Buffalo paid seventy-nine per cent.

Five banks closed by me are still in process of liquidation, including the German Bank of Buffalo. I am informed by the Receivers of two of these that they will pay about eighty per cent. each, and I am told by those supposed to be in a position to know that the German Bank of Buffalo will pay about seventy-five per cent.

During this same period of nearly ten years, several banks have been induced by me to go into voluntary liquidation, for the reason that their condition was precarious, or that through competition or lack of good management they had lost their ability to make money.

I would certainly welcome any amendment to the Banking Law which would insure or make possible better methods of supervision or examination. I believe the law which was passed last winter requiring semi-annual examinations by directors will go far toward improving the banks and trust companies of our State. It has too often been the complaint that "directors do not direct," and certainly it is too often the fact that directors know too little about the business of the institutions with which they are connected. This law, which compels an examination by the directors, or by a committee of not less than three of their number, to be made in the months of April and October of each year, and a report thereof to be made to the board of directors and filed in the Banking Department, should go far, as I think it will, toward acquainting directors with the true condition of their respective institutions.

FREDERICK D. KILBURN,
Superintendent of Banks.

A RAP AT THE FINANCIERS.

ON the evening of December 28, at Syracuse, N. Y., President Jacob Gould Schurman, of Cornell University, delivered a remarkable address on the universal craze for wealth, before the union meeting of the Associated Academic Principals of the State of New York. He said:

"The vice—the natural and almost inevitable vice—of a generation which makes money the chief end of life is dishonesty and 'graft.' The cardinal maxim of such an age is 'Put money in thy purse.'

It is a generation which has no fear of God before its eyes; it fears no hell; it fears nothing but the criminal court, the penitentiary and the scaffold. To escape these ugly avengers of civil society is its only categorical imperative, the only law with which its Sinai thunders.

To get there and not get caught is its only Golden Rule. To 'get rich quick' the financiers of this age will rob the widow and the orphan, grind the faces of the poor, speculate in trust funds, and purchase immunity by using other people's money to bribe legislators, judges and magistrates.

And then we hear the praises of the poor boys who have become millionaires; O God! send us men of honor and integrity!"

DEMAND FOR AN ELASTIC CURRENCY.

ADDRESS OF JACOB H. SCHIFF BEFORE NEW YORK CHAMBER OF COMMERCE.

AT the meeting of the Chamber of Commerce of the State of New York January 4, Jacob H. Schiff, of the well-known international banking house of Kuhn, Loeb & Co., New York city, made the following address:

"Mr. President, I want to ask the indulgence of the Chamber at this late hour to bring up a subject which is of such importance that we really ought not to delay acting upon it. I move the following:

Resolved, That it be referred to the committee on finance and currency to consider the recommendation of the Secretary of the Treasury made in his report to Congress dated November 6, 1905, to permit National banks to issue a volume of additional Government guaranteed currency, equal in amount to fifty per cent. of the bond-secured currency maintained by them, but subject to a tax of five or six per cent. until redeemed; and be it further

Resolved, That the committee on finance and currency submit a report at the next monthly meeting of the Chamber upon the aforementioned recommendation of the Secretary of the Treasury, together with any other different measures which the committee may be able to suggest as efficient and practicable for the attainment of the purpose for which the recommendation of the Secretary of the Treasury has been submitted to Congress.

The Recent High Rates for Money at New York.

Mr. President, we have witnessed during the past sixty days conditions in the New York money market which are nothing less than a disgrace to any civilized country. There must be a cause for such conditions. It cannot be the condition of the country itself, for wherever you look there is prosperity —prosperity as we never had it before. It is true that our prosperity may be a contributory condition. It cannot be that the speculation which prosperity always brings forward can be the sole reason for the conditions which we have witnessed and are still witnessing. Other countries have had wider speculation than the United States. In France, in Germany, in England, speculation is rampant, and has been rampant at all times, at certain periods; and still you have never seen the money market for sixty days in such a condition that rates have varied all the way from ten to 125 per cent. I say that is a disgrace to a civilized community.

There must be a cause for it, and we all know the cause. The cause is in our insufficient circulating medium, or the insufficient elasticity of our circulating medium. Last year I went to the Secretary of the Treasury and said to him: 'The National banks are gorged with their deposits. Take out some of those deposits and prevent this condition, or else money will seek other countries. It will go into enterprises and undertakings out of which it cannot be withdrawn when it is needed. Make yourself strong now; don't wait until the time comes when you must make yourself strong.' The Secretary answered me, and said that he did not wish to withdraw any deposits now, for he did not want to have the funds withdrawn when deposits might be needed; and he said he feared the criticism of the press—which is always affecting our public officers.

Then what happened was, he left the larger part of his deposits in the banks until last autumn. Last autumn he needed money, and the country needed money, too, and at that time the deposits became very much reduced. He did not deposit now when probably twenty-five or thirty or forty millions would have changed the entire state of affairs—for it is only the last twenty-five or thirty millions that are wanted that determines the high rate. He did not deposit now, not because he did not want to mix up money matters, but he couldn't spare the money. If he had strengthened himself when money was less stringent and when the banks simply kept the deposits because it didn't cost them anything, we would have seen another condition now; for the Secretary of the Treasury would now be in a condition to help the money market, if I may use that expression. And as much as I am opposed to help from the Sub-Treasury in the matter, so long as we have such a system as that the Sub-Treasury is the depositary of the money, so long the Sub-Treasury must play the role which the Bank of England plays in the money market of England. If money is very easy in England the Bank of England goes into the market and borrows from the market. If money is very tight in England the market goes to the Bank of England to get its money from the Bank of England. Unfortunately, our Sub-Treasury must play this role; it cannot help it. I don't like to play the role of Cassandra, but mark what I say, if this condition of affairs is not changed, and changed soon, we will get a panic in this country compared with which the three which have preceded it would only be child's play.

No Disaster in Sight.

There is no disaster soon to come upon us; don't misunderstand me. But this is the time to prepare for it. We have a long session of Congress before us; and if the President of the United States will only put part of the energy which he has so admirably put into the attempt to regulate railroad rates, into an attempt to cure the condition of our circulating medium, the material interests of this country—and, after all, it is the material interests that underlie everything—the material interests of this country can be safeguarded for a very long time to come.

I have asked that this recommendation be referred to the committee on finance and currency. I don't want to be understood that I am in favor of the recommendation. I think it is a very poor recommendation. I believe if our banks are permitted to issue fifty per cent. of their present circulation without security, that it will go just where it ought not to go—it will go into speculation. Legitimate business, the merchant and manufacturer, cannot stand a tax of five or six per cent. on additional circulation. But speculation can stand it, and the promoter will pay it; and it will go just where it ought not to go.

Circulating Medium Should Be Elastic.

But we ought to have an elasticity of our circulating medium. If we are to give the banks discretion to increase at certain times the circulating medium it ought to be made certain that it be only done for the legitimate needs of commerce, industry and trade; and it can be done, perhaps, by some such plan, if any increase—I don't believe fifty per cent. is needed, which would be two hundred and fifty millions—if any increase of circulation was secured solely by legitimate commercial paper—commercial paper based upon possibly a deposit with certain clearing-houses in the country—if circulation is secured by legitimate commercial paper it is certainly safe. I don't want to go any further into the remedies. We have an excellent committee on finance and currency. I will leave it to them; but I repeat, the remedy must be found, and must be found soon."

The resolution offered by Mr. Schiff was adopted.

A FOREIGN VIEW OF AMERICAN INSURANCE.

A conservative view of the recent troubles in American life insurance companies is taken in an article published in the "*Moniteur Des Intérêts Matériels*" of December 17 last. This journal is one of the principal financial publications of the Continent and under the direction of M. Paul de Laveleye. The view is taken that while reforms are called for, the present management of the companies from the standpoint of their investments has not been bad, and that the new Legislature should not go too far in the direction of restriction. After referring to the message of President Roosevelt and the abuses disclosed before the Armstrong Committee, the article continues thus:

> "If it is necessary to censure such practices, it is not, however, proper, under present circumstances, to draw conclusions too pessimistic nor to entirely condemn the great American companies. The vices which have been disclosed, grave though they be, do not impair the essential source of their vitality. They are not fatal maladies. Moreover, the holders of policies ought to be on guard against the folly of taking precipitate action more injurious to their own interests than to those of the companies. We believe that those who refuse to continue the payment of their premiums in order to surrender their policies at their present value are badly advised. That they may not receive all the benefits which were orginally promised them is possible; but they have no interest in aggravating the loss which would come to them by the surrender of their contracts.
>
> The crisis which the American companies are undergoing will, one may hope, have beneficial effects. It will lead to the purification of the boards of directors, a more rigorous and efficient control of the management and of the employment of funds, and the realization of reforms destined to prevent the return of the abuses recently disclosed.
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> The inquiry which is being carried on by the committee named by the Legislature of New York will have the immediate result of promoting these reforms by indicating the points upon which they ought especially to be brought to bear. Moreover, it will lead the Legislature to intervene to strengthen the protection for the insured. How far will this intervention go? It is not yet known; the matter is in the forum of public discussion. Many demand a law which will circumscribe the field of investments of insurance companies, formally shutting them out from intrusion in the domain of politics and prescribing severe penaltes in case of bonuses and rebates to persons who contract insurance.
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> In relation to the first point—that is, investments—it should be recognized that the American insurance companies merit less censure than might be indicated by the grave accusations brought by the public against their administration. If their funds have sometimes been employed in speculation, it has been exceptional. They have been in general invested with prudence and circumspection. They have found remunerative employment without being exposed to great risk. The abuses in this direction do not call strongly for the restrictive action of the Legislature, which may content itself with forbidding insurance companies to contribute to the flotation of new enterprises and to enter into financial syndicates. The most competent Americans believe that it will be an error to restrict the insurance companies within the limits of the investments which are prescribed for the Savings banks.

But where there is an opportunity to entirely satisfy public opinion is on the question of the pecuniary intervention of the companies in political affairs. If it may be admitted that in 1896 in presence of the danger, real or supposed, to which the public credit was exposed by the theories of the Democratic candidate for the Presidency—if it be admitted that in such critical circumstances the companies might have sacrified some thousands of dollars on the altar of conservative principles, their much more costly interference in the Presidential election of 1904 is without excuse, since both candidates professed the same economic faith. It might very properly be asked how a man insured belonging to the Democratic party would regard the employment of a part of the premiums which he paid for the protection of his family against want in case death snatched him prematurely from them, for fighting his own political friends. He would naturally suffer a feeling of revolt against this abuse, which is really intolerable.

The interference of the Legislature in what may be called the technique of insurance—that is, in the manner of treating insurance business—is much more delicate. It is not desirable to go too far in the way of restrictions without running the risk of destroying the liberty without which progress is impossible. It often happens that the measures taken at the conclusion of a crisis have a tendency which is too reactionary. The American Government ought to keep on guard against this blunder.

It is demanded by many that companies, and their agents, be forbidden to accord to the assured bonuses and rebates, which are the occasion of abuse and unprofitable expenditures. But this involves a practice growing out of competition which is difficult to prevent, even by law. The experiment has been made in the State of New York. The new president of the Equitable, Mr. Morton, who is applying himself with a praiseworthy energy to reforming that company, is seeking to break away from this system of rebates. Will he succeed?

Another thorny question which some wish to see settled by legislation is that of mixed insurance—that which promises the payment of a fixed capital to those having the right to insure in case of death before a fixed date, or the payment to the insured himself, if he lives to this date, of this capital increased by accrued profits. Although this promise of the distribution of profits has made many dupes, it is doubtful whether the intervention of the Legislature in this matter would be beneficial.

Mr. Morton, of whom we have spoken above, has inaugurated under this head an excellent rule, which will perhaps force itself upon the other companies. He has decided to distribute dividends every five years instead of retaining them until the end of the period of the insurance. There are other reforms which the companies evidently will accept themselves spontaneously under the pressure of public opinion. It is the Equitable which in this respect has afforded the example after having created the greatest scandal by its extravagance. Mr. Morton has already reduced by about $500,000 his annual expenses, and does not expect to stop there. The direction of his principal departments has been confided to new men. Moreover, large sums expended wrongfully have been reimbursed by those who authorized such expenditures.

On the other hand, a special commission, of which the president of the Illinois Central Railroad is a member, has been charged with seeking the most beneficial modifications in the organization of the Mutual Life.

The tendency is, then, towards reform, and justifies the belief that the three great American companies will not delay in establishing themselves soon on much more healthy foundations. It is to be remembered, moreover, that their assets, composed in great part of elements of undisputed value, largely exceed their liabilities and constitute a solid guaranty for the insured. This is true of the Equitable, in spite of certain exaggerations in valuation shown in its last balance-sheet. * * * It results from these facts that the financial situation of the Equitable itself is in no danger and does not justify the alarm of the holders of policies who surrender their contracts for a sum representing no more than twenty-five to fifty per cent. of the payments which they have made, according to the time which has elapsed since they contracted their insurance."

INCREASED DIVIDENDS OF NEW YORK BANKS AND TRUST COMPANIES.

NEW YORK banks and trust companies seem to have found the year 1905 to have been a prosperous one, if we may judge from the number of these institutions that have either begun the payment of dividends, or increased the amount of dividend distribution within the year.

The list is as follows:—

	Rate, 1904 Per cent.	Increased.
Fifth Avenue Bank	100	By extra dividend of 120 per cent. July 1.
First National Bank	20	To 6¼ per cent. Quarterly with 5 per cent. Extra January 1, 1906.
Hanover National Bank	10	To 6 per cent. Semi-Annually, July 1, 1905.
Lincoln National Bank	18	To 5 per cent. Quarterly, Jan. 31, 1905.
Bank of New York N. B. A.	10	To 6 per cent. Semi-Annually, Jan. 1, 1906.
Mechanics & Traders' Bank	4	To 5 per cent. Semi-Annually, Jan. 1, 1906.
Mutual Bank	6	To 4 per cent Semi-Annually, Jan. 1, 1906.
Nineteenth Ward Bank	6	To 2½ per cent. Quarterly, March 31, 1905.
State Bank	50	To 50 per cent. Semi-Annually, Jan. 1, 1906.
Bankers' Trust Co	6	To 2½ per cent. Quarterly, Jan. 1, 1906.
Bowling Green Trust Co	6	To 4 per cent. Semi-Annually, Jan. 1, 1906.
Empire Trust Co	—	To 3 per cent. Semi-Annually, Jan. 1, 1906.
Lawyers' Title Ins. & Trust Co.	9	To 3 per cent. Quarterly, Nov. 1, 1905.
Metropolitan Trust Co	16	To 5 per cent. Quarterly, Sept. 30, 1905.
Title Guarantee & Trust Co	12	To 4 per cent. Quarterly, March 31, 1905.
U. S. Mortgage and Trust Co	20	To 10 per cent. Semi-Annually with 2 per cent. Extra Jan. 1, 1906.
Van Norden Trust Co	—	To 2 per cent. Quarterly, July 1, 1905 and 2 per cent. Extra January 1, 1906.
Windsor Trust Co	—	To 3 per cent. Semi-Annually, Jan. 1, 1906.

Of the banks in this list, four are National and five are State banks; three are located in the financial district and six up town.

It is, perhaps, safe to assume, then, that this list is fairly representative as to successful banking in New York without regard to any particular form of organization or particular class of business handled. A comparison of total earnings of these banks with total capital employed and total average deposits ought to give us a reasonably accurate view of the possibilities of the business as a whole.

The latest statement of condition made by National banks in 1904 was of November 10. That of the State banks was of December 8. In 1905, both classes reported as of November 9.

By a comparison of statements, we may show the earnings of the National banks for a period of one year and the earnings of the State banks for a period of about eleven months as follows:

	Capital.	*Surplus and profits, 1904.*	*Increase in surplus.*	*Dividends.*	*Indicated total earnings.*
Fifth Avenue Bank....$	100,000	$ 1,797,372	$ —47,723	$ 220,000	$ 172,277
First National	10,000,000	14,328,005	1,554,675	2,000,000	3,554,675
Hanover National.....	3,000,000	6,774,703	294,073	330,000	624,073
Bank of N. Y.........	2,000,000	2,600,483	141,300	200,000	341,300
Mech. & Tr...........	700,000	384,592	—25,603	56,000	30,397
Mutual Bank	200,000	221,670	47,299	12,000	59,299
19th Ward Bank......	200,000	215,852	503	27,000	27,503
Lincoln National......	300,000	1,395,531	87,432	60,000	147,432
State Bank	100,000	767,237	317,932	50,000	367,932
Total...........	$16,600,000	$28,485,445	$2,369,888	$2,955,000	$5,324,888

By adding together the aggregate capital of the nine banks and their aggregate surplus at the beginning of the period, we have a total fund employed of $45,085,445, on which total earnings amounted to $5,324,888 or about 11.8 per cent.

Their aggregate deposits at the beginning of the period were $327,545,800 and at the end of the period, $204,289,600. Half the sum of these two items, $220,917,700, would probably fairly represent their average deposits for the period.

If we assume that a normal rate for money as money is 4 per cent., or in other words, that the owners of this fund of banking capital might have found safe investment in bonds yielding 4 per cent. without either the risk or the responsibilities of the banking business, and deduct a sum equal to 4 per cent. on total fund employed, or $1,803,418 from the total earnings, $5,328,000, the remainder, $3,525,470, will represent the real profit obtained in handling this $220,917,700 of average deposits. It amounts to almost exactly 1½ per cent. per annum on these deposits.

Of the nine trust companies included in this list, the Title Guarantee and Trust Company and the Lawyers' Title Insurance and Trust Company derive a large part of their revenue from the business of title insurance, but the remaining seven are engaged principally in the banking business, and accordingly their business may fairly be compared with that of the banks above noted.

As the last statement of condition of the trust companies in 1904 was of December 31, and the latest available statement of 1905 was of November 9, we have a period of only ten months on which to base the comparison, which is as follows:

	Capital.	*Surplus and profits, 1904.*	*Increase in surplus.*	*Dividends.*	*Indicated total earnings.*
Bankers ....$	1,000,000	$ 703,598	$185,959	$ 60,000	$245,959
Bowling Green	2,500,000	2,855,310	177,489	150,000	327,489
Empire	500,000	1,029,074	50,766	....	50,766
Metropolitan	2,000,000	6,326,798	102,604	420,000	522,604
U. S. Mortgage and Trust	2,000,000	4,072,734	478,478	400,000	878,478
Van Norden	1,000,000	1,209,584	57,967	40,000	97,967
Windsor	1,000,000	570,398	142,289	....	142,289
Total............	$10,000,000	$16,767,496	$1,195,552	$1,070,000	$2,265,452

Adding together the aggregate capital of the seven companies, and their aggregate surplus at the beginning of the period, we find that the total fund employed was $26,767,496 on which total earnings were $2,265,452, or about 8½ per cent., and as the period was only about ten months, the equivalent annual rate is about 9.9 per cent.

The aggregate deposits of these seven trust companies at the beginning of the period were $111,370,769, and at the end of the period, $122,394,781. Taking half the sum of these two items, as with the banks, to represent the average deposits, we have $116,882,775.

Deducting from total earnings of $2,265,452, a sum equal to 4 per cent. on total fund employed, or $1,070,699, we have remaining $1,194,753 as profit on deposits. This amounts to a trifle over 1 per cent. on the average of $116,882,775 as noted above, and as the period is only about ten months, the equivalent annual rate would be about 1.2 per cent. on these deposits.

The ratio of aggregate capital and surplus to average deposits in the nine banks was about one to 4.90 and in the seven trust companies it was about one to 4.36. This difference probably accounts in large measure for the difference in average rate of profit on deposits as the banks had the advantage of a larger proportion of deposits over which to spread their expenses.

Taken as a whole, the showing is an excellent one and goes far to refute the statements so often made that the banks are suffering severely from the competition of the trust companies or that the business of either class is as yet overdone in New York. L. A. NORTON.

A RAILWAY MAN'S ACHIEVEMENTS.

FORTY-ONE years after Mr. Hill was a "mud clerk" on a Mississippi River boat his own Dakota sailed from Puget Sound with her capacity aboard, 28,000 tons besides passengers. His twin steamers, the world's largest when built, caused him to be called satirically by his critics an empire builder and dreamer of Oriental dreams. The dreams have come true, and it is announced that he "retires" in a green old age, or, better, at the close of his ripe middle age.

It would be difficult to set bounds to the significance of the announcement if it were to be accepted at its face. The retirement of a man who has earned for himself and others almost untold wealth while reducing the tolls over his road from 2.88 cents per ton to .792 cent would be a calamity if it signified a check or reversal of his achievement. What is known as the "Hill country" is an area equivalent to thirty-one New York States. Within a quarter of a century he has distributed throughout it $676,983,820 in mere reduction of tolls. What wealth he has placed in the grasp of its residents by enabling them to sell their products, which would have otherwise rotted upon the ground, or not have been worth producing, evades calculation. Certainly it would have been a national calamity if the 400,000,000,000 feet of primeval Northwestern forests could not have reached its Eastern market. Just as certainly it would have been another calamity if Eastern products had not been enabled to descend the westerly side of the continental divide and reach the Pacific tides as cheaply as the Atlantic. Doubtless these feats would have been performed in time by another. But to-day's text is not what might have been, but what is. It was Mr. Hill's policy of railroading which worked these marvels, and it was not known before his time.—*New York Times.*

SAVINGS BANKS

THE LIMITATIONS OF SAVINGS BANK EARNINGS IN THE STATE OF NEW YORK.

BY WM. H. S. WOOD, PRESIDENT OF THE BOWERY SAVINGS BANK, NEW YORK.

IT was in the second decade of the nineteenth century that Savings banks in the State of New York had their origin, and it is almost needless to say that the few which had their inception before 1840 were the result of the philanthropic impulses of some of the older and more well-to-do citizens of the Eastern States. Hardly a Savings bank was incorporated in those early days in which the founders did not give their personal services free from any remuneration other than the gratification of doing good to their poorer fellow citizens.

So universal has been this feeling among the people generally, that not until after the expiration of the nineteenth century was the slightest restrictive measure laid upon trustees of Savings banks in this State other than dictated wholly and entirely in the interests of those whose ignorance of financial matters and the care of money made them practically unable properly to insure the safety of their hard-earned savings. Savings banks indeed were recognized by the Legislature as being a part, and not an unimportant one, either, of the charitable and philanthropic institutions of the State, and as such under the administration of those of our citizens who controlled them as trustees, such laws as the Legislature passed regarding them from time to time have been uniformly wise and universally approved.

In 1901, however, when the effort was inaugurated to meet the State expenses by indirect taxation, the Legislature in some unaccountable way imposed a tax which it curiously called a franchise tax—a tax upon doing good, a repressive tax upon the doer as well as upon the receiver, out of harmony with the previous legislation of the State, a law which it is impossible to believe could ever have been passed had our law-makers more clearly understood the nature and the management of the institutions they subjected to this tax.

DIFFERENCES BETWEEN THE SAVINGS BANK LAWS OF NEW YORK AND THOSE OF OTHER STATES.

It is the purpose of this article to point out, simply, the differences between the Savings bank laws of this and other States, in order that it may be clearly understood why the fact that taxes in other States than that of New York may be entirely justifiable under their laws, or lack of laws, whereas it can afford no such justification in this State, where the conditions will be seen to be wholly different.

The legislation in most of the States has mainly regarded Savings banks as business undertakings, primarily for the profit of their stockholders, and has permitted them the latitude of management common to banking as a business. The policy of New York, on the contrary, classed them as philanthropic trusts, and most properly subjected them to rigid control by the State for the public welfare. There is no capital, and no stockholders of any sort in the Savings banks of the State of New York. Their management is entirely a gratuitous one by men who rejoice in thus serving the thrifty poor. As a rule, the legislation of most States contemplates the employment of Savings bank funds in such profitable channels as are commonly permitted to banks of deposit, and the restrictions thrown about them are for the most part merely such as surround ordinary banking business. In New York, on the contrary, legislation for the regulation of Savings banks has always been most restrictive, its purpose being to prevent the trustees charged with the administration of the savings of working people from using them in any way except that which shall provide absolutely for the safety of the funds entrusted to them, irrespective of profit, and with consequent limitation of earning power. About one-half the States have no Savings bank laws whatever. In all the other States, except New York, deposits and assets in Savings banks can be cared for in two ways; namely, in investments in specified securities, and in loans. The fundamental distinction between the laws of this State and others is this, that in all other States having laws regulating Savings banks, savings funds may be loaned very much as by commercial banks, whereas in New York Savings banks can make loans only in one way; i. e., upon collateral which they are authorized by law to purchase as an investment, and then at ten per cent. less than their par value; and they can make investments of a kind rigidly prescribed by law under restrictions which in the main are by far more severe than those which exist in any other State.

The various kinds of investments recognized by the laws of the several States comprise the following: National, State, county, municipal, and school bonds, railroad bonds, street railway bonds, water bonds, industrial bonds, stocks of banks and trust companies, railroad stocks, industrial stocks, and real estate mortgages. In one State loans to any municipal corporation of the State are permitted, without any regulative provisions. In thirteen States loans to private individuals and corporations are permitted upon a pledge of collateral security of varying and frequently questionable value. In thirteen States loans are permitted upon the promissory notes or similar obligations of individuals, practically at the discretion of bank officials, and without other security than endorsement of individuals. In some cases not even this is required, and funds may be loaned upon the single name and the general credit of business corporations. This statement shows the laxity which prevails in this most important matter of the security of the hard-earned savings of the industrious poor.

In a consideration of the foregoing it will be obvious that the privilege of making loans in the States named to individuals and business corporations, either with or without collateral security, subjects Savings banks to exactly the same risks which attach to the loaning of money by banks of deposit; while on the other hand it allows them opportunities for profit commensurate with the risk. It is universally recognized in the banking business that commercial loans always and everywhere bear a considerably larger rate of interest than is realized from bond and mortgage loans or other permanent investments in first-class governmental, municipal or railway bonds. It is therefore manifest that the Savings banks of all the States where commercial loans are permitted to them, while subject to far greater risks, have a decided advantage in the higher rate of interest paid for them, over the Savings banks of the State of New York, in which commercial loans of any kind are very wisely prohibited. Assuming then prudent and intelligent management on the part of Savings bank officials in other States, they have opportunities for much greater profits, from which deposits in this State are debarred. In investments also, commercial profits and remunerative interest rates are by the requirements of New York law always sacrificed to security.

Rigid Restrictions of the New York Law.

The legal restrictions surrounding Savings bank investments in the State of New York are extremely rigid. But three classes are permitted;

namely, real estate mortgages, upon property within the State only; bonds of various governmental corporations; and first-class railroad bonds. Whilst in many of the States investments in National, State, county, municipal, and school bonds are subjected to reasonable restrictions, the State of New York imposes a much more severe test in the case of municipal corporation bonds than is imposed by any other State. Several of the New England States forbid investments in municipal bonds except within certain specified States. In case of New York, no municipal bonds may be purchased except those issued by cities having a population of at least forty-five thousand people, having been incorporated twenty-five years previous to the issuance of the bonds, and having never defaulted in the payment of any principal or interest for a longer period than ninety days. In addition to this, the total debt limit of such municipalites must not exceed seven per cent. of the total valuation at the last previous assessment, and the cities whose bonds New York Savings banks may purchase, must be located in States which since January 1, 1861, have not repudiated or defaulted upon any part of the principal or the interest of any debt authorized by the Legislature of any such State. These restrictions debar the Savings banks of this State from investing in a very wide range of profitable and often reasonably safe securities issued by small municipalities, which are available for investment to Savings banks of other States.

In general, the provisions of the various States as to investment in railroad bonds are fairly well restricted; but New York leads them all in the limitations placed about investments of this kind, solely in the interest of safety. Its requirements exclude all railroad bonds of questionable or uncertain value, and restrict investments to the gilt-edged securities of such railroads as have ample property and have demonstrated their wise management and continued earning power both as to interest and dividends during a considerable period of years. No other State has such severe restrictions in this particular, and but two or three even approach New York as relates to railroad investments. A few of the States permit investments in securities of street railways; this class is debarred in New York.

In several States investments are permitted in the bonds of water companies, various industrial corporations, telephone and telegraph companies; in the stocks of banks and trust companies, of certain railroads, of manufacturing enterprises. It is perhaps superfluous to point out that these latter classes of investments, while sometimes affording large returns, are seldom admissible where sound security is the main object.

From all of the foregoing it may readily be seen that the State of New York occupies a peculiar position as regards its Savings banks investments, strictly limited by law to various forms of Governmental securities, to specified railroad bonds, and to real estate mortgages within the State; whereas the banks of other States have open to them the very profitable channel of commercial loans at the highest rate of interest, and investments in securities which offer a high and, commercially speaking, frequently a safe rate of interest. The restrictive laws in New York have naturally resulted in a great competition for the class of corporate securities in which New York Savings banks are permitted to invest. It is in the gilt-edged bond issues that the great capitalists of the country place their immense accumulations, and the demand for this class of securities is always very great on the part of investors with whom safety is more considered than large profits; and consequently such securities always command a very considerable premium, whereby the net interest is usually reduced to less than four per cent., and often as low as three per cent., and even under. In other States the low earnings derived from gilt-edged securities are compensated for by the additional and much larger income derived from loans and miscellaneous investments. The average earning power, therefore, of savings funds in other States is considerably larger than in the State of New York, simply because Savings banks in other States are conducted as profit-earning enterprises, usually for the benefit of stockholders (most of the Savings banks of other States being stock companies). It would appear to have been the legislative policy to tax such business enterprises precisely as any other profit-earning business is taxed. In the State of New York, on the contrary, security has always been held to be more important than profit. Public policy has not regarded the accumulations or surplus of Savings banks other than as a wise provision for the security and general welfare of the depositors, and for that reason, until recently, no part of the savings of the poor has been subjected to the tax which other States impose upon these institutions. Under present conditions the law prevents large earnings in the interest of safety, and for the benefit of their hard working, industrious classes the State should repeal any tax upon the earnings of Savings banks, which have been so depressed and lessened to a minimum by its own rigid restrictions.

DISTRICT OF COLUMBIA.

AT the last annual convention of the Savings Bank Section of the American Bankers' Association, the fact was brought to light that there is practically no law providing for the organization and supervision of Savings banks in the District of Columbia.

Secretary Shaw, in his recent annual report, recommends the establishment of a Department Savings Bank, to provide for caring for the savings of employees in the Treasury Department. He points out that, compared with cities of like population, the deposits of the Washington Savings banks are relatively small. This may be partly explained by the low interest rate paid there—2.85 per cent. against an average of 3.55 for the whole country. Of course, in any such comparison the character of the population is quite as important as the number. Washington can hardly be called a great industrial city, as that term is commonly used. Still, there ought to be great opportunities at the National Capital for Savings banks, and no doubt the enactment of a proper law is highly desirable.

BRANCHES FOR SAVINGS BANKS.

THE Superintendent of the Banking Department of the State of New York recommends that Savings banks be permitted to establish branches.

If they were granted this permission, there is no doubt that a marked gain in deposits would result. Saving is partly a matter of habit, and whatever tends to create the habit will add to the savings deposits of the country.

GROWTH OF THE NEW YORK SAVINGS BANKS.

IN his annual report transmitted to the New York Legislature January 3, Superintendent Kilburn, of the New York State Banking Department, has the following to say of the Savings banks:

"The whole number of Savings banks in the State September 30 was 130. The growth of deposits in the Savings banks from July 1, 1904, to July 1, 1905, was $86,836,855, which is larger by about fifteen million dollars than was ever reported before for any one year. The total deposits July 1 were $1,252,928,299 and the number of open accounts 2,513,570."

MAINE SAVINGS BANKS.

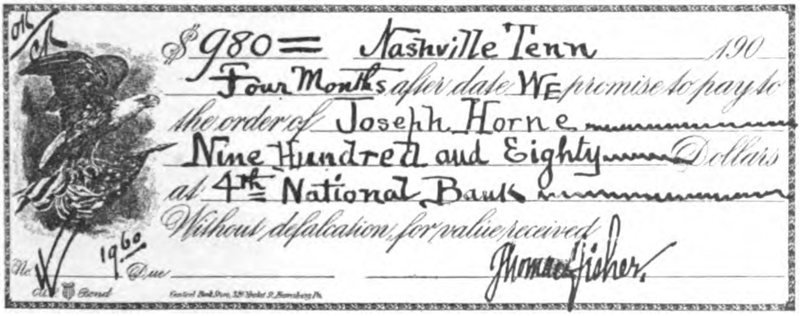
FREMONT E. TIMBERLAKE, Public Examiner of Maine, reports that the deposits of the Savings banks of that State on October 28, 1905, amounted to $79,115,188.66, an increase of $2,428,641.79 for the year.

PRACTICAL BANKING

POINTS ABOUT NOTES, CHECKS, ETC.

WHEN a bank clerk is able to tell at a glance whether or not a certain piece of paper—a check, note, draft, certificate of deposit, etc.—is defective, he has learned a very important practical detail of banking. Sometimes clerks, and officers, too, get this information in a very costly way: they overlook certain precautions that should be observed in handling the instruments passing through their institutions, and a loss, not infrequently of a large sum, is the result. How to prevent such losses is one of the very practical questions confronting bank managers. The clerk can hardly be expected to find the time to read the lengthy decisions of the courts, and in many cases, even if the time could be spared, the decisions are so technical as to be hard to understand.

In order to present information in regard to these matters so that it may be readily grasped, THE BANKERS' MAGAZINE has made an arrangement with Mr. Samuel Woods, author of "Woods' Fine Points on Banking," to give our readers photographic illustrations that will enable any one to see at a glance just how the error occurred. These valuable points, it is believed, will be appreciated by bank clerks, as commercial law is rather dry reading and some of the decisions will occupy from twenty to thirty pages. These are boiled down to a few lines with a photograph of the instrument, pointing out the defects in its drawing, or in other respects. By presenting them in this way they are impressed upon the reader's mind so that if any document should come up before him in the future with such an error, he can pick it out at once. There is much in commercial law that is not essential to the banker and merchant, and "what you can't do" as shown by the mistakes of others makes deeper impressions and more interesting reading than the theory and science of "what you can do."



$980 = Nashville Tenn 190

Four Months after date WE promise to pay to

the order of Joseph Horne

Nine Hundred and Eighty Dollars

at 4th National Bank

Without defalcation, for value received

No. 19.60 Due

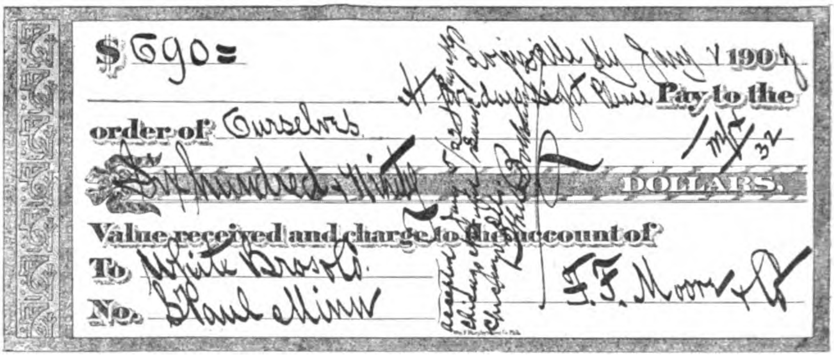
Thomas Fisher.

The highest courts have held that where a note is not dated its date will be fixed as of the day of its issue and delivery.

A note dated on Sunday is not void unless issued that day.

A note issued on Sunday but dated on a week day is void in the hands of all persons who had knowledge of the facts.

A note dated September 31 is open to proof as to when it was delivered, the day of delivery being the true date, although it has been held to be as of date of September 30.



$690=

Louisville Ky Jany 7 1904

At four days sight Pay to the order of Ourselves

Six hundred & Ninety DOLLARS.

Value received and charge to the account of

To White Bros Co.

No. St Paul Minn

F. F. Moore & Co

The collecting bank that took this acceptance made payable in Chicago, Ill., instead of St. Paul, Minn., upon presenting the draft at the Chicago National Bank, where it was not paid for lack of sufficient funds, protested it for non-payment, and were held liable, as the highest court has decided that any draft accepted and made payable outside of the city and State in which it is drawn releases both the maker and endorser, as it is against the law to draw a draft on one State and make it payable in another.

$350 00/100 Wheeling March 1 1903

On First day of April 1903 promise to pay to the order of Wheeling Coal Co

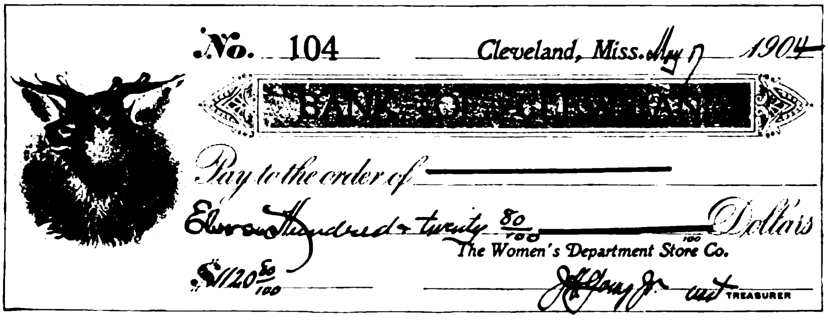
Three Hundred — — — — Dollars

Payable at my Office Equitable Bldg without defalcation. Value received.

No.

George J. Godfrey.

The highest court holds as follows: If the amount stated in figures and that stated in words does not agree, the words govern, as in the above case of the Wheeling Coal Co. vs. Godfrey. The amount was written, three hundred dollars, and in figures $350. Godfrey was held liable for the amount in *words*, three hundred dollars, and not $350 in figures.



No. 104 Cleveland, Miss. May 7 1904

BANK OF [illegible]

Pay to the order of

Eleven Hundred & twenty 80/100 Dollars

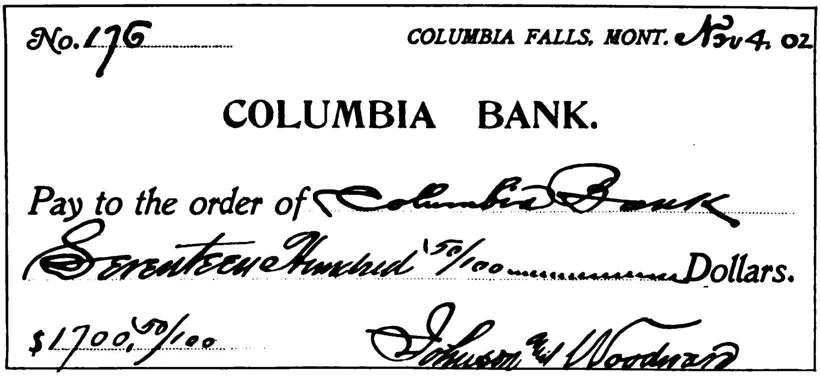
The Women's Department Store Co.

$1120 80/100

TREASURER

The bank on which this check was drawn paid it as a check payable to bearer.

The courts held that by drawing a line through the blank space for the payee's name, that the maker made the instrument void, and the bank had to restore the amount to the drawer's account.



No. 176 COLUMBIA FALLS, MONT. Nov 4, 02

COLUMBIA BANK.

Pay to the order of Columbia Bank

Seventeen Hundred 50/100 Dollars.

$1700.50/100 Johnson & Woodward

Richard R. Woodward, of the firm of Johnson & Woodward, gave the above check to the Columbia Bank for a draft drawn on him through the Columbia Bank. Woodward had authority to sign the firm's checks. But this authority would not let him draw them to pay his own debts, and on discovering the fact that the check had been drawn and paid, the partners could make the Columbia Bank account for the amount, if Woodward had no consent from his partners to draw the check.

$25.000xx Chicago Ills August 10th 1903

Four Months after date We promise to pay to

the order of S S Spencer

Twenty five thousand xx Dollars

at Pan American Bank

Without defalcation, for value received.

American Construction Co.

S S Spencer President

No. Due

S. S. Spencer, as president of the American Construction Co., of Chicago, borrowed $25,000 from the Pan-American Bank. He gave the note of his company payable to himself individually, it being signed "American Construction Co., S. S. Spencer, President." The manner in which it is drawn makes it non-negotiable. The court said it carried on its face a danger mark which no prudent man would disregard. The bank that discounted the note could not hold the Construction Company, although they took the note in good faith before maturity, giving full value therefor. If this note had been signed by all the officers as well as the directors of the Construction Company and a seal of the company attached, it would not hold the company, as no specific authority was given any of them by the by-laws or otherwise to make notes for the company.

The bank is bound to inquire as to the authority of officers of a corporation to make its note. Such authority does not come by virtue of the office. It is elementary law that the president of a corporation as such has no power to bind the corporation by the execution of promissory notes or other contracts, but such authority must be derived from some by-law of the corporation, or some specific order, ratified on the part of the corporation, whose powers under our law are exercised by the directors.

CONDITION OF THE NATIONAL BANKS.

Abstract of reports of condition of National banks in the United States on May 29, August 25 and November 9, 1905. Total number of banks reporting on November 10, 1904, 5,477; November 9, 1905, 5,833; increase, 356.

Resources.	*May 29, 1905.*	*Aug. 25, 1905.*	*Nov. 9, 1905.*
Loans and discounts	$3,899,170,328	$3,998,509,152	$4,016,735,497
Overdrafts	30,367,466	29,905,633	54,473,855
U.S. bonds to secure circulation	457,502,540	477,592,690	493,679,340
U.S. bonds to secure U.S. deposits	74,289,450	61,847,570	57,559,800
Other bonds to secure U.S. deposits	7,526,101	6,308,131	7,623,416
U.S. bonds on hand	18,108,500	12,041,410	10,586,940
Premiums on U.S. bonds	14,490,434	14,375,131	13,728,692
Bonds, securities, etc	669,545,598	667,177,767	657,943,673
Banking house, furniture and fixtures	130,006,135	132,987,384	136,093,399
Other real estate owned	20,154,800	19,926,274	20,487,751
Due from National banks	332,143,552	320,743,427	348,417,657
Due from State banks and bankers, etc	112,388,835	113,466,291	124,998,489
Due from approved reserve agents	562,495,160	605,464,479	569,121,818
Checks and other cash items	28,111,820	23,031,600	28,260,936
Exchanges for clearing-house	267,856,167	265,080,927	340,428,162
Bills of other National banks	28,824,161	29,182,633	31,183,857
Fractional currency, nickels and cents	1,798,508	1,859,804	1,817,487
Specie	479,635,070	495,479,452	460,934,467
Legal-tender notes	169,629,979	170,073,847	161,157,612
Five per cent. redemption fund	22,208,658	23,280,126	24,047,836
Due from U.S. Treasurer	3,552,605	4,017,141	3,927,131
Total	$7,327,805,874	$7,472,350,878	$7,563,155,823
Liabilities.			
Capital stock paid in	$791,567,231	$799,870,229	$808,328,658
Surplus fund	413,436,145	417,757,591	420,785,055
Undivided profits, less expenses and taxes	201,855,091	202,536,366	212,371,042
National bank notes outstanding	445,455,717	468,979,788	485,521,670
State bank notes outstanding	30,973	30,972	30,972
Due to other National banks	790,421,572	832,078,395	777,165,729
Due to State banks and bankers	325,849,412	354,253,517	348,631,097
Due to trust companies and Savings banks	393,825,082	404,183,168	339,112,588
Due to approved reserve agents	37,572,634	34,362,500	39,127,292
Dividends unpaid	1,328,776	993,490	1,770,894
Individual deposits	3,783,658,494	3,820,681,713	3,989,522,834
U.S. deposits	65,570,520	52,351,688	51,600,587
Deposits of U.S. disbursing officers	9,727,823	9,738,611	9,685,067
Bonds borrowed	34,886,467	38,485,468	36,590,097
Notes and bills rediscounted	5,590,563	6,911,508	7,369,244
Bills payable	21,573,416	23,181,411	28,497,673
Reserved for taxes	....	2,360,697	2,684,200
Liabilities other than those above	5,956,000	3,593,760	4,361,115
Total	$7,327,805,874	$7,472,350,878	$7,563,155,823

Changes in the principal items of resources and liabilities of National banks as shown by the returns on November 9, 1905, as compared with the returns on August 25, 1905, and November 10, 1904.

Items.	Since August 25, 1905.		Since November, 1904.	
	Increase.	*Decrease.*	*Increase.*	*Decrease.*
Loans and discounts	$18,226,345	....	$244,096,556	....
U.S. bonds	10,294,410	....	12,970,440	....
Due from National banks, State banks and bankers and reserve agents	2,863,766	....	49,015,698	....
Specie	....	$34,544,985	....	23,253,353
Legal tenders	....	8,916,235	3,214,644	....
Capital stock	8,458,429	....	32,239,257	....
Surplus and other profits	2,862,139	....	37,828,305	....
Circulation	16,541,882	....	66,401,650	....
Due to National and State banks and bankers	....	120,840,872	....	8,594,199
Individual deposits	168,841,121	....	281,816,303	....
United States Government deposits	....	804,644	....	49,016,859
Bills payable and rediscounts	5,773,998	....	1,716,433	....
Total resources	90,804,944	....	366,163,867	....

BOOK REVIEWS

THE PRINCIPLES OF MONEY AND BANKING. By Charles A. Conant, Commissioner on the Currency of the Philippines, Member of the Commission on International Exchange, author of "History of Modern Banks of Issue," "Wall Street and the Country," etc., etc. Two volumes, octavo: Vol. I., pp. 437; Vol. II., pp. 488; price, $4.

We shall not attempt to forestall what is the duty and what, we are sure, will be the pleasure of every student of money and banking—the reading of these volumes—by giving an anaylsis of their contents. To do so would but result in reproducing in a fragmentary form information that should be set forth at first hand and with proper fullness. For an adequate idea of the value of this treatise, we must refer our readers to the work itself. It is one of the few standard works on these subjects in the English language, and is certain to hold a permanent place as an authority on money and banking.

Not only does Mr. Conant show a comprehensive knowledge of his topics, but throughout the work, even when discussing questions that have been but recently the subject of heated controversy, he displays the utmost fairness, and preserves a scientific temper at all times.

Beginning with a description of the functions of money, he traces its origin and development from the rudest forms to its present state. Banking principles are likewise fully and accurately considered. The history and theory of money and banking as shown by the experience of the chief States and as laid down in the world's great authorities, are presented with admirable clearness and force. Mr. Conant, besides having been for many years a close student of the problems embraced in "The Principles of Money and Banking," has also the knowledge of those subjects that is gained only from actual contact with them in a practical manner. As Commissioner on the Currency of the Philippines, his recommendations laid the basis for transforming the currency of the Islands from a silver standard to a gold-exchange standard; and as a member of the Commission on International Exchange, his studies and investigations produced results that were of practical value in securing the readjustment of the Mexican currency system, and it is believed that ultimately the plan he devised for the Philippines may be put into effect, at least substantially, in China.

Mr. Conant is also Treasurer of the Morton Trust Company, one of the large and conservative trust companies of New York.

His qualifications, therefore, for preparing an authoritative work on money and banking are of the highest, and this is shown by the character of the volumes themselves.

The Principles of Money and Banking is a strong and worthy contribution to the permanent financial literature of the country, and may be commended to all who are in search of full, sound and accurate knowledge of these important subjects.

THE MODERN TRUST COMPANY: Its Functions and Organization. By F. B. Kirkbride and J. E. Sterrett, C.P.A. New York: The Macmillan Company. Octavo, pp. 309; price, $2.50.

Trust companies are of such comparatively recent origin that the literature relating to them has been of a purely ephemeral character. But with the tremendous growth and development of these institutions in the last few years, they have become the subject of more serious treatment, and the volume now at hand is but one of others already published or soon to appear dealing with "the department stores of banking."

There is no doubt that capital may be both safely and profitably employed in the trust company form of organization; and possibly, in many cases, capital now enlisted in commercial banking alone could be better employed under the trust company form. If this be so, the matter is certainly one for careful consideration, and the true interests of the owners of bank shares, and the interests of the community as well, will be best served by an unprejudiced study of the advantages of trust companies over the ordinary form of bank organization, provided such advantages really exist.

This study will be greatly facilitated by such volumes as the one under review. "The Modern Trust Company" treats in a practical manner of the functions and organization of trust companies, and will be found of great value to all who wish to gain a better knowledge of these important parts of our financial machinery.

DIGEST OF LAWS RELATING TO TRUST COMPANIES OF THE UNITED STATES. By Benjamin J. Downer. New York: George W. Young & Co.

This is a summary of the laws relating to trust companies, dealing with their organization, supervision, and powers, as well as the regulations governing the operations of these institutions.

As with banking, there is considerable diversity in the laws of the respective States in regard to trust companies, but the standard of such laws is being gradually raised. This compilation will be found especially useful, not only for practical purposes, as a guide to those who are directly interested in the conduct of trust companies, but as affording a ready means of comparison of the trust company laws in the different States and Territories.

COMPARATIVE STATEMENTS OF TRUST COMPANIES IN THE STATE OF NEW YORK. Compiled by The Audit Company, of New York. New York: George W. Young & Co.

We have here a compilation of the statistics, in detail, of each trust company in the State of New York from the end of 1894 to the end of 1904, together with the officers and directors, given in connection with the titles and figures relating to each separate institution.

From 1894 to 1904 the number of trust companies in New York State increased from 38 to 81, the total resources from $365,419,729.33 to $1,364,016,015.92—the percentage of increase in the resources being 273.27.

BOSSISM AND MONOPOLY. By Thomas Carl Spelling; 12mo., pp. 358; price, $1.50.

Mr. Spelling deals in a free and vigorous fashion with many of the real and imaginary evils of to-day, and the remedy he favors is Government ownership. He contends, and not without a considerable basis of fact to support the contention, that the political bosses and the giant monopolies are substantially partners. That this condition of affairs, which is due to the apathy of the people, would be bettered by Government ownership of railways, etc., is not so clear to us as it seems to be to Mr. Spelling. Like most writers who take up the subject of bank reserves, he fails in strict accuracy (page 215) and a similar inexactness marks his attempt to quote Shakespeare (page 225), for it was "Iago" and not "Polonius" whose exhortation, "Put Money in thy purse," has, in the language of Mr. Spelling, "come thundering down the ages with a curse upon it."

PRINCIPLES OF ECONOMICS, WITH SPECIAL REFERENCE TO AMERICAN CONDITIONS. By Edwin R. A. Seligman, LL.D., McVickar Professor of Political Economy, Columbia University. New York: Longmans, Green & Co.; 8 vo., pp. 613; price, $2.25.

Those who read Professor Seligman's work—and all who are interested in the well-being of their country ought to read it—will, we are sure, agree that the author has succeeded in making "the dismal science" exceedingly interesting. But he has done more than to vitalize what has been regarded heretofore as a dry subject. He has brought out with striking clearness and precision the relations between wealth, and its distribution and enjoyment, and has set forth with admirable directness some of the fundamental principles that are in danger of being obscured by the socialistic agitation of the times.

In his chapter on "Poverty and Progress," Professor Seligman has the following to say regarding the prevention of poverty:

"We have seen that there is no single cause of poverty; there can accordingly be no single preventive of poverty.

* * * To the attentive reader of the preceding chapters it should be abundantly clear that private property and individual initiative have been the motor forces of the accumulation of wealth and the real progress of humanity. Anything, therefore, which seriously saps these foundations necessarily undermines not only the whole structure of industrial society, but the edifice of civilization itself. * * *

To say, however, that poverty has always existed is no reason for believing that it should continue forever to exist. Absolute equality of conditions is indeed an iridescent dream, for it runs counter to the inequality or differentiation which is the law of all life and the explanation of all change. * * * The modern industrial system is slowly producing not only political democracy, but economic democracy, and that economic democracy is incompatible with permanent and widespread poverty.

* * * Economic, political and ethical forces are conspiring to bring about progress by raising the social level. In ordinary business life this means the gradual, but clearly discernible, elevation of the standard of commercial morality. So far as poverty is concerned, it means the lifting of the standard of life of the laborer and the setting, in ideal at least, of an irreducible minimum, below which national production is not worth having.

* * *

The way, therefore, to have progress without poverty, is not to level down, but to level up; to do nothing which will prevent the capable, the resourceful and the daring from exerting their still and inventive ingenuity; but, on the other hand, to keep open the door of opportunity for all and to throw about the mass of the less fortunate and the less gifted the protecting mantle of a public sentiment which will be intolerant of injustice, and which will insist upon the creation of conditions that insure to every worthy human being at least the possibility of a worthy human existence."

GOVERNMENT REGULATION OF RAILWAY RATES: A STUDY OF THE EXPERIENCE OF THE UNITED STATES, GERMANY, FRANCE, AUSTRIA-HUNGARY, RUSSIA AND AUSTRALIA. By Hugo Richard Meyer, Assistant Professor of Political Economy in the University of Chicago.

Professor Meyer's treatise deals in a very thorough manner with a problem now uppermost in the public mind, and he throws upon the subject a flood of illumination that ought to aid in a right determination of the matter. His own point of view is well illustrated in the preface, from which we quote:

"This book presents the conclusions forced upon the author by a painstaking study of the railway question extending over some twelve years. That study began with an inquiry into the results of State industrial ventures in Australasia, which he took up with a strong bias in favor of State intervention in industry. As many of the most impressive lessons to be learned from the industrial experiments of the Australasian States are connected with their management of railways, the author was naturally led to make comparisons with the railways of other countries, over which the various governments have exercised some measure of control.

The net result has been the disclosure of such overwhelming proofs of the evils of State direction of industry, or interference with its natural course, that he has become firmly convinced of the unwisdom of Government regulation of railways or their rates."

BANKING PUBLICITY

A NEW DEPARTMENT.

IT is the belief of THE BANKERS' MAGAZINE that next to the vital topics of finance and the general business management of banks and trust companies, no subject is of more importance to the modern financial institution than that of general publicity, whether it takes the form of newspaper or magazine advertising, street-car cards, or booklets, circulars, or form letters sent through the mails.

It has been demonstrated beyond question that advertising can achieve results for the modern bank or trust company as well as for the department store, railroad, or any other business enterprise. There is no difficulty in convincing the modern banker that advertising is a good thing—but how?

It is for the purpose of helping in a small way to answer this important question that a department of "Banking Publicity" is inaugurated with our January number. It does not claim to be the highest authority on the subject, but will endeavor to bring to our readers the methods employed by successful institutions in the management of their publicity.

The editor of this department will welcome criticisms or suggestions and will be glad to receive short articles on advertising methods that have brought results. Copies of newspapers or magazine advertisements, booklets, statements, street-car cards, etc., are particularly requested.

Address Editor Banking Publicity Department, THE BANKERS' MAGAZINE, 87 Maiden Lane, New York.

STREET-CAR ADVERTISING.

AN advocate of street-car advertising for banks made the statement a short time since in "Printers' Ink" that recently "the agents for street-car advertising throughout New England conducted a campaign that led one bank or trust company in each important town in their territory to enter on a campaign of street-car advertising, and results were good in every instance. About fifty banks went into the street cars, advertising safe deposit vaults, savings facilities, exchanges, etc. It was demonstrated by the agents before advertising began, that only fifty per cent. of the business that ought to come to the banks of New England could be found on their books, the proof being furnished in statistics, deposits and average earnings of the industrial classes. In many cases the street-car advertising brought in deposits of moldy and tarnished money that had been hid away because the owners feared the banks."

LITERATURE OF THE HOME TRUST CO., NEW YORK.

AMONG the general publicity matter issued by the Home Trust Co. of New York, 184 Montague St., Brooklyn, are booklets entitled "Our Duties Your Benefits," on the general duties of the trust company; "How to Save Money," an advertisement of the company's savings department; "The Mail and the Trust Company," devoted to the same subject; "When You Go Away," on letters of credit, travelers' checks, etc.; "Homeward Bound," issued for the purpose of attracting the accounts of school teachers.

The advertising of the Home Trust Co., of which Mr. J. Edward Swanstrom is President, has evidently been successful, for though established but ten months since, it already has a large line of deposits. Mr. Harold A. Davidson is Secretary, and manager of the company's publicity.

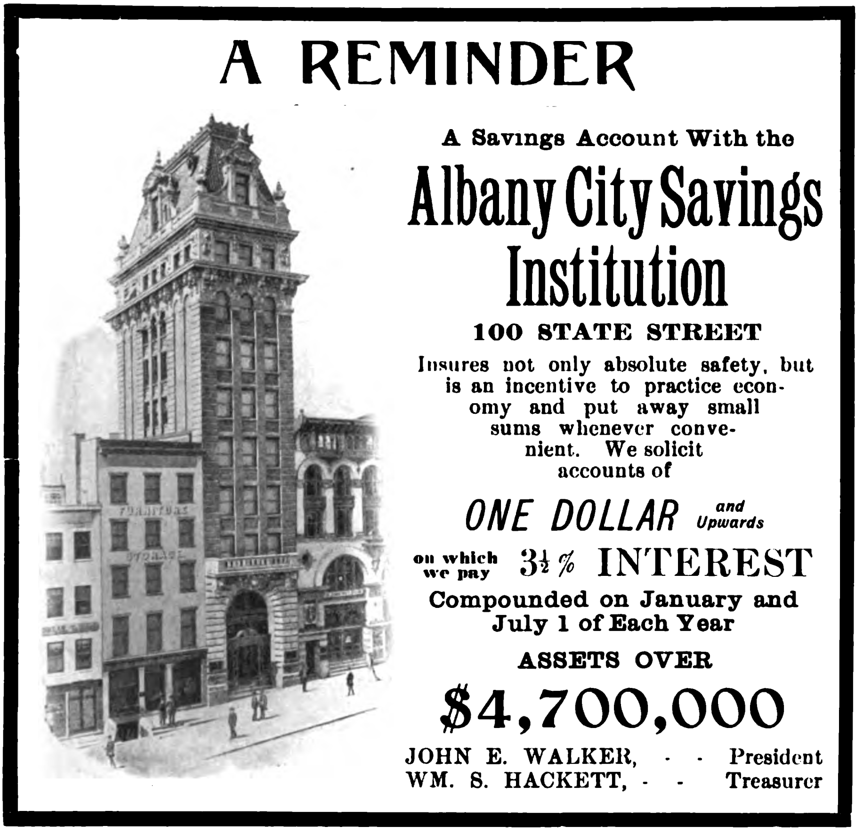
ADVERTISING A SAVINGS BANK.

AMONG the Savings banks which believe in the modern policy of advertising is the Albany City Savings Institution, of Albany, N. Y., one of whose newspaper advertisements is reproduced herewith.

This institution, which was established in 1850, has but recently adopted the policy of general publicity, and while it is yet early to judge of its effect, its Treasurer, Mr. William S. Hackett, states that the general results, as evidenced by increasing deposits, are very satisfactory.

Mr. Hackett is using liberal space in the newspapers of Albany and the surrounding towns and is sending thousands of booklets to selected addresses of persons in the section of the State which makes Albany its banking center. One of the booklets, entitled "U. S. Mail for Banking," bears on the front cover a cut of a U. S. mail-box, and its pages give explicit instructions for opening accounts by mail. A card is enclosed which is filled out; signed by the depositor and sent with his original deposit.

The Albany City Savings Institution has assets of nearly $5,000,000 and pays interest at the rate of 3½ per cent.



A REMINDER

A Savings Account With the

Albany City Savings Institution

100 STATE STREET

Insures not only absolute safety, but is an incentive to practice economy and put away small sums whenever convenient. We solicit accounts of

ONE DOLLAR *and Upwards*

on which we pay 3½ % INTEREST

Compounded on January and July 1 of Each Year

ASSETS OVER

$4,700,000

JOHN E. WALKER, - - President
WM. S. HACKETT, - - Treasurer

SPECIMEN ADVERTISEMENT OF THE ALBANY CITY SAVINGS INSTITUTION.

GROWTH OF TRUST COMPANIES PROMOTED BY ADVERTISING.

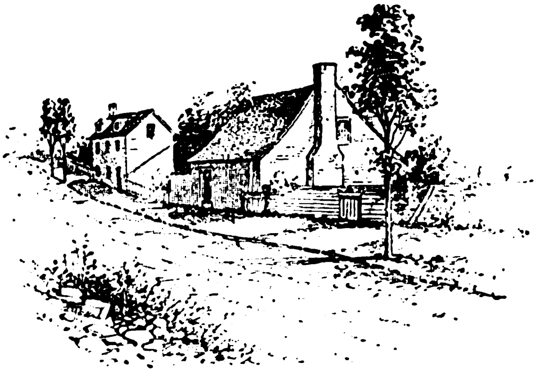
NO class of financial institution has benefited more from publicity of the right sort than the modern trust company, and the tremendous growth and development of such companies, particularly in New York, is traceable in many instances directly to broad and liberal advertising, judiciously conducted, particularly in the line of educating the public in the benefits and advantages of these most useful institutions.

One of the leading exponents of these modern ideas is the Lincoln Trust Co., whose Secretary, Mr. Frederick Phillips, has produced some valuable examples of trust company literature. Mr. Phillips delivered an address at the last bankers' convention which has obtained wide publicity. The following, however, will bear repeating, and we quote:

"Let us seek to teach the public to eschew all practices opposed to conservative banking; to avoid all financial traps, pitfalls and schemes; and to divest itself of all the risks and responsibilities attaching to personal and individual administration of fiduciary offices, the care of estate and the investment of funds. Our public is already a highly educated one, in that it knows a little something of everything, but if there are any things of which it really has less real, serviceable and valuable knowledge than of anything else it is of the business of banking, and the services of the trust company and the benefits and advantages of the various classes of moneyed institutions. It was many years before the public learned to use the Savings banks. and even to-day the Savings banks are not understood as they should be for the welfare of the vast wage-earning class. On the other hand, our Savings banks (I refer particularly to the mutual Savings banks) carry many millions of money, much against their will, if I understand the matter rightly, money which they would prefer elsewhere than in their own institutions. So with the trust companies. How little are these admirably organized and thoroughly equipped institutions understood, although it is gratifying to note that day by day the public is more fully employing their powers. In short, it is a fact that what the National, State and Savings banks and trust companies can do to-day for the public, and how they do it, is far beyond the public's knowledge."

A SUCCESSFUL DEPARTURE IN BANKING LITERATURE.

THE BANKERS' MAGAZINE has received from Mr. John Davis Newman a copy of the new booklet issued by the Brooklyn Bank, entitled "Interesting Bits of History—First Series," by Clinton Fulton. This booklet, which is attractively gotten up, contains well executed cuts of such historical subjects as the oldest house in Brooklyn, Fulton Avenue, Bridge and Lawrence Streets in 1776, Fulton Street in 1821, Fulton Ferry in 1746, Battle Pass (Prospect Park) in 1776 and 1866, etc.



FULTON STREET, BROOKLYN, IN 1821.

The application to the Brooklyn Bank is indicated from the following extract: "The population of Brooklyn in 1830 was only 15,292. In 1832, while Brooklyn was yet a village, the Brooklyn Bank was organized. In 1834 the village of Brooklyn became the City of Brooklyn. The Brooklyn Bank was then two years old. In 1898 the City of Brooklyn became a borough of Greater New York. The Brooklyn Bank was then sixty-six years old. In 1905 the population of Brooklyn is 1,358,891 and the Brooklyn Bank is seventy-three years old. Thus for seventy-three years or nearly three-quarters of a century, the Brooklyn Bank has stood firmly in the confidence of the people," etc.

Brooklyn has many interesting historical points and this series should prove a good bit of advertising for this venerable but progressive institution.

AN ILLUMINATING STATEMENT.

ALTHOUGH general publicity is given to the periodical statements issued by banks and trust companies, a large proportion of the general public is not aware of the true significance of the tabulated figures of assets and liabilities and is unable to determine the strength or weakness so indicated. In this connection the statement issued by the Cleveland Trust Co. in one of its recent folders is interesting. It not only gives the figures in regulation form, but explains to the layman the meaning of each item. The statement as it appears (dated November 14, 1905), is as follows:

Resources.

Loans on real estate Secured by first mortgages approximating 50 per cent. of appraised value.	$3,611,293.39
All other loans For the most part payable on demand and secured by approved collateral, readily convertible into cash, if the borrower fails to pay when required.	10,383,731.91
Bonds and stocks Comprising United States, Cuban and Japanese Government bonds, county and municipal bonds, steam railroad bonds of the highest grade, and other listed securities.	10,670,389.51
Real estate Including site for new building at the corner of Euclid Avenue and Erie Street; bank buildings at 2259 Euclid Avenue, Collinwood, Lorain and Willoughby.	882,951.34
Safe deposit vaults Could not be duplicated at this figure.	118,328.15
Furniture and fixtures Not considered a good asset, though carried as such by many banking institutions. Our fixtures cost over $160,000.00, but have all been charged from earnings.	Nothing.
Cash on hand Including amounts due from other banks, subject to our demand.	2,444,486.21
Total resources	$28,111,180.51

Liabilities.

Deposits Belonging to fifty-two thousand firms, corporations and individuals.		$25,236,558.92
Capital stock paid in	$1,750,000.00	
Surplus and undivided profits	1,124,621.59	
Excess of resources Over all liabilities to depositors, thus balancing the account.		2,874,621.59
		$28,111,180.51

PUBLISHERS ANNOUNCEMENTS

THE BANKERS' MAGAZINE FOR 1906.

DURING the coming year THE BANKERS' MAGAZINE will be in line with the tremendous developments in banking and financial lines which are going on all about us. For sixty years the MAGAZINE has been the leading banking monthly of this country and the world, and no effort will be spared in maintaining this high position. During the coming year the aim of the publishers will be not only to consider the important questions in the discussion of which it has always been a leader, but to handle in a not too technical way the details of bank management, systems, etc., so as to cover in a broad sense all the problems which confront the banker, where the experience and methods of others would be enlightening and valuable.

New departments along these lines have been inaugurated which will at once commend themselves to our readers, and other valuable features will be added from time to time.

The rapidly growing interests of the trust companies will be considered in a department by itself, as will the Savings banks. The department of Banking and Commercial Law will be enlarged and strengthened and under the head of "Practical Banking" will be published articles dealing with the inside management of modern financial institutions, and the practical matters that come up from day to day will be fully considered. The important subject of "Banking Publicity" will be given attention, and the "Banking and Financial Notes" will be amplified. "Editorial Comment" will continue as before a general discussion of the important topics of the day in the banking and financial world. Under the head "Modern Financial Institutions and Their Equipment" modern banks and banking houses will be illustrated and described.

The aim of THE BANKERS' MAGAZINE, in short, is to be the bankers' "trade journal" in the broad sense of the term, and the efforts of the publishers, assisted by a strong editorial staff, will be along that line.

THE "SAVINGS AND TRUST REVIEW" ABSORBED.

THE BANKERS' MAGAZINE has absorbed "The Savings and Trust Review" and will fill all subscription and advertising contracts of that publication. "The Savings and Trust Review" was started some years ago as "The Savings Quarterly," devoted to the interests of Savings banks, and for the past two years has been published as a monthly and has also covered the trust company field as well. In the future these two classes of financial institutions will be given special attention in THE BANKERS' MAGAZINE and former subscribers to the Review will find their interests fully cared for in this publication.

MODERN FINANCIAL INSTITUTIONS AND THEIR EQUIPMENT

COLUMBIA TRUST COMPANY OF NEW YORK.

THE Columbia Trust Company commenced business December 4, 1905, at 26 Nassau Street, New York city, with $1,000,000 paid-in capital and $1,000,000 surplus. In its announcement the company states that it is an independent corporation, free from any dominating influences. Its affairs will be administered and its relations with the public governed solely by the officers and board of directors. Careful and courteous attention will be given to all business entrusted to its care.

The officers and directors are men well known in banking and general business circles. Robert S. Bradley, the President, is a resident of Boston and a graduate of Harvard, Class of '76. He was for many years President of the Bradley Fertilizer Co., which was started by his father, William L. Bradley, in 1861. This company was a pioneer in the fertilizer business and had headquarters in Boston with branches all over the country. The Bradley

Columbia Trust Company.—Main Banking Room.

Fertilizer Co. and the Williams & Clark Fertilizer Co., of which Mr. Bradley was also President, were both merged in 1899 into the American Agricultural Chemical Co., and Mr. Bradley was made Chairman of its Executive Committee. He is also President of the Ashepoo Fertilizer Co., of Charleston, S. C., one of the leading independent fertilizer companies in the South. With his brother, he has also extensive interests in Southern phosphate mines.

Clark Williams, Vice-President of the Columbia Trust Company, is one of the well-known trust company officers of New York. He began his banking career with the Guaranty Trust Co., and later went to the U. S. Mortgage and Trust Co. as a clerk. He was soon promoted to the office of Assistant Secretary and Assistant Treasurer, and a little later became Vice-President, leaving that position to become identified with the Columbia Trust Co. At the last annual convention of the Trust Company Section of the American Bankers' Association he was elected President of the Section. Mr. Williams was born at Canandaigua, N. Y., thirty-five years ago. He graduated from Williams College in the Class of '92.

COLUMBIA TRUST COMPANY.—OFFICERS' QUARTERS.

A. B. Hepburn, Chairman of the Executive Committee of the Columbia Trust Company, is President of the Chase National Bank, New York, and former Comptroller of the Currency.

Langley W. Wiggin, Secretary of the Company, was for several years connected with banking in Boston. After graduating from the Roxbury High School in 1891, he entered the National Bank of the Commonwealth, Boston, where he remained for two years. He then went to the National Rockland Bank, remaining there a like period, and then entered the service of the State Street Trust Co., Boston, continuing with this company for six years, and rising to the post of Assistant Treasurer. Early in 1902 he was elected

Assistant Cashier of the Mutual Bank, New York city, and was chosen Cashier in July of the same year.

Howard Bayne is Treasurer of the company.

The directors are: Samuel G. Bayne, President Seaboard National Bank; E. C. Benedict, banker, New York; Robert S. Bradley, President of the Company; Frederick H. Eaton, President American Car & Foundry Co.; Charles O. Gates, President Royal Baking Powder Co.; James M. Gifford, Gifford, Hobbs, Haskell & Beard, attorneys; Henry Goldman, Goldman, Sachs & Co., bankers; Frank S. Hastings, President Indianapolis Gas Co.; A. B. Hepburn, President Chase National Bank; C. H. Huttig, President Third National Bank, St. Louis; A. R. Kuser, President South Jersey Gas, Electric & Traction Co., Trenton, N. J.; William H. Moody, Attorney-General of the United States; J. R. McGinley, Pittsburg, Pa.; J. V. McNeal, Vice-President B. & O. R. R. Co.; William H. Nichols, President General Chemical Co.; Augustus G. Paine, President New York & Pennsylvania Co.; William R. Peters, Peters, White & Co., New York; Clarence W. Seamans, President Union Typewriter Co.; Herman Sielcken, Crossman & Sielcken, New York; Arthur Turnbull, Post & Flagg, New York; Clark Williams, Vice-President of the company; Arthur G. Yates, President Buffalo, Rochester & Pittsburg Railroad Co.

The full board of directors of the Columbia Trust Co. will take an active part in its affairs, holding regular meetings twice a month.

The excellent start made by the company may be seen from the following statement, dated December 30, 1905, after twenty-three days of business:

Assets.		Liabilities.	
New York city bonds	$1,000,000.00	Capital	$1,000,000.00
Time loans	1,000,000.00	Surplus	1,000,000.00
Demand loans	2,228,400.00	Undivided profits	24,810.31
Cash on hand	201,838.34	Deposits	2,827,336.40
Cash in bank	345,863.89	Certified checks	900.00
Net accrued interest	18,611.15	Reserved for taxes	1,666.67
Total	$4,854,713.38	Total	$4,854,713.38

FIRST NATIONAL BANK, BOSTON, MASS.

BANKING in Boston has for some years tended toward concentration—a policy whereby banking machinery has been greatly economized. This policy, which has made fewer banks than heretofore, has naturally resulted in an increase in the size and strength of the institutions now transacting the city's banking business.

The First National Bank, which is the second largest bank in New England, represents a consolidation of the First National and the National Bank of the Redemption, the latter having been made up of a consolidation of the Shoe and Leather National, Blackstone National and Everett National, and the business of the National Revere Bank. The Massachusetts National, which had been merged with the First National, included a large following from the Broadway National.

This bringing together of the several institutions named has resulted in a marked increase in the volume of business done by the First National, and has called for a considerable enlargement and improvement of its banking rooms. The changes in the bank's quarters at Devonshire and Franklin Streets have been made with a view to furnishing ample room, convenient arrangement both for customers and the officers and working force, together with the best vault and other safety equipment.

An idea of the standing of the bank may be had from the following statement to the Comptroller of the Currency, November 9, 1905:

RESOURCES.

Notes discounted	$16,538,161.54
United States bonds	1,218,000.00
Bonds, securities, etc	912,497.43
Due from U. S. Treasurer, five per cent. fund	50,900.00
Demand loans	10,472,018.67
Cash and due from banks	16,051,853.70
Total	$45,243,431.34

LIABILITIES.

Capital stock	$2,000,000.00
Surplus and undivided profits	2,134,834.21
National bank notes outstanding	998,597.50
United States bond account	18,000.00
Deposits	40,091,999.63
Total	$45,243,431.34

The management of the First National is vested in the following executive staff and board of directors:

Officers: President, Daniel G. Wing; Vice-Presidents, Edward A. Presbrey, Hon. John W. Weeks, Geo. G. McCausland, Clifton H. Dwinnell; Cashier, Frederic H. Curtiss; Assistant Cashier, Palmer E. Presbrey, Edward S. Hayward, Bertram D. Blaisdell.

Directors: John Carr, Chairman; Orlando H. Alford, of Bliss, Fabyan & Co.; Calvin Austin, General Manager Eastern Steamship Co.; Edward E. Blodgett, of Carver & Blodgett, Attorneys; Roland W. Boyden, of Ropes, Gray & Gorham, Attorneys; Geo. W. Brown, Treasurer United Shoe Machinery Co.; William F. Draper, President Draper Co., of Hopedale; Robert J. Edwards, of Edwards Manufacturing Co.; Geo. A. Fernald, of Geo. A. Fernald & Co., bankers; Eugene N. Foss, Treasurer B. F. Sturtevant Co.; William H.

FIRST NATIONAL BANK, BOSTON.—OFFICERS' DESKS.

FIRST NATIONAL BANK, BOSTON.—PORTION OF PUBLIC SPACE.

FIRST NATIONAL BANK, BOSTON.—ARCHWAY CONNECTING TWO DIVISIONS.

Hill, capitalist; Charles H. Jones, of Commonwealth Shoe and Leather Co.; Mortimer B. Mason, of S. D. Warren & Co., paper manufacturers; Charles S. Mellen, President New York, New Haven & Hartford R. R.; Charles A. Morss, Treasurer Simplex Electric Co.; Henry A. Rice, Jr., of Denny, Rice & Benedict; Wallace F. Robinson, capitalist, ex-President Chamber of Commerce; William A. Stetson, of William A. Stetson & Co.; James J. Storrow, of Lee, Higginson & Co., bankers; John W. Weeks, of Hornblower & Weeks, bankers and brokers; Daniel G. Wing, President; Sidney W. Winslow, President United Shoe Machinery Co.

First National Bank, Boston.—Part of the Working Quarters.

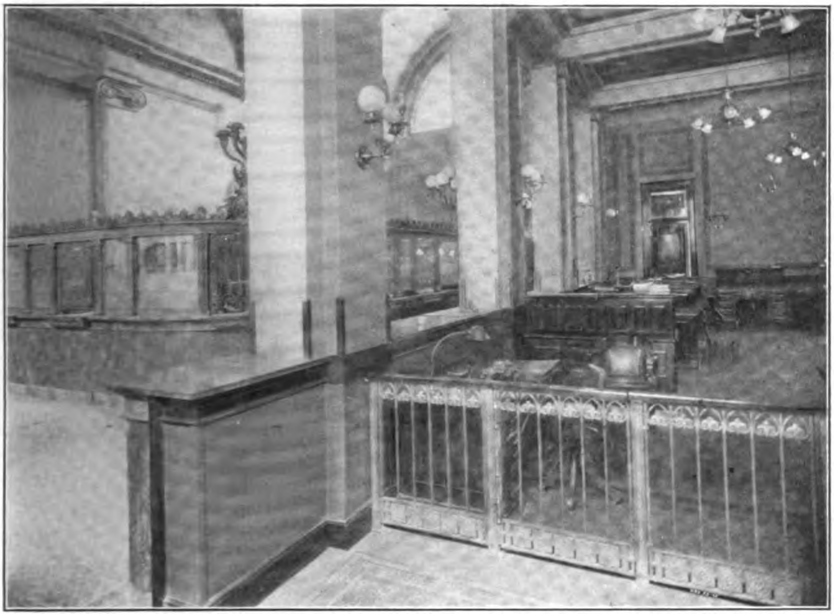
LAW AND BANKING QUESTIONS.

TROUBLESOME questions about commercial paper frequently arise in banks. Our subscribers are reminded that they may have such questions answered, through the pages of the Magazine, by a well-known authority in commercial and banking law, without cost.

By making such matters public, the spread of correct information will be aided, and the tendency will be to reduce the number of vexing and often costly errors growing out of neglect to observe proper precautions in dealing with notes, checks, drafts, etc.

THE PEOPLES NATIONAL BANK OF PITTSBURGH.

THIS bank was organized in 1864, shortly after the passage of the National Bank Act, with a capital of $1,000,000 and no surplus, by the following-named gentlemen of Pittsburgh, engaged largely in the iron business: George Black, John W. Chalfant, B. F. Jones, Samuel Rea, Barclay Preston, Joseph McKnight, Thomas J. Hoskinson, W. A. Rodgers, James Park, Jr., David E. Park, Byron Painter, George W. Hailman, Frank Rahm, James I. Bennett, Wm. Rea, and Mark W. Watson.



Main Banking Room and Officers' Quarters.

The members of the first board of directors were Samuel Rea, B. F. Jones, Barclay Preston, Byron H. Painter, George W. Hailman, George Black, John W. Chalfant and James I. Bennett. Hon. B. F. Jones, the last surviving member of the original board, died May 19, 1903.

At the time of its organization, the capital of this bank was considered large, but the organizers, having firm faith in the bank and the future growth of the city, wisely decided upon a capital that would enable them to successfully carry on the business of banking on a large scale. To-day the bank has a surplus of $1,595,000, and has paid in dividends $3,310,000.

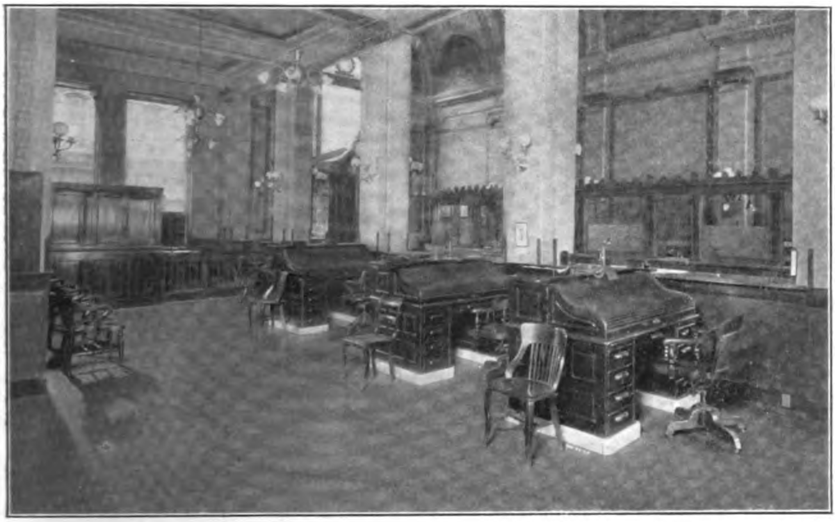
Owing to the rapid growth of this bank, it has been necessary to enlarge its quarters at three different times. The original location of the bank was at the corner of Wood street and Second avenue, but it was soon decided that the business justified larger quarters, and a banking room was fitted up at 409 Wood street. The growth of the institution made it necessary in 1900 to remodel the banking room and put in new vaults. In 1901 the adjoining building, 411 Wood Street, was purchased, and in 1905 it was remodeled by the bank and the first floor added to the banking room for officers' quarters. To-day the banking rooms and vaults are among the finest in the country.

VIEW OF WOMEN'S ROOM.

The careful and conservative management of this bank during the forty-one years of its existence has enabled it to pass through several panics and still maintain a steady growth, as indicated by the following figures:

YEAR	*Capital.*	*Surplus.*	*Undivided profits.*	*U. S. bonds.*	*Circulation.*	*Deposits.*	*Loans and investments.*	*Dividends (five years.)*
1865...	$1,000,000	....	$53,774	$437,400	$800,000	$310,150	$723,963	$60,000
1870...	1,000,000	$70,000	19,675	900,000	800,000	507,644	1,019,362	470,000
1875...	1,000,000	145.000	29,630	900,000	800,000	508,086	1,202,895	430,000
1880...	1,000,000	210.000	38,374	900,000	800,000	607,057	1,165.558	300,000
1885...	1,000,000	250,000	48,219	900,000	800,000	1,067,083	1,605,714	300,000
1890...	1,000,000	350,000	199,183	50,000	45.000	2,231,359	2,799,001	300,000
1895...	1,000,000	800,000	101,125	712,000	640,800	3,456,803	3,920,669	330,000
1900...	1,000,000	1,000,000	182,867	1,000,000	1,000,000	5,658,964	5,836,207	420,000
1905...	1,000,000	1,000,000	565,847	1,200,000	1,000,000	12,071,862	10,665,861	700,000

There are few banks that can show the ample security afforded the depositors of the Peoples National Bank of Pittsburgh, Pa. The men who at present direct its affairs are prominent men of the community, each one hav-



Partial View of Officers' Quarters.

ing met with marked success in his particular line of business. The present officers and directors are:

Officers: Robert Wardrop, President; D. E. Park, Vice-President; Hervey Schumacher, Cashier; W. Dwight Bell, Assistant Cashier and Secretary; S. Clarke Reed, Assistant Cashier.

Directors: Robert Wardrop, President Peoples National Bank, and Vice-President Peoples Savings Bank and Safe Deposit and Trust Co.; George C. Davis, white lead manufacturer; J. Painter, Jr., capitalist, formerly of J. Painter & Sons Company; D. McK. Lloyd, President Savings Bank and Safe Deposit and Trust Company; C. H. Spang, of Spang, Chalfant & Company; D. E. Park, capitalist, director Union Trust Company; Henry Chalfant, President Spang, Chalfant & Company; B. F. Jones, Jr., President Jones & Laughlins Steel Company; Edward E. Duff, Vice-President Safe Deposit and Trust Company and Peoples Savings Bank; J. D. Lyon, Vice-President Safe Deposit and Trust Company; D. Leet Wilson, President Central District and Printing Telegraph Company; W. D. George, Real Estate and Insurance; H. S. A. Stewart, capitalist, director Fidelity Title and Trust Company; George W. Crawford, capitalist, formerly Cashier Diamond National Bank.

MANUSCRIPTS INVITED.

READERS of the Magazine who may have ideas that are likely to prove of general interest and value to bankers, are invited to send them in for publication, particularly anything relating to improved methods of bank management; or a good original bank anecdote would be welcomed, since the bankers' conventions are proving that bankers enjoy a good story as much as anybody else.

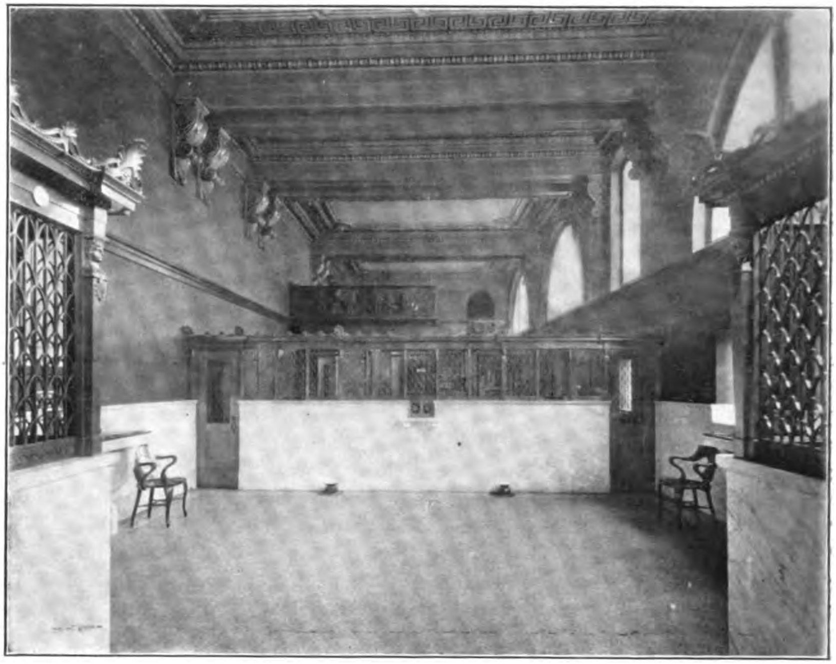
AMERICAN NATIONAL BANK, RICHMOND, VA.

AMONG the progressive and prosperous banks of the South may be mentioned the American National Bank of Richmond, Va.

The American was organized in the fall of 1899, with a capitalization of $200,000, and its growth was so rapid that it soon demanded more capital and larger quarters, which resulted in an increase of capital to $400,000, and the erection of the splendid sky-scraper at the corner of Tenth and Main streets, which the bank now owns and occupies.

The progressiveness of this, the youngest National bank in Richmond, is evidenced by the fact that it erected the first sky-scraper in that city.

The building is one of the handsomest of its kind in the South, being ten stories high, and absolutely fireproof. The banking rooms have every possible convenience in the way of modern furniture and equipment. The upper floors are devoted to office purposes.



AMERICAN NATIONAL BANK, RICHMOND, VA.
View of Lobby from Entrance.

The officials of the bank are: President, Oliver J. Sands; Vice-Presidents, Charles E. Wingo and Wm. C. Camp; Cashier, O. B. Hill; Assistant Cashiers, Waller Holladay and Andrew Moreland.

Mr. Sands was formerly a National bank examiner, and is one of the well-known bankers of the South. In addition to being President of the

AMERICAN NATIONAL BANK, RICHMOND, VA.—DIRECTORS' ROOM.

American National Bank he is President of the Bank of Commerce and Trusts.

A list of the directors of the American National Bank is given below:

William C. Camp, President Guarantee Building Corporation; W. R. McComb, McComb & Block, cattle brokers; Oliver J. Sands, late National Bank Examiner; Emmett Seaton, Attorney-at-Law; Charles E. Wingo, wholesale shoes; Henry W. Rountree, Rountree Trunk & Bag Company; James R. Gordon, President Cardwell Machine Co.; Edgar G. Gunn, dealer in lumber; Philip Whitlock, capitalist; R. H. Harwood, Harwood Bros., oils; Jackson Guy, Attorney-at-Law.

The following table shows the growth of the bank's deposits since organization:

Date.	*Deposits.*
December 22, 1899	$ 124,077.99
April 26, 1900	576,292.09
February 19, 1901	862,419.46
February 25, 1902	1,254,114.27
September 9, 1903	1,892,321.13
November 10, 1904	2,452,118.13
November 9, 1905	2,804,047.51

An idea of the present standing of the bank may be had from the subjoined report of condition made to the Comptroller of the Currency on November 9, 1905.

Resources.

Loans	$1,908,647.88
Bonds with U. S. Treasurer	500,000.00
Other bonds and securities	129,777.71
Premium account	17,125.53
Banking house, etc	265,000.00
Cash, due from banks and U. S. Treasurer	955,044.27
Total	$3,775,595.27

Liabilities.

Capital stock	$ 400,000.00
Surplus profits	126,633.42
Reserve for taxes, etc	18,914.34
Circulation	392,000.00
Bond account	34,000.00
Deposits	2,804,047.51
Total	$3,775,595.27

From the figures given, it appears that the American National Bank has experienced a degree of growth and prosperity that reflects credit on the character and capacity of the management.

Oliver J. Sands, President American National Bank, Richmond, Va.

O. B. **Hill**, Cashier American National Bank, Richmond, Va.

C. E. **Wingo**, Vice-President American National Bank, Richmond, Va.

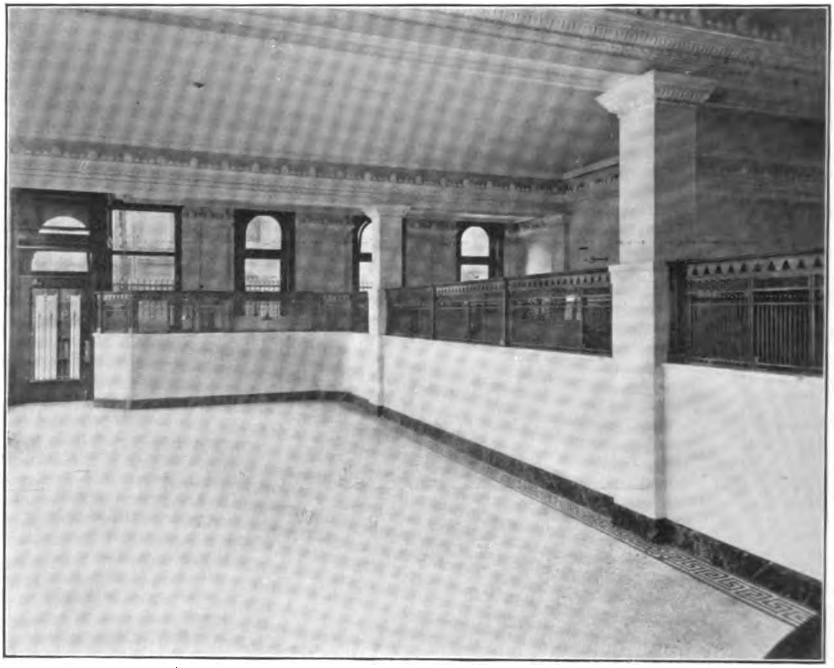
Waller Holladay, Asst. Cashier American National Bank, Richmond, Va.

THE PEOPLE'S BANK OF BUFFALO, N. Y.

THE People's Bank of Buffalo, after some months of preparation, occupied for the first time on Monday, September 11, its beautiful, commodious banking office at the corner of Main and Seneca streets.

Upon passing the large plate glass doors at the public entrance the quiet, dignified appearance of the interior strikes the observer forcibly. The

PEOPLE'S BANK, BUFFALO, N. Y.



PEOPLE'S BANK, BUFFALO, N. Y.—NORTH END OF LOBBY.

lobby, floored with ceramic mosaic with border of Roman key, is one of the largest in Buffalo. The public check desk is placed at one side, running along the Main Street front directly under the windows, with splendid natural light. This desk is a handsome one, made of bronze; its writing surface of Novus glass, solid bronze ink-wells, and calendars, adding to its appearance.

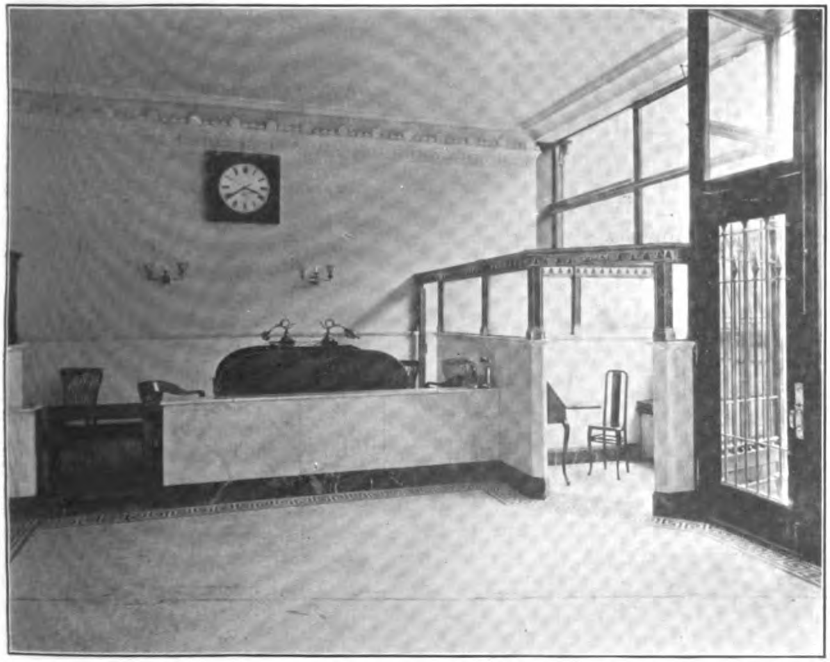
At the south of the lobby are the officers' quarters, Cashier E. J. Newell having his desk behind a marble rail, and the private office of President A. D. Bissell facing on Main Street. Between the President's office and the lobby appears a small reception room for ladies, where an electric button summons a teller for deposits, or an officer for counsel.

The partition is of imported English vein Italian marble, surmounted by grilles and cornice of solid bronze in Romanesque design. The entire banking equipment, including officers' desks, telephone booths, etc., is of steel, grained in mahogany. Nothing was brought over from the bank's old quarters except two cabinets, a table and one small desk.

On the main banking floor is a fire and burglar-proof vault for current books, and also a money vault of chrome steel, fire and burglar-proof, with all modern appliances, and protected also by the American District Telegraph Electric Protection. The walls of the main banking room are finished in white plaster, surmounted by a Grecian cornice of the same, concealed in which are hundreds of electric bulbs to be used for decorative effect or on extremely dark days, giving a beautiful soft light and novel effect. The banking floor is so well lighted from three sides, Main Street, Seneca Street and an alley in the rear, that except upon dark days no artificial light is needed by the clerks, not even in the tellers' cages. The electric lighting system for dark days and night work is very elaborate, and the tellers' cages are fitted with disappearing gas fixtures in cases of emergency.

In the basement is the directors' room, finished in Dutch style of Flemish oak and burlap, stucco ceiling and novel lighting effects. The storage room and the room for stationery, with natural light from the sidewalk, is at the right of the stairway. Next to the directors' room is the locker room, with steel lockers for the employees, and a completely fitted lavatory, also a storage room for blank checks and check books, envelopes and supplies. At the south side of the basement is the reserve vault, 18 x 25 feet inside measurement, in which are arranged, in chronological order, the reserve books of the bank. This vault is of steel arch construction, and is made to support the building in case of fire.

It is due to the faithfulness and careful attention of the Cashier, Mr. E. J. Newell, that many mistakes incident to the construction of the new banking quarters have been avoided, and the practical has been allied in many instances with the sightly. Many new effects have been secured which add greatly to the utility of this modern banking office. The adding machines are so placed in disappearing desk receptacles that the tops can be used for desk work, a new idea in the use of these necessary aids to modern bank work. The check desk, or inside clearing-house, is placed in a large cage by itself. Steel busses containing checks and pass-books are run from the vault in the morning to the auditing department, avoiding the constant visits of the employees in this branch of work to the vault during business hours, and



PEOPLE'S BANK, BUFFALO, N. Y.—SOUTH END OF LOBBY, SHOWING OFFICERS' QUARTERS, AND LADIES' ROOM AT THE RIGHT.

many other practical ideas and effects have been worked out for the convenience and despatch of business.

The People's Bank began business on May 20, 1889, in its former quarters in the Coal and Iron Exchange, and its growth has been steady from the start. During the last two years the increase in business has been such that a change from the crowded quarters on Washington Street became necessary. The bank has always sustained an unexcelled reputation as a sound institution, whose affairs were wisely administered—the management being progressive and yet conservative, making a special point of giving its patrons alike, both large and small, the best possible service and the utmost courtesy.

A. D. Bissell, President of the People's Bank of Buffalo, is one of the well-known bankers of the State, having been President of the New York State Bankers' Association in 1901. The other officers are: C. R. Huntley, Vice-President; E. J. Newell, Cashier; Howard Bissell, Assistant Cashier. The directors are: Daniel O'Day, C. R. Huntley, J. T. Jones, Charles F. Bishop, John Hughes, Joseph Seep, E. G. S. Miller, Walter P. Cooke, Elgood C. Lufkin, William Richardson and Arthur D. Bissell.

PEOPLE'S BANK OF BUFFALO, N. Y.—A CORNER IN THE WORK-ROOM.

On November 9, 1905, the People's Bank reported $300,000 capital, $165,929 surplus and profits, and $3,887,293 deposits. Total resources on the date named were $4,357,722.

That the removal of the bank into its new quarters was a wise step has been fully shown by the increased business already done, and the prospect for the coming year is very bright.

J. C. VAN BLARCOM.

J. C. VAN BLARCOM was recently elected President of the National Bank of Commerce, St. Louis, to succeed the late Wm. H. Thompson, long one of the best-known bankers of that city.

Mr. Van Blarcom was born in Bergen county, New Jersey, June 1, 1849, and received his education in Rutgers College, New Brunswick, New Jersey. In 1866 he went to St. Louis and entered the employ of Peterson, Hanthorn & Company, then one of the largest saddlery and harness concerns in the West, and remained with the company until 1870. During most of that period he was a commercial traveller, covering an immense territory in the West and Southwest on horseback. His trips would last many months and extend from Sioux City, Iowa, and Salt Lake City, Utah, to Corpus Christi, Tex. He was one of the first commercial travellers in that territory after the Civil War. In 1870 Mr. Van Blarcom wound up the business of

J. C. VAN BLARCOM.
President National Bank of Commerce, Saint Louis, Mo.

Peterson, Hanthorn & Company, after which he accepted the position of Chief Accountant with the Bank of Commerce. From that post he worked up through the various grades to the Presidency; being elected Cashier in 1877, Vice-President in 1898, and President December 11, 1905.

The National Bank of Commerce is one of the very large and strong banks of the West, its capital, surplus and profits exceeding $15,000,000, and the deposits are over $50,000,000.

A PROGRESSIVE WESTERN BANKER.

BELOW is presented a portrait of Dr. Geo. H. Simmons, President of the Interstate Bank and Trust Company, and the People's Savings Bank, Peoria, Ill., and who bought out the Citizens' Bank last September.

Dr. Geo. H. Simmons,
President Interstate Bank and Trust Co., and the People's Savings Bank, Peoria, Ill.

THE CRITERION OF RICHES.

ALTHOUGH written nearly two thousand years ago, the following observations regarding wealth are applicable to one of the prominent problems of to-day:

"The amount of wealth is not defined by the valuation of the census, but by habit and mode of life; not to be greedy is wealth; not to be extravagant is revenue. Above all things, to be content with what we possess is the greatest and most secure of riches. If, therefore, they who are the most skillful valuers of property highly estimate fields and certain sites, because such estates are the least liable to injury, how much more valuable is virtue, which never can be wrested, never can be filched from us, which can not be lost by fire or shipwreck, and which is not alienated by the convulsions of tempest or of time, with which those who are endowed alone are rich, for they alone possess resources which are profitable and eternal; and they are the only men who, being contented with what they possess, think it sufficient, which is the criterion of riches; they hanker after nothing, they are in need of nothing, they feel the want of nothing, and they require nothing.

As to the unsatiable and avaricious part of mankind, as they have possessions liable to uncertainty, and at the mercy of chance, they who are forever thirsting after more, and of whom there never was a man for whom what he had sufficed; they are so far from being wealthy and rich, that they are to be regarded as necessitous and beggared."—Cicero.

MONEY, TRADE AND INVESTMENTS

New York, January 4, 1906.

Dear money and advancing prices were a feature of the last month of 1905, which might well be called phenomenal. Call money was bid up from day to day until 125 per cent. was the ruling rate, and at the close of the year it was quoted at 25@75 per cent.

Ordinarily a squeeze in the money market causes a panic in the stock market. The margin speculator on the bull side is always afraid of tight money and its accompanying heavy carrying charges. The stock market last month, however, experienced little if any disastrous effect of the gyrations in money. Prices for both stocks and bonds advanced while the trading was of exceptional volume.

Nearly 31,500,000 shares of stock were dealt in at the New York Stock Exchange in December, the largest for any month in the year, and exceeding all previous records for the month of December. Sales of bonds were more than $72,000,000, the activity in stocks causing apparently a smaller dealing in bonds.

The money question has naturally been the one most discussed during the last weeks of the year. Causes and remedies in multiple variety are alleged or proposed. By common consent, however, the situation of the last month has been a grave reflection upon the financial ability of this country as an international leader.

With the Bank of England steadily adhering to its four per cent. rate of discount and New York banks lending money at 125 per cent. at the same time, the attention of the financial world was naturally attracted.

That there never was a situation exactly like the present may very well be asserted. Everything has grown into giant proportions. Our exports and imports of merchandise are both larger than were ever before recorded, together aggregating about $2,800,000,000 last year. Bank clearings in the United States in 1905 made a new record, reaching a total of $143,000,000,000. The price of Stock Exchange seats has advanced far beyond previous figures, almost touching $100,000. The production of pig iron has exceeded 18,000,000 tons and is now proceeding at the rate of 25,000,000 tons a year, for which there is absolutely no parallel.

The mines of the country are producing more than $80,000,000 of gold a year, the largest yield ever known. More than $70,000,000 of gold was added to the money supply of the country last year. The deposits of the National banks of the United States have reached nearly $4,000,000,000, an amount never before equalled.

These are all suggestions of the magnificent proportions which the industrial and business interests of the county have reached. There can be no denial that the country has prospered whatever pessimism may creep into predictions as to the future.

That the fast pace of business might outstrip the supply of money needed to maintain it has been considered a not remote possibility, yet the money situation is not one easy to understand or explain. There has been a very large injection of new money into our circulating medium in recent years. If not enough to meet legitimate needs, it is not easy to estimate how much is needed. The following table shows the changes in the amount of money in circulation, in the United States Treasury, in the country, in the National banks of the United States and in the New York Clearing-House banks.

	Jan. 1, 1903.	*Jan. 1, 1904.*	*Jan. 1, 1905.*	*Jan. 1, 1906.*
Money in circulation	$2,348,700,901	$2,466,345,897	$2,569,621,125	$2.671,543,571
Money in U. S. Treasury	302,707,657	296,806,429	269,482,044	321,214,636
Money in the country	2,651,408,558	2,763,152,326	2,839,103,169	2,992,758,207
Cash in National Banks, U.S	533,591,769	528,615,778	642,130,790	622,092,080
Cash reserve, New York banks	228,472,600	231,086,600	289,695,700	248,705,400

In the last three years the money in circulation, outside of the United States Treasury, increased $323,000,000, only about $88,000,000 of which is found in the National banks of the country, while only $20,000,000 is in the cash reserve of the New York Clearing-House banks.

The year just closed will go into history as one which witnessed the most remarkable increase in security values ever known on the Stock Exchange. Of some three hundred stocks dealt in at the exchange about one hundred made net advances of more than ten per cent., while only a comparatively few stocks show a decline as compared with a year ago. The largest net advance was in Anaconda Copper, 180 per cent., Lackawanna following with a gain of 105 per cent. The latter in now the highest-priced stock on the list, its final quotation being 445. Harlem, which sold only to the extent of 200 shares during the year, commanded 400. Among the exceptional advances were American Smelting 86⅞, American Snuff 84, Federal Mining and Smelting 74½, Great Northern Preferred 50¾, Lake Shore 90, Minneapolis, St. Paul and S. S. Marie 53, National Lead 58¾, Reading 59⅛, Tennessee Investment 69¼.

The stock market as a whole is upon a much higher level than at the close of any previous year. This is true not only as regards the class of stocks known as industrials, but also of railroad securities. In a table below are shown the closing prices of twenty-five representative stocks in 1896 and in each of the five years since 1900. These twenty-five stocks on December 31, 1896, had an average value of 45.33 per cent. There was an advance to 51.03 on December 31, 1897, to 59.41 on December 31, 1898, to 63.35 on December 31, 1899, to 76.69 on December 31, 1900, and to 95.58 on December 31, 1901. There was a further advance to 99.88 in 1902 followed by a decline to 85.24 in 1903. There was a recovery and advance in 1904 which carried the average up to 106.49 on December 31, while in the last year the average rose to 124.88 per cent. The table of closing prices of the stocks mentioned is as follows:

DECEMBER 31.	*1896.*	*1901.*	*1902.*	*1903.*	*1904.*	*1905.*
Atchison	14	80¼	84⅛	70	87⅝	89
Baltimore & Ohio	16⅛	106½	99⅞	79¾	104¼	113⅛
Canadian Pacific	54	113⅝	132⅛	119	182⅝	173¾
Central of New Jersey	100	195	173	161⅛	190	223
Chic., Mil. & St. Paul	73⅛	165⅛	178⅝	140⅛	171¾	181¾
Delaware & Hudson	116	178	172½	167	186	224
Del., Lack. & Western	158	257½	262	269	340	445
Denver & Rio Grande	12⅛	44⅝	41	20¾	32¾	39⅛
Erie	15	43⅛	38⅝	29⅝	37⅛	48¾
Illinois Central	92¾	139	146⅝	131⅝	156⅛	175¼
Louisville & Nashville	48	106⅞	128	109⅞	139¼	152
Manhattan	89¼	137¼	149	144	165	162¼
Missouri, Kans. & Tex	18¼	26	27¼	17⅛	32	37⅝
Missouri Pacific	20	52⅞	110⅝	98¾	107⅝	100¼
New York Central	93⅝	167¼	151	119¼	142	153⅛
Norfolk & Western	11⅛	57¾	73⅝	57⅞	80	85
Pacific Mail	24⅛	45	39⅞	26⅞	44	48⅛
Reading	26⅞	.57	67⅝	45⅛	79⅝	138¾
Southern Pacific	14⅞	60⅛	65⅛	49⅞	64¾	66¼
Southern	9¼	34⅛	34⅛	20⅝	34¾	35¾
Tennessee Coal & Iron	25½	64¼	60	38¾	71⅝	131½
Texas Pacific	9	39⅝	40⅝	25¾	34¼	33⅝
Union Pacific	9	103⅛	100⅛	80½	113¾	.150⅝
Wabash	6¼	22⅛	30⅝	20¼	21¾	20¾
Western Union	80⅞	92⅝	88½	86½	93¼	93⅝
Average	45.33	95.58	99.88	85.24	106.49	124.88

The stocks named in the table show an average advance for the year of 18.39 per cent. and since December 31, 1903, of 39.64 per cent. Compared with the high average of December 31, 1902, there has been an advance of 25 per cent., of which about seven per cent. must be credited to the extraordinary advance in Delaware, Lackawanna and Western. Compared with December 31, 1896, the stocks named have advanced 79.55 per cent.

The rise in some of the industrial stocks, however, has been very much more extensive. Few of the stocks of this class now active at the Stock Exchange were dealt in prior to 1901. We give a list of fourteen of these stocks, with the closing prices for each of the last five years, as follows:

DECEMBER 31.	*1901.*	*1902.*	*1903.*	*1904.*	*1905.*
Amalgamated Copper	69⅛	63⅛	51⅞	71	110⅛
American Car & Foundry	30⅝	36	20⅝	34	40¾
American Locomotive	31⅝	29⅛	18¼	34⅛	75⅞
American Smelting	45¾	43	49⅛	81⅝	168⅛
American Sugar	116⅞	128⅛	127⅞	142⅛	152⅛
Anaconda Copper	122⅛	96	79⅛	109	289
National Lead	16¾	28⅝	15⅛	24¾	83⅛
Pressed Steel Car	40¾	62⅝	31	39	55
Republic Iron & Steel	15⅝	20¾	7⅝	16¾	34
Rubber Goods	20¾	22¾	19⅛	26¾	40⅛
Sloss-Sheffield Steel & Iron	29⅛	59	33	63⅛	89⅛
United States Rubber	14	17⅛	12	33⅛	53¾
United States Steel	43	36¼	12⅛	30	43⅛
" " " pref	93⅝	85⅞	57⅞	92⅞	106⅝
Average	49.31	52.10	38.21	57.10	95.91

The average price of these industrial stocks on December 31, 1901, was 49.31 per cent. There was an advance to 52.10 per cent. on December 31, 1902, and a decline to 38.21 per cent. on December 31, 1903. From this point there was an advance to 57.10 per cent. on December 31, 1904, and to 95.91 per cent. on December 31, 1905. In two years the advance was 57.70 per cent., of which 38.81 per cent. was in the last year.

Such appreciation in values could have been possible only with a solid foundation of prosperity upon which to base it. But the fact is not to be overlooked that the volume of securities which find a market in Wall Street has grown to tremendous proportions. The advance in prices in the last year means in the aggregate billions of dollars of appreciated values. It is all the more important that intrinsic values should have kept pace with market values.

The magnitude of capital which individual properties now carry would have been deemed impossible twenty years ago, or even a decade ago. A capital of $10,000,000 or $25,000,000 was deemed respectable, of $50,000,000 phenomenal. Now a list of the properties with $50,000,000 stock capital listed at the Stock Exchange would fill considerable space, while there are now twenty properties each with a capital of from about $100,000,000 to over $800,000,000 not including their bonded debt.

It may be interesting to take note of these giant concerns, with the increase in their capital in the last five years. The list follows:

	Dec. 31, 1900.	*Dec. 31, 1905.*
Amalgamated Copper	$75,000,000	$153,887,900
American Smelting	54,000,000	100,000,000
American Telephone	....	131,551,400
Atchison	216,199,500	216,199,500
Baltimore & Ohio	104,227,000	184,504,800
Canadian Pacific	65,000,000	101,891,200
Chic., Mil. & St. Paul	88,152,500	107,796,300
Erie	171,230,200	176,271,800
Great Northern	98,417,250	124,433,100
New York Central	115,000,600	182,250,000
Northern Pacific	155,000,000	155,000,000
Pennsylvania	$151,700,000	$302,742,500
Reading	139,900,000	140,000,000
Rock Island	50,000,000	138,377,900
Southern Pacific	197,832,100	237,849,200
Southern	179,900,000	185,550,200
Union Pacific	195,376,500	276,561,200
U. S. Leather	122,419,800	125,139,600
U. S. Steel	....	868,809,300
Western Union	97,370,000	97,370,000
Total	$2,276,724,850	$3,955,685,400

The increase in capital as shown above is $1,679,000,000, of which $1,000,000,000 is in properties listed since 1900. Four others show no increase in the five years, while the remaining fourteen have increased their capital stock $679,000,000 in five years. Were the comparison to be made with ten years ago and the companies whose capital has not yet reached the dignity of $100,000,000 included, the magnitude of the increase in capital would be much more impressive.

Conservatism seems to have controlled the building operations of the railroads last year. According to the "Railroad Gazette" only 4,388 miles of new road were constructed during the year. This is an increase of 556 miles as compared with the previous year, but 1904 witnessed the smallest construction in any year since 1898. The record of new mileage as compiled by the "Railroad Gazette" for thirteen years past is as follows:

YEAR.	*Miles.*	YEAR.	*Miles.*	YEARS.	*Miles.*
1893	3,024	1898	3,265	1902	6,026
1894	1,760	1899	4,569	1903	5,652
1895	1,428	1900	4,894	1904	3,832
1896	1,692	1901	5,368	1905	4,388
1896	2,109				

The same authority, however, notes that there were a larger number of railroad receiverships in 1905 than in any of the previous four years, while the extent of mileage and amount of capital involved were larger than in any other year since 1896. Ten roads were placed in receiver's hands. Their mileage was 3,796 and total capital stock and bonds $175,034,900. The list was swollen by the appointment in December of a receiver for the Cincinnati, Hamilton & Dayton Road and its allied line, the Pere Marquette. These two properties alone represented 3,200 miles of road and $150,000,000 of stock and bonds.

THE MONEY MARKET.—Unusually high rates for call money prevailed during the entire month and on December 28 loans on call touched 125, the highest rate recorded in December of any year since 1899. At the close of the month call money ruled at 25 to 75 per cent., with the majority of loans at 40 per cent. Banks and trust companies loaned at the current rates. Time money on Stock Exchange collateral is quoted at 6@6½ per cent. for sixty days., 6 per cent for ninety days to four months, and 5½ per cent. for five and six months on good mixed collateral. For commercial paper the rates are 6 per cent. for sixty to ninety days' endorsed bills receivable, 6 per cent. for first-class four to six months' single names, and 6½@7 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Aug. 1.	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1¾–2	2 –3	5 –7	4 –5½	4½–9	25 –75
Call loans, banks and trust companies	2 —	2¼—	4½—	4 —	5 —	25 –75
Brokers' loans on collateral, 30 to 60 days	2¾–3	3¼– ½	4¼– ½	4¾ - 5	5½– ¾	6 – ½
Brokers' loans on collateral, 90 days to 4 months	3 – ¼	3½–4	4½—	4½– ¾	5¼– ½	6 —
Brokers' loans on collateral, 5 to 7 months	3¾–4	4 – ¼	4½—	4½– ¾	5 —	5½—
Commercial paper, endorsed bills receivable, 60 to 90 days	4 – ¼	4¼– ½	4½ - 5	4¾–5¼	5½– ¾	6 —
Commercial paper prime single names, 4 to 6 months	4 – ¼	4½– ¾	4½–5	4¾–5¼	5½– ¾	6 —
Commercial paper, good single names, 4 to 6 months	4½–5	5 -- ½	5½–6	5½–6	6 —	6½– 7

NEW YORK CITY BANKS.—Since last summer the reserves of the clearing-house banks have been declining almost continuously and on December 9 had fallen to the lowest recorded during the year, $246,812,400. On July 29 they were $315,242,200. In a little more than four months there was a loss of more than $66,000,000. About $2,000,000 of this was recovered in the last two weeks of the year. The deposits on July 29 were nearly $1,200,000,000 and on December 30 they had fallen to less than $978,000,000, a decrease of $222,000,000. Loans in the same time decreased from about $1,145,000,000 to $1,001,000,000 or about $144,000,000. Since October the surplus reserve at no time has been as much as $10,000,000, while twice there was a deficit. At the close of the year the surplus was only $4,292,575. This compares with a surplus of $13,683,400 a year ago.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Dec. 2...	$1,023,882,300	$179,843,400	$74,516,100	$1,007,172,500	$2,565,375	$54,066,500	$1,954,195,900
" 9...	1,016,320,800	173,526,300	73,286,100	992,235,700	*1,246,525	53,268,700	2,105,535,000
" 16 ..	1,004,564,000	174,219,100	75,714,100	983,888,500	3,961,075	53,060,700	2,293,928,600
" 23...	1,006,107,100	176,212,800	74,203,700	985,028,400	4,159,400	53,049,700	2,253,003,500
" 30...	1,001,025,000	173,005,600	75,699,800	977,651,300	4,292,575	53,096,000	2,108,690,600

* Deficit.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1904.*		*1905.*		*1906.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425	$977,651,300	$4,292,575
February......	1,023,943,800	25,129,050	1,189 828,600	26,979,550	....	....
March.........	1,027,920,400	32,150,200	1,179,824,900	14,646,075	....	....
April.........	1,069,369,400	27,755,050	1,138,661,300	8,664,575	....	....
May...........	1,114,367,800	33,144,250	1,146,528,600	16,665,250	....	....
June..........	1,098,953,500	29,692,325	1,136,477,700	6,050,275	....	....
July..........	1,152,988,800	36,105,300	1,166,038,900	11,658,875	....	....
August	1,204,965,600	55,989,600	1,190,744,900	15,305,975	....	....
September....	1,207,302,800	57,375,400	1,166,587,200	5,498,785	....	....
October.......	1,212,977,100	19,913 425	1,080,465,100	7,440,025	....	....
November....	1,204,434,200	16,793,650	1,042,092,300	12,430,925	....	....
December ...	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146,163,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Dec. 2......	$134,384,600	$143,589,600	$5,823,500	$6,782,000	$12,142,200	$5,767,400	*$5,382,300
" 9......	135,336,300	143,983,800	5,901,200	7,326,500	11,575,900	5,428,200	*5,764,150
" 16......	135,812,900	146,137,500	5,865,400	7,362,600	14,565,500	5,329,900	*3,400,975
" 23......	135,889,400	145,306,100	5,989,700	7,228,100	12,498,700	5,306,100	*5,303,925
" 30......	136,388,000	146,195,200	5,878,300	7,242,000	12,629,800	5,247,600	*5,551,100

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Dec. 2.........	$179,509,000	$209,580,000	$14,766,000	$6,140,000	$7,193,000	$138,230,800
" 9.........	179,710,000	209,663,000	15,260,000	6,691,000	7,197,000	164,549,700
" 16.........	181,135,000	214,860,000	16,096,000	6,853,000	7,252,000	184,603,500
" 23.........	180,380,000	208,556,000	15,957,000	6,597,000	7,230,000	161,955,900
" 30.........	179,506,000	207,863,000	15,898,000	6,588,000	7,199,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Dec. 2	$209,652,000	$243,626,000	$59,393,000	$14,324,000	$134,590,800
" 9	210,427,000	238,231,000	54,462,000	14,344,000	143,401,900
" 16	208,560,000	234,755,000	53,812,000	14,355,000	138,816,900
" 23	207,702,000	236,179,000	55,048,000	14,326,000	146,465,500
" 30	208,451,000	237,414,000	55,190,000	14,339,000	132,919,313

FOREIGN BANKS.—The Bank of England lost $25,000,000 gold in December, but has within $2,000,000 as much as it held a year ago. France and Germany each lost about $2,000,000, but the former has $44,000,000 more and the latter $7,000,000 less than a year ago. Russia gained $1,000,000 and Austria-Hungary lost $3,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	Nov. 1, 1905.		*Dec. 1, 1905.*		*Jan. 1, 1906.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£31,923,525	....	£33,559,580	....	£28,580,251	....
France	116,628,990	£43,762,456	115,652,295	£43,828,242	115,183,302	£42,996,964
Germany	31,291,000	10,430,000	32,822,000	10,941,000	32,260,000	11,086,000
Russia	115,370,000	4,324,000	114,925,000	3,764,000	115,243,000	3,641,000
Austria-Hungary	45,541,000	12,055,000	45,467,000	12,089,000	44,865,000	12,087,000
Spain	14,969,000	22,469,000	14,996,000	22,769,000	15,023,000	22,852,000
Italy	24,900,000	3,166,100	26,045,000	3,148,200	26,869,000	3,174,500
Netherlands	6,599,100	5,963,100	6,602,100	6,042,700	6,603,000	6,130,000
Nat. Belgium	3,244,000	1,622,000	3,232,000	1,616,000	3,246,667	1,623,333
Totals	£390,466,615	£103,791,656	£393,300,975	£104,148,142	£388,774,120	£103,590,797

FOREIGN EXCHANGE.—Until the last week of the month the market for sterling was strong, largely due to the demand for remittances on account of year end settlements. The local money market, however, in the last days of the month exerted its natural influence and there was a very sharp rally in rates, especially for cable transfers.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Dec. 2	4.8260 @ 4.8275	4.8585 @ 4.8590	4.8630 @ 4.8640	4.82¼ @ 4.82⅜	4.81¾ @ 4.83⅜
" 9	4.8235 @ 4.8250	4.8540 @ 4.8550	4.8595 @ 4.8600	4.82 @ 4.82¼	4.81½ @ 4.82¼
" 16	4.8260 @ 4.8275	4.8590 @ 4.8595	4.8650 @ 4.8660	4.82¼ @ 4.82⅜	4.81⅝ @ 4.82⅜
" 23	4.8310 @ 4.8320	4.8630 @ 4.8640	4.8760 @ 4.8775	4.82⅝ @ 4.82¾	4.82 @ 4.83½
" 30	4.8190 @ 4.8200	4.8510 @ 4.8520	4.8650 @ 4.8675	4.81⅜ @ 4.81½	4.80¾ @ 4.81⅛

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Sept. 1.	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*
Sterling Bankers—60 days	4.84⅜– ½	4.82⅜– ½	4.83⅛– ¼	4.82½– ¾	4.81¾– 2
" " Sight	4.86¼– ⅜	4.85¼– ⅜	4.86⅝– ⅞	4.85⅞– 6	4.85⅛– ¼
" " Cables	4.86⅝– ¾	4.85¾– ⅞	4.87¼– ⅜	4.86⅜– ½	4.86⅛– ⅜
" Commercial long	4.84⅛– ¼	4.81⅞– 2	4.82½– 3	4.82¼– ⅜	4.81⅜– ½
" Docu'tary for paym't.	4.83¼– 4¼	4.81¼– 2⅛	4.82¼– 3⅝	4.81¾– 3¾	4.80¾– 1⅛
Paris—Cable transfers	5.16⅞– ¼	5.17½–	5.15⅝–	5.16¼–	5.15 –14⅜
" Bankers' 60 days	5.18¾– ⅛	5.20 –19⅝	5.19⅜–18¾	5.20 –19⅝	5.19⅜–18¾
" Bankers' sight	5.16⅞–	5.18⅛–	5.16¼–-	5.16⅞–	5.17½–16⅞
Swiss—Bankers' sight	5.16⅞– ¼	5.18⅛–	5.16⅞–	5.17½– ¼	5.18½–17⅞
Berlin—Bankers' 60 days	94 11/16– ¾	94 7/16– ½	94½– 9/16	94 7/16– ½	94⅝– 11/16
" Bankers' sight	95 1/16– ⅛	94 15/16– 5 1/32	95⅛– 3/16	95⅛– 3/16	95 – 1/16
Belgium—Bankers' sight	5.17½–	5.18¾–	5.18⅛–17½	5.18¾–	5.18⅜– ¼
Amsterdam—Bankers' sight	40¼–	40⅛– ⅛	40⅛– 3/16	40 1/16–	40⅛–
Kronors—Bankers' sight	26.80– .82	26.78–.80	26.80–82	26.77–.79	26¾– ⅞
Italian lire—sight	5.16⅞ - ¼	5.17½–	5.15⅝–	5.16¼– 5⅝	5.16¼–

MONEY RATES ABROAD.—The Bank of England made no change in its rate of discount which remains at four per cent. On December 10 the Bank of Germany advanced its rate to six per cent. from five and one-half per cent., which latter rate was made November 4. The Bank of Sweden advanced its rate to five and one-half per cent. from five per cent., the rate which was made September 21. The Bank of Norway after maintaining a five per cent. rate since June 16, also increased its rate to five and one-half per cent. Discounts of sixty to ninety-day bills in London at the close of the month were 3¾@3⅞ per cent., against 3⅝@3¾ per cent. a month ago. The open market rate at Paris was 3⅛@3¼ per cent., against 3 per cent. a month ago, and at Berlin and Frankfort 4½ per cent., against 3⅝@4⅞ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Sept. 30, 1905.	*Oct. 31, 1905.*	*Nov. 30, 1905.*	*Dec. 30, 1905.*
Circulation (exc. b'k post bills)	£29,271,000	£29,189,000	£28,718,000	£29,351,000
Public deposits	14,206,000	18,641,000	12,668,000	7,816,000
Other deposits	45,169,000	40,226,000	43,034,000	44,221,000
Government securities	18,667,000	16,840,000	17,039,000	12,799,000
Other securities	35,297,000	34,085,000	33,203,000	39,536,000
Reserve of notes and coin	23,808,000	20,771,000	23,292,000	17,632,000
Coin and bullion	34,628,996	31,509,740	33,559,580	28,530,251
Reserve to liabilities	40.03%	38.50%	41.75%	33.81%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2½ per cents.)	89 11/16	88½	90	89⅝
Price of silver per ounce	28d.	27⅞d.	30 5/16d.	30d.

SILVER.—The London silver market was very irregular, the price of silver fluctuating widely. It fell to 29⅝d. on December 5, but recovered to 30 5-16d. on the 15th. The final price was 30d., a decline for the month of 5-16d.

MONTHLY RANGE OF SILVER IN LONDON—1903, 1904, 1905.

MONTH.	*1903.*		*1904.*		*1905.*		MONTH.	*1903.*		*1904.*		*1905.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	22⅝	21 11/16	27 5/16	25½	28⅝	27 9/16	July......	25⅝	24¼	27	26⅝	27 5/16	26⅞
February	22 5/16	21⅞	27½	25⅝	28 5/16	27⅝	August ..	26¾	25 5/16	27	26 3/16	28¾	27⅛
March....	22 15/16	22⅛	26 11/16	25½	27 11/16	25 13/16	Septemb'r	26 7/16	26 3/16	26⅞	26	28¾	28
April.....	25 1/16	22⅝	25½	24 7/16	26⅝	25 7/16	October..	28½	27 7/16	26 15/16	26½	28 15/16	28⅝
May......	25¼	24 5/16	25 15/16	25⅛	27 5/16	26⅛	Novemb'r	27⅝	26¼	27 5/16	26¾	30 5/16	28 15/16
June.....	24 9/16	24⅛	26⅛	25 5/16	27⅛	26¾	Decemb'r	26⅛	25	28 9/16	27 5/16	30 5/16	29⅝

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.85½	$4.88	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.84	4.87	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.73	4.75	Mexican dollars	.50	.52
Twenty-five pesetas	4.78	4.82	Peruvian soles	.45½	.47¾
Spanish doubloons	15.55	15.65	Chilian pesos	.45½	.47¾

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 30d. per ounce. New York market for large commercial silver bars, 64¾ @ 66¼c. Fine silver (Government assay), 64⅞ @ 66¾c. The official price was 64⅝c.

NATIONAL BANK CIRCULATION.—There was an increase in National bank notes outstanding last month of $7,585,089, making an increase for the calendar year of $76,120,191. The Government bonds deposited to secure circulation were increased $6,400,000 and there are now nearly $507,000,000 held for this purpose. The National banks also have on deposit $65,611,300 bonds to secure public deposits of which nearly $56,000,000 are Government issues, making a total of $563,000,000 now used as a basis of bank circulation and deposits. There are now only about $320,000,000 of Government bonds held outside of the National banks.

NATIONAL BANK CIRCULATION.

	Sept. 30, 1905.	*Oct. 31, 1905.*	*Nov. 30, 1905.*	*Dec. 31, 1905.*
Total amount outstanding	$516,325,240	$524,408,249	$533,329,258	$540,914,347
Circulation based on U. S. bonds	481,688,526	489,937,806	497,616,304	504,842,313
Circulation secured by lawful money	34,663,714	34,470,443	35,712,954	36,072,034
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	15,494,850	4,094,350	3,025,500	3,863,000
Four per cents. of 1895	4,374,000	4,465,000	3,871,000	3,731,000
Three per cents. of 1898	4,580,440	2,375,540	1,760,240	1,803,840
Two per cents. of 1900	460,362,100	483,182,900	491,612,700	497,292,150
Total	$484,810,890	$494,017,790	$500,269,440	$506,689,990

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $1,998,500; 4 per cents. of 1895, $6,201,200; 3 per cents. of 1898, $2,902,100; 2 per cents. of 1930, $44,675,000; District of Columbia 3.65's, 1924, $1,076,000; Hawaiian Islands bonds, $1,193,000; Philippine loan, $6,082,000; railroad and other bonds, $1,481,500; a total of $65,611,300.

GOVERNMENT REVENUES AND DISBURSEMENTS.—The receipts of the Government in December were $5,418,717 in excess of the disbursements, making the net deficit for the six months since July 1 a little more than $7,000,000 This compares with a deficit of $22,000,000 in 1904. The revenues for the six months were $19,000,000 more than in the previous year, while the expenditures increased $4,000,000.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*December, 1905.*	*Since July 1, 1905.*
Customs	$24,962,572	$149,868,681
Internal revenue	23,221,229	128,567,977
Miscellaneous	2,166,662	18,422,091
Total	$50,350,463	$296,858,749
Excess receipts	5,418,717	*7,243,086

EXPENDITURES.

Source.	*December, 1905.*	*Since July 1, 1905.*
Civil and mis	$8,254,321	$64,805,424
War	6,233,008	50,996,578
Navy	9,419,144	59,346,772
Indians	667,001	6,770,429
Pensions	10,937,850	72,464,671
Public works	6,088,948	34,457,738
Interest	3,331,478	15,260,223
Total	$44,931,745	$304,101,835

* Excess expenditures.

FOREIGN TRADE OF THE UNITED STATES.—November is always an exporting month, but November, 1905, has excelled all previous records as regards volume of exports. The total exceeded $170,000,000, while the imports were $98,000,000, leaving a balance for the month of nearly $72,000,000. Had the imports been as small as they were a few months ago the balance would have been more than $100,000,000. November's net exports brings the total for the eleven months of the year to $348,000,000. This is the smallest in several years, excepting in 1902. This is due, however, to the great increase in imports for the total exports are far ahead of all pevious records and for the full calendar year will closely approximate $1,600,000,000.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF NOVEMBER.	MERCHANDISE.			*Gold Balance.*	*Silver Balance.*
	Exports.	*Imports.*	*Balance.*		
1900	$136,702,324	$65,354,040	Exp., $71,348,284	Imp., $11,964,781	Exp., $1 577,828
1901	136,455,639	72,566,307	“ 63,889,332	Exp., 8,860,822	“ 1,892,769
1902	125,200,618	85,386,170	“ 39,814,448	Imp., 5,261,412	“ 1,563,905
1903	160,268,538	77,006,310	“ 83,262,228	“ 10,377,540	“ 3,511,336
1904	158,068,657	95,170,172	“ 62,898,485	Exp., 16,086,338	“ 965,824
1905	170,297,885	98,620,255	“ 71,677,630	Imp., 4,033,823	“ 1,089,238
ELEVEN MONTHS.					
1900	1,332,056,242	760,452,507	Exp., 571,603,753	Imp., 9,638,383	Exp., 21,880,839
1901	1,328,434,321	800,490,639	“ 527,943,682	Exp., 1,069,458	“ 22,556,727
1902	1,212,693 530	874,959,883	“ 337,733,647	Imp., 8,829,202	“ 20,024,430
1903	1,309,933,517	917,725,693	“ 392,207,824	“ 5,155,220	“ 12,198,839
1904	1,306,065,481	939,342,431	“ 366,723,050	Exp., 26,241,950	“ 22,186,497
1905	1,427,223,207	1,078,481,024	“ 348,742,183	Imp., 2,388,540	“ 18,386,421

UNITED STATES PUBLIC DEBT.—Nearly $1,500,000 of three and four per cent. bonds were refunded into two per cents last month, making the total issue of the latter nearly $596,000,000. There was an increase of about $1,500,000 in gold certificates and these were the only changes of any significance in the principal of the debt. The cash balance increased $4,400,000 and the total debt, less cash in the Treasury, was reduced about $4,900,000. The net debt is now $9,000,000 more than it was a year ago.

UNITED STATES PUBLIC DEBT.

	Oct. 1, 1905.	*Nov. 1, 1905.*	*Dec. 1, 1905.*	*Jan. 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$580,429,000	$594,588,500	$595,942,350
Funded loan of 1907, 4 "	156,596,400	127,424,200	117,708,550	116,754,900
Refunding certificates, 4 per cent	27,070	26,780	26,610	26,530
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	68,789,060	64,345,560	63,945,460
Total interest-bearing debt	$895,158,680	$895,158,940	$895,159,120	$895,159,140
Debt on which interest has ceased	1,256,405	1,231,075	1,208,095	1,199,685
Debt bearing no interest:				
Legal tender and old demand notes	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct.	33,385,209	34,470,390	35,095,449	34,690,309
Fractional currency	6,867,109	6,866,709	6,866,709	6,866,709
Total non-interest bearing debt	$386,986,616	$388,071,398	$388,696,456	$388,291,316
Total interest and non-interest debt	1,283,401,701	1,284,461,413	1,285,063,671	1,284,650,091
Certificates and notes offset by cash in the Treasury:				
Gold certificates	520,047,969	524,455,969	526,020,869	527,493,869
Silver "	475,017,000	476,308,000	475,735,000	475,574,000
Treasury notes of 1890	8,795,000	8,621,000	8,478,000	8,330,000
Total certificates and notes	$1,003,859,969	$1,009,384,969	$1,010,233,869	$1,011,397,869
Aggregate debt	2,287,261,670	2,293,846,382	2,295,297,540	2,296,047,960
Cash in the Treasury:				
Total cash assets	1,385,672,058	1,388,792,535	1,397,152,286	1,404,444,236
Demand liabilities	1,098,848,365	1,106,977,247	1,111,841,445	1,114,663,863
Balance	$286,823,693	•$281,815,288	$285,310,840	$289,780,373
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	136,823,693	131,815,288	135,310,840	139,780,373
Total	$286,823,693	$281,815,288	$285,310,840	$289,780,373
Total debt, less cash in the Treasury	996,578,008	1,002,646,125	999,752,831	994,869,718

MONEY IN CIRCULATION IN THE UNITED STATES.—More than $9,000,000 was added to circulation of currency last month, making an increase of nearly $102,000,000 for the year. There were $7,000,000 of silver certificates withdrawn from circulation during the month, but $16,000,000 of other notes and coins were issued.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Oct. 1, 1905.	*Nov. 1, 1905.*	*Dec. 1, 1905.*	*Jan. 1, 1906.*
Gold coin	$652,330,135	$651,644,998	$649,040,590	$654,168,025
Silver dollars	79,436,901	81,822,311	83,326,228	83,736,227
Subsidiary silver	105,539,966	107,157,932	108,776,379	110,029,365
Gold certificates	471,595,979	479,965,439	477,154,249	480,939,019
Silver certificates	469,973,307	471,625,776	470,964,248	463,960,485
Treasury notes, Act July 14, 1890	8,764,858	8,594,378	8,435,722	8,274,884
United States notes	336,338,926	340,107,480	343,196,550	343,262,091
National bank notes	500,250,319	512,213,264	521,240,773	527,173,475
Total	$2,624,230,391	$2,653,131,578	$2,662,134,539	$2,671,543,571
Population of United States	83,609,000	83,726,000	83,843,000	83,960,000
Circulation per capita	$31.39	$31.69	$31.75	$31.82

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of December, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1904.		HIGHEST AND LOWEST IN 1905.		DECEMBER, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89¼	64	93⅜ Mar. 9	77⅝—May 22	89⅛	85⅛	89
• preferred	104⅛	87⅝	105⅝—Sept. 1	99 —Jan. 25	105¼	103	105
Baltimore & Ohio	105¼	72⅞	117 —Aug. 14	100⅛—Jan. 25	114⅛	110⅛	113⅛
Baltimore & Ohio, pref.	96½	87⅝	100 —Aug. 10	95¾—Jan. 12	98¼	97	98
Brooklyn Rapid Transit	70⅛	38	91⅝—Dec. 16	56⅞—May 23	91⅝	83⅛	88⅝
Canadian Pacific	135¾	109⅛	177⅛—Sept. 21	130¾—Jan. 25	176	171¾	173¾
Canada Southern	72	64	74⅞—Aug. 14	67 —Nov. 13	73⅛	68½	71
Central of New Jersey	194¾	154½	235 —Oct. 26	190 —May 23	228	220½	223
Ches. & Ohio	51	28¼	60⅛—Mar. 21	45½—May 22	57	53½	56
Chicago & Alton	47¼	33	44⅛—Mar. 15	30 —Dec. 28	33	30	32
• preferred	85¼	75	83¾—Apr. 7	73 —Dec. 18	76	73	73
Chicago, Great Western	26¼	12⅞	25⅛—Mar. 16	17½—May 22	22	20¼	21⅛
Chic., Milwaukee & St. Paul	177⅝	137⅛	187⅛—Apr. 17	168⅛—May 4	182⅛	175⅝	181¾
• preferred	185⅞	173	192½—Apr. 17	182¼—Jan. 13	191	186½	188½
Chicago & Northwestern	214½	161⅛	249 —Jan. 31	190⅛—June 9	224	217	223
• preferred	237	207	265½—Feb. 1	234 —Jan. 13	248½	240	245
Chicago Terminal Transfer	16¼	5¼	20 —June 28	7¾—Jan. 5	15	14⅛	14⅞
• preferred	27¾	11¼	42½—July 5	17½—Jan. 4	40	36	36
Clev., Cin., Chic. & St. Louis	93⅝	68½	111 —Mar. 21	90 —Jan. 14	108⅝	95	107⅞
Col. Fuel & Iron Co.	58⅝	25⅛	59 —Mar. 24	38 —May 22	58⅛	44⅝	56⅛
Colorado Southern	24⅝	13⅛	30⅛—Apr. 28	22¼—Jan. 20	30⅛	28	30
• 1st preferred	63	48	69⅞—Dec. 30	52 —May 23	69⅞	64	69¾
• 2d preferred	37⅛	17⅞	55 —Dec. 29	32½—May 23	55	44¼	54⅝
Consolidated Gas Co.	220	185	214 —Mar. 13	175 —Nov. 13	186¾	175	181
Delaware & Hud. Canal Co.	190½	149	240¾—Oct. 26	178½—May 22	227¾	220	224
Delaware, Lack. & Western	359¾	250½	498½—Oct. 16	335 —Jan. 25	465	445	465
Denver & Rio Grande	35⅞	18	39¾—Dec. 29	27¼—June 8	39¾	34⅛	39½
• preferred	89	64⅛	91¼—Dec. 26	83¼—May 1	91¼	86½	88
Detroit Southern tr. ctfs	14¾	1⅛	12⅝—Sept. 21	8 —June 20	10⅛	10	10
• preferred tr. ctfs	38½	2¾	43 —Sept. 21	36 —Nov. 29	37	37	37
Duluth So. S. & Atl., pref.	28½	9¼	46¾—Nov. 3	21 —May 22	41⅞	38⅞	40⅝
Erie	41⅝	21½	52¾—Aug. 29	37½—May 22	49¾	46¼	48⅝
• 1st pref	77	55⅝	85½—Aug. 15	74⅞—May 22	81⅝	79½	81
• 2d pref	58½	33	78⅜—Aug. 24	55½—Jan. 3	75	71⅞	75
Evansville & Terre Haute	83	54	75 —Aug. 11	63 —July 6	....	....	....
Express Adams	250	220	250 —Feb. 7	236 —Jan. 9	....	....	....
• American	219	180	246 —Feb. 27	209½—Jan. 4	226	221	222
• United States	126	100	134 —Feb. 8	110 —Dec. 1	123½	110	123½
• Wells, Fargo	250	200	260 —Feb. 21	227 —Dec. 27	245	227	245
Hocking Valley	94	60	121½—Dec. 29	86⅝—Jan. 18	121½	112½	117½
• preferred	95	77	97¼—Nov. 15	90 —Jan. 18	95⅝	92¼	94
Illinois Central	159	125¾	183 —Sept. 28	152¾—Jan. 25	178¾	173	175¼
Iowa Central	33	14	32 —Feb. 3	24 —May 24	29¾	27	29¾
• preferred	59¾	32	61 —Dec. 8	50 —May 10	61	55⅞	59¼
Kansas City Southern	31⅞	16½	36¼—Dec. 14	22⅛—May 22	36¼	29⅝	34¾
• preferred	56¾	31	70 —Feb. 14	52 —Jan. 3	68¾	60½	67
Kans. City Ft. S. & Mem. pref.	83½	64⅛	87 —Oct. 21	81⅝—June 19	86	82½	83
Louisville & Nashville	148¾	101	157⅜—Sept. 23	134½—Jan. 25	154¼	149½	152
Manhattan consol	169½	139¾	175 —Feb. 9	161 —May 1	164½	161¼	162¼
Metropolitan securities	96½	72¼	91 —Mar. 17	68⅝—Nov. 21	86½	71½	74
Metropolitan Street	130⅝	104¾	133 —Aug. 28	114 —May 11	130½	117½	125
Mexican Central	23⅝	5	26 —Mar. 13	18¼—May 22	25⅞	23⅛	25⅝
Minneapolis & St. Louis	67¾	40	84¾—Oct. 17	56½—Jan. 12	82	78	81¾
• preferred	96½	80	106 —Oct. 16	86 —Jan. 19	102½	100	100¼
Minn., S. P. & S.S. Marie	95	55	145 —Dec. 29	89⅛—Jan. 11	145	136¼	143½
• preferred	150	116	173 —Dec. 30	148 —Jan. 13	173	165	172

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1904.		HIGHEST AND LOWEST IN 1905.		DECEMBER, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing*
Missouri, Kan. & Tex.	36⅝	14⅝	39⅛—Nov. 16	24 —May 22	39⅛	35	37⅝
• preferred	65¼	32¼	73 —Aug. 25	56¼—May 23	71¼	67	71
Missouri Pacific	111⅛	87	110⅞—Mar. 13	94⅛—May 22	108⅛	99¼	100¼
Natl. of Mexico, pref	45⅛	34¾	45 —Jan. 16	33⅛—May 8	....	....	....
• 2d preferred	25⅛	15⅞	24⅛—Jan. 10	17¾—June 20	21¾	20	21⅛
N. Y. Cent. & Hudson River	145⅛	112⅞	167¾—Mar. 14	136¾—May 22	157	144	153⅜
N. Y., Chicago & St. Louis	47	25	76¼—Dec. 6	42 —Jan. 20	76¼	56	69⅛
• 2d preferred	78	60	95 —Dec. 6	74 —May 4	95	88	90⅞
N. Y., Ontario & Western	47⅞	19⅜	64 —Mar. 30	40⅝—Jan. 5	54⅛	50⅞	53⅜
Norfolk & Western	80¾	53⅛	88⅛—Mar. 11	76 —May 10	85⅛	83	85
• preferred	95	88	96 —Aug. 11	91⅛—Feb. 24	93⅛	92⅛	93⅛
North American Co.	107	80	107 —Apr. 17	95⅝—Nov. 9	102	97⅛	99⅛
Pacific Mail	55	24	53¾—Dec. 5	33 —May 22	53¾	46⅛	48½
Pennsylvania R. R.	140	111½	148 —Aug. 24	131⅛—May 22	144½	138¼	143⅝
People's Gas & Coke of Chic.	112⅛	92¾	115⅛—Apr. 3	97¼—May 15	109	99	101
Pullman Palace Car Co.	244	209	258 —Aug. 14	230 —May 31	250	245	245
Reading	82⅝	38¾	143¾—Nov. 8	79 —Jan. 13	141⅛	133⅛	138¾
• 1st prefered	92	76	97 —Sept. 30	90 —May 22	93	91¾	92⅛
• 2d preferred	85	55¼	101 —Nov. 2	84 —Jan. 5	97⅛	95	96⅛
Rock Island	37¾	19⅛	37⅞—Jan. 18	21¾—Dec. 18	27	21¾	24⅛
• preferred	86⅝	57¾	85 —Jan. 4	60⅛—Nov. 27	68¾	60⅛	62
St. L. & San Fran. 2d pref.	72⅛	39¼	73⅛—Mar. 6	45 —Dec. 18	62	45	48⅛
St. Louis & Southwestern	29	9⅛	27⅛—Jan. 20	20 —May 22	23⅝	21	22¼
• preferred	60¾	25⅝	66⅝—Apr. 18	55 —Nov. 14	60⅛	55	55¾
Southern Pacific Co.	68¾	41½	72⅝—Feb. 27	57¾—May 4	71¼	64⅝	66¼
Southern Railway	37⅛	18¼	38 —Sept. 22	28 —May 22	36⅛	33⅝	35¾
• preferred	97⅛	77⅛	102½—Sept. 21	95 —May 1	100¼	99	100¼
Tennessee Coal & Iron Co.	77⅛	31⅝	148 —Dec. 18	68 —Jan. 25	148	118⅛	131½
Texas & Pacific	38⅛	20	41 —Mar. 13	29¾—Apr. 29	35¾	32¾	33⅝
Toledo, St. Louis & Western	38	21⅛	43¾—Apr. 6	34⅛—May 22	37⅝	35	36¾
• preferred	57¼	32	65 —Apr. 12	51¾—Jan. 25	59¾	56½	57¾
Union Pacific	117	71	151¼—Dec. 29	113 —Jan. 6	151¼	134⅛	150⅝
• preferred	98	86⅛	101⅝—Feb. 21	95⅛—Nov. 1	99⅛	96½	99½
Wabash R. R.	25	15	24¼—Sept. 18	17⅛—May 23	21¼	20	20¾
• preferred	48⅛	32¾	48 —Feb. 23	37 —May 23	42	39⅝	41
Western Union	94½	85	95½—June 18	92 —Jan. 17	93¾	92	93⅝
Wheeling & Lake Erie	22⅝	14⅛	19¾—Mar. 13	15 —May 1	19⅝	17	18¾
• second preferred	32	21⅛	28⅛—Mar. 13	20 —May 4	27⅝	25	26¾
Wisconsin Central	25	16	33⅛—Aug. 21	20 —Apr. 29	31¼	28	29½
• preferred	49⅝	37	64½—Oct. 17	45 —Jan. 13	64	58¼	60¾
"INDUSTRIAL"							
Amalgamated Copper	82¾	43⅛	111¾—Dec. 30	70 —Jan. 25	111¾	89	110⅛
American Car & Foundry	35½	14¾	43⅝—Apr. 14	31 —May 21	42½	38¾	40¾
• pref	94¾	67	104¼—Apr. 6	91¼—Jan. 25	102	98	100⅛
American Co. Oil Co.	37⅞	24¼	40⅛—Dec. 29	27¾—July 19	40⅛	34⅛	38⅞
American Ice	9¾	6	36 —Dec. 5	24¾—July 12	36	29⅞	35
American Locomotive	36⅝	16⅛	76¼—Dec. 30	33 —Jan. 25	76¼	67	75⅞
• preferred	105	75½	122¾—Apr. 15	103¾—Jan. 5	118	115	117
Am. Smelting & Refining Co.	82⅛	46	170⅝—Dec. 30	79¾—Jan. 9	170⅝	150¼	168¼
• preferred	115	88¾	137 —Dec. 13	111¼—Jan. 18	137	126⅛	129
Am. Steel & Foundries	15¼	8⅛	18⅝—Mar. 20	6⅞—July 27	14⅞	12	14⅝
• pref	57¼	26	67½—Apr. 4	35⅛—June 14	52¼	45¼	50⅝
American Sugar Ref. Co.	153	122¼	154⅝—Dec. 27	130 —May 22	154⅝	139	152½
Anaconda Copper Mining	120⅞	61	295 —Dec. 30	100⅛—May 22	295	152¾	289
Continental Tobacco Co. pref.	131	101⅛	133¼—Feb. 1	131 —Jan. 21	....	....	....
Corn Products	26¼	9¾	22¾—Feb. 7	8¾—June 8	21	14⅛	18¾
• preferred	82¼	65	79 —Jan. 10	40 —Aug. 9	63⅛	53	61
Distillers Securities	40⅛	19⅛	54⅛—Dec. 26	34⅞—Jan. 25	54⅛	46⅝	53⅛
General Electric Co.	194⅛	151	192 —Mar. 16	169 —May 20	187¼	174	177
International Paper Co.	25⅝	10¼	25¼—Dec. 5	18⅛—June 16	25¼	22⅛	23¼
• preferred	79⅞	64⅛	88¼—Dec. 1	76 —Feb. 6	88¼	83⅛	85
National Biscuit	59⅛	36	69½—Dec. 30	52 —Aug. 16	69½	56½	68⅞
National Lead Co.	26¼	14⅛	89⅛—Dec. 14	24⅛—Jan. 5	89⅛	73⅛	83⅛
Pressed Steel Car Co.	44⅛	24¼	58⅞—Dec. 8	34 —May 23	58⅞	51¼	55
• preferred	92	67	101⅛—Oct. 25	87 —Feb. 16	101¼	99	100¼
Republic Iron & Steel Co.	18¼	6	36⅛—Dec. 9	15 —Jan. 23	36⅛	32	34
• preferred	73⅛	37	108 —Dec. 13	67 —Jan. 23	108	102¼	106¼
Rubber Goods Mfg. Co.	29⅞	14¾	41¾—Dec. 26	24¼—Mar. 7	41¾	38⅛	40⅛
• preferred	98	74¾	109⅛—Apr. 1	94 —Jan. 25	106	105	105
U. S. Leather Co.	20¾	6⅛	16 —Oct. 14	10⅞—May 23	15	14	14
• preferred	106⅛	75⅝	119 —Nov. 22	100¾—Jan. 31	118⅛	115½	115½
U. S. Rubber Co.	34⅛	10⅛	58⅛—Sept. 18	33¾—Jan. 3	57⅛	49⅞	53¾
• preferred	100	41	118⅛—Apr. 7	98⅝—Jan. 6	112¾	108¼	109⅛
U. S. Steel	33⅛	8⅜	43¼—Dec. 30	24⅞—May 22	43¼	36	43⅛
• pref	95⅝	51¼	107 —Dec. 30	90¼—May 22	107	102⅞	106⅝

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		DECEMBER SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	99	Dec. 28,'05	100	98⅛	15,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	148,155,000	A & O	103	Dec. 30,'05	103	102¾	994,000
" registered..................	....	A & O	101⅛	Dec. 28,'05	101⅝	101⅛	18,000
" adjustment, g. 4's.....1995	25,616,000	NOV	94	Dec. 30,'05	94½	93¾	148,000
" registered..................	....	NOV	95	Sept.11,'05	....	....	....
" stamped...............1995	26,112,000	M & N	94⅝	Dec. 30,'05	94⅝	93⅛	266,500
" registered..................	....	M & N	....	....	....	....	....
" fifty-yearconv. g.4's..1955	32,420,000	J & D	102⅛	Dec. 30,'05	103	101¾	1,465,000
" registered..................	....	J & D	....	....	....	....	....
" serial debenture 4's—							
" series D...............1906	2,500,000	F & A	99	Aug.15,'04	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" series E...............1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
" registered..................	....	F & A	....	....	....	...	....
" series F...............1908	2,500,000	F & A	99⅛	Nov. 8,'04	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" series G...............1909	2,500,000	F & A	99⅝	June17,'05	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" series H...............1910	2,500,000	F & A	99⅛	Jan. 10,'05	....	....	....
" registered..........	....	F & A	....	....	....	....	....
" series I...............1911	2,500,000	F & A	98⅛	Nov.23,'04	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" series J...............1912	2,500,000	F & A	....	....	....	....	....
" registered.	....	F & A	....	....	....	....	....
" series K...............1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" series L...............1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered..................	....	F & A	....	....	....	....	....
" East.Okla.div.1stg.4's.1928	6,128,000	M & S	99⅛	Dec. 15,'05	99⅛	99⅛	2,000
" " registered......	....	M & S	....	....	....	....	....
" Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....	....	....	....	....
Atlan.Coast LineR.R.Co.1stg.4's.1952	43,141,000	M & S	101¾	Dec. 30,'05	102½	101¼	198,000
" registered..................		M & S	102	Nov.27,'05	....	....	... .
Charleston& Savannah 1st g.7's.1936	1,500,000	J & J	108¾	Dec. 18,'99	....	....	....
Savanh Florida & W'n 1st g.6's.1934	4,056,000	A & O	131⅞	Sept.19,'05	....	....	....
" 1st g. 5's............1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's.1928	2,800,000	M & N	114⅝	Nov.14,'05	....	....	....
Brunswick & W'n 1st gtd.g.4's.1938	3,000,000	J & J	100¼	Nov. 6,'05	....	....	....
"L'ville & Nash. col." g.4's....1952	35,000,000	M & N	95	Dec. 27,'05	95⅝	95	63,000
" registered..................	....	M & N	....	....	....	....	.. ..
Sil.SpsOc.&G.RR.&ldg.gtdg.4s.1918	1,067,000	J & J	101	Dec. 18,'04	101	101	3,000
Balt. & Ohio prior lien g. 3½s..1925	72,798,000	J & J	96	Dec. 30,'05	96¾	96	116,500
" registered..................		J & J	96	Nov. 7,'04	....	....	....
" g. 4s...................1948	70,963,000	A & O	103⅛	Dec. 29,'05	103⅛	102⅝	256,500
" g. 4s. registered...........		A & O	102½	Dec. 8,'05	102½	102	15,000
Pitt Jun. & M. div. 1st g. 3½s. 1925	11,293,000	M & N	91⅝	Dec. 6,'05	91⅝	91⅝	7,500
" registered..................		QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s... 1941	31,347,000	M & N	98¼	Dec. 28,'05	99	98¼	103,000
" Southw'n div. 1st g.3½s.1925	43,590,000	J & J	93	Dec. 30,'05	93	92⅝	229,000
" registered..................		Q J	92⅛	June23,'05	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	108⅛	July 13,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1908	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's..1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's...1917	633,000	J & J	98½	Dec. 20,'05	98½	98½	2,000
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,427,000	M & S	128¾	Nov.21,'05	....	....	....
Alleghany & Wn. 1st g. gtd 4's.1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	125¾	Dec. 27,'05	125¾	125¾	1,000
" cons. 1st 6's, ...1922	3,920,000	J & D	125⅝	Dec. 5,'05	125⅝	125⅝	2,000
Buff. & Susq. 1st refundg g. 4's..1951	6,521,000	J & J	100	Dec. 22,'05	100	99½	4,500
registered......		J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	103¼	Dec. 29,'05	104	103⅛	54,000
• 2d mortg. 5's,	1913	6,000,000	M & S	107	Dec. 19,'05	107	107	8,000
• registered			M & S	106	Apr. 19,'04	....	....	....
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	94	Jan. 4,'05	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	120	Dec. 5,'05	120	120	30,000
• registered $1,000 & $5,000			F & A	....		....	....	....
• con. g. 5's	1945	16,700,000	M & N	113¼	Dec. 30,'05	114¼	113	87,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
• 1st. pref. inc. g. 5's,	1945	2,542,000	OCT 1	95½	Dec. 7,'05	95⅞	95½	26,000
• • stamped		1,458,000	OCT 1	....		....	....	....
• 2d pref. inc. g. 5's	1945	3,224,000	OCT 1	81	Dec. 28,'05	82	80	164,000
• • stamped		3,776,000	OCT 1	81	Dec. 27,'05	81	81	2,000
• 3d pref. inc. g. 5's	1945	2,004,000	OCT 1	75½	Dec. 29,'05	76¾	75½	39,000
• • stamped		1,996,000	OCT 1	....		....	....	....
• Chat. div. pur. my. g. 4's	1951	2,051,000	J & D	93¾	July 12,'05	....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s	1947	418,000	J & J	110⅝	Sept. 5,'05	....	....	....
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	134¼	Dec. 20,'05	134⅝	134⅛	19,000
• registered			Q J	131⅝	Dec. 27,'05	133	131⅝	27,500
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	113¾	Dec. 27,'05	113¾	113¾	1,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102	Dec. 28,'05	102	101¾	2,000
• con. extended gtd. 4½'s	1910	12,175,000	Q M	101¾	Dec. 29,'05	101¾	101	23,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	104¼	Oct. 10,'05	....	....	....
• Mortgage gold 6's	1911	2,000,000	A & O	109⅛	Dec. 19,'05	109⅛	109	8,000
• 1st con. g. 5's	1939	25,858,000	M & N	118½	Dec. 30,'05	119	118⅛	39,000
• registered			M & N	116¼	Dec. 1,'05	116¼	116¼	1,000
• Gen. m. g. 4½'s	1992	40,573,000	M & S	108¼	Dec. 28,'05	108¼	107½	138,000
• registered			M & S	107¾	Nov. 17,'05	....	....	....
• Craig Val. 1st g. 5's	1940	650,000	J & J	113	Mar. 8,'05	....	....	....
• (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	104½	Dec. 30,'05	104½	104½	5,000
• 2d con. g. 4's	1989	1,000,000	J & J	98	July 26,'05	....	....	....
• Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¾	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	100	Sept. 23,'05	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	82¼	Dec. 26,'05	83⅛	82¼	8,000
• • registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	80	Dec. 30,'05	80½	79½	165,000
• registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
• Denver div. 4's	1922	4,583,000	F & A	102	Dec. 14,'05	102	101¾	7,000
• Illinois div. 3½s	1949	50,835,000	J & J	96¾	Dec. 29,'05	96¾	95½	141,000
• registered			J & J	96½	Feb. 24,'05	....	....	....
• Illinois div. 4s	1949	10,306,000	J & J	105¾	Aug. 8,'04	....	....	....
• registered		....	J & J	....		....	....	....
• (Iowa div.) sink. f'd 5's,	1919	2,888,000	A & O	110¼	Jan. 5,'05	....	....	....
• 4's	1919	7,882,000	A & O	101⅜	Nov. 14,'05	....	....	....
• Nebraska extensi'n 4's,	1927	26,071,000	M & N	106	Dec. 26,'05	106	106	23,000
• registered			M & N	106¼	June 16,'05	....	....	....
• Southwestern div. 4's	1921	8,385,000	M & S	100	Apr. 10,'05	....	....	....
• 4's joint bonds	1921	215,223,000	J & J	101⅞	Dec. 30,'05	102⅛	101	1,675,000
• • registered			Q JAN	99⅝	Dec. 26,'05	100	99⅛	64,000
• 5's, debentures	1913	9,000,000	M & N	106	Dec. 5,'05	106	106	4,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	112	Dec. 28,'05	112	111½	3,000
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	97¾	Dec. 7,'05	97¾	97¾	10,000
• registered			J & J	....		....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	103⅝	Dec. 11,'05	103⅝	103⅝	1,000
• small bonds			J & D	103½	July 8,'04	....	....	....
• 1st con. 6's, gold	1934	2,653,000	A & O	135¼	Dec. 11,'05	135¼	135¼	3,000
• gen. con. 1st 5's	1937	16,529,000	M & N	118	Dec. 22,'05	118¼	117¾	34,000
• registered			M & N	119½	Mar. 2,'05	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	120	Nov. 20,'05	....	....	....
Chicago, Indianapolis & Louisville.								
• refunding g. 6's	1947	4,700,000	J & J	135¾	Dec. 28,'05	135¼	135¾	6,000
• ref. g. 5's	1947	4,742,000	J & J	115½	Dec. 5,'05	115½	115½	1,000
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	110¼	Nov. 17,'05	....	....	....
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g. 5's	1914	4,748,000	J & J	101¼	Dec. 29,'05	110¼	110	18,000
• gen. g. 4's, series A	1989	23,676,000	J & J	111½	Dec. 21,'05	111½	110⅞	2,000
• registered		....	Q J	109¼	June 18,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st paid.	Last Sale.		December Sales.		
				Price.	Date.	High.	Low.	Total.
• gen. g. 3½'s, series B.	1989	2,500,000	J & J	97½	Dec. 7,'05	97½	97½	1,000
• registered			J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	118⅛	Dec. 20,'05	118⅛	118⅛	5,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	110¼	Dec. 22,'05	110¼	110¼	1,000
• 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	115¾	Dec. 28,'05	115¾	115¼	17,000
• Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	112	Mar. 7,'05	....	....	....
• Far. & So. g. 6's assu...	1924	1,250,000	J & J	137⅛	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	113¾	Oct. 13,'05	....	....	....
• 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
• 1st 7's, Iowa & D. ex.	1908	546,000	J & J	185	Dec. 12,'05	185	185	2,000
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	113¾	Dec. 12,'05	113¾	113¾	3,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	110¼	Dec. 23,'05	110¼	109⅞	12,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	109	Dec. 9,'05	109	109	1,000
• Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	115¼	Nov. 28,'05	....	....	... .
• Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	110	Oct. 10,'05	....	....	....
• 1st con. 6's	1913	5,092,000	J & D	116¼	Oct. 11,'05	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	126	Dec. 28,'05	126	126	1,000
• extension 4's.....	1886–1926	18,632,000	F A 15	104⅞	Dec. 5,'05	104⅞	104⅞	5,000
• registered			F A 15	102¾	Nov. 15,'05	....	....	....
• gen. g. 3½'s	1987	20,538,000	M & N	99	Dec. 22,'05	99	99	12,000
• registered			Q F	103	Nov. 19,'98	....	....	....
• sinking fund 6's..	1879–1929	5,686,000	A & O	114⅛	Nov. 2,'05	....	....	....
• registered			A & O	114	Dec. 12,'05	114	114	1,000
• sinking fund 5s'..	1879–1929	6,769,000	A & O	111	Nov. 23,'05	....	....	....
• registered			A & O	108¼	Nov. 14,'05	....	....	....
• deben. 5's	1909	5,900,000	M & N	103⅛	Nov. 22,'05	....	....	....
• registered			M & N	104	Mar. 3,'04	....	....	....
• deben. 5's	1921	10,000,000	A & O	111¾	Oct. 31,'05	...	....	....
• registered			A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's.	1933	9,800,000	M & N	116	Nov. 3,'05	....	....	....
• registered			M & N	115	Nov. 24,'05	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's........	1910	1,500,000	M & S	105¼	Dec. 11,'05	105¼	105¼	10,000
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	104	Dec. 5,'05	104	104	2,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	126⅛	Dec. 19,'05	126¾	126⅛	4,000
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	120	Dec. 29,'05	120	120	1,000
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's.	1924	1,281,000	J & J	131½	Jan. 5,'05	....	....	....
• con. deb. 5's	1907	436,000	F & A	105½	Sept. 18,'05	....	....	....
• incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	122½	Oct. 24,'05	....	....	....
• registered	1917		J & J	123	May 22,'05	....	....	....
• gen. g. 4's	1988	61,581,000	J & J	105¼	Dec. 30,'05	105¾	105¼	141,000
• registered			J & J	104¾	Nov. 9,'03	....	....	....
• refunding 4s.	1934	32,558,000	A & O	95⅝	Dec 30,'05	96	95	438,000
• registered			A & O	96	Nov. 29,'05	....	....	......
• coll. tr. ser. 4's.								
• D	1906	1,494,000	M & N	....	....	....	....	....
• E	1907	1,494,000	M & N	....	....	....	....	....
• F	1908	1,494,000	M & N	....	....	....	....	....
• G	1909	1,494,000	M & N	....	....	....	....	....
• H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
• I	1911	1,494,000	M & N	97½	May 26,'05	....	....	....
• J	1912	1,494,000	M & N	96¾	Dec. 19,'05	96¾	96¾	5,000
• K	1913	1,494,000	M & N	....	....	....	....	....
• L	1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
• M	1915	1,494,000	M & N	96	Nov. 11,'05	....	....	....
• N	1916	1,494,000	M & N	93	May 24 '04	....	....	....
• O	1917	1,494,000	M & N	94½	Dec. 14,'05	94½	94½	5,000
• P	1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,929,000	M & N	79¾	Dec. 30,'05	80¼	78	1,829,000
• registered			M & N	79	Dec. 19,'05	79	79	15,000
• coll. trust g. 5's	1913	17,331,000	M & S	88¾	Dec. 30,'05	90¾	87	973,000
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	100¼	Dec. 29,'05	100¼	100	56,500
• con. 1st & col. tst 5's.	1934	11,000,000	A & O	118¾	Dec. 9,'05	118¾	118¾	1,000
• registered			A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	111	Nov. 20,'04	....	....	....
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	40	Aug. 24,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	108	Aug. 9,'05	....	....	....
• con. g. 5's	1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	107	Nov. 3,'05	....	....	....
• small bond	1923	....	A & O	102½	Apr. 26,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principa Du*	*Amount.*	*Int'st Paid.*	LAST SALE.		DECEMBER SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Chic., St. P., Minn. & Oma. con. 6's	1930	14,761,000	J & D	135½	Dec. 27,'05	135½	135½	12,000
• con. 6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,798,000	M & N	135¼	Nov. 6,'05	....	....	....
North Wisconsin 1st mort. 6's	1930	854,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	123	Oct. 24,'05	....	....	....
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	100	Dec. 30,'05	100	97¾	11,000
• coupons off				98½	Dec. 30,'05	100	98	60,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,107,000	Q M	113½	Dec. 16,'05	113½	113¼	3,000
Cin., Ham. & Day 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	117¾	Oct. 23,'05	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	96¾	July 13,'05	....	....	....
Clev., Cin., Chic. & St. L. gen. g. 4's	1993	20,749,000	J & D	103¼	Dec. 30,'05	103¼	102¼	68,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101¾	Dec. 12,'05	102	101¾	3,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	102¼	Nov. 15,'05	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	100¾	Dec. 19,'05	101½	100¾	10,000
• registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	101⅝	Nov. 29,'05	....	....	....
• registered				101⅛	Nov. 15,'05	....	....	....
• con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	115	Dec. 20,'05	115	115	5,000
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	123¼	Oct. 10,'05	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	135	Oct. 14,'05	....	....	....
• registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	100	Dec. 29,'05	101	100	26,000
• income 4's	1990	4,000,000	A	78	Dec. 30,'05	78⅞	75¾	525,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	115⅝	Nov. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
• registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	77	Dec. 30,'05	78	75	788,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	93¾	Dec. 30,'05	94½	93½	369,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	106⅞	Nov 24,'05	....	...	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	123¼	Nov. 28,'05	....	....	....
• 1st c. gtd 7's	1915	11,677,000	J & D	126⅝	Dec. 18,'05	126⅝	126⅝	3,000
• registered			J & D	127	June 23,'05	....	....	....
• 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	128⅝	Nov. 20,'05	....	....	....
• const. 5's	1923	5,000,000	F & A	113¾	Dec. 13,'05	113¾	113¾	3,000
• terml. imp. 4's	1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	104⅛	Dec. 29,'05	104⅛	103¾	3,000
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	134	May 2,'04	....	....	....
• reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	102⅛	Dec. 19,'05	102⅛	102⅛	4,000
• 6's	1906	7,000,000	A & O	101¾	Dec. 21,'05	101¾	101½	41,000
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	101⅜	Dec. 26,'05	101¾	101¼	24,500
• con. g. 4½'s	1936	6,382,000	J & J	106¾	Sept. 2,'05	....	....	....
• impt. m. g. 5's	1928	8,318,500	J & D	106⅛	Dec. 13,'05	109	106⅛	8,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	99⅛	Dec. 28,'05	99⅞	98	28,000
• mge. & col. tr. g. 4's ser. A.	1949	13,336,000	A & O	91⅛	Dec. 28,'05	91½	91½	1,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	101	Sept. 22,'05	....	....	....
• g. 4s	1995	1,250,000	J & D	96¾	Nov. 29,'05	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar 1,'05	....	....	....
• Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	93	Dec. 26,'05	93	91	17,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	114	Dec. 29,'05	114	114	6,000
• registered			A & O	101½	July 23,'89	....	....	....
• 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	114½	Nov. 21,'05	....	....	....
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	118½	Dec. 7,'05	118½	118½	1,000

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE Price.	LAST SALE Date.	DECEMBER SALES. High.	DECEMBER SALES. Low.	DECEMBER SALES. Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	108¾	July 14,'05	....	....	....
• 2d extended g. 5's	1919	2,149,000	M & S	118¾	July 11,'04	....	....	....
• 3d extended g. 4½'s	1923	4,617,000	M & S	109	Oct. 4,'05	....	....	....
• 4th extended g. 5's	1920	2,926,000	A & O	113¼	Oct. 4,'05	....	....	....
• 5th extended g. 4's	1928	709,500	J & D	103	Feb. 17,'05	....	....	....
• 1st cons gold 7's	1920	16,890,000	M & S	133	Dec. 9,'05	133	132⅛	6,000
• 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g. 4s prior bds.	1996	35,000,000	J&J	101¼	Dec. 30,'05	102⅛	101	149,000
• registered			J&J	101½	Oct. 5,'05	....	....	....
• 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	94	Dec. 30,'05	94	92½	248,000
• registered			J&J	88	Nov. 15,'04	....	....	....
• Penn. col. trust g. 4's.	1951	33,000,000	F & A	95⅝	Dec. 29,'05	95½	94⅝	129,000
• 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	108¼	Dec 30,'05	108¾	106⅛	1,493,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	127	Nov. 28,'05	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	110	Mar. 3,'05	....	....	....
• small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121	Dec. 27,'05	121⅞	121	26,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	102¾	Dec. 5,'05	102¾	102¾	5,000
Long Dock consol. g. 6's	1935	7,500,000	A & O	134½	Dec. 18,'05	134½	134½	10,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅝	Dec. 8,'05	115⅝	115⅝	1,000
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121½	Oct. 17,'05	....	....	....
• small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	107⅞	Oct. 28,'05	....	....	....
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	116¾	Nov. 20,'05	....	....	....
• 2d g. 4½'s	1937	447,000	F & A	102⅛	Dec. 23,'05	102⅛	102⅛	23,000
• gen. g. 5's	1940	2,546,000	F & A	107½	Sept. 29,'05	....	....	....
• term. 1st g. 5's	1943	2,000,000	M & N	118¾	Dec. 30,'05	118¾	118¾	5,000
• registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅞	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's.	1926	1,591,000	J & J	114	Apr. 19,'05	....	....	....
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
• 1st General g 5's	1942	2,672,000	A & O	111	Dec. 4,'05	111	111	7,000
• Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
• Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	113	Dec. 29,'05	113	111	36,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	91¾	Dec. 30,'05	91¾	89½	6,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	101	101	1,000
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	103	Dec. 29,'05	103	102	7,000
• registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	18,139,000	J & J	109¾	Dec. 29,'05	110	109½	37,000
• registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1948	1,401,000	A & O	100¼	July 13,'05	....	....	....
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,479,000	......	103½	Dec. 18,'05	103½	103½	10,000
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	110	110	15,000
• registered			J&J	113¼	Mar. 12,19'	....	....	....
• 1st gold 3½'s	1951	2,490,000	J&J	102¾	Oct. 16,'05	....	....	....
• registered			J&J	94	Mar. 28,'03	....	....	....
• extend 1st g 3½'s	1951	3,000,000	A & O	102½	Nov. 2,'05	....	....	....
• registered			A & O	....		....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
• registered			M & S	....		....	....	....
• total outstg....$13,950,000								
• collat. trust gold 4's	1952	15,000,000	A & O	106½	Dec. 21,'05	106½	106½	8,000
• regist'd			A & O	102	Oct. 4,'03	....	....	....
• col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105	Dec. 30,'05	105⅝	104¾	10,000
• registered			M & N	106½	July 11,'05	....	....	....
• Cairo Bridge g 4's	1950	3,000,000	J & D	106¼	Mar. 7,'03	....	....	....
• registered			J & D	123	May 24,'99	....	....	....
• Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
• Louisville div. g. 3½'s.	1953	14,320,000	J & J	95	Oct. 25,'05	....	....	....
• registered			J & J	88½	Dec. 8,'99	....	....	....
• Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
• Omaha div. 1st g. 3's	1951	5,000,000	F & A	81	Oct. 6,'05	....	....	....
• St. Louis div. g. 3's	1951	4,939,000	J & J	86½	Dec. 9,'05	86½	86½	5,000
• registered			J & J	101¼	Jan. 31,'19	....	....	....
• g. 3½'s	1951	6,321,000	J & J	92½	Dec. 9,'05	92½	92½	1,000
• registered			J & J	101½	Sept. 10,'95	....	....	....
• Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
• registered			J & J	124	Dec. 11,'99	....	....	....
• West'n Line 1st g. 4's,	1951	5,425,000	F & A	109¼	May 26,'05	....	....	....
• registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt. 1st 6's	1923	470,000	J & D	122	July 7,'04	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	125	Nov. 13,'05	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		DECEMBER SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
" gold 5's, registered........	16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s.................1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered.................		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered.................		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	111¾	Dec. 5,'05	111¾	111¾	3,000
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..1950	4,850,000	J & J	100½	Oct. 20,'05	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	119	Dec. 19,'05	119	119	5,500
" 2d g. 5's.................1909	10,391,000	M & S	100	Dec. 30,'05	101½	100	24,500
" 3d g. 4's.................1921	2,960,500	M & S	78	Dec. 14,'05	78	78	10,500
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	118	Dec. 19,'05	118	118	1,000
" refunding g. 4's ...1951	2,000,000	M & S	86	Dec. 22,'05	86	86	10,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	73⅛	Dec. 30,'05	73¾	72¾	252,000
" registered..................		A & O	63¼	Oct. 16,19'	...	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	120	Dec. 21,'05	120	120	1,000
" 2d mtge. g. 5's...........1941	3,625,000	J & J	115½	Dec. 4,'05	115½	115½	1,000
Northern Ohio 1st gtd g 5's.. 1945	2,500,000	A & O	117	Nov. 2,'05	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	111½	Nov.29,'05	....	....	....
" registered..................	....	J&J	112⅛	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's..2003	20,100,000	M & N	100¾	Dec. 29,'05	100¾	100¾	8,000
" registered..................		M & N	....		....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	118½	Oct. 7,'05	....	....	....
" registered..................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	115	June 9,'05	....	....	....
" registered...............1933		J & J	....		....	....	....
" 1st40-yr gtd int.redto4%1933	1,400,000	J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	98⅛	Dec. 22,'05	98⅛	97¾	6,000
" registered..................		M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	115½	Dec. 15,'05	116	115½	6,000
" 1st con. g. 4's.............1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	102½	Nov 24,'05	....	....	....
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	102	Nov.27,'05	....	....	....
" g. 4's...................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	101⅝	Dec. 22,'05	101⅝	101	15,000
" deb. g. 5's........1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's..1949	17,891,000	M & S	101½	Dec. 27,'05	102	101⅛	47,000
" " registered........		M & S	....		....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....		....	....	....
" 1st 5's..................1911	750,000	M & S	106½	Dec. 9,'05	106½	105	17,000
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	111⅜	May 26,'05	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	Q J A N	112⅛	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	104½	Oct. 23,'05	....	....	....
Louis. & Nash. gen. g. 6's.......1930	7,875,000	J & D	119	Dec. 30,'05	120	119	24,000
" gold 5's.................1937	1,764,000	M & N	118⅝	Nov.10,'05	....	....	....
" Unified gold 4's........1940	37,562,000	J & J	106	Dec. 30,'05	106	105	143,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	114½	Dec. 4,'05	114½	114½	2,000
" 5-20yr.col.tr.deedg.4's.1923	23,000,000	A A O	99⅛	Dec. 28,'05	100	98½	100,000
" E., Hend. & N. 1st 6's..1919	1,600,000	J & D	114¼	June 6,'05	....	....	....
" L. Cin. & Lex. g. 4½'s, ..1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
" N.O. & Mobile 1st g. 6's..1930	5,000,000	J & J	131	Dec. 29,'05	131	131	10,000
" 2d g. 6's................1930	1,000,000	J & J	128	Aug.25,'05	....	....	....
" Pensacola div. g. 6's...1920	405,000	M & S	114	Apr. 26,'02	....	....	....
" St. Louis div. 1st g. 6's.1921	3,500,000	M & S	121⅛	May 2,'05	....	....	....
" 2d g. 3's................1980	3,000,000	M & S	74⅜	Oct. 4,'05	....	....	....
" At.Kx.&N.R. 1st g. 5's.1946	1,000,000	J & D	114⅛	Sept. 6,'05	....	....	....
" H. B'ge 1st sk'fd. g6's.1931	1,414,000	M & S	....		....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	101½	Dec. 8,'05	102	101½	16,000
" L.& N.& Mob.& Montg 1st. g. 4½s..........1945	4,000,000	M & S	108	Sept. 7,'05	....	....	....
" South. Mon. joint 4's.1952	11,827,000	J & J	96½	Dec. 15,'05	98	96⅛	6,000
" registered		Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	115⅛	Sept.13,'05	....	....	....
" Pen. & At. 1st g. g. 6's, 1921	2,331,000	F & A	115½	Dec. 26,'05	115½	115	5,000
" S.&N.A. con. gtd. g. 5's.1936	3,673,000	F & A	107	Dec. 4,'05	107	107	1,000
" sinking fund g. 6s.....1910	1,942,000	A & O	110	Mar.23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.1945	3,000,000	M & S	98¾	Nov. 2,'05	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	103⅞	Dec. 16,'05	104	103⅜	42,000
" registered..................		A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	107¾	Dec. 23,'05	107¾	106⅛	23,000
Manitoba Swn. Coloniza n g. 5's, 1934	2,544,000	J & D	....		....	....	....
Mexican Central, con. mtge. 4's.1911	65,690,000	J & J	81	Dec. 30,'05	81¾	80½	189,000

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				Price.	Date.	High.	Low.	Total.
• 1st con. inc. 3's	1939	20,511,000	JULY	25⅛	Dec. 30,'05	28	24¼	1,305,000
• 2d 3's	1939	11,724,000	JULY	19¼	Dec. 30,'05	20¼	19	578,000
• equip. & collat. g. 5's	1917	550,000	A & O	....		....	....	....
• 2d series g. 5's	1919	615,000	A & O	....		....	....	....
• col.trust g.4½'s1st se of	1907	10,000,000	F & A	97⅛	Nov.29,'05	....	....	....
Mexican Internat'l 1st con g. 4's,	1977	3,362,000	M & S	90⅝	July29,'01	....	....	....
• stamped gtd		3,621,000	......	....		....	....	....
Mexican Northern 1st g. 6's	1910	985,000	J & D	....		....	....	....
• registered			J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....		....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	137	June29,'05	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120¼	Apr. 19,'05	....	....	....
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	114¾	Nov. 27,'05	....	....	....
• 1st & refunding g. 4's	1949	9,350,000	M & S	97	Dec. 5,'05	97	97	1,000
DesMoines & Ft. Dge 1st gtd g. 4's	1935	3,072,000	J & J	97¼	Aug. 10,'05	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	32,055,000	J & J	102½	Dec. 4,'05	102½	102½	5,000
• stamped pay. of int. gtd.				....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
• stamped pay. of int. gtd.				89⅜	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	100¾	Dec. 30,'05	100⅞	100	206,500
• 2d mtge. g. 4's	1990	20,000,000	F & A	89½	Dec. 30,'05	90	88¾	137,500
• 1st ext gold 5's	1944	3,254,000	M & N	107	Dec. 26,'05	107⅛	106¼	41,000
• 1st & ref. mtg. 4s	2004	1,734,000	M & S	....		....	....	....
• • small.			M & S	....		....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	93	Dec. 7,'05	93⅜	92¾	26,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	106¾	Dec. 27,'05	106¾	106¾	10,000
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	97	Nov. 24,'05	....	....	....
Mo., Kan. & East. 1st gtd. g. 5s.	1942	4,000,000	A & O	115	Dec. 28,'05	115¼	115	27,000
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s.	1942	5,468,000	M & N	109	Dec. 29,'05	109	108⅝	30,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	108	Dec. 19,'05	109	108	14,000
Sher., Shreve. & So. 1st gtd. g. 5s.	1943	1,689,000	J & D	107½	Dec. 4,'05	107½	107½	1,000
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	108⅜	Dec. 11,'05	108⅜	108⅜	8,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	123	Dec. 28,'05	123	121⅛	84,000
• 3d mortgage 7's	1906	3,828,000	M & N	102¾	Dec. 30,'05	102¾	102¾	6,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	105½	Dec. 29,'05	106⅛	105½	28,000
• registered			M & S	....		....	....	....
• 1st collateral gold 5's.	1920	9,636,000	F & A	107⅝	Dec. 29,'05	107⅝	107⅛	15,000
• registered			F & A	....		....	....	....
• forty yrs. 4's g. loan.	1945	25,000,000	......	92	Dec. 28,'05	94	92	63,000
Cent. Branch Ry. 1st gtg. g. 4's.	1919	3,459,000	F & A	97¼	Dec. 30,'05	97¾	97¼	25,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	104⅛	Dec. 18,'05	104⅛	104⅛	5,000
• 2d extended g. 5's	1938	2,573,000	F & A	120	Dec. 8,'05	120	120	1,000
St. L. & I. g. con. R.R. & l.gr. 5's	1931	36,709,000	A & O	116⅛	Dec. 30,'05	116¾	116	61,000
• stamped gtd gold 5's	1931	6,833,000	A & O	116	Nov. 6,'05	....	....	....
• unify'g & rfd'g g. 4's.	1929	30,347,000	J & J	95¼	Dec. 29,'05	95⅝	94⅝	156,000
• registered			J & J	87¼	Apr. 23,'04	....	....	....
• Riv & Gulf divs 1stg 4s.	1933	21,177,000	M & N	94⅞	Dec. 28,'05	95	94½	85,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	....		....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
• small		226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	96	Oct. 9,'05	....	....	....
• small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1st g. 5's.	1946	1,882,000	J & D	99	Dec. 11,'05	99	97	9,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	129	Nov. 28,'05	124	124	500
• 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	122	122	2,000
• gen. g. 4's	1938	9,472,000	Q J	98½	Dec. 16,'05	98½	98	3,500
• Montg'ry div. 1st g. 5's.	1947	4,000,000	F & A	115¾	Nov. 1,'05	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
• collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	121⅝	Dec. 27,'05	121⅝	121¼	22,000
• 1st cons. g. 5's	1928	7,608,000	A & O	114⅝	Dec. 27,'05	114½	114¼	8,000
• 1st g. 6's Jasper Branch.	1923	371,000	J & J	124	Oct. 12,'05	....	....	....
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat R.R. of Mex. prior lien g. 4½'s.	1926	20,000,000	J & J	106	Oct. 20,'05	....	....	....
• 1st con. g. 4's	1951	24,496,000	A & O	84½	Dec. 30,'05	85½	84½	201,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108¼	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. g. mtg. 3½s.	1997	84,846,000	J & J	99⅞	Dec. 30,'05	99⅞	99⅛	240,000
• • registered			J & J	97⅞	Dec. 26,'05	98¾	97⅞	41,000
• deb. g 4s	1934	30,000,000	M & N	100⅜	Dec. 30,'05	100¾	100	396,000
• • registered			M & N	102	July 8,'05	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	90	Dec. 30,'05	91¼	89	428,000
• registered			F & A	89½	Dec. 14,'05	90	89½	4,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		DECEMBER SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Michigan Central col. g. 3.½s	1998	19,836,000	F & A	90	Dec. 20,'05	90	89¼	11,000
• registered			F & A	90	Nov.13,'05	....	....	....
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	106⅝	Sept.29,'05	....	....	....
• registered			J & J	104	Dec. 13,'05	104	104	8,000
• 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
• registered		....	J & J	....		....	....	....
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04	....	....	....
• small bonds series B		33,000	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	800,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	105	Nov.20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
• reg. certificates			F & A	....		....	....	....
N. Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	106	Sept. 8,'05	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	180,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	109	Dec. 28,'05	109⅛	108	162,000
• registered			J & J	107	Dec. 29,'05	108⅛	107	54,000
Lake Shore g 3½s	1997	50,000,000		100⅝	Dec. 29,'05	100¾	100	48,000
• registered			J & D	99⅛	June 2,'05	....	....	....
• deb. g. 4's	1928	50,000,000	M & S	101	Dec. 29,'05	101¼	100⅛	483,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	102	May 22,'05	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	123⅛	Sept.27,'05	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	189	Jan. 21,'03	....	....	....
• 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
• 5's	1931	3,576,000	M & S	122⅝	Dec. 21,'05	122⅝	122⅝	1,000
• 5's reg	1931		Q M	119	June 6,'05	....	....	....
• 4's	1940	2,600,000	J & J	106	July 1,'05	....	....	....
• 4's reg			J & J	106⅛	Nov.26,19'	....	....	....
• g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S	....		....	....	....
• 1st g. 3½'s	1952	13,000,000	M & N	97⅝	Dec. 16,'05	97⅝	97⅝	1,000
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c	1900	12,000,000	M & N	105⅛	Mar. 2,'05	....	....	....
• 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119⅛	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	116	Dec. 12,'05	116	116	7,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107⅛	Feb. 4,'05	....	....	....
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104	Dec. 28,'05	104⅞	104	90,000
• registered			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr, 29,'03	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115⅛	Oct. 15,'94	....	....	....
N. Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	102⅜	Dec. 30,'05	104	102⅜	58,000
• registered.......$5,000 only.		....	M & S	105⅝	Oct. 11,'05	....	....	....
Norfolk & Southern 1st g. 5's	1941	1,500,000	M & N	108¾	Dec. 1,'05	108¾	108¾	1,000
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	133½	Jan. 23,'05	....	....	....
• imp'ment and ext. 6's	1934	5,000,000	F & A	132½	May 16,'05	....	....	....
• New River 1st 6's	1932	2,000,000	A & O	129¾	Nov.27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	40,400,500	A & O	101¾	Dec. 30,'05	102½	101½	193,500
• registered			A & O	99¾	June 18,'03	....	....	....
• small bonds			A & O	....		....	....	....
• div. 1st lien & gen g. 4s	1944	8,000,000	J & J	100	Dec. 11,'05	100⅞	99¾	13,000
• • registered			J & J	....		....	....	....
• Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	94¼	Dec. 29,'05	95	94⅛	141,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05	....	....	....
• Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	100⅝	Dec. 28,'05	100⅝	100¼	15,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	105⅛	Dec. 28,'05	105⅛	104⅝	372,500
• registered			Q J	104¼	Nov.10,'05	....	....	....
• gen. lien g. 3's	2047	56,000,000	Q F	77⅛	Dec. 30,'05	77⅝	76¾	292,500
• registered			Q F	76	July 11,'05	....	....	....
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	100	Dec. 5,'05	100	100	5,000
• registered			J & D	....		....	....	....
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	125	Oct. 11,'05	....	....	....
• registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	114	Dec. 5,'05	114	114	5,000
• 2d 5's	1917	2,000,000	A & O	109	June 27,'05	....	....	....
• 1st con. g. 4's	1968	1,000,000	J & D	100¼	Dec. 22,'05	100¼	100¼	30,000
Washington Cen. Ry 1st g. 4's	1948	1,538,000	Q MCH	94	Dec. 5,'05	94	94	1,500
Nor. Pacific Term. Co. 1st g. 6's	1933	3,559,000	J & J	114⅛	Aug. 9,'05	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118	Nov. 8,'05	....	....	....
• gen. mortg. g 6's	1937	2,428,000	A & O	114½	Dec. 30,'05	114½	112¼	27,000
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,000	A & O	99	Dec. 28,'05	99	39	19,000
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	113½	Dec. 28,'05	114	113½	21,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	105¼	104¾	61,000
• s. f. subsidy g 6's	1910	533,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	109¼	Dec. 22,'05	109¼	108¾	12,000
• reg	1921		J & J	107¾	Dec. 11,'05	107¾	107¾	10,000
• gtd. 3½ col. tr. reg. cts.	1937	4,815,000	M & S	93⅝	Nov. 4,'05	....	....	....
• gtd. 3½ col. tr. cts. ser B	1941	9,581,000	F & A	93¼	Dec. 26,'05	93¼	93¼	40,000
• Trust Co. ctfs. g. 3½'s	1916	14,664,000	M & N	97½	Dec. 14,'05	98	97½	13,000
• gtd. g. 3½'s tr. cts. s. C.	1942	4,948,000	J & D	....	....	....	....	....
• gtd. g. 3½'s tr. cts. s. D.	1944	10,000,000	J & D	....	....	....	....	....
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	119	Dec. 20,'05	119	119	1,000
• registered		......	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J	....	....	....	....	....
Clev. & P. gen. gtd. g. 4½'s Ser. A	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
• Series B	1942	1,561,000	A & O	....	....	....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....	....	....	....	....
• Series C 3½s	1948	3,000,000	M & N	98½	Dec. 15,'05	98½	98½	1,000
• Series D 3½s	1950	1,990,000	F & A	96	Jan. 8,'04	....	....	....
E. & Pitts. gen. gtd. g. 3½s Ser. B	1940	2,240,000	J & J	102	Nov. 7,19'	....	....	....
• • • C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	111¾	Dec. 16,'05	111¾	111¾	5,000
• Series B gtd	1942	8,786,000	A & O	111¾	Dec. 16,'05	112½	111¾	6,000
• Series C gtd	1942	1,379,000	M & N	112½	June 12,'05	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	103½	Dec. 15,'05	103½	103½	1,000
• Series E gtd. g. 3½s	1949	9,851,000	F & A	94	Dec. 2,'05	94	94	3,000
• Series F c. gtd. g. 4's	1953	9,000,000	J & D	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03	....	....	....
• 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy. & O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....	....	....	....	....
• 4½'s series B	1933	978,000	J & J	....	....	....	....	....
• 4's series C	1942	1,453,000	M & S	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	107	107	1,000
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04	....	....	....
• registered			Q M	....	....	....	....	....
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug. 28,'03	....	....	....
• ten year conv. 3½'s	1912	20,480,000	M & N	103½	Dec. 30,'05	104	102	612,500
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	104¼	Oct. 28,'05	....	....	....
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J	....	....	....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A	....	....	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	110⅝	Nov. 16,'05	....	....	....
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	108⅛	Dec. 7,'05	108¾	108⅛	2,000
• registered			M & N	....	....	....	....	....
Pitts. Va. & Charl. Ry 1st gtd g. 4's	1943	6,000,000	M & N	....	....	....	....	....
Sunbury & Lewistown 1st g. 4's	1936	500,000	J & J	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'	....	....	....
Penn. R.R. 10-year conv. g. 3½'s	1915	99,995,000	J & D	99⅛	Dec. 30,'05	100⅝	98⅛	1,958,000
• registered		....	J & D	....	....	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'05	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	100¾	100¾	3,000
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	121½	Oct. 16,'05	....	....	....
• 1st con. gold 5's	1939	2,850,000	M & N	111½	Dec. 16,'05	111½	111½	7,000
• Port Huron d 1st g 5's	1939	3,325,000	A & O	114	June 15,'05	....	....	....
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A	....	....	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	119	Dec. 6,'05	119	119	5,000
• 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	66,232,000	J & J	103⅝	Dec. 30,'05	104⅛	102¾	505,000
• registered			J & J	102¾	Dec. 15,'05	102¾	102¾	1,000
• Jersey Cent. col. g. 4's	1957	23,000,000	......	100½	Dec. 30,'05	100½	99⅝	106,000
• • registered		....	......	....	....	....	....	....
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N	....	....	....	....	....
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	113¼	Feb. 25,'05	....	....	....
• registered		663,000	J & D	....	....	....	....	....
• 7's	1911	7,310,000	J & D	114	Dec. 5,'05	114	114	3,000

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			Price.	Date.	High.	Low.	Total.
" " registered................	3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's, 1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's..1940	2,233,000	J & J	76	Dec. 20,'05	76	76	5,000
" guaranteed................	2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s....1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s1948	4,400,000	J & J	100	Dec. 13,'05	100	99	6,000
Rutland Canadian 1stgtd.g.4's.1949	1,350,000	J & J	101¼	Nov.18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342.......1947	3,500,000	J & J	94¼	Dec. 13,'05	94¼	94¼	1,000
St. L. & Adirondack Ry. 1st g.5's.1996	800,000	J & J	....		....	....	....
" 2d g. 6's................1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B, 1906	998,000	M & N	101⅝	Dec. 5,'05	101⅝	101⅝	1,000
" 2d g. 6's, Class C.......1906	829,000	M & N	104⅛	Feb. 21,'05	....	....	....
" gen. g. 6's...............1931	3,681,000	J & J	132	Dec. 30,'05	132	130	7,000
" gen. g. 5's..............1931	5,803,000	J & J	114½	Oct. 30,'05	....	....	....
St. L & San F. R. R. con. g. 4's.1996	1,558,000	J & D	98½	Sept.26,'05	....	....	....
" S. W. div. g. 5's.........1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
" refunding g. 4's........1951	60,104,000	J & J	87¾	Dec. 30,'05	88⅞	87	480,000
" " registered...		J & J	....		....	....	....
" 5 year 4½'s gold notes.1908	5,728,000	J & D	95	Dec. 28,'05	95	95	8,000
Kan. Cy Ft.S.&MemRRcong6's1928	13,736,000	M & N	125	Aug.31,'05	....	....	....
Kan.Cy Ft.S &MRyrefggtd g4s.1936	17,810,000	A & O	87	Dec. 29,'05	88½	86⅜	132,000
" registered................		A & O	78½	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1stgtdg5s.1929	3,000,000	A & O	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	97½	Dec. 30,'05	97½	96⅝	115,000
" 2d g. 4's inc. Bd. ctfs....1989	3,272,500	J & J	86	Dec. 22,'05	86½	86	7,000
" con. g. 4's.... 1932	16,678,000	J & D	81	Dec. 30,'05	81¼	79	141,000
Gray's Point, Term. 1stgtd.g.5's.1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's..1909	6,790,000	A & O	108¼	Dec. 26,'05	108¼	108¼	4,000
" 1st con. 6's............1933	13,344,000	J & J	139⅛	Dec. 6,'05	139⅛	139⅛	7,000
" 1st con. 6's, registered....		J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s...	19,322,000	J & J	113⅝	Dec. 20,'05	113⅝	113⅝	9,000
" 1st cons. 6's register'd....		J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's...1910	5,073,000	M & N	112	Oct. 13,'05	....	....	....
" Mont. ext'n 1st g. 4's..1937	10,185,000	J & D	103	Dec. 23,'05	103	102⅞	17,000
" registered................		J & D	103½	Sept.19,'05	....	....	....
" Pac. Ext. sterl. gtd. 4s..1940 $5=£1.	£4,000,000	J & J	....		....	....	....
Eastern R'y Minn, 1std. 1stg. 5's..1908	4,700,000	A & O	102⅜	Oct. 12,'05	....	....	....
" registered................		A & O	....		....	....	....
" Minn. N. div. 1stg. 4's..1940	5,000,000	A & O	....		....	....	....
" registered................		A & O	....		....	....	....
Minneapolis Union 1st g. 6's....1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	136½	Sept.11,'05	....	....	....
" 1st 6's, registered.........		J & J	134¾	Dec. 20,'04	....	....	....
" 1st g. g. 5's............ 1937	4,000,000	J & J	120	Dec. 20,'05	120	119⅝	22,000
" registered................		J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
" registered................		J & D	....		....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's. 1942	4,940,000	M & S	109⅜	Dec. 7,'05	109⅜	109⅜	1,000
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's......1950	12,775,000	A & O	89	Dec. 29,'05	89½	88¼	57,000
" registered................		A & O	....		....	....	....
" col. trust refdg g. 5's..1911	10,000,000	M & N	102¼	Dec. 23,'05	102¾	102¼	9,000
Atlanta—Bir'hm 30-yr-1stg.4's.1933	5,760,000	M & S	95¾	Dec. 30,'05	96¼	95¾	30,000
Carolina Central 1st con. g. 4's.1949	2,847,000	J & J	98½	Nov. 8,'05	....	....	....
Fla Cent & Peninsular 1st g.5's.1918	3,000,000	J & J	109	Feb. 2,'05	....	....	....
" 1st land grant ext g.5's.1930	410,000	J & J	....		....	....	....
" cons. g. 5's. 1943	4,370,000	J & J	109½	Mar. 3,'05	....	....	....
Georgia & Alabama 1st con.5's.1945	2,922,000	J & J	112⅛	Oct. 25,'05	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's.1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's....1926	2,500,000	J & J	....		....	....	....
Sodus Bay & Sout'n 1st 5's, gold. 1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.							
" g. 4's Central Pac. coll..1949	28,818,500	J & D	94	Dec. 30,'05	94½	93½	107,500
" " registered......		J & D	94	May 4,'05	....	....	....
Austin & Northw'n 1st g. 5's...1941	1,920,000	J & J	111	Aug 30,'05	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's..1949	79,292,000	F & A	101½	Dec. 30,'05	101¾	101	177,500
" registered......		F & A	98	Apr. 7,'05	....	....	....
" mtge. gtd. g. 3½'s...1929	17,493,000	J & D	87¾	Dec. 1,'05	87¾	87¾	2,000
" " registered........		J & D	....		....	....	....
" throughSL1stgtdg.4's.1954	8,300,000	A & O	101½	Sept.30,'05	....	....	....
" registered................		A & O	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..1910	4,756,000	F & A	107⅜	Dec. 29,'05	107⅜	107⅜	2,000
" Mex. & P. div 1st g 5's. 1931	13,418,000	M & N	110	Dec. 2,'05	110	110	3,000
Gila Val. G.& N'n 1st gtd g 5's. 1924	1,514,000	M & N	107⅛	June 3,'05	....	....	....
Houst. E. & W. Tex. 1st g. 5's..1933	501,000	M & N	105⅛	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's..........1933	2,199,000	M & N	107¼	Feb. 20,'05	....	....	....
Houst. & T.C. 1st g 5's int. gtd..1937	4,592,000	J & J	113	Nov.22,'05	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
• con. g 6's int. gtd......	1912	2,290,000	A & O	111	Dec. 21,'05	111	111	2,000
• gen. g 4's int. gtd......	1921	4,275,000	A & O	99½	Dec. 18,'05	99½	98½	8,000
• W&Nwn.div.1st.g.6's.	1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's....	1920	1,494,000	J & J	122	Dec. 6,'04	....	....	....
• 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's..	1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.	1907	3,964,000	J & J	106	Sept.14,'04	....	....	....
• gtd. g. 5's.................		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........	1927	18,235,000	J & J	103⅝	Oct. 13,'05	....	....	....
San Ant.&Aran Pass 1st gtd g 4's.	1943	17,544,000	J & J	90	Dec. 30,'05	90	88¾	136,000
South'n Pac. of Ariz. 1st 6's.....	1909	6,000,000	J & J	107⅝	Oct. 31,'05	....	....	....
• • •	1910	4,000,000	J & J	109⅜	Jan. 6,'05	....	....	....
• of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	104½	Dec. 22,'04	....	....	....
• • • E. & F.	1902		A & O	112⅛	Oct. 24,'05	....	....	....
• • •	1912		A & O	116	June 29,'04	....	....	....
• 1st con. gtd. g 5's...	1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
• stamped........	1905-1937	21,470,000	......	108⅜	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's.	1937	5,500,000	J & J	....	....	....	....	....
• of N. Mex. c. 1st 6's.	1911	4,180,000	J & J	109½	Feb. 23,'05	....	....	....
Tex.&N.O. Sabine div. 1st g 6's.	1912	2,575,000	M & S	111	Dec. 1,'05	111	111	1,000
• con. g 5's.............	1943	1,620,000	J & J	111	Aug. 4,'05	....	....	....
Southern Railway 1st con. g 5's.	1994	44,251,000	J & J	120½	Dec. 30,'05	121⅛	120	213,000
• registered...................			J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's.	1938	8,069,000	M & S	97¼	Dec. 29,'05	98¼	97⅛	34,000
• registered................			M & S	....	....	....	....	....
• Memph.div.1st g. 4-4½-5's.	1996	5,183,000	J & J	118	Aug.19,'05	....	....	....
• registered..................			J & J	....	....	....	....	....
• St. Louis div. 1st g. 4's...	1951	11,750,000	J & J	100¾	Dec. 20,'05	101⅛	100½	36,000
• • registered.........			J & J	....	....	....	....	....
Alabama Central, 1st 6's.......	1918	1,000,000	J & J	118	June 20,'05	....	....	....
Atlantic & Danville 1st g. 4's..	1948	3,925,000	J & J	98½	Mar. 8,'05	....	....	....
• 2d mtg.......	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s.	1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's.....	1916	2,000,000	J & J	116½	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's.	1930	3,106,000	J & J	115½	Aug. 21,'05	....	....	....
• con. 1st g 5's...........	1956	12,770,000	M & N	119	Dec. 29,'05	119	118	24,000
• reorg. lien g 4's.......	1938	4,500,000	M & S	115	Nov. 3,'05	....	....	....
• registered................			M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's......	1922	5,660,000	J & J	124¾	Nov. 1,'05	....	....	....
Knoxville & Ohio, 1st g 6's.....	1925	2,000,000	J & J	126¾	June 6,'05	....	....	....
Rich. & Danville, con. g 6's....	1915	5,597,000	J & J	115¼	Dec. 18,'05	115¼	115¼	1,000
• deb. 5's stamped......	1927	3,368,000	A & O	114	Sept. 28,'05	....	....	....
Rich. & Mecklenburg 1st g. 4's.	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's....	1919	5,250,000	M & S	107½	Dec. 22,'05	108¼	107½	14,000
Vir. Midland serial ser. A 6's..	1906	600,000	M & S	103	Mar. 29,'04	....	....	....
• small......................			M & S	....	....	....	....	....
• ser. B 6's..............	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small......................			M & S	....	....	....	....	....
• ser. C 6's..............	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small......................			M & S	....	....	....	....	....
• ser. D 4-5's............	1921	950,000	M & S	110	Dec 22,'04	....	....	....
• small......................			M & S	....	....	....	....	....
• ser. E 5's..............	1926	1,775,000	M & S	113	Dec. 20,'05	113	113	1,000
• small......................			M & S	....	....	....	....	....
• ser. F 5's..............	1931	1,310,000	M & S	115⅝	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's......	1936	2,392,000	M & N	114¼	Nov. 13,'05	....	....	....
• gen. 5's. gtd. stamped.	1926	2,466,000	M & N	114½	June 20,'05	....	....	....
W. O. & W. 1st cy. gtd. 4's.....	1924	1,025,000	F & A	97¼	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's........	1914	2,531,000	J & J	115¼	Dec. 28,'05	115¼	115¼	1,000
Spokane Falls & North. 1st g. 6's..	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N. Y. 1st gtd. g. 4½'s.	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.	1939	7,000,000	A & O	111⅛	Apr. 20,'05	....	....	....
• 1st con. g. 5's.....	1894-1944	5,000,000	F & A	122	Dec. 1,'05	122	122	1,000
• gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	101½	Dec. 22,'05	101½	100¾	3,000
• " " registered.			J & J	....	....	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's...	1930	3,500,000	A & O	112⅛	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's.......	2000	25,000,000	J & D	122	Dec. 28,'05	122½	122	85,000
• 2d gold income, 5's......	2000	963,000	MAR.	100	Nov. 24,'05	....	....	....
• La. Div. B.L. 1st g. 5's...	1931	4,241,000	J & J	112⅛	Dec. 9,'05	112⅜	111½	11,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's.........	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's....	1935	3,000,000	J & J	116	Dec. 21,'05	116	116	4,000
• 1st M. g 5's West. div...	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
• gen. g. 5's....	1935	2,000,000	J & D	109¾	Sept. 11,'05	....	....	....
• Kanaw & M. 1st g. g. 4's.	1990	2,469,000	A & O	98¼	Dec. 5,'05	98¼	98	4,000
Toledo, Peoria & W. 1st g 4's....	1917	4,800,000	J & D	92	Nov. 27,'05	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	91⅝	Dec. 29,'05	91½	91⅝	5,000
• registered			J & J	...	....	....	....	....
• fifty years g. 4's	1925	6,500,000	A & O	83½	Dec. 29,'05	84	81¼	72,000
• registered			A & O	...	....	....	....	....
Toronto, Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	99½	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	112¾	Nov. 2,'05	....	....	....
• 1st ref. g. 4's	1952	700,000	A & O	96⅛	Sept. 13,'05	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	106¾	Dec. 30,'05	106¾	105¾	813.500
• registered			J & J	103½	Dec. 29,'05	105½	103½	24,000
• 1st lien con. g. 4's	1911	18,690,000	M & N	150⅛	Dec. 30,'05	150½	134⅜	1,666,000
• registered			M & N	140	Dec. 11,'05	140	140	10,000
Oreg. R. R. & Nav.Co.con. g 4's	1946	21,482,000	J & D	100¾	Dec. 29,'05	101	100⅛	82,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	125⅛	Dec. 29,'05	125½	124¾	104,000
• 1st con. g. 5's.1946		12,328,000	J & J	120	Dec. 20,'05	120⅛	119⅝	20,000
• gtd. refunding g. 4's	1929	45,000,000	J & D	96	Dec. 29,'05	96	95½	795,000
• • registered			J & D	96⅛	Dec. 30,'05	96⅛	96	4,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
• g. 5's	1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's	1955	7,000,000	F & A	103¾	Aug. 9,'05	....	....	....
• registered			F & A	...	....	....	....	....
Vera Cruz & Pac. tr. gtd. g. 4½'s	1934	2,500,000	J & J	101⅝	Nov. 29,'05	....	....	....
• 1st mtg. gtd. bonds of 1934, scaled int. to 191 Speyer&Co's coupns		4,500,000	J & J	...	....	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	110½	Dec. 18,'05	110½	110½	5,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	115⅞	Dec. 30,'05	116	114¾	153,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	107	Dec. 30,'05	107⅛	106⅛	70,000
• deben. mtg series A	1939	3,500,000	J & J	91	Sept. 16,'05	....	....	....
• series B	1939	26,500,000	J & J	74	Dec. 29,'05	77	73¾	580,000
• first lien eqpt. fd. g. 5's	1921	2,600,000	M & S	102	Dec. 28,'05	102	102	1,000
• 1st lien 50 yr. g. term 4's	1954	2,508,000	J & J	92	Apr. 17,'05	....	....	....
• 1st g. 5's Det.& Chi. ex	1940	3,349,000	J & J	110¾	Oct. 19,'05	....	....	....
• Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
• Omaha div. 1st g. 3½s	1941	3,173,000	A & O	87⅛	Dec. 30,'05	87⅛	87⅛	5,000
• Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	97	May 27,'05	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109⅛	Mar. 13,'03	....	....	....
Wabash Pitts Terml Ry 1st g. 4's	1954	27,000,000	J & D	86	Dec. 27,'05	88	86	80,000
• 2d g. 4's	1954	20,000,000	J & D	34½	Dec. 30,'05	35⅛	34	382,000
Western Maryland 1st 4's	1952	33,194,000	A & O	86	Dec. 30,'05	87⅛	86	130,000
West. M'land. g. lien & con. g. 4's	1952	10,000,000	A & O	68	Dec. 26,'05	68½	66½	136,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	119	Dec. 27,'05	119	119	8,000
• gen g. 3-4's	1943	9,789,000	A & O	96⅞	Dec. 12,'05	96⅞	96⅞	6,000
• inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	116½	Sept. 22,'05	....	....	....
• Wheeling div. 1st g. 5's	1928	894,000	J & J	114½	May 27,'05	....	....	....
• exten. and imp. g. 5's	1930	349,000	F & A	114	June 23,'05	....	....	....
• 20 year eqptmt s.f. g. 5's	1922	2,152,000	J & J	102⅝	Nov. 28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	91	Dec. 29,'05	92½	91	42,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	95	Dec. 30,'05	96	94¾	108,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	...	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	107⅞	Dec. 30,'05	108	107⅞	34,000
• 1st ref. conv. g. 4's	2002	20,042,000	J & J	99	Dec. 30,'05	101⅛	98	4,612,000
• • registered			J & J	...	....	....	....	....
• City R. R. 1st c. 5's 1916.1941		4,373,000	J & J	107	Nov. 20,'05	....	....	....
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	103	Dec. 27,'05	103	103	2,000
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	112	Dec. 29,'05	112	110¼	211,000
• stamped guaranteed			......	111	Dec. 28,'05	111	111	7,000
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	96⅝	Dec. 28,'05	96½	96	38,000
• stamped guaranteed			......	96	Dec. 29,'05	97	95	540,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	91	Dec. 29,'05	91	89	465,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st & rfg. g 4½'s	1951	10,913,000	J & J	103¼	Sept. 7,'05	....	....	....
• stamped guaranteed			......	102¾	Nov. 25,'05	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	780,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	...	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	...	....	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	11,367,000	J & J	96¼	Dec. 28,'05	96¼	96¼	23,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	...	....	....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	94½	Dec. 26,'05	95¾	94½	58,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	...	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	115	Dec. 30,'05	115½	114	37,000
• refunding 4's	2002	16,418,000	A & O	90¼	Dec. 30,'05	92	89	421,000
B'way & 7th ave. 1st con. g. 5's	1943	7,660,000	J & D	118¼	Nov. 8,'05	....	....	....
• registered			J & D	119½	Dec. 3,19'	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	119	Oct. 17,'05	....	....	....
" registered..................		M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	117¾	Dec. 13,'05	117¾	117¾	1,000
" registered..................		M & S	....		....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	97	Dec. 29,'05	97	93½	247,000
" registered..................		J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	119	Nov. 5,'05	....	....	....
Met. West Side Elev.Chic.1stg.4's.1938	9,808,000	F & A	94	Oct. 23,'05	....	....	....
" registered..................		F & A	....		....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's........................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1stg.5's.1937	3,763,000	M & N	....		....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	114⅛	Nov.18,'05	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.	16,550,000	J & D	96¼	Dec. 29,'05	97	96	233,000
5% profit sharing notes 1908 series A		J & D	....		....	....	....
" series B		J & D	....		....	....	....
" series C		J & D	....		....	....	....
" series D		J & D	....		....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	106½	July 13,'05	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	88¾	Dec. 29,'05	89	87¾	34,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	87½	Dec. 29,'05	88¾	87	329,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	87	Sept. 9,'05	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....
MISCELLANEOUS BONDS.							
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	104⅛	Dec. 29,'05	104⅛	102¾	28,500
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1stc.g.5's.1948	6,500,000	F & A	54	Dec. 5,'05	54	54	5,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	108	July 3,'05	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,432,000	A & O	76	Dec. 11,'05	76	76	1,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's.............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	97	Dec. 13,'05	97	97	8,000
" registered..................		F & A	....		....	....	....
Provident L. Soc. of N.Y. g.4's .1921	2,000,000	M & S	99	Dec. 13,'05	99	99	1,000
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	100½	Sept.15,'05	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	.. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's................1907-1917	1,000,000	J & D	....		....	....	....
" F 4's................1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................1903-1918	1,000,000	F & A	....		....	....	....
" H 4's................1903-1918	1,000,000	M & N	....		....	....	....
" I 4's................1904-1919	1,000,000	F & A	....		....	....	....
" J 4's................1904-1919	1,000,000	M & N	....		....	....	....
" K 4's................1905-1920	1,000,000	J & J	....		....	....	....
Small bonds...........	....	......	....		....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	5,000,000	......	97¼	Dec. 19,'05	98	97½	6,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	99¾	Dec. 30,'05	100	95⅝	275,000
Am. Ice Securities Co. deb. g 6's.1925	2,655,000	A & O	87	Dec. 30,'05	88	82½	466,000
" small bonds......		A & O	....		....	....	....
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	101¾	Dec. 21,'05	102⅛	101½	25,000
Am.Thread Co., 1st coll.trust 4's.1919	6,000,000	J & J	93	Dec. 12,'05	93	90¾	2,000
Am. Tobacco Co. 40 yrs g, 6's....1944	57,557,750	A & O	115	Dec. 30,'05	116⅛	114⅛	899,000
" registered..................		A & O	115¼	Dec. 15,'05	115¼	115¼	12,000
" g. 4's....... 1951	67,557,000	F & A	80¾	Dec. 30,'05	82¼	79¼	3,044,500
" " registered...........		F & A	79⅝	Nov.27,'05	....	....	....
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Central Leather Co. 20 yr. g. 5's .1925	33,291,000	A & O	100¼	Dec. 30,'05	100⅞	99¼	820,000
Consol. Tobacco Co. 50 year g. 4's.1951	5,735,900	F & A	80¼	Dec. 26,'05	82	80¼	214,000
" registered..................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	83	Dec. 30,'05	83⅛	81	1,295,000
Ill.Steel Co.deb.5's stpd.non-con..1910	2,922,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....

BOND QUOTATIONS.—*Last sale, price and date; highest and lowest prices and total sales for the month.*

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		DECEMBER SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
Internat'l PaperCo. 1st con.g 6's.1918	9,724,000	F & A	110⅛	Dec. 30,'05	110¼	109	62,000
" con.conv.sinkgfundg5s1935	5,000,000	J & J	97	Dec. 29,'05	98½	97	90,000
Int. Steam Pump 10 year deb. 6's.1913	3,500,000	J & J	104⅛	Dec. 7,'05	104⅛	104⅛	10,000
Knick'r'ker IceCo.(Chic) 1st g 5's.1925	1,937,000	A & O	97½	Oct. 20,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	106½	Dec. 29,'05	107	104¾	150,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,843,000	J & J	85	Dec. 30,'05	85	85	9,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	75	Dec. 23,'05	75	75	3,000
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	45	Dec. 30,'05	49	40	276,000
Standard Rope&Twine inc.g.5s..1946	6,806,000	......	2	Dec. 30,'05	4	1	1,251,000
United Fruit Co., con. 5's........1911	2,219,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	108¼	Dec. 28,'05	108¼	107½	61,000
U. S. Reduction & Refin. Co. 6's..1931	....	......	103½	Dec. 30,'05	103½	101	110,500
U.S. Realty & Imp.con.deb.g.5's.1924	13,284,000	......	99¼	Dec. 27,'05	100	98¾	77,000
U.S.SteelCorp.10-60yr.g.sk.fd5's 1963	....	M & N	96¾	Dec. 30,'05	97	95¾	3,497,000
" " " reg. 1963	170,000,000	M & N	96½	Dec. 30,'05	97⅛	95⅞	13,000
Va.Carol Chem. col.tr.s.fd.g.5's..1912	6,500,000	A & O	100⅛	Oct. 25,'05	....	....	....
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g.s.fd.g 5's..1943	5,355,000	F & A	104	Dec. 28,'05	104	103	18,000
" conv. deb. g. 5's 1911	1,710,000	F & A	90	July 10,'05	....	....	....
" " registered............		F & A	....	....	....	....	....
Col. C'l & I'n Dev.Co. gtd g.5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off................	....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	600,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	102½	July 26,'02	....	....	....
Col.Inds.1st cv g&col tr gt5s ser A1934	12,378,000	F & A	78½	Dec. 30,'05	79¼	73	3,204,000
" registered..............	....	F & A	....	....	....	....	....
" 1st g & col tr gt 5s ser B.1934	12,537,000	F & A	78	Dec. 30,'05	78⅛	72	4,029,000
" " registered............	....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5's..................1926	1,000,000	J & D	102½	Oct. 27,'08	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's 1951	3,000,000	J & J	105½	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.1928	1,131,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts.Cl&Ir.Co.pur my5's.1946	1,044,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	321,000	J & D	105	Aug. 10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,824,000	J & J	100½	Dec. 29,'05	100⅞	100	29,000
" Tenn. div. 1st g. 6's......1917	1,160,000	A & O	110¼	Dec. 19,'05	110¼	110	7,000
" Birmingh. div. 1st con.6's1917	3,603,000	J & J	112	Dec. 12,'05	112	112	2,000
Cahaba Coal M. Co., 1st gtd.g.6's1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&I Co.gtd.g.6's1910	2,716,500	F & A	104¼	Nov. 10,'05	....	....	....
Utah Fuel Co. 1st s. f. g. 5's......1931	839,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,157,000	M & S	91½	Dec. 27,'05	92½	91	54,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo. 1st con g. 5's.1945	14,498,000	M & N	113	Dec. 16,'05	113	113	1,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	79	Dec. 28,'05	83	79	33,000
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo.,con.deb.6's..1909	19,857,500	J & J	169⅞	Dec. 30,'05	170½	165	845,500
Detroit City Gas Co. g. 5's.......1923	5,603,000	J & J	104¾	Dec. 27,'05	106	104	22,000
Detroit Gas Co. 1st con.g.5's.....1918	381,000	F & A	105	Sept. 28,'05	....	....	....
Eq. G. L. Co. of N.Y. 1st con.g.5's.1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c.g.5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s 1942	2,049,400	F & A	90¾	Dec. 18,'05	90¾	90¾	1,000
Grand Rapids G. L. Co. 1st g.5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	10,290,000	M & N	109½	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	May 5,'05	....	....	....
Kings Co. Elec. L.&Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....1997	5,010,000	J & J	122¾	Dec. 15,'05	122¾	122¾	5,000
Edison El Ill.Bkln 1st con.g.4's.1939	4,275,000	J & J	96	Dec. 7,'05	96	96	1,000
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	108⅝	Dec. 20,'05	108⅝	107	39,000
" small bonds................							
" refdg. & exten 1st g.5s.1934	5,000,000	A & O	105⅛	May 20,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	92⅝	Dec. 20,'05	93	92¼	17,000
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo1st col tr g 5's.1948	15,000,000	J & D	109	Dec. 30,'05	109	108	33,000
" registered..................		J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.1949	20,927,000	F & A	90⅛	Dec. 27,'05	91¼	90	122,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	103⅛	Oct. 19,'05	....	....	....
" 1st con. g. 5's............1995	2,156,000	J & J	121⅛	Nov. 27,'05	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's1930	2,272,000	F & A	102	Dec. 12,'05	102	102	1,000
N.Y.& RichmondGasCo.1st g. 5's.1921	1,225,000	M & N	103	Nov. 3,'05	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	104¾	Nov.13,'05	....	....	....
Peo. Gas & C.C.1st con.g 6's...1943	4,900,000	A & O	123	Nov.28,'05	....	....	....
" refunding g. 5's 1947	2,500,000	M & S	106¼	Oct. 19,'05	....	....	....
" refuding registered....		M & S	....	....	....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	111	Dec. 28,'05	111	111	2,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	106½	Dec. 13,'05	106½	105¾	8 000
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	103½	Dec. 18,'05	103½	103½	5,000
" registered..	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g.5's..1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g.5's.1949	1,500,000	M & S	110	May 18,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	....	....	...	....	....
Westchester Lighting Co. g.5's.1950	5,916,000	J & D	113	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	48,000,000	J & J	93½	Dec. 16,'05	93½	93½	1,000
Commercial Cable Co. 1st g. 4's.2397.	9,893,200	Q & J	96½	Oct. 25,'05	....	....	....
" registered..................		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Keystone Telephone Co. 1st 5's..1935	4,000,000	J & J			....	....	....
" registered		J & J	....	....	....	....	... .
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	....	....			
" registered...................		M & N	109½	May 18,'05	....	....	....
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	109	Dec 21,'05	110¼	109	30,000
" fundg & real estate g.4½'s.1950	20,000,000	M & N	104½	Dec. 30,'05	105	104¼	44,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	105	Nov. 6,'04	....	....	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1905. *High.*	YEAR 1905. *Low.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
United States con. 2's registered...1930	542,909,950	Q J	104⅞	103½	....	....	......
" con. 2's coupon............1930		Q J	105⅝	103¼	103¼	103¼	13,500
" con. 2's reg. small bonds..1930		Q J	104⅝	104⅝	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18	77,135,300	Q F	104¾	103	....	....	......
" 3's coupon..............1908-18		Q F	106	102¾	104	102¾	22,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	104½	103⅞	....	....	......
" 4's registered..............1907	156,591,500	J A J&O	106	102⅞	103¼	102⅞	24,500
" 4's coupon..................1907		J A J&O	105⅞	103½	103⅞	103½	7,000
" 4's registered..............1925	118,489,900	Q F	133⅝	130¾	131⅞	130¾	13,000
" 4's coupon..................1925		Q F	134½	130¼	130¾	130¼	20,500
District of Columbia 3-65's...........1924	14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered.......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	110½	108½	110½	110½	3,000
" public works & imp. reg.4's.1935	2,500,000	Q MCH.	....	....	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	102	101½	102	102	2,000
" " small...........	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's...............1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's..............1910	3,397,350	J & J	102¾	102¾	....	....	......
" small........................		J & J	....	....	....	....	......
" 6's...........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866 1900	556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds.............1892-1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2...............	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	YEAR 1905.		DECEMBER SALES.		
				High.	*Low.*	*High.*	*Low.*	*Total.*
• • to Western N. C. R....		....	A & O	....	....	....	....	......
• • Western R. R		....	A & O	....	....	....	....	......
• • Wil. C. & Ru. R.........		....	A & O	....	....	....	....	......
• • Western & Tar. R......		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40..............	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's........	1913	6,681,000	J & J	97	95	....	....	......
• registered..........................		6,079,000	J & J	....	....	....	....	......
• small bond..........................		362,200	J & J	95	95	....	....	......
• redemption 4's...........	1907	469,000	A & O	....	....	....	....	......
• 4½s..........................	1913	1,000,000	A & O	....	....	....	....	......
• penitentiary 4½'s.........	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of...........	1991	17,087,000	J & J	97½	96¾	....	....	......
• registered......................			J & J	....	....	....	....	......
• 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
• • Brown Bros. & Co. ctfs. • of deposit. Issue of 1871.....		10,416,565	....	24½	10	23	20	228,000
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on the-Main, Germany, bond loan 3½'s series 1......	1901	14,060,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	103½	94½	100	99	391,000
• • second series.....		£12,000,000	A & O	101¾	97¼	99	98½	980,500
Imperial Russian Gov. State 4% Rente....		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's..	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108¼	103¼	105⅝	105	149,000
• registered......................			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's..................		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200..........................		£21,897,960	......	101½	99½	100	100	10,500
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......
U. S. of Mex. 4'5 gold debt 1904 ser. A..	1954	39,737,500	J & D	95	92	93	92	163,000
• • • ser. B..	1954		J & D	....	....	....	....	......

MONEY IN THE UNITED STATES TREASURY.—There was an increase of $3,500,000 in the total amount of money in the United States Treasury in December and a reduction of a similar amount in certificates outstanding. The net result is a gain of $7,000,000 in net cash in the Treasury.

MONEY IN THE UNITED STATES TREASURY.

	Oct. 1, 1905.	*Nov. 1, 1905.*	*Dec. 1, 1905.*	*Jan. 1, 1906.*
Gold coin and bullion......................	$734,927,793	$753,041,518	$762,737,060	$765,775,099
Silver dollars......................	488,791,964	486,406,554	484,902,637	484,492,638
Silver bullion......................	....	....	....	....
Subsidiary silver......................	9,706,256	8,396,273	7,609,174	6,961,490
United States notes......................	10,342,090	6,573,536	3,484,466	3,418,925
National bank notes......................	16,101,921	12,194,985	12,088,485	13,740,872
Total......................	$1,259,870,024	$1,266,612,866	$1,270,321,822	$1,274,389,024
Certificates and Treasury notes, 1890, outstanding......................	950,334,144	960,185,593	956,554,219	953,174,388
Net cash in Treasury......................	$309,535,880	$306,427,273	$314,267,603	$321,214,636

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—It is reported that the Union Bank, of Brooklyn, has bought the Seventeenth Ward Bank, which will become a branch of the Union.

—The Brevoort Savings Bank recently moved into its new home at Nostrand avenue and Macon street, Brooklyn. The building cost $60,000. Howard M. Smith is the President of the bank.

—J. S. Bache & Co., in addition to having branch offices throughout this country, have established a branch office in Berlin, Germany.

—The employes of the Produce Exchange Bank held a Christmas feast in the new quarters at 10 Broadway on the evening of December 21. In addition to the usual Christmas bonus of five per cent. of the year's salary, with an addition depending upon years of service and individual records, each man found at his plate a remembrance from the officers of the bank. After the dinner there was informal speaking.

—The North River Savings Bank, for many years at Eighth avenue and Thirty-fourth street, has moved to its new building, 31 West Thirty-fourth street.

—Owing to the heavy dividend disbursements the total exchanges of the clearing-house banks January 3 were the heaviest on record, amounting to $686,844,890. This compares with the previous high record of $598,537,409 made the day after the Northern Pacific panic of May, 1901.

—Plans have been filed for a new bank building to be built for the Lincoln Trust Company, of which Frederick Phillips is President, at 204 Fifth avenue, adjoining its present headquarters. The building is to be 28 feet front and 101 feet deep, with a limestone facade ornamented by a classic porch with four Corinthian columns.

—Arrangements have been made to consolidate the National Shoe and Leather Bank with the Metropolitan Bank.

—It is announced that an alliance has been effected between the Consolidated National Bank and the Mechanics & Traders' Bank, and that Wm. L. Moyer, until recently President of the National Shoe and Leather Bank, will be Vice-President of the Consolidated National and President of the Mechanics & Traders'.

—At the annual meeting of the Association of Trust Companies of the State of New York, held December 15 in the offices in the Mutual Life Building, the following officers were elected:

President, John E. Borne, President Colonial Trust Co., New York; vice-presidents—Henry C. Deming, President Mercantile Trust Co., New York; Julian D. Fairchild, President Kings County Trust Co., Brooklyn; J. Moreau Smith, President Rochester Trust & Safe Deposit Co.; treasurer, Edward Johnson, People's Trust Co., Brooklyn; secretary, Philip S. Babcock, Colonial Trust Co. Executive Committee—George W. Young (1908), Windsor Trust Co., New York; Otto T. Bannard (1908), President New York Trust Co., New York; Theodore F. Miller (1908), President Brooklyn Trust Co.; E. O. McNair (1906), President Commonwealth Trust Co., Buffalo; Grange Sard (1906), President Union Trust Co., Albany, N. Y.; William Nottingham (1906), Vice-President Syracuse Trust Co.; Oscar L. Gubelman (1908), Vice-President Guaranty Trust Co.; George H. Southard (1907), President Franklin Trust Co., Brooklyn; Seymour Van Santvoord (1907), President Security Trust Co., Troy.

—On the evening of December 15 George W. Young, formerly President of the United States Mortgage and Trust Company and now head of the firm of George W. Young & Co., entertained the trust company presidents at dinner at the St. Regis Hotel.

—Group VII of the New York State Bankers' Association held its annual dinner at the Waldorf-Astoria December 6, Herbert L. Griggs, President of the Bank of New York National Banking Association, presiding.

Among the speakers were Hon. Joseph H. Choate and James H. Eckels. Mr. Cnoate spoke on "International Exchange," and in the course of his speech, he said:

"I am very proud of my country and of this city of New York, and nothing is more dear to me than her honor and credit. And yet, after looking through my morning papers and seeing the carnival of recrimination that is now daily going on, there were times when it didn't look like a city to be proud of.

I hope these examinations will go on until everything has been brought into the clear light of day, and has been made plain, and it must be a pleasure to every one of us to note, as I have done, that all this trouble casts a shadow on the integrity and good faith of the great business interests which make this imperial city what it is.

Look at the men at the head of our banks; see how the enormous transactions of the Stock Exchange are conducted solely on honor, and it must be manifest as is the sun in the heavens that New York is justly proud of itself, and is as proud of its men of business as any city in the world."

Mr. Eckels spoke on the multiplicity of laws relating to the control of business, and in conclusion said:

"It is only through high-minded and unselfish patriotism, individual integrity, uncompromising honesty, and the maintenance of that which has been termed a virtuous self-respect that the American people can continue to be a great people and their Government a beneficial agency in the uplifting of mankind, and these things never yet have, nor never will find, their birth in the mere 'be it enacted' of a legislative body."

A novel feature of the dinner, and one that created considerable amusement, was "The Bankers' Hall of Fame," prepared for posterity by Samuel G. Bayne, President of the Seaboard National Bank. There were twenty niches in the hall, and these were occupied with caricature portraits of some of the leading bankers of the city.

—Samuel Sloan has retired as Vice-President of the National City Bank, owing to advanced age, and Horace M. Kilborn, heretofore Cashier, has been elected as his successor. A. Kavanagh succeeds Mr. Kilborn as Cashier and J. H. McEldowney becomes an Assistant Cashier. James A. Stillman, son of President Stillman, was elected a Vice-President of the bank.

—The Irving National Bank has increased the number of its directors from fifteen to nineteen. At the annual meeting on January 9th Charles H. Fancher retired as President, owing to continued illness, and was elected chairman of the board of directors. Samuel S. Conover who has been the active Vice-President for four years, was elected President, to succeed Mr. Fancher. Charles L. Farrell, Vice-President of the Fort Dearborn National Bank, Chicago, was elected a Vice-President of the Irving National Bank.

—The State Bank declared a semi-annual dividend of fifty per cent. December 18.

A resolution adopted by the directors provided that on Dec. 23 all officers, directors, and employees of the bank who have been with the institution for ten years or longer be paid a gratuity equal to fifteen per cent. of their annual salaries.

Those employed less than ten years and more than five years get ten per cent., those less than five years and more than one year seven per cent., and those in the employ of the bank less than one year received $10 each.

A dinner was given to the officers and employees of the bank at the Hotel Manhattan on the evening of January 6.

—The directors of the Bankers' Trust Company recently declared a quarterly dividend, payable on Jan. 2, of 2½ per cent. The rate hitherto paid by the company, beginning in October, 1904, was 1½ per cent. quarterly.

NEW ENGLAND STATES.

New Haven, Ct.—This city has a new banking and trust Company—the People's Bank and Trust Company, with $100,000 capital. George B. Martin is President, Fred. C. Boyd, Vice-President, Robert D. Muir, Treasurer, and Harrison Hewitt, Secretary. Mr. Muir was Cashier of the National Bank of Port Jervis, N. Y., from 1900 to 1905, and the other officers of the new institution are locally well known.

Providence, R. I.—The control of the American National Bank has passed into the hands of the Rhode Island Hospital Trust Company. The American National is capitalized at $1,000,000.

New Hampshire Savings Banks.—The sixtieth annual report of the State Board of Bank Commissioners, recently made public, gives the condition of the 54 Savings banks in the State, together with the various banking and trust companies, and building and loan associations.

The aggregate resources of the fifty-fourth Savings banks and six banking departments amount to $81,691,916, an increase for the year of $5,996,095. The amount due depositors has increased $4,138,281, amounting to $70,278,991. The number of depositors has increased from 159,956 to 164,891, and the average amount due each depositor from $413 to $426. The amount of dividends declared for the year was $2,193,887 at the rate of from three to four per cent.

The comparative table of various classes of investments shows an increase of more than $1,000,000 each in real estate outside of New Hampshire, railroad loans, railroad stock and miscellaneous bonds. The principal decrease was in loans upon collateral security, amounting to $484,802.

Boston.—During the past year the number of National banks here has been reduced by four. The Mechanics' Bank was converted into the Mechanics' Trust Company, the American Bank suspended, the Monument Bank of Charlestown was merged into the Bunker Hill and the Mount Vernon was taken over by the Boylston. Three years ago the number of local National banks was thirty-eight and in 1899 there were fifty-seven. In 1898, on a capital of $49,650,000, the average dividend paid by the fifty-seven banks of Boston was 2.3 per cent. Now the average dividend paid on a capital of $28,400,000 is 6.35 per cent. There has accordingly been a decrease in six years of about $21,250,000 in capital, but an increase of about $660,500 in the amount of dividends paid per annum. The earnings of the Boston banks in 1905 amounted to about 9.60 per cent. on their aggregate capital.

—In announcing the increase in the dividend rate of the National Shawmut Bank, President James P. Stearns says: "The National Shawmut Bank now has a surplus fund of $3,500,000, which is the amount of its capital, and a balance of more than $300,000 in undivided profits. The directors, therefore, have decided that the time has come to increase the return to the stockholders." It is the intention of the bank to maintain the two per cent. quarterly rate permanently, which means the placing of the stock on an eight per cent basis, instead of six per cent., as heretofore.

Springfield, Mass.—The City National Bank has been absorbed by the new Union Trust Company.

MIDDLE STATES.

Trust Company Resources.—State Superintendent of Banking Kilburn of the New York State Banking Department announced on December 8 that the total resources of the trust companies of the State on November 9 were $1,393,908,478, as compared with $1,500,147,309 when the last quarterly statement was issued, September 5.

Romance in Philadelphia.—The culmination of a pretty romance was the marriage of Miss Nellie Straub, of Pittman Grove and John E. Hewitt, 3946 Pine street, at the Pittman Grove Methodist Church, on December 16.

Hewitt was formerly employed by a Philadelphia bank at $600 a year. When the bank officials heard of Hewitt's approaching marriage they refused to recognize the love in a cottage scheme, and said it was preposterous for him to think of marrying on such a pittance. The young man was informed that if he married he would have to seek another place, which he promptly did.

Baltimore.—The Maryland Trust Company resumed business, December 18 with a balance of assets over liabilities of more than $750,000. It has been in the hands of a receiver since October 19, 1903. New York capital is largely interested in the reorganized company.

SOUTHERN STATES.

Raleigh, N. C.—At the annual meeting of the shareholders of the Citizens' National Bank January 9 S. C. Vann was elected an additional director, and the old officers of the bank were re-elected.

President Joseph G. Brown reported that in the past year deposits had increased from $869,000 to more than $1,100,000. Besides paying a ten per cent. dividend $25,000 was added to surplus.

—The Mechanics' Dime Savings Bank reports deposits of $213,177, compared with $193,000 in 1905, $176,000 in 1904 and $136,000 in 1903. Since the latter date the surplus has grown from $5,000 to $11,678.

—Prosperity is reported by the Commercial and Farmers' Bank, the aggregate of receipts and payments during the year having been $33,541,310.

Houston, Texas.—On December 3 the South Texas National Bank paid its shareholders a semi-annual dividend of five per cent. Since its organization in 1890 this bank has paid $520,000, or 104 per cent. in dividends, and added $260,000 to surplus and profits—making $780,000 total net earnings.

It may be remarked that the South Texas National Bank makes a practice of carrying a high cash reserve, and this policy seems to be a good one, judged by practical results.

Louisville, Ky.—For the six months just ended the First National Bank reports gross earnings of $58,053.76, the largest in the bank's history. After charging off $20,015 for expenses and taxes and $20,000 for the eighty-third semi-annual dividend of four per cent., and $4,000 set aside to pay taxes, $13,038.75 was carried to undivided profits.

President C. C. McLarty, who has been in the bank since boyhood, continues at the head of the institution. Under his management the deposits have been built up from a few hundred thousand dollars in 1894 to three and a quarter millions at the present time.

WESTERN STATES.

Chicago.—Dating from January 1 the following schedule of charges for collecting country checks will be made by the associated banks of this city:

On the following States a minimum charge of 1-10 of 1 per cent:

Connecticut,
Delaware,
District of Columbia,
Illinois,
Maine,
Maryland,
Massachusetts,
New Hampshire,
New Jersey,
New York,
Ohio,
Pennsylvania,
Rhode Island,
Vermont.

On the following States a minimum charge of $1.50 per thousand dollars—

Indiana,
Iowa,
Kansas,
Kentucky,
Michigan,
Minnesota,
Missouri,
North Dakota,
South Dakota,
Tennessee,
Virginia,
West Virginia,
Wisconsin.

On the following States a minimum charge of ¼ of 1 per cent:

Alabama,
Alaska,
Arizona,
Arkansas,
California,
Colorado,
Florida,
Georgia,
Idaho,
Indian Territory,
Louisiana,
Mississippi,
Montana,
Nebraska,
Nevada,
New Mexico,
North Carolina,
Oklahoma,
Oregon,
South Carolina,
Texas,
Utah,
Washington,
Wyoming,
Canada,
Newfoundland.

The following are exceptions to the foregoing at a minimum charge of 1-10 of 1 per cent.:

Detroit, Mich.,
Indianapolis, Ind.,
Minneapolis, Minn.,
St. Paul, Minn.

The following are exceptions to the foregoing at a minimum charge of $1.50 per thousand:

Lincoln, Neb.,
Montreal, P. Q.,
New Orleans, La.,
Omaha, Neb.,
Toronto, Ont.,
Winnipeg, Man.

On the five preceding schedules the minimum charge for each item is 15 cents, excepting for items of $10.00 and under, when the minimum charge is 10 cents, but two or more items on the same town or city may be added together and charged for as one item.

On the following cities the charges are discretionary:

Albany, N. Y.,
Baltimore, Md.,
Boston, Mass.,
Brooklyn, N. Y.,
Jersey City, N. J.,
Milwaukee, Wis.,
New York, N. Y.,
Philadelphia, Pa.,
St. Louis, Mo.

These charges apply to all accounts except as to direct collections as between banks. Any indirect items—for instance, those already bearing one or more Chicago indorsements—must, however, pay the full charges.

—Clearings of the banks of this city for the year 1905 amounted to $10,031,056,168, an increase of $1,041,072,404 over the figures for 1904.

New record figures were made in monthly clearings in March and October, and the December total was larger than that of any other month in the history of the Chicago Clearing-House. The growth in banking business was steady almost from the beginning of the year, and the prospect for the new year is considered excellent. Bankers report business active in nearly all lines of industry.

—At the postponed annual meeting of the stockholders of the American Guaranty Co., held in the general office, 171 La Salla street, December 30, the officers and directors of the company were all re-elected. The company's business for the past year has been most satisfactory, and the regular semiannual dividend of six per cent. was declared.

—George M. Reynolds, heretofore Vice-President of the Continental National Bank, was elected President at the recent annual meeting, succeeding John C. Black, resigned. The shareholders of this bank have ratified the increase in the capital from $3,000,000 to $4,000,000.

—Chicago is to have another skyscraper bank building. On December 26 a permit for an eighteen story structure was issued by the Building Department to the Commercial National Bank, of which James H. Eckels is President. The building is to be erected at Adams and Clark streets.

St. Louis, Mo.—Three new offices have been created by the Mississippi Valley Trust Company, to which old employees have been promoted, as follows: Assistant Bond Officer, William McC. Martin; Assistant Secretary, C. Hunt Turner; Safe Deposit Officer, C. W. Morath.

These changes have been brought about by increased business.

—The Mercantile Trust Company has leased from the Equitable Life Assurance Society of New York the Equitable Building at the northwest corner of Sixth and Locust streets in St. Louis. The lease is for a period of ninety-nine years at an annual rental which would net the insurance company $50,000 a year, whereas under the old lease, held by the Missouri Safe Deposit Company, the net income was but $22,000.

Included in the transaction is a purchase by the Mercantile Trust Co. of the business of the Missouri Safe Deposit Co. The Missouri company has 6000 safe deposit box renters, who will be accommodated in the safe deposit department of the Mercantile company.

Minneapolis, Minn.—A substantial evidence of progress is given by the Security Bank of Minnesota, which is putting up a ten-story strictly fireproof building on a site one hundred and fifty feet square, the bank intending to use the entire ground floor. Both in its interior and exterior, the new building conforms to the most modern requirements. Ample safety-deposit vaults of the most approved construction and materials will form an important part of the equipment.

The Security Bank of Minnesota was established in 1878, and now has $1,000,000 capital, $744,218 surplus and profits and $11,816,853 deposits.

—The St. Anthony Falls Bank has moved into its new building, occupying all the ground floor. This change gives the bank much-needed additional working space, and the further advantage of modern fixtures and equipment.

Cincinnati, Ohio.—On December 26 the Western German Bank took possession of its new building at the corner of Vine and Twelfth streets. The new structure is occupied exclusively by the bank, and is one of the finest banking homes in the city.

Mr. L. Kleybolte, President of the Western German Bank is a director of several large business corporations, and is one of Cincinnati's wealthiest citizens.

Meeting of Kansas Bankers.—R. A. Park, secretary of Group I of the Kansas Bankers' Association, sends the Magazine the following:

The annual meeting of Group 1 of the Kansas Bankers' Association, comprising ten counties in the northeastern portion of the State, was held in Atchison, Kansas, November 23. Some sixty-two out of town bankers were present, and the meeting was successful.

President Brokaw of the State Association, in his address, touched upon the project of organizing a mutual fidelity and burglary insurance company as an adjunct to the association, and subsequently, Mr. Bowman, our efficient State association secretary, conducted a discussion upon this special matter. While no resolutions were passed, it seemed to be the sense of the meeting not to favor such a move at present.

The paper read by Honorable B. P. Waggener, President of the Exchange National Bank of Atchison and general attorney of the Missouri Pacific Railroad, on "Taxation of Bank Deposits, Mortgages and Negotiable Instruments," was perhaps the most noteworthy paper read, and received close attention. Mr. Waggener in the last State Legislature introduced a tax reform bill, exempting securities of the classes mentioned from taxation.

The delegates were entertained in the evening with an exhibition of the

Moving Pictures of Atchison's Famous Corn Carnival Flower Parade, followed by vaudeville features until the banquet at th Byram Hotel was served, during the couse of which several of the delegates made witty speeches upon various subjects, Secretary Bowman's eulogy of "The Central Branch Country" being especially well received.

John W. Breidenthal of Kansas City, Kansas, and O. A. Simmons, of Nortonville, Kansas, were elected chairman and secretary respectively of the group for the ensuing year, and Kansas City, Kansas, was designated as the next place of meeting.

Red Wing, Minn.—The First National Bank, established in 1865, with capital of $100,000 has made a change in its officers. The Messrs. McIntire having disposed of their stock, and J. Henry Cross has bought the interest of Harry H. Buck, and will act in the capacity of Vice-President. Samuel H. Lockin, formerly of the St. Anthony Falls Bank, of Minneapolis, has acquired an interest also, and will be the Cashier. The First National is now about ready to move into its new building, in course of construction on the main business thoroughfare, which will be a much more advantageous location than the present one.

Big Crops in Kansas.—The report of the Kansas Department of Agriculture shows that the year 1905 has been the most fruitful in the State's history. The value of farm products and live stock is $408,639,823, the largest ever recorded. It is greater by 11.3 per cent. than in 1904, and is $28,000,000 more than twice as much as their value in 1896.

The total yield of wheat was 77,178,177 bushels. This is 12,000,000 bushels, or 18.4 per cent., more than in 1904, and sixty-two per cent. greater than the annual average for the last twenty years. It is the fourth largest crop produced by Kansas.

Growth of Banking in Wisconsin.—The annual report of the Commissioner of Banking shows that on November 9, 1905, there were 390 banks, as against 372 a year ago. Deposits in State and mutual Savings banks increased $8,357,984; National bank deposits increased $3,884,560.

CANADA.

Canadian Bank Merger.—It is announced that the Metropolitan Bank of Toronto will be absorbed by the Traders' Bank of Canada. The former bank has $1,000,000 capital and the same amount of reserve, while the Traders' Bank has $3,000,000 capital and $1,000,000 reserve. Combined deposits of the two banks exceed $20,000,000.

—The statement of the Canadian Bank of Commerce, showing the results of the business of the bank for the year ending November 30, 1905, is as follows:

Balance at credit of profit and loss account, brought forward from last year	$28,726.39
Net profits for the year ending 30th November, after providing for all bad and doubtful debts	1,376,167.63
Premium on new stock	564,996.00
	$1,969,890.02
Which has been appropriated as follows:	
Dividends Nos. 76 and 77, at seven per cent. per annum	666,784.27
Written off bank premises	219,233.99
Transferred to pension fund (annual contribution)	25,000.00
Transferred to rest account	1,000,000.00
Balance carried forward	58,871.76
	$1,969,890.02

This bank has $74,373,490.96 deposits, and $98,375,597.62 total assets.

—Total assets of the Imperial Bank of Canada on October 31, 1905, were $37,595,178, compared with $32,006,657, on October 31, 1904.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organised since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Convoy, Ohio; by C. H. Dye, et al.
First National Bank, Remington, Ind.; by Robert Parker, et al.
National Bank of Webb City, Webb City, Mo.; by J. P. Stewart, et al.
First National Bank, Wolbach, Neb.; by L. J. Dunn, et al.
Malvern National Bank, Malvern, Iowa; by C. B. Christy, et al.
First National Bank, Harrison, Ohio; by W. T. S. Blackburn, et al.
First National Bank, Prairie Grove, Ark.; by J. H. Marlar, et al.
National Exchange Bank, Boonville, N. Y.; by H. R. Tubbs, et al.
Citizens' National Bank, Hankinson, N. D.; by John Faissler, et al.
First National Bank, Wrightsville, Ga.; by Wm. W. Cook, et al.
Farmers' National Bank, Tecumseh, Neb.; by C. G. Woods, et al.
Blair National Bank, Blair, Neb.; by by F. W. Kenny, Sr., et al.
First National Bank, Stockport, Ohio; by Jesse D. Lane, et al.
Citizens' National Bank, West Middlesex, Pa.; by W. W. Johnson, et al.
Planters' National Bank, Rosebud, Texas; by J. A. Tarver, et al.
First National Bank, Dolliver, Iowa; by L. E. Lindner, et al.
Douglas National Bank, Douglas, Wyo.; by L. J. Swan, et al.
Burnes National Bank, St. Joseph, Mo.; by Lewis C. Burnes, et al.
United States National Bank, Azusa, Cal.; by J. A. Graves, et al.
Payette National Bank, Payette, Idaho; by A. P. Scritchfield, et al.
First National Bank, Overly, N. D.; by Geo. Sunberg, et al.
Citizens' National Bank, Pella, Iowa; by Geo. J. Thomassen, et al.
First National Bank, Raymond, Minn.; by H. N. Stabeck, et al.
First National Bank, Sea Isle City, N. J.; by A. G. Rice, et al.
American National Bank, Princeton, Ind.; by Geo. C. Kendle, et al.
First National Bank, Wenatchee, Wash.; by H. R. Clise, et al.
People's National Bank, Fredonia, N. Y.; by F. C. F. Sievert, et al.
Grangers' First National Bank, Tioga, Pa.; by John G. McHenry, et al.
First National Bank, Town of Union, N. J.; by Charles F. Ruh, et al.

APPLICATION FOR CONVERSION TO NATIONAL BANKS APPROVED.

Farmers and Merchants' Bank, Hollis, Okla.; into First National Bank.
Farmers' State Bank, McHenry, N. D.; into First National Bank.
Bank of Compton, Compton, Cal.; into First National Bank.
Hartford State Bank, Hartford, Kans.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7987—First National Bank, Glendale, Cal.; capital, $25,000. Pres., L. C. Brand; Vice-Pres., Dan Campbell; Cashier, E. V. Williams.
7988—First National Bank, Renwick, Iowa; capital, $25,000; Pres., Q. M. Lee; Vice-Pres., F. J Weston; Cashier , W. M. Hoffman; Asst. Cashier, H. B. Cole.
7989—National Bank of Garland, Garland, Texas; capital, $50,000; Pres., John T. Jones; Vice-Pres., D. Q. Murphree and B. F. Williams; Cashier, A. R. Davis.
7990—First National Bank, Glasgow, Mont.; capital, $25,000; Pres., John M. Lewis; Vice-Pres., R. M. Lewis; Cashier, R. M. Young.
7991—First National Bank, Brantley, Ala.; capital, $25,000; Pres., Fox Henderson; Vice-Pres., Joel J. Rainer and S. W. May; Cashier, John R. Wilks.
7992—First National Bank, Luverne, Ala.; capital, $30,000; Pres., Fox Henderson; Vice-Pres., J. R. Horn; Cashier, J. M. Cody.
7993—Citizens' National Bank, Indiana, Pa.; capital, $50,000; Pres., H. M. Lowry; Vice-Pres., D. M. Caldwell; Cashier, H. B. Heylman.
7994—First National Bank, Quitman, Ga.; capital, $100,000; Pres., J. W. Oglesby; Vice-Pres., J. B. Rountree; Cashier, H. L. Young.

7995—Berthoud National Bank, Berthoud, Colo.; capital, $50,000; Pres., T. C. Bunyan; Cashier, John Bunyan.

7996—First National Bank, Terral, I. T.; capital, $25,000; Pres., W. H. Eddleman; Vice-Pres., S. L. Wray; Cashier, O. Waldrop.

7997—First National Bank, San Jacinto, Cal.; capital, $25,000; Pres., R. J. Waters; Vice-Pres., John Shaver; Cashier, A. W. Wright; Asst. Cashiers, C. L. Emerson and J. C. Wright.

7998—National Bank of Summers, Hinton, W. Va.; capital, $100,000; Pres., Harrison Gwinn; Cashier, J. H. Jordan.

7999—Whittier National Bank, Whittier, Cal.; capital, $50,000; Pres., J. Allen Osmun; Vice-Pres., A. H. Dunlap; Cashier, A. C. Johnson; Asst. Cashier, D. E. Gooch.

8000—Warren National Bank, Franklin, Ohio; capital, $25,000; Pres., J. B. Weis; Vice-Pres., A. D. Barkalow; Cashier, James G. Blackburn; Asst. Cashier, Charles W. Munger.

8001—First National Bank, Tolar, Texas; capital, $25,000; Pres., R. P. Campbell; Vice-Pres., W. C. Akard and Wm. F. Perkins; Cashier, W. A. Hyatt.

8002—First National Bank, Livermore, Cal.; capital, $25,000; Pres., W. G. Palmanteer; Vice-Pres., C. H. Wente; Cashier, R. B. Temple.

8003—Esmont National Bank, Esmont, Va. (P. O., West Esmont); capital, $25,000; Pres., Edward W. Scott, Jr.; Vice-Pres., Wm. B. Forsyth; Cashier, C. R. Dorrier.

8004—Palisades National Bank, Palisades, Colo.; capital, $25,000; Pres., J. J. Durkee; Vice-Pres., O. H. Shoup; Cashier, J. G. McKinney.

8005—Hall County National Bank, Memphis, Texas; capital, $25,000; Pres., H. E. Deaver; Vice-Pres., W. P. Cagle; Cashier, Charles Drake; Asst. Cashier, T. P. Drake.

8006—People's National Bank, Hillsboro, Ill.; capital, $60,000; Pres., Edmund Douglas; Vice-Pres., Chas. W. Miller; Cashier, Dan F. Brown.

8007—First National Bank, Pedricktown, N. J.; capital, $25,000; Pres., James Sweeten; Cashier, S. R. Blockson.

8008—First National Bank, Holland, Texas; capital, $25,000; Pres., L. B. Mewhinney; Vice-Pres., C. B. Starke; Cashier, R. H. Underwood.

8009—First National Bank, Bethany, Mo.; capital, $40,000; Pres., Olin Kies; Vice-Pres., W. H. Leazenby; Cashier, Charles H. Lewis.

8010—First National Bank, Erick, Okla.; capital, $25,000; Pres., I. C. Thurmond; Vice-Pres., E. K. Thurmond; Cashier, O. H. Thurmond; Asst. Cashier, F. E. Beaty.

8011—First National Bank, Wellston, Mo.; capital, $50,000; Pres., J. W. Perry; Cashier, Eugene Snowden.

8012—First National Bank, Armour, S. D.; capital, $25,000; Pres., S. H. Smith; Vice-Pres., W. W. Wedding.

8013—Kenedy National Bank, Kenedy, Texas; capital, $50,000; Pres., W. T. Courson; Asst. Cashier, L. E. Bain.

8014—Bright National Bank, Flora, Ind.; capital, $25,000; Pres., R. R. Bright; Vice-Pres., Frank C. Horner; Cashier, Jesse V. Bright.

8015—First National Bank, Carrier Mills, Ill.; capital, $25,000; Pres., A. V. Tuller; Vice-Pres., George B. Dodds; Cashier, H. C. Henderson.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Guin—Bank of Guin; capital, $10,000; Pres., Jim Pearce; Vice-Pres., L. T. Littleton; Cashier, R. R. Wright.

ARIZONA.

St. Johns—Apache County Bank & Trust Co.; capital, $30,000; Pres., W. H. Burbage; Vice-Pres. and Cashier, F. W. Nelson.

ARKANSAS.

Haynes—Bank of Haynes; capital, $6,250; Pres., J. J. Hughes; Vice-Pres., J. L. Hughes; Cashier, Cay Hawkins.

Marion—Bank of Marion; capital, $25,000; Pres., L. P. Berry; Vice-Pres., L. F. Heintz; Cashier, R. F. Ward.

CALIFORNIA.

Haywards—Farmers' & Merchants' Bank; capital, $37,000; Pres., Thos. B. Russell; Vice-Pres., W. C. Petersen; Cashier, Jno. A. Park.

Los Angeles—South Side Bank; capital, $12,500; Pres., C. J. Goodenow; Vice-Pres., A. C. Winter and S. P. Divver; Cashier, T. E. Porter.

Richmond—Iverson Banking Co.; Pres., Jos. Iverson; Cashier, A. F. Horstman.

Sacramento—Japanese Bank; capital, $5,000; Cashier and Manager, N. Imajo.

San Francisco—Metropolis Trust & Savings Bank; Pres., A. A. Watkins; Vice-Pres. and Manager, Clarence Grange; Vice-Pres., Jno. M. Keith; Cashier and Secretary, F. R. Cook.

Santa Paula—Santa Paula Savings Bank; capital, $25,000; Pres., C. H. McKevitt; Vice-Pres., N. W. Blanchard; Cashier, A. L. Shiveley; Asst. Cashier, C. L. Sheldon.

Sunnyvale—Bank of Sunnyvale; capital, $25,000; Pres., W. E. Crossman;

Vice-Pres., C. C. Spaulding; Cashier, Geo. A. Kennedy.

COLORADO.

Fort Collins—Commercial Bank & Trust Co.; Pres., W. T. Clark; Vice-Pres., P. H. Deppen; Cashier, B. F. Clark.

GEORGIA.

Adel—Citizens' Bank; capital, $25,000; Pres., W. S. Witham; Vice-Pres., A. A. Parish; Cashier, J. J. Parish, Jr.

Adrian—Farmers' Bank; capital, $15,000; Pres., T. J. James; Vice-Pres., G. E. Youmans; Cashier, M. C. Carter.

Alpharetta—Alpharetta Bank (Branch of Shadburn Banking Co, Buford).

Buchanan—Buchanan Banking Co.; Pres., W. A. McCalman; Cashier, H. S. McCalman.

Cave Springs—Bank of Cave Springs; capital, $15,000; Pres., Felix Corput; Vice-Pres., W. O. Connor; Cashier, H. J. Ayers.

Commerce—E. B. Anderson; capital, $25,000.

Davisboro—Merchants & Farmers' Bank (successor to Davisboro Bank); capital, $15,000; Pres., L. B. Holt; Vice-Pres., J. D. Walker; Cashier, S. H. Hollis.

Gibson—Bank of Gibson; capital, $15,000; Pres., J. W. Whiteley; Vice-Pres., H. A. Williams; Cashier, W. H. Ferguson.

Kestler—Bank of Kestler; capital, $25,000; Pres., J. A. Hightower; Vice-Pres., P. H. Keaton; Cashier, W. M. Bradley.

Leesburg—Leesburg Exchange Bank; capital, $10,000; Pres., E. B. Martin; Cashier, D. D. Hall; Asst. Cashier, C. A. Hall.

Maysville—Bank of Maysville; capital, $15,000; Pres., C. T. Bacon; Vice-Pres., J. M. Everhart; Cashier, J. W. Smith; Asst. Cashier, L. R. Cooley.

Quitman—Citizens' Bank; capital, $50,000; Pres., Stanley S. Bennet; Vice-Pres., W. W. Walker; Cashier, J. R. David.

Spring Place—Cohutta Banking Co.; Pres., M. C. Horton; Vice-Pres., C. N. King; Cashier, E. N. Whitmire.

Sylvania—Citizens' Bank; capital, $15,000; Pres., W. J. Walker; cashier, Julius Walker.

Woodstock—Bank of Woodstock; capital, $15,000; Pres., J. H. Johnston; Cashier, W. L. DuPree.

IDAHO.

Emmett—Bank of Emmett; capital, $40,000; Pres., W. R. Cartwright; Vice-Pres., C. J. Bullard; Cashier, V. T. Craig.

Hagerman—Hagerman State Bank; capital, $10,000; Pres., J. E. Clinton, Jr.; Vice-Pres., W. L. Colthorp; Cashier, P. E. DuSault.

Troy—First Bank; capital, $20,000; Pres., O. A. Johnson; Vice-Pres., Jno. P. Vollmer; Cashier, S. A. Anderson.

ILLINOIS.

Glasford—Glasford Commercial Bank; Pres., L. R. Vandeventer; Vice-Pres., J. R. Harrison; Cashier, A. V. Rowe; Asst. Cashier, F. L. Vanderventer.

Harrisburg—Saline Trust & Savings Bank; capital, $50,000; Pres., J. B. Blackman; Vice-Pres., J. V. Capel; Cashier, Jno. B. Lee; Asst. Cashier, A. P. Dorris.

Herscher—Citizens' State Bank; capital, $25,000; Pres., G. Berger; Vice-Pres., O. T. Olson; Cashier, Phil Karcher.

Quincy—Mercantile Trust & Savings Bank; capital, $200,000; Pres., Fred Wilms; Cashier, Harvey G. Riggs.

Scottsville—Bank of Scottsville; capital, $5,000; Pres., Oren Catlett; Cashier, Robert L. Catlett; Asst. Cashier, Harmon Y. Catlett.

Teutopolis—Bank of Teutopolis; Pres., B. H. Wernsing; Vice-Pres., J. L. Runde; Cashier, H. H. Hardick; Asst. Cashier, H. J. Weber.

INDIANA.

Hillsboro—Farmers' Bank; capital, $15,000; Pres., Charles E. Short; Vice-Pres., John J. Rivers; Cashier, James J. Williams; Asst. Cashier, Charles E. Short.

Monticello—White County Loan, Trust & Savings Co.; capital, $25,000; Pres., B. F. Rice; Vice-Pres., A. K. Sills and J. L. Ackerman; Sec. and Treas., J. M. Turner.

Wabash—Citizens' Bank; sold to Wabash National Bank.

INDIAN TERRITORY.

Kemp—First Bank; capital, $10,000; Pres., A. S. Burrows; Vice-Pres., F. C. Battle; Cashier, T. H. Fowler.

South McAlester—McAlester Banking & Inv. Co.; capital, $10,000; Pres., D. F. LeMaster; Vice-Pres. and Cashier, Wallace W. Spain.

Stuart—Bank of Stuart; capital, $5,000; Pres., J. J. McAlister; Vice-Pres., W. L. Wooley; Cashier, R. C. Stuart.

Tamaha—Bank of Tamaha; capital, $10,000; Pres., J. E. McBrayer; Vice-Pres., W. W. Fisher; Cashier, J. C. Terrell.

IOWA.

Cedar Rapids—Commercial Savings Bank; capital, $50,000; Pres., C. H. Chandler; Vice-Pres., W. C. LaTourette; Cashier, J. L. Berer, Jr.—Iowa State Savings Bank; capital, $50,000; Pres., Anton Tomec; Vice-Pres., V. O. Hasek; Cashier, J. W. Lesinger.

Farson—Farmers' Savings Bank; capital, $10,000; Pres., L. A. Andrew; Vice-Pres., J. P. Hawthorn; Cashier, Zac Silvester.

Redding—Union Savings Bank (successor to People's Bank and Redding Bank); capital, $10,000; Pres., A. M. Schanck; Vice-Pres., Bert Amick; Cashier, W. G. Schanck.

KANSAS.

Beagle—Beagle State Bank; capital, $10,000; Pres., M. A. McIntosh; Cashier, E. T. Monroe.

Coldwater—People's State Bank; capital, $10,000; Cashier, Elmer Solomon.

McDonald—State Bank; capital, $10,000; Pres., C. F. Howard; Cashier, Fred Howard.

KENTUCKY.

Beaver Dam—People's Bank; capital, $10,000; Pres., S. D. Taylor; Vice-Pres., M. L. Heavrin; Cashier, W. A. Rone.

Glasgow—Trigg National Bank; capital increased to $75,000; W. L. Porter, Pres., in place of H. C. Trigg.

Harrodsburg—Harrodsburg Trust Co.; capital, $30,000; Pres., E. Rosser; Vice-Pres., B. W. Allen; Sec. and Treas., F. P. James.

LOUISIANA.

New Orleans—Central Trust & Savings Bank; capital, $1,000,000; Pres., Sim Weis; Vice-Pres., Charles Godchaux, Pearl Wight and F. B. Williams; Cashier, H. O. Penick.—Colonial Bank & Trust Co.; capital, $240,000; Pres., Geo. G. Friedrichs; Vice-Pres., Jno. Albion Saxton and Arturo Dell'Orto; Cashier, Sam D. Baker.

MAINE.

Milo—Kineo Trust Co. (Branch of Dover.)

MICHIGAN.

Camden—Live Stock Exchange Bank (successors to Rowe Bros.); capital, $20,000; Cashier, R. W. Rowe; Asst. Cashier, Charles Rogge.

Fife Lake—Citizens' Bank; Pres., Hiram L. LaBar; Vice-Pres., James S. Hodges; Cashier, Leroy L. Maxam.

Oxford—Farmers' State Bank (successor to Citizens' Bank); capital, $20,000; Pres., S. W. Mackinnon; Vice-Pres., J. B. Shoemaker; Cashier, W. W. Lyons.

Riverdale—Bank of Riverdale; Cashier, F. H. Rowland.

MINNESOTA.

Badger—First State Bank; capital, $10,000; Pres., Peter Sjoberg; Vice-Pres., Harold Thorson; Cashier, G. L. Hope.

Bovey—First State Bank (successor to Bank of Bovey); capital, $10,000; Pres., F. P. Sheldon; Vice-Pres., L. M. Bolter; Cashier, D. M. Vermilyea.

Minneapolis—Central Avenue Bank; capital, $25,000; Pres., F. L. Williams; Vice-Pres., J. D. Untendorfer; Cashier, Martin Otterness.

Montgomery—Citizens' State Bank; capital, $15,000; Pres., H. E. Westerman; Vice-Pres., C. D. McCarthy; Cashier, F. S. O'Malley.

Ripple—Lumberman's Bank; capital, $5,000; Pres., F. P. Sheldon; Vice-Pres., W. H. Roberts; Cashier, G. N. Millard.

Shakopee—Security State Bank; capital, $25,000; Pres., Ernest L. Welch; Vice-Pres., Herman Schiveder and Joseph C. Linhoff; Cashier, August T. Dill.

MISSISSIPPI.

Bond—Bank of Bond; capital, $30,000; Cashier, John MacDonald.

Dio—Bank of Dio; capital, $10,000; Pres., W. R. May; Vice-Pres., W. W. Trussell; Cashier, E. B. Taylor.

Holcomb—Bank of Holcomb; capital, $5,420; Pres., E. R. McShane; Vice-Pres., D. L. Holcomb; Cashier, L. L. Casey.

Kosciusko—Kosciusko Bank; capital, $50,000; Pres., F. Z. Jackson; Vice-Pres., C. L. Anderson; Cashier, J. W. Fletcher; Asst. Cashier, J. H. Cain.

Sledge—Bank of Sledge; capital, $12,500; Pres., J. E. Thomas; Vice-Pres., A. P. Alexander; Cashier, V. A. Mier.

MISSOURI.

Grandin—Grandin State Bank; capital, $10,000; Pres., Geo. D. nAdrews; Vice-Pres., Alexander Johnston; Cashier, Geo. Willett; Asst. Cashier, Elbert C. White.

Koshkonong—Koshkonong State Bank; capital, $10,000; Pres., T. M. Culver; Vice-Pres., J. M. Huff; Cashier, Ed. K. Coffman.

Portageville—Farmers' Bank; capital, $10,000; Pres., Sam Pikey; Vice-Pres., E. C. Haines; Cashier, S. B. Stone; Asst. Cashier, Elmo Stone.

MONTANA.

Kendall—Kendall State Bank; capital, $25,000; Pres., John P. Barnes; Vice-Pres., Charles D. Allen; Cashier, F. X. Dolenty.

NEBRASKA.

Angus—Bank of Angus; capital, $5,000; Pres., J. A. Reichenbach; Vice-Pres., F. Jouvenat; Cashier, D. L. Jouvenat.

Bladen—State Bank; capital, $15,000; Pres., J. V. Walker; Vice-Pres., Charles E. Hicks; Cashier, A. R. Rudd.

Eddyville—Farmers' State Bank; capital, $7,500; Pres., A. U. Dann; Vice-Pres., Nick Kopf; Cashier, G. J. Stanley.

Ericson—Ericson State Bank; capital, $5,000; Pres., Erik Erickson; Vice-Pres., Robert Cuscaden; Cashier; Fred A. Cuscaden.

Hadar—Farmers' State Bank; capital, $5,000; Pres., M. Inhelder; Vice-Pres., Julius Kuehl; Cashier, A. A. Hastorf.

Tekamah—Farmers' State Bank; capital, $25,000; Pres., C. W. Conkling;

Vice-Pres., A. D. Nesbit; Cashier, R. G. Nesbit.

Waterloo—Bank of Waterloo; capital, $10,000; Pres., J. G. Seefus; Vice-Pres., Geo. Johnson; Cashier, R. E. Neitzel.

NEVADA.

Beatty—Bullfrog Bank & Trust Co. (Branch of Rhyolite.)

Rhyolite—Bullfrog Bank & Trust Co.; capital, $50,000; Pres., Owen Young; Cashier, T. M. Gronen; Asst. Cashier, F. L. Warburton.

NEW JERSEY.

West Hoboken—Commonwealth Trust Co.; capital, $100,000; Pres., Geo. B. Bergkamp; Vice-Pres., Dopslaff and John Singer, Sr.; Sec. and Treas., Thomas B. Usher.

NEW MEXICO.

Dayton—Bank of Dayton; capital, $15,000; Pres., G. Pinnell; Vice-Pres., Paul Howes; Cashier, A. H. Kent.

NEW YORK.

New York—Columbia Trust Co.; capital, $1,000,000; surplus, $1,000,000; Pres., Robert S. Bradley; Vice-Pres., Clark Williams; Sec., Langley W. Wiggin; Treas., Howard Bayne.—Clark, Grannis & Lawrence.

NORTH CAROLINA.

Aberdeen—Bank of Aberdeen; capital, $15,000; Pres., Henry A. Page; Cashier, John W. Graham.

Graham—Citizens' Bank; capital, $10,000; Pres., J. A. Long; Vice-Pres., McBride Holt; Cashier, Charles C. Thompson.

Warrenton—Bank of Warren; capital, $13,300; Pres., Tasker Polk; Vice-Pres., M. J. Hawkins; Cashier, C. N. Williams, Jr.

Wilson—Citizens' Bank; Pres., R. G. Briggs; Cashier, W. M. Farmer.

NORTH DAKOTA.

Crary—Farmers' Loan & Trust Co.; capital, $25,000; Pres., Edgar Suderson; Sec., M. A. Miller; Treas., T. A. Lierbo.

Deering—Deering State Bank; capital, $8,500; Pres., A. L. Ober; Vice-Pres., Ralph C. Wedge; Cashier, W. W. Wedge; Asst. Cashier, H. H. Kenyon.

Edgely—Citizens' State Bank; capital, $15,000; Pres., Charles Ralph; Vice-Pres., H. E. Fox; Cashier, W. D. Oliver.

Hansboro—Hansboro State Bank; capital ,$10,000; Pres., D. H. Beecher; Vice-Pres., F. H. Welcome; Cashier, C. E. Oberg; Asst. Cashier, T. P. Risteigen.

Leal—Bank of Leal; capital, $5,000; Pres., C. W. Paulson; Vice-Pres., H. A. Hilborn; Cashier, P. A. Pickett; Asst. Cashier, O. L. Bye.

OHIO.

Zanesville—Security Trust & Savings Co.; capital, $250,000; Pres., Robert H. Evans; Vice-Pres., N. P. Shurtz, H. E. Printz and W. C. Atkinson; Sec., W. B. Hiteshew; Treas., J. C. Sauer.

SOUTH CAROLINA.

Batesville—Batesville Savings Bank; capital, $5,000; Pres. and Treas., J. W. Baker; Vice-Pres. and Sec., M. P. Gridley.

Cross Anchor—Bank of Cross Anchor; capital, $23,600; Pres., L. H. Wilson; Vice-Pres., M. C. Poole; Cashier, L. Yarbrough.

Trenton—Bank of Trenton; capital, $12,500; Pres., B. F. Mauldin; Vice-Pres., J. F. Bettis; Cashier, A. H. S. Day.

Williston—Bank of Williston; capital, $25,000; Pres., A. M. Kennedy; Vice-Pres., J. P. Lee; Cashier, W. E. Prathro.

.. SOUTH DAKOTA.

Corsica—Farmers' State Bank; capital, $5,000; Pres., C. W. Pratt; Vice-Pres., Peter Nieveen; Cashier, Matthew Harris.

Reliance—Farmers' State Bank; capital, $5,000; Pres., Wm. R. Tapper; Vice-Pres., W. E. Briggs; Cashier, Peter B. Dirks; Asst. Cashier, John B. Wait.

TENNESSEE.

Enville—Bank of Enville; capital, $15,000; Pres., W. E. Bishop; Vice-Pres., L. C. Smith and A. F. Sweet; Cashier, H. B. O'Neal.

Erwin—Unicoi Banking & Trust Co.; Pres., A. R. Brown; Vice-Pres., F. H. Hannum; Cashier, B. B. Stephens.

TEXAS.

First State Bank (successor to Farmers' & Merchants' Bank); capital, $15,000; Pres., Geo. W. Riddle; Vice-Pres., C. W. Brown; Cashier, S. M. Peters; Asst. Cashier, J. S. Peters.

Marshall—State Bank; capital, $50,000; Pres., Charles Cobb, Jr.; Vice-Pres., M. Turner; Cashier, John Copeland.

VERMONT.

West Rutland—West Rutland Trust Co.; capital, $25,000; Pres., Geo. C. Robinson; Vice-Pres., R. L. Richmond; Cashier, C. E. Kinsman.

VIRGINIA.

Appalachia—Appalachia State Bank; capital, $20,000; Pres., R. W. Holly; Vice-Pres., T. C. Fuller; Cashier, G. B. Head.

Clover—Bank of Clover; capital, $10,000; Pres., C. A. Gregory; Vice-Pres., J. M. Pollard; Cashier, G. B. Gibson.

WASHINGTON.

Newport—First State Bank (successor to Exchange Bank); capital, $15,000; Pres., T. J. Kelly; Vice-Pres., John McInnis, Sr.; Cashier, G. S. Thomas; Asst. Cashier, Fred Stevens.

WISCONSIN.

Madison—Central Wisconsin Trust Co.; capital, $300,000; Pres., Wm. F. Vilas; Vice-Pres., Magnus Swenson; Second Vice-Pres., John Barnes; Sec., L. M. Hanks; Treas., J. M. Boyd.

CANADA.

ONTARIO.

Bloomfield—Standard Bank of Canada; R. J. S. Dewar, Agent.

Drumbo—Molsons Bank; C. K. Currey, Agent.

Ethel—Bank of Hamilton; W. N. McKay, Manager.

North Williamsburg—Molsons Bank; E. R. Youngs, Manager.

Osgoode Station—Union Bank of Canada; J. F. Wurtele, Manager.

Ottawa—Canadian Bank of Commerce, Bank and Somerset streets; C. R. Armstrong, Acting Manager.

Parry Sound—Canadian Bank of Commerce; E. M. Lockie, Manager.

NORTHWEST TERRITORY.

Alix—Merchants' Bank of Canada; B. W. McMullen, Manager.

Davidson—Bank of British North America; T. G. Hall, Acting Manager.

Pense—Union Bank of Canada; F. W. Nicholson, Manager.

CUBA.

Havana—Trust Company of Cuba; capital, $500,000; Pres., J. A. Gonzalez Lanuza; Vice-Pres., Norman H. Davis; Sec. and Treas., Oswald A. Hornsby.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Evergreen—First National Bank; C. W. Lamar, Pres.; L. Jackson, Vice-Pres.; no Cashier in place of C. E. Baker; Lewis Crook, Asst. Cashier.

ARKANSAS.

Belleville—Bank of Belleville; capital increased to $25,000.

Hot Springs—Citizens' National Bank; N. B. Sligh, Cashier, resigned.

Jonesboro—Citizens' Bank; A. L. Malone, Vice-Pres. in place of M. C. Townley.

CALIFORNIA.

Emeryville—Syndicate Bank; Bernard P. Miller, Pres. in place of E. A. Heron.

Monrovia—American National Bank; W. B. Scarborough, Vice-Pres. in place of C. O. Moiroe.

San Diego—American National Bank; C. L. Williams, Cashier in place of W. C. Durgin.

San Francisco—United States National Bank; no Asst. Cashier in place of N. B. Phillips.

Santa Rosa—Santa Rosa National Bank; F. A. Brush, Cashier in place of E. C. Merritt.

COLORADO.

Denver—First National Bank; W. C. Thomas, Asst. Cashier, deceased.

Idaho Springs—Merchants' & Miners' National Bank; A. A. Stover. Cashier in place of James L. Lindsay.

CONNECTICUT.

Danbury—Danbury National Bank; Jabez Amsbury, Cashier, resigned.

DISTRICT OF COLUMBIA.

Washington—Farmers & Mechanics' National Bank; Edgar P. Berry, Cashier, deceased.

GEORGIA.

Bainbridge—First National Bank; J. D. Chason, Pres. in place of J. D. Harrell; Frank S. Jones, Vice-Pres. in place of J. D. Chason.

La Fayette—First National Bank; R. N. Dickerson, Pres.; T. A. Jackson, Pres. in place of R. N. Dickerson.

Toccoa—First National Bank; John H. Edge, Pres. in place of Wm. S. Witham; D. J. Simpson, Vice-Pres. in place of T. W. Scott.

IDAHO.

Moscow—First National Bank; W. K. Armour, Asst. Cashier in place of B. L. Jenkins.

ILLINOIS.

Bushnell—First National Bank; Mack M. Pinckly, Pres. in place of James Cole; H. A. Kaiser, Vice-Pres. in place of Mack M. Pinckly.

Chicago—Continental National Bank; Jno. N. Black, President, resigned.

Clinton—John Warner & Co.; John Warner, deceased.

East St. Louis—First National Bank; Ben P. Goodwin, Cashier, resigned.

Granite City—Granite City National Bank; D. J. Murphy, Cashier and Manager, in place of C. F. Stelzel, resigned.

Jerseyville—National Bank of Jerseyville; D. J. Murphy, Cashier, resigned.

Seymour—John V. Ayre & Co.; succeeded by Dighton & Hetishee.

INDIANA.

Bedford—Bedford National Bank; Thomas J. Brooks, Pres. in place of John R. Walsh, resigned.

INDIAN TERRITORY.

Durant—First National Bank; E. F. Rines, Cashier in place of C. C. Johnson.

Holdenville—First National Bank; Charles E. Taylor, Asst. Cashier.—National Bank of Commerce; I. B. Martin, Cashier in place of W. A. Mitchell.

Wilburton—First National Bank; William Busby, Vice-Pres. in place of L. W. Bryan, deceased; R. H. Lusk, Asst. Cashier in place of H. D. Price, Jr.

IOWA.

Cedar Falls—Citizens' National Bank and State Bank; consolidated under former title.

Charter Oak—First National Bank; James F. Toy, Pres. in place of G. N. Sweetser.

Lake Mills—First National Bank; A. E. Pfiffner, Cashier in place of S. H. Larson; no Asst. Cashier in place of A. E. Pfiffner.

Orange City—First National Bank; W. S. Short, Pres. in place of James F. Toy; no Vice-Pres. in place of Geo. J. Bolks.

KANSAS.

Burr Oak—Jewell County National Bank; P. H. O'Brien, Vice-Pres.; Vesalius Davis, Cashier in place of L. Monbeck.

Overbrook—First National Bank; J. A. Cordts, Cashier in place of E. J. Hilkey; A. L. Oveson, Asst. Cashier in place of J. A. Cordts.

KENTUCKY.

Lawrenceburg—Citizens' Bank; C. D. Lyen, Asst. Cashier, resigned.

LOUISIANA.

Conshatta—Bank of Conshatta; L. B. Howard, Cashier in place of M. Ricks, Jr.

Welsh—First National Bank; E. C. Willard, Cashier in place of F. D. Calkins, resigned.

MAINE.

Farmington—Franklin County Savings Bank; J. W. Fairbanks, Pres., deceased; also Vice-President First National Bank.

MARYLAND.

Denton—People's National Bank; Geo. L. Wallace, Cashier, resigned.

MASSACHUSETTS.

Boston—City Trust Co.; Charles P. Blinn, Jr., Asst. Treas.

Milford—Home National Bank; Napoleon B. Johnson, Cashier, resigned.

Worcester—Worcester National Bank; J. P. Hamilton, Pres. in place of Stephen Salisbury, deceased; no Vice-Pres. in place of J. P. Hamilton.—Quinsigamond National Bank; absorbed by Worcester Trust Co.

MICHIGAN.

Iron Mountain—First National Bank; no President in place of Wm. S. Laing, deceased.

Traverse City—Traverse City State Bank; Julius T. Hannah, Pres., deceased.

MINNESOTA.

Grand Meadow—First National Bank; Benjamin Wright, Pres. in place of R. E. Crane; W. H. Goodsell, Vice-Pres. in place of Benjamin Wright.

Red Wing—First National Bank; J. Henry Cross, Vice-Pres. in place of Henry H. Buck.

MISSISSIPPI.

Utica—Bank of Utica—T. A. Marshall, Cashier.

MISSOURI.

Bethany—First National Bank; C. E. Poland, Asst. Cashier.

Clinton — Clinton National Bank; Thomas G. Hutt, Pres. in place of Wm. Docking.

Columbia—Boone County National Bank; R. B. Price, Jr., Cashier in place of I. O. Hockaday; no Asst. Cashier in place of R. B. Price, Jr.

Hayti—Bank of Hayti; Granville Gwynn, Cashier, reported an embezzler.

Ludlow—First National Bank; D. J. Ballantyne, Cashier.

Mountain Grove — First National Bank; Wm. Park, Vice-Pres. in place of T. I. Pitts, deceased.

Savannah—First National Bank; L. C. Cottrill, Pres. in place of J. P. Hardin; J. W. Barmann, Vice-Pres. in place of E. M. Norris.

St. Joseph—National Bank of St. Joseph; absorbed by First National Bank of Buchanan County.

St. Louis—National Bank of Commerce; J. C. Van Blarcom, Pres. in place of Wm. H. Thompson, deceased.

NEBRASKA.

Pilger—First National Bank; B. H. Schaberg, Pres. in place of C. G. Ohman; J. E. Abbott, Vice-Pres. in place of J. A. Schaberg; J. A. Schaberg, Cashier in place of B. H. Schaberg.

NEW HAMPSHIRE.

Berlin—City National Bank; L. B. Lane, Asst. Cashier.—City Savings Bank; L. B. Lane, Treasurer.

NEW JERSEY.

Newark—Howard Savings Institution; Robert F. Ballantine, Vice-Pres., deceased.

NEW MEXICO.

Clayton—First National Bank; no Cashier in place of J. W. Evans.

NEW YORK.

Brooklyn—Union Bank; capital increased to $500,000.—Williamsburg Dime Savings Bank; Henry Geckler, Secretary, deceased.

Canajoharie — Canajoharie National Bank; Norman S. Brumley, Pres., deceased.

Dover Plains—Dover Plains National Bank; Charles W. Vincent, Vice-Pres. in place of Edwin Vincent; James Ironside, Cashier in place of R. P. Ketcham, deceased.

Herkimer—Herkimer National Bank; Edward G. Davis, Asst. Cashier, deceased.

Hermitage—Jas L. Blodgett, deceased.

Hoosick Falls—First National Bank; Wm. Kelyer, Vice-Pres., deceased.

New York—Fifth Avenue Bank; Wm. C. Murphy and Theodore Hetzler, Asst. Cashiers.—Trust Co. of America; Walter W. Lee, Asst. Sec., resigned.—National Bank of North America; Walter W. Lee, Third Vice-Pres. — Merchants' Exchange National Bank; Allen S. Apgar, Vice-Pres.—Mutual Alliance Trust Co.; Gilbert S. Mott, Asst. Treasurer; James J. McCormack, Asst. Sec.

Oswego—Oswego City Savings Bank; J. S. Fitch, Vice-Pres., deceased.

Rome — Farmers' National Bank; Samuel Wardwell, Second Vice-Pres., deceased.

Troy—United National Bank; Donald B. Thompson, Cashier.

NORTH DAKOTA.

Fargo—Red River Valley National Bank and First National Bank; consolidated under latter title.

Sarles—First National Bank of Sarles; title changed to First National Bank of Adams.

OHIO.

Geneva—First National Bank; Geo. M. Bowen, Cashier in place of D. S. Robertson.

Kenton—Kenton Savings Bank; William A. Norton, Pres.; Carey Merriman, Cashier; Arthur Stahl, Asst. Cashier.

Portsmouth—First National Bank; L. C. Turley, Pres. in place of J. W. Bannon; Samuel Reed, Vice-Pres.; Dan W. Conroy, Asst. Cashier.

Warren—New National Bank; J. O. Hart, President, deceased.

Youngstown—Commercial National Bank; Geo. M. McKelvey, Pres., deceased.

OKLAHOMA.

Anadarko—First National Bank; I. E. Cox, Cashier in place of C. L. Ellis.

Cleveland—Cleveland National Bank; O. M. Lancaster, Pres. in place of J. H. Simmons; B. L. Quigley, Asst. Cashier.

Hobart—Hobart National Bank—E. F. Dunlap, Pres. in place of A. J. Dunlap.

Medford—First National Bank; J. L. Godfrey, Vice-Pres. in place of Jno. T. Stewart.

Stillwater—First National Bank; M. L. Walker, Cashier in place of W. E. Hodges.

PENNSYLVANIA.

Altoona—Union Bank; James Woods Findley, Cashier, deceased.

Berlin—First National Bank; no Asst. Cashier in place of Ira D. Walker.

Masontown — Masontown National Bank; W L. Graham, Cashier in place of S. F. Hogue.

Millsboro—First National Bank; Jno. P. Clutter, Cashier in place of Osman McCarty.

Philadelphia—National Bank of Germantown; Walter Williams, Asst. Cashier.

Saxton—First National Bank; J. G. Bell, Cashier in place of G. W. Derrick.

Tamaqua—First National Bank; Wm. Calloway, Pres., deceased.

Westchester—National Bank of Chester County; T. W. Marshall, Pres. in place of J. P. Thomas, deceased; Thomas Hoopes, Vice-Pres. in place of T. W. Marshall.

SOUTH DAKOTA.

Aberdeen—First State Bank; C. H. Seeley, Cashier, in place of A. E. Boyd, resigned.

Bryant—Merchants' Bank; capital increased to $25,000.

Tyndall—First National Bank; W. G. Youngworth, Vice-Pres. in place of L. I. Smith; Wm. Thompson, Cashier in place of W. G. Youngworth.

TENNESSEE.

Jackson—Second National Bank; M. S. Neely, Pres. in place of W. T. Nelson, deceased; H. C. Irby, First Vice-Pres. in place of M. S. Neely; A. K. Jobe, Second Vice-Pres. in place of H. C. Irby.

Memphis—American Savings Bank & Trust Co. and Mechanics' Savings Bank; consolidated under title of American Mechanics' Bank.

Morristown—First National Bank; W. D. Bushong, Cashier in place of J. N. Fisher; no Asst. Cashier in place of W. D. Bushong.

TEXAS.

Bartlett—Bartlett National Bank; A. P. Clark, Sr., Vice-Pres. in place of John T. Bartlett.

Burnet—Burnet National Bank; F. P. Green, Pres. in place of O. S. Houston.

Gonzales—Miller & Sayers; succeeded by Miller, Sayers & Co.

Manor—Farmers' National Bank; J. W. Hoopes, Vice-Pres. in place of Thomas B. Palfrey.

Mesquite—First National Bank; L. S. Darling, Pres. in place of R. S. Kimbrough, deceased; J. C. Rugel, Vice-Pres.

San Antonio—City National Bank; M. Goggan, Pres. in place of M. Halff.

San Marcos—First National Bank; J. H. Barbee, Cashier in place of C. L. Hopkins.

Texarkana—City National Bank;

Thomas F. Shelton, Pres. in place of T. H. Leeves; no Vice-Pres. in place of Thomas F. Shelton; Reuben R. R. Cook, Cashier in place of W. H. H. Moores; J. L. Penix, Asst. Cashier in place of Reuben R. R. Cook.

Wortham—First National Bank; J. J. Stubbs, Pres. in place of J. M. Bounds; J. M. Bounds, Vice-Pres.; T. B. Poindexter, Cashier in place of E. B. St. Clair; no Asst. Cashier in place of J. W. Bonner.

WASHINGTON.

Bellingham—Home Security Savings Bank; H. J. Welty, Pres. in place of Charles Cissna; Fred J. Wood, Vice-Pres.; W. D. Outman, Asst. Cashier.

WEST VIRGINIA.

CLENDENIN—First National Bank; Jasper Young, Asst. Cashier in place of D. E. Stump.

WISCONSIN.

Fond du Lac—Fond du Lac National Bank; T. C. Ebernau, Asst. Cashier.

Grand Rapids—Wood County National Bank; Frank Garrison, Pres., deceased.

Neenah — National Manufacturers' Bank; De Witt C. Van Ostrand, Pres., deceased.

WYOMING.

Cheyenne—Stock Growers' National Bank; W. H. Barber, Asst. Cashier.

CANADA.

Montreal—Merchants' Bank of Canada, St. Catherine St. Branch; R. H. Arkell, Manager.

St. Jerome—Merchants' Bank of Canada; J. B. Donnelly, Manager in place of R. H. Arkell.

MEXICO.

Mexico City—Mercantile Bank of Yucatan; capital increased to $5,000,000.—American Bank; capital increased to $2,150,000.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

Cullman—First National Bank; in voluntary liquidation December 4.

ILLINOIS.

Chicago—Chicago National Bank—Home Savings Bank.—Equitable Trust Co.

IOWA.

Orange City—First National Bank; in voluntary liquidation November 21.

MINNESOTA.

Albert Lea—Security National Bank; in voluntary liquidation December 9.

OHIO.

Portsmouth — Portsmouth National Bank; in voluntary liquidation December 7; consolidated with First National Bank.

OKLAHOMA.

Oklahoma City—Commercial National Bank; in voluntary liquidation October 30; consolidated with State National Bank.

TENNESSEE.

Memphis—Merchants' Trust Co.; in hands of John P. Edmondson, Receiver.—American Savings Bank.—Mechanics' Savings Bank.

TEXAS.

Italy—Citizens' National Bank; in voluntary liquidation December 11; absorbed by First National Bank.

MEXICO.

Mexico City—Catholic Bank.

SUPPLY OF MONEY IN THE UNITED STATES.—The stock of money in the country was increased last month by $16,000,000. Gold contributed $8,000,000 of the increase and National bank notes nearly as much more.

SUPPLY OF MONEY IN THE UNITED STATES.

	Oct. 1, 1905.	*Nov. 1, 1905.*	*Dec. 1, 1905.*	*Jan. 1, 1906.*
Gold coin and bullion	$1,387,257,928	$1,404,686,516	$1,411,777,450	$1,419,943,124
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	115,246,222	115,554,205	116,385,553	116,990,855
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	516,852,240	524,408,249	533,329,258	540,914,347
Total	$2,933,766,271	$2,959,558,851	$2,976,402,142	$2,992,758,207

BANKERS' OBITUARY RECORD.

Apgar.—Allen S. Apgar, Vice-President and Cashier of the Merchants' Exchange National Bank, New York City, died December 11. Mr. Apgar was born in Connecticut in 1841, and during the Civil War was Assistant Paymaster on a Union gunboat. In 1866 he entered the Merchants' Exchange National Bank, becoming Cashier in 1870, and in 1893 was made Vice-President also.

Baldwin.—Edward J. Baldwin, Cashier of the National Park Bank, New York city, died January 10. Mr. Baldwin was over sixty years of age, and had been connected with the National Park Bank for thirty years, being Assistant Cashier for the greater part of the time. Two years ago he became Cashier.

Ballantine.—Robert F. Ballantine, head of the Ballantine Brewery, Newark, N. J., Vice-President of the Howard Savings Institution of Newark, died December 10. He was born at Albany, N. Y., in 1836, going to Newark in 1844.

Berry.—Edgar P. Berry, Cashier of the Farmers and Merchants' National Bank, Washington, D. C., died December 25, aged sixty-one years. He was one of Washington's well-known citizens, and for forty years had been connected with the bank of which he was Cashier at the time of his death.

Blodget.—James L. Blodget, who had been in the banking business at Hermitage, N. Y., since 1865, died December 7.

Calloway.—William Calloway, President of the First National Bank, Tamaqua, Pa., died December 22, aged seventy years.

Davis.—Edward G. Davis, Assistant Cashier of the Herkimer (N. Y.) National Bank, died November 24. He was born in Herkimer county thirty-eight years ago. On November 17, 1890, he became a clerk in the above-named bank and on July 6, 1903, was appointed Assistant Cashier.

Brumley.—Norman S. Brumley, President of the Canajoharie (N. Y.) National Bank, died November 30, in his fifty-fifth year.

Hannah.—Julius T. Hannah, President of the Traverse City (Mich.) State Bank, and identified prominently with mercantile and industrial interests there, died November 29. He was born at Traverse City, March 29, 1858, and was a resident there all his life.

Hart.—J. O. Hart, President of the New National Bank, Warren, Ohio, died December 15.

Fairbanks.—J. W. Fairbanks, President of the Franklin County Savings Bank, and Vice-President of the First National Bank, Farmington, Me., died December 8, aged eighty-four years.

Findley.—James W. Findley, Cashier of the Union Bank, Altoona, Pa., died December 9. He was born in Blair county, Pa., May 4, 1849, and after completing his education engaged in the real estate business at Altoona. For over twenty years he had been connected with the Union Bank and its predecessors.

Fitch.—J. Shepard Fitch, Vice-President of the Oswego (N. Y.) City Savings Bank, and a director in several corporations, died December 13, aged seventy-seven years.

Garrison.—Frank Garrison, President of the Wood County National Bank, Grand Rapids, Wis., and one of the old and prominent business men of Central Wisconsin, died December 12. Mr. Garrison was the son of the first white settler at Grand Rapids, Wis., where he was born fifty-three years ago, and where he had lived all his life.

Kelyer.—William Kelyer, Vice-President of the First National Bank, Hoosick Falls, N. Y., died December 26, aged seventy-five years.

Thomas.—William C. Thomas, Assistant Cashier of the First National Bank, Denver, Colo., died December 4.

Mr. Thomas was born at Palmyra, Mo., August 4, 1856. When he was eighteen years old he entered the Farmers and Merchants' Bank, Hannibal, Mo., remaining there four years. In 1879 he went to Denver, and became a teller in the German National Bank. His association with the First National Bank began in 1889.

Van Ostrand.—De Witt C. Van Ostrand, President of the National Manufacturers' Bank, Neenah, Wis., and a former member of the Wisconsin Legislature, died November 27, aged seventy-eight years.

Wardwell.—Samuel Wardwell, Second Vice-President of the Farmers' National Bank, Rome, N. Y., died December 10. Mr. Wardwell organized the bank in 1875, and from that time until 1904 was Cashier, and since the latter date Second Vice-President.

Warner.—Dr. John Warner, head of the banking firm of John Warner & Co., Clinton, Ill., died December 21, aged eighty-six years.

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REFORM OF THE BANK NOTE CURRENCY.

THE movement inaugurated by the Chamber of Commerce of the State of New York for reforming the bank currency of the United States promises to have far-reaching and beneficial results. By taking the initiative in this movement the oldest and most prominent commercial body in the country has set an example that is certain to be followed by other trade organizations.

While political instrumentalities will have to be employed before this agitation can produce results, the question of an adequate and efficient currency is largely a commercial problem. It is a hopeful sign that this fact has been recognized by the business men of New York and that they have taken proper steps to arouse public opinion so as to give effect to the demand for a bank currency based upon the trade of the country, not upon its public debt, and which shall be as perfect a means for carrying on and developing that trade as it is possible for experience and skill to devise.

No bond-secured bank notes or "emergency currency" can possibly meet this requirement. A bank note to be truly serviceable to commerce must be issued on the short-term negotiable paper to which the commerce itself gives rise. When thus issued the volume of notes will agree exactly with the demand as indicated by the volume of sound commercial paper, and no emergency issues will be needed. Through what agency the notes shall be emitted, the method of redemption, the proper reserve required—all these are matters of detail that can be worked out at the proper time.

We believe that the effort to secure a judicious reform of our currency system should be made now, while the country is prosperous, and not wait until action is forced by the disasters incident to a panic. It is not too much to hope that a wise revision of the currency may greatly lessen the shock of such disasters, or even altogether prevent panics such as we have experienced heretofore. This is a good time to begin work with that end in view.

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EDITORIAL COMMENT

LACK of uniformity of interest rates was deplored by Prof. E. S. Meade in a recent address before the New York Credit Men's Association. He ascribed this diversity to the fact that the United States does not have the branch banking system.

That there is a great difference in the rates charged for the use of money in various parts of this country is well known. This may be in part due to the greater amount of loanable funds, in proportion to the demand, in one place than in another. But if this explanation is accepted, it would seem that there would be a tendency to equalize rates by the flow of funds from the localities where there is a comparative excess to other localities where there is more or less scarcity. This movement of loanable funds does take place to a considerable extent, but not sufficiently to equalize interest rates.

Of course, it can not be expected that rates for time loans in parts of the country where renewals are the rule rather than the exception, can be anything like as low as call loans in New York on Stock Exchange collateral. But for ordinary commercial loans, say, in the West, or in the South, it is difficult to see why the rates are so much higher than in the East. It can hardly be accounted for by the greater security obtained by the Eastern banks. In fact, the banks that lend at the higher rates are generally well secured.

Perhaps the reason that there is not a better distribution of loanable funds, and a consequent lowering of interest rates in certain parts of the country, is to be found in the lack of any adequate means of disseminating information among the banks respecting commercial credits. The present system of banking tends to isolate the bank officer from the commercial world at large, and circumscribes his view within the comparatively narrow circle of his own locality. The banker in New York or Boston who lends to the Southern planter or Western farmer does so, as a rule, through a bank; that is, by re-discounting the paper of the Southern or Western bank, as the case may be. This results in a higher rate to the borrower and a smaller profit to the Eastern lender than might be obtained were the loan made at first hand.

Although the branch bank system would very likely tend to make the banks in the large centres better informed respecting mercantile, manufacturing and other credits throughout the country, and thus tend to equalize interest rates, there are other considerations to be taken into account. The small independent bank, though not without some imperfections, has been a powerful factor in promoting the growth and prosperity of the country, and because of the prominent share in its management, or rather its absolute control by men who reside and do business in the community where the bank is located, it thus is enabled to be of greater service to that community than a branch bank managed from a head office located at a distant financial centre.

The present system of issuing bank notes is not favorable for the issue and use of bank currency where it is most needed.

Through the organized efforts of the credit men of the country much valuable work is being done in the dissemination of information relating to commercial credits.

MARSHALL FIELD, the Chicago merchant millionaire who died last month, has been extolled by the press as an example of a self-made rich man whose wealth was obtained by strictly legitimate methods. It is pointed out in this connection that the public really have no prejudice against wealth itself, but that they do object to the means employed by some millionaires in getting their money or property. This sounds well, and is especially comforting to those who take such a view, since it places them in a position where they can pose as the defenders of the injured public weal rather than as covetous persons who are themselves desirous of possessing the wealth that belongs to others.

Mr. Field was one of the prominent stockholders of The Pullman Company, a corporation enjoying a practical monopoly in furnishing sleeping-cars, and whose troubles with its employees a few years ago occasioned grave disturbances at Chicago, causing President Cleveland to call out the Federal troops to restore order. Whether Mr. Field was interested in the company named at that time to the extent that he was when he died, we do not know, nor are the merits of the controversy now recalled. It would probably be a wide reach of the imagination to attempt, at this late day, to hold him in any degree responsible for the labor troubles in which the company was involved some years ago, even supposing the company to have been in the wrong. But his preponderating influence in this monopolistic corporation does not seem to have made him the conspicuous target for attack that Mr. Rockefeller and other very rich men have been.

Doubtless Mr. Field acquired his vast fortune in a legitimate manner, judged by modern standards. He was a builder up, not a wrecker. His money was made chiefly in merchandising and by a wise investment of profits. He was fortunate in beginning his mercantile career at Chicago when that city and the tributary territory were entering upon a period of marvellous development, hardly matched in the growth of commercial, agricultural and manufacturing communities. That he possessed great capacity for organizing and directing large business enterprises, combined with a high sense of honor—all this is sufficiently shown by the results achieved and the esteem and respect in which he was held.

Mr. Field probably escaped the envious shafts aimed at other multi-millionaires because of his modesty. While contributing liberally to education and other enterprises designed to better mankind, he did so quite unostentatiously and never posed as a philanthropist. The tributes paid to his ability and integrity by the press seem to be fully deserved. But to conclude from this that the present outcry against men of great wealth is raised only against those who have obtained their wealth by questionable means, would be to disregard a most obvious fact. As "The New York Times" of a recent date well says: "The present rage against plutocracy, which, although it has unquestionably been provoked by flagrant examples of greed and the abuse of privilege, is in a considerable measure the outcome of socialistic desire for the redistribution of wealth."

Not only are the "flagrant examples of greed and the abuse of privilege" to be investigated and condemned—this much is being done already—but the men who have acquired great wealth in ways as honorable as Mr. Field, and whose business characters are equally free from blemish, will also be asked by the advocates of a redistribution of wealth to explain how it was possible for one man to amass such vast possessions within the short space of a singe lifetime. Where did you get it, and how did you get it, are questions that will be put not only to political bosses residing in the streets where much ease and little labor are the rule, and to the men who by manipulations of various kinds have piled up vast accumulations, but the same questions will be propounded to many of those who now consider themselves immune from the attacks that have been made upon Mr. Rockefeller and other great financiers. The standard of business ethics will, in the course of this investigation, undergo a searching re-examination. Even though this standard is, upon the whole, already a high one, it nevertheless is subject to the law of imperfection appertaining to all human institutions, and is therefore capable of improvement.

A phase of this conflict between those having great wealth and others not so fortunately circumstanced is seen in the perennial struggles between employers and employees. It is, fundamentally, a contest between industry on the one side and the capacity to control and direct industry and the various elements of production on the other; and the question at issue is whether the rewards accruing to this capacity are out of proportion to those accruing to labor. The question is by no means a new one, but it has assumed exceptional prominence in recent years owing to the enormous fortunes accumulated in a few hands in a comparatively short space of time.

The acute interest manifested in this problem is perhaps, to a considerable extent, the result of the rapid spread of education. As the masses of men become more highly developed intellectually they are less pliant, and are more apt than formerly to resent anything savoring of exploitation. Like the man in the circumlocution office, they want to know. This spirit of investigation is a marked characteristic of the religious opinion of the day—a domain of thought where men are most tenacious of their faith. "Show me" is the motto of the time.

Furthermore, the spread of education has been followed by a desire for a higher standard of life, and the means of fulfilling these freshly-awakened demands have not, in many cases, kept pace with the demands themselves.

These phases of the subject are widely different from that most urged by those who, from mere envy or prejudice about wealth, are seeking in some vague manner to equalize things which can never be equalized, and which ought not to be if it were possible.

That the problems presented by the concentration of financial resources and power are baleful in some of their aspects should not discourage their free and fair discussion. In a democracy there is no agency more potent than this for guiding public opinion aright.

It would seem to be a matter for congratulation, and not without a significance to be kept in mind, that the chief topic in the nation's forum to-day is wealth rather than poverty.

RESERVES for trust companies are again engaging attention. The opinion seems to be growing among the banks, and to a smaller extent among the trust companies, that the reserves now generally kept ought to be increased. So far as the depositors in the trust companies are concerned, there appears to be a lack of interest in the matter. But it is probable that as the commercial deposits in the trust companies continue to grow, there will be an increase in the pressure put upon the State legislatures to compel these institutions to keep larger reserves. If legislation of this kind goes no further than considerations of safety demand, it will benefit rather than harm the trust companies. They can ill afford to run any risks that might be incurred by carrying too small a margin of reserve.

In formulating a reserve law for trust companies the same rules as are applied to deposits in commercial banks may be applied to the commercial deposits in trust companies, but if a law should be passed requiring the same reserve on all the deposits in a trust company as are required for National or State banks, it would work substantial injustice. The reserve which is held against trust deposits or the deposits in a Savings bank are quite different from those held by State and National banks against their ordinary deposits subject to check. A bank holding a reserve of a certain amount can increase its liabilities in a four-fold ratio, and this increase may be not only in the form of deposits of money but of the proceeds of loans, which are also a source of profit. The deposits of a Savings bank or the trust funds of a trust company are not, as a rule, increased by the loans made, the latter being more in the form of investments, represented by payments of so much cash, or its equivalent, outright, not by mere book credits.

This distinction should be kept in mind in legislation prescribing reserves for trust companies. Besides, the purely trust deposits require a very small reserve.

Concealed in this minor problem of trust company reserves is the major one—the growing competition of these institutions with State and National banks. Of course, it is manifestly fair, as well as prudent, that the trust companies, to the extent that they engage in commercial banking, should be made to conform to the same reserve requirements as are imposed on National and State banks, and to be taxed at the same rate. But even when these ends are attained, it will be found that the two classes of institutions are far from being placed on an equality. The trust company form of charter permits a multiplicity of functions denied to National banks. True, the latter have a monopoly of issuing notes—a privilege that is practically worthless—and also (in reserve and central reserve cities) a monopoly of acting as reserve agents for other National banks outside these cities. This latter privilege is the subject of considerable animadversion, since it is claimed by many that it is one of the principal causes of the allowance of interest on deposits—a practice much condemned. In nearly every other respect, save these two, the trust company enjoys the advantage of being able to transact many kinds of business denied to National banks altogether and more or less to State banks also. Some of these additional functions involve risks that a commercial bank ought not to take, but most of them call for no risk whatever.

No other question is more important to the shareholders in banks—and few are more important to the business community—than this, How can capital be most safely and profitably employed in banking? Does the safe conduct of banking operations demand that they shall be confined to institutions permitted to do a commercial banking business purely, as in the case of the National banks? If the question related only to the propriety of keeping these two forms of banking separate, so far as the transactions are concerned, few would hesitate to give an affirmative answer. But experience has shown that the trust companies can do a purely banking business and perform many other functions to the advantage of the community and to the profit of their shareholders. It is sometimes urged that if one institution were permitted to do both a trust company and banking business the distinction would not be maintained between commercial banking and investment banking; but actual experience has not confirmed this view. On the other hand, even if operating under a State or National charter, the banker who is so disposed will readly find a means of transforming his liquid assets into fixed investments. This growing competition between banks and trust companies will result in one of two things: either that the operations of the trust companies will be gradually curtailed until these institutions do a trust company business strictly; or the operations of the banks will be extended until they include the exercise of substantially all the privileges now enjoyed by trust companies. The present dissimilarity of powers possessed by banks and trust companies is anomalous and can not exist much longer.

Some years ago The Bankers' Magazine suggested that it might be wise for the States to enact laws permitting State banks to transact a trust company business also, keeping this business separate from the commercial banking department. This suggestion was embodied, in principle, in the Texas State Banking Law which went into effect last year, and is also a part of a bill that has been drawn up for presentation to the Legislature of Ohio.

As pointed out elsewhere, the competition between the banks and trust companies has not materially lessened the profits of the banks, but this does not prove that if the banks had been able to do the business now done by the trust companies, the profits of the banks would not have been much greater than they now are.

Trust companies are growing at a rate that is not relished by the State and National banks, and the movement for legislation requiring reserves for trust companies is, in part due to this cause. But it will be found that this spirit of jealousy, once aroused, will not be easy to allay, and further restrictive legislation may be expected. It would be unfortunate if this should lead to any impairment of the usefulness of trust companies. Instead of curtailing the privileges of the latter, the same end may be reached in a much better way, by conferring trust company privileges on State banks as is done in Texas, and will probably be done in Ohio if the new banking bill becomes a law. Whether trust company privileges should also be conferred on National banks, is a matter that may be better determined when the experiment has been more widely applied to State banks.

Massachusetts, as well as most of the other New England States, confines banking to National banks and trust companies—the State banks of discount and deposit having been eliminated from the financial machinery.

A GOOD example of cleanliness respecting bank circulation is set by the Bank of England, which always pays out new notes. With nearly six thousand issuing banks in this country, and the Treasury emitting several different kinds of currency, the problem of keeping the currency clean is much more difficult here than in Great Britain, where the Bank of England has almost a monopoly of furnishing the paper circulation.

The condition of a great part of our paper currency is extremely bad; much of the paper in circulation is not only mutilated, but is so dirty as to be unfit for handling. A bill has been introduced in the House by Mr. Gaines, of Tennessee, proposing that when United States currency of this description comes into the Government depositaries it shall be returned to the Treasury, which shall replace the worn or soiled notes with fresh issues, the Treasurer paying, or causing to be paid, the charges for return shipment.

The object aimed at in this bill—to secure a clean paper currency—is certainly a laudable one, and it, or some measure having the same end in view, should receive the support of the banking fraternity. We do not know whether the reported infection from handling soiled paper currency is quite so menacing to public health as has been asserted, but we do know that it is good business policy for the banks, and mercantile establishments also, to pay out only clean notes. Many banks recognize this fact, and a large store in Boston has added greatly to its popularity by following this rule.

The Gaines bill seems to apply only to United States currency, and says nothing about National bank notes. Under a proper system of issuing bank notes, they would not form a permanent part of the circulation as they now do, but would be redeemed so frequently that it would be comparatively easy to keep the notes always fresh and crisp.

OUR banking reserves continue to be a source of much disquiet to European financial writers. In its issue of January 6, "The Statist," of London, says: "In our issue of October 14, we showed that the reserves which all the National banks of the United States were bound by law to keep amounted on August 25, in round figures, to 205½ millions sterling. This immense sum the law required the banks to keep locked up in their vaults, no matter how urgent might by the need of the trading public for banking accommodation, no matter even how great the danger of disaster might be.

It is quite true that the Comptroller of the Currency does not enforce the law very rigorously. It is also quite true that several banks, knowing this, habitually in times of stringency allow their reserves to fall below what the law permits. But a majority of banks honestly endeavor to obey the law, and thus an immense sum is abstracted from trade and locked up idle.

It is, of course, necessary that banks should keep reserves. But common-sense tells us that they should have a discretion in using their reserves, that a reserve which cannot be used is of no use either to the public or to the institution which holds it.

There can be no doubt, then, that the United States law on this point is injurious to the public interest. And yet, because the system was framed by Mr. Chase—and his reputation is deservedly high—Congress cannot be induced to modify the law in any way. Every autumn, in consequence, there is a liability to stringency in the great cities simply because there is an immense mass of money in the possession of the banks which cannot be used. Other causes, no doubt, contribute to the stringency—speculation, active trade, the growth of the country, and so on. But there can be no doubt at all that the main cause of the recent stringency was this law, which compels the banks to accumulate vast sums and forbids them to use them. Here again we have an illustration of the little wisdom with which the world is governed.''

Or an illustration of the little wisdom displayed by the writer of the above, which? It is extremely rare for any foreigner to try to criticise our banking and currency system without showing a lack of information; and this is not very surprising, considering the complexities of the subject.

In stating the figures above as representing the reserves on August 25 the writer loses sight of the fact that by the system of redepositing reserves no such sum as 205½ millions sterling was ''locked up'' on the date named. Several hundred million dollars were redeposited in other banks; that is, loaned out again.

''There can be no doubt, then,'' says ''The Statist,'' ''that the United States law on this point is injurious to the public interest.''

It might be stated, with at least equal reason, that the law compelling the banks to keep a specific amount of money on hand as reserves is beneficial to the public interest. That is probably the opinion of those who best understand banking conditions in this country.

''The Statist'' says that Congress cannot be induced to modify the law in any way, because the system was framed by Mr. Chase. That, surely is a novel explanation of the indisposition of Congress to amend the National Bank Act; but we very much doubt if Mr. Chase's financial ability is held in so much reverence at this time as to make that law sacrosanct. Indeed, many who admired Chase as a jurist and statesman were not willing to concede to him financial ability of a high order. Opinion as to his policy during the war has been much divided. Perhaps those who criticise that policy most harshly do not take into account all the difficulties of the time.

Not only does the above quotation misinterpret the provisions of the National Banking Act relating to reserves, but it fails to state the correct principles of a banking reserve. Money thus used is not abstracted from trade and locked up idle. On the contrary, it is placed exactly where it will perform the most efficient service for trade. If a bank must keep a twenty-five per cent. reserve (or fifteen per cent., as the case may be), the money so employed is not out of use. Interest rates are not usually higher when there is a large amount of money ''locked up'' in the banks, but rather when the bank reserves are low. The late money stringency in New York was not due to the fact that the banks had large sums of money ''idle'' in their vaults, but may be attributed to the fact that the banks had already parted with so much of their reserves at lower rates that they had no margin left for supplying the demand when it became active and at advanced rates. In other words, the law had little to do with the matter. Primarily, the whole question hinges on the management of the reserves, not on the Banking Law.

SEASONS of prosperity are never favorable to reforms of any kind. This is one reason why the cause of currency reform is dormant at the present time. There may be other reasons, but this seems to be the principal one. Critics of our currency and banking system usually conclude their arguments with the assertion that Congress will do nothing—quite a safe prediction, for Congress has adopted this motto: When you don't know what to do, don't do anything. And the average Congressman certainly knows very little about currency and banking. But even were his knowledge equal to that of the currency reformers themselves, he could not be much blamed for his indifference to questions in which his constituents manifest no concern. Indeed, when any bill comes up it will be found that bankers differ widely in their views as to the desirability of its enactment. This diversity of opinion arises from the differences in men, from the variety of banks doing business in the country, and from lack of information on the part of many who are consulted. A man may be the best banker in the world and know very little about the merits of asset currency, branch banking, etc. He takes the law as he finds it, and learning by experience that banking may be safely conducted as the law now exists, takes no trouble to study results that might be possible if the law were changed. Such changes might improve the business of his own bank, or they might have the contrary effect; that could be told only in time. Hence the indisposition to favor any radical alteration of the present system.

Legislation in a democracy moves largely in response to popular agitation. Not only must the judgment of the people be convinced that a measure is right, but their emotions must be aroused. The chances of railway rate legislation were greatly improved as soon as the feeling became general that the people were being oppressed by the discrimination in rates.

There would be more hope for an asset currency if it could be shown that the present policy of perpetuating the public debt for the purpose of furnishing the basis for bank circulation is an unnecessary and unjust tax upon the people.

Bank questions, as a rule, do not fire the popular imagination. When any matters of this character are brought before the people they are not generally disposed to vote in a manner to give comfort to the banks. Even Henry Clay could not make the voters enthusiastic over the Bank of the United States.

It is to be regretted that Congress will not pass a carefully devised banking law and currency measure, such as will commend itself to sound opinion. To wait for the stress of a panic before passing such a law is exceedingly unwise. A measure of this kind requires extended and careful deliberation and more sober consideration than it is likely to get in a time of financial stress.

BANKING profits seem to be well maintained despite the much-complained-of competition on the part of the trust companies. No doubt the latter institutions are prosperous, but so are the banks. As pointed out by Mr. Charles A. Conant in a recent address, the banks do not seem to have suffered any appreciable diminution of profits on account of the invasion of their field by the trust companies.

Some interesting statistics in this connection were given by Mr. L. A. Norton in the January issue of The Bankers' Magazine. Taking a number of banks and trust companies, which he considered as fairly representing the earning capacities of the two classes of institutions, he found that in a period approximately covering the year 1905 the banks earned 11.8 per cent. on their capital and surplus, while in the same time the trust companies earned about 9.9 per cent. If this comparative earning power would hold good generally, it may be easy to understand why the banks have not been in a hurry to change to the trust company form of organization. Had the latter form of organization been as profitable as the ordinary bank, there would be a great many more trust companies and fewer banks in existence at the present time.

Mr. Norton's studies of the subject have led him to conclude that the banks, in New York at least, are not suffering severely from the competition of the trust companies, and that neither class of business is yet overdone in this city.

Net earning of National banks have averaged 8.08 per cent. of capital and surplus in the past thirty-six years. From 11.8 per cent. in 1870 the earnings declined to 4.8 per cent. in 1879, the rate fluctuating thereafter between a maximum of 9.5 per cent. in 1882 to a minimum of five per cent. in 1895. There was not much change from this time on until 1900, when the rate went up to 8.2 per cent. Since 1901 the rate has been maintained at ten per cent. and over. except in the year 1905, when it went down to nine per cent.

The lean years given above can be accounted for by business conditions, and the increased earnings since 1900 may be ascribed to the changes in the National Bank Act, reducing the tax on circulation and allowing somewhat greater freedom in the issue of notes. The refunding operations have also made banking more profitable by reducing the cost of bonds used to secure circulation and United States deposits. Of course, the general prosperity of the country in the last few years has also been reflected in the earnings of the banks.

While the information regarding the earnings of State and other banks is very meagre, the Comptroller reports that 1,199 State banks, loan and trust companies and private banks reported that for 1905 the dividends paid amounted to $8,675,706, or 9.37 per cent. of capital. In 1905 the proportion of dividends to capital of the National banks was 9.2 per cent.

Although statistics for the State banks, trust companies and private banks are not complete enough for comparison, so far as the figures are obtainable they seem to indicate that there is but little difference in the earning capacity of the several classes of commercial banks, including the trust companies. Were it otherwise, this difference would soon be equalized by the migration of capital from one class of banking institution to another.

POSTAL Savings banks are provided for in a bill recently introduced in the House. This bill contains a new feature intended to disarm the opposition to Postal Savings banks on the part of the mutual Savings banks. It is provided that the law shall not go into effect until ratified by the Legislature of any State desiring to adopt it. While this feature might be supposed to remove antagonism to the measure, it will probably do so only to a limited extent. There are many institutions other than mutual Savings banks eager to care for the savings of the people. Life insurance companies, building and loan associations, many of the State banks, and even some trust companies and National banks, are all competing for the pennies, dimes and dollars being laid by for the rainy day. With all the institutions named in the field, it would seem that the average individual might find it comparatively easy to choose one to his liking. Indeed, he might even, instead of wanting for a safe and profitable place to store his accumulated wealth, find himself embarrassed and confused by the numerous opportunities held out to him.

The bill referred to provides that the deposits shall be invested in United States bonds, or in bonds guaranteed by the Government.

but in case there are not bonds enough of this character to absorb the deposits, then the latter may be invested in certain designated State bonds.

With United States two per cent. bonds selling considerably above par, they would hardly seem to be an attractive investment for savings deposits, particularly after the expense of managing the banks is deducted from what they would yield. That this is the view taken by the mutual Savings banks of the country is indicated by the gradual reduction made in their holdings of Government bonds within the last few years.

Primarily, however, the Postal Savings bank scheme seems to be designed for the benefit of people who are distrustful of all kinds of banks, and who desire absolute safety, caring little or nothing for the interest they would receive on their deposits.

While most of the Eastern States have excellent systems of Savings banks, and while a safe place of deposit may be found in nearly every community, it must be admitted that under the laws of some of the States banks are allowed to hold themselves out as Savings institutions without adequate safeguards. Not infrequently have poor people been defrauded of their heard-earned savings by some reckless speculating concern representing itself to be a Savings bank. This condition of affairs is being gradually remedied by more stringent legislation, although there is still room for considerable improvement. That the agitation for Postal Savings banks is due to unfortunate experiences with "Savings banks" of the character described can not be doubted. In fact, it will be found that in those States having a satisfactory system of carefully restricted Savings banks there is no demand that the Government should become the custodian of the people's savings.

It is very doubtful if a Postal Savings system would seriously affect the business of the existing mutual Savings banks, as it would offer no greater safety and a smaller return of interest on deposits. Since the bill in question gives the States the option of accepting or rejecting the measure, it is less harmful than other bills that have been proposed. No doubt most of the Eastern States would reject it, not only because they are satisfied with the safety of the existing systems, but because they wish the savings of their people to be invested chiefly in local securities rather than in Government bonds or in the bonds of other States.

Instead of a Postal Savings bank system, it would be preferable, for many reasons, to have the several States not now having satisfactory Savings bank laws to throw additional safeguards around their Savings banks until they are brought up to the high standard of safety and economy of management that characterizes the majority of the Savings banks in New York and the New England States. Even if the mutual Savings bank system is not practicable in all sections of the country, there is no adequate reason why every bank holding itself out as a Savings bank shall not be compelled to invest its savings deposits only in a way that precludes the possibility of speculative risk. If that condition is insisted on by the legislatures of the various States the demand for a Postal Savings bank system will lose most of its force.

EXAMINATIONS of banks under local authority is provided for in the plan adopted by the associated banks of Chicago. They have employed a bank examiner to look after the affairs of the banks belonging to the clearing-house, and who will report directly to the clearing-house committee.

Membership in a clearing-house association confers certain privileges, and in return therefor it would seem to be proper that banks joining such associations should be willing to sumbit to reasonable inspection. The chief object of clearing-house associations, however, has been, heretofore, to economize the use of time and money in making settlements between banks. Any departure from this object, particularly in the direction of the assumption of prerogatives of supervision and control, is apt to be viewed with more or less jealousy. It gives the governing powers of such associations an opportunity to take arbitrary and summary action against any bank whose methods of doing business are considered objectionable, or whose loans are not up to the required standard.

Though the power of examination of its members lodged with a clearing-house committee is subject to perversion, as most other powers are, it nevertheless affords a better means of enforcing sound banking than is afforded by either State or National examination. The knowledge of local conditions and of all the circumstances affecting a bank's solvency and management which a resident examiner can obtain is generally superior to that gained by an examiner who covers a considerable territory and whose work must of necessity be more or less superficial.

Perhaps the organization of clearing-houses could be so perfected that they would become more democratic than they now are. This would largely cure the complaints sometimes heard, that they are ruled by an inner circle of banks whose decrees, though not infrequently arbitrary and unjust, are harshly and summarily enforced.

With so many small banks representing such varying degrees of capacity in their management, whatever tends to increase the safety of the banks without unnecessarily interfering with their freedom should be carefully studied. Perhaps, in time, membership in a clearing-house association may come to be a guaranty of banking respectability and solvency. When the banks through their clearing-house associations have shown that they are capable of making and enforcing sound regulations among themselves respecting their lending operations, it will be a comparatively easy step to entrust them with the issue of a credit currency.

GOLD exports on a large scale are predicted in some quarters, estimates of the probable outflow going as high as $100,000,000. Opinions differ as to whether we could spare so much gold without creating serious financial disturbances. Of course, at present, it is merely a matter of conjecture whether anything like the sum named will be called for; and until that is known there is certainly no cause for apprehension.

The apparent balance of trade continues highly favorable, but it is said that the high prices ruling here for securities have caused European holders of American stocks and bonds to send them back to us for cash. If the extra bank-note circulation needed at the crop-moving period had been retired, the conditions would have been less favorable for the exportation of gold than they now are.

HAVING reached the legal maximum of its note issues the Bank of France has suspended the further issue of notes. The present maximum of notes which the Bank may issue is 5,000,000,000 francs, as fixed by the law of November 17, 1897.

As the limit has been extended on several occasions, there is no doubt that a similar course will be taken by the Government in the present instance.*

In his recent work on "The Principles of Money and Banking," Mr. Charles A. Conant, in speaking of the limitation of the Bank's note issues, says: "No important object is attained by fixing a limit so far beyond present demands for notes, while the notes are redeemable in coin on demand, but it may find justification in the fact that no other specific restrictions are imposed upon the amount and method of note issues by the Bank of France."

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* Since the above was written the legal limit of note issues by the Bank of France has been extended.

THE BRITISH AND AMERICAN TREASURY SYSTEMS.

By W. R. LAWSON.

THE two greatest financial institutions in the world are the Treasuries of Great Britain and the United States. They turn over the largest amount of money per annum. They perform the greatest variety of functions. They exercise the strongest and most direct influence on the well-being of the people. They possess the most complete and finely-adjusted organizations. They call for the most vigilant and intelligent supervision. They produce some of the highest types of public servants known to this generation.

HONESTY AND EFFICIENCY OF BOTH INSTITUTIONS.

The two Treasuries are, each in its own way, admirable executive machines. They have been built up by years of financial practice and experience. In origin and evolution they differ as widely as it is possible for human institutions to differ. One is as distinctively American as the other is distinctively British. But they have one strong point of resemblance, and that is the efficiency with which they do their work. However much their methods may vary, they reach a similar result—honest and faithful stewardship of public money. Judged by this test, both of them stand far above municipal or other local forms of government in their respective countries. The breath of scandal which is seldom absent from municipal finance has rarely approached them. It could never be said of either of them that it was flagrantly corrupt or wasteful or even careless. A blessing, this, for which both nations cannot be too thankful.

How awful would be the thought of boodling methods like those which were till lately rampant in nearly every city government in the Union having the run of the treasury for even a month or two! The damage they might do, both moral and financial, would be incalculable. In a lesser degree the thought of the British Exchequer being conducted for however short a time on the free and easy lines of the West Ham District Council is too dreadful to contemplate.

Neither the American people nor the British take a tithe of the interest they ought to do in their national finance. If they did they would appreciate better the great ability and scrupulous honesty with which it is conducted.

More than any other State department I have ever come in contact with, these two Treasuries realize one's ideal of public business. The nature of their work forbids scamping. In order to have any success at all in finance one must give it his heart and soul. A diplomatist may be a mere bundle of precepts and traditions, but a financier needs an alert brain. For the right kind of man the Treasury has proved the best training school, either in London or Washington. Its successful graduates are not only the most valuable public servants, but they can go out into other spheres of life and acquit themselves with distinction.

SHARP CONTRASTS NOTED.

Efficient as they are, each in its own way, and creditable to their creators, the two Treasuries present a series of remarkable contrasts. They have almost nothing in common except their success. Even that differs in kind. The United States Treasury is a magnificent expression of American national spirit, while the British Treasury symbolizes many centuries of British history. One is deeply rooted in the past, and its virtues have been of slow growth. The other lives in the present, and its evolution goes on day by day. With every new Secretary its methods undergo a certain amount of change, and though the changes may not always turn out well, as a rule they become permanent improvements.

It would not be difficult to draw up a long catalogue of contrasts between the British and American Treasuries. The one that would strike an American most is the secrecy maintained in Downing Street as compared with the publicity of the Washington system. The two buildings differ as light from darkness. The Treasury Building on Pennsylvania Avenue is one of the sights of the national capital. Its magnificent marble front, 450 feet long, challenges the admiration of every visitor. It would be physically impossible for an American citizen to visit Washington without seeing the Treasury. It looms up before him almost like the Capitol itself. He has to circle round it in his pilgrimage to the White House. In the view from Capitol Hill it stands out a central figure.

No such enviable prominence is enjoyed by the British Treasury. Far from being conspicuous, it is difficult to find in the crowd of commonplace buildings where the business of the British Empire is conducted. Some of these buildings are brand new, some are centuries old, and some are neither old nor new. Without regard to age or architecture, they are all huddled together on one short street not a third part of the length of Pennsylvania Avenue. Only two of them are known to the general public—the Admiralty and the Horse Guards—and they owe their popularity to external symbols merely. Not one Londoner in a thousand has ever been inside the door of either.

The British Treasury is a sort of inner sanctuary in a group of official temples. The best-known part of it is a dwelling-house, historic in its way, but only nominally connected with the work of the Treasury. It is the famous No. 10 Downing Street, the official residence of the First Lord of the Treasury, who is generally, but not necessarily, Prime Minister. For his convenience cabinet meetings are usually held at No. 10 Downing Street. The room in which they are held is a shrine for devout politicians, whose curiosity, however, seldom carries them farther. Few of them ever dream of trying to penetrate into the arcanum of the real Lord of the Treasury, whose official title is Chancellor of the Exchequer.

If the United States Treasury be set on a hill, the British Treasury is hidden away in a side court. The amount of publicity they invite may be measured by their respective situations. For two hours a day—from 11 to 12 in the morning and from 1 to 2 in the afternoon—the United States Treasury is thrown open to visitors. An intelligent guide conducts them through the principal departments—the Issue and Redemption Division, the Bond, Silver and Gold vaults, and the Cash-Room. These have no counterparts in Downing Street. Nor does the Mint or the Bank of England furnish exact parallels to them. It is, however, in the arrangement of its executive offices that the United States Treasury shows to best advantage. The building being open on all sides, every room is splendidly lighted and easily reached. The spectacle which the first floor corridor presents of a morning would absolutely amaze any Londoner accustomed to the devious and dingy passages that surround his own Government offices.

As for our British officials, a good many of them, I fear, would faint at sight of the defenceless condition in which the Secretary of the Treasury and his staff have to do their work. Every time I go along that great corridor it tickles me to think how uncomfortable a Chancellor of the Exchequer would feel if he had nothing between him and the outer world but the door of his own room! No big beadle in the hall below, no vigilant watchman at the head of the stair, no waiting-room where visitors can be sifted out, no chain of ante-rooms through which they can be cautiously handed on to the great man's sanctuary.

On the other hand, a British Chancellor of the Exchequer with some sense of humor might rather enjoy strolling into the marble palace on Pennsylvania Avenue like an ordinary citizen: climbing the first stair he came to unchallenged; joining the crowd of callers in the broad corridor and reading the names over the room doors—"Secretary of the Treasury," "Assistant Secretary of the Treasury," "Treasurer," "Comptroller of the Currency," "Director of the Mint," and so on. He would be interested and possibly surprised to observe every room invitingly open and visitors making themselves at home inside. If he wished to pay his respects to the Secretary himself, or any other dignitary in the building, all the ceremony required would be to give his name to the colored messenger sitting outside the door. He would be at once invited into the ante-room, where a courteous private secretary would ask him to be seated. As a distinguished visitor, he might be at once admitted, but in ordinary cases he would have to take his turn with half-a-dozen other callers, sometimes with a whole dozen.

All round the corridor, from the highest room to the lowest, "open door" is the rule, and liberal advantage is taken of it: much more, indeed, than the most democratic Chancellor of the Exchequer could venture to allow to his visitors. Nor would his scruples be entirely sentimental. There is a radical distinction between his office and that of Secretary of the Treasury which would render the open door impossible for him.

SECRETARY OF THE TREASURY NOT A FINANCE MINISTER

The Secretary of the Treasury is not a Finance Minister at all in the European sense. He has not supreme control either over the revenues or the expenditures of the country. He has no personal responsibility for them, unless in so far as they affect his own department. He has no more voice in the preparation of the estimates than other members of the cabinet.

Each department, the Treasury included, frames its own estimates and submits them to the House committee charged with their revision. These estimates are never brought together and a budget constructed from them according to English practice. If a budget were constructed it would have to be done by the House committee and not by the Secretary of the Treasury. The latter not being a member of Congress or having the right to appear before it, could neither submit his budget to the House nor defend it if he made one. His functions are purely departmental, and any financial influence he can exercise outside of his own department must be more or less academic. It is comparatively safe for him, therefore, to hold open door at the Treasury, whereas if he had equal responsibility with the Chancellor of the Exchequer he might have to be quite as shy of miscellaneous callers.

The conditions of parliamentary life in England, combined with the traditional etiquette of his office, almost compel a Chancellor of the Exchequer to surround himself with an atmosphere of mystery and reserve. At no season of the year does he ever quite escape from it, but it deepens day by day as budget night approaches. In the month of March it would be as much as his life was worth to keep open door at the Treasury. It is bad enough now to be bombarded by every mail with hundreds of letters from amateur budget-makers, but to have to give each of them even a five minutes' interview would be more than any seat in the cabinet was worth.

Under the British parliamentary system a certain amount of financial secrecy is thus unavoidable. It can not be denied that the British public are losers thereby as well as the Chancellor of the Exchequer himself. They are denied that keen personal interest in the Treasury which the American public enjoy. They rarely come face to face with the men who are directing the financial affairs of the nation. The press is a still greater loser than the public. It never gets into close touch with the Treasury and pays, in fact, very little attention to it. Criticism of its procedure is left to financial editors, who never dream of going near Downing Street.

London lacks entirely that interesting and influential class of journalists known as "Washington correspondents," who haunt the White House and the Government offices on terms of perfect freedom and equality. So much trust is placed in their ability and discretion that everything is confidentially discussed with them, from questions of state to social gossip. They are the future Congressmen, ministers and bankers of the Republic. Often they can be advisers as well as journalists. It is remarkable how large a percentage of them rise to positions of distinction and what a variety of talent develops among them. They are a recognized power in all the public departments at Washington, especially in the Treasury. Every cabinet minister would frankly acknowledge his obligations to them and be sorry to lose them. In Downing Street, however, they would be quite out of their element.

There the Finance Minister of the day has to be virtually supreme. He stands alone and apart from all popular influences. He has to bear the whole burden not only of the nation's finance but of its fiscal policy, for the two are closely interwoven. Tariff for revenue only, being the British motto, all tariff changes originate in the annual budget and have to be carried out in connection with it. The nature of the operation forbids any outside advice to be taken as to such changes. The only persons whom the Chancellor of the Exchequer may consult beforehand are the heads of his own staff—the Permanent Secretaries of the Treasury, the Chief Commissioner of Inland Revenue and the Chief Commissioner of Customs. These men are, as a rule, capable experts, and ocasionally a genius like Lord Milnor originates among them. On a budget night a whole row of them may be seen "under the gallery" ready to supply the Chancellor of the Exchequer with any special data he may need at a moment's notice.

This is the kernel of the British Treasury system—a Finance Minister surrounded by official experts. Between them they elaborate a combined financial and fiscal scheme which they present ready-made to the House of Commons. In nine cases out of ten the House of Commons adopts it without important modifications. It is one of the great party issues of the session and a Ministry would rather be beaten on any other question than on its budget. Of course, the budget will have had to be endorsed by the cabinet before being submitted to the House of Commons. Occasionally, but not often, the cabinet may be divided upon it, and then the consequences are likely to be serious.

The existing chaos in British politics has resulted from the budget crisis of 1903, in which Mr. Chamberlain, and the then Chancellor of the Exchequer, Mr. Ritchie, between them rent the cabinet asunder. When Mr. Chamberlain launched his new policy of preferential duties in favor of British colonial produce, the first opponent he encountered was the Chancellor of the Exchequer. Mr. Ritchie not only dissented from the new policy but he stole a march on its author by proposing in his next budget to repeal the existing duty of a shilling per quarter on grain. He and his friends in the cabinet evidently intended thereby to raise a clear free trade issue. And they succeeded. Though Mr. Ritchie had nothing like the political weight or prestige of Mr. Chamberlain, his official position at the Treasury gave him the whip hand for the time being. Conversely, if he had agreed with Mr. Chamberlain his official position would have made him an equally powerful ally. The two of them combined might have carried the cabinet with them and a united Conservative Party might have rushed the country into a British Empire tariff.

Thus, in comparing the chief of the British Treasury with the chief of the United States Treasury, we find as much difference between these officeholders as in the offices themselves. The Chancellorship of the Exchequer has been from time immemorial a high office of state. Its holder is always in the cabinet and frequently, as in Mr. Gladstone's time, he is head of the Government. He has concentrated in his hands the entire fiscal and financial administration of the country. Not only is he free from outside interference, but he cannot, except in special cases, seek outside advice. When he has large loan operations to carry through he may consult the directors of the Bank of England or some other authority on the money market, but when he thinks of meddling with the customs or excise duties he must not whisper it even to the wife of his bosom. The surprise must be sprung first on the House of Commons like a conjuring trick.

Perhaps there is a little too much conjuring in the London fashion, as well as a little too much lobbying at Washington. To revolutionize a tariff in five minutes may be going as far to one extreme as log-rolling it in a tariff committee for five or six months may go to the other. But the contrast between the two national methods is very interesting. In the United States finance committees are all-powerful. The personal and official equations are both smaller in Washington than they are in London. This is due to no mere accident on either side; it is a historical evolution that can be traced a long way back.

POWER OF COMMITTEES OF CONGRESS.

Committees of Congress have always played an important part in fiscal and financial affairs. The war of independence was to a large extent directed by committees and special commissions of various kinds. Every national emergency of later years, whether political or commercial, offered further scope for committees and tended to strengthen their position. So far has this tendency been carried that committees of Congress now undertake a considerable amount of work which in other countries, and in England especially, is left to the various executive departments. The most omnivorous of them seems to be the Committee on Appropriations. It is steadily encroaching on the most distinctive and important functions of a Finance Minister—the general control of public finance, the anticipatory adjustment of revenue and expenditure year by year, the revision of departmental estimates, and the framing of an annual budget.

A priori it is open to discussion how far such difficult duties can be adequately performed by any committee. In every other country than the United States it is assumed that they are the proper work of an individual minister and that not every minister has the necessary qualifications for them. An English writer may here be permitted to remark without any conscious bias, that one of the best features of the British Treasury is its concentration of financial control in the hands of one strong, responsible man. The arrangement is not perfect by any means. It has its dangers and drawbacks and occasionally it has led to national disaster. If George Grenville had not been so headstrong a Chancellor of the Exchequer and if the House of Commons had kept a firmer hand over him, there might have been no stamp duties imposed on the American Colonies.

Since then a good many more headstrong freaks have been indulged in by British Chancellors of the Exchequer, but they have provoked no call for a change in the "one man" system. Chancellors of the Exchequer are as powerful today as they ever were, and they do their work as well as they ever did. On the other hand, the financial prerogatives of the House of Commons weaken year by year owing to the futile fashion in which they are exercised. The "passing of the estimates," which in theory is the special duty of the House, has degenerated into a tiresome exhibition of party squabbles. The mere mechanical operation of skimming through them demands an ever-increasing amount of time, in order to secure which the Government has to make an absolute claim on so many days of the session, generally about twenty.

This arrangement, unsatisfactory as it is, still leaves the House of Commons a little ahead of the House of Representatives. The British estimates, if they are not properly revised in Parliament, are at least presented in proper shape for revision. At an early period of the session every minister submits the estimates of his department and has a night assigned to him for explaining them. From his speech the press and the public obtain a general idea of their effect. If they wish to pursue the inquiry they have the printed estimates to examine as minutely as they please. The laches of the House of Commons is not therefore fatal. It may be atoned for to a large extent by private criticism.

The saving feature of the British case is that the estimates themselves are framed, printed and issued to the public before the beginning of the financial year. Not only so, but they will have undergone the revision of Treasury experts, to say nothing of a few casual discussions in cabinet. They are not therefore run through blindfold. The mock revision of the House of Commons, supplemented by outside criticism of various kinds, renders them fairly well known to the taxpayers. The British taxpayer is, in fact, exceptionally favored in the way of fiscal and financial information. He could not wish to have the details of national revenue and expenditure put before him more promptly and explicitly than they are. Often he is better posted about his imperial taxes than about his local rates.

NO ACCURATE FORECAST OF AMERICAN RECEIPTS AND EXPENDITURES.

According to the best information I could obtain at Washington the House of Representatives is even more at sea in its financial business than the House of Commons. It has no Finance Minister, no budget-maker, no budget, no comprehensive forecast of the coming year's revenue and expenditure. It receives the estimates from the Committee on Appropriations in blocks, at odd times. It knows that however large they will not be final; that further installments will come later on, and that next session there is sure to be an aftermath of deficiency estimates, some of them almost as large as the originals. For example, the appropriations of 1899, amounting altogether to 673 million dollars, contained 347 million dollars of deficiencies from the preceding year. That was no doubt largely due to the clearing up of exceptional expenditure during the Spanish War. But in 1900 the deficiency appropriations were again 47 million dollars in a grand total of 462¼ millions. In the session of 1904-5 they exceeded 25 millions in a grand total of 467 millions.

Impersonal finance of this sort may have served well enough when the national expenditure was only a few hundred million dollars a year, but it must break down under the strain of billion dollar appropriations. That risk is evidently foreseen both in the Treasury and in the Committee of

Appropriations. Suggestions are being made of possible safeguards against it, but none of them go to the root of the difficulty—namely, how to find room in the existing financial organization for an authority strong enough to check the estimates of all the departments and to adjust the revenues of the coming year to actual requirements.

These are the two distinctive merits of the British Treasury and the distinctive weaknesses of the United States Treasury. Clear provision of public revenue and expenditure is a fundamental duty of every government to its taxpayers. It is so recognized wherever parliamentary rule exists—except in the United States. And the only explanation of its being ignored here is that the exuberant wealth of the country has given the Government an almost bottomless purse to dip into. But even billionaires may find it worth while to begin each year with a definite forecast of probable income and outgo.

PERSONNEL OF THE BRITISH AND AMERICAN TREASURIES.

There are endless points of comparison between the British and United States Treasuries, but one or two must suffice. Nobody who has come in contact with them both can have failed to be struck by the contrast in their personnel. The upper ranks of the British Treasury are invariably University men, dignified, cultured and clear-headed. They are past masters in all the official routine of their departments and experts in all the branches of finance they are accustomed to deal with, but they are seldom in close touch with the business world outside. The City is a long way from Downing Street and official etiquette forbids them to have anything to do with it until they have earned their old-age pensions and are free to decorate the board of a joint-stock bank or a railway company.

The Treasury at Washington is, as regards its staff, the antipodes of Downing Street. I doubt if it contains a single man above the "chloroform line." Secretary Shaw himself appears to be well under it. The Assistant Secretary, Mr. Keep, is not much more than half way up to it. The Comptroller of the Currency and the Director of the Mint would both be considered juniors in Downing Street. Not only are they young in years according to the British standard, but officially they would be regarded as juveniles. Few of them have seen more than three or four years' service. Assistant Secretary Keep has been only three years in his present position and he brought to it no special financial training, having been previously a lawyer in Buffalo. But he must have made good use of his time if one may judge by the thoroughness with which he does his work and the clearness with which he can explain its most intricate details.

Mr. Roberts, the Director of the Mint, is an equally notable example of rapid evolution. He brought a fresh and vigorous mind to bear on a rather stale subject, and he has put new life into it. Both Mr. Shaw and Mr. Ridgely were experienced bankers when they came to the Treasury, but their experience has no doubt been considerably enlarged at Washington. Intellectually they are still young and so are most of their assistants. Altogether, the United States Treasury staff are the sort of men Lord Beaconsfield would have liked to have around him. He might have claimed them as proofs of his theory that the future belongs to the young. His paradox was wasted, of course, on Downing Street, where the academic ancients still remain in control and are likely to remain for another generation or two.

The amount of work done in the two Treasuries will furnish another striking contrast. The British Treasury is, strictly speaking, not an operating department at all. It collects no revenue and pays no bills over the counter. It handles no money apart from its own petty cash. It does the thinking and the figuring, but most of the actual work is performed outside by proxy. The headquarters of the Inland Revenue Commissioners are at Somerset House, nearly a mile away. The Commissioners of Customs are down in the vicinity of the docks, three or four miles away. The Mint remains where it has been for centuries, close to the Tower of London.

In Washington the whole of these departments are in the Treasury building. The Secretary of the Treasury has all of them within call. He can be literally his own Cashier, receiving and paying out money over his own counter. In the "Cash-Room," which is one of the marvels of Washington, millions of dollars are turned over daily. There an American citizen can pay his taxes, cash a Government warrant or change a five-dollar note. The British Treasury by various ingenious arrangements with outside institutions saves itself all that trouble. All taxes are payable into the Bank of England, either directly by the taxpayer himself or indirectly by the official collectors. The Bank maintains at its head office a special department for receipts and payments on Government account. It is not only cashier but bookkeeper for the Treasury. The academic financiers in Downing Street are thus relieved of much tiresome drudgery.

In another respect the dignified British Treasury has a much easier time than its American counterpart. It is wholly free from the heaviest of the burdens which the latter has to bear—namely, the regulation of a large and complex currency. In the first place, the British currency is neither large nor complex; secondly, it is automatic and requires little or no official regulation; thirdly, what little regulation it needs is provided free of cost by that faithful and never-failing auxiliary of the Treasury, the Bank of England; lastly, there are neither National banks nor National bank issues to supervise in England. These exemptions involve a great saving of labor in Downing Street. They free it from an immense amount of detail work that falls on the United States Treasury, giving it more time to devote to its proper fiscal duties.

To sum up these many differences between the two Treasuries, the one confines itself to strictly fiscal functions and performs them very efficiently, while the other has had so much extra work heaped upon it that its own proper functions have at times to suffer. Within its narrow sphere the British Treasury is admirable, but it bears no comparison with the United States Treasury in the breadth and variety of its operations. As a practical school of finance the latter is unique.

London.

A USEFUL PROVERB.

THIS story about a prominent New York financier is told in the "New York Press:"

"The combination of pen, ink and paper has caused more trouble than all the spoken words of mankind since the beginning of the world. They tell it on Thomas Fortune Ryan: When he first began to exhibit his remarkable skill in monopoly the family preacher, meeting him on a visit to his Virginia home, said, 'Young man, I want to give you a bit of fatherly advice.' 'I know what it is, pastor,' returned the rising master of finance. 'The same old song you preached so often when I was a boy—'Do right and fear nothing.' 'No, no! Not at all, Thomas; I know more of the world than I did in those days. What I intended to say was—'Don't write, and fear nothing.' Ryan never forgot that injunction. They say he wears it in his hat, and lives up to it."

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

LOANS TO MANUFACTURERS AND IMPORTERS.

LOANS TO MANUFACTURERS OF TIMBER AND SAW MILLERS—LOANS TO FLOUR MILLERS—LOANS TO COTTON AND WOOLEN MANUFACTURERS AND WHOLESALE IMPORTERS.

ALTHOUGH the operation of cutting down the forests of Canada and turning the fallen trees into timber by hewing, or into lumber by sawing, is not generally called manufacturing, it will now be treated as such, inasmuch as both are carried on with plant, machinery, and tools—the last especially. The operations of the timber and lumber men of Canada have been very different from those of the settlers who cleared the forest for the purpose of creating farms. For in the latter case the trees were absolutely destroyed; in the former, they were preserved as the raw material of manufacturing operations. No lines of business have called for such heavy advances from banks, and none have given rise to such large amounts of inland and foreign bills of exchange as those now to be considered.

These two divisions of manufacture are so distinct from one another that they require separate treatment; the only point in which they coincide being that both require large tracts of timbered land, sometimes extending over thousands of square miles from which to draw the raw material for their operations.

The first in order that will be taken up is the manufacture of square timber. In this trade, as in some previously mentioned, there are found in co-operation two classes of men, the one consisting of small jobbers, and the other of large operators. The first generally confine their labors to a small piece of forest territory, employing a few hewers and choppers on their own account; having in view the delivery of the product to some great firm at a central point, and working in subordination to it. These jobbers are often half farmers and half woodsmen; farming in the summer, and working in the woods in the winter; good judges of trees by long experience, and generally men of intelligence and reliability, not having, as a rule, much capital of their own, but being generally safe borrowers. Advances to these men are of moderate amount; for no banker would listen to an application from a jobber for such an amount as would enable him to send the product to a distant market, and compete with the larger men of the trade.

Such jobbers carry on work during the winter; delivering their product and getting paid for it in the spring. Then they pay off advances.

Sometimes, however, the banking operation is different. The large operator may have a sufficient capital to supply these men with money as the work goes on, and also to supply them with the provisions needed in their camps in the woods. Or he may have credit enough with the bank to enable him to borrow money for the purpose.

In this case he will enable the jobber to obtain money from the bank by becoming guarantor for his advances. These advances are of course paid by the large operator when the lots of timber made by the jobber are delivered. But a large operator, in addition to the supplies of timber that these jobbers may procure for him, will generally employ numbers of men, scattered over a wide extent of territory, to chop, hew, and haul the trees on his own account. The operations by which these scattered lots of timber are floated down subsidiary streams into a main river like the Ottawa, and then down the St. Lawrence into the coves of Quebec, the great emporium of the trade, are well known in Canada. It must, however, be evident that a large amount of money requires to be disbursed before the timber can finally be placed on board ship, and foreign bills of exchange drawn against it. This money for the most part, from the very beginning, has been obtained by advances from banks.

An unusually large capital is required to carry on these operations, for the timber growing on these tracts of territory must be owned by the merchant before a tree can be cut down. The land on which the timber grows is rarely valuable for settlement. And the timber merchant does not care for the freehold of the land at all. What he wants is the trees that are growing upon it.

A system has therefore grown up by which the right of cutting trees over defined lines of territory is sold to operators under the name of limits. These "limits" are simply licenses to cut, renewable on payment of ground rent year by year. Yet so well established has the system of renewal become that they are highly valuable property, and constitute in many cases a large part of the capital of many wealthy firms.

Before applying to a banker for advances for a season's operations, it is usual for firms to own their limits absolutely, and to have paid for improvements on them, such as dams, slides, and water-ways.

The operations of a woodsman require to be carried on for nearly twelve months before the timber is ready for market. Advances to such firms are therefore necessarily as long, and once entered upon they cannot be stopped. To stop advances when the whole floating assets of a timber firm are in the shape of half-hewn trees lying scattered over hundreds of miles of territory, would be disastrous on both sides. Bankers, therefore, are in the habit of considering the situation well before consenting to allow such advances to begin. And this consideration embraces not only the points common to all lines of business, such as capital, experience, and reliability, together with the security offered, but whether the bank can afford to carry such large loans for so long a period at all.

But when a banker is satisfied that he can afford to make advances for so long a period, he will consider whether the amount desired is reasonable in proportion to his customer's capital, and the extent of the year's operations. Every timber maker lays out his plans a year beforehand, to get out, as it is called, a certain quantity. Upon this is based the number of men and horses sent into the woods, and the supplies of food and fodder provided. The number of sleighs, wagons, canoes and other requisites needs to be carefully calculated; in fact, the winter's operations of a timber-maker in the woods are of the nature of an expedition. For once dispersed amongst their camps in the forest, there they must remain until the spring.

The timber-maker will inform his banker what he intends to do; and the banker will doubtless have learned enough to estimate how much money will be required to carry him through. It may be taken for granted that the borrower understands the trade, for no man could carry it on for a month unless he did.

Character and reliability will be considered as usual. But in the matter of capital wide differences will be found. Some of the wealthiest firms that Canada has known have been able to carry on the operations of a whole season involving immense disbursements without borrowing at all.

But at the other end of the scale are men of capacity and character who have barely capital enough to own their limits. This, however, is a minimum requirement. To make advances to a timber-maker while someone else has a claim on his limits is a very rash proceeding, and has led, during bad seasons, to heavy bank losses. A banker, under all circumstances, will aim to be the first claimant; never the second.

Limits can be assigned to a bank as security, as they are not real estate. They generally are so assigned. And very good security they generally prove, if valued with reasonable care.

Risks to be Taken Into Account.

But in addition to limits, the pieces of timber themselves can be assigned, and special legislation has been devised for the purpose. They are always stamped with a registered mark, and occasionally a bank will have them marked on its own account. It is, however, almost unheard of that a bank should lose its hold upon the timber, or fail to receive the proceeds when sold. The risks lie in another direction, viz., that the pieces shall stick fast in subordinate streams, or be carried away by floods on the larger ones, both involving the danger that many of them will never be recovered, or that the expense of recovering them will destroy the chance of profit. There is also the risk of a fall in the British market during the long period of work in the woods and of driving to Quebec. A drop in the price has been known of so serious a character as not only to destroy the chance of profit, but the possibility of realizing anything near even the cost of the article. Hence it is that bankers require to be satisfied beforehand of the ability of their customer to bear such reverses.

In this branch of trade there is usually a distinct line of demarcation between the producer and the exporting merchant. The producer rarely exports his product; in fact, when he does so, the result is not always satisfactory. And the banker has something to say to this also; he has carried the risks of the producer's operations for twelve months, and it is time that they should end. For undoubtedly a new line of risks begins when timber is shipped across the ocean. To whatever market destined, whether to Great Britain, or to the Continent of Europe, or any other market, the trade assumes an entirely new aspect when once the timber is placed on board ship for transport across the sea. Before that is done, the man who has produced it and carried it through all risks of navigation to a seaport has a right to be paid for it, and thus have the means of recouping his banker.

With respect to bills arising out of the export of timber a practice has grown up which is peculiar to this trade. Every timber house in Canada has usually some corresponding house in Great Britain on whom it draws. Sometimes these houses are merchants of large capital in the seaports of Great Britain. Sometimes they are branches of the Canadian house, sometimes they are London bankers. To these correspondents the bills of lading are remitted; but the bills of exchange are drawn without reference to them. When such bills were accepted by a different corresponding house, they could stand on the merits of both drawer and drawee. But when the corresponding house was a branch of the other, the bills stood upon the merit of the drawer alone. In this case, it was for the banker to have thorough and up-to-date information of what the two branches of the house were doing. Casualties in this line of business, however, have not been frequent. Only seldom in a quarter of a century has there occurred a failure on this side the Atlantic, and rarely indeed on the other, unless the English merchant had engaged in speculations foreign to his business.

SAW MILLING.

Though the operations of the timber merchant and saw miller both commence by hewing down the trees of the forest, there is a marked difference in subsequent developments. The squaring of trees in the woods is a simple process, after which they only require transportation to market. But lumber and deals, in addition, need for their production an elaborate manufacturing process, carried on in expensive mills, filled with costly plant and machinery.

But larger and finer trees are required for timber than for the others. There is a difference also in several respects between the manufacture of deals and lumber, the principal being that they are intended for different markets.

Deals are wholly exported to Europe, while lumber is manufactured for the Canadian and United States market. Deals are much finer and more costly articles than lumber, requiring finer logs for the raw material and a more valuable kind of trees. Deals, moreover, are cut in pieces of three inches in thickness, while the standard thickness of lumber is one inch. Thus it comes about that on a given range of forest territory, the selection is made of the finest trees for timber, of trees of the second quality for deals, and of the third for sawed lumber.

But of all these three there are many varieties, involving great differences in value. Only a practised expert can judge rightly of such differences, and it is largely in the knowledge of what will be the best use to make of certain trees, so as to get the best possible value out of them, that a successful carrying on of the business of a lumberman depends.

With regard to the mill itself, where the operation of manufacturing is carried on, great and irretrievable mistakes have at times been made, occasioning ruin to the operator and loss to his banker.

A mill may be built in the wrong place, as respects water power, convenience of receiving logs, or shipping lumber, or it may be built in too expensive a fashion for the work it has to do, or it may be fitted up with inferior plant and machinery. Hence the importance of a saw miller having a practical knowledge of machinery and also the faculty of using it profitably, as has already been shown. From all these considerations it will be evident that more capital is required in the saw milling business than in that of the making of timber; practically just so much more as is required to build and equip the mill and the adjoining storage grounds. In nearly all other respects the conditions are the same.

MILLS SHOULD NOT BE ENCUMBERED.

Now, when a banker comes to deal with the account of a saw miller it is obvious that the first condition is that the fixed property shall have been paid for, both the mill, and the timber limits. But if an exception may be made in either case, it should certainly not be in favor of the mill. A lumberer whose saw mill is not free from incumbrance is not in a position to ask advances from a bank. Limits are, as a rule, much more salable than saw mills; and, moreover, a bank can take security on them at any time.

But now, supposing this preliminary to be as it should be, the saw miller desiring advances will state the quantity of lumber he is proposing to manufacture for the season. If the trade is brisk, demand strong, and profit good, he may determine to run his mill to its utmost capacity, and work it night and day. If the trade is dull and demand slack, he will no doubt be wise enough to run his machinery moderately. The banker (or his board of directors) will doubtless know sufficient of the conditions of the trade to judge which of the two courses is more prudent, and regulate advances accordingly.

The security taken will probably be the same as in the timber trade; namely, a transfer of the limits and a pledge of the logs and their product.

In this trade, unlike that in timber, the banker requires to look narrowly after insurance. In the square timber trade no insurance is ever required, for the article is never out of the water. But saw mills and lumber are terribly inflammable articles, and in a large concern insurance to the amount of hundreds of thousands may be necessary to safety.

All advances to lumberers and timber-makers should be made gradually, as the season advances, and as more and more money requires to be spent on the article to bring it to a salable condition. If they are asked for otherwise, there is reasonable suspicion that they may be used to pay antecedent debts.

When the lumberman's stock is in a finished condition, a distinction arises between its two varieties, viz., lumber and deals. The saw miller sells his deals for export to Europe. They go, therefore, to an Atlantic seaport, and, as a rule, they are purchased by a merchant of the port. It has been customary for such merchants to give their acceptance in payment to the manufacturer; but, considering the very large sums such acceptances amount to, it has been common for a lien on the property to be held by the seller or his banker until the acceptances were paid.

The manufacturer of sawed lumber, as distinguished from deals, has always found his principal market in the United States. It is here perhaps more than in any other product that the interdependence of the two countries has been manifest. Canada in proportion to her population has always had far more forest area than the adjacent States; hence it came about naturally that the lumber merchants of the latter, from an early period, looked to Canada as a market of supply. In many cases they formed permanent connections with the saw millers of the North, making arrangements, not seldom, to buy the whole product of certain mills at a schedule of prices agreed upon. Bankers therefore who kept the accounts of saw millers, would have the acceptances of such houses offered for discount and naturally became interested in their means and standing. For the discount had to rest on the credit of the parties to the paper, inasmuch as it was impossible for a Canadian banker to maintain a lien upon an article like lumber after it had passed beyond the borders of his own country.

The lumber trade of the Northern States, with a few striking exceptions (one of them hereafter noticed), has for a long period been in the hands of firms of tried character and sufficient means, not to speak of others of large wealth. This class of discounts has been subject to few casualties and has always been looked on with favor. One reason for this is that there is no speculative element in the trade, though it is subject to cycles of good and bad years, generally about five. The changes, however, either in the way of improvement or deterioration proceed slowly, and there is ample time for operators to prepare for changes, either by curtailment of business or enlargement, as circumstances call for it.

The bad years in the trade are generally extremely trying, involving not only the doing of business without profit, but the carrying it on at a loss for years together.

Yet the business has wonderful recuperative powers. At the end of a cycle of bad years it sometimes appears to be so prostrate as to be incapable of revival. Not only the lumber itself, but all that goes to produce it, seems to have lost its value. Mills and limits, but especially the latter, become such a drug in the market as to become practically worthless. Such times as these try the faith and courage of a banker sorely. But if he is unwise enough to bring a customer's account to a close at such a time, and sell his property at a price which results in a heavy bad debt, he is not unlikely to hear later on that the same property had been resold at a price which would have enabled his customer to pay his debts in full with the addition of several years of interest.

Few bankers in Canada but have known cases of this kind, and some have seen such extraordinary cases as the realizing, after a lapse of years, for one-tenth part of a certain area of timbered lands a greater price than the whole was once sacrificed for in a time of depression.

There is one feature of this trade in which it differs from almost every other in Canada, viz., that many Americans have crossed the border at various times and established mills on their own account. Not a few of such have become permanent citizens of the country, transferring to it not only capital, but themselves and all their interests. Some of the largest of the timber firms now in Canada are of this description; having acquired limits, built mills, and amassed wealth; becoming, it scarce needs be said, most valuable citizens and satisfactory customers to the banks. Natural it was for houses of this description to keep up close connections with lumber merchants in American cities; using them as agents or consignees. Such American houses would not seldom accept for the Canadian house in advance of shipment. In that case the banker would be advised of the fact, and use his judgment as to discounting the bills. If he did, he would take care that his own advances should be paid off before they matured, or that the proceeds of the bills should be used to take them up.

The position which has resulted during recent years in the lumber trade from the strife of parties in politics in the United States and in Canada, has had the result of inducing not a few firms in the lumber regions of the States to acquire properties in Canada, and carry on their operations here. As the forests of the Northern States become more and more depleted, this step is likely to become more frequent. All that has been observed with regard to the migration in the earlier years in the trade applies in the fullest measure to this.

The only other variety of banking transactions connected with this trade is in the case of American houses of such wealth and capital that they can carry on the large operations connected with a Canadian branch of their business, without requiring bank advances at all.

In this case all that a Canadian banker will be required to do is to give cash to authorized short date drafts upon the parent firm. But here an observation requires to be made. In cases of this kind it has sometimes occurred that a change of policy, or a change of times, brought about a different style of dealing with Canadian banks, and that the cashing of sight drafts drifted into the making of permanent advances. An occurrence like this is fully opened up later on.

On the whole the accounts of persons in this trade, while in many respects the most advantageous that a banker can carry on, are, at the same time, such as to require more technical knowledge and more good judgment, more foresight, and in difficult times, more courage and patience, than any other class of business that may be submitted to him.

ADVANCES TO FLOUR MILLERS.

This branch of manufacture differs from almost every other in the fact that the raw material is of a highly speculative character.

The Produce Exchanges of Chicago, New York, and Montreal, on this side of the Atlantic; and of London, Liverpool, and Glasgow on the other (not to speak of Continental cities), are all the scene of transactions in grain to enormous amounts by persons who never either see, or handle the commodity, whose operations have a constant bearing upon prices.

This has already been fully considered under the heading of "Advances to men in the grain trade." What we are now concerned with are the operations of the men who turn the grain into flour, oatmeal, or other manufactured products.

Of these there were formerly a large number scattered over the grain-producing countries of both Canada and the United States, utilizing the numerous water powers to be found therein. Their little establishments in some cases would grow with the growth of the town or district, until they became of sufficient importance, not only to supply the country around them, but some distributing centre, whence it might be shipped across the Atlantic. In the early days of this trade the miller almost invariably sent his product for sale on consignment; drawing against it for a portion of its value, with the usual result, at length, of embarrassment on both sides. As matters progressed, consignments gradually gave place to purchase and sale; and this was carried out, not only with shipments to centres in Canada, but also to exports across the ocean. As time progressed and population increased, the mills situated along the line of water powers were enlarged in capacity, and steam called into aid, until in some centres, large establishments were to be found, whose brand became well known, not only in every part of this country, but also in the centres of population in Europe.

In dealing with the men carrying on this business the banker will require the same fundamental conditions as to full ownership of property, capacity, experience, and prudence which have been referred to already. But as every trade has its special requirements and dangers, the banker, in making advances to a flour miller, will take care to limit them to such an amount that his funds cannot be used for speculative holdings.

If the miller carries on his trade steadily, and sells as fast as he produces, advances will never need to be more, as a rule, than will buy about a month's supply of grain.

There is no branch of manufacture which is so simple in character, which takes so little time, and which adds so little to the cost of the article as milling. A flour miller is not like a lumberman whose article takes twelve months to produce, nor a tanner or pork packer whose process requires weeks or months to complete, nor a cheese-maker whose product, when made, requires time to ripen. The product of a flour miller can always be sold. The world needs and buys it every day, so that the process of manufacturing could go on, if circumstances required it, without any accumulation of stock whatever.

Some time, however, may reasonably be allowed for contingencies, both for obtaining a supply of grain, and of manufacturing, barrelling, sacking, and transporting to market.

If the advances exceed the amount required to purchase a month's supply of raw material, the banker will need to be satisfied that the condition of the market, the difficulty of transport, the blocking of supplies, or other causes, may account for the excess.

In a miller's account, as well as a grain merchant's, any indication of speculating on margin will need to be carefully watched and checked at the very outset.

The banker will also be careful that his advances are not expended in additions and improvements to the mill; or in the purchase of an additional one, should some tempting offer be made. A man who desires to stand well with his banker will never be tempted to such a misuse of funds advanced to him.

This trade, unlike that of timber and lumber, does not move in cycles of alternate prosperity and depression. It has its changes, nevertheless, but they are of a more transient character. The market is ebbing and flowing continually; and there is a necessity for the miller, like the grain dealer, to keep a daily and hourly watch upon it.

It scarcely needs to be added that every miller will act wisely in endeavoring to make specialties, which will practically sell themselves at better prices than an article which has no name, however it may be pushed. To do this, he will, of course, be rigidly careful in selecting his grain, have his machinery up-to-date, and work his process at every step to the desired end. And men of small capital in this business, perhaps more than any other, need to beware of launching into operations larger than their capacity or capital justify. It is so easy to do it; easier in this trade than any other that can be named. But in no trade is there more reason for the observance of the old adage,

"Vessels large may venture more,
But little boats should keep near shore."

The principles laid down so far will equally apply to such manufacturers as tanners, distillers, sugar refiners, and others of a like character, where larger capital in buildings and plant are necessary, but where there is not a large proportionate employment of labor.

In all these there is required to ensure success a well chosen site, modern buildings and plant, adequate capital, thorough knowledge of markets, and if possible a special article with a well-known name and mark. And the banker who is applied to for advances (or for foreign credits under which he may be requested to surrender documents) will look carefully into all these points, so as to judge whether advances asked are of reasonable amount, and also whether, from the "working of the account," if he has had it before, the business appears to have been carried on prosperously or not. This will stand him in special stead in times of depression, when it seems impossible to make profits in any line of business, and when that most difficult alternative is presented, between making further advances and keeping a concern alive, or stopping advances altogether, with a certainty of bringing it to an end. In the former case, there is risk of increasing what may be a possible loss, tempered with an expectation of assisting a worthy customer over a difficult time, and avoiding a loss altogether. In the latter case there will be an absolute certainty of loss, with the wearing vexation of handling an insolvent estate, realizing stocks of merchandise (perhaps shipping them to distant markets, and waiting anxiously for returns), selling, or attempting to sell, mills, factories, lands, or ships; processes which every banker of experience has learned to dread as not only vexing to the last degree, but as almost invariably disappointing.

In such circumstances nothing enables a banker to come to a sound decision better than a knowledge, not only of the customer himself (which is the first element), but a general knowledge of the business he is carrying on.

COTTON AND WOOLLEN MILLS, ETC.

There are, however, maufacturers of an entirely different description to the foregoing. In fact, these are seldom spoken of as manufacturers at all.

But we now have in Canada large developments of manufacturing interests, such as were formerly confined to England and the older countries of Europe, and which crossed the Atlantic, and became established in New England and other parts of the United States at an earlier period than in Canada. These last have been largely, but not wholly, the growth of a protective policy.

It is not the intention of this work to discuss the debated question of Free Trade vs. Protection. The fact is simply noted that there are now established in Canada, as developed by what is known as the "National Policy," cotton factories, woolen mills, iron-works, and many other manufacturing industries, with respect to all which one particular point of difference from the former ones is noticeable, viz., the large amount of mechanical labor that is required to carry them on. To produce the same annual output of goods in a cotton factory that would be turned out of a flour mill, for example, ten or even twenty times the number of artisans would be required. And the outlay for wages would be large, in a corresponding degree. Some of this class of manufactures are more indigenous to the soil than others; for example, woolen mills more than cotton mills; inasmuch as part of the raw material of a woolen mill is a product of the country. Woolen mills were therefore known in Canada long before cotton mills were heard of. Such mills, however, were of a very simple type, and corresponded largely to the grist mills of primitive days. These woolen mills, however, have now developed, in many cases, into large establishments in which goods are produced of a quality rivaling those of the old world. The same process of development has been seen in manufactures of iron, steel and agricultural implements. The blacksmith shops have grown with the growth of the locality. A primitive village has become a busy town or city, and the blacksmith of former days has expanded into a manufacturer of all kinds of goods in iron and steel, including machines for producing other things. Similarly the wagon maker and mechanic of a former generation is now the head of a vast establishment employing thousands of hands, and manufacturing agricultural machines, not only for the Canadian farmer, but for export to distant Colonies of the Empire and other countries. The little cabinet maker's shop has grown into a vast furniture factory able to produce goods that can be exported to advantage to the mother country.

This process of development is constantly widening, and embracing other articles, other lines, and still wider areas of production.

All this must come under the cognizance of the banker; and the enterprising men who have developed these enterprises will certainly seek to be his customers, and need his facilities, not only to give cash for the bills of their customers, but in the way of direct loans.

With respect to these lines of manufacture, as has been observed respecting others, the first and fundamental requirement of a sound business concern is, that if the customer owns the property it shall not be encumbered; and second, that whatever advances are obtained shall be represented by merchandise which has been paid for, or collectible debts.

In entering on the business of dealing with manufacturers, the banker will soon ascertain that there are great differences between the skill and capacity of one manufacturer and another. Even when business is generally prosperous, one man may succeeded and another fail. Of several men who are carrying on cotton mills, one may have a sounder judgment of raw cotton than another, as well as of the best time and place for purchasing the quantity needed from time to time, and of the best mode of utilizing machinery. A whole season's productions may be damaged by errors in this respect. Men in the charge of woolen mills may also produce goods of a pattern that will not sell, or they may acquire a name for a badly made goods owing to poor machinery.

An agricultural implement maker may experiment upon new styles of machines; which styles may be unsuccessful, and have, practically, to be given away. It is not, therefore, enough that a banker's advances should rest on merchandise as a matter of theory; for if they are employed to purchase poor raw material, or to produce merchandise that nobody wants, his reliance on merchandise may prove a delusion. Such things seldom happen to an extent which makes banking advances absolutely unsafe. But they have transpired in the experience of bankers, both here and abroad, and they manifest themselves in the inability of the borrower to repay, or reduce advances as agreed upon. And they often result in the banker having to take security upon property for the unpaid portion of the debt.

And here it is that one of the dangers of incautious banking arises. If a borrower has been able to obtain advances from a bank, while his property is mortgaged, the banker will have no recourse but to take a second mortgage as security. Now, second mortgages, of all forms of security, are the most undesirable and delusive; for in a majority of cases the banker will find that his customer has already obtained on the property such an amount as makes it impossible for anything additional to be got out of it.

But the greatest danger in carrying a manufacturer's account is that the funds loaned for the purpose of producing merchandise may be diverted in the direction of fixed property. A maufacturing establishment is subject to constant requirements for repairs, improvements, or additions, either to the building, the machinery or the power. Circumstances often transpire that seem to call for unusual outlay; some accident to machinery; some bursting of a dam; some fire not wholly covered by insurance; all of which call for expenditure that cannot be met out of profits. Or the manufacturer may be of a quick, inventive capacity; fond of trying experiments; calling for new machines or additions to buildings.

In all these cases such expenditures should be met out of a reserve fund invested in a realizable form, or out of additional capital, or an issue of bonds. But in some cases they become a drain upon banking advances, and cause such advances to assume the shape of a "lock up." In this manner many of the losses in the manufacturing districts both of England and Canada occurred. Indeed, to such an extent has this been the case at times, that a manufacturing concern has drifted from bad to worse, until bank advances were represented by nothing but buildings and machinery, which when realized left a debt behind, on which the banker might receive a dividend of five cents on the dollar. These are not fancies, but facts.*

Loans To Wholesale Merchants.

There is this fundamental difference between the wholesale merchant and the manufacturer; that the merchant, if his credit is good enough, can put the whole of his stock upon his shelves without the expenditure of a single dollar except for freight and duties. Good credit will enable him to obtain all he wants from manufacturers on this side of the Atlantic, or from wholesale houses in England. But a manufacturer can do nothing of the kind. From the time that he begins operations he has to provide for a cash expenditure which never ceases until goods are ready for sale. In nearly every branch of manufacture he must pay cash for his raw material and his fuel. And the moment he begins the manufacturing process, his pay-roll of wages confronts him week by week, and must be met. There can be no possibility of asking credit here; not for a single week could wages be left

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* In one of the largest manufacturing districts of England a bank has long carried on business which had almost the whole of its resources employed in manufacturing accounts. Two principles have been rigidly observed in the management of this bank from the beginning, viz., that advances shall never exceed more than one-tenth of the annual output of the concern; and that all such advances shall be paid off once a year. (This, of course, does not refer to the discount of trade bills.) This bank has had a career of singular prosperity amongst all the fluctuations of the trade of the district, and its losses have been a mere fraction of such as have been suffered by even well managed Canadian banks.

It would be difficult to apply both of these rules to such lines of manufacture as saw milling and tanning, owing to the great length of the manufacturing process. But the last of them is an absolutely necessary requirement in every case. And the first, which implies that there should be a certain proportion between the amount of advances and the annual output, is important as indicating what is desirable in all manufacturing advances, the proportion varying, of course, with the condition of the business.

unpaid. In the case of the special lines of manufacture lately under review, where wages are a most important item of cost, the necessity of meeting the large sums required is the most harassing of all financial pressures. It presses indeed more heavily than the necessity of meeting acceptances and promissory notes, for the payees of these can be approached for renewal at a pinch, while a request to a body of workmen to defer payment of wages is utterly impossible. And as payment is imperative, the manufacturer will naturally, in such circumstances, have recourse to his banker.

Hence, it is more difficult to finance for a manufacturing establishment than for the business of a wholesale merchant. The latter, having the power to buy goods at all times on credit, has no reasonable ground for asking regular advances from his banker. His dealings should be confined, as a rule, to the discount of bills given by his customers.

The only payments a wholesale merchant has to make, which are absolutely imperative, are the customs duties and freight on imported goods. It is just as impossible to ask credit here as it would be for the payment of wages. But no wholesale merchant could reasonably think of commencing business without capital, and the very lowest minimum necessary would be an amount sufficient to pay the duties on the stock requisite to commence business, and thereafter on his average stock.

Once he has his goods in warehouse, he can begin to sell, and with such facilities as bankers are now ready to offer for the cashing of customers' bills, a merchant may, from a financial point of view, be said to be able to sell for cash. Thus, by the time the payments for his stock become due, the proceeds of his sales ought to be sufficient to meet them.

This elementary financial theory of a wholesale business becomes modified by circumstances as time progresses, and no prudent man would be satisfied with being so wholly dependent on his credit with other houses as to have nothing left over after payment of duties.

He will, of course, aim at having far more capital than that. But even on such a modicum of capital as is indicated, it is clear that no necessity should arise for loans from a banker. From all which the rule may be deduced that loans to a wholesale merchant (as distinguished from the discount of trade bills) should be considered as irregular in the nature of things, and only to be granted in exceptional circumstances.

When therefore a banker is applied to by a wholesale merchant for a loan in addition to a discount of customer's bills, he is put upon an inquiry as to why such a loan is required. The reason commonly given is that goods are arriving in quantity in the Custom House and that the duties must be paid. But this, in itself, is not a good reason. For, as has been observed, the capital of such a house should be sufficient to provide for this requirement. The payment of customs dues can never take a merchant unawares. The necessity for it must have been seen long beforehand, and ample opportunity given for making provision. An application for a loan may therefore indicate that purchases have been too heavy; or that sales are not being vigorously pushed, or that an unsuitable stock has been laid in, or that the customers of the house cannot be depended on for payments. Any of these will cause the finances of a wholesale house to drag heavily, and they are all of such a character as to make a banker pause. The head of a house may naturally be unwilling to acknowledge that any of these suppositions are correct, and some are very unwilling to talk to a banker on the subject. Yet the application for a loan gives him the right to make inquiry; for experience shows that such things, if allowed to go on uncorrected, may be the beginning of a course which will end in insolvency.

There is this further reason for a banker's caution in this matter, that a dealer in imported or manufactured goods cannot give a banker security upon them. A miller, a tanner, a pork packer, can pledge his product as security for advances under the warehousing clauses of the Banking Act. But a wholesale merchant cannot do this under the act. And there is reason for this distinction in the nature of things; for a wholesale merchant's stock has almost invariably been bought on credit. The goods on his shelves are probably not yet paid for. It would therefore be contrary to every principle of equity to allow a merchant to pledge his goods for advances while the claims of the creditors were unsatisfied. This being the case, it has become a practice for such loans to be applied for without security, and not infrequently for them to be granted in that shape. This certainly is a deviation from sound banking practice. But the whole system of loans to wholesale merchants is exceptional, and requires exceptional treatment at the hands of a banker.

The character of that treatment may be indicated as follows:

No regular line of credit should be arranged for in respect of loans; that is, no amount which a customer can always have at his command. Second, advances should be temporary; each being applied for on its own merits, with the explanation of circumstances. Third, they should only be allowed at certain seasons, and never last more than two or three months at the most. Fourth, renewals should not be granted. Indications of continuance should be carefully watched and promptly dealt with. If advances become chronic, security should be insisted upon. Fifth, it is always desirable, too, that when such advances are granted to a firm, the endorsement or guarantee of each individual in it should be obtained; for individual partners may have separate estates which the endorsement would bind. If the business is carried on by a joint stock company, the guarantee of some of the principal stockholders would be desirable.

By the observance of such rules as these, and with constant exercise of vigilance, loans of this character may be granted without unreasonable risk.†

G. H.,

Former General Manager Canadian Bank of Commerce.

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†In the early days of joint stock banking in England and Scotland, when the business was not so well understood as at present, numbers of accounts in the manufacturing districts of England had drifted into the condition of being largely represented by fixed property. Half the cotton mills of Lancashire, the woollen mills of Yorkshire, and the iron foundries of the "black district" were mortgaged to the banks of that period, some of which were ruined by the heavy losses that ensued. These severe lessons have had their fruit in the improved style in which bank advances are made in these times to the mutual advantage of both the banks and their customers. The same condition of things prevailed in certain quarters at one time in Canada and with the same result of either embarrassment or absolute ruin.

In a certain district of Canada where flour milling was a leading industry, it was well known at one time that nearly every mill it contained had fallen into the hands of the leading bank of the district by foreclosure of mortgage. This was the result of the style of business adopted by one who was known as a most enterprising and pushing manager, whose lavish dealing with the funds entrusted to him by his head office had not only ruined the customers who dealt with him but brought about heavy losses to the bank.

The disposal of these properties and the operations connected therewith, formed a principal part of the occupation of the officer who succeeded the enterprising manager. If the bank referred to had been an independent one, like the banks in small towns in the United States, it would have been ruined beyond redemption; but, fortunately it was only a branch of a larger institution which could afford to lose large sums with no more consequences than temporary embarrassment.

FOREIGN EXCHANGE.

III.

AGREEMENTS AS TO RATES.

INDIVIDUAL competition in foreign banking, as defined and discussed in the foregoing article, and which has for its last word the cut rate, must be understood to apply only to the foreign banker's counter business; that is, the buying of commercial bills of whatever nature, or the selling of his own bill in odd amounts direct to his customers, as the business of such customers may require. Obviously, it does not pertain to the buying or selling of bankers' clean bills, as in such cases the banker, if his operation requires it, must sell at such price as his bill will command in the open market, or buy at such price as he may be forced to pay. In this open market for bankers' clean bills, therefore, the law of supply and demand must always have free latitude to work its will. And in a modified sense this law may be wisely applied to counter business as well, but not to the present extent, surely, of maximizing liabilities while minimizing profits. It is both reasonable and proper to question the applicability of that principle whose operation continually demoralizes a great and vital business, lessens to an unjust degree the earning power of the ability and capital of its participants, and causes them to overstep all too often the limits of prudent and dignified banking. Very naturally, therefore, doubt as to the wisdom of unbridled competition as to rates arises in the mind of whoever sincerely and without prejudice endeavors to discover the source of the demoralizing influences now working their dark purpose in the foreign exchange business from day to day.

By virtue of their experience in buying and selling the various kinds of exchange, foreign bankers are surely in position to estimate correctly and fairly what rates would yield them a safe and proper return upon the capital and facilities which they provide. And just here it is pertinent to note that obtaining such rates from customers, in either buying or selling, is a right, an essential to the safe conduct of their business, upon which foreign bankers, one and all, should put themselves in position to insist openly and above board, with manliness and force. It is inconceivable that any customer would fail to see the justice of such insistence on the part of foreign bankers, or charge them with being extortionate, provided always that the rates quoted were not above those justified by sound banking. Conceding, therefore, that their ability to collectively and severally command safe and proper rates, should they succeed in investing themselves with it, is a wholly just and tenable position, the first and most natural query is: How could foreign bankers accomplish this end? And how could they maintain such a position, once they had it?

In attempting to make plain what is believed to be a feasible solution of this problem, it is in order to observe that for the purpose of obtaining a base from which foreign bankers may uniformly reckon counter rates for the various kinds of exchange, it is first necessary to establish an official rate for demand sterling in the New York market. But since the manner of arriving at and establishing this official rate is to be discussed at length in a future article, it may be conceded, for the time being at least, that it is possible to establish and maintain it from day to day, and that all foreign bankers whose bills are tributary to the New York market can be kept in constant touch with such official rate. With it, then, as a basis, foreign bankers should formulate and severally agree to a regular schedule of counter rates, to be uniformly quoted in selling exchange to customers. They should also agree upon a fixed point below the official rate, above which fixed point no banker should pay for any commercial bill, but allowing the utmost freedom of competitive bidding below and up to such fixed point. This agreement should comprehend, as well, uniform commissions on commercial credits, sterling loans, or such other transactions as may be performed on a commission basis, and in which the rate is the vital factor.

It will be seen that the effect of such an agreement would be to place a fair and certain profit in all transactions made under it, besides exerting a very potent influence toward market stability. It would put an end to the present demoralizing practice of cutting rates in order to secure business, yet would still leave the foreign banker free to influence custom in all ways consistent with legitimate competition and business enterprise. Further, it would restore the business of foreign exchange to the salutary plane of being worthy of the best mettle of the ablest bankers, and thus give a much-needed impetus to the labor of those engaged in this field. Such an agreement, if conceived in a spirit of justice, would also be entirely fair to the foreign banker's customers and would no doubt be welcomed by all of them who have a comprehensive view of their self-interest. Indeed, such an agreement would operate to the decided advantage of the counter buyer or seller of exchange, inasmuch as it would insure him fair and equable rates at all times. For whether they avail themselves of the opportunity or not, the present lack of uniform rates permits foreign bankers to charge as much as they can, and as little as they must, or pay vice versa; which fact actuates the counter buyer or seller, for the sake of his own interests, to continually maintain toward foreign bankers the attitude of the pioneer who "trusted in the Lord, but kept his powder dry."

But the pith of the whole matter is this: the schedule of rates designed to form the basis for this suggested agreement between foreign bankers must be formulated with an eye single to what the capital, labor, facilities and risk involved are fairly worth. To exceed this would be as wrongful as the failure to exact it is unwise. And here it is in point to consider the experience of the Australian banks in London, who for years maintained by agreement a margin of 22s 6d per cent. between the buying and selling rate for Australian business—a rate which appears to have been exorbitant, since it attracted many merchant firms by its possibilities of profit, and drove the Australian Governments to the point of remitting their interest payments through these merchant firms rather than pay the rates uniformly demanded by the banks in question. The result is that within the last year this rate of 22s 6d per cent. has fallen to 12s 6d per cent., and bids fair to be driven still lower, even to the profitless point, by competition. Thus these Australian banks, by what might be termed over-agreement, have brought upon themselves a condition very similar to that which lack of agreement has brought upon foreign bankers on this side. In the writer's judgment, the mistake which these Australian banks made, and for which they are now being called to rude account, was not that they agreed as to rates at all, but that they agreed to maintain rates beyond what the service rendered was fairly worth. The fact that their agreement went to pieces—which is the ultimate end of everything having a fictitious foundation—is no argument against the justness or feasibility of the principle involved, since they appear to have applied it for the purpose of extortion rather than safety. If they had combined for the purpose of commanding a uniform rate based upon what the service rendered was fairly worth rather than upon what the business would stand, the Australian Governments, and other customers as well, would certainly not have put themselves in the unreasonable light of refusing to pay the rate agreed upon. The purpose for which any social or business principle is applied governs the right or wrong of its application. Combination for the purpose of enforcing laws which make for the best interests of all is the highest type of social government, and if administered in the same spirit, this principle would operate with equal effect in the financial world.

Admitting, then, that such an agreement, if formulated and made operative by our foreign bankers, would go far toward restoring the business of foreign exchange to its proper state, the vital question arises: Would the parties to it live up to its provisions? By way of answer to this question there will no doubt be many opinions for and against, but it must be admitted that the probabilities favor the affirmative, unless the human nature possessed by foreign bankers is a peculiar variety. The incentives to adhere strictly to such an agreement would be many and strong. In the first place, the parties to it would be bound by the ties of self-respect and business honor, which none but the most cynical believe are, even in this day of vast hunger for gold, lightly cast aside in general business practice. Secondly, there would be the all-powerful incentive of self-interest. If a foreign banker entered into such an agreement believing that it was to his own interests to do so—and he certainly would not become a party thereto otherwise—he would have the same strong incentive to abide by its provisions to the letter, or at least to intentionally do no acts contrary to the spirit of such an agreement. Further, if because of their failure to live up to it, such an agreement should go to pieces and its effect be destroyed, foreign bankers would again be subject to the demoralizing practices which at present are making such havoc in the foreign exchange market—a condition which any foreign banker, having already bitter experience, would surely hesitate to bring again upon himself, were he once free from it. But over and above all these, as an incentive to his ability by such an agreement, is the punishment which might easily and forcibly be visited upon transgressors; for, owing to the peculiar interdependency between foreign bankers, it would be practically suicidal for any one of them to incur the organized ill-will of his fellows. The loss of business caste is no every-day matter, and this could easily be made the lot of any who should violate their agreement. In support of this contention there is cited the New York Stock Exchange, an organization wherein the temptations to violate the rules are surely very great, yet such violations are comparatively few. The qualifications necessary to election to membership in this exchange go far toward assuring obedience to the rules which a high sense of business integrity have dictated; but there is no doubt that the certain business disgrace following expulsion from this exchange constitutes in itself a very great bulwark against acts which are contrary to the spirit of its constitution.

In forming opinions as to the feasibility of this suggested agreement as to rates foreign bankers should not depend too greatly on precedents, if such there be, for their guidance. Our conditions are peculiar to us. To paraphrase a noted epigram, the genius of American foreign bankers for their business will be measured by their ability to act wisely without precedent. It is the writer's belief that this agreement as to rates, if formulated and entered into for the purpose of putting themselves in position to command for all what is right for all, and no more, would be conducive not only to the best interests of foreign bankers, but to that of their customers as well. The real enemy of safe and fair banking methods is the one who cuts rates to a point below the demands of sound banking, and not those who combine for the purpose of being able to command the rates required by sound banking. The solution of this cut-rate problem, whether it come soon or late, must comprehend the abolition of rate-cutting and the holding up of rates to the point agreed upon as safe and fair.

New York. FRANKLIN DICKEY.

(This series of articles will be continued in following numbers.)

SCHOOL OF BANKING WANTED.

IN an address a short time since, Professor Joseph French Johnson deplored the lack of a school for bankers. He said, in part:

"There is no business more intricate, none for which education is more needed, none where education would prove more valuable. Yet in the whole United States there is not a single school which really deserves to be called a school of banking or finance. There are plenty of schools for bridge builders, for dentists, for sea captains, for miners and for horse doctors. Even the man who draws the lines for a ditch or for a sewer must have had a special training. But for this, most difficult of all vocations, the one which handles the funds making all the others possible, the one which by a little folly may tie all the others up—for this business there is practically no training except that furnished by the school of experience.

But that is not the worst. In our large cities it has become almost impossible for a youth to learn anything about a bank's operations, even by experience."

BANK NOTES AND RESERVES.

CHARLES A. CONANT, Treasurer of the Morton Trust Company, of New York, and the well-known author of "The Principles of Money and Banking," recently had the following to say regarding the relief that the banks would be afforded by a proper system of bank-note issues:

"Our system is so cumbersome and unscientific that a great many people in this country seem to have no knowledge of the true function of bank notes. For instance, it is being stated in various quarters that additional issues of notes would not relieve present conditions, because it is more credit and not more currency which is needed. The answer to this is simple, if one understands the theory of a bank-note currency which is secured by a coin reserve, but is not issued upon a rigid deposit of bonds.

If a bank can issue notes up to a certain limit, it will put out those notes to people who want currency. By just the amount thus put out, it will obviate the necessity of putting out legal-tender money. By the amount of legal-tender money thus kept in the vaults, reserves will be increased. By the amount of the increase in reserves, after allowing a proper reserve against outstanding notes, credit can be extended. In other words, if the banks had been putting out during the Christmas season for use in trade $100,000,000 in greenbacks in excess of the demand in quieter times, they would have been able to husband these greenbacks and make them the basis of four hundred million dollars in loans, if they could have issued their notes instead."

THE NATIONAL BANKS.

HOW THEY ARE ORGANIZED—RESERVES REQUIRED—EXAMINATIONS.

BY LLOYD M. TILLMAN, OFFICE OF THE COMPTROLLER OF THE CURRENCY.

ORGANIZATION.

THE preliminary proceeding in connection with the organization of a National bank is to make an application to the Comptroller of the Currency stating the desired title, location and proposed capital. The application must be signed by at least five persons who contemplate becoming stockholders of the association, and must contain a statement as to the business and financial standing of the signers, and an endorsement by responsible parties personally acquainted with the applicants, in relation to the latter's character and financial responsibility.

The minimum capital of a National bank is $25,000, where the population of the location of the bank does not exceed 3,000; a minimum capital of $50,000 with a population not exceeding 6,000, a minimum capital of $100,000 where the population does not exceed 50,000, and a minimum capital of $200,000 in all places with a population of over 50,000.

If the application meets with the approval of the Comptroller, the persons organizing must enter into articles of association, which should set forth the title, location, annual meetings, capital, directors, etc. The articles of association and organization certificate must be executed in duplicate and the letter acknowledged before the proper officer, and one of each filed in the Comptroller's office, the other retained by the bank.

If the articles of association do not provide for the directors, the shareholders should proceed to elect them. Each director takes an oath in which he swears that he will faithfully and honestly administer the affairs, and that he is the owner in his own right of the number of unhypothecated shares required by law, which is at least ten, except in $25,000 banks, which by an act of Congress approved February 28, 1905, has been reduced to five shares of stock. Three-fourths of the directors must reside in the State in which the bank is located.

The association having complied with the requirements of the law, the Comptroller will issue a certificate of authority for the bank to commence business. This certificate must be published and proof of such publication forwarded to the Comptroller.

When a bank is organized, the board of directors should adopt by-laws, stating the time of meeting of the board, the duties of various officers, all details relative to the business of the bank, and adopt a seal.

In regard to the payment of a bank's capital, fifty per cent. of the capital stock must be paid in cash and payment certified by a majority of the directors and President or Cashier, and the balance in five subsequent monthly cash payments, certified to by the President or Cashier, under seal of the bank.

A National banking association may, by a vote of shareholders owning two-thirds of the shares, increase or decrease the capital stock to any amount, provided said increase or decrease is approved by the Comptroller. The full amount of increased capital must be paid in cash.

The Act of July 12, 1882, empowers the extension of the corporate existence of a National banking association whose period of succession is about to expire. An act approved April 12, 1902, provides for the re-extension of charter.

So the provisions of law having been complied with, a National bank may continue in existence sixty years, unless by a vote of shareholders owning two-thirds of the shares it decides to go into voluntary liquidation, or is placed in the hands of a Receiver, or its charter expires by limitation.

REPORTS.

At the "call" of the Comptroller, which occurs at least five times a year, each association makes a report to the Comptroller's office, showing in detail, and under appropriate heads, the resources and liabilities of the association at the close of business on any past day specified by the Comptroller. These reports are required to be sworn to by the President or Cashier of such association and attested by the signatures of at least three of the directors. The above reports must be published and proof thereof furnished to the Comptroller. The Comptroller also has the power to call for special reports when deemed necessary.

Each association is required to report to the Comptroller of the Currency within ten days after declaring any dividend, the amount of such dividend and the amount of net earnings in excess of such dividend. This report is attested under oath by the President or Cashier.

An idea of the growth of the National banking system may be appreciated when we compare the reports of condition of years past with those of the present day. The abstract of reports of condition at the close of business on December 17, 1896, shows 3,361 banks with resources and liabilities aggregating $3,367,115,772.81, whereas the abstract for November 9, 1905, shows 5,833 National banks in the United States, Hawaii, Alaska and Porto Rico, with aggregate resources and liabilities amounting to $7,563,155,823.55.

The capital of National banks in New York city on December 17, 1896, amounted to $60,600,000, and the aggregate amount of resources and liabilities was $642,626,450.85; while on November 9, 1905, the capital was $106,550,000, and the aggregate resources and liabilities amounted to $1,481,424,975.40.

On December 17, 1896, Chicago's National banks had capital to the amount of $21,400,000 and resources and liabilities of $155,054,524.76. Now the capital amounts to $24,700,000, and the resources and liabilities to $360,074,304.58. Thus it is seen that in a few years the National banking business has more than doubled.

EXAMINATIONS.

As to the examination of National banks, aside from the verification of the liabilities, undoubtedly the most important work of a National bank examiner is the examination of the loans and discounts; that is "the milk in the cocoanut" of every National banking association. It is immaterial whether the security offered is the lumber paper of Maine, the cotton paper of Texas, the coal paper of Pennsylvaina, the mining paper of Colorado, the crop-moving paper, or unquestionable paper; each demands the same careful scrutiny and consideration. It is work of the highest confidential nature, requiring an examiner to be wide-awake and up-to-date, possessing a keen foresight, using discretion and diplomacy, pluck and perseverance, and above all displaying tact and executive ability, with practical financial knowledge applied with good common sense. It is a difficult matter to be come a good examiner. An examiner, to perform his work properly and thoroughly, is compelled to work constantly.

Time or demand loans to individuals, firms, companies or corporations, with or without security, cannot be considered too minutely by the examiner.

Loans should be well distributed and not limited to a few individuals, firms or corporations, or to a particular locality. Section 5200, U. S. R. S., provides that a loan shall not exceed one-tenth of a bank's capital actually paid in. Bills of exchange drawn in good faith and against existing values, and commercial paper owned by the party negotiating the same, are excepted; e. g., should A have a limit loan endorsed by B and B have a limit loan endorsed by A, being of the same interest, is contrary to the spirit if not the letter of the law. Again, should A. & Co. have a limit loan, and B, a member of the firm, have a limit loan, under the above section the two loans are considered as one, therefore contrary to law. But should A sell B an article, and B give A a note for same, which A discounts at a bank, even though this was for an amount greater than one-tenth of the bank's capital, it would not be subject to Section 5200, for it represents some commodity and was discounted by the actual owner.

Loans to different members of a corporation are not included in the liabilties of a corporation. This point was well illustrated in the failure of certain banks, not so long since, where each line in question stood alone, though it resulted disastrously to the banks, nevertheless being loans to incorporated concerns, were not contrary to law.

Another important feature of an examiner's duty is to see that the law is being complied with in respect to a bank's reserve. Those who are connected with National banks should be able at any time to turn to the general ledger of their institutions and tell at a glance whether or not the reserve at the close of business complied with the law.

Central reserve cities must keep a reserve of twenty-five per cent. in the bank. Other reserve cities are requird to maintain a reserve of twenty-five per cent., one-half of which must at all times remain in the bank. For example, should a National bank in Washington have ten per cent. with the New York approved reserve agents, and fifteen per cent. in bank, the reserve would be good. But should the reserve in bank be ten per cent. and fifteen per cent. with the New York approved reserve agents, the reserve would be deficient, for the excess with approved reserve agents cannot be counted as reserve, but only as an offset to "due to banks, etc."

The country banks are required to maintain a reserve of fifteen per cent., two-fifths of which must be available in the bank.

A good point to remember in computing the reserve is that in reciprocal accounts with approved reserve agents, only the net balances should be considered in the calculation.

To secure the designation of a city as a reserve city, it is necessary that three-fourths of the National banks assent thereto in a city of 25,000, and on the application of three-fourths of the banks in a city of 200,000 inhabitants, such city may be designated as a Central reserve city.

The examiners should see that the board of directors is managing the bank. In various addresses before the bankers of the country the present Comptroller has laid stress upon the duties of the board of directors of banking associations. If the board did their sworn duty, there would be no failures; as it is, hardly has a bank been placed in the hands of a Receiver until a great volume of criticism arises, and the officials of the Government become the targets for most of the wrong-doing and falsification of reports of bank officials.

FOR AN ELASTIC CURRENCY.

ACTION OF THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK.

COMMERCIAL interests in New York do not appear to be in favor of Secretary Shaw's suggestion for the issue of an emergency currency equal to fifty per cent. of the bond-secured circulation. The Chamber of Commerce, through a special committee consisting of J. Harsen Rhoades, William A. Nash, Edward King and James T. Woodward, presented a report on the subject, at a meeting of the Chamber on February 1. Following the report of the committee, Jacob H. Schiff made a strong plea for a scientific bank-note currency. The report and address have attracted wide attention, and as they promise to mark the beginning of a vigorous campaign in behalf of currency reform, we present them in full below.

Report of the Committee on Finance and Currency, New York Chamber of Commerce.

To give National banks (5,833 in number, 2,600 of which have been incorporated during the past five years, these latter with an average capital of $59,000) such largely extended powers of issue would, in our judgment, under existing currency laws, prove a most hazardous experiment. It would be impossible for the Comptroller's office to efficiently safeguard such issues with the constant temptation to enlarge the circulation to meet local emergencies and speculative demands sure to follow as a result of a privilege so given. We have now eight classes of issues in our currency system—gold coin, standard silver dollars, subsidiary silver, gold certificates, Treasury notes, United States legal tender notes and National bank notes; and it is now proposed to add one more issue in the shape of emergency circulation. We do not deem such a course prudent or safe or advisable.

All makeshifts are dangerous if tacked on to a system made up as it is of parts unrelated to each other—one created to bridge over a crisis; another to meet an emergency in a demand for the purchase of silver bullion—and all permeated with the evils of fiat money.

The great trouble is that this large amount of currency, especially of bank issues, is inelastic, and no means have been adopted through prompt redemption, by which this immense volume of promises to pay can be issued and redeemed and issued again, in accordance with the demands of trade and commerce. Even the redemption of National bank notes is limited to a total of three millions a month, thus tying up to a large extent the only source of redemption we have, and forcing upon the nation at all times a volume of currency which is not allowed by natural means to rise and fall in amount according to the laws of supply and demand.

We therefore are of the opinion that the law restricting the limit of redemption of National bank notes to $3,000,000 a month should promptly be repealed and the banks be permitted to issue and return their currency at will.

Deposit of Public Funds.

It is our judgment that the Secretary of the Treasury should be empowered to deposit, in his discretion, public funds arising alike from internal revenue and customs dues in the National banks, against such security as the law may authorize, except the gold reserve held for the redemption of legal tender notes and such working balances as he shall consider advisable to maintain.

To this might possibly be added a provision of law to exact a low rate —not less than two per cent. per annum—upon such public funds so deposited and not secured by a deposit of United States bonds. In this way there might and probably would result a return in part of such moneys to the Treasury when, with the low rates of interest prevailing and a plethora of circulation in the moneyed centres of the nation, such moneys could no longer be used by the banks to advantage. If this result could be obtained it would prove of great service in preventing a redundancy of loanable funds. Let it be remembered that the best element of safety in connection with Government deposits or bank circulation is to have ready an effective means to lessen the volume when in excess of the needs not of speculative, but of the business interests of the country, coupled with the power to expand in response to a legitimate condition requiring increased facilities.

An emergency currency in our opinion for its effective operation requires that it shall be secured in the same manner and assume exactly the same form as the bank currency already in circulation; otherwise another form of currency is injected into the system which cannot be promptly retired as it should be when the necessity for which it has been called into being has ceased to exist.

Address of Jacob H. Schiff.

When at our last meeting I presented the resolution upon which the committee has just reported, and accompanied it by some extemporaneous remarks, I had no expectation that this would call forth, as has been the case, such considerable comment and discussion. Surely nothing was said which had not been said before and in better form, but thinking people throughout the country, it is apparent, have awakened to the necessity that something should be done to prevent a recurrence of conditions under which the country has heretofore become subjected to convulsions and disaster, convulsions always followed by years of depression and hard times. Even if it is not possible to prove the correctness of the assertion, nevertheless there is a unanimity of opinion upon the part of those who have given the subject thought and consideration, that but for the unsatisfactory condition of our monetary system we would be spared much of the periodical suffering to which the country has often had to submit, and that with our tremendous resources, with the genius and activity of our people, which practically make the entire world tributary to us, we would have long ago gained the international leadership, both commercially and financially, in which, notwithstanding the fact that for thirty years the balance of trade has been in our favor, we are still wanting.

Our merchants, who buy goods in China, Japan, South America and elsewhere, must, to our mortification be it said, still settle their transactions in London, Paris or Germany, just as the very money we loaned to Japan recently had to be remitted to London, even when needed to pay for goods purchased by the Japanese Government in the United States, during the conduct of the late war.

The fact is, and this cannot be repeated too frequently, nor with too much emphasis, we shall never be able to free ourselves from the financial uncertainty, which more or less ever surrounds us, nor to permanently occupy a position as international financial factors of importance so long as we do not dispense with the clumsy currency system which has come down to us in part from the civil war and which, instead of having since become improved, has been permitted to grow from bad to worse until it now presents a hodge-podge of circulating mediums destructive of the best interests of a great commercial and industrial nation.

Not that we have too small a volume of currency, as the report of the committee very correctly points out. Just the reverse. If anything, we suffer from a superabundance of circulating mediums—a currency redundant, inelastic and unresponsive to the legitimate requirements of commerce and trade.

Nothing but gold or notes based upon gold, and bank notes issued in accordance with scientific economic principles, to serve as the vehicles of commerce and trade, has any legitimate justification to circulate as money; but I fear it is useless to hope that our monetary system can, before the country has gone through further suffering and gained further costly experience, become reconstructed in accordance with this simple but nevertheless correct proposition.

It being, however, a condition and not a theory which confronts us, it behooves us to consider what can be done to protect ourselves, so far as this is practicable, against the ills and shortcomings of a situation which for the present we appear powerless to remedy as radically as should be done.

Because of this large volume of currency of various sorts we have to deal with, and a great part of which in periods of inactivity becomes unremunerative, seeks then illegitimate channels for employment and in consequence is to a great extent found unavailable when activity again returns, ways and means need be sought—clumsy as these under existing conditions may have to be—to assure an increase and decrease in the volume of money in accordance with the legitimate demands, as these shall from time to time develop.

The recommendation made in the report of the committee, that to assure more elasticity to the circulating medium banks should be permitted to surrender their circulation at will, is not likely to greatly aid in a solution of the problem before us. Such surrender would not be determined by the condition of commerce and trade, nor even of the money market, but rather by the price of Government bonds and the convenience and advantage of the banks, just as the increase in National bank circulation is to a great extent determined by similar considerations.

Unfortunately, as has already been pointed out, it cannot under the existing system be avoided, that the Treasury play a leading part in the regulating of the money supply. To minimize this undesirable situation, the recommendation of the committee, that all Government funds—except the gold reserve and a reasonable working balance—should be, under legal authority to be obtained, deposited in the National banks upon proper security and that a reasonable rate of interest, not less than two per cent., be exacted by the Government upon its deposits, deserves every consideration. This would assure a return by the banks in times of superabundant ease of the deposits which cannot be legitimately employed, while in turn in times of activity the Treasury would be in a better position to again supply the funds not wanted because not needed in times of inactivity.

On the other hand, extraordinary conditions will arise, as has often been and as again will be the case, when even our large volume of currency becomes temporarily insufficient and a situation is created which, when aggravated by distrust and loss of confidence, brings forth disaster, such as we are unfortunately acquainted with and under which the country has repeatedly been made to suffer severely for extended periods. Even with our undesirable fiscal system it should be possible to devise methods through the adoption of which extreme convulsions and suffering, such as we have periodically experienced, can be at least in part alleviated and against a recurrence of which we should seek to protect ourselves instead of being satisfied in these times of prosperity with the thought of "after us the deluge."

We cannot, I know, finally settle this all important question in this Chamber—but we can and should lead the way, and I believe the country expects us to do so. In the desire, therefore, that something be done by the Chamber which shall at once put this important subject into shape for serious consideration and practical treatment if results are to be attained, I move as follows:

"That the report of the committee on finance and currency be received and placed on file, and further,

That the president of this Chamber name five of its members who shall have power to invite and join with experienced men from other centres to act as a commission, which shall carefully consider the subject of currency reform and eventually report its conclusions, through the Secretary of the Treasury, to the President of the United States."

The motion was carried.

A WELL-DESERVED COMPLIMENT.

A GRACEFUL compliment is paid to the Hon. Hugh H. Hanna, of Indianapolis, by Mr. Charles A. Conant in his new book, published by Harper & Bros., "The Principles of Money and Banking." Mr. Hanna, as organizer of the great conventions in Indianapolis which contributed to the enactment of the gold standard law, rendered services which led the New York Chamber of Commerce to order an oil portrait of him for their new building. Mr. Conant was associated with Mr. Hanna in the work for sound money, and gives a brief sketch of the history of the movement in the chapter on "The Evolution of the Gold Standard." Mr. Conant was also one of the members of the Commission on International Exchange, of which Mr. Hanna was Chairman, which did so much to secure stable exchange in the Philippines, Mexico and Panama, and sought the same object in other countries. Mr. Conant indicates his admiration for the man who bore a large share in the burden of these contests by dedicating his new book "to Hugh H. Hanna, whose unselfish labors have done so much to establish a sound monetary system in America and extend it to other parts of the world."

A FORTUNE HONORABLY ACQUIRED.

IT is asserted by the "Chicago Journal" that Marshall Field's great fortune was free from taint. The "Journal" says:

"Though Marshall Field's fortune is one of the greatest ever accumulated by man, there is no tainted money in it. That is his epitaph and eulogy. He began with nothing and in fifty years gathered together a hundred millions. Where else on earth, and in what other time, would such a career have been possible? The progress of this man from obscure poverty to enormous wealth is a magnificent testimonial to the resources of the country, the prosperity of its population, the excellence of its institutions. Only among a free people, under a government that protects without hampering the governed, could such a phenomenon appear."

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

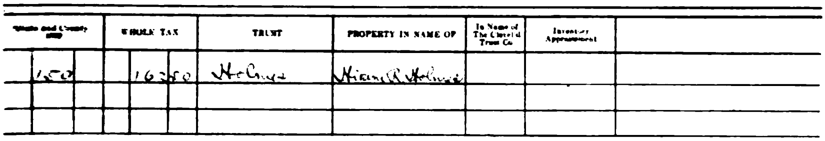
BY CLAY HERRICK

BOOKS, RECORDS AND FORMS FOR THE TRUST DEPARTMENT —*Concluded.*

SUNDRY FORMS FOR THE ESTATES DIVISION OF THE TRUST DEPARTMENT.

THE exact form of the Tax Book—in which property upon which the trust company is to pay taxes as agent or trustee or in other capacities is listed—will vary according to local conditions. The forms given herewith are adapted to use in the State of Ohio. Figure 75 shows a form for the record of taxes on city property. The record covers two pages,

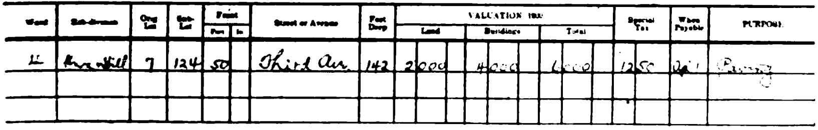
City Property.



State and County 1903			Whole Tax			Trust	Property in Name of	In Name of The Cleveland Trust Co	Inventory Appraisement	
	150			162	50	Holmes	Hiram R. Holmes			

FIG. 75.—TAX-BOOK (CITY PROPERTY), RIGHT-HAND PAGE.

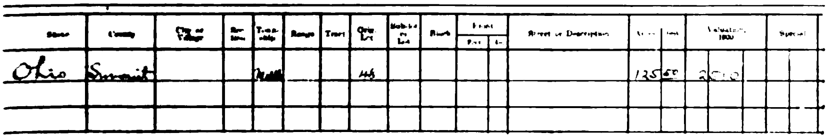
City Property.



Ward	Sub-division	Orig. Lot	Sub-Lot	Front		Street or Avenue	Feet Deep	Valuation 1903			Special Tax	When Payable	Purpose
				Feet	In			Land	Buildings	Total			
11	[illegible]	7	124	50		Third Av.	142	2000	4000	6000	12 50	Apl	Paving

FIG. 75.—TAX-BOOK (CITY PROPERTY), LEFT-HAND PAGE.

Out of Town Property.



State	County	City or Village	Section	Township	Range	Tract	Orig. Lot	Sub-lot or Lot	Block	Front		Street or Description	Acres	[illegible]	Valuation 1903	Special
										Feet	In					
Ohio	Summit			[illegible]			46						135	50	2500	

FIG. 76.—TAX-BOOK (OUT-OF-TOWN PROPERTY) LEFT-HAND PAGE.

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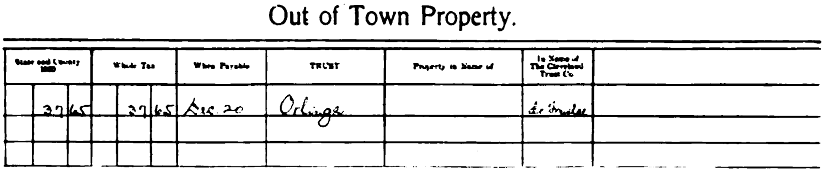
* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

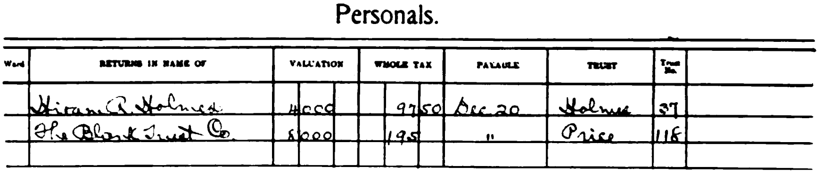
the second page shown in the figure being opposite the first. The same is true of the record of taxes on out-of-town property, the two pages of which are shown in Figure 76. Figure 77 shows a form for record of taxes on personal property, and Figure 78 a form for the record of water rents. These forms should all be used under one cover, either permanently bound or in loose-leaf form.



Out of Town Property.

State and County 1909	Whole Tax	When Payable	TRUST	Property in Name of	In Name of The Cleveland Trust Co.	
37 65	37 65	Dec. 20	Orlings		[illegible]	

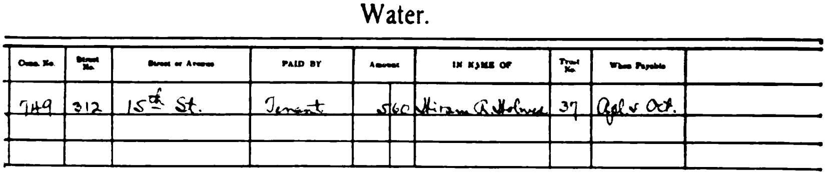
FIG. 76.—TAX-BOOK (OUT-OF-TOWN PROPERTY), RIGHT-HAND PAGE.



Personals.

Ward	RETURNS IN NAME OF	VALUATION	WHOLE TAX	PAYABLE	TRUST	Trust No.	
	Hiram R. Holmes	4000	97 50	Dec 20	Holmes	37	
	The Blank Trust Co.	5000	195	"	Price	118	

FIG. 77.—TAX BOOK (PERSONAL PROPERTY).

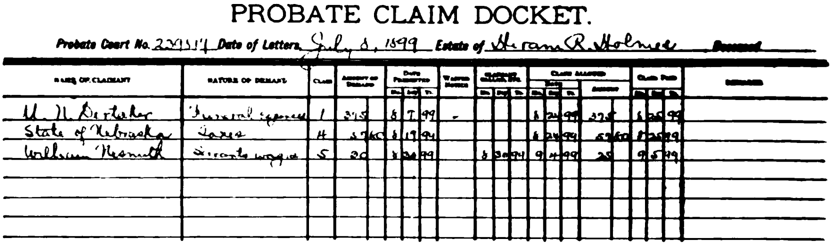


Water.

Cons. No.	Street No.	Street or Avenue	PAID BY	Amount	IN NAME OF	Trust No.	When Payable	
749	312	15th St.	Tenant	5 60	Hiram R. Holmes	37	Apl & Oct.	

FIG. 78.—TAX-BOOK (WATER TAXES).

Trust companies doing a considerable probate business, especially if they are called upon to administer large estates, find it necessary to keep a Probate Claim Docket, the standard form of which is shown in Figure 79. This may be used either in a permanently bound book or in a loose-leaf binder. This form provides for a complete list of all claims presented against each estate, with all necessary details regarding each claim. Attention has already been called, in Figure 6*, to the Probate Settlement Docket, also used by some companies.



PROBATE CLAIM DOCKET.

Probate Court No. 22314 Date of Letters July 8, 1899 Estate of Hiram R. Holmes Deceased

NAME OF CLAIMANT	NATURE OF DEMAND	Claim	Amount of Demand	Date Presented	Waived Notice	[illegible]	Claim Allowed Date	Claim Allowed Amount	Claim Paid	[illegible]
U. N. Dertaker	Funeral expenses	1	375	8 7 99	-		8 24 99	375	8 25 99	
State of Nebraska	Taxes	4	57 60	8 19 99			8 24 99	57 60	8 25 99	
William Nesmith	Servants wages	5	20	8 24 99		8 30 99	9 4 99	20	9 5 99	

FIG. 79.—PROBATE CLAIM DOCKET.

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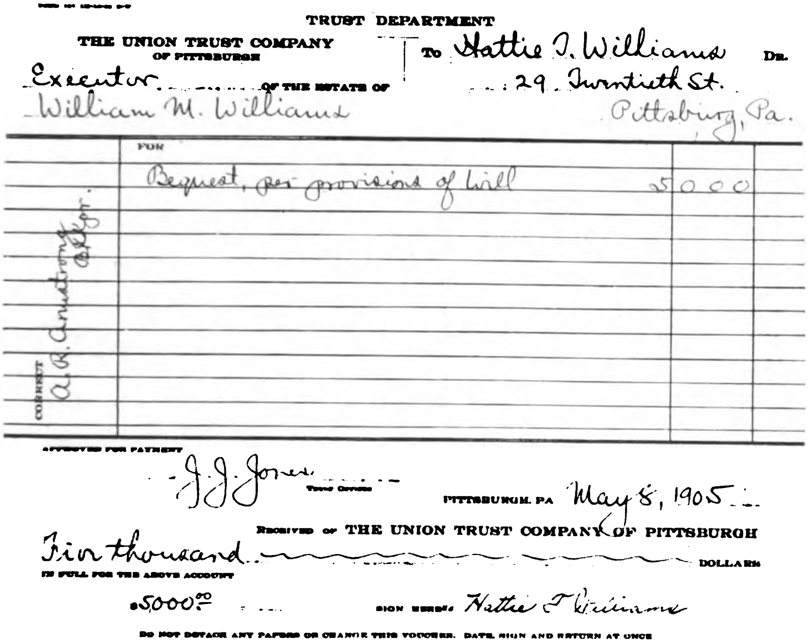
*BANKERS' MAGAZINE, August, 1905, page 176.

For every payment made by a trust company in behalf of any of its trusts, it is of course imperative that a voucher be obtained. In the handling of many trusts, such as that of executor, a voucher for every item of expenditure must be filed with the court at the times when reports are submitted to the court. Because of this fact, some companies deem it advisable to obtain for each expenditure two vouchers, one marked "original" and the other "duplicate;" the former is to be filed with the court, and the latter to be retained by the company.



TRUST DEPARTMENT

THE UNION TRUST COMPANY
OF PITTSBURGH
Executor OF THE ESTATE OF
William M. Williams

To Hattie T. Williams Dr.
29 Twentieth St.
Pittsburg, Pa.

CORRECT A. R. Armstrong, Bkpr.	FOR		
	Bequest, per provisions of Will	5000	

APPROVED FOR PAYMENT
J. J. Jones
TRUST OFFICER

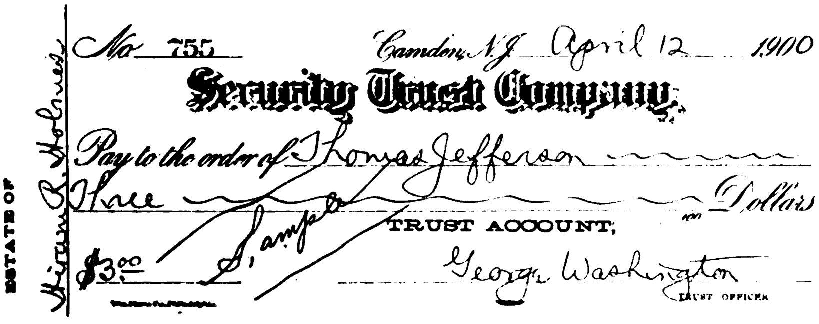
PITTSBURGH, PA May 8, 1905

RECEIVED OF THE UNION TRUST COMPANY OF PITTSBURGH
Five thousand DOLLARS
IN FULL FOR THE ABOVE ACCOUNT
$5000.00
SIGN HERE Hattie T. Williams

DO NOT DETACH ANY PAPERS OR CHANGE THIS VOUCHER. DATE, SIGN AND RETURN AT ONCE

FIG. 80.—VOUCHER.

Figure 80 shows a common form of voucher. Before payment of the bill described, the voucher is marked "correct" by the bookkeeper, and "approved for payment" by the Trust Officer. The size of this voucher is 8½ by 7 inches. It is intended to be folded once, crosswise, so that when filed away



ESTATE OF Hiram R. Holmes

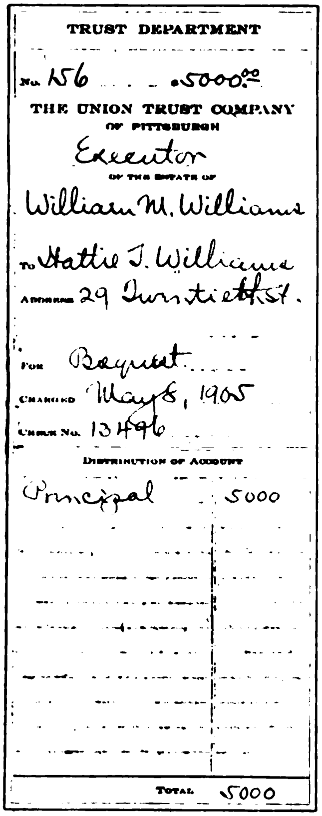
No. 755 Camden, N.J. April 12 1900

Security Trust Company.

Pay to the order of Thomas Jefferson
Three Dollars
TRUST ACCOUNT,
$3.00 Sample
George Washington
TRUST OFFICER

FIG. 82.—TRUST DEPARTMENT CHECK.

the information given on the back, shown in Figure 81 may be easily read. The vouchers for each trust are numbered consecutively as issued. For keeping track of the proper numbers to be given to vouchers as issued, a convenient device is to have on large card-boards, or pasted on the covers of the department check-book, a list of the different trusts in alphabetical order, the name of each trust being followed by a list of numbers succeeding those of the current voucher numbers. As each voucher is issued, the number given it is scratched off the list of numbers; so that the correct number for the next voucher issued is readily seen without the trouble of referring to the journal of the trust concerned.



TRUST DEPARTMENT

No. 156 . . . $5000.00

THE UNION TRUST COMPANY
OF PITTSBURGH
Executor
OF THE ESTATE OF
William M. Williams

To Hattie J. Williams

Address 29 Juniata St.

For Bequest

Charged May 8, 1905

Check No. 13496

DISTRIBUTION OF ACCOUNT

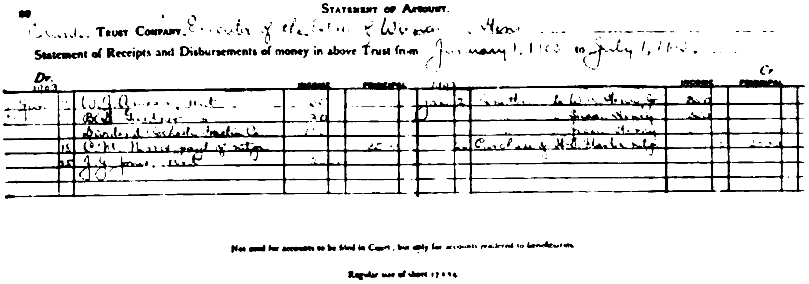
Principal 5000

Total 5000

FIG. 81.—BACK OF VOUCHER.

This department usually keeps its uninvested funds on deposit with the banking department of the company, and makes all payments by check: and the memorandum "Check No.——" in Figure 81 refers to the number of such a check. A customary form for the department check is shown in Figure 82. The bookkeeper gets the debit items for entry in the books of this department from the stubs of this check book. He obtains the credit items from credit slips, one form of which is shown in Figure 83.

Statements of accounts required by the courts are usually made on ordinary journal-ruled statement paper, the entries being made in chronological order, items for principal account not being separated from those for income account. In monthly or annual statements to beneficiaries or to the makers of trusts, however, the items on the two accounts should be shown separately. Figures 84, 85 and 86 show different forms for statements to beneficiaries, designed, as will be seen, to show separately the items in principal and income accounts. That shown in Figure 86 is arranged for use



STATEMENT OF ACCOUNT.

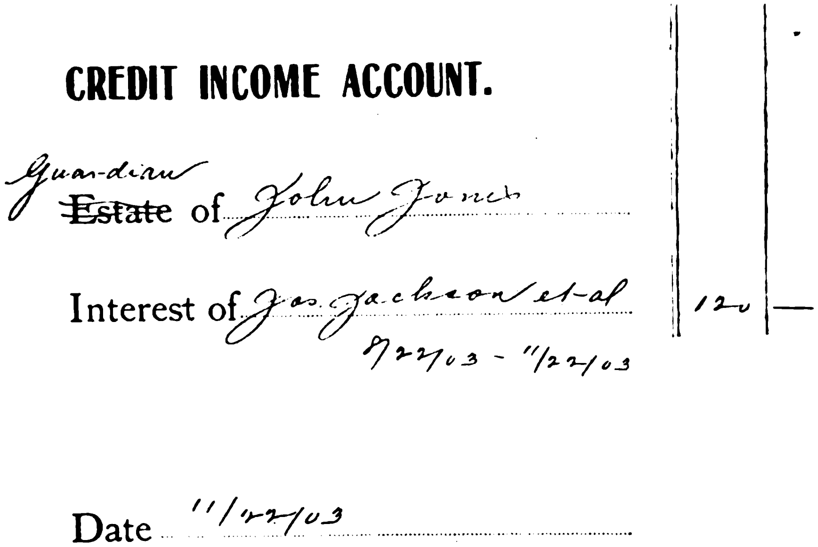
Trust Company

Statement of Receipts and Disbursements of money in above Trust from January 1, to July 1,

Dr.

Cr.

FIG. 85.—STATEMENT TO BENEFICIARIES.



CREDIT INCOME ACCOUNT.

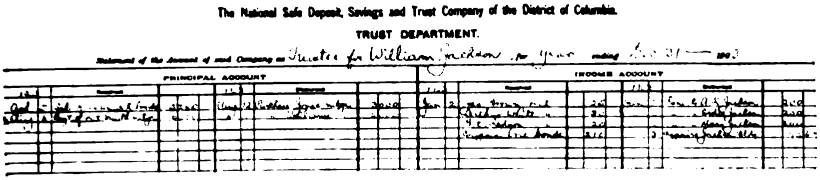
Guardian ~~Estate~~ of John Jones

Interest of Jas. Jackson et al | 120 | —

7/22/03 – 11/22/03

Date 11/22/03

FIG. 83.—CREDIT SLIP.



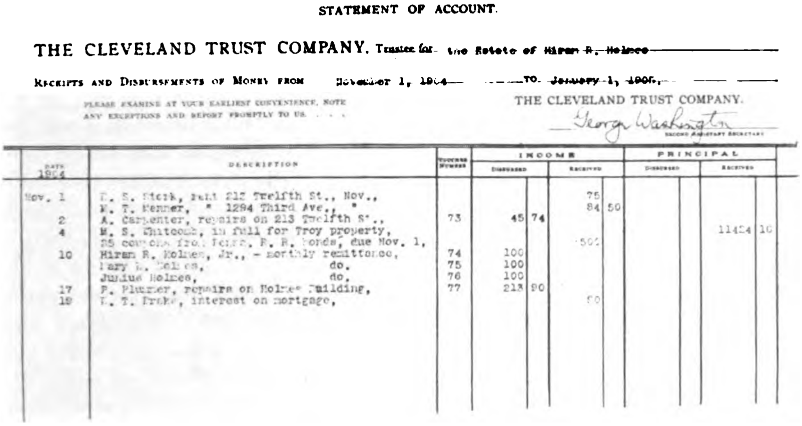
The National Safe Deposit, Savings and Trust Company of the District of Columbia.

TRUST DEPARTMENT.

Statement of the Account of said Company as Trustee for William Jackson for year ending Dec 31 — 1903

PRINCIPAL ACCOUNT | INCOME ACCOUNT

FIG. 84.—STATEMENT TO BENEFICIARIES.



STATEMENT OF ACCOUNT.

THE CLEVELAND TRUST COMPANY, Trustee for the Estate of Hiram R. Holmes

RECEIPTS AND DISBURSEMENTS OF MONEY FROM November 1, 1904 TO January 1, 1905.

PLEASE EXAMINE AT YOUR EARLIEST CONVENIENCE, NOTE ANY EXCEPTIONS AND REPORT PROMPTLY TO US.

THE CLEVELAND TRUST COMPANY.
George Washington
SECOND ASSISTANT SECRETARY

DATE 1904	DESCRIPTION	VOUCHER NUMBER	INCOME Disbursed		INCOME Received		PRINCIPAL Disbursed		PRINCIPAL Received	
Nov. 1	E. S. Stork, rent 212 Twelfth St., Nov.,				75					
	W. T. Kenner, " 1294 Third Ave., "				84	50				
2	A. Carpenter, repairs on 213 Twelfth St.,	73	45	74						
4	M. S. Whitcomb, in full for Troy property,								11424	10
	25 coupons from Lorain, R. R. bonds, due Nov. 1,				500					
10	Hiram R. Holmes, Jr., – monthly remittance,	74	100							
	Mary L. Holmes, do.	75	100							
	Julius Holmes, do.	76	100							
17	P. Plummer, repairs on Holmes Building,	77	213	90						
19	L. T. Drake, interest on mortgage,				50					

FIG. 86.—STATEMENT TO BENEFICIARIES.

in connection with the individual trust journal shown in Figure 14.† The statement, it will be noted, is practically a copy of the journal; and the

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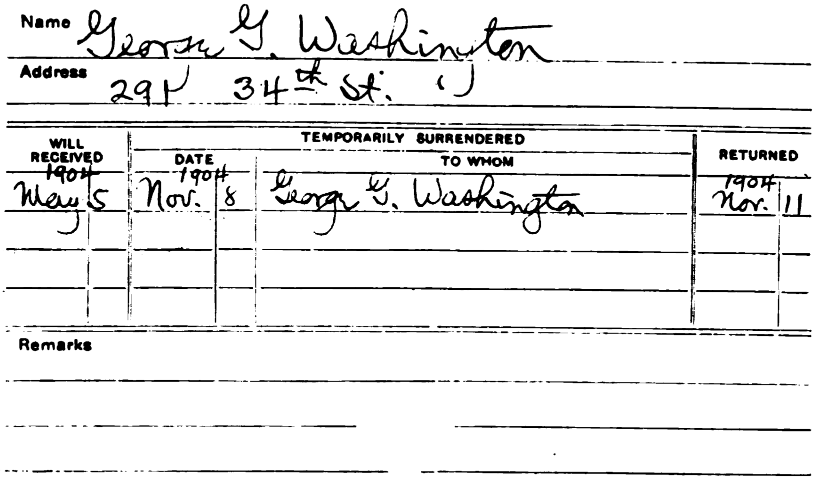
† BANKERS' MAGAZINE, October, 1905, page 491.

stenographer simply copies the entries from the journal without intermediate copying by the bookkeeper.

It is a growing custom for individuals to deposit their wills with trust companies, especially in cases where the trust company is made executor. In receiving wills the trust company undertakes to safely keep same and to deposit them with the proper authorities as soon as possible after the decease of the testator. Figure 87 shows a form for the Record of Wills on File.



Name George G. Washington

Address 291 W. 34th St.

WILL RECEIVED		TEMPORARILY SURRENDERED			RETURNED	
		DATE		TO WHOM		
1904 May	5	1904 Nov.	8	George G. Washington	1904 Nov.	11

Remarks

FIG. 87.—RECORD OF WILLS ON FILE.

This is a card form, the cards being kept in a case in the vault, and being arranged in alphabetical order.

In the above articles the writer has attempted to give the principal kinds of records and forms used by the average trust company to record the history of its business in the trust department. There are of course companies undertaking special lines of work which call for varieties of forms not included in the above sketch; and besides forms for such special lines of work, the individual preferences of the officers in different companies add many forms of greater or less utility which from the nature of the case it would be neither possible nor useful to attempt to include here. There is also a class of forms, legal or semi-legal in character, which the trust company uses constantly in its trust department, but which it has not not seemed best to discuss in the present articles. These include forms of bonds, stock certificates, voting trust certificates, certificates of participation and so forth. The exact form of such documents depends in the first instance upon the particular contract involved, and in the second instance upon the individual views and preferences of the lawyer or lawyers who prepare them. And while there is of course a general similarity in the forms used, the considerations just named result in such differences in details in documents of this character that it would be difficult to fix upon what could be called standard forms.

(*To be continued.*)

THE RESERVE QUESTION.*

BY EDMUND D. FISHER,

SECRETARY FLATBUSH TRUST COMPANY, BROOKLYN, NEW YORK.

RESERVES for trust companies is the vital question at the present time in New York State, particularly because a bill on the subject is pending before the Legislature. This bill amends the banking law by inserting a new section to be known as section one hundred and sixty-four, and provides that "every trust company shall at all times have on hand in lawful money of the United States an amount equal to at least fifteen per centum of the aggregate amount of its deposits, if its principal place of business is located in any city of the State having a population of eight hundred thousand and over; an amount equal to at least ten per centum of the aggregate amount of its deposits, if its principal place of business is located elsewhere in the State. The amount thus to be kept on hand shall be called its lawful money reserve. One-half of such lawful money reserve may consist of money on deposit, subject to call with any bank or trust company in this State having a capital of at least two hundred thousand dollars, and approved by the Superintendent of Banks as a depositary of lawful money reserve."

The New York State Bankers' Association, which is said to be responsible for this measure, has for some time given voice to the feeling that the banks were placed in a disadvantageous position in relation to trust companies. This was corrected a few years ago to some extent by equalizing the State tax to one per centum on the capital, surplus and undivided profits of both classes of institutions, and last year when a bill was passed requiring trust companies, on the call of the Superintendent of Banks, to report quarterly and simultaneously with State banks. The reserve question would thus seem to be the last one at issue, unless the banks desire actually to become trust companies. It must, however, be recognized that there is a broad field of usefulness for each class of institution. Certain localities require strictly the commercial bank, while some neighborhoods are better served by the trust company.

RESERVE REQUIREMENTS OF THE VARIOUS STATES.

The subject under discussion naturally falls under two heads: Is a reserve necessary for trust companies, and if so, what reserve shall be required by law? It will be helpful to a fair understanding of this matter to examine the laws of various States on the subject. Twenty-two States, either by law or through the regulations of a supervising authority, require trust companies to keep reserves, as is shown by the following tables:

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*Summary of an address before the Brooklyn Chapter American Institute of Bank Clerks, January 25.

	Per cent. of reserve required.	*Character of deposits.*	*Proportion in banks.*	*Proportion of cash.*	*Other reserve.*
ALABAMA	15		9	6	
CALIFORNIA	15		7½	7½	
Large cities	25		12½	12½	
CONNECTICUT	15		*11	4	*Also R.R. bonds legal for Savings banks, 3%.
GEORGIA	25				
IDAHO	15	Demand	7½	7½	
ILLINOIS	15	Commercial			
Large cities	25	Commercial			
KANSAS	25	Demand	*12½	12½	*Also U.S., State and municipal bonds in lieu of bank balances
KENTUCKY	15		10	5	
Large cities	25		16⅔	8⅓	
LOUISIANA	25	Demand	17	8	
MAINE	15	Demand up to ten days	*10	5	*5% may consist of U.S. bonds, etc.
MASSACHUSETTS	15	Demand up to ten days	*10	5	*5% in bonds of Commonwealth.
MICHIGAN	20	Demand	15	5	
MONTANA	20	Demand	10	10	
NEW JERSEY	15	Demand	12	3	
NEW MEXICO	15		9	6	
OHIO	15	Demand up to ten days	*10	5	*5% U.S. bonds, etc.
PENNSYLVANIA	15				
Large cities	20				
SOUTH DAKOTA	25	Demand			
	10	Time			
TEXAS	25	Demand	15	10	
UTAH	15	Commercial			
Large cities	20	Commercial			
	10	Savings Deposits			
WEST VIRGINIA	15	Demand	11¼	3¾	
WYOMING	25				

It is thus found that twenty-two States require a reserve for trust companies, while sixteen differentiate between balances in banks and actual cash on hand, five recognizing United States bonds or other approved securities in lieu of bank deposits. The average reserve for twenty-two States, omitting from the calculation the maximum for large cities, the minimum rate for time deposits, and making no deductions for time or trust deposits, is found to be 18 2-11 per cent. This percentage is based upon a range from fifteen per cent. to twenty-five per cent., only five States making any distinction as to size of cities. The sixteen States differentiating between cash and balances require an average reserve of 17.49 per cent., calling for bank balances of 11.04 per cent. and actual cash of 6.45 per cent.

In view of the attitude of so many States on the subject, there would seem to be no question that when the matter is given any consideration by legislators it is deemed necessary to require a substantial reserve for commercial and demand deposits. When time deposits have been referred to, ten per cent. is the minimum rate mentioned, and every trust company officer well knows that so-called "trust funds" are generally invested, and cannot possibly be subject to reserve requirements except as to uninvested balances.

The quarterly report of trust companies bearing date November 9, 1905, shows total deposits of $1,092,850,000, of which $184,935,000 was in form of trust funds and certificates of deposit, say, sixteen per cent.; by far the greater proportion therefore being on demand.

As a basis for determining what would be a fair maximum for the State of New York, take the reserve which is the average for the sixteen States which have evidently given the subject the most careful consideration and analysis. This is 17.49 per cent. Deduct from 100 the sixteen per cent. proportion of time and trust companies now held by the companies of the State and make the following calculation: 17.49 : 100 : :: x : 84: the result is 14.69 per cent.

It will be seen from this standpoint that fifteen per cent. as the maximum rate proposed in the bill now pending is manifestly fair. The proportion of actual cash called for by the sixteen States is 6.45 per cent. The trust company financiers of New York City should certainly be conservative enough to better this by 1.05 and accept the rate of 7½, as provided by the measure now pending before the State Legislature. Five per cent. through the State, where deposits are not subject to such fluctuations as in the large cities, is not sufficiently below the average of 6.45 to be material. In fact, allowing a deduction of sixteen per cent. as before for time and trust deposits, the proportion for the minimum cash reserve would be 5.41.

The writer as a trust company officer is therefore emphatically in favor of the reserve requirements proposed in the measure under discussion; namely, a maximum reserve of fifteen per cent., with 7½ per cent. in actual cash. When trust companies were fewer they might have been justified in relying upon the banks for cash. Since they have become so numerous and in many instances active competitors in the same territory with banks, it is both unfair and unsafe for such a status to continue. It is surprising that the trust companies as a body have not frankly met this issue, rather than have permitted dictation by the banks of the State. Warning notes have been sounded for years by the New York State Bankers' Association, the New York Clearing-House and more lately by the Superintendent of Banks. The time has come when these warnings must be heeded. The trust companies should now join the banks in supporting harmony of purpose, and with no note of discord work for the pasage of what must be considered a sound, sane and conservative measure.

RELATIONS OF BANKS AND TRUST COMPANIES.

THAT there is room enough in the financial world for both the banks and trust companies, was the burden of the address made on Thursday, January 25, before the American Institute of Bank Clerks of Brooklyn, by Mr. Charles A. Conant, Treasurer of the Morton Trust Company of New York, and author of the recent work on "Money and Banking."

Mr. Conant called attention to the fact that the National banks of New York and the country had not failed to grow steadily, in spite of the growth of the trust companies. The National banks of New York City, he pointed out, showed net earnings of only $5,059,428 in the year ending September 1, 1894, but increased these earnings to $16,108,170 for the corresponding date of 1900, the year of industrial expansion, and showed earnings of $15,560,515 for the year ending September 1, 1905. The slight falling off in the total for 1905, Mr. Conant attributed to special conditions in the six months ending September 1, 1900, when earnings were $10,281,339, against only $5,826,831 for the preceding half of the year. That the distribution was more healthful in 1905, because it was more even, was shown by the fact that the net earnings for the first six months were $7,510,029, and for the second half of the year, $8,050,486. The National banks of the United States showed net earnings for the year ending March 1, 1894, of $52,422,069, and paid dividends of 6.8 per cent. upon their capital. For the year ending March 1, 1900, net earnings were $69,981,810, and dividends paid were 7.9

per cent. For the year ending March 1, 1905, net earnings were $105,196,154, and dividends paid were 9.2 per cent.

A growth of two hundred per cent. in eleven years in New York and one hundred per cent. in the country at large, Mr. Conant considered evidence that the banks were getting their share of the new business legitimately pertaining to commercial banking. He pointed out that there were several differences between National banks and trust companies, and that because of these differences it was not necessary to require from trust companies the same reserve as from banks. National banks were endowed by the Federal Government with the note-issuing function and with the legal privilege of carrying as cash the reserves of National banks throughout the country. They were thus the pivot of the whole National banking system, and were justly required to keep adequate reserves to meet great emergencies as well as current demands. The speaker believed that it was quite proper to require some reserves from trust companies and that the recommendation of Bank Superintendent Kilburn was not a bad one—that trust companies should keep against deposits payable on demand a reserve of fifteen per cent., of which one-third should be in legal-tender money.

He believed that the interests of both National banks and trust companies would be promoted by harmony of action, rather than by hostility, since each had an important function to perform in the evolution of the financial power of New York.

GEO. W. YOUNG ON THE RESERVE QUESTION.

THE "North American Review" for February contains an article by Geo. W. Young, of New York, on the question of increasing the trust company reserves. He says, in part:

"The report of the Banking Superintendent up to the beginning of 1905 shows that the deposits of the trust companies of New York city amounted to $1,014,730,542. Of this amount $269,707,402 were deposits in trust, while $593,332,331 came under the head of 'general deposits.' The third group, comprising the $151,190,808, consisted of amounts due trust companies, Savings banks, banks and bankers.

Of the $593,832,331 characterized as 'general deposits,' a very large proportion is in time deposits, against which it is not pretended that a cash reserve should be maintained, any more than it is that one should be maintained against the $269,707,402 of deposits in trust proper. Just what proportion of the trust company deposits might come under the head of a banking business is entirely uncertain. Available data bearing on the subject are too inadequate for a specific statement. There is one fact, however, which is illuminating. It is found in the relative clearings of the trust companies and those of banks. As has been pointed out, the New York trust companies, with two exceptions, withdrew from clearing-house facilities when the rule regarding reserve became operative. During the year 1903 the clearances of the banks aggregated $64,724,920,947. Those of the trust companies during the same year, five companies not reporting, amounted to only $4,632,034,356. This was slightly in excess of seven per cent. of the bank clearances. In 1904 the bank clearances through the clearing-house amounted to $68,071,858,413. During the same year, five companies still not reporting, the clearances of trust companies, as represented by all checks paid against deposits, amounted to only $4,929,048,797.

As the facts just cited show, to require a cash reserve against the total trust company deposit would be to impose upon them the necessity of maintaining such a reserve against enormous amounts which of right should be exempted from entailing such conditions.

The reserve proposed is not a necessity demonstrated. The record of experience is not available for that line of argument. The most that is claimed is that it is a necessity threatened.

The inference sought to be drawn is that between the trust company depositors and the loss of their deposits there is no safeguard, no matter how faithful to their responsibilities the trust companies may have been in the past.

It is in this suggestion that there lurks so much of misrepresentation, or at least misunderstanding. It tends to becloud several very important facts. It ignores the vast resources behind which, as a matter of fact, the trust company depositors have been intrenched and their interests safeguarded. It obscures the very important fact of the restrictions regarding investments and the maintenance of security deposits with the State under which trust companies are placed, and it leaves out of the reckoning not only the vast trust company capital and surplus of over $200,000,000, but it takes no account of the actual cash reserve which in practice is maintained by the trust companies.

Against their total deposits of $1,014,730,542, at the beginning of 1905, the trust companies of the city of New York had cash in bank amounting to $158,555,903, and cash in hand amounting to $31,302,136. The law requires that the banks maintain a cash reserve of twenty-five per cent. on deposits. This applies to their trust company deposits, as well as those of individuals. The banks, therefore, had in their vaults on the first of January, 1905, twenty-five per cent. of the $158,555,903 of trust company deposits, or $39,638,975. This was ready trust company money. It was just as available as the $31,302,136 actually in the trust company strong boxes. In other words, here was a total cash reserve of nearly $71,000,000 actually maintained by the trust companies. It is over two per cent. in excess of the cash reserve recommended by the Superintendent of Banking. If it be objected as an injustice to the banks that they carried over half of this and paid interest on it, the answer is that they did not have to carry it and pay interest on it if they did not so elect, and that their action presumably was prompted by their interests.

If the banks really feel that the lack of a cash reserve in the trust companies' vaults is a menace to depositors, the query naturally arises as to why they do not take a step, easily within their own power, to remedy the error. By the very simple process of refusing to pay interest on trust company deposits, they could force into the trust company vaults the reserve which they think it so necessary to have there. It is curious that this solution of the problem never occurred to any of the banking interests which have been so active in pressing the proposed trust company reserve legislation."

VALUE OF ORGANIZED EFFORT.

AT a recent dinner given by Mr. Geo. W. Young to the Presidents of the trust companies of the State of New York, Mr. Young said:

"The Comptroller of the Currency, who honors us with his presence here tonight, estimated last year that the banking power of the world amounted $33,607,000,000, of which the United States contributed nearly $14,000,000, twenty-five per cent. of which, or something over $3,750,000,000, being contributed by the trust companies of the United States, nearly one-half of which was represented by the resources of the trust companies of the State of New York.

Our growth in resources within the past decade have been phenomenal, approximating $1,000,000,000, and the depositors, sharing in our profits in the receipt of interest on their accounts, number nearly 250,000, which undoubtedly represents a clientele of over a million.

We have paid our stockholders in dividends during the past ten years the enormous sum of $60,000,000, and our surplus and capital amount to over $220,000,000, and incidentally we are now contributing yearly to the State of New York an annual tax of over $2,000,000. This tremendous growth in resources and power, apart from the responsibilities which of necessity accompany any such power, must necessarily impress us with the wisdom of close co-operation and the maintenance and extension of this Trust Company Association.

This association should not be permitted to degenerate into a mere perfunctory organization, but should become and continue an agency of ever increasing power and usefulness. Such an organization as this, representing such powerful forces, should be safeguarded almost to the same extent as the institutions which compose it, and should be a vital instrumentality of effectiveness and a source of originating influence.

Other banking interests of this State realize the strength and effectiveness and necessity of organization thoroughly systematized. They have their Bankers' Sections and other agencies ever alert and aggressive. In New York city they have their clearing-house, a time-honored association, which stands (in the public mind at least) for what is conservative in finance, for a trust company to become a member of which, is, as we all know, as difficult as the proverbial passing of the camel through the needle's eye, or the entrance of the rich man into the kingdom.

Most of the trust companies, on the other hand, for some time past have among other things in the matter of their clearance stood alone.

I am not prepared to say that this standing alone has been or is the wisest course for the general public interest. Such a result, however, whatever else it indicates, is proof of the increasing strength of these corporations. Nevertheless, in my opinion, the old-time relations between the trust companies and other financial institutions should either be restored and renewed—if they can be said to have been interrupted—or a closer alliance among trust companies themselves through this organization or otherwise must be entered into.

The precise form as well as the substance of the closer alliance must be the subject of conference, discussion and recommendation, and only then final decision.

In any such alliance it must be apparent to all that the day of taxation without representation is past and the trust companies have the right to expect to be consulted in the consideration of all questions of financial policy affecting the people of this great State. They have earned the right at least to have a voice in all questions relating to the regulation of their own affairs.

There is a reserve power within us which, if exercised, we can be entirely confident will be abundantly sufficient to carry into effect any wise determination which we may come to in this matter.

No other financial interest should be in advance of ourselves in making suggestions to us. Trust companies should lead and not follow in what makes for real progress in the financial future of their own institutions, and while giving due consideration and weight to tradition and old practices, there is no reason that they should concede that innovation is heresy."

NEW YORK TRUST COMPANIES.

SUPERINTENDENT KILBURN, of the New York State Banking Department, issued a statement on January 22d showing the condition of the eighty-two trust companies in this State on January 1, 1906. This statement is based on the extra report called for by the State Banking Department, in order to afford comparison with the January report in previous years.

The total resources are $1,312,799,130, a decrease of $51,216,885, as compared with January 1, 1905, when the total resources were $1,364,016,015. The aggregate of the loans on collateral is $656,945,362, a decrease of $24,504,352, as compared with the aggregate on January 1, 1905, when it was $681,449,715. The surplus, however, has increased $55,022,453. It is now $159,487,998, while one year ago it was but $104,465,545. The statistics follow:

RESOURCES.

Bonds and mortgages	$89,217,919
Amount of stock and bond investments	300,223,870
Amount loaned on collaterals	656,945,362
Other loans	75,407,431
Overdrafts	118,118
Due from banks, bankers and brokers	7,211,191
Real estate	17,771,114
Cash on deposit	123,149,941
Specie	20,732,816
Legal tenders and notes of banks	4,083,239
Cash items	1,821,599
Other assets	16,116,530
Total	$1,312,799,130

LIABILITIES.

Capital stock	$64,850,000
Surplus, on book value	159,487,998
Deposits subject to check	816,529,425
Certificates of deposit	93,689,682
Amount due trust companies	34,534,784
Amount due banks and bankers	33,553,965
Preferred deposits as follows:	
Due savings banks	40,489,761
Due savings and loan associations	1,070,967
Due as executor, etc.	32,830,600
Deposits preferred because of pledge	1,000,625
Deposits otherwise preferred	1,428,613
Other liabilities	33,332,710
Total	$1,312,799,130

SUPPLEMENTARY.

Surplus on market value	$165,712,135
Surplus after charging and crediting accrued interest	167,006,873
Interest and commissions received during the year	56,132,694
All other profits received during the year	11,007,730
Amount of interest paid to and credited depositors during the year	31,873,580
Amount of expenses of the institution during the year, excluding taxes	10,399,516
Amount of dividends on capital stock declared during year	10,227,750
Taxes paid during the year	2,301,390
Amount of deposits made by order of court	4,268,448
Amount of deposits on which interest is allowed	991,213,737
Amount of bonds and mortgages invested in during year	173,996,833
Amount received from bonds and mortgages paid or sold during the year	150,773,594

PROPOSED RESERVE LAW.

ON January 24 Senator Stevens introduced a bill in the New York Legislature to amend the banking law so as to require trust companies to keep a fifteen per cent. reserve against deposits, if the principal place of business is in a city having a population of 800,000 or more, or a ten per cent. reserve elsewhere. One-half of such reserve may consist of money on deposit subject to call with any bank or trust company having a capital of at least $200,000 and approved by the Superintendent of Banks.

If the reserve falls below the amount required, the trust company shall not increase its liabilities by new loans or dividends until the full amount has been restored. If the trust company fails to make good its reserve thirty days after notice has been served by the Superintendent of Banks the company shall be deemed insolvent.

WHAT IS NEEDED TO STRENGTHEN BANK SUPERVISION.

IN his recent address to the Convention of the American Bankers' Association at Washington, D. C., the Comptroller of the Currency made the following statement: "It is very hard to tell when the bank is beyond hope and really is insolvent."

This is the secret of the whole matter of bank supervision, as is shown by the common experience of bank supervisors of all kinds and degrees, State and National, in the field or in the office.

The remedies suggested by the Comptroller are very good. However, the real need of bank supervision in the United States, is legislation, State and national, giving the powers charged with supervision authority in their discretion to close any bank which they deem to be conducted in an unsafe, dangerous, or unlawful manner. Uuder the present state of the Federal law as well as practically all of the State laws which the writer has examined, the supervisory departments can close a bank *only when they know such bank to be insolvent.*

The difficulty of determining at just what time solvency ceases and insolvency begins is inherent. The bankers themselves in charge of the bank are often under the same difficulty, and are unable to name the exact day upon which insolvency begun. However, all parties can determine, and do determine when there are practices being employed which are unsafe, and unlawful. When the supervisory departments meet these conditions they should have power under the law to lock the door and apply for a Receiver. The bank can defend in court against the application, and place the burden upon the department of showing that the practices being carried on were unsafe or illegal.

If banks knew that the supervisor possessed such power under the law, they would be careful; and the practices which lead to insolvency would not be employed in bank management. This plan of beginning an action against a bank to forfeit its charter for violations of the law is all right, but the department should have the power to close the bank first, and bring the action afterwards. There is too much notifying, and admonishing, and warning, and cautioning, requesting, and calling attention to violations of the law; all of which is addressed to men who know that there is no vigor behind it all, which is compulsory; that it is merely advisory of their consciences. If the law is to say that certain practices are illegal, then it should also give power to the proper department effectually to put a stop to such practices, and all the letter writing in the world will not accomplish this result. The law should determine and specify what practices are unsafe and illegal, and then give power to compel obedience.

PAUL F. COOPER,
Bank Commissioner Oklahoma Territory.

BANKING AND COMMERCIAL LAW

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

LIABILITY OF STOCKHOLDERS—STATUTE OF LIMITATIONS—DELAY OF COMPTROLLER TO MAKE ASSESSMENTS.

Supreme Court of the United States, October 17, 1905.

GEORGE C. RANKIN, RECEIVER OF THE HUTCHINSON NATIONAL BANK *vs.* EDWARD E. BARTON.

In the case of a suit against a stockholder of a National bank to recover the amount of an assessment upon his stock, the statute of limitations commences to run from the time the Comptroller lays the assessment, and no delay of the Comptroller to make such order will set the statute in motion.

As the power of the Comptroller is derived from a statute of the United States, it cannot be controlled or limited by the statutes of a State.

In error to the Supreme Court of Kansas.

McKENNA, *J.*: The question in this case is the application of the statute of limitations of a State to the liability of a stockholder of a National bank before the amount of such liability has been ascertained and assessed by the Comptroller of the Currency. The trial court held the statute applicable, and its judgment was affirmed by the Supreme Court of the State.

The petition was filed November 13, 1902, and averred that the Hutchinson National Bank became insolvent in 1893, and plaintiff in error was appointed its Receiver. On July 9, 1894, the Comptroller of the Currency ordered an assessment of $75,000 upon the individual liability of the stockholders, being $75 on each share, to pay the debts of the bank. After application of the amounts collected, and after further accounting, it was found necessary to make another assessment, and on November 20, 1900, the Comptroller of the Currency made another assessment of $19,000, being $19 upon each share. It was averred "that said assessment was made just as soon as discovered, in the exercise of diligence, to be necessary, and just as soon as it was ascertained that the first assessment and assets of the bank were insufficient." The amount due from defendant in error was $627, for which judgment was prayed. A demurrer was sustained to the petition on the ground that it showed on its face that the cause of the action was barred by the statute of limitations of the State.

In sustaining this ruling, the Supreme Court of the State said: (1) "That although the cause of action arose under the act of Congress, which prescribed no limitation on the remedy against stockholders, the statute of the State applied; and (2) the statute commenced to run, not when the assessment was made against a stockholder, but was put in motion by delay in making the assessment. Prior decisions of the Supreme Court of the State were relied on for this conclusion. They established the local law to be, it was said, that when an act to be done is wholly within the control of the party suing, he must perform it within a reasonable time, and such time cannot extend the period within which the action would be barred if no such preliminary step were necessary. And it was decided that the averment of the petition, that the second assessment was made as soon as it was discovered to be necessary, was a mere conclusion of the pleader, which was countervailed by the facts alleged.

We think the court overlooked the official character and power of the Comptroller of the Currency, and the decisions of this court declaring them. A National bank is an instrumentality of the United States; its circulating notes are guaranteed by the United States; and if the United States should be compelled to pay them, the United States has a paramount lien on the assets of the bank for reimbursement. The administration of the bank's assets is, therefore, vested in the Comptroller of the Currency as an officer of the United States. He appoints the Receiver, and directs his acts. The individual liability of a stockholder can only be enforced by his order. The provision is as much for the benefit of the stockholders as for the United States, and it is indispensable to the bringing of a suit against the stockholder. In other words, the liability dates from the order of the Comptroller.

It was said in Kennedy vs. Gibson, 8 Wall, 498, 505, 19 L. ed. 476, 478: "It is for the Comptroller to decide when it is necessary to institute proceedings against the stockholders to enforce their personal liability, and whether the whole or part, and, if only a part, how much, shall be collected. These questions are referred to his judgment and discretion, and his determination is conclusive. The stockholders cannot controvert it. It is not to be questioned in the litigation that may ensue. He may make it at such time as he may deem proper, and upon such data as shall be satisfactory to him. This action on his part is indispensable whenever the personal liability of the stockholders is sought to be enforced, and must precede the institution of suit by the Receiver. The fact must be distinctly averred in all such cases, and, if put in issue, must be proved." Subsequent cases have reiterated the doctrine (McDonald vs. Thompson, 184 U. S. 71, 46 L. ed. 437, 22 Sup. Ct. Rep. 297; Studebaker vs. Perry, 184 U. S. 258, 46 L. ed. 528, 22 Sup. Ct. Rep. 463).

As the power of the Comptroller is derived from a statute of the United States, it cannot be controlled or limited by State statutes.

A motion is made by defendant in error to dismiss the writ of error for want of jurisdiction in this court. It is manifest from what we have said that the motion is without foundation.

Judgment reversed and cause remanded for further proceedings not inconsistent with this opinion.

RIGHT OF STOCKHOLDERS TO INSPECT BOOKS OF BANK—REMEDY IN SUCH CASE—POWER OF STATE COURTS.

Supreme Court of the United States, October 30, 1905.

J. W. GUTHRIE, ET AL., *VS.* HENRY O. HARKNESS.

A stockholder of a National bank has a right to inspect its books for a legitimate purpose, and this right may be enforced by mandamus.

The court will not compel such an inspection under all circumstances, but in issuing the writ will exercise a sound discretion, and grant the application under proper safeguards to protect the interests of all concerned.

A writ of mandamus in such case may be issued by a State court.

In error to the Supreme Court of the State of Utah to review a judgment which affirmed a judgment of the District Court for the Second Judicial District of Weber county in that State, awarding a writ of mandamus to compel the directors of a National bank to permit a stockholder to inspect the books at such times as would not interfere with the business of the bank.

The defendant in error was the owner of nearly one-fifth of the capital stock of the Commercial National Bank, of Ogden, Utah. As such shareholder he applied for leave to inspect the books, accounts, and loans of the bank, which was refused him. He alleged the reasons for seeking such inspection to be that he might ascertain the value of his stock in the bank, and whether the business affairs of the same had been conducted according to law. He charged that loans had been made to the patrons of the bank of more than one-tenth of the capital stock, in violation of law, and that an inspection of the books, accounts, and loans of the bank would reveal other irregularities. Upon the hearings in the District Court the following findings of fact were made:

"1. That the Commercial National Bank of Ogden, Utah, is a corporation organized and existing under and by virtue of the laws of the United States; that said corporation is doing a banking business in Ogden City, Weber county, State of Utah; that the capital stock of said bank is $100,000, divided into 1,000 shares of the par value of $100 per share.

2. That the defendants are directors and have under their control and in their possession all books, papers, accounts, and loans of said Commercial National Bank.

3. That there is no acting Cashier of said bank, and that there has been no such Cashier since the 1st day of November, 1902; that J. W. Guthrie is President, A. R. Heywood Vice-President, and R. T. Hume is Assistant Cashier of said bank.

4. That on or about the 1st day of February, 1903, plaintiff made a demand upon said directors, at the banking house of said bank, and also upon J. W. Guthrie, as President, A. R. Heywood as Vice-President and General Manager of said bank, and upon R. T. Hume, as Assistant Cashier of said bank, for permission to permit plaintiff to inspect all books, accounts, and loans of the said bank, and plaintiff made demand for such inspection at such time or times as would not interfere with the proper conducting and operating of said bank.

5. That each and all of said persons refused permission to plaintiff to inspect the said books, accounts, and loans of said bank at any time or at all and they still refuse to permit such inspection.

6. That the plaintiff is the owner and has in his possession 183⅓ shares of the capital stock of said bank, of the par value of $18,333.33, and that said

stock appears on the stock books of said bank in the name of the said plaintiff.

That plaintiff sought and now seeks the inspection of the books, accounts, and loans of said bank for the purpose of ascertaining the true financial condition of said bank, and also for the purpose of ascertaining the value of his stock in said bank, and also for the purpose of ascertaining whether the business affairs of the said bank have been conducted according to law.

The court further finds that sufficient reason exists for the inspection of said books and accounts of said bank."

Upon this finding the court entered a judgment requiring the defendants to permit the plaintiff to inspect the books, accounts, and loans of the bank at such time or times as would not interfere with the business of the bank.

Mr. Justice Day delivered the opinion of the court:

While the State has no power to enact legislation contravening the Federal laws for the control of National banks (Davis vs. Elmira Sav. Bank, 161 U. S. 275), Congress has provided that, for actions against them at law or in equity, they shall be deemed citizens of the State in which they are located, and that in such cases the Circuit and District Courts of the United States shall have such jurisdiction only as they would have in cases between individual citizens of the same State (25 Stat. at L. 433, chap. 866, U. S. Comp. Stat. 1901, p. 508). If the stockholders had the legal right to enforce inspection, there is no room to question the authority of the State courts to enforce the right by granting the proper relief in a judicial proceeding. (Petri vs. Commercial Nat. Bank, 142 U. S. 644; Continental Nat. Bank vs. Buford, 191 U. S. 119-123.)

Upon review in the Supreme Court of Utah, the judgment of the District Court was affirmed, it being held that it was the common-law right of the shareholder to have the inspection demanded, and that the same had not been cut down by the act of Congress regulating the business of National banks (27 Utah, 248, 75 Pac. 624).

There can be no question that the decisive weight of American authority recognizes the common-law right of the shareholder, for proper purposes and under reasonable regulations as to place and time, to inspect the books of the corporation of which he is a member. Morawetz, in his work on Private Corporations, § 473, vol. 1, says:

"However, in the United States the prevailing doctrine appears to be that the individual shareholders in a corporation have the same right as the members of an ordinary partnership to examine their company's books, although they have no power to interfere with the company's management."

In many of the States this right has been recognized in statutes which are generally held to be merely in affirmance of the common law. Nor do we find the authorities making an exception as to this right when a corporation which does a banking business is the subject of consideration.

It is said to be customary for banking companies in England to insert in their constitutions a provision forbidding the inspection of customers' accounts by shareholders or creditors (Morgan's Case [1884] L. R. 28 Ch. Div. 620; Cook, Corp. § 517, note). The subject appears to be now regulated by statute in England (Cook, Corp. § 518). In Cockburn vs. Union Bank, 13 La. Ann. 289, it was held that a stockholder in the Union Bank of Louisiana had the right to a writ of mandamus to compel the officers of the bank to allow him the privilege of inspecting the discount books of the bank within proper and reasonable hours, and in the course of the opinion it was said:

"A stockholder in a corporation possesses all his individual rights, except so far as he is deprived of them by the charter or the law of the land; as long, then, as the charter or the rules and by-laws passed in conformity thereto, and the law, do not restrict his individual rights, he possesses them in full, and can demand to exercise them. It cannot be denied that it is the right of everyone to see that his property is well managed, and to have access to the proper sources of knowledge in this respect."

This case was cited with approval in State ex rel. Burke vs. Citizens' Bank, 51 La. Ann. 426, and Tuttle vs. Iron Nat. Bank, 170 N. Y. 9-12. In the latter case it was said: "The principle upon which a stockholder is allowed access to the books of a corporation is as applicable to the case of a banking corporation as it is to any other kind of corporation."

In State ex rel. Doyle vs. Laughlin, 53 Mo. App. 542, a stockholder in an incorporated bank had been denied by the directors the right to inspect the books for the purpose of acquainting himself with the conduct of its affairs, and to learn how it was managed. The court there held that he was entitled to a writ of mandamus to compel the inspection, and this, notwithstanding the bank contended that it occupied such a confidential and trust relation to its customers and depositors that it would be a breach of duty on its part to open up the books to the inspection of the relator. The authorities are fully examined, and the right of the shareholders to inspect the books for proper purposes and at proper times is recognized (In Re Steinway, 159 N. Y. 251; Com.. ex. rel. Sellers vs. Phoenix Iron Co. 105 Pa. 111). To the same effect are Deaderick vs. Wilson, 8 Baxt. 108-137; Lewis vs. Brainerd, 53 Vt. 520; and Huylar vs. Cragin Cattle Co., 40 N. J. Eq. 392-398. In the latter case it was said:

"Stockholders are entitled to inspect the books of the company for proper purposes at proper times . . . and they are entitled to such inspection though their only object is to ascertain whether their affairs have been properly conducted by the directors or managers. Such a right is necessary to their protection. To say that they have the right, but that it can be enforced only when they have ascertained, in some way without the books, that their affairs have been mismanaged, or that their interests are in danger, is practically to deny the right in the majority of cases. Oftentimes frauds are discoverable only by examination of the books by an expert accountant. The books are not the private property of the directors or managers, but are the records of their transactions as trustees for the stockholders."

The right of inspection rests upon the proposition that those in charge of the corporation are merely the agents of the stockholders, who are the real owners of the property. (Cincinnati Volksblatt Co. vs. Hoffmeister, 62 Ohio St. 189-201.)

It is suggested in argument that, if the shareholder has this right, it may be abused, in that he may make an improper use of the knowledge thus gained. There is nothing in this record, however, to suggest, by way of argument or testimony, that the shareholder desired the information which the books would give for other than a lawful purpose. On the other hand, there is a distinct finding that the inspection was desired for the purpose of ascertaining the true financial condition of the bank, and for the purpose of enabling the complainant to find out the value of his stock and whether its business was being conducted according to law. There is no suggestion that the complainant was acting in bad faith or from improper motives, or that he was seeking in any way to misuse the information which the books would afford him.

We need not hold that there may not be circumstances which would justify the courts in withholding relief to a stockholder seeking an examination of the books and accounts of the bank. In the case before us no reason is shown for denying to the stockholder the right to know how his agents are conducting the affairs of a concern of which he is part owner. Many legal rights may be the subjects of abuse, but cannot be denied for that reason. A· director, who has the right to an examination of the books, may abuse the confidence reposed in him. Certainly this possibility will not be held to justify a denial of legal right, if such right exists in the shareholder. The possibility of the abuse of a legal right affords no ground for its denial. (State ex rel. Doyle vs. Laughlin, 53 Mo. App. 542; People ex rel. Gunst vs. Goldstein, 37 App. Div. 50.) The text-books are to the same effect as the decided cases. (Cook, Stocks & Stockholders, § 511; Boone, Banking, § 235; Angell & A. Priv. Corp. 607.)

It does not follow that the courts will compel the inspection of the bank's books under all circumstances. In issuing the writ of mandamus the court will exercise a sound discretion, and grant the right under proper safeguards to protect the interests of all concerned. The writ should not be granted for speculative purposes, or to gratify idle curiosity, or to aid a blackmailer, but it may not be denied to the stockholder who seeks the information for legitimate purposes (Re Steinway, 159 N. Y. 250; Thomp. Corp. §§ 4412 et seq.).

We are unable to find in § 5211 (U. S. Rev. Stat. U. S. Comp. Stat. 1901, p. 3498), requiring reports to be made to the Comptroller of the Currency, or in § 5240 (U. S. Comp. Stat. 1901, p. 3516), providing for the appointment of examiners to investigate the condition of National banks, anything which cuts down the usual common-law right in shareholders in such corporations.

In § 5210 (U. S. Comp. Stat. 1901 p. 3498) it is provided that a list of shareholders shall be kept, subject to inspection by the shareholders and creditors of the corporation and the officers authorized to assess taxes under State authority. The purpose of this section seems obvious in view of the other provisions of the statute, authorizing taxation by the State, upon the shareholder (§ 5219 U. S. Comp. Stat. 1901, p. 3502), and providing for the individual liability of the shareholder to an amount equal to his stock, in cases of insolvency. (Sec. 5151 U. S. Comp. Stat. 1901, p. 3465.)

This court has said that one, if not the principal, object of this section was to acquire information as to the shareholders upon whom may rest individual liability for contracts, debts, or other engagements of the bank. (Pauly vs. State Loan & T. Co. 165 U. S. 606, 608-621.)

It is true that for some purposes a National bank is a public institution, notwithstanding it is the subject of private ownership. It may issue bills, which circulate as part of the currency of the country. It is subject to examination, and, in a large measure, to the supervision of the Comptroller of the Currency. It is examined at stated periods, and may be the subject of special examination by order of the Comptroller. But it is owned by shareholders, like other banking institutions. It is subject by statute to be sued in the courts of the State (25. Stat. at L. 433, chap. 866, U. S. Comp. Stat. 1901, p. 508).

There is nothing in the banking act, as we read it, which limits a shareholder or shareholders, seeking knowledge for a lawful purpose of an institution in which they have a proprietary interest, to an application to the Comptroller for an examination by a public officer of the affairs of their company. A director need only own ten shares of the stock. (Rev. Stat. § 5146, U. S. Comp. Stat. 1901, p. 3463.) The directors together need not necessarily own the controlling interest in the bank. Yet it is contended they, or the officers of their choice, may deny stockholders the privilege of inspecting, for legitimate purposes, the property which belongs to them.

But, it is said, the right of the shareholder to inspect the books is cut off by § 5241 U. S. Comp. Stat. 1901, p. 3517, providing "no association shall be subject to any visitorial powers other than such as are authorized by this title, or are vested in the courts of justice." We are unable to find any definition of "visitorial powers" which can be held to include the common-law right of the shareholder to inspect the books of the corporation. "Visitation" is defined by Bouvier (Law Dict. vol. 2. p. 1199) as follows:

"The act of examining into the affairs of a corporation. The power of visitation is applicable only to ecclesiastical and eleemosynary corporations. (1 Bl. Com. 480.) The visitation of civil corporations is by the government itself, through the medium of the courts of justice. (See 2 Kent Com. 240.) In the United States, the legislature is the visitor of all corporations founded by it for public purposes. (Dartmouth College vs. Woodward, 4 Wheat. 518.)

The origin and nature of "visitorial" power received full discussion in the case cited by Bouvier from 4 Wheaton. (See opinion of Mr. Justice Story in Dartmouth College Case, 4 Wheat. 673.)

The meaning of this section was before Judge Baxter in the case of First Nat. Bank vs. Hughes, 6 Fed. 737, and of the meaning of the term "visitorial powers," as used in § 5241, that learned judge said:

"Visitation, in law, is the act of a superior or superintending officer, who visits a corporation to examine into its manner of conducting business, and enforce an observance of its laws and regulations. Burrill defines the word to mean 'inspection; superintendence; direction; regulation.'"

At common law the right of visitation was exercised by the King as to civil corporations, and as to eleemosynary ones, by the founder or donor (1 Cooley's Bl. Com. 481). "In the United States the legislature is the visitor of all corporations created by it, where there is no individual founder or donor, and may direct judicial proceedings against such corporations for such abuses or neglects as would at common law cause a forfeiture of their charters" (1 Cooley's Bl. Com. 482, note).

In the case before us the Supreme Court of Utah quotes from Merrill on Mandamus, as follows:

"Visitors of corporations have power to keep them within the legitimate sphere of their operations, and to correct all abuses of authority, and to nullify all irregular proceedings. In America there are very few corporations which have private visitors, and, in the absence of such, the State is the visitor of all corporations."

In no case or authority that we have been able to find has there been a definition of this right which would include the private right of the shareholder to have an examination of the business in which he is interested, and the right of discovery of the methods and means by which the agents of the corporation are conducting its affairs. The right of visitation being a public right, existing in the State for the purpose of examining into the conduct of the corporation with a view to keeping it within its legal powers, Congress had in mind, in passing this section, that in other sections of the law it had made full and complete provision for investigation by the Comptroller of the Currency and examiners appointed by him, and authorizing the appointment of a Receiver to take possession of the business with a view to winding up the affairs of the bank. It was the intention that this statute should contain a full code of provisions upon the subject, and that no State law or enactment should undertake to exercise the right of visitation over a national corporation. Except in so far as such corporation was liable to control in the courts of justice, this act was to be the full measure of visitorial power.

That the statute did not intend, in withholding visitorial powers, to take away the right to proceed in courts of justice to enforce such recognized rights as are here involved, is evident from the language used. If the right to compel the inspection of books was a well-recognized common-law remedy, as we have no doubt it was, even if included in visitorial powers as the terms are used in the statute, it would belong to that class "vested in courts of justice" which are expressly excepted from the inhibition of the statute.

Finding nothing in the act of Congress limiting the common-law right of the shareholder, we think that, under the circumstances of this case, he was wrongfully denied an inspection of the books and accounts of the bank by its officers, and the judgment of the Supreme Court of Utah is affirmed.

ACTION TO RECOVER DEPOSIT—STATUTE OF LIMITATIONS.

Supreme Court of Wisconsin, October 3, 1905.

KOELZER *vs.* FIRST NATIONAL BANK OF WHITEWATER.

As the contract between a bank and its depositor is that the bank shall pay, upon demand, the statute of limitations in the case of an action to recover an ordinary deposit does not commence to run until demand is made.

The rule that applies to actions to recover on a certificate of deposit does not apply to an ordinary indebtedness of a bank to a depositor carried on its books in open account subject to check.

This action was to recover moneys deposited by Jacob Koelzer in the defendant bank, subject to be checked out in the regular course of business. The last transaction between the defendant and the depositor in respect to the account occurred more than six years before the commencement of the action. It was claimed in the complaint and denied by the answer that the balance due after such last transaction was $533.26. A balance at that time of $8.25 was conceded. Plaintiff claimed that a deposit of $525.00 was made, which was disputed. The six-year statute of limitations was duly pleaded. The cause was tried by the court, resulting in findings to the effect that the true balance was as claimed by plaintiff, but that the cause of action accrued to recover the same at the date of such last transaction, and without demand for payment, and hence such cause of action was barred by the six-year statute of limitations. Judgment for defendant was rendered accordingly.

MARSHALL, *J.:* The learned circuit court seems to have applied to the facts of this case the doctrine which prevailed in Curran vs. Witter, 68 Wis. 16. The question there was this: Is a demand for payment of a bank's written obligation in the form of an ordinary certificate of deposit essential to a cause of action to recover thereon? For the reason that the relations of the parties to such an instrument are those of debtor and creditor, and all its characteristics are identical with those of a promissory note payable on demand, it was held to be such a note and to be governed by the law relating to such contracts as regards necessity for demand for payment as a condition precedent to action thereon. That is, since in contemplation of law, a promissory note payable on demand is due from its date and affected by the statute of limitations from that time, such a note payable by a bank, though called a certificate of deposit, must be governed accordingly. That is well supported by judicial authority, though there is much authority to the contrary, mainly based on the theory that the relation between a bank and its depositor is not that of debtor and creditor, but more like that of bailee and bailor. Obviously, since the rule as to a certificate of deposit is grounded on the fact that it is a mere promissory note payable on demand, it does not necessarily apply to ordinary indebtedness of a bank to a depositor carried on its books in open account subject to check.

If such indebtedness as that last mentioned were of the same character as that on an ordinary account one would be governed by the same rule as the other as regards the statute of limitations. A cause of action to recover thereon would not be dependent upon a formal demand for payment. Manifestly, it is not of the same character. In case of an ordinary account it is the legal right of the creditor to have his debtor seek him out and pay him. There is no such obligation as to a bank creditor. The general custom in banking business is to pay on account of such indebtedness only upon a proper demand therefor by check or its equivalent at the banking house during ordinary banking hours. One who deposits money for his credit in such an account, without any special understanding to the contrary, is presumed to accept the undertaking of the bank to pay according to the general usage in such cases, which is known to all men. There being such a general custom, without some special stipulation to the contrary, the contract between the bank and its general depositors, by necessary implication, accords therewith. So a breach of the bank's obligation to pay upon a proper demand being made, or some act on the part of the bank dispensing with such demand, is essential to a cause of action to recover of it and set the statutes of limitations running in respect to the debt.

The judicial and elementary authorities are in substantial harmony with the result above reached. In Wood on Limitations (3d Ed.), § 17, the trend of American decisions is stated in these words:

"But it appears to be that an action will not lie against a bank for a deposit until after a demand has been made therefor. The engagement of a bank with its depositor is not to pay absolutely and immediately, but when payment shall be requested at the banking house, and therefore it is not in default or to respond in damages until demand and refusal; nor does the statute of limitations begin to run until demand has been duly made."

The texts in Morse on Banks and Banking (4th Ed.), vol. 1, § 322, and the Am. & Eng. Ency, of Law (2d Ed.), vol. 3, p. 838, supported by numerous authorities, are to the same effect.

It is suggested by counsel for respondent that as this court has held that the relation between a bank and its depositor is that of debtor and creditor and that no demand for payment of its ordinary certificate of deposit is essential to a cause of action to recover thereon, it must necessarily follow that the same rule applies to an ordinary indebtedness on open account, as in all jurisdictions the rule is uniform as to both classes of indebtedness. Counsel are in error in that. True, many courts hold contrary to the policy adopted here as to a demand being necessary to a cause of action on certificates of deposit. True, in such jurisdiction there is no distinction between indebtedness on such a certificate and indebtedness on open account, but in every jurisdiction, so far as we can discover, where it has been held that the statute of limitations on such a certificate runs from its date, and the question has been determined as to when it runs as to an ordinary bank credit subject to check. It has been held that a demand for payment is necessary to set such statute in operation. As significant in that regard as any of the American decisions are those of the Supreme Court of Minnesota, since the rule there is that the relation between a bank and its depositors is that of debtor and creditor. (Branch vs. Dawson, 33 Minn. 399; Mitchell vs. Easton, 37 Minn. 335; see, also, Morse on Banks and Banking [4th Ed.] vol. 1, §§ 302, 322.)

We do not overlook the fact that the account in question, as is usual, was an open account current and that it is provided by statute that "in actions brought to recover the balance due upon a mutual and open account current the cause of action shall be deemed to have accrued at the time of the last item proved in such account." (Section 4226, Rev. St. 1898.) That does not apply where by agreement between the parties the debt is payable only upon the happening of some particular event. Mere bank credits are an exception to accounts in general referred to in the statute, since, as stated, demand for payment at the banking house during banking hours is essential to put the bank in default. Section 4226, Rev. St. 1898, does not, but subdivision 3, § 4222, Rev. St. 1898, does cover such cases as the one before us; it being understood that the statute commences to operate only from the time the cause of action is complete.

The judgment is reversed, and the cause remanded with directions to render judgment in favor of the plaintiff for $533.26, with interest thereon from February 5, 1898, with costs.

PROMISSORY NOTE—INDORSEMENT—PRESUMPTION AS TO PLACE OF.

Court of Appeals of New York, November 21, 1905.

CHEMICAL NATIONAL BANK OF NEW YORK *vs.* AMY H. KELLOGG.

Commercial necessity requires that only slight evidence should be insisted upon to establish an estoppel in pais as to the validity of commercial paper; therefore, the face of the paper itself, when free from suspicion, is sufficient evidence, in the absence of notice, against all who aid to put it into circulation in that condition, unless the note is void by the positive command of a statute.

An indorsement in blank of a promissory note dated and payable in the State of New York is presumed both at common law and under the Negotiable Instruments Law to have been made in that State, and one discounting the note in good faith is entitled to rely upon that presumption.

A married woman who at her residence in the State of New Jersey indorses in blank and solely for his benefit her husband's promissory note, dated and payable in the State of New York where it is discounted in good faith, without notice that the indorser was a non-resident, or that the indorsement was made in another State, is estopped from denying that her indorsement is a New York contract and from claiming that it is a New Jersey contract.

This action was brought upon a promissory note, of which the following is a copy:

$1,500. . New York, June 7th, 1898.

Four months after date I promise to pay to the order of myself fifteen hundred dollars at No. 4 Warren street, New York. Value received.

(Signed) D. M. Kellogg.
(Indorsed) D. M. Kellogg.
Amy H. Kellogg.

The defendant, an accommodation indorser, indorsed the note at her residence in Oak Tree, New Jersey, at the request of the maker, her husband, and there delivered the same to him, solely for his benefit. The plaintiff, a banking corporation in the city of New York, discounted the note in the ordinary course of business, without notice that the indorser was a non-resident or that the indorsement was made in another State, and used the proceeds to take up a prior note held by it. The defendant "did not authorize said note to be negotiated in New York State, and had no knowledge that it was to be used in that State." By the laws of the State of New Jersey a married woman is not liable as an accommodation indorser, guarantor or surety unless it appears that she or her separate estate has derived some benefit from the contract.

Upon these facts, which were found or stipulated, the trial court held the defendant liable on the ground that her indorsement was a New York contract. The Appellate Division unanimously affirmed and the defendant appealed to the Court of Appeals.

Vann, *J.*: Each indorsement of a promissory note is a separate contract, standing apart from that made by the maker or any other indorser. (Spies vs. National City Bank, 174 N. Y. 222, 225.) The validity of a contract of indorsement is ordinarily determined by the law of the place where the indorsement is made. (Union National Bank vs. Chapman, 169 N. Y. 538, 543.)

As the note in question was indorsed by the defendant in the State of New Jersey where she resided, under ordinary circumstances she would not be liable thereon, because the laws of that State do not permit a married woman to become a simple accommodation indorser. The laws of the State of New York, however, authorize a married woman to contract, even with her husband, the same as if she were unmarried, and it is insisted that the defendant is estopped from denying that her indorsement is a New York contract, inasmuch as the plaintiff, in good faith, purchased the note for value, before maturity, without notice of anything to put it on inquiry and in reliance upon the fact that it was dated and made payable in the State of New York, with nothing in the face of either the note or the indorsement to suggest that the contract was made in the State of New Jersey. We think this position is sound. Whoever conceals facts required by good faith and fair dealing to be disclosed, acts inequitably and will not be permitted to assert those facts to the injury of one misled by such conduct. The defendant could not make her coverture a trap to catch innocent persons. She could not deliberately give the appearance of validity to her contract and then as against a bona fide holder plead that it was invalid. She knew that the note was dated and payable in New York, and that the presumption from those facts was that it was indorsed there. She also knew that if she delivered the note in this condition to her husband to enable him to negotiate it, any one who acted on such presumption, as he lawfully might in the absence of notice, would be injured if she should plead her coverture and that she actually indorsed it in New Jersey. It was, therefore, her duty, if she wished to act honestly toward others, to attach some notice to her indorsement, or give notice in some other way, so that innocent third parties might not be harmed by relying upon appearances which she had aided in creating. If she had written after her name, "Oak Tree, New Jersey," her place of residence, the plaintiff would have been put upon inquiry as to the validity of such a contract made in that State. With no attempt to give notice, by her indorsement in blank she gave currency to the note as one made and indorsed in New York. Pleading her indorsement as a New Jersey contract under these circumstances would be an attempt to take advantage of her own wrong, which the law will not permit.

The business of the country is done so largely by means of commercial paper that the interests of commerce require that a promissory note, fair on its face, should be as negotiable as a Government bond. Every restriction upon the circulation of negotiable paper is an injury to the State, for it tends to derange trade and hinder the transaction of business. Commercial necessity requires that only slight evidence should be insisted upon to establish an estoppel *in pais* as to the validity of commercial paper. The only practicable rule is to make the face of the paper itself, when free from suspicion, sufficient evidence, in the absence of notice, against all who aided to put it into circulation in that condition, unless the note is void by the positive command of a statute, such as the act against usury. No other rule would work well, for it would be intolerable if every bank had to learn the true history of each piece of paper presented for discount before it could act in safety. It is better that there should be an occasional instance of hardship than to have doubt and distrust hamper a common method of making commercial exchanges.

While it was unnecessary that the defendant should describe herself as a guarantor by adding the word "surety" to her signature, for possession by her husband, who was prior in order of liability to herself, was notice that she did not indorse in the ordinary course of business, still if she regarded her indorsement as a New Jersey contract she should have given notice of that fact in some way so that a purchaser in good faith might know that it was not what it appeared to be, a New York contract. (Smith vs. Weston, 159 N. Y. 194; Bank of Monongahela Valley vs. Weston, 159 N. Y. 201.) Even in the State of New Jersey, where the common-law disabilities of married women have not been wholly removed, her indorsement would be enforced as a New York contract. (Thompson vs. Taylor, 66 N. J. L. 253.)

Independently of the statute, which will be cited presently, the argument in favor of an equitable estoppel rests mainly on the presumption that a note dated and payable in New York was made and indorsed in that State. While this question has seldom been before the courts, Mr. Daniel in his useful work on Negotiable Instruments says it is the law, and the authorities support the assertion. (Daniel on Neg. Inst. [5th ed.] § 728; Maxwell vs. Vansant, 46 Ill. 58; Towne vs. Rice, 122 Mass. 67; Bedford vs. Bangs, 15 App. Ct. Rep. 76; Lennig vs. Ralston, 23 Penn. St. 137; Snaith vs. Mingay, 1 M. & S. 87; Edwards on Bills, etc., § 378; Tiedeman on Bills & Notes, § 91.)

Even if the question were entirely new, sound reasoning would lead to that conclusion. While the contract made by an indorser is independent of that made by the maker in the sense that it is of a different nature, and can be separately enforced, still it is dependent on the promise of the maker, because it is an agreement to perform his promise, upon certain conditions, if he does not. Therefore the place where the maker promised, as stated in the note itself, must with all the other provisions thereof be read into the promise of the indorser, and it thus becomes by fair presumption, in the absence of notice to the contrary, the place where the indorser promised also. The purchaser has no other guide as to a fact which may involve the validity of the contract, and hence it is a commercial necessity that both contracts, so closely connected that the second cannot exist without the first, should be presumed to have been made at the same place, unless the one with power so to do rebuts the presumption by timely notice.

The learned counsel for the defendant seems to recognize the existence of this presumption, as he says in his points that, "If we examine the note alone, then the negative inference might possibly arise that the defendant intended the note should be governed by the laws of another State." He insists, however, that as the plaintiff stipulated the facts at the trial, it knew the defendant did not so intend. The rights of the parties do not depend on what the plaintiff knew at the time of the trial, but on what it knew when it discounted the note, and at that time, owing to the absence of notice, which was the defendant's fault, it had no information but what the note gave. The defendant knew that her husband could use the note in any State, and the place of date and payment indicated the State where he expected to use it. Unless she intended that it should be used in a State where her indorsement would bind her, she must have intended to defraud and hence is estopped.

But, to clinch the argument, we have only to refer to the Negotiable Instruments Law, which provides that: "Except where the contrary appears, every indorsement is presumed prima facie to have been made at the place where the instrument is dated." (L. 1897, ch. 612, § 76.)

This statute was prepared for uniform action in all the States, and it has already been adopted in many. It is regarded as simply declaratory of the common law upon the subject under consideration. (Eaton & Gilbert on Commercial Paper, § 66.) Therefore, when the note was presented for discount in New York the plaintiff had the right under the statute to presume that it was indorsed in the State where it was dated, because nothing appeared to the contrary. The defendant, by her indorsement, aided in the negotiation of a note carrying with it that presumption, both at common law and according to the statute, and after the plaintiff had acted on the presumption she cannot be heard when she attempts to say that she indorsed in a State where her indorsement is not binding, and that she did not intend to be bound by her promise when she made it.

The judgment should be affirmed, with costs.

Cullen, Ch. J., Gray, Bartlett, Haight and Werner, JJ., concur; O'Brien, J., absent.

RECEIVERS — PAYMENT OF MONEY TO STATE TREASURER — MICHIGAN STATUTE.

Supreme Court of Michigan, September 20, 1905.

MOORE, BANKING COMMISSIONER, *vs.* DONOVAN, CIRCUIT JUDGE.

The statute of Michigan requiring Receivers of State banks to pay over to the State Treasurer all moneys received by them, is not void for ambiguity.

This was a mandamus by George W. Moore, Commissioner of Banking, against Joseph W. Donovan, Circuit Judge of Wayne County.

Hooker, J.: Comp. Laws, § 6144, requires that Receivers of State banks "pay over all money (so) collected or received by them to the State Treasurer, etc." The Union Trust Company, acting as Receiver of the City Savings Bank of Detroit, has not complied with this statute, and the respondent, before whom the proceedings are pending, has refused to order compliance, and an application is made to this court to compel such action. We see no ambiguity or uncertainty in the language of the statute. With the question of the wisdom of such legislation we have nothing to do. Real or imaginary inconvenience to parties has no effect upon the question.

The writ will issue, requiring the court to order the payment of all money collected or received by the Receiver to the State Treasurer forthwith.

EXAMINATION OF BANKS—VALIDITY OF STATUTE AUTHORIZING.

Supreme Court of South Dakota, August 2, 1905.

STATE *VS.* STRUBLE.

The Legislature, in the exercise of its police power to regulate and control the business of banking, may authorize an administrative officer to adopt a reasonable system of inspection and reports.

The statute of South Dakota, conferring such powers upon the Public Examiner, is not void as an attempt of the Legislature to delegate its power by authorizing the Public Examiner to dictate the form and substance of the required report.

Nor is such statute void as discriminating in favor of persons owning or connected with the management of private banks.

This was an information filed against G. L. Struble for making a false report of the assets of a State bank. The defendant having demurred to the information, the demurrer was sustained, and the State brought a writ of error.

Fuller, J. (omitting part of the opinion): This statute provides in effect that the report, the form of which may be prescribed by the public examiner, shall, under appropriate heads, exhibit the details and items constituting the bank's resources and liabilities; and in support of the order sustaining a demurrer to the information counsel for the accused contend that the Legislature has attempted to delegate its power by authorizing that officer to dictate the form and substance of the required report. The nature and diversity of the banking business render it practically impossible for the Legislature to prescribe every detail concerning the rules and regulations governing these administrative officers of the law, who are ex-officio superintendents of banks, and the statute under consideration confers upon the Public Examiner no powers which trench upon the legislative domain.

It is beyond dispute that the Legislature, in the exercise of its police power to regulate and control the business of banking, may authorize any such administrative officer to adopt a reasonable system of inspection and reports that is best calculated to protect the public and prevent the dissipation of trust funds.

In the case of United States vs. Williams, 6 Mont. 379, a Federal statute providing that the cutting of timber on public lands for building, agriculture and domestic purposes "shall be subject to such rules and regulations as the Secretary of the Interior may prescribe," it was held not to be unconstitutional as trenching upon the domain of the legislative department of the Government. So in Ingram vs. State, 84 Am. Dec. 782, a statute authorizing the

Governor to prescribe rules and regulations under which the owner of grain may distill the same into spirituous liquors, and making the violation of such rules a public offense, was declared not to deprive the citizen of his property without due process of law, nor transfer legislative power to the Governor.

Legislative enactments granting to the various superintending officers of the State and nation authority to prescribe rules in administrative matters are very common and have been unhesitatingly sustained in the following cases: United States vs. Breen (C. C.), 40 Fed. 402; Isenhour vs. State, 157 Ind. 517; Leeper vs. State (Tenn.), 53 S. W. 962.

At page 70 of his excellent treatise on Statutory Construction, Mr. Sutherland says: "The true distinction is between the delegation of power to make the law which involves a discretion as to what the law shall be, and conferring an authority or discretion as to its execution, to be exercised under and in pursuance of the law. The first cannot be done; to the latter no valid objection can be made."

Resources and liabilities are the material substance concerning which the Public Examiner is authorized to inquire, and it would defeat the purpose of the statute to anticipate the method of detecting mismanagement or limit the investigation by prescribing the form of a report to be universally employed. Upon both principle and authority the conclusion is irresistible, that our statute contains nothing to justify the imputation of delegated power, and the position of counsel is clearly untenable.

It is further argued insistently by counsel for the accused that the statute is rendered unequal, inoperative, and void by the omission of private banks from the terms of section 26, supra, and thereby granting to the private banker immunity from the punishment inflicted upon "every officer, agent, or clerk of any banking institution" violating the provisions of this act in the manner therein specified.

Speaking of class legislation, Judge Cooley says: "The State, it is to be presumed, has no favors to bestow, and designs to inflict no arbitrary deprivation of rights. Special privileges are always obnoxious, and discriminations against persons or classes are still more so; and, as a rule of construction, it is to be presumed they were probably not contemplated or designed." (Cooley, Const. Lim. 563.) In its primary sense Webster has defined the noun "institution" to be "an establishment, as the institution of a school," and, as a school or institution of any kind may be either public or private, the expression "any banking institution," as employed in section 26, supra, clearly embraces a private bank or banker within its legal significance. As to the correctness of this construction, every doubt is dislodged by the last sentence contained in section 1, which reads as follows: "Where reference herein is made to banks, bankers, or banking in any manner, the same shall be construed as applying to any corporation, association, firm or individual so engaged in business as here defined."

Manifestly, there is no reasonable ground for the claim that the Legislature has discriminated in favor of a person owning or connected with the management of a private bank, by creating no penalty for his making a false report, and unquestionably the statute is equally applicable to every person authorized to make a statement or report to the Public Examiner relative to the financial condition of any banking institution, whether public or private.

Order reversed.

UNAUTHORIZED PAYMENT OF NOTE OF DEPOSITOR.

ELLIOT *vs.* WORCESTER TRUST COMPANY.

Supreme Judicial Court of Massachusetts, December 1, 1905.

A bank taking over the property and assets and assuming the liabilities of another bank in liquidation, has no authority as agent of a depositor of the latter institution who continues to make deposits and draw checks, to pay a note by its terms payable at the bank being liquidated; and where the depositor had compromised the debt represented by the note before it became due and the liquidating bank paid the note upon presentment when due, without first conferring with the depositor and maker of the note, the court held that the depositor had a right to recover the amount so paid, and further treat the subject as follows, quoting from the opinion of Knowlton, C. J.:

"If we consider the case in reference to the deposit transferred to the defendant from the City National Bank, we find that the defendant succeeded to the rights of that bank, and acquired no additional rights. In taking over the deposit, it took it with the same obligations to the plaintiff that its predecessor was under, one of which was not to pay out this money or any part of it on his old notes without obtaining authority from him. The statement stamped in the deposit book recognized the same obligation. The money was 'to be held by it as a deposit upon the same terms as it was held by the City National Bank.' Under this contract the defendant had no right to pay this note. It was bound to know the terms under which the deposit was held by its predecessor. If we look at the relations of the parties in regard to deposits subsequently made, we reach the same result. There was an implied understanding that the defendant should pay the plaintiff's checks drawn on the account, and notes made by him payable at its banking rooms. (Carr vs. National Security Bank, 107 Mass. 45, 48.) But this would not include notes made long before, payable at another bank. (Rev. Laws, c. 73, § 104.) As to such notes, if they were presented for payment at the defendant's banking house, it had no authority to do anything as the plaintiff's agent. In either view the payment of this note was unauthorized, and it constitutes no defense to the plaintiff's claim."

BANK BUILDING CONSTRUCTION—SIDEWALK INJURY.

MCCLAIN *vs.* CARIBOU NATIONAL BANK.

Supreme Court of Maine, November 8, 1905.

This is an interesting case for bankers, but its subject matter pertains more to the external than the internal affairs of the institution.

The bank was constructing a building for its use, and while the walk in front was in an unfinished condition, and bricks, lumber, barrels, carpenter horses, and other debris were piled upon the sidewalk, a fire occurred in the night time in the vicinity, and a woman going to the fire fell into the rollway of the cellar to the building and was injured.

The court, in deciding in favor of the bank, said the bank had not thrown open that walk to the public and thereby impliedly invited the public to use it, and was under no duty to the plaintiff except not to wantonly injure her, and that she was guilty of negligence herself. To quote from the opinion of the court:

"These obstructions practically prevented entrance upon the walk from Vaughan avenue or at the other end. They were a plain indication to the public that the walk on Washburn avenue was not opened for travel, and negatived any implied invitation of defendant for travelers to enter upon it. In going upon it that night, the plaintiff, while perhaps not a trespasser, was at most a mere licensee, to whom the defendant owed no duty, except not to wantonly injure her. The principles announced by this court in Dixon vs. Swift, 98 Me. 207, 56 Atl. 761; and Parker vs. Portland Publishing Co., 69 Me. 176, 31 Am. Rep. 262, apply to this case.

Upon the question of due care of plaintiff, it is difficult to perceive its exercise by her."

LIABILITY OF STOCKHOLDER FOR DEBTS OF BANK.

MILLER, *et al*, *vs.* WILLETT, *et al.*

Supreme Court of New Jersey, October 20, 1905.

The statutory liability of eastern stockholders in western State banks for debts of the corporation, has recently been the subject of discussion in New Jersey.

The State Bank of Monte Vista, Colorado, became insolvent and went into the hands of an assignee in 1899, who collected the assets and paid 19½ per cent. to creditors, leaving a deficiency of debts equal to about the amount of the par value of the capital stock of the bank. The law of Colorado provided that the shareholders in banks should be individually responsible for debts in double the amount of the par value of the stock owned by them. Some of the creditors joined together and brought suit in New Jersey against twenty persons alleged to be all the stockholders resident in the State, and by suit in equity sought to recover from each an amount equal to double the par value of the stock held by him. The assignee was not made a party to the suit.

In dismissing the suit the court held that there was an improper joinder of plaintiffs and defendants, that the liabilities of the several stockholders should have been the subject matter of separate suits, as no obligation common to all the defendants was set forth, or any situation disclosed calling for the proper joinder of all the defendants in one suit, and also because the bill (to quote from the opinion of the court) "in effect seeks to enforce against each defendant the payment of a fixed sum, wholly unrelated and out of all proportion to the amount needed to pay the bank's debts—in short, to enforce a penalty."

FRAUDULENT DISCHARGE OF RIGHT OF ACTION.

BELHEUMER *vs.* THOMAS.

Supreme Court of Vermont, January 23, 1906.

The court gave the defendant the benefit of a release of the cause of action which had been signed by the plaintiff under the advice of her counsel, and the latter's statement that he was procuring the release in order to commence another suit, which the attorney stated was necessary to success. The attorney thereupon delivered the defendant the release, receiving from the defendant $50, according to the agreement of settlement. The attorney fled the State and disbarment proceedings were commenced, but in the light of the decision of the court it was locking the barn after the horse had been stolen. For upon a new suit being brought by another attorney and the release pleaded, the court decided that the plaintiff had put in the hands of her attorney the means of barring the cause of action, even though she did not know that she was signing such a paper, and as the defendant had paid his $50 and taken the paper from the first attorney, an apparently just cause was defeated. It would seem that here the court might have said that the attorney was an officer of the court in addition to being agent of the plaintiff, that the defendant had not really changed his position, was damaged only to the extent of $50, and that under those circumstances the $50 would not be a bar to the suit, although the defendant should have the benefit of the money paid when judgment and execution were had.

CHECKS PAYABLE TO GUARDIAN—NOTICE—FRAUDULENT USE.

BROOKHOUSE *vs.* UNION PUBLISHING CO.

Supreme Court of New Hampshire, October 3, 1905.

That the law respecting the transfer of drafts and checks payable to guardians is different from that touching certificates of stock in corporations and promissory notes standing in like manner, is well illustrated in this case, which was a bill in equity to charge the defendants as trustees.

In 1895, Joseph C. Moore was treasurer and manager of the Publishing Co. and had practical control of its affairs, and during this time there was an assistant treasurer, who had the same power and authority as the treasurer, excepting authority to sign certificates of stock. The publishing company kept its deposit in the Manchester National Bank, and Moore, as guardian of the plaintiff, had a deposit in a Savings bank. On May 23, 1895, Moore withdrew from the Savings bank $2,250, receiving a certificate of deposit and a draft upon a Boston bank, both payable to himself as guardian, or order. He indorsed these papers as guardian and passed them to the assistant treasurer of the publishing company, to be deposited to the credit of the company in the Manchester National Bank. The deposit was made as directed; an entry was made on the books of the publishing company of so much cash received from Moore, and checks were immediately drawn against the deposit so made in payment of certain debts of the publishing company. Moore himself made other deposits of his own money to the credit of the publishing company and paid his personal debts in part out of the funds so deposited to the credit of the publishing company. Later another deposit of $1,250 from the guardianship account was made with other money deposited by Moore.

When Moore withdrew the money from the Savings bank and deposited it in the National bank, he did it for the purpose of checking it out for the benefit of others than the publishing company, and the question arose upon the ward's becoming of age whether the publishing company received the money with notice of the trust and aided Moore in wrongfully diverting it from the plaintiff ward.

The court, in deciding that the publishing company was not liable, held that while the defendants were not bankers, their obligation to Moore in respect to funds which he placed in their bank account or possession, to be deposited, was like that of a bank to its depositor. And after calling attention to the conversion of the funds by Moore and that the only knowledge which the other officers of the defendant had was what the papers themselves showed, and that however attentive an officer might be he would not learn from an examination of the books that the ward's money was passing through the bank account, the court lays down the general principle applicable to this class of cases in the following words:

"The indorsee of such papers who receives them in the course of changing them into currency, or in the course of distributing the credits they represent by means of a temporary deposit and checks or orders drawn against the deposit, is not put upon inquiry by the mere form of the paper; for such use is consistent with the guardian's rights and duty. To charge such indorsee with responsibility for a misapplication of the funds, it must appear that he had knowledge of the contemplated misapplication, or of facts that would put him upon inquiry. Even a mingling of guardianship funds with private funds in a deposit account with a bank kept in the guardian's individual name is not, in itself, unlawful, though it be unwise. In such case the form of the paper will not impose upon the bank the duty of seeing to it that the guardianship portion of the account is properly used. The ordinary presumption applies—that the guardian is acting in good faith, and will make a proper use of the money in drawing checks against the deposit.

The only obligation of the bank is to honor the checks that are duly drawn against the account in the form it is kept. To charge banks with the duty of supervising the administration of trusts, when in the due course of business they receive checks and drafts payable to and properly indorsed by trustees in their trust capacity, would place an unreasonable burden upon the banks and seriously interfere with commercial transactions. The law imposes no such duty upon banks."

As to the claim made that the company had notice of the fraud through Moore himself, their treasurer and general manager, the court had this to say:

"It is true that a principal is ordinarily chargeable with the knowledge acquired by his agent in executing the agency, and is subject to the liabilities which such knowledge imposes. But there is a well-established exception to this rule, by which the principal is not charged with the knowledge of his agent when the latter is engaged in 'committing an independent, fraudulent act on his own account, and the facts to be imputed relate to this fraudulent act.'"

And then applies the principle to the case in hand as follows:

"The application of the rule embodied in the exception to the peculiar circumstances of this case produces a just result, one that commands the approval of a court of equity. The defendants were not really the principals of Moore in respect to the deposits and withdrawals of the plaintiff's money in and from their bank account; they were his agents. The transactions were solely on his account and for his benefit. The defendants received no substantial benefit from them. The only authority conferred upon Moore by them which he used was the authority to use their bank account for his private purposes. In drawing checks, he fulfilled their obligations to himself. He was really acting for himself. If he had drawn the checks in the course of a legal use of the funds, the plaintiff would have had no cause for complaint. As has been seen, the defendants did not owe the plaintiff the duty of looking after the appropriation of the money, even if they knew it was temporarily in their possession. The presumption was that he would lawfully appropriate it. There is no evidence outside of that relating to Moore's acts and intention in these particular transactions which tends to show that they had reason to anticipate he would attempt to use the authority they conferred upon him in misappropriating trust funds. They were, at most, only unwitting agents of Moore in the transactions. The mere fact that he acted for the defendants in fulfilling their obligation to him does not in justice and equity afford a sufficient reason for charging them with knowledge and making them responsible equally with himself for a fraud that he was committing outside the scope of the authority he exercised in their behalf."

Although the result arrived at is pretty hard on an innocent and unprotected child, yet, as the law points out, there would be no safety in doing a banking business if the law were different.

FRAUDULENT TRANSFER—OVERDUE NOTE OF GUARDIAN.

GARDNER *vs.* BEACON TRUST CO., *et al.*

Supreme Judicial Court of Massachusetts, January 2, 1906.

The relation of guardian and ward and the fraudulent transfer of an overdue note and real estate mortgage as security for a bank loan comprise the subject matter of this case.

The mortgage and note of $1,500 had been long overdue when the guardian, who was the owner of the same, assigned, transferred and delivered them to Edwin M. Thayer, upon the representation of the latter that the mortgagor wished to pay the mortgage debt. Thereupon Thayer assigned the note and mortgage to the Beacon Trust Co. as security for a loan of $2,000 made to himself, the trust company not knowing that Thayer was acting fraudulently.

The guardian, upon learning of the latter transfer, brought a suit of equity to compel the trust company to assign the note and mortgage to him, because fraudulently obtained of him by Thayer.

The court, in deciding in favor of the trust company, applies the principle that "where one of two innocent persons must suffer in consequence of the fraud of another, the loss must fall upon the one who by his trust and confidence has enabled the perpetrator of the fraud to commit it."

And although the note was overdue when received by the trust company, the court holds that that fact did not prevent the rule from applying, and that there were no circumstances attending the transaction of the trust company loan which would suggest suspicion to a prudent man, or give notice of Thayer's fraudulent act.

The court also emphasized the fact that there were no provisions of law in Massachusetts preventing a guardian from conveying a good title to personal property without first securing a license therefor from the probate court. And so there were no equities in favor of the guardian superior to the equities in favor of the bank.

BANK DRAFT—ASSIGNMENT OF FUNDS—FAILURE OF ISSUING BANK.

CLARK *vs.* TORONTO BANK.

Supreme Court of Kansas, October 7, 1905.

Ordinarily the issuance of a bank draft does not, prior to its acceptance, operate as an assignment of a part of the fund against which it is drawn.

Where a bank fails and passes into the hands of a receiver after it has issued a draft upon a correspondent bank in which it has funds on deposit, and the drawee has notice of the receivership before the draft is presented for payment, the title to such deposit passes to the receiver, and the holder of the draft, in the absence of any special circumstances, is entitled to no priority over other creditors of the failed bank.

(Syllabus by the Court.)

The question whether an unaccepted bank check or draft in the usual form amounts to an assignment of a part of the drawer's deposit, or whether it does not have such effect in the absence of exceptional circumstances, has been before the Kansas Supreme Court recently in Clark vs. Toronto Bank, et al. (82 Pac. Rep. 582), and that court holds that in the absence of exceptional circumstances the issuance of such check or draft is not an assignment of any part of the drawer's funds, and that the Receiver of the insolvent drawer bank takes the drawer's deposit in the drawee bank subject to no charges or equities in favor of the holder of such draft or check.

The case arose in this way: A resident of Iowa sold some cattle in Kansas through an agent, who accepted in payment a check drawn of the Bank of Toronto. The agent presented the check at the bank, and upon his request was given in payment a draft payable to the order of his principal, drawn by the Toronto Bank upon a Kansas City bank against a fund then on deposit to its credit. Before the draft was presented for payment at the Kansas City bank the Toronto bank went into the hands of a Receiver, and that fact becoming known to the Kansas City bank, the latter refused to pay the draft, and the latter brought suit against the Receiver to collect the amount of the draft, irrespective of the amount the Toronto bank would pay its general creditors.

The court in deciding as it did recognized the decisions to the contrary effect, but on the ground that a uniformity of decision upon matters of commercial usage is especially desired in different jurisdictions, and that the great weight of authority, as well as the Negotiable Instrument Act of Kansas, passed after the action arose, was in accordance with the result reached, decided that the Receiver should receive the deposit unhampered by any claims of the holder of the draft for a preference over the general creditors of the failed drawer bank.

LIABILITY OF DIRECTORS OF NATIONAL BANKS FOR LOSSES SUSTAINED THROUGH NEGLIGENCE.

In the case of Frank D. Allen, Receiver of the Central National Bank, of Boston, vs. Otis N. Luke, et al., Judge Lowell, of the United States Circuit Court for the District of Massachusetts, rendered a decision on January 3 to the following effect:

The Receiver of an insolvent National bank can maintain a suit in equity against the former directors for losses occasioned through their misconduct: and each suit may be brought before the violations of the Banking Act have been determined and adjudged in a suit commenced by the Comptroller of the Currency for that purpose.

That the amount of loss is uncertain at the time suit is commenced is no defence to such suit, but precision is necessary in specifying the transactions relied upon, and in stating the nature of the directors' misconduct. General charges of misconduct are not sufficient.

The liability of a director of a National bank for losses occasioned through his misconduct survives his death, and such director's estate is liable therefor.

Recovery may be had in one suit against several directors and against the personal representatives of deceased directors.

When the complaint states a cause of action under the Banking Act and also one at common law, the statute of limitations does not affect the common law liability merely because it is a defense to the liability arising under the Banking Act.

REPLIES TO LAW AND BANKING QUESTIONS.

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

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

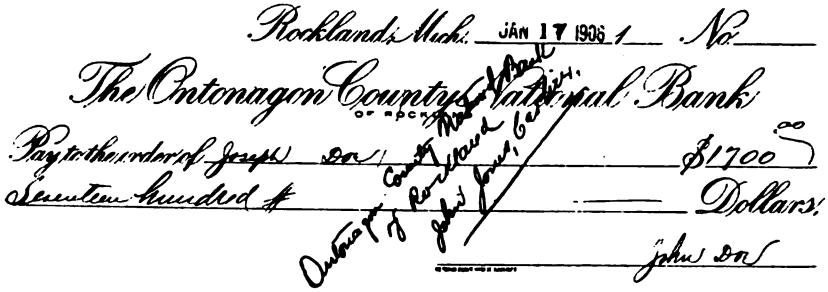
CHECK—WHAT CONSTITUTES AN ACCEPTANCE.

ONTONAGON, Mich., Jan. 18, 1906.

Editor Bankers' Magazine:

SIR: We enclose herewith sample of a check which was supposed to be certified, and wish to ask if the bank can be held on such an acceptance; and is it as good as it would be if it had the word certified on it. Please answer through your magazine.

C. **Meilleur**, *Cashier.*



Rockland, Mich. JAN 17 1906 1 No.

The Ontonagon County National Bank

of Rock

Pay to the order of Joseph Doe $1700.00

Seventeen hundred # Dollars.

John Doe

Ontonagon County Nat. Bank

of Rockland

John Jones, Cashier

Answer.—We think that the drawee bank may be held as an acceptor. While the usual mode of making an acceptance is by writing the word "accepted," and subscribing the drawee's name, yet it is well established that the drawee's signature alone is sufficient. In Spear *vs.* Pratt (2 Hill, 582) the action was against Frederick Pratt, an acceptor of a bill of exchange, payable to the order of the plaintiffs. The defendants' name was written across the face of the bill, and the question was whether this was a sufficient acceptance. The court said: "Any words written by the drawee on a bill, not putting a direct negative upon its request, as 'accepted,' 'presented,' 'seen,' the day of the month, or a direction to a third person to pay it, is *prima facie* a complete acceptance by the law merchant. Writing his name across the bill, as in this case, is a still clearer indication of intent, and a very common mode of acceptance. This is treated by the law merchant as a written acceptance—a signing by the drawee. 'It may be,' says Chitty, 'merely by writing the name at the bottom or across the bill;' and he mentions this as among the more usual modes of acceptance. It is supposed that the rule has been altered by 1 R. S. 757, 2d ed. §6. This requires the acceptance to be in writing, and signed by the acceptor or his agent. The acceptance in question was, as we have seen, declared by the law merchant to be both a writing and a signing. The statute contains no declaration that it should be considered less. An endorsement must be in writing and signed; yet the name alone is constantly holden to satisfy the requisition. No particular form of expression is necessary in any contract. The customary import of a word, by reason of its appearing in a particular place, and standing in a certain relation, is considered a written expression of intent quite as full and effectual as if pains had been taken to throw it into the most effectual paraphrase."

The Negotiable Instruments Law now in force in Michigan does not change the rule, for that statute, like the New York statute, merely declares that "the acceptance must be in writing and signed by the drawee."

ALTERATION OF CHECK.

Aberdeen, Wash., Jan. 25, 1906.

Editor Bankers' Magazine:

Sir:—In your January number I notice on page 126, third example, the rule laid down concerning a bank check drawn as there illustrated. Can you inform us in your next issue what difference it would make if the drawer had written the word "cash" in the place of drawing the straight mark where the name of the payee is usually written? What is the law on this point?

C. W. MILLER, Cashier.

ANSWER.—If the word "cash" had been used, as suggested in the inquiry, the check would have been payable to bearer. The Negotiable Instruments Law (Laws of Washington, 1899, Ch. 149, Sec. 9) provides that the instrument is payable to bearer when, among other cases, "the name of the payee does not purport to be the name of any person." And in Daniel on Negotiable Instruments, the rule is stated to be that "checks may be drawn payable to an impersonal payee, as 'to the order of bills payable,' or to the order of a certain number, or with some such phrase to indicate the intention to express the negotiability which only exists in connection with the words order or bearer." The difference between such a case and the one which the drawer had left in the words "to order of" and drawn a straight line afterwards is, that where he has used the word "cash," he has by inserting an impersonal payee, indicated his intention to make the instrument payable to bearer, whereas by drawing a line he has omitted to express any such intention, and the instrument is so uncertain that it is fatally defective. A similar case is that where an instrument was drawn "pay to the order of on sight," which was held not to be a check, "but would indicate that the drawer meant to draw a check, but left out the payee's name, and omitted any expression to show that it should be paid to bearer."

CERTIFICATE OF DEPOSIT—TWO PAYEES.

Green Bay, Wis., Jan. 14, 1906.

Editor Bankers' Magazine:

Sir:—John Brown & Mary Brown his wife or Frank Doe, and Mary Doe his mother deposit money with us, and certificate is issued payable to John Brown or Mary Brown or Frank Doe or Mary Doe. John Brown dies, or Frank Doe dies. The certificate is paid to Mary Brown or Mary Doe. Can the administrator collect? And is there any form to be stamped upon certificate to the effect that in case of death of either the living one can draw money, and if so kindly state form. SUBSCRIBER.

ANSWER.—The Negotiable Instruments Law provides that such an instrument may be drawn to the order of one or several payees. (Wis. Act. 1075-8.) And where the instrument is so drawn, the indorsement of either payee is sufficient to pass the title, and the holder is entitled to demand payment of the bank. This right to indorse is not affected by the death of the other payee, and the bank is justified in paying upon the indorsement of the survivor. It would be sufficient, therefor, to make the certificate payable to "the order of John Brown or Mary Brown," in the same way that checks are often drawn.

LIABILITY OF ACCOMMODATION INDORSER.

Jacksonville, Florida, Jan. 24, 1906.

Editor Bankers' Magazine:

Sir:—Section No. 29, Negotiable Instrument Act, is as follows: "Liability of accommodation party: An accommodation party is one who has signed the instrument as maker, drawer, acceptor or indorser, without receiving value therefor, and for the purpose of lending his name to some other person. Such a person is liable on the instrument to a holder for value, notwithstanding such holder at the time of taking the instrument knew him to be only an accommodation party."

Please give me your opinion on the following in your next issue if it is convenient: Richard Roe indorses note for John Smith, who discounts same at the bank. Richard Roe is a depositor with the bank. At the time of maturity of the note John Smith is insolvent and unable to pay the note, the bank charges the account of Richard Roe with the note: Roe objects. claiming the bank has no legal right to hold his funds for the payment of this note. Is his contention good? CASHIER.

ANSWER.—We think the right of the bank in such case is clear. The fact that Roe is an accommodation indorser does not in any way impair his obligation to the bank. His liability under the statute is very plain, and that was the rule before the adoption of the statute. (Carpenter vs. National Bank of the Republic, 106 Pa. St. 170-172; Bank of Montgomery County vs. Walker, 9 S. & R. 229.) And as he is indebted to the bank, the bank by virtue of its general lien, or through its right of set-off, may charge the amount against his account. The principle upon which the bank has the right to do this is thus explained in Windisch-Mulhauser Brewing Co. vs. Bank of Marysville (50 Ohio St. 151): "It is said to be a well-settled rule of the law merchant that a bank has a general lien on all the funds of a depositor in its possession for any balance due on general account, or other indebtedness contracted in the course of their dealings, and may appropriate the funds to the payment of such indebtedness. The right to make such appropriation, it is held, grows out of the relation of the parties as debtor and creditor, and rests upon the principle that, 'as the depositor is indebted to the bank upon a demand which is due, the funds in its possession may properly and justly be applied in payment of such debt, and it has therefore a right to retain such funds until payment is actually made.' (Falkland vs. Bank, 84 N. Y. 145.) Though this right is called a 'lien,' strictly it is not, when applied to a general deposit, for a person cannot have a lien upon his own property, but only on that of another; and, as we have seen, the funds of general deposit in a bank are the property of the bank. Properly speaking, the right, in such case, is that of set-off, arising from the existence of mutual demands. The practical effect, however, is the same. The cross-demands are satisfied, so far as they are equal, leaving whatever balance may be due on either as the true amount of indebtedness from the one party to the other." We are assuming, for the purposes of this case, that the note was not diverted from the purpose for which it was indorsed by Roe. If he could show such a diversion, with notice thereof, on the part of the bank, then he would not be liable. (Benjamin vs. Rogers, 126 N. Y. 60; United States Nat. Bank vs. Ewing, 131 N. Y. 506.)

ACCEPTANCE OF CHECK—STOCK CERTIFICATES.

Wheeling, W. Va., Jan. 29, 1906.

Editor Bankers' Magazine:

Sir:—Will you kindly answer the following questions in the next issue of The Bankers' Magazine: (1) A and B are country banks; C is a depositor in B bank, and A receives a draft on C with bill of lading attached. A calls up B on the 'phone and asks if C's check is good for $500. C has this amount to his credit at the time, and B informs A that the check is good. A pays draft on C and forwards his check to B through his correspondent. C withdraws a part of his balance with B before this check is presented, and his balance with B when check is presented is not enough to pay same. Can A hold B for the payment of the check?

(2) Our bank is chartered under the laws of this State. We began business with forty per cent. of the capital stock paid in, and we wish to

issue our stock certificates. Would it be proper for us to issue the certificates for full amount of stock subscribed and stamp across the face of the certificate with rubber stamp "forty per cent. paid in"? Our certificates do not read fully paid and non-assessable. CASHIER.

ANSWER.—(1) In none of the thirty States which have adopted the Negotiable Instruments Law would B incur any liability upon the check; for by that statute the bank on which the check is drawn, "is not liable to the holder, unless and until it accepts or certifies the check;" and every acceptance is required to be in writing. (Secs. 220, 325, N. Y. Act.) And this was the rule in New York and many other States before the adoption of the Negotiable Instruments Law. (See Duncan vs. Berlin, 60 N. Y. 151; Risley vs. Phoenix Bank, 83 N. Y. 318.) But we do not find that the statutes of West Virginia require acceptances to be in writing. However, the mere statement that the check was good at the time, hardly amounted to an assertion that it would remain good, or that the drawee bank would hold the funds to pay it. We therefore think that even in the absence of a statute requiring acceptance to be in writing, A could not hold B for the amount of the check.

(2) Certificates of stock are not the stock itself, but merely the evidence of ownership, and a person may be a stockholder though no certificate is issued to him. (Van Allen vs. Assessors, 3 Wall. [U. S. Sup. Ct.] 598; McAllister vs. Kuhn, 90 U. S. 89; Farrington vs. Tennessee, 95 U. S. 687.) In fact, as soon as the subscriptions have become complete, and the stock apportioned to meet them, the subscribers become stockholders, and the issue of the certificates is not necessary in order to give them such a status. And even though there be a failure to pay up the subscription, this does not render the subscriber any the less a stockholder. (Wheeler vs. Miller, 90 N. Y. 553; Baltimore City Pass. Co. vs. Hambleton, 77 Md. 341), and the amount of the subscriptions remaining unpaid becomes a debt due to the corporation from the stockholder. There can, therefore, be no impropriety in issuing certificates which evidence their ownership, and the extent to which they have discharged their obligations as stockholders.

NOT SO BAD AS WE'RE PAINTED.

AMID the general denunciation of everything and everybody it is refreshing to hear at least one hopeful note. Speaker Cannon, of the National House of Representatives, in an interview a short time ago said :

"They say things are not now like they were in the old days; that we are becoming aristocrats; that everybody is corrupt and dishonest, and that there is wholesale immorality. I do not hesitate to assert that this country is better to-day than it ever was in its history; that the people are better—more honest, more moral and less disposed to yield to temptations that are put in front of honest men at every turn.

The people are just as mighty now in the matter of elections as ever before, and just as discriminating as to whether a man has done his duty. No man ever gets so big that he cannot easily be wiped off the political map. And how quickly the people do it, too. They settle a man so quickly that he is soon forgotten.

Undoubtedly we are better off than were our forefathers. The millennium is not here, it is true, but things will not be a bit interesting when everything becomes perfect."

DUTIES OF DIRECTORS.

At a recent meeting of the Philadelphia Chapter, American Institute of Bank Clerks, George Stevenson, of the firm of Sailor & Stevenson, in speaking of "What Are and What Are Not the Duties of a Corporation Director," among other things said:

"A director of a corporation discharges his duty when he attends regularly the meetings of the board and such committees as he may be appointed to; when he keeps himself as much as is possible in touch with the general trend of the business; when he studies as far as he can the best interests of the corporation and strives to have an intelligent opinion on matters coming before the board and committees and to express it at the proper time and in the proper manner. While having confidence in the integrity and ability of the executive officers, he is not to accept their suggestions or approve their actions when such do not conform to what, in his judgment, is right and proper.

A director is not expected to have the same supervision of or acquaintance with the business of the corporation as the paid officers, much less of the clerks and other employees. These are the executives of the business; they are supposed to be present and in touch with the business every day and all day. A director usually can only control or direct the general policy of the corporation, not the incidentals. He can generally only pass upon such matters as are presented to him by the executive officers. It is impossible for him, especially in a large business corporation, to do more than this. His board meets, we will say, once a week. He is usually a man who has large business operations of his own to look after, as these are the kind of men most valuable as directors and most sought after for their experience and ability. He hastens from a busy office or manufactory to the meeting of his board. He has dropped for the moment some serious matters of business to be taken up again on his return to the office. The board meeting may last from thirty minutes to an hour and a half. In that time, short as it is, he will generally be informed of and act upon such business as is presented by the executives and the committees of the board. The details of the business are necessarily carried on by the executive officers. For a director to attempt to acquaint himself with all these would take as much of his time as that of the officers, and that means all of it. This is impossible, and if the members of the board of directors are expected to do this, they must each take a desk in the office of the company and be remunerated by a stipulated salary. They then immediately become employees and not directors, and there would have to be created still another governing body.

I am not here to defend anyone who accepts the office of a director and knowingly and willingly allows dishonest or discreditable transactions to take place, but I do say that in a corporation whose assets run up into the millions, whose daily transactions amount to millions, whose business ramifies in a hundred different departments, it is impossible for a director, no matter how able, to do more than attend to the general matters that are brought before him. He must necessarily give a wide scope to the powers and functions of the executive officers and heads of departments. For him to attempt to do otherwise would require him to have the heads of Cerberus and the arms of Briareus."

THE FINANCES AND CURRENCY OF THE UNITED STATES.

VIEWS OF "THE ECONOMIST" (LONDON).

COMMENTING on Secretary Shaw's recent annual report, "The Economist," of London, says:

"The spectacle which the United States present to foreign nations of an embarrassed Treasury certainly does not redound to their credit, for everyone does not understand that the inability of the Treasury to meet its liabilities arises not from the lack of power in the nation to provide the requisite resources, but is really due to Governmental and legislative neglect."

We should say, rather, that "the inability of the Treasury to meet its liabilities" arises not from the lack of money, but is really due to the neglect of the writer of the above to correctly inform himself concerning American finances. He evidently fails to understand that a deficit in the annual revenue need not, necessarily, embarras the Treasury, seeing that a very comfortable balance remains over from other years.

The subjoined opinions relating to our currency are reprinted chiefly on account of the novel character of their origin. It is certainly exceptional to read in a financial journal, published at the world's great money centre, anything like the following:

"It goes without saying that a currency which is based upon Government bonds cannot respond adequately to the expansion and contraction of the monetary requirements of the country, but is dominated by the amount of bonds available, and the prices at which they can be acquired. All the same, however, Mr. Shaw is not justified in ascribing these spasms of stringency in the market to the want of elasticity in the currency. As a matter of fact, the volume of currency has of late been greatly increased by an augmentation of note issues of National banks, and by a large addition to the amount of gold certificates outstanding; and if ordinary care had been exercised by the New York banks, the enlarged demand for money for moving the crops and also the increased calls that trade prosperity has produced might have been met without any such convulsions in the market as those to which Mr. Shaw draws attention.

"The fact is, that, instead of holding themselves prepared for the autumn drain, which they could easily have foreseen, the banks, dominated as they are by big financiers, have locked up their resources in backing up Stock Exchange operations. It is the reckless bolstering up of Wall Street, and not the defects of the existing currency system, great though these are, which has been mainly responsible for the evils that have arisen. That being so, the remedy proposed by the Secretary of the Treasury is not one that is likely to commend itself to reasonable and thoughtful people. His proposal is that the banks should be permitted to issue additional notes to the amount of fifty per cent. of their bond-secured issues on the payment of a tax of five or six per cent. on the excess. This, no doubt, would be highly acceptable to the Wall Street operators, who by their control of the banks could render money scarce or abundant as best suited their market interests. And, as if this was not sufficient to load the dice in the favor of the dominant millionaires, Mr. Shaw goes on to suggest that the existing form of bank note should be altered by eliminating the sentence 'secured by United States bonds deposited with the Treasury of the United States,' which is now imprinted upon them. Were that done, he says, 'the additional currency would be identical in form with that based upon the deposit of bonds, and its presence would not alarm, for it would not be known.' In other words, his aim is to enable the banks to manipulate the currency in secret, and while that would be eminently advantageous to the people behind the scenes, it would be correspondingly unfair to those whom the market manipulators sought to deceive. It is certainly anomalous that at a time when President Roosevelt is urging Congress to curb the money power, Secretary Shaw should be playing into its hands. It may be that he feels freer to do this than he otherwise would, in that he has no belief himself in the possibility of his proposals being accepted. For, it will be remembered, he told the Ohio bankers that he was convinced there would be no further currency legislation until there had been a panic produced by the existing want of elasticity. The way to bring about a panic is to provide means to inflate the speculative bubble until it bursts, and if that is the Secretary of the Treasury's object, his action is quite in accordance with his desire."

"Load the dice in the favor of the dominant millionaires," "enable the banks to manipulate the currency in secret," "curb the money power"—all these expressions bring to mind the resolutions of Populist conventions, some years ago, in several of the Western States. That they have been transplanted to the editorial columns of one of the leading financial papers of London is one of the remarkable circumstances of these remarkable times.

USING UP OUR RESOURCES.

IN a speech before the Commercial Club, at St. Paul, Minn., on the evening of January 16, James J. Hill, President of the Great Northern Railway, said:

"The nation at large, is prosperous. We are cutting a wide swath, there is no doubt of that. If we get down, however, to a closer examination we will readily see that the nation is living profligately. We are selling out our natural resources—exploiting them as fast as we can without building up industries and trade relations to take their place when exhausted. It is only a question of time till our timber is exhausted. Our public domain is all gone and the nation cannot longer boast that it has homes for all. Where are the immigrants rushing to our shores to end up? Not on the land. We have no more to offer them. They must crowd into the cities. When this nation has one hundred and fifty million people they will have to do something else than exploit natural resources to earn a living. We will eventually have to meet the commercial competition England is meeting today and have to face such problems as she is now facing with 1,500,000 unemployed crying for bread with no bread to feed save as charity doles it out to them."

Mr. Hill closed by expressing a hope that steps would be taken to conserve the national resources before it was too late and to establish better trade relations so that foreign markets might be had for the increasing output of our industries. He especially urged better trade relations with Canada.

CRITICISM OF SAVINGS BANKS.

By ROY C. OSGOOD.

IT is not strange that in the prevalent tendency to investigate all business institutions of a corporate nature criticism should extend even to the mutual Savings bank system. There have appeared recently in the papers in various parts of the mutual Savings bank section of the country criticisms of the methods of managing these institutions, coupled with suggestions that the interests of the depositors require that public inquiry should be made in regard to these methods. It is a thing worthy of note that these criticisms have, in none of the instances coming to our attention, been made by the press itself, but have taken the form of communications from individuals. The press has, however, given them a prominence of sufficient importance to call for attention.

Taken together, these criticisms may be said to cover three main points, which are as follows: (1) That there is some kind of manipulation of unclaimed deposits; (2) that there is an uncalled-for extravagance in the erection of bank buildings; and (3) that the executive officers are being paid extravagant salaries.

To Savings bank officials, who are familiar with the general situation, these criticisms are not new and meet with little attention, because it is known that they are without foundation; but there is a large part of the general public, and even the banking world in general, only too ready to believe them more or less true. In view of this fact there is no better time than the present to set out facts to correct this erroneous impression.

So long as each State in which mutual Savings banks exist has its own laws regulating these institutions, and these laws are stringent to a greater or less degree according to the State's legislative temperament, it is impossible in a small space to take up the conditions in each of them for the purpose of detailed discussion. The most that can be attempted is to point out features more or less common to all which refute these criticisms.

Erroneous Ideas About Unclaimed Accounts.

The first objection, that there is some unknown manipulation of unclaimed accounts, is the least worthy of notice of the three, but it is perhaps the most common one. This criticism is born of absolute ignorance of the relation established by law between the bank and depositor and its fallacy may be easily pointed out. The mutual Savings bank is a purely mutual corporation established under the law for the encouragement of thrift and the protection of the individual of small savings. The corporation itself is perpetuated in a board of trustees who manage the institution and name its executive officers, who are their agents. The relation of the board of trustees and the depositor is that of trustee and cestui que trust so far as its general nature is concerned. The depositor becomes a participant in the benefits of the bank at will by placing his savings on deposit and agreeing to be governed by the by-laws that the trustees have seen fit to adopt for the better government of the institution. In all of the States where the mutual Savings bank has most strongly developed, the legal relation between the depositor and the Savings bank is clearly established by statutory law. The statutes governing this relation are the result of careful study and experience and are not content with laying down broad rules. They go into detail as much as is consistent with good policy and cover all points, where experience has shown danger may enter, with the most scrupulous care. The amount which may be received on deposit, the method of deposit and withdrawal, and the legal status of the depositor under various circumstances possible of occurrence, are not only set out in detail, but every development of the relation, established when the deposit is made, is covered by careful restrictions.

One of the developments, in the relation of the depositor to the bank, that have grown out of the experience of these institutions, is the unclaimed deposit problem. When the mutual Savings bank system had been established a number of years it was confronted with the fact that some of the deposits continued inactive and that in many instances twenty years or more would elapse without any transaction having taken place in regard to them. This condition of affairs is easily explained. A depositor often makes a small deposit and in the change of location or for other reasons forgets about it and the account remains undisturbed in any way year after year. Another opens an account and puts the pass book away for safe keeping. It very often happens that he dies without having communicated the fact of his having an account to anyone, and his pass book is not found by his legal representatives after his death. Or it frequently occurs that, being a person of small means, there is no administration of his estate, or he has no heirs, and his pass book is never discovered. There are numerous ways in which incidents create accounts of this nature.

The disposition of unclaimed accounts is generally misunderstood by the public, and various vague and unfounded references to them occur from time to time in the press. The statement is frequently made that the banks use these accounts to erect new buildings or increase salaries, or put them to some improper or extravagant use, and that they are a source of evil calling for correction. Of course, any Savings bank official knows that these statements are absolutely devoid of foundation, but they nevertheless gain an extensive currency and belief among the uninformed.

The fact that an account is unclaimed for a long period of time creates, in the absence of statutory specification, no different status between its owner and the bank than one on which there is a deposit or withdrawal every year. The deposit stands credited to its owner on the books of the bank like any other account. It participates like all other accounts in all regular and extra dividends and continues to increase from year to year. Unless the statutes direct otherwise, it remains on the books of the Savings bank until called for, whether the unclaimed period be ten years or fifty, and like any other account stands ready to be delivered in whole or in part to its legal owner on presentation of the proper authority for payment. The fact that it remains unclaimed alters in no way the relation between the bank and its owner and it remains a trust fund in the hands of the trustee earning its proportionate increase from year to year until legally taken from the possession of the bank.

When the Savings banks reached that point in their development from which it could be seen that accounts of this nature were bound to exist, their officers began to consider the possible effect of the continuance of an account for an indefinite period and possible legal complications that might arise in consequence. The question, for example, arose as to what disposition of these accounts should be made in case of the voluntary or involuntary liquidation of the bank's affairs and they remained unclaimed after all the other affairs of liquidation had been closed. Such possible contingencies clearly established in the minds of the bank officials the necessity, or at least the policy, of making an effort to locate the owners of these dormant accounts. The result is that in every well-regulated Savings bank there is constantly carried on a systematic effort to locate the owners of such accounts. This condition of affairs naturally attracted attention to the desirability of more than voluntary effort on the part of the banks to locate the owners of these accounts, with the result that nearly every mutual Savings bank State has enacted laws to meet the situation.

To illustrate the nature of these laws the act of Massachusetts may be cited. This act, which became a law nearly twenty years ago, provides that the Treasurer of each Savings bank shall, every five years, make a sworn statement to the Savings Bank Commission of the State showing the name, amount of deposit, the last known residence or post-office address, and the fact of death, if known to him, of each depositor who shall not have made a deposit or withdrawal on his account during the preceding twenty years. This applies only to accounts of more than twenty-five dollars and to those depositors who are not known by the bank to be living. In addition to making this sworn return the bank is required to publish this data in one or more of the local papers for a period of three successive weeks. The act provides a penalty for failure on the part of the banks to comply with this requirement. In Maine there is a like provision of the statutes. This differs from that of Massachusetts in that it requires a report of all accounts of this nature regardless of their size, and that the report is to be made annually. It is the practice in this State to incorporate in the annual report of the Bank Examiner lists of the dormant accounts reported by each bank. As this annual report is a public document and widely circulated, it is accessible to anyone who may care to obtain the facts. Rhode Island has a provision similar to that of Massachusetts except that the report is not limited to deposits of twenty-five dollars and over. Other States have passed laws similar in import and in all cases they have been carefully carried out by the banks.

The result of this legislation has been to restore accounts to their owners in thousands of cases where they have been entirely forgotten or lost track of in the many ways it is possible to lose personal property. Instances are not uncommon where accounts of this nature have been restored to their owners after the lapse of fifty years, during which they have remained unclaimed. The statutes above referred to, have, however, in no way changed the relation of the bank to the owners of such accounts. They have simply made it possible to give their owners the benefit of them. There is absolutely no power under the law by which the banks themselves derive any more benefit from these accounts than from other accounts, nor is there any way by which the banks can use the money represented by these accounts for any purpose whatever. Their legal title remains in the original depositor, his transferee, or legal representatives, and so long as the account continues in the bank, the bank is in the position of trustee only.

Should the owner of the account die intestate without heirs, or should the account never be claimed, there is no principle of law by which the Savings bank has a right to its title. If such a contingency occurs, the title would revert to the State under the doctrine of escheat. This legal doctrine, which arose in the law of real estate, and by which in the absence of heirs or devisees the title reverted to the State, has been extended to personal property in the United States; and it is under this doctrine, where there is no specific statutory enactment, that the final disposition of an unclaimed Savings bank account must take place. The State of Pennsylvania has enacted a law regarding unclaimed accounts which incorporates this common law doctrine into statute law. This act, which was passed in 1872, provides that in November of each year the Savings bank shall report to the Auditor General the amounts of all deposits that have remained unclaimed during the preceding thirty years, together with the names and last known residences of the depositors. It also provides that on the following January all deposits so returned shall be paid over to the State Treasurer, who shall give a receipt to the bank constituting a full discharge of the bank's liability to the owners of these deposits. The statute provides that the money so transferred shall be for the use of the State but that any depositor, or his legal representatives, may recover his money, by prosecuting an action for debt against the State Treasurer at any time. This statutory provision does not require the publication of such accounts and is detrimental rather than beneficial to the depositor. The money is no better off in the hands of the State than in the hands of the bank, and the depositor is less likely to have the fact of its existence brought to his notice.

Much more could be said in regard to the problem of unclaimed or dormant accounts, but enough has been set out to show how utterly foolish and unfounded are the criticisms directed against the methods of mutual Savings banks in regard to them.

The matter of the two other principal criticisms against mutual Savings banks will be taken up in subsequent issues of this department of the Magazine.

TAX ON SAVINGS BANKS.

WM. H. S. WOOD, President of the Bowery Savings Bank, New York, and chairman of the committee on repeal of the franchise tax, appointed by the Savings Banks Association of the State of New York, has sent out the following letter on behalf of the committee:

"In 1901, when the Legislature of this State was actively engaged in devising methods of raising sufficient revenue by indirect taxation, to defray the necessary expenses of the State without a direct tax, through a lack of recognition of the philanthropic character of Savings banks, and the absolute purity of their management by over two thousand of our best citizens, what was called a 'franchise tax' was laid upon the surplus of all Savings banks. On the 30th day of June in each year they are obliged to render a statement to the Banking Department, showing the exact amount of their surplus, and on this amount they are compelled to pay to the State a tax of one cent. The Savings banks are therefore obliged to pay a tax for carrying on a business that is entirely of a benevolent character. The trustees of these institutions give their services gratuitously, and do everything they can to keep down expenses and increase the bank's income, in order that depositors may receive the full benefit, as far as possible, of all their earnings. To have their expenses so largely increased by reason of this tax is a heavy burden for the banks to carry. It is possibly true that the earnings upon the surpluses of the older and larger Savings banks are 'sufficient to pay the franchise tax several times over'; but this is assuming that the banks have no other use for that portion of their income derived from the surplus than the payment of this tax; whereas, as a matter of fact, with nearly all of the Savings banks of the State a portion at least of this income is necessary to enable them to pay even a 3½ per cent. dividend to their depositors. At best, the newer and smaller banks can only earn enough to pay to their depositors 3½ per cent. interest. Some of the larger banks that, after many years, have accumulated a reasonable surplus, can occasionally pay four per cent., but this rate cannot be and never has been steadily maintained.

Permit us to state what the surplus of a Savings bank is and what it comes from. It has, from the inception of Savings banks, been considered that the depositors were entitled to, as nearly as possible, the entire net income of the bank. Working on this basis, any one can understand that in napportioning the dividend among the depositors, it is impossible to divide to the last dollar, so that after a workable division is made, there will always be more or less of a balance of the six months income left to the bank, and this balance is the foundation and starting point of the surplus of all banks.

It has been asserted that the surplus account is in part or largely made up of the dormant accounts (accouuts which have not been increased or diminished by deposits or withdrawals for twenty-two years and upwards). We believe this is a gross misstatement. Dormant accounts are held, as provided by law, subject at any time to the demands of the original depositors or their heirs, who are constantly being sought for, some banks keeping a clerk for this special work.

It is a total misconception of the situation to complain that the Savings banks owe the State anything for the right to exercise this function. The trustees are not organizing and managing them for private pecuniary gain; they are a part of the benevolent work of the State itself, as much so as the poorhouses, asylums, hospitals, reformatories, etc., which annually cost the State $7,540,069.62 to maintain, the very great difference being that they are at the other end of the line. The Savings banks are the 'ounce of prevention,' as the latter are the 'pound of cure.' And now when the trustees, working without pay, have succeeded in getting the laboring classes to deposit over one and one-quarter billions of dollars in the Savings banks, and thus liberate that enormous sum for useful service in the State, behold, a tax is laid for the privilege of doing this good work without cost to the State; and the poor of the State pay the tax. The Legislature has placed a protecting arm around the Savings banks in many ways. Its highest interests and its financial interests prompt such action. It selects the most gilt edged class of securities for them to invest in. It watches over them by requiring detailed reports of all transactions every six months, and by giving all their accounts a most thorough examination at least once every two years. The interests of the depositors have been safeguarded in every way. Then, after affording all this protection, to turn about and impose a tax upon their slender incomes that is equivalent in some instances to one-half the running expenses of the banks, does seem like an imposition that should be discontinued at the earliest possible moment. The banks now have the greatest difficulty in making their investments return much more than 3½ per cent., and it was in view of the fact that they were led to believe that the franchise tax would surely be repealed last winter, that some of them felt warranted in paying a four per cent. dividend to their depositors. It is not to be expected, of course, that this rate can be continued; but it is the policy of the banks to pay as high a rate as possible, in order that depositors may participate in whatever prosperity the bank enjoys. In other pamphlets we show how the tax comes out of the depositors, and its injustice.

In the year 1892, the Legislature passed a law that the surplus of any bank should not exceed 15 per cent. of the par value of its deposits. The surplus of none of the banks, however, ever reaches that limit. In fact very few of them have a surplus of even 10 per cent. and most of them very considerably less. Afer years of fostering legislation, it is discouraging to the trustees who have labored hard and long to accumulate and increase this sheet anchor of all banks—the surplus—to have the State suddenly pounce upon it and claim a share, however small. Under the circumstances the banks should be encouraged to increase the amount of their surplus for the security of their depositors, rather than to diminish it.

Last year the Republican and Democratic parties of the State promised faithfully to undo the wrong that had been done, and to repeal this franchise tax. Governor Higgins, in his pre-election speeches, pledged himself to this end. Superintendent of Banks Kilburn also recommended that such action should be taken. A bill was introduced into the Legislature last winter to accomplish this purpose, and twice Governor Higgins sent a special message urging its passage, in which he used this forcible language: 'Pledges to the people must faithfully be kept, and cannot safely be ignored on the specious plea of necessity. The Republican party is committed to this repeal by the repeated public declaration of its candidates. It cannot afford to refuse to do its duty in this regard. The reasons for relieving the Savings banks from this tax as a matter of justice are more cogent now than at the opening of the session.' But in the effort to provide adequate revenue, its consideration was deferred to the very end of the session in May last, and though it passed by a handsome majority in the Senate, it was held up without a vote in the Assembly, and thus failed to become a law. Governor Higgins and Chairman Odell, realizing the necessity and obligations to the people of passing this law, both expressed their disappointment, and both promised to use every legitimate effort to have a repeal bill passed at the coming session of the Legislature. The committee of the State Association of Savings banks now propose to introduce the same repeal bill early in January, and cannot but believe that with a better understanding, the Legislature will promptly pass it, redeem their pledges to the people, and thus free two and a half millions of depositors of an unfair tax."

THE FIRST SAVINGS BANK ACCOUNT.

THROUGH the courtesy of Mr. Wm. Hanhart, Secretary of the Savings Bank Section of the American Bankers' Association, we are able to present the following, which is a copy of the first Savings bank account opened in the United States:

OFFICE OF THE PHILADELPHIA SAVING FUND SOCIETY.

No. 1.
Curtis Roberts,
Residence, 308 Chestnut Street, Phila.,
Reference, Condy Raguet.

		Dr.	Cr.
1816			
Dec. 2	By Cash		5
1817			
April 21	By Cash		5
1818 •			
Jan. 1	By Interest		40
Jan. 1	By Balance		10 40
1819			
Jany. 1	By Interest		48
			10 88
Mar. 31	By Interest		12
Apl. 1	To The Phila, Saving Fund Society		11

VETERAN PRESIDENT RETIRES.

JAMES McMAHON, recently retired as President of the Emigrant Industrial Savings Bank, of New York city, and was succeeded by Thomas M. Mulry. In commemoration of his long services the trustees of the bank gave Mr. McMahon a dinner at the Waldorf-Astoria. In his speech on this occasion, Mr. McMahon said:

"With a heart full of gratitude, I rise to give you thanks for this tribute of affectionate respect which you have seen fit to offer me on the occasion of my retirement from the office of President of the Emigrant Industrial Savings Bank. This retirement is occasioned by my not over robust health; the doctors have decided and I must perforce obey their reasonable mandate.

The early history of the bank brings us back to the year 1841, when the Irish Emigrant Society was organized by prominent citizens of Irish birth, for the purpose of aiding and protecting emigrants from the mother country. The society became incorporated in 1844, and it has always maintained representatives at Castle Garden and Ellis Island for the protection of Irish emigrants.

It has kept open an efficient and free labor bureau and it has given our people the privilege of buying its drafts, payable in all parts of Ireland. This proved of great help to the Irish emigrants, and saved them many a dollar that would have been taken from them by unscrupulous persons.

The Emigrant Industrial Savings Bank was practically an outcome of this society, most of the trustees being members of both institutions. The bank was organized in 1850, and today we may say that it stands as a monument to the wisdom of its incorporators and to the hard work of its trustees and officers. Its deposits amount to $85,000,000; it has so far paid $48,500,000 interest and it has accumulated a surplus or reserve fund of $6,360,000 for their protection.

The policy of our bank in investing its funds in bond and mortgage loans and in bonds in the proportion of about half and half has been steadily maintained.

Our institution has always been opposed to taxation of savings funds and during my incumbency of the presidency no year has gone by without some bills being introduced into the Legislature for that purpose. For the first ten years of my service my personal visits to Albany were frequent, and I may say that I have done my share in shaping legislation affecting Savings banks and in endeavoring to prevent the passage of measures inimical to their best interests.

I was one of those instrumental in organizing our State Association of Savings Banks. The action of this association and of the individual banks composing it regarding legislation has been most wise. It has refused at all times contributions intended to indirectly affect legislation, though the temptation to do so was at times quite strong, because of the fact that bills most prejudicial to the interests of Savings banks were constantly being presented to the Legislature for adoption, lobbyists offering, for stipulated sums, to kill said legislation. Had the doors been opened to the use of money in this direction our Savings banks today would be in the same predicament as the life insurance companies.

It has always been the wise policy of the trustees to avoid seeking to recruit their ranks from among the greatest financiers and meteors of Wall Street, thus preventing any one dominant interest or group of interests from directing the policy of the bank.

During the fourteen years of my administration the increase in deposits has been $43,000,000; our holdings of real estate loans have advanced from

$24,000,000 to $49,000,000, and the investments in bonds have increased from $19,000,000 to over $35,500,000 at the present date.

To your newly-elected President I present congratulations and assurances of esteem. He is well known as a highly intelligent and capable man of affairs, and his affiliation with the charitable work done by the great society over which he presides has brought him in close touch with the people of this great metropolis.

In conclusion, I wish to say that while resigning my office as your President, I shall by no means relinquish my duties as trustee, and it will be my great privilege and pleasure for as long as the good Lord will permit, to sit among you and join in directing the affairs of this institution, over which it shall be my pride to state that I presided for so many years."

SAVINGS BANKS AND LIFE INSURANCE COMPANIES.

COMMENTING on the report of the Massachusetts Board of Savings Bank Commissioners, "The Springfield (Mass.) Republican" says:

"The average rate of dividend or earnings upon investments continues to fall notwithstanding a rising tendency in the earning power of capital generally because of the great prosperity of the country and the advance in commodity prices. This is to be explained on the ground of the narrow limitations placed upon Savings bank investments and the largely increasing amount of money so to be invested. Almost one-half of the banks now pay only 3½ per cent., and none pay over four per cent.

The total expenses of conducting these 189 institutions during the year, exclusive of taxes, were $1,583,889. This sum involves, first, the care of trust funds aggregating above $700,000,000. Almost any group of American life insurance companies having aggregate assets of that amount are paying in salaries alone to officers and home office employees a much larger sum than these entire expenses of the Massachusetts Savings banks.

The total income of the Massachusetts banks during the year, or deposits presented plus earnings from investments, aggregated some $145,700,000; and the total expenses, as noted above, constitute about 1.09 per cent. of this total income. The expenses of American life insurance companies average nearly twenty per cent. of total income—in other words, they are conducted at a relative cost nearly twenty times greater than that of the Savings banks.

The principal reason for this great difference is, of course, the fact that the Savings banks do not make a practice of soliciting deposits, while the insurance companies maintain a large and most feverishly active business of solicitation. And we are told that this is absolutely necessary if life insurance is to be sold—that men will not otherwise provide in this way for those dependent on them; that they will not incur the self-sacrifice for an advantage not to come to them personally in the future.

This may possibly be true, but there is no positive evidence of the fact—no conclusive proof that the backwardness of men in taking life insurance is not now, after so many years of education upon the value of life insurance, rather the product than the cause of the general system of solicitation which prevails. People provide for their dependents through Savings bank deposits as much as for themselves. As a rule it may probably be said that they are no more seeking a mere personal future advantage through these savings than through life insurance with its endowment and annuity features. They are engaged in building up estates for their families in bank savings as in life insurance. And the bank savings involve a sacrifice of present satisfactions, as does the purchase of life insurance. But in the one case this self-sacrifice goes on very generally through the unsolicited patronage of the Savings banks, while in the other case the necessity is affirmed of maintaining a most active and expensive system of solicitation.

The existence of that necessity is to be questioned, and with it the necessity of maintaining a cost for collecting, caring for and distributing life insurance savings, or protection, so many times greater than for the performance of a very similar service through the Savings banks."

MASSACHUSETTS SAVINGS BANKS.

According to the thirtieth annual report of the Savings Bank Commissioners of Massachusetts, covering the operations on 189 Savings banks, the deposits in such banks showed a greater increase in the past year than for any previous year in their history. There are now 1,829,487 open accounts, showing average deposits of $362.29 each, or $4.93 more than at the corresponding date last year.

The aggregate statement of liabilities and assets as of October 31, 1905, show in comparison with the previous year as follows:

ASSETS.

	1905.	1904.
Public funds	$75,995,982	$72,382,119
Loans on public funds	835,125	741,435
Bank stocks	13,398,025	14,456,321
Loans on bank stocks	909,377	991,776
Street Railway bonds	7,694,571	6,324,370
Railroad bonds	125,740,971	113,510,243
Loans on Railroad bonds	1,740,550	1,727,030
Loans on Railroad stocks	260,874	415,685
Boston Terminal bonds	10,205,303	10,948,787
Railroad notes	1,210.000	1,886,000
Real estate for banks	6,782,258	6,518,883
Real estate by foreclosure	3,883,450	3,987,389
Loans on real estate	286,385,511	276,118,360
Loans on personal securities	140,148,237	131,225,340
Loans on cities and towns	13,779,699	13,719,637
Loans on deposit accounts	60,843	58,393
Sundry assets	1,289,766	1,231,656
Cash on hand	17,408,190	18,360,062
Totals	$707,728,734	$674,644,990

LIABILITIES.

	1905.	1904.
Deposits	$662.808,313	$631,313,800
Guaranty fund	30.100,477	28,675.690
Undivided earnings	14.658,166	14,356,710
Due on mortgage loans	143,047	191,349
Sundry liabilities	108,730	107,439
Totals	$707,728,734	$674,644,990

During the year one bank declared a dividend of three per cent., one of 3¼ per cent., ninety-two of 3½ per cent., ten of 3¾ per cent., one of 3⅞ per cent., and eighty-two of four per cent. The total amount of dividends declared amounted to $22,759,568, against $21,941,040 last year and $21,047,937 in 1903.

The average rate of dividends was 3.73 against 3.75 in 1904 and 3.709 in 1903.

During the year there were 1,880,854 deposits, amounting to $116,026,890.90, an average of $61.69 each, as compared with $60.06 the preceding year.

There were during the year 1,414,479 withdrawals, amounting to $107,861,106.89, being an average of $75.90 to each withdrawal, as against $73.58 last year.

POSTAL SAVINGS BANKS.

THE Postal Savings Bank bill recently introduced in the House of Representatives by Mr. Kennedy differs in some important particulars from the Snapp and Dickson bills introduced during the present session. The other bills are much alike, but Mr. Kennedy's bill makes the establishment and operation of postal Savings banks in any particular State depend upon the action of the Legislature of that State. In other words, the States may have the system or not, just as they please. No Savings bank bill heretofore introduced has had that feature. It is intended to minimize opposition to the measure. The establishment of postal Savings banks is especially opposed by such States as New York, Massachusetts and other New England States having strong, stable Savings banks. Speaking generally, the West, wants postal Savings banks, while the East does not. The hope is that the Eastern States may withdraw their opposition to the Kennedy bill, because it will not affect them without their consent. Then, again, the provision referred to may allay some opposition from the Southern States, which insist upon the right to legislate on such matters for themselves.

Another objection usually made to postal Savings banks is that the financial conditions of the country would be disturbed by their establishment. This bill contemplates their gradual establishment as the States declare for them, so that deposits would not accumulate more rapidly than provision could be made for their use.

Another feature of the bill is that the surplus funds not invested shall be distributed equitably among the States from which the deposits come. This, it is contended, would obviate an objection heretofore made in the West, that the system would centralize the surplus funds in the East.

A QUESTION OF RESPONSIBILITY.

SPEAKING of the recent resignation of two of the Savings Bank Commissioners, "The Springfield Republican" says:

"The resignation of the two older members of the Savings Bank Commission were forced because of failure to interfere with the operations of a speculative foreign corporation which had come into the State and was doing quite a business in collecting the savings of the people. But it is to be considered whether the Legislature is not more to be blamed than the delinquent commissioners. The Legislature opened the door to such foreign corporations, and then tardily tried to close it partially by authorizing the commission to look out for these savings operations. And then, still later, the Legislature threw wide open the Savings field to any irresponsible domestic corporation that was of a mind to enter it. This was done under that wildcat general business corporation law of 1903, which was rushed through the Legislature by two or three lawyers, several designing promoters and the Boston newspapers, without a word of debate. It is with a bitterness wholly justifiable under the circumstances that the commissioners call attention to the fact that a number of institutions—chartered under the 'Massachusetts business corporation law of 1903'—are soliciting and receiving deposits through the medium of toy banks and otherwise, and this without any supervision whatever, or the power to exercise any supervision. The commissioners take pains to italicize the words 'chartered under the law of 1903,' and that serves not only to reveal a natural bitterness of feeling on their part, but also to show up the Legislature as the party mainly responsible for the present existence of irresponsible savings collection institutions in the State."

A NOVEL SAVINGS BANK BUILDING.

PLANS have been filed for a new home for the Union Square Savings Bank, of New York city. The plans provide for something novel in bank-building construction in this city. The bank proper will be but one-story in height, while in the rear will be another section of the same building four stories high, which will be furnished as a dwelling for the bank attaches.

The site of the proposed structure is at the northeast corner of Fifteenth street and Union Square, including Nos. 20 and 22 Union Square. It will be fireproof throughout and is estimated to cost about $275,000. The facade is to be of Troy white granite in the classic Greek style, adorned with an ornamental portico with four Corinthian columns.

EUTAW SAVINGS BANK OF BALTIMORE.

THIS is a strictly mutual Savings bank, having no capital stock. The fifty-eighth annual report shows the operations of the bank for the past year, and in addition to the statement contained in the balance-sheet, a complete list of the investments is given, showing the name of the securities, rate, when due, and the amount at which they are charged on the books. This statement is certainly of such a complete character as to invite the confidence of depositors. The deposits of the bank on December 31 were $21,597,855.

CLEVELAND'S SAVINGS BANKS.

H. S. Beardsley writes in "Leslie's Weekly":

"The population of Cleveland is about 475,000; the accounts in its Savings banks are over 400,000, or nearly one per capita. These latter, however, are from all corners of the earth. Cleveland, with half of one per cent. of the country's population, holds more than six per cent. of the country's Savings bank deposits of $3,000,000,000. This expansion is due to the growth of the banking-by-mail idea and to the commercial growth of Cleveland itself, by which its banks feel enabled to pay four per cent. on deposits, against three per cent. in many other large cities. Banking by mail is a comparatively new but a rapidly growing system. It employs two agencies, advertising and the postoffice. These have brought deposits from nearly every country. The experience of the banks of Cleveland shows that there is no loss in sending money by the mails. None of the banks has a record of a single instance of this kind. Depositors are always instructed to send money orders, drafts or registered letters.

With this development of the savings of Cleveland, its banks have become institutions of enormous strength. Two of them have erected huge office buildings costing more than a million apiece, and another has started construction of what will be the largest exclusive bank building in the country. Two have deposits of nearly $50,000,000 each."

THUMB-PRINT IDENTIFICATION.

FRENCH bankers have undertaken a method of thumb-print identification for the purpose of preventing fraud. The thumb-prints of depositors are taken and preserved, and the prints will be catalogued. This action of the French bankers recalls some experiences of the writer with thumb-prints and toe-prints among the banking institutions of the Orient, while travelling through the islands of the Southern Pacific Ocean not long ago.

Through necessity, there are many native depositors in the banks of the Philippines, Japan, Hawaiian Islands, Guam and Borneo, who signify their mark with an imprint of the finger, thumb or toe, for the simple reason that they are unable to write. They can make their soiled impression upon the paper at anytime, and this has always been easier than struggling with a pen to make a cross, while someone witnesses the signature.

The mode of carrying on the thumb or toe imprint in the Spanish and Filipino banks involves the use of certain printing liquids. I had always supposed that the native signer of the check placed it flat upon a hard surface, and after coating his thumb with the necessary printing substances, applied the pressure of the thumb-ball upon the paper at the point where the check is signed. Instead of that the check is taken between the fingers and the thumb, as shown in Figure 1. The ball of the thumb is first coated with the necessary mixture of colored ink-like stuff for making the impression of the fine lines of the tissue of the skin. In order to furnish the required printing material, a tablet (Figure 2) is used, on which there is a hollowed stone or metal bowl. The interior of this bowl is supplied with the india-ink substance. The natives often use ordinary ink, mixed with a little clay or putty, so as to make the substance the proper consistency for effecting an impression. I saw that juices of the betel nut were used in one case. Often the saps of trees are employed, the saps being well mixed with the soot scraped from choked lamp chimneys. Ground charcoal was also used in one place. A sponge was near, saturated with cocoanut oil. The person would moisten the ball of the thumb on the oily sponge and then twist the ball of the thumb about in the black mass for a moment. The thumb is then partly wiped off on the coat sleeve, to prevent daubing the check, and then the impression is made.

Fig 1

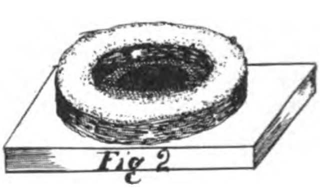


Fig 2

Sometimes a plain, flat tablet of stone or hard wood is used as in Figure 3. The substance for coloring is mixed and made ready in the usual way. Then it is deposited in the centre of the smooth stone surface and the person requiring to use the printing material need only apply the thumb-ball and make the desired print on the check. Some little skill is needed to do the work right. A number of checks are always spoiled at first. Too much of the composition means a daub of unrecognizable lines; too little, a weak impression. After a few trials the party making the print gets accustomed to it, and knows just about how much of the colored, paste-like substance to use in order to describe the lines of his thumb accurately. The person has to be skilled in printing under the same conditions each time. Trouble ensues when through error the print is made with the left thumb, although the print of the right thumb may be catalogued at the bank. Then if the ball of the thumb is not pressed alike and evenly each time, the Cashier of the bank is liable to be mystified and question the thumb-print signature. The correct place for making the print sometimes becomes a vexing question. The customary position is at the line where the signature is usually written in, as illustrated in Figure 4.

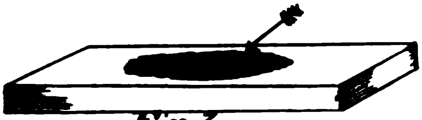
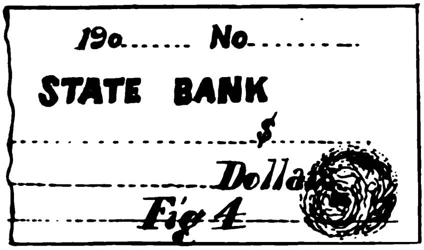


Fig 3

Fig 5

Fig 6



190...... No........

STATE BANK

$

Dolla

Fig 4

Fig 6A

Fig 7

A glance through the catalogued inscriptions of thumb-prints of patrons reveals some varying lines. There are some thumbs of which the lines describe circles. Other lines form triangles. Others shape a general mass of lines, while others present set patterns. These lines are not detected very readily without the aid of the magnifying glass. Figures 5, 6, 7 and 8 illustrate some various forms of prints.

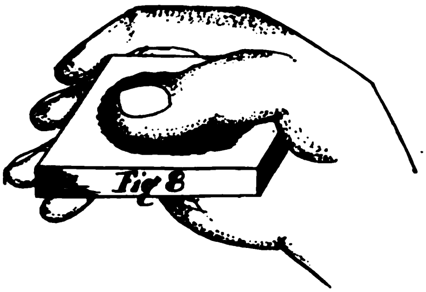


Fig 8

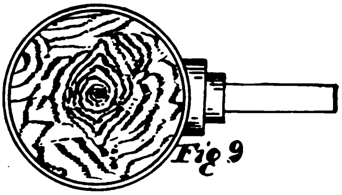


Fig 9

Figure 8 is a drawing showing the practice of thumb-printing as employed in one bank. A block of stone is used, and upon this is placed the inking substance. The person takes the entire block in the fingers, as shown, and before he removes his thumb from the mass he proceeds to do considerable mixing and stirring. The result is that the twirling thumb-ball makes a thorough mixing of the coloring, and renders it suitable for effecting a complete impression. The thumb prints are frequently photographed, and by this system the impression can be forwarded to various points. I was amused when shown some fraudulent imprints. First the impression of the man's thumb-ball is made in clay; then rubber is run into the mould thus made. The detail of the lines forms well, and an imitation thumb-ball can be made that produces a very close imitation of the genuine article. But to do this requires the consent of the person. Any one may protect his imprint by not permitting a cast to be made of his thumb. However, in course of time we may look for moulds manufactured from thumb-prints, and no doubt these secondary prints will be utilized for fraudulent purposes. In Figure 9 is shown the mode of scrutinizing the print. The bank people have a glass at hand, and if the print cannot be distinguished readily, the magnifying glass is called into play.

Ex-BANKER.

SAVINGS BANK INVESTMENTS.

A BILL has been introduced in the New York Legislature to amend the banking law relative to securities in which Savings bank deposits may be invested.

Sub-division 5 of Section 116 of Chapter 689 of the Laws of 1892, as amended up to the end of 1905, is amended to admit the bonds of Milwaukee, St. Paul, St. Louis and Pittsburg.

Paragraph 1 of sub-division 6 of the same section is amended to allow the bonds of railways now legal for Savings banks to remain legal if the company should be merged into another railway company, provided the new company continues to pay at least four per cent. on the par value of the stock retired, no matter into what form this retired stock may be converted by the merger.

AN IMMUTABLE LAW.

IN the opinion of the New York "Evening Post," the trustees of large funds are apt to forget some of the responsibilties they cannot escape. It says:

"The private life of a lawyer or a merchant may be as lax as his conscience will allow, because he is answerable only to himself. But a man who takes a position of trust—from a minor clerkship in a bank to the presidency of the Steel Corporation—has deliberately assumed obligations, not only to keep his fingers out of the till, but to carry himself so upright in all his ways that no man can suspect his fidelity. He cannot do as he likes with his own money, if he likes to affront the moral sense of the community. And in this point the wisdom of the world is not foolishness. Experience as old as humanity proves that the gambler, the drunkard, and the debauchee, however alert their intellectual faculties, are not in the long run trustworthy. If any fact is writ large in human nature, it is this. Men forget it while they are making money faster than they can spend it. Men forget it when they cut loose from former associates, and escape from the social pressure of early environment. Our newly rich, in Wall street and out, have signally forgotten it in the last decade. But the law is still immutable."

BANKING PUBLICITY

COLONIAL TRUST COMPANY'S ENDOWMENT CONTRACT.

THE Colonial Trust Company, of Pittsburgh, is issuing a new contract under the name of the "Colonial Accumulation Endowment Contract," the idea of which is that of endowing the future by depositing a sum of money in one payment to be left for a period of years, at the end of which time the depositor receives a stated sum, one thousand dollars or multiples of the same. For the benefit of our readers we print the form of contract in full:

Pittsburgh, Pa. ....

THE COLONIAL TRUST COMPANY

Hereby acknowledges receipt of .... Dollars, $ ....
from ...., subject to the following rules and regulations:

Section I. If the above amount is left on deposit with this company .... (5, 10, 15 or 20) years from the date of this receipt, there will be due to the depositor or his legal representative, to be paid by this company on return of this book, the sum of .... thousand dollars.

Section II. If the depositor desires to withdraw the deposit before the expiration period, he may do so after having given to this company six (6) months' notice of such intention, at the expiration of which time he may receive the cash value of this deposit as shown in the table as of the year immediately preceding that in which the notice is given, unless notice of withdrawal is given on a yearly period, in which case the value is as of that date, but payable at expiration of said notice.

Section III. The depositor shall sign his or her name, duly witnessed, on a card furnished for that purpose, giving his or her business and place of residence, and shall notify this company of any change in the same.

Section IV. Whenever a book is lost, destroyed or fraudulently obtained, immediate notice thereof must be given to the company. After two weeks from time of notice, with satisfactory evidence of the loss, and indemnity given, if required by the directors, a new book will be furnished.

Section V. If any person shall present a contract book at the office of the company and allege untruly to be the depositor named therein, and shall obtain thereby from the officers of the company the amount deposited, and the actual depositor shall not have given previous notice to the company of his or her book having been lost or taken away from him or her, this company will not be responsible for the loss so sustained by any depositor; neither will this institution be liable to make good the same.

Section VI. Deposits may be made by one person as trustee for the benefit of another, or of any unincorporated society or association, at the discretion of the Treasurer. In all such cases the deposits shall be made in the name of the trustee "in trust for" such a person, society or association. Said trustee, or his successor, shall alone be entitled to receive payments; and his receipt, with the production of the book, shall be sufficient discharge. Provided, however, That in case of deposits for the benefit of another person, the company may, at its discretion, by vote of the Board, make payment to such person, on production of the book, which payment shall also be a sufficient discharge.

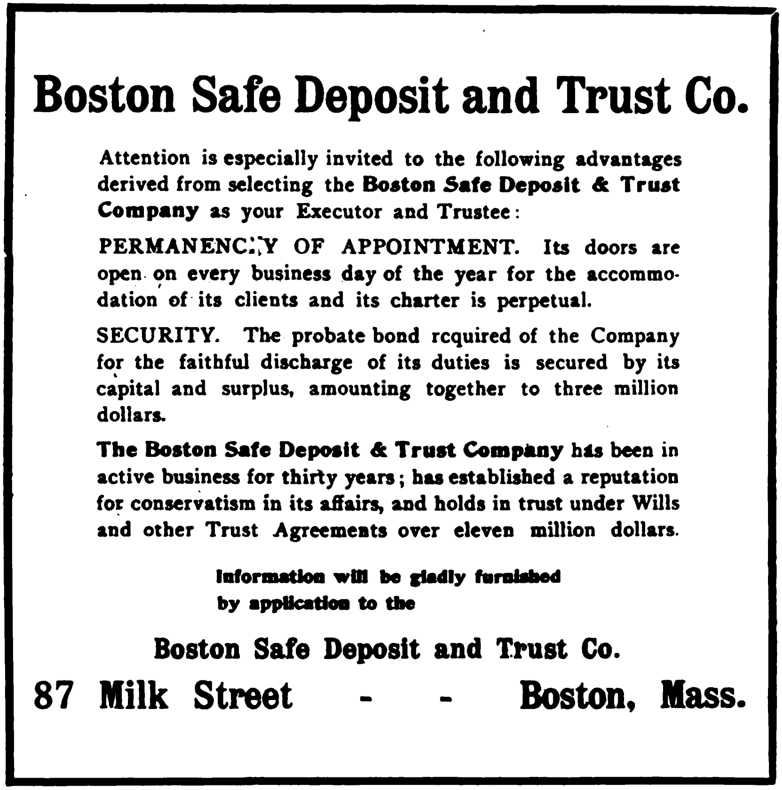
Section VII. All funds received by this company from deposits in this plan will be invested in good and reliable securities for the protection of said depositors, and said securities will be kept separate and apart from the other assets of the company.

....
Officer of Bank.

(Copright, 1905, by the Colonial Trust Co.)

ADVERTISING FOR TRUST BUSINESS.

THE Boston Safe Deposit and Trust Company of Boston, one of the oldest and most substantial trust companies in the country, does a large business in the care of trust funds as executor and trustee under wills. Some of the advertising arguments of this company are set forth in the announcement reproduced herewith.



Boston Safe Deposit and Trust Co.

Attention is especially invited to the following advantages derived from selecting the **Boston Safe Deposit & Trust Company** as your Executor and Trustee:

PERMANENCY OF APPOINTMENT. Its doors are open on every business day of the year for the accommodation of its clients and its charter is perpetual.

SECURITY. The probate bond required of the Company for the faithful discharge of its duties is secured by its capital and surplus, amounting together to three million dollars.

The Boston Safe Deposit & Trust Company has been in active business for thirty years; has established a reputation for conservatism in its affairs, and holds in trust under Wills and other Trust Agreements over eleven million dollars.

Information will be gladly furnished
by application to the

Boston Safe Deposit and Trust Co.

87 Milk Street - - Boston, Mass.

A BANK THAT HAS MADE NEWSPAPER ADVERTISING PAY.

ADVERTISING in a newspaper has been found to pay by the Citizens' National Bank of Raleigh, N. C., and it gracefully admits the fact in an announcement reproduced herewith from the "News and Observer," of that city. A thirty per cent. increase in deposits is a pretty satisfactory result from one year's advertising.

Does Advertising Pay?

A year ago we bought our first newspaper advertising space as an experiment. We began with the following comparative statement:

	1894	*1905*
Deposits, - - -	***$343,000***	***$869,000***
Assets, - - -	***490,771***	***1,107,872***

To-day, after a year in the newspapers, the figures are as follows:

	1894	*1905*	*1906*
Deposits,	***$343,000***	***$869,000***	***$1,122,873***
Assets,	***490,771***	***1,107,872***	***1,450,000***

We wish to express our appreciation to the newspapers and our patrons.

THE CITIZENS NATIONAL BANK

JOSEPH G. BROWN, President **HENRY E. LITCHFORD, Cashier**

LINCOLN TRUST COMPANY STATEMENT.

THE Lincoln Trust Co., Madison Square, New York, issues in attractive form its statement of Jan. 1, 1906. The front is taken up by a picture in half-tone of the busy thoroughfares in the neighborhood of the company's offices. The figures contained in the statement are equally attractive, showing as they do deposits of over $17,000,000, surplus and profits of $915,000, with capital of $500,000. Three years ago the deposits were but $2,707,000. Secretary Phillips' concise wording may well be reproduced here:

"Soliciting the business and mercantile accounts of firms, individuals, and corporations, the Lincoln Trust Company is prepared, subject to agreement, to meet their financial requirements in the most modern and approved manner, exactly as any sound and conservative bank, promptly, liberally and at the best interest rate.

"In addition the company makes a feature of allowing interest on such accounts, and offers exceptional services, including the collection of out-of-town checks, under especially favorable arrangement. Clients enjoy every facility offered by the banks, together with the safeguards provided by the laws of the State of New York for the Trust Company."

The Lincoln Trust Co. will open a down-town branch March 1 at the corner of Broadway and Lispenard street.

BANKING "HOUSE ORGANS."

SEVERAL banks have taken up the "house organ" idea and are publishing little monthly journals for advertising purposes and for the cultivation of esprit de corps among the staff. One of the most lively and interesting of these periodicals is "Our Neighborhood," published by the employees of the New York National Exchange Bank, the exceedingly up-to-date institution at the corner of West Broadway and Chambers street, New York city. "Our Neighborhood" is a well-printed journal of twenty-eight pages and contains chatty notes and gossip of the business houses in the bank's district, with portraits of some of the men connected with them, besides more pretentious contributions.

Another of these publications is "The Eagle Eye," promulgated every month by the employees of the Cleveland Trust Co. A chronicle of their doings, "a stimulus to their ambitions and a tonic for the weary minded." "The Eagle Eye" is evidently circulated mainly among the employees of the company, and the progress of the twelve branches is shown by comparative statements of increase in deposits, gain in accounts and percentage of accounts retained. The December number contains a detailed description of the handsome new bank building now in course of construction.

BANKING PUBLICITY NOTES.

NORTHERN TRUST COMPANY.

AMONG the recent advertising literature of the Northern Trust Co. of Chicago is a handsome folder showing the beautiful new building now under construction at La Salle and Monroe streets. A pamphlet has also been issued on "How Savings Deposits May be Sent by Mail."

MISSISSIPPI VALLEY TRUST COMPANY.

THE Mississippi Valley Trust Co., one of the most prolific sources of good bank advertising, issues a very useful pocket volume of "Bond Value Interest and Yield Tables" and a diary for the Bar of St. Louis city and county, bound in leather and stamped with the name of the recipient in gold.

LOS ANGELES TRUST COMPANY.

THE Los Angeles Trust Company issues a well planned booklet on the various fields of usefulness of the trust company—as banker, as trustee, as dealer in bonds and investments and as safe depositary for valuables. As a preface it quotes: "Trust companies are formed to execute the most sacred duties that can be imposed by man: To carry out the wishes of the dead; to care for the property and welfare of the helpless and dependent; to discharge with absolute fidelity the duties entrusted to them in faith and confidence. It is the highest form of business yet devised."

FRANKLIN TRUST COMPANY.

IN commemoration of the Franklin Bicentennial the Franklin Trust Co., of Brooklyn, N. Y., has sent out copies of Franklin's autobiography in the convenient and attractive Macmillan edition. This company in its statement of Dec. 30, 1905, which accompanies the book, shows deposits of over $12,000,000, with capital of $1,000,000 and surplus and profits of $2,000,000.

WINDSOR TRUST COMPANY.

A RECENT folder issued by the Windsor Trust Co., of New York, calls attention to the facilities of its uptown and downtown offices for the accommodation of its patrons in the varied lines of activity of the modern trust company.

CHESTER COUNTY TRUST COMPANY.

THE Chester County Trust Co., of West Chester, Pa., has published an attractive booklet illustrating by exterior and interior views its beautiful new building. Every facility has evidently been provided for patrons, and the booklet calls attention to the fact.

CALIFORNIA SAFE DEPOSIT AND TRUST COMPANY.

"NOTHING succeeds like success," and nothing is more effective in bank advertising than comparative statements of gains in deposits. The California Safe Deposit and Trust Co., of San Francisco, in a recent folder shows that it has grown from deposits of $91,000 in 1883 to $7,289,000 in November, 1905.

REAL ESTATE TRUST COMPANY.

THE Real Estate Trust Co., of New York, accompanies its statement of Dec. 30, 1905, with the following announcement:

"To depositors desiring personal relations with the officers and clerks we offer every facility. We strive to know our depositors personally, and to serve them as individuals. We have 1,946 accounts. Our specialty is personal, rather than corporate business, accounts of persons, executors, trustees, etc., rather than of corporations."

The statement itself shows capital of $250,000, surplus and profits of $708,000 and gross deposits of $7,8000,000.

PEOPLE'S BANK AND TRUST COMPANY.

THE People's Bank and Trust Co., of New Haven, Conn., uses the following effective wording in one of the recent advertisements:

"During the year 1904 the trust companies of the State of New York distributed to their stockholders the sum of $9,508,000; while during the same year the depositors received in interest the total sum of $25,954,661, thus giving the depositors $2.73 of the profits of the business to every dollar paid to the stockholders.

"Why not make your deposits earn something by opening a checking account with us?"

GREENWICH BANK.

IN a recent striking pamphlet the Greenwich Bank, of New York, compares the bank of 1830, with capital and surplus of $200,000, with the bank of 1905, with capital and surplus of $1,000,000. In a concise statement of facts it says:

The Greenwich Bank
Is one of the oldest in the city, having been established in 1830.
Has just paid its 100th dividend.
Is a member of the New York Clearing-House.

Has ample funds to take care of all its customers.

Is a purely business bank in the fullest sense of the word and does not speculate or cater to Wall Street.

Is well and conservatively managed.

Comprehends every act within the province of modern banking.

Extends credit to all accounts of individuals, firms and corporations, based on responsibility and balances.

Is progressive and awake to the business interests of today.

SUSQUEHANNA TRUST AND SAFE DEPOSIT COMPANY.

THE Susquehanna Trust and Safe Deposit Co., of Williamsport, Pa., presents its statement of Dec. 30, 1905, in an attractive booklet, with a cover embossed in gold and bearing a half-tone reproduction of its building.

WACO STATE BANK.

CUSTOMERS of the Waco State Bank, of Waco, Tex., are remembered at the beginning of each new year by a maturity calendar, giving the maturity dates of thirty, sixty and ninety-day paper.

NORTH & COMPANY.

NORTH & CO., bankers, of Unadilla, N. Y., send with their January statement a folder bearing some trenchant "Facts for Depositors to Consider." In the folder they quote: "The safety of a bank depends not so much on its form of organization, nor on bolts and bars, as on the integrity and abilty of the men in charge of it."

MARYLAND SAVINGS BANK.

THE Maryland Savings Bank of Baltimore, in its pamphlet describing its new building, brings out the following good points:

SUGGESTION: The greatest force in human existence is suggestion. From that source all our future experiences take root. Success, happiness, independence, wealth and position commence with suggestion.

ACTION: Action is life. And more action is more life. Upon your acts depend your entire standing and relation with your fellow men. Action follows suggestion, and a good suggestion cannot produce anything other than a good habit.

HABIT: Habit is repeated action. You act upon a good suggestion and you are certain to acquire good habits. Saving is a habit. It follows suggestion and action. It is as easy to form the good habit of saving as to form a wasteful habit. Try it.

CHARACTER: Your habits make your character. No mistake about that. A suggestion that you save a part of your earnings, no matter how small, if acted upon, will fix you in the habit of economy and give you a character for stability and strength of purpose that means getting along in the world.

SUCCESS: And success is determined by your character; that is, your actions and habits. You can only acquire independence by earning it. You can acquire wealth by saving what you earn. All of which, as we said, comes from suggestion.

LETTERS TO THE EDITOR

THE REAL PROBLEM IN CURRENCY REFORM.

Editor Bankers' Magazine:

Sir: We have heard, lately, a good deal of remedies to improve and to reform our monetary circulation; so it is proper to say, first of all, a word about the diagnosis of the case.

There is lack of distinction, in our entire financial organization, between circulating and fixed capital, and between the instruments of credit by means of which these two distinct classes of capital can be borrowed.

As fixed capital, we consider the soil, houses, machinery, railroads, etc.; we call circulating capital seed, wheat, flour, bread, cotton, wool, cloth, metals—in short, all sort of commodities in process of consumption.

When, in the fall of every year, a larger demand for money is felt, it is not for the purpose of borrowing fixed capital, but for moving the crops; that is, for circulating capital; however, any help given then by the Government goes first into the channels of fixed capital and reaches those of agriculture and merchandise only indirectly. This would not be a great inconvenience. It is a fact that increase of deposits by the Government on such occasions, anticipated payment of coupons or redemption of bonds, issue of bank notes against bonds, relieve first the strain in the stock market; but a beneficial effect is also felt in the produce markets, at least, to some extent.

Mr. Shaw's hesitation during the last pinch in money was evidently caused by doubts whether measures of relief would, in the present bull movement of stocks, reach the mercantile community at all or only serve to help speculation.

The effect of such action is different at different times; but even if it reaches its ends fully, if the money has gone properly into channels of circulating capital, after a few weeks or months, when it is not needed there any more, it flows back to the security markets, it is forced into investments of fixed capital, it serves to increase the bank loans on collateral securities, and when, the following year, the demand for money for moving crops sets in again, these funds are mostly not available, and the appeal to the Secretary of the Treasury is repeated. The increased circulation tends to expand the loan account of banks four times as much, but in practice it will be much less and not be inconvenient, if it only stays in the channels of circulating capital, because the elasticity we require is not only what is generally understood—the adaption to increasing and diminishing trade—but also the elasticity, meaning expansion of circulation only, required by an enormous increase of population every year, over an immense area.

I tried to present a practical solution of the question in an article published in The Bankers' Magazine in June, 1903, but I think that the variety of propositions from different sides, preventing a reform, is due to not having found so far as a basis the recognition of the true principle of such reform, and it is in this order of ideas that I venture this new effort.

I read of one proposition to be submitted to Congress, aiming at a law permitting National Banks to lend on real estate. This shows how far the views expressed differ from some others.

In Europe special organizations lend money exclusively on real estate, which has, so to say, its separate money market ,the market for borrowing fixed capital. The instruments of credit in this case are mortgage bonds exclusively based on real estate, aggregating in France and Germany billions of francs and mark.

Let the bank notes become gradually what they are in those countries, the instrument of credit for circulating capital only, and with this principle well established, all to be done appears to be merely a matter of form.

ALBERT MAYER.

New York, January 17, 1906.

AMERICAN SECURITIES IN EUROPE.

Editor Bankers' Magazine:

Sir: The statements which Mr. W. H. Allen questions in my article on "American Securities in Europe," namely, that New York "may now be said to control all its principal railroad stocks and to be no longer dependent either on London or Berlin," is based on personal observation on the London Stock Exchange. It is quite a different statement from Mr. Allen's paraphrasing it, that "at the present time foreign capitalists have less interest in American railroads than in a former period."

Every dealer in American stocks here knows that "control" and "holdings" seldom go together. I agree with Mr. Vanderlip that there are no definite figures (and can be none) as to the movements of American securities between New York and Europe. The dealings in Wall Street on foreign account, showing (Mr. Allen says) an excess of purchases in each year from 1898 to 1901, which you think disprove my statement, are simply Wall Street guesses. What we do know positively in London is that our market in American securities is much narrower than it was previous to the railroad reorganizations of 1894-96. The total volume of dealings may not have shrunk much; it may even be larger, but the bulk of it now originates in New York. The purely English dealings are a mere fraction of what they used to be.

I hope this explanation will clear up Mr. Allen's doubts.

W. R. LAWSON.

The Stock Exchange, London.

NEW COUNTERFEIT $10 UNITED STATES (BUFFALO) NOTES.

SERIES of 1901; check letter A; face plate number 272; back plate number 121; J. W. Lyons, Register; Ellis H. Roberts, Treasurer; portraits of Lewis and Clark.

This counterfeit is apparently printed from photomechanical plates on two pieces of paper between which heavy silk threads have been distributed. The general appearance of the counterfeit is deceptive, particularly the back of the note. While the Treasury numbers are too heavy, they are of good color and formation. In the portrait of Lewis the left eye has a decided cast upward. There is a period between "Washington" and D. C." instead of a comma. There is no period after the "H" in the signature of the Treasurer of the United States. There are no diagonal cross lines in the shading back of the portraits. The counterfeit is about a quarter of an inch shorter than the genuine and the paper is thick and stiff. The back of the counterfeit is several shades lighter than the genuine.

MODERN FINANCIAL INSTITUTIONS AND THEIR EQUIPMENT

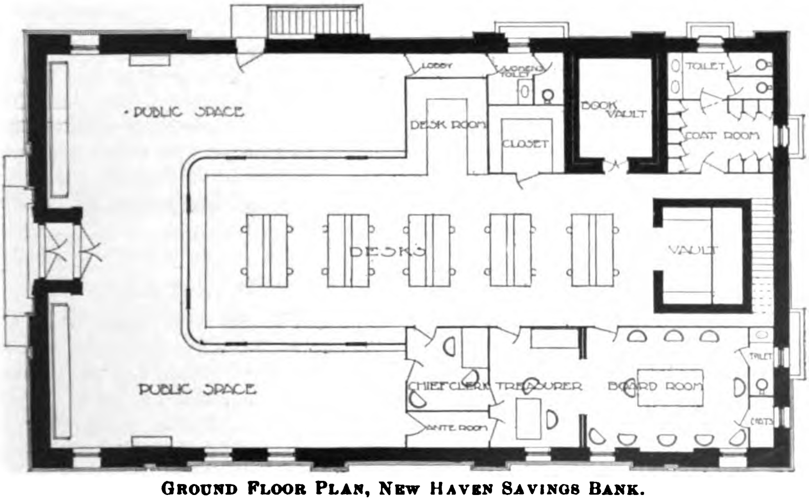
LAYING OUT A BANKING ROOM.

By W. J. HOGGSON.

On the same principle that a mechanic cannot work to advantage without adequate tools, a business executive cannot conduct his routine without adequate office machinery. In the latter case as in the former the facilities for performing a work must be selected with special reference to the work itself and only that machinery selected which can dispatch that work with the greatest eventual economy.

The machinery of a business executive, in its last analysis, is his organization. As each problem or piece of work comes up, he must know to whom or to which department to relegate it. In this way the entire force at his command may be brought into play in the doing of the day's work in exactly the same spirit with which the mechanic selects those tools from his kit which are best suited for the particular work in front of him.

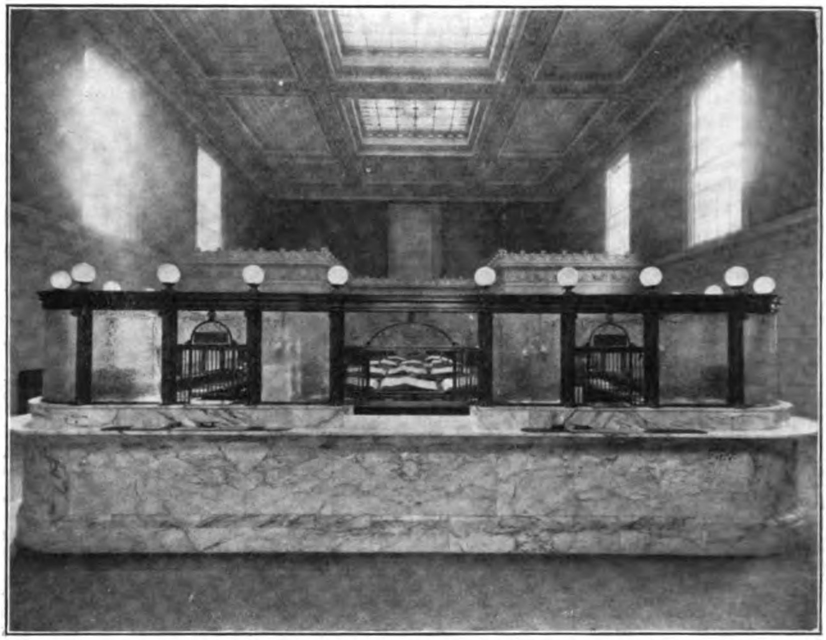
In few lines of commercial activity can the machinery of a business house be better indicated by its external expression than in the banking field. The reason for this is simple; each banking room is laid out for the special purpose of maintaining the organization of that particular bank. As the work of each bank differs, so does its organization differ, its routine of business and the arrangement of its departments. Hence the arrangement



Ground Floor Plan, New Haven Savings Bank.

of a bank room is a factor of real importance in the conduct of a banking house.

The first step in such arrangement rests on a thorough understanding of how that bank is conducted. What are the methods of meeting its customers? Does the President or other officers know his customers personally, and does he wish to be near the entrance, where he may watch who comes and goes? Does he want to greet them personally? Is his personal acquaintance so limited or are his customers so many that he prefers his office to be in a retired corner? The space must be arranged to meet these demands. On the answer to these questions is dependent not only the floor plan of the room, but also the furnishing. A bank official whose office is near the main entrance to enable him to watch those who enter the bank without any desire to speak to them personally, will obviously require a glass partition, whereas the bank President who is personally acquainted with his customers would prefer to be less secluded.



NEW HAVEN (CT.) SAVINGS BANK.

Courtesy of Hoggson Bros.

SPACE DEVOTED TO THE CLERKS.

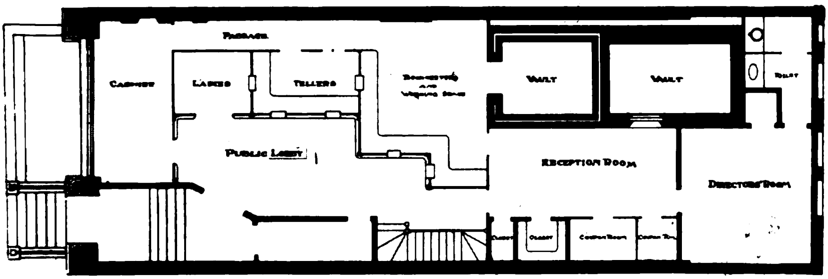
The second point is the arrangement of the space to be devoted to the clerks. How many clerks are there to be accommodated and the number of the accounts? What is its rate of growth in the past and probable rate of growth in the future? These points must be learned, not only to provide for present business, but for probable growth. Space must then be accorded with reference to the number of clerks and also to the equipment at their disposal. This equipment includes desks, filing cabinets, book shelves, tables, and other fixtures for which space must be provided. The various departments are then arranged with the purpose of handling the routine of the bank's business with the least possible confusion and so far as possible by having the various operations follow their regular sequence.

The third point to be considered is the size and number of the safety-deposit vaults. These must be placed where they may be best protected and where they may be accessible either to the bank officials or to the customers, or to both.

All the above work must be planned with reference to the source of light. Light is of particular importance in a bank, not only because of the work of the clerks, but because of the necessity for recognizing customers. Should the light shine in the eyes of the paying or receiving teller the face of the customer would be thrown in shadow and the teller himself would thus be placed at a disadvantage in two ways. One of the prominent western banks once arranged its office in the interest of its customers rather than that of its working force, and as a result the clerks faced the windows. So many errors of identification were made that the entire banking floor had to be remodeled.

After the above points have been decided upon and indicated by ground plans, the drawings go into elevation, and the furnishings and fixtures are indicated on paper. Shall the partitions be of glass or wood? If they are of glass, shall they be transparent or shall they be of ground glass; in order to carry the light, shall they extend to the ceilings? What shall be the dimensions of the desks—a point which must be determined by the size of the books which they must hold. What provision shall be made for the desk equipment? The entire desks in a New England bank were recently made over in order to hold some large and expensive ink-wells which were not taken into consideration when the equipment was planned.

The location of the board room is, as a rule, of little importance. The directors usually desire a secluded point, however, which is sometimes for purposes of convenience placed on the main banking floor, or, in case the bank occupies an entire building, on some other floor.



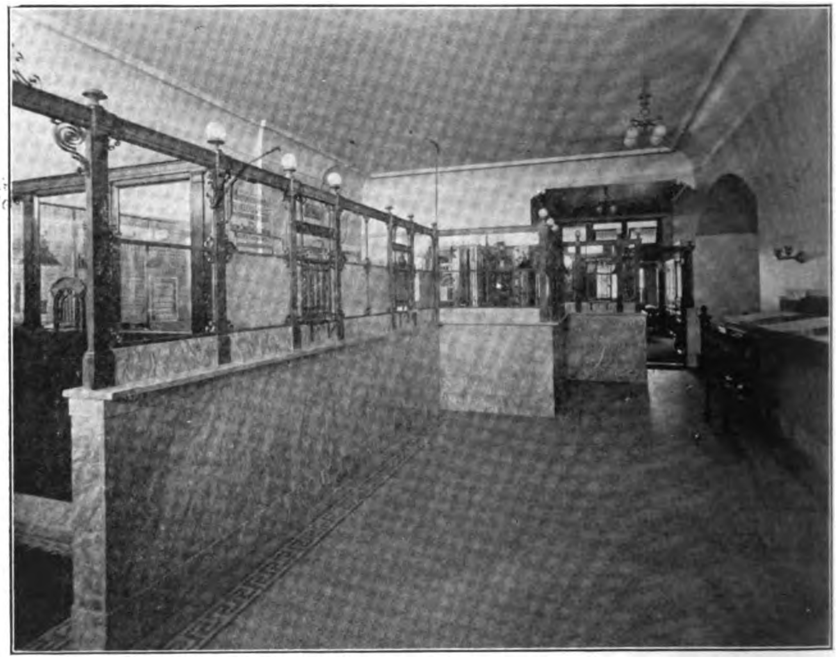
Floor Plan, First National Bank, Stamford, Ct.

The arrangement and furnishing of a banking room are also dependent upon the class of customers. Thus some banks in the fashionable parts of the large cities have luxuriously appointed ladies' rooms, whereas the downtown banks are arranged with a special purpose of allowing the work of downtown customers to be dispatched with as much speed as possible.

The Question of Cost.

When the plans are carried thus far the question of cost must be investigated to its most minute detail, and the working plans and elevations must show every detail of bank equipment, even to the location and style of telephone and ink-wells. By taking up each item in detail in this way the cost may be distributed consistently over the work as a whole, and necessary changes may be made either to bring the expenses to a point below the fixed limit or to bring up the quantity of the work to the required standard.

The accompanying illustrations show the various methods of arranging the banking floor. The interior of the New Haven Savings Bank, for instance, is typical of that class of banks which do business with a large number of customers. It will be noticed that the numerous windows allow for attention to many customers at the same time. This arrangement is observed in a number of the large banks in New York which count among their customers wage earners whose use of the bank is restricted to a very few hours during the year, but most of whom use the bank at the same time.



FIRST NATIONAL BANK, STAMFORD, CT.

Courtesy of Hoggson Bros.

The interior of the National New Haven Bank is typical of the arrangement of those banks whose floor space is limited. It will be noticed that the light comes from windows behind the clerks and thus facilitates their work, at the expense of some slight inconvenience to the customers. The picture of the Second National Bank, of New Haven, is the reverse of that of the New Haven Savings Bank. By such an arrangement three sides of the banking room may be used as the working space for the bank employees, whereas in the former case it is possible to use practically four sides.

IRVING NATIONAL BANK, NEW YORK CITY.

SOME changes were made in the officers of the Irving National Bank, New York city, at the recent annual meeting of the shareholders, Samuel S. Conover being elected President, owing to the continued illness of Charles H. Fancher, and Charles L. Farrell was elected Vice-President. The following new directors were also chosen: Charles H. Dale, president of the Rubber Goods Manufacturing

Samuel S. Conover,
President Irving National Bank.

Company; William F. Burrows, vice-president Libby, McNeill & Libby, Chicago; Robert B. Armstrong, President Casualty Company of America, and formerly Assistant Secretary of the Treasury of the United States; Charles R. Hannan, banker; Charles L. Farrell, Vice-President.

IRVING NATIONAL BANK BUILDING, NEW YORK.

Samuel S. Conover, the new President of the Irving National Bank, was born at Passaic, N. J., in 1869, and began his business career in 1884 with the New York Mercantile Exchange, with which he remained three years, when he accepted a position in the claim department of the Southern Pacific Railroad. After two years of service in this capacity, he became connected with the Fourth National Bank, New York, where he continued for ten years, serving as Secretary to the President and Vice-President of the bank. In 1902 he was elected Vice-President of the Irving National Bank, and held this office until elected President, as above stated.

It will be seen that Mr. Conover is possessed of ample banking experience, and the record already made is an assurance of even greater success in the more responsible position to which he has just been called.

Charles L. Farrell, the new Vice-President, was formerly Vice-President of the Fort Dearborn National Bank, of Chicago, and is well known and popular in the Middle West, where his banking experience has been gained.

The Irving National Bank began business as a State bank in 1851, and was one of the original members of the New York Clearing-House Association. It became a National bank in 1865. Originally the capital was $300,000, but this has been increased until it is now $1,000,000 and the surplus has also grown to be $1,000,000. Deposits have increased steadily and now amount to about $8,000,000, made up largely of individual accounts, although the bank is also well equipped for handling the business of out-of-town banks.

Under the management of President Conover the Irving National may be expected to maintain the strong hold it has gained on the public confidence during its fifty-three years of business, and to still further increase the efficiency of its service to the commercial and banking community.

New Building of the National Shawmut Bank, Boston.
(Now in course of construction.)

E. O. ELDREDGE,

CASHIER NEW AMSTERDAM NATIONAL BANK, NEW YORK CITY.

ON January 16, Edward O. Eldredge was elected Cashier of the New Amsterdam National Bank, of New York city, and Geo. J. Baumann, who has heretofore been Cashier, was elected Vice-President.

Mr. Eldredge comes to New York from Owego, where for fifteen years he has been Cashier of the Owego National Bank. Previous to entering the bank he was in the mercantile business, where he gained the confidence of the community, and made such a record as to attract the attention of the bank officials, who offered him a place in the bank. During his connection with the Owego National Bank that institution largely increased its deposits and strengthened its position, and Mr. Eldredge had an important share in bringing about these results. The hearty good will of the board of directors follows him in his new position.

Mr. Eldredge is well known among the bankers of the State, having been for four years Secretary of the New York State Bankers' Association.

FREEMANS NATIONAL BANK OF BOSTON.

SOME changes were made in the officers of this bank at the meeting of the board of directors following the annual assembling of the shareholders on January 9.

William A. Rust, who has been President for nineteen years, resigned, and was succeeded by Edward P. Hatch, Mr. Rust becoming Vice-President. George P. Tenney continues to be Cashier.

Edward P. Hatch,
President Freemans National Bank, Boston, Mass.

Mr. Hatch has already made a record as a successful banker. He began his banking career in the Blue Hill National Bank, Milton, Mass., in 1882, and in 1888 went to West Newton, Mass., as Cashier of the First National Bank there. In 1902 he was elected President. Under his management the bank's deposits grew from $60,000 to over half a million, and the surplus increased from $1,000 to $70,000. Six per cent. dividends were paid regularly, and the stock steadily increased in value.

Mr. Hatch is still a young man, but possessed of ample experience and a full share of energy and capacity, as shown by the results mentioned. Having the co-operation of a strong board of directors and wider opportunities, there is no doubt that he will more than duplicate his past success.

The Freeman's Bank began business as a State institution in 1836, and has always been a commercial bank strictly, its location being in the heart of the jobbing and shopping district of Boston. Its capital is $500,000, surplus and profits $150,000, and deposits $2,000,000.

FIDELITY AND CASUALTY COMPANY OF NEW YORK.

BY following the policy of furnishing "insurance that insures" the Fidelity and Casualty Company, of New York, is adding substantially to its business. The gross assets of the company on December 31, 1905, were $7,683,067.93, compared with $6,791,185.19 on December 31, 1904. Cash income in the past year amounted to $5,628,739.53—the largest in the company's history—and the losses paid were $2,086,267.25. Up to December 31, 1905, the company has paid total losses of $21,742,060.27.

The Fidelity and Casualty Company has $500,000 capital stock and net surplus of $2,486,463.85, representing a total surplus to policyholders of $2,986,463.85. An examination of the securities owned by the company and valued at $5,697,448.50, shows them to be high-grade investments.

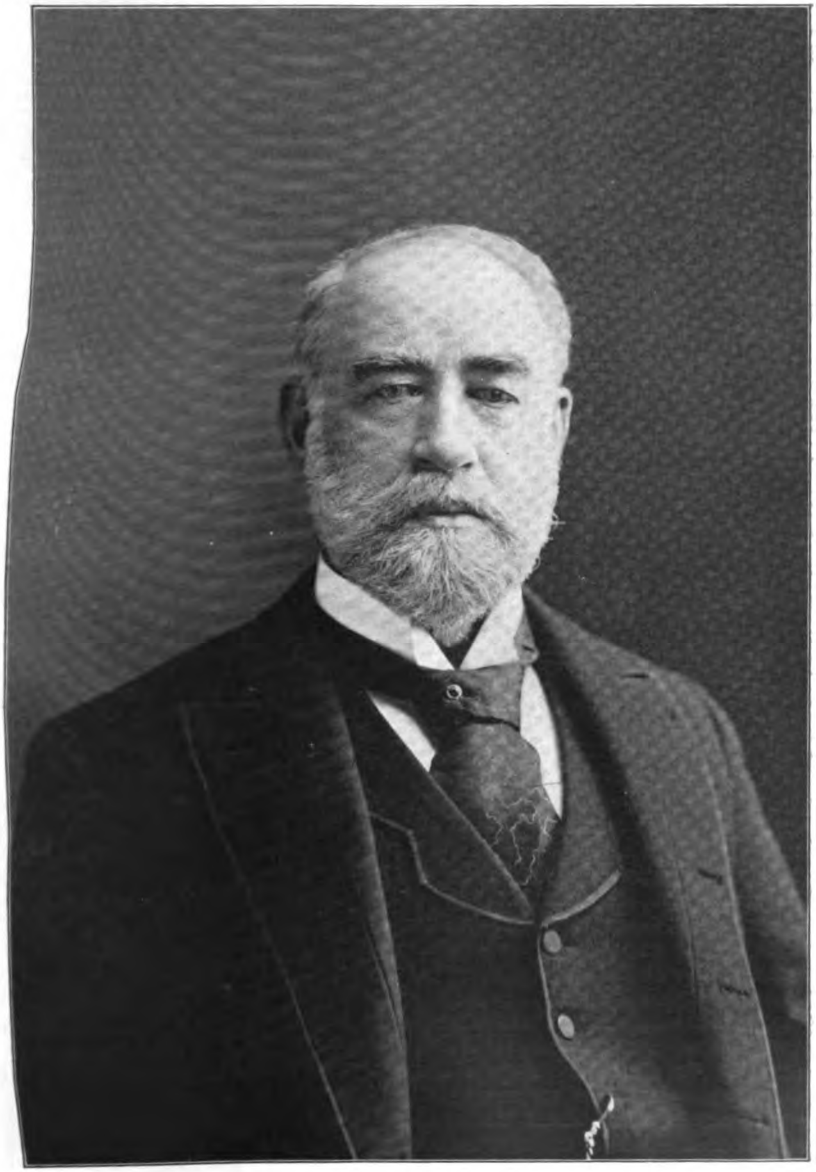
For about thirty years the company has been furnishing fidelity and casualty insurance and the steady growth of its business to the present large proportions shows that it has gained the confidence of the public. This result has been due to the company's proved efficiency and a determination to deal uprightly with its patrons.

BANKERS' MATURITY CALENDAR.

THE BANKERS' MAGAZINE has received from The Conservator Company, 53 Brainard street, Phillipsburg, N. J., a copy of the 1906 Bankers' Maturity Calendar.

As the name indicates its purpose is to give the maturity date of commercial paper. This it does—taking into account Saturday half-holidays, Sundays and holidays, and gives the business day when the paper must be paid or protest entered in case of dishonor. It also gives the whole number of days from date to maturity, for use in computing interest or discount.

It is compiled by a bank man of years of experience and will be found useful in all those States (about twenty) where the uniform Negotiable Instruments Act had been enacted prior to the present year.



Geo. F. Seward,
President Fidelity and Casualty Company, New York.

MONEY, TRADE AND INVESTMENTS

New York, February 3, 1906.

MONEY returned to the New York Clearing-House banks in another sweeping flood last month, and the call money rate, which in December had been 125 per cent., and in the first week of January sixty per cent., has since fallen to three per cent. Whatever lack of elasticity there may be in the currency of the country, the banking funds of this city would seem to have more than enough, if the weekly statements of the clearing-house could be depended upon to show actual conditions. The peculiar relations of the trust companies and the banks, however, make any attempt at analysis of these statements a groping in the dark.

Between October 28, 1905, and January 6, 1906, the cash reserves of the clearing-house banks were drawn down from $272,954,000 to $246,506,700, a decrease of $26,447,300. At the present time they are $276,478,400, an increase in four weeks of $29,971,700. They are still below the amount reported a year ago, when the reserves were above $319,000,000.

The deposits, which on November 4 last were $1,052,778,500, were down to $977,651,300 on December 30, a decrease of $75,,000,000. They are now $1,061,403,100, as compared with $1,196,980,300 a year ago. The course of loans has been the same, falling from $1,058,272,400 on November 4 to $1,001,025,000 on December 30, and increasing to $1,057,365,100 at this date. But the loans are now $70,721,700 smaller than they were a year ago, when the total was $1,128,006,800.

With the beginning of the return of money to the banks there started a strong upward movement in prices of securities, which continued with little interruption until the House of Representatives passed a resolution calling for information as to a combination between the Pennsylvania Railroad, the Baltimore and Ohio and other roads in restraint of trade. This was taken to indicate possible drastic action on the part of Congress against the railroads. Later there have been reports from Washington that the President was disposed to compromise with Congress on the question of railroad rate regulation, and that the legislation might bear less heavily upon the railroads than had been apprehended.

One event early in the month gave the stock market a shock and temporarily caused a selling movement. Mr. Jacob H. Schiff, in a speech at a meeting of the Chamber of Commerce, referred to the extraordinary high rates which money had commanded in the previous month, and criticized our currency system, which made such experience possible. He expressed the view that unless a better system was devised a sweeping panic would follow.

The eminent banker subsequently disclaimed any intention of predicting immediate disaster, or of having voiced any sentiment not urged many a time before or expressed by many other financiers. There is, however, significance in the fact that the mere mention of "panic" dropped from the lips of a banker should for a time precipitate a semi-panic in Wall Street.

As regards the security market there is conflict of opinion. There has been very active trading in the past month. Nearly double the number of shares were sold in January this year that were sold in the same month last year. Not only are prices generally very much higher than they were a year ago, but many stocks last month sold at prices higher than the highest touched in the previous year.

But those who attempt to draw conclusions from this state of facts are reminded that the conditions of prosperity existing throughout the country are such as to warrant the most hopeful views regarding the intrinsic value of securities. Here, it is impossible to dispute the force of the optimistic view. Were the present conditions operative at the end of a long period of depression in prices, the extent of the appreciation in values that would be likely to ensue would be impossible of calculation. There has been an unparalleled accumulation of wealth, widely distributed, and in nearly every industry there is activity and profit-making.

The building trade at the present time is a type of the industries now prospering as never before. "Bradstreets," which has been making a special investigation of building operations in a number of towns and cities, reports that $711,123,741 was expended or provided for in building operations in 165 cities in 1905, as compared with $505,703,921 in 1904, an increase in one year of 40.6 per cent. Could a comparison be made with ten years ago, the increase would be even more astonishing. The table below shows the amounts expended in the last two years for building operations in groups of cities:

Expended in Building Operations.

	No. towns.	*1905.*	*1904.*	*Inc., per ct.*
New England	15	$14,264,232	$11.194,405	27.4
Middle	16	349,723,254	236,362,979	47.9
Western	48	188,773.916	132,025,060	42.9
Northwestern	22	47,546,788	36.954,307	28.7
Southern	58	60,373,268	45,385,681	31.0
Far Western	6	50,442,283	43.781,489	15.2
Total	165	$711,123,741	$505,703,921	40.6
Greater New York	....	260,605,229	158,568,540	64.3
Canada	16	39,243,116	28,925,491	35.6

This evidence of activity in one industry is indicative of the prevailing conditions throughout the country in various industries, all of which are more or less interdependent. The iron trade has frequently been cited as illustrative of the situation. And here there is new testimony of prosperity.

The financial statement of the United States Steel Corporation for the last quarter and the full year of 1905 was issued late in the month. So closely identified with various industries as this corporation is, a statement of its operations to some extent is an index of the conditions prevailing in the general business of the country. The corporation has been in existence only since April, 1901, and in the five years there have been the most remarkable fluctuations in its earnings.

At the present time the earnings are very large, exceeding $35,000,000 in the last quarter of the year and reaching nearly $120,000,000 for the year. Only once in 1903 and twice in 1902 have the quarter's earnings been surpassed in any quarter, while the year's earnings are the largest except in 1902, when they were $13,500,000 more than in last year.

The total net earnings for the year were $119,850,282, from which were deducted for interest, sinking funds, depreciation, etc., including $26,300,000 for additional property, construction, etc., a total of $77,398,342, leaving a balance of $42,451,940. The usual seven per cent. on the preferred stock called for $25,219,676, leaving undistributed $17,232,264, which compares with a balance of $5,047,852 in 1904. But in that year the special deductions from earnings were about $32,000,000 less than were made in 1905. Undoubtedly the corporation has experienced a most extraordinary improvement since the beginning of 1905. In the table printed below are shown the monthly and quarterly earnings of the United States Steel Corporation since it began operations:

UNITED STATES STEEL NET EARNINGS.

	1901.	*1902.*	*1903.*	*1904.*	*1905.*
January	....	$8,901,016	$7,425,775	$2,868,213	$6,810,847
February	....	7,678,583	7,730,361	4,540,673	6,629,463
March	....	10,135,858	9,912,571	6,036,346	9,585,586
1st Quarter	....	$26,715,457	$25,068,707	$13,445,232	$23,025,896
April	$7,356,744	12,320,766	10,905,204	6,863.833	9,037,925
May	9,612,349	13,120,930	12,744,324	6,256,519	10,602,187
June	9,394,747	12,220,362	12,992,780	6,370,374	10,665,604
2d Quarter	$26,363,840	$37,662,058	$36,642,308	$19,490,726	$30,305,116
July	9,580,151	12,041,914	12,384,647	6,344,771	9,035.168
August	9,810,880	12,972,729	10,918,174	6,202,957	10,986,901
September	9,272,812	11,930,846	9,120,134	6,226,204	11,218,513
3d Quarter	$28,663,843	$36,945,489	$32,422,955	$18,773,932	$31,240,582
October	12,205,774	12,652,707	7,675,141	7,250,204	12,400,306
November	9,795,841	10,686,906	4,069,901	7,117,418	11,827,215
December	7,758,298	8,646,146	3,292,140	7,099.010	11,051,167
4th Quarter	$29,759,913	$31,985,759	$15,037,182	$21,466,632	$35,278,688
Year	84,787,596	133,308,763	109,171,152	73,176,522	119,850,282

A study of the above table discloses a wide range in the earnings of the corporation. From about $7,400,000 in April, 1901, the earnings advanced to $12,200,000 in October of that year, falling to about $7,700,000 in December, 1901, and February, 1902. There was a rapid increase to $13,120,000, the record total, in May, 1902, a fall to $7,425,000 in January, 1903, a rise to $12,992,000 in June following, then a drop to $2,868,000, the low record, in January, 1904. Not until May, 1905, did the earnings reach $10,000,000 again, but by October last they were up to $12,400,000, falling off in December to about $11,000,000.

Bearing on the question of the immediate future of the United States Steel Corporation, and of the general activities of the country, is the report of unfilled orders at the close of the year. These are reported at 7,605,086 tons, the largest ever recorded. On June 30, 1902, the end of the most active quarter in the corporation's history, the unfilled orders amounted to only 4,791,993 tons, and on December 31, 1904,they were only 4,696,203 tons.

The opinion seems to prevail that the year 1906 is to be one of general prosperity, but there is a conservatism which sees the necessity of caution. There has been an enormous amount of new capital placed in various enterprises. The manufacture of new securities continues. It is estimated that in January corporations with an aggregate capital of half a billion dollars have been chartered in the Eastern States, more than in any month in over two years.

Investigation also shows that the increase in dividends has not kept pace with the increase in capital stock of corporations. Even the railroads, while reporting large gains in earnings, are not showing an equivalent increase in dividend earning capacity.

Another thing to be reckoned with in the future, is the aroused moral sentiment regarding the management of the great financial institutions of the country. Criticism of men and methods has passed beyond the domain of "yellow journalism," and magazines and periodicals of the most conservative type are uttering criticisms which a few years ago would not hardly have found space in such publications. Not all such criticisms are either well conceived or just, but there is more intelligence, more well-founded information, back of them than usually gives color to an arraignment of the abuse of wealth.

It must be with apprehension, however, that conservative minds view the lining up of one legislature after another, and even Congress itself, to make legislative assaults upon various enterprises. The New York Legislature is contemplating the investigation of the banking interests along the lines of the insurance investigation. It needs no extensive knowledge of the sensitiveness of banking credit to appreciate the disaster which may attend any clearly-defined effort to bring the banks into disrepute.

There have been few special events of the month to call for extended reference. Late in the month some gold was taken from New York for export to Mexico and Argentina, and the course of sterling exchange has been steadily in the direction of the gold-exporting point. Gold, however, seems to be a commodity of which we have the least need, and the foreign

NET EXPORTS OF MERCHANDISE GOLD AND SILVER.

YEARS.	*Merchandise, net exports.*	*Silver, net exports.*	*Gold, net exports.*	*Total merchandise specie, net expo and rts.*
1876	$163,319,464	$14,327,498	$7,555,648	$185,202,605
1877	140,056,112	17,195,869	7,352,983	164,604,464
1878	305,279,590	*180,632	*1,821,911	303,277,047
1879	251,557,029	7,276,535	*74,652,495	184,181,069
1880	192,876,246	1,352,417	*70,582,239	123,646,424
1881	163,339,679	8,467,629	*57,795,077	114,012,231
1882	15,188,439	8,218,670	25,318,551	48,675,660
1883	108,143,100	11,641,318	*16,007,191	103,777,222
1884	120,104,568	14,056,971	12,990,589	147,154,128
1885	100,381,125	15,509,301	*12,225,619	103,664,607
10 Years	$1,560,195,352	$97,867,071	*$179,866,766	$1,478,195,657
1886	49,974,832	9,818,825	*27,905	59,765,752
1887	6,482,566	10,872,374	*35,744,873	*18,389,933
1888	*33,650,321	13,972,434	23,565,676	3,887,789
1889	56,584,382	21,474,968	38,926,828	116,988,178
1890	34,104,822	4,113,670	3,832,984	42,051,476
1891	142,188,703	9,500,129	34,116,471	185,805,303
1892	97,489,705	14,249,582	59,081,110	170,820,397
1893	99,859,857	27,951,820	6,922,118	134,733,795
1894	148,789,307	29,483,259	80,628,082	258,900,648
1895	23,190,789	29,837,739	70,571,010	123,599,538
10 Years	$625,014,642	$171,274,800	$281,873,501	$1,078,162,943
1896	324,257,685	33,777,001	*46,474,419	311,560,267
1897	357,113,818	25,578,990	253,589	382,946,395
1898	620,581,818	24,665,724	*141,968,998	503,278,544
1899	476,500,561	22,617,808	*5,955,553	493,162,816
1900	648,786,399	26,121,321	*12,614,461	662,293,259
1901	584,955,950	24,491,576	3,022,059	612,469,585
1902	391,369,063	22,870,019	*8,162,726	406,076,356
1903	489,258,756	16,635,834	*20,920,862	484,973,728
1904	415,409,550	24,048,203	36,408,593	475,866,346
1905	447,603,497	21,620,906	*3,452,097	465,772,306
10 Years	$4,755,837,095	$242,427,382	*$199,864,875	$4,798,399,602

*Imports.

trade records indicate that the effect of our large exports of merchandise is to stimulate our imports of merchandise.

In the growth of both exports and imports the country continues to pile up the most extraordinary records. In December the exports reached nearly $200,000,000, the largest in any single month in the history of the trade. Imports exceeded $101,000,000 and the net balance was more than $98,500,000. The latter is also a new record. For the calendar year the exports were nearly $1,627,000,000 and the imports $1,179,000,000, making a total of $2,806,000,000, all of which are new records.

While we exported net $447,603,497 of merchandise and $21,260,906 of silver, we imported net only $3,452,097 of gold, making the net exports of merchandise and specie last year $465,772,306. That this country should have created so large a balance not only last year, but should have been doing it for a number of successive years, is not entirely explained by any known data. It is just ten years since our exports began to grow at a rapid pace, and in a table printed on the preceding page are shown the net balances of merchandise and specie yearly and in each ten-year period in the last thirty years.

From this table it appears that in the last ten years the exports of merchandise exceeded the imports by $4,755,837,095 and of silver by $242,427,382, while there were net imports of gold of $199,864,875, making the total net exports of merchandise and specie $4,798,399,602, or an annual average of nearly $480,000,000. In the ten years 1886 to 1895 the total was $1,078,162,943, or less than $108,000,000 a year, and in the ten years, 1876 to 1885, $1,478,195,657, or about $148,000,000 a year.

The Money Market.—Soon after the beginning of the year the money market in New York became easier and from a sixty per cent. rate for call money there was a drop to three per cent. During the last half of the month the rate did not go above six per cent.

At the close of the month call money ruled at 3¾ to 4 per cent. with the majority of loans at 3¾ per cent. Banks and trust companies loaned at 3¾ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 4½ per cent. for sixty days, 4½@4¾ per cent. for ninety days to six months, on good mixed collateral. For commercial paper the rates are 4½@5 per cent. for sixty to ninety days' endorsed bills receivable, 4¾@5¼ per cent. for first-class four to six months' single names, and 5½@6 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Sept. 1.	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	2 —3	5 —7	4 —5½	4½—9	25 - 75	3¾—4
Call loans, banks and trust companies..............................	2¼—	4½—	4 —	5 —	25 —75	3¾—
Brokers' loans on collateral, 30 to 60 days..............................	3¼— ½	4¼— ½	4¾ 5	5½— ¾	6 — ½	4½—
Brokers' loans on collateral, 90 days to 4 months..........................	3½—4	4½—	4½— ¾	5¼— ½	6 —	4½— ¾
Brokers' loans on collateral, 5 to 7 months..........	4 — ¼	4½—	4½— ¾	5 —	5½—	4½— ¾
Commercial paper, endorsed bills receivable, 60 to 90 days............	4¼— ½	4½-5	4¾—5¼	5½— ¾	6 —	4½ 5
Commercial paper prime single names, 4 to 6 months...............	4½— ¾	4½—5	4¾—5¼	5½— ¾	6 —	4¾-5¼
Commercial paper, good single names, 4 to 6 months..............	5 - ½	5½—6	5½-6	6 —	6½-- 7	5½-6

New York City Banks.—Money began to accumulate in the local banks soon after the first of the year and at the close of the month the surplus reserve was $11,000,000, which while $5,600,000 below the amount held on January 20, is nearly $7,000,000 more than on December 30 last. Deposits increased each week since the end of 1905 and at this date were $1,061,000,000, an increase in five weeks of nearly $84,000,000. Loans were also increased but not in the same proportion, the gain being only $56,000,000 and the total $1,057,000,000. Deposits once more exceed the loans, $4,000,000. On December 30 the loans were in excess by $23,000,000. Specie reserve increased $19,000,000 during the month and legal tenders $8,000,000. Compared with a year ago reserves show a decrease of $43,000,000, loans a decrease of $70,000,000 and deposits of $135,000,000.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Jan. 6...	$1,004,658,300	$167,336,000	$79,170,700	$983,742,800	$571,000	$52,912,900	$2,392,770,400
" 13...	1,005,041,600	178,329,500	83,780,700	997,206,200	12,808,650	52,990,800	2,594,337,800
" 20...	1,025,595,500	189,968,300	84,138,600	1,029,369,300	16,764,575	52,688,400	2,683,584,200
" 27...	1,041,113,800	193,006,400	84,601,600	1,047,112,600	15,829,850	52,267,400	2,494,544,600
Feb. 3...	1,057,365,100	192,492,100	83,986,300	1,061,403,100	11,127,625	51,978,900	2,618,601,200

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1904.*		*1905.*		*1906.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425	$977,651,300	$4,292,575
February	1,023,943,800	25,129,050	1,189,828,600	26,979,550	1,061,403,100	11,127,625
March	1,027,920,400	32,150,200	1,179,824,900	14,646,075	....	....
April	1,069,369,400	27,755,050	1,138,661,300	8,664,575	....	....
May	1,114,367,800	33,144,250	1,146,528,600	16,665,250	....	....
June	1,098,953,500	29,692,325	1,136,477,700	6,050,275	....	....
July	1,152,988,800	36,105,300	1,166,038,900	11,658,875	....	....
August	1,204,965,600	55,989,600	1,190,744,900	15,305,975	....	....
September	1,207,302,800	57,375,400	1,166,587,200	5,498,785	....	....
October	1,212,977,100	19,913 425	1,080,465,100	7,440,025	....	....
November	1,204,434,200	16,793,650	1,042,092,300	12,430,925	....	....
December	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146-163,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Dec. 30.....	$136,388,000	$146,195,200	$5,878,300	$7,242,000	$12,629,800	$5,247,600	* $5,551,100
Jan. 6.....	136,682,500	145,649,600	5,900,700	7,182,000	12,905,500	4,962,400	* 5,461,800
" 13.....	136,670,600	147,959,000	6,118,200	7,343,400	14,450,700	5,774,100	* 3,303,350
" 20.....	136,928,300	145,674,600	6,059,500	7,228,300	12,311,700	5,584,000	* 5,285,150
" 27.....	136,751,500	146,579,900	6,016,900	7,071,800	12,163,600	6,781,600	* 4,611,075

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Dec. 30........	$179,506,000	$207,863,000	$15,898,000	$6,588,000	$7,199,000	$135,183,500
Jan. 6........	182,591,000	220,101,000	16,210,000	6,425,000	7,188,000	207,481,800
" 13........	183,228,000	221,262,000	17,454,000	6,479,000	7,190,000	187,418,700
" 20........	186,696,000	224,320,000	19,018,000	6,557,000	7,175,000	197,129,700
" 27........	186,915,000	216,921,000	18,192,000	6,235,000	7,178,000	177,378,300

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Dec. 30..................	$208,451,000	$237,414,000	$55,190,000	$14,339,000	$132,919,313
Jan. 6..................	209,754,000	240,594,000	54,810,000	14,331,000	158,398,500
" 13..................	209,072,000	239,937,000	56,874,000	14,288,000	156,876,800
" 20..................	209,611,000	246,304,000	62,732,000	14,281,000	162,176,200
" 27..................	213,102,000	247,272,000	61,671,000	14,291,000	161,101,800

Foreign Banks.—The Bank of England gained $21,000,000 gold in January, but holds $14,000,000 less than it did a year ago. The Bank of France lost $6,000,000, but holds $30,000,000 more than on Feb. 1, 1905. The Bank of Germany gained $17,000,000, but has $21,000,000 less than in 1905. The Bank of Russia lost $58,000,000, but has still $15,000,000 more than at this time last year.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	Dec. 1, 1905.		*Jan. 1, 1906.*		*Feb. 1, 1906.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£33,559,580	....	£28,530,251	....	£32,761,750	....
France	115,652,295	£43,828,242	115,133,302	£42,996,964	113,930,824	£42,187,650
Germany	32,822,000	10,941,000	32,260,000	11,086,000	35,784,000	11,928,000
Russia	114,925,000	3,764,000	115,243,000	3,641,000	103,610,000	3,689,000
Austria-Hungary	45,467,000	12,039,000	44,865,000	12,087,000	45,466,000	12,434,000
Spain	14,996,000	22,769,000	15,023,000	22,852,000	15,046,000	23,218,000
Italy	26,045,000	3,148,200	26,869,000	3,174,500	28,259,000	3,671,800
Netherlands	6,602,100	6,042,700	6,603,000	6,130,000	6,606,500	6,121,100
Nat. Belgium	3,232,000	1,616,000	3,246,667	1,623,333	3,405,333	1,702,667
Totals	£393,300,975	£104,148,142	£388,774,120	£103,590,797	£384,869,387	£104,892,217

Foreign Exchange.—The sterling exchange market began to advance on January 5 and almost continuously rose until the end of the month. There was an active demand to settle maturing finance bills and also for remittances on account of securities sold here for European account.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Dec. 30	4.8190 @ 4.8200	4.8510 @ 4.8520	4.8650 @ 4.8675	4.81⅜ @ 4.81½	4.80¾ @ 4.81⅛
Jan. 6	4.8250 @ 4.8275	4.8575 @ 4.8585	4.8635 @ 4.8650	4.81⅞ @ 4.82	4.81½ @ 4.82½
" 13	4.8335 @ 4.8350	4.8655 @ 4.8660	4.8710 @ 4.8725	4.82⅞ @ 4.83	4.82⅜ @ 4.83¼
" 20	4.8365 @ 4.8375	4.8710 @ 4.8725	4.8775 @ 4.8785	4.83⅜ @ 4.83½	4.82¾ @ 4.84
" 27	4.8400 @ 4.8410	4.8730 @ 4.8740	4.8805 @ 4.8815	4.83¾ @ 4.83⅞	4.83¼ @ 4.84½

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Oct. 1.	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*
Sterling Bankers—60 days	4.82⅜– ½	4.83⅛– ¼	4.82½– ¾	4.81¾– 2	4.84 –
" " Sight	4.85¼– ⅜	4.86⅝– ⅞	4.85⅞– 6	4.85⅛– ¼	4.87¼– ⅜
" " Cables	4.85¾– ⅞	4.87¼– ⅜	4.86⅜– ½	4.86½– ¾	4.87⅞–88
" Commercial long	4.81⅞– 2	4.82½– 3	4.82¼– ⅝	4.81⅜– ½	4.83⅝– ¾
" Docu'tary for paym't.	4.81¼– 2⅛	4.82¼– 3⅝	4.81¾– 3¾	4.80¾– 1⅞	4.83¼– 4⅛
Paris—Cable transfers	5.17½–	5.15⅝–	5.16¼–	5.15 –14⅜	5.15 –14⅝
" Bankers' 60 days	5.20 –19⅜	5.19⅜–18¾	5.20 –19⅜	5.19⅜–18¾	5.17½–
" Bankers' sight	5.18⅛–	5.16¼–	5.16⅞–	5.17⅛–16⅞	5.15⅝–
Swiss—Bankers' sight	5.18⅛–	5.16⅞–	5.17½– ¼	5.18⅛–17⅛	5.16⅞–
Berlin—Bankers' 60 days	94 7/16– ½	94½– 9/16	94 7/16– ½	94⅜– 7/16	94⅝– 11/16
" Bankers' sight	94 15/16– 5 1/32	95⅛– 1/16	95⅛– 3/16	95 – 1/16	95⅛–
Belgium—Bankers' sight	5.18¾–	5.18⅛–17½	5.18¾–	5.18⅜– ½	5.16¼–
Amsterdam—Bankers' sight	40 1/16– ⅛	40⅛– 3/16	40 1/16–	40⅛–	40 3/16– ¼
Kronors—Bankers' sight	26.78–.80	26.80–82	26.77–.79	26¾– ⅞	26 11/16– 11/16
Italian lire—sight	5.17½–	5.15⅝–	5.16¼– 5⅝	5.16¼–	5.16¼–15⅝

Money Rates Abroad.—Rates for money at European centers are generally lower. The Bank of England made no change in its rate of discount, but the Bank of Germany reduced its rate on Jan. 18 from six to five per cent. The Bank of Sweden reduced its rate from 5½ to five per cent., while the Bank of Russia increased its rate from seven to 7½ and then to eight per cent. Discounts of sixty to ninety-day bills in London at the close of the month were 3¾@3⅞ per cent., the same as a month ago. The open market rate at Paris was 2⅜ per cent., against 3⅛@3¼ per cent. a month ago, and at Berlin and Frankfort 3¼@3⅜ per cent., against 4½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Oct. 31, 1905.	*Nov. 30, 1905.*	*Dec. 30, 1905.*	*Jan. 31, 1906.*
Circulation (exc. b'k post bills)	£29,189,000	£28,718,000	£29,351,000	£28,473,000
Public deposits	13,641,000	12,668,000	7,816,000	8,019,500
Other deposits	40,226,000	43,034,000	44,221,000	45,341,500
Government securities	16,840,000	17,039,000	12,799,000	13,940,000
Other securities	34,085,000	33,203,000	39,536,000	34,876,500
Reserve of notes and coin	20,771,000	23,292,000	17,632,000	22,738,000
Coin and bullion	31,509,740	33,559,580	28,530,251	32,761,730
Reserve to liabilities	38.50%	41.75%	33.81%	42.52%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2½ per cents.)	88½	90	89⅝	90¼
Price of silver per ounce	27⅞d.	30 5/16d.	30d.	30⅛d.

Silver.—Silver in London was quiet and the price remained steady throughout the month. After declining to 29 11-16d. on January 6 it advanced to 30¼d. and closed at 30 3-16, a net advance for the month of 3-16d.

MONTHLY RANGE OF SILVER IN LONDON—1904, 1905, 1906.

MONTH.	*1904.*		*1905.*		*1906.*		MONTH.	*1904.*		*1905.*		*1906.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 5/16	25⅛	28⅜	27 5/16	30¼	29 11/16	July......	27	26⅜	27 5/16	26⅞	30¼	29 11/16
February	27⅛	25⅝	28 5/16	27⅝	....	....	August ..	27	26 3/16	28¾	27⅛	....	....
March....	26 11/16	25⅛	27 11/16	25 11/16	....	....	Septemb'r	26⅞	26	28¾	28	....	....
April.....	25½	24 7/16	26⅝	25 7/16	....	....	October..	26 15/16	26½	28 15/16	28⅜	....	....
May......	25 11/16	25⅛	27 5/16	26⅛	....	....	Novemb'r	27 5/16	26¾	30 5/16	28 15/16	....	....
June.....	26⅛	23 5/16	27⅛	26¾	....	....	Decemb'r	28 9/16	27 5/16	30 5/16	29⅜	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.86	$4.89	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.86	4.89	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.73	4.75	Mexican dollars	.50⅛	.52
Twenty-five pesetas	4.78	4.82	Peruvian soles	.46	.47½
Spanish doubloons	15.55	15.65	Chilian pesos	.46	.47½

Bar silver in London on the first of this month was quoted at 38⅛d. per ounce. New York market for large commercial silver bars, 65⅝ @ 67c. Fine silver (Government assay), 65¾ @ 67½c. The official price was 68⅛c.

National Bank Circulation.—There was a smaller increase in National bank circulation in January than in a number of months past, the gain being only $2,315,733 as compared with more than $7,500,000 in December. The bonds deposited to secure circulation show an increase of $3,211,700, but less than $1,300,000 were two per cents, more than $1,800,000 of four per cents of 1907 being deposited for this purpose. The total circulation is now in excess of $543,000,000, or nearly $76,000,000 more than it was twelve months ago. Of the total $506,000,000 is secured by Government bonds and nearly $37,000,000 is represented by the deposit of lawful money to retire bank notes. There was a decrease of about $800,000 in bonds deposited to secure public deposits.

NATIONAL BANK CIRCULATION.

	Oct. 31, 1905.	Nov. 30, 1905.	Dec. 31, 1905.	Jan. 31, 1906.
Total amount outstanding	$524,408,249	$533,329,258	$540,914,347	$543,230,080
Circulation based on U. S. bonds	489,937,806	497,616,304	504,842,313	506,365,749
Circulation secured by lawful money	34,470,443	35,712,954	36,072,034	36,864,331
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	4,094,350	3,025,500	3,863,000	5,699,600
Four per cents. of 1895	4,485,000	3,871,000	3,781,000	3,743,500
Three per cents. of 1898	2,375,540	1,760,240	1,803,840	1,878,140
Two per cents. of 1900	483,182,900	491,612,700	497,292,150	498,580,450
Total	$494,017,790	$500,269,440	$506,689,990	$509,901,690

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $2,915,500; 4 per cents. of 1895, $6,174,200; 3 per cents. of 1898, $2,893,000; 2 per cents. of 1930, $43,462,100; District of Columbia 3.65's, 1924, $1,078,000; Hawaiian Islands bonds, $1,193,000; Philippine loan, $6,173,000; railroad and other bonds, $934,000; a total of $64,822,800.

Government Revenues and Disbursements.—A surplus of $3,870,361 was reported for the month of January by the Treasury Department. This reduces the deficit for the fiscal year to less than $3,400,000 as compared with a deficit of $28,500,000 in the previous year. January receipts exceeded $50,000,000 and were $7,000,000 in excess of those in 1905. Disbursements were nearly $47,000,000, or $2,700,000 less than in 1905. For the seven months of the fiscal year the receipts show a gain of $26,000,000. Custom receipts alone increased $22,000,000. Disbursements in the fiscal year were only $1,400,000 more than in 1905, although public works expenditures increased $9,000,000.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	January, 1906.	Since July 1, 1905.
Customs	$26,889,912	$176,758,593
Internal revenue	19,774,788	148,342,765
Miscellaneous	4,125,396	22,547,487
Total	$50,790,096	$347,648,845
Excess receipts	3,870,361	3,372,725

EXPENDITURES.

Source.	January, 1906.	Since July 1, 1905.
Civil and mis	$11,943,431	$76,748,855
War	7,672,299	58,668,878
Navy	9,408,910	68,755,682
Indians	971,497	7,741,926
Pensions	10,864,453	83,329,124
Public works	4,210,241	38,667,979
Interest	1,848,904	17,109,127
Total	$46,919,735	$351,021,570

Money in Circulation in the United States.—The volume of money in circulation increased $9,000,000 last month and now exceeds $2,680,000,000. There was an increase of $28,500,000 in gold certificates but a decrease in all the other forms of money, $3,000,000 in silver dollars, $2,000,000 in subsidiary silver, $5,000,000 in silver certificates, $5,500,000 in United States notes and $2,500,000 in National bank notes.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Nov. 1, 1905.	Dec. 1, 1905.	Jan. 1, 1906.	Feb. 1, 1906.
Gold coin	$651,644,998	$649,040,890	$654,168,025	$654,793,697
Silver dollars	81,822,311	83,826,228	83,736,227	80,417,545
Subsidiary silver	107,157,982	108,776,879	110,029,365	107,589,534
Gold certificates	479,965,439	477,154,249	480,939,019	508,569,639
Silver certificates	471,625,776	470,964,248	463,960,485	459,019,134
Treasury notes, Act July 14, 1890	8,594,378	8,435,722	8,274,884	8,057,279
United States notes	340,107,480	343,196,550	343,262,091	337,693,281
National bank notes	512,213,264	521,240,773	527,173,475	524,489,823
Total	$2,653,131,578	$2,662,134,539	$2,671,543,571	$2,680,629,932
Population of United States	83,726,000	83,843,000	83,960,000	84,077,000
Circulation per capita	$31.69	$31.75	$31.82	$31.88

United States Public Debt.—The interest-bearing debt of the United States remains unchanged, but there was an increase of about $800,000 in the National bank-note redemption fund and an increase of $11,700,000 in gold certificates issued. There was a decrease of $7,600,000 in silver certificates and of $200,000 in Treasury notes. These changes account for an increase of about $4,000,000 in the aggregate debt, which now exceeds $2,300,000,000. The cash balance in the Treasury increased $4,000,000 and the net debt was reduced $3,300,000.

UNITED STATES PUBLIC DEBT.

	Nov. 1, 1905.	*Dec. 1, 1905.*	*Jan. 1, 1906.*	*Feb. 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$580,429,000	$594,588,500	$595,942,350	$595,942,350
Funded loan of 1907, 4 "	127,424,200	117,708,550	116,754,900	116,755,050
Refunding certificates, 4 per cent	26,780	26,610	26,530	26,420
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1896, 3 per cent	68,789,060	64,345,560	63,945,460	63,945,460
Total interest-bearing debt	$895,158,940	$895,159,120	$895,159,140	$895,159,180
Debt on which interest has ceased	1,231,075	1,208,095	1,199,635	1,170,825
Debt bearing no interest:				
Legal tender and old demand notes	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct.	34,470,390	35,095,449	34,690,309	35,478,666
Fractional currency	6,866,709	6,866,709	6,866,709	6,866,709
Total non-interest bearing debt	$388,071,398	$388,696,456	$388,291,316	$389,079,673
Total interest and non-interest debt.	1,284,461,413	1,285,063,671	1,284,650,091	1,285,409,678
Certificates and notes offset by cash in the Treasury:				
Gold certificates	524,455,969	526,020,869	527,493,869	539,252,869
Silver "	476,308,000	475,735,000	475,574,000	467,926,000
Treasury notes of 1890	8,621,000	8,478,000	8,330,000	8,086,000
Total certificates and notes	$1,009,384,969	$1,010,233,869	$1,011,397,869	$1,015,264,869
Aggregate debt	2,293,846,382	2,295,297,540	2,296,047,960	2,300,674,547
Cash in the Treasury:				
Total cash assets	1,388,792,535	1,397,152,286	1,404,444,236	1,404,710,877
Demand liabilities	1,106,977,247	1,111,841,445	1,114,663,863	1,110,825,795
Balance	$281,815,288	$285,310,840	$289,780,373	$293,885,082
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	131,815,288	135,310,840	139,780,373	143,885,082
Total	$281,815,288	$285,310,840	$289,780,373	$293,885,082
Total debt, less cash in the Treasury	1,002,646,125	999,752,831	994,869,718	991,524,596

Foreign Trade of the United States.—The exports of merchandise from the United States in December were the largest ever recorded in a single month, approximating nearly $200,000,000. The highest previous record was made in December, 1903, when the total was $174,819,566. The imports were the largest ever reported for December, but were exceeded in four other months of the last year. The total went above $101,000,000, leaving a balance on the side of exports of $98,553,705. This is the largest monthly balance in the history of our foreign trade but is only about $1,500,000 more than the record balance made in December, 1903, when it amounted to $97,050,932. While the exports last December were $25,000,000 more than in December, 1903, imports increased also $23,000,000. The year's exports of merchandise reached nearly $1,627,000,000, exceeding the largest previous total, recorded in 1903, by $142,000,000. Imports also made a new record, aggregating for the year $1,179,000,000, an increase of $144,000,000 over the largest previous total, reported in 1904. The net exports for the year were $447,603,497. This amount has been exceeded every year since 1897 with the exception of 1902 and 1904. The largest balance was $648,786,399, in 1900.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF DECEMBER.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1900	$145,889,871	$68,697,207	Exp., $77,192,664	Imp., $2,976,078	Exp., $4,240.482
1901	136,941.539	79,929,271	" 57,012,268	Exp., 1,952,601	" 1,934,849
1902	147,992,403	94,356,987	" 53,635,416	Imp., 666,476	" 2,845,589
1903	174,819.566	77,768,634	" 97,050,932	" 15,765,642	" 4,436,998
1904	145,253,259	96.566,759	" 48,686,500	Exp., 10,166,643	" 1,861,706
1905	199,709,068	101,155,363	" 98,553,705	Imp., 1,313,508	" 3,549,360
TWELVE MONTHS.					
1900	1,477,946,113	829,149,714	Exp., 648,796,399	Imp., 12,614,461	Exp., 26,121,321
1901	1,465,375.860	880,419,910	" 584,955,950	Exp., 3,022,059	" 24,491,576
1902	1,360,685 933	969,316,870	" 391,369,063	Imp., 8,162,726	" 22,870,019
1903	1,484,753,083	995,494,327	" 489,258,756	" 20,920,862	" 16,635,834
1904	1,451,318,740	1,035,909,190	" 415,409,550	Exp., 36,408,593	" 24,048,203
1905	1,626,962,343	1,179,358,846	" 447,603,497	Imp., 3,452,097	" 21,620,906

Money in the United States Treasury.—The Treasury gained $19,000,000 in total cash, but an increase of $22,000,000 in certificates outstanding caused a decrease in the net amount of money held of about $3,000,000. The Treasury lost $9,000,000 in net gold.

MONEY IN THE UNITED STATES TREASURY.

	Nov. 1, 1905.	*Dec. 1, 1905.*	*Jan. 1, 1906.*	*Feb. 1, 1906.*
Gold coin and bullion	$753,041,518	$762,737,060	$765,775,099	$768,426,516
Silver dollars	486.406.554	484,902,637	484.492,638	487,811,320
Subsidiary silver	8,396,273	7.609.174	6,961,490	9,521,847
United States notes	6,573,536	3,484,466	3,418,925	8,987,735
National bank notes	12,194,985	12,088,485	13,740,872	18,740,257
Total	$1,266,612,866	$1,270,821,822	$1,274,389,024	$1,293,487,675
Certificates and Treasury notes, 1890, outstanding	960,185,593	956,554,219	953,174,388	975,646,052
Net cash in Treasury	$306,427,273	$314,267,603	$321,214,636	$317,841,623

Supply of Money in the United States.—There was $5,700,000 added to the total stock of money in the country in January, of which $31,300,000 was gold. National bank notes increased $2,300,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Nov. 1, 1905.	*Dec. 1, 1905.*	*Jan. 1, 1906.*	*Feb. 1, 1906.*
Gold coin and bullion	$1,404,686,516	$1,411,777,450	$1,419,943,124	$1,423,220,213
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	115,554,205	116,385,553	116,990,855	117,111,381
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	524,408,249	533,329,258	540,914,347	548,230,080
Total	$2,959,558,851	$2,976,402,142	$2,992,758,207	$2,998,471.555

CAMPAIGN CONTRIBUTIONS BY BANKS.

REPRESENTATIVE PEARRE recently introduced a bill to empower the Comptroller of the Currency to require that National bank examiners shall, when investigating the affairs of banks, make inquiry as to whether or not any of the funds of such banks are contributed to political campaigns. A penalty is imposed on the officers of National banks for making contributions from their bank funds for political purposes.

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of January, and the highest and lowest during the year 1906, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		JANUARY, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	93⅝	77⅝	96⅞—Jan. 13	89 —Jan. 2	96⅞	89	93½
" preferred	105⅝	99	106 —Jan. 3	102¾—Jan. 8	106	102¾	104
Baltimore & Ohio	117	100½	117 —Jan. 27	112¼—Jan. 5	117	112¼	115½
Baltimore & Ohio, pref	100	95¾	99½—Jan. 5	98 —Jan. 3	99½	98	98
Brooklyn Rapid Transit	91⅝	56⅞	94⅛—Jan. 26	85¼—Jan. 30	94⅛	85¼	88⅜
Canadian Pacific	177⅛	130¾	177¾—Jan. 19	169 —Jan. 29	177¾	169	172½
Canada Southern	74⅞	67	70⅞—Jan. 8	69 —Jan. 31	70⅞	69	69
Central of New Jersey	235	190	231½—Jan. 22	222 —Jan. 3	231½	222	225
Ches. & Ohio	60⅛	45½	62¼—Jan. 23	54⅞—Jan. 5	62¼	54⅞	60¼
Chicago & Alton	44½	30	38¼—Jan. 15	30 —Jan. 4	38¼	30	32½
" preferred	83¾	73	80⅝—Jan. 12	74½—Jan. 10	80⅝	74½	80
Chicago, Great Western	25⅛	17½	23⅝—Jan. 20	20¾—Jan. 5	23⅝	20¾	22¾
Chic., Milwaukee & St. Paul	187½	168⅛	193 —Jan. 22	179¾—Jan. 5	193	179¾	186¾
" preferred	192½	182½	196 —Jan. 22	190 —Jan. 5	196	190	190½
Chicago & Northwestern	249	190½	240 —Jan. 15	220 —Jan. 4	240	220	233
" preferred	265½	234	257 —Jan. 19	250 —Jan. 15	257	250	256
Chicago Terminal Transfer	20	7¾	18¼—Jan. 19	13 —Jan. 2	18¼	13	15½
" preferred	42½	17½	42¾—Jan. 22	36 —Jan. 8	42¾	36	40
Clev., Cin., Chic. & St. Louis	111	90	109⅞—Jan. 15	105 —Jan. 3	109⅞	105	107⅝
Col. Fuel & Iron Co	59	38	83⅝—Jan. 26	55⅛—Jan. 4	83⅝	55⅛	74¾
Colorado Southern	30⅛	22¼	37 —Jan. 24	29½—Jan. 4	37	29½	35¼
" 1st preferred	69⅞	52	72¾—Jan. 22	68 —Jan. 5	72¾	68	71⅛
" 2d preferred	55	32½	56¾—Jan. 12	53 —Jan. 2	56¾	53	54
Consolidated Gas Co	214	175	181¾—Jan. 23	168½—Jan. 17	181¾	168½	180⅛
Delaware & Hud. Canal Co	240¾	178½	229½—Jan. 18	217¾—Jan. 31	229½	217¾	218
Delaware, Lack. & Western	498½	335	472½—Jan. 19	459 —Jan. 3	472½	459	472½
Denver & Rio Grande	39¾	27¼	51⅞—Jan. 26	38 —Jan. 4	51⅞	38	50⅛
" preferred	91¼	83¼	91½—Jan. 22	87 —Jan. 4	91½	87	90
Duluth So. S. & Atl., pref	46¾	21	45 —Jan. 11	39½—Jan. 5	45	39½	41¾
Erie	52¾	37½	50⅞—Jan. 16	46⅝—Jan. 30	50⅞	46⅝	48⅝
" 1st pref	85¼	74⅞	83 —Jan. 15	80 —Jan. 31	83	80	80¼
" 2d pref	78⅜	55½	76⅝—Jan. 16	73 —Jan. 4	76⅝	73	74
Express Adams	250	236	....	....	....	....	....
" American	246	209½	249½—Jan. 26	222 —Jan. 11	249½	222	245
" United States	134	110	138½—Jan. 26	124 —Jan. 15	138½	124	130
" Wells, Fargo	260	227	248 —Jan. 26	240 —Jan. 8	248	240	248
Great Northern Pref	335	236	326⅞—Jan. 20	283 —Jan. 5	326⅞	283	317¼
Hocking Valley	121½	86⅝	119 —Jan. 3	114⅛—Jan. 10	119	114⅛	117½
" preferred	97¼	90	95⅞—Jan. 5	94½—Jan. 18	95⅞	94½	94½
Illinois Central	183	125¾	182 —Jan. 12	174 —Jan. 31	182	174	174½
Iowa Central	32	24	34¾—Jan. 12	29⅝—Jan. 2	34¾	29⅝	33¼
" preferred	61	50	63¾—Jan. 13	59 —Jan. 2	63¾	59	61¼
Kansas City Southern	36¼	22⅛	37⅜—Jan. 5	30 —Jan. 30	37⅜	30	31
" preferred	70	52	71 —Jan. 5	60 —Jan. 29	71	60	61
Kans. City Ft. S. & Mem. pref	87	81⅝	83⅞—Jan. 8	82 —Jan. 29	83⅞	82	83
Lake Erie & Western	47½	28¼	44⅞—Jan. 12	38 —Jan. 3	44⅞	38	38
Louisville & Nashville	157⅜	134⅛	156½—Jan. 19	148½—Jan. 30	156½	148½	152
Manhattan consol	175	161	162 —Jan. 26	159½—Jan. 11	162	159½	160⅜
Metropolitan securities	91	68⅝	75½—Jan. 15	69 —Jan. 30	75½	69	72¼
Metropolitan Street	133	114	127 —Jan. 16	120 —Jan. 30	127	120	122¾
Mexican Central	26	18¼	26⅝ Jan. 19	24¼—Jan. 30	26⅝	24¼	25
Minneapolis & St. Louis	84¾	56½	84¼—Jan. 11	80 —Jan. 24	84¼	80	82
Minn., S. P. & S.S. Marie	145	89½	163 —Jan. 10	141½—Jan. 4	163	141½	154
" preferred	173	148	183¾—Jan. 11	173 —Jan. 2	183¾	173	180¾

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.				JANUARY, 1906.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Missouri, Kan. & Tex.	39½	24	40⅝—Jan.	12	36 —Jan.	4	40⅝	36	37¾
• preferred	73	56¼	74⅝—Jan.	18	68¾—Jan.	12	74⅝	68¾	71½
Missouri Pacific	110⅞	94½	106¾—Jan.	20	99 —Jan.	5	106¾	99	102¾
Natl. of Mexico, pref	45	33½	40¾—Jan.	19	38 —Jan.	5	40¾	38	39⅝
• 2d preferred	24½	17¾	21⅝—Jan.	24	20½—Jan.	11	21⅝	20½	21⅝
N. Y. Cent. & Hudson River	167¾	136¾	156¼—Jan.	8	147⅞—Jan.	30	156¼	147⅞	150⅞
N. Y., Chicago & St. Louis	76¼	42	72½—Jan.	20	66½—Jan.	30	72½	66½	68½
• 2d preferred	95	74	91¾—Jan.	9	88 —Jan.	2	91¾	88	89½
N. Y., Ontario & Western	64	40⅜	57¼—Jan.	27	51¼—Jan.	4	57¼	51¼	55¼
Norfolk & Western	88½	76	93¼—Jan.	26	85 —Jan.	4	93¼	85	93
• preferred	96	91½	96 —Jan.	6	93½—Jan.	3	96	93½	96
North American Co.	107	95⅝	107 —Jan.	12	98 —Jan.	2	107	98	102¼
Northern Pacific	216½	165	211¼—Jan.	13	199 —Jan.	5	211¼	199	205¾
Pacific Mail	53¾	33	51½ Jan.	19	46 —Jan.	5	51½	46	48
Pennsylvania R. R.	148	131½	147½—Jan.	23	142 Jan.	30	147½	142	143¾
People's Gas & Coke of Chic.	115½	97¼	103 —Jan.	2	98 —Jan.	30	103	98	99¾
Pullman Palace Car Co.	258	230	247¾- Jan.	15	242 —Jan.	30	247¾	242	242
Reading	143¾	79	164 —Jan.	23	134¼—Jan.	30	164	134¼	141⅛
• 1st prefered	97	90	96 —Jan.	22	92½—Jan.	2	96	92½	93
• 2d preferred	101	84	102 —Jan.	20	96½—Jan.	2	102	96½	100½
Rock Island	37⅞	21¾	26⅛—Jan.	31	23⅜—Jan.	3	26⅛	23⅜	26⅛
• preferred	85	60½	65½—Jan.	29	61½—Jan.	4	65½	61½	65¼
St. L. & San Fran. 2d pref	73½	45	49 —Jan.	11	45⅝-Jan.	30	49	45⅝	47¼
St. Louis & Southwestern	27½	20	27⅞—Jan.	19	20¾—Jan.	2	27⅞	20¾	25
• preferred	66⅝	55	61½—Jan.	24	53 —Jan.	5	61½	53	57½
Southern Pacific Co.	72⅜	57¾	72⅞—Jan.	22	65⅝—Jan.	4	72⅞	65⅝	69⅜
Southern Railway	38	28	42⅞—Jan.	26	35¾—Jan.	2	42⅞	35¾	41⅝
• preferred	102½	95	103 —Jan.	16	100 —Jan.	2	103	100	102
Tennessee Coal & Iron Co.	148	68	165 —Jan.	12	129 —Jan.	2	165	129	155
Texas & Pacific	41	29¾	39⅜—Jan.	24	32¾—Jan.	4	39⅜	32¾	36¾
Toledo, St. Louis & Western	43¾	34⅛	40½—Jan.	19	35 —Jan.	5	40½	35	39¼
• preferred	65	51¾	59⅞—Jan.	19	56 —Jan.	5	59⅞	56	58¼
Union Pacific	151¼	113	160½—Jan.	24	148 —Jan.	3	160½	148	155½
• preferred	101⅝	95½	99¼—Jan.	2	97 —Jan.	26	99¼	97	98
Wabash R. R.	24¼	17½	26½—Jan.	24	20¼—Jan.	5	26½	20¼	24¾
• preferred	48	37	48⅜—Jan.	24	40½—Jan.	3	48⅜	40½	46
Western Union	95½	92	94¼—Jan.	26	93 —Jan.	2	94¼	93	93⅝
Wheeling & Lake Erie	19¾	15	20½—Jan.	24	17⅞—Jan.	9	20½	17⅞	20
• second preferred	28½	20	28¾—Jan.	24	25¾—Jan.	10	28¾	25¾	26¾
Wisconsin Central	33½	20	33 —Jan.	17	28 —Jan.	30	33	28	29
• preferred	64½	45	64 —Jan.	15	58 —Jan.	30	64	58	59
"INDUSTRIAL"									
Amalgamated Copper	111¾	70	115½—Jan.	13	103⅞ Jan.	4	115½	103⅞	115⅜
American Car & Foundry	43⅝	31	47½—Jan.	24	39½—Jan.	4	47½	39½	45¼
• pref	104½	91¾	105 —Jan.	24	99½—Jan.	4	105	99½	103½
American Co. Oil Co.	40½	27¾	44¼—Jan.	11	37 —Jan.	30	44¼	37	38⅝
American Ice	36	24¾	46½—Jan.	18	35¼—Jan.	2	46½	35¼	45¼
American Locomotive	76¼	33	78½—Jan.	8	70¾—Jan.	23	78½	70¾	75½
• preferred	122¾	133¾	120¼—Jan.	16	116½—Jan.	30	120¼	116½	116½
Am. Smelting & Refining Co.	170⅝	79¾	174 —Jan.	18	161½—Jan.	30	174	161½	166¼
• preferred	137	111¼	130 —Jan.	12	125¼—Jan.	30	130	125¼	126
Am. Steel & Foundries	18⅝	6⅞	15¼—Jan.	17	13⅝—Jan.	30	15¼	13⅝	13¾
• pref	67½	35½	53¼—Jan.	17	49½—Jan.,	5	53¼	49½	50¾
American Sugar Ref. Co.	154⅝	130	157 —Jan.	8	144⅝—Jan.	30	157	144⅝	148¼
American Tobacco, pref	109⅝	91⅞	109 —Jan.	22	104¾—Jan.	11	109	104¾	107
Anaconda Copper Mining	295	100½	298 —Jan.	2	230 —Jan.	5	298	230	283
Central Leather	47½	40	49⅞—Jan.	24	44¼—Jan.	5	49⅞	44¼	47½
• preferred	105⅞	102½	107½—Jan.	24	103½—Jan.	5	107½	103½	107½
Corn Products	22¾	8¾	19¾—Jan.	3	16¾—Jan.	18	19¾	16¾	19
• preferred	79	40	61¼—Jan.	3	55½—Jan.	17	61¼	55½	57⅞
Distillers Securities	54½	34⅞	54½—Jan.	20	51 —Jan.	30	54½	51	52½
Federal Min'g & Smelt., pref.	110½	75	112⅞—Jan.	22	104 —Jan.	4	112⅞	104	108⅝
General Electric Co.	192	169	181¼—Jan.	9	172 - Jan.	30	181¼	172	175½
International Paper Co.	25¼	18⅛	26¼—Jan.	15	22 —Jan.	4	26¼	22	23½
• preferred	88¼	76	90 —Jan.	12	84¾—Jan.	3	90	84¾	87¼
International Power	100	48	95 —Jan.	29	58 —Jan.	5	95	58	86
International Steam Pump	40⅞	26	37 —Jan.	19	27 —Jan.	2	37	27	32
National Biscuit	69½	52	71 —Jan.	29	67 —Jan.	3	71	67	69⅞
National Lead Co.	89½	24½	95⅝—Jan.	19	80 —Jan.	30	95⅝	80	84½
Pressed Steel Car Co.	58⅞	34	64⅝—Jan.	24	53½—Jan.	4	64⅝	53½	62½
• preferred	101½	87	104¾—Jan.	24	100 —Jan.	8	104¾	100	104¼
Republic Iron & Steel Co.	36⅛	15	39 —Jan.	12	32 —Jan.	30	39	32	34⅝
• preferred	108	67	110½-Jan.	9	104½—Jan.	30	110½	104½	107
U. S. Rubber Co.	58½	33¾	58½—Jan.	22	51 —Jan.	4	58½	51	54
• 1st preferred	118½	98⅝	115 —Jan.	15	109½—Jan.	2	115	109½	111
U. S. Steel	43¼	24⅞	46¼—Jan.	20	42 —Jan.	5	46¼	42	44⅞
• pref	107	90¾	113¼—Jan.	20	105 —Jan.	5	113¼	105	112¼

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale.		January Sales.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	98½	Jan. 31,'06	99	97	82,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	104⅛	Jan. 31,'06	104½	102¾	990,000
" registered		....	A & O	103½	Jan. 23,'06	103½	102¼	4,000
" adjustment, g. 4's	1995	25,616,000	NOV	96¾	Jan. 31,'06	97⅜	94	608,500
" registered		....	NOV	95	Sept. 11,'05	....	....	....
" stamped	1995	26,112,000	M & N	96¾	Jan. 31,'06	97	94	587,000
" registered		....	M & N	....	....	....	....	....
" fifty-year conv. g. 4's	1955	32,420,000	J & D	104¾	Jan. 31,'06	105¾	102⅞	4,260,000
" registered		....	J & D	....	....	....	....	....
" serial debenture 4's—								
" series D	1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
" registered		....	F & A	....	....	....	....	....
" series E	1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
" registered		....	F & A	....	....	....	....	....
" series F	1908	2,500,000	F & A	99½	Nov. 3,'04	....	....	....
" registered		....	F & A	....	....	....	....	....
" series G	1909	2,500,000	F & A	100½	Jan. 19,'06	100½	100½	5,000
" registered		....	F & A	....	....	....	....	....
" series H	1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
" registered		....	F & A	....	....	....	....	....
" series I	1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
" registered		....	F & A	....	....	....	....	....
" series J	1912	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series K	1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
" registered		....	F & A	....	....	....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....	....	....	....	....
" East. Okla. div. 1st g. 4's	1928	6,128,000	M & S	100	Jan. 25,'06	101½	98½	6,000
" " registered		....	M & S	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. Coast Line R. R. Co. 1st g. 4's	1952	43,141,000	M & S	102¼	Jan. 31,'06	102½	101½	478,000
" registered			M & S	102	Nov. 27,'05	....	....	....
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	198¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	132⅞	Jan. 30,'06	132⅞	132⅞	6,000
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114⅝	Nov. 14,'05	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	100¼	Nov. 6,'05	....	....	....
"L'ville & Nash. col." g. 4's	1952	35,000,000	M & N	95¼	Jan. 31,'06	95½	94⅝	139,000
" registered		....	M & N	....	....	....	....	....
Sil. Sps Oc. & G. RR. & ldg. gtd g. 4s	1918	1,067,000	J & J	101	Dec. 18,'05	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	72,820,000	J & J	94⅜	Jan. 30,'06	95¼	94⅛	218,000
" registered			J & J	96	Nov. 7,'04	....	....	....
" g. 4s	1948	70,963,000	A & O	104⅜	Jan. 31,'06	105½	103	294,000
" g. 4s. registered			A & O	103½	Jan. 26,'06	103½	101½	26,000
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	91⅞	Jan. 16,'06	92	91⅜	47,000
" registered			Q Feb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	31,347,000	M & N	99	Jan. 29,'06	99⅝	97¾	390,000
" Southw'n div. 1st g. 3½s.	1925	43,590,000	J & J	92	Jan. 29,'06	92¼	91	240,000
" registered			Q J	92⅛	June 23,'05	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	108½	July 13,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g. 4's	1917	633,000	J & J	100	Jan. 22,'06	100	99½	13,000
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	123¼	Nov. 21,'05	....	....	....
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	125¾	Dec. 27,'05	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	125⅝	Dec. 5,'05	....	....	....
Buff. & Susq. 1st refundg g. 4's	1951	6,521,000	J & J	99½	Jan. 4,'06	99½	99½	8,000
registered			J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Canada Southern 1st int. gtd 5's	1908	14,000,000	J & J	101½	Jan. 30,'06	101⅞	101	96,000
• 2d mortg. 5's	1913	6,000,000	M & S	107	Jan. 29,'06	108¾	105⅝	9,000
• registered			M & S	105¾	Jan. 3,'04	105¾	105¾	10,000
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	94	Jan. 4,'05	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	121	Jan. 16,'06	121	120	2,000
• registered $1,000 & $5,000			F & A	....		....	....	....
• con. g. 5's	1945	16,700,000	M & N	114¼	Jan. 31,'05	114⅛	113¼	118,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
• 1st. pref. inc. g. 5's	1945	2,501,000	OCT 1	96	Jan. 29,'05	96	93¾	181,000
• • stamped		1,499,000	OCT 1	....		....	....	....
• 2d pref. inc. g. 5's	1945	3,182,000	OCT 1	86½	Jan. 31,'06	86½	80½	405,000
• • stamped		3,818,000	OCT 1	81	Dec. 27,'05	....	....	....
• 3d pref. inc. g. 5's	1945	1,960,000	OCT 1	80⅜	Jan. 30,'06	81½	75½	1,015,000
• • stamped		2,040,000	OCT 1	75	Jan. 16,'06	75	75	1,000
• Chat. div. pur. my. g. 4's	1951	2,051,000	J & D	93¾	July 12,'05	....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	110⅝	Sept. 5,'05	....	....	....
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1987	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	121⅝	Jan. 30,'06	132	131¼	13,000
• registered			Q J	131⅛	Jan. 19,'06	131½	131	15,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	113¾	Dec. 27,'05	....	....	....
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102	Dec. 28,'05	....	....	....
• con. extended gtd. 4½'s	1910	12,175,000	Q M	102⅛	Jan. 18,'06	102⅛	101¾	12,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106½	Jan. 27,'06	106½	106	7,000
• Mortgage gold 6's	1911	2,000,000	A & O	109⅝	Jan. 22,'06	109⅝	109⅝	11,000
• 1st con. g. 5's	1939	25,858,000	M & N	119⅛	Jan. 31,'06	119⅛	118½	74,000
• registered			M & N	116¼	Dec. 1,'05	....	....	....
• Gen. m. g. 4½'s	1992	40,573,000	M & S	108⅝	Jan. 31,'06	108¾	107¾	255,000
• registered			M & S	107¾	Nov. 17,'05	....	....	....
• Craig Val. 1st g. 5's	1940	650,000	J & J	113	Mar. 8,'05	....	....	....
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	102	Jan. 29,'06	102	102	3,000
• 2d con. g. 4's	1989	1,000,000	J & J	98	July 26,'05	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	100	Sept. 23,'05	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	82½	Jan. 23,'06	82½	82⅛	17,000
• • registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	81⅜	Jan. 31,'06	81½	78½	299,000
• registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
• Denver div. 4's	1922	4,583,000	F & A	102	Jan. 13,'06	102	102	1,000
• Illinois div. 3½s	1949	50,835,000	J & J	94⅞	Jan. 31,'06	95¼	94⅝	64,000
• registered			J & J	96½	Feb. 24,'05	....	....	....
• Illinois div. 4s	1949	10,306,000	J & J	105¾	Aug. 8,'04	....	....	....
• registered		....	J & J	....		....	....	....
• (Iowa div.) sink. f'd 5's	1919	2,388,000	A & O	110¼	Jan. 5,'05	....	....	....
• 4's	1919	7,882,000	A & O	102¼	Jan. 20,'06	102¼	102	4,000
• Nebraska extensi'n 4's	1927	25,071,000	M & N	106½	Jan. 24,'06	106½	106½	2,000
• registered			M & N	106¼	June 16,'05	....	....	....
• Southwestern div. 4's	1921	2,385,000	M & S	100	Apr. 10,'05	....	....	....
• 4's joint bonds	1921	215,223,000	J & J	101⅝	Jan. 31,'06	101⅞	99½	2,226,000
• • registered			Q JAN	101	Jan. 29,'06	101½	99½	47,000
• 5's, debentures	1913	9,000,000	M & N	106¾	Jan. 30,'06	107	106	81,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	112⅛	Jan. 26,'06	112¼	112⅛	9,000
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	96¾	Jan. 23,'06	96¼	94⅞	6,000
• registered			J & J	....		....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	103⅝	Dec. 11,'05	....	....	....
• small bonds			J & D	103½	July 8,'04	....	....	....
• 1st con. 6's, gold	1934	2,653,000	A & O	139	Jan. 25,'06	139	132	5,000
• gen. con. 1st 5's	1937	16,529,000	M & N	119	Jan. 29,'06	119¼	117¾	14,000
• registered			M & N	119½	Mar. 2,'05	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118⅝	Jan. 31,'06	118⅝	118	6,000
Chicago, Indianapolis & Louisville.								
• refunding g. 6's	1947	4,700,000	J & J	133	Jan. 29,'06	133	132½	13,000
• ref. g. 5's	1947	4,742,000	J & J	113¼	Jan. 22,'06	113¼	113¼	2,000
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	107⅝	Jan. 4,'06	107⅝	107⅝	1,000
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g 5's	1914	4,748,000	J & J	108½	Jan. 31,'06	108½	108½	3,000
• gen. g. 4's, series A	1989	23,676,000	J & J	110½	Jan. 15,'06	110½	109½	3,000
• registered		....	Q J	109½	June 18,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	*Principal Due.*	*Amount.*	*Int'st paid.*	Last Sale. *Price.*	Last Sale. *Date.*	January Sales. *High.*	January Sales. *Low.*	*Total.*
" gen. g. 3½'s, series B.	1989	2,500,000	J & J	93⅞	Jan. 19,'06	97	96⅞	6,000
" registered			J & J	....		....	....	....
" Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
" Chic. & M. R. div. 5's,	1926	3,083,000	J & J	118⅛	Dec. 20,'05	....	....	....
" Chic. & Pac. div. 6's,	1910	3,000,000	J & J	107⅝	Jan. 19,'06	107⅝	107½	10,000
" 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	114⅛	Jan. 30,'05	114¼	113⅛	17,000
" Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	109	Jan. 15,'06	109	109	2,000
" Far. & So. g. 6's assu...	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	111¾	Jan. 31,'06	111¾	111⅝	18,000
" 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D, ex.	1908	546,000	J & J	185	Dec. 12,'05	....	....	....
" 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	113½	Jan. 27,'06	113½	113½	5,000
" Mineral Point div. 5's,	1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
" 1st So. Min. div. 6's....	1910	7,432,000	J & J	107⅝	Jan. 24,'06	107⅝	107⅛	5,000
" 1st 6's, Southw'n div.,	1909	4,000,000	J & J	106¾	Jan. 25,'06	106¾	106¼	2,000
" Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	113½	Jan. 24,'06	113½	113½	1,000
" Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	110	Oct. 10,'05	....	....	....
" 1st con. 6's	1913	5,092,000	J & D	116¼	Oct. 11,'05	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	126	Jan. 24,'06	126	126	2,000
" extension 4's.....	1886–1926	18,632,000	F A 15	105½	Jan. 17,'06	105½	105½	1,000
" registered			F A 15	102¾	Nov. 15,'05	....	....	....
" gen. g. 3½'s	1987	20,538,000	M & N	100½	Jan. 25,'06	100½	100	15,000
" registered			Q F	103	Nov. 19,'98	....	....	....
" sinking fund 6's..	1879–1929	5,686,000	A & O	114½	Nov. 2,'05	..	....	....
" registered			A & O	114	Dec. 12,'05	....	....	....
" sinking fund 5s'..	1879–1929	6,769,000	A & O	111	Nov. 23,'05	....	....	....
" registered			A & O	108¼	Nov. 14,'05	....	....	....
" deben. 5's	1909	5,900,000	M & N	103⅛	Nov. 22,'05	....	....	....
" registered			M & N	104	Mar. 3,'04	....	....	....
" deben. 5's	1921	10,000,000	A & O	111¾	Oct. 31,'05	...	....	....
" registered			A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.	1933	9,800,000	M & N	117	Jan. 26,'06	117	117	5,000
" registered			M & N	115	Nov. 24,'05	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	105¼	Dec. 11,'05	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	104	Dec. 5,'05	....	....	....
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	126½	Jan. 19,'06	126½	126⅛	8,000
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	120	Dec. 29,'05	....	....	....
" Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.	1924	1,281,000	J & J	131⅛	Jan. 5,'05	....	....	....
" con. deb. 5's	1907	436,000	F & A	105½	Sept. 18,'05	....	....	....
" incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	119¼	Jan. 30,'06	119¼	119	2,000
" registered	1917		J & J	123	May 22,'05	....	....	....
" gen. g. 4's	1988	61,581,000	J & J	102⅞	Jan. 31,'06	103¼	102½	121,000
" registered			J & J	104¾	Nov. 9,'03	....	....	....
" refunding 4s.	1934	32,558,000	A & O	97	Jan. 31,'06	97	95	1,150,000
" registered			A & O	96	Nov. 29,'05	....	....	......
" coll. tr. ser. 4's.								
" D	1906	1,494,000	M & N	....		....	....	....
" E	1907	1,494,000	M & N	....		....	....	....
" F	1908	1,494,000	M & N	....		....	....	....
" G	1909	1,494,000	M & N	....		....	....	....
" H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
" I	1911	1,494,000	M & N	97½	May 26,'05	....	....	....
" J	1912	1,494,000	M & N	96¾	Dec. 19,'05	....	....	....
" K	1913	1,494,000	M & N	....		....	....	....
" L	1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
" M	1915	1,494,000	M & N	96	Nov. 11,'05	....	....	....
" N	1916	1,494,000	M & N	93	May 24,'04	....	....	....
" O	1917	1,494,000	M & N	94½	Dec. 14,'05	....	....	....
" P	1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,938,000	M & N	80¾	Jan. 31,'06	80⅞	79	1,042,000
" registered			M & N	79	Dec. 19,'05	....	....	....
" coll. trust g. 5's	1913	17,342,000	M & S	91⅝	Jan. 31,'06	91⅝	88¼	556,000
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	101	Jan. 31,'06	101	100¼	77,500
" con. 1st & col. tst 5's.	1934	11,000,000	A & O	118¾	Dec. 9,'05	....	....	....
" registered			A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	111	Nov. 20,'04	....	....	....
Minneap's & St. Louis 1st 7's. g,	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	106⅝	Jan. 3,'06	106⅝	106⅝	20,000
" con. g. 5's	1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	109	Jan. 29,'06	109½	109	....
" small bond	1923	....	A & O	102⅛	Apr. 26,'04	....	....	11,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principa Due	Amount.	Int'st Paid.	LAST SALE.		JANUARY SALES.		
			Price.	Date.	High.	Low.	Total.
Chic., St.P., Minn.& Oma.con.6's.1930	14,761,000	J & D	135⅛	Jan. 17,'06	135⅛	135⅛	2,000
• con.6's reduced to 3½'s.1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's..1918	1,798,000	M & N	135¼	Nov. 6,'05	....	....	....
North Wisconsin 1st mort. 6's..1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	123	Oct. 24,'05	....	....	....
Chic., Term. Trans. R. R. g. 4's..1947	15,135,000	J & J	100	Dec. 30,'05	....	....	....
• coupons off.................			99¼	Jan. 29,'06	99¼	98⅛	26,000
Chic. & Wn. Ind. gen'l g. 6's......1932	9,107,000	Q M	113½	Dec. 16,'05	....	....	....
Cin., Ham. & Day 2d g. 4½'s....1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's..1941	3,500,000	M & N	112	Jan. 25,'06	112	112	1,000
Cin. Find. & Ft. W. 1st gtd g. 4's.1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind.&Wn.1st&ref.gtd g.4's.1953	4,672,000	J & J	96¾	July 13,'05	....	....	....
Clev., Cin., Chic.& St.L. gen.g.4's..1993	20,749,000	J & D	105½	Jan. 31,'06	105½	102¼	303,000
• do Cairo div. 1st g. 4's..1939	5,000,000	J & J	101¾	Dec. 12,'05	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	100¼	Jan. 31,'06	100¼	100⅛	12,000
St. Louis div. 1st col. trust g.4's.1990	9,750,000	M & N	103	Jan. 22,'06	103	102½	11,000
• registered................			100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	94½	Aug.31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's.1936	7,599,000	Q F	103½	Jan. 31,'06	103½	103	15,000
• registered................			101⅛	Nov.15,'05	....	....	....
• con. 6's.................1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky&Clev.con.1st g.5's1928	2,571,000	J & J	115	Jan. 10,'06	115	115	10,000
Clev., C., C. & Ind. con. 7's......1914	3,991,000	J & D	122	Jan. 29,'07	122	122	10,000
• sink. fund 7's..........1914		J & D	119⅝	Nov.19,'89	....	....	....
• gen. consol 6's........1934	8,205,000	J & J	134¾	Jan. 31,'06	135	134¾	11,000
• registered................		J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's.1940	981,500	A & O	104½	Nov.19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	100⅛	Jan. 29,'06	101	100	18,000
• income 4's.............1990	4,000,000	A	79¾	Jan. 31,'06	80	78	205,000
Clev., Lorain & Wheel'g con.1st 5's1933	5,000,000	A & O	115⅝	Nov. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's..1938	2,986,000	J & J	116½	Jan. 23,'05	....	....	....
• registered..................		Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's...........1947	8,946,000	J & J	78	Jan. 31,'06	79¼	74¾	1,573,000
Colorado & Southern 1st g. 4's...1929	19,103,000	F & A	96¼	Jan. 31,'06	96½	93½	426,000
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	107⅞	Jan. 31,'06	107⅞	107	17,000
Morris & Essex 1st m 7's........1914	5,000,000	M & N	125½	Jan. 20,'06	125½	123½	2,000
• 1st c. gtd 7's...........1915	11,677,000	J & D	127	Jan. 16,'06	127	126⅝	3,000
• registered...............		J & D	127	June23,'05	....	....	....
• 1st refund.gtd.g.3½'s.2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	126¼	Jan. 3,'06	126¼	126¼	3,000
• const. 5's...............1923	5,000,000	F & A	114⅝	Jan. 25,'06	114⅝	113½	6,000
• terml. imp. 4's.........1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	104¼	Jan. 10,'06	104¼	104¼	2,000
Warren Rd. 1st rfdg.gtd g.3½'s.2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.							
• 1st Penn. Div. c. 7's...1917	5,000,000	M & S	134	May 2,'04	....	....	....
• reg.....................1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's.....1906	3,000,000	A & O	102⅝	Jan. 19,'06	102⅝	102⅝	17,000
• 6's.....................1906	7,000,000	A & O	102⅛	Jan. 20,'06	102⅛	102⅛	1,000
Rens. & Saratoga 1st 7's........1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's...1936	33,450,000	J & J	100⅞	Jan. 31,'06	100⅞	99½	89,000
• con. g. 4½'s............1936	6,382,000	J & J	106¾	Sept. 2,'05	....	....	....
• impt. m. g. 5's..........1928	8,318,500	J & D	108	Jan. 17,'06	108	108	7,000
Rio Grande Western 1st g. 4's..1939	15,200,000	J & J	99⅝	Jan. 29,'06	100	97½	97,000
• mge.&col.tr.g.4's ser.A.1949	13,336,000	A & O	90	Jan. 25,'06	92	90	16,000
Utah Central 1st gtd. g. 4's...1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's..1917	628,000	M & N	110	Sept.30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s......1995	900,000	J & D	100	Jan. 11,'06	100	100	1,000
• g. 4s.......................1995	1,250,000	J & D	95¼	Jan. 23,'06	96	95	12,000
Detroit Southern 1st g. 4's.......1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
• Ohio South. div.1st g.4's.1941	4,281,000	M & S	93¼	Jan. 30,'06	93¾	93	37,000
Duluth & Iron Range 1st 5's......1937	6,732,000	A & O	113¼	Jan. 17,'06	113¼	113¼	5,000
• registered..................		A & O	101½	July 23,'89	....	....	....
• 2d 1 m 6s.................1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's..1937	3,816,000	J & J	113¼	Jan. 5,'06	113¼	113¼	1,000
Duluth Short Line 1st gtd. 5's....1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's..1941	8,500,000	M & N	119⅛	Jan. 30,'06	119⅛	118½	54,000

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE		JANUARY SALES.		
				Price.	Date.	High.	Low.	Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107½	Jan. 30,'06	107½	107½	2,000
" 2d extended g. 5's	1919	2,149,000	M & S	113¾	July 11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	109	Oct. 4,'05	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	115¼	Jan. 24,'06	115¼	115¼	5,000
" 5th extended g. 4's	1928	709,500	J & D	101	Jan. 8,'06	101	101	500
" 1st cons gold 7's	1920	16,890,000	M & S	133	Jan. 10,'06	133	133	4,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	101½	Jan. 31,'06	102	99¼	193,000
" registered			J&J	101½	Oct. 5,'05	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	93¼	Jan. 27,'06	93½	91¼	180,000
" registered			J&J	88	Nov.15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	97¾	Jan. 30,'06	98	95¼	180,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	108	Jan 31,'06	109⅞	107½	1,760,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	127	Nov.28,'05	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	110	Mar. 3,'05	....	....	....
" small			J&J	....	....	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121⅝	Jan. 29,'06	122	121	58,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	102¾	Dec. 5,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	134½	Dec. 18,'05	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅜	Dec. 8,'05	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121½	Oct. 17,'05	....	....	....
" small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¼	Jan. 11,'06	109¼	108½	2,000
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	116⅜	Jan. 23,'06	116⅜	116⅜	4,000
" 2d g. 4½'s	1937	447,000	F & A	102⅛	Dec. 23,'05	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	110	Jan. 26,'06	110	110	2,000
" term. 1st g. 5's	1943	2,000,000	M & N	118¾	Dec. 30,'05	....	....	....
" registered......$5,000 each			M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅞	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	118	Jan. 22,'05	118	118	1,000
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	111	Dec. 4,'05	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	106⅝	Jan. 23,'06	106⅝	106⅝	2,000
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	114¾	Jan. 27,'06	114¾	112⅞	177,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	89	Jan. 31,'06	89	89	101,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	102	Jan. 30,'06	103	102	25,000
" registered			J & J	....	....	....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	109	Jan. 31,'06	109½	107¼	44,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100⅝	Jan. 3,'06	100⅝	100⅝	1,000
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,479,000	......	103½	Dec. 18,'05	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	102¾	Oct. 16,'05	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	100½	Jan. 19,'06	100½	100½	2,000
" registered			A & O	....	....	....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....	....	....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	106½	Dec. 21,'05	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105⅝	Jan. 17,'06	105⅝	105⅜	2,000
" registered			M & N	106½	July 11,'05	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....	....	....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	95	Oct. 25,'05	....	....	....
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	81	Oct. 6,'05	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	86½	Dec. 9,'05	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	92½	Dec. 9,'05	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	107¾	Jan. 26,'06	107¾	107⅜	6,000
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	122	July 7,'04	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	125	Nov. 13,'05	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
• gold 5's, registered		16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
• registered			J D 15	106¼	Aug.17,'99	....	....	....
• Memph. div. 1st g. 4's,	1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's,	1931	538,000	M & S	101⅛	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	108⅞	Jan. 30,'06	108⅞	108⅞	1,000
• 1st gtd. g. 5's	1935	933,000	J & J	107⅛	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	99¼	Jan. 22,'06	100	99	5,000
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	120	Jan. 17,'06	120	119⅛	13,000
• 2d g. 5's	1909	10,391,000	M & S	101⅞	Jan. 30,'06	102	100	17,500
• 3d g. 4's	1921	2,960,500	M & S	78	Dec. 14,'05	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	118	Dec. 19,'05	....	....	....
• refunding g. 4's	1951	2,000,000	M & S	88	Jan. 30,'06	88	86	34,000
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	74¼	Jan. 31,'06	75¼	73¼	485,000
• registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	118½	Jan. 25,'06	118½	117½	13,000
• 2d mtge. g. 5's	1941	3,625,000	J & J	113½	Jan. 11,'06	113½	113⅛	11,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	117	Jan. 17,'06	117	117	15,000
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	109½	Jan. 24,'06	110	109½	4,000
• registered		....	J&J	112½	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's	2003	20,100,000	M & N	100¾	Dec. 29,'05	....	....	....
• registered			M & N	....	....	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	120	Jan. 23,'06	120	120	1,000
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	115½	Jan. 19,'06	115½	112	37,000
• registered	1933		J & J	....	....	....	....	....
• 1st 40-yr gtd int. red to 4%	1933	1,400,000	J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	98⅛	Dec. 22,'05	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	113⅞	Jan. 22,'06	113⅞	113⅞	2,000
• • g. gtd 5's	1914	1,250,000	A & O	105¼	Jan. 5,'06	105¼	105¼	10,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	115½	Dec. 15,'05	....	....	....
• 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	102	Jan. 31,'06	102¼	101⅝	24,000
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	102	Nov. 27,'05	....	....	....
• g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
• unified g. 4's	1949	6,860,000	M & S	101¾	Jan. 18,'06	101¾	101¼	5,000
• deb. g. 5's	1934	1,135,000	J & D	110	June 22,'04	....	....	....
• gtd. refunding g. 4's	1949	17,891,000	M & S	102½	Jan. 31,'06	102½	101⅜	24,000
• • registered			M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	106½	Dec. 9,'05	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's,	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	883,000	M & S	111	Jan. 23,'06	111	111	2,000
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,425,000	Q JAN	112⅛	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	105	Jan. 26,'06	105	105	20,000
Louis. & Nash. gen. g. 6's	1930	7,875,000	J & D	119¾	Jan. 29,'06	120¼	118¾	35,000
• gold 5's	1937	1,764,000	M & N	120	Jan. 18,'06	120	120	10,000
• Unified gold 4's	1940	37,562,000	J & J	103¾	Jan. 31,'06	104¼	103½	151,000
• registered	1940		J & J	101⅞	June 18,'94	....	....	....
• collateral trust g. 5's,	1931	5,129,000	M & N	115¼	Jan. 5,'06	115½	115½	4,000
• 5-20 yr. col. tr. deed g. 4's	1923	23,000,000	A & O	100⅛	Jan. 31,'06	100⅛	98½	75,000
• E., Hend. & N. 1st 6's	1919	1,600,000	J & D	114¼	June 6,'05	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
• N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	129	Jan. 8,'06	129	128	12,000
• 2d g. 6's	1930	1,000,000	J & J	128	Aug. 25,'05	....	....	....
• Pensacola div. g. 6's	1920	405,000	M & S	114	Apr. 26,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	121¼	May 2,'05	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	74⅜	Oct. 4,'05	....	....	....
• At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	114⅛	Sept. 6,'05	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,414,000	M & S	108½	Jan. 3,'06	108½	108½	2,000
• Ken. Cent. g. 4's	1987	6,742,000	J & J	99	Jan. 17,'06	99⅜	99	10,000
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	108	Sept. 7,'05	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	96	Jan. 23,'06	96	95¼	11,000
• registered			Q Jan	95	Feb. 6,'05	....	....	....
• N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	117⅜	Jan. 29,'06	117⅜	116⅛	2,000
• Pen. & At. 1st g. g. 6's,	1921	2,331,000	F & A	115½	Dec. 26,'05	....	....	....
• S. & N. A. con. gtd. g. 5's	1936	3,673,000	F & A	107	Dec. 4,'05	....	....	....
• sinking fund g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	98¾	Nov. 2,'05	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	103½	Jan. 29,'06	103⅞	103¼	29,000
• registered			A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	105	Jan. 31,'06	105	104¼	67,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's	1911	65,690,000	J & J	80⅝	Jan. 31,'06	80½	78½	336,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
• 1st con. inc. 3's	1939	20,511,000	JULY	24¾	Jan. 31,'06	26⅝	24	2,423,000
• 2d 3's	1939	11,724,000	JULY	19	Jan. 30,'06	20⅛	18¼	372,000
• equip. & collat. g. 5's	1917	550,000	A & O	....		....	....	....
• 2d series g. 5's	1919	615,000	A & O	....		....	....	....
• col. trust g. 4½'s 1st se of	1907	10,000,000	F & A	98⅝	Jan. 31,'06	98⅝	98½	7,000
Mexican Internat'l 1st con g. 4's	1977	3,382,000	M & S	90⅝	July 29,'01	....	....	....
• stamped gtd		3,621,000	......	....		....	....	....
Mexican Northern 1st g. 6's	1910	935,000	J & D	....		....	....	....
• registered			J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....		....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	137	June 29,'05	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120¼	Apr. 19,'05	....	....	....
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	114½	Jan. 20,'06	114½	113	11,000
• 1st & refunding g. 4's	1949	9,350,000	M & S	97	Jan. 17,'06	97	96½	3,000
DesMoines & Ft. Dge 1st gtd g. 4's	1935	3,072,000	J & J	97½	Jan. 30,'06	97½	97½	2,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	32,055,000	J & J	101	Jan. 9,'06	101	101	2,000
• stamped pay. of int. gtd.				....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
• stamped pay. of int. gtd.				89⅜	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	101⅞	Jan. 31,'06	103	100	169,500
• 2d mtge. g. 4's	1990	20,000,000	F & A	92¼	Jan. 31,'06	92½	89	489,000
• 1st ext gold 5's	1944	3,254,000	M & N	107½	Jan. 17,'06	107½	107	35,000
• 1st & ref. mtg. 4s	2004	1,734,000	M & S	....		....	....	....
• • small.			M & S	....		....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	93½	Jan. 8,'06	93½	93½	5,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	107	Jan. 8,'06	107	107	5,000
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	97	Nov. 24,'05	....	....	....
Mo., Kan. & East. 1st gtd. g. 5s	1942	4,000,000	A & O	115¾	Jan. 26,'06	115¾	115¼	4,000
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s	1942	5,468,000	M & N	109⅞	Jan. 25,'06	109⅞	108½	38,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	109¼	Jan. 30,'06	109¼	107⅛	103,000
Sher., Shreve. & So. 1st gtd. g. 5s	1943	1,689,000	J & D	107½	Dec. 4,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	108¾	Jan. 5,'06	108¾	108¾	1,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	125	Jan. 31,'06	125½	123½	51,000
• 3d mortgage 7's	1906	3,828,000	M & N	103⅜	Jan. 29,'06	103⅜	103	15,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	107	Jan. 29,'06	107	106	29,000
• registered			M & S	104	Jan. 6,'06	104	104	25,000
• 1st collateral gold 5's	1920	9,636,000	F & A	108½	Jan. 26,'06	108½	107¼	20,000
• registered			F & A	....		....	....	....
• forty yrs. 4's g. loan	1945	25,000,000	......	94½	Jan. 25,'06	94½	93⅛	58,000
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	98½	Jan. 22,'06	99	97½	34,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	105	Jan. 11,'06	105	104¼	28,000
• 2d extended g. 5's	1938	2,573,000	F & A	120⅜	Jan. 31,'06	120⅜	120	26,000
St. L. & I. g. con. R.R. & l. gr. 5's	1931	36,624,000	A & O	117¼	Jan. 30,'06	117¾	116	104,000
• stamped gtd gold 5's	1931	6,833,000	A & O	116	Nov. 6,'05	....	....	....
• unify'g & rfd'g g. 4's	1929	30,469,000	J & J	93¼	Jan. 30,'06	93⅝	92½	177,000
• registered			J & J	87¼	Apr. 23,'04	....	....	....
• Riv & Gulf divs 1st g 4s	1933	22,754,000	M & N	95	Jan. 30,'06	95	94¾	110,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....		....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
• small		226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	96	Oct. 9,'05	....	....	....
• small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1st g. 5's	1946	1,882,000	J & D	96⅞	Jan. 5,'06	97	96½	27,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126½	Jan. 30,'06	126½	126½	3,000
• 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	....	....	....
• gen. g. 4's	1938	9,472,000	Q J	98¾	Jan. 20,'06	99	98¾	4,000
• Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	115¾	Nov. 1,'05	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
• collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	119¼	Jan. 31,'06	119¼	118	11,000
• 1st cons. g. 5's	1928	7,608,000	A & O	114⅞	Jan. 31,'06	114⅞	114¼	19,000
• 1st g. 6's Jasper Branch	1923	371,000	J & J	124	Oct. 12,'05	....	....	....
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb.	1917	300,000	J & J	113	July 8,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s	1926	20,000,000	J & J	102½	Jan. 26,'06	102½	102½	1,000
• 1st con. g. 4's	1951	24,496,000	A & O	87	Jan. 31,'06	87	85	91,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108⅛	Aug. 13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg. 3½s	1997	84,846,000	J & J	98¾	Jan. 27,'06	99¼	98	282,000
• • registered			J & J	98¼	Jan. 11,'06	98¼	98¼	10,000
• deb. g 4s	1934	30,000,000	M & N	101¾	Jan. 26,'06	101¾	100¾	205,000
• • registered			M & N	102	July 8,'05	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	92	Jan. 31,'06	93	89⅞	301,000
• registered			F & A	90	Jan. 26,'06	91⅛	90	251,000

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				Price.	Date.	High.	Low.	Total.
Michigan Central col. g. 3½s	1998	19,836,000	F & A	90¼	Jan. 17,'06	90¼	89¾	13,000
• registered			F & A	90¼	Jan. 17,'06	90¼	90¼	10,000
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	106⅝	Sept. 29,'05	....	....	....
• registered			J & J	104	Dec. 13,'05	....	....	....
• 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
• registered		....	J & J	....		....	....	....
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04	....	....	....
• small bonds series B.		33,000	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	105	Nov. 20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
• reg. certificates			F & A	....		....	....	....
N.Y.& Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	106	Sept. 8,'05	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	107½	Jan. 31,'06	108	107¼	108,000
• registered			J & J	107	Jan. 26,'06	107½	106¾	159,500
Lake Shore g 3½s	1997	50,000,000		100¼	Jan. 27,'06	100¾	100	30,000
• registered			J & D	99¾	Jan. 23,'06	99¾	99¾	6,000
• deb. g. 4's	1928	50,000,000	M & S	101¾	Jan. 30,'06	101⅞	101⅛	492,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	102	May 22,'05	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	123¼	Sept. 27,'05	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
• 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
• 5's	1931	3,576,000	M & S	120	Jan. 3,'06	120	120	1,000
• 5's reg	1931		Q M	119	June 6,'05	....	....	....
• 4's	1940	2,600,000	J & J	106	July 1,'05	....	....	....
• 4's reg			J & J	106½	Nov. 26,19'	....	....	....
• g. 3½'s sec. by 1st mge. on J. L. & S.		1,900,000	M & S	....		....	....	....
• 1st g. 3½'s	1952	13,000,000	M & N	97⅝	Dec. 16,'05	....	....	....
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	105⅛	Mar. 2,'05	....	....	....
• 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	116⅝	Jan. 30,'06	116⅝	116	8,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107½	Feb. 4,'03	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	105½	Jan. 25,'06	105½	104½	70,000
• registered			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr, 29,'03	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	103⅝	Jan. 31,'06	104¾	102¾	59,000
• registered.......$5,000 only.		....	M & S	105⅝	Oct. 11,'05	....	....	....
Norfolk & Southern 1st g. 5's	1941	1,500,000	M & N	109	Jan. 25,'06	109	107¾	7,000
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132¾	Jan. 22,'06	132¾	132¾	7,000
• imp'ment and ext. 6's	1934	5,000,000	F & A	132½	May 16,'05	....	....	....
• New River 1st 6's	1932	2,000,000	A & O	129¾	Nov. 27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	40,400,500	A & O	102½	Jan. 31,'06	102¾	101¾	198,500
• registered			A & O	99¾	June 18,'03	....	....	....
• small bonds			A & O	....		....	....	....
• div. 1st lien & gen g. 4s	1944	8,000,000	J & J	99¼	Jan. 30,'06	99½	98½	24,000
• • registered			J & J	....		....	....	....
• Pocahon C.&C.Co. jt. 4's	1941	20,000,000	J & D	94⅝	Jan. 30,'06	95½	94⅝	296,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05	....	....	....
• Sci'o Val & N.E. 1st g. 4's	1989	5,000,000	J & N	101½	Jan. 27,'06	101½	100½	54,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	105¾	Jan. 31,'06	106¼	104½	537,000
• registered			Q J	106	Jan. 25,'06	106	104	49,000
• gen. lien g. 3's	2047	56,000,000	Q F	78⅛	Jan. 31,'06	78½	76¾	246,000
• registered			Q F	75½	Jan. 18,'06	75½	75½	2,000
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	101	Jan. 24,'06	101	100½	12,000
• registered			J & D	....		....	....	....
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	125	Oct. 11,'05	....	....	....
• registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	109½	Jan. 31,'06	109½	109½	12,000
• 2d 5's	1917	2,000,000	A & O	109	June 27,'05	....	....	....
• 1st con. g. 4's	1968	1,000,000	J & D	100¼	Dec. 22,'05	....	....	....
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	94	Dec. 5,'05	....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,533,000	J & J	116	Jan. 19,'06	116	115	17,000

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118	Nov. 8,'05	....	....	....
• gen. mortg. g 6's	1937	2,428,000	A & O	114¾	Jan. 20,'06	114¾	110⅛	13,000
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,000	A & O	99	Dec. 28,'05	....	....	....
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	113¾	Jan. 29,'06	114	112½	19,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	....	....	....
• s. f. subsidy g 6's	1910	533,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	107¼	Jan. 23,'06	107¼	106¾	22,000
• reg	1921		J & J	107¾	Dec. 11,'05	....	....	....
• gtd.3½ coi.tr.reg. cts.	1937	4,815,000	M & S	98⅝	Nov. 4,'05	....	....	....
• gtd.3½ col.tr.cts.serB	1941	9,581,000	F & A	92¾	Jan. 18,'06	92¾	92¾	1,000
• Trust Co.ctfs. g. 3½'s.	1916	14,664,000	M & N	97⅝	Jan. 13,'06	97⅝	97½	15,000
• gtd. g. 3½'s tr. cts. s.C.	1942	4,948,000	J & D	....	....	....	....	....
• gtd. g. 3½'s tr. cts. s.D.	1944	10,000,000	J & D	93	Jan. 30,'06	93	93	1,000
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	122	Jan. 15,'06	122	122	1,000
• registered		......	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....	....	....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
• Series B	1942	1,561,000	A & O	....	....	....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....	....	....	....	....
• Series C 3½s	1948	2,994,000	M & N	98½	Dec. 15,'05	....	....	....
• Series D 3½s	1950	1,975,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,240,000	J & J	96¼	Jan. 2,'06	96¼	96¼	1,000
• • • C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	....	....	....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	111¾	Dec. 16,'05	....	....	....
• Series B gtd	1942	8,786,000	A & O	112¼	Jan. 18,'06	112¼	112	118,000
• Series C gtd	1942	1,379,000	M & N	112½	June 12,'05	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	103½	Dec. 15,'05	....	....	....
• Series E gtd. g. 3½s	1949	9,851,000	F & A	94⅛	Jan. 2,'06	94⅛	94	7,000
• Series F c. gtd. g. 4's.	1953	9,000,000	J & D	....	....	....	....	....
Pitts., Ft. Wayne & C. 1st 7's.	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03	....	....	....
• 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy.&O.1st gtd.bds 4½'s series A	1931	1,500,000	J & J	....	....	....	....	....
• 4½'s series B	1933	978,000	J & J	....	....	....	....	....
• 4's series C	1942	1,453,000	M & S	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	...	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04	....	....	....
• registered			Q M	....	....	....	....	....
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug. 28,'03	....	....	....
• ten year conv. 3½'s	1912	20,480,000	M & N	104¼	Jan. 30,'06	105¾	103½	309,500
Penn. R.R. 10-year conv. g.3½'s.	1915	99,987,000	J & D	100	Jan. 30,'06	101	99	1,940,000
• registered		....	J & D	....	....	....	....	....
Allegh. Valley gen. gtd. g.4's.	1942	5,389,000	M & S	104¼	Oct. 26,'05	....	....	....
Belvedere Del. con. gtd. 3½'s.	1943	1,000,000	J & J	....	....	....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's.	1936	1,300,000	F & A	....	....	....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108	Jan. 18,'06	108	108	1,000
Phila. Balto. & Wash. 1st g. 4's.	1943	10,570,000	M & N	109½	Jan. 27,'06	109½	109	11,000
• registered			M & N	....	....	....	....	....
Pitts.Va.&Charl.Ry1stgtdg.4's.	1943	6,000,000	M & N	....	....	....	....	....
Sunbury & Lewistown 1stg.4's.	1936	500,000	J & J	....	....	....	....	....
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'05	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's.	1920	3,999,000	A & O	121½	Oct. 16,'05	....	....	....
• 1st con. gold 5's	1939	2,850,000	M & N	110½	Jan. 22,'06	110½	110½	2,000
• Port Huron d 1st g 5's.	1939	3,325,000	A & O	111½	Jan. 29,'06	111½	111½	4 000
Sag'w Tusc. & Hur. 1st gtd.g.4's.	1931	1,000,000	F & A	....	....	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....
Pittsburg. Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's.	1940	3,000,000	A & O	120	Jan. 30,'06	120	118	23,000
• 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg. Y & Ash. 1st cons. 5's.	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	66,232,000	J & J	102	Jan. 31,'06	102⅝	100⅞	621,000
• registered.			J & J	101½	Jan. 6,'06	101½	101½	1,000
• Jersey Cent. col. g. 4's	1957	23,000,000	......	101	Jan. 27,'06	101	100	67,000
• • registered		....	......	....	....	....	....	....
Atlantic City 1st con. gtd. g.4's.	1951	1,063,000	M & N	....	....	....	....	....
Philadelphia & Reading con. 6's.	1911	7,304,000	J & D	113¼	Feb. 25,'05	....	....	....
• registered		663,000	J & D	....	....	....	....	....
• 7's	1911	7,310,000	J & D	114	Dec. 5,'05	....	....	....

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				Price.	Date.	High.	Low.	Total.
• • registered		3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	76	Dec. 20,'05	....	....	....
• guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb. & L. Ch'n. Ry. 1st gtd g4s	1948	4,400,000	J & J	100¼	Jan. 27,'06	100½	96⅛	22,000
Rutland Canadian 1st gtd. g. 4's.	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	94	Jan. 27,'06	94½	92½	55,000
St. L. & Adirondack Ry. 1st g. 5's.	1996	800,000	J & J	122	Jan. 18,'06	122	122	5,000
• 2d g. 6's	1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	102⅛	Jan. 31,'06	102⅛	102	7,000
• 2d g. 6's, Class C	1906	829,000	M & N	102	Jan. 11,'06	102	102	2,000
• gen. g. 6's	1931	3,681,000	J & J	127	Jan. 16,'06	127	127	2,000
• gen. g. 5's	1931	5,803,000	J & J	113⅛	Jan. 30,'06	113¾	111¾	37,000
St. L & San F. R. R. con. g. 4's.	1996	1,558,000	J & D	98½	Sept. 28,'05	....	....	....
• S. W. div. g. 5's	1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
• refunding g. 4's	1951	60,104,000	J & J	87½	Jan. 31,'06	87½	85	651,000
• • registered			J & J	....		....	....	....
• 5 year 4½'s gold notes.	1908	5,728,000	J & D	95¼	Jan. 29,'05	95¼	95¼	1,000
Kan. Cy Ft. S. & Mem RR con g 6's	1928	13,736,000	M & N	125	Aug. 31,'05	....	....	....
Kan. Cy Ft. S & M Ry ref g gtd g4s.	1936	17,810,000	A & O	87½	Jan. 31,'06	87¾	87	121,000
• registered			A & O	78½	Jan. 14,'04	....	....	....
Kan. Cy & M. R. & B. Co. 1st gtd g5s.	1929	3,000,000	A & O	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	99½	Jan. 31,'06	99¾	96½	335,000
• 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	85½	Jan. 22,'06	86½	85½	78,000
• con. g. 4's	1932	16,678,000	J & D	81½	Jan. 31,'06	82	80¼	191,000
Gray's Point, Term. 1st gtd. g. 5's.	1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's.	1909	6,646,000	A & O	108¼	Dec. 26,'05	....	....	....
• 1st con. 6's	1933	13,344,000	J & J	137⅛	Jan. 31,'06	137⅛	136¼	8,000
• 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s		19,322,000	J & J	112½	Jan. 27,'06	112½	112½	5,000
• 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's	1910	5,040,000	M & N	110	Jan. 19,'06	110	109⅞	12,000
• Mont. ext'n 1st g. 4's.	1937	10,185,000	J & D	103½	Jan. 23,'06	104¼	103½	18,000
• registered			J & D	103½	Sept. 19,'05	....	....	....
• Pac. Ext. sterl. gtd. 4s.	1940	£4,000,000	J & J	....		....	....	....
$5=£1.								
Eastern R'y Minn, 1std. 1st g. 5's.	1908	4,700,000	A & O	102⅝	Oct. 12,'05	....	....	....
• registered			A & O	....		....	....	....
• Minn. N. div. 1st g. 4's.	1940	5,000,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	136	Jan. 25,'06	136	136	1,000
• 1st 6's, registered			J & J	134¾	Dec. 20,'04	....	....	....
• 1st g. g. 5's	1937	4,000,000	J & J	120	Dec. 20,'05	....	....	....
• registered			J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
• registered			J & D	....		....	....	....
San Fe Pres. & Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	112½	Jan. 16,'06	112½	112½	5,000
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	91	Jan. 29,'06	92	89½	123,000
• registered			A & O	....		....	....	....
• col. trust refdg g. 5's.	1911	10,000,000	M & N	103¼	Jan. 25,'06	103¼	102½	21,000
Atlanta—Bir'hm 30-yr-1st g. 4's.	1933	5,760,000	M & S	97	Jan. 24,'06	97	96¼	13,000
Carolina Central 1st con. g. 4's.	1949	2,847,000	J & J	98½	Nov. 8,'05	....	....	....
Fla Cent & Peninsular 1st g. 5's.	1918	3,000,000	J & J	109	Feb. 2,'05	....	....	....
• 1st land grant ext g. 5's.	1930	410,000	J & J	....		....	....	....
• cons. g. 5's.	1943	4,370,000	J & J	109½	Mar. 3,'05	....	....	....
Georgia & Alabama 1st con. 5's.	1945	2,922,000	J & J	112⅛	Oct. 25,'05	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's.	1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	....		....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.								
• g. 4's Central Pac. coll.	1949	28,818,500	J & D	95	Jan. 31,'06	95¼	93	251,500
• • registered			J & D	94	May 4,'05	....	....	....
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	111	Aug 30,'05	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's.	1949	79,292,000	F & A	102½	Jan. 31,'06	102¾	101⅝	354,000
• registered			F & A	98	Apr. 7,'05	....	....	....
• mtge. gtd. g. 3½'s	1929	17,493,000	J & D	88	Jan. 31,'06	88	87¾	58,000
• • registered			J & D	....		....	....	....
• through SL 1st gtd g. 4's.	1954	8,300,000	A & O	101½	Sept. 30,'05	....	....	....
• registered			A & O	....		....	....	....
Gal. Harrisb'gh & S. A. 1st g 6's.	1910	4,756,000	F & A	107¾	Dec. 29,'05	....	....	....
• Mex. & P. div 1st g 5's.	1931	13,418,000	M & N	111½	Jan. 26,'06	111½	111½	1,000
Gila Val. G. & N'n 1st gtd g 5's.	1924	1,514,000	M & N	107½	June 3,'05	....	....	....
Houst. E. & W. Tex. 1st g. 5's.	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
• 1st gtd. g. 5's	1933	2,199,000	M & N	105½	Jan. 29,'05	105½	104	6,000
Houst. & T. C. 1st g 5's int. gtd.	1937	4,592,000	J & J	111	Jan. 30,'06	111	110	2,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
" con. g 6's int. gtd.	1912	2,290,000	A & O	111	Dec. 21,'05	....	....	....
" gen. g 4's int. gtd.	1921	4,275,000	A & O	98¾	Jan. 31,'06	99¼	98	36,000
" W&Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Dec. 6,'04	....	....	....
" 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
" gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,235,000	J & J	103⅝	Oct. 13,'05	....	....	....
San Ant. & Aran Pass 1st gtd g 4's	1943	17,544,000	J & J	89½	Jan. 31,'06	90	87½	275,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	104⅜	Jan. 30,'05	104⅜	104⅜	18,000
" " "	1910	4,000,000	J & J	109⅜	Jan. 6,'05	....	....	....
" of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	102	Jan. 2,'06	102	102	5,000
" " " E. & F.	1902		A & O	113	Jan. 6,'06	113	113	1,000
" " " "	1912		A & O	116	June 29,'04	....	....	....
" 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Jan. 3,'06	119	119	1,000
" stamped	1905–1937	21,470,000	......	108⅜	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
" of N. Mex. c. 1st 6's	1911	4,180,000	J & J	109½	Feb. 23,'05	....	....	....
Tex. & N. O. Sabine div. 1st g 6's	1912	2,575,000	M & S	111¼	Jan. 6,'06	111¼	111¼	1,000
" con. g 5's	1943	1,620,000	J & J	111	Aug. 4,'05	....	....	....
Southern Railway 1st con. g 5's	1994	44,251,000	J & J	118¾	Jan. 30,'06	118¾	118	121,000
" registered			J & J	117⅛	Jan. 25,'06	117⅛	117⅛	1,000
Mob. & Ohio collat. trust g. 4's	1938	8,069,000	M & S	98	Jan. 31,'06	98¼	97½	20,000
" registered			M & S	....	....	....	....	....
" Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	118	Aug. 19,'05	....	....	....
" registered			J & J	....	....	....	....	....
" St. Louis div. 1st g. 4's	1951	11,750,000	J & J	99	Jan. 30,'06	99¾	98	54,000
" " registered			J & J	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	113	Jan. 4,'06	113	113	1,000
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	98½	Mar. 8,'05	....	....	....
" 2d mtg	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116½	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	114¼	Jan. 4,'06	114¼	114¼	1,000
" con. 1st g 5's	1956	12,770,000	M & N	119½	Jan. 29,'06	119½	119¼	3,000
" reorg. lien g 4's	1938	4,500,000	M & S	115	Nov. 3,'05	....	....	....
" registered			M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	122	Jan. 24,'06	123	122	6,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122¼	Jan. 23,'06	122½	122¼	2,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	114	Jan. 12,'06	114	114	7,000
" deb. 5's stamped	1927	3,368,000	A & O	112¾	Jan. 31,'06	112¾	112¾	13,000
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	107¾	Jan. 3,'06	107¾	107¾	2,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	103	Mar. 29,'04	....	....	....
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4-5's	1921	950,000	M & S	110	Dec. 22,'04	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	113	Dec. 20,'05	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	115⅜	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	114½	Jan. 16,'06	114½	114	26,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	114½	Jan. 25,'06	114½	114½	1,000
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97¾	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113¼	Jan. 27,'06	113¼	113¼	16,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N. Y. 1st gtd. g. 4½'s	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	112	Jan. 16,'06	112	112	5,000
" 1st con. g. 5's	1894–1944	5,000,000	F & A	122	Dec. 1,'05	....	....	....
" gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	99⅜	Jan. 25,'06	99¾	98½	23,000
" " " registered.			J & J	....	....	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112⅛	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	123	Jan. 30,'06	123½	121½	75,000
" 2d gold income, 5's	2000	963,000	MAR.	102	Jan. 9,'06	102	102	10,000
" La. Div. B. L. 1st g. 5's	1931	4,241,000	J & J	109¼	Jan. 12,'06	109¼	109¼	5,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	114½	Jan. 27,'05	114½	112⅞	5,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	107	Jan. 3,'06	107	107	10,000
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	99½	Jan. 22,'06	99½	99½	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	92	Jan. 4,'06	92	92	5,000

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Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale.		January Sales		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Tol., St.L.&W n. prior lien g 3½'s.	1925	9,000,000	J & J	90	Jan. 22,'06	90	89⅝	79,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	84½	Jan. 31,'06	84½	83¼	35,000
" registered			A & O	....	....	...	....	....
Toronto, Hamilton&Buff 1st g 4s.	1946	3,280,000	J & D	99½	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	112¾	Nov. 2,'05	....	....	....
" 1st ref. g. 4's	1952	700,000	A & O	93	Jan. 20,'06	93	93	25,000
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	105⅛	Jan. 31,'06	106¾	104¾	719,000
" registered			J & J	105½	Jan. 25,'06	106⅛	105½	4,000
" 1st lien con. g. 4's	1911	5,108,000	M & N	154⅛	Jan. 31,'06	158¾	147½	478,000
" registered			M & N	140	Dec. 11,'05	....	....	....
Oreg. R. R. & Nav.Co.con. g 4's.	1946	21,482,000	J & D	101¼	Jan. 29,'06	101½	100¾	247,060
Oreg. Short Line Ry. 1st g. 6's.	1922	14,931,000	F & A	126	Jan. 31,'06	126	125½	12,000
" 1st con. g. 5's.	1946	12,328,000	J & J	118	Jan. 31,'06	118½	117⅝	27,000
" gtd. refunding g. 4's	1929	45,000,000	J & D	97	Jan. 31,'06	97½	95¾	766,000
" " registered			J & D	96⅛	Dec. 30,'05	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	105½	Jan. 16,'06	105½	105½	6,000
" g. 5's	1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's	1955	7,000,000	F & A	104½	Jan. 23,'06	105	104½	80,000
" registered			F & A	....	....	....	....	....
Vera Cruz & Pac. tr. gtd. g.4½'s.	1934	2,500,000	J & J	101⅜	Nov.29,'05	....	....	....
" 1st mtg. gtd. bonds of 1934, scaled int. to 191 Speyer&Co's coupns		4,500,000	J & J	....	....	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	112	Jan. 29,'06	112	108	13,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	116¼	Jan. 31,'06	116½	115½	76,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	108¾	Jan. 31,'06	109	107	223,000
" deben. mtg series A	1939	3,500,000	J & J	91	Jan. 15,'06	91	87½	26,000
" series B	1939	26,500,000	J & J	78	Jan. 31,'06	79¾	73½	3,122,000
" first lien eqpt. fd.g. 5's.	1921	2,600,000	M & S	102	Dec. 28,'05	....	....	....
" 1st lien 50 yr.g.term 4's.	1954	2,508,000	J & J	92	Apr. 17,'05	....	....	....
" 1st g.5's Det.& Chi.ex	1940	3,349,000	J & J	108	Jan. 4,'06	108	108	1,000
" Des Moines div.1st g.4s.	1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
" Omaha div. 1st g. 3½s	1941	3,173,000	A & O	87½	Dec. 30,'05	....	....	....
" Tol.&Chic.div.1st g.4's.	1941	3,000,000	M & S	97	May 27,'05	....	....	....
St.L., K.C.& N.St.Chas. B. 1st 6's	1908	463,000	A & O	109½	Mar. 13,'03	....	....	....
Wabash Pitts Terml Ry 1st g.4's.	1954	27,050,000	J & D	89¾	Jan. 31,'06	90½	86	465,000
" 2d g. 4's	1954	20,000,000	J & D	39¾	Jan. 31,'06	41¼	34½	2,787,000
Western Maryland 1st 4's	1952	33,194,000	A & O	88⅜	Jan. 31,'06	88⅝	86⅜	507,000
West. M'land. g.lien& con.g.4's	1952	10,000,000	A & O	75¼	Jan. 31,'06	75½	69	1,365,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	117½	Jan. 23,'06	117½	117	13,000
" gen g. 3-4's	1943	9,789,000	A & O	97⅝	Jan. 30,'06	97⅝	97	45,000
" inc. 5's	1943	10,000,000	Nov.	30	Jan. 19,'06	30	30	1,000
West Va.Cent'l & Pitts.1st g. 6's.	1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's.	1926	2,000,000	A & O	114	Jan. 20,'06	114	114	10,000
" Wheeling div. 1st g. 5's.	1928	894,000	J & J	114½	May 27,'05	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	114	June 23,'05	....	....	....
" 20 year eqptmt s.f.g.5's.	1922	2,152,000	J & J	102⅝	Nov.28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	93	Jan. 30,'06	93½	91	217,000
Wisconsin Cen. R'y 1st gen. g. 4s.	1949	23,743,000	J & J	94	Jan. 31,'06	95	93	358,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	109	Jan. 26,'05	109	107¾	29,000
" 1st ref. conv. g. 4's	2002	20,042,000	J & J	98⅝	Jan. 31,'06	100	95½	4,220,000
" " registered			J & J	....	....	....	....	....
" City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	106½	Jan. 13,'06	106½	106½	1,000
" Qu. Co. & S. c. gd.g. 5's.	1941	2,255,000	M & N	103	Dec. 27,'05	....	....	....
" Union Elev. 1st. g. 4-5s.	1950	16,000,000	F & A	113¼	Jan. 30,'06	113¼	111½	222,000
" stamped guaranteed			......	111	Dec. 28,'05	....	....	....
Kings Co. Elev. R. R. 1st g. 4's.	1949	7,000,000	F & A	95	Jan. 26,'05	95	95	1,000
" stamped guaranteed			......	95	Jan. 31,'06	96¼	95	48,000
Nassau Electric R. R. gtd. g. 4's.	1951	10,474,000	J & J	89	Jan. 29,'06	89½	88	285,000
City & Sub. R'y. Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry.& Lightg 1st&rfg.g4½'s.	1951	10,913,000	J & J	103¼	Sept. 7,'05	....	....	....
" stamped guaranteed			......	100⅜	Jan. 30,'06	102¼	100⅜	43,000
Denver Con. T'way Co. 1st g. 5's.	1933	730,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's.	1911	913,000	J & J	....	....	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	11,367,000	J & J	95	Jan. 31,'06	95½	94½	81,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	95¾	Jan. 30,'06	95¾	95	125,000
Louisville Railw'y Co. 1st c. g. 5's.	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's.	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y.g. col. tr.g.5's.	1997	12,500,000	F & A	116⅝	Jan. 30,'06	117	113¼	52,000
" refunding 4's	2002	16,418,000	A & O	91½	Jan. 29,'06	92	90½	523,000
B'way & 7th ave. 1st con. g. 5's,	1943	7,660,000	J & D	116⅝	Jan. 29,'06	116¾	116⅝	23,000
" registered			J & D	119½	Dec. 3,19'	....	....	....

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			Price.	*Date.*	*High.*	*Low.*	*Total.*
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	119½	Jan. 12,'06	119½	119½	1,000
" registered..................		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	117¾	Dec. 13,'05	....	....	....
" registered..................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	95	Jan. 29,'06	95½	94	186,000
" registered..................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	119	Jan. 11,'06	119	119	3,000
Met. West Side Elev.Chic.1stg.4's.1938	9,808,000	F & A	94	Oct. 23,'05	....	....	....
" registered..................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's.......................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1stg.5's.1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	114½	Nov.18,'05	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Salt Lake City 1st g. sk. fd 6's ..1913	297,000	J & J	....	....	....	....	....
Undergr'd Elec.Rys.of London Ltd.	16,550,000	J & J	98½	Jan. 31,'06	98⅝	96½	353,000
5% profit sharing notes 1908 series A		J & D	....	....	....	....	....
" series B		J & D	....	....	....	....	....
" series C		J & D	....	....	....	....	....
" series D		J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	106¼	July 13,'05	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	88½	Jan. 13,'05	88½	88⅛	11,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88½	Jan. 30,'06	88⅝	87⅜	387,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	87	Sept. 9,'05	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	104⅛	Jan. 31,'05	104¼	103¼	55,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	52	Jan. 12,'06	52	52	1,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	108	July 3,'05	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,432,000	A & O	78	Jan. 8,'06	78	78	1,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's.............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	98	Jan. 29,'06	98	97	34,000
" registered..................		F & A	....	....	....	....	....
Provident L. Soc. of N.Y. g. 4's..1921	2,000,000	M & S	99	Dec. 13,'05	....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	100½	Sept.15,'05	....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's................1907–1917	1,000,000	J & D	....	....	....	....	....
" F 4's................1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................1903–1918	1,000,000	F & A	....	....	....	....	....
" H 4's................1903–1918	1,000,000	M & N	....	....	....	....	....
" I 4's................1904–1919	1,000,000	F & A	....	....	....	....	....
" J 4's................1904–1919	1,000,000	M & N	....	....	....	....	....
" K 4's................1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds.......................	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	5,000,000	......	97¼	Jan. 22,'06	98	97	23,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	100⅛	Jan. 31,'06	100⅛	99	144,000
Am. Ice Securities Co. deb. g. 6's.1925	2,655,000	A & O	91⅝	Jan. 31,'06	93	87	505,000
" small bonds......		A & O	....	....	....	....	....
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	102⅛	Jan. 31,'06	102½	102	78,000
Am.Thread Co..1st coll.trust 4's.1919	6,000,000	J & J	90⅝	Jan. 13,'06	90⅝	90⅝	6,000
Am. Tobacco Co. 40 yrs g, 6's....1944	50,769,750	A & O	116¾	Jan. 13,'06	117	114¾	1,573,000
" registered...............		A & O	115	Jan. 15,'05	115	115	71,000
" g. 4's..................1951	57,557,000	F & A	82⅞	Jan. 31,'06	84	80¼	2,899,000
" " registered...........		F & A	80	Jan. 25,'06	80¾	80	2,000
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Central Leather Co. 20 yr. g. 5's .1925	33,291,000	A & O	101¾	Jan. 31,'06	102	100¼	1,598,000
Consol. Tobacco Co. 50 year g. 4's.1951	5,735,900	F & A	82⅞	Jan. 31,'06	83¾	80⅝	264,000
" registered..................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	85½	Jan. 31,'06	85½	82¼	1,135,000
Ill.Steel Co.deb.5's st pd.non-con..1910	2,922,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		JANUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Internat'l PaperCo. 1st con.g 6's.	1918	9,724,000	F & A	110½	Jan. 30,'06	110½	109¾	161,000
• con.conv.sinkgfundg5s	1935	5,000,000	J & J	98	Jan. 31,'06	100	97	147,000
Int. Steam Pump 10 year deb. 6's.	1913	3,500,000	J & J	102	Jan. 31,'06	102⅛	101⅝	25,000
Knick'r'ker IceCo.(Chic)1st g 5's.	1928	1,937,000	A & O	97½	Oct. 20,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....	1923	15,000,000	A & O	108½	Jan. 30,'06	108½	106⅛	493,000
Nat. Starch Mfg. Co., 1st g 6's...	1920	2,843,000	J & J	92	Jan. 16,'06	92	85	20,000
Nat. Starch. Co's fd. deb. g. 5's..	1925	3,920,000	J & J	77	Jan. 17,'06	77	75	27,000
Standard Rope&Twine Inc.g.5's.	1946	6,806,000	......	1½	Jan. 15,'06	2½	1½	91,000
United Fruit Co., con. 5's........	1911	2,219,000	M & S	....		....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...	1918	1,624,000	J & J	....		....	....	....
U. S. Leather Co. 6s g s. fd deb..	1915	5,280,000	M & N	108¾	Jan. 31,'06	108¾	107⅝	9,000
U. S. Reduction & Refin. Co. 6's..	1931	....	......	100½	Jan. 31,'06	101⅛	99⅞	176,000
U.S. Realty & Imp.con.deb.g.5's.	1924	13,284,000	......	97½	Jan. 30,'06	99	97½	806,000
U.S.SteelCorp.10-60yr.g.sk.fd5's	1963	....	M & N	99½	Jan. 31,'06	99¾	96¼	7,786,000
• • • reg.	1963	170,000,000	M & N	99¾	Jan. 31,'06	99⅞	96¼	110,500
Va.Carol Chem. col.tr.s.fd.g.5's..	1912	6,500,000	A & O	101	Jan. 17,'06	101	101	11,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g.s.fd.g 5's..	1943	5,355,000	F & A	105	Jan. 22,'06	105	104	22,000
• conv. deb. g. 5's	1911	1,710,000	F & A	102	Jan. 27,'06	102	91⅞	285,000
• • registered.............			F & A	....		....	....	....
Col. C'l & I'n Dev.Co. gtd g.5's..	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
• Coupons off................		....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's.......	1919	600,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.	1919	949,000	A & O	102½	July 26,'02	....	....	....
Col.Inds.1st cv g&col tr gt5s ser A	1934	12,378,000	F & A	85½	Jan. 31,'06	88½	78	9,095,000
• registered.................		....	F & A	....		....	....	....
• 1st g & col tr gt 5s ser B.	1934	12,537,000	F & A	82½	Jan. 31,'06	83½	77½	2,530,000
• • registered.............		....	F & A	....		....	...	....
Continental Coal 1st s. f. gtd. 5's..	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
• 2d g. 5 s..................	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's	1951	3,000,000	J & J	105½	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.	1928	1,121,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts.Cl&Ir.Co.pur my5's.	1946	1,044,000	M & N	....		....	....	....
Sun. Creek Coal 1st sk. fund 6's..	1912	321,000	J & D	105	Aug. 10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..	1951	3,824,000	J & J	101½	Jan. 31,'06	101½	97¾	86,000
• Tenn. div. 1st g. 6's......	1917	1,160,000	A & O	110½	Jan. 30,'06	110½	110	4,000
• Birmingh. div. 1st con. 6's	1917	3,603,000	J & J	110	Jan. 30,'06	110½	109	14,000
Cahaba Coal M. Co.. 1st gtd.g.6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&I Co.gtd.g.6's	1910	2,716,500	F & A	104¼	Nov. 10,'05	....	....	....
Utah Fuel Co. 1st s. f. g. 5's......	1931	826,000	M & S	....		....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...	1949	6,157,000	M & S	94½	Jan. 31,'06	94½	91¾	178,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's..	1947	1,150,000	J & D	....		....	....	....
B'klyn Union GasCo.1st con g. 5's.	1945	14,498,000	M & N	113½	Jan. 23,'06	113½	112½	32,000
Buffalo Gas Co. 1st g. 5's..........	1947	5,900,000	A & O	80	Jan. 30,'06	80¾	79¼	99,000
Columbus Gas Co., 1st g. 5's......	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo., con.deb.6's..	1909	19,857,500	J & J	166	Jan. 31,'06	168¾	159	388,500
Detroit City Gas Co. g. 5's.......	1923	5,603,000	J & J	103	Jan. 31,'06	103	102	22,000
Detroit Gas Co. 1st con.g.5's.....	1918	381,000	F & A	105	Sept. 28,'05	....	....	....
Eq. G. L. Co. of N.Y. 1st con.g.5's.	1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c.g.5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88	Jan. 4,'06	88	88	1,000
Grand Rapids G. L. Co. 1st g.5's.	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....	1949	10,290,000	M & N	109½	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	100	May 5,'05	....	....	....
Kings Co. Elec. L.&Power g. 5's..	1937	2,500,000	A & O	....		....	....	....
• purchase money 6's....	1997	5,010,000	J & J	121⅝	Jan. 24,'06	121⅝	121⅝	10,000
Edison El. Ill. Bkln 1st con.g.4's.	1939	4,275,000	J & J	96	Dec. 7,'05	....	....	....
Lac. Gas L't Co. of St. L. 1st g.5's.	1919	10,000,000	Q F	108½	Jan. 26,'06	108½	107½	21,000
• small bonds.................								
• refdg. & enten 1st g.5s.	1934	5,000,000	A & O	105½	May 20,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..	1927	7,000,000	M & N	93	Jan. 16,'06	93	93	24,000
Newark Cons. Gas, con. g. 5's....	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo1st col tr g 5's.	1948	15,000,000	J & D	109½	Jan. 31,'06	109¾	108½	66,000
• registered.....................			J & D	110¼	Dec. 30,'04	....	....	....
• purchase mny col tr g 4's.	1949	20,927,000	F & A	92	Jan. 31,'06	92	90½	196,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	104¼	Jan. 22,'06	104¼	104	1,500
• 1st con. g. 5's.............	1995	2,156,000	J & J	121½	Nov 27,'05	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	104½	Jan. 31,'06	104½	102¼	73,000
N.Y.& RichmondGasCo.1st g. 5's.	1921	1,225,000	M & N	103	Nov. 3,'05	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Paterson&Pas. G.&E. con.g.5's	1949	3,317,000	M & S	104¾	Nov.13,'05	....	....	....
Peo. Gas & C.C.1st con.g 6's	1943	4,900,000	A & O	122	Jan. 4,'06	122	122	1,000
• refunding g. 5's	1947	2,500,000	M & S	107⅞	Jan. 8,'06	107⅞	107⅞	5,000
• refuding registered			M & S	....		....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's	1937	10,000,000	J & J	107	Jan. 8,'06	107	107	3,000
Con. Gas Co.Chic. 1st gtd.g.5's	1936	4,346,000	J & D	106⅛	Dec. 13,'05	....	....	....
MutualFuelGasCo.1stgtd.g.5's	1947	5,000,000	M & N	103⅛	Dec. 18,'05	....	....	....
• registered		....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g.5's	1951	2,000,000	J & D	....		....	....	....
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	110	May 13,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's	1950	1,000,000	J & J	....		...	....	....
Westchester Lighting Co. g. 5's	1950	5,916,000	J & D	113	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's	1929	50,000,000	J & J	95¼	Jan. 18,'06	95¼	94¼	13,000
Commercial Cable Co. 1st g. 4's	2397.	9,782,200	Q & J	96	Jan. 10,'06	96	96	1,000
• registered			Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Keystone Telephone Co. 1st 5's	1935	4,000,000	J & J			....	....	....
• registered			J & J	....		....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	1,823,000	M & N	....				
• registered			M & N	109½	May 18,'05	....	....	....
N. Y. & N. J. Tel. gen. g 5's	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's	1938	8,504,000	J & J	108½	Jan. 30,'06	109¾	107⅛	37,000
• fundg & real estate g.4½'s	1950	20,000,000	M & N	104¾	Jan. 30,'06	105	104¼	88,000
Mutual Union Tel. s. fd. 6's	1911	1,957,000	M & N	107	Jan. 15,'06	107	107	2,000
Northern Tel. Co. gtd fd.4½'s	1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1906. *High.*	YEAR 1906. *Low.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
United States con. 2's registered	1930	542,909,950	Q J	103⅛	103⅛	103⅛	103⅛	50,000
• con. 2's coupon	1930		Q J	103¼	103	103¼	103	166,000
• con. 2's reg. small bonds	1930		Q J	....	....	....	....	......
• con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
• 3's registered	1908-18	77,135,300	Q F	103¼	103¼	103¼	103¼	1,000
• 3's coupon	1908-18		Q F	104	103⅛	104	103⅛	10,000
• 3's small bonds reg.	1908-18		Q F	....	....	....	....	......
• 3's small bonds coupon.	1908-18		Q F	102¼	102¼	102¼	102¼	100
• 4's registered	1907	156,591,500	J A J&O	103¼	103	103¼	103	61,000
• 4's coupon	1907		J A J&O	103½	103¼	103½	103¼	24,000
• 4's registered	1925	118,489,900	Q F	....	....	....	....	......
• 4's coupon	1925		Q F	131½	130	131½	130	52,000
District of Columbia 3-65's	1924	14,224,100	F & A	....	....	....	....	......
• small bonds			F & A	....	....	....	....	......
• registered			F & A	....	....	....	....	......
Philippine Islands land pur. 4's	1914-34	7,000,000	Q F	109½	109½	109½	109½	36,000
• public works & imp. reg.4's.	1935	2,500,000	Q MCH.	....	....	....	....	......
STATE SECURITIES.								
Alabama Class A 4 and 5	1906	6,859,000	J & J	....	....	....	....	......
• • small		....	....	....	....	....	....	......
• Class B 5's	1906	575,000	J & J	....	....	....	....	......
• currency funding 4's	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new con. 4's	1914	10,752,800	J & J	....	....	....	....	......
• • small bonds								
North Carolina con. 4's	1910	3,397,350	J & J	102¾	102¾	....	....	......
• small			J & J	....	....	....	....	......
• 6's	1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds	1866 1900	556,500	J & J	....	....	....	....	......
• •	1868-1898		A & O	....	....	....	....	......
• new bonds	1892-1898	624,000	J & J	....	....	....	....	......
• •			A & O	....	....	....	....	......
• Chatham R. R.		1,200,000	A & O	....	....	....	....	......
• special tax Class 1		....	A & O	....	....	....	....	......
• • Class 2		....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	YEAR 1906. *High.*	YEAR 1906. *Low.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
" " to Western N. C. R....		....	A & O	....	....	....	....	......
" " Western R. R..........		....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........		....	A & O	....	....	....	....	......
" " Western & Tar. R......		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40............	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's........	1913	6,681,000	J & J	95⅛	95⅛	95⅛	95⅛	5,000
" registered......................		6,079,000	J & J	....	....	....	....	......
" small bond.....................		362,200	J & J	....	....	....	....	......
" redemption 4's...........	1907	469,000	A & O	....	....	....	....	......
" 4½s.........................	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s.........	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of...........	1991	17,087,000	J & J	96¾	96¾	96¾	96¾	1,000
" registered......................			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....		10,416,565	....	24½	20	24½	20	276,000
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......	1901	14,060,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	100⅞	99⅝	100⅞	99⅝	870,000
" " second series.....		£12,000,000	A & O	100	98⅝	100	98⅝	1,109,000
Imperial Russian Gov. State 4% Rente....		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's.............................	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	105¾	108	105¾	107,000
" registered......................			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's..................		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200..........................		£21,805,460	......	100	99⅝	100	99⅝	17,000
Small bonds denominations of £20.....		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......
U. S. of Mex. 4'5 gold debt 1904 ser. A..	1954	39,737,500	J & D	95	92⅝	95	92⅝	431,000
" " " ser. B..	1954		J & D	....	....	....	....	......

AN INDICATION OF PROSPERITY.

DIAMONDS imported into the United States in 1905 were valued at about $30,000,000, and other precious stones nearly $7,000,000. The diamond importation last year was about three times as large as in 1890, and nearly six times as much as the average during the period 1894-1897.

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—David F. Walker, who was elected President of the Interboro Bank, January 17, was one of the founders of the banking firm of Walker Bros., established at Salt Lake City, Utah, in 1859. He is also President of the California Safe Deposit and Trust Co., and a director in other important corporations.

Mr. Walker and the other directors of the bank are determined to place their institution high up in the ranks of city banks, and will probably increase the capital to $1,000,000.

—E. E. Loomis, Vice-President of the D., L. & W. R. R. Co., recently became a member of the board of directors of the Coal and Iron National Bank. The identification of Mr. Loomis with the management of this bank will be an additional element of strength and will tend, to an important extent, to increase the volume of business already built up by the capable and energetic officers and directors. The Coal and Iron National reports a steady and large growth in the number of accounts and in the total of its deposits.

—The Casualty Co. of America, in its annual statement recently issued, shows that the company's assets at the close of business December 31, 1905, were $1,597,019, against $1,232,100 on December 31, 1904, an increase of $364,919 during the year. The net surplus during the year increased $46,357, or from $163,570 to $209,927, while the reserves for reinsurance and claims as required by the New York Insurance Department, and for taxes, commissions and all the other charges increased from $566,607 to $887,091.

A comparison of the financial exhibits made by the company since it began business is given herewith:

	1905.	1904.	1903.
Cash capital.	$500,000	$500,000	$600.000
Total assets..	1,597,019	1,232,100	963.199
Net surplus..	209,927	163,570	242,456
Reserve for reinsurance, losses and claims.....	887,091	566,607	.....

The following figures show the increase in the business of the company:

	1905.	1904.	1903.
Net premiums received....	$1,209,986	$795,753	$88.669

The company's greatest gain was in its liability and steam boiler departments. The proportionate gain was the larger in the latter department, being more than 115 per cent.

The company has its books and accounts audited by outside accountants, and its statement is the report of these accountants.

—The Corn Exchange Bank will open another branch at 143d street and Amsterdam avenue. It will be called the Washington Heights Branch.

—The Mechanics and Traders Bank is now the redemption agent at the clearing-house of the Consolidated National Bank, in place of the Fourth National Bank, heretofore the Consolidated's clearing-house agent. E. R. Thomas has controlled the Mechanics and Traders Bank for some time and recently secured control of the Consolidated National and established closer relations between the two institutions, one object being to afford better clearing-house facilities to the Consolidated National.

—Plans have been prepared for the erection of a building for the new Hamburg Savings Bank, at Myrtle avenue and Bleecker street, Brooklyn. James Moffett is President of the bank. It was the expectation of the officers to be ready for business February 15 in the temporary quarters at 250 Bleecker street.

—Messrs. Fisk & Robinson, in their "Monthly Bulletin of Investments" for February, say:

"The market for railroad bonds during January showed an increased volume of business both in dealings on the Stock Exchange and 'over the counter' transactions. Sales of railroad and miscellaneous bonds on the New York Stock Exchange during the month aggregated $106,000,000 par value against $65,500,000 in December, and $70,000,000 in November, 1905. Prices of bonds have advanced moderately owing largely to more favorable conditions in the money market, the tone at the close of the month being decidedly firm with a tendency toward higher prices. The rate for call money during the month touched as low a figure as 2½ per cent., the current rate, as we go to press, being 3½ to 4 per cent. per annum. Time money rates are quoted at 4½ to 4¾ per cent. for all periods.

Fundamental business conditions continue exceedingly favorable, this being especially true in industrial lines and particularly in the iron and steel trades.

Another instance of the prosperous condition of the country may be noted in the figures of foreign trade published by the Department of Commerce and Labor, which show total imports and exports of merchandise for the calendar year, 1905, amounting to $2,806,000,000 against $2, 307,000,000 in 1900, an average increase of $100,000,000 per annum during the five-year period. Exports during 1905 were $1,627,000,000, as against $1,451,000,000 in 1904; and imports $1,179,000,000, as against $1,036,000,000 in 1904. These are record figures, both imports and exports being the largest in the history of the country. Exports during the month of December, 1905, were also the largest in our history, amounting to practically $200,000,000, against $175,000,000 in December, 1904, which was the previous high record.

There was a steady demand for two per cent. Government bonds during the month of January, but the volume of transactions was not so large as for several months immediately preceding. The supply of bonds was about equal to the demand; as a result, prices fluctuated narrowly. Twos were offered at the close of the month at 103⅝, which was about the average offered price during the month.

There was some demand for 3's of 1908 and 4's of 1907 from banks desiring to substitute these issues for 2's lodged in Washington to secure circulation and public deposits. In most instances, the banks had taken advantage of the opportunity offered by the Secretary of the Treasury, in October and November last, to refund their holdings of threes and short fours into twos.

These banks incline to the opinion that refunding on advantageous terms may again be resumed before the maturity of the fours, on July 1, 1907. In order that these exchanges may be profitable, it is necessary when the short-term bonds are used as security for circulation, that refunding should be resumed in the course of the current year, and the chance that this might not occur deterred some from making the exchange. This will be clearly understood when it is stated that with money at five per cent., short 4's, when used as a basis for circulation, pay $454 profit on each $100,000, 3's pay $543, while 2's give a profit of $1,169.

Applications were filed to retire the full limit of $3,000,000 circulation in January and February, and at the present writing, applications for $700,000 have been filed for March. Circulation showed a net increase for the month of $1,744,110. The total now outstanding is $542,600,000, compared with $467,400,000 a year ago, and $426,857,000 two years ago."

NEW ENGLAND STATES.

Holyoke, Mass.—According to a late statement the Holyoke National Bank has: Capital, $200,000; surplus, $100,000; undivided profits, $94,453; deposits, $1,148,665. Its total resources are $1,599,764. The surplus and profits, almost equal to the capital, have been earned in the last twenty years, besides the accumulation of the surplus and profits stated above, the Holyoke National has charged off $50,000 for bond premiums, real estate, etc., and $360,000 paid out in dividends.

MIDDLE STATES.

Baltimore.—The Maryland Trust Co. has been reorganized with Griev Hersh as President. Mr. Hersh is President of the York (Pa.) National Bank, and a former President of the Pennsylvania Bankers' Association.

Among the directors of the reorganizanized Maryland Trust Co. are such well-known financiers as James Speyer, John W. Castles, A. B. Hepburn, and Oscar G. Murray, President of the Baltimore & Ohio Railroad.

Philadelphia.—At the regular January meeting of the Philadelphia Chapter of the American Institute of Bank Clerks, Mr. Edward H. Bonsall, Vice-Pres. of the Land Title Trust Company, of that city, delivered an address on Title Insurance.

In the course of his remarks, Mr. Bonsall said: "The methods of transfer of title were originally very primitive and were coupled with putting the successor in title in actual physical possession of the land and the delivery of something taken from the land as a symbol of possession of the whole tract. Gradually the custom of transfering title by deed arose as intelligence increased. Title may be defined to be the right of possession of real estate.

Insurance is a covenant of indemnity against loss by reason of the act or thing insured against. Marine insurance began to be practiced about the twelfth century, life insurance about the fourteenth century and fire insurance in the latter half of the seventeenth century. A limited form of title insurance seems to have obtained in England about 1850. This was insurance against special defects in title where the title was otherwise good and marketable. But title insurance in the modern sense originated in Philadelphia with the incorporation of the Real Estate Title Insurance Company, March 28, 1876. The powers of title insurance companies as granted by the Act of 1874 were very limited, but the Act of 1889 has conferred many additional powers.

Title insurance grew out of the desire to systemize the records of deeds and other instruments affecting the title to real estate and substitute corporate liability for individual. If the individual who examined the title used ordinary care, he was not liable even though the title proved defective. In other words, the individual said, 'From the best examination I have been able to make, I am of opinion that the title is good'; while the title company says without any ifs, buts or ands, 'the title is good and marketable, and if it should prove otherwise we will pay the amount of the policy.'

Some of the reasons which render title insurance desirable or almost necessary are the questions of fact affecting titles of which no record is kept; viz., unrecorded debts of a person dying within two years, unfiled mechanics' or municipal claims for work done upon the property, dower, courtesy, rights of children born after the making of wills, questions of whether a person died testate or intestate, as to who were the heirs of a deceased owner, the identity of parties, forgery, easements, also bankruptcy in other jurisdictions and the construction of wills.

There are but three companies in Philadelphia having located abstracts constituting what is known as a 'title insurance plant.' These in the order of their incorporations are, Real Estate Title Insurance and Trust Company, The Land Title and Trust Company and the Commonwealth Title Insurance and Trust Company. These three companies have issued 249,478 policies of insurance, showing the increased demand by purchasers and lenders upon mortgage for this character of insurance. The advantages of title insurance are: Permanence—corporations being perpetual; the capital of the companies, representing their ability to respond in case of loss; the care and skill in examination and the system in the companies having a plant which reduces the liability to error to the minimum."

Mr. Bonsall was followed by Dean Johnson, of the New York University School of Commerce, Accounts and Finance, who spoke on "Domestic and International Movements of Money."

Pittsburgh.—President H. C. Bughman, of the Second National Bank, writes:

"Rumors of the consolidation or merger of the Second National Bank of Pittsburgh with various other institutions having recently been circulated, we will appreciate it if you will kindly deny in your columns any and all of them.

A merger of any kind has never been thought of, nor is any change contemplated. The Second National Bank will continue its individual existence as heretofore, with no change in its methods or conservative banking policy."

Owego, N. Y.—E. O. Eldredge recently resigned as Cashier of the Owego National Bank to become Cashier of the New Amsterdam National Bank, New York city.

Mr. Eldredge had been Cashier of the Owego National Bank for fifteen years, and was largely instrumental in promoting the growth and prosperity of the bank. On his resignation the board of directors adopted resolutions highly complimenting him for his ability and integrity, and contratulating the New Amsterdam National Bank on securing his services.

Mr. Eldredge is secretary of the New York State Bankers' Association, and is well-known to the bankers of the State.

SOUTHERN STATES.

Mobile, Ala.—The Bank of Mobile National Banking Association was recently designated a depository of Government funds by the Secretary of the Treasury.

Gulf & Ship Island Railroad.—The lumber shipments by vessels during 1905 from Gulfport, Miss., the southern terminal of the Gulf & Ship Island Railroad, amounted to 207,614,900 feet. Although slightly under the total in 1904, this is twice the amount of lumber shipped from that port during the year 1903.

WESTERN STATES.

Chicago.—The price realized for the Chicago National Bank property has caused members of the Chicago Clearing House committee to expect that the assets of the Walsh banking institutions will give a profit larger than had lately been anticipated. The Central Trust Company bid $775,864.46, which is reported as the actual cost of the site and building to the Chicago National Bank.

—As a further means of promoting sound banking the Chicago Clearing House Association has engaged, at its own expense a bank examiner, who will report directly to the clearing-house committee.

Cincinnati.—The Cincinnati Stock Exchange has decided to increase its membership to fifty, and the fifteen new certificates will be sold for $5,000 each. The growth of the exchange has been notable in the past few years, and during 1905 the aggregate transactions figured at approximately $35,000,000.

St. Louis, Mo.—At the recent meeting of the directors of the Fourth National Bank, following the shareholders' annual meeting, Van L. Runyan, Assistant Cashier of the bank since 1896, was elected Cashier, succeeding Emison Chanslor. Edward Hidden, Vice-President of the Commonwealth Trust Company, was elected an additional Vice-President of the bank.

—Richard L. Hawes was recently elected Assistant Cashier of the Third National Bank, and Harold Hill, auditor—the latter being a new office.

—Lorraine F. Jones, Vice-President of the State National Bank, has been elected President, to succeed the late Charles Parsons.

South Dakota Banks.—F. L. Bramble, Public Examiner, reports that the banks of South Dakota, other than National banks, had on November 9, 1905, resources aggregating $30,124,347.84, compared with $25,257,407.90 on November 10, 1904.

A Growing Country Bank.—J. R. Hughes, President of the Potter County Bank, Gettysburg, So. Dak., writes under date of January 12:

"This bank was organized June 6, 1884, so we were twenty-one years old last year, and our total footings now amount to a little over $275,000. Not a very bad showing for a little town like this in a country that you Eastern people used to consider a barren waste. However, I am glad to know that you have been getting over that gradually for several years, and during the next few years you are going to hear still better reports."

PACIFIC SLOPE.

Spokane, Washington.—W. D. Vincent, Secretary of the Spokane Clearing-House Association, sends the following information:

"Spokane banks now have on deposit something over $14,000,000. This is a gain over last year of $2,500,000, and nearly $7,000,000 over the deposits of 1903. It is predicted that the close of 1906 will show $17,500,000 on deposit in the banks of Spokane.

Idaho Bank Report.—C. S. Loveland, Bank Commissioner of Idaho, recently issued his first annual report. It shows that during the past year sixteen new banks were incorporated, with a capital of $325,000; three new private banks were authorized, with capital of $10,000 each, and four private banks were reorganized and incorporated with an aggregate capital of $70,000; one State bank entered the National system, and one paid depositors and quit business, while one foreign bank was reorganized and incorporated. At the date of the report there were seventy-eight State banks and twenty-eight National banks in active operation in Idaho.

CANADA.

Canadian Bank of Commerce.—This institution reports that its earnings for the past year were the most satisfactory in the history of the bank, amounting to $1,376,167.63. Adding to this $564,996, being the premium on new stock issued during the year, the bank has been able, after providing for the usual dividend and for the contribution to the pension fund, to write $219,233.99 off bank premiums, and to add $1,000,000 to the reserve.

The Bank of Toronto.—Since 1896 the capital of this bank has grown from $2,000,000 to $3,459,585; reserve from $1,800,000 to $3,859,585, and deposits from $9,354,824 to $21,367,075.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

American National Bank, Silver City, N. M.; by R. M. Turner, et al.

First National Bank, McConnellsburg, Pa.; by Lewis H. Wible, et al.

Citizens' National Bank, Wilmington, Ohio; by C. A. Rannells, et al.

First National Bank, Pleasanton, Texas; by A. M. Avant, et al.

First National Bank, Pearisburg, Va.; by C. L. King, et al.

Farmers' National Bank, Oskaloosa, Colo.; by W. E. Coumbe, et al.

Merchants' National Bank, San Francisco, Cal.; by A. D. Cutler, et al.

First National Bank, Guymon, Okla.; by Sanford Denny, et al.

First National Bank, Mound Valley, Kans.; by T. P. LaRue, et al.

First National Bank, Wellington, Texas; by M. W. Deavenport, et al.

First National Bank, Little Rock, Iowa; by M. D. Billsborough, et al.

First National Bank, Santa Ana, Texas; by L. V. Stockard, et al.

First National Bank, Ault, Colo.; by J. G. Forrest, et al.

First National Bank, Ranger, Texas; by Wm. Bohning, et al.

Merchants' National Bank, Galveston, Texas; by Moritz O. Kepperl, et al.

Seawall National Bank, Galveston, Texas; by Burt H. Collins, et al.

First National Bank, Ullin, Ill.; by J. G. Hemenway, et al.

First National Bank, Valparaiso, Neb.; by A. C. Abbott, et al.

First National Bank, Wibaux, Mont.; by J. S. Bilyeu, et al.

First National Bank, Hartselle, Ala.; by A. E. Jackson, et al.

First National Bank, Eldorado, Okla.; by C. T. Herring, et al.

Farmers' & Merchants' National Bank, Morris, Ill.; by Charles G. Sachse, et al.

Capital National Bank, Lansing, Mich.; by R. E. Olds, et al.

Farmers & Merchants' National Bank, Alvord, Texas; by T. B. Yarbrough, et al.

First National Bank, Logan, W. Va.; by D. M. St. Clair, et al.

First National Bank, Princeton, W. Va.; by Wm. E. Fowler, et al.

First National Bank, Vanderbelt, Pa.; by E. T. Norton, et al.

First National Bank, Crofton, Neb.; by Frans Nelson, et al.

Sauquoit Valley National Bank, Sauquoit, N. Y.; by Geo. K. Ross, et al.

First National Bank, Kiowa, Kans.; by Wm. O'Neill, et al.

Crofton National Bank, Crofton, Neb.; by David A. Matthews, et al.

NATIONAL BANKS ORGANIZED.

8016—National Bank of Webb City, Webb City, Mo.; capital, $100,000; Pres., C. E. Matthews; Vice-Pres., J. C. Stewart; Cashier, J. P. Stewart; Asst. Cashier, C. T. Bunce.

8017—First National Bank, Convoy, Ohio; capital, $25,000; Pres., A. Mollenkopf; Vice-Pres., Wm. Muntzinger; Cashier, C. H. Dye; Asst. Cashier, Grace Leslie.

8018—Stratford National Bank, Stratford, Texas; capital, $25,000; Pres., R. G. Dye; Vice-Pres., J. D. Rawlings; Cashier, T. J. Page; Asst. Cashier, Lon C. McCrory.

8019—First National Bank, Rock Lake, N. D.; capital, $25,000; Pres., F. L. Thompson; Vice-Pres., C. J. Lord; Cashier, Cal A. Lapham; Asst. Cashier, J. L. Thompson.

8020—Shoshone National Bank, Cody, Wyo.; capital, $25,000; Cashier, Fred C. Barnett.

8021—Burnes National Bank, St. Joseph, Mo.; capital, $200,000; Pres., Lewis C. Burnes; Vice-Pres., James H. McCord, John A. Johnston and James N. Burnes; Cashier, Geo. A. Nelson.

8022—National Exchange Bank, Boonville, N. Y.; capital, $25,000; Pres., Eugene N. Hayes; Vice-Pres., Jesse P. Babcock; Cashier, Herbert R. Tubbs.

8023—First National Bank, Wrightsville, Go.; capital, $75,000; Pres., William C. Tompkins; Vice-Pres., Eldred A. W. Johnson; Cashier, William W. Cook; Asst. Cashier, Elmer E. Daley.

8024—First National Bank, Webbers Falls, I. T.; capital, $30,000; Pres., Jefferson E. Hayes; Vice-Pres., Frank Vore; Cashier, Napoleon D. Blackstone.

8025—City National Bank, Morristown, Tenn.; capital, $100,000; Pres.,

J. N. Fisher; Vice-Pres., W. S. Myers; Asst. Cashier, H. B. Jarnagin.

8026—National Bank of Rochester, Rochester, N. Y.; capital, $800,000; Pres., Eugene Satterlee; Vice-Presidents, Walter B. Duffy, Albrecht Vogt and Edward Bausch; Asst. Cashiers, P. A. Vay and W. B. Farnham.

8027—Blair National Bank, Blair, Neb.; capital, $50,000; Pres., F. W. Kenny, Sr.; Vice-Pres., A. P. Howes; Cashier, C. A. Schmidt.

8028—First National Bank, Samson, Ala.; capital, $25,000; Pres., G. H. Malone; Cashier, J. J. Morris.

8029—First National Bank, Kramer, N. D.; capital, $25,000; Pres., H. N. Stabeck; Vice-Pres., F. O. Gold; Cashier, O. T. Newhouse; Asst. Cashier, Geo. Goetze.

8030—First National Bank, Prairie Grove, Ark.; capital, $25,000; Pres., J. H. Marlar; Vice-Pres., E. C. Carl; Cashier, T. L. Hart.

8031—First National Bank, Hayes Center, Neb.; capital, $25,000; Pres., Jno. B. Cruzen; Vice-Pres., G. W. Cruzen; Cashier, E. E. Garrett.

8032—Spirit Lake National Bank, Spirit Lake, Iowa; capital, $50,000; Pres., F. H. Daley; Vice-Pres., A. W. Osborne; Cashier, L. Sperbeck.

8033—First National Bank, Berthoud, Colo.; capital, $25,000; Pres., Thomas H. Robertson; Vice-Pres., John A. Cross; Cashier, Guy E. Loomis.

8034—First National Bank, Schulenburg, Texas; capital, $25,000; Pres., R. A. Wolters; Vice-Presidents, E. B. Kessler and H. P. Schaefer; Cashier, Gus Russek.

8035—Emmetsburg National Bank, Emmetsburg, Iowa; capital, $50,000; Pres., M. L. Brown; Cashier, W. J. Brown.

8036—First National Bank, Forest Grove, Oreg.; capital, $25,000; Pres., R. M. Dooly; Vice-Pres., J. E. Loomis; Cashier, O. B. Loomis.

8037—Mineola National Bank, Mineola, Texas; capital, $50,000; Pres., R. N. Stafford; Vice-Pres., A. Patten and M. L. Bartholomew; Cashier, J. C. Edelen; Asst. Cashier, H. W. Meredith.

8038—First National Bank, West Derry, N. H.; capital, $25,000; Pres., Rosecrans W. Pillsbury; Vice-Presidents, Edwin B. Whitney; Cashier, James H. Weston.

8039—Scott County National Bank, Oneida, Tenn.; capital, $25,000; Pres., C. Cross; Vice-Pres., E. G. Foster; Cashier, W. C. Anderson.

8040—Escondido National Bank, Escondido, Cal: capital, $50,000; Pres., A. W. Wohlford: Vice-Pres., E. G. Logan; Cashier, L. A. Stevenson.

8041—First National Bank, Clinton, S. C.; capital, $50,000; Pres., J. S. Craig; Vice-Pres., R. Z. Wright and S. H. McGhee; Cashier, J. D. Bell.

8042—First National Bank, Stockport, Ohio; capital, $25,000; Pres., J. D. Lane; Vice-Pres., T. D. Clancy; Cashier, C. H. Fouts.

8043—Casey National Bank, Casey, Ill.; capital, $25,000; Pres., Chas. F. Johnson; Vice-Pres., W. S. Emrich; Cashier, Doit Young; Asst. Cashier, B. B. Sturdevant.

8044—First National Bank, Dwight, Ill.; capital, $50,000; Pres., Frank L. Smith; Vice-Presi., Curtis J. Judd and J. R. Oughton; Cashier, John J. Doherty.

8045—Farmers' National Bank, Quarryville, Pa.; capital, $50,000; Pres., Daniel E. Helm; Vice-Pres., Levi F. McAllister; Cashier, Kersey Carrigan.

8046—First National Bank, West Point, Ga.; capital, $50,000; Pres., W. E. Holloway; Vice-Pres., L. Lanier; Cashier, Harvey Fleming.

8047—Citizens' National Bank, Pella, Iowa; capital, $25,000; Pres., L. Kruidenier; Vice-Pres., H. Wormhoudt; Cashier, B. H. VanSpanckener, Jr.

8048—First National Bank, Joseph Oreg.; capital, $25,000; Pres., L. Knapper; Vice-Pres., Albert Wurzweiler; Cashier, K. H. Blaesser; Asst. Cashier, F. F. Scribner.

8049—First National Bank, Herman, Minn.; capital, $25,000; Pres., Rodney Hill; Vice-Pres., Charles B. Kloos; Cashier, Ernest E. Peck; Asst. Cashier, A. L. Nelson.

8050—First National Bank, Raymond, Minn.; capital, $25,000; Pres., H. J. Dale; Vice-Pres., F. O. Gold; Cashier F. O. Orth; Asst. Cashier, J. R. Orth.

8051—First National Bank, Cold Springs, Minn.; capital, $25,000; Pres., Anton Muggli; Vice-Pres., N. M. Barnes; Cashier, Paul Adams.

8052—Farmers' National Bank, Wewoka, I. T.; capital, $25,000; Pres., L. C. Parmenter; Vice-Pres., M. F. Manville; Cashier, A. V. Skelton.

8053—First National Bank, New Haven, Ill.; capital, $25,000; Pres., Wm. P. Tuley; Vice-Pres., John J. Trafford; Cashier, Wm. E. Mathis; Asst. Cashier, Fred M. Davis.

8054—Farmers' National Bank, Stephenville; Texas; capital, $25,000; Pres., W. H. Frey; Vice-Pres., D. S. Livingston and E. E. Hatchett; Cashier, W. A. Hyatt.

8055—Merchants' National Bank, Glendive, Mont.; capital, $50,000; Pres., Henry F. Douglas; Vice-Pres., David R. Mead; Cashier, Robert H. Watson; Asst. Cashier, William Eyer.

8056—Hollis National Bank, Hollis, Okla.; capital, $25,000; Pres., W. S. Cross; Vice-Pres., J. M. Tice; Cashier, E. L. Gardner.

8057—Malvern National Bank, Malvern, Iowa; capital, $50,000; Pres., C. B. Christy; Vice-Pres., James Durbin; Cashier, Fred Durbin.

8058—First National Bank, Greenwood, N. Y.; capital, $25,000; Pres., Arthur P. Woodware; Vice-Pres., James M. Cheesman; Cashier, Minor Shaw.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Epes—Bank of Epes—(Branch of Farmers & Merchants' Bank, York); Manager, Ben F. Wright.

Oakman—Bank of Oakman; capital, $10,000; Pres., H. P. Gibson; Vice-Pres., L. B. Musgrove; Cashier, A. S. Preston; Asst. Cashier, John Adams.

Paint Rock—Bank of Paint Rock; capital, $10,000; Pres., M. A. Clay; Vice-Pres., J. P. Williams; Cashier, Wm. B. Bridges; Asst. Cashier, J. C. Butler.

ARKANSAS.

Altheimer—Bank of Altheimer; capital, $15,000; Pres., J. S. McDonnell; Vice-Pres., W. C. Crittenden; Cashier, W. T. Dickey.

Amity—Bank of Amity; capital, $12,500; Pres., W. C. Hayes; Vice-Pres., I. N. Runyan; Cashier, H. J. Runyan.

Bonanza—First Bank; capital, $25,000; Pres., W. E. Kefauver; Vice-Pres., Wm. Moore; Cashier, Arthur Bailey.

Fort Smith—Southern Bank & Trust Co.; Pres., C. C. Waller; Vice-Pres., R. F. D. Lemon; Cashier, W. H. Lastinger; Asst. Cashier, Edward Hunt.

Monte Ne (Vinda P. O.)—Bank of Monte Ne; capital, $12,500; Pres., J. W. Kimmons; Vice-Pres., W. H. Harvey; Cashier, Albert W. Berers.

CALIFORNIA.

Guerneville—Bank of Guerneville; capital, $12,500; Pres., J. P. Overton; Vice-Pres., Wm. Carr; Cashier, H. L. Bagley.

Haywards—Haywards Bank of Savings; capital, $12,500; Pres., H. W. Meek; Vice-Pres., I. B. Parsons; Cashier, J. E. Farnum.

Huntington Park—Bank of Huntington Park; capital, $12,500; Pres., F. M. Douglass; Vice-Pres., A. L. Burbank; Cashier, A. E. Walters.

Loleta—Dickson & Dickson Bank; capital, $23,000.

Los Angeles—Manhattan Savings Bank; capital, $12,500; Pres., Jno. A. Pirtle; Vice-Pres., W. J. Sherriff; Cashier, S. P. Dunn; Asst. Cashier, P. J. Gruber.

Morgan Hill—Bank of Morgan Hill; capital, $12,500; Pres., E. J. Votaw; Vice-Pres., T. S. Montgomery; Cashier, O. R. Johnson; Asst. Cashier, M. C. Votaw.

Needles—Bank of Needles; capital, $5,000; Geo. E. Buller, Proprietor.

San Francisco—Portuguese-American Bank; capital, $100,000; Pres., M. T. Freitas; Vice-Pres., J. S. Bello and Jose Baptista; Cashier, V. L. de Figueiredo; Asst. Cashier, J. A. Baptista.

Santa Ana—Home Savings Bank; capital, $25,000; Pres., W. A. Huff; Vice-Pres., R. H. Sanborn; Cashier, J. A. Turner; Asst. Cashier, R. H. Sanborn, Jr.

Vacaville—Tusco Ginko; capital, $6,000; Pres., F. Marayama; Cashier, Risaku Minoimija.

FLORIDA.

Fort Myers—Bank of Fort Myers; (successor to Citizens' Bank & Trust Co.); capital, $50,000; Pres., John Trice; Vice-Pres., H. E. Heitman; Cashier, J. E. Foxworthy.

GEORGIA.

Acworth—Bank of Acworth; capital, $25,000; Pres., Jno. N. Williams; Vice-Pres., J. C. Armstrong; Cashier, D. B. Kendrick.

Atlanta—Central Bank & Trust Corporation; capital, $500,000; Pres., A. G. Candler; Vice-Pres., J. S. Owens and W. H. Patterson; Cashier, A. P. Coles; Asst. Cashier, W. D. Owens.

Bainbridge—Decatur County Bank; capital, $50,000; Pres., J. S. Shingler; Vice-Pres., John R. Sharpe; Cashier, Jno. T. McClendon.

Broxton—People's Bank; capital, $15,000; Pres., T. M. Fletcher; Vice-Pres., Q. Holton; Cashier, J. A. Ash.

Chauncey—Bank of Chauncey; capital, $15,000; Pres., G. P. Bussey; Vice-Pres., B. H. Summer; Cashier, D. A. Graddy.

Doerun—People's Bank; capital, $15,000; Pres, W. B. Jones; Vice-Pres., C. B. Harrell; Cashier, J. C. Fincher.

IDAHO.

Cottonwood—Farmers' State Bank; capital, $13,000; Pres., Jacob Matthiesen; Vice-Pres., C. T. Staal; Cashier, Geo. M. Robertson.

New Plymouth—Farmers' State Bank; capital $10,000; Pres., Seymour H. Bell; Vice-Pres., Lewis Wachter; Cashier, C. S. French.

Post Falls—Valley Bank; capital, $10,000; Pres., Hugh Waddell; Cashier, A. M. Rogers.

ILLINOIS.

Chicago—Oakwood's Bank; capital, $10,000; Cashier, S. T. Collins.

Louisville—Clay County State Bank; capital, $25,000; Pres., Lewis Dillman; Vice-Pres., A. H. Moon; Cashier, W. A. Harmon; Asst. Cashier, G. H. Campbell.

Pana—H. N. Schuyler State Bank; capital, $200,000; Pres., H. N. Schuyler; Vice-Pres., J. E. Reese; Cashier, F. A. Cutler.

INDIANA.

Yeoman—Bank of Yeoman; capital, $10,000; Pres., A. L. Burkholder; Vice-Pres., T. J. Kennard; Cashier, Geo. T. Breeze; Asst. Cashier, Wilber Creek.

Lawrenceburg — German - American Bank; capital, $25,000; Pres., O. W. Huber; Vice-Pres., H. J. Bechtel; Cashier, A. V. Dietz.

INDIAN TERRITORY.

Bokoshe—Citizens' Bank; capital, $10,000; Pres., M. Nelson; Vice-Pres., W. R. Statham; Cashier, A. J. Foster.

Taft—Bank of Taft; capital, $8,000; Pres., R. F. Colter; Cashier, Edward P. Clark; Asst. Cashier, S. L. Colter.

IOWA.

Boonville—Booneville Savings Bank; capital, $10,000; Pres., G. A. Gutshall; Vice-Pres., John Shambaugh; Cashier, C. C. Cook.

Cedar Falls—Citizens' Savings Bank (successor to Citizens' National Bank and State Bank); capital, $100,000; Pres., C. A. Wise; Vice-Pres., W. A. Hostrop and H. N. Silliman; Cashier, O. H. Leonard; Asst. Cashier, W. C. Nuhn.

Farmington—Union Trust & Savings Bank; capital, $10,000; Pres., F. M. Hunter; Vice-Pres., J. B. Mowery; Cashier, W. H. Field.

Farson—Farson Savings Bank; capital, $10,000; Pres., J. B. Mowery; Vice-Pres., G. W. Dickins; Cashier, F. L. Warder.

KANSAS.

Alton—First State Bank; capital, $10,000; Pres., E. A. Stephenson; Cashier, Wm. Chace; Asst. Cashier, W. L. Earl.

Coffeyville—People's State Savings Bank; capital, $10,000; Pres., J. M. Woodward; Vice-Pres., Joseph R. Hall; Cashier, I. M. Woodward.

Grinnell—Grinnell State Bank; capital, $10,000; Pres., Jno. F. Jones; Vice-Pres., A. F. Haverkamp; Cashier, D. A. Borah; Asst. Cashier, Emma Courtney.

New Albany—New Albany State Bank; capital, $10,000; Pres., B. F. Parker; Cashier, D. W. Parker.

Olpe—Olpe State Bank; capital, $10,000; Pres., L. B. Cornell; Vice-Pres., John Diebolt; Cashier, F. J. Rossillon.

KENTUCKY.

Winchester—People's State Bank; capital, $100,000; Pres., J. L. Brown; Vice-Pres., L. B. Cockell; Cashier, J. M. Hodgkin.

LOUISIANA.

Broussard—Bank of Broussard; capital, $30,000; Pres., M. Billeaud, Jr.; Vice-Pres., G. R. De Laureal; Cashier, F. S. Broussard; Asst. Cashier, L. F. St Julien.

Monroe—Central Savings Bank & Trust Co.; capital, $100,000; Pres., Uriah Millsaps; Vice-Pres., F. P. Stubbs; Cashier, Byron Breard.

New Orleans—Carrollton Savings, Trust & Banking Co.; capital, $100,000; Pres., Adam Junker; Vice-Pres., Louis Dubos; Cashier, P. M. Lamberton.

Sunset—Bank of Sunset; capital, $10,000; Pres., Frank Dimmick; Vice-Pres., E. V. Barry; Acting Cashier, A. J. Goschen.

MAINE.

Dover—Kineo Trust Co. (successor to Kineo National Bank); capital, $50,000; Pres., E. A. Thompson; Vice-Pres., G. B. Hughes; Treas., G. L. Arnold; Asst. Treas., C. B. Kittridge.

MARYLAND.

Snow Hill—Deposit & Savings Bank; capital, $25,000; Pres., Clayton J. Purnell; Vice-Pres., Edward P. Davis; Cachier, William S. Parsons.

MASSACHUSETTS.

Springfield—Union Trust Co.; (successor to City National Bank); capital, $500,000; Pres., Chas. W. Bosworth; Vice-Pres., J. D. Safford and Wm. E. Gilbert; Treas., Wm. E. Gilbert.

MICHIGAN.

Alba—Alba Bank of Noble & Bennett; Cashier, R. C. Bennett.

Grand Rapids—Child, Hulswit & Co. Bank; capital, $50,000; Pres., Frank T. Hulswit; Vice-Pres., Richard Schaddelee; Treas., Ralph S. Child; Sec., Howard A. Thornton.

Rockford—Rockford State Bank (successor to Johnson Bros.); capital, $20,000; Pres., E. W. Johnson; Vice-pres., James L. Snyder; Cashier, E. C. Johnson.

MINNESOTA.

Browerville—Browerville State Bank (successor to Commercial Bank); capital, $10,000; Pres., Thomas Heid; Vice-Pres., M. C. Tifft; Cashier, J. J. Reichert; Asst. Cashier, Frank G. Reichert.

Garfield—Garfield State Bank; capital, $15,000; Pres., Harry Dranger; Vice-Pres., C. J. Johnson; Cashier, Ferd. Swenson.

Kerkhoven—State Bank (successor to Bank of Kerkhoven); capital, $20,000; Pres., O. Backlund; Vice-Pres., J. F. Millard; Cashier, O. G. Hough.

Viking—Bank of Viking; Pres, O. H. Taralseth; Vice-Pres., H. S. Melgaard; Cashier, I. M. Myrbo.

MISSISSIPPI.

Brandon—Rankin County Bank; capital, $15,000; Pres., H. A. Busick; Vice-Pres., W. B. Collier; Cashier, M. E. Ward.

Houlka—Bank of Houlka; capital, $13,600; Pres., D. H. Hall; Vice-Pres., Jeff Wilson; Cashier; O. M. Harrill; Asst. Cashier, D. S. Johnson, Jr.

Noxapater — Bank of Noxapater (Branch of Grenada Bank); S. T. Gaines, Mgr.

Yazoo City—People's Penny Savings Bank; capital, $3,800; Pres., H. H. King; Vice-Pres., G. W. Gatlin; Cashier, H. H. King.

MISSOURI.

Lowndes—Bank of Lowndes; capital, $10,000; Pres., J. M. Montgomery; Vice-Pres., G. W. McLane; Cashier, P. B. Kinder; Asst. Cashier, Lin Grisham.

Queen City—People's Bank; capital, $20,000; Pres., Robert Blurton; Vice-Pres., W. H. Zeiber; Cashier, S. O. Merideth.

St. Joseph—Bartlett Trust Co.; capital, $50,000; Pres., Albert L. Bartlett; Vice-Pres., Louis Huggins and D. L. Bartlett, Jr.; Sec., M. B. Morton; Treas., Rufus Coy.

Wellston—State Bank; capital, $50,000; Pres., J. Kessler; Vice-Pres., Geo. W. Rinkel; Cashier, G. S. Hurst.

MONTANA.

Big Timber—Citizens' State Bank; capital, $25,000; Pres., Chas McDonnell; Vice-Pres., W. T. Prather; Cashier, J. W. Geiger.

NEBRASKA.

Arapahoe—Citizens' State Bank; capital, $10,000; Pres., E. S. Kirtland; Vice-Pres., R. S. Hendricks; Cashier, W. H. Banwell, Jr.

Creighton—Citizens' State Bank; capital, $18,000; Pres., F. P. Berger; Vice-Pres., Jos. F. Green; Cashier, H. J. Bingenheimer.

O'Neill—Fidelity Bank; capital, $25,000; Pres., E. E. Halstead; Cashier, David B. Grosvenor; Asst. Cashier, Will F. Mikesell.

Overton—Overton State Bank; capital, $12,000; Pres., G. W. Darner; Vice-Pres., S. E. Darner; Cashier, N. Payne.

Uehling—Farmers' State Bank; capital, $15,000; Pres., Herman Meyer; Vice-Pres., Theo. Uehling; Cashier, Edw. Uehling.

NEW YORK.

Brooklyn—Terminal Bank; capital, $100,000; Pres., Willard P. Reid; Vice-Pres., William H. Miller; Cashier, Herbert N. Karner.

Fredonia—Bank of Fredonia; capital, $50,000; Pres., Thomas Moran; Vice-Pres., Richard Butcher and F. C. F. Seivert; Cashier, A. P. Chessman.

Lyndonville—Housel Bros. Bank.

NORTH CAROLINA.

Ahoskie—Bank of Ahoskie; capital, $11,633; Pres., J. T. Williams; Vice-Pres., E. J. Gerrock; Cashier, L. R. McGhohon.

Moorsville—Moorsville Loan & Trust Co.; capital, $6,000; Pres., W. W. Rankin; Vice-Pres., J. F. Brawley; Cashier, W. D. Pharr.

Waxhaw—Waxhaw Banking & Trust Co.; capital, $15,000; Pres., J. L. Rodman; Vice-Pres., J. E. Heath; Cashier, T. W. Kindrick.

Whiteville—Bank of Columbus; capital, $10,000; Pres., R. H. Powell; Vice-Pres., J. C. Williamson; Cashier, Fred L. Ford.

NORTH DAKOTA.

Bantry—Farmers' State Bank; capital, $10,000; Pres., Allan Mc Manis; Vice-Pres., Horace Bagley; Cashier, James McIntyre; Asst. Cashier, Gilbert Helgeland.

Calvin—First State Bank; capital, $12,000; Pres., Dan J. Porter; Vice-Pres., C. B. McMillan; Cashier, Archie Sillers, Jr.

Garrison—First State Bank; capital, $10,000; Pres., J. R. Holton; Vice-Pres., C. M. Case; Cashier, S. M. Hyde

OHIO.

Lima—Bank of Lima; Pres., W. L. Russell; Cashier, C. R. Pope.

OKLAHOMA.

Tonkawa—American Exchange Bank; capital, $10,000; Pres., J. M. Wells; Vice-Pres., D. H. Clark; Cashier, R. R. Mathews.

OREGON.

Freewater—Peacock Milling Co.'s Bank; capital, $25,000; Pres., J. L. Elam; Vice-Pres., Higby Harris; Sec., Wm. H. Steen; Asst. Sec., J. H. Hall.

Gresham—First National Bank; capital, $10,000; Pres., J. M. Short; Vice-Pres., G. W. Kinney; Cashier, A. Meyers.

Springfield—First Bank; capital, $20,000; Pres., Henry W. Stewart; Cashier, E. E. Kepner.

PENNSYLVANIA.

Chambersburg—Farmers & Merchants' Trust Co.; capital, $150,000; Pres., Walter K. Sharpe; Vice-Pres., D. D. Sollenberger; Treas., S. V. Wingert.

Honesdale—Honesdale Dime Bank; capital, $75,000; Pres., E. C. Mannford; Vice-Pres., Wm. F. Riefles; Cashier, J. A. Fisch.

Philadelphia—Wayne Junction Trust Co.; capital, $160,000; Pres., Geo. S. Gandry; Sec. and Treas., John C. Frankland.

Pittsburg—All Nations Bank; capital, $75,000; Pres., Jacob Breiding; Vice-Pres., P. V. Obiecunas; cashier, R. F. Schmitt.

SOUTH CAROLINA.

Anderson—Anderson Banking & Trust Co.; capital, $100,000; Pres., W. F. Cox; Vice-Pres., H. C. Townsend; Cashier, G. N. C. Boleman.

Ehrhardt—Ehrhardt Banking Co.; capital, $4,000; Pres., John L. Copeland; Vice-Pres., J. M. Donnelly; Cashier, Conrad Hartz.

Greenwood—Greenwood Savings & Trust Co.; capital, $25,000; Pres., S. H. McGhee; Cashier, E. E. Child.

Olar—Bank of Olar; capital, $20,000; Pres., C. F. Rizer; Cashier, J. S. J. Faust.

Rock Hill—First Trust & Savings Bank; capital, $25,000; Pres., W. J. Roddey; Vice-Pres., J. M. Cherry; Cashier, Ira B. Dunlap; Asst. Cashier, M. F. Cobb.

SOUTH DAKOTA.

Canova—People's State Bank; capital, $10,000; Pres., W. H. Butler; Vice-Pres., C. A. Butler; Cashier, M. F. Beveridge.

Dixon—Bank of Dixon; capital, $5,000; Pres., Ed. G. Johnson; Vice-Pres., N. E. Gardner; Cashier, C. F. Brown.

Pierpont—Farmers' State Bank; capital, $10,000; Pres., F. B. Garrison; Vice-Pres., J. E. Howell; Cashier, L. L. Nordness.

Presho—First State Bank; capital, $11,000; Pres., Charles Shade; Vice-Pres., H. R. Dennis; Cashier, W. H. Pratt, Jr.

TENNESSEE.

Elizabethton—Carter County Bank; capital, $12,500; Pres., J. J. McCorkle; Vice-Pres., Lee F. Miller; Cashier, T. J. Williams.

Memphis—Commercial Trust & Savings Bank; capital, $250,000; Pres., A. Goodman; Vice-Pres., Lem Banks; Cashier, D. M. Armstrong.

Pinson—Pinson Savings Bank; capital, $5,000; Pres., F. E. Robins; Vice-Pres., R. L. Ozier; Cashier, R. B. Moore, Jr.

TEXAS.

Angleton—Angleton State Bank; capital, $10,000; Pres., J. M. Moore; Vice-Pres., Sealy Hutchings; Cashier, W. A. Diggs.

Boerne—Boerne State Bank; capital, $25,000; Pres., G. M. Magill; Cashier, H. R. Kimbler; Asst. Cashier, Paul Holekamp.

Lexington—Lee County State Bank; capital, $10,000; Pres., A. A. Wheatley; Vice-Pres., G. P. Dickson; Cashier, C. H. Carlisle.

San Marcos—State Bank & Trust Co.; capital, $50,000; Pres., Will G. Barber; Vice-Pres., J. M. Cope; Cashier, C. L. Hopkins; Asst. Cashier, Walter Puls.

Trinity—Trinity Valley Bank; Pres., Geo. W. Riddle; Vice-Pres., L. Patmar; Cashier, J. S. Peters.

UTAH.

Ephraim—Bank of Ephraim; capital, $25,000; Pres., L. M. Olson; Vice-Pres., J. F. McCafferty; Cashier, C. J. Fisher.

Moroni—Bank of Moroni; capital, $16,000; Pres., Andrew Anderson; Vice-Pres., Heber M. Wells; Cashier, J. M. Christensen, Jr.

Mount Pleasant—North Sanpete Bank; capital, $50,000; Pres., Abram Johnson; Vice-Pres., Peter Sundwall; Cashier, H. C. Beaumann.

VIRGINIA.

Clintwood—Dickinson County Bank; (successor to Clintwood Bank;) capital, $25,000; Pres., H. G. Morison; Vice-Pres., R. D. Sutherland; Cashier; W. H. Ames.

Marshall—Bank of Marshall; capital, $8,000; Pres., T. T. Adams; Vice-Pres., J. M. Ramey; Cashier, C. E. Kemper.

WISCONSIN.

Allenton—Allenton State Bank; capital, $20,000; Pres., J. A. Christnacht; Vice-Pres., Gerhard Weninger; Cashier, Jos. M. Wolf.

Amery—Farmers & Merchants' State Bank; capital; $15,000; Pres., J. G. Burman; Vice-Pres., C. H. Oakey; Cashier, H. J. Soper.

CANADA.

BRITISH COLUMBIA.

Duncans—Bank of British North America; A. W. Hanham, Mgr.

MANITOBA.

Brandon—Northern Bank; Manager, E. S. Phillips.

Portage la Prairie—Bank of Toronto; John A. Tate, Mgr.

ONTARIO.

Berlin—Bank of Toronto; J. K. Ball, Mgr.

Fort William—Union Bank of Canada; C. R. Dunaford, Mgr.

Parry Sound—Canadian Bank of Commerce.

Powassan—Bank of Ottawa; D. McLaren, Mgr.

NORTHWEST TERRITORY.

Frobisher—Frobisher Investment Co.; Cashier, Carlvig Kjelstrup.

Strathcona—Canadian Bank of Commerce.

Wetaskiwin—Canadian Bank of Commerce.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Mobile—First National Bank; Louis Lowenstein, Vice-Pres. in place of Felix McGill.

ALASKA.

Fairbanks—First National Bank; D. N. Freeman, Cashier in place of Luther C. Hess.

ARKANSAS.

Mammoth Spring—Fulton Co. Bank and Citizens' Bank; consolidated.

CALIFORNIA.

Los Angeles—Union Bank of Savings; absorbed by German-American Savings Bank; capital, $600,000; Pres., W. S. Bartlett; Vice-Presidents, M. N. Avery, Gail B. Johnson, W. E. McVay; Cashier, W. F. Callander; Asst. Cashiers, J. F. Andrews, E. D. Elliott, G. N. Turner, R. P. Hillman.

COLORADO.

Denver—First National Bank; Theo. G. Smith and J. C. Houston, Asst. Cashiers.

CONNECTICUT.

Ansonia—Ansonia National Bank; H. W. Case, Asst. Cashier.

Putnam—First National Bank; John A. Carpenter, Vice-Pres.; John F. Carpenter, Cashier in place of John A. Carpenter; G. Harold Gilpatrick, Asst. Cashier in place of John F. Carpenter.

Suffeld—Suffield Savings Bank; Charles C. Bissell, Pres.; Vice-Pres., Dwight S. Fuller; Sec. & Treas., William J. Wilson.

Waterbury—Citizens' National Bank; H. A. Hoadley, Asst. Cashier.

DELAWARE.

Frederica—First National Bank; John W. Hall, Vice-Pres. in place of P. T. Carlisle.

DISTRICT OF COLUMBIA.

Washington—National Metropolitan Citizens' Bank; title changed to National Metropolitan Bank.

GEORGIA.

Atlanta—Maddox-Rucker Banking Co.; J. G. Lester, Asst. Cashier.

Blakely—First National Bank; R. O. Waters, Cashier in place of E. M. Boyd.

ILLINOIS.

Belvidere—First National Bank; Geo. M. Marshall, Pres. in place of Mark Ramsey.

Effingham—First National Bank; C. L. Nolte, Asst. Cashier, resigned.

Freeport—Second National Bank; L. Z. Farwell, Vice-Pres.

Galena—Merchants' National Bank; C. S. Merrick, Vice-Pres.; F. P. Stillman, Asst. Cashier.

Wilmington—First National Bank; M. N. M. Stewart, Pres. in place of A. J. McIntyre; A. J. McIntyre, Cashier in place of M. N. M. Stewart.

INDIANA.

La Grange—La Grange National Bank; Miss Katherine Williams, Pres.

Vevay—First National Bank; A. J. Schenck, Vice-Pres.; Geo. S. Pleasant, Asst. Cashier in place of A. J. Schenck.

Wabash—First National Bank; L. A. Carr and P. S. Ragan, Asst. Cashiers.

West Baden—West Baden National Bank; John A. Stackhouse, Asst. Cashier in place of Lee L. Persise.

INDIAN TERRITORY.

Marietta—Marietta National Bank; Sam Black, Vice-Pres. in place of W. W. Smith; C. E. Morris, Cashier in place of F. H. Sherwood.

IOWA.

Elma—First State Savings Bank; J. J. McFaul, Cashier, resigned.

Iowa City—Citizens' Sav. & Trust Co.; Alonzo Brown, Vice-Pres., deceased.

Mason City—City National Bank; W. R. Daggett, Cashier in place of A. H. Gale.

Wilton Junction—Wilton Savings Bank; Will Lang, Cashier in place of J. M. Rider; F. A. Maurer, Asst. Cashier.

KANSAS.

Anthony—Citizens' National Bank; P. O. Herold, Asst. Cashier.

Cottonwood Falls—Chase County National Bank; J. B. Sanders, Pres. in place of J. D. Minick.

El Dorado—Farmers & Merchants' National Bank; Robert H. Bradford, Cashier in place of W. F. Benson.

Kansas City—Wyandotte State Bank; capital increased to $100,000.

Lawrence—Lawrence National Bank; W. R. Stubbs, Pres. in place of J. D. Bowersock.

Covington—First National Bank; no Pres. in place of Frank P. Helm; Geo. H. Davidson, Vice-Pres.

Lexington—First National Bank; W. K. Massie, Pres. in place of Avery S. Winston; H. M. Skillman, Vice-Pres. in place of Wm. Warfield.

Louisville—Third National Bank; W. H. Netherland, Vice-Pres. and Cashier resigned—Western National Bank; W. H. Netherland, Vice-Pres. in place of E. C. Hegan.

LOUISIANA.

St. Martinsville—Commercial Bank; G. Broussard, Cashier in place of O. J. Durand; A. L. Durand, Asst. Cashier in place of F. S. Broussard.

MAINE.

Augusta—Kennebec Savings Bank; Martin Chase, Pres, deceased.

Lewiston—First National Bank; Seth D. Wakefield, Vice-Pres. in place of J. N. Wood.

MARYLAND.

Elkton—National Bank of Elkton; Charles M. Ellis, Pres. in place of E. S. France; E. S. France, Vice-Pres. in place of H. H. Brady.

Port Deposit—Cecil National Bank; Edward V. Stockham, Vice-Pres. in place of H. A. Nesbitt.

MASSACHUSETTS.

Amesbury—Amesbury National Bank; James Hume, Pres. in place of Wm. E. Biddle; John Hassett, Vice-Pres.

Boston—Freeman's National Bank; Edward P. Hatch, Pres. in place of Wm. A. Rust; Wm. A. Rust, Vice-Pres.

Haverhill—Haverhill Trust Company and Second National Bank; reported merged.

Hopkinton — Hopkinton National Bank; Edward W. Pierce, Pres. in place of C. L. Claflin.

Milford—Home National Bank; Horace A. Brown, Cashier in place of N. B. Johnson.

Springfield—John Hancock National Bank; Ralph W. Ellis, Vice-Pres.

MICHIGAN.

Allegan—First National Bank; I. P. Griswold, Pres. in place of N. B. West, deceased; Leon Chichester, Vice-Pres. in place of I. P. Griswold; Frank Andrews and W. L. Davis, Asst. Cashiers.

Detroit—Union National Bank; absorbed by Dime Savings Bank.

Kalamazoo — Kalamazoo Savings Bank; Stephen B. Monroe, President in place of Charles J. Monroe, resigned.—Michigan National Bank; Charles S. Campbell, Pres. in place of John W. Taylor.

MINNESOTA.

Adrian—First National Bank; Fred Mohl, Pres. in place of A. G. Lindgren, deceased.

Amboy—Amboy State Bank and Minnesota State Bank; consolidated under latter title.

Detroit—First National Bank; William L. Taylor, Vice-Pres. in place of John H. Smith.

Redwood Falls—First National Bank; W. B. Clement, Asst. Cashier.

St. Paul—Capital Bank; John R. Mitchell, Pres.; W. F. Meyers, Cashier.

MISSISSIPPI.

Bay St. Louis—Merchants' Bank; John Osoinach, Pres. in place of L. H. Fairchild, resigned.

MISSOURI.

Lamar—First National Bank; F. E. Frantz, Pres. in place of A. H. Thompson; E. P. Davis, Vice-Pres. in place of D. B. Faut.

Stewartsville—First National Bank; W. D. Snow, Cashier in place of F. P. Cornish.

St. Louis—Fourth National Bank; Van L. Runyan, Cashier in place of Emison Chanslor.—Third National Bank; R. S. Hawes, Asst. Cashier. —State National Bank; Lorraine F. Jones, Pres. in place of Charles Parsons, deceased.

NEBRASKA.

So. Omaha—Union Stock Yards National Bank; E. F. Folds, Cashier in place of T. B. McPherson, resigned.

NEW HAMPSHIRE.

Keene—Ashuelot National Bank; John M. Parker, Vice-Pres.

NEW JERSEY.

Atlantic City—Second National Bank; Robert MacMullin, Cashier, resigned.

Jersey City—First National Bank; E. I. Edwards, Asst. Cashier.

Newton—Merchants' National Bank; John L. Swayze, Vice-Pres. in place of M. I. Southard, deceased.

Pennington—First National Bank; Fred E. Blackwell, Cashier in place of W. D. Hunt.

Sussex—First National Bank; Charles A. Wilson, Pres. in place of Theodore F. Margarum, deceased.

NEW MEXICO.

Roswell—Roswell National Bank; title changed to American National Bank.

NEW YORK.

Binghamton—People's Bank; C. Fred Gale, Cashier, in place of Jacob Wiser.

Buffalo — German-American Bank; Henry C. Zeller, Vice-Pres. in place of Henry W. Burt, resigned.—Third National Bank; Howard H. Baker, Second Vice-Pres.

Canandaigua—Canandaigua National Bank; G. W. Hamlin, Vice-Pres.;

H. A. Beeman, Cashier in place of H: T. Parmele; A. W. Sutherland, Asst Cashier in place of H. A. Beeman.

Castleton—National Exchange Bank; H. H. G. Ingalls, Pres. in place of James R. Downer; Geo. N. Best, Vice-Pres. in place of H. H. G. Ingalls.

Cortland—First National Bank; Geo. V. Clark, Cashier in place of E. Alley.

Greenport—First National Bank; no Vice-Pres. in place of G. H. Corwin, deceased.

Ilion—Ilion National Bank; John N. Schmidt, Vice-Pres.

Middletown—First National Bank; William E. Douglas, Vice-Pres. in place of S. R. Corein.

New Paltz—Huguenot National Bank; John Schmid, Vice-Pres. in place of Jonathan Deyo.

New York—First National Bank; Geo. F. Baker, Jr., Vice-Pres.—National City Bank; H. M. Kilborn and J. A. Stillman, Vice-Presidents; J. H. McEldowney, Asst. Cashier; A. Kavanagh, Cashier in place of H. M. Kilborn.;—Emigrant Industrial Savings Bank; Thomas M. Mulry, Pres. in place of James McMahon.—National Park Bank; M. H. Ewer, Cashier in place of Edward J. Baldwin, deceased.—National Shoe & Leather Bank; Henry Ollesheimer, Pres. in place of Wm. L. Moyer; G. B. Sayres, First Vice-Pres. in place of Henry Ollesheimer; no Asst. Cashier in place of Samuel Ludlow, Jr.

Oswego—Oswego City Savings Bank; John P. Phelps, Pres. in place of John H. McCollom.

Owego—Owego National Bank; Thomas H. Reddish, Cashier in place of E. O. Eldredge.

Oxford—First National Bank; no Vice-Pres. in place of F. G. Clarke.

Riverhead — Riverhead Savings Bank; Simeon S. Hawkins, Pres. deceased.

Wolcott—First National Bank; L. M. Mead, Cashier in place of E. D. Scott.

NORTH DAKOTA.

Oakes—First National Bank; H. C. McCartney, Vice-Pres.

OHIO.

Bowling Green—First National Bank; B. C. Harding, Cashier in place of Charles H. Draper.

Cincinnati — Merchants' National Bank; A. S. Rice, Vice-Pres.; W. P. Stamm, Asst. Cashier.

Dayton—Dayton National Bank; R. S. Wilcock, Cashier in place of C. L. Hubbard; H. C. Hull, Asst. Cashier in place of R. S. Wilcock. —Merchants' National Bank; Thomas Gable, Cashier in place of Arthur S. Estabrook; Charles Slagle, Asst. Cashier.

Lodi—Lodi National Bank; title changed to Exchange National Bank.

Mansfield—Farmers' National Bank; J. S. Hedges, Pres. in place of E. Remy; E. F. Vail, Vice-Pres. in place of H. R. Smith

McConnelsville—Citizens' National Bank; J. W. Barkhurst, Vice-Pres. in place of Arza Alderman.

Mt. Vernon—First National Bank; Frederick Sturges, Pres., deceased.

Norwalk—Norwalk National Bank; C. B. Gardiner, Asst. Cashier.

Pique—Citizens' National Bank; Henry Flesh, Cashier in place of D. J. Harkless.

Springfield—First National Bank; John L. Bushnell, Vice-Pres.—Lagonda National Bank; F. W. Harford, Cashier, in place of Daniel P. Jefferies, deceased.

Toledo—Dollar Savings Bank & Trust Co.; Charles S. Burge, Vice-Pres. in place of M. I. Wilcox, deceased.—First National Bank; W. A. Hodge, Asst. Cashier.—Second National Bank; T. W. Childs, Vice-Pres.

Upper Sandusky—First National Bank; Albert Reber, Vice-Pres.

Urbana—Champaign National Bank; S. M. Mosgrove, Vice-Pres. in place of S. Thompson.

OREGON.

Pendleton—Pendleton Savings Bank; J. W. Maloney, Cashier.—Commercial National Bank; A. C. Ruby, Pres. in place of R. C. Beach.

PENNSYLVANIA.

Altoona—Union Bank; A. P. Rupert, Cashier in place of James W. Findley, deceased.

Chambersburg—National Bank of Chambersburg; Geo. A. Wood, Pres. in place of W. Rush Gillan; Walter K. Thorpe, Vice-Pres. in place of Geo. A. Wood.

Chester—Delaware County Trust Co.; John F. Challenger, Sec. & Treas. reported an embezzler.

East Brady—First National Bank; C. P. McCafferty, Vice-Pres.

Emaus—Emaus National Bank; M. J. Backenstoe, Pres. in place of John S. Yeager.

Erie—Marine National Bank; William B. Trask, Vice-Pres.; W. E. Beckwith, Cashier; no Asst. Cashier in place of W. E. Beckwith.

Garrett—First National Bank; U. S. Shober, Vice-Pres. in place of F. B. Black.

Greenville—Greenville National Bank; L. Henlein, Asst. Cashier.

Pennsburg—Farmers' National Bank; Jonathan P. Hillegass, Pres. in place of Edwin M. Benner, resigned.

Philadelphia — North Philadelphia Trust Co.; Frank A. Hartranft, Pres., deceased.

Pittsburg—Second National Bank; H. C. Bughman, Pres. in place of James H. Willock.—Union National Bank; I. R. McCune, J. D. Lynn and C. F. Dean, Vice-Presidents.

Pottstown—National Bank of Pottstown; Percy Williamson, Asst. Cashier.

Shamokin—Market Street National Bank; W. H. Unger, Vice-Pres. in place of H. S. Zimmerman.

Stroudsburg—Stroudsburg National Bank; Peter M. Eilenberger, Pres., deceased.

Wellsborough—First National Bank; E. W. Gleckler, Cashier in place of W. W. Miller.

West Middlesex — First National Bank; T. A. Walker, Pres. in place of L. A. Burnett; Elmer E. Tribby, Vice-Pres. in place of W. W. Johnson.

York—York National Bank; Grier Hersh, Pres., resigned.

RHODE ISLAND.

Providence—Atlantic National Bank; James S. Kenyon, Pres. in place of Henry F. Richards; Henry F. Richards, Vice-Pres.—National Exchange Bank; Augustus S. Pierce, Pres. in place of Nicholas Sheldon.

SOUTH CAROLINA.

Chester—Commercial Bank; Robert Gage, Cashier in place of W. A. Eudy.

SOUTH DAKOTA.

Aberdeen—First State Sav. Bank; C. H. Seeley, Cashier in place of A. E. Boyd.

Custer City—First National Bank; no Cashier in place of W. F. Hanley.

TENNESSEE.

Knoxville—Holston National Bank; Ralph W. Brown, Cashier in place of John A. Armstrong.

TEXAS.

Anna—Continental Bank & Trust Co.; B. A. Marcom, Asst. Cashier.

Covington—First National Bank; W. F. Ramsey, Pres. in place of H. H. Simmons; S. B. Norwood, Vice-Pres.. in place of D. N. McLarty.

Mabank—First National Bank; H. L. Spikes, Cashier in place of Whit George; Martin Eastwold, Asst. Cashier.

Whitewright — Planters' National Bank; J. J. Gallaher, Vice-Pres. in place of T. H. Sears.

VERMONT.

Rutland—Rutland County National Bank; Henry F. Field, Pres. in place of Wm. Y. W. Ripley, deceased; no Cashier in place of Henry F. Field.

VIRGINIA.

Covington—Covington National Bank; W. A. Rinehart, Vice-Pres.

Staunton—National Valley Bank; Wm. A. Pratt, Vice-Pres.

Waynesboro—First National Bank; W. G. Ellison, Vice-Pres. in place of R. G. Vance.

WASHINGTON.

Seattle—Washington National Bank; Charles S. Miller, Vice-Pres.

WEST VIRGINIA.

Ceredo—First National Bank; W. B. Ferguson, Cashier in place of Louis Prichard; no Asst. Cashier in place of W. B. Ferguson.

Ronceverte—First National Bank; P. A. George, Vice-Pres. in place of J. T. Dixon; no Second Vice-Pres. in place of H. B. Smith.

WISCONSIN.

Burlington—Bank of Burlington; T. S. McMullen, Pres. in place of G. C. Rasch.

Fond du Lac—First National Bank; C. J. Breitzman, Asst. Cashier.

Janesville—First National Bank; Stanley B. Smith, Pres., deceased.

Menominee—First National Bank; James H. Stout, Pres. in place of F. J. McLean.

Milwaukee—National Exchange Bank; Grant Fitch, Vice-Pres.; Wm. M. Post, Cashier in place of Grant Fitch.

Ripon—First National Bank; W. R. Dysart, Asst. Cashier.

Superior—Bank of Commerce; E. T. Buxton, Pres., resigned.

WYOMING.

Rock Springs—Rock Springs National Bank; A. R. Couzens, Cashier in place of Geo. H. Goble; C. A. Polley, Asst. Cashier.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

Montgomery — American National Bank; in voluntary liquidation December 30; absorbed by Fourth National Bank.

ARKANSAS.

Des Arc-Bank of Des Arc.

IOWA.

Cedar Falls—Citizens' National Bank; in voluntary liquidation December 16.

MAINE.

Dover—Kineo National Bank; in voluntary liquidation January 1.

MASSACHUSETTS.

Boston—Provident Security & Banking Co.

Worcester—Quinsigamond National Bank; in voluntary liquidation January 15; absorbed by Worcester Trust Co.

MISSOURI.

St. Joseph—National Bank of St. Joseph; in voluntary liquidation; absorbed by First National Bank of Buchanan County.

NEW YORK.

Rochester—Flour City National Bank; in voluntary liquidation December 30; succeeded by National Bank of Rochester.

NORTH CAROLINA.

Rutherfordton—Bank of Rutherfordton.

NORTH DAKOTA.

Fargo—Red River Valley National Bank; in voluntary liquidation December 30; consolidated with First National Bank.

OHIO.

Cleveland—Denison, Prior & Co.

PENNSYLVANIA.

Duquesne—Monongahela Valley Bank.

WASHINGTON.

Prosser—First National Bank; in voluntary liquidation January 1; absorbed by Prosser State Bank.

CANADA.

NEW BRUNSWICK.

Sackville—Canadian Bank of Commerce.

NOVA SCOTIA.

Canning—Canadian Bank of Commerce.

BANKERS' OBITUARY RECORD.

Brown.—Alonzo Brown, Vice-President of the Citizens' Savings and Trust Co., Iowa City, Iowa, died January 17, aged fifty-five years.

Chase.—Martin Chase, President of the Kennebec Savings Bank, Augusta, Me., since 1887, died December 28. He was born at Turner, Me., in 1835. He served in the Civil War, and had held a number of local and State offices.

Eilenberger.—P. M. Eilenberger, President of the Stroudsburg (Pa.) National Bank, died recently, aged seventy-three years. He had been re-elected President of the bank on January 9.

Hancock.—Dr. Joseph W. Hancock, President of the Bank of Ellsworth, Wis., died December 28. He was born at Worcester, Vt., in 1848, removing West with his parents in 1854. He graduated in medicine at Buffalo, N. Y., in 1870, and seven years later went to Ellsworth, Wis., where he became County clerk, having been appointed to fill an unexpired term. He was elected to this office in 1878, and in 1885 and 1889 was elected county judge. From 1892 to 1895 he was President of the State Board of Health.

Hartranft.—Frank A. Hartranft, President of the North Philadelphia Trust Co., Philadelphia, Pa., and a well-known lawyer, died January 18.

Hawkins.—Simeon I. Hawkins, President of the Riverhead (N. Y.) Savings Bank, died January 22, aged sixty-nine years. Mr. Hawkins was a director and Vice-President of the bank from its organization in 1872 to 1903, when he became President. He was a member of the Assembly in 1883 and 1884, and in 1887 was elected State Senator.

Smith.—Stanley B. Smith, President of the First National Bank, Janesville, Wis., died January 19.

Mr. Smith was born in Jefferson county, N. Y., in 1843, and went to Wisconsin with his parents in 1846. For twenty years he was connected with the Rock County National Bank, of Janesville, and in 1894 was elected President of the First National Bank.

Sturges.—Frederick D. Sturges, President of the First National Bank, Mount Vernon, Ohio, died January 19.

Mr. Sturges was born at Putnam, Ohio, in 1833, and after receiving his education, engaged in banking at Zanesville and Newark, Ohio. In 1853 he went to Mount Vernon and established the private bank of Russell, Sturges & Co., of which he was Cashier until the First National Bank was organized in 1865, when he became Cashier of that institution, and continued to serve in that capacity until 1896, when he was elected President.

THE

BANKERS' MAGAZINE

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GOVERNMENT RELIEF FOR THE MONEY MARKET.

ONCE more the Secretary of the Treasury has been constrained to "come to the relief of the money market." Until the announcement of his action was made nobody seemed to be much concerned about a monetary stringency. As in the month of February the Treasury Department locked up about $10,000,000—four and one-half millions by excess of Government receipts over expenditures and five millions by excess of deposits of lawful money for redemption of National bank circulation over and above the actual redemption, the Secretary of the Treasury announced on March 2 that he would at once deposit $10,000,000 of Government funds in existing depository banks, the deposits to be returned on July 10. The deposit being of a temporary character, it was announced that the Department would accept as security satisfactory bonds on a basis of ninety per cent. of their value.

The unusual activity in the deposit of legal-tender notes to retire National bank circulation is attributed to the retirement of circulation being made by banks whose charters have recently expired, the law requiring that within three years of the expiration of a bank's charter the bank must retire the circulation issued prior to renewing of the charter.

It seems just a trifle odd that whenever the Government's income is a little in excess of its outgo, the Secretary of the Treasury is impelled to "come to the relief of the money market." He would not find this course necessary if the Government kept its funds in the banks as ordinary mortals do. Even when the Treasury does make such deposits it goes about it grudgingly, and shows an entire lack of confidence in the banks by requiring a special pledge of security substantially equal to the Government funds deposited. If business men were no more rational than the Government is in dealing with the National banks created under its authority, the banks would probably have to go out of business.

The blowing of trumpets that is an invariable accompaniment to the deposit of public funds in the banks produces an artificial effect on the money market that is to be deplored. Business people deposit many millions in the banks every day, not asking for special security, and without any flourish of trumpets or beating of drums. Is there any good reason why the Government should not pursue the same common-sense course?

EDITORIAL COMMENT

AS a result of the insurance investigation in New York it is proposed to limit the investment of life insurance companies to practically the same class of securities as Savings banks are now permitted to hold. If this proposal should be carried out the effect on the latter institutions might be very important.

Much complaint has been heard of the tendency of Savings bank investments to return a constantly diminishing yield; and to maintain a rate of dividend that would be satisfactory, it has been found necessary repeatedly to extend the scope of the investments. A compact organization of the New York Savings banks has so far prevented the addition of doubtful securities to the list. But if the tremendous totals of investment-seeking funds held by the life insurance companies of the State are to come into competition with the deposits of Savings banks, the difficulties of finding safe investments for the funds of both classes of institutions will be greatly enhanced.

It is hardly probable that the life insurance investments will be restricted as narrowly as the Savings bank investments are. If they should be, the securities in the permissible class might rise to such an extent that they would no longer produce an income sufficient to pay operating expenses and reasonable dividends.

From a broad standpoint the restriction of the investment of trust funds largely to securities based upon property within this State is not without some disadvantages. Of course, safety is the first requisite; but the area in which money may be safely invested is constantly broadening. Western investments were once looked on with more or less suspicion, but now the great Middle West, especially, has made a reputation for solid prosperity hardly excelled by any other section of the country. There may be no present justification for extending the limit of our Savings bank investments to include mortgages on Western real estate; but, on the other hand, there does not seem to be any good reason why such mortgages, when property selected, should not afford an entirely safe basis for life insurance investments. Obviously, the investments of Savings banks must be more closely restricted than those of insurance companies need be—not on the score of safety, but of availability.

GOVERNMENT bonds are an ideal investment for trust funds, but the artificial stimulus given to the price of these securities owing to the uses made of them by the National banks has tended to place them beyond the reach of fiduciary institutions. In fact, United States bonds are rapidly losing their investment character and are becoming more or less speculative. The two per cent. bonds selling at 103 and upwards maintain their price not because of the interest yield, but because of the special uses to which the bonds may be put by the National banks. It is hardly necessary to say that if the special privileges with reference to security for bank circulation and deposits were removed from United States bonds, their price would fall to a level to make them attractive investments for Savings banks and trust companies. Even if the Government could not, under these circumstances, float loans at as low a rate as two per cent., the loss would be only apparent. It was only by conferring some added privileges on the two per cent. bonds that they were kept at par or above. The tax on about $500,000,000 of National bank notes would be one per cent. instead of one-half of one per cent., as fixed by the act of March 14, 1900, on circulation based on the two per cent. bonds. The demand for the Government bonds for organization purposes on the part of National banks, and for deposit as security for public funds held by the banks, also tends to give these securities a fictitious value.

Naturally, the Government can not be expected to do anything for the express purpose of depressing its own credit. But, on the other hand, it seems that the time has gone by when artificial aids are necessary to uphold it. Wise statesmanship, the proper conservation of our resources, and a carefully-regulated fiscal policy, will insure for the obligations of the United States a credit very close to the highest.

The depositors in Savings banks and many of the policy-holders in insurance companies represent a class for whom, if for anyone, the State should exercise a fostering care. It is to be regretted that a course has been pursued which, to a large extent, places the Government's obligations out of reach of these two classes of institutions.

CANADIAN banks are finding it necessary to increase their paid-in capital, and a well-defined movement in this direction is observable. As the note circulation is limited by the capital of the banks, and has now about reached the permissible maximum, this enlargement of the stock of the banks may be taken as an indication of their desire to place themselves in readiness to issue a greater amount of circulation than is now outstanding, as the requirements of business may demand. In the United States there is still a margin of about $300,000,000 between the National bank notes in circulation and the capital of the banks. While the banks, as a whole, still have it in their power to issue a large additional amount of notes, individual banks desiring to increase their circulation, and now already up to the limit as measured by their capital, would find themselves hampered by the provision of the National Banking Act which restricts the circulating notes to the amount of the paid-in capital. Certainly, this requirement is superfluous on the score of safety.

THE limitation of bank notes to the paid-in capital of the issuing banks is an arbitrary restriction of doubtful utility. Perhaps, in this country, it is an inheritance of the period when State banks were organized with little or no actual capital, and chiefly for the purpose of issuing notes. This restriction not infrequently renders it impossible for an issuing bank to grant credits which otherwise might be easily extended. No doubt the Canadian banks have felt this an irksome restraint preventing them from making advantageous use of their credit in seasons of active demand. On the other hand, in times of stagnation, the bank that has increased its capital for the purpose of enlarging note issues may find itself with more capital at its command than is really needed. Primarily, a credit circulation, such as exists in Canada, and that plays so admirable a part in carrying on the trade of the country, should be issued only by banks of large capital. But this requirement fulfilled, there is no good reason why note issues should not be permitted beyond the capital. The rise and fall of the circulation should be governed by the rise and fall of the demand for credit, and when it is governed by anything else, particularly by something so fixed in character as banking capital usually is, it becomes, in that respect, inflexible.

The addition being made to the capital of the banks of Canada is an evidence of the high degree of prosperity the country is now experiencing.

ELASTICITY of the circulating medium must be supplied by the banks, in the long run, regardless of the regulations under which notes are emitted. This elasticity is possible, and perhaps most readily to be had, where notes are based on commercial credits; but it is also possible where notes are issued against a pledge of Government bonds, or where no bank notes are issued at all. Indeed, it is not indisputable that the last-named condition is not the one most conducive to elasticity. We know that a bond-secured circulation tends toward continued expansion, and that it interferes directly with the natural rise and fall of the credit operations of the banks. And it will require great care, under our system of numerous and widely scattered banks, to devise an asset currency that will not also tend to become more or less fixed in volume. To prevent this tendency, the problem of redemption will have to be carefully worked out. Nearly every plan proposed for bettering our currency system is in reality based on the assumption that the present supply of money is too small; and practically every plan brought forward will actually result in a large increase of the permanent circulation.

In England during a period of about thirty years there has been an actual decrease of the bank notes in circulation, nor is the gold supply much, if any, greater than it was in 1878. The business of the country in this time has grown enormously, and there does not seem to be any well-founded complaint of an inadequacy of money.

On the other hand, we find that the supply of money in the United States has been growing at a very rapid rate. Within a comparatively few years the volume of bank notes has doubled; so also has the supply of gold, and since 1878 we have added several hundred millions of silver to our circulation. Notwithstanding these large additions to the monetary stock, the demand for asset currency, disguise it as we may, is a cry for still more money.

Manifestly, no exact analogy can be drawn between England and the United States, yet it would seem that with the great increase in the supply of specie and bank notes and the wonderful development of the banking machinery of this country, our currency ought not to be wanting in efficiency. It might be not illogically inferred that as banking facilities increase the economy thereby effected in the use of cash would make it possible to get along with a relatively smaller supply of money. This seems to have been the experience of England. But in the United States we have vastly enlarged our actual and relative supply of both coin and paper. Here the organization of a National bank almost invariably means an addition to the supply of bank notes. Every National bank must invest a considerable part of its capital in United States bonds. This requirement is obligatory whether the bank issue circulation or not; as a matter of fact, practically all the banks do issue notes.

So long as the conditions described continue, the effort of the banks to give elasticity to the currency will be a labor of Sisyphus. To be exact, it might as well be said that the banks have not shown any noticeable disposition to undertake so hopeless a task. The work of imparting elasticity to the currency has become a prerogative of the Secretary of the Treasury. That he has not discharged this function satisfactorily is due neither to want of disposition nor of skill, but is owing to the simple fact that it is an impossibility for any Government official to regulate the money markets of the country.

IF we are to have an asset currency that will be a benefit to the commerce of the country instead of an injury, several preliminary steps must be taken. In the first place the legal-tender notes should be changed into gold certificates; and if it is still considered desirable to have legal-tender paper, the gold certificates may be made a legal tender, except by the Treasury. This would place them on the same footing as the Bank of England notes, so far as their legal-tender quality is concerned, and equivalent in other respects to the notes of that bank issued against gold.

The present legal-tender notes are not now a menace to the Government's gold reserve; but it is assuming too much to say that they may not again become a source of danger. Should a heavy demand for gold arise, the banks would make the Treasury bear the burden of that demand. Until we place upon the banks the duty of sustaining gold payments, it is idle to talk of an asset currency. The first essential of such a currency is that it shall be based upon an adequate gold reserve, and redeemable directly in gold.

BUT a problem of still greater importance will have to be dealt with before the country is ready for the introduction of asset currency.

The bank notes now secured by Government bonds will have to be gradually retired, issues of the new form of notes going on *pari passu.* That both asset notes and bond-secured notes should be issued and circulated by the National banks is inconceivable.

When United States bonds are no longer required as a security for bank notes, the prices of such bonds will tend to fall, thus causing material losses to the National banks. But if the issue of notes were made more attractive and profitable, a considerable percentage of the State banks would no doubt desire to enter the National system. If these State banks were compelled to invest a part of their capital in Government bonds, the downward tendency in price caused by the surrender of the bonds held by the National banks as security for circulation would be arrested. As the bonds became less desirable for National banks, the bidding for them on the part of Savings banks, trust companies and estates would become more spirited. It is not improbable that the influences named would entirely counteract the weakening in price of the bonds on account of their no longer being available for circulation purposes.

THE fear that an asset currency will tend to depreciate the price of United States bonds is well founded, and until that fear is removed neither the National banks nor the Government can be expected to embark in the movement to deprive the bonds of their use for securing the bank circulation. If the Government had resolved to pay the debt instead of to perpetuate it, and had built the Panama Canal out of the proceeds of taxation as it might have done, instead of resorting to borrowing, the problems just named would have been non-existent, and the ground would now be clear for a bank circulation based on coin and commercial credits. If the public debt had been gradually paid, the demand for an asset currency would by this time have become irresistible. The refunding provisions in the act of March 14, 1900, delayed the progress of reform of the bank currency, and more effectually tied the bank note to the public debt. We have actually reached the condition where we can neither have National bank notes nor National banks without a bonded debt. So long as this condition exists, plausible excuses will be made for making fresh issues of bonds or deferring the payment of those now outstanding.

SWITZERLAND, after trying a system of banking which permitted note issues by a number of banks, has gone back to the monopoly principle of note issues. A central bank, with a capital of $10,000,000, has been formed with the exclusive privilege of putting out notes to circulate as money. These notes are based on coin and commercial paper, and there is no limit to the amount; but the bank must at all times hold a metallic reserve of forty per cent. against its circulation.

SHOULD bank deposits be insured, a short cut to an asset currency might then be taken. The insurance of deposits would make all certified bank checks good, and if these were printed by the Government, and issued with the usual precautions against forgery, and in convenient denominations, they could be used as money the same as bank notes. Every man who had a bank account could issue notes to meet his own requirements, just as he now issues checks. These notes or certified checks would be primarily based on the credit of the man who issues them. But when certified, this credit would be re-enforced by that of the bank; and if deposits are insured, even the failure of the bank would make no difference to the holder of the certified checks. Of course, without the insurance of deposits, these checks could be made absolutely secure by a small tax upon the amount issued, and the accumulation of a safety fund for paying the checks of failed banks. There is a law at present preventing the banks from issuing any form of paper (other than their bond-secured notes) to circulate as money, and it would be necessary to repeal this act before certified checks could be used in the manner described. The ten per cent. tax also stands in the way of the State banks making such use of their credit.

MEASURED by all the ordinary tests, the past decade has been one of the most prosperous ever known in the country's history. Statistics covering production, trade and money are all close up to the highest point ever reached. This prosperity is not fictitious, but is based upon the solid wealth of the United States, and even though temporary setbacks are to be expected, the country will still have advanced immensely, and when the causes producing these checks to the development of production and enterprise have been removed, the energy of the people will again show itself with renewed vigor.

IN times of exceptional prosperity prophets of ill omen have little honor, either in their own country or elsewhere. Their predictions usually excite only hilarity and scorn; or, if regarded seriously at all, they are about as welcome as a skeleton at a wedding feast. The impatience of youth with the sage admonitions of their elders is not more marked than is the indifference or contempt with which the speculator and the boomer regard all suggestions of taking in sail when the weather is fair.

It has been said already that there is the best possible foundation for the present era of prosperity in the United States, nor are there any present indications of a slackening of the active development now going on in nearly all lines of industry and trade. The forces of man and of nature seem to be working in our behalf. There is good reason to hope and to believe that it will be a long time before the tide will turn the other way.

ONE of the best means of preventing war, or of rendering it of short duration if it does come, is to be thoroughly prepared. This preparation must be made largely beforehand, not after war has actually been declared. It is so to a great extent with commercial and financial crises. While, perhaps, they may not be altogether prevented, their disastrous effects may be greatly circumscribed. The time to build the bulwarks that shall stay the waves of distrust is before the harbingers of foul weather are discernible.

It would be a strong indictment of the foresight and prudence of the banking community if wise provision for possible financial storms had not been made during the prosperous season through which we have been passing for several years. The ratio of surplus to capital ought to have been greatly increased, real estate and fixtures largely reduced or written off, and all doubtful securities eliminated. Banks that have not taken advantage of this golden era to strengthen themselves in every conceivable way will not only bring disaster upon themselves, but upon the commercial communities which they serve. It is banking of this type that is largely responsible for the inflated credits that are such a fruitful source of financial panics. That there are comparatively few of this kind of banks is, in a sense, all the more aggravating to the great majority of banks that are conducted with prudence and skill. That one or a half-dozen reckless or fraudulently managed banks can, to a considerable extent, cause distrust of hundreds of solvent banks, forcing them to curtail legitimate credits or sacrifice their securities to meet the demands of needlessly alarmed depositors, is one of the penalties of our free banking system.

ALTHOUGH no clouds can be descried on the financial horizon, it is to be doubted whether the great increase in the volume of paper money is to be regarded without some apprehension. Coincident with the doubling of the world's stock of gold in the past ten years, we have increased our bank circulation alone from $226,000,000 to $485,000,000. This increase is not based upon the added supply of coin, but upon the debt partly created or maintained for that purpose. The enlarged bank circulation; by diminishing the demand made upon the lawful money circulation, permits the use of more of the latter for bank reserves and thus greatly stimulates the expansion of loans by the banks. State banks, and even some National banks, use the notes as part of their reserves.

The feverish pace of enterprise and the rising tendency of prices give color to the belief that the supply of money and credit is overabundant. In view of the very large increase in the country's gold stock, it is entirely safe to say that the business of the country would be on a safe basis if the National bank note of the present type had been allowed to die a natural death. That these notes tend to hinder the elasticity of banking transactions is becoming more and more apparent. It turns out, therefore, that we are taxing ourselves to keep something that we might better dispense with.

In 1873 the aggregate of National bank circulation was $348,347,674, or 44.98 per cent. of the total currency of the country. In 1892 the total had declined to $172,683,850, and the percentage to 9.86. Though the aggregate circulation increased from $309,640,443 in 1900 to $495,719,807 in 1905, the change in the percentage of the total currency was only from 13.23 per cent. to 17.19 per cent., there having been in the same time a large accession to the stock of gold currency. But going back to 1892 it is found that this percentage has almost doubled.

STATE authorities, and perhaps the examiners of National banks also, are liable to become more or less careless in enforcing sound banking principles when everything looks favorable. This is the time, above all others, when the propensities of the speculatively inclined banker should be placed under restraint, and even those who are ordinarily conservative must be watchful lest they become unduly exhilarated by the spirit of optimism with which the atmosphere is charged.

The time for the Comptroller of the Currency, and the supervising authorities of State banks, to weed out unsafe banks is before a crisis begins. As the presence of crippled or famished soldiers in the ranks of an army could cause it to waver under attack, so would the banks of the country be unable successfully to resist the shock of a panic if there were any considerable number of weak institutions ready to fall at the first sign of trouble, and thus spread the feeling of alarm.

THE marvellous growth and development of banking in this country in the last five or six years naturally excites great admiration, but this feeling will be changed if it shall be found that this rapid growth has been attained at the sacrifice of even a small degree of strength.

At the present time the legitimate demand for banking facilities seems to be well supplied, and there would appear to be more reason for strengthening, in capital and surplus, the banks now doing business rather than for multiplying the number of smaller and weaker institutions.

SILVER is no longer an obstacle to currency reform. Although by executive precedent the silver dollars have been made redeemable in gold, it is not likely that this will cause any serious pressure upon the gold reserve. The business of the country has grown to such an extent that the large volume of silver dollars and certificates does not seem to be excessive. On the contrary, the demand for subsidiary coin and notes of small denominations is almost insatiable. Should there be a marked falling off in business this demand would, of course, slacken, but hardly to the extent of causing any considerable quantity of silver dollars to be presented for redemption in gold. The silver may, therefore, be let alone; but if there is to be an asset currency, the legal tenders and the bond-secured bank notes will have to go.

WE have received from Elias Lowe McClure, of San Francisco, a monograph on "The Scientific Money Standard." Mr. McClure objects to the standard gold dollar because it "is not a fixed unit of value; it is merely a fixed quantity of gold, which varies in value with the supply and demand, as do all other commodities."

It is generally admitted that gold is not an ideal standard; though many believe it the nearest approach to perfection that can now be attained. But Mr. McClure thinks he has found the ideal standard. He says:

"All the defects of a specific commodity standard could be removed by the national Government adopting a complete credit financial system, making the paper dollar the only legal tender money, and eliminating all other money from circulation."

The happy results that would follow the adoption of the paper standard are thus eloquently described:

"The subtle power exercised by selfish men, in all ages, through the control of the standard of value, has enslaved and impoverished the inhabitants of the earth, withholding from man the natural opportunities for the production of wealth, and even the possibility of sustaining life. This power that influences and may control every phase of human activity is invincible, and the secret of its domination has been so successfully concealed that the learned of every age, very generally, unite in upholding the theory that the evils arising from the unequal distribution of wealth are the result of man's imperfection and the operation of immutable law. Destroy this subtle power and the nobler nature and higher aspirations of man will burst the incumbering weight of ignorance and domination, and lift the race, as by magic, from the groveling slave to the realization of the brotherhood of man and the Fatherhood of God, in accordance with the plan and order of the Universe. A new world would spring forth when humanity was freed from tribute, oppression, and poverty; a world the like of which no imagination can picture. The domes of buildings would be covered with gold, to shine forever, and love instead of money would rule the human family."

From which it may be seen that Mr. McClure is not opposed to gold, provided it be used for making domes instead of dollars.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.*

LOANS TO RAILWAYS AND RAILWAY CONTRACTORS.

Railways Under Construction—Peculiar Dangers—Railways in Operation — Contractors — Delays in Payment — Engineer's Certificates—Lock-Ups—Contracts for Railway Companies—Contracts for Public Works of Government.

THE development of railways in modern times is one of the most striking factors in our industrial progress. Though they do not produce or create anything, they bring producer and consumer more nearly together, and lessen the cost of raw material to the producer and of finished products to the consumer, so much as to have given an enormous stimulus both to manufacturing and trade. This has been the case even in the older countries of Europe, whose every acre was cultivated long ago, and whose means of transportation were in a well developed condition long before railways were heard of. But whatever stimulus might be given to production and trade by railroads in older countries, it has been immeasurably exceeded by the effect which their construction has produced upon the undeveloped or partially developed regions of North America. Whether in the United States or in Canada, the effect of the extension of railways into undeveloped tracts of country has been such that it may almost be said that the railway has created the country. For, so far as the interior of the continent is concerned, when we consider the enormous distances to which the product of the soil had to be carried to reach a market, it will be seen there was an insuperable bar to profitable cultivation, and that great regions now populated and prosperous must have remained in their original state of wildness, but for better means of transit. But the railway which penetrates these regions enables their products to be brought profitably to market, and so opens up a path to settlement and the industrial development that follows. Thus it has been in all the Western States of the American Republic, and thus it has been in Canada in a most remarkable degree.

But at an early stage in these developments the intervention of the banker has been needed. The financing of nearly every railroad during the period of its construction has been attended with not little financial difficulties; the only exception being the railroads avowedly undertaken as Government works. Of this we have had one conspicuous example in Canada in the case of the Intercolonial.

Railway corporations have two modes of raising money; viz., by the

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* Continued from February number, page 237.

subscription of stock and by the issue of bonds; the latter being partly of the nature of mortgages, and partly of long-dated promissory notes. Subscriptions on account of stock are invariably, in these times, paid in to a banker; and this is the point at which the bank and the railway first come into contact. The banker opens an account with the company; receives money on its account; pays out that money as construction proceeds, often at widely distant points through the medium of its branches. The bank also, through the medium of bills of exchange, brings out moneys paid in by subscribers abroad, and places them to the credit of the company in Canada. All the foregoing are simple and natural banking transactions, and although the amounts involved are sometimes enormous, amounting to tens of millions in the course of a single half-year, they are not such as to give occasion for thought or anxiety on the part of the banker. So long as the sums drawn out are no more than the sums paid in, the transactions are part of the mere routine of banking. This is the elementary theory of banking in connection with railroads during construction.

But, as a matter of fact, it often happens that the financial operations connected with the building of a railway do not run as smoothly as this. The incoming of money does not always keep pace with the exciting demands of its outgoing. These demands are imperative, consisting as they largely do of wages of laborers and artisans. It has already been shown how necessary it is to meet demands of this nature at the time they are due. It happens, therefore, at times, that emergencies arise which lead to an application to the banker for advances. The banker is naturally the person applied to, as the company is having large monetary transactions with him; and the application can be represented as simply the honoring, for a short period, the checks of the company, until subscriptions are paid in, or bonds are sold. It has thus come about that many a banker has been induced to consent to advances, which, though represented, with perfect sincerity, as "temporary," were found to have an unpleasant element of permanency about them in practice. The new subscriptions or the proceeds of new bonds could not in some cases be applied to the advance, inasmuch as the money was required to meet other and more imperative demands. The temporary overdraft, therefore, went on, with varying amount, but undischarged, even for years, until some turn of events after completion enabled funds to be set aside to meet the banker's claim.

These, however, are not the only contingencies that meet the banker, when, as is generally the case on this side the Atlantic, the money is raised in one country and expended in another. The officials of a road under construction are subjected to constant pressure to find funds for vast pay-rolls regularly recurring, sometimes running up to millions; and on the banker demurring to increasing an overdraft, would suggest that he might cash bills of exchange drawn by them on headquarters. They might not, it is true, have explicit authority for so doing. But they would trust to the exigencies of the case being recognized and the bills honored. Such things have been known, however, as of these bills being refused acceptance or recognition, and of the banker being compelled, to his intense disgust, to write them off, as losses.

A case has also happened where a railway, pushing works of construction ahead, for a road of which it has obtained control, but which is still carried on under its old name, has made arrangements with a bank for supplies of money from month to month to be repaid periodically by drafts on the headquarters of the company. For a time the arrangement works smoothly, and advances are paid off periodically. But, as time goes on, money is not paid in the one country as fast as it is needed in the other. The bankers, therefore, are asked for the periodical payment to be deferred. Meanwhile, outlays proceed, advances go on increasing, until at last the bank is itself embarrassed by the huge amount to which the account has grown. Further advances are therefore stopped, and payment demanded of those existing. Then, to the disgust and alarm of the bank, the point is raised as to which corporation has had the advances. Is it the corporation that has obtained control of and absorbed the other, or the corporation which has been absorbed, but which is practically a mere name ? The first repudiates responsibility. Litigation ensues, and is continued for years. Meantime the bank is embarrassed by the enormous amount of its funds locked up, and suffers in credit through the facts becoming known. The case is finally settled by an arrangement for a special issue of bonds, the whole of which are handed to the bank. But of these bonds neither interest nor principal is ever paid, and the bonds themselves are finally cancelled by legislative arrangements, which give the bank about one-tenth of its advances, the remainder being a total loss. Largely as a consequence of this; the bank ultimately suspends payment and finally passes out of existence.

Advances to a railway during construction are therefore critical affairs, and require much judgment and caution, and also much firmness, on the banker's part, in dealing with the account. Such advances, if once allowed, are almost certain to increase. And as the disbursements, during construction of even a small railway, are very heavy, the pressure for advances may soon raise them to large amounts. The only safe rule for a banker with an account of this kind is to be firm at the outset, and not to allow the thin end of the wedge to be inserted without outside security.

It is a delusion to suppose that a railway corporation must in the nature of things be good to repay advances. A banker, until he has learned the contrary by experience, finds it difficult to believe that a corporation, with a paid-up capital of millions, can fail to pay its debts. But reflection would teach him that when the whole of the capital aforesaid has been expended in works, from which it can never be extracted again, it is impossible that capital can furnish the means of repaying what he has lent. Still more is this the case when such a company stretches its borrowing capacity in the shape of bonds to the utmost extent to which the market will take them, which bonds are sometimes constituted by law a first mortgage on all the property of the company. The banker therefore finds himself in a difficult position if he attempts recovery by law; he indeed finds this impossible.

It may be taken therefore as an axiom in banking, that advances to railways in construction should never be undertaken without security beyond that of the railway itself. Even if bonds are offered as security they should be received with caution, for the proper mode of raising money on the bonds of a railway company is to place them on the market. That is an infallible test of their value. The market price is simply a consensus of the opinions of the financial world.

Many instances have been known, of a finished railway barely paying working expenses, and our own Intercolonial railway is a conspicuous instance of this. The bonds of such a road are, of course, valueless, so long as this state of things continues. They may have a speculative value, in view of future developments. But improvement may never be realized.

Advancing on the strength of future stock subscriptions may prove as delusive a foundation for a loan as anything that has been referred to. Experience has proved that when the outlook has become distinctly unfavorable subscribers will not only neglect to pay their calls, but will resist legal process by every device known to the law.

Advances to railways in actual operation, however, rest on a different footing. When a road with an established traffic desires a temporary loan for the purpose of laying in supplies, let us say, of fuel at the approach of winter, such a loan may be regarded as legitimate and safe. For the repayment of such a loan would practically be a disbursement for working expenses, and would take precedence of any claim connected with its bonds or stocks. But then a banker must exercise a discriminative judgment in regard to advances like this: for there have been instances of railroads getting into such low water that no dependence could be placed upon them for any sort of payment. This, however, cannot fail to be known to the bankers of such a company, and they would be wanting in judgment to a singular degree if they did not treat such a railway as they would an impecunious mercantile borrower.

A railway corporation, in fact, comes to have what may be called a commercial standing, exactly as a merchant does. It is not common for mercantile agencies to enter railways in their books, and give them grades of credit; but, if they did, they would find it necessary to use as many symbols as they do in case of merchants. Some would have the highest grade of credit that any marks could indicate, while others would be found at the other end of the scale. But as there are no books of reference indicating the standing of railways, and any reference to their supposed capital is utterly delusive, a banker must himself take means to find out what is necessary, only taking care that he does not find it out by costly experience.

RAILWAY CONTRACTORS.

Closely connected with the foregoing are advances which banks are often called to make, during construction, to railway contractors. Through the hands of this class of the community very large sums pass during the course of construction, and the expenditures of a single month, at times, run up into millions of dollars. The usual course is for payments for work to be made on the certificate of an engineer or inspector, at periodical times, named in the contract, and usually once a month. This process seems very simple and not likely to lead to financial difficulties. But experience teaches otherwise, as will now be shown. Any person or firm engaging, or contracting, as the phrase is, to do a certain piece of work, will require, before he begins it, a considerable stock of material and plant. He must have horses, barrows, shovels, wagons, and a variety of other tools and plant of more or less value, according to the extent of his contract. In some cases the whole of the contractor's capital will be invested in his plant. If he opens a bank account, and it is almost a necessity that he should, he will inform the banker of the amount of money he has so invested, and will, naturally, open to him the amount of the contract, the mode and time of payment for his work, and so on. In fact, he will explain his position, so that, in case he requires advances, the banker may understand what to do. In a majority of cases, a contractor will want advances before he has got on far with his work, for the pay-rolls of his men will come due, and must be met, before his receipts from the company come in. For there is always an interval, during which his work is being measured, his account passed, and payment received in the treasurer's office. This interval may be days or it may be weeks, but his little army of workmen cannot wait for weeks, or even for days; they must be paid, or they will not go on with the work. Now, some contractors have available capital enough to enable them to pay their wages in the interval; that is, they have, in addition to the capital they have expended on the plant, or material, sufficient, at least, to meet a month's pay-roll of their men. Men of such capital as this seldom require advances at an early stage of a contract, though they may do so later on.† But the majority of contractors have not so much capital as this, and are in the habit of applying to a banker for advances, the ground for such application being that so much work has been done or will be done at the end of the month, when the account will be presented, certified and paid. And as payment is supposed to be sure, the borrower will represent that advances must be safe. In many cases, the contractors will give to the bank a written order on the treasurer of the company, directing him to

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† The author well remembers an account opened with the bank in which his early days were passed, by the contractors for the works of the Manchester & Sheffield Railway. They deposited a single sum of £30,000. Large as this was, it was all absorbed as the work went on, and they had to apply to the bank for advances.

pay the account to the bank when certified. This might seem to make the advance perfectly safe, especially if the treasurer undertakes to comply with the order. But a treasurer will almost certainly avoid binding himself to pay a specified sum of money at a specified time. He will generally simply acknowledge the receipt of the letter, or if he goes further, he will say that it has been placed on file, probably calling the banker's attention to the fact that his duty is only to pay whatever sum may be certified by the engineer of the company to be due. And here we touch the vital point of the whole matter, for, as many bankers have found to their cost, nothing is more common, in railway work, than for disputes to arise between the contractor and the engineer, and for such disputes to remain unsettled for a length of time. In the interval, possibly, payments may be made on account, but not nearly enough to cover the banker's advance. Meantime, another month's work has been going on, and pressure is put upon the banker for further advances, which he may yield to, under expectation of a speedy adjustment of differences. This the contractor will give strong assurances of. The banker therefore is in a difficult position. If he refuses to advance further, his customer cannot meet his payments. The work must therefore stop, his contract will be annulled, and any drawback in the hands of the company forfeited. This will almost certainly result in a loss to the bank; for such a contractor's capital will only be represented by plant and material, which will depreciate to a mere nothing if sold, though it may have cost a very large sum of money. On the other hand, if he goes on, he may continue to have a profitable account and come out safely in the end. Perhaps he may stipulate for an extra charge in consideration of the extra risk; but whether he comes out well or not will largely depend upon whether the contract is a good one, and what the amount affected by the dispute is. It may be $5,000; it may be $50,000; it may be even $500,000; but a contract is rarely finished without a dispute of some kind, as to the quality or quantity of the work; whether a certain amount of material removed was not rock instead of earth, whether the foundations of a bridge are properly laid, or what not. Sometimes engineers are to blame for these disputes; sometimes contractors. But in any dealings between a banker and a contractor such possible contingencies must be taken into account. Some of the most exasperating "lock-ups" that have been known in the history of banking have arisen in this manner. Such disputes often lead to lawsuits; and even though an award may be made in the contractor's favor, a delay of years may transpire, during which interest has been accumulating and costs mounting up, while the amount of the judgment may be far less than the debt due to the bank.

If the contractor has other resources than the capital in his plant and gives the bank security on them, all may be well in the end; if not, the result may be that the "lock-up," or a considerable portion of it, may become a bad debt.

No banker, therefore, will consider himself safe by the mere fact that he has security, so called, in the shape of an order on a railway company to pay him what they owe the contractor, if the order be in general terms and unaccepted.‡

But all advances to contractors are not such simple matters as the foregoing. Not seldom a contractor will approach a banker before work has begun with a proposal for a credit of a round amount, having no relation to any specific sum as earned, or to be earned, in any particular month. And the banker, knowing him to be a man of good standing, and to be the owner of real property in the neighborhood; knowing also that he understands his business, and that his account may yield large and profitable transactions, may grant such a credit. Yet a portion of the money advanced may be used to purchase that miscellaneous collection of articles known as a contractor's plant, which costs so much, and is ultimately worth so little. Or there may be, for some reason, unusual delay in passing the accounts, or accidents may transpire from water, fire, or dynamite; or there may be miscalculation as to the nature of obstacles to be overcome, especially in deep cuttings, high embankments, or bridge building. Or the contractor may have miscalculated the cost of numerous materials he requires to use; in fact, the casualties are almost innumerable, and what position the contractor may be in by the time he gets to the end of his work, a mere lottery. It may be a fortune; it may be bankruptcy.

All that is said in regard to contractors for railways applies even in a stronger degree for contractors in government works. And for this reason, that whatever delays may be experienced in the passing of a contractor's account by a railway company, they are sure to be more protracted in a government department.

The habit of delay, the cumbrous circumlocutory system which inheres in all government offices, which it is vain to remonstrate against, is certain to bring about greater delays in this case than in the other. And in case of dispute, the engineer or inspecting officer of a government department is apt to be more exacting, and more firmly set in his opinions, than the officer of a railway corporation. And in case the dispute leads to law proceedings, the machinery requisite to carry on such proceedings leads to delays which are interminable. Many an unfortunate suitor has been driven to distraction, or to bankruptcy, by such suits; yet there is generally, on the part of the officers that defend them, a sort of consciousness that they are doing well in protecting the public at large against unjust claims, on the part of individuals; a most formidable obstacle to settlement.

There is this, however, to be noted, as a set-off against all disadvan-

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‡ It has not seldom been the case in difficult times that a contractor could not get his certificate paid, even when there was no dispute about it, owing to the company being unable to float bonds, or to get calls paid, or to make efficient banking arrangements. Numerous cases of this kind have arisen where the works were on this side the Atlantic whilst the money had to be raised on the other.

tages of doing work for a government, that payment, at any rate in countries like Canada, Great Britain, and the United States, is certain in the end.

But the same cannot be said of all governments, as has been seen.

G. H.,
Former General Manager Merchants' Bank of Canada.

REDEMPTION AND RETIREMENT OF NATIONAL BANK NOTES.

THERE has been considerable discussion of late regarding the method of redeeming and retiring National bank notes, and more or less confusion in respect to these processes. It is believed that the following, from the Comptroller of the Currency, will serve to clear up this confusion:

Editor Bankers' Magazine:

SIR:—Your letter of the 13th instant is received, requesting information as to process of redemption and retirement of National bank circulation, and whether there is any other method by which circulation may be retired except by deposit of lawful money for that purpose.

Redemptions of National bank notes are made by the Treasurer of the United States from funds which compose the five per cent. redemption account of National banks, under the requirements of Section 3 of the Act of June 20, 1874. This account is kept with the National Bank Redemption Agency of the Treasurer's Office. The circulation of the banks is assorted in the Treasurer's Office into "fit" and "unfit" notes. The former are returned to the respective banks, and the latter are delivered to the Comptroller of the Currency for recounting and destruction, or reissue in new notes.

The circulation of National banks may be retired upon the deposit of lawful money and withdrawal of bonds. Retirement may also be made by the surrender of their own notes which banks may have in their possession.

Respectfully,
WM. B. RIDGELY,
Comptroller.

HE OWED ENOUGH.

A KANSAS correspondent sends the following:

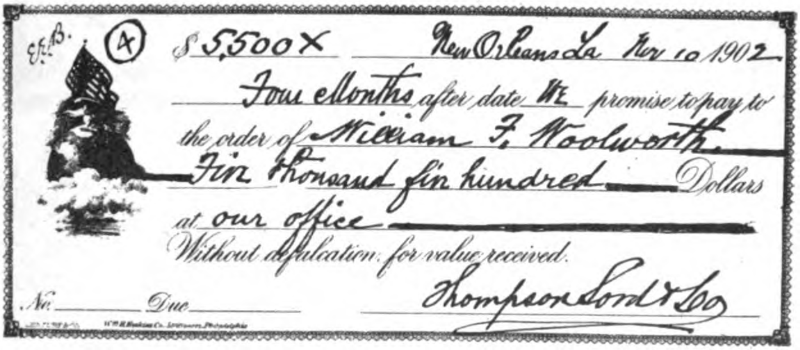
An old Irishman came in our bank one day to renew his note. The Cashier began looking in the "C" pocket of the note-wallet for the note, thinking his name Connor; then, as it occurred to him that it was O'Connor, he turned to the "O" pocket, saying as he did so, "Oh! I forgot the 'O' "; to which the Irishman quickly replied, "Shure, Mr. Banker, you should not forget the 'O,' for I owe enough."

AVOIDING ERRORS AND LOSSES.

BY SAMUEL WOODS,

AUTHOR OF "WOODS' FINE POINTS ON BANKING."

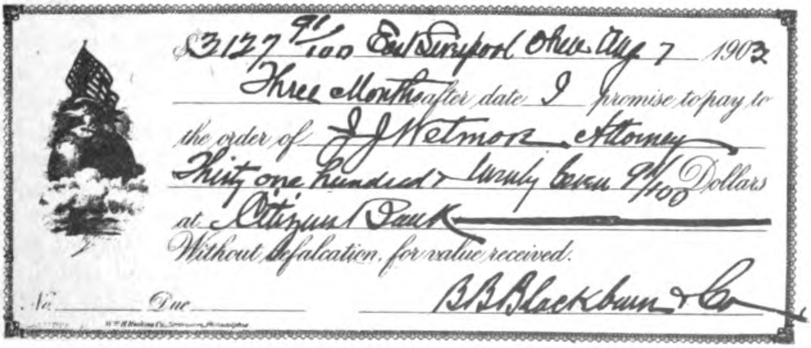
THE most important branch of the banking business is undoubtedly the loan department. Large salaries are paid the managers, running into the thousands, and yet these very men make costly errors in passing upon loans on forged stock certificates, warehouse receipts, commercial paper, and the like. Take, for instance, the forged certificates of the Norfolk & Western Railroad stock, which at present are running up into the millions; take the Gaskill forgeries with the Philadelphia Traction Company's certificates, which hit a large number of the Philadelphia banks.



④ $5,500 X New Orleans La Nov 10 1902
Four Months after date We promise to pay to
the order of William F. Woolworth
Five thousand five hundred Dollars
at our office
Without defalcation, for value received.
No. Due
Thompson Lord & Co

It is estimated that ninety-four per cent. of the daily money transactions of the United States are carried on by negotiable instruments. Substantially all of those instruments are issued and passed upon by bank attachees.

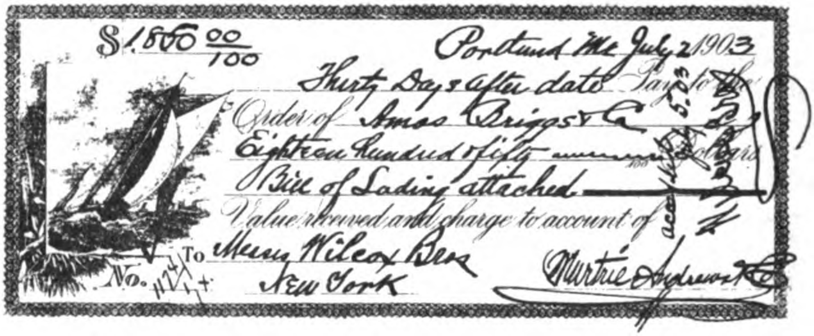
Here we have a photographic decision of a note for four thousand ten hundred dollars, payable to Wm. F. Woolworth, who endorses it over



$3127 91/100 East Liverpool Ohio Aug 7 1902
Three Months after date I promise to pay to
the order of J J Wetmore Attorney
Thirty one hundred & twenty seven 91/100 Dollars
at Citizens Bank
Without defalcation, for value received.
No. Due
B B Blackburn & Co

to a Construction Company. The endorsement reads: "Pay Clarence Construction Co. on the completion of my Warehouse No. 2." Although this note was given for four months, the maker need not pay it until the Clarence Construction Company completes building that No. 2 Warehouse. This endorsement destroyed the negotiability of the note.

A bank bought this note from J. J. Wetmore in the regular course of business, and subsequently other parties claimed an interest in the note and the bank was obliged to account to them for such interest. The court held it was the duty of the bank before purchasing it to have made inquiry into the right of the trustee to dispose of it.



$1850 00/100 Portland Me July 2 1903

Thirty Days after date Pay to the

Order of Amos Briggs & Co

Eighteen Hundred & fifty Dollars

Bill of Lading attached

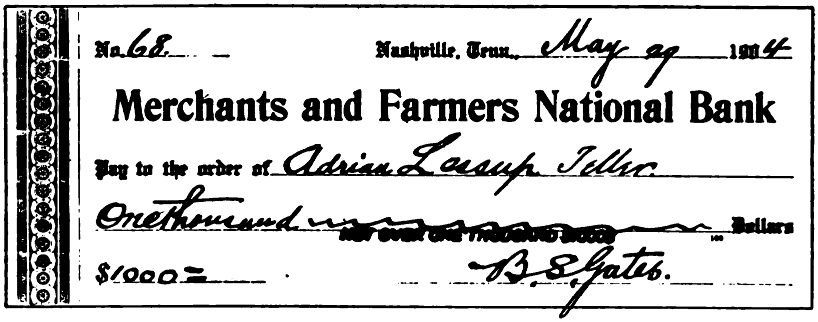
Value received and charge to account of

To Messrs Wilcox Bros

No. New York

Martin Andrews & Co

A down East bank collected a draft with bill of lading attached. The court holds that the bank warrants to the firm from whom they collect that the goods mentioned in this bill of lading are as contracted for in both measure and quality. The court says, in part, that in such cases the purchaser of the draft adopts the seller's contract and becomes liable for its fulfillment.



No. 68 Nashville, Tenn. May 29 1904

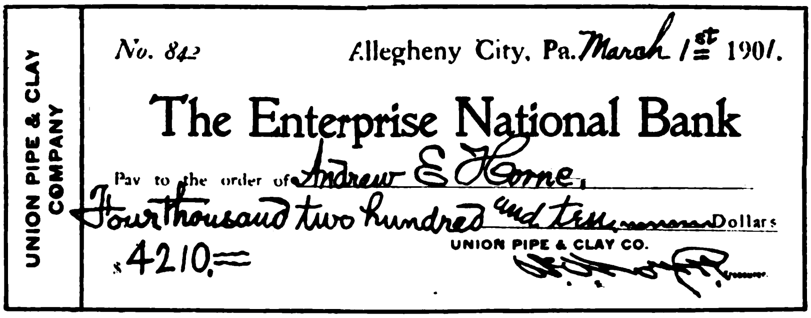
Merchants and Farmers National Bank

Pay to the order of Adrian Lessup Teller

One thousand Dollars

$1000 B. S. Gates.

Barton S. Gates, the maker of this check, while in Louisville, Ky., drew the check and gave it to Adrian Lessup, and told him to deposit it in the Second National Bank and collect it, and to place the amount to Gates' credit. This the teller did, and Lessup drew out the money and kept it. Gates brought an action against the bank for the amount of the check. The highest court decided in favor of the bank, and said that if Gates chose to take the word of an employee of a bank, he did so at his own risk.



UNION PIPE & CLAY COMPANY

No. 842 Allegheny City, Pa. March 1st 1901.

The Enterprise National Bank

Pay to the order of Andrew E Horne.

Four thousand two hundred and ten Dollars

$4210.=

UNION PIPE & CLAY CO.

Andrew E. Horne endorsed this check and mailed it to the Enterprise National Bank, and instructed the bank to apply $3,000 of the amount in payment of his individual note held by it. The bank did this, charging the check to the company account and returning it shortly thereafter with other cancelled vouchers. The company made no objections thereto until three years thereafter, when it sued the bank for the amount and recovered judgment under the rule that the bank was bound to inquire as to the authority of Horne to draw the checks of the corporation in payment of his own debts.

PREVENTING THE RAISING OF CHECKS.

An excellent and inexpensive way to prevent the raising of checks is this: After you have signed a check, write the figures in red ink across your signature and then put a heavy line above and below the figures. In this way it will be almost an impossibility for the forger to remove both color inks and copy in the signature again without detection.

TESTING COUNTERFEIT UNITED STATES BILLS.

The United States Government prints its currency and numbers its bills in a series of 4, so that every piece of paper money turned out by the United States bears one of their check letters, A, B, C, D. One of these letters, A, B, C, D is always found in two places on a United States bill, in the upper left-hand corner and in the lower right-hand corner. The placing of the letter on the bill is not determined by the number of the bill. The rule is to divide the last two figures on the note by four. Should the remainder be one, the check letter must be "A." Should it be two, the check letter is "B," three the check letter is "C," and nothing, the letter is "D."

For example, I have before me a $5 silver certificate. Its number is 81489730. The terminal number is 30. Divide this by 4, we have seven with two over. The check letter is "B."

Here is a $10 Buffalo note. The terminal number is 24. Divide by 4 and we have six even. The check letter is "D."

There is a yellow back gold certificate with 23 as its terminal number. Divide this by 4 and we have five with 3 over. "C" is the check letter.

Should this rule of 4 fail to work on any United States currency note, the money is bad. This rule applies only to United States currency, and not to National bank notes.

It takes but a moment to figure out this rule of 4, and if at any time you should come across a bill that does not look exactly right, take out your pencil and divide the terminal number by 4, then you can figure out your A, B, C and D.

If this rule were generally known it might often be the means of detecting counterfeit money and saving thousands of dollars.

STATE BANKS IN OREGON AND WASHINGTON.

HERREID, S. D., Feb. 9, 1906.

Editor Bankers' Magazine:

Sir: Can you inform me what is the lowest amount of capital for which a State bank can be incorporated in the States of Washington and Oregon; and what are the present laws that govern State banks in the States named. By giving the above information you will do me a personal favor.

Yours truly, C. H. NEWING.

Answer.—Replying to yours of the 9th inst., asking for information about the laws relating to the banks in the States of Washington and Oregon, we would refer you to the following information from the Annual Report of the Comptroller of the Currency for the year 1895. We hardly think the laws of these States have been changed since this date.

OREGON.

State, Savings and private banks. Banks are organized under authority of the general incorporation laws of the State; there are no special provisions with respect to the amount of capital stock required; management of the bank is delegated to the directors; shareholders' liability for claims against the bank is limited to their investment in stock; no reports of condition are required; the law makes no provision with respect to the examination or supervision of banks by public officials, loans, reserve, or accumulation of surplus; interest on deposits is allowed; the State is not a shareholder in any bank; the publication of reports of condition is voluntary on the part of each association; banks are taxed at the same rates as other corporations; the legal provisions concerning other insolvent corporations apply to banks; the issue of circulating notes is not restricted; there is no special law relative to Savings banks.

WASHINGTON.

State and private banks are allowed. The minimum capital stock is $25,000, three-fifths of which must be paid in and articles of incorporation filed; no officer is designated to determine when conditions have been satisfied; no information furnished in regard to management nor as to the liability of shareholders for claims against the bank; banks make annual reports of condition to State officers; the requirements as to examination by State officials, restrictions as to loans, or whether any cash reserve or surplus fund is required are not stated; interest is allowed on deposits; the State is not a shareholder in banks; there is no provision concerning branch banks; the biennial report of the Auditor contains the annual bank reports; there is no special provision for bank taxation and none concerning insolvent or Savings banks; circulation is not permitted.

PRIMITIVE SAFES AND VAULTS.

SINCE my return from a tour of the Orient, I have been asked many questions by bankers about the methods of banking, systems of safe-keeping and general conditions of the financiers of the native races. I found the most singular banking conditions prevailing among the Sulu islanders. I likewise visited the Philippines, and also Japan. The story herewith given concerns the observations I made.

The first law of the native banker is that of safety for his coin. The result is that there are ponderous doors, with great metal trimmings, used for the safe-keeping of funds. Figure 1 is a drawing of one of the types of doors used by the Sultan of Sulu for the protection of coin. Usually a stone vault is erected inside the base walls of one of the great church buildings, or in the Tribunal public building, or perhaps in the basement of the house of the official himself. It was the custom for the Spanish bankers to secure the protection of the church for the keeping of large sums of money. Thieves who would not hesitate to break into the vaults of the bank under ordinary circumstances would not interfere with vaults kept in the church building. Regardless of the location of the vault, the arrangements are much the same. You will find a good-sized vault erected in stone, brick and cement in a dark corner of the building. Heavy mahogany doors are employed. Hinges, which have been forged by native smiths, are bolted to the doors and casements as shown in the cut. A heavy clasp and padlock with giant-key complete the outfit. There is almost always someone on guard. But the sentinel is not faithful. I always found him gambling with someone else, or smoking, or sleeping—seldom on the alert. But the powerful vault could not be entered without making much noise, and safety is thus assured. However, raids upon the banks of Sulu, and even upon those in other sections of the country, are not infrequent. In the old ladrone days, during the Spanish control, hordes of rebellious natives would enter the towns and raid the banking institutions. By systems of torture, the bank people

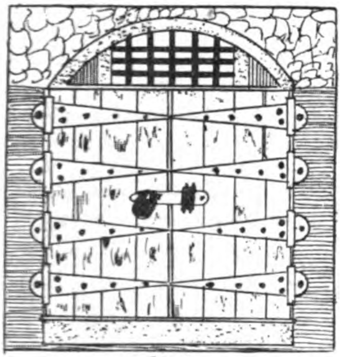


Fig 1

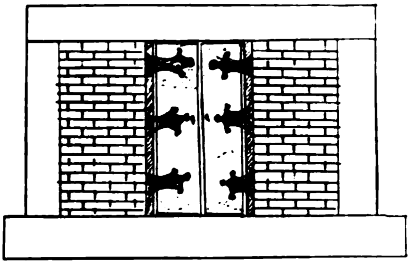


Fig 2

were compelled to open the vaults. Sometimes interior or second vaults were used to deceive the rebels. Often the base of the original vault was dug into, and the bulk of the coin hidden therein, in boxes, and covered with earth. Many tricks were resorted to and are now.

Figure 2 is another design of door for a native banking institution. Bricks are freely used in the construction of these native vaults, although oftentimes the masonry is inferior. I saw samples of work which seemed to be of a mud-composition, instead of mortar. Fire-bricks are seldom used, so that an intense heat quickly crumbles the composition of the vault.

I had a chance to visit the money-strongholds of Manila and Iloilo. The merchants there have safes in which to keep money. The American safe is rapidly finding its way into the islands, also into Japan, and the safe manufacturers of the United States would do well to look into the new field. I saw many specimens of crude home-made safes, also many inferior designs of imported safes. Figure 3 is a drawing of one of the systems used for safe doors. Commonly the safe is erected large enough for a person to go inside. The native safes seemed to me to be like large meat refrigerators. The material is mostly hardwood, with masonry built in with it. The doors are like those in the diagram. Bolts and screws are liberally used in putting the parts of the doors together. The hinges are home-made, and forged out of wagon tires oftentimes, and arranged to reach across the doors, as shown. Bolts or heavy screws are employed to secure the hinges to the hardwood. I found that quite an active demand prevailed in the Philippines and in Japan for modern fire-proof safes. If the American manufacturer were to see some of the safes manufactured at home, or imported from some of the European nations, he would be surprised and amused. I saw safes calculated to be fire proof and burglar proof, made as in Figure 4. There is considerable sheet metal tacked to the wood, but not affording sufficient surface to keep the wood from burning.

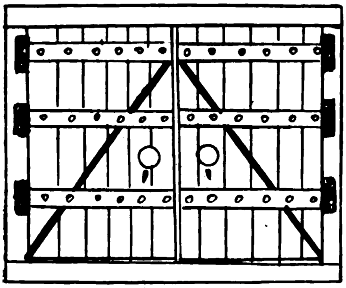


Fig 3

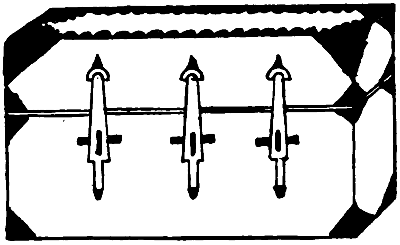


Fig 4

Both the natives of the Philippines and the Japanese desire to possess highly ornamented safes, and the durability of the article is frequently sacrificed for attractive decorations. The people are proud of their money-boxes. The Sultan of Sulu and the Sultans of other islands in the vicinity, perhaps, possess the most unique money-boxes. The boxes are all constructed of a bronze-like material, partly cast, and partly moulded after tedious work at the forge with hammer and shaping devices. Often months are devoted to manufacturing one of these safes. When finished, the royal coin is stored therein, and certain powerful and faithful attendants are appointed to guard the same. Usually from two to four selected natives are put in charge. They are well armed. One carries his master's safe on his shoulders, following the Sultan, while the others follow, and are at hand with their weapons to protect the money-case. But the natives of the other sections of the islands are satisfied with safes made from the native hard woods. Some of the boxes are highly ornamental. Figure 5 is a sketching of a safe made by a Filipino workman, as per the order of a certain sugar-planter and hemp-grower. The man of industry keeps his coin in this chest, and the chest is properly guarded. But anyone with grit and determination could push aside the native guardsmen and carry off the chest bodily. This occurred several times in my experience as a soldier in the army during the insurrection. The victims always applied to the commanding officer of the detachment in the town to pursue the thieves and get the chest back. Sometimes the property was recovered and sometimes not.

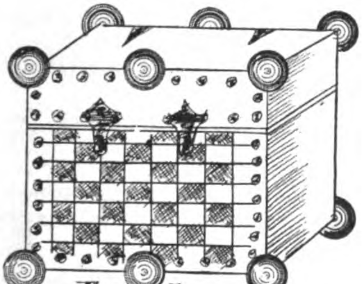


Fig 5

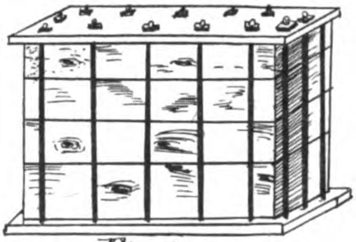


Fig 6

If the natives of the islands and the Japanese of Japan knew more about the advantages of the American safes the sale of the latter would be large in the Philippines and in Japan. I saw a clumsy affair made as in Figure 6 in the office of a saw-mill in Japan. The proprietor told me it was the best he could do to keep his coin safe. When he was not watching it himself, he always had a member of his family present. I gave him instructions how to send for advertising literature of American safes, and no doubt he has purchased one by this time. American manufacturers of safes should send descriptive matter, circulars of prices, etc., to the leading commercial and manufacturing houses of Japan and the Philippines. Safes of moderate capacity and weight are required. The prices should be moderate. The postmasters in the various towns of both the islands and the empire are willing to present circulars to firms in their respective localities. In this way many manufacturers of sewing machines, typewriters, farming machinery, etc., are introducing their product.

TRAVELLER.

BANKING AND COMMERCIAL LAW

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

BILLS AND NOTES—OMISSION TO DESIGNATE AMOUNT—RIGHT TO INSERT.

CHESTNUT VS. CHESTNUT.

Supreme Court of Appeals of Virginia, November 23, 1905.

This case concerned the following paper:

"$1,800. Eighteen hundred dollars.

Monterey, Va., June 6, 1892.

Three months after date ...... promise to pay to the order of J. A. Chestnut .... dollars negotiable and payable at the Highland County Bank, Monterey, Va.

Homestead and all other exemptions waived by the maker and each endorser.

Value received.

No........ Due·........

Nancy J. Chestnut."

The question was whether it was a promissory note, the claim being made that the failure to designate the amount in the body of the instrument did not evidence a promise to pay or create any liability on the part of the signer.

The legal status of such paper and how it may be improved in value clearly appear from a few extracts from the opinion of the text in the language of BUCHANAN, J.:

The objection made to its admissibility is that it is not, as alleged, a promissory note, and in its present form does not evidence a promise to pay or create any liability on the defendant.

The propriety of the court's ruling depends upon the question whether or not the figures and words in the margin of a note fix the amount for which the note was intended to be given, where no amount has been inserted in the blank left for it in the body of the note. Upon this question the decisions of the courts are not in accord, though the weight of authority and the better reason seem to be in favor of the view that the sum named in the margin is generally the limit of the amount with which a bona fide holder may fill up the blank, but until so filled the instrument is incomplete and no recovery can be had upon it. (See Daniel on Neg. Instr. ss. 86, 86a, 143; 8 Am. & Eng. Ency. Law (2d Ed.) 130, and cases cited; 7 Cyc. 593, 594, and cases cited; Garrard vs. Lewis, 10 Queen's Bench Div. 30; Norwich Bk. vs. Hyde, 13 Conn. 281; Patton vs. Shanklin, 14 B. Mon. 13; Hollen vs. Davis, 59 Iowa, 444, 13 N. W. 413, 44 Am. Rep. 688; Edwards vs. Ramsey [Minn.] 14 N. W. 272; Schryver vs. Hawkes, 22 Ohio St. 308, 315.)

The reason for the rule of construction is that one of the essential requisites of a bill or note is that the amount for which it is made must be clearly expressed in the instrument, and as the marginal figures are not generally regarded as a part of it, but are intended as a convenient index and as an aid to remove ambiguity or doubt in the instrument itself, they cannot supply the omission to insert the amount in the body of the instrument where a blank has been left for that purpose. The blank in such an instrument is presumably intended to be filled with something, and until that something has been added the instrument is not complete. It is not invalid simply because it is incomplete. It creates certain rights and obligations, and when properly filled up by a bona fide holder may be enforced at law, or, if left blank by mistake, in equity. (See Garrard vs. Lewis, supra; Norwich Bk. vs. Hyde, supra; Frank vs. Lilenfield, 33 Grat. 377, 383-387; Orrick vs. Colston, 7 Grat. 189.)

The fact that the amount in the margin of the note in this case is expressed in words as well as figures cannot, as it seems to us, affect the question. The refusal of the courts to hold that the amount of a note or bill cannot be supplied from the margin, where there is a blank left for the amount in the body of the instrument, is not because the amount in the margin is expressed in figures, but because it is in the margin and not in the body of the instrument." * * *

It does not follow, however, because the blank for the amount of a bill or note has not been filled up, that a bona fide holder shall lose the debt which such instrument was intended to evidence, or be deprived of his security. If the blank was left unfilled by mistake, a court of equity may correct the mistake. Generally, any bona fide holder of a bill or note signed in blank has authority to fill the blank with any sum, not exceeding the limitation in the margin, which the transaction between him and the person from whom he received it will warrant. (Norwich Bk. vs. Hyde, supra; Garrard vs. Lewis, supra; 7 Cyc. 593, 594; 4 Am. & Eng. Ency. L. [2d Ed.] 130, 131; Frank vs. Lilenfield, 33 Grat. 377, 383.)

In Frank vs. Lilenfield, 33 Grat. 377, 383, this court held that where a party to a negotiable note intrusts it to the custody of another with blanks not filled up, whether it be for the purpose of accommodating the person to whom it was intrusted or to be used for his own benefit, such negotiable instrument carries on its own face an implied authority to fill up the blanks and perfect the instrument.

In the absence of evidence that the blank in the paper sued on in this case was the result of a mistake, the presumption is that the payee, who is still the holder thereof, had the right to fill up the blank with any amount agreed upon between him and the maker, and that right still exists, unless its exercise, in the opinion of the jury upon all the facts and circumstances of the case, has been unreasonably delayed. The plaintiff would therefore seem to have in his hands, as was said in Norwich Bank vs. Hyde, supra, the materials to make his note and declaration correspond, although, in the present state of the note, he might as well attempt to prove his case "by introducing the bare name of the maker upon one side of a paper and that of the defendant on the other. And yet, in that case, upon well-settled principles, a bona fide holder might fill up such a paper so as to shape it to the case; the rule being that where a man gives his name in blank it is a letter of credit for an indefinite amount. (Russel vs. Langstaffe, Doug. 514; Mitchell vs. Culver, 7 Cow. 336." Frank vs. Lilenfield, supra.)

Thus we see that the objection to the note when offered in evidence ought to have been sustained, since it did not correspond with the note declared on. But we further see that it may be in the power of the plaintiff to make it such as he has described it to be in his declaration, so as to render it admissible in evidence.

CARE REQUIRED OF RECEIVER IN DEPOSITING FUNDS IN BANK.

STATE, EX REL. CARROLL, STATE AUDITOR, VS. CORNING STATE SAVINGS BANK, *et al.*

Supreme Court of Iowa, October 20, 1905.

The principles governing Receivers in the deposit of funds, and the right of the Receiver in case the bank of deposit is also a creditor, are concisely stated in the following extract from the opinion of the Court:

LADD, J.: A receiver may deposit the funds of an insolvent estate coming into his hands as such in a bank of good standing and repute. In determining the character of the bank the degree of prudence and care is exacted which is ordinarily exercised by reasonably cautious men in transacting their own business of like importance, and the same rule obtains with reference to continuing the deposit. (Beach on Receivers, s. 309; Officer vs. Officer, 120 Iowa, 389; Terrell vs. Terrell, 69 N. C. 59; Barton's Ex'r vs. Ridgeway's Adm'r. 92 Va. 162; 23 Am. & Eng. Ency. of Law [2d Ed.] 1907).

The deposit in the instant case was made in the Corning State Savings Bank, a party to the litigation in which the Receiver was appointed, and appellant insists that for this reason it was wrongful. But the relation of the bank as a creditor of the estate and that of it as a depository of an officer of the court are entirely distinct and separate. It could not apply the Receiver's funds on its claims, nor plead said claims as an offset to his demands for the deposit, at least not in excess of the amount previously ordered by the court to be paid thereon. Possibly the fact of a bank being a creditor might have some bearing on the care to be exercised in the selection by a Receiver but certainly it is not ground for rejecting such a bank as an illegal depository of the moneys of an estate for safe keeping.

COLLECTION OF CHECKS—CUSTOM.

FARLEY NATIONAL BANK VS. POLLOCK & BERNHEIMER.

Supreme Court of Alabama, November 16, 1905.

Reasonable and unreasonable customs in the collection of checks are touched upon in this case.

The Farley National Bank received for collection, from the City National Bank of Mobile, a check drawn on the Eufaula National Bank, and the Farley National Bank sent the check direct to the Eufaula Bank. The latter sent the Farley Bank exchange drawn on a New York bank in lieu of the check. Before the exchange was presented for payment in New York the Eufaula Bank failed and so the exchange was not paid.

The payees brought suit, alleging it to be the duty of the Farley Bank to send the check for collection to some one other than the Eufaula Bank. The Farley Bank relied upon a custom, such as it followed in this instance, and the question arose whether that was a sufficient excuse.

The court held the Farley Bank liable for the loss, and treated the matter of custom as follows:

"It may be admitted that a party committing a paper to a bank for collection may be bound by a custom which is reasonable and sufficiently general to presume that it is known. * * * Undoubtedly an agent who undertakes to collect a claim, although by custom he may be allowed to employ sub-agents, yet is certainly bound to select his sub-collecting agents with judgment and care, and one of the first elements of care is to select a sub-agent who is not adversely interested in the subject-matter. What would be the use of a party placing his claim in the hands of a bank for collection, if that duty could be performed by merely indorsing the paper by mail to the party who is obligated to pay it and receive his check on New York? The owner of the paper could send it direct, and receive his New York exchange in much less time. A custom must be reasonable, and the best considered cases hold, not only that the bank or party who is to pay the paper is not the proper person to whom the paper should be sent for collection, but also that a custom to that effect is unreasonable and bad."

PROMISSORY NOTE—SIGNATURES OF HUSBAND AND WIFE —JOINT MAKERS.

NATIONAL BANK OF THE REPUBLIC VS. DELANO.

Supreme Court of Massachusetts, April 1, 1904.

The liability of a wife endorsing her son's promissory notes, payable to her husband, is the subject-matter of this suit. The husband transferred the note to the plaintiff, who sought to hold the wife on her indorsement. The consideration of the notes was a partnership interest acquired by the son in the father's business. There was a dispute concerning the time when the wife signed, whether before or after delivery to the payee.

The court held that the wife would not be liable in either view of the case, saying that a promissory note made by a husband to his wife or by a wife to her husband is absolutely void, and the same rule applies to a contract of indorsement and to any other contract purporting to create a liability upon a note. * * * If her signing was a pursuance of a previous agreement, she would be a joint maker, even though the notes had taken effect before she signed. * * * If she signed after the notes had taken effect, her contract, whether of guaranty or of whatever kind that purported to create a legal obligation, was still a contract with her husband, made upon notes held by him as owner, and it was void, as it would have been if she had signed as a maker or indorser. * * * In every possible aspect of the evidence, the contract of the defendant, which appears upon the note, was a contract with her husband, and was therefore void."

CORPORATION—BILL TO RESTRAIN SALE OF STOCK.

DOHERTY VS. MERCANTILE TRUST CO.

Supreme Court of Massachusetts, January 6, 1904.

The relation of a stockholder to the corporation renders instructive the case of Doherty vs. Mercantile Trust Co., decided sometime since by the Massachusetts Supreme Judicial Court.

The plaintiffs, stockholders in the Bay State Gas Co. of Delaware, sought to prevent a foreclosure sale of certain shares in four Massachusetts companies which were of great benefit, and were controlled by the Delaware Company. The bill alleged a conspiracy to defraud stockholders by failing to declare dividends, although the earnings quite justified them, and thereby create a default and a foreclosure sale by the defendant, who was trustee of the shares of stock in question.

Before commencing proceedings the plaintiff stockholders had mailed letters requesting the officers of the Bay State Co. to institute proceedings to stop the sale of the shares of stock of the Massachusetts companies, but did not in said notice of request give any information or facts on which such a bill could be founded. The court held that the rights sought to be enforced belonged to the corporation, that no fraud was charged against the directors, and no reason was shown why the plaintiffs had proceeded without first placing the fact before the directors and trying to have the corporation bring the suit. To quote from the concluding paragraph of the opinion of LORING, J.:

"For all that appears the directors of the Delaware Company are honest men, anxious and willing to protect the rights of the Delaware Company, and if they had been informed of the facts set forth in this bill and satisfied of their truth, would have brought a bill to prevent the sale. It is not enough to enable a stockholder to bring a bill to enforce in behalf of a corporation the rights which, if successful, will enure to the corporation, to make a naked request that such a bill should be brought without submitting to the directors the facts on which it could be brought. (See Brewer vs. Boston Theatre, 104 Mass. 378; Dunphy vs. Traveler Newspaper Association, 146 Mass. 495; Dillaway vs. Boston Gas Light Company, 174 Mass. 80. See also Hawes vs. Oakland, 104 U. S. 450.)"

Many good causes of action are sacrificed by stockholders in just the way pointed out by the Court in this case.

INDORSER OF RENEWAL NOTE—CONTRACT—CONSIDERATION.

NASHUA SAVINGS BANK VS. SAYLES.

Supreme Court of Massachusetts, January 7, 1904.

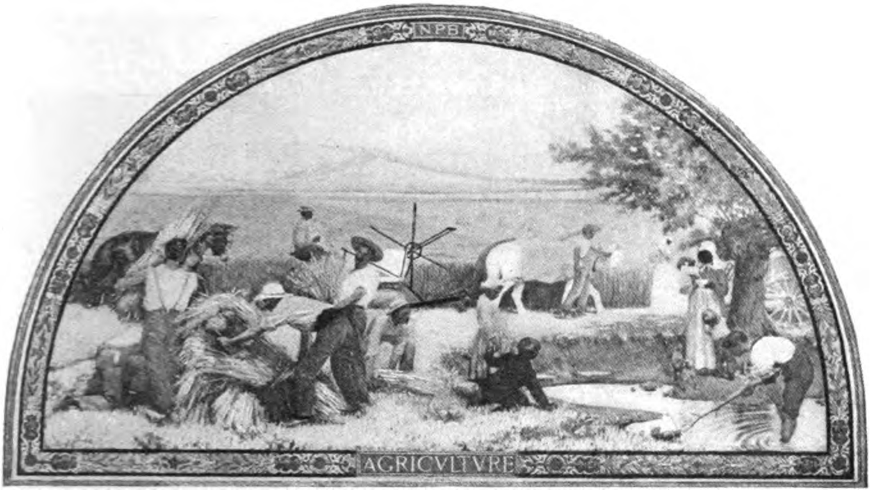
The nature of the contract assumed by an indorser is the subject matter of the decision in Nashua Savings Bank vs. Sayles.

The plaintiff, a New Hampshire Savings Bank, held a note of $2,300 about five years overdue, signed by one Weeks and indorsed by the defendant Sayles, upon which there had been no demand or notice. Then the maker, upon request of the bank for a new note furnished a note of $2,000 indorsed by defendant in part renewal of the first note, and a check for the balance. The renewal note and check were accepted by the bank in payment and the first note returned.

In this suit the defendant claimed he was not liable, because he signed the note in Boston, and was not liable under the law of that State; and in any event because his liability on the first note had ended when the second was given, so that there was no consideration for the second note. The court held that the defendant was liable on his contract of indorsement; that the law of New Hampshire, where the note was payable and where the contract was consummated, governed the rights and liabilities of the indorser, and that under the laws of New Hampshire a person who signs a note in blank upon the back, as this defendant signed, is liable as a joint maker, without a demand upon the other maker or a notice of his failure to pay it.

The defendant's contention that the note was without consideration cannot be sustained. It is immaterial that the defendant was not then liable upon the old note, and that he received no personal benefit from his signing. It is enough that the plaintiff gave up the old note for this relying upon his signature.

NATIONAL PARK BANK, NEW YORK.



NOTABLE BANK BUILDINGS.

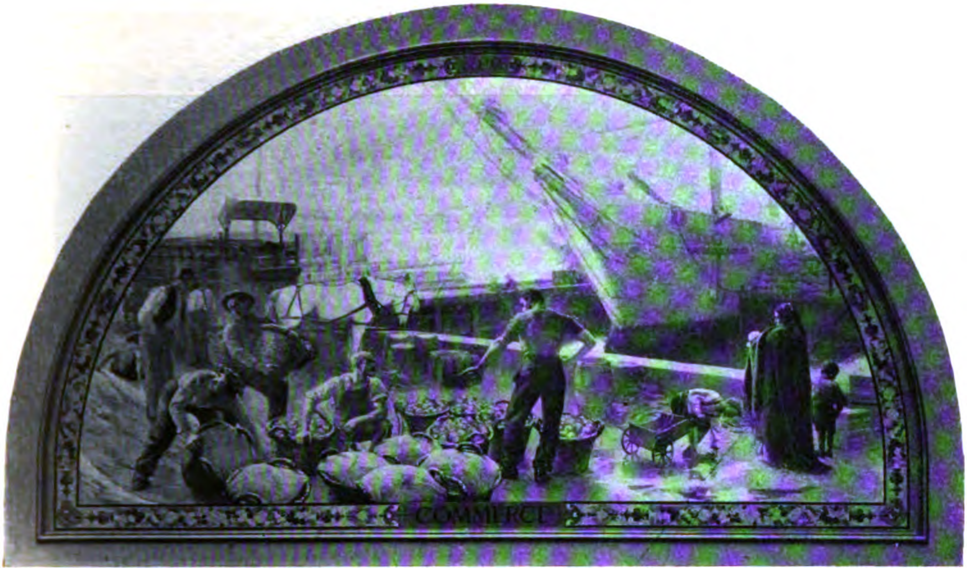
I.

THE NATIONAL PARK BANK.

STRIKINGLY unique in itself and constituting a noble example of modern artistic development in banking architecture and construction, is the new building of the National Park Bank lately completed on lower Broadway, New York. The edifice stands on the site of the old Park Bank building, the ground area of which has been greatly enlarged by the acquisition of adjoining territory running through from Ann to Fulton streets at the rear of the old property.

The National Park Bank established itself on Broadway, just opposite old St. Paul's, in 1867, and has been doing business there ever since; for its present building was constructed around and over and within the old building in such manner that business was never interrupted. The property resembles in general form a great T, with its stem, through which entrance is had, resting on Broadway and its crosspiece extending back of other buildings running to Ann street on one side and to Fulton street on the other. The building is a low structure, as commercial buildings go nowadays, and carries tucked under one arm the old-fashioned corner building on the Knox property at Broadway and Fulton street, and under the other the sky-scraping St. Paul building. There is not a right angle on the property, yet the constructive problems involved in its irregularity have been so cleverly worked out that the banking-room is symmetrical in every respect, and so well arranged as to satisfy every requirement of monumental architecture.

MAIN BANKING-ROOM, NATIONAL PARK BANK.



The banking room, which takes up every foot of available floor space, following in general outlines the T form, is roofed to two great steel domes, one over the intersection of the stem and the arms of the T, and one just forward of this point in the stem. Barrel-vaulted rooms intersect these domes, these vaulted rooms being lighted at the ends by huge circular-headed windows, one on Ann street, one on Fulton street, and one on Broadway. The banking room is further lighted by large circular skylights in the domes themselves. The lighting in the counting-room, both natural and artificial, is especially arranged not only for the purposes of utility, but also to add to the general decorative effect. The domes proper are lighted by large circles of lights arranged on the perimeters of the skylights. There are lights on the counter-screen standards and on chandeliers in the vaulted galleries and corridors; every desk is specially lighted, besides which the entire lighting system of the building is on dimmer control.

The banking room interior, quietly handsome and dignified in its decorative effect, is especially interesting from the point of view of construction and the various materials employed. The steel structure of the domes is exposed, and here for the first time in this country the structural steel forms are made to serve the double purpose of construction and decoration. The steel is so painted as to harmonize with the general color scheme of the room, and lends itself very strikingly though suitably to the general decorative effect. Green, yellow, cream and gold are the prevailing tones of the color scheme—the pale yellow walls being echoed in the amber-colored glass of the domes, while the greenish tone of the steel domes is carried down into the bronze counter-screen and fixtures of the room.

OFFICERS' DEPARTMENT, NATIONAL PARK BANK.

The floors are of Tennessee marble, and the walls are wainscoted with Hauteville marble. In the spandrels formed by the great steel arches of the domes are spaces arranged for mural decorations, the subjects of which are Agriculture, Industry and Commerce respectively, depicting the origin or fountain head of the wealth and business which have made the existence of banks a necessity. The paintings, which are very large, were made in Paris, and are the work of Albert Herter, an American artist.

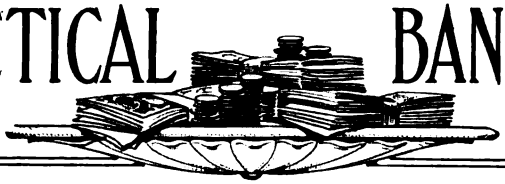
An especially fine piece of bronze and marble work is the counter-screen which separates the banking clerks from the public. The bronze portion rests on a plinth of "Campan Rouge Melange" marble, the striation of which is of extraordinary beauty, its rich, deep tones blending most harmoniously with the patine of the bronze work. The banking room from floor to ceiling is about 70 feet in height.

The Broadway building proper contains besides the monumental entrance vestibule and a portion of the banking room, five other floors devoted to special departments—directors' room, committee rooms, officers' dining rooms, pantries, kitchens, officers' retiring rooms, etc. The directors' room on the fifth floor is as strikingly individual in treatment as the other portions of the bank. The basement floor of the building is given over to the safe-deposit department with its vaults, counting booths, committee rooms, and locker and toilet rooms for employes. The security vaults are very extensive and their arrangement is in many ways unusual. Labor-saving devices abound in the building, including telephone, pneumatic tubes, electric elevators, dumbwaiters, telautograph installation, refrigerating plant which supplies ice-water all over the building, and a vacuum sweeper system—all these added to the usual mechanical plant required for a building of this character and importance.

The entire building is occupied by the banking business of the National Park Bank, whose scheme deviates quite materially from conventional banking plans, notably in that the entire banking force are accommodated on one floor-level, which has an area of about 13,500 square feet. The building is as absolutely fireproof in construction and equipment as it was possible to make it. All the desks and furniture throughout are of metal, which has here been used for counting-booths and in many other ways never before attempted.

The officers and directors of the National Park Bank, as well as their architect, are to be congratulated upon the consummation of a work so noble, so important, and at the same time so exemplary and effective. The building was designed by Donn Barber of New York.

PRACTICAL BANKING



CREDIT DEPARTMENT OF A BANK.

ITS USE, HOW TO CONDUCT IT, AND ITS FORMS.

BY CHARLES W. REIHL.

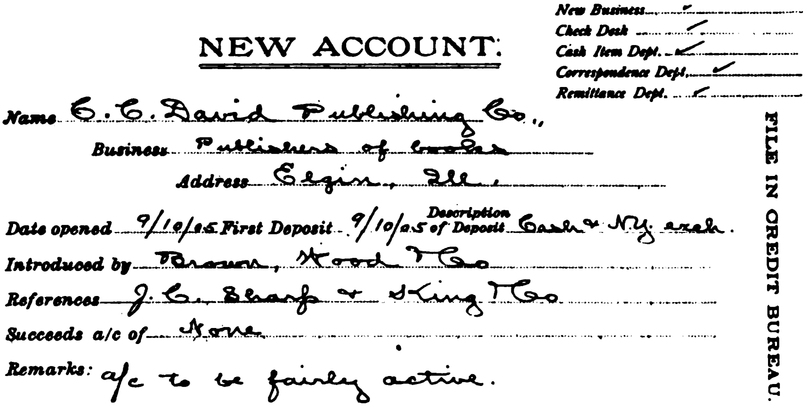
IT is said that fourteen years ago there were not more than six banks which claimed to have Credit Departments; but the number has increased very rapidly since then, so that now almost all the progressive banks in the large cities have their own departments. It might seem that bankers were slow to see the value of this work, as it is their business to deal with credits. It is true their main business is in handling credits—lending their money or credit to those who desire to use it in business; but until quite recent years most of the loans were made to concerns in the immediate locality of the banks, and the officers knew the men, their needs and the way they conducted the business, so there was really no necessity for a credit department such as we find in many banks now.

Commercial houses have for many years realized the necessity, the use and the advantage of a credit department; it has saved them many losses which they would otherwise have had to meet. The nature of their business has been such that it was impossible to know every man to whom they sold goods on time, because they had sent out to all places, large and small, to find purchasers. To get rid of the goods is often far easier than getting an equivalent for them; and to prevent this difficulty arising the credit department was instituted, so that by its collected and compiled information they could tell whether the would-be-purchaser was worthy of the credit, or worthy of being trusted with the goods. It has served its purpose very well for the commercial houses.

How a Credit Department is Useful to a Bank.

The bank has credits to lend for a short time, and many men want the credits; but the bank should know, with a considerable degree of certainty, that the credit will be returned to it at the stated time; for its funds or credits are only held in trust for many individuals, firms and corporations who deposit in the bank and who will at some time want back what they have deposited; or, rather, its equivalent. It is therefore of the utmost importance that the bank's officers should know very much about the men to whom they loan the money, and know considerable about the collateral they take as security—not simply its market value, and the men whose names they take as indorsers.

For a number of years it has been the custom of the banks to discount commercial paper; that is, paper which had been given to the merchants in payment of bills. It was usually considered safe, and was so because of the two or three names on it; but this paper is slowly passing out of existence. The modern business man has learned through the scientific workings of his credit department that the business paper is not so good a thing to have as it might seem to be, and this is the reason: The firm of Cook, Mott & Co. sold to George Rosse a bill of goods amounting to $753.75 on ninety days time, for which Rosse gave Cook, Mott & Co. a note for the full amount payable in ninety days; after about six weeks passed the report came to the payees that Rosse was very shaky and was having trouble to make his payments, and there was a probability that he would make an assignment. They held the note payable at a specified time and so could not take any action until it had matured; and when it did mature it was too late for any action to secure the payees.



New Business ✓
Check Desk ✓
Cash Item Dept. ✓
Correspondence Dept. ✓
Remittance Dept. ✓

NEW ACCOUNT.

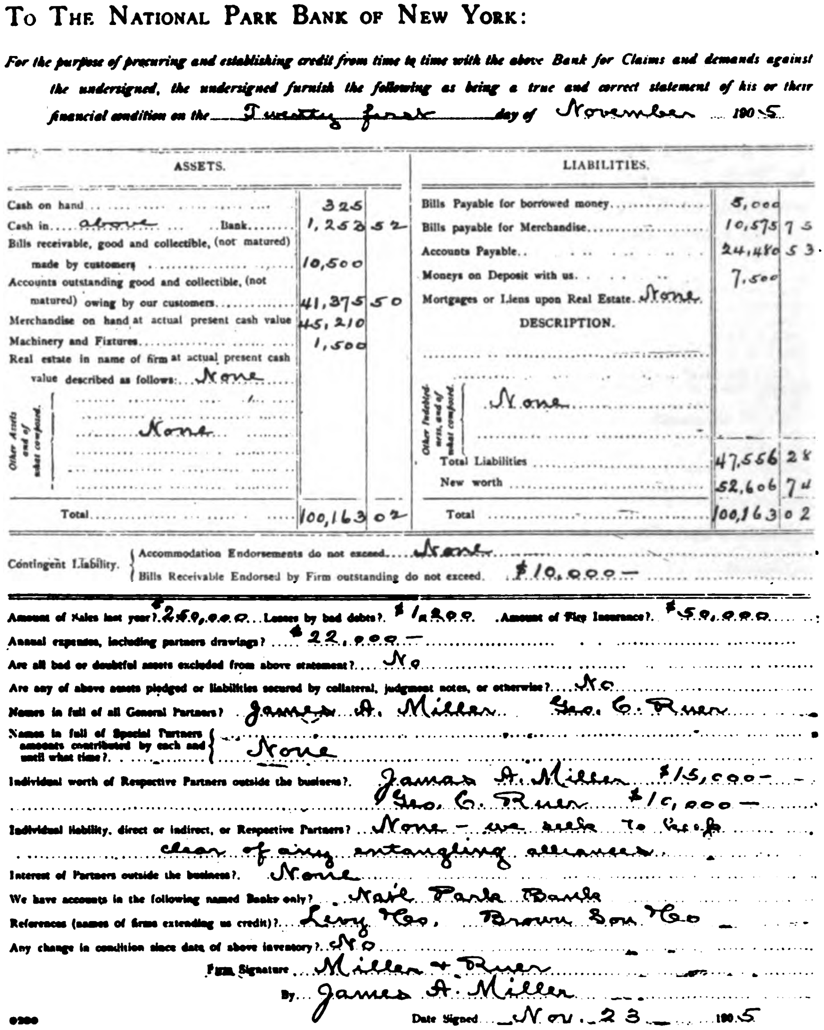
Name C. C. David Publishing Co.,
Business Publishers of books
Address Elgin, Ill.
Date opened 9/10/05 First Deposit 9/10/05 Description of Deposit Cash & N.Y. exch.
Introduced by Brown, Hood & Co
References J. C. Sharp & King & Co
Succeeds a/c of None
Remarks: a/c to be fairly active.

FILE IN CREDIT BUREAU.

FORM 1.

Conditions like this, which have arisen so frequently, are causing the wholesalers, manufacturers and jobbers to refuse to accept promissory notes in payment of bills and to prefer to carry their customers in open accounts so they can take immediate action to protect themselves when necessity arises. This has resulted in the banks having more drafts to handle for collection and more single-named paper to discount and more paper sold in the market by note brokers; and this makes it necessary for the bank to have a credit department in which to collect and keep information concerning the parties whose paper they discount or are likely to discount.

The trouble and expense it would be to a small bank to have its own credit department, which would be neither very complete or very extensive, has led the large banks to make their credit departments as complete and extensive as possible and give their correspondents the privilege of its use by calling on them for information concerning the parties whose paper they have bought or contemplate buying.



To The National Park Bank of New York:

For the purpose of procuring and establishing credit from time to time with the above Bank for Claims and demands against the undersigned, the undersigned furnish the following as being a true and correct statement of his or their financial condition on the Twenty first *day of* November *190*5

ASSETS.			LIABILITIES.		
Cash on hand	325		Bills Payable for borrowed money	5,000	
Cash in above Bank	1,252	52	Bills payable for Merchandise	10,575	75
Bills receivable, good and collectible, (not matured) made by customers	10,500		Accounts Payable	24,480	53
Accounts outstanding good and collectible, (not matured) owing by our customers	41,375	50	Moneys on Deposit with us	7,500	
Merchandise on hand at actual present cash value	45,210		Mortgages or Liens upon Real Estate None		
Machinery and Fixtures	1,500		DESCRIPTION.		
Real estate in name of firm at actual present cash value described as follows: None					
Other Assets and of what composed. None			Other Indebtedness, and of what composed. None		
			Total Liabilities	47,556	28
			New worth	52,606	74
Total	100,163	02	Total	100,163	02

Contingent Liability. { Accommodation Endorsements do not exceed None
Bills Receivable Endorsed by Firm outstanding do not exceed. $10,000 —

Amount of Sales last year? $250,000 Losses by bad debts? $1,200 Amount of Fire Insurance? $50,000

Annual expenses, including partners drawings? $22,000 —

Are all bad or doubtful assets excluded from above statement? No

Are any of above assets pledged or liabilities secured by collateral, judgment notes, or otherwise? No

Names in full of all General Partners? James A. Miller Geo. G. Ruer

Names in full of Special Partners amounts contributed by each and until what time? None

Individual worth of Respective Partners outside the business? James A. Miller $15,000 —
Geo. G. Ruer $10,000 —

Individual liability, direct or indirect, or Respective Partners? None — we seek to keep clear of any entangling alliances.

Interest of Partners outside the business? None

We have accounts in the following named Banks only? Nat'l Park Bank

References (names of firms extending us credit)? Levy & Co, Brown Son & Co

Any change in condition since date of above inventory? No

Firm Signature Miller & Ruer

By James A. Miller

0200

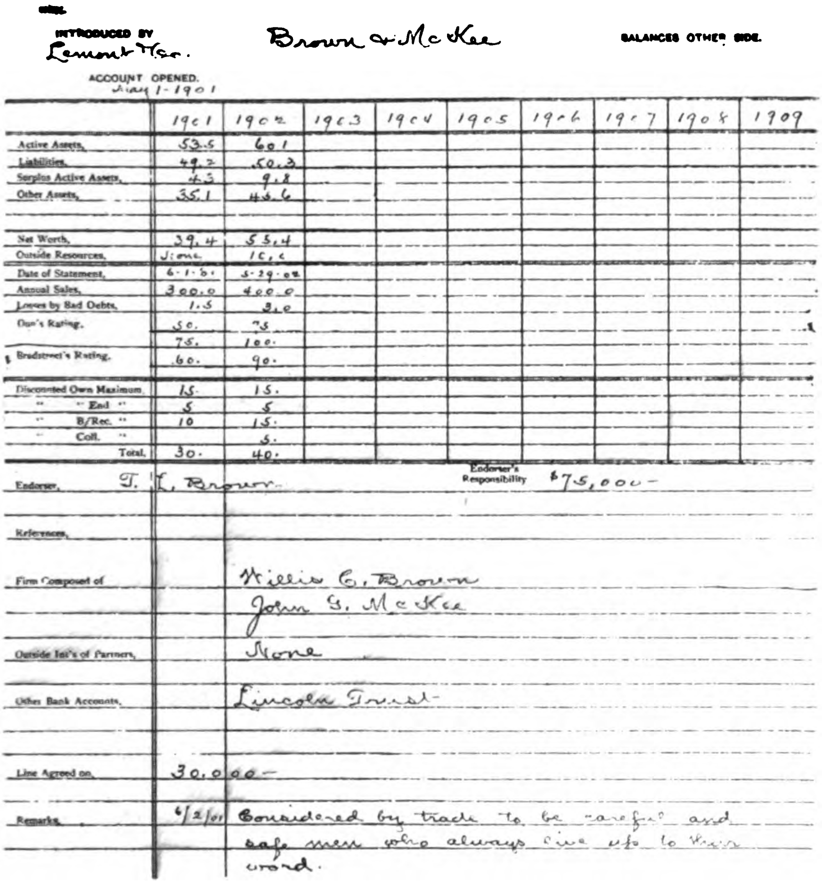
Date Signed Nov. 23 1905

Form 2.

Not only does the credit department contain information relative to commercial paper, which means, strictly speaking, promissory notes, but the information, if it is complete, also applies to the bonds and stocks issued by companies, for it will show what is back of the bonds and stocks that makes them either valuable or of no account as an investment or as a collateral. For a bank that lends on collateral security or advises its customers concerning the value of stocks and bonds for investment purposes, as well as discounts or purchases commercial paper, the credit department is of untold value—if it is properly conducted.

SUGGESTIONS FOR CONDUCTING THE DEPARTMENT.

The question naturally arises, How is a credit department properly conducted? To this question many answers might be given; a half dozen different men might give as many different ways; some simple and plain, others elaborate and complicated, but each complete in its way.



INTRODUCED BY
Lemont Mgr.

Brown & McKee

BALANCES OTHER SIDE.

ACCOUNT OPENED.
May 1-1901

	1901	1902	1903	1904	1905	1906	1907	1908	1909
Active Assets,	53.5	60.1							
Liabilities,	49.2	50.3							
Surplus Active Assets,	4.3	9.8							
Other Assets,	35.1	45.6							
Net Worth,	39.4	55.4							
Outside Resources,	None	10,0							
Date of Statement,	6-1-01	5-29-02							
Annual Sales,	300.0	400.0							
Losses by Bad Debts,	1.5	2.0							
Dun's Rating,	50.	75							
	75.	100.							
Bradstreet's Rating,	60.	90.							
Discounted Own Maximum,	15.	15.							
" " End "	5	5							
" B/Rec. "	10	15.							
" Coll. "		5.							
Total,	30.	40.							

Endorser, T. L. Brown. Endorser's Responsibility $75,000—

References,

Firm Composed of Willis G. Brown
John G. McKee

Outside Int's of Partners, None

Other Bank Accounts, Lincoln Trust—

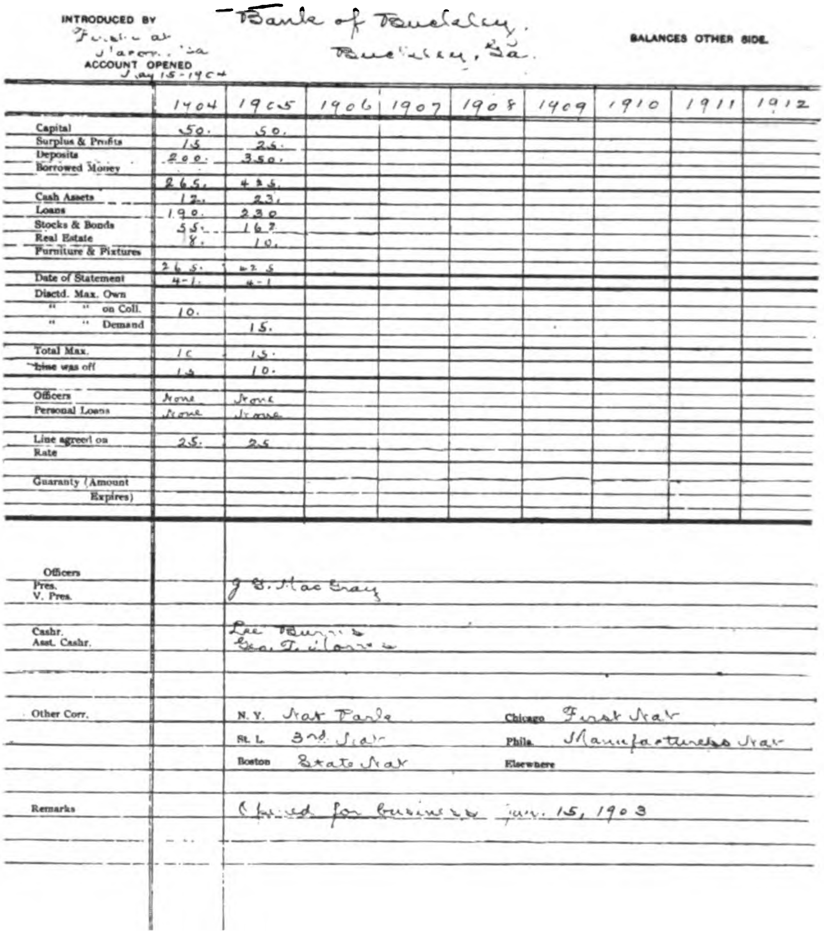
Line Agreed on, 30,000—

Remarks, 6/2/01 Considered by trade to be careful and safe men who always live up to their word.

FORM 3.

The first thing necessary is a man with brains of a good quality who knows how to use them. It will not do to take an ordinary drudge of a clerk and place him in charge of the department if it is to be of any service to the bank. If the purpose is to simply be able to say the bank has a credit department and a credit manager, it might answer for that much; but it would very likely prove to be practically useless; for while the expense would not be large, there would be no adequate return for the outlay. Thus it would be a leakage.

A bright man will find many ways to secure valuable information. There are a few bankers who are afraid to give information concerning those who keep accounts in their banks; they seem to have an idea that the inquiring bank is asking simply to know whether the account is worth trying to get for their bank; but instead the information is for the records of the credit department. This spirit of narrowness, closeness and fear prevents the benefits of fraternity and co-operation from being realized among bankers to the degree that they should be for the mutual protection of the banks against schemers, frauds and forgeries.



INTRODUCED BY
First Nat.
Macon, Ga.
ACCOUNT OPENED
Jan 15-1904

Bank of Buckley.
Buckley, Ga.

BALANCES OTHER SIDE.

	1904	1905	1906	1907	1908	1909	1910	1911	1912
Capital	50.	50.							
Surplus & Profits	15	25.							
Deposits	200.	350.							
Borrowed Money									
	265.	425.							
Cash Assets	12.	23.							
Loans	190.	230							
Stocks & Bonds	55.	167							
Real Estate	8.	10.							
Furniture & Fixtures									
	265.	425							
Date of Statement	4-1.	4-1							
Disctd. Max. Own									
" " on Coll.	10.								
" " Demand		15.							
Total Max.	10	15.							
Line was off	15	10.							
Officers	None	None							
Personal Loans	None	None							
Line agreed on	25.	25							
Rate									
Guaranty (Amount									
Expires)									

Officers
Pres. J. S. MacGray
V. Pres.
Cashr. Lee Burris
Asst. Cashr. Geo. T. Moore

Other Corr.
N. Y. Nat Park Chicago First Nat
St. L. 3rd Nat Phila. Manufacturers Nat
Boston State Nat Elsewhere

Remarks Opened for business Jan. 15, 1903

FORM 4.

In gathering information the credit manager must use all the sources from which he can possibly get news; he must not depend entirely upon

INTRODUCED BY L. T. Morgan — Miller Brass Co — BALANCES OTHER SIDE.

ACCOUNT OPENED. April 10-'02

	1902	1903	1904	1905	1906	1907	1908	1909	1910
Active Assets,	120.	150.	170						
Liabilities,	97.	105.	140						
Surplus Active Assets,	23.	45.	30						
Other Assets,	115.	105.	135						
Net Worth,	138	150.	160.						
Capital,	100.	100.	100.						
Surplus Reserve, etc.,	38.	50.	60.						
Date of Statement,	4-1	4-1	4-1						
Annual Sales,	750	900.	1000.						
Losses by Bad Debts,	1.	3.	3.						
Dun's Rating,	100	100	100						
Bradstreet's Rating,	100	100.	100						
Discounted Own Maximum,	10		10.						
" " End "									
" B/Rec. "		13.	5						
" Coll. "	5	5.	5.						
Total,	15	18.	20.						

Endorser,	1902	None. Endorser's Responsibility
References,		Scott & Co. Lorain Brass Works
Officers,		S. E. Miller, President C. G. Miller, Vice Prest & Treas. Nathan Lane, Sec'y & Manager
Outside Int's of Officers,	1902	Wire Mill at Hillside, Mich
Other Bank Accounts,		Bank of Buffalo, Buffalo, N.Y.
Line Agreed on,	4-7, 02	40,000
Remarks,		New line of business — prospects good.

FORM 5.

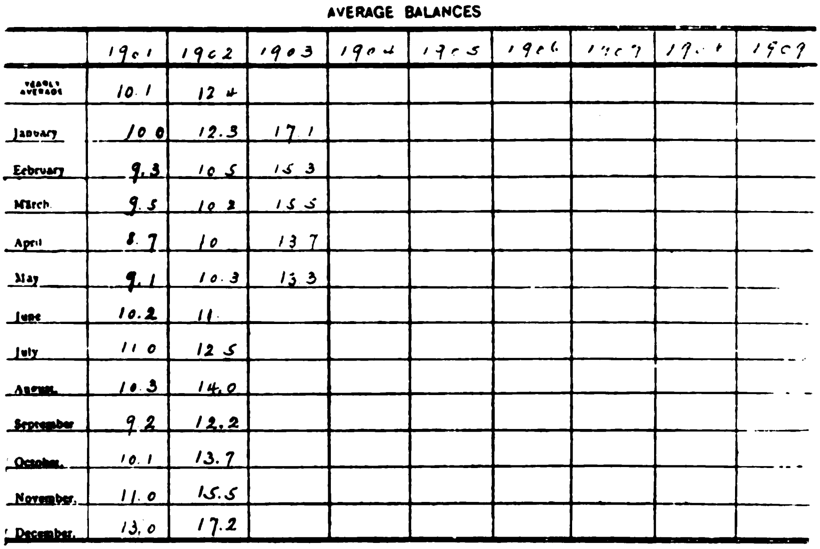
the dealings of the parties with the bank and the statements given to it, but the competitors of each party should be asked concerning the one about whom the information is wanted. It will not do to depend upon the reports from the commercial agencies; for while they may be good in some respects, they may be very poor and inaccurate in other ways.

There is a credit office in New York City that is a great help to credit men in gathering information, because it has methods and facilities for gathering the latest and best reports. Its "scientific credit reporting" is "a product of evolution" and an "advance necessitated by modern communication." By its methods the reports are kept constantly and automatically revised, so that the latest information is always available. It is not intended to do away with the credit department in the business house or the bank, but to assist them by getting information for them that the managers could not get. Many banks and business houses are availing themselves of its services.

When securing statements from the merchants who are asking for loans, or from regular borrowers, the statements should be for specified recent dates; otherwise the statement given may be several months old and many losses might have been met since the date of the statement. The National banks' statements, and those of some State banks, are required for certain recent dates as fixed by the Comptroller, or Superintendent of Banking, and the merchants have the benefit of these sworn statements. Under the business law of reciprocity the banks should receive just as good as they give. The statements must be thoroughly analyzed by the credit manager by study and comparison; their weaknesses watched for and their strong points noted—he must understand them fully.

FORMS FOR GATHERING AND KEEPING THE INFORMATION.

The information secured from the statements and other sources should be tabulated in some way to be convenient and handy, so that it will not have to be hunted for when wanted.

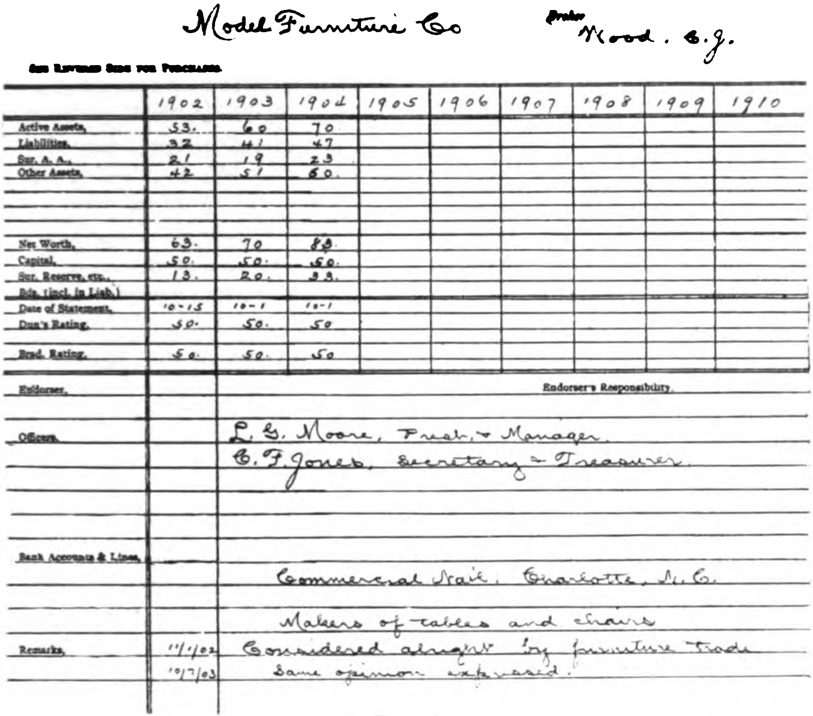


AVERAGE BALANCES

	1901	1902	1903	1904	1905	1906	1907	1908	1909
Yearly Average	10.1	12.4							
January	10.0	12.3	17.1						
February	9.3	10.5	15.3						
March	9.5	10.2	15.5						
April	8.7	10	13.7						
May	9.1	10.3	13.3						
June	10.2	11.							
July	11.0	12.5							
August	10.3	14.0							
September	9.2	12.2							
October	10.1	13.7							
November	11.0	15.5							
December	13.0	17.2							

REVERSE OF FORMS 3, 4 AND 5.

In 1899 the members of the American Bankers' Association in convention at Cleveland were led to recognize the need for banks to have credit departments; they then adopted uniform statement blanks, and other kindred forms, and authorized the secretary to furnish copies of the blanks to members. These forms have been prepared and are enclosed in envelopes marked "Exhibits Class A," "Exhibits Class B," and "Exhibits Class C." They can be secured by applying to James R.



Model Furniture Co — Broker Wood. E.J.

SEE REVERSE SIDE FOR PURCHASES.

	1902	1903	1904	1905	1906	1907	1908	1909	1910
Active Assets,	53.	60	70						
Liabilities,	32	41	47						
Sur. A. A.,	21	19	23						
Other Assets,	42	51	60.						
Net Worth,	63.	70	83.						
Capital,	50.	50.	50.						
Sur. Reserve, etc.,	13.	20.	33.						
Bds. (incl. in Liab.)									
Date of Statement,	10-15	10-1	10-1						
Dun's Rating,	50.	50.	50						
Brad. Rating,	50.	50.	50						

Endorser, — Endorser's Responsibility.

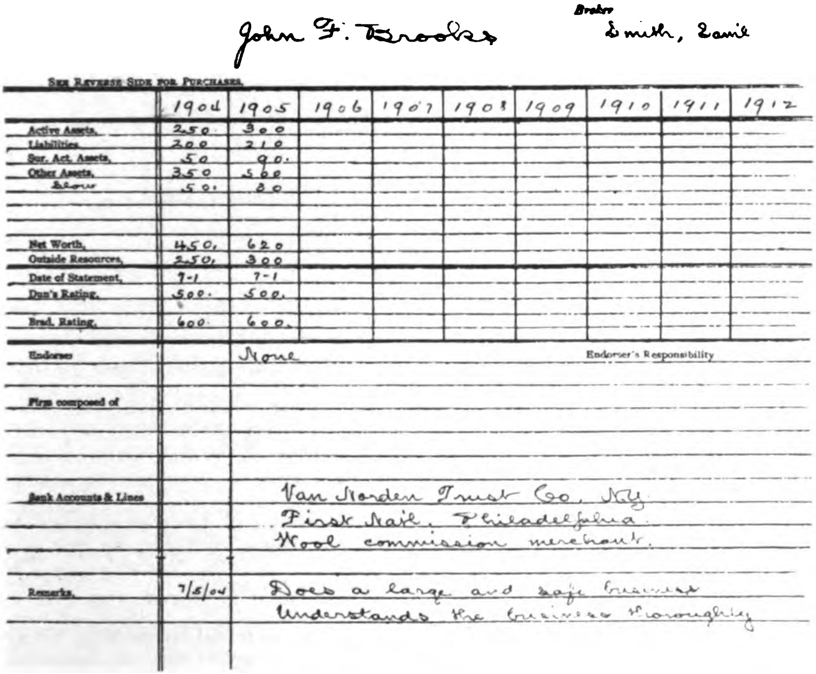
Officers, L. G. Moore, Prest. & Manager.
E. F. Jones, Secretary & Treasurer.

Bank Accounts & Lines, Commercial Nat'l. Charlotte, N. C.

Makers of tables and chairs

Remarks, 11/1/02 Considered alright by furniture trade
10/7/03 Same opinion expressed.

FORM 6.



John F. Brooks — Broker Smith, Eanil

SEE REVERSE SIDE FOR PURCHASES.

	1904	1905	1906	1907	1908	1909	1910	1911	1912
Active Assets,	250.	300							
Liabilities,	200	210							
Sur. Act. Assets,	50	90.							
Other Assets,	350	560							
Slow	50.	80							
Net Worth,	450.	620							
Outside Resources,	250.	300							
Date of Statement,	7-1	7-1							
Dun's Rating,	500.	500.							
Brad. Rating,	600.	600.							

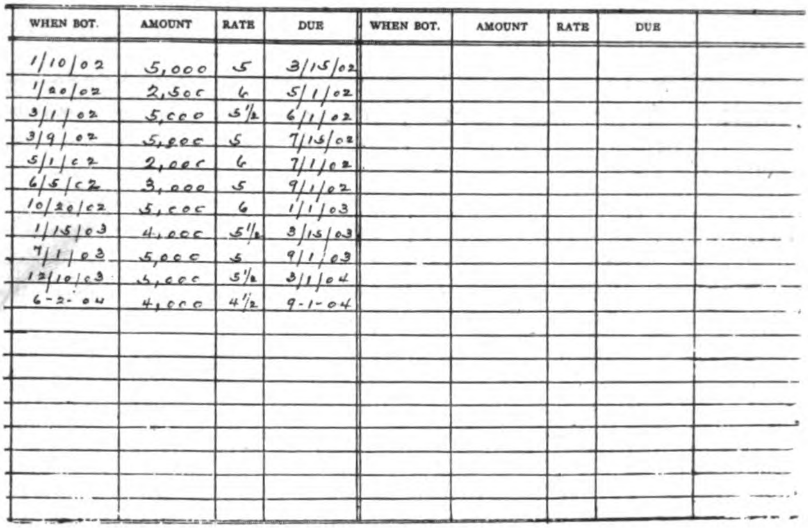
Endorser — None — Endorser's Responsibility

Firm composed of

Bank Accounts & Lines — Van Norden Trust Co. N.Y.
First Nat'l. Philadelphia.
Wool commission merchant.

Remarks, 7/5/04 Does a large and safe business
Understands the business thoroughly

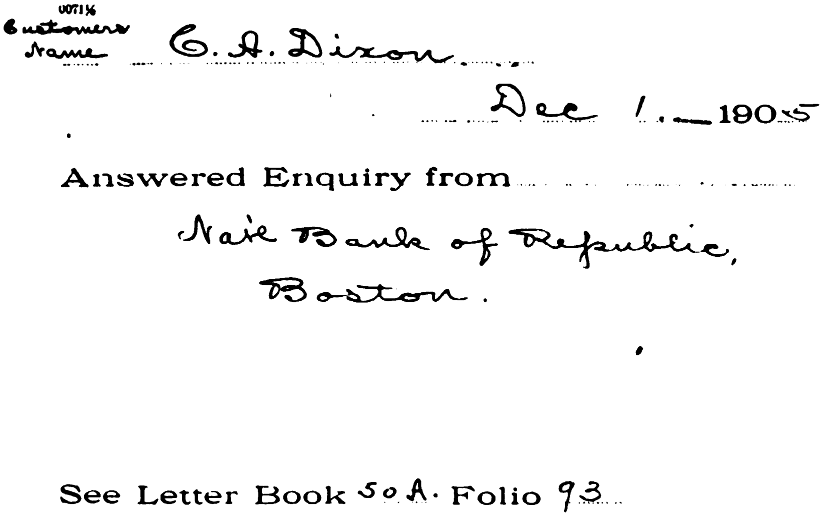
FORM 7.



WHEN BOT.	AMOUNT	RATE	DUE	WHEN BOT.	AMOUNT	RATE	DUE	
1/10/02	5,000	5	3/15/02					
1/20/02	2,500	6	5/1/02					
3/1/02	5,000	5½	6/1/02					
3/9/02	5,000	5	7/15/02					
5/1/02	2,000	6	7/1/02					
6/5/02	3,000	5	9/1/02					
10/20/02	5,000	6	1/1/03					
1/15/03	4,000	5½	3/15/03					
7/1/03	5,000	5	9/1/03					
12/10/03	5,000	5½	3/1/04					
6-2-04	4,000	4½	9-1-04					

REVERSE OF FORMS 6 AND 7.

Branch, Secretary of the American Bankers' Association, Hanover Bank Building, New York city. The New York State Bankers' Association also recently prepared forms for this purpose.*



Customers Name C. A. Dixon

Dec 1, 1905

Answered Enquiry from

Nat'l Bank of Republic,
Boston.

See Letter Book 50 A. Folio 93

FORM 8.

After examination of several kinds of forms, I have concluded to present those in use by the National Park Bank in New York city, having obtained the permission of the bank to do so.

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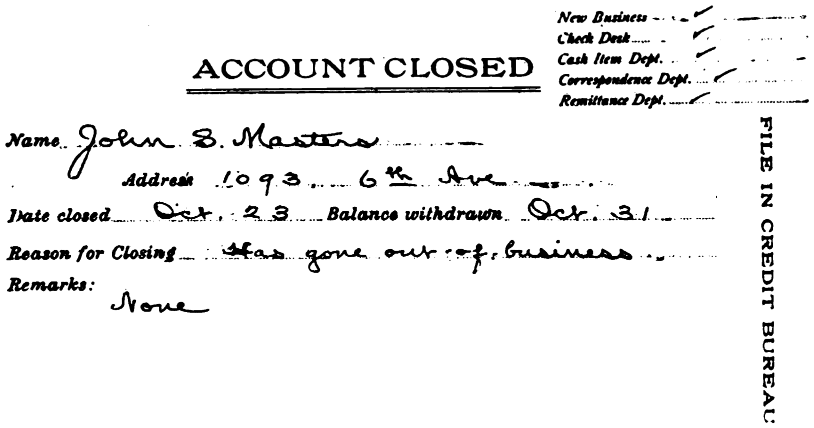
* It should be stated that the figures here do not represent actual transactions, but are used for purposes of illustration only.

When an account is opened in the bank a slip like Form 1 is filled out and sent to the manager of the credit department. He then has a Library Bureau folder, 8⅝ by 6½ inches when folded, named for the account and filed in proper alphabetic order. It is then ready to receive any information that is secured concerning the individual, firm or corporation, and to be filed in its proper place. All sheets and forms are made to fit in this folder, either straight or folded.

The form of statement is shown in Form 2. If the statement is from a firm or individual, a card like Form 3 is used to tabulate the information. This card is ruled, giving columns for the information from nine different statements to be listed on it. On the back of this form (and forms 4 and 5) are spaces for the average monthly balances and the yearly average for nine years. If the statement is from a bank Form 4 is used. When a statement from a corporation is received a form like No. 5 is used on which to record the information.



New Business ✓
Check Desk ✓
Cash Item Dept. ✓
Correspondence Dept. ✓
Remittance Dept. ✓

ACCOUNT CLOSED

Name John S. Masters
Address 1093 6th Ave
Date closed Oct. 23 Balance withdrawn Oct. 31
Reason for Closing Has gone out of business
Remarks:
None

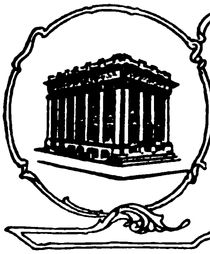
FILE IN CREDIT BUREAU

FORM 9.

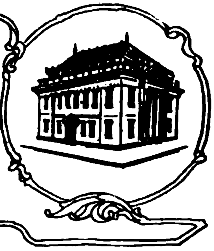
It is not unusual for banks to buy paper from the brokers. The National Park Bank keeps a record of the statements of the parties whose paper they buy; if it is a corporation Form 6 is used; if a firm or individual, Form 7 is used. On the back of Forms 6 and 7 are spaces for record of purchases, giving date when bought, amount, rate and when due.

With each folder a blank sheet is kept for general information. Inquiries are frequently received concerning the standing of parties; a copy of the inquiry and reply is kept and a memorandum is made on a blank like Form 8 and filed in the folder.

When an account is closed the credit department is notified on a blank like Form 9, and it is filed in the folder of the party whose account has been closed.



TRUST COMPANIES



TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

BY CLAY HERRICK

FORMS AND RECORDS FOR THE SAFE DEPOSIT DEPARTMENT.

THE necessary forms and records for the safe deposit department are comparatively few in number. The business of the department involves the renting of individual safes or boxes, and the caring for packages left for safe-keeping. In theory, the business is simple; but experience demonstrates that complicated situations are apt to arise; and it is important that the few forms needed should be prepared with care, and those affecting the contract into which the company enters should be approved by competent counsel. The Trust Company Section of the American Bankers' Association in 1904, and again in 1905, appointed a special committee to report on various matters affecting the safe deposit department, and including a compilation of forms. The reports of the two committees, bound under one cover, have been issued by the association, and contain valuable information. The forms there given, thirty in number, provide for the needs of the largest companies, but of course include many that are not needed by the safe deposit department of the average trust company. A few of these forms, together with others collected from different sources, are given here.

The identity of prospective customers of this department should be established with care. When the applicant is an entire stranger, some companies send to persons named as references a printed letter reading as follows:

Dear Sir:—

Mr. ———————— of ————————, whose signature is attached, has mentioned you as a reference. If you consider ————— as an honest and reliable person, will you kindly affix your signature and return to us at your earliest convenience? It is understood and agreed by us that this will in no way make you liable for any damages.

Yours very truly,

————————————

Manager.

Sign here ——————————

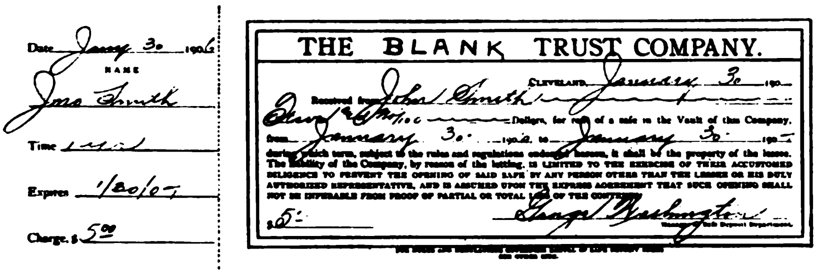
Signature of ——————————

---

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

Whatever the method used for the purpose, the company should satisfy itself that every applicant for a box in the vaults is the person he claims to be. Should he rent a box under an assumed name, in case of his death the company might be put to considerable expense and certainly would be put to some trouble, in determining to whom the box should be surrendered. It is also important that the customers of this department—as of all departments, for that matter—be known to be persons of ordinary honesty; for while every precaution is taken to conduct the business with care, the possible presence in the vaults of a designing and dishonest person involves too much risk for the company.

Assuming a prospective customer of this department to have been identified as a proper person to become a renter of a box in the company's vaults, the first forms needed are the receipts mutually given by the company and by the renter. The company gives a receipt for the payment of the rent of the box, a form of which with stub is shown in Figure 88.



Date Jany 30 1906
NAME
Jno Smith
Time 1 year
Expires 1/30/07
Charge $5.00

THE BLANK TRUST COMPANY.

Cleveland January 30 190

Received from John Smith
Five & 00/100 Dollars, for rent of a safe in the Vault of this Company,
from January 30 1906 to January 30 1907
during which term, subject to the rules and regulations endorsed hereon, it shall be the property of the lessee. The liability of the Company, by reason of the letting, is limited to the exercise of their accustomed diligence to prevent the opening of said safe by any person other than the lessee or his duly authorized representative, and is assumed upon the express agreement that such opening shall not be inferable from proof of partial or total loss of the contents.

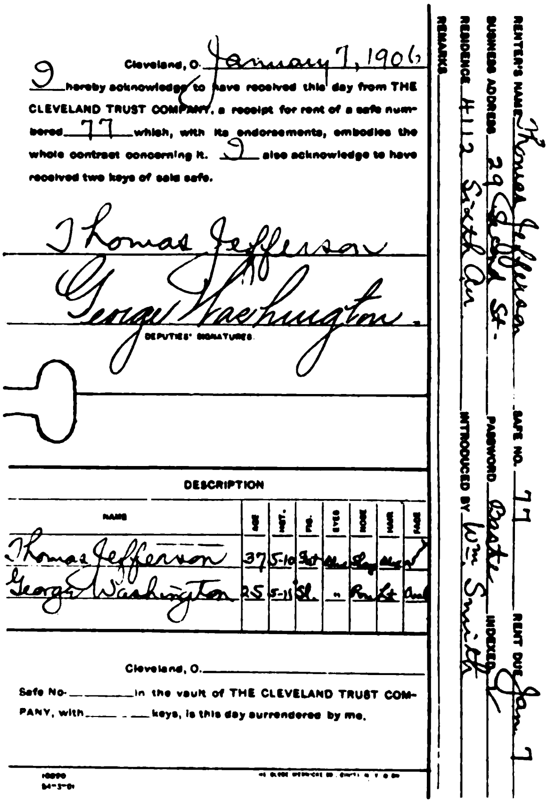
$5.—

George Washington
Manager Safe Deposit Department.

FIG. 88.—RECEIPT FOR SAFE RENT.

Upon the back of this form are printed the rules and regulations of the department, which the renter, by the acceptance of this receipt and by the terms of the receipt which he gives to the company (see Figure 89), agrees to abide by. Some companies prefer not to print the rules and regulations on the back of the receipt, but simply to include in the receipt some such words as these: "Subject to the rules and regulations made by this company." This is intended to include not only the present rules and regulations, but also any that the company may see fit to make in the future.

When the keys are turned over to the renter, a receipt is taken from him, in which he acknowledges the receipt of the keys and agrees to the rules and regulations of the company. His signature to this receipt also serves as a means of identification in the future. For many obvious reasons, however, this should not be relied upon as the only means of identification; and it is customary to record other information for this purpose. Such information may refer to personal appearance—height, complexion, color of hair and eyes and especially any visible scars or marked peculiarities. In the case of a person who continues to be a customer for a long term of years, however, such information may become a source of confusion, because one's personal appearance may change. Of more value are such facts as the date and place of birth, father's name and mother's maiden name. Many companies also give to each renter a password, although such passwords are rarely used, being easily forgotten, and of doubtful utility. Except in the cases of those who rarely visit their boxes, the attendants soon become familiar with the customers, so that resort to special means of identification is not needed.



RENTER'S NAME Thomas Jefferson SAFE NO. 77 RENT DUE Jan. 7

BUSINESS ADDRESS 29 Second St. PASSWORD Baste INDEXED ✓

RESIDENCE 4112 Sixth Av. INTRODUCED BY Wm. Smith

REMARKS

Cleveland, O. January 7, 1906

I hereby acknowledge to have received this day from THE CLEVELAND TRUST COMPANY, a receipt for rent of a safe numbered 77 which, with its endorsements, embodies the whole contract concerning it. I also acknowledge to have received two keys of said safe.

Thomas Jefferson

George Washington

DEPUTIES' SIGNATURES

DESCRIPTION

NAME	AGE	HGT.	FIG.	EYES	NOSE	HAIR	FACE
Thomas Jefferson	37	5-10	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
George Washington	25	5-11	Sl.	"	[illegible]	[illegible]	[illegible]

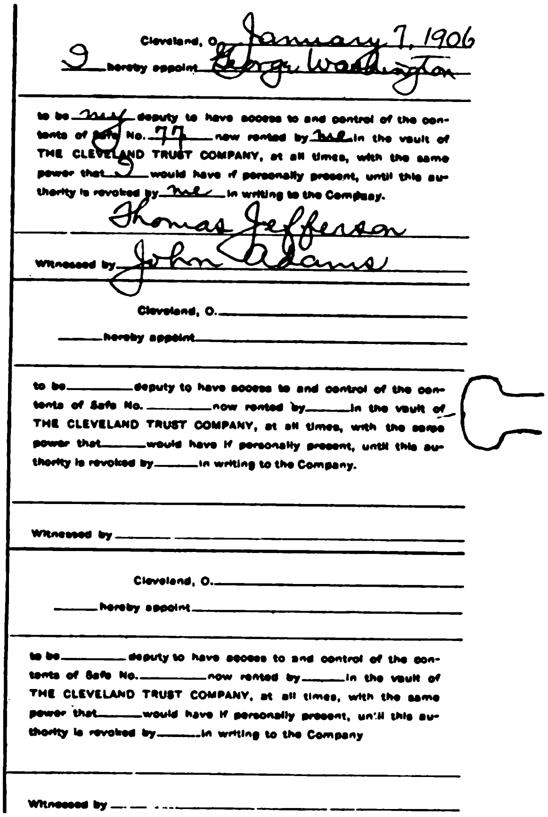
Cleveland, O.

Safe No. in the vault of THE CLEVELAND TRUST COMPANY, with keys, is this day surrendered by me.

FIG. 89.—RECEIPT AND IDENTIFICATION CARD.

It is convenient to have this information recorded in the same place as the signature of the renter, and in the form shown in Figure 89 a card 6 by 4 inches in size is used for the receipt from the renter and for his description. The card also contains the business address, the home address, the number of safe, the password, the date when rent becomes due, name of person who introduced the renter, and a form for surrender of the safe and keys. It also contains the signatures of the deputies, if any. These cards are filed in alphabetical order, and thus provide an index of the renters of safes.

Very frequently the renter wishes to appoint some person or persons to be his deputy or deputies to have access to his box. It is convenient



Cleveland, O. January 7, 1906

I hereby appoint George Washington

to be my deputy to have access to and control of the contents of Safe No. 77 now rented by me in the vault of THE CLEVELAND TRUST COMPANY, at all times, with the same power that I would have if personally present, until this authority is revoked by me in writing to the Company.

Thomas Jefferson

Witnessed by John Adams

Cleveland, O.

hereby appoint

to be deputy to have access to and control of the contents of Safe No. now rented by in the vault of THE CLEVELAND TRUST COMPANY, at all times, with the same power that would have if personally present, until this authority is revoked by in writing to the Company.

Witnessed by

Cleveland, O.

hereby appoint

to be deputy to have access to and control of the contents of Safe No. now rented by in the vault of THE CLEVELAND TRUST COMPANY, at all times, with the same power that would have if personally present, until this authority is revoked by in writing to the Company

Witnessed by

FIG. 90.—APPOINTMENT OF DEPUTIES.

to have such appointments on the same card as the signature and description of the renter; and in the system here described the forms for the appointment of deputies, shown in Figure 90, are printed on the back of the card whose face is shown in Figure 89. Some companies have the appointment of deputies, in practically the same wording as shown in the figure, on a separate card which is filed alphabetically after the card which contains the renter's signature. Information for the identification of the deputy should appear on the card which contains his appointment.

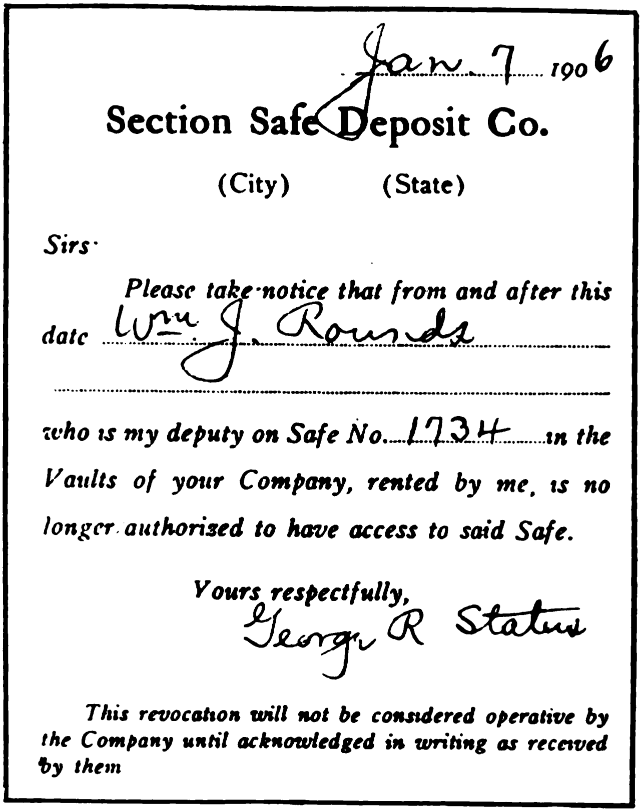
Figure 91 shows a form used to revoke a deputy-ship.

Figure 92 shows a safe deposit register in book form. As in the case of the card register, it contains on each sheet the signature and receipt of the renter, his identification, appointment of deputy and final receipt. The book may be either permanently bound or in loose-leaf form. If permanently bound, a separate alphabetical index of renters will be needed.

Where two or more persons rent a safe as joint tenants, in place of the form shown in Figure 89 there is used a card form which is identical with it except that the receipt for keys reads as follows:

"We hereby acknowledge to have received from The Blank Trust Company of Buffalo, New York, a receipt for rent of safe No. ——, with rules and regulations of said company. Also —— keys of said safe.

And it is hereby understood and agreed as follows: viz.,—Either of us may at any time surrender said safe without the presence of the other. Either of us shall have the power to deputize, in writing, any third party or parties to have access to the said safe, and the signature of only one of us shall be necessary to such deputization. And any such deputy or deputies shall also have full power to surrender said safe at any time. The authority of such deputy or deputies shall continue until written notice to the contrary is given The Blank Trust Company, of Buffalo, New York, by the one signing such deputization. And the survivor of us shall have all the powers and rights in respect of said safe that both, or either of us, can exercise during our joint lives."



Jan 7 1906

Section Safe Deposit Co.

(City) (State)

Sirs·

Please take notice that from and after this date Wm J. Rounds *who is my deputy on Safe No.* 1734 *in the Vaults of your Company, rented by me, is no longer authorized to have access to said Safe.*

Yours respectfully,
George R Staten

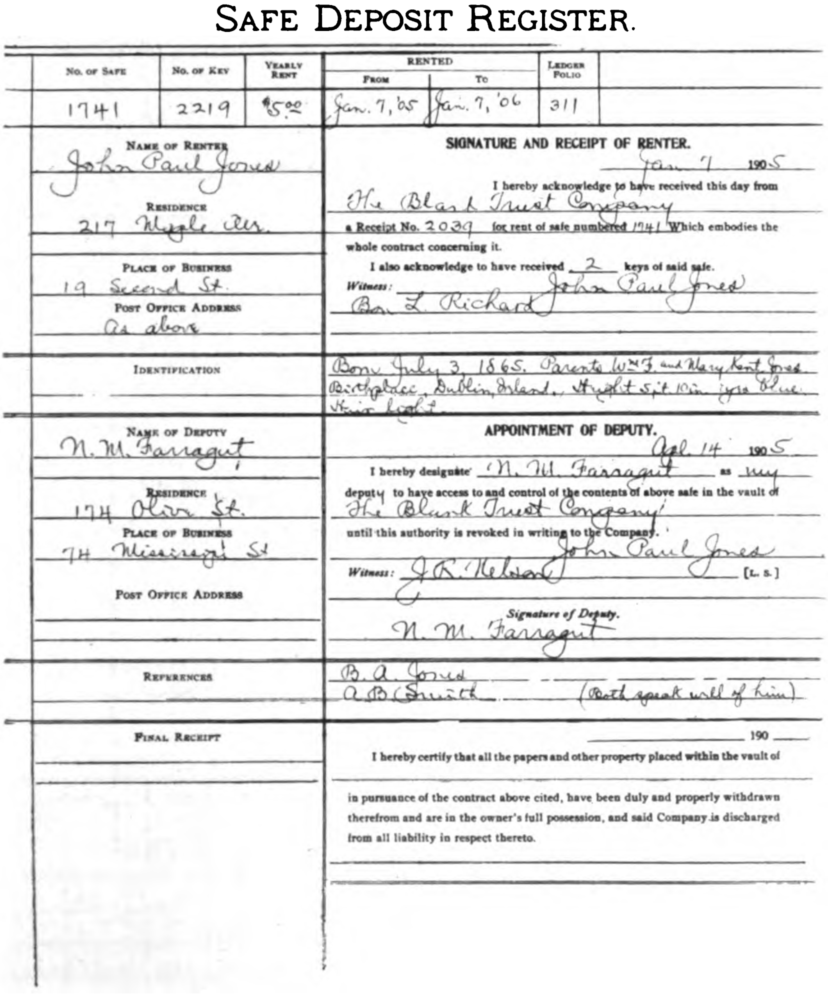
This revocation will not be considered operative by the Company until acknowledged in writing as received by them

FIG. 91.—FORM FOR REVOKING DEPUTYSHIP.

A shorter form, used for the same purpose, reads as follows:

"We, the undersigned, agree to the rules and regulations of the Section Safe Deposit Company, in force at this date, and such reasonable rules and regulations as may be hereafter adopted. And we agree to hire and hold safe number —— as joint tenants, the survivor or survivors to have access thereto in case of death of either, but either has the power to appoint a deputy. Either of the tenants has the right to surrender the safe."

Where the safe is rented by a corporation, the same form of receipt as that given by individuals may be used, but it becomes necessary to have, in addition to the receipt, an appointment of the party or parties who are to represent the corporation in access to the safe. For this purpose a certified copy of the resolution of the corporation is desirable, and the following is a form used:



SAFE DEPOSIT REGISTER.

No. of Safe	No. of Key	Yearly Rent	Rented From	Rented To	Ledger Folio
1741	2219	$5.00	Jan. 7, '05	Jan. 7, '06	311

NAME OF RENTER
John Paul Jones

RESIDENCE
217 Maple Ave.

PLACE OF BUSINESS
19 Second St.

POST OFFICE ADDRESS
As above

SIGNATURE AND RECEIPT OF RENTER.

Jan. 7 1905

I hereby acknowledge to have received this day from The Blank Trust Company a Receipt No. 2039 for rent of safe numbered 1741 Which embodies the whole contract concerning it.

I also acknowledge to have received 2 keys of said safe.

Witness: Ben L. Richard John Paul Jones

IDENTIFICATION
Born July 3, 1865. Parents Wm F. and Mary Kent Jones. Birthplace, Dublin, Ireland. Height 5 ft. 10 in. Eyes Blue. Hair light.

NAME OF DEPUTY
N. M. Farragut

RESIDENCE
174 Olive St.

PLACE OF BUSINESS
74 Mississippi St.

POST OFFICE ADDRESS

APPOINTMENT OF DEPUTY.

Apl. 14 1905

I hereby designate N. M. Farragut as my deputy to have access to and control of the contents of above safe in the vault of The Blank Trust Company until this authority is revoked in writing to the Company.

John Paul Jones [L. S.]

Witness: J. R. Nelson

Signature of Deputy.
N. M. Farragut

REFERENCES
B. A. Jones
A. B. Smith (Both speak well of him)

FINAL RECEIPT

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I hereby certify that all the papers and other property placed within the vault of

in pursuance of the contract above cited, have been duly and properly withdrawn therefrom and are in the owner's full possession, and said Company is discharged from all liability in respect thereto.

FIG. 92.—SAFE DEPOSIT REGISTER, IN BOOK FORM.

"To the Section Safe Deposit Company:

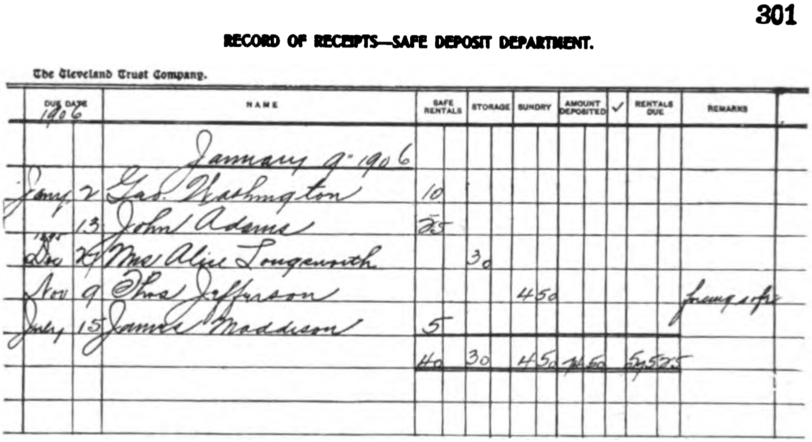
At a meeting of the board of directors of the Ham and Sandwich Company, held at its office on the 9th day of February, 1906, the following resolution was adopted: 'Resolved, That ———— shall have the right of access to the safe (No. ——) in the vaults of the Section Safe Deposit Company, standing in the name of this company.'

(Signed)

———— Secretary. ———— President.

(Seal)

Received, ———— 190 "



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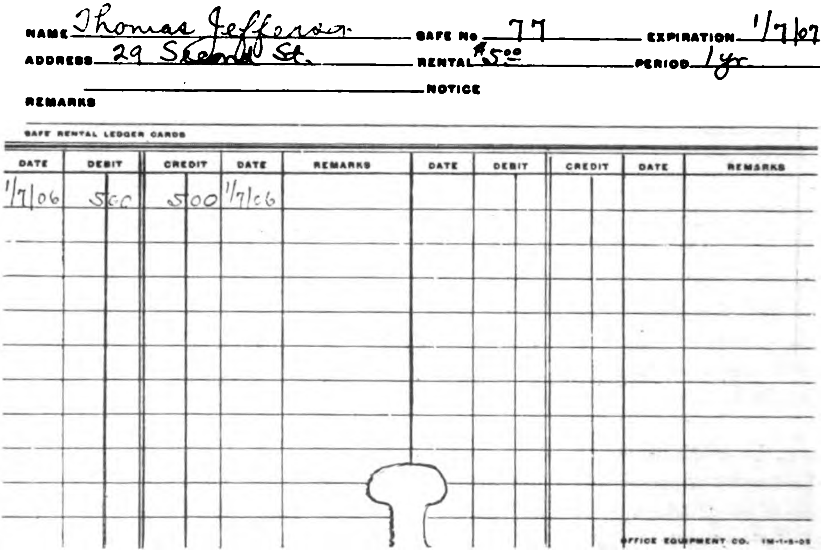
RECORD OF RECEIPTS—SAFE DEPOSIT DEPARTMENT.

The Cleveland Trust Company.

DUE DATE 1906		NAME	SAFE RENTALS	STORAGE	SUNDRY	AMOUNT DEPOSITED	✓	RENTALS DUE	REMARKS
		January 9-1906							
Jan'y	2	Geo. Washington	10						
	13	John Adams	25						
Dec	27	Mrs Alice Longworth		30					
Nov	9	Thos Jefferson			450				[illegible]
July	15	James Maddison	5						
			40	30	450	7450		[illegible]	

FIG. 93.—SAFE DEPOSIT DEPARTMENT CASH BOOK.



NAME Thomas Jefferson SAFE NO 77 EXPIRATION 1/7/07
ADDRESS 29 Second St. RENTAL $5.00 PERIOD 1 yr
NOTICE
REMARKS

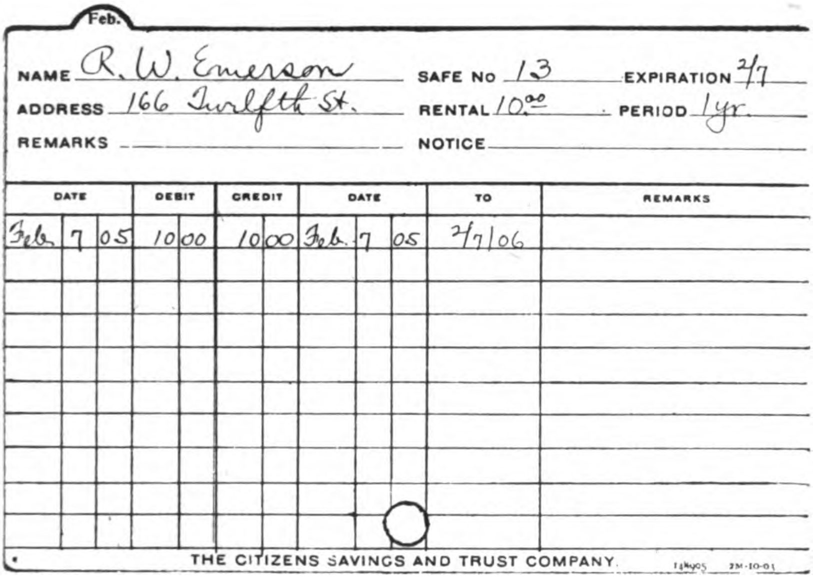
SAFE RENTAL LEDGER CARDS

DATE	DEBIT	CREDIT	DATE	REMARKS	DATE	DEBIT	CREDIT	DATE	REMARKS
1/7/06	5 00	5 00	1/7/06						

OFFICE EQUIPMENT CO.

FIG. 94.—LEDGER CARD.

This resolution may name certain individuals in person, or it may name the officer or officers of the corporation who are to have access to the safe. In the latter case, there will also be needed a certified list of the officers of such corporation, which list must be refiled as often as the corporation holds an election.



Feb.

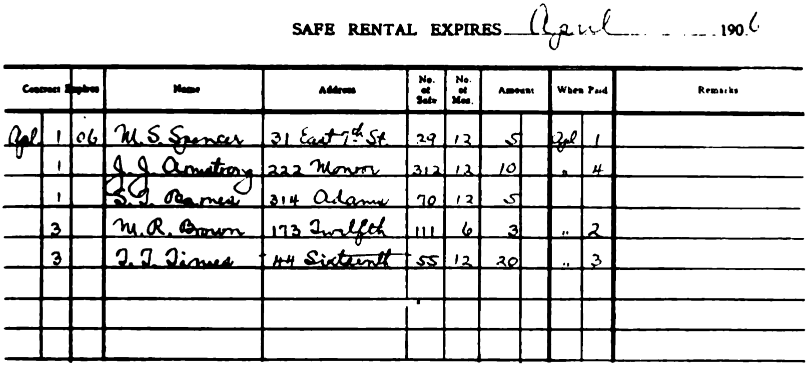
NAME R. W. Emerson SAFE NO 13 EXPIRATION 2/7
ADDRESS 166 Twelfth St. RENTAL 10.00 PERIOD 1 yr.
REMARKS NOTICE

DATE			DEBIT		CREDIT		DATE			TO	REMARKS
Feb	7	05	10	00	10	00	Feb.	7	05	2/7/06	

THE CITIZENS SAVINGS AND TRUST COMPANY 148905 2M-10-05

FIG. 95.—CARD LEDGER, WITH TAB.

For the record of cash transactions the only forms necessary are a Cash Book for receipts only (no cash being paid out in this department, except for occasional rebates), and cards, or books if preferred, for the ledger accounts of renters. Figure 93 shows a form of Cash Book. At the close of the day's business (or, in practice, at the beginning of the next day) the cash received during the day is deposited in the banking



SAFE RENTAL EXPIRES April 1906

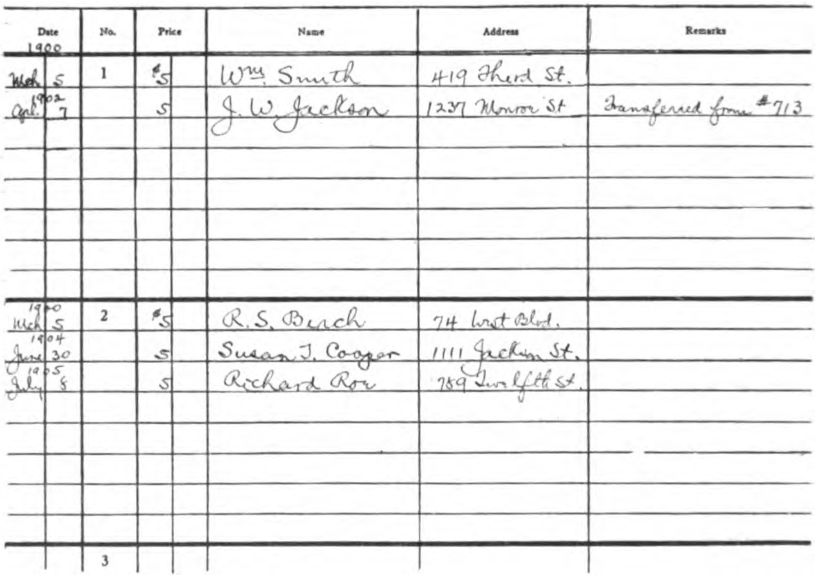
Contract Expires			Name	Address	No. of Safe	No. of Mos.	Amount		When Paid		Remarks
Apl	1	06	M. S. Spencer	31 East 7th St.	29	13	5		Apl	1	
	1		J. J. Armstrong	222 Monroe	312	13	10		"	4	
	1		S. J. Barnes	314 Adams	70	13	5				
	3		M. R. Brown	173 Twelfth	111	6	3		"	2	
	3		J. J. Jones	44 Sixteenth	55	12	20		"	3	

FIG. 96.—TICKLER PAGE.

department to the credit of this department; the amount of such deposit being shown in the column headed "Amount Deposited."

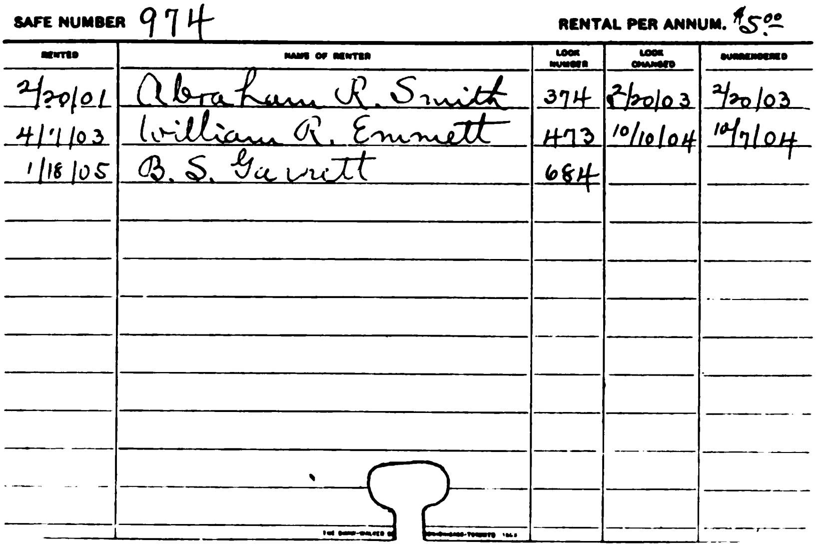
For the ledger accounts with customers of this department card ledgers are generally used. A form of such a card ledger is shown in Figure 94. The size of the card is 6 by 4 inches. The record is continued, if necessary, on the back of the card, which is ruled in the same way. These cards are filed in a case according to due dates of rent, and thus constitute the tickler of the department. Instead of this plan, however, some companies have the cards prepared with a tab at the top of each upon which is printed the name of the month during which the rent expires. The tab for the January cards is at the left upper corner of the card, and that on the December card is at the right upper corner. The tabs on the cards for the intermediate months are arranged in order between these, so that when the case is filled with cards the eye may by glancing at the tops of the cards pick out those containing expirations for any given month. A sample of this card for the month of February is shown in Figure 95. Under this plan the cards are arranged in the numerical order of the safe numbers; and the tabs at the tops of the cards serve as ticklers. Towards the last of each month the cards for the following month are looked over, bills for renewal are made out, and the cards replaced. The bills are made out in duplicate, one copy being mailed to the renter, while one is kept by the teller who receives rent payments, serving as his memorandum of rents due.

SAFE REGISTER



Date		No.	Price	Name	Address	Remarks
1900						
Mch.	5	1	$5	Wm. Smith	419 Third St.	
1902 Apl.	7		5	J. W. Jackson	1237 Monroe St	Transferred from #713
1900 Mch.	5	2	$5	R. S. Birch	74 West Blvd.	
1904 June	30		5	Susan J. Cooper	1111 Jackson St.	
1905 July	8		5	Richard Roe	789 Twelfth St.	
		3				

FIG. 97.—SAFE REGISTER.



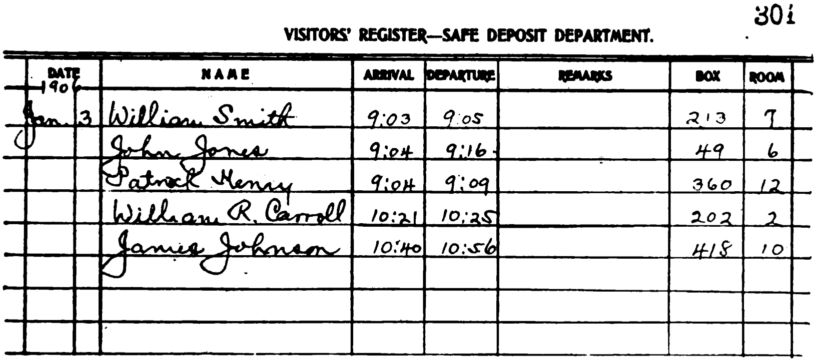
SAFE NUMBER 974 RENTAL PER ANNUM. $5.00

RENTED	NAME OF RENTER	LOCK NUMBER	LOCK CHANGED	SURRENDERED
2/20/01	Abraham R. Smith	374	2/20/03	2/20/03
4/1/03	William R. Emmett	473	10/10/04	10/7/04
1/18/05	B. S. Garrett	684		

FIG. 98.—SAFE REGISTER, IN CARD FORM.

Some companies prefer to have the department tickler in book form, as shown in Figure 96. This book is indexed by years and months.

It is desirable to have a record showing the history of each safe, and for this purpose the Safe Register, shown in Figure 97, is used. As will be seen, this record shows at any time what safes are unrented, and who are the present holders of rented safes, as well as who was the renter of any given safe at any given date.



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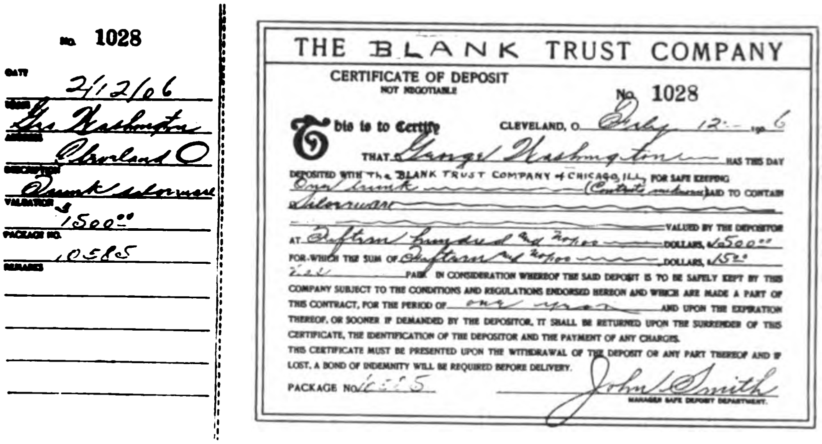
VISITORS' REGISTER—SAFE DEPOSIT DEPARTMENT.

DATE 1906		NAME	ARRIVAL	DEPARTURE	REMARKS	BOX	ROOM
Jan.	3	William Smith	9:03	9:05		213	7
		John Jones	9:04	9:16		49	6
		Patrick Henry	9:04	9:09		360	12
		William R. Carroll	10:21	10:25		202	2
		James Johnson	10:40	10:56		418	10

FIG. 99.—VISITORS' REGISTER.

Figure 98 shows a card form for this same record. These cards are filed in cases having index cards for every ten numbers. The tab at the top of the card shows the last figure of the number, so that the card may be easily picked out after the index card is located. Thus, the card shown in the figure would be the fourth card filed after the index card 970. In addition to the information called for in the form shown in Figure 97, it



No. 1028

DATE 2/12/06

NAME Geo Washington

ADDRESS Cleveland O

DESCRIPTION Trunk silverware

VALUATION $1500.00

PACKAGE NO. 10585

REMARKS

THE BLANK TRUST COMPANY

CERTIFICATE OF DEPOSIT
NOT NEGOTIABLE

No. 1028

This is to Certify CLEVELAND, O. July 12 1906

THAT George Washington HAS THIS DAY DEPOSITED WITH The BLANK TRUST COMPANY of CHICAGO, ILL. FOR SAFE KEEPING One trunk (Contents unknown) SAID TO CONTAIN Silverware VALUED BY THE DEPOSITOR AT Fifteen hundred and no/100 DOLLARS, $1500.00 FOR WHICH THE SUM OF Fifteen and no/100 DOLLARS, $15.00 has been PAID. IN CONSIDERATION WHEREOF THE SAID DEPOSIT IS TO BE SAFELY KEPT BY THIS COMPANY SUBJECT TO THE CONDITIONS AND REGULATIONS ENDORSED HEREON AND WHICH ARE MADE A PART OF THIS CONTRACT, FOR THE PERIOD OF one year AND UPON THE EXPIRATION THEREOF, OR SOONER IF DEMANDED BY THE DEPOSITOR, IT SHALL BE RETURNED UPON THE SURRENDER OF THIS CERTIFICATE, THE IDENTIFICATION OF THE DEPOSITOR AND THE PAYMENT OF ANY CHARGES.

THIS CERTIFICATE MUST BE PRESENTED UPON THE WITHDRAWAL OF THE DEPOSIT OR ANY PART THEREOF AND IF LOST, A BOND OF INDEMNITY WILL BE REQUIRED BEFORE DELIVERY.

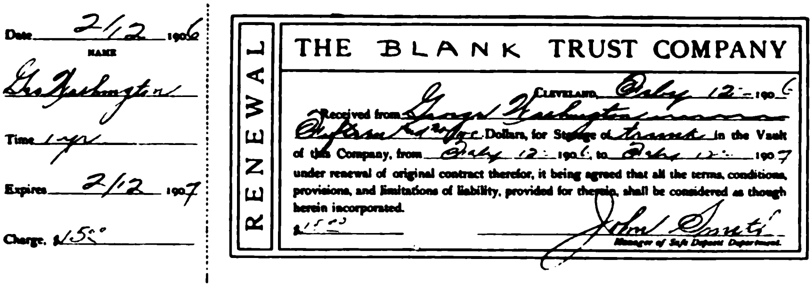
PACKAGE NO. 10585

John Smith
MANAGER SAFE DEPOSIT DEPARTMENT.

FIG. 100.—CERTIFICATE OF DEPOSIT, WITH STUB.

provides for the record of the number of the lock on the safe, and the date when the keys were changed. This last memorandum has reference to the practice of the most careful companies, of changing the keys to a safe every time the renter is changed, so that in case duplicates of the keys have been made, they will be useless as a means of gaining access to the safe. This is an example of the extreme care taken to provide against any possible contingency that might occasion loss to a customer through negligence on the part of the company.

Most companies keep a Visitors' Register, a form of which is shown in Figure 99. In this book the attendants make record of every visit that is made to the safe deposit vaults by customers or by employees or officers having safes. The word "Room" at the top of the last column refers to the coupon room to which the visitor retires with his box. The value of this memorandum lies in the fact that customers frequently are so careless as to leave articles of value in the coupon room when they replace their boxes in the vault. Before another person is admitted to the coupon room, the attendant examines it for any articles that may have been left; and if he finds any, the Visitors' Register shows to whom they belong. It



Date 2/12 1906

NAME Geo Washington

Time 1 yr

Expires 2/12 1907

Charge $15.00

RENEWAL

THE BLANK TRUST COMPANY

CLEVELAND July 12 1906

Received from George Washington Fifteen and no/100 Dollars, for Storage of trunk in the Vault of this Company, from July 12 1906 to July 12 1907 under renewal of original contract therefor, it being agreed that all the terms, conditions, provisions, and limitations of liability, provided for therein, shall be considered as though herein incorporated.

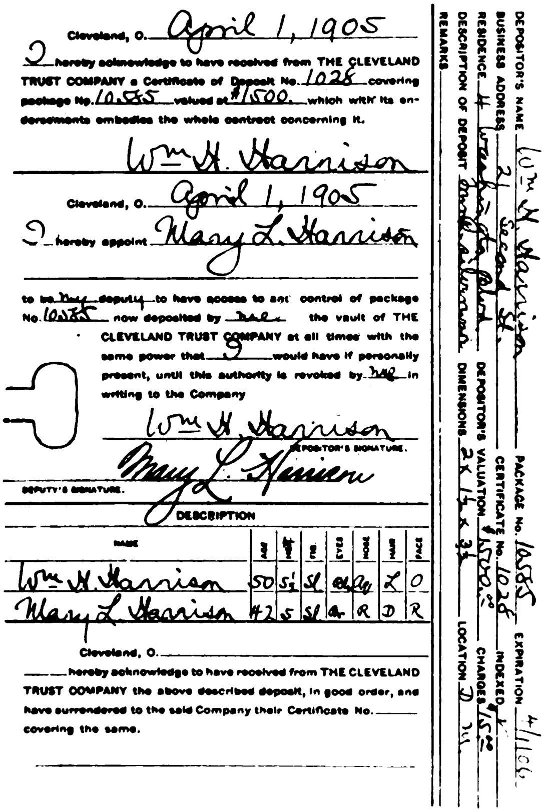
$15.00

John Smith
Manager of Safe Deposit Department.

FIG. 101.—RENEWAL RECEIPT.

will be seen that from this record the company can learn just what visits have been made to any given safe, by whom they were made, and the other particulars shown in the figure. This information is frequently of great value.

Some companies have the bookkeeping for this department done in the department, while others, especially the larger ones, have the records involving cash kept in another department. If the latter plan is followed, it is necessary to have a set of debit, credit and memorandum slips for bookkeeping information. These include rental tickets, giving full information when a safe is rented, surrender tickets, for use when a safe is surrendered, credit slips for payments, etc. The exact forms of these tickets will depend upon the particular system of the company using them. This department also needs other simple forms, such as bill-heads.



DEPOSITOR'S NAME Wm H. Harrison PACKAGE No. 10585 EXPIRATION 4/1/06
BUSINESS ADDRESS 21 Second St. CERTIFICATE No. 1028 INDEXED ✓
RESIDENCE 4 Washington Blvd. DEPOSITOR'S VALUATION $1500.00 CHARGES $15.00
DESCRIPTION OF DEPOSIT [illegible] DIMENSIONS 2 x 1½ x 3½ LOCATION D [illegible]
REMARKS

Cleveland, O. April 1, 1905

I hereby acknowledge to have received from THE CLEVELAND TRUST COMPANY a Certificate of Deposit No. 1028 covering package No. 10585 valued at $1500. which with its endorsements embodies the whole contract concerning it.

Wm H. Harrison

Cleveland, O. April 1, 1905

I hereby appoint Mary L. Harrison

to be my deputy to have access to and control of package No. 10585 now deposited by me the vault of THE CLEVELAND TRUST COMPANY at all times with the same power that I would have if personally present, until this authority is revoked by me in writing to the Company

Wm H. Harrison
DEPOSITOR'S SIGNATURE.

Mary L. Harrison
DEPUTY'S SIGNATURE.

DESCRIPTION

NAME	AGE	HEIGHT	FIG.	EYES	NOSE	HAIR	FACE
Wm H. Harrison	50	5½	Sl	[illegible]	[illegible]	L	O
Mary L. Harrison	42	5	Sl	G	R	D	R

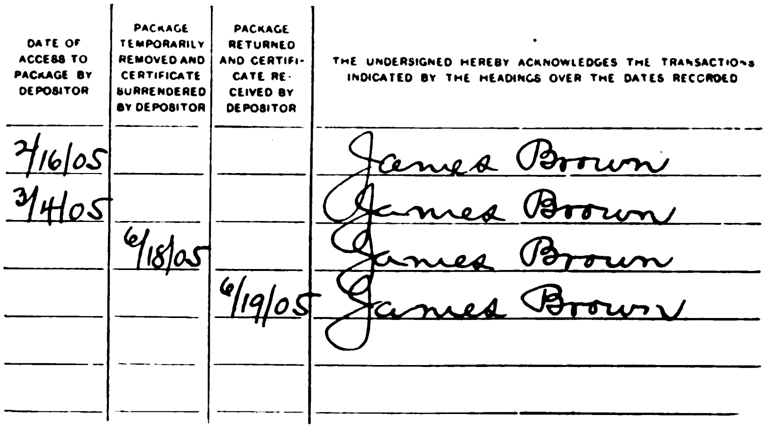
Cleveland, O.

——— hereby acknowledge to have received from THE CLEVELAND TRUST COMPANY the above described deposit, in good order, and have surrendered to the said Company their Certificate No. ——— covering the same.

FIG, 102.—RENTER'S RECEIPT FOR CERTIFICATE OF DEPOSIT, ETC.

THE STORAGE DEPARTMENT.

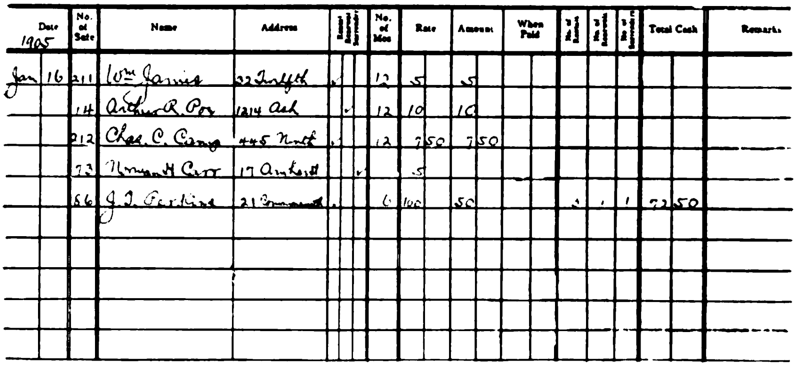
As already stated, in addition to the renting of safes, this department undertakes the storage of articles in separate packages, varying from envelopes containing an insurance policy to trunks or chests containing silverware, books or other bulky valuables. This business is simpler than that of renting safes, involves fewer forms, and necessitates fewer precautions, the responsibility of the company being well-defined. The customer is given a receipt, which is sometimes called a Certificate of Deposit, and sometimes a Storage Receipt, a form of which is shown in Figure 100. The back of this receipt contains the printed conditions and regulations of the company governing storage of valuables, and a receipt to be signed when the package is taken and the certificate of deposit surrendered. These Conditions and Regulations read as follows:



DATE OF ACCESS TO PACKAGE BY DEPOSITOR	PACKAGE TEMPORARILY REMOVED AND CERTIFICATE SURRENDERED BY DEPOSITOR	PACKAGE RETURNED AND CERTIFICATE RECEIVED BY DEPOSITOR	THE UNDERSIGNED HEREBY ACKNOWLEDGES THE TRANSACTIONS INDICATED BY THE HEADINGS OVER THE DATES RECORDED
2/16/05			James Brown
3/14/05			James Brown
	6/18/05		James Brown
		6/19/05	James Brown

FIG. 103.—PACKAGE RECORD.

RENTALS, RENEWALS AND SURRENDERS



Date 1905		No. of Safe	Name	Address	[illegible]	[illegible]	[illegible]	No. of Mos	Rate	Amount	When Paid	[illegible]	[illegible]	[illegible]	Total Cash	Remarks
Jan	16	211	Wm. James	32 Twelfth	✓			12	5	5						
		14	Arthur R. Pox	1214 Ash		✓		12	10	10						
		212	Chas. C. Carey	445 North	✓			12	7 50	7 50						
		73	Norman H. Carr	17 Amherst			✓		5							
		56	J. J. Perkins	21 Commonwealth	✓			6	100	50		3	1	1	72 50	

FIG. 104.—RENTAL, RENEWAL AND SURRENDER BOOK.

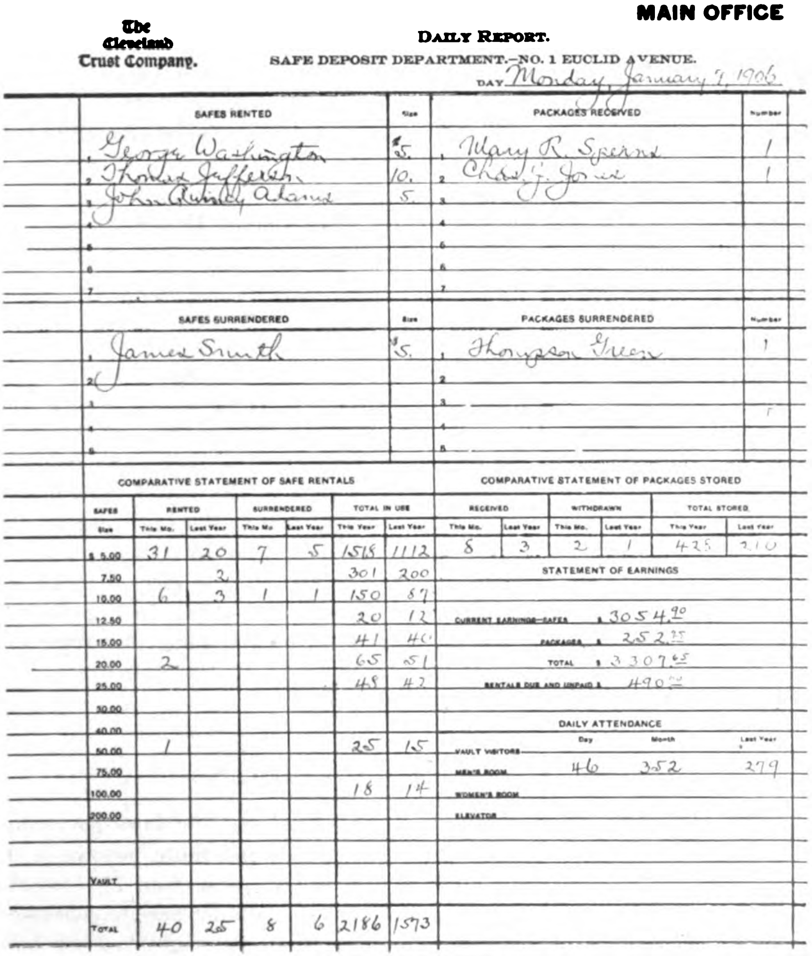
1. It is agreed by the depositor that no money, certificates of stock, registered or coupon bonds or other negotiable securities are contained in this deposit.

2. In case of loss of deposit through its fault or negligence, the option is reserved to the company of either paying for it, at the valuation specified by the depositor, or of replacing it in kind or amount.

3. This certificate is not transferable except by assignment endorsed hereon and approved by the company.

4. If the whole or any part of this deposit shall be withrawn before the expiration of the specified period, no portion of the charge shall be returned, and if continued longer, it shall be deemed a renewal of the deposit on the same terms, for which a like rate shall be chargeable.

5. This certificate must be presented upon the withdrawal of the deposit or any part thereof.



MAIN OFFICE

The Cleveland Trust Company.

DAILY REPORT.

SAFE DEPOSIT DEPARTMENT.—NO. 1 EUCLID AVENUE.

DAY Monday, January 7, 1906

	SAFES RENTED	Size		PACKAGES RECEIVED	Number
1	George Washington	5.	1	Mary R. Spearns	1
2	Thomas Jefferson	10.	2	Chas. J. Jones	1
3	John Quincy Adams	5.	3		
4			4		
5			5		
6			6		
7			7		

	SAFES SURRENDERED	Size		PACKAGES SURRENDERED	Number
1	James Smith	5.	1	Thompson Green	1
2			2		
3			3		
4			4		
5			5		

COMPARATIVE STATEMENT OF SAFE RENTALS

SAFES Size	RENTED This Mo.	RENTED Last Year	SURRENDERED This Mo.	SURRENDERED Last Year	TOTAL IN USE This Year	TOTAL IN USE Last Year
$ 5.00	31	20	7	5	1518	1112
7.50		2			301	200
10.00	6	3	1	1	150	87
12.50					20	12
15.00					41	40
20.00	2				65	51
25.00					48	42
30.00						
40.00						
50.00	1				25	15
75.00						
100.00					18	14
200.00						
VAULT						
TOTAL	40	25	8	6	2186	1573

COMPARATIVE STATEMENT OF PACKAGES STORED

RECEIVED This Mo.	RECEIVED Last Year	WITHDRAWN This Mo.	WITHDRAWN Last Year	TOTAL STORED This Year	TOTAL STORED Last Year
8	3	2	1	425	210

STATEMENT OF EARNINGS

CURRENT EARNINGS—SAFES $ 3054.90

PACKAGES $ 252.75

TOTAL $ 3307.65

RENTALS DUE AND UNPAID $ 490.00

DAILY ATTENDANCE

	Day	Month	Last Year
VAULT VISITORS			
MEN'S ROOM	46	352	279
WOMEN'S ROOM			
ELEVATOR			

FIG. 105.—DAILY REPORT.

These receipts are bound in book form, and are numbered consecutively.

The stub of this receipt should contain the same description of the package as that given in the body of the receipt. If the package is left for a longer period than that provided for in the certificate of deposit, upon payment of the rent for the longer storage, a renewal receipt is given in the form shown in Figure 101. At the time that the customer receives his certificate of deposit of the package, he signs a receipt for same, in the form shown at the top of Figure 102. This form, which is similar to that used for the receipt for keys to a safe, shown in Figure 89, also provides for the appointment of a deputy, and contains places for the description of the depositor and for that of his deputy, and other information as shown. On the back of the card—which is 6 by 4 inches in size—provision is made for the history of the package from the time it is received by the company until it is finally delivered. (See Figure 103.)

The ledger card for the record of cash transactions regarding packages left for storage is practically the same as that used in the renting of safes, shown in Figure 94; the only difference being that the words "Package No. ——" are substituted for the words "Safe No. ——." It is customary, however, to have the two sets of cards of different colors.

Some companies use what is called the "Rental, Renewal and Surrender Book," a form of which is shown in Figure 104. This is intended to give a running account of the business done by the department. It shows the business transacted during any given period, and provides a means of comparing the growth of the company from time to time.

This department sends to the general bookkeeper a daily report, which, together with the reports from all of the other departments, is placed each morning on the desk of the President or the executive head of the company. This report shows the number of safes rented during the day, the number surrendered, the number of packages received and the number surrendered, a statement of the number of visitors to the vault during the day, and a comparative statement of the number of safes rented, packages in storage and current earnings. A form of such a report, adapted, of course, to the needs of the company which uses it, is shown in Figure 105. Monthly, semi-annual and annual statements of the same character are also prepared.

(*To be continued.*)

TRUST COMPANIES IN WISCONSIN.

ACCORDING to the Commissioner of Banking, the laws governing trust companies in Wisconsin give rather indefinite powers to do business usually done by such companies, but section 1791 of the Statutes of 1898, as amended, provides that nothing herein contained shall be construed as giving it (such corporation) the right to issue bills to circulate as money, buy or sell bank exchange or do a banking business. One of the trust companies having in contemplation the establishment of a savings department submitted to the State Banking Department the question whether such would be within the powers granted to trust companies, and the question was referred to the Attorney-General of Wisconsin. In his opinion the Attorney-General held that, under the law, trust companies have no right to receive savings deposits, or deposits for which they issue certificates, and on which they promise to pay interest.

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DUMONT CLARKE.

CHARLES A. CONANT.

JOHN CLAFLIN.

ISIDOR STRAUS.

FRANK A. VANDERLIP.

CURRENCY COMMITTEE OF THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK.

THE NEW CURRENCY COMMITTEE OF THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK.

The importance of the work before the special currency committee of the Chamber of Commerce of the State of New York is indicated by the deliberation with which Mr. Jesup, President of the Chamber, proceeded in the appointment of the committee. To Mr. Jacob H. Schiff is due the credit of inaugurating the new movement to put the bank-note currency upon a sounder basis. The address of Mr. Schiff before the Chamber, which attracted so much attention throughout the world, was followed by a report by the regular committee of the Chamber of Commerce on Finance, which Mr. Schiff did not consider adequate to the subject. This report was accordingly placed on file at the February meeting of the Chamber and a resolution adopted, upon the motion of Mr. Schiff, that the President of the Chamber name five of its members to take up the subject of currency reform. This resolution was adopted with practical unanimity. Mr. Jesup consulted several leading members of the Chamber, like ex-Secretary Gage, President of the United States Trust Company, of New York, and ex-Comptroller Hepburn, President of the Chase National Bank, of New York, before making his selections. As a result he finally announced, on March 6, the appointment of the following gentlemen as members of the committee: John Claflin, Isidor Straus, Dumont Clarke, Frank A. Vanderlip, Charles A. Conant.

The three banking members—Messrs. Clarke, Vanderlip and Conant—are representative, in a sense, of the most important banking groups; while the large business interests of Messrs. Claflin and Straus are entirely apart from the financial projects of Wall Street, except as the two are linked in the general prosperity of the country.

Mr. John Claflin is head of the H. B. Claflin Company, and son of the founder of the house. He is a New York man by birth and education, but his extensive travels, keen observation, and wide acquaintance have given him a standing and reputation in New York similar in many respects to that attained in the West by Marshall Field.

Isidor Straus, of the house of R. H. Macy & Co., although of foreign birth, has been a New Yorker since boyhood and has attained a commanding position in the New York mercantile world. Like Mr. Claflin, he is qualified to speak of the currency needs of the country from his wide practical business experience. Mr. Straus has also given much study to economic subjects and had an opportunity to apply the results of this study in a practical way as the intimate friend of President Cleveland, and a member of Congress during the trying times of the panic of 1893. It was largely his influence which led President Cleveland to call Congress in extra session in August, 1893, for the repeal of the Sherman silver law. In Congress Mr. Straus was the intimate friend and associate of William L. Wilson, the author of the Wilson tariff bill. The practical business experience of Mr. Straus was often availed of by Mr. Wilson and his associates in the delicate situations which arose during the discussion of the tariff and financial bills in that stormy session of Congress.

It is almost enough to say of Mr. Dumont Clarke, that he is President of the American Exchange National Bank. It was over this bank that the late George F. Coe presided for so many years, with Mr. Clarke as his Vice-President, and by his training and public spirit directed in a large measure the thought of New York bankers on currency matters, their cordial support of the Federal Government in its hour of need, and the policy of the New York Clearing-House in great emergencies. Taught in such a school, Mr. Clarke will be a valuable member of the new committee.

Mr. Vanderlip and Mr. Conant are more recent comers in New York, but both have given special study to currency and economic questions, which is likely to make them useful members of the committee. Mr. Vanderlip was private secretary to Secretary Gage, and Assistant Secretary of the Treasury from 1897 to 1901. His remarkable capacity for organization attracted the attention of New York bankers and he resigned his Treasury position on February 26, 1901, to become Vice-President of the National City Bank.

Mr. Conant, Treasurer of the Morton Trust Company, needs little introduction to the readers of THE BANKERS' MAGAZINE, who have had many opportunities for perusing his carefully-reasoned articles on monetary subjects. After working in Washington with the Indianapolis Monetary Committee and contributing his share toward the enactment of the Gold Standard Law of 1900, he has become in recent years a sort of international authority on monetary matters. He was asked by Secretary Root to visit the Philippines in order to report on the coinage system there, and the law finally passed bore so distinctly the impress of his ideas that the people in the Islands have insisted on calling the coins "Conants." His reputation in organizing the currency system of the Philippines led to an invitation from the Government of Mexico to consult with their Monetary Commission in the spring of 1903, and this was followed by his appointment by President Roosevelt as a member of the Commission on International Exchange, which visited Europe in the summer of 1903 to seek harmony of action among the governments having dependencies in the Orient. Mr. Conant has recently published a book in two volumes, "The Principles of Money and Banking," which has been accepted by many critics as the standard work on this subject.

The new committee, therefore, is evidently well equipped for practical work, and important results may be expected from its deliberations.

Several of its members were active supporters of the Indianapolis movement of a few years ago which secured the gold standard law and did much to develop sound public opinion. The new committee is likely to consider the subject more directly than the Indianapolis committee from the practical side of what can be actually accomplished than from the theoretical side of what ought to be done; and for this reason practical results may be hoped from its work.

AS TO ECONOMIC TRUTH.

WILLIAM J. BRYAN, twice a candidate for the Presidency, has been journeying around the world lately. At Hong Kong he paused long enough to smite the trusts by writing a letter announcing his resignation as a trustee of Illinois College, his *alma mater.* He declared that he would not serve a school where the board of trustees favored accepting funds from "Carnegie or other trust owners who are attempting to subsidize the colleges of America to prevent the teaching of economic truth."

Mr. Bryan has just cause for indignation against those who would "prevent the teaching of economic truth;" that is, "economic truth" of the 16 to 1 kind. His real grievance, however, is against the multiplication table.

BRANCH BANKS IN NEW YORK CITY.

STATE banks in New York City enjoy a privilege that is denied similar institutions elsewhere in the State and that the National banks do not possess at all. The trust companies are also establishing branches. In his recent annual report, the Superintendent of the New York State Banking Department thus refers to branch banking:

"Branches of banks of deposit and discount and of trust companies are multiplying more rapidly than has seemed to me expedient. But as advised by the Attorney-General, I have nothing whatever to say with regard to the opening of a branch by a trust company, nor any power to refuse approval upon an application by a solvent bank in the city of New York to open a branch office. If the Superintendent of Banks should be clothed, as he is, with the discretion to deny authorization to a new trust company, he certainly ought to possess the right to regulate the opening of branches of trust companies.

"The privilege given by the Banking Law to banks in the City of New York to open branches ought, in my judgment, to be modified. Either the requirement for 'approval' by the Superintendent of Banks should be given unmistakably the significance which the word itself suggests, or, what would probably be better, it should be provided by law that no bank having a capital of less than half a million dollars shall be permitted to have any branch office at all, and that for every branch after the first a bank must have at least one hundred thousand dollars capital in excess of the original half million."

SAVINGS BANKS

NEW YORK SAVINGS BANKS.

SOME interesting facts relating to the Savings banks of New York State are given in the annual report of the Superintendent of the State Banking Department, dealing with those institutions. It is shown that the Savings banks, which in 1905 first yielded primacy to the trust companies in the aggregate of resources, have now regained their former ascendency. On January 1, 1905, the total resources of the trust companies were $1,364,016,015, and of the Savings banks $1,311,993,505—an advantage of over $52,000,000 on the part of the trust companies. On January 1, 1906, the aggregate resources of the trust companies were $1,312,799,130, and of the Savings banks $1,405,800,904.84, or more than $93,000,000 in excess of the trust company totals.

Deposits increased $93,775,724.70 in the last year—the largest gain by more than $22,000,000 ever reported in a single year. The addition to the number of open accounts is also unprecedented. In the opinion of Superintendent Kilburn the great showing made by the Savings banks' reports means, not an increasing use of these institutions by those whom they are not intended to serve, but rather a marked betterment in the condition of the masses of the people.

These items from the summary of the reports of the Savings banks for the past two years are of interest:

	1905.	1906.
Gain in open accounts	77,972.00	126,244.00
Gain in resources	$73,193,036.56	$93,807,399.67
Gain in amount due depositors	67,301,198.80	93,775,724.70
Gain in market value surplus	5,804,690.22	980,658.37
Gain in par value surplus	3,482,870.12	4,224,109.70
Gain in interest credited	3,087,585.94	3,238,014.99
Gain in amount deposited during year	24,699,413.82	51,116,525.95
Increase in amount withdrawn during year	13,981,278.53	28,415,477.84
Gain in number of deposits received during the year	19,622	414,056
Increase in number of payments to depositors during the year	221,721	*37,909

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* Decrease.

CONDITION OF THE SAVINGS BANKS.

The condition of the Savings banks in the aggregate, on the morning of the first day of January, 1906, as shown by their reports, is thus summarized:

Resources.

Bonds and mortgages		$639,742,227.66
STOCK AND BOND INVESTMENTS.		
United States	$10,440,180.00	
District of Columbia	2,694,800.00	
New York State	713,000.00	
Bonds of other States	54,633,758.93	
Bonds of cities in other States	118,766,699.15	
Bonds of cities in this State	175,966,315.54	
Bonds of counties in this State	18,791,683.07	
Bonds of towns in this State	7,249,308,69	
Bonds of villages in this State	14,700,922.52	
Bonds of school districts in this State	4,117,982.80	
Railroad mortgage bonds	216,166,798.00	
Total par value of stocks and bonds	$624,241,448.70	
Amount of stocks and bonds at cost	$671,333,446.29	
Estimated market value of stocks and bonds		651,722,290.81
Loans on pledge of securities		4,059,385.00
Banking houses and lots at estimated market value		11,941,672.25
Other real estate at estimated market value		3,473,736.33
Cash on deposit in banks and trust companies		69,547,895.11
Cash on hand		9,393,609.79
Total of collectible interest		15,434,669.87
Other assets		485,418.02
Total resources		$1,405,800,904.84

Liabilities.

Amount due depositors	$1,292,358,866.96
Other liabilities	607,612.96
Surplus on market value of stocks and bonds	112,834,424.92
Total liabilities	$1,405,800,904.84
Surplus on par value of stocks and bonds	$85,282,733.61

Statistical.

Number of open accounts	2,569,779
Number of accounts opened or reopened during year	521,081
Number of accounts closed during year	394,834
Total number of deposits received during the year	4,095,706
Total number of payments to depositors during year	2,829,492
Amount deposited during the year, not including interest credited	$381,750,658.45
Amount withdrawn during the year	331,261,461.99
Amount of interest credited and paid during the year	43,167,631.68
Salaries paid for the year	2,231,658,87
Expenses other than salaries for the year	2,324,915.53

The amount realized by the State in 1905 from the tax on the surplus of Savings banks was $719,535.37, which is $51,939.57 under the amount received in 1903. The decrease is due to refunds by the State under the decision of the Court of Appeals, construing the franchise tax law more favorably to the banks than the Comptroller had done.

The total expenses of the Savings banks for the year 1905, including salaries, taxes, insurance, rents and every item of administration, were $4,556,574.40, or $116,548.59 more than for the year preceding. The percentage of expenses for the year to total resources was under one-third of one per cent., or $3.24 to each $1,000 of assets, a reduction of fifteen cents from 1904.

The number of Savings banks reporting on January 1, 1906, was 130, an increase of one from 1904.

BENEFICENT WORK OF THE SAVINGS BANKS.

WHAT a valuable work is being performed by the Savings banks is well illustrated by the following quotation from the last annual report of the Bank Examiner of the State of Maine:

"Savings banks are designed to serve as depositories for the savings of the people until the individual accumulations reach such proportions that they can be independently invested, or until needed for the purposes for which accumulated. For example, during the present year the deposits, including dividends credited, have been $17,213,402.82, and the withdrawals $14,784,761.03. Unfortunately, in the earlier years of these institutions the statistical figures are so incomplete that it is impossible to ascertain the exact amount of business done. During the past ten years, however, there has been deposited, including dividends paid, $148,436,652.92, while $125,697,608.16 has been withdrawn and used by the persons to whom it belonged. These figures assume still more astonishing proportions as this period of investigation is extended. A conservative estimate would place the amount of funds thus handled by the

Savings banks since first placed under charge of this department, fifty years ago, at more than four hundred million dollars. Again, the increase in deposits during the past ten years has been $22,739,044.76,—over two and one-quarter millions of dollars annually added to the wealth of the State by the accumulation remaining in these institutions. While the prime object of Savings banks is safely to keep the principal, subject to the needs of depositors, yet they have also earned and distributed, during that time, net profits far in excess of those in almost any other business or industry within our State. The dividends paid during the past twenty-five years, beginning with 1881, amount to $46,133,549.54. While the exact figures cannot be obtained for the full period of fifty years, it is safe to estimate that the total dividends paid during that time will exceed sixty million dollars. Further, in 1872 a State tax was first levied upon these institutions. Since that time they have paid into the State treasury $10,438,520.00,—a considerable portion of the revenues of the State. All this has been done, and during the same time the direct loss to depositors has been only $783,091.75,—an amount less than three months' present earnings."

CHANGE IN THE CHARACTER OF INVESTMENTS.

AN interesting comparison of the various classes of investments of the Maine Savings banks is presented in the last annual report of Fremont E. Timberlake, Bank Examiner for that State. This comparison is presented in tabulated form below:

Classes of Investments.	*1865.*	*1875.*	*1885.*	*1895.*	*1905.*
United States and municipal bonds	52.62	32.85	44.11	34.87	29.29
Railroad bonds and stocks	4.99	13.15	14.26	27.83	43.54
Corporation bonds and stocks	.....	.....	3.54	7.15	5.34
Bank stocks	7.83	2.79	4.57	4.57	2.86
Loans	30.92	45.21	26.40	21.78	15.86
Real estate	.63	1.13	3.04	1.65	1.52
Cash	2.37	2.77	2.72	1.70	1.55
Other resources	.64	2.60	1.36	.95	.54

Commenting on the changes in the character of investments that have taken place, the Bank Examiner says:

"In the above table, the corporation bonds and stocks for 1865 are included with other resources; the corporation bonds and stocks, and loans to municipalities and corporations for 1875 with other resources; and the railroad stocks for 1885 with corporation stocks.

An examination of the above table discloses the trend of investments during the fifty years covered by this investigation. In the earlier years, investments were confined almost wholly to municipal bonds and loans,—the latter being largely loans upon mortgages of real estate. This will explain why the investments in mortgages of real estate were at one time limited by law to seventy-five per cent., and afterwards to fifty per cent. of the amount of deposits. There has been no radical variation during any one period covered by the investigation. The proportions have gradually changed until now the greater holdings are in railroad and corporation securities. Attention is also called to the fact that nearly all of these classes have increased in amount, notwithstanding the proportion of that holding is in some instances much less than formerly—the only exceptions being in United States bonds and loans on mortgages of real estate.

In the reports of this department it has frequently been urged that a due proportion should be maintained between these various classes of investments in the several banks, as in a diversity of investments appears to lie their safety and success in the future. It cannot be urged too strongly that the quality of these investments should be maintained at the highest possible standard. At the same time, it is necessary to realize sufficient income therefrom to pay dividends that will continue to attract depositors. It is a matter of regret that the percentage of the public funds held is so much less than formerly. This is largely due to the fact that they cannot be obtained upon any reasonable interest basis, in sufficient quantities to meet the increasing demands of our banks. The market for such securities has been widely extended during the past twenty-five years. In all other States having mutual Savings banks there has been the same increasing demand as in this State. The enormous accumulations in the life insurance companies are also absorbing large amounts of these securities. The central West formerly looked to the East for a market for its municipal bonds, a large portion of which are now carried locally. For such reasons, the gradual change in the classes of investments held by our banks has to some extent been forced by conditions that have arisen, and does not come from any change in the views of the trustees who have their affairs in charge. While the opportunities for good investments have thus diminished and the amount of accumulations to be invested have largely increased, the restrictions and limitations upon investments have remained the same.

It seems desirable that all interested in these institutions should carefully consider the advisability of extending the limitations of the present law regulating investments in municipal funds, both by adding thereto new States and by reducing the present limits of population. The present law cannot be changed until the legislature again meets, and another report of this department will be presented before that time. It is thought advisable, however, to call attention to this matter now, so that all interests involved may have an opportunity to give it careful consideration. Other changes in this law have frequently been suggested, making certain classes of corporation bonds legal investments, but they have never met with the approval of this department. It would be unwise in any way to extend the present limitations by permitting investments in a lower grade of securities, on account of their promising a larger income. The income basis upon which a bond can be purchased is the most accurate test of its safety. The first and essential consideration should be the safety of the principal and not the amount of income."

EXPENSE OF HANDLING DEPOSITS.

LUTHER A. COBB, Inspector of Finance for the State of Vermont, in his last annual report states that the average expense of caring for each $1,000 of deposits in the Savings banks for the past year was $4.02, and the average expense for each $1,000 deposits of trust companies was $8.03.

The Savings banks paid the following rates of interest on deposits: Two paid four per cent.; one paid three and three-fourths per cent.; seventeen paid three and one-half per cent.; one paid three and one-fourth per cent.; one paid three per cent.

Of the trust companies six paid three and one-half per cent., and fifteen paid three per cent. to depositors. The trust companies also paid dividends to stockholders ranging from three to twenty per cent., and amounting in all to $76,625.

BELOIT (WIS.) SAVINGS BANK.

TWENTY-five years ago Hon. S. T. Merrill established the Beloit Savings Bank at Beloit, Wisconsin. Its deposits have grown steadily until they now amount to a million dollars, belonging to 5,283 depositors.

Mr. Merrill is known as the Father of Mutual Savings Institutions in Wisconsin. While a member of the Legislature of that State, in 1876, he secured the passage of an act providing for the organization of such institutions.

AUDITING FOR SAVINGS BANKS.

AUDITING is necessary to the prudent management of a Savings bank as well as to a commercial bank. This is recognized by the Metropolitan Savings Bank, of Baltimore, whose statement of December 1 last contains a letter from Messrs. Loomis, Conant & Co., certified public accountants, of New York, giving the results of a careful examination of the bank. The aggregate market value of stocks and bonds held as investments was found to be largely in excess of the amount carried on the books, the total amount of the resources greatly in excess of liabilities, and the books of the bank are systematically kept.

The Metropolitan Savings Bank had, at the date of the report mentioned, deposits of $4,336,147.

In having its accounts audited and securities examined by certified public accountants the bank shows a careful regard for the interests of depositors.

BANKING PUBLICITY

ADVERTISING FOR TRUST BUSINESS.

Every trust company is interested in the methods adopted by other companies in educating the public in the various ways in which they may avail themselves of the functions placed at their disposal, especially when these methods have proved successful. The success of the Lincoln Trust Co. of New York gives added interest to the views of Secretary Frederick Phillips of that company, who is in charge of its publicity department, as outlined in Printers' Ink.

"The subject," says Mr. Phillips, "is one that is most interesting, when considered from a theoretical standpoint. For what has actually been done is not so instructive as a consideration of what might be done. We should like to see more attention given to advertising the trust company idea, for no matter what company exploits it for securing fiduciary business, there will be a general benefit to all trust institutions.

"Practically, the Lincoln Trust Company has employed newspaper advertising to spread the trust company idea, as well as cards in trolley cars. These give general publicity and bring some inquiries that aid in the distribution of booklets treating various phases of our fiduciary department. Booklets have also been distributed by mail to lists of persons whose business standing and property interests indicate them as prospective clients for our fiduciary department, and in connection with this advertising we carry on active solicitation. The latter, after all, is the most effective method of getting fiduciary business. Newspapers and literature may discover prospective clients, but the best business is secured by solicitation.

"One of our booklets is a summary of the laws of inheritance of New York State, dealing with wills, descent of property, etc., and showing how the trust company can render services in connection with estates. Another summarizes the New York State laws safeguarding trust companies. In speaking of these institutions, it must be remembered that New York and Massachusetts have probably the most conservative laws for their control of any State in the Union. New York trust companies are forbidden to conduct savings departments, for example, and are restricted in their investments of trust funds as closely as the New York savings banks. They must make a quarterly report to the superintendent of banks, submit to an annual examination without notice, and furnish two semi-annual directors' reports to the banking department—altogether they furnish eight separate reports every year. In no instance has there been a loss of a single dollar of deposits to any fiduciary client of a New York trust company, and in nearly one hundred years there have been only three failures of such institutions in New York State. No class of corporations chartered by the State is so carefully watched, and the safety of these institutions is due to the supervision of the State even more than to conservative management. Educational literature, dealing with these safeguards, written in a dignified tone, has an unmistakable influence in bringing fiduciary business, and in leading people to think of trust companies in connection with their affairs. It backs up personal representation and also prepares the way for it.

"One form of advertising we have scrupulously avoided—the sort that is probably familiar to all financial men in advertisements headed, 'Your Will!' or 'If You Should Die To-night?' There has been a good deal of bad taste exhibited along this line. Advertising that impresses upon readers the notion that they have to die in order to benefit by a trust company's services lacks, furthermore, the ring of conviction. The Lincoln Trust Company has sought to develop and advertise forms of fiduciary service that appeal to the living. Several of these are treated in booklets by themselves, and have advantages in attracting clients who might not be won over by the more familiar forms of service.

"One of these is the Cumulative Trust Estate, offering a form of protection for the dependents of men who are not eligible for life insurance. A man may create one of these cumulative trust estates by depositing with us an amount as small as $100. They can be created by men or women, and persons of all ages. The money is invested at interest and held for the beneficiaries designed by the creator, and the latter deposits from time to time any convenient sum exceeding $25. When payments are made regularly as life insurance premiums would be, these estates compare favorably with insurance, and in cases where the creator is over fifty a cumulative trust estate will be found to yield more than life insurance. Where insurance premiums are not paid, the policy lapses, but an estate of this character goes on if payments stop. Policies are often reduced through loans, but a cumulative trust estate must be kept intact—it cannot be assigned nor attached by creditors. Such an estate may be created for the benefit of a child, to be paid over when it comes of age, whether the creator is living or not. Or the income may be paid through the child's life, or an estate may be made for the benefit of a wife or an incompetent adult. As a feature of service for advertising, the cumulative trust estate offers many convincing arguments, and has genuine advantages over life insurance and savings banks.

"Another feature of trust service that figures in our advertising are the Insurance Trust Estates. These are for men who hold life insurance policies, and are designed to safeguard the estate created by life insurance after the death of the insured. A deed of trust is made, appointing the company trustee for the proceeds of policies, which, on death of the insured, are paid over to the company to be invested. An insurance estate can be apportioned according to the wishes of the policy-holder, its income being paid to his wife during her life and to his children thereafter. It safeguards the proceeds of insurance and makes protection doubly sure. Instead of the perplexities of control of money, often left with insurance to a woman or children of no business experience, the insured leaves an income, supervised by a corporation that is perpetual.

"Another form of fiduciary service that lends itself to advertising is the care of funds of churches, benevolent societies, etc. Every day, almost, the newspapers contain notices that trustees have absconded, or that some upright man of business, acting as co-trustee, has been involved by dishonesty of his partner in a trust. With such newspaper items, reproduced in folders, it is possible to make advertising literature of a most direct and convincing sort. We have used some of them in that way, but feel hesitation in going far with a form of publicity that is too often in bad taste. Scare arguments are not in keeping with the dignity of a fiduciary company.

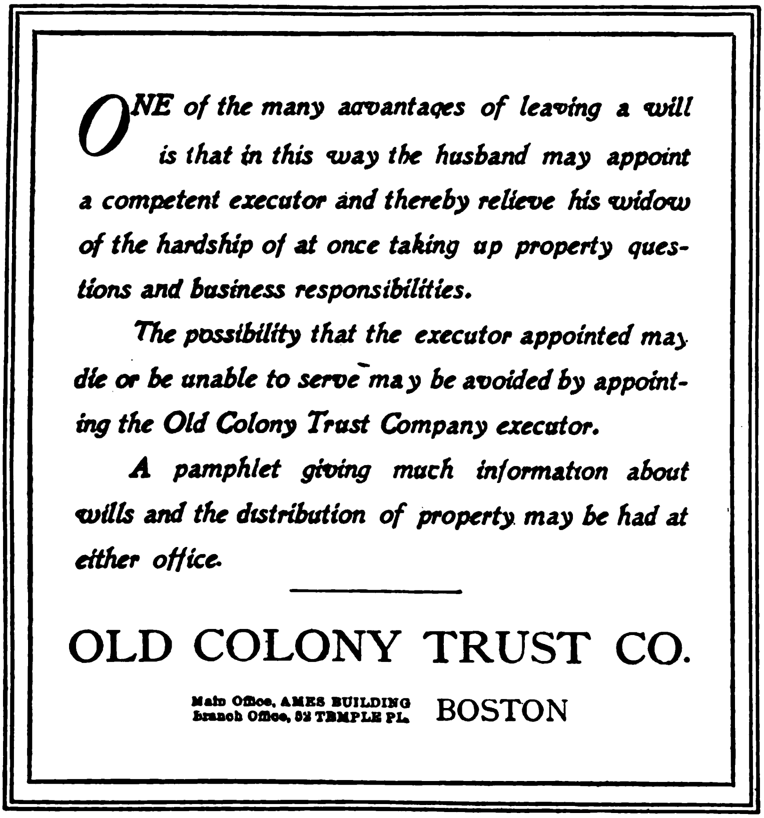
"The best advertising for fiduciary business is that which comes from what we might call the 'pleased purchaser'—that is, the profitable administration of an estate by a trust company. Only a very small proportion of the estates probated in New York City pass into the hands of trust companies, because the trust company idea is not as yet generally understood. But each estate successfully administered creates comment and brings others. By good management it is possible for a trust company to make small estates produce a very satisfactory rate of interest—an income unquestionably beyond what would be produced by private administration. When we can do this, the advantages of the trust company, purely from a business standpoint, quite apart from considerations of security, are manifest to everyone who hears about such estates. This is a factor in advertising that cannot be duplicated in any way through the use of newspapers or literature.

"In speaking of fiduciary advertising, apart from telling what we have done ourselves, I rather hesitate to lay down rules, because the matter is still so new and untried. Trust companies have to-day a number of definite forms of service to advertise, but in ten or twenty years, if they follow their own precedent, they will undoubtedly originate many new forms according to the needs of the public, and these will simplify their advertising problem. The latter really hinges on such kinds of service as each company can develop for its own community. The trust company has almost unlimited powers for good. It is the protector of the public, safeguarding the weak, feeble and ignorant. Not even life insurance has a higher or wider philanthropy or character. Their fundamental services will be eventually expanded and worked out in a wide variety of forms, I think, to suit various classes of business, and, like the many varieties of life insurance policies, some of these forms of trust service yet to be developed will carry large advertising possibilities.

"One rule can safely be followed in all advertising for fiduciary business—that of confining every newspaper advertisement, every booklet, every folder to some distinct form of service. It is a rule we follow here. Many trust companies, I observe, seem to think it good advertising to mass all the functions of a trust company, from safe deposit vaults to administration of estates, in one grand omnibus announcement and then print that announcement without change year after year. This is clearly wrong. All the information is there, but undigested. Each feature of service should be taken up by itself, and not only advertised and explained alone, so that it stands out, but stated in fresh ways and from different view-points. In that way only may the public be interested and truly informed."

A NEW ENGLAND TRUST COMPANY ADVERTISEMENT.

One of the most persistent advertisers for trust business in New England is the Old Colony Trust Co. of Boston, one of whose advertisements we reproduce herewith:



ONE of the many advantages of leaving a will is that in this way the husband may appoint a competent executor and thereby relieve his widow of the hardship of at once taking up property questions and business responsibilities.

The possibility that the executor appointed may die or be unable to serve may be avoided by appointing the Old Colony Trust Company executor.

A pamphlet giving much information about wills and the distribution of property may be had at either office.

OLD COLONY TRUST CO.

Main Office, AMES BUILDING
Branch Office, 52 TEMPLE PL.
BOSTON

FOOLISH TIMIDITY.

Under the above head the Cleveland Trust Co. issues a folder, the wording of which may prove interesting to our readers:

"For years a certain individual in Cleveland has had the bulk of his fortune, about $50,000.00, invested in government bonds which were bought at a high premium and net him about two per cent., or a thousand dollars a year. This man is an invalid and is obliged to look after his health very carefully, often finding it necessary to seek a change of climate during the rough winter months of this locality. Practically his entire income comes from his government bond investment mentioned above. Naturally this man finds hard work to eke out much comfort from a thousand a year, after paying traveling expenses and doctors' bills. His friends have been trying to get him to sell his bonds, which, of course, become less valuable each year as they near maturity, and put the proceeds in bonds of no less intrinsic value but which will net him a third more than he is now receiving. This extra amount would more than take care of his traveling expenses and hotel bills every year. He is deaf to all entreaties, however, and says it may be a little harder to live, but he is dead sure his money is safe.

"Now we believe you will agree with us that this man is timid to the point of foolishness. If he were well informed, he would know that there are other bonds besides those issued by the United States Government in which he could invest with perfect assurance of safety for his principal, and receive a much larger income.

"There is a close analogy between this man and those who are content with three per cent. on their savings deposits.

"There are banks in Cleveland which have paid four per cent. interest for fifty years. In financial strength and conservative management The Cleveland Trust Company compares favorably with any bank in the United States. In the ten years since it commenced business, this Company has demonstrated its ability to pay four per cent. on savings, and at the same time build up by conservative methods a phenomenal business. During the past year it has added 13,000 new depositors and $5,597,000.00 deposits. Its resources now exceed twenty-eight million dollars. In view of this record of conservatism and successful management, there can be no reasonable excuse for timidity on the part of anyone who contemplates depositing money here at four per cent. interest.

"Banking by mail is not only safe and practical, but it is often more convenient than banking at home—it is certainly more confidential.

"Do not be like the man in the story above. Send in your savings today. We'll pay you four per cent., guarantee their safety first, last and all the time, and allow you to withdraw them whenever you desire. Remittances may be made by New York draft, postal or express money orders, or currency in registered letters."

NEW ENGLAND TRUST COMPANY LITERATURE.

The New England Trust Companies are many of them conducting a campaign of education on the advantages of the corporation over the individual in the capacity of executor, administrator, trustee, etc. The State Street Trust Co. of Boston has recently issued a folder from which we extract the following:

NEW ENGLAND'S AWAKENING.

The people of Pennsylvania and New York have for many years realized the advantages to be gained by appointing a Trust Company Executor, Administrator, Trustee or Guardian, and already Philadelphia Trust Companies hold 505 million dollars, and New York Trust Companies 276 million dollars of Trust funds. The people of New England are now beginning to understand the benefits to be derived from leaving their property in care of a Trust Company.

INDEPENDENCE OF THE CORPORATION.

The State Street Trust Company is an independent corporation, has no outside interests, and is not controlled by any other Trust Company, Bank or Corporation, and persons entrusting any business to its care may be sure that their interests will receive the best of attention.

The officers at either office will be glad to talk with, or write to, any one interested in executing a will or trust of any kind. The Main Office is at 38 State Street—the Back Bay Branch is on the corner of Massachusetts Avenue and Boylston Street, Boston.

STATE STREET TRUST CO. ADVANTAGES.

The following are some of the advantages to be gained by appointing the State Street Trust Company Executor or Trustee:

First—A perpetual corporate succession.

Second—The protection of a Capital and Surplus against possible dishonesty.

Third—The services of a special committee of four Directors, closely identified with the financial interests of New England.

Fourth—A thorough examination at least once a year by the Massachusetts Savings Bank Commissioners.

Fifth—Wills and Deeds of Trust will be drawn free of charge and stored in our Vaults when the Company is named as Executor or Trustee.

PHILOSOPHY OF A PLUTOCRAT.

DOLLARS and sense should always go together. Never sign a promissory note or gushing love-letter. When a millionaire's son turns out a useful citizen the world gasps in amazement. Workmen are the busy bees, and Wall street is the farmer who calmly harvests the honey What will we do with our millionaires? Auto accidents and trust investigations will soon solve that problem.—Judge.

PUBLISHERS ANNOUNCEMENTS

APPRECIATION OF THE BANKERS' MAGAZINE.

FROM all parts of the country come expressions of appreciation of the improvements which have been noted in recent issues of THE BANKERS' MAGAZINE. While some of the most encouraging of these come to us "not for publication," we venture to print one or two here as representative of them all.

A Pennsylvania bank Cashier writes:

"I want to extend our congratulations on this your sixtieth milestone. I congratulate you on your success and especially on the increase of the quality, which is so often the opposite in the history of a magazine."

Mr. Cliff W. Gress, President of the Minnesota Bankers' Association, writes:

"Your magazine is the best bankers' publication that I know of. We find it exceedingly interesting on bank matters."

A prominent New York banker writes:

"I want to congratulate THE BANKERS' MAGAZINE on its fine appearance on its sixtieth birthday. The new type, etc., are excellent and I trust from year to year THE MAGAZINE will become more and more popular."

PRACTICAL BANKING SUGGESTIONS WANTED.

METHODS of banking are constantly improving, but many banks are still using systems that are in some respects cumbersome, expensive and unsafe, for the sole reason that they have not been shown anything better.

THE BANKERS' MAGAZINE believes that a real service may be rendered to sound and efficient banking by bringing to the knowledge of all bankers the latest ideas in regard to the safe and economical conduct of the operations of a bank, including the actual work of every department.

We therefore invite contributions from officers and clerks on topics concerning practical banking, to be accompanied, where the nature of the article permits, with forms filled out, in black ink and of a size suitable to photographic reproduction. All manuscripts submitted will be read without delay, and will be promptly paid for on publication. Articles not accepted will be returned if stamps are enclosed for that purpose.

The perfection of banking machinery will tend to lighten labor, to economize time, to make banking safer, and as a consequence to increase the dividends paid to shareholders and the salaries and wages paid officers and employees—ends that ought to enlist the co-operation of every progressive banker in the country.

Communications relating to these articles should be addressed Editor Bankers' Magazine, 87 Maiden Lane, New York.

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THE BANKERS' MAGAZINE IN FOREIGN COUNTRIES.

It is especially gratifying to find The Bankers' Magazine appreciated in foreign countries as well as at home. The Japanese are close students of American finance and in that country The Magazine has a large and constantly growing circulation. An order has just been received from Tokio to send the magazine regularly to "His Imperial Japanese Majesty's residency at Seoul, Korea."

GREAT AGRICULTURAL CROPS.

SECRETARY WILSON, in the report of the Department of Agriculture, grows eloquent over the values of the country's farm crops. He would be something less than a good American if he did not grow eloquent. The figures are prodigious, and the addition the farmers have made to the national wealth in the year 1905 breaks all records for all countries—"the highest amount ever attained in this or any other country, six billions, four hundred and fifteen millions."

It is of interest to note the share of each farm product in making up this great total. These are the figures of Secretary Wilson's report:

Corn	$1,216,000.000
Milk and butter	665,000,000
Hay	605,000,000
Cotton	575,000,000
Wheat	525,000,000
Eggs	520,000,000
Oats	282,000,000
Potatoes	138,000,000
Barley	58,000,000
Tobacco	52,000,000
Sugar cane and sugar beets	50,000,000
Rice	13,892,000

We exported farm products last year to the value of $827,000,000. Our agricultural exports for the last sixteen years, representing only our surplus products, amount to twelve billions, or more than enough to pay for all the railroad systems of the country. Mr. Wilson estimates that the farms of the country have increased in value during the past five years by the enormous sum of $6,133,000,000. "Every sunset during the past five years has registered an increase of $3,400,000 in the value of the farms of this country."—*New York Times.*

MODERN FINANCIAL INSTITUTIONS AND THEIR EQUIPMENT

A. B. LEACH & CO.

ON February 15, 1906, A. B. Leach purchased the interest of John Farson in the firm of Farson, Leach & Co., well and widely known dealers in municipal and corporation bonds, taking over at that time all the offices of the firm, and the new firm of A. B. Leach & Co. is carrying on the business formerly conducted by Messrs. Farson, Leach & Co.

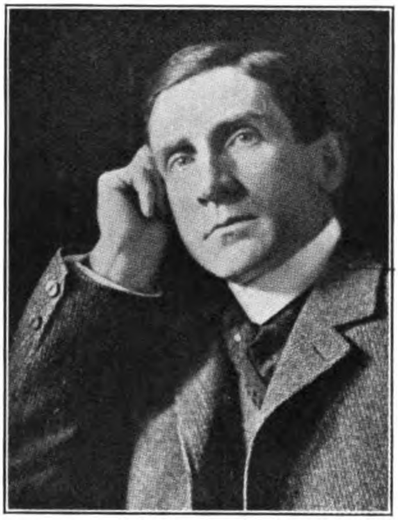
A. B. Leach,
(Head of the Banking Firm of A. B. Leach & Co.)

A. B. Leach has been in charge of the eastern portion of the Farson, Leach & Co. business since the organization of that firm, which has been one of the largest dealers in investment bonds in this country.

F. W. Leach has been a member of the firm of Farson, Leach & Co. for a number of years and has been associated with Mr. Farson in managing the Chicago office.

James G. Campbell has also been a member of the firm of Farson, Leach & Co. for a number of years, and has been associated with Mr. Leach in managing the New York office. Mr. Campbell is widely known through the West as a buyer of municipal and corporation bonds.

F. W. LEACH,
(Of A. B. Leach & Co.)



JAMES GORDON CAMPBELL,
(Of A. B. Leach & Co.)

Geo. G. Olmsted, now a member of the firm of A. B. Leach & Co., has been associated with the Chicago house of Farson, Leach & Co. for some time as manager of the buying and corporation departments.

The Boston office of A. B. Leach & Co., 28 State street, is in charge of H. W. Forbes, who has long been manager of the Boston office of Farson, Leach & Co.

The Philadelphia office, 421 Chestnut street, will be in charge of Walter R. Pretty, who has been the Philadelphia manager for Farson, Leach & Co.

SECURITY TRUST CO., ROCHESTER, N. Y.

AN excellent statement is published by this institution. At the end of last year it had $200,000 capital, $200,000 surplus, $185,092 profits, and $10,207,681 deposits; and held in trust, under wills and other trust agreements, $959,038. The total book value of bonds and stocks held is $4,330,600, and these securities are all given in the statement by name. The date, rate of interest and book value of each security are also shown.

MONEY, TRADE AND INVESTMENTS

New York, March 3, 1906.

THE STOCK MARKET took its tone from a number of unfavorable happenings last month, and prices generally suffered a decline exceeding the advance made in January. While the general conditions of prosperity continue—and there is no present sign of an unfavorable change—the fact that market values are on a high level must make them sensitive to monetary influences.

Railroad legislation in Congress has moved onward, the Hepburn Rate Bill passing the House on February 8 by the overwhelming vote of 346 to 7. On the 23d the Senate Committee on Inter-State Commerce re-reported the bill to the Senate without amendment, and Senator Tillman was placed in charge of it. This new phase has added to the complexity of the situation, as an alliance between a Republican President and Democratic Senator to pass a measure is apt to develop complications.

During most of the month the probability of another coal strike has had some unfavorable influence. The situation in this particular has improved, however, and the strike may be averted. This time both President Roosevelt and prominent heads of industrial and railroad enterprises have intervened to advise a peaceful settlement of all differences.

Rates for money again advanced, but did not go above eight per cent. Bank reserves have fallen until they are only about $5,000,000 above the twenty-five per cent. limit. It was reported that the Secretary of the Treasury would deposit $10,000,000 of public funds temporarily in banks in the leading money centers. The Government reports a surplus of about $4,500,000 for February, and has an available cash balance over and above the $150,000,000 gold reserve of $152,000,000. Of the latter, $65,000,000 is now in National bank depositories, leaving $57,000,000 available in part to relieve the money market should the Secretary feel called upon to do it.

The City of New York tried the experiment of marketing a four per cent. bond, finding that it could not sell 3½ per cent. bonds at par. It offered $20,000,000 bonds to run fifty years and bear four per cent. interest. The bids exceeded $66,000,000, but the average price realized on the amount sold was only 108.052. This is the first time in twenty-five years that the city has sold its bonds on a four per cent. basis, and the price obtained is considerably below what similar bonds would have commanded a year or two ago.

The month of February, however, witnessed an extraordinary flotation of new securities. The issues of bonds and stocks aggregated $277,000,000, making about $400,000,000 since January 1. Of these $221,000,000 were railroad securities. In the entire year 1903, when there was a surfeit of new securities, the total railroad issues were less than $372,000,000.

Of the principal issues of bonds in February, American Telephone and Telegraph leads the list with $100,000,000; Delaware and Hudson issued $14,000,000; Lake Shore, $35,000,000 out of a total of $50,000,000 authorized, and Michigan Central $33,000,000 (notes); Atchison issued $17,296,000 bonds previously authorized; Louisville and Nashville, $10,000,000 bonds, and Chicago and Northwestern $16,276,000 stock. These and various other issues provide an outlet for considerable capital in the hands of investors.

An interesting event of the month was the announcement of the banking firm of Kuhn, Loeb & Co., that the members of the firm would retire from all the railroads of which they were directors. This action recalls the testimony of Mr. Jacob H. Schiff, of that firm, before the insurance investigating committee, when he expressed his views regarding dummy directors. The action of the firm is a recognition of the fact that bankers having large interests of their own to care for can not possibly give adequate attention to the affairs of outside concerns.

The first month of the new calendar year has made a new record for both exports and imports of merchandise. The former exceeded $170,000,000, and the latter $106,000,000. The movement of corn has become an important feature again, more than 27,000,000 bushels being shipped in January. The total shipments in seven months from July, 1904, to January, 1905, were only 36,000,000 bushels.

The large imports of merchandise are having a palpable effect upon the Government revenues. The receipts from customs in February, were $23,832,000, as compared with $21,582,000 in 1905, while for the eight months since July 1, 1905, they were $200,591,000, as compared with $175,792,000 in the previous year. This gain of nearly $25,000,000 has saved the Government Treasury from a big deficit this year.

The life insurance situation has developed a number of disturbing features. It has become evident that there are vast conflicting interests which have very much at stake in the settlement of the troubles in which the great insurance corporations are involved. The resignation, as a member of the investigating committee and as a director of the Mutual Life Insurance Company, of Mr. Stuyvesant Fish has emphasized the surface indications of serious differences among men prominent in financial affairs. Mr. Fish is president of the Illinois Cestral Railroad Company and there are rumors that reprisals will be attempted upon him in that quarter. The past year's developments in life insurance have brought into unpleasant relations many eminent men whose financial influence is very extensive, and if they are to draw the knife upon each other, it is not possible to measure the disaster that will surely follow. Nor are the disturbing antagonisms confined to that one company; the other two companies which have gone through the fire have not yet been emancipated from the danger of internal dissension, if the various rumors afloat have any foundation whatever. And then there is the impending legislation on insurance, the outcome of which it is beyond the ken of man to foresee. The Armstrong Committee has made its report, comprising several hundred printed pages. It is generally conceded to be an intelligent and conscientious presentation of facts as disclosed in the investigation. The evils which the committee have reported are acknowledged to exist, but great difficulty may be experienced in providing the right remedy. The ablest life insurance managers have long known that many of the evils of which the public has just taken cognizance, were menacing the business, and they have sought anxiously for a means of removing them. A task which has defied their intelligence will not prove an easy one for legislative statesmen.

The investment world is bound to have a vital interest in any plan which is to concern the life insurance companies. So extensive have become their relations to the commercial and financial interests of the world that the possibility of disturbing them must excite apprehension.

There are fourteen regular life companies in operation under the laws of New York State, and twice as many companies of other States doing business in this State. The fourteen companies alone have an annual income of about $350,000,000, and their net income over all disbursements will average $10,000,000 a month. This is a vast sum for which to provide investment, taking no account of the additional sums arising from the annual maturity of securities. Any legislation intended to regulate the investments of life insurance companies needs to be wisely conceived.

In the following table are shown the gross assets of the life insurance companies of New York, and the amount of stock and bond investments yearly since 1894 down to December 31, 1904, the figures for all the companies for December 31, 1905, not yet being available:

ASSETS OF NEW YORK LIFE INSURANCE COMPANIES.

YEARS.	*Gross Assets, Dec. 31.*	*Increase in year.*	*Stock and bond investments, Dec. 31st.*	*Increase in year.*
1895..............	$689,420,488	$58,068,835	$346,967,221	$42,054,581
1896..............	739,614.213	50,193,725	362,495,815	15,528,594
1897	801,879,708	62,265,495	401,294.594	38,798,799
1898.......	873,738.515	71,858,807	466,940,044	65,645,450
1899..............	952,367,090	78,628,575	523,127,738	56,187,694
1900......	1,042,317,832	89,950,742	561,578,105	38,450,367
1901..............	1,139,511,409	97,193,577	618,057,963	56,479,858
1902..............	1,254,440,930	114,929,521	697,852,478	79,794,510
1903..............	1,347,102,262	92,661,332	731,140,442	33,287,969
1904..............	1,486,485,106	139,382,844	848,433,221	117,292,779

The fourteen New York companies now have assets approximating $1,500,000,000. In 1904 they increased $139,000,000. There was $848,000,000 invested in stocks and bonds (market values) on December 31, 1904, an increase in 1904 of $117,000,000. The table shows how rapidly the assets of these companies have been increasing and their wise investment must have been a serious problem.

The report of the New York State Bank Superintendent for 1905 was issued last month, and some of its features deserve serious consideration. The growth of the trust companies continued until September 5, 1905, when their aggregate resources reached the unprecedented total of $1,500,147,309; but on January 1, 1906, they had fallen to $1,312,799,130, or $51,000,000 less than they were a year ago.

It being well known that the trust companies have very generally entered into the banking business in competition with the regular banks of deposit and discount, and that a very large amount of their deposits is of the class drawn upon daily, some of the facts presented by the Superintendent regarding the interest paid by the trust companies are of especial significance. The report shows that interest is being paid on more than ninety-four per cent. of the total deposits of these companies. The interest paid on deposits reached nearly 47½ per cent. of the total gross earnings, and made up 71½ per cent. of the whole expenses of those institutions.

It may very well be asked if deposits are not being purchased at too high a price. It is evident, from the statements of some of the individual companies, that an increase in deposits has resulted in an actual loss, the interest paid on the deposits not being compensated by an increase in earnings.

The Superintendent's report on the Savings banks of the State is a revelation of probably unparalleled prosperity among the industrial classes. Various causes have tended to restrict the use of these institutions to the people for whom they were designed, to those mainly whose income is not large and is dependent upon their own labor. The growth in the resources of the Savings banks has been remarkable, and it would have been possible only during a period of industrial activity and prosperity. This growth since 1894 is shown as follows:

RESOURCES OF SAVINGS BANKS IN NEW YORK.

YEARS.	*Resources on Jan. 1.*	INCREASE IN YEAR.	
		Amount.	*Per cent.*
1894	$704,535,118	....	....
1895	735,863,598	$31,328,480	4.44
1896	783,078,580	47,214,982	6.41
1897	812,173,632	29,095,052	3.72
1898	869,751,244	57,577,612	7.09
1899	923,420,861	53,669,617	6.17
1900	1,000,209,099	76,788,238	8.31
1901	1,066,019,216	65,810,117	6.58
1902	1,131,564,624	65,545,408	6.15
1903	1,191,327,573	59,762,949	5.28
1904	1,238,800,468	47,472,895	3.98
1905	1,311,993,505	73,193,037	5.91
1906	1,405,800,904	93,807,399	7.15
Total	....	$701,265,786	99.53

The increase in Savings bank resources last year amounted to nearly $94,000,000, or more than seven per cent. Each year since 1894 there has been an increase—the smallest, $29,000,000 in 1897, and the largest last year. The ratio of annual increase has ranged from 3.72 per cent. in 1897 to 8.31 per cent. in 1900. In the last twelve years the increase has exceeded $701,000,000, or more than 99½ per cent.

THE MONEY MARKET.—The local money market in February unexpectedly became firm, and call money at one time touched eight per cent. At the close of the month call money ruled at 4¾ to six per cent. with the majority of loans at six per cent. Banks and trust companies loaned at 3¾ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 5½ per cent. for sixty days, 5½@5¾ per cent. for ninety days and 5¼@5½ per cent. for four to six months, on good mixed collateral. For commercial paper the rates are 5 @ 5½ per cent. for sixty to ninety days' endorsed bills receivable, 5¼@5¾ per cent. for first-class four to six months' single names, and six per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Oct. 1.	Nov. 1.	Dec. 1.	Jan. 1.	Feb. 1.	Mar. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances........	5 –7	4 –5½	4½–9	25 –75	3¾–4	4¾–6¾
Call loans, banks and trust companies....................................	4½–	4 –	5 –	25 –75	3¾–	3 –
Brokers' loans on collateral, 30 to 60 days....................................	4¼– ½	4¾-5	5½– ¾	6 – ½	4½–	5½–6
Brokers' loans on collateral, 90 days to 4 months.........................	4½–	4½– ¾	5¼– ½	6 –	4½– ¾	5½– ¾
Brokers' loans on collateral, 5 to 7 months..........	4½–	4½– ¾	5 –	5½–	4½– ¾	5¼– ½
Commercial paper, endorsed bills receivable, 60 to 90 days............	4½–5	4¾–5¼	5½– ¾	6 –	4½–5	5 – ½
Commercial paper prime single names, 4 to 6 months..............	4½–5	4¾–5¼	5½– ¾	6 –	4¾–5¼	5¼– ¾
Commercial paper, good single names, 4 to 6 months..............	5½–6	5½–6	6 –	6½– 7	5½–6	6 --

NEW YORK BANKS.—In the four weeks following the close of January the New York Clearing-House banks lost nearly $10,000,000 specie and $4,000,000 legal tenders, making the decrease in the total reserve $14,000,000. The surplus reserve, which on January 6 was less than $600-000, but had increased to nearly $17,000,000 two weeks later, is now down to $5,000,000—a loss for the month of February of $6,000,000. A year ago the surplus reserve was about $15,000,000. The course of deposits in February was just the reverse of the movement in January. In the first month of the year they increased $84,000,000, while in the record month they fell off $32,000,000. The deposits now are about the same as they were on January 20 last, and they are $150,000,000 less than they were on March 1 last year. Loans, after increasing about $5,000,000 in the first week of the month, were reduced $21,000,000 in the last three weeks. Again the loans exceed the deposits, the excess being $11,000,000.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Feb. 3...	$1,057,365,100	$192,492,100	$83,986,300	$1,061,403,100	$11,127,625	$51,978,900	$2,613,601,200
" 10...	1,061,997,200	190,894,500	80,286,800	1,060,950,900	5,943,575	51,449,800	2,084,910,500
" 17...	1,052,380,600	188,509,900	79,488,300	1,048,633,100	5,789,925	50,976,200	1,930,836,200
" 24...	1,049,301,800	185,637,200	80,063,200	1,042,298,700	5,125,725	50,787,200	1,898,357,700
Mar. 3...	1,040,838,700	182,672,800	79,722,200	1,029,545,000	5,008,750	50,907,000	2,206,686,200

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	Loans and Investments.	Deposits.	Specie.	Legal tender and bank notes.	Deposit with Clearing-House agents.	Deposit in other N. Y. banks.	Surplus Reserve.
Jan. 27.....	$136,731,500	$146,579,900	$6,016,900	$7,071,800	$12,163,600	$6,781,600	*$4,611,075
Feb. 3.....	137,254,700	147,016,300	5,978,300	6,782,900	12,185,900	6,919,600	*4,887,375
" 10.....	138,944,300	149,114,600	6,267,300	7,183,500	12,814,900	6,320,500	*4,692,450
" 17.....	138,631,100	150,410,800	6,408,100	7,448,300	13,940,800	6,064,700	*3,690,800
" 24.....	138,265,300	148,719,000	6,232,500	7,325,100	13,053,800	5,753,900	*4,814,450

* Deficit.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1904.		1905.		1906.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$18,683,425	$977,651,300	$4,292,575
February......	1,023,943,800	25,129,050	1,189,828,600	26,979,550	1,061,408,100	11,127,625
March.........	1,027,920,400	32,150,200	1,179,824,900	14,646,075	1,029,545,000	5,008,750
April..........	1,069,369,400	27,755,050	1,188,661,300	8,664,575	....	....
May...........	1,114,367,800	33,144,250	1,146,528,600	16,665,250	....	....
June...........	1,098,953,500	29,692,325	1,136,477,700	6,050,275	....	....
July...........	1,152,988,800	36,105,300	1,166,068,900	11,658,875	....	....
August	1,204,965,600	55,989,600	1,190,744,900	15,305,975	....	....
September....	1,207,302,800	57,375,400	1,166,587,200	5,498,785	....	....
October.......	1,212,977,100	19,913 425	1,080,465,100	7,440,025	....	....
November....	1,204,434,200	16,798,650	1,042,092,300	12,430,925	....	....
December ...	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146-168,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 3, 1894.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Jan. 27........	$186,915,000	$216,921,000	$18,192,000	$6,235,000	$7,178,000	$177,873,300
Feb. 3........	184,771,000	212,663,000	16,538,000	5,923,000	7,195,000	169,333,000
" 10........	184,570,000	212,273,000	15,587,000	5,786,000	7,216,000	168,061,400
" 17........	185,369,000	215,958,000	15,826,000	5,859,000	7,225,000	180,649,800
" 24........	182,238,000	208,148,000	15,286,000	5,328,000	7,268,000	139,537,700

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Jan. 27..................	$213,102,000	$247,272,000	$61,671,000	$14,291,000	$161,101,800
Feb. 3..................	215,348,000	247,118,000	60,432,000	14,257,000	160,103,200
" 10..................	217,356,000	247,570,000	58,590,000	14,272,000	138,187,600
" 17.	218,062,000	250,453,000	58,569,000	14,272,000	134,722,800
" 24..................	219,217,000	250,600,000	56,679.000	14,306,000	117,484,900

FOREIGN BANKS.—The Bank of England gained $22,000,000 gold in the past month, the Bank of France $5,000,000, and the Bank of Germany $3,000,000. Russia lost $45,000,000, and has $35,000,000 less than it held a year ago. The Bank of France alone of the leading banks has more gold than on March 1, 1905, it having gained $14,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	Jan. 1, 1906.		*Feb. 1, 1906.*		*Mar. 1, 1906.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England............	£28,530,251	....	£32,761,730	....	£37,263,884	....
France.............	115,138,302	£42,996,964	113,930,824	£42,187,650	115,002,957	£42,148,531
Germany...........	32,260,000	11,086,000	35,784,000	11,928,000	36,362,000	12,120,000
Russia..............	115,243,000	3,641,000	103,610.000	3,629,000	94,605,000	3,890,000
Austria-Hungary..	44,865,000	12,087,000	45,466,000	12,434,000	45,858,000	12,685,000
Spain..............	15,023,000	22,852,000	15,046,000	23,218,000	15,067,000	23,448,000
Italy.	26,869,000	3,174,500	28,259,000	3,671,800	28,260,000	3,756,800
Netherlands.......	6,603,000	6,130,000	6,606,500	6,121,100	6,388,300	6,100,200
Nat. Belgium......	3,246,667	1,623,333	3,405,333	1,702,667	3,540,000	1,770,000
Totals..........	£388,774,120	£103,590,797	£384,869,387	£104,892,217	£382,342,141	£105,918,531

FOREIGN EXCHANGE.—There was almost a continuous decline in sterling exchange rates during the month, and the market was weak to the close. There was a good supply of commercial bills and of bills against American securities abroad, while the higher rates for money in New York also affected foreign exchange.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Feb. 3	4.8390 @ 4.8400	4.8725 @ 4.8730	4.8785 @ 4.8795	4.83⅝ @ 4.83⅞	4.83 @ 4.84⅛
" 10	4.8380 @ 4.8400	4.8720 @ 4.8725	4.8780 @ 4.8785	4.83⅛ @ 4.83⅝	4.82⅞ @ 4.84⅛
" 17	4.8275 @ 4.8300	4.8625 @ 4.8630	4.8680 @ 4.8685	4.82½ @ 4.82⅝	4.81¾ @ 4.83⅛
" 24	4.8275 @ 4.8285	4.8625 @ 4.8635	4.8685 @ 4.8700	4.82⅛ @ 4.82⅝	4.81¾ @ 4.83¼
Mar. 3	4.8260 @ 4.8270	4.8570 @ 4.8575	4.8635 @ 4.8645	4.82⅛ @ 4.82¼	4.81⅝ @ 4.82⅝

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Nov. 1.	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*
Sterling Bankers—60 days	4.83⅛— ¼	4.82½— ¾	4.81¾— 2	4.84 —	4.82⅝— ¾
" " Sight	4.86⅝— ⅞	4.85⅞— 6	4.85⅛— ¼	4.87¼— ⅜	4.86 — ⅛
" " Cables	4.87¼— ⅜	4.86⅜— ½	4.86½— ¾	4.87⅞—88	4.86⅝— ¾
" Commercial long	4.82½— 3	4.82¼— ⅜	4.81⅜— ½	4.83⅝— ¾	4.82⅜— ½
" Docu'tary for paym't.	4.82¼— 3⅝	4.81¾— 3¾	4.80¾— 1⅞	4.83¼— 4⅛	4.82 — ⅞
Paris—Cable transfers	5.15⅝—	5.16¼—	5.15 —14⅜	5.15 —14⅜	5.16¼—
" Bankers' 60 days	5.19⅜—18¾	5.20 —19⅜	5.19⅜—18¾	5.17½—	5.18¾—
" Bankers' sight	5.16¼--	5.16⅞—	5.17½—16⅞	5.15⅝—	5.16⅞—
Swiss—Bankers' sight	5.16⅞—	5.17½— ¼	5.18⅛—17½	5.16⅞—	5.18⅛—
Berlin—Bankers' 60 days	94½— 9/16	94 7/16— ½	94⅜— 7/16	94⅝— 11/16	94⅜—
" Bankers' sight	95⅛— 3/16	95⅛— 3/16	95 — 1/16	95⅛—	94 13/16— ⅞
Belgium—Bankers' sight	5.18⅛—17½	5.18¾—	5.18⅜— ½	5.16¼—	5.18⅛—
Amsterdam—Bankers' sight	40⅛— 3/16	40 1/16—	40⅛—	40 3/16— ¼	40 — 1/16
Kronors—Bankers' sight	26.80—82	26.77—.79	26¾— ⅞	26 11/16— 13/16	26 11/16— 13/16
Italian lire—sight	5.15⅝—	5.16¼— 5⅝	5.16¼—	5.16¼—15⅝	5.16⅞— ¼

MONEY RATES ABROAD.—The Bank of England still maintains its four per cent. rate, but money has become easier in London. On the continent rates are generally firm, and slightly higher than they were a month ago. Discounts of sixty to ninety-day bills in London at the close of the month were 3⅝ per cent., against 3¾@3⅞ per cent. a month ago. The open market rate at Paris was 2¾ per cent., against 2⅜ per cent. a month ago, and at Berlin and Frankfort 3⅝@3¾ per cent., against 3¼@3⅜ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Nov. 30, 1905.	*Dec. 30, 1905.*	*Jan. 31, 1906.*	*Feb. 28, 1906.*
Circulation (exc. b'k post bills)	£28,718,000	£29,351,000	£28,473,000	£28,266,000
Public deposits	12,668,000	7,816,000	8,019,500	18,097,000
Other deposits	43,034,000	44,221,000	45,341,500	45,449,000
Government securities	17,039,000	12,799,000	13,940,000	16,389,000
Other securities	33,203,000	39,536,000	34,876,500	38,032,000
Reserve of notes and coin	23,292,000	17,632,000	22,738,000	27,477,000
Coin and bullion	33,559,580	28,530,251	32,761,730	37,263,884
Reserve to liabilities	41.75%	33.81%	42.52%	43.13%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2½ per cents.)	90	89⅝	90¼	90⅝
Price of silver per ounce	30 5/16d.	30d.	30⅛d.	30⅝d.

SILVER.—The market for silver in London was stronger, and the price advanced to 30 13-16d., closing at 30⅝d., a net gain for the month of 7-16d.

MONTHLY RANGE OF SILVER IN LONDON—1904, 1905, 1906.

MONTH.	*1904.*		*1905.*		*1906.*		MONTH.	*1904.*		*1905.*		*1906.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 3/16	25⅛	28⅝	27 9/16	30¼	29 11/16	July......	27	26⅜	27 5/16	26⅞	30¼	29 11/16
February	27⅛	25⅝	28 3/16	27⅝	30 7/16	30⅛	August ..	27	26 3/16	28¼	27⅛	....	....
March....	26 11/16	25⅛	27 11/16	25 11/16	....	....	Septemb'r	26⅞	26	28¾	28	....	....
April.....	25½	24 7/16	26⅝	25 7/16	....	....	October..	26 11/16	26⅛	28 11/16	28⅜	....	....
May......	25 11/16	25⅛	27 1/16	26⅛	....	....	Novemb'r	27 5/16	26¾	30 3/16	28 11/16	....	....
June.....	26⅛	25 5/16	27⅛	26¾	....	....	Decemb'r	28 9/16	27 3/16	30 5/16	29⅜	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.86	$4.89	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.87	4.90	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.73	4.75	Mexican dollars	.51⅝	.52⅝
Twenty-five pesetas	4.78	4.82	Peruvian soles	.47⅜	.48⅝
Spanish doubloons	15.55	15.65	Chilian pesos	.47⅝	.48⅝

Bar silver in London on the first of this month was quoted at 30⅝d. per ounce. New York market for large commercial silver bars, 66⅛ @ 68c. Fine silver (Government assay), 66⅝ @ 68⅛c. The official price was 66⅝c.

NATIONAL BANK CIRCULATION.—The volume of bank notes outstanding was increased $7,573,815 during February, but the increase in bonds on deposit to secure circulation was less than $2,000,000. The lawful money deposited to retire circulation was increased $4,700,000, and now amounts to nearly $42,000,000, a larger sum than has been recorded in a long time. There has been little change in the holdings of two per cent. bonds, either for purposes of circulation or public deposits. For the former they amount to $499,104,000, and for the latter to $42,744,600. These comprise all but about $53,000,000 of the entire issue of two per cent. bonds.

NATIONAL BANK CIRCULATION.

	Nov. 30, 1905.	*Dec. 31, 1905.*	*Jan. 31, 1906.*	*Feb. 28, 1906.*
Total amount outstanding	$533,829,258	$540,914,347	$543,230,080	$550.803,895
Circulation based on U. S. bonds	497,616.304	504,842,313	506.365,749	507,173,566
Circulation secured by lawful money	35,712,954	36,072,034	36,864,331	41,630,329
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	3,025,500	3,868.000	5.699.600	6,725.700
Four per cents. of 1895	3,871,000	3,731,000	3,743.500	4,058.500
Three per cents. of 1898	1,760,240	1,803,840	1,878.140	1,958,240
Two per cents. of 1900	491,612,700	497,292.150	498,580,450	499,104,000
Total	$500,269,440	$506.689,990	$509,901,690	$511,846,440

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $3,489,500; 4 per cents. of 1895, $5,865,300; 3 per cents. of 1898, $3,025,500; 2 per cents. of 1930, $42,744,600; District of Columbia 3.65's, 1924, $1,078,000; Hawaiian Islands bonds, $1,249,000; Philippine loan, $6,689,000; railroad and other bonds, $664,000; a total of $64,804,900.

GOVERNMENT REVENUES AND DISBURSEMENTS.—For the first time during the present fiscal year the Government revenues for the year are in excess of the disbursements. There was a surplus in February of $4,474,029, which extinguished the deficit of $3,372,725 of the previous seven months, and leaves a surplus of $1,101,304 to March 1. In the corresponding eight months of the previous year there was a deficit exceeding $25,000,000. A gain of nearly $25,000,000 in customs receipts would account for the wiping out of that deficit, but the total receipts increased

$30,000,000, while expenditures increased nearly $4,000,000. In most of the items of expenditure there has been a reduction, the exception being "Public Works," where there is an increase of nearly $12,000,000.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*February, 1906.*	*Since July 1, 1905.*
Customs	$23,832,524	$200,591,117
Internal revenue	18,229,031	166,571,796
Miscellaneous	6,133,172	28,680,659
Total	$48,194,727	$395,843,572
Excess receipts	4,474,029	1,101,304

EXPENDITURES.

Source.	*February, 1906.*	*Since July 1, 1905.*
Civil and mis	$8,240,456	$84,989,811
War	7,450,562	66,119,489
Navy	8,285,991	77,041,678
Indians	1,072,681	8,814,607
Pensions	12,437,904	95,767,028
Public works	5,067,899	43,735,878
Interest	1,165,705	18,274,832
Total	$43,720,698	$394,742,268

UNITED STATES PUBLIC DEBT.—The only changes of importance in the public debt statement for February were an increase of about $5,000,000 in the national bank note redemption account and of $3,000,000 in gold certificates outstanding. The cash balance in the Treasury increased nearly $9,000,000 and now exceeds $302,000,000. The net debt, less cash in the Treasury was reduced $4,000,000 and is $987,521,555.

UNITED STATES PUBLIC DEBT.

	Dec. 1, 1905.	*Jan. 1, 1906.*	*Feb. 1, 1906.*	*Mar. 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$594,588,500	$595,942,350	$595,942,350	$595,942,350
Funded loan of 1907, 4 "	117,708,550	116,754,900	116,755,050	116,755,050
Refunding certificates, 4 per cent	26,610	26,530	26,420	26,410
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	64,345,560	63,945,460	63,945,460	63,945,460
Total interest-bearing debt	$895,159,120	$895,159,140	$895,159,180	$895,159,170
Debt on which interest has ceased	1,208,095	1,199,685	1,170,825	1,156,705
Debt bearing no interest:				
Legal tender and old demand notes	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct	35,095,449	34,690,309	35,478,666	40,322,758
Fractional currency	6,866,709	6,866,709	6,866,709	6,866,709
Total non-interest bearing debt	$388,696,456	$388,291,316	$389,079,673	$393,923,766
Total interest and non-interest debt	1,285,063,671	1,284,650,091	1,285,409,678	1,290,239,641
Certificates and notes offset by cash in the Treasury:				
Gold certificates	526,020,869	527,493,869	539,252,869	542,360,869
Silver "	475,735,000	475,574,000	467,926,000	467,164,000
Treasury notes of 1890	8,478,000	8,330,000	8,086,000	7,969,000
Total certificates and notes	$1,010,233,869	$1,011,397,869	$1,015,264,869	$1,017,493,869
Aggregate debt	2,295,297,540	2,296,047,960	2,300,674,547	2,307,733,510
Cash in the Treasury:				
Total cash assets	1,397,152,286	1,404,444,236	1,404,710,877	1,418,958,612
Demand liabilities	1,111,841,445	1,114,663,863	1,110,825,795	1,116,240,526
Balance	$285,310,840	$289,780,373	$293,885,082	$302,718,086
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	135,310,840	139,780,373	143,885,082	152,718,086
Total	$285,310,840	$289,780,373	$293,885,082	$302,718,086
Total debt, less cash in the Treasury	999,752,831	994,869,718	991,524,569	987,521,555

FOREIGN TRADE OF THE UNITED STATES.—Both in imports and exports the foreign trade of the country is making new records. In January the exports were $170,634,162, the largest ever reported for that month in any year. The imports were $106,561,450, also the largest for that month. Compared with a year ago exports increased $47,000,000 and imports $8,000,000. The excess of exports was $64,072,712, the largest reported in January in any year since 1901. The increase over 1905 is nearly $39,000,000. We exported net $3,140,694 gold and $2,824,572 silver, making the net exports of specie and merchandise over $70,000,000. At the present rate of increase the exports during the fiscal year will be greater than those of any previous year. They now exceed $1,056,000,000 for seven months and are $127,000,000 more than in 1904. The imports for the seven months ended January 31 were nearly $696,000,000, or $70,000,000 more than the high record made in 1905.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF JANUARY.	MERCHANDISE.			*Gold Balance.*	*Silver Balance.*
	Exports.	*Imports.*	*Balance.*		
1901	$186,825,601	$69,307,080	Exp., $67,018,521	Exp., $3,955,588	Exp., $1,600.921
1902	129,145.180	79,188,192	" 50,006,986	" 567,888	" 2,416,829
1903	183,992,269	85,174,786	" 48,817,483	Imp., 1,924,900	" 2,083,825
1904	142,045,170	82,589,866	" 59,455,304	" 7,633,941	" 2,377,522
1905	123,597,383	98,342,876	" 25,254,507	Exp., 14,982,477	" 2,442,548
1906	170,634,162	106,561,450	" 64,072,712	" 3,140,694	" 2,824,572
SEVEN MONTHS.					
1901	902,237,970	459,038,141	Exp., 443,199,289	Imp., 22,478,733	Exp., 16,200.844
1902	872,668.418	526,116,998	" 346,551.420	" 9,973,809	" 13,609,169
1903	856,482.039	598,149,514	" 258,332,525	" 17,176,519	" 14,646,048
1904	929,146,344	565,339,684	" 363,807,660	" 45,914,990	" 11,489,311
1905	901,190,026	625,914,513	" 275,275,513	Exp., 30,655,403	" 18,898,647
1906	1,056,656,764	695,764,566	" 360,892,198	Imp., 23,580,381	" 14,490,696

MONEY IN CIRCULATION IN THE UNITED STATES.—There was a decrease in the amount of money in circulation in the past month of $9,000,000, reducing the amount per capita from $31.88 to $31.73. There was a reduction of nearly $17,000,000 in gold certificates and of $6,000,000 in gold coin, partly offset by an increase of nearly $13,000,000 in National bank notes.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Dec. 1, 1905.	*Jan. 1, 1906.*	*Feb. 1, 1906.*	*Mar. 1, 1906.*
Gold coin	$649,040,390	$654,168,025	$654,793,697	$648,856,052
Silver dollars	83,826,228	83,786,227	80,417,545	79,363,766
Subsidiary silver	108,776,379	110,029,365	107,589,534	107,381,458
Gold certificates	477,154,249	480,939.019	508,569.639	491,738,319
Silver certificates	470,964.248	463,960,485	459,019,134	462,752,963
Treasury notes, Act July 14, 1890	8,435,722	8,274,884	8,057,279	7,912,475
United States notes	348,196,550	343,262,091	337,693,281	336,086,877
National bank notes	521,240,778	527,173,475	524,489.823	537,215,618
Total	$2,662,184,589	$2,671,543,571	$2,680,629.932	$2,671,302,503
Population of United States	83,843,000	83,960,000	84,077,000	84,194,000
Circulation per capita	$31.75	$31.82	$31.88	$31.73

MONEY IN THE UNITED STATES TREASURY.—The total money in the United States Treasury was reduced $2,500,000, but a decrease of $13,000,000 in certificates and Treasury notes outstanding made an increase in the net amount of $10,600,000. The Treasury gained in net gold $16,500,000.

MONEY IN THE UNITED STATES TREASURY.

	Dec. 1, 1905.	*Jan. 1, 1906.*	*Feb. 1, 1906.*	*Mar. 1, 1906.*
Gold coin and bullion	$762,737,060	$765,775,099	$768,426,516	$768,151,387
Silver dollars	484,902,637	484,492,638	487,811,320	488,865,099
Subsidiary silver	7,609,174	6,961,490	9,521,847	9,787,503
United States notes	3,484,466	3,418,925	8,987,735	10,594,139
National bank notes	12,088,485	13,740,872	18,740,257	13,588,277
Total	$1,270,321,822	$1,274,389,024	$1,293,487,675	$1,290,986,405
Certificates and Treasury notes, 1890, outstanding	956,554,219	953,174,388	975,646,052	962,398,737
Net cash in Treasury	$314,267,603	$321,214,636	$317,841,623	$328,587,668

SUPPLY OF MONEY IN THE UNITED STATES.—The total stock of money in the country shows a gain of only about $1,600,000, a loss of $6,000,000 in gold being more than made up by an increase of about $7,600,000 in bank notes. The total supply is now nearly $3,000,000,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Dec. 1, 1905.	*Jan. 1, 1906.*	*Feb. 1, 1906.*	*Mar. 1, 1906.*
Gold coin and bullion	$1,411,777,450	$1,419,943,124	$1,423,220,213	$1,417,007,439
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	116,385,553	116,990,855	117,111,381	117,168,956
United States notes	346,681,016	346,681,016	346,681,016	346,081,016
National bank notes	533,329,258	540,914,347	548,230,080	550,808,895
Total	$2,976,402,142	$2,992,758,207	$2,998,471,555	$2,999,890,171

GERMAN BANKS IN FOREIGN COUNTRIES.

CONSUL HARRIS, of Chemnitz, reports that German capitalists are busy establishing banks in foreign countries, which are destined to play an important part in the expansion of German trade. A short time ago three such banks were established, namely, one each on the east and west coast of Africa and Asia Minor. These have been followed quite recently by one in Sofia, Bulgaria, one in Central America, and one in Argentina. Germany has to-day twelve banks in foreign countries with a total capital of $16,660,000. These banks are beginning to exert a powerful influence in behalf of German merchants and manufacturers in foreign countries, and more such banks are to be established in the near future. The German merchant marine has grown to such an extent that cargoes are received and discharged in practically every seaport in the world. And as trade follows a flag, so in this instance banks in foreign countries have been the logical outcome of the development of German shipping interests. The German banks in South America and the Near and Far East are different institutions from most banking concerns. They encourage German residents in those countries to engage in remunerative business and to embark on new enterprises by becoming a party to the scheme by advancing loans, etc.

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of February, and the highest and lowest during the year 1906, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		FEBRUARY, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	93⅜	77⅝	96⅞ - Jan. 13	88¾—Feb. 28	93⅞	88¾	89¼
" preferred	105⅝	99	106 —Jan. 3	102¼—Feb. 26	104¼	102¼	102½
Baltimore & Ohio	117	100½	117 —Jan. 27	109⅛—Feb. 17	116¼	109½	109⅞
Baltimore & Ohio, pref.	100	95¾	99½—Jan. 5	97 —Feb. 19	99	97	99
Brooklyn Rapid Transit	91⅝	56⅞	94⅛—Jan. 26	78½—Feb. 17	88½	78⅛	80⅝
Canadian Pacific	177⅛	130¾	177¾—Jan. 19	168 —Feb. 28	175¼	168	169¼
Canada Southern	74⅞	67	70⅞—Jan. 8	68 —Feb. 3	68¼	68	68⅛
Central of New Jersey	235	190	231½—Jan. 22	212 —Feb. 19	225	212	215
Ches. & Ohio	60⅛	45½	62¼—Jan. 23	54⅞—Jan. 5	60⅝	55⅛	56
Chicago & Alton	44½	30	38¼—Jan. 15	30 —Jan 4	32⅝	30	30
" preferred	83¾	73	80⅝ - Jan. 12	74½—Jan. 10	79½	79	79
Chicago, Great Western	25⅛	17½	23⅝—Jan. 20	20½—Feb. 20	23	20½	21
Chic., Milwaukee & St. Paul	187½	168⅛	193 —Jan. 22	176¾—Feb. 28	188½	176¾	177⅝
" preferred	192½	182½	198 —Jan. 22	190 - Jan. 5	190½	190	190
Chicago & Northwestern	249	190½	240 —Jan. 15	220 - Jan. 4	239½	225½	227
" preferred	265½	234	257 —Jan. 19	250 -Jan. 15	257	255	255
Chicago Terminal Transfer	20	7¾	18¼—Jan. 19	12 —Feb. 23	16¾	12	13½
" preferred	42½	17½	42¾—Jan. 22	28 —Feb. 23	41	28	33
Clev., Cin., Chic. & St. Louis	111	90	109⅞—Jan. 15	99 —Feb. 28	106⅞	99	99
Col. Fuel & Iron Co	59	38	83⅝—Jan. 26	55⅛—Jan. 4	78¾	60	61¾
Colorado Southern	30⅛	22¼	37 —Jan. 24	29½—Jan. 4	35⅝	32½	33⅝
" 1st preferred	69⅞	52	73⅛—Feb. 20	68 —Jan. 5	73⅛	70⅝	72¼
" 2d preferred	55	32½	58¾—Jan. 12	50½—Feb. 17	54	50½	53
Consolidated Gas Co	214	175	181¾—Jan. 23	156 —Feb. 28	181	156	157
Delaware & Hud. Canal Co.	240¾	178½	229½—Jan. 18	204 —Feb. 28	219½	204	204
Delaware, Lack. & Western	498½	335	474¾—Feb. 2	459 —Jan. 3	474¾	460	460
Denver & Rio Grande	39¾	27¼	51⅞—Jan. 26	38 —Jan. 4	51	42¼	43¾
" preferred	91¼	83¼	91½—Jan. 22	87 —Jan. 4	90½	87⅞	88
Duluth So. S. & Atl., pref.	46¾	21	45 —Jan. 11	37 —Feb. 17	43¼	37	37¼
Erie	52¾	37½	50⅞—Jan. 16	41⅝—Feb. 28	48⅝	41⅝	42
" 1st pref	85½	74⅞	83 —Jan. 15	77 —Feb. 28	80¼	77	77
" 2d pref	78⅝	55½	76⅝—Jan. 16	67 —Feb. 28	74	67	67
Express Adams	250	236	247 —Feb. 21	246 —Feb. 28	247	246	246
" American	246	209½	249½—Jan. 26	222 —Jan. 11	249	234	234
" United States	134	110	138½—Jan. 26	121 —Feb. 23	129	121	123
" Wells, Fargo	260	227	248 —Jan. 26	235 —Feb. 16	245	235	235
Great Northern Pref	335	236	348 —Feb. 9	283 —Jan. 5	348	305½	308⅞
Hocking Valley	121½	86⅝	119 —Jan. 3	113⅛—Feb. 8	115	113⅛	115
" preferred	97¼	90	96⅞—Jan. 5	94 —Feb. 1	95½	94	95
Illinois Central	183	125¾	182 —Jan. 12	168 —Feb. 28	179¾	168	168¾
Iowa Central	32	24	34¾—Jan. 12	29⅝—Jan. 2	34¾	30	30¾
" preferred	61	50	63¾—Jan. 13	57 —Feb. 28	62¼	57	58½
Kansas City Southern	36¼	22⅛	37½—Jan. 5	28½—Feb. 28	33⅜	28½	29¼
" preferred	70	52	71 —Jan. 5	59½—Feb. 27	63⅝	59½	59½
Kans. City Ft. S. & Mem. pref.	87	81⅝	84½—Feb. 7	82 —Jan. 29	84½	83	83
Lake Erie & Western	47½	28¼	44⅞—Jan. 12	34¼—Feb. 23	38	34¼	36
Louisville & Nashville	157⅞	134½	156½—Jan. 19	145½—Feb. 28	152⅝	145½	145½
Manhattan consol	175	161	162 —Jan. 26	155 —Feb. 28	161	155	155
Metropolitan securities	91	68⅝	75½—Jan. 15	65 —Feb. 28	72¼	65	66½
Metropolitan Street	133	114	127 —Jan. 16	111 —Feb. 27	122½	111	113½
Mexican Central	26	18¼	26⅝ - Jan. 19	23⅝—Feb. 17	26½	23⅝	24½
Minneapolis & St. Louis	84¾	56½	84¼—Jan. 11	75 —Feb. 17	79½	75	76
Minn., S. P. & S.S. Marie	145	89½	163 —Jan. 10	141½-Jan. 4	159	150¼	150¾
" preferred	173	148	183¾—Jan. 11	171 —Feb. 28	177⅝	171	171

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.				FEBRUARY, 1906.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Missouri, Kan. & Tex.	39⅛	24	40⅝—Jan.	12	33⅝—Feb.	28	37⅞	33⅝	34
• preferred	73	56¼	74⅝—Jan.	18	68 —Feb.	28	71½	68	68
Missouri Pacific	110⅞	94½	106¾—Jan.	20	98½—Feb.	17	108½	98½	99⅛
Natl. of Mexico, pref	45	33⅛	40¾—Jan.	19	37¾—Feb.	16	40½	37¾	39¾
• 2d preferred	24½	17¾	21¾—Feb.	24	20½—Jan.	11	21¾	20½	20⅛
N. Y. Cent. & Hudson River	167¾	136¾	156¼—Jan.	8	145⅛—Feb.	28	158⅝	145⅛	146
N. Y., Chicago & St. Louis	76¼	42	72½—Jan.	20	63 —Feb.	21	70	63	65
• 2d preferred	95	74	91¾ —Jan.	9	82 —Feb.	1	84	82	83
N. Y., Ontario & Western	64	40⅝	57¼—Jan.	27	49 —Feb.	28	55⅝	49	49¾
Norfolk & Western	88½	76	93½—Feb.	1	84 —Feb.	28	93½	84	84¾
• preferred	96	91⅛	96 —Jan.	6	91⅞—Feb.	26	92	91⅞	91⅞
North American Co.	107	95⅝	107 —Jan.	12	98 —Jan.	2	100½	98	98
Northern Pacific	216½	165	232½—Feb.	14	199 —Jan.	5	232½	205½	207½
Pacific Mail	53¾	33	51½ Jan.	19	43½—Feb.	27	50	43½	43½
Pennsylvania R. R.	148	131½	147½—Jan.	23	137⅝ Feb.	28	144¼	137⅝	138⅛
People's Gas & Coke of Chic.	115⅛	97¼	103 —Jan.	2	95½—Feb.	28	101¼	95½	96⅛
Pullman Palace Car Co.	258	230	247¾- Jan.	15	240 —Feb.	28	245	240	240
Reading	143¾	79	164 —Jan.	23	134¼—Jan.	30	144⅝	134⅝	136⅝
• 1st prefered	97	90	96 - Jan.	22	92 —Feb.	28	94½	92	92
• 2d preferred	101	84	102 —Jan.	20	96½—Jan.	2	101	99¼	100
Rock Island	37⅞	21¾	28⅛—Feb.	6	23⅝—Jan.	3	28⅛	24⅞	26¼
• preferred	85	60½	67⅝—Feb.	6	61⅛—Jan.	4	67⅝	64	65½
St. L. & San Fran. 2d pref	73½	45	51¼—Feb.	6	45 —Feb.	15	51¼	45	46
St. Louis & Southwestern	27½	20	27⅞—Jan.	19	20¾—Jan.	2	26⅝	24	24½
• preferred	66⅝	55	61½—Jan.	24	53 —Jan.	5	59⅞	55	55
Southern Pacific Co.	72⅝	57¾	72⅞—Jan.	22	64⅞—Feb.	17	69⅝	64⅞	65¼
Southern Railway	38	28	42⅞—Jan.	26	35¾—Jan.	2	42½	37½	38½
• preferred	102½	95	103 —Jan.	16	99 —Feb.	17	102½	99	99⅞
Tennessee Coal & Iron Co.	148	68	165 —Jan.	12	129 - Jan.	2	165	149	150
Texas & Pacific	41	29¾	39¾—Jan.	24	32¾—Jan.	4	37¼	33½	33⅝
Toledo, St. Louis & Western	48¾	34⅛	40½—Jan.	19	35 —Jan.	5	38	36	36½
• preferred	65	51¾	59⅞—Jan.	19	54¾—Feb.	17	58¼	54¾	55¾
Union Pacific	151¼	113	160½—Jan.	24	148 —Jan.	3	158⅝	148¾	150
• preferred	101⅝	95½	99¼—Jan.	2	95½—Feb.	26	98	95½	95½
Wabash R. R.	24¼	17½	26½—Jan.	24	20¼—Jan.	5	25⅛	22	23½
• preferred	48	37	53⅝—Feb.	27	40½—Jan.	3	53⅝	43⅝	51½
Western Union	95½	92	94¼—Jan.	26	93 —Jan.	2	93⅞	93	93¼
Wheeling & Lake Erie	19¾	15	21¾—Feb.	6	17⅞—Jan.	9	21¾	19	20¼
• second preferred	28½	20	29½—Feb.	6	25¼—Feb.	17	29½	25¼	27½
Wisconsin Central	33½	20	33 —Jan.	17	26½—Feb.	28	29¼	26½	26⅝
• preferred	64½	45	64 —Jan.	15	55¼—Feb.	19	59	55¼	56
“INDUSTRIAL”									
Amalgamated Copper	111¾	70	118¼—Feb.	13	103⅞ Jan.	4	118¼	107	107⅞
American Car & Foundry	43⅝	81	47½—Jan.	24	39½—Jan.	4	46½	40½	41½
• pref	104½	91¾	105 —Jan.	24	99½—Jan.	4	104	100½	101½
American Co. Oil Co.	40⅛	27¾	44½—Jan.	11	32¼—Feb.	28	39½	32¼	33½
American Ice	36	24¾	47⅞—Feb.	26	35¼—Jan.	2	47⅞	43½	46½
American Locomotive	76¼	33	78½—Jan.	3	68½—Feb.	28	77¼	68½	70
• preferred	122¾	133¾	120¼—Jan.	16	116 —Feb.	17	117½	116	116
Am. Smelting & Refining Co.	170⅜	79½	174 —Jan.	18	153¾—Feb.	28	169	153¾	155
• preferred	137	111¼	130 —Jan.	12	122 —Feb.	28	128⅝	122	122
Am. Steel & Foundries	18⅝	6⅞	15¼—Jan.	17	11½—Feb.	17	14	11½	11½
• pref	67½	35½	53¼—Jan.	17	45½—Feb.	28	51	45½	45½
American Sugar Ref. Co.	154⅝	130	157 —Jan.	8	138⅞—Feb.	28	148¾	138⅞	139½
American Tobacco, pref	109¾	91⅞	109 —Jan.	22	103½—Feb.	28	106¾	103½	103¾
Anaconda Copper Mining	295	100½	200 —Feb.	13	230 —Jan.	5	300	268	269
Central Leather	47⅛	40	49⅞—Jan.	24	41½—Feb.	19	47¾	41½	42⅞
• preferred	105⅞	102½	107½—Jan.	24	103½—Jan.	5	107½	104¾	105½
Corn Products	22¾	8¾	19¾—Jan.	3	16¾—Jan.	18	19⅝	17¼	17⅝
• preferred	79	40	61¼—Jan.	3	55½—Jan.	17	58¼	56½	57¼
Distillers Securities	54⅛	34⅞	59¾—Feb.	8	51 —Jan.	30	59⅝	52⅛	54
Federal Min'g & Smelt., pref.	110½	75	112⅞—Jan.	22	104 —Jan.	4	109	104	105
General Electric Co.	192	169	181½—Jan.	9	167 —Feb.	28	177½	167	167
International Paper Co.	25¼	18½	26¼—Jan.	15	21 —Feb.	28	24⅞	21	21⅝
• preferred	88¼	76	90 —Jan.	12	83⅝—Feb.	28	88	83⅝	83⅝
International Power	100	48	95 —Jan.	29	58 —Jan.	5	85	60	65
International Steam Pump	40⅞	26	37½—Feb.	3	27 —Jan.	2	37½	32½	32½
National Biscuit	69½	52	71¼—Feb.	6	66⅞—Feb.	28	71¼	66⅞	66⅞
National Lead Co.	89½	24½	95¾—Jan.	19	70½—Feb.	28	90¼	70½	73
Pressed Steel Car Co.	58⅞	34	64⅝—Jan.	24	53 —Feb.	28	63¼	53	53¼
• preferred	101½	87	105 —Feb.	1	96¼—Feb.	28	105	96¼	98
Republic Iron & Steel Co.	36½	15	39 —Jan.	12	29 —Feb.	28	36⅞	29	29¾
• preferred	108	67	110½—Jan.	9	102 —Feb.	28	106¼	102	103
U. S. Rubber Co.	58½	33¾	58½—Jan.	22	49 —Feb.	19	54⅝	49	49⅝
• 1st preferred	118½	98⅝	115 —Jan.	15	108 —Feb.	19	111½	108	108½
U. S. Steel	43¼	24⅞	46¼—Jan.	20	40⅝—Feb.	28	46⅛	40¾	40⅞
• pref	107	90¾	113¼—Jan.	20	105 —Jan.	5	118	105⅛	106

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	97	Feb. 27,'06	98½	97	23,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	103⅝	Feb. 28,'06	104⅛	103¼	620,500
" registered		....	A & O	101⅛	Feb. 5,'06	101⅛	101⅛	7,000
" adjustment, g. 4's	1995	25,616,000	NOV	95	Feb. 28,'06	96⅞	95	106,500
" registered		....	NOV	95	Sep. 11, '05	....	....	....
" stamped	1995	26,112,000	M & N	95¼	Feb. 28,'06	97	95	234,500
" registered		....	M & N	96	Feb. 19,'06	96	96	2,000
" fifty-year conv. g. 4's	1955	32,420,000	J & D	102⅞	Feb. 28,'06	105⅛	102	1,669,000
" registered		....	J & D	....		....	....	....
" serial debenture 4's—								
" series D	1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series E	1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series F	1908	2,500,000	F & A	99½	Nov. 3,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series G	1909	2,500,000	F & A	100⅛	Jan. 19,'06	....	....	....
" registered		....	F & A	....		....	....	....
" series H	1910	2,500,000	F & A	99⅛	Jan. 10,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series I	1911	2,500,000	F & A	98⅛	Nov. 23,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series J	1912	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series K	1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series L	1914	2,500,000	F & A	92⅝	Nov. 10,'02	....	....	....
" registered		....	F & A	....		....	....	....
" East. Okla. div. 1st g. 4's	1928	6,128,000	M & S	99½	Feb. 23,'06	99½	99	21,000
" " registered		....	M & S	....		....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....		.. .	....	....
Atlan. Coast Line R. R. Co. 1st g. 4's	1952	43,141,000	M & S	101⅝	Feb. 28,'06	102¼	101½	172,000
" registered			M & S	102	Nov. 27,'05	....	....	... .
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	132⅞	Jan. 30,'06	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114⅝	Nov. 14,'05	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	100¼	Nov. 6,'05	....	....	....
"L'ville & Nash. col." g. 4's	1952	35,000,000	M & N	94⅝	Feb. 26,'06	95⅝	94⅝	77,000
" registered		....	M & N	....		....	....	.. ..
Sil. Sps Oc. & G. RR. & ldg. gtd g. 4s.	1918	1,067,000	J & J	101	Dec. 18,'05	....	....	....
Balt. & Ohio prior lien g. 3½s.	1925	72,820,000	J & J	94	Feb. 28,'06	94¾	93⅛	189,000
" registered			J & J	96	Nov. 7,'04	....	....	....
" g. 4s	1948	70,963,000	A & O	104¾	Feb. 28,'06	105	104⅛	172,000
" g. 4s. registered			A & O	103⅛	Jan. 26,'06	....	....	....
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	91⅛	Feb. 19,'06	91⅝	91⅛	9,000
" registered			Q Feb	....		....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	81,347,000	M & N	98¾	Feb. 28,'06	99⅝	98⅛	251,000
" Southw'n div. 1st g. 3½s.	1925	43,590,000	J & J	92	Feb. 28,'06	92¼	92	175,000
" registered			Q J	92⅛	June 23,'05	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	108⅛	July 13,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	119⅛	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g. 4's	1917	633,000	J & J	100	Jan. 22,'06	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	123¼	Nov. 21,'05	....	....	....
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	125¾	Dec. 27,'05	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	128⅛	Feb. 23,'06	128⅛	127	2,000
Buff. & Susq. 1st refundg g. 4's	1951	6,521,000	J & J	99½	Jan. 4,'06	....	....	....
registered			J & J	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Canada Southern 1st int. gtd 5's	1908	14,000,000	J & J	101½	Feb. 28,'06	101⅞	101⅝	68,000
• 2d mortg. 5's	1913	6,000,000	M & S	108½	Feb. 28,'06	108½	107	9,000
• registered			M & S	105¾	Jan. 3,'04	....	....	....
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	94½	Feb. 28,'06	95	94½	4,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	121	Jan. 16,'06	....	....	....
• registered $1,000 & $5,000			F & A	....		....	....	....
• con. g. 5's	1945	16,700,000	M & N	114	Feb. 28,'06	114¼	114	73,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
• 1st. pref. inc. g. 5's	1945	2,457,000	OCT 1	95	Feb. 20,'06	97	95	80,000
• • stamped		1,453,000	OCT 1	95⅞	Feb. 13,'06	95⅞	95⅞	6,000
• 2d pref. inc. g. 5's	1945	3,144,000	OCT 1	87½	Feb. 28,'06	87½	85	482,000
• • stamped		3,856,000	OCT 1	81	Dec. 27,'05	....	....	....
• 3d pref. inc. g. 5's	1945	1,906,000	OCT 1	84	Feb. 28,'06	85	79¾	402,000
• • stamped		2,094,000	OCT 1	84	Feb. 27,'06	84½	81¾	34,000
• Chat. div. pur. my. g. 4's	1951	2,051,000	J & D	93¾	July 12,'05	....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	110⅝	Sept. 5,'05	....	....	....
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	131	Feb. 27,'06	132	131	40,000
• registered			Q J	131½	Jan. 19,'06	....	....	....
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	112½	Feb. 14,'05	112½	112½	3,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102½	Feb. 28,'06	102½	102½	1,000
• con. extended gtd. 4½'s	1910	12,175,000	Q M	101	Feb. 28,'06	101⅛	101	5,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106¼	Feb. 2,'06	106¼	106¼	1,000
• Mortgage gold 6's	1911	2,000,000	A & O	109⅝	Jan. 22,'06	....	....	....
• 1st con. g. 5's	1939	25,858,000	M & N	118½	Fed. 28,'06	119½	118½	43,000
• registered			M & N	116¼	Dec. 1,'05	....	....	....
• Gen. m. g. 4½'s	1992	40,573,000	M & S	108⅞	Feb. 28,'06	109	106½	104,000
• registered			M & S	107¾	Nov. 17,'05	....	....	....
• Craig Val. 1st g. 5's	1940	650,000	J & J	112	Feb. 28,'06	112	112	1,000
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100¾	Feb. 28,'06	102½	100¾	10,000
• 2d con. g. 4's	1989	1,000,000	J & J	98	July 26,'05	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	99¾	Feb. 2,'06	99¾	99¾	1,000
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	82	Feb. 16,'06	82½	81¼	36,000
• • registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	81	Feb. 28,'06	82	80¼	243,000
registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
• Denver div. 4's	1922	4,583,000	F & A	100¼	Feb. 26,'06	100½	100¼	11,000
• Illinois div. 3½s	1949	50,835,000	J & J	93⅝	Feb. 21,'06	95	93⅝	18,000
• registered			J & J	96½	Feb. 24,'05	....	....	....
• Illinois div. 4s	1949	10,306,000	J & J	102⅝	Feb. 19,'06	106¼	102⅝	22,000
• registered		....	J & J	....		....	....	....
• (Iowa div.) sink. f'd 5's	1919	2,388,000	A & O	110¼	Jan. 5,'05	....	....	....
• 4's	1919	7,882,000	A & O	102⅝	Feb. 26,'06	102⅝	102⅝	4,000
• Nebraska extensi'n 4's	1927	25,071,000	M & N	106⅞	Feb. 28,'06	107	106⅞	10,000
• registered			M & N	106¼	June 16,'05	....	....	....
• Southwestern div. 4's	1921	2,400,000	M & S	100	Apr. 10,'05	....		....
• 4's joint bonds	1921	215,225,000	J & J	99⅞	Feb. 28,'06	101⅝	99⅞	1,301,000
• • registered			Q JAN	100	Feb. 20,'06	100	100	3,000
• 5's, debentures	1913	9,000,000	M & N	106¾	Feb. 14,'06	106¾	106⅝	4,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	112¼	Feb. 20,'06	112¼	112¼	17,000
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	96½	Feb. 20,'06	96½	95½	22,000
• registered			J & J	....		....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,980,000	J & D	103⅞	Feb. 9,'06	103⅞	103⅞	2,000
• small bonds			J & D	103½	July 8,'04	....	....	....
• 1st con. 6's. gold	1934	2,653,000	A & O	135½	Feb. 23,'06	135½	135½	4,000
• gen. con. 1st 5's	1937	16,529,000	M & N	119¼	Feb. 27,'06	119⅝	119¼	26,000
• registered			M & N	118½	Feb. 26,'06	118½	118½	2,000
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118⅞	Feb. 6,'06	118⅞	118⅞	4,000
Chicago, Indianapolis & Louisville.								
• refunding g. 6's	1947	4,942,000	J & J	133	Feb. 21,'06	133	133	3,000
• ref. g. 5's	1947	4,742,000	J & J	113½	Jan. 22,'06		....	....
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	108½	Feb. 9,'06	108½	108½	4,000
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g 5's	1914	4,748,000	J & J	108¼	Jan. 31,'06	....	....	....
• gen. g. 4's, series A	1989	23,676,000	J & J	108½	Feb. 26,'06	110	108½	14,000
• registered		....	Q J	109½	June 18,'04	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st paid.*	LAST SALE.		FEBRUARY SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
" gen. g. 3½'s, series B.1989	2,500,000	J & J	95½	Feb. 27,'06	96¾	95½	50,000
" registered..................		J & J	....		....	....	....
" Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
" Chic. & M. R. div. 5's, 1926	3,083,000	J & J	118¼	Feb. 15,'06	118¼	118¼	2,000
" Chic. & Pac. div. 6's, 1910	3,000,000	J & J	108	Feb. 15,'06	108	108	17,000
" 1st Chic. & P. W. g. 5's.1921	25,340,000	J & J	113¾	Feb. 28,'06	115	113¾	23,000
" Dakota & Gt. S. g. 5's.1916	2,856,000	J & J	109	Jan. 15,'06	....	....	....
" Far. & So. g. 6's assu...1924	1,250,000	J & J	187½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	112	Feb. 13,'06	112⅝	111⅞	22,000
" 1st 5's..................1910	990,000	J & J	106	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D, ex. 1908	546,000	J & J	185	Dec. 12,'05	....	....	....
" 1st 5's, La. C. & Dav...1919	2,500,000	J & J	112	Feb. 8,'06	112⅝	112⅝	5,000
" Mineral Point div. 5's, 1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
" 1st So. Min. div. 6's....1910	7,432,000	J & J	107⅝	Feb. 9,'06	107⅝	107⅝	1,000
" 1st 6's, Southw'n div., 1909	4,000,000	J & J	106¾	Feb. 13,'06	106¾	106¾	1,000
" Wis. & Min. div. g. 5's.1921	4,755,000	J & J	113⅝	Feb. 5,'06	113⅝	113⅝	1,000
" Mil. & N. 1st M. L. 6's.1910	2,155,000	J & D	110	Oct. 10,'05	....	....	....
" 1st con. 6's.............1913	5,092,000	J & D	115	Feb. 10,'06	115	115	10,000
Chic. & Northwestern con. 7's...1915	13,832,000	Q F	125	Feb. 21,'06	125	125	74,000
" extension 4's.....1886-1926	18,632,000	F A 15	105½	Jan. 17,'06	....	....	....
" registered..................		F A 15	102¾	Nov.15,'05	....	....	....
" gen. g. 3½'s...........1987	20,538,000	M & N	99	Feb. 24,'06	99	99	13,000
" registered		Q F	103	Nov.19,'98	....	..	....
" sinking fund 6's..1879-1929	5,618,000	A & O	114½	Nov. 2,'05	....	....	....
" registered..................		A & O	114½	Feb. 7,'06	114½	114½	6,000
" sinking fund 5s'..1879-1929	6,702,000	A & O	111	Feb.23,'06	111	111	2,000
" registered..................		A & O	108¼	Nov.14,'05	....	....	....
" deben. 5's..............1909	5,900,000	M & N	104¼	Feb. 15,'06	104⅞	104¼	7,000
" registered..................		M & N	104	Mar. 3,'04	....	....	....
" deben. 5's..............1921	10,000,000	A & O	111¾	Oct. 31,'05	...	....	....
" registered..................		A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.1933	9,800,000	M & N	117	Jan. 26,'06	....	....	....
" registered..................		M & N	117	Feb. 8,'06	117	117	5,000
Des Moines & Minn. 1st 7's.....1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's........1910	1,500,000	M & S	105¼	Dec. 11,'05	....	....	....
Ottumwa C. F. & St. P. 1st 5's..1909	1,600,000	M & S	104	Dec. 5,'05	....	....	....
Winona & St. Peters 2d 7's.....1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.1921	5,000,000	M & N	126½	Jan. 19,'06	....	.	....
" ext. & impt. s.f'd g. 5's1929	4,148,000	F & A	118	Feb. 27,'06	118	118	15,000
" Ashland div. 1st g. 6's 1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.1924	1,281,000	J & J	128½	Feb. 27,'06	128½	128½	5,000
" con. deb. 5's...........1907	486,000	F & A	105½	Sept.18,'05	....	....	....
" incomes...............1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...1917	12,500,000	J & J	120⅝	Feb. 21,'06	120⅝	120	11,000
" registered.............1917		J & J	123	May 22,'05	....	....	....
" gen. g. 4's.............1988	61,581,000	J & J	102⅝	Feb. 28,'06	103	102⅝	89,000
" registered		J & J	102	Feb. 5,'06	102	102	10,000
" refunding 4s...........1934	32,558,000	A & O	96	Feb. 28,'06	96⅞	95¾	853,000
" registered................		A & O	96	Nov.29,'05	....	....	....
" coll. tr. ser. 4's.							
" D.......................1906	1,494,000	M & N	....		....	....	....
" E.......................1907	1,494,000	M & N	....		....	....	....
" F.......................1908	1,494,000	M & N	....		....	....	....
" G.......................1909	1,494,000	M & N	....		....	....	....
" H.......................1910	1,494,000	M & N	97	July 14,'04	....	....	....
" I.......................1911	1,494,000	M & N	97½	May 26,'05	...	....	....
" J.......................1912	1,494,000	M & N	96¾	Dec. 19,'05	....	....	....
" K.......................1913	1,494,000	M & N	....		....	....	....
" L.......................1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
" M.......................1915	1,494,000	M & N	96	Nov.11,'05	....	....	....
" N.......................1916	1,494,000	M & N	93	May 24,'04	....	....	....
" O.......................1917	1,494,000	M & N	94½	Dec. 14,'05	....	....	....
" P.......................1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..2002	69,938,000	M & N	79	Feb. 28,'06	81½	79	936,000
" registered................		M & N	79	Dec. 19,'05	....	....	....
" coll. trust g. 5's.......1913	17,342,000	M & S	91½	Feb. 28,'06	93	91¼	271,000
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	101⅛	Feb. 28,'06	101⅛	101	21,500
" con. 1st & col. tst 5's.1934	11,000,000	A & O	119¼	Feb. 23,'06	119¼	119¼	1,000
" registered..............		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.1921	1,905,000	A & O	111	Nov.20,'04	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	40	Aug.21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....1919	5,500,000	J & J	106⅝	Jan. 3,'06	....	....	....
" con. g. 5's.............1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	109	Jan. 29,'06	....	....	....
" small bond 1923	....	A & O	102½	Apr. 26,'04	....	....	....

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				Price.	Date.	High.	Low.	Total.
Chic., St.P., Minn.& Oma.con. 6's	1930	14,935,000	J & D	135½	Feb. 28,'06	136	135	66,000
• con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,634,000	M & N	135¼	Feb. 28,'06	135¼	135¼	11,500
North Wisconsin 1st mort. 6's	1930	644,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	124⅝	Feb. 14,'06	124⅝	124⅝	87,000
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	100	Dec. 30,'05	....	...	....
• coupons off				100	Feb. 28,'06	100⅛	100	231,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,036,000	Q M	114⅝	Feb. 9,'09	114⅝	114⅝	....
Cin., Ham. & Day 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	112	Feb. 2,'06	112	112	2,000
Cin. Find. & Ft.W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	96¾	July 13,'05	....	....	....
Clev., Cin., Chic. & St.L. gen. g. 4's	1993	20,749,000	J & D	105¼	Feb. 28,'06	105¾	105¼	11,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¼	Feb. 6,'06	100¼	100¼	2,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	101½	Feb. 23,'06	101½	101½	1,000
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	101	Feb. 28,'06	101⅝	101	7,000
• registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	103	Feb. 5,'06	103	103	5,000
• registered				103	Feb. 5,'06	103	103	2,000
• con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	115	Jan. 10,'06	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	122	Jan. 29,'07	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	134	Feb. 15,'06	134	134	1,000
• registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	100½	Feb. 28,'06	101¼	100	32,000
• income 4's	1990	4,000,000	A	79¼	Feb. 26,'06	80	79	108,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	115⅝	Nov. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
• registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	76¼	Feb. 28,'06	78	76¼	275,000
Colorado & Southern 1st g. 4's	1929	19,108,000	F & A	94	Feb. 28,'06	94¾	94	244,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	103	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	107½	Jan. 31,'06	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	125½	Jan. 20,'06	....	....	....
• 1st c. gtd 7's	1915	11,677,000	J & D	127	Jan. 16,'06	....	....	....
• registered			J & D	127	June 23,'05	....	....	....
• 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	126¼	Feb. 28,'06	126¼	126¼	3,000
• const. 5's	1923	5,000,000	F & A	114⅝	Jan. 25,'06	....	....	....
• terml. imp. 4's	1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	104¼	Jan. 10,'06	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133	Feb. 13'06	133	133	4,000
• reg	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	102⅝	Jan. 19,'06	....	....	....
• 6's	1906	7,000,000	A & O	102½	Jan. 20,'06	....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	99	Feb. 28,'06	100¾	99	34,500
• con. g. 4½'s	1936	6,382,000	J & J	106½	Feb. 28,'06	106½	106½	5,000
• impt. m. g. 5's	1928	8,318,500	J & D	108½	Feb. 23,'06	109	108¼	30,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	98	Feb. 27,'06	99¼	98	51,000
• mge. & col. tr. g. 4's ser. A	1949	13,336,000	A & O	90½	Feb. 21,'06	90½	90½	5,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	99¼	Feb. 19,'06	99¼	99¼	3,000
• g. 4s	1995	1,250,000	J & D	95¼	Jan. 23,'06	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
• Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	92½	Feb. 28,'06	93	92½	20,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	114	Feb. 7,'06	114	113½	31,000
• registered			A & O	112½	Feb. 13,'06	112½	112½	5,000
• 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	113	Feb. 9,'06	113	113	5,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	119⅝	Feb. 21,'06	119⅝	119⅝	2,000

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale		February Sales.		
				Price.	Date.	High.	Low.	Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107⅛	Jan. 30,'06	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	114⅛	Feb. 28,'06	114⅛	114	15,000
" 3d extended g. 4½'s	1923	4,617,000	M & S	109	Oct. 4,'05	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	115¼	Jan. 24,'06	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101	Jan. 8,'06	....	....	....
" 1st cons. gold 7's	1920	16,890,000	M & S	134⅝	Feb. 28,'06	134⅛	134⅝	17,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	133	Feb. 21,'06	133	133	10,500
Erie R.R. 1st con. g-4s prior bds.	1996	35,000,000	J&J	101¼	Feb. 28,'06	101⅞	100¼	106,000
" registered			J&J	101⅛	Oct. 5,'05	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	92¾	Feb. 28,'06	93	92	196,000
" registered			J&J	88	Nov. 15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	94⅛	Feb. 28,'06	95⅜	94⅛	219,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	105⅛	Feb. 27,'06	107⅞	104⅛	574,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	122½	Feb. 26,'06	122½	122½	1,000
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	104⅝	Feb. 16,'06	104⅝	104⅝	30,000
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121½	Feb. 26,'06	122¾	121½	29,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	103¾	Dec. 5,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	135⅛	Feb. 28,'06	135⅛	135⅛	4,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅝	Dec. 8,'05	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121⅛	Oct. 17,'05	....	....	....
" small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¼	Jan. 11,'06	....	....	....
N.Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	116	Feb. 5,'06	116	116	5,000
" 2d g. 4½'s	1937	447,000	F & A	103	Feb. 3,'06	103	103	3,000
" gen. g. 5's	1940	2,546,000	F & A	109	Feb. 19,'06	109	109	2,000
" term. 1st g. 5's	1943	2,000,000	M & N	118¾	Dec. 30,'05	....	....	....
" registered.....$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅝	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	118	Jan. 22,'05	....	....	....
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	111	Dec. 4,'05	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	106¼	Feb. 21,'06	106¼	106¼	3,000
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	113½	Feb. 28,'06	115	113	63,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	91	Feb. 28,'06	91	90	12,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	104	Feb. 21,'06	104	102¾	30,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	108	Feb. 28,'06	109	108	53,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1948	1,401,000	A & O	101¼	Feb. 21,'06	101¼	101¼	1,000
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,441,000	......	102½	Dec. 18,'05	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	....	....	....
" registered			J&J	113⅛	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	100	Feb. 20,'06	100	100	1,000
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	100½	Jan. 19,'06	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	107¼	Feb. 26,'06	107¼	107¼	3,000
" regist'd			A & O	103	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	104¾	Feb. 28,'06	106½	104¾	21,000
" registered			M & N	106½	July 11,'05	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	95	Oct. 25,'05	....	....	....
" registered			J & J	88⅛	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	81	Oct. 6,'05	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	86½	Dec. 9,'05	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	82½	Feb. 7,'06	82½	82½	1,000
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	107¾	Jan. 26,'06	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	123	July 7,'04	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	125	Nov. 13,'05	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
" gold 5's, registered		16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered			J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	108⅜	Jan. 30,'06	....	....	....
" 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	100	Feb. 27,'06	100	99½	9,000
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	119½	Feb. 6,'06	119½	119½	1,000
" 2d g. 5's	1909	10,391,000	M & S	101¾	Feb. 28,'06	102¼	101¾	9,000
" 3d g. 4's	1921	2,960,500	M & S	78	Dec. 14,'05	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	114	Feb. 7,'06	115	114	3,000
" refunding g. 4's	1951	2,000,000	M & S	88	Jan. 30,'06	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	74½	Feb. 26,'06	75	74	226,000
" registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	118⅝	Feb. 16,'06	119	118⅝	19,000
" 2d mtge. g. 5's	1941	3,625,000	J & J	118½	Feb. 16,'06	118½	118½	1,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	117	Jan. 17,'08	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	110¼	Feb. 23,'06	110¼	110¼	3,000
" registered		....	J&J	112⅛	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's	2003	20,100,000	M & N	100¾	Dec. 29,'05	....	....	....
" registered			M & N	....	....	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	120	Jan. 23,'06	....	....	....
" registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	114	Feb. 14,'06	114	113¾	10,000
" registered	1933		J & J	....	....	....	....	....
" 1st 40-yr. gtd. int. red to 4%	1933	1,400,000	J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	98⅛	Dec. 22,'05	....	....	....
" registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	118⅞	Jan. 22,'06	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	105¼	Jan. 5,'06	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	115½	Dec. 15,'05	....	....	....
" 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	101½	Feb. 28,'06	102	101½	8,000
" Ferry 1st g. 4½'s	1922	1,494,000	M & S	102	Nov. 27,'05	....	....	....
" g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's	1949	6,860,000	M & S	100¾	Feb. 2,'06	100¾	100¾	2,000
" deb. g. 5's	1934	1,135,000	J & D	110	June 22,'04	....	....	....
" gtd. refunding g. 4's	1949	17,891,000	M & S	102	Feb. 28,'06	102½	102	44,000
" " registered			M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	106½	Dec. 9,'05	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	111	Jan. 23,'06	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	Q J A N	112½	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	105	Jan. 26,'06	....	....	....
Louis. & Nash. gen. g. 6's	1930	7,875,000	J & D	119¼	Feb. 17,'06	120	119¼	29,000
" gold 5's	1937	1,764,000	M & N	121½	Feb. 27,'06	121½	121½	11,000
" Unified gold 4's	1940	37,562,000	J & J	103⅝	Feb. 28,'06	104	103½	147,000
" registered	1940		J & J	101½	June 18,'94	....	....	....
" collateral trust g. 5's	1931	5,129,000	M & N	115½	Jan. 5,'06	....	....	....
" 5-20 yr. col. tr. deed g. 4's	1923	23,000,000	A & O	99¼	Feb. 27,'06	100	99¼	89,000
" E., Hend. & N. 1st 6's	1919	1,600,000	J & D	114½	June 6,'05	....	....	....
" L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
" N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	128¾	Feb. 27,'06	128¾	128¾	24,000
" 2d g. 6's	1930	1,000,000	J & J	128	Aug. 25,'05	....	....	....
" Pensacola div. g. 6's	1920	405,000	M & S	114	Apr. 26,'02	....	....	....
" St. Louis div. 1st g. 6's	1921	3,500,000	M & S	121½	May 2,'05	....	....	....
" 2d g. 3's	1980	3,000,000	M & S	74⅝	Oct. 4,'05	....	....	....
" At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	114½	Sept. 6,'05	....	....	....
" H. B'ge 1st sk'fd. g 6's	1931	1,414,000	M & S	108½	Jan. 3,'06	....	....	....
" Ken. Cent. g. 4's	1987	6,742,000	J & J	101	Feb. 26,'06	101	100	28,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	110	Feb. 23,'06	110	110	5,000
" South. Mon. joint 4's	1952	11,827,000	J & J	96	Feb. 28,'06	96¼	95½	11,000
" registered			Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	117⅝	Jan. 29,'06	....	....	....
" Pen. & At. 1st g. g. 6's	1921	2,331,000	F & A	115½	Dec. 26,'05	....	....	....
" S. & N. A. con. gtd. g. 5's	1936	3,673,000	F & A	107	Dec. 4,'05	....	....	....
" sinking fund g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	100½	Feb. 2,'06	100½	100½	5,000
Manhattan Railway Con. 4's	1990	28,065,000	A & O	103	Feb. 28,'06	103½	102⅞	49,000
" registered			A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	105	Feb. 27,'06	105	104¾	9,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's	1911	65,690,000	J & J	82⅞	Feb. 28,'06	85	80	779,000

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				Price.	Date.	High.	Low.	Total.
• 1st con. inc. 3's	1939	20,511,000	JULY	24	Feb. 28,'06	26	23¼	1,014,000
• 2d 3's	1939	11,724,000	JULY	20⅝	Feb. 27,'06	21	18⅛	1,275,000
• equip. & collat. g. 5's	1917	550,000	A & O	....	....	....	....	....
• 2d series g. 5's	1919	615,000	A & O	....	....	....	....	....
• col.trust g.4½'s1st se of	1907	10,000,000	F & A	98⅝	Jan. 31,'06	....	....	....
Mexican Internat'l 1st con g. 4's	1977	3,862,000	M & S	90⅝	July29,'01	....	....	....
• stamped gtd		3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	963,000	J & D	....	....	....	....	....
• registered			J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	935,000	J & D	137	June29,'05	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120	Feb. 8,'06	120⅛	120	5,000
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	113½	Feb. 21,'06	113½	113½	1,000
• 1st & refunding g. 4's	1949	9,350,000	M & S	96⅛	Feb. 28,'06	97	96½	3,000
DesMoines&Ft.Dgelstgtd g.4's	1935	3,072,000	J & J	97½	Jan. 30,'06	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	32,055,000	J & J	101	Feb. 28,'06	101¾	100	9,000
• stamped pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov.11,'01	....	....	....
• stamped pay. of int. gtd.				89¾	June18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	100¾	Feb. 28,'06	101¼	100¼	73,000
• 2d mtge. g. 4's	1990	20,000,000	F & A	89	Feb. 28,'06	91	89	158,000
• 1st ext gold 5's	1944	3,254,000	M & N	106¾	Feb. 23,'06	107½	106¾	33,000
• 1st & ref. mtg. 4s	2004	1,734,000	M & S	91½	Feb. 24,'06	91½	88	188,000
• • small			M & S	....	....	....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	93⅛	Feb. 16,'06	94	93⅛	142,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	108	Feb. 13,'06	108	108	1,000
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	95⅝	Feb. 5,'06	96	95⅝	23,000
Mo., Kan. & East. 1st gtd. g. 5s	1942	4,000,000	A & O	115⅞	Feb. 10,'06	116	115¾	53,000
Mo.,Kan.& Ok. 40 yr. 1st gtd.5s	1942	5,468,000	M & N	109¾	Feb. 21,'06	109⅞	109⅝	87,000
Mo.,K.& Tex.of Tex.1stgtd.g.5s	1942	4,505,000	M & S	109½	Feb. 16,'06	109⅝	109½	23,000
Sher., Shreve.& So. 1st gtd.g.5s	1943	1,689,000	J & D	107½	Dec. 4,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	109½	Feb. 15,'06	109½	109½	2,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	124	Feb. 28,'06	124	124	18,000
• 3d mortgage 7's	1906	3,828,000	M & N	108½	Feb. 20,'06	108½	108½	2,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	107	Feb. 27,'06	107⅛	107	12,000
• registered			M & S	107½	Feb. 17,'06	107½	107½	1,000
• 1st collateral gold 5's	1920	9,636,000	F & A	106	Feb. 17,'06	106	106	8,000
• registered			F & A	....	....	....	....	....
• forty yrs. 4's g. loan	1945	25,000,000	......	93¾	Feb. 28,'06	94½	93¾	12,000
Cent. Branch Ry.1st gtg. g. 4's	1919	3,459,000	F & A	98½	Jan. 22,'06	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	105	Jan. 11,'06	....	....	....
• 2d extended g. 5's	1938	2,578,000	F & A	120⅝	Jan. 31,'06	....	....	....
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,624,000	A & O	117	Feb. 27,'06	117¾	116¾	84,000
• stamped gtd gold 5's	1931	6,833,000	A & O	116	Nov. 6,'05	....	....	....
• unify'g & rfd'g g. 4's	1929	30,469,000	J & J	92½	Feb. 28,'06	93½	92½	146,000
• registered			J & J	87¼	Apr. 23,'04	....	....	....
• Riv&Gulf divs 1stg 4s	1933	22,754,000	M & N	96	Feb. 28,'06	96	94⅞	34,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
• small		226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	96	Oct. 9,'05	....	....	....
• small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson&Kan.City 1stg.5's	1946	1,882,000	J & D	96⅞	Jan. 5,'06	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126¾	Feb. 26,'06	126¾	126½	6,000
• 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	....	....	....
• gen. g. 4's	1938	9,472,000	Q J	93¾	Jan. 20,'06	....	....	....
• Montg'rydiv.1st g.5's	1947	4,000,000	F & A	115¾	Nov. 1,'05	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	98	Feb. 19,'06	98	98	1,000
• collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	119¼	Feb. 1,'06	119¼	119¼	10,000
• 1st cons. g. 5's	1928	7,608,000	A & O	115	Feb. 6,'06	115	114⅞	16,000
• 1st g.6's Jasper Branch	1923	371,000	J & J	119¼	Feb. 16,'06	119¼	119¼	1,000
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb.	1917	300,000	J & J	118	July 6,'99	....	....	....
Nat.R.R.of Mex.priorlieng.4½'s	1926	20,000,000	J & J	10[illegible]¼	Jan. 26,'06	....	....	....
• 1st con.g. 4's	1951	24,496,000	A & O	86⅝	Feb. 24,'06	87⅛	86	155,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug.13,'94	....	....	....
N.Y.Cent. & Hud. R. g. mtg. 3½s	1997	84,890,000	J & J	98	Feb. 28,'06	99	98	194,000
• • registered			J & J	98¼	Feb. 15,'06	98½	98¼	14,000
• deb. g 4s	1934	30,000,000	M & N	101½	Feb. 28,'06	102	101	110,000
• • registered			M & N	102	July 8,'05	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	89	Feb. 28,'06	90¾	88⅞	85,000
• registered			F & A	88	Feb. 21,'06	90	88	68,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Michigan Central col. g. 3½s..	1998	19,836,000	F & A	89½	Feb. 27,'06	91	89¼	30,000
″ registered................			F & A	90¼	Jan. 17,'06	....	....	....
Beech Creek 1st. gtd. 4's........	1936	5,000,000	J & J	105½	Feb. 20,'06	105½	105½	10,000
″ registered			J & J	104	Dec. 13,'05	....	....	....
″ 2d gtd. g. 5's...........	1936	500,000	J & J	....	....	....	....	....
″ registered		....	J & J	....	....	....	....	....
″ ext. 1st. gtd. g. 3½'s..	1951	3,500,000	A & O	....	....	....	....	....
″ registered................			A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04	....	....	....
″ small bonds series B......		33,000	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's.	1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's.	1991	2,500,000	M & S	105	Nov. 20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's.	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
″ reg. certificates...........			F & A	....	....	....	....	....
N. Y. & Putnam 1st con. gtd g. 4's.	1993	4,000,000	A & O	104½	Feb. 28,'06	104½	104½	1,000
Nor. & Montreal 1st g. gtd 5's..	1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's.	2361	50,000,000	J & J	107	Feb. 28,'06	108	107	71,000
″ registered................			J & J	106½	Feb. 28,'06	107¼	106½	50,000
Lake Shore g 3½s..............	1997	50,000,000		101	Feb. 28,'06	101⅛	100¼	47,000
″ registered			J & D	99	Feb. 15,'06	99	99	8,000
″ deb. g. 4's	1928	50,000,000	M & S	101½	Feb. 27,'06	101½	100½	371,000
Detroit, Mon. & Toledo 1st 7's.	1906	924,000	F & A	101⅛	Feb 9,'06	101⅛	101⅛	5,000
Kal., A. & G. R. 1st gtd c. 5's...	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's....	1934	1,500,000	J & J	122⅝	Feb. 9,'06	122⅝	122½	8,000
Pitt McK'port & Y. 1st gtd 6's..	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
″ 2d gtd 6's...........	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's..	1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's..............	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
″ 5's....................	1931	3,576,000	M & S	120	Jan. 3,'06	....	....	....
″ 5's reg................	1931		Q M	119	June 6,'05	....	....	....
″ 4's....................	1940	2,600,000	J & J	106	July 1,'05	....	....	....
″ 4's reg....................			J & J	106½	Nov. 26,19'	....	....	....
″ g. 3½'s sec. by 1st mge. on J. L. & S............		1,900,000	M & S	....	....	....	....	....
″ 1st g. 3½'s............	1952	13,000,000	M & N	98½	Feb. 16,'06	98½	97⅞	9,000
Battle C. Sturgis 1st g. g. 3's...	1989	476,000	J & D	....	....	....	....	....
N. Y. & Harlem 1st mort. 7's c..	1900	12,000,000	M & N	105⅛	Mar. 2,'05	....	....	....
″ 7's registered..........	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's.....	1927	1,200,000	A & O	119½	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's...	1922	9,081,000	A & O	116⅛	Feb. 19,'06	116¼	116⅛	3,000
coup. g. bond currency..........			A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's.	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.	1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's..	1922	1,800,000	J & J	107⅛	Feb. 4,'05	....	....	....
N. Y., Chic. & St. Louis 1st g. 4's...	1937	19,425,000	A & O	105½	Feb. 26,'06	105½	104⅞	28,000
″ registered..................			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's.......	1937	2,838,000	M & N	124	Feb. 24,'06	125	124	2,000
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y., Ont. & W'n. ref'ding 1st g. 4's.	1992	20,000,000	M & S	103	Feb. 27,'06	104	103	54,000
″ registered.......$5,000 only.		....	M & S	105⅝	Oct. 11,'05	....	....	....
Norfolk & Southern 1st g. 5's....	1941	1,500,000	M & N	111	Feb. 14,'06	111	108	2,000
Norfolk & Western gen. mtg. 6's.	1931	7,283,000	M & N	132½	Feb. 19,'06	132½	132½	10,000
″ imp'ment and ext. 6's...	1934	5,000,000	F & A	130¾	Feb. 15,'06	130¾	130¾	4,000
″ New River 1st 6's...	1932	2,000,000	A & O	129¾	Nov. 27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s.	1996	40,400,500	A & O	101½	Feb. 28,'06	102½	101⅛	78,500
″ registered			A & O	100	Feb. 16,'06	100	100	40,000
″ small bonds................			A & O	....	....	....	....	....
″ div. 1st lien & gen g. 4s.	1944	8,000,000	J & J	99	Feb. 23,'06	99	99	2,000
″ ″ registered			J & J	....	....	....	....	....
″ Pocahon C. & C. Co. jt. 4's.	1941	20,000,000	J & D	94¾	Feb. 28,'06	95¼	94⅝	44,000
″ C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05	....	....	....
″ Sci'o Val & N. E. 1st g. 4's,	1989	5,000,000	J & N	101½	Feb. 27,'06	101½	101	8,000
N. P. Ry prior ln ry. & ld. gt. g. 4's..	1997	101,392,500	Q J	104¾	Feb. 28,'06	105¾	104½	274,500
″ registered.................			Q J	104	Feb. 28,'06	104	104	10,000
″ gen. lien g. 3's..........	2047	56,000,000	Q F	77	Feb. 27,'06	77¼	76¼	287,500
″ registered.................			Q F	75¼	Feb. 7,'06	75¼	75¼	2,000
St. Paul & Duluth div. g. 4's...	1996	7,897,000	J & D	101	Jan. 24,'06	....	....	....
″ registered.......			J & D	....	....	....	....	....
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	125	Oct. 11,'05	....	....	....
″ registered certificates....			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's.......	1931	1,000,000	F & A	109½	Jan. 31,'06	....	....	....
″ 2d 5's..................	1917	2,000,000	A & O	110	Feb. 27,'06	110	110	2,000
″ 1st con. g. 4's.........	1968	1,000,000	J & D	100¼	Dec. 22,'05	....	....	....
Washington Cen. Ry 1st g. 4's..	1948	1,538,000	QMCH	94	Dec. 5,'05	....	....	....
Nor. Pacific Term. Co. 1st g. 6's..	1933	3,533,000	J & J	116	Jan. 19,'06	....	....	....

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Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118	Nov. 8,'05	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	114¾	Jan. 20,'06	....	....	....
Ozark&Cher.Cent.Ry.1st gtd g 5s	1918	2,880,000	A & O	99	Dec. 28,'05	....	....	....
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	113¼	Feb. 24,'06	114	113	19,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	....	....	....
" s. f. subsidy g 6's	1910	533,000	M & N	103	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	106⅞	Feb. 28,'06	107¼	106⅞	6,000
" reg	1921		J & J	107¾	Dec. 11,'05	....	....	....
" gtd.3½ col.tr.reg.cts.	1937	4,815,000	M & S	96⅝	Nov. 4,'05	....	....	....
" gtd.3½ col.tr.cts.serB	1941	9,581,000	F & A	92¾	Jan. 18,'06	....	....	....
" Trust Co. ctfs. g. 3½'s	1916	14,664,000	M & N	98	Feb. 19,'06	98	98	4,000
" gtd. g. 3½'s tr. cts. s. C.	1942	4,948,000	J & D	....		....	....	....
" gtd. g. 3½'s tr. cts. s. D.	1944	10,000,000	J & D	93	Jan. 30,'06	....	....	....
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	119½	Feb. 26,'06	119½	119½	1,000
" registered		....	A & O	110	May 3,'93	....	....	....
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J	....		....	....	....
Clev.&P. gen. gtd. g. 4½'s Ser. A	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
" Series B	1942	1,561,000	A & O	....		....	....	....
" " int. reduc. 3½ p.c.		439,000	......	....		....	....	....
" Series C 3½s	1948	2,994,000	M & N	98½	Dec. 15,'05	....	....	....
" Series D 3½s	1950	1,975,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen. gtd. g. 3½s Ser. B.	1940	2,240,000	J & J	96¼	Jan. 2,'06	....	....	....
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s								
" Series A	1940	10,000,000	A & O	112⅞	Feb. 2,'06	112⅞	112⅞	5,000
" Series B gtd	1942	8,786,000	A & O	112⅛	Feb. 13,'06	112⅛	112⅛	1,000
" Series C gtd	1942	1,879,000	M & N	112½	June 12,'05	....	....	....
" Series D gtd. 4's	1945	4,988,000	M & N	108½	Dec. 15,'05	....	....	....
" Series E gtd. g. 3½s	1949	9,851,000	F & A	92½	Feb. 7,'06	92½	92½	6,000
" Series F c. gtd. g. 4's	1953	9,000,000	J & D	....		....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
" 2d 7's	1912	1,918,000	J & J	117½	Feb. 2,'06	117½	117½	1,000
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy.&O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....		....	....	....
" 4½'s series B	1933	978,000	J & J	....		....	....	....
" 4's series C	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	...	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04	....	....	....
" registered			Q M	....		....	....	....
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug. 28,'03	....	....	....
" ten year conv. 3½'s	1912	20,480,000	M & N	101	Feb. 28,'06	104¾	101	340,500
Penn. R.R. 10-year conv. g. 3½'s	1915	99,684,000	J & D	97⅛	Feb. 28,'06	100⅝	97⅛	575,000
" registered		....	J & D	....		....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	104¼	Oct. 26,'05	....	....	....
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J	....		....	. ..	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1st gtd g. 4's	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108⅝	Feb. 6,'06	108⅝	108⅝	4,000
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	110½	Feb. 24,'06	110½	110½	1,000
" registered			M & N	....		....	....	....
Pitts. Va.&Charl. Ry 1st gtd g. 4's	1943	6,000,000	M & N	....		....	....	....
Sunbury & Lewistown 1st g. 4's	1936	500,000	J & J	....		....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'05	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	118	Feb. 14,'06	118	118	1,000
" 1st con. gold 5's	1939	2,850,000	M & N	110¼	Jan. 22,'06	....	....	....
" Port Huron d 1st g 5's	1939	3,325,000	A & O	111½	Jan. 29,'06	....	....	....
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'98	....	....	....
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'98	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's.	1940	3,000,000	A & O	120	Jan. 30,'06	....	....	....
" 1st cons. 5's.	1948	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg. Y & Ash. 1st cons. 5's.	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	88,330,000	J & J	100⅞	Feb. 28,'06	102	100⅞	318,000
" registered			J & J	101½	Jan. 6,'06	....	....	....
" Jersey Cent. col. g. 4's	1957	23,000,000	......	101¼	Feb. 28,'06	101¼	101	79,000
" " registered		....		....		....	....	....
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N	....		....	....	....
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	113¼	Feb. 25,'05	....	....	....
" registered		663,000	J & D	....		....	....	....
" 7's	1911	7,310,000	J & D	114	Dec. 5,'05	....	....	....

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				Price.	Date.	High.	Low.	Total.
" " registered		3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's..	1940	2,233,000	J & J	76	Dec. 20,'05	....	....	....
" guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s...	1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J	100	Feb. 2,'06	100	99¾	2,000
Rutland Canadian 1st gtd.g.4's.	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.3.4s	1947	3,500,000	J & J	98¼	Feb. 27,'06	94½	93¼	37,000
St. L. & Adirondack Ry. 1st g.5's.	1996	800,000	J & J	122	Jan. 18,'06	....	....	....
" 2d g. 6's	1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	102⅛	Jan. 31,'06	....	....	....
" 2d g. 6's, Class C	1906	829,000	M & N	102	Jan. 11,'06	....	....	....
" gen. g. 6's	1931	3,681,000	J & J	125	Feb. 13,'06	125	125	1,000
" gen. g. 5's	1931	5,808,000	J & J	113¼	Feb. 20,'06	113¼	113	9,000
St. L & San F. R. R. con. g. 4's.	1996	1,558,000	J & D	98½	Sept. 26,'05	....	....	....
" S. W. div. g. 5's	1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
" refunding g. 4's	1951	60,104,000	J & J	86¾	Feb. 27,'06	88	85⅝	832,000
" " registered			J & J	....		....	....	....
" 5 year 4½'s gold notes.	1908	5,728,000	J & D	96	Feb. 9,'06	96	96	6,000
Kan. Cy Ft.S.&Mem RR con g 6's	1928	13,736,000	M & N	125	Aug. 31,'05	....	....	....
Kan.Cy Ft.S & M Ry ref g gtd g 4s.	1936	17,810,000	A & O	87	Feb. 26,'06	87¾	87	142,000
" registered			A & O	78½	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1st gtd g 5s.	1929	3,000,000	A & O	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	99	Feb. 27,'06	99¾	99	34,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	85½	Jan. 22,'06	....	....	....
" con. g. 4's	1932	16,678,000	J & D	81	Feb. 27,'06	82	80⅞	416,000
Gray's Point, Term. 1st gtd. g. 5's.	1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's..	1909	6,646,000	A & O	108¼	Dec. 26,'05	....	....	....
" 1st con. 6's	1933	13,344,000	J & J	137½	Feb. 17,'06	137½	137½	2,000
" 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s		19,322,000	J & J	112	Feb. 20,'06	112	112	8,000
" 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's...	1910	5,040,000	M & N	110⅞	Feb. 7,'06	110⅞	110⅞	8,000
" Mont. ext'n 1st g. 4's..	1937	10,185,000	J & D	103⅛	Feb. 21,'06	103¼	103⅛	7,000
" registered			J & D	103½	Sept. 19,'05	....	....	....
" Pac. Ext. sterl. gtd. 4s..	1940	£4,000,000	J & J	....		....	....	....
$5=£1.								
Eastern R'y Minn. 1st d. 1st g. 5's..	1908	4,700,000	A & O	102⅜	Oct. 12,'05	....	....	....
" registered			A & O	....		....	....	....
" Minn. N. div. 1st g. 4's..	1940	5,000,000	A & O	....		....	....	....
" registered			A & O	....		....	....	....
Minneapolis Union 1st g. 6's....	1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd..	1937	6,000,000	J & J	136	Feb. 1,'06	136	136	2,000
" 1st 6's, registered			J & J	134¾	Dec. 20,'04	....	....	....
" 1st g. g. 5's	1937	4,000,000	J & J	119½	Feb. 1,'06	119½	119½	5,000
" registered			J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
" registered			J & D	....		....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's,	1942	4,940,000	M & S	112½	Jan. 16,'06	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,851,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	90½	Feb. 28,'06	91½	90½	103,000
" registered			A & O	....		....	....	....
" col. trust refdg g. 5's..	1911	10,000,000	M & N	103¼	Jan. 25,'06	....	....	....
Atlanta—Bir'hm 30-yr-1st g.4's.	1933	5,760,000	M & S	97	Jan. 24,'06	....	....	....
Carolina Central 1st con. g. 4's.	1949	2,847,000	J & J	98½	Nov. 8,'05	....	....	....
Fla Cent & Peninsular 1st g.5's.	1918	3,000,000	J & J	109	Feb. 2,'05	....	....	....
" 1st land grant ext g.5's.	1930	410,000	J & J	....		....	....	....
" cons. g. 5's	1943	4,370,000	J & J	109½	Mar. 3,'05	....	....	....
Georgia & Alabama 1st con.5's.	1945	2,922,000	J & J	112⅛	Oct. 25,'05	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's.	1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's....	1926	2,500,000	J & J	....		....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.								
" g. 4's Central Pac. coll..	1949	28,818,500	J & D	93½	Feb. 28,'06	95½	93½	76,000
" " registered			J & D	94	May 4,'05	....	....	....
Austin & Northw'n 1st g. 5's...	1941	1,920,000	J & J	109½	Feb. 19,'06	110	109½	15,000
Cent. Pac. 1st refud. gtd. g. 4's..	1949	79,292,000	F & A	99½	Feb. 28,'06	100½	99½	141,000
" registered			F & A	98	Apr. 7,'05	....	....	....
" mtge. gtd. g. 3½'s...	1929	17,493,000	J & D	89	Feb. 27,'06	89	87½	135,000
" " registered			J & D	....		....	....	....
" through S L 1st gtd g. 4's.	1954	8,300,000	A & O	99⅞	Feb. 9,'06	99⅞	99⅞	10,000
" registered			A & O	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..	1910	4,756,000	F & A	106	Feb. 21,'06	106	106	11,000
" Mex. & P. div 1st g 5's.	1931	13,418,000	M & N	111½	Jan. 26,'06	....	....	....
Gila Val. G.& N'n 1st gtd g 5's.	1924	1,514,000	M & N	107½	June 3,'05	....	....	....
Houst. E. & W. Tex. 1st g. 5's..	1933	501,000	M & N	105¼	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's	1933	2,199,000	M & N	105½	Feb. 7,'06	105½	105½	5,000
Houst. & T.C. 1st g 5's int. gtd..	1937	4,592,000	J & J	111	Feb. 19,'06	111	111	7,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
“ con. g 6's int. gtd.	1912	2,290,000	A & O	111	Dec. 21,'05	....	....	....
“ gen. g 4's int. gtd.	1921	4,275,000	A & O	99	Feb. 10,'06	99	99	5,000
“ W&Nwn. div. 1st. g. 6's.	1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....		....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	118	Feb. 17,'06	118	118	2,000
“ 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
“ gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,235,000	J & J	103⅝	Oct. 13,'05	....	....	....
San Ant. & Aran Pass 1st gtd g 4's	1943	17,544,000	J & J	88⅛	Feb. 28,'06	90	88⅛	125,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	105⅛	Feb. 13,'06	105⅛	105⅛	5,000
“ “ “	1910	4,000,000	J & J	106⅝	Feb. 3,'06	106⅝	106⅝	4,000
“ of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	102	Jan. 2,'06	....	....	....
“ “ “ E. & F.	1902		A & O	113¾	Feb. 15,'06	113¾	113⅛	3,000
“ “ “	1912		A & O	116	June 29,'04	....	....	....
“ 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Jan. 3,'06	....	....	....
“ stamped	1905-1937	21,470,000	......	108⅝	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....		....	....	....
“ of N. Mex. c. 1st 6's	1911	4,180,000	J & J	109⅛	Feb. 23,'05	....	....	....
Tex. & N. O. Sabine div. 1st g 6's	1912	2,575,000	M & S	111¼	Jan. 6,'06	....	....	....
“ con. g 5's	1943	1,620,000	J & J	111	Aug. 4,'05	....	....	....
Southern Pacific R.R. Co		75,000,000	J & J	96⅛	Feb. 28,'06	97⅝	96¼	1,140,000
“ st. refundg mtge. s. f. 4's	1955		J & J	....		....	....	....
Southern Railway 1st con. g 5's	1994	44,251,000	J & J	118¼	Feb. 28,'06	119⅛	118	206,000
“ registered			J & J	117⅛	Jan. 25,'06	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	8,069,000	M & S	97	Feb. 26,'06	98⅛	97	81,000
“ registered			M & S	....		....	....	....
“ Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	118	Aug. 19,'05	....	....	....
“ registered			J & J	....		....	....	....
“ St. Louis div. 1st g. 4's	1951	11,750,000	J & J	98⅛	Feb. 21,'06	99⅛	98⅛	72,000
“ “ registered			J & J	....		....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	113	Jan. 4,'06	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	98⅛	Mar. 8,'05	....	....	....
“ 2d mtg	1948	775,000	J & J	90⅛	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116⅛	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	114¼	Jan. 4,'06	....	....	....
“ con. 1st g 5's	1956	12,770,000	M & N	119¼	Feb. 24,'06	119⅝	119	18,000
“ reorg. lien g 4's	1938	4,500,000	M & S	116⅛	Feb. 8,'06	116⅛	116	11,000
“ registered			M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	122⅛	Feb. 2,'06	122⅛	122⅛	3,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122¼	Jan. 23,'06	....	....	....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	114⅛	Feb. 7,'06	114⅛	114⅛	1,000
“ deb. 5's stamped	1927	3,368,000	A & O	114⅛	Feb. 13,'06	114⅛	114⅛	1,000
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	108⅛	Feb. 5,'06	108⅛	108⅛	1,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	101⅛	Feb. 15,'06	101⅛	101⅛	1,000
“ small			M & S	....		....	....	....
“ ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
“ small			M & S	....		....	....	....
“ ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
“ small			M & S	....		....	....	....
“ ser. D 4-5's	1921	950,000	M & S	110	Dec. 22,'04	....	....	....
“ small			M & S	....		....	....	....
“ ser. E 5's	1926	1,775,000	M & S	113	Dec. 20,'05	....	....	....
“ small			M & S	....		....	....	....
“ ser. F 5's	1931	1,310,000	M & S	115⅝	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's	1936	2,892,000	M & N	114⅛	Jan. 16,'06	....	....	....
“ gen. 5's. gtd. stamped	1926	2,466,000	M & N	114⅛	Jan. 25,'06	....	....	....
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97¾	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113	Feb. 21,'06	113	113	1,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N. Y. 1st gtd. g. 4½'s	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1 g 4½'s	1939	7,000,000	A & O	112	Jan. 16,'06	....	....	....
“ 1st con. g. 5's	1894-1944	5,000,000	F & A	119	Feb. 26,'06	120⅛	119	5,000
“ gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	100¼	Feb. 28,'06	100¼	100⅛	23,000
“ “ “ registered.			J & J	....		....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112½	July 29,'04	....	....	....
Tex. & Pacific 1st gold 5's	2000	25,000,000	J & D	123⅛	Feb. 28,'06	123⅛	123	105,000
“ 2d gold income, 5's	2000	963,000	MAR.	102	Jan. 9,'06	....	....	....
“ La. Div. B. L. 1st g. 5's	1931	4,241,000	J & J	110	Feb. 23,'06	110	110	25,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	112¾	Feb. 14,'06	115⅛	112¾	6,000
“ 1st M. g 5's West. div.	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
“ gen. g. 5's	1935	2,000,000	J & D	107	Jan. 3,'06	....	....	....
“ Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	98⅛	Feb. 24,'06	99⅛	97⅝	18,000

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			Price.	*Date.*	*High.*	*Low.*	*Total.*
Toledo, Peoria & W. 1st g 4's....1917	4,400,000	J & D	91⅛	Feb. 6,'06	91⅛	91⅛	1,000
Tol., St.L.&Wn. prior lien g 3½'s.1925	9,000,000	J & J	89¼	Feb. 27,'06	89⅝	89	21,000
• registered..................		J & J	....		....	....	....
• fifty years g. 4's........1925	6,500,000	A & O	83¾	Feb. 27,'06	84⅛	83¾	59,000
• registered..................		A & O	....		...	....	....
Toronto,Hamilton&Buff 1st g 4s.1946	3,280,000	J & D	99⅛	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's....1928	2,000,000	J & D	113¼	Feb. 19,'06	113¼	112¾	4,000
• 1st ref. g. 4's...........1952	700,000	A & O	98	Jan. 20,'06	....	....	....
Union Pacific R. R. & ld gt g 4s...1947	100,000,000	J & J	104¾	Feb. 28,'06	105⅜	104⅛	405,500
• registered.................		J & J	104⅛	Feb. 21,'06	104⅛	104⅛	6,000
• 1st lien con. g. 4's......1911	3,473,000	M & N	152	Feb. 28,'06	157	149	162,000
• registered.................		M & N	140	Dec. 11,'05	....	....	....
Oreg. R. R. & Nav.Co.con. g 4's.1946	21,482,000	J & D	101⅜	Feb. 27,'06	101¾	101⅜	46,000
Oreg. Short Line Ry. 1st g. 6's.1922	14,931,000	F & A	122⅛	Feb. 27,'06	123⅛	122⅛	42,000
• 1st con. g. 5's.1946..........	12,328,000	J & J	117¼	Feb. 26,'06	118¼	117⅞	18,500
• gtd. refunding g. 4's..1929	45,000,000	J & D	96¼	Feb. 28,'06	97¼	96¼	334,000
• • registered....		J & D	96⅛	Dec. 30,'05	....	....	....
Utah & Northern 1st 7's........1908	4,993,000	J & J	105⅛	Jan. 16,'06	....	....	....
• g. 5's....................1926	1,812,000	J & J	114⅛	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's........1955	7,000,000	F & A	102⅞	Feb. 2,'06	103	102⅞	45,000
• registered..................		F & A	....		....	....	....
Vera Cruz & Pac. tr. gtd. g.4½'s.1934	2,500,000	J & J	101⅜	Nov.29,'05	....	....	....
• 1st mtg. gtd. bonds of 1934, scaled int. to 191 Speyer&Co's coupns	4,500,000	J & J	....		....	....	....
Virginia & S'western 1st gtd. 5's..2003	2,000,000	J & J	112	Jan. 29,'06	....	....	....
Wabash R.R. Co., 1st gold 5's....1939	33,011,000	M & N	115⅛	Feb. 28,'06	116⅛	115⅛	49,000
• 2d mortgage gold 5's...1939	14,000,000	F & A	105¾	Feb. 28,'06	106½	105½	123,000
• deben. mtg series A...1939	3,500,000	J & J	95	Feb. 28,'06	95	90	304,000
• series B................1939	26,500,000	J & J	82¼	Feb. 28,'06	85	76½	4,600,000
• first lien eqpt. fd.g. 5's.1921	2,600,000	M & S	102	Dec. 28,'05	....	....	....
• 1st lien 50 yr.g.term4's.1954	2,508,000	J & J	92	Apr. 17,'05	....	....	....
• 1st g.5's Det.& Chi.ex..1940	3,349,000	J & J	109	Feb. 28,'06	109	108¾	11,000
• Des Moines div.1st g.4s.1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
• Omaha div. 1st g. 3½s..1941	3,173,000	A & O	85	Feb. 18,'06	85¼	85	4,000
• Tol.&Chic.div.1stg.4's.1941	3,000,000	M & S	97	May 27,'05	....	....	....
St.L.,K.C.& N.St.Chas.B.1st6's1908	463,000	A & O	109⅛	Mar. 18,'03	....	....	....
Wabash Pitts Terml Ry 1stg.4's.1954	27,000,000	J & D	88⅛	Feb. 28,'06	90½	88⅛	114,000
• 2d g.4's..................1954	20,000,000	J & D	39	Feb. 28,'06	40½	38¾	1,091,000
Western Maryland 1st 4's... 1952	33,194,000	A & O	87¾	Feb. 28,'06	88¾	87½	309,000
West. M'land. g.lien& con.g.4's..1952	10,000,000	A & O	75	Feb. 28,'06	76¾	74	443,000
Western N.Y. & Penn. 1st g. 5's..1937	9,990,000	J & J	117½	Feb. 2,'06	117½	117½	5,000
• gen g. 3-4's..............1943	9,789,000	A & O	97	Feb. 13,'06	97	97	1,000
• inc. 5's.................1943	10,000,000	Nov.	30	Jan. 19,'06	....	....	....
West Va.Cent'l & Pitts.1st g. 6's.1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's.1926	2,000,000	A & O	114	Jan. 20,'06	....	....	....
• Wheeling div. 1st g. 5's.1928	894,000	J & J	112½	Feb. 9,'06	112½	112½	3,000
• exten. and imp. g. 5's...1930	343,000	F & A	114	June28,'05	....	....	....
• 20 year eqptmt s.f.g.5's.1922	2,152,000	J & J	102⅝	Nov.28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's..1949	11,618,000	M & S	92¾	Feb. 28,'06	93⅛	92	79,000
Wisconsin Cen. R'y 1st gen. g. 4s.1949	23,743,000	J & J	92¼	Feb. 28,'06	94	92¼	174,000
Mil. & L. Winnebago 1st 6's.....1912	1,430,000	J & J	....		....	....	....
STREET RAILWAY BONDS.							
Brooklyn Rapid Transit g. 5's...1945	6,625,000	A & O	108⅛	Feb. 19,'06	108⅛	108	23,000
• 1st ref. conv. g. 4's....2002	20,042,000	J & J	95	Feb. 28,'06	98¾	95	1,047,000
• • registered........		J & J	....		....	....	....
• City R. R. 1st c. 5's 1916.1941	4,373,000	J & J	106½	Feb. 14,'06	106½	106½	1,000
• Qu. Co. & S. c. gd. g. 5's.1941	2,255,000	M & N	103	Feb. 15,'06	103	102½	5,000
• Union Elev. 1st. g. 4-5s.1950	16,000,000	F & A	109	Feb. 28,'06	110½	108½	107,000
• stamped guaranteed......		......	110	Feb. 6,'06	110	110	2,100
Kings Co. Elev. R. R. 1st g. 4's.1949	7,000,000	F & A	90	Feb. 27,'06	90	90	1,000
• stamped guaranteed......		......	95	Jan. 31,'06	....	....	....
Nassau Electric R. R. gtd. g. 4's.1951	10,474,000	J & J	88½	Feb. 27,'06	89½	88½	75,000
City & Sub. R'y, Balt. 1st g. 5's...1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn.Ry.& Lightg 1st&rfg.g4½'s.1951	10,913,000	J & J	103¼	Sept. 7,'05	....	....	....
• stamped guaranteed........		......	100⅝	Jan. 30,'06	....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	97½	June13,19'	....	....	....
Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's.1911	918,000	J & J	....		....	....	....
Detroit United Ry 1st c. g. 4½'s...1932	11,367,000	J & J	95⅝	Feb. 15,'06	95¾	95	51,000
Grand Rapids Ry 1st g. 5's........1916	2,750,000	J & D	....		....	....	....
Havana Elec. Ry. con. g. 5s.....1952	6,957,000	F & A	94½	Feb. 23,'06	94½	93¼	21,000
Louisville Railw'y Co. 1st c. g. 5's. 1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's. 1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's.1997	12,500,000	F & A	111	Feb. 28,'06	114	111	40,000
• refunding 4's..........2002	16,418,000	A & O	90⅞	Feb. 15,'06	91¼	90⅝	20,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		FEBRUARY SALES.		
			Price.	*Date.*	*High.*	*Low*	*Total.*
B'way & 7th ave. 1st con. g. 5's, 1943	7,660,000	J & D	116¼	Feb. 21,'06	116¼	116	15,000
" registered		J & D	119½	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's, 1993	3,000,000	M & S	119½	Jan. 12,'06	....	....	....
" registered................		M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	117¾	Dec. 13,'05	....	....	....
" registered................		M & S	....		....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	92¾	Feb. 28,'06	94¾	92¾	94,000
" registered................		J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118½	Feb. 26,'06	118½	118½	5,000
Met. West Side Elev. Chic. 1st g. 4's. 1938	9,808,000	F & A	94	Oct. 23,'05	....	....	....
" registered..................		F & A	....		....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's. 1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's......................1919	4,050,000	J & J	107½	Feb. 14,'06	107½	107½	1,000
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's. 1937	3,763,000	M & N	....		....	....	....
St. Paul City Ry. Cable con. g. 5's. 1937	2,480,000	J&J15	114½	Nov. 18,'05	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Salt Lake City 1st g. sk. fd 6's ..1913	297,000	J & J	....		....	....	....
Undergr'd Elec. Rys. of London Ltd.	16,550,000	J & J	98	Feb. 28,'06	98⅝	97⅝	246,500
5% profit sharing notes 1908 series A		J & D	....		....	....	....
" series B		J & D	....		....	....	....
" series C		J & D	....		....	....	....
" series D		J & D	....		....	....	....
Union Elevated (Chic.) 1st g. 5's. 1945	4,387,000	A & O	106¼	July 13,'05	....	....	....
United Railways of St. L. 1st g. 4's. 1934	28,292,000	J & J	88⅞	Feb. 14,'06	88	88	6,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88⅞	Feb. 28,'06	90	88¾	262,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	87	Sept. 9,'05	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....
MISCELLANEOUS BONDS.							
Adams Express Co. col. tr. g. 4's. 1948	12,000,000	M & S	104¼	Feb. 28,'06	104⅝	104	49,500
Am. Steamship Co. of W. Va. g. 5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N. Y. 1st c. g. 5's. 1948	6,500,000	F & A	48	Feb. 14,'06	49½	46¼	11,000
Chic. Junc. & St'k Y'ds col. g. 5's. 1915	10,000,000	J & J	108	July 3,'05	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an. 1911	1,432,000	A & O	78	Jan. 8,'06	....	....	....
Hackensack Water Co. 1st 4's.....1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's.....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's. 1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's..............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	95½	Feb. 26,'06	96½	95½	28,500
" registered..................		F & A	....		....	....	....
Provident L. Soc. of N. Y. g. 4's..1921	2,000,000	M & S	99	Dec. 13,'05	....	....	....
St. Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	100½	Sept. 15,'05	....	....	....
St. Louis Term'l. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's.....1906	4,975,000	M & S	113½	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's................1907–1917	1,000,000	J & D	....		....	....	....
" F 4's................1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................1903–1918	1,000,000	F & A	....		....	....	....
" H 4's................1903–1918	1,000,000	M & N	....		....	....	....
" I 4's................1904-1919	1,000,000	F & A	....		....	....	....
" J 4's................1904–1919	1,000,000	M & N	....		....	....	....
" K 4's................1905–1920	1,000,000	J & J	....		....	....	....
Small bonds..........	....	......	....		....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	5,000,000	......	96	Feb. 23,'06	97½	96	19,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	99¾	Feb. 29,'06	100¼	99	93,000
Am. Ice Securities Co. deb. g. 6's. 1925	2,655,000	A & O	92¼	Feb. 28,'06	93½	91¼	211,000
" small bonds......		A & O	....		....	....	....
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	103	Feb. 24,'06	103	102½	13,000
Am. Thread Co.. 1st coll. trust 4's. 1919	6,000,000	J & J	90⅝	Jan. 13,'06	....	....	....
Am. Tobacco Co. 40 yrs g, 6's....1944	50,769,750	A & O	116	Feb. 28,'06	117½	115½	983,500
" registered...........		A & O	116¼	Feb. 6,'06	116¼	116¼	2,500
" g. 4's.................1951	57,557,000	F & A	78⅝	Feb. 28,'06	81¼	78½	1,844,000
" " registered...........		F & A	80½	Feb. 7,'06	80½	80½	8,500
Barney & Smith Car Co. 1st g. 6's. 1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Central Leather Co. 20 yr. g. 5's. 1925	33,291,000	A & O	101⅝	Feb. 28,'06	102	101¼	916,000
Consol. Tobacco Co. 50 year g. 4's. 1951	5,735,900	F & A	79	Feb. 27,'06	81⅛	78½	137,000
" registered..................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	87¼	Feb. 28,'06	88¼	85	605,000
Ill. Steel Co. deb. 5's stpd. non-con..1910	2,922,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		FEBRUARY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Internat'l PaperCo. 1st con.g 6's.	1918	9,724,000	F & A	108	Feb. 27,'06	108¼	107⅝	52,000
" con.conv.sinkgfundg5s	1935	5,000,000	J & J	97¼	Feb. 5,'06	98½	97¼	81,000
Int. Steam Pump 10 year deb. 6's.	1913	3,500,000	J & J	103	Feb. 2,'06	103	103	2,000
Knick'r'ker IceCo.(Chic) 1st g 5's.	1925	1,987,000	A & O	97½	Oct. 20,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....	1923	15,000,000	A & O	107¼	Feb. 28,'06	108½	107	394,000
Nat. Starch Mfg. Co., 1st g 6's...	1920	2,848,000	J & J	92	Jan. 16,'06	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..	1925	3,920,000	J & J	75	Feb. 20,'06	77	75	19,000
Standard Rope&Twine inc.g.5's.	1946	6,806,000	......	1¾	Feb. 28,'06	1¾	1¾	6,000
United Fruit Co., con. 5's........	1911	2,219,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...	1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..	1915	5,280,000	M & N	109½	Feb. 10,'06	109½	109	12,000
U. S. Reduction & Refin. Co. 6's..	1931	....	......	99½	Feb. 27,'06	100½	99½	98,000
U.S. Realty & Imp.con.deb.g.5's.	1924	13,284,000	......	97	Feb. 21,'06	97½	97	118,000
U.S.SteelCorp.10-60yr.g.sk.fd5's	1963	....	M & N	98¾	Feb. 28,'06	99⅞	98¾	4,116,000
" " " reg.	1963	170,000,000	M & N	99¼	Feb. 28,'06	99⅞	98⅝	12,500
Va.Carol Chem. col.tr.s.fd.g.5's..	1912	8,500,000	A & O	101¼	Feb. 13,'06	101½	101	26,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g.s.fd.g 5's..	1943	5,355,000	F & A	103	Feb. 26,'06	103	103	25,000
" conv. deb. g. 5's..........	1911	1,710,000	F & A	102	Jan. 27,'06	....	....	....
" " registered.............			F & A	....	....	....	....	....
Col. C'l & I'n Dev.Co. gtd g.5's..	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off.................		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's......	1919	600,000	M & N	107⅛	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.	1919	949,000	A & O	103½	July 26,'02	....	....	....
Col.Inds. 1st cv g&col tr gt5s ser A	1934	12,378,000	F & A	77	Feb. 28,'06	84	76	2,736,000
" registered..................		....	F & A	....	....	....	....	....
" 1st g & col tr gt 5s ser B.	1934	12,537,000	F & A	76	Feb. 28,'06	80⅛	74⅞	438,000
" " registered.............		....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's..	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5's.................	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's	1951	3,000,000	J & J	105⅛	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.	1928	1,121,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch &Pitts.Cl&Ir.Co.pur my5's.	1946	1,044,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..	1912	821,000	J & D	105	Aug. 10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..	1951	4,424,000	J & J	100	Feb. 26,'06	101⅛	100	20,000
" Tenn. div. 1st g. 6's......	1917	1,160,000	A & O	110⅛	Feb. 20,'06	110⅛	110⅛	6,000
" Birmingh. div. 1st con. 6's	1917	3,603,000	J & J	110	Feb. 19,'06	110	110	11,000
Cahaba Coal M. Co., 1st gtd. g.6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo. gtd. g.6's	1910	2,716,500	F & A	103½	Feb. 20,'06	103¾	103½	8,000
Utah Fuel Co. 1st s. f. g. 5's......	1931	826,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...	1949	6,157,000	M & S	96	Feb. 28,'06	97	94¾	99,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's..	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo. 1st con g. 5's.	1945	14,498,000	M & N	118	Feb. 26,'06	118⅝	118	16,000
Buffalo Gas Co. 1st g. 5's.........	1947	5,900,000	A & O	80	Feb. 20,'06	80	79½	13,000
Columbus Gas Co., 1st g. 5's......	1932	1,315,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo., con.deb.6's..	1909	19,857,500	J & J	151⅛	Feb. 28,'06	167½	150¼	3,740,000
Detroit City Gas Co. g. 5's.......	1923	5,603,000	J & J	102¼	Feb. 19,'06	103½	102	29,000
Detroit Gas Co. 1st con.g.5's.....	1918	381,000	F & A	105	Sept. 28,'05	....	....	....
Eq. G. L. Co. of N.Y. 1st con.g.5's.	1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c.g.5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	89	Feb. 23,'06	89¾	86¼	17,000
Grand Rapids G. L. Co. 1st g.5's.	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....	1949	10,290,000	M & N	109½	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	98	Feb. 8,'06	98	98	1,000
Kings Co. Elec. L.&Power g. 5's..	1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....	1997	5,010,000	J & J	121	Feb. 23,'06	122	121	14,000
Edison El. Ill. Bkln 1st con.g.4's.	1939	4,275,000	J & J	96	Dec. 7,'05	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	107	Feb. 17,'06	107¾	107	87,000
" small bonds..................								
" refdg. & exten 1st g.5s.	1934	5,000,000	A & O	105⅛	May 20,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..	1927	7,000,000	M & N	93	Jan. 16,'06	....	....	....
Newark Cons. Gas, con. g. 5's....	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo 1st col tr g 5's.	1948	15,000,000	J & D	109½	Jan. 31,'06	....	....	....
" registered..................			J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.	1949	20,927,000	F & A	88	Feb. 27,'06	90	88	54,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	104½	Feb. 13,'06	104½	104¼	61,000
" 1st con. g. 5's...........	1995	2,156,000	J & J	121⅛	Nov 27,'05	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	104½	Jan. 31,'06	....	....	....
N.Y.& RichmondGasCo. 1st g. 5's.	1921	1,225,000	M & N	....	....	....	....	....

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	104¾	Nov.13,'05	....	....	....
Peo. Gas & C.C.1st con. g 6's...1943	4,900,000	A & O	123	Feb. 8,'06	123	123	4,000
" refunding g. 5's.........1947	2,500,000	M & S	107⅞	Jan. 3,'06	....	....	....
" refuding registered....		M & S	....	....	....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	107	Jan. 3,'06	....	....	....
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	108	Feb. 16,'06	108	108	2,000
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	103½	Dec. 18,'05	....	....	....
" registered..	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g.5's..1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's.1949	1,500,000	M & S	110	May 13,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	....	....	....	....	....
Westchester Lighting Co. g. 5's.1950	5,916,000	J & D	108¾	Feb. 3,'06	108¾	108¾	10,000
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	53,000,000	J & J	95¼	Jan. 18,'06	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	9,782,200	Q & J	97	Feb. 20,'06	97½	97	3,000
" registered..........		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Keystone Telephone Co. 1st 5's..1935	4,000,000	J & J			....	....	....
" registered		J & J	....	....	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	109½	May 18,'05	....	....	....
" registered...................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,615,000	J & J	108	Feb. 13,'06	108½	108	40,000
" fundg & real estate g.4½'s.1950	20,000,000	M & N	105	Feb. 28,'06	105	104¾	39,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107	Jan. 15,'06	....	....	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1906. *High.*	YEAR 1906. *Low.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
United States con. 2's registered...1930	542,909,950	Q J	103⅝	103⅛	103⅝	103⅝	1,000
" con. 2's coupon............1930		Q J	103¼	103	103	103	1,000
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18	77,135,300	Q F	103¼	103	103	103	3,000
" 3's coupon..............1908-18		Q F	104	102⅝	103⅛	102⅝	19,500
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	102¼	102¼	....	....	......
" 4's registered..............1907	156,591,500	J A J&O	103¼	103	103¼	103¼	3,000
" 4's coupon..................1907		J A J&O	103½	103¼	....	....	......
" 4's registered..............1925	118,489,900	Q F	129⅞	129⅞	129⅞	129⅞	5,000
" 4's coupon..................1925		Q F	131⅛	129¾	130¼	129¾	28,500
District of Columbia 3-65's............1924	14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered..........		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	109⅝	109⅛	109⅝	109⅝	3,000
" public works & imp. reg.4's.1935	2,500,000	Q MCH.	108¾	108¾	108¾	108¾	36,000
STATE SECURITIES.							
Alabama Class A 4 and 5...............1906	6,859,000	J & J	....	....	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's..................1906	575,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's...............1910	3,397,350	J & J	102¾	102¾	....	....	......
" small.........................		J & J	....	....	....	....	......
" 6's.........:...........1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866 1900	556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds.............1892-1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2...............	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	*Principal Due.*	*Amount.*	*Int'st paid.*	Year 1906. *High.*	Year 1906. *Low.*	February Sales. *High.*	February Sales. *Low.*	February Sales. *Total.*
" " to Western N. C. R....		....	A & O	....	....	....	....	......
" " Western R. R..........		....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........		....	A & O	....	....	....	....	......
" " Western & Tar. R......		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40.............	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's.........	1913	6,681,000	J & J	96	95½	96	95½	2,000
" registered......................		6,079,000	J & J	....	....	....	....	......
" small bond......................		362,200	J & J	....	....	....	....	......
" redemption 4's............	1907	469,000	A & O	....	....	....	....	......
" 4½s........................	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s.........	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of...........	1991	17,087,000	J & J	96¾	96¾	....	....	......
" registered......................			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....		10,416,565	....	30	20	30	22½	617,000
Foreign Government Securities.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......	1901	14,060,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	100⅞	99⅝	100¼	100	654,000
" " second series..........		£12,000,000	A & O	100⅝	98⅝	100⅜	99⅞	501,500
$5 shall be considered equiv. £1 sterling		£30,000,000	F & A 15	91⅛	90½	91⅛	90½	223,000
Imper. Japan. Gov. 4½% ster. loan. .	1925							
One pound sterling equals Five Dollars								
Regular delivery £100 and £200.........								
Large bonds £500								
Imperial Russian Gov. State 4% Rente....		2,810,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's............................	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	105¾	107½	106	51,500
" registered......................			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's....................		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200........................		£21,897,960	......	100½	99⅝	100½	99⅞	8,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......
U. S. of Mex. 4's gold debt 1904 ser. A..	1954	39,870,000	J & D	95	92⅝	94¾	94	317,000
" " " ser. B..	1954		J & D	....	....	....	....	......

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—Clerks of the Greenwich Bank have organized the Greenwich Bank Club. They will shortly furnish a club house for the use of members. Louis K. Hyde was elected president. Wm. C. Duncan, President of the Greenwich Bank, was made honorary president of the club.

—At the annual meeting of the stockholders of the American Banknote Company held February 23 the retiring trustees were re-elected. The trustees chose Warren L. Green for president, T. H. Freeland, chairman of the board; J. K. Myers, vice-president; E. K. Johnson, secretary; Charles L. Lee, treasurer and George Danforth, assistant secretary and treasurer.

—The firm of Farson, Leach & Co. has been dissolved, and two new firms organized—Farson, Son & Co., and A. B. Leach & Co.

—Richard L. Purdy, accountant of the Bank for Savings, has just completed fifty years of service with that institution, having entered the bank March 1, 1856. To mark his long connection with the bank his fellow employees presented him a loving-cup, the speech being made by James Knowles, the Comptroller.

—Walter A. Hohn having resigned as Manager of the Foreign Exchange Department of the Oriental Bank, Leopold Friederich has been appointed as his successor.

—The New York Clearing-House Association at a recent meeting approved the proposed amendment to the National Banking Act permitting banks to lend to one person, etc., ten per cent. of surplus, as well as capital—the word "capital" only being included in this provision of the law at present.

—Messrs. Kuhn, Loeb & Co. have announced their withdrawal from the directory of all railroad boards in which the firm has been represented, giving as a reason the steadily increasing difficulty which the members of the firm have experienced in meeting the demands of their own business and at the same time giving the necessary attention to their duties as directors of corporations.

—Messrs. Spencer Trask & Co. have issued a booklet giving a great amount of valuable information, in compact form, relating to American railroad, street railway and industrial securities. The details presented are comprehensive enough to afford almost at a glance the information necessary for an accurate judgment of the value of the securities. This compilation will be found useful for reference by banks, trust companies, Savings banks and investors generally.

NEW ENGLAND STATES.

Boston.—Outside banking corporations gaining a domicile in this State have been the source of considerable trouble to the Savings Bank Commissioners, owing to their lack of authority to close up such concerns when they were found to be in an insolvent or hazardous condition. Recent experiences have caused the Legislature to remedy this defect in the banking law, and shaky banking corporations chartered in other States and expecting to do business in Massachusetts will find it very much more difficult to operate than it has been heretofore.

MIDDLE STATES.

Philadelphia.—At the regular March meeting of the Philadelphia Chapter American Institute of Bank Clerks, James A. Sample, Chief Division of Redemption, Treasury Department, Washington, D. C., delivered an address on "Redemption of the United States and National Bank Currency." Mr. Sample gave a brief description of the currency as now issued, showing amounts of each kind outstanding February 1, 1906, and indicating which are, and which are not, redeemable. He then referred to the law of March 14, 1900, establishing the gold standard, and brought out its effect on exchanges and redemptions.

He then considered briefly the population of the United States and per capita circulation, passing on to the methods employed in the reception and handling of coins at the Treasury and sub-Treasuries, indicating also how the gold coins are dishonestly reduced in value, and showing the different kinds of counterfeits of silver and minor coins, and the methods of handling same.

Continuing, Mr. Sample gave the regulations of the Department governing redemption and exchange of currency, describing the manner of handling paper currency of the United States in the Redemption Division, from its receipt to its final destruction, and enlivening the talk by incidents and anecdotes in connection with the work of that division.

He then described the National Bank Redemption Agency and its methods, covering completely this branch of the Treasury work.

Mr. Sample was followed by A. R. Barrett, Treasurer of the Guardian Trust Co., New York, who made an address on "Bank Examination." Mr. Barrett, first demonstrating the necessity of bank examinations, considered the different kinds of examination and the qualifications of an examiner. The course of an examination was then followed in its entirety and the obstacles to a careful examination were brought out by illustrative examples.

Germantown Trust Company.—An excellent showing is made by the Germantown (Pa.) Trust Company, which reports $600,000 capital, $400,000 surplus, $198,117 undivided profits, $8,425,094 deposits, and trust funds amounting to $2,795,656. The size of the company's banking and trust departments has been doubled recently and an addition about 30x70 feet made to the safe deposit department, ladies' room, etc.

Norristown, Pa.—On January 15 the First National Bank here increased its capital from $150,000 to $200,000 and added $30,000 to the surplus fund, making the latter $110,00.

George Shannon, who has been Cashier of the bank since its organization forty-two years ago, recently declined re-election, and was succeeded by Geo. R. Kite. Mr. Kite entered the bank as a clerk in 1873. In 1882 he was appointed teller and was elected Assistant Cashier in 1884.

The First National Bank has lately increased its board of directors by the addition of nine well-known local business men.

Glens Falls, N. Y.—The National Bank of Glens Falls reports on January 29: Capital, $100,000; surplus and undivided profits, $211,769; deposits, $1,792,964. Demand loans, due from banks and cash on hand amounted on the date named to $807,321.

Princess Anne, Md.—The Bank of Somerset believes that the proof of good service is constant growth. Measured by this standard, the bank is certainly giving a good account of itself. On January 28, 1905, the deposits were $436,531.47, and on January 29, 1906, they were $531,136.61.

SOUTHERN STATES.

Helena, Ark.—John I. Moore, for the past ten years President of the People's Bank and Trust Company, has retired from this office to give his attention to the practice of law. Greenfield Quarles, formerly Vice-President, succeeds Mr. Moore as President of the company, and S. A. Wooten becomes Vice-President.

A healthy growth is indicated by the company's last statement, which shows deposits of $352,000.

—At the January meeting the First National Bank paid the usual four per cent. semi-annual dividend and passed $20,000 to surplus fund. It was decided hereafter to pay an annual dividend of ten per cent., payable quarterly.

—The Interstate Banking and Trust Co., which opened in December, 1905, with $200,000 capital, has made a good record in getting business, a recent statement showing deposits of $130,000 and very creditable earnings.

Marianna, Ark.—The Bank of Marianna opened for business in October, 1903, with a paid-up capital of $25,000. By its last report it had deposits of $70,000 and surplus and undivided profits of $2,750, after paying a dividend of eight per cent. and the same credited to surplus. These figures are regarded as exceptionally good, considering the competion of an old established bank.

Wynne, Ark.—A little more than a year ago the Bank of Wynne commenced business with $10,000 capital, and now shows deposits of nearly $100,000, with surplus and undivided profits of close to $4,000, after paying a semi-annual dividend of five per cent. The bank occupies quarters in its own new building, which is the most imposing in the city, and has in itself proved a gilt-edged investment. As the officers are all prosperous citizens, the continued growth of the bank is assured.

Forrest City, Ark.—In 1903 the Bank of Forrest City commenced business with $15,000 of its authorized capital of $30,000 paid in. Since that time the paid capital has been increased to $40,000; and the surplus and undivided profits amount to $8,675 after paying regular ten per cent. dividends. Owing to the growth of its business the bank finds it necessary to put up a new building, which will be two stories, of brick with stone trimmings. The banking rooms will be fitted up with all the appurtenances of a modern bank, including modern safes and vaults.

Jackson, Miss.—The Mississippi Bank and Trust Co. completed its third year March 3. It has regularly paid a dividend of eight per cent., and at the meeting last January added $10,000 to surplus. On February 14 the deposits amounted to $367,346.

Hot Springs, Ark.—One of the oldest and largest banks in this section of the State is the Arkansas National, of Hot Springs, and its President, Chas. N. Rix, is one of the most widely-known bankers in the Southwest.

The capital of the bank is $100,000 and the surplus $115,000. Occupying the lower floor of its own modern four-story building, and being equipped with all the most approved appliances for conducting the business of a safely progressive bank, and with officers of wide experience, this institution is naturally very prosperous and successful.

Little Rock, Ark.—From the beginning of business on September 25 up to February 3, deposits of the Southern Trust Company grew to $172,156. This company now has $71,209 paid-in capital, which is being increased by payments in installments, and will reach $100,000 by July. A ten-story building is now being erected by the company.

—Cornish & England have just moved into their new quarters on Main street, giving them the necessary additional room and equipment required by their increased business. This front entrance presents a very attractive appearance, with marble and plate glass particularly noticeable. Their interior is up-to-date in every particular, wainscoting and counters of white marble, fixtures of mahogany and bronze, steel ceiling, tessellated tile flooring, with artistic color effects in decorations. They have installed the latest improved vaults and safes. Though established only since 1904 as a private bank, the principals are well-known in financial circles and the firm has deposits of upwards of $200,000.

Argenta, Ark.—At the close of business January 31 the Valley Savings Bank, which began business in September, 1903, reported deposits amounting to $83,669.

Virginia Bankers to Meet.—The next annual meeting of the Virginia Bankers' Association will be held at Old Point Comfort June 21 to 23. Some of the best known bankers and financiers of the country will be asked to make addresses.

Batesville, Ark.—The Bank of Batesville, which is the oldest bank here, has increased its capital from $25,000 to $50,000. In addition the bank has an earned surplus of $51,000. Deposits are $225,000.

—Theodore Maxfield, formerly President of the First National Bank, of Batesville, resigned a short time ago to devote his entire time and attention to the Theodore Maxfield Bank and Trust Company, of which he is President. This company, which has $100,000 capital, is a continuation of a business founded by Uriah Maxfield, father of Theodore Maxfield, in 1865.

New Orleans, La.—"Keep strong" seems to be the watchword of the New Orleans National Bank, which has an earned surplus of $1,000,000 and $124,841 undivided profits, accumulated on a capital of $200,000. Deposits amount to $4,066,900.

Jonesboro, Ark.—The Citizens Bank has been converted into the First National Bank, with $100,000 capital and $20,000 surplus. H. Watson is President, A. L. Malone Vice-President, W. E. Talley Cashier, and James E. Parr Assistant Cashier.

—On March 1 the New American Trust Company opened for the transaction of a general banking business here, with $100,000 capital. E. Less is President, Alex. Berger, Cashier, and Edward L. Dimmitt, Assistant Cashier.

—Extensive alterations of the premises of the Jonesboro Savings and Trust Co. have just been completed, the old building being extended back thirty feet, to make room for putting in new vaults, and the fittings of the banking rooms generally have been improved. This bank has also increased its capital from $50,000 to $100,000, and has $40,000 surplus and undivided profits.

WESTERN STATES.

Cairo, Ill.—Improvements of a substantial character have been made in the banking rooms of the City National Bank. By obtaining adjoining property the bank was able to make greatly-needed addition to its working space. Its rooms have also been fitted up in the best modern style. This bank is one of the oldest and largest in Southern Illinois, has a capital of $100,000 and surplus and profits exceeding the capital.

Terre Haute, Ind.—By many it is supposed that the depository receiving the largest amount of Government moneys is the National City Bank of New York. But the Vigo County National Bank, of Terre Haute, holds the first place. This institution in the last five years has never had less than $12,000,000 of Government money, and in 1903 had $16,889,000. Last year it had $15,893,000, while the National City Bank of New York had $8,442,000.

The large deposits at Terre Haute come from internal revenue collections, the district being one of the largest in the country.

Peoria, Ill.—The report of the Commercial-German National Bank on January 29 shows that it maintains its steady growth, having gained $80,000 in deposits since the statement of November 9, 1905, and $600,000 since the report of one year ago.

Another fact which claims attention is the addition of $80,000 to the surplus fund since the November report, making the total $200,000, on $55,000 capital, besides $57,496 undivided profits.

The conservatism of the management is shown by its adherence to the policy of retaining in the business a large proportion of the profits.

Chicago.—The Manufacturers' State Bank has been converted into the Monroe National Bank, with Edwin F. Brown, President, and E. W. Harden and S. K. Martin, Jr., Vice-Presidents.

Charges on Checks.—The banks of Duluth, Minnesota, have adopted the following schedule of charges on checks and collections: "On and after February 1, 1906, they will make a minimum charge of $1.00 per thousand on all items drawn on or payable at Duluth, Minn., or Superior, Wis., received for collection or for credit bearing the endorsement of or drawn by banks, bankers or trust companies located in the New England States, the States of New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, North and South Carolina, Alabama, Georgia, Florida, Mississippi, Louisiana, Tennessee, Ohio, Indiana, Kentucky, Illinois, the Southern Peninsula of Michigan, and the cities of Omaha, St. Louis, Kansas City, Denver, and Milwaukee; the minimum charge to be fifteen cents on items under $100 or items aggregating $100.

This schedule of charges shall not affect items drawn on Duluth or Superior by banks, bankers or trust companies, located in territory other than that mentioned above. First National Bank. American Exchange Bank, City National Bank, Duluth Savings Bank."

Hayti, Mo.—This town, of 2,000 inhabitants, now has two banks, the Citizens' Bank having opened a short time ago with $10,000 capital. As there is a rich agricultural country tributary to the place, the growth of the bank is assured. Its officers are: President, A. J. Dorris; Vice-President, C. W. Frick; Cashier, C. J. Provine. All are well-known local business men.

Granite City, Ill.—D. J. Murphy, formerly Cashier of the National Bank of Jerseyville, Ill., is now Cashier of the Granite City National Bank. He is also a director, and is a man of wide practical banking experience.

Toledo, Ohio.—The Merchants and Clerks Savings Bank recently reported: Capital, $150,000; surplus and profits, $162,131; deposits, $1,312,170.

Walter C. Bond, Cashier of this institution, is one of the youngest bank Cashiers in the country. He was born in this city in 1882, and is a son of O. S. Bond, President of the bank. He became a bookkeeper in the bank in 1902, and in 1904 was made Assistant Cashier and last year was elected to his present position.

New Madrid, Mo.—About May 1 the Commercial Bank, the largest bank in the county, will take possession of its new modern building, which in construction and appointments is up to the best present-day standards.

—Hunter's Bank, which opened here May 1, 1905, is a private institution with $20,000 capital, and occupies its own building, which is well equipped in all respects. A. B. Hunter, the owner of the bank, is engaged in the grain and mercantile business, the active management devolving upon D. R. Hunter, the Cashier. Since July 1, 1905, the deposits of this bank have doubled, and now amount to $150,000.

Caruthersville, Mo.—Deposits of the Pemiscot County Bank, which was established here in 1892, have grown from $10,916 on January 13, 1893, to $185,521 on January 13, 1906. Last year the capital of this bank was increased from $25,000 to $75,000. Wm. A. Ward is President, F. J. Cunningham, Vice-President, and A. C. Tindle, Cashier.

—The People's Bank, which opened here in March, 1905, has prospered greatly, and though the population of the place is but 3,500 and there are two old banks, the new institution, as the result of less than a year's business, shows deposits of $125,000. This success has been due to the wisely progressive policy characteristic of the management and to the fact that the capital of $50,000 is widely distributed. The officers of the bank are: President, Lee W. Rood; Vice-President, G. W. Bradley; Cashier, J. D. Huffman.

Cape Girardeau, Mo.—The First National Bank has recently moved into its new building, which is undoubtedly the finest bank structure in the State, outside of St. Louis and Kansas City. It is built of Bedford sandstone, is of the modern type of architecture and has all the most improved fixtures and equipment, the whole involving an expense of $45,000. A comparison of the statement of January 29 and that of last June tends to confirm the saying that there is a good deal in appearances, as deposits in that interval increased $125,000.

Alton, Ill.—The Alton Banking and Trust Company, whose particular business is commercial banking, has qualified as a trust company under the laws of Illinois, and will conduct a trust company business in connection with banking. Its capital is $100,000.

Burlington, Ky.—The Boone County Deposit Bank, which is just twenty years old, has paid dividends amounting to $49,500, and accumulated $36,721 surplus and undivided profits. The capital is $30,000 and deposits $107,000. D. Rouse is President, N. E. Biddell, Vice-President, and J. C. Revill, Cashier.

Cannon Falls, Minn.—On January 29 the Citizens' State Bank reported deposits of $379,183, compared with $191,679 on March 14, 1905. In the same time the surplus and profits grew from $5,995 to $10,930. An increase of almost 100 per cent. in the total footings in less than a year is certainly a good indication of progress. Not only is the bank growing in size, but is adding to its strength, keeping on hand a very large per cent. of cash and quickly-available funds.

Cliff W. Gress, Cashier of the Citizens' State Bank, is President of the Minnesota State Bankers' Association.

St. Louis, Mo.—Between the dates of the last two official reports of the Mechanics-American National Bank deposits show an increase of $3,000,000. This bank represents a merger of two very old St. Louis banking institutions—the Mechanics' National, established in 1857, and the American Exchange National, established in 1864.

—Julius S. Walsh, heretofore President of the Mississippi Valley Trust Company, has been elected to a new office—Chairman of the board of directors—and Breckinridge Jones, for many years Vice-President and Counsel, was made President and Counsel. The office of Assistant Executive Officer was created, to which Henry Semple Ames, who is also Assistant Trust Officer, was elected. The executive committee comprises Julius S. Walsh, Breckinridge Jones, John D. Davis, Samuel E. Hoffman, Charles Clark, William F. Walker and David R. Francis.

PACIFIC SLOPE.

San Francisco.—A meeting of the stockholders of the Crocker-Woolworth National Bank was held March 8 to vote on the proposition to change the name of the bank to the Crocker National Bank.

—The February number of "For California," the California Promotion Committee's monthly, is devoted to the subject of finance, and is replete with timely and well written articles from men who stand high in the financial world. The articles in question deal with all the financial subjects of a great State, including insurance. The story of the clearing-houses is always of interest as it constantly shows the changes in business. The clearings of San Francisco have been phenomenal in their growth, and Charles Sleeper, Manager of the clearing-house, writes most interestingly on the subject. For Los Angeles, W. C. Patterson, President of the clearing-house association, tells of the wonderful development of the southern city. The relation of public revenues to the expenses of the State is told in a most interesting article by Professor Carl C. Plehn, and Truman Reeves, State Treasurer, talks along the same lines and tells of future possibilities. E. Myron Wolf, State Commissioner of Insurance, William Sexton and Wilbur S. Tupper write of the different phases of insurance as related to California. Benj. C. Wright reviews the history of State finance and institutions and gives a clear description of conditions past and present. Taken as a whole, the number for February is one that will be of great interest to everyone, whether he be connected with a financial institution or not.

Calistoga, Cal.—An indication of the growth of the First National Bank, of Calistoga, may be gained from the fact that deposits increased from $17,101 on November 10, 1904, to $71,848 on October 18 last.

Spokane, Wash.—The directors of the Spokane and Eastern Trust Co. have increased the surplus account of the company out of earnings to the extent of $25,000, bringing it up to $100,000, and making it equal to the capital.

The deposits of the company have now reached more than $3,500,000, the net gain during the year being over $750,000.

E. Wienss has been appointed Assistant Secretary of the company.

CANADA.

Increase of Bank Capital—There is a disposition on the part of a number of the leading chartered banks of Canada to increase their capital, in view of the largely increased business throughout the dominion. Besides the Sovereign Bank of Canada which will increase its capital by $2,000,000, bringing the total to $4,000,000; the Standard Bank of Canada will add $1,000,000, bringing the total to $2,000,000, and the Royal Bank of Canada will issue $900,000 bringing its paid-up capital to $4,000,000.

Toronto, Ont.—The announcement was made recently that the Dresner Bank, one of the largest banks in Germany, has purchased 15,625 shares of the Sovereign Bank of Canada, representing a cash investment of $2,031,250. Both the proposal to increase the capital of the Sovereign to $4,000,000 and to dispose of 15,625 shares to the Dresner Bank were unanimously adopted at a meeting of the shareholders of the Sovereign Bank.

Canadian Bank Merger.—The Merchants' Bank of Prince Edward's Island, whose head office is at Charlottetown, has been merged with the Canadian Bank of Commerce.

LONDON BANK CLEARINGS.

THE chairman of the London Clearing House Banks has compiled the following statement of the amount of bills, checks, etc., paid at the Bankers' Clearing House during the past year, together with the totals from 1868 and onward, also a record of monthly and half-yearly payments for the past ten years (000s omitted):

	1905	1904	Increase.
Grand total	£12,287,935	£10,564,197	£1,723,738
Town clear., total, ...	11,355,250	9,677,988	1,677,262
Country check clearing, total	932,685	886,209	46,476
Fourths of the months ..	497,070	445,281	51,789
Consols settl'g days	638,783	597,160	41,623
Stock Exchange account days	2,070,622	1,536,586	534,036

The figures of the paid clearing for the year 1905 are in many respects the most remarkable issued in the history of the clearing house. For the fifth year in succession the total has exceeded all previous records, but never before has the increase over the preceding year been so great. Another remarkable feature has been the consistent increase throughout the year; each month has contributed its quota, and it would be almost correct to say each week has done likewise, the few exceptions being generally accounted for by the displacement of the Stock Exchange settling-day, or some such cause. It must also be noted that although the Stock Exchange settling days have contributed their share of the increase there is by no means an undue proportion of it due to this cause. The magnitude of the addition during the past year, perhaps, will be better realized when it is stated that it is equal to six months' work of 1868, when the figures were first published.

FOR $5 GOLD CERTIFICATES.

THE House Committee on Banking and Currency has authorized a favorable report on the Fowler bill to empower the Secretary of the Treasury to issue gold certificates in denominations of $5 and $10.

The report of the committee was unanimous. The purpose of the bill as explained by Mr. Fowler is to enable the Secretary of the Treasury to replace the $5 silver certificates with the gold certificates and thus be in a position to confine the issue of silver certificates to $1 and $2 denominations, meeting the demands of business for small bills.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

National Bank of Commerce, Rochester, N. Y.; by Wm. S. Hale, et al.

First National Bank, Rule, Texas; by J. L. Jones, et al.

Wernersville National Bank, Wernersville, Pa.; by Geo. W. Wagner, et al.

People's National Bank, Spring Grove, Pa.; by Wm. Hoke, et al.

Clymer National Bank, Clymer, Pa.; by John S. Fisher, et al.

First National Bank, Culbertson, Mont.; by K. O. Slette, et al.

Farmers' National Bank, Theresa, N. Y.; by James B. Vock, et al.

Chickasha National Bank, Chickasha, I. T.; by T. H. Dwyer, et al.

Merchants' National Bank, Detroit, Minn.; by A. G. Wedge, Jr., et al.

Bozeman National Bank, Poseyville, Ind.; by Geo. J. Waters, et al.

Greenup National Bank, Greenup, Ill.; by Eb. Stewart, et al.

National Bank of Ness City, Kans.; by Mary C. Bennett, et al.

Tidewater National Bank, Norfolk, Va.; by J. Elmer White, et al.

City National Bank, Roanoke, Va.; by D. M. Taylor, et al.

First National Bank, Dallas, Pa.; by Geo. R. Wright, et al.

Merchants' National Bank, Covington, Ky.; by Jos. J. Moser, et al.

Allen National Bank, Edna, Texas; by J. W. Allen, et al.

Citizens' National Bank, Gothenburg, Neb.; by J. H. Kelly, et al.

National Bank of Greenville, Greenville, N. C.; by L. I. Moore, et al.

Loveland National Bank, Loveland, Colo.; by A. S. Benson, et al.

Citizens' National Bank, Wolfe City, Texas; by T. H. Leeves, et al.

First National Bank, Highland Falls, N. Y.; by Jacob L. Hicks, et al.

German-American National Bank, Redfield, S. D.; by N. P. Bromley, et al.

First National Bank, Juniata, Pa.; by D. E. Parker, et al.

First National Bank, Maysville, I. T.; by A. D. Hawk, et al.

Coal Belt National Bank, Benton, Ill.; by J. M. Joplin, et al.

Union National Bank, Eau Claire, Wis.; by C. T. Bundy, et al.

Citizens' National Bank, Odessa, Texas; by J. T. Pemberton, et al.

First National Bank, Santo, Texas; by J. L. Cunningham, et al.

First National Bank, Jefferson, Iowa; by M. M. Head, et al.

First National Bank, Roscoe, N. Y.; by W. E. Sprague, et al.

Fort McIntosh National Bank, Beaver, Pa.; by Robert W. Darragh, et al.

First National Bank, Worland, Wyo.; by Ira Jones, et al.

Blanco National Bank, Blanco, Texas; by Arlon B. Davis, et al.

National Bank of Commerce, Los Angeles, Cal.; by F. M. Douglass, et al.

Weiser National Bank, Weiser, Idaho; by E. M. Shelley, et al.

First National Bank, Bale, Wis.; by A. T. Hennig, et al.

Central National Bank, St. Paris, Ohio; by B. A. Taylor, et al.

Stanton National Bank, Stanton, Texas; by E. F. Elkin, et al.

People's National Bank, Franklinville, N. Y.; by Edgar Williams, et al.

First National Bank, Jamaica, N. Y.; by W. A. Faulkner, et al.

First National Bank, Maddock, N. D.; by J. Rosholt, et al.

First National Bank, Lansford, N. D.; by C. A. Adams, et al.

First National Bank, Hilltop, Minn.; by A. D. Stephens, et al.

Logan National Bank, Logan, W. Va.; by W. R. Lilly, et al.

Condon National Bank, Condon, Oreg.; by F. T. Hurlburt, et al.

First National Bank, Westfield, Ill.; by J. E. Carr, et al.

First National Bank, Longton, Kansas; by O. T. Hayward, et al.

Pine Grove National Bank, Pine Grove, Pa.; by Alfred Gilbert, et al.

Covina National Bank, Covina, Cal.; by John B. Coulston, et al.

First National Bank, Custer City, Okla.; by C. O. Leeka, et al.

First National Bank, Centerburg, Ohio; by M. W. Hicks, et al.

Farmers' National Bank, Ault, Colo.; by W. W. Sullivan, et al.

Farmers' National Bank, Inwood, Iowa; by Charles Shade, et al.

People's National Bank, Wapanucka, I. T.; by Bryne Statler, et al.

Findley National Bank, Findley, Ill.; by Wm. Truitt, et al.

Bridgeport National Bank, Bridgeport, Pa.; by Clarence Hodson, et al.

Wolfboro National Bank, Wolfboro, N. H.; by W. H. Swett, et al.

NATIONAL BANKS ORGANIZED.

8059—First National Bank, Adams, Minn.; capital, $25,000; Pres., J. G. Schmidt; Vice-Pres., Sophronia Dean; Cashier, Wm. Dean; Asst. Cashier, W. H. Dean.

8060—First National Bank, Remington, Ind.; capital, $25,000; Pres., Robert Parker; Vice-Pres., H. R. Church; Cashier, H. R. Church.

8061—First National Bank, Hollis, Oklahoma; capital, $30,000; Pres., R. A. Williams; Vice-Pres., W. C. Pendergraft; Cashier, W. B. Groves; Asst. Cashier, G. T. Hollis.

8062—First National Bank, Gering, Neb.; capital, $50,000; Pres., Martin Gering; Vice-Pres., Peter McFarlane; Cashier, H. M. Thornton; Asst. Cashier, Ed. J. Whipple.

8063—First National Bank, Artesia, Cal.; capital, $25,000; Pres., Herman W. Hellman; Vice-Pres., C. B. Scott and Geo. W. Feltz; Cashier, Geo. R. Frampton.

8064—First National Bank, Wenatchee, Wash.; capital, $50,000; Pres., W. T. Clark; Vice-Pres., Conrad Rose; Cashier, Geo. R. Fisher.

8065—First National Bank, Azusa, Cal.; capital, $25,000; Pres., W. R. Powell; Vice-Pres., P. C. Daniels; Cashier, W. S. Bridges; Asst. Cashier, H. S. Johnson.

8066—Planters' National Bank, Rosebud, Texas; capital, $50,000; Pres., J. T. Davis; Vice-Pres., J. A. Tarver; Cashier, E. L. Taylor.

8067—First National Bank, Hartsells, Ala.; capital $25,000; Pres., John S. Mitchell; Vice-Pres., W. A. Barclift; Cashier, A. E. Jackson.

8068—Merchants' National Bank, Galveston, Texas; capital, $100,000; Pres., Moritz O. Kopperl; Vice-Pres., J. R. Cheek; Cashier, N. O. Laure.

8069—First National Bank, Oceanside, Cal.; capital, $25,000; Pres., J. X. Woods; Vice-Pres., W. V. Nichols; Cashier, Geo. A. Lane; Asst. Cashier, E. S. Payne.

8070—Seawall National Bank, Galveston, Texas; capital, $100,000; Pres., Burt H. Collins; Vice-Pres., F. M. Hamilton; Cashier, B. H. Walker.

8071—Farmers & Merchants' National Bank, Alvord, Texas; capital, $30,000; Pres., T. B. Yarbrough; Vice-Pres., Terrell Collins and W. J. Leach; Cashier, A. Y. Leslie.

8072—First National Bank, Ranger, Texas; capital, $25,000; Pres., Wm. Bohning; Vice-Pres., G. H. Bohning; Cashier, W. S. Michael; Asst. Cashier, F. W. Melvin.

8073—Citizens' National Bank, Redlands, Cal.; capital, $100,000; Pres., A. G. Hubbard; Vice-Pres., E. C. Sterling; Cashier, C. S. McWhorter; Asst. Cashier, H. R. Scott.

8074—United States National Bank, Azusa, Cal.; capital, $50,000; Pres., J. A. Graves; Vice-Pres., E. R. Jeffrey; Cashier, J. H. Anderson.

8075—Payette National Bank, Payette, Idaho; capital, $50,000; Pres., O. H. Avey; Vice-Pres., W. S. Brundage; Cashier, A. P. Scritchfield; Asst. Cashier, W. U. Spaulding.

8076—Farmers' National Bank, Oskaloosa, Iowa; capital, $100,000; Pres., W. I. Beans; Vice-Pres., W. H. Pike; Cashier, R. K. Davis.

8077—First National Bank, Goodrich, N. D.; capital, $25,000; Pres., Robert W. Akin; Vice-Pres., Christ Doering; Cashier, Herman G. Perske.

8078—First National Bank, Fort Towson, I. T.; capital, $25,000; Pres., W. W. Wilson; Vice-Pres., R. L. Carter; Cashier, W. E. B. Leonard.

8079—Farmers' National Bank, Fort Gibson, I. T.; capital, $25,000; Cashier, Sid Garrett.

8080—First National Bank, Salmon, Idaho; capital, $25,000; Pres., H. G. Kind; Cashier, Timothy Dore.

8081—Citizens' National Bank, Ness City, Kas.; capital, $30,000; Pres., J. C. Hopper; Cashier, John Engle.

8082—Citizens' National Bank, Antlers, I. T.; capital, $25,000; Pres., Jake Easton; Vice-Pres., S. P. Ancker; Cashier, Tom Tuck.

8083—First National Bank, McConnellsburg, Pa.; capital, $25,000; Pres., Lewis H. Wible; Vice-Pres., M. Ray Shaffner; Cashier, Merrill W. Nace.

8084—Citizens' National Bank, Hankinson, N. D.; capital, $30,000; Pres., Frederick B. Townsend; Vice-Pres., F. O. Hunger; Cashier, Edward Hunger; Asst. Cashier, F. O. Hunger.

8085—First National Bank, Compton, Cal.; capital, $25,000; Pres., J. J. Harshman; Vice-Pres., J. M. Shepard; Cashier, E. E. Elliott.

8086—First National Bank, Jonesboro, Ark.; capital, $100,000; Pres., H. Watson; Vice-Pres., A. L. Malone and C. M. Lutterloh; Cashier, W. E. Talley; Asst. Cashier, James E. Parr.

8087—Douglas National Bank, Douglas, Wyo.; capital, $50,000; Pres., M. R. Collins; Vice-Pres., L. J. Swan; Cashier, Wilkie Collins.

8088—First National Bank, Ault, Colo.; capital, $25,000; Pres., J. A. Johnston; Vice-Pres., E. T. Duffey; Cashier, D. O. Moberly.

8089—Citizens' National Bank, Cheyenne, Wyo.; capital, $100,000; Pres., T. B. Hord; Cashier, E. W. Stone; Asst. Cashier, Homer Feurt.

8090—Dayton National Bank, Dayton, Wash.; capital, $25,000; Pres., W. A.

Maxwell; Vice-Pres., F. A. McMaster and John Blessinger; Cashier, D. W. Davis.

8091—First National Bank, Pearisburg, Va.; capital, $40,000; Pres., P. F. St. Clair; Vice-Pres. and Cashier, C. L. King.

8092—Grange National Bank, Tioga, Pa.; capital, $25,000; Pres., S. P. Hakes; Vice-Pres., W. F. Hill and John G. McHenry; Cashier, E. B. Dorsett; Asst. Cashier, F. L. Nearing.

8093—First National Bank, Litchfield, Neb.; capital, $25,000; Pres., L. J. Titus; Vice-Pres., H. L. Titus; Cashier, D. W. Titus; Asst. Cashier, G. A. Engleman.

8094—First National Bank, Stanton, Texas; capital, $25,000; Pres., A. L. Houston; Vice-Pres., John E. Millhollon; Cashier, Paul Konz.

8095—First National Bank, Columbia, Ala.; capital, $25,000; Pres., G. H. Malone; Vice-Pres., J. M. Koonce, and Cashier.

8096—First National Bank, Overly, N. D.; capital, $25,000; Pres., Geo. Sunberg; Vice-Pres., Phinelan B. Haber; Cashier, Andrew R. Thompson; Asst. Cashier, Otis C. Thompson.

8097—First National Bank, Bradshaw, Neb.; capital, $25,000; Pres., Geo. W. Post; Vice-Pres., E. A. Wells; Cashier, J. F. Houseman; Asst. Cashier, C. B. Palmer, Jr.

8098—National Bank of New Mexico, Raton, N. M.; capital, $50,000; Pres., Fred O. Roof; Vice-Pres., A. C. Price; Cashier, Ernest Ruth.

8099—Abram Rutt National Bank, Casey, Iowa; capital, $25,000; Pres., Abram Rutt; Vice-Pres., Wm. Valentine; Cashier, S. Lincoln Rutt; Asst. Cashier, Harlie E. Smith.

8100—Farmers' National Bank, Corning, Iowa; capital, $25,000; Pres., Charles C. Norton; Vice-Pres., S. C. Scott; Cashier, Nelle Belding.

8101—Lahaina National Bank, Lahaina, Hawaii; capital, $25,000; Pres., Charles M. Cooke; Cashier, F. C. Atherton.

8102—First National Bank, Wellington, Texas; capital, $25,000; Pres., M. W. Deavenport; Vice-Pres., R. H. Cocke; Cashier, C. J. Glenn.

8103—First National Bank, Pleasanton, Texas; capital, $25,000; Pres., H. G. Martin; Vice-Pres., A. M. Avant; Cashier, J. K. Lawhon.

8104—First National Bank, Colville, Wash; capital, $25,000; Pres., Frank H. Crombie; Vice-Pres., Donald Ryrie; Cashier, Hugh Waddell.

8105—First National Bank, Benedict, Neb.; capital, $25,000; Pres., Geo. W. Post; Vice-Pres., E. J. Wightman; Cashier, J. B. Crownover.

8106—First National Bank, Clyde, Texas; capital, $25,000; Pres., B. C. Clemer; Vice-Pres., J. M. Estes; Cashier, J. B. Stokes.

8107—First National Bank, Mound Valley, Kansas; capital, $25,000; Pres., Thomas P. LaRue; Vice-Pres., E. B. West; Cashier, U. M. Albin.

8108—Capital National Bank, Saint Paul, Minn; capital, $25,000; Pres., J. R. Mitchell; Vice-Pres., W. F. Myers; Asst. Cashier, E. H. Miller.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Citronelle—Home Deposit Bank; Pres., A. K. Kerns; Cashier, S. J. Kerns.

Eufaula—Bank of Eufaula; capital, $50,000; Pres., W. L. Wild; Vice-Pres., Frank W. Jennings; Cashier, Nash W. Roberts.

ARKANSAS.

Batesville—Theodore Maxfield Bank & Trust Co.; capital, $100,000; Pres., Theodore Maxfield; Vice-Pres., Sydney Maxfield; Sec. & Tr., Allen A. Maxfield.

Cane Hill—Bank of Cane Hill; capital, $5,000; Pres., A. R. Carroll; Vice-Pres., J. S. Edmiston.

Hackett City—Hackett City Bank; capital, $10,000; Pres., L. W. Forbes; Vice-Pres., R. A. Bishop; Cashier, W. P. Forbes.

Jonesboro—American Trust Co.; capital, $100,000; Pres., E. Less; Vice-Pres., Morris Berger, Jr.; Cashier, Alex. Berger; Asst. Cashier, E. L. Dimmitt.

Ravenden—Bank of Ravenden; Pres., T. J. Sharum; Vice-Pres., Sam H. Ball; Cashier, W. F. Blackwell.

Wheetly—Bank of Wheetly; capital, $25,000; Pres., Ike Slager; Vice-Pres., W. S. Hemenway; Cashier, C. F. Hemenway.

CALIFORNIA.

Claremont—Citizens' State Bank; capital, $12,500; Pres., C. M. Parsons; Vice-Pres., Geo. Jencks; Cashier, W. N. Beach.

El Centro—Valley State Bank; capital, $100,000; Pres., W. F. Holt; Vice-Pres., A. G. Hubbard; Cashier, True Vencill.

Gilroy—Gilroy Savings Bank; capital, $13,600; Pres., L. A. Whitehurst; Vice-Pres., R. Eschenburg; Cashier, W. R. Pyle; Asst. Cashier, W. A. Whitehurst.

Greenfield—Bank of Greenfield; capital, $12,500; Pres., J. T. Anderson; Vice-Pres., F. P. Calhoun; Cashier, R. D. Hall.

Hollywood—Citizens' Savings Bank; capital, $12,500; Pres., E. O. Palmer; Vice-Pres., S. T. Weir; Cashier, G. G. Greenwood.

Los Angeles—Market & Produce Bank; capital, $50,000; Pres., W. A. Bonynge; Vice-Pres., C. S. Marston and Newman Essick; Cashier, J. O. Butler; Asst. Cashier, J. Royal Lemon.

Santa Paula—Farmers' & Merchants' Bank; capital, $25,000; Pres., J. M. Sharp; Vice-Pres., Alex. Waldie; Cashier, Carlyle Thorpe.

Visalia—Producers' Savings Bank; capital, $12,500; Pres., W. F. Thomas; Vice-Pres., A. Lewis; Cashier, S. Mitchell; Asst. Cashier, C. M. Griffith.

FLORIDA.

Bomifay—Bank of Bomifay; capital, $7,600; Pres., A. Sessoms; Vice-Pres., J. H. Godwin; Cashier, G. W. Banfill.

Sarasota—Bank of Sarasota (Branch of Bank of Manatee, Braidentown).

Tampa—City Savings Bank; capital, $50,000; Pres., John M. Harvey; Vice-Pres., J. M. Gibson; Cashier, J. R. Tatum.

GEORGIA.

Hahira—Bank of Hahira; capital, $15,000; Pres., W. S. Witham; Vice-Pres., J. F. Owens; Cashier, W. O. Roberts.

Moreland—Moreland Banking Co.; capital, $25,000; Pres., H. W. Camp; Vice-Pres., J. W. Camp; Cashier, H. Abner Camp; Asst. Cashier, J. W. Camp.

Penfield—Bank of Penfield; capital, $25,000; Pres., R. P. Boswell; Vice-Pres., E. R. Boswell; Cashier, J. H. Colclay.

Sandersville—Citizens' Bank; capital, $50,000; Pres., C. G. Rawlings; Cashier, James E. Johnson.

Savannah—Exchange Bank; capital, $12,500; Pres., Wm. W. Osborne; Vice-Pres., A. J. Garfunkel; Cashier, John J. Powers.

Summersville—Chatooga County Bank; capital, $30,000; Pres., John D. Taylor; Vice-Pres., J. W. Cavender; Cashier, J. V. Wheeler.

IDAHO.

Council—Bank of Council; capital, $5,000; Pres., I. McMahan; Vice-Pres., W. Scott Neal; Cashier, E. S. Clapp.

Soldier—Camas Prairie Bank; capital, $10,000; Pres., F. W. Hastings; Vice-Pres., J. J. Plumer; Cashier, F. W. Hastings.

ILLINOIS.

Arthur—Merchants' & Farmers' State Bank (successor to Arthur Trust & Savings Bank); capital, $25,000; Cashier, Myron E. Bigelow.

Bushnell—Cole's Savings Bank; capital, $25,000; Pres., James Cole; Vice-Pres., Geo. W. Cole; Cashier, James McDill.

Germantown — Germantown Savings Bank; capital, $25,000; Pres., A. B. Daab; Vice-Pres. and Cashier, H. H. Schlamann.

Janesville—Citizens' Bank; capital, $12,500; Pres., Perry Reed; Vice-Pres., L. H. Phipps; Asst. Cashier, Hubert H. Odell.

Kilbourne—Bank of Kilbourne; capital, $10,000; Cashier, M. O. Conover.

New Douglas—Prange Bros.; capital, $10,000.

Ridgefarm—Ridgefarm Bank; Pres., James S. Turner; Cashier, Geo. G. Roberfson; Asst. Cashier, N. T. Robertson.

Sterling—State Bank; capital, $50,000; Pres., N. G. Van Sant; Vice-Pres., Charles E. Windom; Cashier, F. Heflebower.

Wilmette—Wilmette Exchange State Bank; capital, $25,000; Pres., Clinton C. Collins; Vice-Pres. and Cashier, John A. MacLean; Asst. Cashier, John H. Schaefer.

INDIANA.

Greensburg—Union Trust Co.; capital, $45,000; Pres., J. H. Christian; Vice-Pres., W. W. Bonner; Sec. & Treas., Harrington Boyd.

Linton—Linton Trust Co.; capital, $25,000; Pres., W. A. Craig; Vice-Pres., E. L. Wolford; David S. Terhune, Sec. & Treas.

State Line—State Line City Bank; capital, $10,000; Pres., Wm. H. Allison; Vice-Pres., Benj. F. Potter; Cashier, C. C. Andrews; Asst. Cashier, M. A. Currant.

INDIAN TERRITORY.

Catoosa—First State Bank; capital, $10,000; Pres., F. W. Casner; Vice-Pres., E. G. Wilson; Cashier, Geo. G. Price.

Choteau—Farmers' & Merchants' Bank; Pres., John H. Cole; Vice-Pres., A. F. Hennigh; Cashier, Clay Brown.

Francis—Bank of Francis (successor to First National Bank); capital, $10,000; Pres., W. W. White; Vice-Pres., S. M. Richey; Cashier, Henry Carter; Asst. Cashier, W. R. Chism.

Hugo—Hugo Trust Co.; capital, $25,000; Pres., Jack Gordon; Vice-Pres., J. P. Dick; Sec., J. F. Laney.

Mannford—Mannford State Bank; capital., $10,000; Pres., H. W. Bartlett; Vice-Pres., L. H. Lashley; Cashier, Theo. G. Lashley.

Muskogee—Alamo Bank; capital, $25,000; Pres., A. P. McKillop; Vice-Pres., Walter Howard; Cashier, John H. Dill; Asst. Cashier, Ben H. Kaufman.

Panama—Bank of Panama; Pres., Jno. H. Goodnight; Vice-Pres., E. L. Collins; Cashier, E. G. Goodnight.

Tulsa—Union Trust Co.; capital, $100,000; Pres., J. W. Ground; Vice-Pres., J. W. McLoud; Sec., H. C. Ashby; Treas., Beeks Erick.

Weleetka—Weleetka Bank & Trust Co.; Pres., B. O. Sims; Vice-Pres., Lake Moore; Cashier, W. P. Blake.

IOWA.

Baxter—People's State Savings Bank; capital, $11,000; Pres., J. M. Fish; Vice-Pres., A. D. Berry; Cashier, L. E. Fowler.

Grimes—Grimes Savings Bank; capital, $25,000; Pres., W. J. Stewart; Cashier, A. B. Shawver.

Iowa Falls—Citizens' Savings Bank; capital, $50,000; Pres., W. E. Simpson; Vice-Pres., R. C. Kennedy; Cashier, H. C. Miller.—Security Savings Bank; capital, $25,000; Pres., W. H. Woods; Vice-Pres., Wm. Wildey; Cashier, C. H. Burlington.

Jamaica—State Savings Bank (successor to Exchange Bank); capital, $10,000; Pres., John Lee; Vice-Pres., L. R. Morris; Cashier, W. R. Lundy.

KANSAS.

Lawrence—People's State Bank; capital, $50,000; Pres., W. Bromelsick; Vice-Pres., T. J. Sweeney; Cashier, E. J. Hilkey.

Lebo—People's State Bank; capital, $15,000; Pres., L. Humphreys; Vice-Pres., Charles A. Peres; Cashier, Frank Blue.

Lyons—State Savings Bank; capital, $10,000; Pres., J. W. Pulliam; Vice-Pres., E. B. Pulliam; Cashier, J. Pulliam.

Menlo—Menlo State Bank; capital, $10,000; Pres., A. Lauterbach; Vice-Pres., Samuel Maynes; Cashier, H. V. Christensen.

Michigan Valley—People's State Bank; capital, $10,000; Pres., E. D. Wadsworth; Vice-Pres., Wm. Featherston; Cashier, C. T. McDaniel: Asst. Cashier, C. S. Davison.

Raymond—Raymond State Bank; capital, $10,000; Pres., Hamilton Irish; Vice-Pres., Geo. A. Morris.

Scott—Citizens' State Bank; capital, $12,000; Pres., W. O. Bourne; Vice-Pres., A. McInturff; Cashier, A. F. Goodwine.

Syracuse—Valley State Bank; capital, $15,000; Pres., John W. Beaty; Vice-Pres., R. E. Bray; Cashier, D. Foley.

Waterville—Citizens' State Bank; capital, $10,000; Pres., D. W. Humpeville; Vice-Pres., John D. Flannery; Cashier, Henry Humpeville.

KENTUCKY.

Cynthiana—Cynthiana Bank; capital, $25,000; Pres., F. G. Sprake; Vice-Pres., W. M. Goodwin; Cashier, Gano Ammerman.

Summersville—Farmers' State Bank; Pres., W. J. Risen; Vice-Pres., A. B. Howell; Cashier, W. G. Smith.

LOUISIANA.

Leesville—Vernon State Bank; capital, $15,000; Pres., John W. Lee; Vice-Pres., Lee McAlpin; Cashier, W. M. Stephenson.

New Orleans—Cosmopolitan Bank & Trust Co.; capital, $600,000; Pres., Frank A. Daniels; Vice-Pres., Fred H. Nielert; Cashier, J. M. Pagaud.—Commercial-Germania Trust & Savings Bank; capital, $1,100,000; Pres., Wm. M. Smith; Vice-Pres., J. H. Fulton, I. M. Lichtenstein, G. Ad. Blaffer and H. D. Newman; Cashier, C. E. A. Dowler; Asst. Cashier, H. A. Wulff.

MAINE.

Houlton—Houlton Trust Co.; capital, $60,000; Pres., James K. Plummer; Vice-Pres., Wm. A. Martin; Treas., Thomas P. Putnam.

MICHIGAN.

Mio—Union Bank; Pres., Geo. D. McNichol; Cashier, John J. Small.

Newport—Bank of Newport; capital, $5,000; Pres., J. J. Valadi; Vice-Pres., H. H. Bridge; Cashier, Thomas Rabbitt.

Rosebush—Rosebush Banking Co.; Pres., John S. Weidman; Vice-Pres., A. Z. Campbell; Cashier, Homer W. Campbell.

Whittemore—Iosco County Bank (McPhail & Macomber); Cashier, L. A. Chichester.

MINNESOTA.

Amboy—German State Bank; capital, $10,000; Pres., Oliver C. Peterson; Vice-Pres., O. F. Rempferd; Cashier, C. D. Ott.

Campbell—Security Bank; capital, $15,000; Pres., J. M. Wenger; Cashier, J. M. Wenger, Jr.; Asst. Cashier, W. J. Wenger.

Claremont—Farmers' State Bank; capital, $10,000; Pres., W. M. Harmer; Vice-Pres., A. A. Harmer; Cashier, H. R. Whitney.

St. James—Scandia Bank; capital, $15,000; Pres., Thomas Torson; Vice-Pres., S. A. Swanson; Cashier, S. M. Serkland.

MISSISSIPPI.

Corinth—Corinth Bank & Trust Co. (successor to Bank of Corinth); capital, $100,000; Pres., Sam Sharp; Vice-Pres., G. W. Garrett; Cashier, Jno. F. Osborne.

Hermanville—Bank of Hermanville; capital, $25,000; Pres., J. D. Millsaps; Vice-Pres., W. L. Short; Cashier, J. W. Clark, Jr.

MISSOURI.

Benton City—Citizens' Bank; capital, $5,000; Pres., J. J. F. Johnson; Vice-Pres., Robert L. McClure; Cashier, C. A. James.

Cassville—Cassville State Bank; capital, $20,000; Pres., J. W. Le Compe; Vice-Pres., A. W. Brownfield; Cashier, W. T. Wright.

East Prairie—New East Prairie Bank; capital, $7,500; Pres., F. M. Wilkinson; Vice-Pres., A. J. Martin; Cashier, Geo. N. Whitt.

Greentop—Farmers' State Bank; capital, $10,000; Pres., R. W. Hart; Vice-Pres., S. M. Swanson; Cashier, W. L. Young; Asst. Cashier, Vergie Furnist.

Marble Hill—Bank of Marble Hill; capital, $15,000; Pres., C. A. Sonder; Vice-Pres., J. A. Taylor; Cashier, Robert Drum.

Rolla—Merchants' & Farmers' Bank; capital, $30,000; Pres., A. S. Long; Vice-Pres., J. M. Diehl; Cashier, J. H. Smith; Asst. Cashier, W. J. McCaw.

St. Louis—Jefferson-Gravois Trust Co.; capital, $100,000; Pres., James Wilson; Vice-Pres., W. J. Lewis; Treas., E. J. Archinard; Asst. Treas., Otto J. Gossrau.

Wakenda—Bank of Wakenda; capital, $10,000; Pres., H. C. Stanley; Vice-Pres., C. D. Wale; Cashier, W. W. Thompson.

NEBRASKA.

Bartlett—Bartlett State Bank; capital, $5,000; Pres., A. L. Bishop; Vice-Pres., Willis McBride; Cashier, G. L. Bishop.

Beaver City—Bank of Beaver City; capital, $10,000; Pres., I. J. Nickerson; Vice-Pres., J. E. Lawson; Cashier, Bert Ramsey; Asst. Cashier, Allen Nickerson.

Big Spring—Farmers' State Bank; capital, $6,000; Pres., R. F. Clayton; Vice-Pres., H. I. Babcock; Cashier, E. C. Wolf.

Giltner—Bank of Commerce; capital, $5,000; Pres., Wm. M. Lowman; Vice-Pres., F. E. Garratt; Cashier, L. A. Daily.—Citizens' Bank; capital, $10,000; Pres., J. S. Marvel; Vice-Pres., M. Wagner; Cashier, L. J. Gallentine.

Page—State Bank; capital, $10,000; Pres., Fred Brechler; Vice-Pres., Otto H. Maas; Cashier, Geo. Brechler.

NEW HAMPSHIRE.

West Derry—Nutfield Savings Bank; Pres., Charles W. Abbott; Vice-Pres., S. Howard Bell; Treas., R. W. Pillsbury.

NEW MEXICO.

Springer—Bank of Springer (successor to A. Morton & Co.); capital, $15,500; Pres., C. N. Blackwell; Vice-Pres., S. Floersheim; Cashier, D. J. Devine.

NEW YORK.

Brooklyn—Dealers' Bank; capital, $100,000; Pres., Everett S. Berrian; Vice-Pres., E. A. Fitter and G. H. Mairey; Cashier, W. H. Van Glahn.

Fort Covington—Fort Covington Banking Co.; Pres., Geo. W. Higgins; Vice-Pres., Elbert O. Forbes; Cashier, F. J. Dimons; Asst. Cashier, Jas. McArtney.

Schenectady—Citizens' Trust Co.; capital, $150,000; Pres., W. G. Schermerhorn; Sec. & Treas., W. G. Shaible.

Yonkers—Warburton Banking Co.; cashier, S. Truman Kellogg; Asst. Cashier, Henry M. Anderson.

NORTH CAROLINA.

Woodland—Farmers' Bank; Pres., J. B. Griffin; Vice-Pres., W. F. Outland; Cashier, R. T. Blanchard.

NORTH DAKOTA.

Bergen—First State Bank; capital, $10,000; Pres., G. N. Livdahl; Vice-Pres., J. T. Aker; Cashier, A. O. Anderson.

Coal Harbor—Farmers' State Bank; capital, $10,000; Pres., P. J. Hester; Vice-Pres., E. S. Severtson; Cashier, Albert Pearson.

Drake—Merchants' State Bank; capital, $10,000; Pres., B. B. Bennett; Cashier, L. A. O'Brien.

Fingal—Merchants' State Bank; capital, $5,000; Pres., C. W. Paulson; Vice-Pres., K. S. Ramsett; Cashier, O. L. Bye.

Forbes—Forbes State Bank; capital, $10,000; Pres., Thomas F. Marshall; Vice-Pres., H. Clay McCartney; Cashier, Fred D. McCartney.

Gunthrop—First State Bank of LaMoure Co.; capital, $10,000; Pres., A. E. Raney; Vice-Pres., W. W. Miracle; Cashier, C. F. Quimby.

Langdon—Farmers' & Merchants' Trust Co.; capital, $10,000; Pres., Frank Moran; Vice-Pres., M. L. Sullivan; Sec., O. E. Thompson; Asst. Treas., James H. Bain.

Merricourt—First State Bank; capital, $10,000; Pres., C. A. Morrison; Vice-Pres., R. Crabtree; Cashier, J. W. Crabtree.

Portal—Farmers' & Merchants' Bank; capital, $10,000; Pres., H. J. Kotschevar; Cashier, Robert B. Field.

Spiritwood—Spiritwood State Bank; capital, $10,000; Pres., W. B. S. Trimble; Vice-Pres., H. T. Graves; Cashier, A. B. De Nault; Asst. Cashier, W. P. Hayes.

Tagus—Tagus State Bank; capital, $10,000; Pres., L. M. Due; Vice-Pres., C. P. Olson; Cashier, Ed. Christensen.

Venturia—First State Bank; capital, $15,000; Pres., R. R. Hedke; Vice-Pres., Gottfried Heinrich; Cashier, A. Stienecker.

Williston—Williams County Bank; capital, $10,000; Pres., D. A. McMillan; Vice-Pres., J. D. Milne; Cashier, N. Hayes.

OHIO.

Cincinnati—Walnut Hills Savings & Banking Co.; capital, $50,000; Pres., S. M. McKenzie; Vice-Pres., B. Kahn.

Portsmouth—Portsmouth Banking Co.; capital, $30,000; Pres., F. B. Kehoe; Vice-Pres., Paul Esselborn; Sec. & Treas., John W. Snyder.

Ridgeville Corners—State Savings Bank; capital, $12,500; Pres., D. K. Shoop; Cashier, J. S. Rychenes.

OKLAHOMA.

Gage—Farmers' State Bank; capital, $10,000; Pres., F. B. Hodgden; Vice-Pres., James W. Holt; Cashier, W. H. Holt.

Kingfisher—Citizens' State Bank; capital, $15,000; Pres., J. W. Ward; Vice-Pres., Geo. L. Bowman; Cashier, E. M. Ward.

Tonkawa—Bank of Commerce; capital, $10,000; Pres., W. L. Karr; Vice-Pres., H. W. Beltz; Cashier, J. L. Jaroleman.

OREGON.

St. Helen—Columbia County Bank; capital, $10,000; Pres., C. H. Stockwell, Sr.; Vice-Pres., Wm. M. Ross; Cashier, C. H. Stockwell, Jr.

PENNSYLVANIA.

Scranton—Scranton Trust Co.; capital, $200,000; Pres., Louis A. Watres; Vice-Pres., Wm. F. Hallstead; Sec. & Treas., D. B. Atherton.

SOUTH CAROLINA.

Bamberg—People's Bank; capital, $25,000; Pres., H. C. Folk; Vice-Pres., G. Frank Bamberg; Cashier, W. P. Riley.

Bethlehem—Bank of Beulah; capital, $10,000; Pres., Duncan McKenzie; Vice-Pres., S. R. Chandler; Cashier, D. E. Fraser.

Clover—Bank of Clover; capital, $12,000; Pres., M. L. Smith; Vice-Pres., Z. M. Neill; Cashier, James A. Page.

Fort Motte—Bank of Fort Motte; capital, $15,000; Pres., Robert Lide; Vice-Pres., W. G. Peterkin; Cashier, H. H. Cauthen.

St. Matthews—Home Bank; capital, $25,000; Pres., E. Wimberly; Vice-Pres., T. H. Dreher; Cashier, L. S. Dreher.

Winnsboro—Bank of Fairfield; capital, $50,000; Pres., W. R. Rabb; Vice-Pres., T. W. Trayler; Cashier, J. M. Jennings.

SOUTH DAKOTA.

Aberdeen—Trust & Savings Bank; capital, $25,000; Pres., C. F. Easton; Vice-Pres., C. A. Russell; Cashier, R. G. Townsend; Asst. Cashier, R. A. Townsend.—Dakota Bank & Trust Co.; capital, $50,000; Pres., J. H. Holmes; Vice-Pres., J. C. Clary; Cashier, C. J. Heyle.

Ardmore—Ardmore State Bank; capital, $5,000; Pres., J. M. Richards; Vice-Pres., D. B. Welpton; Cashier, O. K. Eastman.

Bushnell—Farmers' & Merchants' State Bank; capital, $7,500; Pres., W. E. Hendricks; Vice-Pres., F. D. Norton; Cashier, Clyde Wilcox.

Estelline—Estelline State Bank; capital, $15,000; Pres., L. F. Altfillisch; Vice-Pres., Aylmer Cole; Cashier, A. B. Calef.

Glenham—Glenham State Bank; capital, $5,000; Pres., J. W. Harris; Vice-Pres., Peter Jall; Cashier, J. K. Clark; Asst. Cashier, C. W. Conyne.

Newark—Citizens' State Bank; capital, $5,000; Pres., J. Peterson; Vice-Pres., F. L. Farrar; Cashier, E. G. Peterson.

Stickney—Stickney State Bank; capital, $5,000; Pres., W. T. Lathrop; Vice-Pres., J. M. Newells; Cashier, M. P. Smith.

TENNESSEE.

Chattanooga—Avenue Bank & Trust Co.; capital, $100,000; Pres., Charles A. Lyerly; Vice-Pres. and Cashier, J. S. Head, Jr.; Asst. Cashier, A. L. Kirkpatrick.

Cleveland—Cleveland Trust Co.; capital, $40,000; Pres., J. E. Johnston; Cashier, W. P. Lane; Asst. Cashier, Frank J. Harle.

Hamburg—Bank of Hamburg; capital, $15,000; Pres., F. M. Hogg; Vice-Pres., J. W. Childers; Cashier, M. M. Hoover; Asst. Cashier, Seldon Crow.

Medina—Medina Banking Co.; capital, $25,000; Pres., J. T. Walker; Vice-Pres., W. O. Graves; Cashier, J. B. Rowlett.

TEXAS.

Alvin—Alvin State Bank (successor to First National Bank); capital, $10,000; Pres., Robert Ingram; Cashier, E. S. Atkinson.

Amarillo—Amarillo Bank & Trust Co., capital, $50,000; Pres., J. C. Paul; Vice-Pres., Avery Turner; Cashier, Ray Wheatley.

Archer City—Power Banking Co. (successor to Continental Bank & Trust Co.); capital, $10,000; Pres., F. M. Power; Cashier, H. A. Power.

Austin—Capital Bank & Trust Co.; capital, $100,000; Pres., W. H. Richardson; Vice-Pres., M. A. Taylor; Cashier, Geo. L. Hume; Asst. Cashier, H. Pfaefflin.

Bluff Dale—Bluff Dale State Bank; capital, $10,000; Pres., Geo. W. Riddle; Vice-Pres., H. L. Holt; Cashier, J. R. Brandenburg.

Cason—State Bank; capital, $10,000; Pres., T. H. Leeves; Vice-Pres., D. A. Russell; Cashier, John S. Caney; Asst. Cashier, R. N. Coffey.

Dallas—Farmers' & Merchants' Exchange Bank; capital, $100,000; Pres., J. W. Ogden; Cashier, Paul P. Cooper.

El Campo—State Bank; capital, $20,000; Pres., Mack Webb; Vice-Pres., Christian Bruns; Cashier, H. D. Creath.

Garza—Garza State Banking Co.; capital, $10,000; Pres., I. B. Walker; Vice-Pres., J. M. Sanders; Cashier, W. C. Dickson.

Giddings—Citizens' State Bank; capital, $50,000; Pres., W. A. Knox; Vice-Pres., J. Durrenberger; Cashier, I. J. Fariss.

League City—Citizens' State Bank; capital, $10,000; Pres., Robert Ingram; Cashier, John P. Atkinson.

Mansfield—State Bank (successor to Bank of Mansfield); capital, $25,000; Pres., J. H. Wright; Vice-Pres., J. T. Steohens; Cashier, Joe Edwards; Asst. Cashier, T. G. Davis.

Moran—Moran State Bank; capital, $10,000; Pres., M. D. Bray; Vice-Pres., C. B. Snyder; Cashier, W. H. Stephens.

North Fort Worth—North Fort Worth State Bank; capital, $25,000; Pres., W. H. Grove; Vice-Pres., V. S. Wardlow.

Plainview—Citizens' State Bank; capital, $75,000; Pres., J. L. Vaughn; Vice-Pres., J. N. Donohoo; Cashier, E. B. Hughes.

Trinity—First State Bank; capital, $10,000; Pres., H. F. Moore; Vice-Pres., Jno. B. Smith; Cashier, E. C. Arledge.

VIRGINIA.

Basic City—Virginia S. D. & Trust Corporation.

Hillsville—Farmers' Bank; capital, $15,000; Pres., B. R. White; Vice-Pres., Creed Fitts; Cashier, Churchwell Alderman.

Pamplin City—State Bank; capital, $10,000; Pres., W. P. Venable; Vice-Pres., J. F. Conally; Cashier, L. Morris Warren.

WASHINGTON.

Newport—Pend D'Orielle Valley State Bank; capital, $15,000; Pres., Charles F. Craig; Vice-Pres., Charles M. Talmadge; Cashier, A. E. Reid.

Spokane—German-American Trust Co.; capital, $100,000; Pres., Cornelius Denman; Vice-Pres., J. C. Miller; Sec., E. W. Swanson; Asst. Sec., C. E. Clure.

Washougal—Clarke County Bank; capital, $25,000; Pres., T. S. Keep; Cashier, C. M. Keep; Asst. Cashier, E. R. Keep.

WEST VIRGINIA.

Durbin—Bank of Durbin; capital, $30,000; Pres., J. G. Hoffman, Jr.; Vice-Pres., T. L. Burnes; Cashier, F. G. Mauzy.

WISCONSIN.

Elk Mound—Bank of Elk Mound; capital, $10,000; Pres., O. H. Ingram; Vice-Pres., Henry Ausman; Cashier, E. S. Gregerson.

Endeavor—First State Bank; capital, $10,000; Pres., C. V. Skinner; Cashier, F. H. Worden.

Mason—Mason State Bank; capital, $10,000; Pres., Edward Hines; Vice-Pres., Henry E. Rohlf; Cashier, C. H. Werden.

WYOMING.

Worland—Renner & Jones Bank; capital, $10,000; Pres., T. H. Renner; Cashier, Ira E. Jones; Asst. Cashier, H. B. Gates.

CANADA.

ONTARIO.

Guelph—Metropolitan Bank.

Shelburne—Bank of Toronto; J. F. Miller, Manager.

Victoria Harbor—Western Bank of Canada.

MANITOBA.

Glenboro—Northern Bank; J. O. Hettle, Mgr.

Pilot Mound—Bank of Toronto; J. M. Fraser, Mgr.

NORTHWEST TERRITORY.

Fleming—Northern Bank; H. R. Scott, Mgr.

Francis—Bank of Hamilton; J. M. Campbell, Mgr.

Hanley—Northern Bank; A. H. Smythe, Mgr.

Lacombe—Union Bank of Canada; E. K. Strathy, Mgr.

Stettler—Merchants' Bank of Canada; I. Peterson, Mgr.

Swift Current—Union Bank of Canada; J. K. Hislop, Mgr.

Mintgomery—Merchants & Planters' Farley National Bank; Louis B. Farley, Cashier, resigned.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARIZONA.

Clifton—First National Bank; W. J. Riley, Asst. Cashier in place of J. N. Robinson.

ARKANSAS.

Little Rock—German National Bank; John G. Fletcher, Pres., deceased.

Pine Bluff—People's Sav. Bank & Trust Co.; Sam C. Alexander, Jr., Pres. in place of W. H. Langford, resigned.

Waldron—First National Bank; T. J. Smith, Vice-Pres. in place of J. Johnston; M. C. Malone, Cashier in place of S. K. Duncan, Jr.

CALIFORNIA.

Long Beach—State Bank; A. M. Goodhue, Cashier in place of Walter Snyder.

Los Angeles—State Bank & Trust Co.; John R. Mathews, Pres. in place of H. J. Woollacott; A. C. Harper, Cashier in place of J. W. A. Off.

San Diego—First National Bank; T. W. Jackson, Vice-Pres. in place of H. H. Peters.

Santa Rosa—Santa Rosa National Bank; C. B. Wingate and W. C. Grant, Asst. Cashiers.

COLORADO.

Fountain—First National Bank; Wm. Holmes, Pres. in place of C. Broemmel; O. S. Loomis, Vice-Pres. in place of Wm. Holmes.

Paonia—First National Bank; A. L. Binford, Cashier in place of A. R. Moller; A. R. Moller, Asst. Cashier in place of A. L. Binford.

CONNECTICUT.

Norwalk—Central National Bank; Harvey M. Kent, Vice-Pres. in place of E. L. Boyer, deceased.

Wallingford—First National Bank; F. A. Wallace, Pres. in place of W. J. Leavenworth, deceased.

DELAWARE.

Laurel—People's National Bank; E. E. Wootten, Cashier in place of E. P. Horsey; A. E. Culver, Asst. Cashier in place of E. E. Wootten.

DISTRICT OF COLUMBIA.

Washington—Second National Bank; Walter C. Clephane, Vice-Pres. in place of W. W. Burdette.—Lincoln National Bank; Floyd E. Davis, Vice-Pres.

FLORIDA.

Key West—First National Bank; Chas. A. Collins, Asst. Cashier.

Milton—First National Bank; C. W. Lamar, Pres. in place of A. P. Hardee.

GEORGIA.

Fitzgerald—First National Bank; T. W. Garbutt, Pres. in place of W. S. Witham; E. K. Farmer, Vice-Pres. and Cashier; J. C. Haynes, Asst. Cashier.

Greensboro—Greensboro National Bank; J. H. McCommons, Jr., Asst. Cashier in place of J. A. Smith.

Jackson—First National Bank; J. R. Carmichael, Pres. in place of R. F. Maddox; J. H. Carmichael, Vice-Pres.; R. P. Newton, Cashier.

IDAHO.

Coeur d'Alene — Exchange National Bank; V. W. Platt, Asst. Cashier.

Pocatello—Bannock National Bank; Fred A. Ball, Asst. Cashier in place of Frank Board.—First National Bank; J. N. Ireland, Vice-Pres. in place of D. L. Evans; no Cashier in place of W. G. Cruse.

ILLINOIS.

Amboy—First National Bank; Fred N. Vaughan, Vice-Pres. in place of Lemuel Bourne; H. H. Badger, Cashier in place of Fred N. Vaughan.

Atlanta—Atlanta National Bank; J. B. Jordan, Cashier; Nellie F. Hawes, Asst. Cashier.

Atwood—First National Bank; C. M. Flickinger, Vice-Pres. in place of Jos. Rhodes.

Belvidere—First National Bank; Geo. M. Marshall, Pres. in place of Mark Ramsey.

Chicago—Jackson Trust & Savings Bank; W. H. Eagan, Pres., resigned.

East St. Louis—Southern Illinois National Bank; Martin Martell, Vice-Pres.

Elgin—First National Bank; D. F. Barclay, Pres. in place of Geo. P. Lord; Willis L. Black, Vice-Pres. in place of D. F. Barclay.

Farmer City—Old First National Bank; E. C. Swigart, Vice-Pres.

Freeport—Second National Bank; L. Z. Farwell, Vice-Pres.

Galena—Merchants' National Bank; C. S. Merrick, Vice-Pres.; F. P. Stillman, Asst. Cashier.

Lovington—Shepherd National Bank; Ora H. McDaniel, Asst. Cashier in place of Flossie Shepherd.

Monmouth—Second National Bank; D. S. Hardin, Vice-Pres. in place of F. E. Harding.

Peoria—Inter State Savings Bank; G. H. Simons, Pres., deceased.

Potomac—Potomac National Bank; W. C. Messner, Vice-Pres.

Rantoul—First National Bank; Winnie Miller, Cashier in place of Harry Collison; Maude Cautner, Asst. Cashier in place of Winnie Miller.

INDIANA.

Auburn—City National Bank; K. W. Black, Cashier in place of F. E. Davenport.

Crawfordsville—Elston National Bank; R. M. McMaken, Cashier in place of R. C. Scott; C. B. Harris, Asst. Cashier.

East Chicago—First National Bank; J. G. Allen, Cashier in place of E. H. Holtorff.

Wabash—First National Bank; L. A. Carr and P. S. Ragan, Asst. Cashiers.

INDIAN TERRITORY.

Atoka—Atoka National Bank; T. F. Memminger, Vice-Pres. in place of Mike Conlan; R. R. Phillips, Asst. Cashier in place of J. S. Cameron, Jr.

Checotah—First National Bank; W. J. Henson, Vice-Pres.

Dustin—First National Bank; Lester T. Sheets, Pres. in place of J. P. Boyle; E. E. Lewis, Cashier; no Asst. Cashier in place of G. L. Benson.

Hugo—First National Bank; R. D. Wilbor, Pres. in place of W. H. Jones; W. H. Jones, Vice-Pres. in place of L. W. Oakes; E. L. DeWitt, Asst. Cashier.—First National Bank and Choctaw Exchange Bank; consolidated under former title.

Marietta—First National Bank; Jno. G. Butler, Vice-Pres.; F. B. Conrad, Cashier in place of Jno. G. Butler; H. A. Kirkpatrick, Asst. Cashier in place of F. B. Conrad.

Muskogee—City National Bank; D. H. Middleton, Pres. in place of D. W. Hogan; Geo. A. Murphy, Vice-Pres. in place of Geo. K. Williams.

Nowata—First National Bank; D. H. Lovett, Asst. Cashier.

Vinita—Vinita National Bank; Davis Hill, Pres. in place of Wm. Little.

IOWA.

Ames—Union National Bank; E. W. Stanton, Vice-Pres. in place of Daniel McCarthy; T. A. Dodds, Asst. Cashier.

Colfax—First National Bank; E. E. Dotson and R. A. Crawford, Vice-Pres.; E. E. Dotson, Cashier in place of G. H. York.

Deep River—First National Bank; R. J. McLain, Vice-Pres. in place of W. W. Kirker.

Garden Grove—First National Bank; J. W. Stearns, Asst. Cashier.

Hawarden—First National Bank; H. M. Green, Asst. Cashier.

Manchester—First National Bank; Don A. Preussner, Asst. Cashier.

Marshalltown—City National Bank; J. L. Carney, Vice-Pres. in place of G. F. Capron.

Melvin—First National Bank, Geo. M. Townsend, Asst. Cashier.

Remsen—First National Bank; W. J. Kass, Pres. in place of J. F. Kriege; J. F. Kriege, Vice-Pres. in place of F. G. Meinert; W. G. Sievers, Cashier in place of M. R. Faber.

Shenandoah—First National Bank; R. P. Galt and E. C. Fishbaugh, Asst. Cashiers.—Shenandoah National Bank; R. M. Gwynn, Cashier; C. J. Alden and F. M. Schneider, Asst. Cashiers.

KANSAS.

Abilene—Abilene National Bank; F. A. Wilcox, Cashier in place of R. M. White.

Elmdale—People's Exchange Bank; Edward Thurston, Cashier.

Hoxie—First National Bank; E. M. Speer, Cashier in place of Grover Walker.

Larned—Moffet Bros. National Bank; A. H. Moffet, Pres. in place of E. B. Moffet; W. W. Charles, Cashier in place of A. H. Moffet; E. B. Moffet, Asst. Cashier.

KENTUCKY.

Georgetown—First National Bank; J. D. Grover, Pres. in place of H. P. Montgomery, deceased.

Lexington—First National Bank; F. C. Bell, Asst. Cashier in place of W. B. Brock.

Maysville—State National Bank; no Asst. Cashier in place of C. B. Pearce.

Morehead—Lenora National Bank; in charge of Receiver Nov. 20, 1905; authorized to resume Jan. 29, 1906.

Owensboro—National Deposit Bank; R. S. Hughes, Pres. in place of James Weir, deceased; Paul Weir, Vice-Pres.

LOUISIANA.

Delhi—Bank of Delhi; J. D. Henry, Pres.; R. E. Wollank, Cashier.

New Iberia—State National Bank; A. Daigre, Vice-Pres. in place of L. E. Smith.

New Orleans—New Orleans National Bank; R. E. Craig, Pres. in place of A. Baldwin; Adolph Katz, Second Vice-Pres.

MARYLAND.

Citizens' National Bank; W. H. O'Connell, Vice-Pres.; A. D. Graham, Cashier, in place of Wm. H. O'Connell.

MASSACHUSETTS.

Fall River—Fall River Five Cents Savings Bank; Charles J. Holmes, Treas., deceased.

Fitchburg—Fitchburg National Bank; Brigham N. Bullock, Pres., deceased; also Treasurer Fitchburg Savings Bank.

Holyoke—Home National Bank; Oren D. Allyn, Vice-Pres.

Hudson Savings Bank; Geo. B. Cochran, Pres. in place of Edmund M. Stowe.

Monson—Monson National Bank; E. F. Morris, Cashier, deceased.

Salem—Mercantile National Bank; Benj. F. Nason, Asst. Cashier.

Spencer—Spencer Savings Bank; Geo. A. Craig, Pres., deceased.

Springfield—Third National Bank; A. J. Skinner, Asst. Cashier.

Waltham—Waltham Trust Co.; Albert R. Drake, Treasurer.

MICHIGAN.

Charlotte—Merchants' National Bank and Easton County Savings Bank; A. Baughman, Pres. in place of Earl T. Church, deceased.

Ironwood—First National Bank; H. F. Jahn, Pres. in place of E. D. Nelson;

James Devoy, Vice-Pres. in place of H. F. Jahn.

Lapeer—First National Bank; J. R. Johnson, Cashier in place of Chester G. White.

MINNESOTA.

Benson—First National Bank; L. R. Aldrich, Pres. in place of F. M. Thornton, deceased; L. M. Thornton, Vice-Pres. in place of M. Hoban.

Blooming Prairie—First National Bank; T. C. Cashman, Vice-Pres. in place of O. A. Veblen.

Clarkfield—First National Bank; Henry Monson, Pres. in place of B. A. Angell; Peter Anderson, Vice-Pres.

Ellsworth—First National Bank; Thomas M. Williams, Vice-Pres. in place of J. F. Flynn.

Halstad—First National Bank; Henry Henderson, Vice-Pres. in place of Joseph Lockey.

Lake Benton—National Citizens' Bank; W. F. Mann, Vice-Pres. in place of Alfred Soderlind; Alfred Soderlind, Cashier in place of W. F. Mann.

Lake Park—First National Bank; R. M. Farmer, Asst. Cashier.

Minneapolis — Northwestern National Bank; R. E. MacGregor, Asst. Cashier.

Minnesota Lake—Farmers' National Bank; Wm. H. Schroeder, Vice-Pres. in place of John Scheldt.

Wilmont—First National Bank; G. E. Briggs, Asst. Cashier.

MISSISSIPPI.

Jackson—Merchants' Bank; Richard Griffith, Pres., deceased.

MISSOURI.

Independence—First National Bank; Jos. W. Mercer, Pres. in place of M. W. Anderson; Wm. A. Symington, Vice-Pres. in place of Jos. W. Mercer; B. Zick, Jr., Cashier in place of Wm. A. Symington.

Paris—Paris National Bank; David H. Moss, Pres., deceased.

Savannah—First National Bank; E. E. Townsend, Asst. Cashier.

Springfield—Springfield Savings Bank and Springfield Trust Co.; consolidated under latter title.

St. Louis—Mississippi Valley Trust Co.; Breckinridge Jones, Pres. and Counsel.

Washington—First National Bank; W. H. Kahmann, Asst. Cashier.

NEBRASKA.

Lexington—First National Bank; G. A. Temple, Asst. Cashier.

Superior—First National Bank; Wm. Semke, Vice-Pres.

Wood River—First National Bank; O. W. Eaton, Pres. in place of H. O. Gifford.

NEW JERSEY.

Harrison—West Hudson County Trust Co.; Thomas G. Miggins, no longer Treasurer.

NEW YORK.

Albany—Albany Trust Co.; capital increased to $400,000.

Cazenovia—Cazenovia National Bank; H. G. Phelps, Cashier in place of J. H. Ten Eyck Burr.

Goshen—National Bank of Orange County; Charles S. Young, Asst. Cashier.

Irvington—Irvington National Bank; R. G. Abercrombie, Pres. in place of M. S. Beltzhoover; M. S. Beltzhoover, Vice-Pres.

Jamestown—Farmers & Mechanics' Bank; capital increased to $100,000.

New York City—Farson, Leach & Co.; succeeded by A. B. Leach & Co.—Irving Savings Instn.; Charles H. Fancher, Treasurer, deceased.

Norwich—Chenango National Bank; Geo. T. Dunham, Cashier, resigned.

Riverhead—Riverhead Savings Bank; Gilbert H. Ketcham, Pres.

Wappingers Falls—Wappingers Savings Bank; James S. Roy, Pres. in place of Samuel Mansfield.

NORTH DAKOTA.

Grand Forks—Union National Bank; S. W. Rutledge, Vice-Pres. in place of C. S. Sims.

Harvey—First National Bank; John O. Hanchett, Vice-Pres. in place of J. H. Ehlers; M. W. Neary, Asst. Cashier.

Northwood—First National Bank; W. H. Robinson, Pres. in place of H. J. Haskamp; E. Y. Sarles, Vice-Pres. in place of W. H. Robinson.

Wahpeton—Citizens' National Bank; Aaron Stern, Vice-Pres. in place of F. H. Wellcome.

OHIO.

Bucyrus—Second National Bank; G. K. Zeigler, Vice-Pres. in place of S. R. Harris.

Greenwich—First National Bank; J. G. White, Asst. Cashier.

Hamilton—First National Bank; D. W. Fiton, Second Vice-Pres.

Kenton—Kenton National Bank; Hugh L. Runkle, Pres. in place of D. W. Sullivan.

Malta—Malta National Bank; R. K. Brown, Pres. in place of James M. Rogers; L. B. Simpson, Vice-Pres. in place of R. K. Brown; H. M. Finley, Cashier in place of J. W. Rogers.

Mantua—First National Bank; Bina Colt, Vice-Pres. in place of W. H. Bowen.

Mingo Junction—First National Bank; Henry W. Scott, Vice-Pres. in place of Joseph Thompson.

Norwalk—Norwalk National Bank; C. B. Gardiner, Asst. Cashier.

Norwood—First National Bank; W. N. Carter, Vice-Pres. in place of Geo. Bullock.

Painsville—Painsville National Bank; Geo. P. Steele, Vice-Pres. in place of H. T. Smart; R. F. Pyle, Asst. Cashier in place of G. R. Moodey.

Springfield—First National Bank; John L. Bushnell, Vice-Pres.

OKLAHOMA.

Chandler—Chandler National Bank; G. W. Schlegel, Vice-Pres. in place of F. A. Ashton.

Cordell—First National Bank; Wm. Aachte, Vice-Pres. in place of J. E. Farber.

PENNSYLVANIA.

Rockwayville—First National Bank; James McKay, Asst. Cashier.

Chester—Delaware County Trust Co.; R. E. Jefferis, Treasurer.

Coalport—First National Bank; A. P. Silverthorn, Cashier in place of John Cree.

Crafton—First National Bank; M. A. Rusk, Asst. Cashier.

Delmont—Delmont National Bank; J. M. Keck, Cashier in place of C. C. Stotler.

SOUTH DAKOTA.

Redfield—Redfield National Bank and Bank of Redfield; consolidated under former title.

RHODE ISLAND.

Providence—Rhode Island Hospital Trust Co.; Horatio A. Hunt, Vice-Pres.; Walter G. Brown, Asst. Sec.

TENNESSEE.

Memphis—Mercantile Bank; Hunter Raine, Pres., resigned; W. A. Smith, Cashier, resigned.

Clintwood—Dickinson County Bank; William H. Ames, Cashier, resigned.

Norfolk—Virginia Bank & Trust Co.; successor to Virginia Sav. Bank & Trust Co.

Richmond—Merchants' National Bank; John F. Glenn, Second Vice-Pres.; Thomas B. McAdams, Cashier.

Roanoke—People's National Bank; consolidated with National Exchange Bank.—Columbia Trust Co.; consolidated with Roanoke Banking & Investment Co.

WISCONSIN.

Ellsworth—Bank of Ellsworth; John L. Moody, Pres. in place of J. W. Hancock; A. G. Foss, Vice-Pres.

Mukwonago—Citizens' Bank; L. E. Youmans, Pres. in place of J. N. Crawford, resigned.

CANADA.

Kingston—Bank of Montreal; Roderick Mackenzie, Manager, deceased.

Toronto—Imperial Bank of Canada; Daniel R. Wilkie, Pres. in place of Thomas Rodman Merritt, deceased; Robert Jaffray, Vice-Pres.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

Fort Smith—Southern Bank & Trust Co.

CALIFORNIA.

San Luis Obispo—Bank of San Luis Obispo.

DELAWARE.

Wilmington—H. L. Evans & Co.; assigned Feb. 15.

ILLINOIS.

Chicago—Bank of America; in hands of Receiver Feb. 16.

Evanston—Citizens' Bank.

Peoria—People's Savings Bank.

KENTUCKY.

Lexington—National Exchange Bank; in voluntary liquidation Jan. 11.—Central Bank.

MASSACHUSETTS.

Boston—Hanover Bank.

Fitchburg—Rollstone National Bank; absorbed by Fitchburg S. D. & Tr. Co.

Haverhill—Second National Bank; in voluntary liquidation Feb. 12.

Springfield—City National, First National, John Hancock National and Second National Bank; absorbed by Union Trust Co.

MISSISSIPPI.

Cleveland—Bolivar County Bank.

Lyon—Bank of Lyon.

OKLAHOMA.

Shawnee—First National Bank; in voluntary liquidation Jan. 16; consolidated with Oklahoma National Bank.

SOUTH CAROLINA.

Charleston—Columbian Banking & Trust Co.

TEXAS.

Alvin—First National Bank; in voluntary liquidation Jan. 31.

Austin—City National Bank.

Ladonia—Ladonia National Bank; in voluntary liquidation Feb. 3.

Temple—Temple National Bank.

WISCONSIN.

Hayward—Hayward State Bank.

BANKERS' OBITUARY RECORD.

Anderson.—Matthew W. Anderson, President of the First National Bank, Independence, Mo., died January 20.

Barker.—Alden F. Barker, a pioneer banker of Jefferson County, N. Y., and President of the First National Bank, Clayton, died February 28.

Bullock.—Brigham N. Bullock, President of the Fitchburg (Mass.) National Bank, and Treasurer of the Fitchburg Savings Bank, died February 20, aged seventy-four years.

Church.—Earl T. Church, President of the Merchants' National Bank and the Eaton County Savings Bank, Charlotte, Mich., died February 15, aged seventy-two years.

Craig.—George A. Craig, President of the Spencer (Mass.) Savings Bank, and a director of the Spencer National Bank, died February 1.

Fancher.—Charles H. Fancher, chairman of the board of directors of the Irving National Bank, New York City, and until recently President of the bank, and also Treasurer of the Irving Savings Institution, died January 2. He was born at Warwick, N. Y., in 1845, and came to New York City in 1864. He became connected with the Irving National Bank in 1866, and in 1890 was made Cashier of the Clinton Bank, but soon returned to the Irving National as its President.

Fletcher.—Col. J. G. Fletcher, President of the German National Bank, Little Rock, Ark., died February 1, aged seventy-five years. He was an ex-Confederate soldier, was three times mayor of Little Rock, and had held other important political positions.

Holmes.—Charles J. Holmes, Treasurer of the Fall River (Mass.) Five Cents Savings Bank since its organization in 1856, died February 26, aged seventy-two years. He had served in the city council and Legislature, and for thirty years was President of the Associated Savings Banks of Massachusetts.

Moss.—Judge David H. Moss, for thirty-five years President of the Paris (Mo.) National Bank, died January 30, aged eighty years.

Morris.—Edward F. Morris, Cashier of the Monson (Mass.) National Bank for almost forty-two years, died January 23. He was born at Monson in 1840. In 1856 he entered the Monson Bank as a clerk, remaining there for over six years, when he became a bookkeeper in the Agawam Bank, Springfield, Mass. The cashiership of the Monson Bank becoming vacant, he returned to that institution to become its Cashier on April 1, 1864, and retained this position until his death.

Weir.—James Weir, for over forty-two years President of the National Deposit Bank, Owensboro, Ky., died January 31.

OF USE TO BANKERS.

MUCH valuable information for bankers who desire their institutions equipped with loose-leaf books, binders, filing cabinets, etc., will be found in "Moore's Monthly Messenger," published by the John C. Moore Corporation, Rochester, N. Y.

These modern devices are certainly growing in favor on account of their convenience and economy, and progressive banks are rapidly installing them as a part of their equipment.

The Monthly Messenger, published by the company named, illustrates and describes these useful appliances so fully that banks desiring to add to or improve their office equipment will find it to their interests to send for a copy of this publication.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING AND BANKERS' MAGAZINE CONSOLIDATED

SIXTIETH YEAR APRIL, 1906 VOLUME LXXII, NO. 4

GROWTH OF OUR FOREIGN TRADE.

FROM present indications the foreign trade of the United States for the current fiscal year will be larger than ever before reported, both exports and imports breaking last year's totals, which were the highest known. Concerning the record already made and the outlook for the remainder of the year, a recent statement issued by the Bureau of Statistics says: "Two-thirds of the fiscal year ending June 30, 1906, has presented its commercial record, and the growth of commerce has been sufficient to justify the assertion that for the year both imports and exports will exceed those of any earlier like period. The exports of 1905 exceeded those of any earlier year; yet the exports of that part of the fiscal year 1906 recorded are 190 million dollars in excess of those of the corresponding months of 1905. The imports of 1905 were also greater than in any earlier year, yet the import figures for the eight months ending with February, 1906, are 71 million dollars greater than those of the corresponding period of last year."

In the ten years from 1896 to 1905 the net exports of merchandise were $4,755,837,095 and of silver $242,427,382—a total of $4,998,264,477. For the same period the net imports of gold were $199,864,875. We have in the last ten years sent abroad merchandise and silver of a net value of nearly $5,000,000,000, and in return have received gold amounting to about $200,000,000 net—a difference of $4,800,000,000, or $480,000,000 a year.

After allowing for the payments made on account of interest on American securities held abroad, tourists' expenditures, freights on our products, etc., a large amount must still remain to our credit, if the official figures given above are accurate. This balance in our favor must either have been lent in foreign markets or applied to the purchase of American securities held abroad. Can the absorption of the large favorable balance be accounted for in that way? Or are the figures inaccurate? It is difficult, perhaps impossible, to answer these questions definitely. But their importance renders them worthy of the most careful study.

EDITORIAL COMMENT

POLITICAL contributions by national banks are to be prohibited, if a bill recently introduced in the Senate becomes a law. It is asserted that assessments were levied on national banks for political purposes in the campaign of 1896 and subsequently. In 1896 particularly, when free silver was the issue, many bankers believed, and not without much reason, that their institutions would be endangered by the financial disturbances that would probably have followed Mr. BRYAN's election to the Presidency. Banks that contributed to the Republican campaign fund were, perhaps, influenced quite as much by consideration for their own safety as by other motives. They no doubt regarded such contributions as the necessary price to pay to escape the partial confiscation of their property that would have resulted from the triumph of free silver. When a radical agitator like BRYAN gains a large following, the political bosses of the opposing faction realize that this is a golden opportunity for making the representatives of wealth bring their tithes into the storehouse. That this opportunity was not neglected in 1896 is a matter of history. The real terrors of Bryanism were greatly magnified in order to stimulate contributions to the opposing side, and with good effect.

It might be very interesting for the bank officers who contributed the funds of their institutions to secure Mr. McKINLEY's election, if they were now called on to refund these contributions, as has been the case with some of the life insurance officials who made like contributions.

Where political contributions by banks were properly authorized by the directors, it is doubtful whether such use of the funds of a bank could be legally called in question. But the impropriety of such contributions is apparent. When banks or other corporations give money for political purposes, people not illogically infer that it is an attempt on the part of organized wealth to gain some undue advantage. Of course, individuals sometimes make contributions to their party coffers from similar motives: one manufacturer subscribes because he wants his wares protected from foreign competition; another, because he wants free raw materials. But it is charged that some corporations—though such charges have not been brought against banks—not only purchase immunity from attacks upon their business by making liberal campaign contributions, but that they also in this manner practically place themselves beyond the reach of criminal prosecution, and are thus enabled to carry out their schemes with an absolute disregard of the rights of the public. Allegations of this character have been so common of late as to cause much dissatisfaction among the people. Stockholders who happen to lean to the other side than the one to whose support the corporation's funds have been donated do not appear to relish the diversion of so much cash from the profits, that might otherwise have been available for paying dividends. There is, of course, no impropriety in the officers, directors or shareholders contributing as much as they like for meeting the legitimate expenses of political campaigns. But public opinion does not favor such uses of corporation funds. It is not believed that banks have, as a rule, made contributions of this character, and no doubt they will be pleased to have Congress enact a law entirely prohibiting the use of the funds of national banks in promoting the fortunes of any political party.

HON. ALTON B. PARKER, former Chief Judge of the New York Court of Appeals, and Democratic candidate for President in 1904, delivered an address on "Democracy," before a joint session of the Mississippi Legislature, a short time since. After deploring the many evils brought to light recently, he said:

"Above and beyond all things, we must avoid the demagogue like the pestilence which walketh in darkness. For the first time in our history we see reflected upon the screen of the future the shadow of this baleful, sinister figure."

Whether this is the first time in our history that the demagogue has loomed up portentously, is a matter about which opinions would differ. There are many people who would not agree with Judge PARKER. But there is no doubt that the present state of the public mind affords a fair opportunity for the demagogue to exploit his panaceas for the alleviation of political and social ills. It is somewhat peculiar that in a season of general prosperity the people of the United States should be disposed to turn a willing ear to dangerous political mountebanks. Ordinarily the demagogue can hope for success only when the wind is blowing from the wrong quarter. He thrives most when crops are poor, trade bad, and when distrust is general. But no such conditions exist now. Crops are abundant, trade prosperous, and confidence rules in the business world. It seems, therefore, that the demagogue is a noxious growth engendered alike by the foul vapors of adversity and the tropical sun of prosperity. If crops are poor and trade bad, he ascribes the resultant hard times to the machinations of the money kings. If there is great prosperity, he points out that the same money kings are gobbling up the country's wealth. Every way makes his gain.

THE disposition of men to seek new and untried remedies in times of great depression is at least explicable. They may argue that a change can not make things worse, and may make them better. In a storm refuge may be sought in almost any port.

We very much doubt, however, whether the American people, with their shrewd common-sense, are going to be deceived by the sinister figure to which Judge PARKER referred. There are certain problems to be settled, and they will be decisively and righteously settled without having recourse to any crazy expedients such as the demagogue would like to see adopted. The shadow of this sinister figure which is reflected upon the screen of the future may be prevented from becoming a reality by a wise and patient endeavor to correct the abuses out of which this evil apparition has sprung. The demagogue and his doctrines are dangerous to property rights and to our social institutions, but less dangerous than the popular fury that may be aroused if the people become possessed of the idea that this is a government of privileged classes. Making all due allowances for the exaggerations of those who from motives of self-interest find it profitable to stir up antagonisms between high and low, rich and poor, disclosures have been made that demand the serious consideration of the wisest and best in the land. By bringing a sound public opinion to bear on the real evils that exist, and applying sane remedies to their correction, the demagogue who magnifies these ills and proposes to cure them by employing strange nostrums, will find his occupation gone.

REAL estate loans by national banks are provided for in a bill which has been favorably reported by the Banking and Currency Committee of the House. Such loans are to be confined to farm lands, and are not to exceed one-half the valuation of the property.

The restriction in the National Banking Act against loans on real estate security has tended to hamper the national banks in competing for business with state banks that were not so restricted, and has been exceedingly irksome to a great many of the former class of institutions, especially to those located in the smaller cities and towns where the demands for loans of this character have been greatest. It may be fairly inferred that these demands have increased since the passage of the Act of March 14, 1900, permitting the organization of national banks with a minimum capital of $25,000, thus adding very largely to the number of such banks in the rural communities. The multiplication of trust companies, too, which are permitted to make real estate loans, has increased the irritation felt by the national banks on account of the restriction in question.

Of course, the institutions that have the freest use of their funds have an advantage in competing for deposit accounts. The state bank or trust company that can make loans on real estate has an avenue open for the employment of funds that is closed to the national bank, and where interest is paid on deposits the latter bank will find it difficult to pay the same rate as is offered by its freer rivals.

The great increase in the values of farm lands in recent years has made this class of security more desirable than it has been heretofore. Besides, with the growth of population and the higher state of cultivation under which most agricultural land has been brought, there is a tendency toward greater stability of the conditions governing the productions of farm lands, and consequently less of fluctuation in the values of rural real estate.

So far as safety is concerned, there can be no doubt that, at a proper valuation, loans may be made on either city or country houses and lands. It might well be said, also, that since agriculture is the principal source of our national wealth, the national banks should not be denied the opportunity of doing all they can to forward the interests of this great industry. They already make loans to farmers very largely; but their ability to do so is much less than it would be if the prohibition against lending on real estate were removed. Few farmers have stocks and bonds to deposit as collateral for loans—their land is, in many cases, the chief security they can offer, and this the national bank is forbidden to accept.

THERE are, however, some well-founded objections to real estate loans by commercial banks: in the first place, the deposits of such banks, as a rule, are payable on demand, or on short notice. Farm mortgages are usually drawn to run for a number of years. If the banks held these mortgages they would incur the risk of having a large portion of their funds tied up more or less permanently. They would probably avoid this contingency by selling the mortgages to trust companies, savings banks and private investors. This plan would work well enough except in times of financial crises, when even the best of securities do not find a ready sale, or when at other times the markets had become glutted with farm mortgages.

IT would seem to be desirable, for many reasons, that loans on fixed capital and those on commodities should be handled by different classes of institutions, as is done in several European countries. Perhaps the desired object could be met in the case of national banks by endowing them (under proper regulations) with trust company functions, keeping the commercial departments and the trust departments entirely separate.

This plan was first suggested for state banks by this MAGAZINE several years ago, and the suggestion has been put in practice in Texas and is under consideration in Ohio.

National banks no longer derive substantial profits either from their monopoly of issuing circulation or from acting as depositories of public funds. They are, on the other hand, subject to a number of restrictions not imposed upon state banks and trust companies, and they will not be content until these restrictions are removed and they are endowed with all the privileges now enjoyed by the most favored class of institutions.

Despite the theoretical and practical objections that may be urged against real estate loans by national banks, there is no doubt that the popularity of these institutions, located in the country as so many of them are, would be greatly increased if they were permitted to make loans of this character.

BRANCH banks are not permitted by the National Banking Law, and in most of the states branches are either prohibited, or where the laws permit them comparatively few exist. In New York, however, where the State Banking Law authorizes the establishment of branch banks in New York city, this privilege has been largely availed of by the state banks and by some of the trust companies also. As might have been foreseen, the introduction of branch banking in New York city has not been regarded with unmixed satisfaction. The institutions that are either prohibited from establishing branches or do not find it practicable to do so, naturally look with disfavor on the encroachments of the branches. State and national banks located in those districts of the city where the banking business is largely local in character resent the intrusion of new banks, established without the investment of additional capital. This easy method of opening a bank has led to the introduction of a bill in the New York Legislature providing that every branch bank established shall have a capital of not less than $100,000.

Without inquiring whether such a law is necessary on the score of safety, it may be said that it would substantially impair the advantages that have accrued to the banks which have established branches. To require fresh capital to the amount of $100,000 whenever a new branch is opened would be to nullify one of the important principles of the branch banking system. Of course, prudent bank managers will keep their capital duly proportioned to liabilities to the public without legal compulsion. There is, perhaps, no evidence that banking expansion has been carried on in New York to an extent that would indicate the necessity of any such legislation.

CANADIAN banks not only establish branches in Canada, but in foreign countries. Several of them have branches in the United States, and in the neighboring Republic of Cuba they seem to be laying plans to capture a large share of the banking business. In this respect they have an advantage denied to national banks in the United States. If the law did not prevent, many of the larger national banks would find it convenient and profitable to have branches in foreign countries.

Our system of independent banks has undoubtedly worked well, notwithstanding bank failures have been rather too numerous. But with the changes in conditions it is not impossible that some modification of the present system may be desirable. At least, to refuse to discuss the advantages and disadvantages of other systems would be to assume an arrogant disposition hardly consistent with the acquisition of sound knowledge. If branch banking has some good in it that we ought to adopt, we should find out what it is and adopt it. If, on the other hand, our present system is superior to the branch system, we should not give it up, even though practically all the other great commercial nations of the world have branch banking.

OPPOSITION to branch banking has been so strong in this country that there seems little chance of its general adoption in the immediate future. The arguments both for and against branch banking are so well known that we shall not restate them. There is one phase of our banking situation, however, to which attention may be profitably directed, and that is the great growth in the number of banks. From 1863 to 1899, a period of thirty-six years, the national banks attained a total of 3,595; from 1900 to 1906 the number grew to an aggregate of 5,911. In other words, in about six years the gain in the number of national banks was over half the total represented by the first thirty-six years of the system. A very large proportion of the gain in numbers within the last six years is represented by banks of $25,000 capital, the minimum amount of capital having been lowered from $50,000 to $25,000 by the Act of March 14, 1900.

These small banks have not yet been subjected to the strain of a financial crisis, and it is not known how they would weather a storm. There is not, necessarily, any reason why a small bank should not be perfectly strong, and most of them are so; but perhaps distrust is, generally speaking, most likely to assail the small bank in times of financial stress.

In view of the rapid multiplication of banks—which seems to have proceeded far enough to meet the legitimate demand for banking facilities for some years to come—the question arises whether it would not be prudent to discourage the organization of new banks for a while until the country has more fully grown up to the present supply of banking facilities. Competition in banking is beneficial, but undue competition not only injures the banks but frequently causes failures that reflect injuriously upon the welfare of the community.

Indeed, it may well be asked whether we have not banks enough, and whether we ought not for the present rather direct our energies toward strengthening existing institutions than to the organization of new ones. The freedom of banking in this country has been a strong factor in stimulating the formation of new banks and in pushing the development of enterprises of various kinds. But we seem to have reached a point where such a stimulus is no longer required, and may well direct attention to judicious methods for making our already strong banking system as near to absolute safety as can be attained by human foresight. It may be found desirable, even, instead of uselessly multiplying banking machinery, to economize in that direction; and it may be that in time a modification of the branch system will be found desirable. Any scheme, however, that would concentrate the banking business in the hands of a few large institutions will not command approval.

BILLS of lading comprise so large a percentage of the documents pledged as security for bank loans that it is not surprising that bankers should ask for Federal regulation of these instruments. This demand for uniformity of bills of lading is an evidence of that impatience which bankers and other business men feel in regard to the hindrances to free commercial intercourse imposed by the diversities and uncertainties of state laws. In the earlier times, when there was comparatively little commerce between the states, these hindrances did not attract much attention, but with the growth of the country and the increase of means of communication, their restraining influence upon inter-state commerce became apparent.

One of the first reforms effected was in 1865, when a tax of ten per cent. was placed on state bank notes. This gave the country what it had never had before—a uniform currency—and furnished the business community with a circulating medium of equal value everywhere, in place of the state bank notes, whose value was more or less uncertain.

The movement for uniform laws relating to negotiable instruments is another effort in the same direction, and it has been highly successful. Under this law, which has been adopted by twenty-nine states, checks, bills of exchange and notes are brought within certain well-defined rules, thus simplifying the handling of these instruments.

Another important measure greatly contributing to the safety of commercial transactions is the National Bankruptcy Act. Whether this law is perfect or not, it at least substitutes the positive regulation of insolvency by the Federal Government for the lax and uncertain state laws on the same subject. As is well known, commerce can better adjust itself to an imperfect measure, provided only that it be definite, than it can to the uncertainties that must appertain to laws passed by Legislatures of so many differing shades of opinion, and with little regard to the effect upon the business of the country as a whole.

Bills of lading are instruments of vast importance in conducting commerce between the states, and whatever tends toward their uniformity and certainty will greatly aid the banks in extending the necessary facilities for carrying on that commerce.

It is interesting to note, in connection with the movement for greater uniformity in respect to commercial matters, that at the last convention of the American Bankers' Association a committee was appointed to take cognizance of differing laws and decisions relating to banking, and to provide means for bringing about uniformity.

SCOTCH banks are said to make a greater profit on their unissued notes than they do on those kept in circulation. In other words, the unissued notes obviate the necessity of keeping gold on hand—not for reserve purposes, but for till-money.

Among the national banks of the United States there is a disposition to at once take out and issue the full amount of circulation to which the bond holdings of the banks entitle them. The banks must, of course, invest a certain percentage of their capital in Government bonds, but the issue of circulation is optional. On account of the premium on the bonds and their low rate of interest, the banks are virtually compelled to issue all the notes they can on the amount of bonds held. That is, the notes are so costly that the banks can not well afford to forego their issue in order to reimburse themselves for the expenses incurred. Many of the banks not only purchase the amount of bonds required for organization purposes, but invest their entire capital in the Government's obligations, taking out circulation thereon.

The profit to be derived from circulation under a system of note issues based on coin and commercial paper would be considerably greater than that now made on the bond-secured notes. While the prime consideration in changing the method of issuing bank notes should be the benefits that would accrue to the people, the banks may be directly interested by pointing out to them the greater profit they would make under the proposed system. This enhanced profit is also entirely compatible with a saving to the Government and a general reduction of interest rates.

INELASTIC BANK RESERVES.

FIXED elements in the currency of the United States probably constitute the most serious obstacle to that elasticity of the circulating medium which is generally considered so desirable. It is likely that if the same attention had been bestowed on the removal of these obstacles as has been given to the devising of new schemes for issuing bank-note currency, more substantial progress would have been made in the direction of promoting elasticity of the currency, or what in substance is the same thing—the elasticity of bank credits. As is well known, bank checks constitute by far the most important element of the circulating medium; and these checks, to a very large extent, are not drawn against actual cash, but against book credits—the proceeds of loans. These proceeds of loans appear on the banks' books as deposits, and against deposits a certain amount of cash must be kept as reserve; for while checks drawn on deposits are not ordinarily paid in money, a certain percentage is so paid, and to meet the call for cash thus entailed, and the possibly greater demand that may arise, the banks must keep a considerable sum of money on hand. This money, or reserve, consists of gold and silver coin (or certificates), legal-tender notes, and national bank notes. Although the latter are not legally available as reserves for national banks, they are for most of the state banks and trust companies. The assertion has been made that, owing to careless methods of classifying the different forms of cash held, many of the national banks also count bank notes as part of their reserves. Whether this be true or not, there is no doubt that these notes are generally so counted by the other classes of institutions named; and this has a most important influence upon the money market.

The elasticity of a bank's loans, and consequently of the real circulating medium—checks—will be determined primarily by the demand for credit, and by the existence of the capital upon which credit rests, but will also depend, for the reasons explained, to a very large extent, upon the supply of money available for bank reserves. Of course, the efficacy of any given supply will be determined not alone by the quantity, but also by the manner in which that quantity is utilized, and this will be governed largely by the habits of the business community and by the efficiency of the banking machinery. Not only is there a great variation in the per capita of money found in different countries, according to their wealth, civilization and commerce, but this variation is also to be observed in two contiguous countries, both of great wealth and possessing a high degree of civilization and an enormous foreign and domestic commerce. Thus we find a per capita circulation of $37.13 in France and of $17.58 in the United Kingdom. No one except the monetary theorist has ever attempted to decide just what amount of money, either gross or per capita, a nation should have. In the absence of artificial influences, the general tendency will be for every country to get the exact amount it requires, just as a man who is out of doors, or in a room properly ventilated, will get all the air he needs. The money supply of the world, like the atmosphere, is a fountain of which all may partake. Were it not for the obstacles set up by man gold would flow freely wherever most required, forming a kind of international currency automatically elastic in volume.

One of these obstacles preventing the free flow of money between different countries is to be found in the paper substitutes for money kept in circulation, with little or no metallic cover. Other hindrances to the free movement of gold are a large fixed volume of token money, of partially covered paper, or of bank notes issued against a public debt. None of these influences may form an effectual barrier against the international movements of gold, but some of them modify it slightly and others to a very marked degree. All of the obstacles named are to be seen in the mixed currency in use in the United States; and yet, notwithstanding this, gold is not only the most elastic element in our currency, but the only one possessing any elasticity whatever.

The legal-tender notes are absolutely fixed in volume, the amount outstanding—$346,681,016—having been unchanged since the retirement of the notes was stopped by the Act of May 31, 1878. As the coinage of silver dollars has ceased, it may be expected that the volume of this kind of money will remain substantially at the present figure—$568,228,865. We thus have a total of $914,909,881 of currency which is absolutely inelastic, neither increasing nor diminishing, remaining passive to seasons of adversity and prosperity, and not being augmented to meet the growth of population and wealth. To this total should be added $550,803,895 of national bank notes outstanding on March 1; for while these notes possess one element of elasticity—expansion—they never contract; and even the expansion is not in response to the demands of commerce. Adding the bank notes to the legal-tenders we have $1,465,713,776 of inelastic currency out of a total supply of $2,999,890,171—about fifty per cent. The one elastic element in the circulation is the gold and bullion, amounting on March 1, to $1,417,007,439. Our gold supply is increased by the domestic product and by the melting of plate and jewelry, and by importations; it is subject to diminution by exports and by the amounts required for use in the arts.

Under ordinary conditions, when gold is exported the currency is correspondingly reduced. But this tendency of gold exportation to correct a redundant condition of the currency is interfered with in the United States in a peculiar way. The place left vacant by the vanished gold is immediately supplied by an increase in the volume of bank notes based upon the public debt, the supply of Government bonds available for use as a basis for note issues not necessarily having any relation to the business demand for currency.

With so large a fixed supply of money other than gold, a temporary redundancy of the currency, such as occurs in the United States at certain seasons, is not easily remedied. A heavy favorable balance of trade and active business and speculation tend to prevent the exportation of gold, and thus the currency supply is permanently maintained at the top notch. When business and speculation slacken their pace, and if for any reason the trade balance should be less favorable, gold is likely to be largely exported, and confidence disturbed. The redemption and cancellation of bank notes, under a proper system of issue and redemption, even if carried to an extent that would materially reduce the volume of the notes in circulation, should have no more influence in disturbing the money market than does the redemption and cancellation of checks at the present time. On the other hand, the exportation of gold, if the aggregate be large, generally unsettles confidence. Gold being at the base of the monetary system, any material interference with it is apt to occasion alarm. When our currency becomes top-heavy, instead of taking off some of the weight we reduce the area and strength of the foundation. In other words, instead of reducing the paper, by retiring and cancelling it, we reduce the gold by exportation. This is like throwing over ballast instead of shortening sail at the approach of a storm.

From what has been said it may be seen that a very large part of the money that may be employed as bank reserves is inelastic; the volume of silver and legal tenders remaining absolutely fixed, and the national bank notes, which are used for reserve purposes by some banks, expand but never contract.

With this arbitrary interference with the operation of the economic laws that would otherwise govern the supply of money available for bank reserves, it is not to be wondered at that there is complaint of an inelasticity of the currency. That a better statement of the case would be to say that there is inelasticity of bank reserves, does not alter the facts of the situation.

Other influences hinder a wise conservation of the credit facilities of the banks. There is no proper co-ordination of the heterogeneous factors constituting the banking hierarchy. Not only are there institutions of many kinds, embracing every known degree of strength and capacity of management, but even among banks in the same class there is little of cordial co-operation respecting matters affecting the money market. A happy-go-lucky, hit-or-miss spirit seems to characterize most of the banks in their attitude toward such matters. The diversity of practice in regard to charging for out-of-town collections and the payment of interest on deposits are illustrations.

Furthermore, the inelasticity of the money supply is aggravated by the operations of the Treasury in receiving and disbursing Government funds. At one time the Government is taking large quantities of money from the market and locking it up, and at another pouring equally large quantities into the market. And these operations may be actually the reverse of what the market requires—the Treasury pouring out funds when the market is plethoric and withdrawing funds when the market is suffering already from a deficient supply. In addition, the Secretary of the Treasury adds to the artificiality of the situation by depositing public funds in the banks when he considers it advisable "to relieve the money market," and withdrawing such funds when he believes it desirable to do so.

Laboring under all these difficulties, it is not surprising that the rate for money on call ranges from one to one hundred per cent., and that the rate of discount for ordinary commercial loans varies to an astonishing extent in different parts of the country.

All the drawbacks above enumerated may be likened to the weeds which prevent the free and vigorous development of a growing crop. Our great natural resources have made the country enormously prosperous notwithstanding every hindrance. But as a nation we are not so youthful as we once were, and perhaps the time has come to conserve our strength. The defects in our banking and currency system are by no means imaginary, nor is the remedying of them a hopeless problem. Questions, too, that are now considered "purely academic" may at any time become of immediate practical importance. In times of great and uninterrupted prosperity the defects of our currency system are more or less concealed; but with a change of conditions these defects will not only show themselves but they will tend greatly to aggravate the feeling of distrust that will then pervade the business and financial world. It is better to exercise some prevision, rather than to defer action until exigent necessity makes further delay impossible.

To increase the already confused state of the circulating medium by issuing asset currency in addition to the several forms of money now in use, would seem to be a mere subterfuge to avoid the consideration of more fundamental reforms that will have to be made sooner or later.

It is not improbable that if the inelastic elements in our monetary system were eliminated, the banks themselves could easily provide the required flexibility both in the volume of circulation and of credits. If they were unable or unwilling to do so, then it would become apparent that what is needed is not a reform of the currency but a reform of the banks.

A FAITHFUL STEWARD.

IN these days, when so much is said of unfaithful trustees, it is refreshing to read the following story, which was sent to the newspapers from Paterson, N. J., under a recent date:

"George W. Murray, president of a Goshen bank, presented to the court here the final accounting in the estate of John V. Beam, a former resident of Pompton, this county, who died about fifteen years ago.

When Mr. Beam died he left property valued at $100,000, half of it personal property and the remainder real estate in West street, New York city; in Buffalo, and in Pompton. In the accounting the property was shown to have increased to the value of $700,000."

COIN AND COMMERCIAL PAPER AS FOUNDATIONS OF A BANK-NOTE CURRENCY.

BY WM. B. GREENE,

FORMERLY CHIEF OF DIVISION, BUREAU OF THE COMPTROLLER OF THE CURRENCY.

BY the enactment of the National Currency Act, in 1863, Congress undertook to provide a bank-note currency which should be homogeneous and pass at par in all parts of the United States. The original act was amended in 1864, and with contemporaneous tax provisions the effect was to suppress all other forms of bank-note currency. The intention was, as soon as specie payments were resumed, to retire the legal-tender notes and to constitute the national bank notes, redeemable in coin, as the only paper currency of the country. No one could then foresee the perpetuation of the legal-tender note, the revival of the silver dollar and the extensive use of silver certificates. Instead of having the exclusive field, the national bank notes have shared it with legal-tender notes, silver certificates and Treasury notes.

Not including gold certificates, which may be regarded as merely another form of gold coin, the country has now three forms of paper currency, all depending on Government credit.

National bank notes, legal-tender notes and silver certificates are sustained at par in gold by a system of reserves and of interchangeable redemption, which has been evolved by law and custom.

Legal-tender notes are payable in gold coin when presented at the Treasury and Sub-Treasuries, and for this purpose a reserve of $150,000,000 in gold, about forty-four per cent. of the total outstanding legal-tender notes, is held by the Treasury.

National bank notes are redeemed at the Treasury Redemption Agency, and at the banks of issue, in lawful money. They are receivable by the United States Government for all dues and taxes, except customs, and their ultimate payment is secured by United States bonds deposited with the Treasurer. They must be accepted at par by national banks, but not necessarily by other banks or individuals.

Silver certificates are legally redeemable on demand in silver dollars. They are also receivable for taxes. The banks, and to some extent the Treasury in practice, facilitate their circulation at par in gold, by receiving them directly and indirectly in exchange for gold coin and the other forms of paper currency. Holders of silver certificates deposit them with the banks and check against the account so created. The banks pay checks in such money, gold or silver coin or paper, as their customers require. They are no doubt sustained in this course by the solemn promise of the Government to maintain the silver dollars at par in gold, although no direct means of performing this promise have yet been provided by Congress.

The business community from instinctive self-interest has adapted itself to this jumble of paper currency, each kind having a different basis of security, but all from their natural interdependence reasonably secure. By refraining from pressing on the weak points of the general system the banks and financial institutions of the country have aided the Government in living up to its repeated declaration that every dollar shall be as good as every other dollar.

Why Should This System Be Reformed?

What necessity is there of currency reform, and why has there been, during more than twenty years, a continuous and sometimes strenuous demand for such reform? One answer to this is that the burden of sustaining the present system falls upon the banks, upon all more or less, but chiefly upon those of the great financial centres—whenever the weak points show, the banks have to take the risk, and in various ways the cost of warding off danger is no slight thing. What are these weak points? When does danger threaten? The main defect in the present currency system is usually characterized by the vague term, "lack of elasticity." The collection of Government revenues, the payment of balances in foreign trade, demands for the transfer of funds from the money centres to the interior, are operations which reduce the supply of money at the financial centres. The opposite conditions, Government payments, receipts of gold from abroad, remittances of idle money from the interior, cause embarrassing abundance at the money centres. There is a lack of equability in the money markets; it is either a feast or a famine. There is no regularity in the ebb and flow. Such conditions encourage and force speculation as distinct from regular business. After speculation has been artifically forced by over-supply of money, an unexpected shrinkage not only causes the speculation to collapse, but this collapse reacts and damages all other business. When these crises arise the money markets seem to have no resource within themselves. The banks appeal to the Treasury or to other countries for help, and they often have to make sacrifices to obtain it. Under the present system they cannot use their own credit directly to issue the currency they require. There is no automatic elasticity. This automatic elasticity, where self-interest induces the banks to issue currency to meet business demands and retire it when the stress has passed, is much more of a theory than a condition. There is much plausibility in the claim that perfect automatic elasticity of the volume of bank note currency has never been and never can be attained. But that it has been and can be attained to a certain practicable extent is indisputable. Some of the old state banking systems, the Canadian banks, the Bank of Germany, and the Bank of France, are examples.

Another important query is, Can elasticity be attained and perfect security of redemption be preserved? The Bank of Germany and the

Bank of France are examples of safety coincident with a great degree of elasticity. The Canadian system also exhibits a very great degree of safety and considerable elasticity. The system of numerous individual banks, large and small, which has grown up in the United States and seems to be inseparable from our institutions increases the difficulty of the problem here. The safety of the note has here become the prominent desideratum. Experience with the national banking system has proved that by making bank notes absolutely safe, the motive for rapid redemption has been greatly diminished, and without a rapid redemption there can be no elasticity. A great bank, having a monopoly of note issues, like the Bank of France, acting not only as a bank but also as a clearing-house, does not depend on any rivals for the redemption of its notes. They constantly pour into its tills from its depositors, and its directors can at all times control the volume they shall permit to remain outstanding. The banks of Canada, comparatively few in number, have among themselves the jealousy of competitors, leading them to enforce the redemption of each others' notes. The absolute safety of national bank notes is attained by the Government substituting its own credit for that of the banks, and as among the banks themselves there is very little motive for seeking the redemption of each others' notes. In order to attain the degree of redemption of the national bank note which will insure the same elasticity as the Canadian bank note, it will be necessary to place the safety of the national bank note to some extent on the credit of the bank. A slight departure from the present over-security of the note will have the effect of causing the banks to insist on the redemption of each others' notes.

GOVERNMENT NOTES.

Government notes similar to the legal-tender notes and silver certificates, depending in whole or in part on Government credit, have been recognized as a bad financial expedient by the best monetary authorities. Our legal-tender notes may seem to be an exception. Their issue was occasioned by the Civil War. The example of France, with her assignats, of the thirteen colonies with their continental notes, of the notes issued by the Confederate States, was not paralleled to any extent in our experience. During the stress of the war the greenbacks depreciated, but with peace they soon greatly recovered and in fourteen years reached par and have since remained there. This good luck may, however, prove a dangerous precedent. If ever the United States should become involved in circumstances trying to her resources it would be impossible to answer or resist a popular argument in favor of trying the dangerous experiment again. It were well for the future of the country if all Government notes could be retired and forgotten, when a future generation is called upon to meet future difficulties. It would be still more fortunate if before such another time of stress the generation then living shall have had a long experience of the blessing of a sound and scientific bank note system, which will aid them in resisting the temptation to run after strange financial gods.

The United States has never had a good system of bank-note currency. The national bank note has gone a long way in the right direction, and has taught many useful lessons, but it has fallen very short of realizing the intentions of those who conceived it. It has never had a fair chance. Salmon P. Chase had in view a system which would in the end fully meet the real wants of the country. But confined and restricted, subject to the competition of the legal-tender notes, and bearing the whole stress of the silver craze, the national banking system has never had a fair field for the development of its currency side. It has shown the possibility of a system composed of free and independent banks issuing individually, yet in common, bank notes which have been kept in circulation at par in all parts of the country.

It is customary to criticize the principle of bonded security on which the security of national bank notes rests. Perhaps the principle itself is not so much at fault as the method in which it has been applied. The loans of the United States have been issued and funded in a manner most unfavorable to the use of the bonds as a basis of security. The period of the great refundings of the war bonds was that of the greenback and silver craze and also one of popular hostility to the national banks. The interest of the banks in the bonds as security for circulation was largely ignored by Congress, and the principle of bonded security had no fair trial when bonds were manipulated in a spirit unfriendly, or at least indifferent, to the maintenance of national bank circulation.

All of these difficulties at one time came near to driving national bank notes out of the field altogether. If Congress had from the first been consistently as friendly to the national bank note as when it taxed the state bank circulation out of existence, and had frowned on legal-tender notes, silver dollars and silver certificates, beyond dispute the national bank currency system would have developed on different and improved lines. As it is, the system has been of incalculable service in handling Government loans, and is to-day to some extent reaping its reward. So great have been the services of the banks in upholding the credit of the bonds of the Government, that Congress will not without compensating advantage consent to abandon the principle of bonded security. With the issue of the Panama bonds pending, and the prospective payment or funding of the remaining fours of 1907, next year, it is not possible that Congress would consent to make any serious change in the foundation of the system unless some equivalent were received. If the present law is modified at all, the modification most likely to appeal to Congress will be such as will induce the banks and the public to take the largest amount of bonds. It is plain that to effect this object Congress should so arrange matters as to allow the banks a fair profit on their circulating notes. To insure some degree of elasticity in the volume of national bank notes and at the same time make it an object to the banks to take the largest possible amount of low interest United States bonds, Congress should be willing to meet to some extent the views of those who desire to reform the currency.

COMMERCIAL PAPER AND GOLD AS A BASIS OF CIRCULATING NOTES.

The Bank of France is a proof that under some circumstances a reasonably elastic and perfectly safe bank-note system can be maintained on a basis of commercial paper with a sufficient gold reserve. What are the probabilities that a similar system would be as successful if adopted by Congress for the national banks? If the banks now organized under the Federal law were permitted to issue notes to the extent of their capital stock on commercial paper, with a reserve of twenty-five per cent. in gold coin either at home or with a reserve agent, and a common safety fund accumulated from the tax on circulation, it could not be expected, with so many separate and independent banks, that the notes would be so absolutely safe as they are in the case of the Bank of France. But, on the other hand, this slight flaw in the safety of the notes would cause their continual and rapid redemption, and this, with the desire of the banks to keep their notes in circulation, would surely produce a very high degree of elasticity in the total volume of the notes.

THE ADOPTION OF SUCH A PLAN NOT TO BE EXPECTED WITHOUT COMPENSATION.

For reasons heretofore stated, it is not to be expected that Congress will at the present time adopt any plan looking to the abrogation of the use of the Government loans as a basis for bank circulation unless in some way compensation can be made. The Panama bonds, bearing two per cent. interest, could not be sold at par unless in demand for bank circulation. The Government could not expect to fund the fours coming due in 1907 at two per cent. unless the new bonds could be similarly used. But a beginning in the direction of more liberal treatment of the banks might be made which would have the effect both of increasing the demand for bonds and of imparting some degree of elasticity to the bank-note currency. Both of these objects would be forwarded by giving the banks authority to issue an amount of circulation not to exceed twenty-five per cent. of the capital stock upon the security of bona fide commercial paper, in addition to the circulation issued on bonds, provided that the circulation issued on both bonds and commercial paper shall never exceed 125 per cent. of the bonds deposited with the Treasurer. This would avoid the necessity of any distinction in the notes.

TAX FOR PURPOSE OF SAFETY FUND.

On the circulation in excess of the bonds deposited a tax of one per cent. per annum should be collected and held for a safety fund to secure the ultimate payment of the notes of failed banks in excess of bonded security. The total of notes issued by a bank might in some cases exceed the capital stock.

REDEMPTION AGENCIES.

The old system of redemption agencies, such as prevailed before 1874, should be re-established; that is, the banks should be permitted to select correspondents in the money centers to redeem their notes.

GOLD NOTES.

To impart further elasticity, the banks in the money centers might be permitted to issue notes against gold held in excess of the required reserve on deposits.

COMPARISON OF PROFITS ON CIRCULATION.

The following table shows the annual profits on present circulation to a bank holding $100,000 two per cent. bonds at 104, at rates of interest varying from five to eight per cent., and also the annual profits of a bank holding $100,000 two per cent. bonds, and issuing in addition to the circulation on bonds $25,000 on commercial paper at the same rates:

Per cent.	Annual profits under present law.	Annual profits under proposed law.
5	$800	$1,050
6	710	1,150
7	620	1,250
8	530	1,350

PROFITS ON ISSUES ON COMMERCIAL PAPER AND GOLD.

The profits to a bank issuing notes on commercial paper only would be much greater. Supposing a bank is permitted without holding United States bonds to issue notes on the basis of commercial paper, without other security,—holding against it twenty-five per cent. in gold. The bank is assumed to have $100,000 capital stock, and this sum is assumed to be the limit of its issues. The gross profits would be five, six, seven, or eight per cent. on $75,000, less the cost of notes and redemptions.

What the expense of redemptions will be under a system of greater elasticity only experience can determine, but it is believed it would be less when the banks act as their own redemption agents, then if the Treasury undertakes the job. The Treasury Redemption Agency would have enough to do to furnish new bills in exchange for the worn-out and mutilated notes sent from the various bank agencies.

The following table shows the profits of issuing bank notes on commercial paper alone, the issuing bank holding a reserve of twenty-five per cent. in gold. The expense of redemptions and of the notes has been estimated at double what it is at present; circulation issued, $100,000:

Per cent.	Gross profits.	Profits remaining after 2% annual tax.
5	$3,650	$1,650
6	4,400	2,400
7	5,150	3,150
8	5,900	3,900

The second column in the table is intended to show how the Government may be reimbursed for the increased interest on the public debt that must be paid if the use of Government securities as a basis of bank notes be abandoned.

It is plain that bank notes based on commercial paper with a twenty-five per cent. gold reserve would be very profitable, and would still be more profitable than banking on bonds, even if the heavy annual tax of two per cent. were paid by the banks. The two per cent. bonds are now above par because of the present banking demand. If it were not for this banking demand the Government could not borrow at par for two per cent., but would have to pay nearly if not quite three per cent., say one per cent. more, with bonds of equal periods of maturity. With the adoption of the commercial paper and gold plan the aggregate taxable bank circulation would rise in volume to at least $600,000,000, and probably much more. The two per cent. tax on this would produce $12,000,000 annually, equal to one per cent. on *twelve hundred millions of dollars* or on $400,000,000 more than the present public bonded debt. This is surely enough not only to provide for any loss in borrowing power on future loans, but also to provide a sufficient safety fund for the payment of the notes of failed banks. The banks thus, in exchange for the privilege of banking on their own credit, reimburse the Government for the loss of borrowing power consequent on the cessation of the bank demand for bonds for circulation purposes. After paying this tax the remaining profits are double those derived from the present circulation and should be sufficient to induce the banks to issue all that can be safely loaned.

OTHER RESULTS.

Bank notes based on commercial paper and protected by a gold reserve issued by four thousand or more banks, each anxious to issue its own notes and secure the redemption of those of its competitors falling into its hands in order to keep good its gold reserve, ought to result in the practical maximum of automatic elasticity. The necessity of at all times having on hand commercial paper and gold to the extent of 125 per cent. of the circulation outstanding would insure, apparently, a very active redemption. There must always be twenty-five per cent. of gold on hand, and where the commercial paper temporarily for any reason, by being paid, or becoming overdue, is reduced below 100 per cent. of the outstanding circulating notes, the deficiency must be made up by increasing the gold reserve. The demand for bona fide commercial paper created will encourage legitimate business. The reduction of the Government debt would go on without the discouragement of excessive market premiums. Government securities will be more available for savings banks, trust companies and for the protection of public moneys in banks. It is believed that the more equable money markets favored by an elastic currency will enable the Government to place its loans more readily.

The most serious objection to the abandonment of a Government bond basis for bank notes in favor of a commercial paper basis, the substitution of bank credit for Government credit, is the slight change in the security for the ultimate payment of the note. The difference is one between absolute proved safety and a safety which is not, theoretically, perfect. In the one case we can conceive of no way in which a note could fail of payment; in the other, it cannot be denied that under some remote contingency a loss might possibly occur.

GOLD RESERVES MAY BE SUPPLEMENTED BY LEGAL-TENDER NOTES AND SILVER CERTIFICATES.

The gold reserves are always to be kept at the twenty-five per cent. of maximum, and sometimes more when gold is temporarily substituted for commercial paper. But banks will be greatly aided in maintaining their gold reserves by the great probability that many holders of notes will not specifically demand gold, and will for their own convenience be willing to receive legal-tender notes and even silver certificates in redemption of their holdings.

STATE BANKS.

The greater profit to be derived from bank notes based on commercial paper will induce many state banks to enter the national system, especially those doing a strictly commercial business. It will tend to draw the line between commercial banks, and savings banks and trust companies.

CONCLUSIONS.

In view of contemplated issues of bonds for the Panama Canal, and for refunding the fours maturing in 1907, circulation could probably be furnished on a bond basis for years to come. No one can predict how the national debt may increase or diminish in the future. The evils of an inelastic system may in fact be perpetuated indefinitely.

Some elasticity may be given to the bank note volume by a combination of bond and commercial paper security. The substitution of commercial paper and gold security for bond security can be made, and at the same time the Government can be compensated for its loss of borrowing power, by receiving through taxation a share of the profits on the new circulation. The slight lowering of note safety will be compensated by the greater elasticity of the bank note circulation. Large advantages will accrue to the business of the country and to the Government in borrowing money and refunding its bonds, from the greater stability of the money markets.

REDEMPTION OF UNITED STATES CURRENCY AND NATIONAL BANK NOTES.*

BY JAMES A. SAMPLE,

CHIEF DIVISION OF ISSUE, UNITED STATES TREASURY DEPARTMENT.

THIS subject should perhaps be approached through a brief description of the currency now issued.

Generally speaking, both in and out of the Treasury, to-day, when a man says "currency" he refers to paper money, while the word "currency" really covers whatever may circulate as money. The Government is, in great measure, responsible for this misuse of the word, since the captions in the Revised Statutes read "Currency," or "Fractional Currency," where notes and fractional *paper* currency are directly referred to.

KINDS AND AMOUNTS OF MONEY IN CIRCULATION.

We have now in active circulation, gold, standard silver dollars, subsidiary silver, minor coins (nickel and copper bronze), U. S. and Treasury notes, gold and silver certificates, and national bank notes.

The Act of March 14, 1900, made the gold dollar the standard unit of value and also made it the duty of the Secretary of the Treasury to maintain at a parity of value with this standard all forms of money issued or coined by the United States.

On February 1, 1906, the money in circulation was:

Gold coin	$654,793,697
Gold certificates	508,569,639
Standard silver dollars	80,417,545
Silver certificates	459,019,134
Subsidiary silver	107,589,534
Treasury notes of 1890	8,057,279
United States notes	337,693,281
National bank notes	524,489,823
Total	$2,680,629,932

The population of the United States, estimated on that date at 84,077,000, gives a per capita circulation of $31.88—the highest ever reached in our history.

To these figures should be added, I think, the more than $40,000,000 in minor coin (nickel and bronze) outstanding June 30, 1905. The shipments of minor coin in 1905 were $3,336,000, and over $6,000,000 were redeemed. Were these coins considered, the per capita circulation would be about $32.35.

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*An address delivered before Philadelphia Chapter American Institute of Bank Clerks.

How the Currency is Redeemed.

The gold coins and standard silver dollars, being standard coins of the United States, are not redeemable.

Subsidiary silver and minor coins may be presented in sums or multiples of $20, assorted by denomination, to the Treasurer of the United States, or to an Assistant Treasurer, for redemption or exchange into lawful money. United States notes are redeemed in United States gold coin in any amount by the Treasurer and Assistant Treasuries, *and must be reissued.*

Treasury notes of 1890 are redeemable in gold coin in any amount by the Treasurer of the United States and the Assistant Treasurers, and when redeemed are cancelled. These notes were issued under the Act of July 14, 1890, for the purchase of silver bullion. The highest amount outstanding was in 1894, $152,584,417. On February 1, 1906, there remained unredeemed but $8,086,000.

National bank notes are redeemable in lawful money of the United States by the Treasurer of the United States but not by the Assistant Treasurers. They are also redeemable by the bank of issue.

Every national bank is required by law to keep on deposit with the Treasurer of the United States a sum equal to five per cent. of its circulation.

Gold certificates are redeemable in gold coin by the Treasurer and Assistants. Silver certificates are redeemable in standard silver dollars.

The coin-handling divisions of the Treasury and Sub-Treasuries are very interesting places to visit. In the reception of gold each piece must be passed over a delicate scale in order to be sure it is still of "legal tolerance." The law allows one-half of one per cent. for abrasion. Should a coin be found below "least current weight" it will be rejected unless the depositor pays four cents per grain for the difference between its actual weight and the standard weight.

Sharpers frequently tamper with the gold in different ways: shaking a lot of coins in a buckskin bag or reducing by acid are familiar methods. Once, in weighing several millions of gold in the Chicago Sub-Treasury, I found a number of double-eagles considerably under weight, though they were bright, sharp coins of late mintage. A close examination showed them to be of less diameter than perfect coins. They had been ground or filed on the edges and, very cleverly, again reeded. The man engaged in this ingenious scheme was traced by secret service officers, caught in Baltimore, and served time for it.

The silver and minor coins are dumped from the bags, spread out on tables for inspection, assorted and counted.

Foreign and mutilated coins are returned to the depositors as irredeemable. Those unfit for further circulation are put up in bags marked "uncurrent," and eventually sent to the Mint for recoinage, while the "fit" are again paid out as required. The Government stands the loss from "natural abrasion" on its silver coins.

Counterfeits are retained and turned over to the Secret Service Division, and receipts given the depositors. There are many excellent imitations of our silver coins, some of silver that defies the acid test, and workmanship so fine that a Mint assay alone will determine their character. For this reason coins that have passed through a fire and been scorched or blistered are rejected and will only be redeemed by the Mint at bullion value. There are comparatively few counterfeit nickels, but quantities of counterfeit bronze cents are in circulation, for no one, outside of the redemption offices, ever thinks of questioning so small a coin.

Our busiest time in the redemption of coin and paper is for the six weeks or two months following the fall and holiday trade. Then all hands are needed and extra hours of labor frequently necessary.

I am often asked why we do not use the coin-counting machines where there is so much to handle. The reply is that our work is entirely different from that of a bank or railway company, and that no brainless machine can ever assort into "fit" and "unfit," or pick out mutilated, foreign and counterfeit coins. The human, reasoning machine does all this and counts at the same time. We have tested several of the very ingenious and correct machines, and while acknowledging that they are wonderful time-savers for straight work, they will not answer for Uncle Sam's redemption business.

The following circular on "Issue and Redemption of Currency" gives full instruction as to the preparation of packages for remittances to the Treasury, and on what terms redemption will be made:

ISSUE AND REDEMPTION OF CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE
TREASURER OF THE UNITED STATES,

WASHINGTON, D. C., March 23, 1900.

The following regulations govern the issue, redemption, and exchange of the paper currency and the gold, silver, and minor coins of the United States and the redemption of national bank notes, by the Treasurer of the United States:

I.—Issue of United States Paper Currency.

1. The Treasurer will forward new United States notes, silver certificates, or gold certificates, by express, at the expense of the consignee, at Government contract rates, or by registered mail registration free, at the risk of the consignee, in return for such notes or certificates unfit for circulation, national bank notes, subsidiary silver coin, or minor coin received for exchange or redemption. *Treasury notes of 1890,* fit or unfit for circulation, will be accepted.

2. Silver certificates are issued by the Treasurer or Assistant Treasurers upon a deposit of standard silver dollars.

3. Gold certificates are issued by the Treasurer or Assistant Treasurers upon a deposit of gold coin.

II.—Issue of Gold Coin.

4. Gold coin is issued in redemption of United States notes and Treasury notes of 1890, by the Treasurer and all the Assistant Treasurers.

III.—Issue of Standard Silver Dollars and Subsidiary Silver Coin.

5. Standard silver dollars are issued by the Treasurer and Assistant Treasurers in redemption of silver certificates and Treasury notes of 1890, and are sent by express, at the expense of the Government, in sums or multiples of $500, for silver certificates or Treasury notes of 1890, deposited with the Treasury or any Assistant Treasurer.

6. Upon the deposit of an equivalent sum in United States currency or national bank notes with the Treasurer or any Assistant Treasurer or national bank depositary, subsidiary silver coin will be paid in any amount by the Treasurer or Assistant Treasurers in the cities where their several offices are, or will be sent by express, in sums of $200 or more, at the expense of the Government, or by registered mail, at the risk of the consignee, in packages of $50, registration free, as the depositors may request, from the most convenient Treasury office. For this purpose drafts may be sent to the Treasurer of the United States in Washington or the Assistant Treasurer in New York, payable in their respective cities to the order of the officer to whom sent. Drafts on New York City must be collectible through the clearing-house, and should be drawn to the order of the Assistant Treasurer of the United States, New York, and mailed to him direct.

7. Subsidiary silver coin is sent from the nearest subtreasury office by express, transportation free, in sums of not less than $200. When desired, a less amount will be sent by express, at the expense of the consignee for transportation.

IV.—Issue of Minor Coin.

8. Upon the deposit of an equivalent sum in United States currency or national bank notes with the Treasurer or any Assistant Treasurer or national bank depositary, 1-cent bronze and 5-cent nickel pieces will be paid in any amount by the Treasurer or Assistant Treasurers in the cities where their several offices are, or will be sent by express in sums of $20 or more, at the expense of the Government, or by registered mail, in like sums, at the risk of the consignee, registration free, as the depositors may request, from the most convenient Treasury office. For this purpose drafts may be sent to the Treasurer of the United States in Washington or the Assistant Treasurer in New York, payable in their respective cities to the order of the officer to whom sent. Drafts on New York City must be collectible through the clearing-house, and should be drawn to the order of the Assistant Treasurer of the United States, New York, and mailed to him direct.

The express charges on new silver or minor coin sent from the mints of the United States must be paid by the consignee on delivery.

9. The offices of the Assistant Treasurers are located in the following cities, viz, New York, Boston, Philadelphia, Baltimore, New Orleans, Cincinnati, St. Louis, and San Francisco.

V.—Issue of the Treasurer's Transfer Checks.

10. Subject to the convenience of the Treasury, and provided that the express charges on remittances have been prepaid at bankers' rates, the Treasurer will issue transfer checks on the Assistant Treasurers, payable to the order of the sender or his correspondent, for United States notes, Treasury notes of 1890, and gold certificates unfit for circulation, or national bank notes sent to the Treasurer for redemption, or for subsidiary silver coin or minor coin sent in multiples of $20 to the Treasurer or an Assistant Treasurer.

VI.—Redemption and Exchange of Paper Currency.

11. United States notes, Treasury notes of 1890, and gold certificates are redeemable in gold coin, and silver certificates in silver dollars, by the Treasurer and Assistant Treasurers. National bank notes are redeemable in lawful money of the United States by the Treasurer, but not by the Assistant Treasurers.

United States notes, Treasury notes of 1890, gold certificates, and silver certificates, unfit for circulation, when not mutilated so that less than three-fifths of the original proportions remains, may be presented to the Treasurer or any Assistant Treasurer for exchange, at face value, for new United States paper currency. Fractional currency notes are redeemable in lawful money.

12. United States notes, Treasury notes of 1890, fractional currency notes, gold certificates, silver certificates, and national bank notes, when mutilated so that less than three-fifths, but clearly more than two-fifths, of the original proportions remains, are redeemable by the Treasurer only, at one-half the face value of the whole note or certificate. Fragments not clearly more than two-fifths are not redeemed, unless accompanied by the evidence required in paragraph 13.

13. Fragments less than three-fifths are redeemed at the face value of the whole note when accompanied by an affidavit of the owner or other persons having knowledge of the facts that the missing portions have been totally destroyed. The affidavit must state the cause and manner of the mutilation, and must be sworn and subscribed to before an officer qualified to administer oaths, who must affix his official seal thereto, and the character of the affiant must be certified to be good by such officer or some one having an official seal. Signatures by mark (X) must be witnessed by two persons who can write, and who must give their places of residence. The Treasurer will exercise such discretion under this regulation as may seem to him needful to protect the United States from fraud. Fragments not redeemable are rejected and returned. Paper currency which has been totally destroyed can not be redeemed. The Department does not furnish blank forms for affidavits.

VII.—Returns for Paper Currency.

14. For remittances received under the Government contract:

For remittances from a place where there is no subtreasury, returns will be made in new United States paper currency by express, at the expense of the consignee, at Government contract rates; or in subsidiary silver coin, in sums of $200 or more, at the expense of the Government for transportation.

For remittances from a place where there is a subtreasury, returns will be made in new United States paper currency by express, at the expense of the consignee, at Government contract rates; or, subject to the convenience of the Treasury, in the Treasurer's transfer checks on the subtreasury in the place whence the remittance is received.

No exchange for remittances of currency to the Treasurer for redemption under the Government contract will be furnished either by transfer checks or shipments of currency.

VIII.—Redemption or Exchange of Silver and Minor Coin.

15. Subsidiary silver coin and coins of copper, bronze, or copper-nickel may be presented in sums or multiples of $20, *assorted by denominations in separate packages,* to the Treasurer or an Assistant Treasurer for redemption or exchange into lawful money, and STANDARD SILVER DOLLARS for exchange into silver certificates only. When forwarded by express, the charges should be prepaid.

16. Depositors of subsidiary silver coin will obtain quicker returns and aid the Department in retiring the old issues from circulation, if they will present coins of the old designs and the new in separate packages.

17. No foreign, mutilated, or defaced silver coins, or coins to which paper or any other substance has been attached as an advertisement, or for any other purpose, will be received. Reduction by natural abrasion is not considered mutilation.

18. Minor coin that is so defaced as not to be readily identified, or that is punched or clipped, will not be redeemed or exchanged. Pieces that are stamped, bent, or twisted out of shape, or otherwise imperfect, but showing no material loss of metal, will be redeemed.

IX.—Transmission to the Treasurer.

19. United States notes, Treasury notes of 1890, gold certificates, silver certificates, and national bank notes should be sent in separate remittances. The notes should be assorted by denominations and inclosed in paper straps, not more than 100 notes to each strap, and the straps should be marked with the amount of their contents. Not more than 8,000 notes should be put in one package.

20. An inventory, giving the amount of each denomination of notes, the total amount in the package, the address of the party sending, and the disposition to be made of the proceeds, should be inclosed with each package, and a letter of advice sent by mail. *A compliance with the foregoing regulations will insure prompt returns for remittances.*

21. The package, if it be sent by express, should be sealed up in stout paper and addressed to the "Treasurer of the United States, Washington, D. C." The wrapper should be plainly marked with the owner's name and address, the amount and kind of currency inclosed, and, if the sender desires the benefit of the Government contract, with the words "under Government contract with the United States Express Company from the nearest point of transfer."

22. When gold, silver, or minor coin is shipped for credit of the five per cent. redemption fund or as a transfer of funds, it should be so stated on the shipping tag attached to the bag.

23. It is the duty of postmasters to register free of charge all letters on which the postage has been fully prepaid, addressed to the Treasurer, containing currency of the United States for redemption. It is recommended that all such letters be registered as a protection against loss.

24. Remittances of money by mail should be addressed to the "Treasurer of the United States, Washington, D. C." Such remittances and returns therefor by mail are invariably at the risk of the owners. All communications to the Treasurer in regard to packages lost in the mail are referred for investigation to the Chief Post-Office Inspector, Post-Office Department, Washington, D. C., to whom any subsequent inquiry on the subject should be addressed.

X.—*Express Charges.*

25. The Government contract with the United States Express Company for the transportation of moneys and securities extends to all points accessible through established express lines reached by continuous railway communication, in all the States and Territories of the United States, excepting Alaska, Arizona, California, Idaho, Nevada, New Mexico, Utah, and Washington, but does not embrace sea, river, or stage transportation of any kind.

26. The contract rates for the transportation of all kinds of paper currency to or from Washington are:

Between Washington and points in the territory of the United States Express Company and reached by it, 20 cents per $1,000 or fractional part thereof over $500; sums of $500 or fractional part thereof, 10 cents.

Between Washington and points in the territory of another express company, excepting points in Texas, Arkansas, Colorado, Kansas, Nebraska, Montana, North Dakota, South Dakota, Wyoming, and the Indian and Oklahoma Territories, 60 cents per $1,000 or fractional part thereof over $500; sums of $500 or fractional part thereof, 40 cents.

Between Washington and points in Colorado, Kansas, and Nebraska, 75 cents per $1,000 or fractional part thereof over $500; sums of $500 or fractional part thereof, 50 cents.

Between Washington and points in Texas, Arkansas, Montana, North Dakota, South Dakota, Wyoming, and the Indian and Oklahoma Territories, $1 per $1,000 or fractional part thereof over $500; sums of $500 or fractional part thereof, 65 cents.

27. Express charges are paid by the Government, at contract rates, on standard silver dollars, in sums or multiples of $500, on subsidiary silver coin in sums of $200 or more, and on minor coin, sent by the Treasurer or Assistant Treasurers, in sums or multiples of $20, and on national bank notes sent to the Treasurer for redemption in sums or multiples of $500.

28. On United States notes, Treasury notes of 1890, gold certificates, or silver certificates, sent for redemption or exchange, or any kind of lawful money sent for credit of the 5 per cent. redemption fund, and on national bank notes sent for redemption in other amounts than multi-

ples of $500, the charges, if not prepaid, are deducted from the proceeds at contract rates.

29. On United States notes, Treasury notes of 1890, gold certificates, or silver certificates, returned for United States currency or national bank notes, redeemed or exchanged, the charges are deducted at contract rates.

30. On gold coin, standard silver dollars, subsidiary silver coin, and minor coin, sent for exchange or redemption, the charges must be prepaid by the sender.

31. On transfers of funds from national bank depositaries, under letters of instruction, the charges must be paid by the depositaries.

32. Express charges can not be prepaid at Government contract rates. The Treasury has no control over rates exacted when the charges are prepaid, or for transportation outside of the territorial limits of the contract.

33. No charge is made for the amount of express charges inclosed with a remittance when separately noted on the wrapper. Packages should always be marked with the exact amount of the contents.

XI.—General Information.

34. Paper currency presented for redemption or exchange, or for credit of the Treasurer at the offices of the Assistant Treasurers, must be assorted by kinds and denominations, and inclosed in paper straps, the straps not to contain more than 100 notes each, and must be plainly marked with the amount of the contents.

35. The act of June 30, 1876 (19 Statutes, 64), requires "that all United States officers charged with the receipt or disbursement of public moneys, and all officers of national banks, shall stamp or write in plain letters the word 'counterfeit,' 'altered,' or 'worthless,' upon all fraudulent notes issued in the form of and intended to circulate as money which shall be presented at their places of business; and if such officers shall wrongfully stamp any genuine note of the United States or of the national banks, they shall, upon presentation, redeem such notes at the face value thereof."

36. Counterfeit notes found in remittances from banks are returned canceled for the purpose of enabling them to make reclamation, and after such use they must be returned for transfer to the Secret Service Division of the Treasury Department.

37. Counterfeit notes found in remittances from individuals are forwarded direct to the Chief of the Secret Service Division. The sender is advised of the fact, with the information that if he will communicate with the Chief, giving a history of the note, arrangements will be made to have the counterfeit note submitted for reclamation.

38. Counterfeit coins found in remittances to this office are at once canceled and sent to the Secret Service Division of the Treasury Department, a receipt for the same being returned to the depositor. Should the coins be desired for the purpose of reclamation, the depositor may correspond with the Chief of the Secret Service Division.

39. Counterfeit coins received at the subtreasuries are retained, to be called for by agents of the Secret Service at certain stated periods. Re-

ceipts are issued to the senders or depositors, when desired, for the purpose of enabling them to make reclamation for coins so retained.

40. In case of the loss or destruction of a Treasury warrant or one of the Treasurer's checks, and upon application for a duplicate, payment of the original warrant or check is stopped, and the applicant is furnished with a form of bond of indemnity, upon return of which, properly executed, a duplicate is issued.

Complicance with the foregoing regulations is enjoined on all officers of the Department, and observance of them will be expected of all making remittances to this office.

Ellis H. Roberts,
Treasurer of the United States.

Approved:
L. J. Gage, *Secretary.*

Method of Handling Currency Received for Redemption.

As packages are received by the Redemption Division they are registered and given numbers. A single package is turned over to a counter who receipts for it. I cannot do better than tell the method in the language of Mr. F. W. Lantz, Chief of the Redemption Division:

"It is the duty of the counter to examine the package (that is, be sure it has not been tampered with), open it, pass upon and count the contents, to put up the notes in straps (of 100 each, assorted by classes and denominations) properly marked, to witness their cancellation (which is done by a machine, two holes being punched in each end of the notes), and deliver them to a teller, with a signed report of the result. On this report the money is taken up as an asset of the Treasury, and an order is issued for a return remittance, or for credit on account, as the case may require.

"Every precaution is taken to protect the counter, and at the same time the counter is held to an absolute and undivided responsibility. At the close of business the day's work is on the teller's desk, and from there, after settlement, is passed to the delivery clerk and locked up in a vault over night.

Next morning the notes are divided into lots and packages, which are numbered serially. The straps in each package are also distinctively marked. The notes are then cut in two lengthwise (by an electrically operated knife known as the 'guillotine'), the upper halves are delivered to the Register of the Treasury and the lower to the Secretary, in whose offices they are independently examined and counted. After the Treasurer's work has been thus doubly supervised, and any errors that may be found are agreed upon and adjusted, the notes are delivered to a committee whose duty it is to see that they are destroyed by maceration, and to file a certificate to that effect."

The maceration of United States notes and securities takes place at the Bureau of Engraving and Printing. The resultant pulp is dried and sold to paper manufacturers at $30 to $40 per ton. On an average, more than a half million notes are handled each working day. In the last fiscal year the redemption amounted to more than $550,000,000, or about half the outstanding volume.

REDEEMING PARTIALLY-DESTROYED NOTES.

Not the least important part of the work of the division comes in the shape of notes which have been partially destroyed. Fifty or sixty small remittances are received daily, many of them containing the remnants of single notes. The Government is very generous in this matter, redeeming all fragments that may be identified, on satisfactory proof of the destruction of the missing portions, and the circumstances set forth in the affidavits are as various as the possibilities of accident.

Burning, however, is the chief cause of loss; and, strange as it may appear, the good housewives who secrete their purses in the stove, on which they afterward forgetfully cook a meal, are the most numerous class of sufferers. Next, perhaps, come those of both sexes, who, in the solemn language of the notary, "threw said money into said fire," in the pay envelope or with waste paper. Dogs, goats and calves are shown by the record to have remarkable appetites for paper currency, while mice have at times had attributed to them degrees of discrimination which the Department has been unable to recognize in these vermin.

In speaking of national bank-note redemptions I shall quote freely from a paper prepared by Mr. Thomas E. Rogers, Superintendent of the National Bank Redemption Agency and made part of the beautiful Souvenir Book distributed at the last convention of the American Bankers' Association.

An extract from a sketch of the Suffolk Bank, of Boston, presents a sharp contrast between the old conditions of bank-note redemption and the new:

"The business man of to-day knows little of the inconvenience and loss suffered by the merchant of sixty or seventy years ago, arising from the currency in which debts were then paid. The national bank notes he now receives are current for their face value. He cares not by what banks the notes are issued, where situated, whether they are sound or insolvent. He receives them to-day at their face, knowing he can use them to-morrow in any state of the Union without possibility of loss. Not so with the merchant during the first half of the last century. Receiving payment in bank notes, he assorted them into two parcels, current and uncurrent. In the first he placed the notes issued by the solvent banks in his own city, in the other the bills of all other banks. Upon the latter there was a discount, varying according to location and credit of the bank issuing them, and they were worth whatever he could get from a dealer in uncurrent money. He could neither deposit them nor use them in payment of his notes at a bank."

REDEMPTION OF NATIONAL BANK NOTES.

The National Bank Act of 1864 required the banks to redeem their notes at their counters, to select a redeeming agent from among the banks located in one of the eighteen designated cities, and to keep on deposit with such agent a certain portion of their reserves for the redemption of notes. This proved unsatisfactory. The increase in banks and amount of notes issued made the labor and expense of assorting the worn notes so great a burden that many requests reached the Department for a change in the law by which the notes might be assorted and returned to the banks at their expense.

It was not until 1874, however, that the law was changed and the National Bank Redemption Agency established in the Treasury at Washington. Provision was made for the return of the redeemed notes to the banks of issue, and the assessment of expenses on the banks in proportion to the notes redeemed. In 1874 there were 2,000 banks with a circulation of $338,538,743. June 30, 1905, there were 5,750 banks with circulation of $495,719,807.

During the first year of the new law notes to the amount of $155,000,000 were presented, of which sum only $15,000,000 were found fit for reissue. The second year $209,000,000 were received and the fit notes were worth $97,000,000, showing a decided improvement in the circulation as a result of the more active redemptions.

More than half of the notes received for redemption are from banks in New York city, and inclusive of the notes received from Boston, Philadelphia, Chicago and St. Louis, they are more than eighty per cent. of the total.

The bank notes received for redemption are first counted and assorted by denominations. They are then assorted first, into groups of states arranged geographically; second, into groups of towns and cities arranged alphabetically, and, finally, bank by bank. In this last assortment they are separated into fit and unfit for circulation. The fit notes are returned to the banks of issue, and the unfit are delivered to the Comptroller of the Currency for destruction and issue of new currency in their stead. National bank notes are also destroyed by maceration, but in the Treasury Building, in the presence of a committee and the representatives of the banks.

For the fiscal year 1905 the receipts of bank notes for redemption were $308,298,760, the largest amount for one year in the history of the Agency, and was 65.84 per cent. of the average amount outstanding.

The variations in the amount of the monthly redemptions were between $18,187,050 in September and $35,687,232 in January. Including charges for transportation, salaries, stationery, and contingent expenses, the total costs for the fiscal year 1905 were $247,973.26, which were assessed upon the banks at the rate of $0.80 993-1000 for each $1,000 of their notes redeemed.

"In thirty-one years the Redemption Agency has redeemed upward of four thousand millions dollars in bank notes. The fact that it has satisfactorily served its purpose appears to be established, and that it has been an important factor in maintaining the high standard of usefulness deservedly ascribed to the national bank note can not be reasonably doubted."*

SCHEMES TO DEFRAUD THE GOVERNMENT.

I am indebted to Mrs. Leonard and Mrs. Brown, two intelligent and invaluable employees of the Redemption Division of the Treasury office, for the following cases and incidents which may be of interest as connected with the redemption of notes.

On June 12, 1893, a piece of a $20 silver certificate, accompanied by an affidavit made by the claimant and a certificate of his good character from the Cashier of a Wisconsin bank, was received and redeemed at full value. Some time after a section chief of the division, while searching the record of discounted notes, discovered that the other portion of the certificate, stated by the affiant to have been totally destroyed by fire, had been redeemed on May 8, just a month before, at one-half its face value, or $10, having been sent in through another Wisconsin bank. The Cashier who had given the hard-swearing gentleman a certificate of character reimbursed the Government for the $10 overpaid.

In November, 1894, the Cashier of a Kansas bank sent a sum of money for redemption for a farmer of that vicinity, with an affidavit stating that "while burning brush and clearing up a field his pass-book dropped out of his pocket into the fire; that the bills were lengthwise in the book, and half the bills and book were consumed when picked up." This statement was backed up by a neighbor, who deposed that he saw the occurrence. The Cashier testified that "both men were old and respected citizens who stood high as to morality, honor and integrity." But, alas for human frailty and credulity! The record showed that the other halves of these same notes had already been redeemd at half the face value. When this Kansas claimant was notified that his statement and affidavit were false, he replied impudently. The case was then placed in the hands of the secret service officers. The perjurer was arrested, indicted, tried and convicted, and while his claim was only $50, his attempt on the Treasury mulcted him in the sum of $1,000 and costs.

Mr. Murphy, of Boston, sent in a piece of a $5 note with a deposition to the effect that the missing portion had been destroyed in a fire, but another son of the "Emerald Isle," Mr. O'Connell, had previously received $2.50 for his half of the same note.

The deft fingers and inexhaustible patience of Mrs. Brown and her assistants have brought happiness to many homes throughout our land,

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*National bank notes are secured by United States bonds deposited with the Treasurer of the United States.

Ordinary or current redemptions are made by the Treasurer of the United States out of the five per cent. fund. This is a fund of lawful money deposited in the Treasury by the banks, and is equal to five per cent. of their circulating notes. The fund is reimbursed by the banks on notice of the Treasurer that it has been used in the redemption of their notes.

Notes of banks for which deposits of lawful money have been made in the Treasury of the United States for their retirement are redeemed by the Treasurer out of such deposits, and are delivered to the Comptroller of the Currency for destruction without reissue.

when the savings of years were reduced to blackened shreds by the fire fiend's work, or to mildewed fragments through burial or exposure to the weather by hiding the money in unheard-of places. If the remains are carefully handled by the shippers, the work of identification in Washington is very much lightened. When a case of this sort is received it is opened where no draft of air can disturb the operation. A spatula is used to lift and separate the pieces, which are examined with magnifying glasses, and, as identified, are pasted in proper position on strips of manila paper, cut the exact size of a note. Through their experience and perfect knowledge of the engraving on the different classes and denominations, and the metallic bases of the inks which leave lustrous traces of engraving and numbering, these tireless, careful women are enabled to build up complete and fully identified notes, from what others would probably brush aside as nothing but a handful of paper cinders and ashes.

Men never would succeed at this sort of work, simply because few of us have the patience for detail necessary to success, and then the pliant delicate fingers of women are better adapted to the fine manipulation required. It was under General Spinner's service as Treasurer that the issue of paper currency was begun, and it was he who first employed women to handle it. He was severely criticized for this; but experience has proven he was right, as he was in a great many other things.

The counters of money received for redemption soon learn that constant vigilance is their only safety; for once they have passed a case as correct, they are held personally responsible for differences discovered thereafter.

If you of the banks send in counterfeit or pieced notes, that is, notes made up of parts of different notes, the first counters must catch them or pay for them when found after your straps are destroyed. The daily handling of money under this rigid discipline produces the best counterfeit detectors in the country, and as I heard Chief Wilkie say recently, the Secret Service Bureau depends on the Treasury, Sub-Treasuries and the young men of the banks to discover the counterfeits, after which it becomes the duty of the force to endeavor to find the rogues who make and pass them.

Right in this connection let me pay a deserved tribute to a citizen of Philadelphia.

Both the Government and public are largely indebted to the trained eyes, judgment and insistence of Mr. Geo. Cremer of the Philadelphia Sub-Treasury, for the detection of the best counterfeit note ever made and put in circulation—the $100 "Monroe head" silver certificate. He found four of them in a deposit made by a Philadelphia bank. His associates thought he was wrong. The experts of the Redemption Division disagreed with him, as did the officers of the Bureau of Engraving and Printing, until one of the notes was placed alongside of a genuine impression under a strong glass. Only then did they throw up their hands and beg his pardon for laughing at his suspicion. Plates and men were soon after captured, and all the parties connected with their issue were convicted and sentenced. They had plates nearly completed for $50 certificates which were even better than those of the $100, and but for the cleverness of Mr. Cremer there might have been thousands of them in circulation and as many redeemed. He should be given a life tenure at double his present salary.

A case came in recently through a United States Senator from Illinois, with a letter saying that in repairing an old house the notes were found among the rafters. The paper was rotten from age—much of it became dust when handled. The claim was for $1,000, but the examiners found $1,670.

A Santa Fe train was burned last December. Wells, Fargo & Co.'s Express sent in such remains as resembled notes and placed an estimated value of $5,000 on them. The safe was opened in the Treasury and its contents literally scooped out. When Mrs. Brown finished the case she had $5,720.

Years ago a train north bound from Washington was wrecked and burned. The Adams Express Co. brought its safes, still hot, back to the Treasury Building, where they were deposited on the sidewalk. Several hours after, the "burning committee" was summoned to see the safes opened. When the door of one was raised its contents burst into flames. It was closed immediately. A guard was set and the safes covered with cloths which were kept wet for two or three days. When they were finally opened and the money passed upon by the examiners, it was all accounted for and the express company met with no loss beyond time and expense of rehandling.

All great fires have been a severe trial to the nerves and patience of those whose business it may be to identify and build up burned money, and Uncle Sam could well afford to pay them much more liberally than he does, since the old codger has been an untold winner by every conflagration these last fifty years. No matter what it be, United States notes or national bank currency, the Treasury is just that much ahead for every dollar totally destroyed.

The present system of checks against possible dishonesty on the part of employees in the Division of Redemption would seem well-nigh perfect, and is the result of long years of experience. The percentage of loss through theft in fifty years is infinitesimal, but it would have been strange indeed had temptation been always resisted.

One of the most ingenious methods of adding to one's salary came to light in 1888, when, by accident, a woman counter was proven a thief.

She was absent one day when a package, put up by her, was torn and was handed to another counter. Going over it carefully, this counter found notes suspiciously pieced. Investigation showed that by a clever way of tearing and patching she was making nine notes out of eight, and the package in question was $980 short. Of course, she never came back to the Treasury. She was indicted but not tried. The amount of that particular shortage was made good, but how much she had abstracted previously could not be estimated, and I doubt if *she* had any idea. I knew her and sometimes wondered how she could support a coupe and driver, and wear seal-skins on a $900 salary; but she explained this, I believe, by saying she was enjoying an inheritance from her father, and, while independent, preferred to remain in an employment she liked.

No one could practice her method under the present manner of handling redemption cases. Back in days when fractional paper currency was in circulation a shipment of $5,000 was received from a New Jersey bank. When inventoried it was found $1,995 short of the amount named on the outside or in the letter of advice. The bank was at once notified, and a reply was received that it could not be—that the package was counted and put up by two trusty employees. It *was* short though, and the bank finally sent a man to Washington, one of the men who put it up. He was asked if he had an inventory of the shipment. He had, and produced it. The original wrapper in which the money came had been preserved. Mr. Gibson, now our Assistant Cashier, took the inventory, and, from the cash of the office, made up the amount claimed, by denominations, as listed by the bank, and demonstrated that it could not possibly be gotten into the wrapper. While this staggered the bank man, he went home without admitting the trouble might have occurred elsewhere. Sometime after Treasurer Spinner was at breakfast in Willard's Hotel and overheard two men at an adjoining table talking of a defalcation in that same bank, and the name of the thief was that of one of the men who had put up the package in question. The General was never slow when interested, and immediately introduced himself as Treasurer of the United States. Finding they were officers of the bank, he referred to the package incident and made things blue in the dining-room by the choice language in wihch he denounced them for allowing an hour to pass without notifying his office after they knew that fellow was a thief. The defaulter afterwards confessed that prior to shipping the package he had gone back to the bank by himself, took out of it what he supposed was $2,000, re-wrapped, sealed and addressed it.

This proves that while it is a good idea to have two men count and put up a package for shipment, it is a still better idea to make it impossible for bank vaults and safes to be opened by one employee. Remember this incident happened before the use of time-locks.

And now having given you roughly and hurriedly some ideas of the methods used and amounts handled in the redemption of currency to-day, you may form some idea of what will be done ten years hence. The force and machinery of the divisions of the Treasury engaged in this work have been trebled in the last decade. Bills are now before Congress not only to enable people to have clean, crisp paper money by making the Government bear the express charges, but we are to have $5 and $10 gold certificates, and it is even proposed to allow national banks to issue notes of the demoninations of one dollar and two dollars.

This will entail new buildings for employees and machinery, but there is still plenty of room in Washington and the United States is the richest nation on the globe.

FOREIGN EXCHANGE.

IV.

AN EXCHANGE FOR TRADING IN BANKERS' BILLS—THE OFFICIAL RATE.

BY FRANKLIN DICKEY.

THE lack of an official rate for demand sterling in New York is a fundamental cause of a great majority of the evils which are complained of with such frequency and bitterness by those who have to do with the business of foreign exchange. It must be plain, even to the layman, that without a common basic quotation from which to reckon, the way is left clear for all concerned to quote such rates as the exigencies of each case in hand may require, or the immediate outlook suggest. As a result the foreign exchange market (if such there really be) from hour to hour throughout the day is a veritable sea of quotations, every man being a law unto himself, buying and selling at such rates as he pleases, bankers and speculative brokers alike endeavoring either to make a market of their own, or trade on the fluctuations as they come and go. Thus we have repeatedly the sorry spectacle of a sale at a given rate, say 4.8650, while another banker or speculative broker, perhaps only next door, is selling like exchange for the same steamer at 4.8645, and still another banker or speculative broker, directly across the street perhaps, is buying like exchange for the same steamer at 4.8655, all transactions being consummated in different places at one and the same time, the quotation in each transaction being the market as far as the several participants are concerned. This condition which, in these latter days, has become one of almost daily existence is, to say the least, financial bedlam of a very rank type, and a perpetual rebuke to the present method of trading in banker's foreign bills of exchange.

The effect of this diversity of quotations, and the number of contending factions which produce it, is disturbing to the last degree. It begets at the fountain-head a constant irregularity of rates, the influence of which is felt more or less in all places tributary to the New York market where foreign exchange is bought and sold. Because of this irregularity of rates, the foreign banker's calculations are often upset, causing him to many times make losses on transactions in which he had figured to make and should have made a legitimate profit. The numberless and useless fluctuations inevitably resulting from the contention of so many forces in the foreign exchange market have to a large extent reduced operations in it merely to a skillful daily and even hourly watching to get in on "breaks" and out on "reactions," rather than sane calculation based on given things which may be done. At present the foreign banker is never certain of his market for the length of time often necessary to put through a desired transaction. The extent to which such a condition leaves him at sea is accented by the fact that every operation of the foreign banker is primarily based on the rate at which he can sell his own bill; and until a more reliable and stable market for their clean bills is established, foreign bankers will constantly have their calculations all undone by sudden and wholly uncalled-for fluctuations in the market for banker's foreign bills.

The initial step in doing away with the sea of quotations of which the New York foreign exchange market is now made up would be the establishing, by the foreign bankers themselves, of an exchange for trading in their clean bills. The reason for suggesting that such an exchange be established by the bankers themselves is that they are the proprietors of the business, the parties most vitally in interest, and they should keep it within their power to say how their bills shall be traded in and who shall trade in them. The lack of wise and enforceable rules to govern such trading is ruinous. The principle of a market being centered at a given place in order to really constitute a market at all, is very old and well established. Until it is so centered there can be no real market for banker's clean bills. As long as the foreign banker has to rely, as at present, upon a verbal market, he can never know whether a rate quoted by a broker is representative, and can at best only school himself to be a good guesser as to what the tendency is. If foreign bankers would collectively establish an exchange for trading in their clean bills, posting each sale as to rate and amount only, they would, besides having many other advantages, be in reliable and constant touch with their market, which they are not and cannot be at present.

It is foreseen that the chief argument against the practicability of this suggested exchange is the diversity of bills to be traded in upon its floor. In forming an opinion as to its feasibility it is natural to compare each point with the corresponding one on the Stock Exchange, and here one is confronted with the fact that all stocks sold on that Exchange are acceptable delivery to any buyer, while the same would not be true of all bills sold through an exchange for trading in bankers' bills. But it should be remembered in this connection that such rapid and voluminous trading as is common on the Stock Exchange would infrequently, if ever, obtain on such an exchange as suggested above, it being the purpose of the latter to provide a centre for more orderly and expeditious negotiation of bills than is possible without such a centre. A banker must somewhere choose what bills he will accept, and there is no valid reason why his choice cannot be made upon, or by private telephone communicated to, the floor of an exchange with as little chance of offense as if he makes that choice in his own office. Ordinarily the bills which a banker cannot accept are much less in number than those he can accept; hence if this fact is not remembered, one is apt to magnify the trouble likely to arise from this source. Bankers, if they have access to their own books, must have a pretty clear idea as to where and in what amounts their bills will be acceptable. Besides, under the regime of an exchange the broker would be in a position to perform his true function in this connection. There is no reason why a broker of integrity and ability should not know in the main what bills and in what amounts his client is open to accept; in fact, that is his logical and most serviceable relation to the banker, and one which does not and cannot obtain at present because of lack of confidence between them.

If this suggested exchange were established, and all sales made upon the floor posted as to rate and amount (names should rightly concern only the brokers to the transaction), it would also provide a means of establishing an official rate for demand sterling, and thus there would be provided a basis upon which to make a regular schedule of rates for all kinds of exchange, to be quoted uniformly by all members, as suggested in the previous article. In order to render the official rate representative yet not arbitrary the manner of establishing it could be, that the official rate for demand sterling should be that multiple of one-tenth of one cent per pound which is nearest the average rate for each succeeding two hundred thousand pounds demand sterling sold on the floor of the exchange, and that any adjournment of the exchange should not alter the succession which determines the official rate.

It will be observed that this manner of establishing an official rate would admit of a very considerable range in fluctuation up or down, or both, before the official rate would be changed; and that the fluctuation would have to be consistently in either direction in order to change the official rate at all.

These articles at most can be only suggestive, but it is believed that the principles which have been touched upon in this discussion are fundamental, and practical as well. It is admitted that if the application of these principles were attempted by foreign bankers, many knotty details would be encountered. But it may be said, by way of answer, that if foreign bankers once took these matters collectively and earnestly in hand all problems of detail could be solved satisfactorily. Surely foreign bankers will not contend that the present system of trading in foreign exchange is anything more than a makeshift. Lack of rule is misrule. Trading in foreign exchange is worthy of wise regulations which admit of no misunderstanding, no evasion, no lax administration. To regard it otherwise is to lower it at once to a boyish plane and expose it to the influence of unfit standards. Abuses are frequent enough under the most rigid restrictions; it is, therefore, idle to hope for abatement of even the flagrant ones in the foreign exchange market until at least fundamental rules have been adopted and approved by all parties in interest.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.*

LOANS AND ADVANCES TO GOVERNMENTS.

ENGLAND—THE UNITED STATES—FRANCE—INSOLVENT GOVERNMENTS OF EUROPE—THE SEPARATE STATES OF THE UNION—SEPARATE PROVINCES OF CANADA.

THE dealings of bankers with governments have peculiarities of their own, and at times are so important that the whole foundation of a banking corporation has rested upon them. This was the case with the Bank of England, the very purpose of whose establishment over two centuries ago was to aid the finances of the Government of the day.

By the terms of its constitution its whole capital of one million sterling was loaned to the Government of the time, and this primal condition has been observed down to the present day through all the changes and vicissitudes of the last two centuries. Although the capital of the bank has been increased from time to time until it now amounts to fourteen millions sterling, there never was a time when the whole of it was not lent to the Government. The debt is represented by those Government securities which regularly appear in its published balance-sheet, and with which, so far as the amount of its capital is concerned, it cannot part without a forfeiture of its charter.

In consideration of this, the whole business of the Government of England—using that word in its broadest sense—has always been done with this one bank.

The Bank of England, however, is not a Government institution, as is often supposed. It is distinctly a banking corporation with its own body of stockholders who elect its own board, appoint its own officers, receive dividends out of profits, and hold annual meetings exactly as do other banks. In all these respects the Bank of England is on the same footing as an ordinary joint-stock bank. The only difference is that in consideration of its relation to the Government it has powers of circulation of a peculiar kind, as opened up in another chapter.

But notwithstanding that the Bank of England is not a Government institution, the fact that the whole financial business of the Government passes through its hands, has always been held to constitute a claim on the part of the Government for financial assistance should it ever be needed; *and that in preference to the commercial community.* If the commercial community were urgent for discounts at the same time as a Chancellor

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* Continued from March number, page 388.

of the Exchequer was urgent for advances, there can be no question which of them would have the preference. Yet the instinct of self-preservation is as strong with the Governor and Company of the Bank of England as it is with the directors of any other corporation, and that would undoubtedly prevail in case the demands of the Government were likely to endanger its existence. This, of course, has been well understood by every Chancellor of the Exchequer from the beginning, and no demand would be made upon the bank that would be likely to bring it into danger. The bank is altogether too valuable an adjunct for any Government to allow its usefulness to be imperilled; besides, there are other ways in which the Government could borrow to meet pressing emergencies, such as the issuing of Exchequer bills and so forth. Yet undoubtedly it has happened at times that the directors of the bank must have felt their position with the Government to be burdensome, notwithstanding the privilege of having its notes made legal tender. A natural longing for freedom to use their immense capital in a way that might seem agreeable to their own judgment as directors of other corporations could do, would, at times, almost of necessity arise, and if it did so arise, would be pardoned.

The principle of lending the whole capital of a bank to the Government prevails also in the United States, as has been set forth in another chapter. Most of the National banks lend their whole capital to the Federal Government, and receive in acknowledgment bonds for the amount. The banks are authorized to issue circulating notes on the security of these bonds and every possible safeguard has been devised in order to render these notes secure. The Government retains the custody of the bonds, thus insuring that the bank cannot dispose of them. The Government also furnishes the notes to the bank, thus insuring that the proper amount and no more shall be put into circulation. These notes, though absolutely secured by the Government, were never made a legal tender, the reason probably being that the Government itself became an issuer of legal-tender circulating notes, and is so to this day.

The Bank of France has a more intimate connection with the Government of the day, whatever its character might be, than the Bank of England. The Government is always represented influentially on its board, so that the obligation to meet its necessities bears upon it with even a stronger pressure than in the Bank of England. Still, the Bank of France is not a department of the Government, and its advances must be regulated in the last instance by the all-prevailing law of self-preservation.

It might be supposed that advances to governments must, in the nature of things, be safe. But experience teaches some bitter lessons in this respect. All governments are not like the Government of England. There have been times, revolutionary times of course, when the obligations even of the Government of France became utterly valueless, and its promissory notes so depreciated that a thousand francs of them would hardly buy a loaf of bread. Yet these were secured by assignments of

Government lands, and hence bore the name of *assignats*. A similar state of things prevailed in revolutionary times on this Continent when what was known as Continental money of the revolting colonies became as much depreciated as the assignats of France.

Of this state of things we have seen a repetition in recent times with regard to notes issued by the revolting Southern States. These became, every one of them, absolutely worthless. It is well known in the higher circles of finance in Europe that the Government of Spain has more than once compromised with its creditors, exactly as a merchant does when he cannot pay his debts. What is more, that Government has even compromised on its compromise.

At this very time the Government of Turkey is under heavy default on its obligations, and if it were a railway company, we should say it was in the hands of a receiver. A certain portion of its finances are administered by representatives of its bondholders, comprising French and English capitalists, each of whom, in terms of a year about, receives certain allocated revenues, and after appropriating a certain sum for the interest on bonds, pays over the balance to the Turkish Government, if there be any.

A government is unlike any other debtor in this respect, that if default is made, there is no mode of compelling payment except by going to war. In all ordinary cases of debt the remedy is to appeal to the judgment of the court, which judgment will be enforced against the debtor by the Government. But when a Government itself is the debtor, there is no higher authority to appeal to, unless in these times the international tribunal of The Hague may be considered such. But how could that tribunal enforce its decisions? Nothing but the terrible arbitrament of war will meet the case. Now, private persons, no matter how rich and powerful, cannot levy war. Their case must, therefore, if it is to be enforced at all, be taken up by their own Government, which if payment is refused, can declare war, seize custom-houses and ships, and bring the whole machinery of the defaulting Government to a stand. This was the *raison d'etre* of the measures taken against the Republic of Venezeula by Germany and England in 1902.

Bankers therefore who keep accounts with governments and make advances to them have always this risk to reckon with. They cannot compel payment. Even if a government endeavors to satisfy the bank by an issue of bonds, there are difficulties and disadvantages even in this simple process. If the Government is a constitutional one, bonds cannot be issued without authority of Parliament; and such an issue may become a matter of fierce contention between opposing parties, may be delayed indefinitely, or refused altogether. Or if the government has succeeded in obtaining authority to negotiate a loan, it may have already exhausted its credit, in which case it cannot press more bonds upon the market without a heavy sacrifice. Canada itself before Confederation, consisting only of Upper and Lower Canada (corresponding to the present

Provinces of Ontario and Quebec) had sunk so low in credit that its London agents were unable to place further loans upon the market except at a heavy sacrifice. These agents being under heavy advances themselves, at one time absolutely refused to increase these advances, and wrote letters, as may be seen in the Blue Books of the time, to the Finance Minister of Canada couched in terms exactly similar to those employed by a banker to a debtor whose bills were overdue. It was natural, therefore, under these circumstances that the bankers of the Government in Canada should be called on for advances to a constantly increasing amount, which advances becoming, at length, really embarrassing, led to consultations and conferences which finally ended in the proposal for a Government issue of circulating notes. The present legal-tender note issue of the Government of Canada had its origin in this way.

Since this great settlement the credit of the Government of Canada has steadily improved, and its bond issues are almost on as high a level as those of England. Its relations with its bankers have therefore never since ceased to be satisfactory; and at times when other Canadian banks have been called on to co-operate in placing loans on the London market, they have gladly consented to do so. It is to be noted, however, that the Government of Canada, through all the periods of strain and stress of commercial and financial depression has never failed to meet the interest on its bonds to the day.

There are, however, other forms of Government advances than those referred to; namely, those of the separate States of the American Union, or of the separate Provinces of the Dominion of Canada. Each of these has its own financial system. It levies taxes within certain limits, collects and disburses revenue, and places bonds upon the market exactly in the same manner as an independent State does. Each is a separate financial entity, and has a character and credit of its own.

The Provinces of Canada differ widely in their financial position; but all have maintained a reputation for meeting interest on their bonds with as much regularity as the Dominion Government itself. Nevertheless, there would be a wide difference of judgment in the case of an application for loans as between one Province and another. This matter is well understood by financiers.

As to the mode in which pressure could be brought to bear in case of difficulty or embarrassment, an appeal in Canada would undoubtedly be made to the Dominion Government, which Government possesses powers in the way of compulsion in the fact of its granting subsidies to the different Provinces. The case may never arise when the question of withholding a portion of these subsidies to meet the claims of creditors may become a practical one. Nevertheless, it is conceivable that under circumstances, say, of exceptional extravagance in expenditure on the part of a particular Province and consequent default, the claims of the creditors may be carried before the higher power and demand made that pressure be put upon the defaulting Province.

In this respect the Canadian Provinces differ from the States of America. The latter receive no subventions from the Federal Government, and their finances are on an entirely independent basis.

It may be laid down as a general principle that the advances of a bank to a Government need to be regulated by the same fundamental rules as those to a municipality or a business corporation. A prudent banker dealing with a Government will keep advances down to such a level that they can be repaid out of the year's revenue. These advances should always be represented by and rest upon this asset within sight; with the exception, of course, of advances in anticipation of the floating of a duly authorized loan; in which case the sole matter for consideration will be whether it is likely to be successfully placed upon the market.

But in the case of a Government undertaking great works of construction, such as Canada has more than once undertaken, to its embarrassment, a banker will be careful lest his advances do not eventuate in a "lock-up" which is embarrassing to himself.

G. H.,

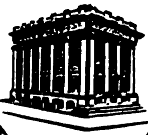
Former General Manager Merchants' Bank of Canada.

THE LIMITATION OF WEALTH.

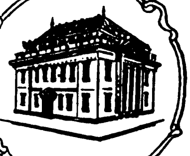
LIMITATION of individual fortunes to an amount not exceeding $10,000,000 is proposed in a bill introduced in the House of Representatives a short time ago by Mr. LLOYD, of Missouri. This amount, it is believed, will be quite satisfactory to the majority of bankers, though a few of the great city magnates will make wry faces when they find themselves reduced to the ten-million limit. Mr. CARNEGIE will now have to begin to build libraries at a furious rate to dispose of his excess above the permissible amount, and Mr. ROCKEFELLER will have to endow universities even more liberally than heretofore if he is to escape from having his millions divided by someone else.

Very many people, bankers and others, fortunately do not possess over $10,000,000; and those who were striving to get that much and had about succeeded, will now cease their efforts.

It is feared that one of the bad results of such a law would be the lessened incentive men would have to put forth their best endeavors. The great prosperity of the country, it is said, has been due to the freedom any man has to pile up unlimited wealth. What encouragement would the average man have to hustle if he found before him continuously a stone wall on which was written "Ten million dollars—thus far and no farther!" One may imagine one of our multi-millionaires, or billionaires, sorrowfully gathering his little brood around him and telling them that the door of opportunity is shut; they may be wise and happy, but they never can be rich!



TRUST COMPANIES



TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

BY CLAY HERRICK

FORMS AND RECORDS FOR THE BANKING DEPARTMENT.

AS has already been stated, the business of the banking department of a trust company differs little from that of an ordinary state bank, with the exception that trust companies in many states are forbidden to discount commercial paper. As a consequence many of the forms and records used by state banks, and also some of those used by national banks, are adapted to the use of the banking department of the trust company. Such forms and records have been treated at length in several excellent books on the subject and in current periodicals; so that in treating of them here it is necessary to travel over a fairly well-beaten road. However, each year sees introduced into our banking institutions new forms and devices, and he who would keep abreast of the times must be ever watchful for the latest improvements. The up-to-date systems of bank accounting involve many time and labor-saving plans, some of which are regarded by the old-time banker as sacrificing safety and completeness to speed. Loose-leaf records, card systems and the doing away with the use of intermediate journals have largely supplanted the old systems in many banks; while others regard these innovations with suspicion if not with open hostility. Experience, however, seems not to justify the fears that many bankers hold regarding new methods.

The modern trust company is equipped with many devices which lighten labor, save time and insure greater accuracy and neatness. Prominent among these are the typewriter and the adding-machine, without which the enormous amount of business done each day by the large institutions would be difficult if not impossible. A great profusion of other time and labor-saving devices are used,—rotary letter-copying machines, filing-cabinets, manifolding devices, interest tables, coin-trays and counters, check-protectors, rubber stamps, etc.

While there is a general similarity in the forms used by different companies for given purposes, slight variations from standard forms are

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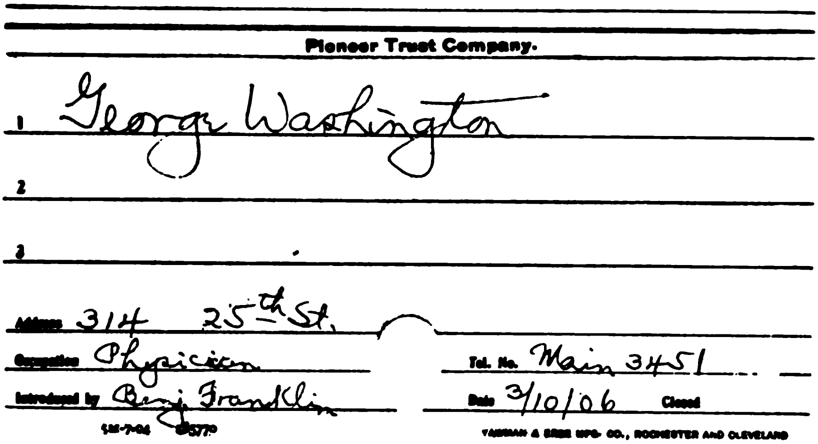
* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

so numerous that it would be quite impossible in such a sketch as this to include all good forms that are in use. In selecting the forms to be given here, as in selecting those already given for other departments, the writer does not intend to imply that other forms may not be as good. It should, perhaps, also be remarked that throughout this work the writer has usually avoided New York city forms, because the business of banks and trust companies in the metropolis is in some respects different in its requirements from that of those located in the smaller cities and in the towns in different parts of the country.

Forms for the Use of Customers.

When a new customer opens an account, the first form needed is the signature-card, upon which he writes his signature to be used by the company as a means of identifying his checks. The card, a form of which is shown in Figure 106, should also contain his address, and other information as shown in the figure. These cards are filed alphabetically in cases with guide-cards at frequent intervals; the cases being placed in such a position as to be easily accessible to the paying tellers and to the bookkeepers. Some companies take two or more signatures from each customer, so that the signatures may be filed in places convenient to the different workers who may have to refer to them. Formerly signature books were used instead of cards; but, except in very small companies, the advantages of the cards are so many that they are rapidly displacing books for this purpose. It sometimes happens that the signature of the new depositor cannot be obtained at the time the account is opened. In such case, a signature-card is sent to him to be signed and returned to the company; and in the meantime it is a good plan to have a dummy signature-card, like that shown in Figure 107, which is filed in the proper place with the regular signature-cards until such time as the signature



Pioneer Trust Company.

1 George Washington

2

3

Address 314 25th St.

Occupation Physician

Tel. No. Main 3451

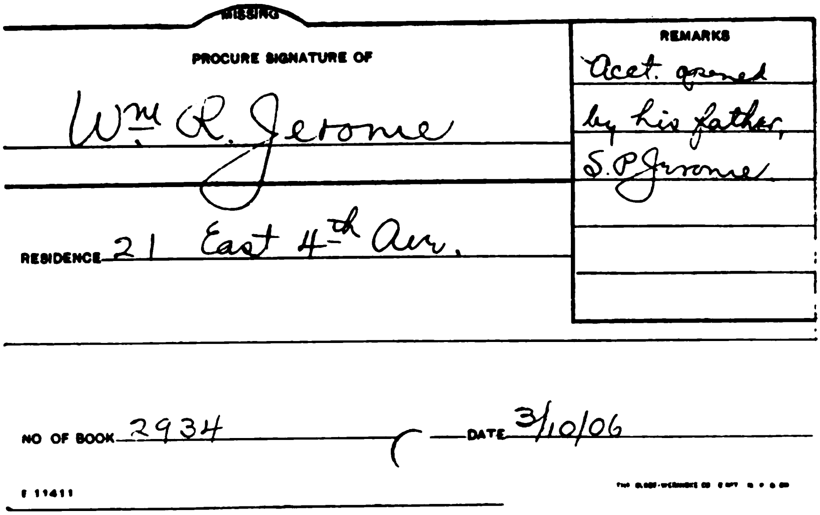
Introduced by Benj. Franklin

Date 3/10/06 Closed

5M-7-04 5779

YAWMAN & ERBE MFG. CO., ROCHESTER AND CLEVELAND

FIG. 106.—SIGNATURE CARD.



MISSING

PROCURE SIGNATURE OF

Wm R. Jerome

RESIDENCE 21 East 4th Ave.

REMARKS

Acct. opened by his father, S. P. Jerome

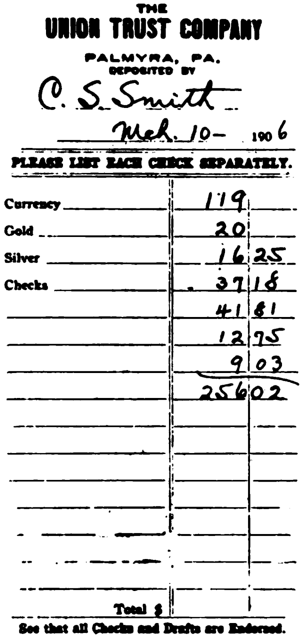
NO OF BOOK 2934 DATE 3/10/06

F 11411

FIG. 107.—DUMMY SIGNATURE CARD.

is obtained. The use of this card, which should be of different color from that of the signature-cards, serves as a constant reminder that a signature is missing, and also makes the signature file a complete index of accounts.

The customer is next provided with a pad of deposit tickets, one of which he fills out for his first deposit, with help from the new accounts teller if necessary. A customary form of deposit-slip is shown in Figure



THE
UNION TRUST COMPANY
PALMYRA, PA.
DEPOSITED BY

C. S. Smith

Mch. 10- 1906

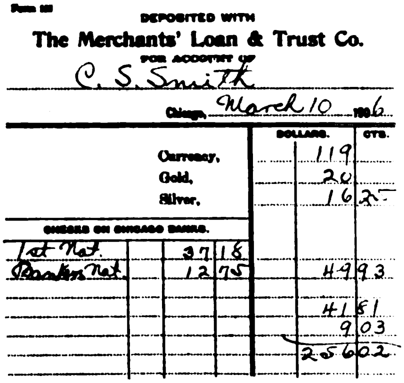
PLEASE LIST EACH CHECK SEPARATELY.

Currency	119	
Gold	20	
Silver	16	25
Checks	37	18
	41	81
	12	75
	9	03
	256	02
Total $		

See that all Checks and Drafts are Endorsed.

FIG. 108.—DEPOSIT SLIP.

108. Figure 109 shows another form providing for the separate listing of checks on local banks. For customers whose deposits are apt to include long lists of checks, larger slips in much the same form are provided, double columns for amounts often being used.

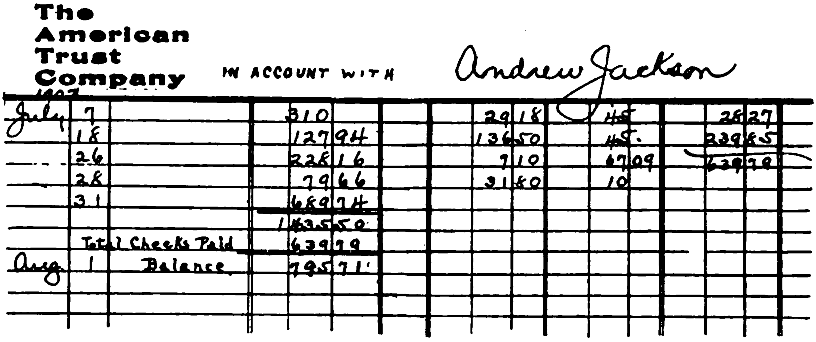


DEPOSITED WITH
The Merchants' Loan & Trust Co.
FOR ACCOUNT OF
C. S. Smith
Chicago, March 10 1906

			DOLLARS.	CTS.
Currency,			119	
Gold,			20	
Silver,			16	25
CHECKS ON CHICAGO BANKS.				
1st Nat.	37	18		
Bankers Nat.	12	75	49	93
			41	81
			9	03
			256	02

FIG. 109.—DEPOSIT SLIP.

The customer is next given a pass-book, in which is entered his name and the date and amount of the first deposit. It is a great convenience to have the customer's name written on the front cover of the pass-book, and this is usually done. The pages in the old-style pass-book, still used in many institutions, particularly in the East, are usually ruled as shown in Figure 110, the deposits being entered, as debits to the trust company, on the left-hand page; and the checks being entered, when the book is left to be balanced, on the right-hand page, as shown in the figure. It is now more common, however, to list the checks on an adding-machine, entering in the pass-book only the total of the checks, and subtracting such total from the footing of the deposits to show the balance. In such case the pages of the pass-book are not regarded as debit and credit pages; the book being simply a record of deposits, which are entered on either the



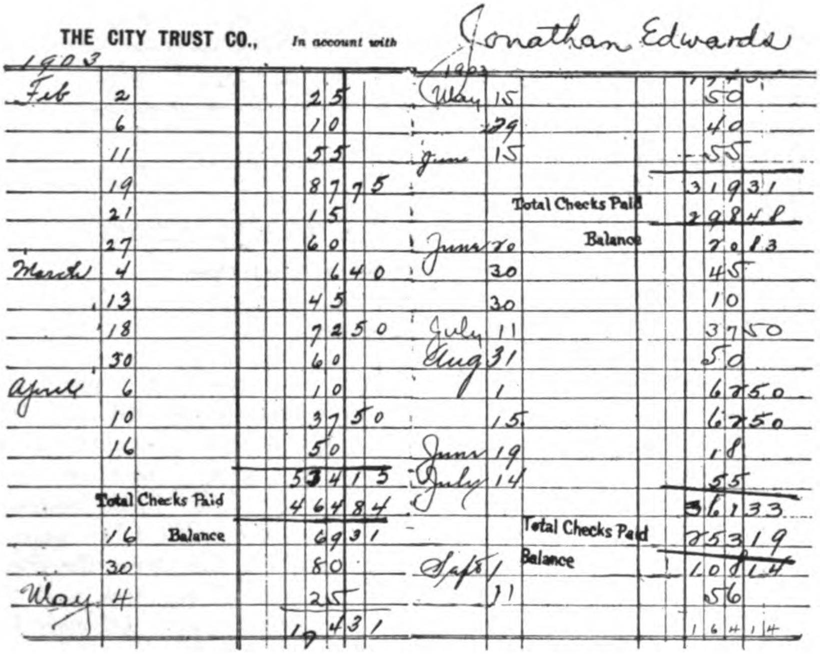
The American Trust Company IN ACCOUNT WITH Andrew Jackson

1907				
July	7		310	
	18		127	94
	26		228	16
	28		79	66
	31		689	74
			1435	50
		Total Checks Paid	639	79
Aug	1	Balance	795	71

29	18	45		28	27
136	50	45		239	85
7	10	67	09	639	79
31	80	10			

FIG. 110.—PASS-BOOK, WITH DEBIT AND CREDIT PAGES.

left-hand or right-hand page of the book when the previous page is filled, as is shown in Figure 111. Rubber stamps are used to insert the words "total checks paid" and "balance," and the lines, when the book is balanced.



THE CITY TRUST CO., *In account with* Jonathan Edwards

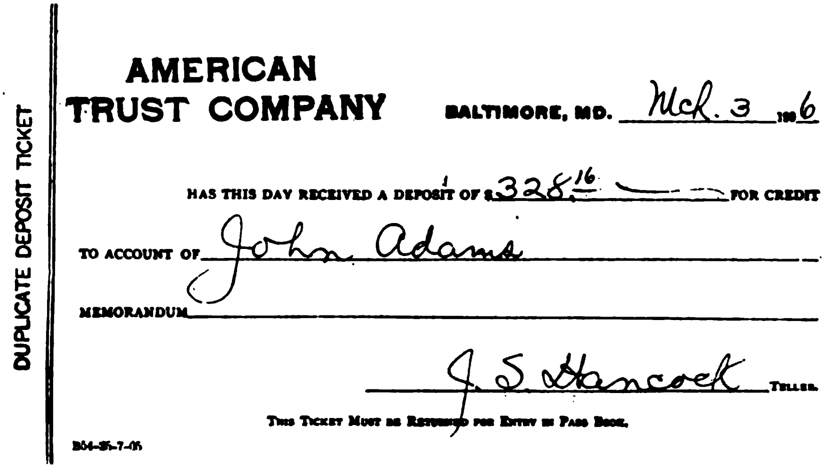
1903				1903			
Feb	2		25	May	15		50
	6		10		29		40
	11		55	June	15		55
	19		87 75				319 31
	21		15			Total Checks Paid	298 48
	27		60	June	20	Balance	20 83
March	4		6 40		30		45
	13		45		30		10
	18		72 50	July	11		37 50
	30		60	Aug	31		50
April	6		10		1		67 50
	10		37 50		15		67 50
	16		50	June	19		18
			534 15	July	14		55
	Total	Checks Paid	464 84				361 33
	16	Balance	69 31			Total Checks Paid	253 19
	30		80	Sept	1	Balance	108 14
May	4		25		11		56
			174 31				164 14

FIG. 111. -PASS-BOOK.

Several different sizes of pass-books are usually kept in stock to accommodate accounts of all degrees of activity, the rulings of all pass-books being the same, following either the form shown in Figure 110 or that shown in Figure 111. Some companies provide special pass-books for the use of women customers, of size small enough (about 3¼ by 2½ inches) to be carried in a woman's pocket-book.

Depositors very frequently forget to bring their pass-books when making a deposit. In such cases it is convenient to have a form of duplicate deposit-slip to hand to the customer in lieu of the entry of the deposit in his pass-book. Figure 112 shows one form of a duplicate deposit-slip. Instead of using such a form, however, many receiving tellers simply use a regular deposit-slip on which they copy the total from the slip handed in by the depositor, write the word "duplicate" and sign their names or initials. Sometimes a rubber stamp with the words "Duplicate. ———— Teller" is used.

The next need of the depositor is a check-book. It is usual to have in stock several varieties of these, from books containing fifty checks of a size suitable for carrying in the pocket to desk check-books containing



DUPLICATE DEPOSIT TICKET

AMERICAN TRUST COMPANY BALTIMORE, MD. Mch. 3 1906

HAS THIS DAY RECEIVED A DEPOSIT OF $328.16 FOR CREDIT

TO ACCOUNT OF John Adams

MEMORANDUM

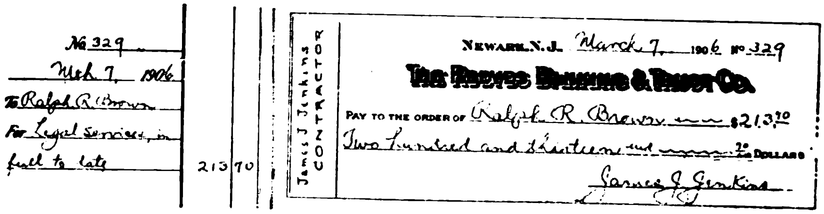
J. S. Hancock TELLER.

This Ticket Must be Returned for Entry in Pass Book.

B64-25-7-05

FIG. 112.—DUPLICATE DEPOSIT SLIP.

three hundred or five hundred checks, three or more on a page, and sometimes even larger ones. The customer selects a check-book in accordance with his probable needs. If his account is to be of a considerable size, he leaves his order for the preparation of a book of checks on which are to be printed his name and business. This is provided by the company without charge to the customer. The form of check which has come to be most common is shown in Figure 113, which also shows the check stub. In some checks the place for the number of the check is at the left upper corner, and in others in the left lower corner. Of more importance is the position of the figures showing the amount of the check, that shown in Figure 113 being the result of an evolution in check forms, and being that which is by general consent regarded as the most convenient. This position for the figures is quite as convenient as any other for the person writing the check; while for the bank clerk who has to read off rapidly and accurately the amounts of a bunch of several hundred checks it is emphatically the most convenient place. As he holds the bunch of checks with his left hand and turns the checks with his right hand, the amounts of the several checks as given in figures are easily read by him if in the position shown in Figure 113, and are easily com-



No. 329

Mch. 7 1906

To Ralph R. Brown

For Legal services, in full to date

213 70

James J. Jenkins CONTRACTOR

NEWARK, N.J. March 7 1906 No. 329

The [illegible] & Trust Co.

PAY TO THE ORDER OF Ralph R. Brown $213.70

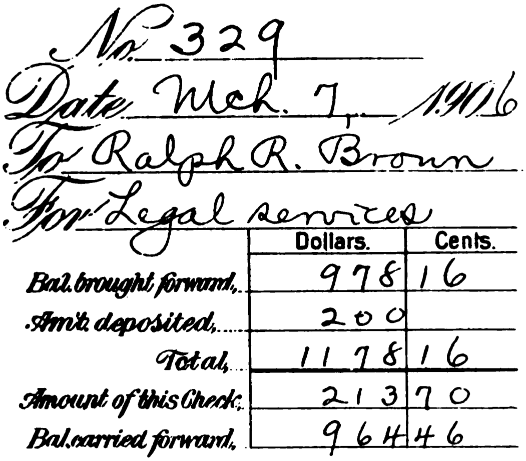
Two hundred and thirteen 70/100 DOLLARS

James J. Jenkins

FIG. 113.—CHECK, WITH STUB.

pared with the written amount of the check. If they appear at the left end of the check, it is necessary for him to turn each check to read the amount in figures. It would be a great boon to the workers in banks and trust companies if this position for the figures were universally adopted on all checks and drafts.

Check-books are usually made up with a stub for each check, for the purpose of enabling the customer to keep a record of his checks on the stubs, although separate sheets for such records are sometimes inserted in the check-book. One of the most common forms of such stubs is shown with the check in Figure 113. Figure 114 shows another form frequently used with pocket check-books. That shown in Figure 113 is specially useful where three or more checks are bound on each page, as the amounts of all the checks on the page, being extended in the column at the right, may be easily footed and carried forward to the next page. A record of deposits and any other memoranda such as the customer's reconcilement of the account at the end of the month, may be kept on the backs of the stubs.



No. 329
Date Mch. 7, 1906
To Ralph R. Brown
For Legal services

	Dollars.	Cents.
Bal. brought forward	978	16
Am't deposited	200	
Total	1178	16
Amount of this Check	213	70
Bal. carried forward	964	46

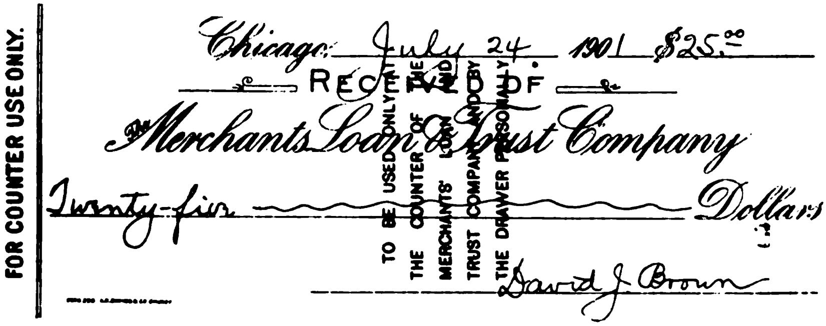
FIG. 114.—CHECK STUB.

It is customary to provide "counter checks" to be used only by the customer in person for such purposes as drawing for cash, for a draft, etc. Two forms of such a check are shown in Figure 115 and Figure 116. Sometimes the ordinary check of the company, with the words "Counter Check" printed on it in large type, is used for this purpose.

VOUCHER CHECKS.

The use of voucher checks is steadily increasing, and it is of importance to the banks and trust companies to encourage the use of the best forms for such checks. Many of the forms in use are exceedingly cumbersome and there is a decided lack of uniformity in them.

The name of the paying bank, the amount of the check, the places for receipt and for endorsement, are found in all conceivable places on the check, so that the bank clerk who has to handle them often loses valuable time that might be saved if there were a uniform style of voucher check devised with a view to convenience in handling. Another objection to many voucher checks is that the bank is held responsible for the signatures of a number of different persons which appear on the check. It is unreasonable to ask the bank to be responsible for more than two such signatures; if the concern issuing the check considers it necessary to have more signatures on the document, the official who signs last should be responsible for the previous signatures, the responsibility of the bank ceasing with the final or at most with the last two signatures. Other objections to many voucher checks are the stating of conditions of payment which put in doubt the negotiability of the instrument, and the requirement of both a receipt and endorsement from the payee. Whether the receipt adds anything to the endorsement of the check is, to say the least, a matter of doubt; and it certainly adds much to the labor of handling the check.



FOR COUNTER USE ONLY.

Chicago, July 24 1901 $25.00

RECEIVED OF

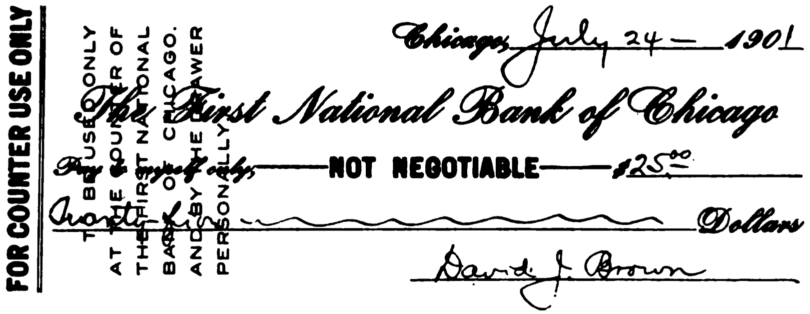
Merchants Loan & Trust Company

Twenty-five Dollars

TO BE USED ONLY AT
THE COUNTER OF
MERCHANTS' LOAN AND
TRUST COMPANY BY
THE DRAWER PERSONALLY

David J. Brown

FIG. 115.—COUNTER CHECK, RECEIPT FORM.



FOR COUNTER USE ONLY

Chicago, July 24 — 1901

The First National Bank of Chicago

Pay to myself only —NOT NEGOTIABLE— $25.00

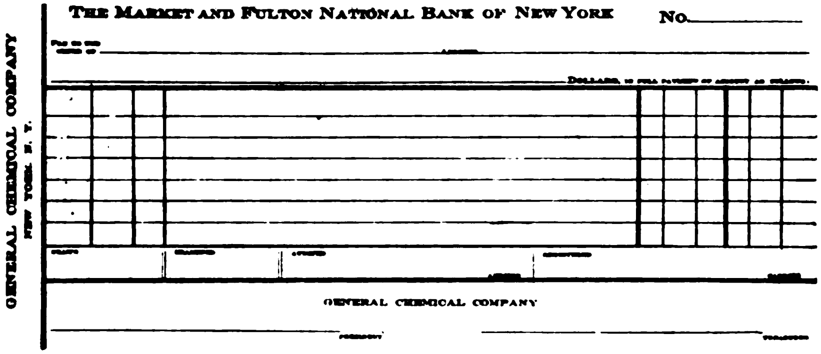
Twenty-five Dollars

TO BE USED ONLY
AT THE COUNTER OF
THE FIRST NATIONAL
BANK OF CHICAGO.
AND BY THE DRAWER
PERSONALLY

David J. Brown

FIG. 116.—COUNTER CHECK.

Another thing to be noted about voucher checks is that the *folded* check, which is a great nuisance to the banks, is often used when a single piece of paper of the size of an ordinary check, or a little larger, would answer the purpose fully as well. It is possible to provide room on the face or back of the check for such detailed statement of account as is usually considered desirable on a voucher check, as is proved by several good forms of such instruments that are in daily use. Figure 117 shows an excellent form. Its size is 8⅝ by 3¾ inches—only a little larger than


GENERAL CHEMICAL COMPANY
NEW YORK N. Y.

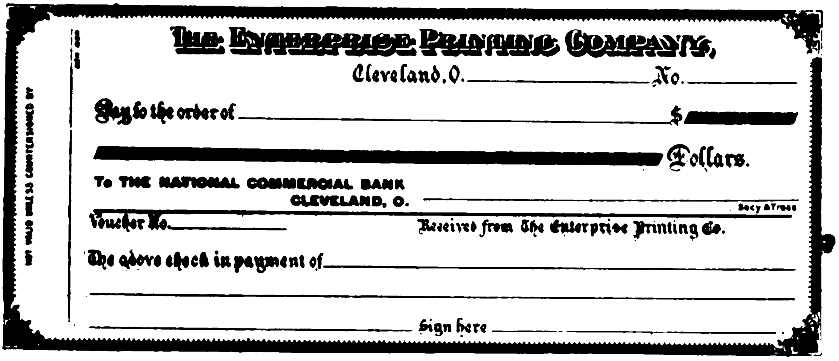
THE MARKET AND FULTON NATIONAL BANK OF NEW YORK No.

GENERAL CHEMICAL COMPANY

FIG. 117.—VOUCHER CHECK.

the ordinary check—and yet statement space is provided of ample width and with seven lines for items. The back of this check is plain except for the words, "Endorsement by the payee is acknowledgment of full payment and satisfaction of the within account." Another form, giving less space for the statement, is shown in Figure 118. Figure 119 shows a form having provision for a statement at the end of the check. These forms show three possible places on the face of a check for the statement. It is also possible to provide for the statement on the back of the check, as shown in Figure 120, which represents the back of the check whose face is shown in Figure 121.

It is certain that by the use of forms similar to these the necessity of folded voucher checks could often be avoided. There are concerns, however, the nature of whose accounts seems to require the folded form of


The Enterprise Printing Company,

Cleveland, O. No.

Pay to the order of $

Dollars.

To THE NATIONAL COMMERCIAL BANK
CLEVELAND, O.

Sec'y & Treas.

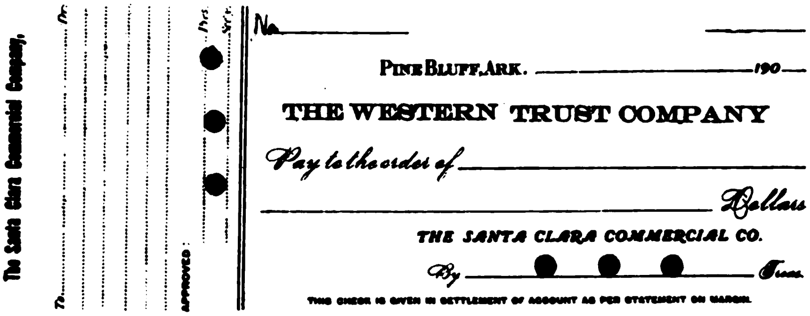
Voucher No.

Received from The Enterprise Printing Co.

The above check in payment of

Sign here

FIG. 118.—VOUCHER CHECK.



The Santa Clara Commercial Company,

To ... Dr.

APPROVED:

No. ____

PINE BLUFF, ARK. ____ 190__

THE WESTERN TRUST COMPANY

Pay to the order of ____

____ Dollars

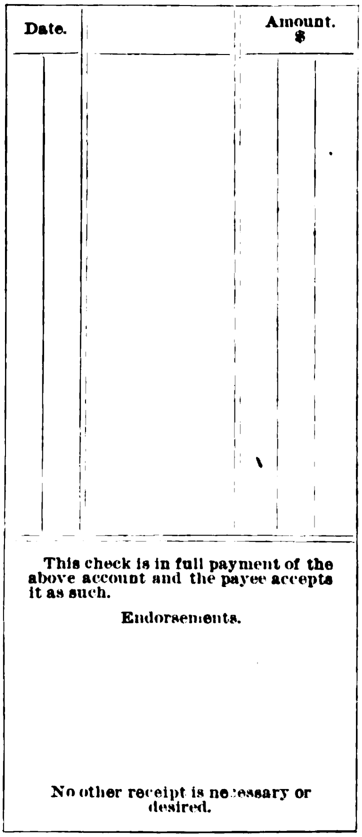
THE SANTA CLARA COMMERCIAL CO.

By ____ Treas.

THIS CHECK IS GIVEN IN SETTLEMENT OF ACCOUNT AS PER STATEMENT ON MARGIN.

FIG. 119.—VOUCHER CHECK.

voucher check. In such cases the convenience of the banks which must handle the checks would be greatly conserved if all information needed by the bank were to be found on the *outside* of the check when folded. It ought not to be necessary for the bank clerk to *unfold* a voucher check as he handles it with other checks in the regular course of business. The



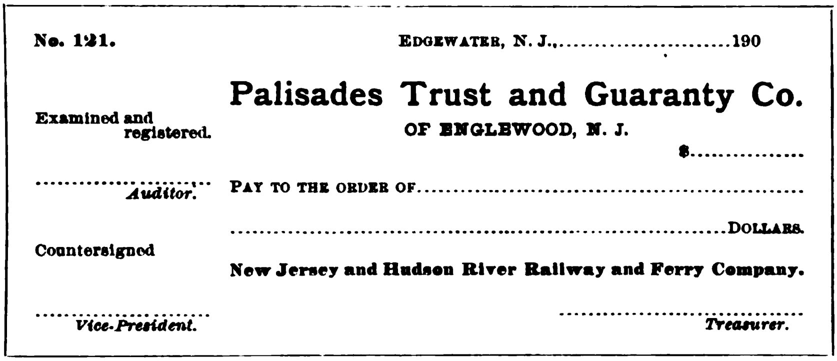
Date.		Amount. $

This check is in full payment of the above account and the payee accepts it as such.

Endorsements.

No other receipt is necessary or desired.

FIG. 120.—BACK OF VOUCHER CHECK.



No. 121. EDGEWATER, N. J.,........................190

Palisades Trust and Guaranty Co.

OF ENGLEWOOD, N. J.

Examined and registered.

$..............

.... *Auditor.*

PAY TO THE ORDER OF..

....DOLLARS.

Countersigned

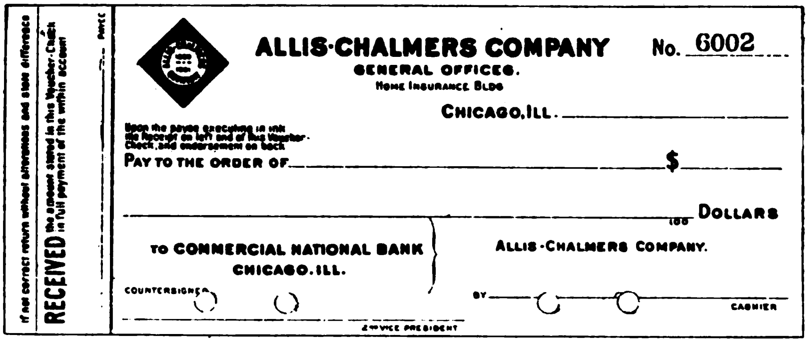
New Jersey and Hudson River Railway and Ferry Company.

.... *Vice-President.*

.... *Treasurer.*

FIG. 121.—FACE OF VOUCHER CHECK.

desired result can be accomplished by making the front of the folded voucher a regular check form, and having all endorsements appear on the back of the folded voucher. Figure 122 shows the face of one of the best forms of folded voucher checks in use. It will be noticed that this has the appearance of an ordinary draft-form check. The other side of the folded voucher is blank save for the words at the top, "Make all endorsements here." The information needed by the bank is all on the



If not correct return without alterations and state difference

RECEIVED the amount stated in this Voucher-Check in full payment of the within account

______ Payee

ALLIS-CHALMERS COMPANY No. 6002

GENERAL OFFICES.

HOME INSURANCE BLDG

CHICAGO, ILL. ______

Upon the payee executing in ink the Receipt on left end of this Voucher-Check, and endorsement on back

PAY TO THE ORDER OF ______ $ ______

______ 100 DOLLARS

TO COMMERCIAL NATIONAL BANK
CHICAGO. ILL.

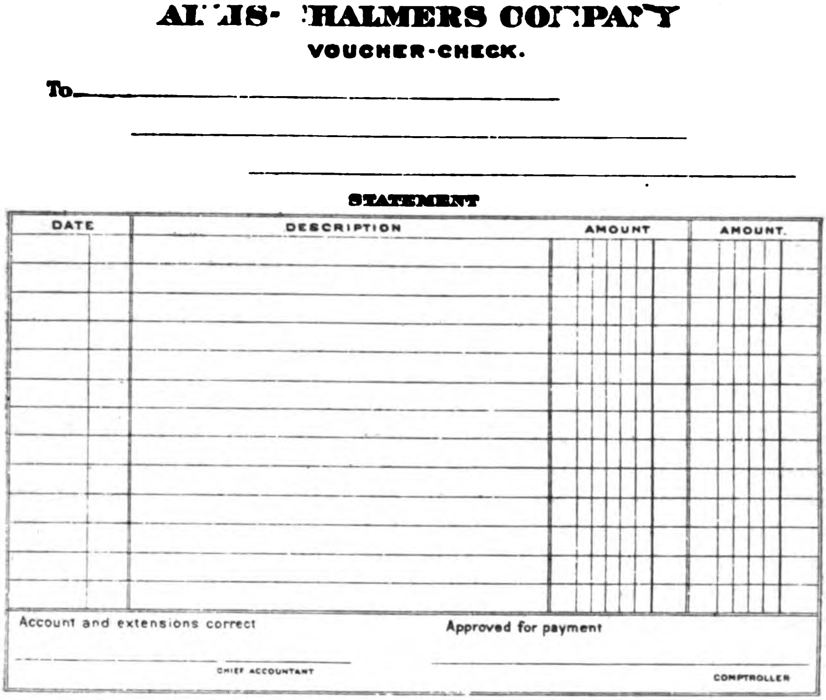
ALLIS-CHALMERS COMPANY.

COUNTERSIGNED ______ BY ______ CASHIER

______ 2nd VICE PRESIDENT

FIG. 122.—FACE OF FOLDED VOUCHER CHECK.

outside of the folded voucher, so that the bank clerk is not put to the necessity of unfolding this document. Although a receipt in addition to an endorsement is required, such receipt appears on the face of the check, at the end, where it is easily seen. Some voucher checks of the same general form as this one do not call for a receipt, the endorsement being considered all that is necessary. In such cases the check usually reads, "When properly endorsed, pay to the order of ————" etc., "In full payment of the within account." From the standpoint of the bank this is of course an improvement over the form which requires both a receipt and an endorsement; while, as already suggested, it is doubtful whether



ALLIS-CHALMERS COMPANY

VOUCHER-CHECK.

To________________________________

STATEMENT

DATE	DESCRIPTION	AMOUNT	AMOUNT.

Account and extensions correct

CHIEF ACCOUNTANT

Approved for payment

COMPTROLLER

FIG. 123.—INSIDE OF FOLDED VOUCHER CHECK.

the drawer of the check gains anything by having the receipt in addition to the endorsement. Figure 123 shows the inside of this voucher check when unfolded.

(*To be continued.*)

NEW YORK TRUST COMPANIES.

IN his recent annual report on the Savings banks and trust companies of New York Superintendent Kilburn, of the State Banking Department, says that in the past year six new trust companies were organized in the State, and five companies went out of business—four being merged with other companies, and one being dissolved by legal proceedings instituted by the Attorney-General.

Statistical information in regard to the New York trust companies was published in the January issue of THE MAGAZINE.

Superintendent Kilburn says that while the total resources of the trust companies were less by fifty-odd million dollars in January last than they were at the same date in 1905, the high mark for these institutions was made during the past year, the total of deposits and resources having then reached unprecedented figures.

The Superintendent has the following to say regarding the payment of interest on deposits:

"Gross earnings of the trust companies for the year are seen to have been larger by nearly thirteen million dollars than for 1904, with an increase in net of over four millions, interest paid to depositors being treated in this calculation as an expense. Had interest payments been no larger in 1905 than they were in 1904, the net gain in earnings would have been nearly six million dollars additional. The percentage of deposits on which interest is paid to the total of deposits is much larger than it ought to be, standing almost exactly as a year ago, 94 per cent., but the percentage of interest paid to gross earnings shows a slight decrease, having been under 47½ per cent. as against 47¾ per cent. for 1904.

"The year 1905 appears to have been a very profitable one, the earnings having permitted not merely the distribution of $719,715 more in dividends than in 1904, but also the addition of a handsome sum to surplus, which is larger than a year ago by $12,609,564. A part of the gain in surplus is doubtless ascribable to an appreciation in the market value of investments, though net earnings in excess of interest payments, expenses and dividends are almost equal to the actual increase, or $12,338,223, from which, however, such losses as may have been incurred have to be met.

"The one feature of the companies' expense items which stands out as seeming to demand thoughtful consideration is the very high proportion which interest requirements bear to total outgo. No less than seventy-one and five-tenths per cent. of the whole expense account of these institutions consists of interest paid on deposits. The price so paid for interest is too great, and the companies ought to institute a reform in this regard. The practice is not consistent with the standards which distinguish the best and safest banking, and the employment of it by the trust companies to the degree that it characterizes their operations is to be deplored."

A UNIQUE BOOKLET FROM TEXAS.

The Union Bank and Trust Co. of Houston, Texas, has just issued a booklet which has many unique features. The title page announces that the company is conducted in the interest of "Mankind especially, Houston materially and Texas generally," and the preface states that, "Through this little booklet the Union Bank and Trust Company, with feelings of gratitude and appreciation, extends to its customers and friends cheerful greeting and best wishes, and thanks them for their confidence and influence. Its purpose is to maintain such service as will promote the highest mutual welfare by proper use of the mediums, Capital, Capacity, Courtesy."

The book contains the reports of the auditing committee, indicating a most complete examination of the company's affairs; the certificates of the State Banking Department and the Secretary of State; a thorough treatise on the functions of the institution; the advertisements of correspondent banks throughout Texas, etc. Another unique feature is an original story of the Texas plains.

BANKING AND COMMERCIAL LAW

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

NATIONAL BANK—CHECK—FORGED INDORSEMENT.

MURPHY VS. METROPOLITAN NATIONAL BANK.

Supreme Judicial Court of Massachusetts, March 5, 1906.

Where a deposit in a national bank, dealing with an attorney in good repute, draws a check to the order of a supposed client of the attorney for the full amount of the deposit, and delivers the check to the attorney in exchange for a mortgage and note purporting to cover certain real estate, the legal title to which is known to the depositor to be in the name of the payee of the check, and to be free from encumbrance and of sufficient value to secure the loan, the bank is liable to the depositor for the amount of the check when payment is made upon a forged indorsement of the name of the payee, notwithstanding the party named as payee had been dead for nine months when the check was delivered, and the facts of death and of the forgery were not discovered for two years after the payment by the bank of the check and its return to the depositor cancelled, interest in the meantime having been regularly paid upon the mortgage debt until the attorney absconded.

The facts are fully set forth in the opinion given below:

KNOWLTON, *C. J.:* The plaintiff had on deposit in the defendant bank, subject to be drawn by check, the sum of $3,419.75. He drew a check for that amount, payable to the order of James J. Brown, and delivered it to one Moore, an attorney-at-law then in good repute, who purported to represent Brown in negotiating a loan to be secured by a mortgage on Brown's real estate. A note and mortgage for $3,500, purporting to be executed by Brown, were delivered by Moore to the plaintiff, and by him passed to a client for whom he was transacting the business. Moore took the check to the defendant bank, and caused it to be certified, and then he went with it to the Federal Trust Company, a banking corporation, and had an interview with the president, with whom he had been acquainted for many years, and introduced to him a companion, as the James J. Brown named in the check. The check bore the indorsement "James J. Brown," and Moore also indorsed it, and it was cashed by the trust company. In due time it was transmitted to the defendant through the clearing-house, and was paid. In fact James J. Brown had deceased on December 26, 1899, nearly nine months before these events occurred, and the signatures which purported to be his were forgeries. Moore absconded in September, 1902, and these forgeries were discovered not long afterwards.

The evidence as to all material matters was uncontradicted. The suit was brought to recover the amount of the check.

Upon the admitted facts that the defendant had this money belonging to the plaintiff and paid it out upon this check, the burden is upon the defendant to show that the payment was to the person named in the check, or that the plaintiff was guilty of such negligence in regard to the payment as precludes him from recovery.

The plaintiff did not participate in the acts or conversation attending the payment of the check. The uncontradicted testimony shows that, from first to last, he dealt with Moore as the attorney of James J. Brown, and that Moore at no time represented the plaintiff in any way in the transaction. Moore received the check as the representative of Brown, and in procuring the payment at the trust company pretended to be acting in the interest of Brown, and not in the interest of the plaintiff. James J. Brown was represented to the plaintiff as the owner of the real estate proposed to be mortgaged, and the plaintiff caused the title to be examined, and found it standing in his name, and free from incumbrances. He also found that the property was of sufficient value to secure the payment of $3,500, for which, according to Moore's statement, Brown wished to mortgage it. He had no reason to doubt that Brown was living, and that the note and mortgage duly executed in his name were genuine securities.

It is too plain for question that the James J. Brown named in the check was the person whom the record showed to be the owner of the real estate described in the mortgage, and that the only payment authorited by the drawer of the check was a payment to him. In that respect the facts are different from those in the cases relied on by the defendant, in which the dealings were with an impostor who assumed a false name, and the check was intended for the person with whom the drawer was dealing, while the fraud was in the representation that he was another person whose name he assumed.

It is true that the payee was not then living, and that it was impossible to make a payment to him in person; but the death of the payee of a check to whom the drawer has sent it, before it reaches its destination, does not enlarge the rights of the drawee in regard to payment. Nor does his death, unknown to the drawer, before the check is drawn, enlarge the drawee's rights. In such a case the check is either payable to no one, or it may be collected by the executor or administrator, according to the circumstances attending the making and delivery of it. In this case there is nothing to warrant a finding of negligence on the part of the plaintiff in not seeking Brown in person, or verifying Moore's representation that he was living. Nor does it appear that Brown's death affected in any way the defendant or the trust company, to induce the payment of the check upon the forged indorsement. The fraud could have been perpetrated in exactly the same way if Brown had been living. The only difference would have been that the danger of early discovery would have been greater.

The ordinary rule is well established, that a banker on whom a check is drawn must ascertain at his peril the identity of the person named in it as payee. It is only when he is misled by some negligence or other fault of the drawer, that he can set up his own mistake in this particular against the drawer.

We are of opinion that the plaintiff was guilty of no negligence, in connection with the making or payment of the check, that affects his right to recover.

The next question is whether there was evidence of negligence in his failure to discover the forgery, or in his failure promptly to notify the defendant of his discovery of it, such as estops him from claiming his deposit. This check was returned to him with his pass-book, at the beginning of the next month after it was made, and its payment appeared to be regular. He did not know Brown's signature, and he had no responsibility as to the ascertainment of the identity of the person to whom the payment was made. It was the duty of the defendant to do that. He had every reason to suppose that the payment was to the James J. Brown for whom the check was intended. As the transaction was for a client to whom the note and mortgage belonged, he had no reason to consider the subject further. We understand that the interest was regularly paid until Moore absconded. Until then the mortgage was supposed to be good.

We have no doubt that, on the return of his pass-book with his checks, it was his duty to do what a reasonable person would be expected to do, in the examination of his account to see whether it was correct. If there was anything to put him on inquiry as to the identity of the persons to whom payments had been made, it would be his duty to investigate the subject. But we have been referred to no case in which it is held that this duty requires a depositor, in a case like the present, in which there is no reason to suspect payments to wrong persons, to make an investigation to see whether the indorsements of the payees are forgeries. It has been held in some cases that his duty does not require it.

We are of opinion that there was no such negligence of the plaintiff in failing to discover the forgery as to estop him from maintaining this action.

There remains the question whether his failure to inform the defendant of the forgery immediately after his discovery of it should bar him. According to the testimony of the defendant's president, the bank first received notice that the check was not properly indorsed, late in the autumn of 1902. The testimony, as to the discovery of the forgery by the plaintiff, was that he first heard of the death of James J. Brown about October 1, 1902, and the plaintiff testified that he notified the defendant that the signature of Brown was not genuine on the very day that he discovered it. There was no evidence tending to show that the defendant suffered any loss from the failure of the plaintiff to notify it earlier than he did. Moore had absconded a considerable time before the discovery of the forgery, and his whereabouts have not since been known. If there was any delay in giving information, after the plaintiff obtained such knowledge as to warrant him in making a claim on the defendant, there is no good ground for conjecture even that the defendant's position was changed on account of it. Without showing some injury by reason of the delay, the defendant cannot use it as an estoppel against the plaintiff. There was no evidence of such negligence of the plaintiff after the discovery of the forgery as to prevent his recovery.

ORDER ASSIGNING SALARY—BANKRUPTCY.

Supreme Judicial Court of Massachusetts, January 5, 1906.

MITCHELL V. LELAND.

The defendant owed the plaintiff $105, and being in the employment of the city of Boston gave to the plaintiff an order dated June 30, 1902, addressed to the city treasurer of Boston, signed by the defendant and reading as follows:

"Please pay to Mr. B. R. Mitchell amount of salary due me for the month of August, 1902, as per ferry division payroll, the same amounting to one hundred sixteen 67-100 dollars and oblige yours very respectfully."

Before the time arrived for paying the order the defendant went into bankruptcy and received a discharge from his debts. After bankruptcy and about August 20, 1902, the plaintiff filed the order with the city treasurer and after the bankruptcy proceedings had been finished the plaintiff brought suit on the order and trusteed the city of Boston.

The court held that the defendant's discharge in bankruptcy was a bar to the suit, saying:

"It may be granted, as argued by the plaintiff, that this order was an absolute transfer to him of the defendant's salary for the month of August, 1902, and that although the principal obligation of one hundred and five dollars can no longer be enforced against the defendant, yet the plaintiff retains his security, and may enforce that for the collection of his debt. It may be accordingly that the plaintiff could compel the City of Boston to pay him the amount of this order. But he cannot hold the defendant personally liable as the drawer of the order given before the bankruptcy proceedings were begun; for that is one of the obligations which are barred by his discharge. Moch v. Market Street National Bank, 107 Fed. Rep. 897; U. S. Bankruptcy Act of 1898, s. 63. And the plaintiff does not contend, nor is there any evidence, that the non-payment of the order was caused by any false, fraudulent or tortious acts of the defendant. * * * It was not claimed at the trial, and has not been argued, that the defendant, before the suit was brought, had himself received the amount of this order from the city."

JOINT NOTE OF HUSBAND AND WIFE—MORTGAGE OF WIFE'S REAL ESTATE TO SECURE HUSBAND'S DEBT.

BROWNE, ADMR., *v.* BIXBY ET AL, EXRS.

Supreme Judicial Court of Massachusetts, January 2, 1906.

Husband and wife executed a joint note for $8,000, loaned by the Georgetown Savings Bank to the husband, and as security executed a mortgage upon real estate of the wife. Both having died, the legal representative of the wife seeks to compel the legal representative of the husband to execute her property and relieve her estate from liability by paying the note. The defence interposed was that the contract sought to be enforced was one between husband and wife, which neither a court of law, nor equity would enforce.

But the court held otherwise in the following words:

"The foundation of the suit is not a contract made by the husband with his wife, but the application of a familiar law of suretyship, which gives a surety a right, as between him and his principal, to be reimbursed for his payments and relieved from liability for outstanding debts by the principal who is primarily liable for them. The relation of husband and wife, existing between the principal and the surety, does not prevent the enforcement of this general rule. * * * In Robinson v. Gee, 1 Ves. Sr., 252, Lord Hardwicke said, 'It is a common case for a wife to join in a mortgage of her inheritance for a debt of her husband. After her husband's death, she is entitled to have her real estate exonerated out of the personal and real assets of her husband, the court considering her estate only as a surety for his debt.' This dictum has become generally recognized law, both in England and America."

BROKER—COMMISSION—SALE OF MORTGAGE NOTE NOT SATISFACTORY TO PURCHASER.

WIGGIN V. HOLBROOK ET AL, TRS.

Supreme Judicial Court of Massachusetts, January 6, 1906.

The plaintiff, a broker, brought suit to recover a commission for the sale of a note and mortgage belonging to the defendants. The sale was not consummated because the security was not legally satisfactory to the attorney of the purchaser. The mortgage and note were given by the Boston Catholic Cemetery Association.

The plaintiff claimed that the defendants impliedly warranted the mortgage to be enforcible, so as to make a perfect title to the property. The court however held that no such warranty was implied, that the plaintiff "undertook to sell a note and mortgage made by a cemetery association, and unless he found a purchaser who was ready to take the mortgage notwithstanding the character of the mortgagor, he did not earn his commission."

CERTIFICATE OF DEPOSIT PAYABLE TO TRUSTEE—NEGOTIABILITY—NOTICE OF TRUST.

LORD V. BROWN ET AL, AND FIRST NATIONAL BANK OF NASHVILLE, APPTS.

Supreme Court of Tennessee, March 31, 1905.

The question how far purchasers in good faith of certificates of deposit are bound by words indicating a trust relation contained in the certificate of deposit is treated in this case. There were two certificates reading as follows:

CHATTANOOGA SAVINGS BANK.

No. 13,704. Chattanooga, Tenn., Oct. 7, 1902.

C. N. Woodworth, trustee, has deposited in this bank $994.97, payable to the order of same, twelve months after date, with interest to maturity only at the rate of 4½ per cent. per annum, upon the return of this certificate properly indorsed. Not subject to check.

R. W. Barr, Cashier.

CHATTANOOGA SAVINGS BANK.

No. 13,704. Chattanooga, Tenn., March 21, 1903.

C. N. Woodworth, trustee for Betty Ford, has deposited in this bank thirteen hundred and seventy-five & 55-100 dollars ($1,375.55), payable to the order of same twelve months after date, with interest to maturity only at the rate of 4½ per cent. per annum upon the return of this certificate properly indorsed. Not subject to check.

R. W. Barr, Cashier.

The trustee transferred these certificates before due for a gambling debt and April 25, 1903, the First National Bank bought them for cash from one of their regular customers, not noticing that they were not due, and immediately forwarded them for collection to Chattanooga. In the meantime the trustee telegraphed the Savings Bank not to pay them, and thereupon the beneficiary of the trust obtained an injunction to restrain payment to the First National Bank.

Upon these facts the court held that the National Bank was put upon inquiry to ascertain whether the certificates were being properly transferred, for notice of the trust appeared in both certificates.

The case arose under the "negotiable instrument law," containing this provison: "To constitute notice of an infirmity in the instrument or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith." Acts 1899, chap. 94, p. 150.

And the matter of notice was treated by the court as follows:

"Authorities sustain our position that the word 'trustee' in an indorsement of this character is express notice to a a purchaser that there is a *cestui que trust* or beneficiary, and that his rights may not be sacrificed by the trustee in the sale or pledge of the note for his own benefit; in other words, our holding distinctly is that such an indorsement is actual knowledge to the purchaser of such paper, within the meaning of s. 56 of the negotiable instrument law, *supra*.

"Now it is very true, as said by Mr. Perry in his work on Trusts (vol. 1, s. 225): 'The mere fact that the word trustee is on the face of the securities cannot put a purchaser to any inquiry beyond ascertaining whether the trustee has power to vary the securities. If he has such power, a purchaser in good faith will be protected, although the trustee use the money for his private purposes. But if a purchaser takes securities from a trustee with the word trustee upon their face, in payment of a private debt due from the trustee, the sale may be avoided by the *cestui que trust*, or the purchaser may be held as a trustee.'

"As stated in Tradesmen's Nat. Bank v. Looney, 99 Tenn. 278, 38 L. R. A. 837, 63 Am. St. Rep. 830, 42 S. W. 149, the rule is that he who takes a security from a trustee with the fiduciary character displayed upon its face is bound to inquire of his right to dispose of it; but if, upon inquiry, it is found that there is no restriction upon the trustee's power of disposition, or, it may be added, there is nothing in the nature of the transaction to indicate any abuse of his trust, then the title of a purchaser in good faith for value and before maturity will be protected.

"It appears that our negotiable instrument law is a substantial reproduction of a similar law enacted by the state of New York in the year 1896. In the year 1903, with that law on the statute books, the court of appeals of New York decided the case of Cohnfeld v. Tanenbaum, 176 N. Y. 126, 98 Am. St. Rep. 653, 68 N. E. 141. The court said, in the midst of the opinion, that the signature to the check, 'Isidore Cohnfeld, Guardian,' gave the defendant notice that presumptively the funds being paid to him were not those either of the Cohnfeld Manufacturing Company or of Isidore Cohnfeld personally, and he was put upon inquiry to ascertain the authority of Cohnfeld to apply the money in payment of the company's debts. This proposition is conceded by both the courts below. Had he made the inquiry, he would have learned the facts which have already been stated. He is therefore chargeable with all that those facts import, or which is fairly to be inferred from them.

"Again, in West Virginia, where a negotiable instrument law similar to our own prevails, the supreme court of that state held, in the case of Hazeltine v. Keenan, 54 W. Va. 600, 102 Am. St. Rep. 953, 46 S. E. 609, that a negotiable note, payable on its face to a payee, with the word 'attorney' suffixed to his name, indicates an interest in other parties, and puts the purchaser upon inquiry as to their rights and the right of the payee to sell the note.

"In addition to all this, the certificates show on their face that they bear interest to maturity only at the rate of 4½ per cent. per annum, and further, that they are not subject to check, but are interest-bearing certificates of deposit; one of them having almost twelve months to run and the other six months at the time they were transferred. It is admitted by the officers of the First National Bank that they overlooked this fact when they bought these certificates for cash, but we agree with the court of chancery appeals that the fact that the bank overlooked these things will not relieve them of responsibility as to any notice the paper itself gives.

"All these facts disclosed on the face of the paper, including the express indorsement of C. N. Woodworth, Trustee, etc., gave actual notice to the bank that this paper represented a trust fund, and obliged the bank to inquire into the right of the trustee to dispose of it. If the bank had made such inquiry, it could easily have ascertained that the paper had been embezzled and the money lost in a gambling transaction by the trustee; and further, the bank would have discovered that, before the paper had been purchased by it, all right and authority of the trustee to act had been withdrawn.

"We are therefore of opinion that the indorsements and recitals of these certificates communicated actual knowledge to the bank that they represented a trust fund, and, even under the negotiable instrument act, no title was acquired by the bank to the paper."

PRINCIPAL AND SURETY—TREASURER'S BOND—FAILURE TO DISCLOSE PRIOR DEFALCATION.

WATERTOWN SAVINGS BANK V. MATTOON ET AL.

Supreme Court of Connecticut, December 15, 1905.

In an action brought by a bank against its treasurer and the sureties on his official bond, the question arose whether the directors of the bank were under any duty to disclose to the sureties before they obligated themselves, the fact that the treasurer had prior to that time embezzled funds of the bank.

The bond was in the ordinary form of fidelity bond, $10,000 in amount, payable to the bank, and had been approved by the directors, and had been given in pursuance of a law of the state, requiring the treasurer of every savings bank to give a bond, payable to the bank, to the satisfaction and acceptance of the directors.

The court held the sureties liable, saying: "The only duty imposed by statute upon the directors with reference to the treasurer's bond was the duty of accepting or rejecting it. As agents of the bank they had no power, and were not required, to do more, and from the admitted facts in this case it does not appear that in performing that duty the directors, as agents of the bank, were under the further duty of disclosing to the sureties the prior defalcation of the treasurer. * * * There is nothing in the answer to show that the sureties signed the bond at the request of the directors, or in the presence of the directors, or that the sureties applied to the directors for any information concerning the character or conduct of Mattoon. In short, there is nothing to show that the directors knew anything about the bond or the sureties thereon until it was presented to them for acceptance. It does not appear that the directors had any opportunity to disclose until after the bond was executed and delivered to the bank. The only facts alleged are (1) that the directors, at the time they accepted the bond, knew of the prior defalcation; (2) that the sureties, when they signed the bond, were ignorant of such defalcation; (3) that the directors did not inform the sureties of such defalcation. We think the facts alleged in the answer fail to show that the relation of the parties to each other was such as to make it either the legal or the equitable duty of the directors to disclose to the sureties the prior defalcation, and that upon the admitted facts in this case the failure to disclose such defalcation was not a fraudulent concealment."

WIFE AS ACCOMMODATION INDORSER FOR HUSBAND.

CHEMICAL NATIONAL BANK OF NEW YORK V. KELLOGG.

Court of Appeals of New York, November 21, 1905.

A note signed by the husband and dated at New York city was indorsed by the wife in New Jersey, the law of which latter state provided that the wife should not be liable, she being an accommodation indorser. The indorsement was in blank, and the law of New York authorized a married woman to contract, even with her husband, the same as if she were unmarried.

The court held that inasmuch as the bank "purchased the note for value before maturity, without notice of anything to put it on inquiry and in reliance upon the fact that it was dated and made payable in the State of New York, with nothing on the face of either the note or the indorsement to suggest that the contract was made in the State of New Jersey," the wife was estopped from denying that her indorsement was a New York contract, and hence was liable thereon.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

PROMISSORY NOTE—COLLATERAL PROCEEDS OF—SUSPENSE ACCOUNT—CREDITOR—RIGHT OF TO APPROPRIATE—INTENTION OF DEBTOR—SET-OFF—CONCEALMENT—FUNDS EAR-MARKED FOR SPECIFIC USE—PRINCIPAL AND SURETY—DIRECTIONS.

MILNE VS. YORKSHIRE GUARANTEE AND SECURITIES CORPORATION, LIMITED.

(11 British Columbia Reports, page 402).

Statement of Facts: K. made and gave R. Bros. four promissory notes of $2,500 each, with interest at twelve per cent. R. Bros. obtained the indorsement of M. to these notes, discounted them with the defendant company and deposited as collateral security for the payment of the notes 500 shares of the capital stock of the Vancouver Gas Company. Subsequently, R. Bros. obtained a second loan on two other promissory notes, to which K. was also a party, and as security deposited 500 additional shares of the Vancouver Gas Company. M. was not connected with this loan, nor the security deposited in respect of it, although he claimed to be entitled to the benefit of the security.

The defendant company signed judgment against K. for $10,634.23 in respect of the first four notes; and also took judgment against him for $21,000 in respect of the second loan. Following on this the defendant company signed judgment against R. Bros. for $21,180.23; but M. for himself obtained a four months' extension of time by depositing 250 additional shares of the Vancouver Gas Company.

Before the judgment in the action, the subject of this appeal was given, the defendant company received dividends on the first 500 shares deposited, $2,657.80, and in respect of the 250 shares deposited by M., $1,328.90, both of which sums were placed to the credit of the K. M. account. The defendant company also received a dividend in respect of the 500 shares deposited by R. Bros. for the second loan, but this was not credited to the K. M. account.

M., who was president of the gas company, got his wife to purchase the whole 1,250 shares for $8,000, which amount M. contended "was to be placed to his credit until the notes of K. were relieved or paid." This sum was carried in a suspense account to the credit of M. from December, 1894, to October, 1901. In October, 1901, the defendant company transferred this sum of $8,000 from M.'s account and placed three-fifths of this amount to the credit of the said four notes, and two-fifths to the credit of the notes of R. Bros.

In February, 1900, the defendant company agreed to receive from K. or his nominee the sum of $15,000, in consideration of which the company was to assign to him or his nominee the above-mentioned judgments of $10,634.23 and $21,180.23, together with certain securities (mortgages) held by the company. This money arrived in August, 1900, but the defendant company did not reach a final settlement with K.'s nominees, C. & S., until November, 1901.

In the meantime, they had an action pending against M. for a settlement, but abandoned the proceedings; and M. brought this action for a declaration that he had been discharged from liability to the defendant company as surety for or as indorser of the said four notes; for an account of what had been received by the defendant company in respect of the securities deposited by him with them under the circumstances above set out; and for payment of the amount so found.

JUDGMENT (IRVING, MARTIN, JJ., DUFF, J., dissenting): There is a conflict of testimony as to what the arrangement arrived at was, but it is certain that the total amount received was carried to a suspense account in the books of the bank and ear-marked with Dr. Milne's name.

Mr. Farrell, the manager of the bank, says: "The reason that I kept it there (i. e., to the credit of a suspense account) was that it was hoped and believed that Keith would pay the full amount, and in that case Milne would be entitled to his proportion of the 1,250 shares back, and the balance would be applied to Rands' other loan," referring to the December loan.

Dr. Milne argues that because it was placed to his credit in the books of the company, he is entitled to have it regarded as a payment of $8,000 made by him on account of the Milne-Keith notes, regardless of the fact that 500 shares were deposited as security for a loan with which he was in no way concerned.

Generally, when a creditor turns securities into money, the indebtedness is reduced the moment the money comes into the creditor's hands. In fact, it is a payment by the debtor (or his surety) on account, but the creditor and the surety may agree that instead of the money being at once appropriated to the reduction of the debt, it shall be placed to the credit of a suspense account.

After the bank had deposited the money to the credit of the suspense account it was open to them, whenever they deemed it prudent or proper to appropriate it to the payment of the principal debt. They had the matter in their own hands. That was their object in converting the shares into cash. As soon as they made the appropriation it would operate as a payment on account. It seems to me absurd to suppose that the bank, having power to sell the shares for cash at any minute, would agree to give up their right to appropriate the moneys substituted for the shares for an indefinite period. The transaction of December 31, 1894, amounted to this, and nothing more—the bank promised that they would hold the sum of money, $4,800, substituted for 750 shares in lieu of the shares, on the same terms and conditions upon which the shares had been held.

On October 31, 1901, the bank exercised their right of appropriation by crediting the Milne-Keith account with $4,800, the proceeds of 750 shares. The sum of $3,200, the proceeds of 500 shares deposited in December, was credited to the December loan account. Down to that day, therefore, if Keith had tendered to them the entire amount due for the Milne notes, the bank would have been justified in taking from him the full amount and returning to Milne his $4,800; but after that date all they were in a position to demand from Keith was the balance after giving credit for this $4,800, the appropriation, as I have already said, operating as a payment on account.

In March, 1901, at an interview between Dr. Milne and the officials of the bank, a statement was handed to Milne. I am rather inclined to the opinion that the handing of this account in itself amounted to an appropriation of the $4,800 as of that date, but as nothing turns on that point, I shall accept the date of appropriation found by the Registrar.

In November, 1901, the bank assigned to Keith's nominees their two judgments and all debts owed by Keith to the bank together with all collateral security. These nominees, in paying the $15,000, made no appropriation of it to any particular account. It was contended for Dr. Milne that one-third of this sum should have been assigned on the Milne-Keith account; but in our judgment, in the absence of any appropriation by the debtor, the right of appropriation is with the creditor, and the bank were justified in applying the money as they did.

It was argued before us that the facts established that the debtor himself (Keith) has satisfied the debt and that the assignment to his nominees was a release of all liability. It is not a release in form, and if the bank had been asked to execute a release, terms reserving their rights against Milne might have been inserted or a greater sum demanded. In my opinion we must regard an assignment to these friendly creditors exactly in the same way as we would an assignment to strangers, and Milne's position is not in any way affected by this assignment.

REPLIES TO LAW AND BANKING QUESTIONS.

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

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

NOTE PAYABLE AT BANK.

Traverse City, Mich., February 3, 1906.

Editor Bankers' Magazine:

Sir: Under the Negotiable Instruments Law, section 89, making an instrument payable at a bank equivalent to an order to the bank to pay the same for the account of the principal debtor thereon, is a bank required to charge such an item promptly upon opening of business in the morning, provided the paper is in its files, either as a collection or bill receivable at the opening of business that day; or would the bank be justified in holding the paper until the close of business, perhaps paying the checks of maker of the note during the day, to an amount reducing his balance below amount of the note?

If an order from maker of note not to pay the paper in question should come in during the day and before note was charged, would the bank be bound by the order? What would the bank's duty be in a case where there were several notes against B in the bank's files at the opening of business on a given date, each payable at the bank that day, aggregating an amount greater than B's balance in bank but of such amounts that one or more of them separately were less than the credit balance? C. A. Hammond, *Cashier.*

Answers.—While a note made payable at a bank is equivalent to an order to the bank to pay the same for the account of the maker, this does not impose any liability upon the bank so far as the *holder* is concerned; but the liability of the bank is to its customer alone. Towards the holder of a note, the situation of the bank is precisely the same as towards the holder of a check, to whom it is not liable "unless and until it accepts or certifies the check." If, therefore, a number of checks and notes are presented at the same time, as, for example, through the mails or through the clearing-house, the bank itself would have to select which it would pay, and which it would return. In this matter the bank would be entitled to use its own judgment, and the customer would not be heard to say that it should have paid other checks or notes instead, since the necessity for returning any was caused by his own fault in overdrawing his account. If notes or checks are presented at different times during the day, perhaps the better course, unless exceptional circumstances exist, is for the bank to pay the notes and checks in the order of time in which they are presented. But since the failure of the bank to pay would be imputable to the wrongful act of the customer, we do not see how the bank would incur any liability, even if it were to pay in a different order.

OVERDRAFTS—RECOVERY BY BANK.

Cannon Falls, Minn., February 16, 1906.

Editor Bankers' Magazine:

Sir: Can you refer me to any decision regarding overdrafts? I have understood that about two years ago a decision was made by some court in which they were found to be uncollectible by a bank. I am not familiar with the conditions under which the overdraft was made. I would like very much if you could locate the decision, and would thank you in advance. Cliff W. Gress, *Cashier.*

Answer.—We do not recall the decision referred to in the above inquiry. If the bank was unable to recover upon an overdraft, this must have been because of the peculiar circumstances of the case, and not because of any general principle that a bank may not recover an overdraft. Even if an overdraft were regarded as illegal, the customer who had received the money could not be heard to set up such a defense. An overdraft might render the officer who allowed it liable to the bank for the loss so sustained (Lancaster Bank vs. Woodward, 18 Pa. St. 357; Minor vs. Mechanics' Bank, 1 Peters, 46; Eichelberger vs. Finley, 7

Harr. & Johns. 381; Bank of Albany vs. Ten Eyck, 48 N. Y. 305); but a customer would not be allowed to assert that the bank had no right to pay the checks which he himself had drawn.

BILL OF LADING—INDORSEMENT OF SHIPPER.

New York, March 20, 1906.

Editor Bankers' Magazine:

Sir: Where a bill of lading reads, "Received from owners" so much merchandise consigned, "order and notify," what construction is to be put on the word *owners,* and is shipper's indorsement necessary?

Clerk.

Answer.—A bill of lading in the ordinary form, and containing no qualifying terms, is prima facie evidence that the *consignee* is the owner of the goods; but where the consignor takes a bill in the form stated in the inquiry, this might be held to indicate an intention to retain the title in himself. We think, therefore, that the indorsement of the shipper would be necessary.

COUPONS—PROTEST.

Sioux Falls, S. D., March 1, 1906.

Editor Bankers' Magazine:

Sir: Will you kindly advise us under your "Replies to Law and Banking Questions" whether you consider interest coupons subject to the laws of protest?

M. O. Thompson, *Teller.*

Answer.—Coupons containing negotiable words, when detached from the bonds to which they refer, possess the essential attributes of commercial paper. (Roberts vs. Bolles, 101 U. S. 122; Hartman vs. Greenhow, 102 U. S. 672; Ketchum vs. County of Duncan, 96 U. S. 659; Evertson vs. National Bank, 66 N. Y. 14; Commonwealth vs. Emigrant Ind. Sav. Bank, 98 Mass. 12; West vs. First Div. St. Paul, etc. R. R. Co., 25 Minn. 324.) They then cease to be incidents of the bonds, and become, in fact, independent claims. (Clark vs. Iowa City, 20 Wallace [U. S.] 583; National Exchange Bank vs. Hartford, 8 R. I. 375.) They are, therefore, within the terms of any statute authorizing the protest of commercial paper. But as they are rather promissory notes, and not foreign bills of exchange, formal protest is not absolutely required, though, of course, very convenient for the purpose of proving demand of payment and dishonor. If they are indorsed, notice of dishonor should be given to the indorser as in the case of a promissory note.

PROMISSORY NOTE—NEGOTIABILITY.

Keeseville, N. Y., February 28, 1906.

Editor Bankers' Magazine:

Sir: Referring to the note given in the second illustration on page 127 of the January Magazine, suppose that in place of the words "We promise to pay," etc., the wording had been, "the American Construction Company promises," etc., "order of itself," then signed and endorsed by the Construction Company, and also by S. S. Spencer, and credited to the account of the American Construction Company, and the proceeds used in the company's business; would this have affected the negotiability of the note? C. M. Hopkins.

Answer.—The note referred to was not "non-negotiable" in the technical sense of the term; but as it appeared upon its face to have been drawn by the payee himself, this was notice to any person dealing with it that if it was used for his individual benefit it could not be enforced against the corporation. But if the note had been discounted for the benefit of the corporation, and the proceeds placed to its credit, and used in its business, the corporation would not be heard to say that the officer had no authority to make it; for by accepting the benefits, the corporation ratifies the acts of its officer. And this would be so whether the note was in the form given in our January issue, or in the form supposed by our correspondent.

CHECK—TIME OF PAYMENT.

Lewiston, Mont., March 3, 1906.

Editor Bankers' Magazine:

Sir: A check signed by A, payable to the order of B, for $500, dated April 1, 1906, was drawn on January 9, 1906, and on that day was marked, "Certified, January 9, 1906. Good when properly endorsed." B deposits the check in his bank in February. The latter bank presents it to the bank on which the check is drawn for payment. This bank refuses it, alleging that the check was not due until April 1. Query: Does the endorsement of certification make the check payable immediately?

H. Yaeger, *Assistant Cashier.*

Answer.—We do not think that the certification would make the instrument payable immediately. The situation would be the same as if a draft drawn and delivered on January 9, but made payable on April 1, were accepted before the date fixed for payment. The certification would not alter the original terms of the check, any more than would an acceptance of a draft.

GUARANTY OF DRAFT BY BANK.

Pierce City, Mo., March 13, 1906.

Editor Bankers' Magazine:

Sir: We received the following telegram: "Will honor R. F. George, secretary, draft for $785 drawn on B. B. & Co. for car of 600 crates berries, with bill of lading attached. Bank of B. D." If A. B. & Co. refused to pay draft, could we hold the Bank of B. D.

Subscriber.

Answer.—As the telegram refers to a draft to be drawn on A. B. & Co., and not on the bank itself, it could not be regarded as an acceptance, and the question of liability would depend upon all the circumstances of the case, and not merely upon the paper itself. If, for example, A. B. & Co. had deposited money with the bank to pay the draft, then no doubt the bank would be liable; but if the transaction amounted to no more than a guaranty, then there would be no liability; for it is no part of the business of a bank to guaranty the payment of drafts to be drawn by a third person upon one of its customers. (Nat. Bank of Brunswick vs. Sixth Nat. Bank, BANKERS' MAGAZINE, Jan., 1906, p. 68.). In the case cited, the Sixth National Bank of Philadelphia wrote the National Bank of Brunswick, Ga., as follows: "We will accept drafts drawn on J. F. Ellenberg by Brown & Co. for watermelons and cantaloupes, melons not to exceed $100 per car, and cantaloupes not to exceed $500 per car, bills of lading attached, until further notice." The court held that under the facts the letter amounted to a guaranty, and that, therefore, the contract was not binding on the bank. The court said: "We are of opinion that the liability of the defendant bank was that of guarantor and not as purchaser of the drafts. It is conceded by the plaintiff 'that the weight of authority is in favor of the position that a national bank has no power or authority to become a mere accommodation indorser or guarantor of the payment of the debt of another without benefit to itself.' So far as we are advised, the question has not been determined by the Supreme Court of the United States, but the inferior courts of that jurisdiction have uniformly put this construction on the powers of a bank chartered under the National Banking Act, and as the subject is one of Federal origin and of Federal control, we must follow those precedents. (Fowler vs. Scully, 72 Pa. 456.) We therefore hold that the contract on which this suit was brought was ultra vires the defendant bank, and that the court erred in entering judgment for the plaintiff."

DISCOUNT ON NINETY-DAY NOTE—USURY.

ASHEVILLE, N. C., March 17, 1906.

Editor Bankers' Magazine:

SIR: The universal custom of banks seems to be to charge discount for one-fourth year on a note drawn for ninety days. Is this usury in North Carolina? I have not been able to find any case ruling on the point.

CASHIER.

Answer.—It has been held in North Carolina, in accordance with the decisions elsewhere, that the taking in advance of interest at the highest rate allowed, in accordance with the general practice of banks, is not usury (State Bank vs. Hunter, 1 Dev. L. 100); and while we find no decision directly in point, we conceive that a similar rule would apply to the custom of banks (See Pool vs. White, 175 Pa. St. 459), adopted merely for convenience, of computing interest at thirty days to the month and twelve months to the year.

CHECK—SECOND PRESENTATION.

LIBERTY, N. Y., March 20, 1906.

Editor Bankers' Magazine:

SIR: Kindly answer the following questions. A check of John Smith for $50 is presented, and the account not being good, is protested and returned. A week later the same check is again presented. The account is now good. Have we any right to charge it to his account, or should we return it? If the account is not good should we protest it again or return it without protest?
H. C. BALDWIN, *Cashier*.

Answer.—If the drawer's balance is sufficient to pay the check when presented a second time, there is no reason why it should not be paid; for the authority to pay will continue until revoked by the drawer. But when the instrument has once been dishonored and the parties thereto duly charged by protest and notice, there is no necessity for again protesting it when dishonored a second time.

HOPELESSLY OLD-FASHIONED.

THE "New York Sun" comments as follows on a recent address of Hon. Joseph G. Cannon, Speaker of the House of Representatives:

"It may be considered an impertinence on the part of the Hon. Joseph G. Cannon, the Danville hero of homespun, to intrude his views on government at a time when the direction of affairs has been assumed voluntarily by so many statesmen-publicists unhampered by age, experience and facts. Yet Mr. Cannon journeyed from the Potomac to the Schuylkill and under the protection of the Union League Club dared to say a word. This is a fair sample of the hopelessly old-fashioned, commonplace, hardheaded views he expressed:

'In my judgment, the danger now to us is not the weakening of the Federal Government but rather the failure of the forty-five sovereign states to exercise, respectively, their function, their jurisdiction, touching all matters not granted to the Federal Government. This danger does not come from the desire of the Federal Government to grasp power not conferred by the Constitution, but rather from the desire of the citizens of the respective states to cast upon the Federal Government the responsibility and duty that they should perform.'

One trouble with Mr. Cannon, who is only seventy and has been in Congress only sixteen terms, is that he lacks imagination. He is able to see only the hard facts of a situation. He cannot brush them aside, ignore them or distort them from their true relations with other facts. In addition to this he is restrained and bound by a pretty comprehensive and accurate knowledge of the Constitution and the history of the United States. He is further handicapped by the habit of logical thinking. When these disadvantages are taken into consideration, the peculiar notions that Uncle Joe Cannon has about the Governments under which we live can be easily understood."

THE SOUTH'S GROWING WEALTH.

[FROM "MANUFACTURERS' RECORD," BALTIMORE.]

WITH a population 5,000,000 or 6,000,000 less than the population of the whole country in 1860, the wealth of the fourteen Southern States is now greater than the wealth of the whole country in 1860. Authoritative figures compiled by the "Manufacturers' Record" show that the assessed property values in the South in the year just closed were $6,648,000,000. These may be safely estimated as representing true values of $16,620,000,000. Such a fact is not surprising to anyone who has studied recent Southern development. It was recently shown through letters in the "Manufacturers' Record" received from bankers in the cotton belt that the true value of farm lands in their section had increased by about $1,000,000,000 during the past two years. That this enhancement is beginning to be effective in swelling assessed values was apparent a year ago. It becomes more apparent in the figures of the assessed valuation of property in the fourteen Southern States in 1905, which, through the friendly co-operation of the Governors and other officials of the states, the "Manufacturers' Record" presents in the following table, furnishing a basis for comparison of 1905, 1904 and 1900:

	1900.	1904.	1905.
Alabama	$270,408,432	$322,878,793	$344,224,221
Arkansas	201,908.783	261,377,180	*270,000,000
Florida	96,686,954	116,967,310	*122,000,000
Georgia	433.323,691	530,894,755	577,967,938
Kentucky	640.688,240	767,997,638	795,771,834
Louisiana	276,659,407	351,018.941	396,821,157
Maryland	616,719.782	680,743,794	705,561,456
Mississippi	215,765,947	271,771,757	284,343,137
North Carolina	306,579,715	442,418,677	460,521,670
South Carolina	176.422,288	210,331,854	*219,000,000
Tennessee	396,363,566	428,665,262	445,832,036
Texas	914,007,634	1,082,587.438	1,139,022,730
Virginia	480,425,025	536,494,820	554,188,687
West Virginia	240,634,580	247.816,028	332,948,351
Total	$5,266.594,044	$6.246,964,247	$6.648,203,217

For three of the states, as noted, the figures are estimated, it is believed, below rather than above those which are yet to be officially announced. The figures for Mississippi must be read in the light of the fact that no assessment of realty has been made since 1902, and the value of bank stock had not been assessed in Virginia at the time that the

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*Estimated.

figures for that state were compiled. But the approximate total, $6,648,203,217, is an advance of $401,238,970 over the total of $6,246,964,247 in 1904. Between 1900 and 1904 the advance was $980,370,203, or at the rate of about $245,000,000 a year. The advance between 1890 and 1900 was but $755,668,807, or at the rate of about $755,000,000 a year. In the last five years the total increase has been $1,381,609,173, or at the rate of about $276,000,000 a year. The average increase per year between 1900 and 1905 was more than three times the average increase per year between 1890 and 1900, and the total increase in the five-year period was $625,940,373 greater than the total increase in the preceding 10-year period, and was equal to more than a half of the increase in the 20-year period between 1880 and 1900.

The gratifying advance in Southern wealth since the turn of the century is immediately connected with the betterment of the cotton situation in that period. The crop of 1899-1900, 9,422,000 bales, followed a period of great depression for the cotton-grower, as in the decade before 1900 the price of cotton fell to its lowest point since the war, and the price of the 1899-1900 crop, with its seed, about $362,000,000, marked a turning-point in cotton history and a starting-point for greater development in Southern agriculture and greater prosperity for the South generally.

For the hard years had, in bitter experience, impressed upon the South the necessity not only to systematize its efforts in making and handling the cotton crop, to the end that the crop of this season, 1905-1906, with its seed, will bring about $685,000,000, or $300,000,000 more than the crop in the season of 1899-1900, but also to direct its energies upon other crops.

As a corn-grower the South is doing well in comparison with the whole country. It increased its corn production between 1900 and 1905 from 476,655,808 bushels to 643,468,897 bushels, or nearly thirty-five per cent., while the increase for the whole country was from 2,105,102,516 to 2,707,993,540 bushels, or something more than twenty-eight per cent. In 1900 the Southern crop was 22.6 per cent. of the total crop, and in 1905 it was nearly twenty-four per cent. of the total. The South's corn crop of 1905 was worth $116,000,000 more than that of 1900.

The production of hay in the South increased in the five-year period from 3,730,053 tons to 4,409,238 tons, or eighteen per cent., and in the whole country from 50,110,906 to 60,531,611, or twenty per cent., rather a favorable showing for the South, where for a large portion of it there is no necessity to make hay or other forage crops.

The South dominates in the raising of sweet potatoes, the annual output being valued at between $16,000,000 and $18,000,000. But it is steadily going forward as a producer of Irish potatoes, the increase between 1900 and 1905 being from 16,940,410 to 24,599,088 bushels, or forty-five per cent., while the increase in the whole country was from 210,926,897 to 260,741,294 bushels, or not quite twenty-four per cent.

The aggregate value of the crops of corn, hay and potatoes in the South in 1905 was $416,611,448, of which $350,482,290 represented corn, $49,473,362 hay, and $16,655,796 Irish potatoes. To these should be added the values of wheat, $56,299,021; of oats, $26,413,956; of rye, $1,550,471; of tobacco, $35,021,641, and of rice, $12,285,834, which will bring the total to $548,182,371. In addition, the value of sugar products may be safely estimated at $25,000,000, of dairy products at $130,000,000, of poultry products at $150,000,000, of miscellaneous fruits and vegetables at $100,000,000, of live-stock and miscellaneous products at $155,000,000. The value of all Southern agricultural products in 1905 may be conservatively estimated, therefore, in round numbers, as follows:

Cotton with seed	$685,000,000
Corn	350,400,000
Poultry products	150,000,000
Dairy products	130,000,000
Fruits and vegetables	100,000,000
Livestock products	145,000,000
Wheat	56,300,000
Hay	49,500,000
Oats	26,400,000
Tobacco	35,000,000
Sugar	25,000,000
Irish potatoes	16,600,000
Sweet potatoes	16,500,000
Rice	12,300,000
Miscellaneous	10,000,000
Total	$1,808,000,000

The total, $1,808,000,000, is the farm value of the products sold, and with the value of products consumed would approach a total of $2,000,000,000 as the value of the Southern agricultural output last year, against $660,000,000 in 1880 and $773,000,000 in 1890.

It is not surprisng that, with gross returns from farming operations of between $1,800,000,000 and $2,000,000,000, the increasing wealth of the South, clearly indicated in the fact that between 1892 and 1903, the latest year for which figures are available, deposits in national, state, savings and private banks and loan and trust companies in the fourteen Southern States increased from $316,000,000 to $708,000,000, or by $392,000,000, is already being recorded in an increase in assessed values of property in one year of $400,000,000, which, with the usual proportion of assessed and true values that has prevailed in recent years, means an increase in true values in one year of at least $1,000,000,000.

Of course, agriculture is by no means the sole source of this increasing wealth, as the following figures show:

COTTON MILLS.	1900.	1905.
Spindles	6,407,403	9,346,701
Bales consumed	1,597,112	2,215,674
BITUMINOUS COAL.		
Short tons mined	49,048,059	70,600,000
PIG IRON.		
Long tons made	2,604,671	3,100,000
PETROLEUM.		
Barrels produced	17,000,000	60,000,000
Railroad mileage	52,594	60,980

Since 1900 the output of Southern coal mines has increased from 49,000,000 to 70,000,000 tons a year, its oil wells have increased their production from 17,000,000 to about 60,000,000 barrels, its furnaces are now turning out 3,100,000 tons of pig-iron, against 2,600,000 tons in 1900, and its cotton mills, increasing as to their spindles from 6,400,000 to 9,300,000, consumed during the last season 2,215,000 bales, against 1,600,000 bales in 1900. Contributing immensely to the general advance, and at the same time consequent upon it, is the extension of railroads. The South is now rapidly increasing its railroad construction, and since 1900 has laid 8,386 miles, making its total mileage 60,980.

Agriculture, mining, lumbering and manufacturing based upon these elemental industries, railroad construction, internal trade and foreign commerce added last year to the true wealth of the South at the rate of $2,750,000 a day. It would be difficult to give a correct estimate of the gross income of the South from all these energies, but with agriculture yielding at least $1,800,000,000 and manufacturing and mining a larger sum, an estimate of $4,000,000,000 as the gross income for 1905 would not be an exaggeration.

That the steady increase of Southern earnings was reflected in an increase in assessed values of property of about $980,000,000 between 1900 and 1904 and of $400,000,000 in the past year shows that the South is spending its money in improving its condition in all directions. The earnings of 1905 will be likewise employed in betterment of farm homes within and without, in improving barns, in purchasing up-to-date machinery and implements, in making better fencing, in adding to stock, in enlarging manufacturing equipment, in constructing new schoolhouses, courthouses and other public buildings in city, town and country, in building good roads and up-to-date highways in the cities, in installing water-works and sewerage systems, in extending railroads and in wide diversity of other enterprises, aided materially by Southern financial institutions with better facilities than they ever enjoyed before. Manufacturers of many kinds and investors of mind, money or muscle in other parts of the country will surely profit if they avail themselves of these opportunities in the South and will participate in an emphasis of the truth that the development of the South means the enrichment of the nation.

THE INCREASE IN RAILWAY MILEAGE.

The growth of the South is probably in no way better illustrated than by statistics of the railroad business of that section. Taking the ton-mileage of the United States for a period of years, we have the following:

Years.	United States. Tons.	South Atlantic States. Tons.	Gulf and Mississippi Val. States. Tons.
1882	39,302,209,249	1,152,261,588	894,184,392
1890	79,192,985,125	3,921,778,157	3,618,298,877
1900	141,162,103,413	10,598,796.262	5,709,612,838
1904	173,613.762,130	13,964,627,573	7.626,175,159

Comparing the total for the South during these years with the rest of the United States, the figures are as follows:

Years.	Southern States. Tons.	United States, not including South. Tons.
1882	2,046,445,980	37,255,763,269
1890	7.540,077,034	71,652,908,091
1900	16.308.409.100	124,853,700,313
1904	21,590,802,732	152,022,959,398

In 1882 the South had less than one-eighteenth as much as the rest of the country, in 1890 a fraction over one-tenth, in 1900 a little less than one-eighth and in 1904 nearly one-seventh.

These figures show that while the total mile-tons of the railroads of the United States of 1904 was about four and a half times as great as in 1882, the mile-tons of the South in 1904 was more than ten times as great as in 1882.

BANKING PROFITS IN JAPAN.

According to a recent issue of "Consular and Trade Reports," the six principal banks of Tokyo and Osaka show fine profits for the last half of 1905. The capital of the Mitsui banks is $2,500,000, in addition to $3,200,000 reserves, and $130,000 surplus from previous account. Their six months' profits were at the rate of thirteen per cent. per annum. The Yasuda bank's capital, including reserves, is $1,630,000, on which they earned fourteen per cent. The Mitse Bishi bank has $1,572,000 capital and reserves, on which they cleared nineteen per cent. The Sumitomo bank cleared seventeen per cent. on $1,810,000 capital and reserves. The Konoike bank made ten per cent. on its $1,346,000. Finally, the Yamaguchi bank cleared eleven per cent. per annum on $759,000 capital, reserves, and surplus. But it is generally believed that the actual banking profits are far greater.

BANKING PROSPERITY IN WISCONSIN.

AN increase of over $12,000,000 in Wisconsin bank deposits during the year ending November 9, 1905, is the striking feature shown by the eleventh annual report of the Commissioner of Banking in that state, and is indicative of a continuance of the remarkable prosperity which Wisconsin has enjoyed for a period now covering a series of recent years. In exact figures, the increase of the year was $12,242,644.51, of which $8,357,984.51 represented state and mutual savings bank deposits, and $3,884,600 were deposits in the national banks operating in Wisconsin.

The report of the Commissioner, Marcus C. Bergh, is full of interest in other respects. The total number of state and savings banks reporting is 390, as against 372 at the corresponding date of 1904. Of this number, 388 are state banks and two are mutual savings banks. During the year there were organized twenty-three new state banks, and five state banks went out of existence—one by voluntary liquidation, two by entering the national system, and two by consolidation with other banks—making a net gain of eighteen. Seven trust companies, having their capital paid in full, were doing business in Wisconsin at the time of making up the commissioner's report, and a number of others were in process of organization.

By legislative enactment in 1905, trust, annuity, guaranty, safe-deposit and security companies were placed under the supervision of the State Banking Department. Several other amendments to the banking laws were made during the year, the principal changes being the requirement of a minimum capitalization of $10,000 for banks in small communities, in place of the $5,000 minimum previously required; limiting the size of loans to any one party, not to exceed fifty per cent. of the bank's capital and surplus; and requiring banks to pay fees of $25 for filing articles of incorporation and $10 for filing amendments to the same.

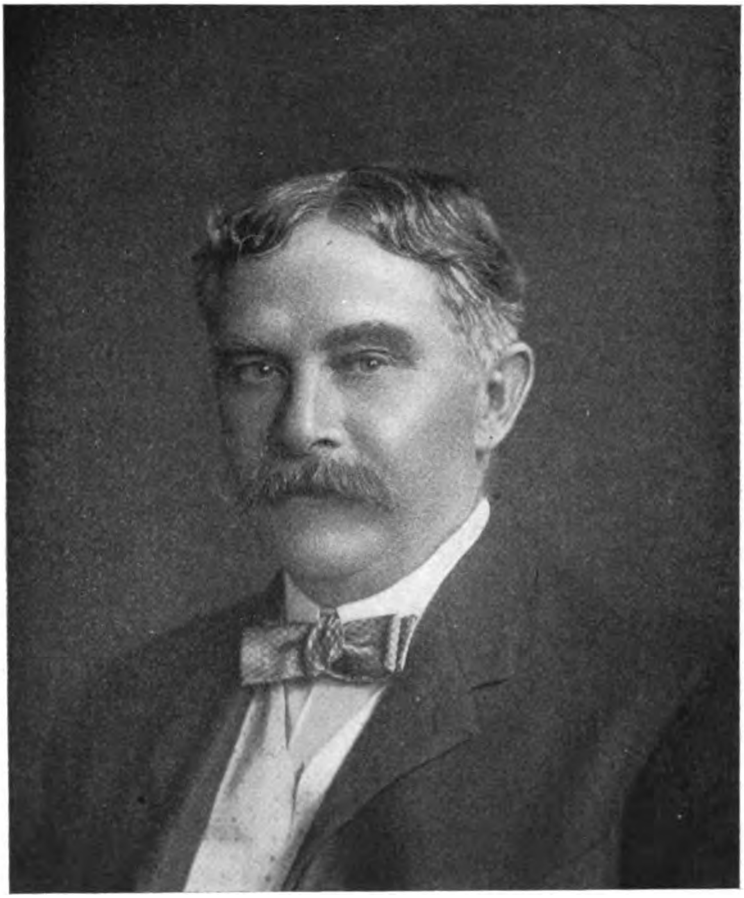
The report shows the condition of all banks in the state at the close of business November 9, 1905, and of trust companies at the close of business December 8, 1905, and contains in an appendix a summary of the banking laws of Wisconsin, altogether making a volume of over 500 pages.

PEOPLE'S TRUST COMPANY, BROOKLYN.

THE People's Trust Company, of Brooklyn, moved into its new building on Montague street on Monday, March 26. As shown by our illustrations, the new building provides unusually complete facilities for conducting the large and growing business of the company,

New Building of the People's Trust Company, Brooklyn, N. Y.

and it is as well a handsome addition to Brooklyn's financial district. The material used in the front is marble and granite, while the interior is finished in mahogany and Numidian marble, with appropriate grille work and other fixtures. The offices of the president and secretary are at the right and left respectively of the main entrance and are finely appointed. Adjoining the secretary's office is the banking department, in the rear of which is the safe deposit department with its great vault of thoroughly modern construction. Adjoining is a separate book and cash vault for the use of the company. On the right is the trust department with its attractive waiting-room equipped with telephone and other conveniences. In the mezzanine story in front are the bookkeepers'



EDWARD JOHNSON,
President People's Trust Company, Brooklyn, N. Y.

quarters and in the basement are the vaults for the storage of bulky articles and another banking room used exclusively for the cashing of checks for city employes, all of whom are paid by checks on the People's Trust Company.

All the newest forms of labor-saving devices have been adopted and no expense has been spared in making the new building a model of convenience, elegance and security.

The People's Trust Company was organized in 1889, William H. Murtha being the first president. He was succeeded in 1891 by Felix Campbell, who was followed in turn by Edward Johnson, the present president, in 1903. Mr. Johnson was the first secretary of the company, and was succeeded in that position by Charles A. Boody. Mr. Boody joined the company as bookkeeper at its organization and was made assistant secretary in 1891, which position he held until his promotion to the secretaryship in 1903. Mr. Johnson and Mr. Boody are the only members of the active staff who were with the company at the start.

MAIN BANKING-ROOM, PEOPLE'S TRUST COMPANY, BROOKLYN, N. Y.

The other officials are: J. G. Dettmer and Horace J. Morse, vice-presidents; Charles L. Schenck, Henry M. Heath, William A. Fischer and John T. Williams, assistant secretaries; George W. Wingate, counel. The trustees are: David A. Boody, Boody, McLellan & Co., bankers; Amory S. Carhart, retired; William M. Cole, retired; William C. Courtney, lawyer; J. G. Dettmer, retired; Charles M. Englis, John Englis & Son; William H. Good, lawyer; Edward M. Grout, lawyer;

William B. Hill, lawyer; Edward Johnson, president; Solomon W. Johnson, president American News Co.; James Jourdan, president Brooklyn Union Gas Co.; Adrian T. Kiernan, lawyer; W. Eugene Kimball, R. J. Kimball & Co., bankers; James McMahon, ex-president Emigrant Industrial Savings Bank; Horace J. Morse, A. M. Kidder & Co., bankers; Herbert L. Pratt, Charles Pratt & Co.; Clarence W. Seamans, president Union Typewriter Co.; Howard M. Smith, president Brevoort Savings Bank; Casimir Tag, President German-American Bank; George P. Tangeman, retired; J. N. Wallace, president Central Trust Co. of New York; William H. Zeigler, retired.

The capital of the company was originally $500,000 and the surplus $250,000, but the latest statement (January 1, 1906) shows capital of $1,000,000, surplus and profits, $1,709,236.96, and deposits, $16,660,962.80. The total assets were $19,436,106.26.

The People's Trust Company has three branches—Bedford avenue and Halsey street, Clinton and Myrtle avenues, and 47 Washington avenue. Regular dividends are now paid by the company at the rate of twelve per cent.

THE BOSTON CLEARING-HOUSE.

FIFTIETH ANNIVERSARY OF ITS ORGANIZATION.

THE Boston Clearing House was fifty years old March 29th, having opened for business on that day in 1856. The first meeting of the association was held September 26, 1855, when Franklin Haven of the Merchants Bank was elected president and William Thomas of the Webster Bank was made secretary. Later a clearing-house committee was elected as follows: Andrew F. Hall of the Tremont Bank; Waldo Flint, Eagle Bank; Thomas Lamb, New England Bank; A. D. Hodges, Washington Bank; B. E. Bates, Bank of Commerce.

Henry B. Graves was the first manager and twenty-nine banks were represented. The membership reached its highest limit of fifty-four banks in 1888. The exchanges for the first day were $2,780,000, with balances $384,000; and for the first year the exchanges were $1,415,923,239. In 1905 they were $7,655,225,997. The smallest exchanges were on May 27, 1862, $1,377,917; the largest exchanges were on May 11, 1904, $47,074,293.

These fifty years have been filled with interesting occurrences, some of which have been extracted from the records by Manager Charles A. Ruggles and are presented herewith:

May 19, 1866. The National City Bank settled without balance. They brought in $123,617.37, and carried out $123,617.37, this being the only case on record.

October 27, 1891. Continental National Bank gained 28 cents.

February 13, 1896. Faneuil Hall National Bank lost 27 cents.

July 1, 1905. National Shawmut Bank brought in $12,332,505.01. Largest gain, $4,088,134.09.

July 3, 1905. National Shawmut Bank brought in $8,772,799.24. Largest loss, $4,384,525.96.

February 1, 1898. An old-fashioned snowstorm. Everything blocked. Clearings made at 11.40 A. M.; settled at 12.50 P. M.; balances paid in at 1.15 P. M., and paid out at 2.40 P. M. Some cashiers settled, and others delivered packages. All the banks were represented.

During the suspension of specie payments in the year 1857, it was voted to accept bills of the banks in settlement of balances, not exceeding 5 per cent. of the capital of each bank—one day's interest to be charged on balances paid in such manner, to be paid by the manager to the credit banks. This continued until January, 1858, when specie was demanded, and such payments resumed.

Franklin Haven,
President Boston Clearing-House Association.

In 1859, Franklin Haven and William Thomas resigned from the offices of chairman and secretary, and were succeeded by Daniel Denny of the Hamilton Bank and Charles G. Nazro of the North Bank, respectively.

April 4, 1862. The Bank of Mutual Redemption withdrew from the association at the request of members—the said bank having tendered

United States Treasury notes in payment of its balance to the amount of $40,000, which was refused. Readmitted January 16, 1863, under the rules.

May 7, 1862. The Suffolk Bank withdrew. Was readmitted November 17 of the same year. In this case they declined to settle for "foreign money" through the clearing-house and proposed to pay in "demand notes," which the association had voted should not be received on deposit by any member.

CHAS. A. RUGGLES,
Manager Boston Clearing-House Association,

April 13, 1869. H. B. Groves succeeded Charles G. Nazro as secretary.

April, 1871. James H. Beal was elected chairman.

April, 1877. N. G. Snelling succeeded H. B. Groves (deceased) as manager and secretary.

April, 1888. James H. Beal resigned as chairman and was succeeded by George Ripley.

April 9, 1900. N. G. Snelling resigned as manager and was succeeded by Charles A. Ruggles.

April, 1902. George Ripley resigned and was succeeded by Franklin Haven.

April 24, 1893. At a special meeting of the Clearing-House Association the following resolution was passed:

The associated banks of Boston, relying upon the ability and the determination of the government to maintain gold payments, hereby tender to the Secretary of the Treasury one-half of the gold reserve held by them, in exchange for legal-tender notes, and the clearing-house committee is directed to carry out the terms of this resolution.

The result of this resolution was that about $4,000,000 was deposited with the Sub-Treasury.

June 26, 1893. At a special meeting the association appointed a committee of six gentlemen: George Ripley as chairman, and F. Haven, Jr., Phineas Pierce, John Carr, T. P. Beal and I. T. Burr, with full powers to issue loan certificates; the first issue was June 27 and the last issue was August 23. Certificates were issued to the amount of $11,695,000 and carried interest at the rate of 7 3-10 per cent. Money ranged from 7 3-10 per cent. to 8 per cent. from June 27 to September 20. Currency and New York funds were also scarce, the former commanding $5 to $40 per thousand, premium; gold, $7.50 to $10, and silver dollars, $7.50 per thousand. Also in 1891, $5,600,000 loan certificates were issued.

April 11, 1898. George Ripley, F. B. Sears and D. B. Hallett were elected as a committee to supervise the issuing of clearing-house gold certificates and to have charge of receiving the gold at the depository.

April 25, 1898. The first gold certificates were issued. At present there are about $3,000,000 outstanding. z

June 8, 1899. A department was opened for the collection of checks on the New England banks. The clearings for the first year were $344,091,965; the clearings for 1905 were $595,133,684.

March 1, 1904. The Assistant Treasurer of the United States was admitted as a member.

The year 1890. Fifty-four banks had a capital of $51,400,000, and deposits amounting to $127,459,900.

The year 1906. Twenty-two banks had a capital of $26,650,000, and deposits amounting to $218,265,000.

James H. Beal, chairman of the association for seventeen years, was president of the Second National Bank from 1857 to 1888, and was succeeded by his son, Thomas P. Beal.

Franklin Haven, first chairman of the association, was president of the Merchants National Bank from 1837 to 1884, and was succeeded by his son, Franklin Haven, who is the present chairman of the association.

T. G. Hiler has been connected with the Faneuil Hall National Bank since 1851, being their cashier for thirty years.

Benjamin Pratt Hollis, now conected with the First National Bank, entered the service of the Shoe and Leather Dealers Bank in August, 1857.

Jesse Osborne has been an employee of the National Shawmut Bank for more than fifty years.

The total transaction of the city and foreign departments since organization is $200,520,773,029.

In 1873 there were but two trust companies with a capital of $600,000, only one of them being a bank of deposit, and that had a deposit of $600,000.

There are at present nineteen trust companies, having a capital of $12,000,000, and deposits of $148,000,000.

The first printed statement, issued in 1860, showed there were forty members at that time, having a capital of $36,581,700, and deposits of $30,926,000.

The clearing-house has been located only on State street—No. 65 for twenty-five years; No. 66 for twenty years; and its present location, No. 84.

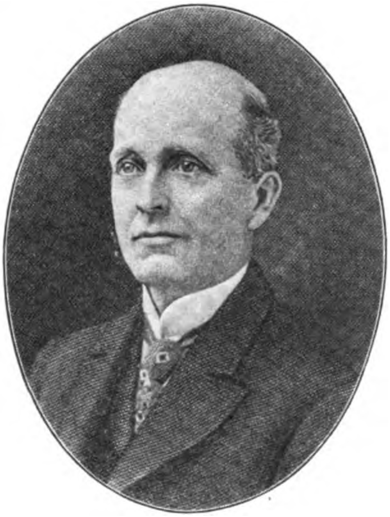
The present officers of the association are as follows: President, Franklin Haven; secretary, Arthur W. Newell; clearing-house committee, Alfred L. Ripley, Daniel G. Wing, James P. Stearns, Thomas P. Beal, Harold Murdock.

FIRST NATIONAL BANK, KANSAS CITY, MO.

NOVEL CELEBRATION OF ITS TWENTIETH ANNIVERSARY.

[*From the Kansas City Journal, March 2, 1906.*]

TWENTY years ago yesterday the First National Bank of this city opened for business in the old Junction building. At a meeting of the directors held yesterday it was deemed the appropriate thing to declare a twenty per cent. extra dividend in honor of the occasion. This dividend was declared so as to make the total dividends for the twenty years even 200 per cent. Over and above all this the bank has on hand 400 per cent. of undivided profits.



E. F SWINNEY,
President First National Bank, Kansas City, Mo.

Not alone did the stockholders share in this jubilee anniversary, for the fifty-two clerks and employes were not forgotten. Each man who had been with the bank over six months received a present of one per cent. of his yearly salary for each year he had been with the bank. For instance, if a clerk,, who receives $1,200 per annum, had been with the bank ten years, he received a check for $120. One man got nearly $500. This present was regarded by the directors as a reward for faithful service.

Only one man is with the bank now who was with it when it began business, and that man is the negro porter, Richard Allen. Perhaps of all the bank's employes this faithful servant was made the most happy on this twentieth anniversary. It was learned some time ago that Allen had purchased a home at Twenty-fourth and Highland avenue and was compelled to place upon it a mortgage of $800. President E. F. Swinney had some difficulty in locating the mortgage and more in getting it last November, as it was owned by an out-of-town person who did not wish to give it up until the notes were due. Mr. Swinney wrote a personal letter to the holder of the instrument telling of his purpose, and the mortgage was then forthcoming.

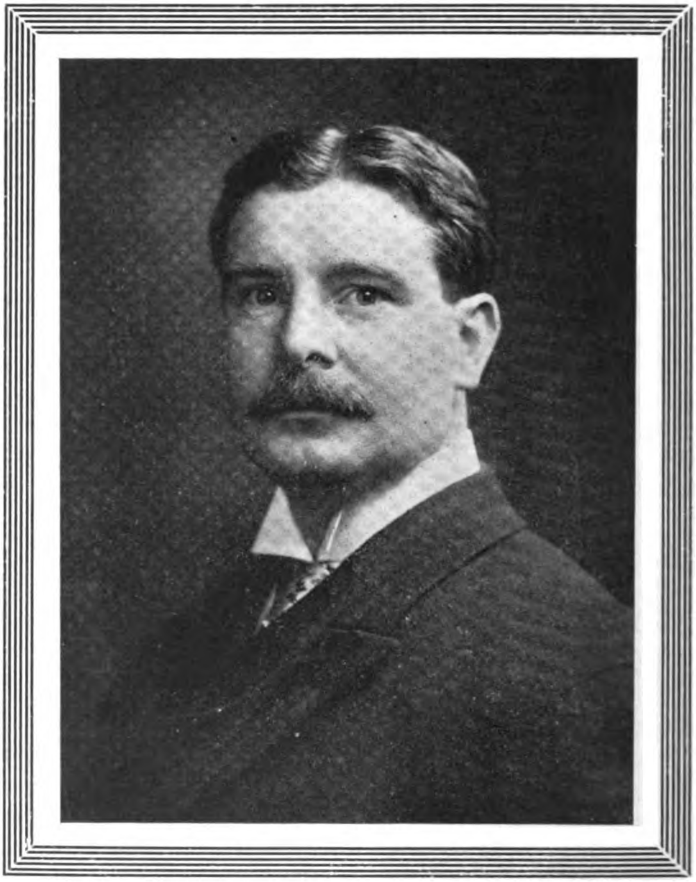
The men were not informed of their good fortune until after the bank had closed for the day, and then they were all gathered together and, with a nice presentation speech from President Swinney, the checks were given to them.

Yesterday was also President Swinney's nineteenth anniversary, as he entered the bank March 1, 1887, as cashier. Only two directors of the original ones now remain. They are John F. Richards and J. S. Loose.

HENRY DIMSE ELECTED PRESIDENT OF THE NORTHERN NATIONAL BANK OF NEW YORK.

HENRY DIMSE, for several years cashier of the Citizens' Central National Bank, has been elected president of the Northern National Bank, of New York, which has passed under the control of Mr. Dimse and the following well-known bankers and others: Edward P. Metcalf, president Old National Bank, Providence, Rhode Island; Beekman Hunt, vice-president Aetna Indemnity Company, Hartford, Conn.; William P. Youngs, treasurer Washington Savings Bank, New York; James T. Wood, vice-president Bank of Discount, New York; Anthony Stumpf, vice-president North Side Savings Bank, New York, and Joseph G. Robin, president of the Bank of Discount and the Washington Savings Bank.

Mr. Dimse, the new president of the Northern National Bank, has had wide experience in city banking. For ten years, dating from 1885, he was with the Sixth National Bank. He was then for three years chief clerk of the department of public works, which position he resigned to become assistant cashier of the Twelfth Ward Bank. Within six months he was elected vice-president. In 1901 he was chosen cashier of the National Citizens' Bank. This bank absorbed the Ninth National in 1902 and the Central National in 1904, the title after the last-named absorption being the Citizens' Central National Bank, of which Mr. Dimse was elected cashier. As a result of these consolidations and the energetic policy of the management, in which Mr. Dimse took a prominent part, the deposits of the Citizens' Central National Bank increased to about $25,000,000.



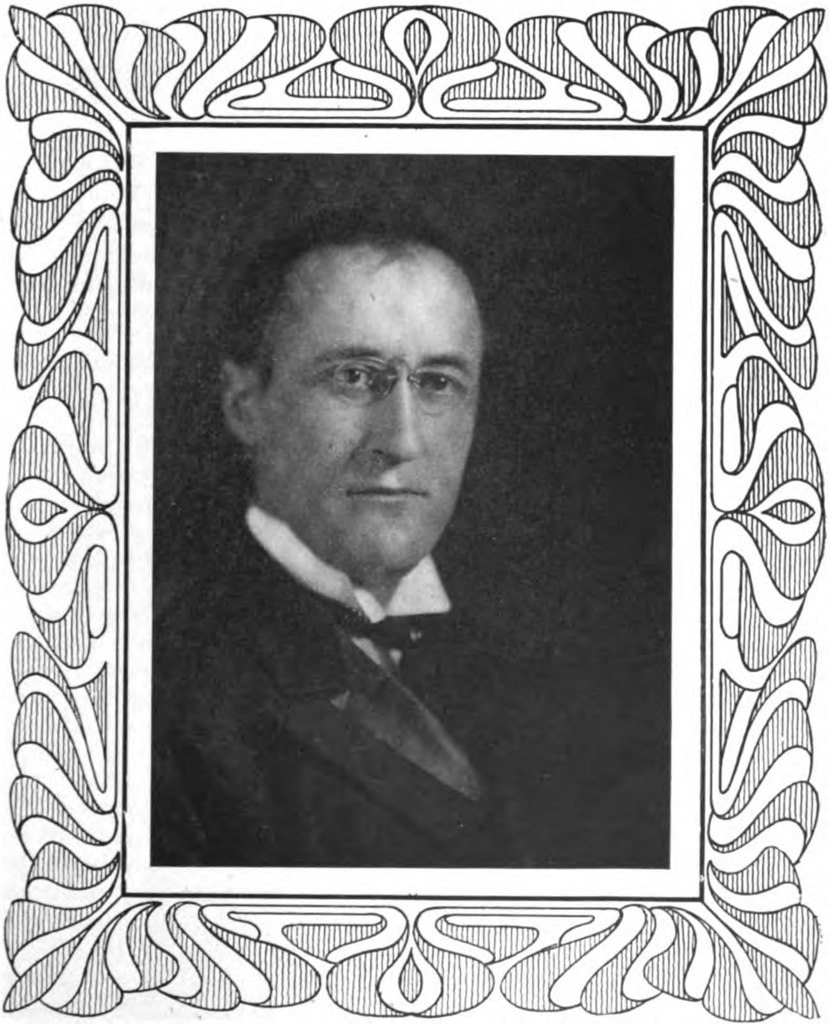
HENRY DIMSE,
President Northern National Bank, New York.

The Northern National Bank was organized in 1902, and has $300,000 capital, $225,000 surplus and profits, and deposits of over $1,000,000. It is the intention of the new management to improve the facilities of the bank, and to extend its business both locally and as a correspondent for out-of-town banks.

The new president of the Northern National is well fitted by experience and individuality to enhance the solid reputation and popularity of the bank.

NEW VICE-PRESIDENT OF THE U. S. MORTGAGE AND TRUST COMPANY, OF NEW YORK.

SAMUEL S. CAMPBELL was recently elected vice-president of the United States Mortgage and Trust Company, of New York, succeeding Clark Williams, resigned. Other changes made in the officers of the company at the same time were the election of John W. Platten, vice-president, as a director, and the election of S. B. Coit, heretofore manager of the company's municipal bond department, as assistant secretary of the company.



S. S. CAMPBELL,
Vice-President U. S. Mortgage and Trust Co.

Mr. Campbell was born at New Brunswick, N. J., about forty years ago. After being educated he took a clerkship in a railway office. In 1885 he entered the Fifth Avenue Bank as a messenger, and after serving in various capacities in that institution, which has become a recognized training-school for city bankers, he was in 1896 made assistant cashier of the Merchants' National Bank. In 1904, when the cashier resigned, on account of impaired health, Mr. Campbell was elected to that office, which he has since filled most capably.

The United States Mortgage and Trust Company is one of the city's important financial institutions, having $2,000,000 capital, $4,537,000 surplus and profits, and $24,817,000 deposits.

NEW CASHIER OF THE MERCHANTS' NATIONAL BANK, OF NEW YORK.

THE vacancy caused by the resignation of Samuel S. Campbell, cashier of the Merchants' National Bank, of New York, to become vice-president of the United States Mortgage and Trust Company, has been filled by the election of Zoheth S. Freeman. Mr. Freeman is of New England birth, but has been for a number of years

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ZOHETH S. FREEMAN.
Cashier Merchants' National Bank.

associated with the Hanover National Bank, of this city, having charge of the credit department of that bank for the last four years. As the Hanover National is one of the largest banks in the country, it is evident that the training Mr. Freeman has had thoroughly fits him for the responsible position to which he has been called.

This change in cashiers at the Merchants' National calls to mind the fact that this bank is past the century mark, having been founded as a state bank in 1803. In its long history the bank has had but eight presidents. It has an exceptionally strong board of directors, who are maintaining the sound traditions of this old-established institution. Credit is also due Mr. Campbell, the retiring cashier, for the admirable administrative system of the bank.

Deposits of the Merchants' National Bank are $20,000,000, the capital $2,000,000, and the surplus and profits $1,413,000.

UNIFORMITY IN CHECKS.

A MATTER of considerable importance, especially in saving the time, labor and patience of bank clerks, is thus referred to in a recent issue of "The Houston (Tex.) Chronicle:"

"It is hard to institute a reform when it is necessary to convince the people that a change will be an improvement, but when it is evident to everybody that the reform is for the general good, the reformer finds ready co-operation.

Now is the time for the American Bankers' Association to institute a reform that will be to the interest of every bank and business house in the country. That reform is to secure a uniformity in checks. Much time is lost each day because of the fact that the bank depositors and the banks print their blank checks according to taste and fancy and not with regard to the convenience of those who are required to handle them each day.

It is perfectly allowable to indulge taste and fancy as to ornamentation, but it causes much annoyance and waste of time to have the place for the amount in figures fixed at the discretion of the individual bank or depositor.

This may seem a little matter to the man who handles two or three checks a day, but it is a great matter to the bank or business house clerks who handle hundreds and thousands each day. These men lose much time by having to hunt for the amount in figures when making deposits or checking them up at the bank. On one check the amount will be at the upper right-hand corner, on another at the lower right-hand corner; on another at the upper left-hand corner, and on another at the lower left-hand corner. This is naturally confusing.

The place for the amount is the upper right-hand corner, and it would be a very easy matter for the American Bankers' Association to take up the reform and secure uniformity. As it would be a good thing both for bankers and business men, the two interests would naturally cooperate. It would mean greater quickness and greater accuracy in the handling of large batches of checks."

BANKING PUBLICITY

SAVINGS BANK PUBLICITY.

BY P. LEROY HARWOOD.

PUBLICITY is an overworked term in these times, and so much is printed concerning the subject of publicity in all things, from life insurance to city politics, that when the word is applied to so staid and conservative an institution as the New England Savings bank it seems somewhat out of place, for it carries with it a suggestion of something unpleasant which should be exposed. It redounds to the credit of the New England Savings bank, however, that it, of all institutions, is able to bear, and has borne for many years, the search-light of publicity. I would suggest, were I asked to do so, that in connection with Savings banks the term "information" be used to indicate what should be intended by the word "publicity."

There is certainly something to be gained by giving out more information concerning the benefits, advantages, and stability of Savings banks as conducted in the Eastern States. In fact, the true mission of these banks is to educate the wage-earner to be frugal and thrifty. To the mutual Savings bank is due in no small measure the commercial growth of New England. While the progress of these institutions since their inception less than one hundred years ago has been amazingly great, it should be borne in mind that it has but kept pace with the increase of population. It should be remembered that to-day the greatest increase in population comes from the arrival of foreign-born peoples, and the children of foreign-born citizens. These people in many cases come from countries where there are government or postal Savings banks, and find here a lack of certain banking privileges which they enjoyed at home.

I am far from being an advocate of postal Savings banks, but do advocate the dissemination of information concerning the Savings banks among those people who would not, in the natural course of events, become acquainted with these institutions. These people fall an easy prey to the "confidence game"—so-called—as operated by some unscrupulous persons representing themselves as private bankers, and by get rich-quick institutions. Place before these people the fact that a Savings bank, strong, reliable, under rigid supervision of the State, paying a larger rate of interest than could be paid by a government Savings bank, is ready for their business, and you will assist in the eradication of the "stocking banks"—so-called—in reducing the profits of fake investment companies, and dishonest persons claiming to be bankers (and who in many cases charge the victim interest for taking care of his money), and perform an important part in the development of good, thrifty, and law-abiding citizens from ignorant immigrants.

This information may be disseminated by means of circulars, and by advertising in the daily papers which reach these people. The mistake of putting out what is generally called a "bank advertisement," should be avoided. In other words, do not print and continue to print indefinitely the name of the bank and the list of directors, and feel that you have done anything which could be called the "spreading of information." If you are not able to prepare good advertising copy yourself, get the services of some good "ad" writer, who can in brief, simple form, state the facts which you wish to present for the education of the ignorant, and the intelligent as well, to the possibilities placed before them by the mutual Savings bank. Emphasize the benefits of saving, the stability of your institution, and the fact that you wish to be of benefit to each man, woman, and child in the town. Have this printed in the language of the man you wish to reach, as well as in English; distribute auxiliary savings banks in a carefully selected list of families where they will do some good. Hold out to the wage-earner the fact that he may become the owner of his own home through your assistance; if he will evidence his thrift and frugality through systematic saving of a part of his income and placing it in the Savings bank.

When he has accumulated a few hundred dollars, the Savings bank will assist him to build or buy a home. This feature is too often overlooked by banks which are now bewailing the low rate of income from bonds, while studiously overlooking the great possibilities that lie at their doors. These banks could assist in the building up of their towns, as well as the building up of their citizens, by advocating the matter of home building by wage-earners. Another method of assisting the wage-earner would be to keep open for an hour or two some evening in the week, permitting him to come to the bank in person, instead of sending his deposit by wife or child.

Savings banks, through our excellent postal facilities, especially the rural free delivery system, are fully qualified to supply the conditions which call for a postal Savings bank system. A little information calling attention to this would benefit the bank and the person living in an isolated community. In short, let us consider that the Savings bank is ordained to preach the sermon of "thrift" through channels of information and education.

SAVINGS BANK LITERATURE.

A BOOKLET FROM MICHIGAN.

An attractive booklet has recently been issued by the Ann Arbor Savings Bank of Ann Arbor, Mich., in which the first statement of the bank, in 1869, is reproduced in comparison with that of September, 1905, the former showing deposits of $41,000 and the latter about $2,000,000. An interesting retrospective address by Judge W. D. Harriman, vice-president of the bank, is also reproduced in full.

THE FIRST DOLLAR.

From a booklet issued by the Oneida Savings Bank, Oneida, N. Y., we take the following:

"There is a dollar at each end of a thousand, and the first one is the biggest."

The way to have a bank account is to start one. You will find it easy enough to keep it growing after you once begin.

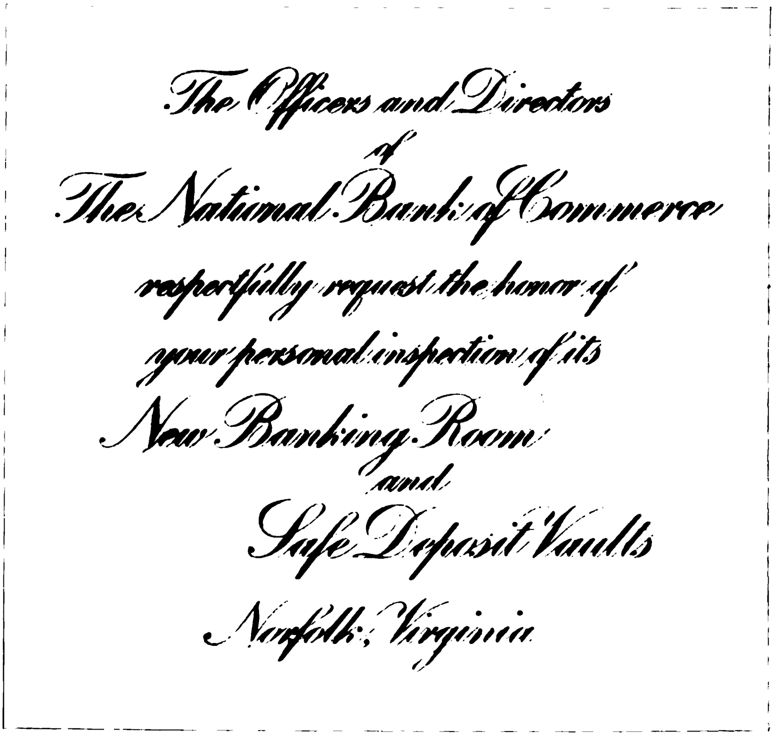
Bring or mail us one dollar. We will place the dollar to your credit, open an account for you and give you a pass book.

You can do it by mail.

Encourage your children to deposit their earnings. The habit will last when you are gone.

A VIRGINIA BANK OPENING.

The National Bank of Commerce of Norfolk, Va., which opened new banking rooms recently in its beautiful new building, sent out engraved invitations to its customers and friends, as reproduced herewith:



The Officers and Directors
of
The National Bank of Commerce
respectfully request the honor of
your personal inspection of its
New Banking Room
and
Safe Deposit Vaults
Norfolk, Virginia

ANOTHER OF THE CLEVELAND TRUST CO. PUBLICATIONS.

One of the latest of the uniformly excellent publications of the Cleveland Trust Co. is a handsomely printed booklet entitled, "In General," and reproducing well executed half-tone portraits of the entire official staff of the company, with a sketch of its career since organization in 1896, and its growth from deposits of $862,000 in 1896, to $24,500,000 in 1905. The booklet is a fine specimen of good printing and a very effective advertisement.

A RECORD OF PROGRESS.

Under the above title the Northwest Trust & Safe Deposit Co., of Seattle, issues an attractive booklet illustrating and describing its equipment. To quote from the booklet the company "was organized upon three main principles, first that there was room for a Trust Company in Seattle, second that it was wise to begin in a small way and incur no undue risks, and third, that the prime requisites for any business are the personal and undivided attention of experienced officers, employees of the best stamp, and prompt, courteous and efficient attention to every customer, however small his business."

GERMAN BANK IN GUATEMALA.

Consul-General Winslow sends the following from Guatemala City:

"German interests, consisting of the following: Deutsche Bank and Deutsche Ueberseeische Bank, of Berlin; Schweizer Creditanstalt, of Zurich, Switzerland, and Speyer & Co., of Frankfort, Germany, have organized the 'Banco Centro-Americano' in Europe, with the principal foreign branch in Guatemala City. It is proposed to conduct the bank strictly on a gold basis. It is capitalized at $2,500,000, with $625,000 paid in. Their correspondent in the United States is Speyer & Co., New York city. Their bankers in Guatemala are Schlubach & Co., and Nottebohn & Co.

"This will give the Germans another strong hold on the trade of this country, and I feel that Americans should make a move for the business of this country along the same line. There is room, I believe, for a strong American bank here. There is a chance here, too, to place good loans at much better rates than can be had in the United States. With a banking-house here to look after the business, such loans would be safe. We should have the trade of this country and can have most of it if we will go after it in earnest, and it is a profitable trade."

LETTERS TO THE EDITOR

COMMERCIAL PAPER AS AN INVESTMENT FOR SAVINGS BANK.

Chillicothe, Ohio, March 9, 1906.

Editor Bankers' Magazine:

Sir: The proposed new banking law for Ohio, introduced in our Legislature at the instance of the Ohio State Board of Commerce, as drawn, does not permit savings banks to loan on or invest in personal paper.

Now, I think this unwise and unjust, inasmuch as the important work being done by the savings banks of Ohio in encouraging habits of thrift and economy among the masses, and thus attracting millions of money from entirely new sources and putting it into channels of improvement, trade and commerce, not only deserves, but demands due recognition, encouragement and support from the State.

I note that personal paper—thirty, sixty, ninety day commercial paper—is held by all financial authorities to be the very best and safest kind of security for banks to invest in; and that it is regarded in France, Germany, England and other parts of Europe as second only to coin as a basis for currency circulation; and further, that the experience of our national and state banks confirms the judgment of the European legislators and financiers along these lines, for the reason that such paper has proven itself to be a much more liquid and readily convertible asset in time of need than real estate mortgages or stocks and bonds of corporations.

I, therefore, have come to look upon such personal paper as being a perfectly safe and legitimate investment for savings banks to hold, and especially a first-class security for the savings banks of Ohio, for the reason that they, as a rule, are located in agricultural districts, are to a large extent patronized by farmers, and are so situated that it is but just and right that their capital, surplus and deposits should be available for the upbuilding of the locality in which the money has been made and saved, whose inhabitants—farmers and men of comparatively small mercantile or manufacturing pursuits—have no stocks or bonds to put up as collateral and very many of whom do not have to mortgage their real estate to secure money from the national banks, state banks doing a commercial business, or private banks in the neighborhood.

It is, then, to me very apparent that if savings banks, clearly without reason, are unfairly deprived of participating equally with the other state banks of Ohio in the benefits of dealing in personal paper it will cripple their usefulness and prevent them from doing all the good they should be able to accomplish were they permitted to participate in the profits arising from dealing in personal paper and to thus accommodate and care for their patrons, and at the same time secure their depositors with the acknowledged safest asset known to the financial world.

Now, I especially desire to learn whether or not you consider my conclusion correct; and if you think I am not right in the belief that such personal paper is a perfectly safe and proper security for our Ohio savings banks to handle, kindly state why it is not, and very much oblige,

Yours truly, C. A. Malone,
Cashier The Savings Bank Company.

Answer.—Commercial paper ranks deservedly high in providing employment for banking funds; all things considered, there is perhaps no better kind of security. But inexperienced or incapable bank officers sometimes fail to use proper judgment in selecting such paper, and it is to remove, as far as possible, this element of human fallibility that many states have thought it wise to prescribe certain forms of investments only for savings banks.

It is right, as our correspondent suggests, that a bank's funds should be used in building up local enterprise, and this principle is generally recognized in prescribing savings bank investments. Naturally, where a savings bank does a commercial business also, it is to be expected that it will make loans on commercial paper.

It will be seen that the limitations on the investment of funds of the mutual savings banks in the Eastern States practically forbid the exercise of discretion in making investments in stocks and bonds and closely restrict individual judgment in investing funds in other ways. This is because these states deem it a wise policy to keep a paternal oversight of the mutual savings banks—a policy which results would seem to justify. In some parts of the country conditions are hardly favorable to purely mutual savings banks, and in such communities the mixed form of commercial and savings banks has been found useful. These banks have more freedom of management than the Eastern mutual savings banks, and consequently their success and safety are more dependent upon the character of their officers and directors.

We repeat, that commercial paper, *properly selected,* is a good form of security for savings bank loans.

MONEY, TRADE AND INVESTMENTS

NEW YORK, April 3, 1906.

THE MONEY MARKET has been the center of attention during the month just ended. The reserves of the banks have remained very near the twenty-five per cent. limit, the surplus reserve fluctuating between $5,000,000 and $6,000,000. That is only about one-half of one per cent. of the $1,000,000,000 deposits held by the banks, leaving a very narrow margin between a surplus and a possible deficit. Call money did not go above nine per cent., nor below three per cent., while four per cent. was the ruling rate much of the time.

At the beginning of the month the Secretary of the Treasury announced that as the Treasury Department in February had locked up about $10,000,000, represented by $4,500,000 surplus reserves and $5,000,000 deposits to retire bank circulation, he would deposit temporarily an equal amount in depositary banks in the principal centres: New York, Boston, Philadelphia, Baltimore, Chicago, St. Louis and New Orleans. The return of these deposits he announced would be required on or about July 10.

In March the surplus revenues were nearly $5,000,000 and the bank-note redemption was further increased $1,000,000, making a further absorption of $6,000,000 last month. The circulation statement issued by the Treasury Department shows that the net cash in the Treasury was reduced only $550,000 during the month, although the deposits in depositary banks were increased $11,000,000. The money in circulation shows an increase of $5,000,000. Nevertheless the reserves of the New York Clearing-House banks show a loss of $6,000,000.

If there is any scarcity of money, the fact is due to no contraction of the currency. The contrary is the fact, for there has been an extraordinary inflation. If it has failed to keep pace with the enormous increase in volume of business, it may well be questioned if any inflation will accomplish it. To what extent the increase in the money supply, averaging $100,000,000 a year for a number of years past, has stimulated the business transactions which call for more money, is a question which may yet press for solution.

For ten years, with an occasional interim, there has been a rapid development of the industrial, commercial and financial resources of the country. In the magnitude of the capital now representing enterprises of every class, is the evidence of a growth exceeding that of any period in the previous history of the country. Is there never to be a halt? Can there be no reaction? These are questions which are being asked daily. They involve the most vital consequences.

That prosperity is still prevailing cannot be denied. It is evident in the record of foreign trade movements, in the earnings reported by the railroads, in the income accounts of vast industrial enterprises, in the immense tide of immigration; in the mighty development of this city, the stupendous plans which involve its greater development, and the extraordinary increase in real estate values, rentals, etc., within its limits.

In everything and everywhere prosperity gives evidence of its existence, but does it give promise of its continuance? Are the great enterprises capitalized on the basis of earnings during good times to fulfill expectations when times are less favorable? Men of keen foresight are asking these questions, and with reason.

A disturbing feature of the present situation is the unrest and dissatisfaction evidenced among people who are of average intelligence and perhaps of average wealth. There is a widespread sentiment that men of reputation prominent in business and finance have lost sight of moral standards, that they have been unworthy of the confidence which was given them. The danger lies in an unreasoning effort to destroy all confidence and to overthrow all rights of property, to which legislation will be only too ready to lend its aid.

The threatened coal strike was one of the most important disturbing elements of the month. The anthracite miners were ordered to quit work on April 1, and another conflict between labor and capital, with the public as the innocent sufferer, similar to that of 1902, is in prospect. At the present time it is still uncertain whether the bituminous coal miners will also engage in a similar struggle.

As to the general situation, the reported earnings of the railroads, give most agreeable assurances. For the month of February the gross earnings on about 83,000 miles of road show a gain over those of a year ago of nearly $11,000,000, or nearly twenty-six per cent. In the first two months of the year the gain was $20,500,000, or 22½ per cent.

The gross and net earnings of 100 railroads in January make a still more favorable showing. The gross earnings increased $21,800,000, or twenty per cent., and the net earnings $11,600,000, or forty-three per cent. This extraordinary gain is in part due to the more favorable weather conditions prevailing in 1906, but behind it still are the greater activity and healthfulness of business, and the increased wealth of the country.

The preliminary report of the Interstate Commerce Commission on the income account of railways in the United States for the year ended June 30, 1905, shows that the gross earnings were $2,073,177,325, an average of $9,666 per mile of line. "This average," says the Commission, "is considerably larger than the like average for any other year for which a statistical report has been published by the Commission." The final report for the year ended June 30 showed gross earnings of $1,975,174,091, or $9,306 per mile. The net earnings for 1905 were $689,592,921, against $634,674,561 in 1904.

The railroads paid dividends amounting to $196,080,237, as against $184,313,472 in 1904, an increase of $11,766,765. The surplus earned after paying dividends was $90,234,763, while the final report for 1904 covering both operating and leased roads shows a surplus of $56,729,331.

The iron trade for more than a year past has shown an activity beyond that of any previous period. The production of pig iron not infrequently experiences wide fluctuations. For illustration on June 1, 1903, the weekly capacity of furnaces in blast was 388,178 tons, and on January 1, 1904, it had fallen to 185,636 tons. On March 1 following it was 308,751 tons, increasing to 368,244 tons on May 1. Then it fell to 246,092 tons on August 1, 1904, since which time it has advanced almost continually, until on February 1 it was 482,746 tons. On March 1, there was a slight reduction to 479,737 tons—not an important decline. Since September last the output of pig iron each month has exceeded 2,000,000 tons, but February being a short month the total was only 1,894,032 tons.

The complete returns of pig iron production in 1905 show that the total output for the year was 22,992,380 tons, of which 11,829,205 tons were in the last half of the year. This exceeds the entire year's product in 1898, the first year the total ever exceeded 10,000,000 tons. The following comparative table shows the output of pig iron in each six months and for each full year since 1894:

GROSS TONS.	*1st Half.*	*2d Half.*	*Year.*
1894	2,717,983	3,939.405	6,657,388
1895	4,087,558	5.358,750	9,446,308
1896	4,976,236	3,646.891	8,623,127
1897	4,403,476	5,249,204	9,652,680
1898	5,869,703	5,904,231	11,773,934
1899	6,289.167	7,331.536	13,620,703
1900	7,642,569	6,146.673	13,789,242
1901	7,674,613	8,203.741	15,878,354
1902	8,808,574	9,012,733	17,821,307
1903	9,707,367	8,301,885	18,009,252
1904	8,173.438	8,323,595	16,497,033
1905	11,163,175	11,829,205	22,992,380

An incident of the month which calls attention to the expansion which is taking place in our currency, was the making of a new record in the total stock of money in the country. On March 31 the amount reached $3,004,542,640. This includes the net amount in the Treasury, $328,000,000, the balance being in circulation. Never before did the supply of money equal $3,000,000,000, and ten years ago it was less than $2,000,000,000. Below is a comparative table showing the amount of money in the country, as estimated by the Treasury Department, on June 30, 1878, and 1880 and for each five-year period since 1880.

In making this comparison all certificates and Treasury notes issued against coin or bullion in the Treasury have been eliminated. Until recent years the Government reported in the stock of money these certificates and notes, resulting in a duplication of considerable magnitude. The United States notes, "greenbacks," are not stated separately in the table but are included in the total. These amount to $346,681,016 and have been unchanged in amount during the period covered in the comparison. The amount of gold coin and bullion, silver dollars and bullion fractional silver, national bank notes and total money supply, including "greenbacks," for each date mentioned is shown as follows:

JUNE 30.	*Gold Coin and Bullion.*	*Silver Dollars and Bullion.*	*Fractional Silver.*	*National Bank Notes.*	*Total Supply of Money.*†
1878........	$213,199,977	$15,814,971	$71,778,828	$322,919,810	$970,494,602
1880........	351,841,206	68,859,286	78,862,270	343,690,901	1,190,134,679
1885........	588,697,036	207,923,267	74,939,820	316,857,081	1,535,098,220
1890........	696,008,805	380,075,716	76,874,969	185,748,590	1,685,389,096
1895........	636,168,989	547,769,068	76,772,563	211,691,035	1,819,082,671
1900........	1,036,031,645	566,645,052	82,901,023	309,640,444	2,341,899,180
1901........	1,124,729,261	567,845,537	90,490,289	353,821,502	2,483,567,605
1902	1,188,573,584	569,967,093	96,856,985	356,672,091	2,558,770,769
1903........	1,252,731,990	578,459,156	101,606,809	413,670,650	2,688,149,621
1904........	1,326,722,701	573,061,544	106,164,848	449,235,095	2,801,865,204
1905........	1,360,273,787	568,204,217	114,200,403	495,719,806	2,885,079,229
1906*.......	1,418,202,210	568,228,865	116,763,582	554,666,967	3,004,542,640

*** March 31, 1906. † Includes $346,681,016 United States notes.**

At no previous time in the history of the country has the increase in the supply of money been as rapid as since 1895. In the two years 1878 to 1880 the increase was $220,000,000; in the five years to 1885 it was $345,000,000; in the five years to 1890, $150,000,000, and in the five years to 1895, $134,000,000. In seventeen years from 1878 to 1895 the total increase was $849,000,000. From 1895 to 1900 there was an increase of $523,000,000, and to 1905 a further increase of $543,000,000, while the increase in nine months since June 30, 1905, has been $119,000,000. In less than eleven years since 1895 the money supply has expanded $1,185,000,000, or $236,000,000 more than in the previous seventeen years.

Except for an unimportant increase in silver coin of denominations less than one dollar, practically all the increase since 1895 has been in gold and national bank notes. In that time we have added $782,000,000 to our stock of gold, while the national bank note circulation has been increased $343,000,000. Since June 30, 1904, the increase in bank notes has been slightly in excess of the increase in gold, being $105,000,000 for the former as against $91,500,000 for the latter. National bank circulation was at a very low ebb in 1890, nor had it begun to increase to any extent until 1896. But it was the act of Congress passed March 14, 1900, which stimulated the issue of these notes as well as the organization of new banks. That act provided for the creation of banks with a minimum capital of $25,000, the former limit being $50,000, and also permitted the issue of circulation equal to the par value of bonds deposited to secure circulation, instead of only ninety per cent., as provided in the old act, and also made a reduction in the tax on circulation based upon the new two per cent. bonds. In the six years that have elapsed since the passage of that act 2890 national banks have been organized, with an aggregate capital of $168,409,800. Of these 317 banks were conversions, 959 reorganizations, and 1,614 primary organizations. There were 1,881 banks organized with less than $50,000 capital each, and 1,009 banks with $50,000 or more. The following summary shows by classes, the number of national banks organized from March 14, 1900, to March 31, 1906:

The largest number of banks organized in any calendar year was 515 in 1903, but in the first three months of the present year there have been 127 banks chartered under the national law. At that rate the record of 1903 may be approximated this year.

CLASSIFICATION.	*Conversions.*		*Reorganizations.*		*Primary Organizations.*		*Total.*	
	No.	Capital.	No.	Capital.	No.	Capital.	No.	Capital.
Capital less than $50,000..	204	$5,419,000	604	$16,154,000	1,073	$27,489,000	1,881	$49,062,000
Capital $50,000 or more..	113	15,412,800	355	46,640,000	541	57,295,000	1,009	119,347,800
Total..............	317	20,831,800	959	62,794,000	1,614	84,784,000	2,890	168,409,800

An interesting table prepared by the Comptroller of the Currency shows the number of national banks in operation, their capital, circulation and Government bonds deposited to secure circulation, on March 14, 1900, and at various dates since. It is as follows:

	Mar. 14, 1900.	*June 30, 1904.*	*Oct. 31, 1904.*	*June 30, 1905.*	*Mar. 31, 1906.*
Number of banks...........	3,617	5,386	5,495	5,750	5,999
Authorized capital..........	$616,308,095	$776,904,335	$781,126,335	$801,830,315	$826,055,275
Bonds on deposit............	244,611,570	416,016,690	426,544,790	468,066,940	514,362,990
Circulation, on bonds.......	216,374,795	412,759,449	424,530,581	462,669,415	512,221,551
Circulation, lawful money.	38,027,935	36,475,646	32,750,919	33,050,392	42,445,416
Total circulation............	254,402,730	449,235,095	457,281,500	495,719,807	554,666,967

While there have been 2,890 banks organized since March 14, 1900, the number now in operation is only 2,382 more than on that date, 508 banks having gone out of existence in the meantime. The effect of the new law upon the circulation of the banks is apparent in this table. On March 14, 1900, while the banks had $244,611,570 of Government bonds on deposit, the circulation based on those bonds was only $216,374,795, or about eighty-eight per cent. On March 31, 1906, the banks had $512,221,551 notes outstanding based on $514,362,990 bonds, or 99½ per cent. The increase in the ratio of circulation to bonds permitted by the Act of 1900 is responsible for at least $56,000,000 increase in note issues without taking into account the increase which has occurred through banks taking out circulation as a result of the favorable provisions of the law.

THE MONEY MARKET.—The local money market was generally firm during the month and rates for call money touched nine per cent. on March 15 and eight per cent. on March 29. At the close of the month call money ruled at four to 7¾ per cent. with the majority of loans at

MONEY RATES IN NEW YORK CITY.

	Nov. 1.	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	4 –5½	4½–9	25 – 75	3¾–4	4¾–6¾	4 –7¾
Call loans, banks and trust companies..................................	4 —	5 —	25 –75	3¾—	3 —	4 —
Brokers' loans on collateral, 30 to 60 days................................	4¾ –	5½– ¾	6 — ½	4½—	5½–6	4¾–5
Brokers' loans on collateral, 90 days to 4 months..........................	4½– ¾	5¼– ½	6 —	4½– ¾	5½– ¾	4¾–5
Brokers' loans on collateral, 5 to 7 months................................	4½– ¾	5 —	5½—	4½– ¾	5¼– ½	4¾–5
Commercial paper, endorsed bills receivable, 60 to 90 days...........	4¾–5¼	5½– ¾	6 —	4½–5	5 – ½	5¼– ½
Commercial paper prime single names, 4 to 6 months...............	4¾–5¼	5½– ¾	6 —	4¾–5¼	5¼– ¾	5¼– ½
Commercial paper, good single names, 4 to 6 months...............	5½–6	6 —	6½– 7	5½–6	6 --	6 —

six per cent. Banks and trust companies loaned at four per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 4¾@5 per cent. for all periods from sixty days to six months, on good mixed collateral. For commercial paper the rates are 5¼@5½ per cent. for sixty to ninety days' endorsed bills receivable, 5¼@5½ per cent. for first-class four to six months' single names, and six per cent. for good paper having the same length of time to run.

New York Banks.—The deposits of the Clearing-House banks fell below $1,002,000,000 on March 10, a decrease of $59,000,000 since February 10. In two weeks following they increased to $1,013,000,000; but at the close of the month had fallen again to about $1,004,000,000, or $134,000,000 less than they were at this time last year. The changes in loans were similar to those in deposits, but not so extensive. The former were reduced $21,000,000 in the first week of the month, increased $10,000,000 in the next two weeks, and fell off about $4,000,000 in the

New York City Banks—Condition at Close of Each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Mar. 3...	$1,040,838,700	$182,672,800	$79,722,200	$1,029,545,000	$5,008,750	$50,907,000	$2,206,686,200
" 10...	1,019,579,500	178,668,000	78,278,700	1,001,932,000	6,463,700	51,438,700	1,840,536,800
" 17...	1,025,432,400	180,451,700	77,630,600	1,018,868,700	5,865,125	50,920,700	1,866,688,700
" 24...	1,029,333,600	182,424,500	77,207,100	1,018,071,300	6,363,775	51,359,700	1,681,933,700
" 31...	1,025,503,900	177,896,000	78,308,900	1,004,290,500	5,131,275	51,845,000	1,701,120,400

Non-Member Banks—New York Clearing-House.

Dates.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Mar. 3.....	$139,849,500	$151,227,200	$6,291,500	$7,432,900	$14,194,800	$5,771,700	*$4,115,900
" 10.....	141,474,800	151,228,200	6,264,000	7,464,500	12,628,500	5,464,000	*5,986,050
" 17.....	141,660,500	154,853,500	6,380,100	7,418,100	16,113,300	5,619,900	*3,181,975
" 24.....	141,364,200	150,733,300	6,639,700	7,036,800	12,602,800	5,730,700	*5,673,325
" 31.....	142,552,900	153,977,500	6,742,900	7,157,200	14,491,700	5,876,900	*4,225,675

* Deficit.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	*1904.*		*1905.*		*1906.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425	$977,651,300	$4,292,575
February......	1,023,943,800	25,129,050	1,189,828,600	26,979,550	1,061,403,100	11,127,625
March.........	1,027,920,400	32,150,200	1,179,824,900	14,646,975	1,029,545,000	5,008,750
April.........	1,069,369,400	27,755,050	1,138,661,300	8,664,575	1,004,290,500	5,131,275
May...........	1,114,367,800	33,144,250	1,146,528,600	16,665,250	....	....
June..........	1,098,953,500	29,692,325	1,136,477,700	6,050,275	....	....
July..........	1,152,988,800	36,105,300	1,166,038,900	11,658,875	....	....
August	1,204,965,600	55,989,600	1,190,744,900	15,305,975	....	....
September....	1,207,302,800	57,375,400	1,166,587,200	5,498,785	....	....
October.......	1,212,977,100	19,913 425	1,080,465,100	7,440,025	....	....
November....	1,204,434,200	16,793,650	1,042,092,300	12,430,925	....	....
December ...	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146,163,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 3, 1894.

last week. The loans now amount to $1,025,500,000 and exceed the deposits $21,000,000. On January 20 last the loans were approximately the same as at the present time. The deposits then exceeded the loans by about $4,000,000. Compared with a year ago there is a decrease in loans of $74,000,000, or $60,000,000 less than the decrease in deposits. Reserves were reduced $6,000,000 during the month, but the surplus reserve is slightly larger than at the close of February.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Mar. 3........	$180,118,000	$206,191,000	$15,446,000	$5,216,000	$7,803,000	$162,867,900
" 10........	177,694,000	200,833,000	16,182,000	4,999,000	7,845,000	148,065,400
" 17........	179,383,000	206,122,000	17,275,000	4,384,000	7,359,000	158,277,400
" 24........	182,474,000	205,265,000	16,461,000	4,230,000	7,364,000	144,160,200
" 31........	181,249,000	201,189,000	16,377,000	4,210,000	7,400,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Mar. 3....................	$218,006,000	$248,797,000	$56,802,000	$14,319,000	$171,105,100
" 10....................	217,268,000	240,531,000	52,649,000	14,274,000	139,189,800
" 17....................	215,423,000	241,718,000	54,156,000	14,244,000	141,345,800
" 24....................	213,093,000	240,550,000	55,210,000	14,229,000	138,547,700
" 31....................	211,713,000	237,111,000	53,994,000	14,091,000	143,503,806

FOREIGN BANKS.—Gold in the Bank of England increased $6,000,000 in March, in the Bank of France $9,000,000, and in the Bank of Germany $12,000,000. Russia lost $10,000,000. All have less gold than they had a year ago except France, which has gained $30,000,000 while Russia has lost $40,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	Feb. 1, 1906.		*Mar. 1, 1906.*		*April 1, 1906.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England............	£32,761,750	....	£37,263,884	....	£38,450,218	....
France............	113,930,824	£42,187,650	115,002,957	£42,148,531	116,906,386	£42,085,282
Germany..........	35,784,000	11,928,000	36,362,000	12,120,000	38,792,000	12,931,000
Russia............	106,610,000	3,629,000	94,605,000	3,890,000	92,635,000	4,762,000
Austria-Hungary..	45,466,000	12,434,000	45,853,000	12,685,000	46,089,000	12,859,000
Spain............	15,046,000	23,218,000	15,067,000	23,448,000	15,078,000	23,849,000
Italy............	28,259,000	3,671,800	28,260,000	3,756,800	28,297,000	3,855,600
Netherlands.......	6,606,500	6,121,100	6,388,300	6,100,200	6,054,000	6,045,600
Nat. Belgium......	3,405,333	1,702,667	3,540,000	1,770,000	3,422,000	1,711,000
Totals..........	£384,869,387	£104,892,217	£382,342,141	£105,918,531	£385,723,654	£108,048,482

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Mar. 3...........	4.8260 @ 4.8270	4.8570 @ 4.8575	4.8635 @ 4.8645	4.82⅛ @ 4.82¼	4.81⅝ @ 4.82⅝
" 10...........	4.8200 @ 4.8225	4.8515 @ 4.8525	4.8575 @ 4.8585	4.81⅝ @ 4.81¾	4.81¼ @ 4.82
" 17...........	4.8260 @ 4.8275	4.8570 @ 4.8575	4.8615 @ 4.8625	4.82⅛ @ 4.82¼	4.81⅝ @ 4.82⅝
" 24...........	4.8255 @ 4.8265	4.8550 @ 4.8560	4.8590 @ 4.8600	4.82⅛ @ 4.82¼	4.81½ @ 4.82½
" 31...........	4.8250 @ 4.8260	4.8525 @ 4.8530	4.8580 @ 4.8590	4.82⅛ @ 4.82¼	4.81⅝ @ 4.82¼

Foreign Exchange.—Rates for sterling exchange were lower and the market was generally quiet during the month. The firmness of the local money market and the easy tone of the London market, with a moderate demand for remittances were the controlling influences.

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Dec. 1.	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*
Sterling Bankers—60 days	4.82½— ¾	4.81¾— 2	4.84 —	4.82⅝— ¾	4.82½— ⅝
" " Sight	4.85⅞— 6	4.85⅛— ¼	4.87¼— ⅜	4.86 — ⅛	4.85¼-- ⅜
" " Cables	4.86⅜— ½	4.86½— ¾	4.87⅞—88	4.86⅝— ¾	4.85¾— ⅞
" Commercial long	4.82¼— ⅜	4.81⅜— ½	4.83⅝— ¾	4.82⅜— ½	4.82⅛— ¼
" Docu'tary for paym't.	4.81¾— 3¾	4.80¾— 1⅞	4.83¼— 4⅛	4.82 — ⅞	4.81⅝— 2¼
Paris—Cable transfers	5.16¼—	5.15 —14⅜	5.15 —14⅝	5.16¼—	5.16⅞—
" Bankers' 60 days	5.20 —19⅜	5.19⅜—18¾	5.17½—	5.18¾—	5.19⅜—
" Bankers' sight	5.16⅞—	5.17½—16⅞	5.15⅝—	5.16⅞—	5.17½—
Swiss—Bankers' sight	5.17½— ¼	5.18⅛—17½	5.16⅞—	5.18⅛—	5.18⅛—
Berlin—Bankers' 60 days	94 7/16— ½	94⅜— 7/16	94⅝— 11/16	94⅝—	94¼— 5/16
" Bankers' sight	95⅛— 3/16	95 — 1/16	95⅛—	94 13/16— ⅞	94 13/16—
Belgium—Bankers' sight	5.18¾—	5.18⅜— ½	5.16¼—	5.18⅛—	5.18¾—
Amsterdam—Bankers' sight	40 1/16—	40⅛—	40 3/16— ¼	40 — 1/16	40 1/32— 1/16
Kronors—Bankers' sight	26.77—.79	26¾— ⅞	26 11/16— 13/16	26 11/16— 13/16	26¾— ⅞
Italian lire—sight	5.16¼— 5⅝	5.16¼—	5.16¼—15⅝	5.16⅞— ¼	5.16⅞—

Money Rates Abroad.—There was no change in the posted rates of discount of the leading foreign banks. Compared with a month ago market rates are slightly lower in London and higher in Paris and Berlin. Discounts of sixty to ninety-day bills in London at the close of the month were 3⅛@3¼ per cent., against 5⅝ per cent. a month ago. The open market rate at Paris was 3 per cent., against 2¾ per cent. a month ago, and at Berlin and Frankfort 3@4 per cent., against 3⅝@3¾ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Dec. 30, 1905.	*Jan. 31, 1906.*	*Feb. 28, 1906.*	*Mar. 31, 1906.*
Circulation (exc. b'k post bills)	£29,351,000	£28,473,000	£28,266,000	£28,498,000
Public deposits	7,816,000	8,019,500	18,097,000	19,259,000
Other deposits	44,221,000	45,341,500	45,449,000	43,620,000
Government securities	12,799,000	13,940,000	16,389,000	16,115,000
Other securities	39,536,000	34,876,500	38,032,000	36,754,000
Reserve of notes and coin	17,632,000	22,738,000	27,477,000	28,402,000
Coin and bullion	28,530,251	32,761,730	37,263,884	38,450,118
Reserve to liabilities	33.81%	42.52%	43.13%	45.12%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2½ per cents.)	89⅝	90¼	90⅝	90⅛
Price of silver per ounce	30d.	30⅛d.	30⅝d.	29 15/16d.

Silver.—Early in the month the price of silver in London declined very rapidly, touching 29d. on March 10. From this point it advanced to 30¼d. on March 26, finally closing at 29 15-16d., a net decline of 11-16d. for the month.

MONTHLY RANGE OF SILVER IN LONDON—1904, 1905, 1906.

MONTH.	*1904.*		*1905.*		*1906.*		MONTH.	*1904.*		*1905.*		*1906.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 5/16	25½	28⅜	27 9/16	30¼	29 11/16	July......	27	26⅜	27 5/16	26⅞	....	....
February	27½	25⅝	28 5/16	27⅝	30 13/16	30⅛	August ..	27	26 3/16	28¾	27⅛	....	....
March....	26 11/16	25½	27 11/16	25 13/16	30 7/16	29	Septemb'r	26⅞	26	28¾	28	....	....
April.....	25½	24 7/16	26⅝	25 7/16	....	....	October..	26 15/16	26½	28 15/16	28⅜	....	....
May......	25 15/16	25⅛	27 5/16	26⅛	....	....	Novemb'r	27 5/16	26¾	30 5/16	28 15/16	....	....
June.	26⅛	25 5/16	27⅛	26¾	....	....	Decemb'r	28 9/16	27 5/16	30 5/16	29⅜	...	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.86	$4.89	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.86	4.89	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.73	4.75	Mexican dollars	.50	.52
Twenty-five pesetas	4.78	4.82	Peruvian soles	.46	.48
Spanish doubloons	15.55	15.65	Chilian pesos	.46	.48

Bar silver in London on the first of this month was quoted at 29$\frac{15}{16}$d. per ounce. New York market for large commercial silver bars, 64⅞ @ 66⅛c. Fine silver (Government assay), 65 @ 67c. The official price was 64¾c.

NATIONAL BANK CIRCULATION.—There was an increase of $3,863,072 in national bank circulation in March, making an increase of $78,718,022 in the last twelve months. The amount of bonds deposited to receive bank circulation was increased $2,500,000, nearly $1,800,000 being in the four per cents. of 1907 and about $600,000 in the two per cents. The securities deposited on account of public deposits were increased nearly $13,000,000 and now amount to $77,626,400, of which $43,000,000 are two per cents.

NATIONAL BANK CIRCULATION.

	Dec. 31, 1905.	*Jan. 31, 1906.*	*Feb. 28, 1906.*	*Mar. 31, 1906.*
Total amount outstanding	$540,914,347	$543,230,080	$550.803,895	$554,666,967
Circulation based on U. S. bonds	504,842,313	506.365,749	507,173,566	512.221.551
Circulation secured by lawful money	36,072,034	36,864,331	41,630,329	
U. S. bonds to secure circulation:				42,445,416
Funded loan of 1907, 4 per cent	3,863,000	5,699,600	6,725,700	8,479,200
Four per cents. of 1925	3,731,000	3,743,500	4,058,500	3,989,500
Three per cents. of 1908-1918	1,803,840	1,878,140	1,958,240	2,219,540
Two per cents. of 1930	497,292,150	498,580,450	499,104,000	499,674,750
Total	$506.689,990	$509,901,090	$511,846,440	$514,362,990

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $4,057,700; 4 per cents. of 1925, $5,968,800; 3 per cents. of 1908-1918, $3,-330,930; 2 per cents. of 1930, $43,061,000; District of Columbia 3.65's, 1924, $1,078,000; Hawaiian Islands bonds, $1,412,000; Philippine loan, $7,418,000; State, city and other bonds, $10,790,000; District of Columbia account, $510,000; a total of $77,626,400.

GOVERNMENT REVENUES AND DISBURSEMENTS.—The receipts of the Government in March were in excess of the disbursements by $4,861,500, which gives a surplus of $5,962,804 for the nine months of the fiscal year. In March last year the surplus revenues were less than $1,000,000, while for the fiscal year there was a deficit of $24,000,000. The revenues for the nine months this year were $34,000,000 more than in the same period of last year. Customs show an increase of $28,000,000 and internal revenues of $12,000,000. Expenditures increased $4,000,000, decreases in other items being offset by an increase of $15,000,000 in public works disbursements.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*March, 1906.*	*Since July 1, 1905.*
Customs	$27,147,556	$227,738,674
Internal revenue	20,477,690	187,049,486
Miscellaneous	3,005,923	31,686,582
Total	$50,631,169	$446,474,742
Excess receipts	4,861,500	5,962,804

EXPENDITURES.

Source.	*March, 1906.*	*Since July 1, 1905.*
Civil and mis	$9,052,476	$94,041,787
War	7,940,695	74,060,134
Navy	10,665,026	87,706,698
Indians	1,009,583	9,824,191
Pensions	11,641,054	107,408,063
Public works	5,291,845	49,027,223
Interest	168,990	18,448,822
Total	$45,769,669	$440,511,938

United States Public Debt.—An increase of $7,000,000 in the cash balance in the Treasury less an increase of $1,000,000 in the national bank-note redemption account, makes a decrease in the net debt of $6,000,000 for the month of March. The total cash assets in the Treasury are still piling up, the increase last month being $15,000,000, about $5,000,000 of which is represented by increased gold and silver certificates issued. There is now $1,434,000,000 of cash and other assets held by the Government, of which $76,000,000 is in national bank depositaries.

United States Public Debt.

	Jan. 1, 1906.	*Feb. 1, 1906.*	*Mar. 1, 1906.*	*April 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent.......	$595,942,350	$595,942,350	$595,942,350	$595,942,350
Funded loan of 1907, 4 "	116,754,900	116,755,050	116,755,050	116,755,050
Refunding certificates, 4 per cent......	26,530	26,420	26,410	26,410
Loan of 1925, 4 per cent..................	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent........	63,945,460	63,945,460	63,945,460	63,945,460
Total interest-bearing debt...........	$895,159,140	$895,159,180	$895,159,170	$895,159,170
Debt on which interest has ceased... ...	1,199,635	1,170,825	1,156,705	1,139,425
Debt bearing no interest:				
Legal tender and old demand notes.....	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct..	34,690,309	35,478,666	40,322,758	41,583,908
Fractional currency.....................	6,866,709	6,866,709	6,866,709	6,865,959
Total non-interest bearing debt......	$388,291,316	$389,079,673	$393,923,766	$395,184,165
Total interest and non-interest debt.	1,284,650,091	1,285,409,678	1,290,239,641	1,291,482,760
Certificates and notes offset by cash in the Treasury:				
Gold certificates.........................	527,493,869	539,252,869	542,360,869	544,746,869
Silver "	475,574,000	467,926,000	467,164,000	469,729,000
Treasury notes of 1890	8,330,000	8,086,000	7,969,000	7,794,000
Total certificates and notes...........	$1,011,397,869	$1,015,264,869	$1,017,493,869	$1,022,269,869
Aggregate debt	2,296,047,960	2,300,674,547	2,307,733,510	2,313,752,629
Cash in the Treasury:				
Total cash assets	1,404,444,236	1,404,710,877	1,418,958,612	1,434,138,945
Demand liabilities.........................	1,114,663,863	1,110,825,795	1,116,240,526	1,124,279,623
Balance	$289,780,373	$293,885,082	$302,718,086	$309,859,322
Gold reserve..............................	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance.........................	139,780,373	143,885,082	152,718,086	159,859,322
Total	$289,780,373	$293,885,082	$302,718,086	$309,859,322
Total debt, less cash in the Treasury.....	994,869,718	991,524,569	987,521,555	981,623,488

Foreign Trade of the United States.—The exports of merchandise in February reached nearly $142,000,000, or $35,000,000 more than in the same month last year. Imports amounted to $104,000,000, or $1, 100,000 more than in 1905. The excess of exports over imports was $37,500,000, the largest since 1903. While the net exports of merchandise and silver together exceeded $40,000,000, there was $5,600,000 net gold exported. The trade movements for the fiscal year show larger aggregates than for any previous year. For the eight months ended February 28 the exports of merchandise were valued at $1,198,000,000, an increase over the previous year of $190,000,000. The imports make a total valuation of nearly $800,000,000, an increase of about $71,000,000. The balances of net exports is $398,000,000, an increase of $119,000,000, and the largest total since 1901.

Exports and Imports of the United States.

Month of February.	Merchandise.			Gold Balance.		Silver Balance.	
	Exports.	*Imports.*	*Balance.*				
1901	$112,957,014	64,501,699	Exp., $48,455,315	Imp.,	$1,442,462	Exp.,	$2,389,760
1902	101,569,695	68,350,459	" 33,219,236	Exp.,	6,968,513	"	1,920,942
1903	125,586,024	82,622,246	" 42,963,778	Imp.,	311,086	"	2,179,507
1904	118,800,282	89,022,500	" 29,777,782	"	4,301,758	"	1,833,902
1905	106,870,782	103,084,413	" 3,786,369	Exp.,	12,601,393	"	1,974,717
1906	141,719,650	104,201,884	" 37,517,766	"	5,602,392	"	2,783,753
Eight Months.							
1901	1,015,194,984	523,539,840	Exp., 491,655,144	Imp.,	23,916,195	Exp.,	18,590,604
1902	974,238,113	594,467,457	" 379,770,656	"	3,004,796	"	15,530,111
1903	982,068,063	680,771,760	" 301,296,303	"	17,487,605	"	16,825,555
1904	1,047,946,626	654,362,184	" 393,584,442	"	50,216,748	"	13,323,213
1905	1,008,060,808	728,998,926	" 279,061,882	Exp.,	43,256,796	"	15,873,364
1906	1,198,346,309	799,926,525	" 398,419,784	Imp.,	17,982,727	"	17,279,834

Money in Circulation in the United States.—The money in circulation increased $5,000,000 in March, $2,000,000 of the increase being in fractional silver and $2,000,000 in silver dollars. About $4,000,000 increase in national bank notes and smaller increases in legal-tender notes and silver certificates were offset by a decrease of nearly $7,000,000 in gold coin and certificates.

Money in Circulation in the United States.

	Jan. 1, 1906.	*Feb. 1, 1906.*	*Mar. 1, 1906.*	*Apl. 1, 1906.*
Gold coin	$654,168,025	$654,793,697	$648,856,052	$643,998,307
Silver dollars	83,736,227	80,417,545	79,863,766	81,711,486
Subsidiary silver	110,029,365	107,589,534	107,381,453	109,489,339
Gold certificates	480,939,019	508,569,639	491,733,819	489,830,619
Silver certificates	463,960,485	459,019,134	462,752,963	465,110,695
Treasury notes, Act July 14, 1890	8,274,884	8,057,279	7,912,455	7,768,095
United States notes	343,262,091	337,693,281	336,086,877	337,524,081
National bank notes	527,173,475	524,489,823	537,215,618	541,077,216
Total	$2,671,543,571	$2,680,629,932	$2,671,302,503	$2,676,504,788
Population of United States	83,960,000	84,077,000	84,194,000	84,311,000
Circulation per capita	$31.82	$31.88	$31.73	$31.75

Money in the United States Treasury.—The Treasury gained in net gold $3,600,000, but reduced its holdings of other forms of money, the net amount of all shows a decrease of about $500,000.

Money in the United States Treasury.

	Jan. 1, 1906.	*Feb. 1, 1906.*	*Mar. 1, 1906.*	*Apl. 1, 1906.*
Gold coin and bullion	$765,775,099	$768,426,516	$768,151,387	$774,208,908
Silver dollars	484,492,638	487,811,820	488,865,099	486,517,429
Subsidiary silver	6,961,490	9,521,847	9,787,503	7,274,243
United States notes	3,418,925	8,987,735	10,594,189	9,156,985
National bank notes	13,740,872	18,740,257	13,588,277	13,589,751
Total	$1,274,389,024	$1,293,487,675	$1,290,986,405	$1,290,747,261
Certificates and Treasury notes, 1890, outstanding	953,174,388	975,646,052	962,398,737	962,709,409
Net cash in Treasury	$321,214,636	$317,841,623	$328,587,668	$328,037,852

Supply of Money in the United States.—The stock of money in the country for the first time reached $3,000,000,000 last month, and on March 31 was $3,004,542,640. The increase for the month was $4,600,000, the gain in gold being $1,200,000 while the remainder of the increase was in national bank notes.

Supply of Money in the United States.

	Jan. 1, 1906.	*Feb. 1, 1906.*	*Mar. 1, 1906.*	*Apl. 1, 1906.*
Gold coin and bullion	$1,419,943,124	$1,423,220,218	$1,417,007,439	$1,418,202,210
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	116,990,855	117,111,381	117,168,956	116,763,582
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	540,914,347	543,230,080	550,803,895	554,666,967
Total	$2,992,758,207	$2,998,471,555	$2,999,890,171	$3,004,542,640

CHARGES ON OUT-OF-TOWN CHECKS.

IT is a poor rule that does not work both ways. This seems to be the motto of the banks of Duluth, Minn., which have decided to charge a fee for paying checks drawn on banks doing business in the East. There does not seem to be any good reason why the banks of Duluth, Oshkosh and Kalamazoo should not charge for "out-of-town" checks just as do the banks of New York, St. Louis and Chicago. By extending this plan of retaliation, the various charges imposed will finally offset one another, and the banks will get back to their original situation.

As the charges seem designed to restrict the use of checks, by a gradual extension of the principle country checks, and ultimately all others, could be stamped out altogether!

Perhaps this is not exactly what is aimed at, but it would seem to be the true policy of the banks to seek to extend the use of checks as much as possible rather than to try to limit their use.

In fixing a charge on country checks, the banks of St. Louis, New York and Chicago no doubt acted under strong provocation; but it is believed, nevertheless, that they have not finally settled this problem. By imitating the action of her ambitious commercial rivals Duluth has shown that she is still entitled to the distinction of being called the Zenith City of the Unsalted Seas.

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of March and the highest and lowest during the year 1906, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.				MARCH, 1906.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe	93⅜	77⅝	96⅞—Jan.	18	88⅝—Mar.	1	95	88⅝	94⅝
• preferred	105⅝	99	106 —Jan.	8	102 —Mar.	20	104¼	102	103½
Baltimore & Ohio	117	100⅛	117 —Jan.	27	108¾—Mar.	5	112⅛	108¾	111⅞
Baltimore & Ohio, pref	100	95¾	99½—Jan.	5	96 —Mar.	6	97⅛	96	97
Brooklyn Rapid Transit	91⅝	56⅞	94⅛—Jan.	26	78½—Feb.	17	88⅛	78⅝	88⅜
Canadian Pacific	177⅛	130¾	177¾—Jan.	19	167¾—Mar.	5	172¾	167¾	172½
Canada Southern	74⅞	67	70⅞—Jan.	8	67⅛—Mar.	5	69¼	67⅛	67⅝
Central of New Jersey	235	190	231½—Jan.	22	212 —Feb.	19	219	213	217½
Ches. & Ohio	60⅛	45½	62¼—Jan.	23	54¾—Mar.	5	59⅝	54¾	59
Chicago & Alton	44½	30	36¼—Jan.	15	30 —Jan	4	31½	31½	31½
• preferred	83¾	73	80⅝ Jan.	12	74½—Jan.	10	78¾	78¼	78¼
Chicago, Great Western	25⅛	17½	23⅝—Jan.	20	20½—Feb.	20	21⅜	20½	20¾
Chic., Milwaukee & St. Paul	187½	168⅛	193 —Jan.	22	172½—Mar.	21	179⅞	172½	177⅞
• preferred	192½	182¼	196 —Jan.	22	182½—Mar.	21	185½	182½	184
Chicago & Northwestern	249	190⅛	240 —Jan.	15	220 —Jan.	4	238	221	236
• preferred	263½	234	270 —Mar.	30	250 —Jan.	15	270	253	266
Chicago Terminal Transfer	20	7¾	18¼—Jan.	19	11 —Mar.	31	14	11	11
• preferred	42½	17½	42¾—Jan.	22	28 —Feb.	23	32	28¾	28¾
Clev., Cin., Chic. & St. Louis	111	90	109⅞—Jan.	15	96 —Mar.	5	103	96	101¼
Col. Fuel & Iron Co	59	38	83⅝—Jan.	26	55⅛—Jan.	4	67⅝	57	66⅝
Colorado Southern	30⅛	22¼	37 —Jan.	24	29½—Jan.	4	35	32¼	34⅞
• 1st preferred	69⅞	52	73⅛—Feb.	20	68 —Jan.	5	72½	69½	70½
• 2d preferred	55	32½	56¾—Jan.	12	48 —Mar.	5	51¾	48	51¼
Consolidated Gas Co	214	175	181¾—Jan.	23	142¼—Mar.	16	157⅞	142¼	143¾
Delaware & Hud. Canal Co	240¾	178½	229½—Jan.	18	202 —Mar.	5	209¾	202	208½
Delaware, Lack. & Western	498½	335	474¾—Feb.	2	440¼—Mar.	16	450	440¼	450
Denver & Rio Grande	39¾	27¼	51⅞—Jan.	26	38 —Jan.	4	46½	42½	46½
• preferred	91¼	83¼	91½—Jan.	22	86⅛—Mar.	19	88¼	86⅛	88¼
Duluth So. S. & Atl., pref	46¾	21	45 —Jan.	11	36 —Mar.	5	48	36	42
Erie	52¾	37½	50⅞—Jan.	16	41⅛—Mar.	5	45	41⅛	44⅝
• 1st pref	85½	74⅞	83 —Jan.	15	76 —Mar.	21	79¼	76	78⅞
• 2d pref	78⅜	55½	76⅜—Jan.	16	66⅛—Mar.	21	70⅝	66⅛	70
Express Adams	250	236	250 —Mar.	5	246 —Feb.	28	250	250	250
• American	246	209½	249½—Jan.	26	220 —Mar.	20	235	220	230
• United States	134	110	138½—Jan.	26	115 —Mar.	3	116	115	115½
• Wells, Fargo	260	227	248 —Jan.	26	233 —Mar.	19	240	233	236¼
Great Northern Pref	335	236	348 —Feb.	9	283 —Jan.	5	327	308½	323¾
Hocking Valley	121½	86⅝	124 —Mar.	31	113⅛—Feb.	8	124	113⅞	124
• preferred	97¼	90	96⅝—Mar.	31	93½—Mar.	6	96⅝	93½	96⅝
Illinois Central	183	125¾	182 —Jan.	12	165 —Mar.	6	172¾	165	171¾
Iowa Central	32	24	34¾—Jan.	12	29⅝—Jan.	2	32¼	30	31½
• preferred	61	50	63¾—Jan.	13	56 —Mar.	19	59½	56	59
Kansas City Southern	36¼	22⅛	37⅞—Jan.	5	28 —Mar.	19	29¾	28	28½
• preferred	70	52	71 —Jan.	5	57¾—Mar.	23	60	57¾	59
Kans. City Ft. S. & Mem. pref	87	81⅝	84½—Feb.	7	82 —Jan.	29	83	82	83
Lake Erie & Western	47½	28¼	44⅞—Jan.	12	34 —Mar.	5	40¼	34	40
Louisville & Nashville	157⅜	134½	156½—Jan.	19	144 —Mar.	5	152½	144	150¾
Manhattan consol	175	161	162 —Jan.	26	155 —Feb.	28	159¾	156	157¼
Metropolitan securities	91	68⅝	75½—Jan.	15	65 —Feb.	28	74	67	73¾
Metropolitan Street	133	114	127 —Jan.	16	111 —Feb.	27	116⅜	111¼	116
Mexican Central	26	18¼	26⅝ Jan.	19	23½—Mar.	5	25¼	23½	25⅛
Minneapolis & St. Louis	84¾	56½	84¼—Jan.	11	73½—Mar.	22	77	73½	77
Minn., S. P. & S.S. Marie	145	89½	164 —Mar.	24	141½—Jan.	4	164	148	160
• preferred	173	148	183¾—Jan.	11	170 —Mar.	1	177½	170	175

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.				MARCH, 1906.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Missouri, Kan. & Tex..........	39⅛	24	40⅝—Jan.	12	33 —Mar.	5	36	33	35¼
• preferred.......	73	56¼	74⅜—Jan.	18	68 —Feb.	28	72⅞	68	72⅛
Missouri Pacific..............	110⅞	94⅛	106¾—Jan.	20	93 —Mar.	16	100¾	93	96⅛
Natl. of Mexico, pref..........	45	33⅛	41 —Mar.	14	37¾—Feb.	16	41	38¾	40
• 2d preferred.,.........	24⅛	17¾	21¾—Feb.	24	19⅝—Mar.	2	20⅞	19⅝	20⅛
N. Y. Cent. & Hudson River..	167¾	136¾	156¼—Jan.	8	141⅛—Mar.	21	148⅛	141⅛	144½
N. Y., Chicago & St. Louis....	76¼	42	72½—Jan.	20	59 —Mar.	5	72	59	70½
• 2d preferred.........	95	74	91¾—Jan.	9	81 —Mar.	1	87¾	81	87½
N. Y., Ontario & Western.....	64	40⅝	57¼—Jan.	27	48⅛—Mar.	5	51⅝	48⅛	51
Norfolk & Western............	88⅛	76	93⅛—Feb.	1	84 —Feb.	28	88¾	84⅜	88⅝
• preferred............	96	91⅛	96 —Jan.	6	90⅛—Mar.	8	92½	90⅛	92½
North American Co...........	107	95⅝	107 —Jan.	12	97 —Mar.	5	101⅛	97	100¾
Northern Pacific..............	216⅛	165	232⅛—Feb.	14	199 —Jan.	5	223¾	206⅛	220¼
Pacific Mail...................	53¾	33	51⅛ Jan.	19	41¼—Mar.	5	46	41¼	45⅛
Pennsylvania R. R.............	148	131½	147⅛—Jan.	23	136⅝ Mar.	21	139⅛	136⅝	138⅝
People's Gas & Coke of Chic.	115⅛	97¼	103 —Jan.	2	92⅛—Mar.	19	99⅜	92½	94½
Pullman Palace Car Co.......	258	230	247¾ - Jan.	15	236⅛—Mar.	5	240	236⅛	239
Reading........................	143¾	79	164 —Jan.	23	125 —Mar.	8	137	125	134⅞
• 1st prefered..........	97	90	96 - Jan.	22	89⅛—Mar.	1	92	89⅛	92
• 2d preferred..........	101	84	102 —Jan.	20	96⅛—Jan.	2	98	97⅛	97⅛
Rock Island..................	37⅞	21¾	28¼—Mar.	31	23⅜—Jan.	3	28¼	25¾	28¼
• preferred............	85	60⅛	68⅝—Mar.	31	61⅛—Jan.	4	68⅝	65⅝	68¼
St. L. & San Fran. 2d pref....	73⅛	45	51¼—Feb.	6	45 —Feb.	15	48¾	45	48¾
St. Louis & Southwestern....	27½	20	27⅞—Jan.	19	20¾—Jan.	2	24⅛	22⅞	24
• preferred...........	66⅝	55	61½—Jan.	24	53 —Jan.	5	57¾	54⅜	55⅛
Southern Pacific Co...........	72⅜	57¾	72⅞—Jan.	22	64⅜—Mar.	5	69½	64⅜	69⅜
Southern Railway............	38	28	42⅞—Jan.	26	35¾—Jan.	2	41⅝	37⅞	40⅞
• preferred............	102⅛	95	103 —Jan.	16	99 —Feb.	17	102⅛	99⅞	102
Tennessee Coal & Iron Co....	148	68	165 —Jan.	12	139 —Jan.	2	152⅞	146	149
Texas & Pacific................	41	29¾	39¾—Jan.	24	32¾—Jan.	4	34⅛	32¾	33¾
Toledo, St. Louis & Western..	43¾	34⅛	40½—Jan.	19	35 —Jan.	5	36⅛	35⅞	36¼
• preferred............	65	51¾	59⅞—Jan.	19	54 —Mar.	9	55¼	54	55⅛
Union Pacific.................	151¼	113	160½—Jan.	24	148 —Jan.	3	157¼	149⅛	156⅞
• preferred............	101⅝	95⅛	99¼—Jan.	2	95 —Mar.	28	96⅛	95	95
Wabash R. R...................	24¼	17½	26⅛—Jan.	24	20¼—Jan.	5	23¾	22	22¾
• preferred............	48	37	53⅝—Feb.	27	40½—Jan.	3	52¼	48	50
Western Union................	95½	92	94¼—Jan.	26	91 —Mar.	20	94¼	91	92¼
Wheeling & Lake Erie........	19¾	15	21¾—Feb.	6	17⅞—Jan.	9	20¾	18⅛	19⅝
• second preferred....	28½	20	•29½—Feb.	6	25¼—Feb.	17	26	25¼	25¼
Wisconsin Central............	33⅛	20	33 —Jan.	17	25⅝—Mar.	23	28¾	25⅝	28⅝
• preferred............	64⅛	45	64 —Jan.	15	55 —Mar.	2	57⅛	55	57⅛
"INDUSTRIAL"									
Amalgamated Copper........	111¾	70	118¼—Feb.	13	100 - Mar.	5	109¼	100	109⅛
American Car & Foundry....	43⅝	31	47½—Jan.	24	39⅜—Mar.	5	45⅜	39⅜	45⅛
• pref......................	104½	91¾	105 —Jan.	24	99⅛—Jan.	4	102¼	100¼	102¼
American Co. Oil Co..........	40⅛	27¾	44¼—Jan.	11	31⅛—Mar.	6	36¼	31⅛	34⅛
American Ice.................	36	24¾	56⅛—Mar.	31	35¼—Jan.	2	56⅛	45¾	56⅛
American Locomotive........	76¼	33	78⅛—Jan.	8	64⅛—Mar.	5	71⅛	64⅛	69
• preferred............	122¾	133¾	120¼—Jan.	16	115⅛—Mar.	27	116⅞	115⅛	115⅛
Am. Smelting & Refining Co.	170⅜	79¾	174 —Jan.	18	150¼—Mar.	5	162½	160¼	159½
• preferred............	137	111¼	130 —Jan.	12	120¾—Mar.	19	124⅝	120¾	122
Am. Steel & Foundries........	18⅜	6⅞	15¼—Jan.	17	11 —Mar.	5	13¾	11	11¼
• pref...................	67½	35⅛	53¼—Jan.	17	42½—Mar.	1	48	42½	46¼
American Sugar Ref. Co......	154⅝	130	157 —Jan.	8	136 —Mar.	5	141¾	136	141½
American Tobacco, pref.....	109⅝	91⅞	109 —Jan.	22	103 —Mar.	21	106	103	104⅝
Anaconda Copper Mining....	295	100⅛	200 —Feb.	18	230 —Jan.	5	276¼	245⅛	275
Central Leather...............	47⅛	40	49⅞—Jan.	24	41½—Feb.	19	46¼	41¾	46⅛
• preferred....	105⅞	102½	107½—Jan.	24	103½—Jan.	5	107	104	106
Corn Products, Ref'g.........	22¾	8¾	26⅛—Mar.	31	24¾—Mar.	29	26⅛	24¾	26¼
• preferred............	79	40	84 —Mar.	31	79⅞—Mar.	29	84	79⅞	84
Distillers Securities...........	54⅛	34⅞	62⅜—Mar.	28	51 —Jan.	30	62⅜	53⅛	61
Federal Min'g & Smelt., pref.	110½	75	112⅞—Jan.	22	100½—Mar.	5	105¾	100½	104¾
General Electric Co...........	192	169	181¼—Jan.	9	165¼ Mar.	5	172½	165¼	172¼
International Paper Co......	25¼	18⅛	26¼—Jan.	15	21 —Feb.	28	23½	21	22⅝
• preferred............	88¼	76	90 —Jan.	12	82½—Mar.	15	86½	82⅛	86
International Power	100	48	95 —Jan.	29	58 —Jan.	5	78	68	71¼
International Steam Pump..	40⅞	26	40 —Mar.	28	27 —Jan.	2	40	30	38
National Biscuit...............	69½	52	71¼—Feb.	6	66 —Mar.	30	69	66	66⅞
National Lead Co..............	89½	24⅛	95⅜—Jan.	19	70½—Feb.	28	86	71⅛	81½
Pressed Steel Car Co..........	58⅞	34	64⅝—Jan.	24	49¼—Mar.	5	54¼	49¼	53¾
• preferred............	101½	87	105 —Feb.	1	96 —Mar.	2	98¾	96	98⅛
Republic Iron & Steel Co.....	36⅛	15	39 —Jan.	12	26⅛—Mar.	6	32	26⅛	31⅞
• preferred............	108	67	110⅛ -Jan.	9	98¾—Mar.	19	105⅛	96¾	102¼
U. S. Rubber Co...............	58⅛	33¾	58⅛—Jan.	22	48¾—Mar.	1	57	48¾	54⅜
• 1st preferred.......	118½	98⅝	115 —Jan.	15	108 —Feb.	19	114⅝	108	114½
U. S. Steel......................	43¼	24⅞	46¼—Jan.	20	38¾—Mar.	21	41⅞	38¾	41¾
• pref.......................	107	90¾	113¼—Jan.	20	104¼—Mar.	5	107½	104¼	107¾

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	96½	Mar. 28,'06	97⅜	96¼	27,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	104½	Mar. 31,'06	104⅜	103⅛	666,500
" registered		....	A & O	101⅝	Mar. 7,'06	101⅝	101⅝	5,000
" adjustment, g. 4's	1995	25,616,000	NOV	95⅛	Mar. 31,'06	95½	94¾	91,500
" registered		....	NOV	95	Sep. 11,'05	....	....	....
" stamped	1995	26,112,000	M & N	95¼	Mar. 31,'06	96	95	129,500
" registered		....	M & N	96	Feb. 19,'06	....	....	....
" fifty-yearconv. g.4's	1955	32,420,000	J & D	103½	Mar. 31,'06	103¾	102⅛	2,525,000
" registered		....	J & D	....		....	....	....
" serial debenture 4's—								
" series D	1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series E	1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series F	1908	2,500,000	F & A	99½	Nov. 3,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series G	1909	2,500,000	F & A	100½	Jan. 19,'06	....	....	....
" registered		....	F & A	....		....	....	....
" series H	1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series I	1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series J	1912	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series K	1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....		....	....	....
" East.Okla.div.1stg.4's	1928	6,128,000	M & S	99½	Feb. 23,'06	....	....	....
" " registered		....	M & S	....		....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....		....	....	....
Atlan.Coast LineR.R.Co.1stg.4's	1952	43,141,000	M & S	99	Mar. 31,'06	99¾	99¼	259,000
" registered			M & S	102	Nov. 27,'05	....	....	....
Charleston& Savannah 1st g.7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g.6's	1934	4,056,000	A & O	132⅞	Jan. 30,'06	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114⅝	Nov. 14,'05	....	....	....
Brunswick & W'n 1st gtd.g.4's	1938	3,000,000	J & J	99½	Mar. 30,'06	99½	99½	4,000
"L'ville & Nash. col." g. 4's	1952	35,000,000	M & N	94⅜	Mar. 30,'06	94¾	94	80,000
" registered		....	M & N	....		....	....	....
Sil.SpsOc.& G.RR.&ldg.gtdg.4s	1918	1,067,000	J & J	101	Dec. 18,'05	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	72,820,000	J & J	94¼	Mar. 31,'06	94½	94	141,000
" registered			J & J	96	Nov. 7,'04	....	....	....
" g. 4s	1948	70,963,000	A & O	104¾	Mar. 30,'06	104¾	103⅝	172,500
" g. 4s. registered			A & O	101½	Mar. 22,'06	103½	101½	28,000
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	92	Mar. 30,'06	92	92	1,500
" registered			QFeb	....		....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	31,347,000	M & N	98¾	Mar. 30,'06	99	98½	80,000
" Southw'n div. 1st g.3½s.	1925	43,590,000	J & J	91¼	Mar. 30,'06	92	91⅛	347,500
" registered			Q J	92⅛	June 23,'05	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	108½	July 13,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's	1917	633,000	J & J	98	Mar. 23,'06	98	98	2,000
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	116½	Mar. 30,'06	116½	116½	2,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	125¾	Dec. 27,'05	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	128½	Feb. 23,'06	....	....	....
Buff. & Susq. 1st refundg g. 4's	1951	6,521,000	J & J	99½	Jan. 4,'06	....	....	....
registered			J & J	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int's Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low*	MARCH SALES. *Total.*
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	101⅝	Mar. 29,'06	101¾	101¼	61,000
• 2d mortg. 5's,	1913	6,000,000	M & S	105½	Mar. 28,'06	105⅝	105½	17,000
• registered			M & S	105¾	Jan. 3,'04	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	95	Mar. 22,'06	95	95	7,000
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	120	Mar. 22,'06	120	120	12,000
• registered $1,000 & $5,000			F & A	....	....	....	....	....
• con. g. 5's	1945	16,700,000	M & N	114⅛	Mar. 31,'06	114¼	113½	52,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	107	June14,'04	....	....	....
• 1st. pref. inc. g. 5's,	1945	2,405,000	OCT 1	99	Mar. 31,'06	99	96¾	70,000
• • stamped		1,595,000	OCT 1	99	Mar. 29,'06	99	96¾	127,000
• 2d pref. inc. g. 5's	1945	3,116,000	OCT 1	92½	Mar. 31,'06	92½	87¼	632,000
• • stamped		3,884,000	OCT 1	91½	Mar. 29,'06	91½	88	157,000
• 3d pref. inc. g. 5's	1945	1,904,000	OCT 1	90¾	Mar. 31,'06	91	83	1,050,000
• • stamped		2,096,000	OCT 1	87	Mar. 27,'06	87	84	274,000
• Chat. div. pur. my. g. 4's.	1951	2,051,000	J & D	93¾	July 12,'05	....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	110⅝	Sept. 5,'05	....	....	....
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	129⅝	Mar. 27,'06	131¼	129⅝	29,000
• registered			Q J	130½	Mar. 5,'06	131	130½	5,500
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	112⅜	Mar. 15,'05	112⅜	112⅜	3,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....	....	....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102	Mar. 7,'06	102	102	1,000
• con. extended gtd. 4½'s.	1910	12,175,000	Q M	101	Mar. 31,'06	101	100½	38,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....	....	....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106¼	Feb. 2,'06	....	....	....
• Mortgage gold 6's	1911	2,000,000	A & O	110½	Mar. 6,'06	110½	110½	1,000
• 1st con. g. 5's	1939	25,858,000	M & N	118½	Mar. 27,'06	118½	118⅛	29,000
• registered			M & N	116¼	Dec. 1,'05	....	....	....
• Gen. m. g. 4½'s	1992	40,573,000	M & S	106½	Mar. 30,'06	107	106	112,000
• registered			M & S	107¾	Nov.17,'05	....	....	....
• Craig Val. 1st g. 5's	1940	650,000	J & J	112	Feb. 28,'06	....	....	....
• (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	101⅝	Mar. 31,'06	101⅝	100¾	17,000
• 2d con. g. 4's	1989	1,000,000	J & J	96¼	Mar. 1,'06	96¼	96¼	3,0000
• Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	99¾	Feb. 2,'06	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	81½	Mar. 24,'06	82	81	34,000
• • registered			A & O	....	....	....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	80¼	Mar. 31,'06	80½	80	88,000
registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
• Denver div. 4's	1922	4,583,000	F & A	100⅛	Mar. 29,'06	100½	100¼	22,000
• Illinois div. 3½s	1949	50,835,000	J & J	93⅛	Mar. 21,'06	94	93⅛	12,000
• registered			J & J	96⅛	Feb. 24,'05	....	....	....
• Illinois div. 4s	1949	10,306,000	J & J	104¾	Mar. 15,'06	104¾	104¾	4,000
• registered		....	J & J	....	....	....	....	....
• (Iowa div.) sink. f'd 5's,	1919	2,388,000	A & O	110¼	Jan. 5,'05	....	....	....
• 4's	1919	7,882,000	A & O	102¾	Mar. 24,'06	102¾	102¾	1,000
• Nebraska extensi'n 4's,	1927	25,071,000	M & N	107	Mar. 31,'06	107	107	43,000
• registered			M & N	106¼	June16,'05	....	....	....
• Southwestern div. 4's.	1921	2,400,000	M & S	100	Apr. 10,'05	....	..	....
• 4's joint bonds	1921	215,225,000	J & J	100⅝	Mar. 30,'06	100½	99½	999,000
• • registered			Q JAN	99	Mar. 29,'06	99	98¾	22,000
• 5's, debentures	1913	9,000,000	M & N	107	Mar. 28,'06	107	106¼	17,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	109	Mar. 26,'06	109	109	6,000
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	96¾	Mar. 9,'06	96¾	96⅝	11,000
• registered			J & J	....	....	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	104⅛	Mar. 22,'06	104⅛	104⅛	1,000
• small bonds			J & D	103½	July 8,'04	....	....	....
• 1st con. 6's, gold	1934	2,653,000	A & O	135⅝	Mar. 31,'06	136⅛	135⅝	3,000
• gen. con. 1st 5's	1937	16,529,000	M & N	119½	Mar. 27,'06	119½	119	21,000
• registered			M & N	118½	Feb. 26,'06	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118¼	Mar. 28,'06	118¼	117¾	13,000
Chicago, Indianapolis & Louisville.								
• refunding g. 6's	1947	4,700,000	J & J	137	Mar. 29,'06	137	132¾	12,000
• ref. g. 5's	1947	4,942,000	J & J	113¼	Jan. 22,'06	....	....	....
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	107¾	Mar. 29,'06	108	107¾	13,000
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g. 5's.	1914	4,748,000	J & J	108⅛	Mar. 27,'06	108⅛	108⅛	13,000
• gen. g. 4's, series A	1989	23,676,000	J & J	108	Mar. 31,'06	108½	107	23,000
• registered		....	Q J	109½	June18,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name. Principal Due.	Amount.	Int'st paid.	Last Sale.		March Sales.		
			Price.	Date.	High.	Low.	Total.
• gen. g. 3½'s, series B.1989	2,500,000	J & J	95	Mar. 16,'06	95	93½	59,000
• registered....................		J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
• Chic. & M. R. div. 5's, 1926	3,083,000	J & J	115¼	Mar. 29,'06	115¼	115¼	1,000
• Chic. & Pac. div. 6's, 1910	3,000,000	J & J	108¼	Mar. 31,'06	108¼	108⅛	9,000
• 1st Chic. & P. W. g. 5's.1921	25,340,000	J & J	113½	Mar. 28,'06	113¾	113¼	20,000
• Dakota & Gt. S. g. 5's.1916	2,856,000	J & J	109	Mar. 15,'06	109	109	10,000
• Far. & So. g. 6's assu...1924	1,250,000	J & J	137½	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	111¾	Mar. 13,'06	112	111⅝	7,000
• 1st 5's....................1910	990,000	J & J	106	Aug. 3,'04	....	....	....
• 1st 7's, Iowa & D, ex. 1908	546,000	J & J	185	Dec. 12,'05	....	....	....
• 1st 5's, La. C. & Dav...1919	2,500,000	J & J	112	Mar. 7,'06	112	112	1,000
• Mineral Point div. 5's, 1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
• 1st So. Min. div. 6's....1910	7,432,000	J & J	108½	Mar. 28,'06	108½	107¾	15,000
• 1st 6's, Southw'n div., 1909	4,000,000	J & J	106¾	Feb. 13,'06	....	....	....
• Wis. & Min. div. g. 5's.1921	4,755,000	J & J	113¼	Mar. 15,'06	113¼	113¼	6,000
• Mil. & N. 1st M. L. 6's.1910	2,155,000	J & D	108¾	Mar. 17,'06	108¾	108¾	5,000
• 1st con. 6's..............1913	5,092,000	J & D	115	Feb. 10,'06	....	....	....
Chic. & Northwestern con. 7's...1915	12,832,000	Q F	124	Mar. 26,'06	124	124	3,000
• extension 4's.....1886-1926	18,632,000	F A 15	102½	Mar. 10,'06	102½	102½	1,000
• registered...................		F A 15	102	Mar. 31,'06	102	101½	7,000
• gen. g. 3½'s............1987	20,538,000	M & N	99	Mar. 30,'06	99	99	7,000
• registered		Q F	103	Nov. 19,'98	....	..	....
• sinking fund 6's..1879-1929	5,686,000	A & O	114½	Nov. 2,'05	..	....	....
• registered...................		A & O	114½	Feb. 7,'06	....	....	....
• sinking fund 5s'..1879-1929	6,702,000	A & O	111	Feb. 23,'06	....	....	....
• registered...................		A & O	108¼	Nov. 14,'05	....	....	....
• deben. 5's..............1909	5,618,000	M & N	104½	Mar. 23,'06	104½	104⅛	9,000
• registered...................		M & N	104	Mar. 3,'04	....	....	....
• deben. 5's..............1921	10,000,000	A & O	112¼	Mar. 2,'06	112¼	112¼	1,000
• registered...................		A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's.1933	9,800,000	M & N	116¾	Mar. 9,'06	116¾	116¾	1,000
• registered...................		M & N	117	Feb. 8,'06	....	....	....
Des Moines & Minn. 1st 7's.....1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's........1910	1,500,000	M & S	105¼	Dec. 11,'05	....	....	....
Ottumwa C. F. & St. P. 1st 5's..1909	1,600,000	M & S	104	Dec. 5,'05	....	....	....
Winona & St. Peters 2d 7's.....1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.1921	5,000,000	M & N	126¼	Mar. 23,'06	126¼	126¼	6,000
• ext. & impt. s. f'd g. 5's1929	4,148,000	F & A	118	Feb. 27,'06	....	....	....
• Ashland div. 1st g. 6's 1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's.1924	1,281,000	J & J	128½	Feb. 27,'06	....	....	....
• con. deb. 5's............1907	436,000	F & A	105½	Sept. 18,'05	....	....	....
• incomes..................1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...1917	12,500,000	J & J	120⅝	Feb. 21,'06	....	...	....
• registered..............1917		J & J	119	Mar. 23,'06	119½	119	35,000
• gen. g. 4's..............1988	61,581,000	J & J	102½	Mar. 29,'06	102⅝	102	82,000
• registered		J & J	102	Feb. 5,'06	....	....	....
• refunding 4s...........1934	44,342,000	A & O	96¾	Mar. 31,'06	96¾	95	357,000
• registered..................		A & O	96	Nov. 29,'05	....	....	......
• coll. tr. ser. 4's.							
• D.........................1906	1,494,000	M & N	....	....	....	....	....
• E.........................1907	1,494,000	M & N	....	....	....	....	....
• F.........................1908	1,494,000	M & N	....	....	....	....	....
• G.........................1909	1,494,000	M & N	....	....	....	....	....
• H.........................1910	1,494,000	M & N	97	July 14,'04	....	....	....
• I.........................1911	1,494,000	M & N	97½	May 26,'05	....	....	....
• J.........................1912	1,494,000	M & N	96¾	Dec. 19,'05	....	....	....
• K.........................1913	1,494,000	M & N	....	....	....	....	....
• L.........................1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
• M.........................1915	1,494,000	M & N	96	Nov. 11,'05	....	....	....
• N.........................1916	1,494,000	M & N	93	May 24 '04	....	....	....
• O.........................1917	1,494,000	M & N	94½	Dec. 14,'05	....	....	....
• P.........................1918	1,494,000	M & N	90	May 11,'04	....	..	....
Chic. Rock Is. & Pac. R.R. 4's..2002	69,938,000	M & N	79⅞	Mar. 31,'06	79⅞	78¾	891,000
• registered..................		M & N	79	Dec. 19,'05	....	....	....
• coll. trust g. 5's.......1913	17,342,000	M & S	91	Mar. 31,'06	91	88¾	205,000
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	101½	Mar. 31,'06	101½	101¼	43,000
• con. 1st & col. tst 5's.1934	11,000,000	A & O	119¼	Feb. 23,'06	....	....	......
• registered..................		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.1921	1,905,000	A & O	111	Nov. 20,'04	....	....	....
Minneap's & St. Louis 1st 7's. g. 1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....1919	5,500,000	J & J	106⅝	Jan. 3,'06	....	....	....
• con. g. 5's..............1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	110½	Mar. 29,'06	111⅜	110½	3,000
• small bond 1923	....	A & O	110¾	Mar. 3,'06	110¾	110¾	3,000

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Chic., St. P., Minn. & Oma. con. 6's.	1930	14,953,000	J & D	134⅝	Mar. 22,'06	134⅝	134⅝	17,000
• con. 6's reduced to 3½'s.	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's..	1918	1,6.9,000	M & N	135¼	Feb. 28,'06	....	....	....
North Wisconsin 1st mort. 6's..	1930	641,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's....	1919	6,070,000	A & O	124⅝	Feb. 14,'06	....	....	....
Chic., Term. Trans. R. R. g. 4's..	1947	15,185,000	J & J	100	Dec. 30,'05	....	....	....
• coupons off..................				100	Mar. 27,'06	100	99	106,000
Chic. & Wn. Ind. gen'l g. 6's......	1932	9,036,000	Q M	118⅛	Mar. 20,'06	118¾	118⅛	8,000
Cin., Ham. & Day 2d g. 4½'s....	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's..	1941	3,500,000	M & N	112	Mar. 12,'06	112	112	4,000
Cin. Find. & Ft. W. 1st gtd g. 4's.	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's.	1953	4,672,000	J & J	91	Mar. 27,'06	91	91	1,000
Clev., Cin., Chic. & St. L. gen. g. 4's..	1993	20,749,000	J & D	104¼	Mar. 30,'06	105	103⅛	61,000
• do Cairo div. 1st g. 4's..	1939	5,000,000	J & J	100¼	Feb. 6,'06	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.	1991	4,000,000	J & J	101⅞	Mar. 16,'06	101⅞	101⅞	2,000
St. Louis div. 1st col. trust g. 4's.	1990	9,750,000	M & N	100¾	Mar. 30,'06	101¼	100¾	36,000
• registered..................				100	Oct. 8,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's...	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's....	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's.	1936	7,599,000	Q F	102½	Mar. 29,'06	102½	102½	5,000
• registered..................				103	Feb. 5,'06	....	...	....
• con. 6's..................	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	115	Jan. 10,'06	....	....	....
Clev., C., C. & Ind. con. 7's......	1914	8,991,000	J & D	122	Jan. 29,'07	....	....	....
• sink. fund 7's.........	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's.........	1934	3,205,000	J & J	134	Feb. 15,'06	....	....	....
• registered..................			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's.	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's...	1940	8,103,000	A & O	100⅛	Mar. 26,'06	101	100	15,000
• income 4's.............	1990	4,000,000	A	78	Mar. 31,'06	79⅝	78	318,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	115½	Mar. 29,'06	115½	115½	25,000
Clev., & Mahoning Val. gold 5's..	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
• registered..................			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's..........	1947	8,946,000	J & J	76⅞	Mar. 30,'06	77¼	76	258,000
Colorado & Southern 1st g. 4's...	1929	19,103,000	F & A	94⅛	Mar. 31,'06	94¼	93¾	101,000
Conn., Passumpsic Riv's 1st g. 4's.	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..	1907	3,067,000	M & S	104⅞	Mar. 31,'06	104⅞	104⅞	1,000
Morris & Essex 1st m 7's........	1914	5,000,000	M & N	124	Mar. 20,'06	124	124	1,000
• 1st c. gtd 7's...........	1915	11,677,000	J & D	127	Jan. 16,'06	....	....	....
• registered..................			J & D	127	June 23,'05	....	....	....
• 1st refund. gtd. g. 3½'s.	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's...	1921	12,000,000	J & J	126⅛	Mar. 9,'06	126⅛	126⅛	8,000
• const. 5's..............	1923	5,000,000	F & A	112	Mar. 24,'06	112	112	8,000
• terml. imp. 4's.........	1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..	1906	1,966,000	A & O	104¼	Jan. 10,'06	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s.	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's...	1917	5,000,000	M & S	133	Feb. 13'06	....	....	....
• reg.....................	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's.....	1906	3,000,000	A & O	102⅝	Jan. 19,'06	....	....	....
• 6's.....................	1906	7,000,000	A & O	102⅛	Jan. 20,'06	....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's...	1936	33,450,000	J & J	99¾	Mar. 30,'06	100	99¼	62,000
• con. g. 4½'s...........	1936	6,382,000	J & J	108	Mar. 24,'06	108¼	108	6,000
• impt. m. g. 5's.........	1928	8,318,500	J & D	107	Mar. 31,'06	107	107	2,000
Rio Grande Western 1st g. 4's..	1939	15,200,000	J & J	97⅞	Mar. 29,'06	98	97¼	28,000
• mge. & col. tr. g. 4's ser. A.	1949	13,336,000	A & O	90	Mar. 14,'06	90⅝	90	3,000
Utah Central 1st gtd. g. 4's...	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's..	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s......	1995	900,000	J & D	99¼	Feb. 19,'06	....	..	....
• g. 4s.....................	1995	1,250,000	J & D	96¾	Mar. 23,'06	96¾	96¾	5,000
Detroit Southern 1st g. 4's.......	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
• Ohio South. div. 1st g. 4's.	1941	4,281,000	M & S	92½	Feb. 23,'06	....	....	....
Duluth & Iron Range 1st 5's......	1937	6,732,000	A & O	114	Feb. 7,'06	....	....	....
• registered..................			A & O	112½	Feb. 13,'06	....	....	....
• 2d l m 6s..................	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's..	1937	3,816,000	J & J	113	Mar. 7,'06	113	113	3,000
Duluth Short Line 1st gtd. 5's....	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's..	1941	8,500,000	M & N	116¾	Mar. 27,'06	116¾	116¾	5,000

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				Price.	Date.	High.	Low.	Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107⅛	Jan. 30,'06	....	....	....
• 2d extended g. 5's	1919	2,149,000	M & S	114⅛	Feb. 23,'06	....	....	....
• 3d extended g. 4½'s	1923	4,617,000	M & S	108¼	Mar. 21,'06	108¼	108¼	3,000
• 4th extended g. 5's	1920	2,926,000	A & O	115¼	Jan. 24,'06	....	....	....
• 5th extended g. 4's	1928	709,500	J & D	101	Jan. 8,'06	....	....	....
• 1st cons gold 7's	1920	16,890,000	M & S	130⅛	Mar. 30,'06	131	130	32,000
• 1st cons. fund g. 7's	1920	3,699,500	M & S	133	Feb. 21,'06	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	35,000,000	J&J	100⅝	Mar. 29,'06	101⅜	100½	135,000
• registered			J&J	101⅛	Oct. 5,'05	....	....	....
• 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	91¾	Mar. 31,'06	93⅛	91	207,000
• registered			J&J	88	Nov. 15,'04	....	....	....
• Penn. col. trust g. 4's.	1951	33,000,000	F & A	91	Mar. 29,'06	93	91	34,000
• 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	106¾	Mar. 31,'06	106¾	104⅛	216,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	122⅛	Feb. 26,'06	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	104⅝	Feb. 16,'06	....	....	....
• small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121¾	Mar. 30,'06	121⅞	121¼	23,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	102¾	Dec. 5,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	135⅛	Feb. 23,'06	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅝	Dec. 8,'05	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121½	Oct. 17,'05	....	....	....
• small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¼	Jan. 11,'06	....	....	....
N. Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	115¾	Mar. 24,'06	115¾	115½	7,000
• 2d g. 4½'s	1937	447,000	F & A	103	Feb. 3,'06	....	....	....
• gen. g. 5's	1940	2,546,000	F & A	107½	Mar. 22,'06	107½	107½	1,000
• term. 1st g. 5's	1943	2,000,000	M & N	118¾	Dec. 30,'05	....	....	....
• registered	$5,000 each		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	112	Mar. 24,'05	112	111¾	18,000
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	118	Jan. 22,'05	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
• 1st General g 5's	1942	2,672,000	A & O	111	Dec. 4,'05	....	....	....
• Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
• Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	106¼	Feb. 21,'06	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	3,176,000	......	114	Mar. 27,'06	114	112¾	35,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	89	Mar. 22,'06	90½	89	6,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	104	Feb. 21,'06	....	....	....
• registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	14,139,000	J & J	108¾	Mar. 21,'06	108¾	108	9,000
• registered			J & J	105⅛	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's	1848	1,401,000	A & O	101¼	Feb. 21,'06	....	....	....
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,441,000	......	103⅛	Dec. 18,'05	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	....	....	....
• registered			J&J	113⅛	Mar. 12,19'	....	....	....
• 1st gold 3½'s	1951	2,499,000	J&J	100	Feb. 20,'06	....	....	....
• registered			J&J	94	Mar. 28,'03	....	....	....
• extend 1st g 3½'s	1951	3,000,000	A & O	100½	Jan. 19,'06	....	....	....
• registered			A & O	....		....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
• registered			M & S	....		....	....	....
• total outstg	$13,950,000							
• collat. trust gold 4's	1952	15,000,000	A & O	106½	Mar. 31,'06	107	106½	13,000
• regist'd			A & O	102	Oct. 4,'03	....	....	....
• col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105	Mar. 9,'06	105	105	3,000
• registered			M & N	106⅛	July 11,'05	....	....	....
• Cairo Bridge g 4's	1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
• registered			J & D	123	May 24,'99	....	....	....
• Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
• Louisville div. g. 3½'s.	1953	14,320,000	J & J	91½	Mar. 24,'06	94¾	91½	10,000
• registered			J & J	88⅛	Dec. 8,'99	....	....	....
• Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
• Omaha div. 1st g. 3's	1951	5,000,000	F & A	81	Oct. 6,'05	....	....	....
• St. Louis div. g. 3's	1951	4,989,000	J & J	86½	Dec. 9,'05	....	....	....
• registered			J & J	101¼	Jan. 31,'19	....	....	....
• g. 3½'s	1951	6,321,000	J & J	82½	Feb. 7,'06	....	....	....
• registered			J & J	101⅛	Sept. 10,'95	....	....	....
• Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
• registered			J & J	124	Dec. 11,'99	....	....	....
• West'n Line 1st g. 4's,	1951	5,425,000	F & A	107¾	Jan. 26,'06	....	....	....
• registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt. 1st 6's	1923	470,000	J & D	122	July 7,'04	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	123½	Mar. 9,'06	123½	123¼	11,000

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			Price.	*Date.*	*High.*	*Low.*	*Total.*
" gold 5's, registered........	16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s................1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered..............		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered..............		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g.4's, 1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106⅞	Jan. 30,'06	....	....	....
" 1st gtd. g. 5's...........1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g.4's..1950	4,850,000	J & J	100	Mar. 12,'06	100	100	15,000
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	118¼	Mar. 29,'06	120	118¼	15,000
" 2d g.5's...............1909	10,391,000	M & S	98¾	Mar. 30,'06	99	98	36,000
" 3d g. 4's...............1921	2,960,500	M & S	78	Dec. 14,'05	....	....	....
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	114	Mar. 6,'06	114	114	5,000
" refunding g. 4's ...1951	2,000,000	M & S	86	Mar. 15,'06	86	86	1,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	75⅛	Mar. 29,'06	75⅛	74	110,000
" registered..................		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	117¾	Mar. 22,'06	117¾	117⅝	8,000
" 2d mtge. g. 5's...........1941	3,625,000	J & J	113½	Mar. 24,'06	113½	113¼	8,000
Northern Ohio 1st gtd g 5's....1945	2,500,000	A & O	117	Jan. 17,'06	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	110¼	Mar. 26,'06	110¼	110	9,000
" registered..................	....	J&J	112½	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's..2003	20,100,000	M & N	100¾	Dec. 29,'05	....	....	....
" registered..................		M & N	....		....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	120½	Mar. 22,'06	120½	120⅜	2,000
" registered..................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	114	Feb. 14,'06	....	....	....
" registered...............1933		J & J	....		....	....	....
" 1st40-yr.gtd int.redto4%1933	1,400,000	J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	98½	Dec. 22,'05	....	....	....
" registered..................		M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	113⅞	Jan. 22,'06	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	105¼	Jan. 5,'06	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	117	Mar. 20,'06	117	117	10,000
" 1st con. g. 4's............1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's..........1938	3,000,000	J & D	102	Mar. 2,'06	102	102	1,000
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	102	Nov.27,'05	....	....	....
" g. 4's.................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	98	Mar. 20,'06	100	98	7,000
" deb. g. 5's.......1934	1,135,000	J & D	110	June 22,'04	....	....	....
" gtd. refunding g. 4's..1949	17,891,000	M & S	100⅝	Mar. 31,'06	100⅝	100	89,000
" " registered........		M & S	99	Mar. 19,'06	99	99	1,000
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....		....	....	....
" 1st 5's..................1911	750,000	M & S	106½	Dec. 9,'05	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	111	Jan. 23,'06	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	QJAN	112½	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	105	Jan. 26,'06	....	....	....
Louis. & Nash. gen. g. 6's.......1930	7,875,000	J & D	118½	Mar. 24,'06	118½	118½	11,000
" gold 5's..............1937	1,764,000	M & N	121½	Feb. 27,'06	....	....	....
" Unified gold 4's.........1940	37,562,000	J & J	103	Mar. 31,'06	103½	102½	55,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	115	Mar. 17,'06	115	115	1,000
" 5-20yr.col.tr.deedg.4's.1923	23,000,000	A & O	99¾	Mar. 31,'06	100	99¼	111,000
" E., Hend. & N. 1st 6's..1919	1,600,000	J & D	114¼	June 6,'05	....	....	....
" L. Cin.&Lex.g. 4½'s, ..1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
" N.O.&Mobile1stg.6's..1930	5,000,000	J & J	129	Mar. 30,'06	129	129	10,000
" 2d g. 6's...............1930	1,000,000	J & J	122¼	Mar. 19,'06	122¼	122¼	1,000
" Pensacola div. g. 6's...1920	405,000	M & S	114	Apr. 26,'02	....	....	....
" St. Louis div. 1stg. 6's.1921	3,500,000	M & S	120½	Mar. 6,'06	120½	120½	4,000
" 2d g. 3's................1980	3,000,000	M & S	74⅝	Oct. 4,'05	....	....	....
" At.Kx.&N.R.1st g.5's.1946	1,000,000	J & D	114½	Sept. 6,'05	....	....	....
" H. B'ge 1st sk'fd. g6's.1931	1,414,000	M & S	108½	Jan. 3,'06	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	100½	Mar. 20,'06	101	100½	6,000
" L.& N.& Mob.& Montg 1st. g. 4½s...........1945	4,000,000	M & S	108½	Mar.27,'06	108½	108½	5,000
" South. Mon. joint 4's.1952	11,827,000	J & J	96	Mar. 28,'06	96	95¼	17,000
" registered..................		Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g.5's, 1937	2,096,000	F & A	114¾	Mar. 13,'06	114¾	114¾	1,000
" Pen. & At. 1st g. g. 6's,1921	2,331,000	F & A	112½	Mar. 28,'06	112½	112½	1,000
" S.&N.A.con. gtd.g.5's.1936	3,673,000	F & A	107	Dec. 4,'05	....	....	....
" sinking fund g. 6s.....1910	1,942,000	A & O	110	Mar.23,'02	....	....	....
Lo.& Jefferson Bdg.Co.gtd.g.4's.1945	3,000,000	M & S	100½	Feb. 2,'06	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	103½	Mar. 31,'06	103⅞	103	22,000
" registered..................		A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	105⅝	Mar. 28,'06	105⅝	105	25,000
Manitoba Swn. Coloniza n g.5's, 1934	2,544,000	J & D	....		....	....	....
Mexican Central, con. mtge. 4's.1911	65,690,000	J & J	81¼	Mar. 31,'06	83	81½	311,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
„ 1st con. inc. 3's	1939	20,511,000	JULY	24⅛	Mar. 29,'06	24¾	23¼	825,000
„ 2d 3's	1939	11,724,000	JULY	20¼	Mar. 28,'06	20⅝	20	168,000
„ equip. & collat. g. 5's	1917	565,000	A & O	....		....	....	....
„ 2d series g. 5's	1919	615,000	A & O	....		....	....	....
„ col. trust g. 4½'s 1st se of	1907	10,000,000	F & A	99⅝	Mar. 22,'06	99⅝	98⅛	22,000
Mexican Internat'l 1st con g. 4's	1977	8,362,000	M & S	90⅝	July 29,'01	....	....	....
„ stamped gtd		8,631,000	......	....		....	....	....
Mexican Northern 1st g. 6's	1910	985,000	J & D	....		....	....	....
„ registered			J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....		....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	137	June 29,'05	....	....	....
„ Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
„ Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120	Feb. 8,'06	....	....	....
„ Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
„ 1st con. g. 5's	1934	5,000,000	M & N	113⅛	Feb. 21,'06	....	....	....
„ 1st & refunding g. 4's	1949	9,350,000	M & S	94½	Mar. 2,'06	94½	94½	1,000
DesMoines & Ft. Dge 1st gtd g. 4's	1935	8,072,000	J & J	97½	Jan. 30,'06	....	..	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	32,055,000	J & J	100¾	Mar. 1,'06	100¾	100¾	8,000
„ stamped pay. of int. gtd.				....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
„ stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	100⅞	Mar. 30,'06	101	100	172,000
„ 2d mtge. g. 4's	1990	20,000,000	F & A	89	Mar. 30,'06	89½	88½	150,500
„ 1st ext gold 5's	1944	3,254,000	M & N	106½	Mar. 28,'06	106½	106	34,000
„ 1st & ref. mtg. 4s	2004	1,784,000	M & S	89	Mar. 21,'06	90⅛	89	69,000
„ „ small			M & S	....		....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	93¼	Mar. 5,'06	93¼	93¼	1,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	108	Feb. 13,'06	....	....	....
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	95⅞	Feb. 5,'06	....	..	....
Mo., Kan. & East. 1st gtd. g. 5s	1942	4,000,000	A & O	115¾	Mar. 9,'06	116	115½	18,000
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s	1942	5,468,000	M & N	109	Mar. 29,'06	109	109	1,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	106	Mar. 28,'06	107¼	106	9,000
Sher., Shreve. & So. 1st gtd. g. 5s	1943	1,689,000	J & D	107⅛	Dec. 4,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	106	Mar. 24,'06	106	106	5,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	122¾	Mar. 27,'06	124½	122¾	33,000
„ 3d mortgage 7's	1906	3,828,000	M & N	103	Mar. 21,'06	103	103	5,000
„ trusts gold 5's stamp'd	1917	14,376,000	M & S	104	Mar. 29,'06	104⅛	104	58,000
„ registered			M & S	107⅛	Feb. 17,'06	....	....	....
„ 1st collateral gold 5's	1920	9,636,000	F & A	106	Mar. 28,'06	106½	106	19,000
„ registered			F & A	....		....	....	....
„ forty yrs. 4's g. loan	1945	25,000,000	......	92	Mar. 29,'06	92¼	90⅛	96,000
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	96⅛	Mar. 28,'06	97	96	11,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	105	Jan. 11,'06	....	....	....
„ 2d extended g. 5's	1938	2,573,000	F & A	120⅝	Jan. 31,'06	....	....	....
St. L. & I. g. con. R.R. & l.gr. 5's	1931	36,624,000	A & O	117⅛	Mar. 29,'06	117⅛	116¾	63,000
„ stamped gtd gold 5's	1931	6,838,000	A & O	116	Nov. 6,'05	....	....	....
„ unify'g & rfd'g g. 4's	1929	30,469,000	J & J	93	Mar. 31,'06	93	92½	40,000
„ registered			J & J	87¼	Apr. 23,'04	....	....	....
„ Riv & Gulf divs 1st g 4s	1933	22,754,000	M & N	95⅝	Mar. 30,'06	95½	95¼	24,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....		....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	113	Mar. 22,'06	113	113	2,000
„ small		226,000	J & J	90	Feb. 4,'03	....	....	....
„ mtg. g. 4's	1945	700,000	J & J	96	Oct. 9,'05	....	....	....
„ small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1st g. 5's	1946	1,882,000	J & D	96	Mar. 27,'06	97	96	5,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	127	Mar. 26,'06	127	126¾	6,000
„ 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	....	....	....
„ gen. g. 4's	1938	9,472,000	Q J	98¾	Jan. 20,'06	....	....	....
„ Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	115¾	Nov. 1,'05	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	95	Mar. 27,'06	95	95	5,000
„ collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	119½	Mar. 3,'06	119½	119½	4,000
„ 1st cons. g. 5's	1928	7,608,000	A & O	115	Mar. 26,'06	115⅛	115	2,000
„ 1st g. 6's Jasper Branch	1923	371,000	J & J	119¼	Feb. 16,'06	....	....	....
„ 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
„ 1st 6's T. & Pb.	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s	1926	20,000,000	J & J	102⅜	Jan. 26,'06	....	....	....
„ 1st con. g. 4's	1951	24,496,000	A & O	86	Mar. 30,'06	86½	85	310,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108¼	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. g. mtg. 3½s	1997	84,890,000	J & J	98	Mar. 30,'06	98¼	97¾	113,000
„ „ registered			J & J	98¼	Feb. 15,'06	....	....	....
„ deb. g 4s	1934	30,000,000	M & N	101⅛	Mar. 30,'06	101⅝	101	226,000
„ „ registered			M & N	101	Mar. 22,'06	101	101	10,000
Lake Shore col. g. 3½s	1998	90,578,000	F & A	89	Mar. 30,'06	89⅛	88⅛	144,000
„ registered			F & A	88	Mar. 23,'06	88	88	5,000

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Michigan Central col. g. 3½s	1998	19,836,000	F & A	89½	Mar. 28,'06	89½	89½	8,000
• registered			F & A	90¼	Jan. 17,'06	....	....	....
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105½	Feb. 20,'06	....	...	....
• registered			J & J	104	Dec. 13,'05	....	....	....
• 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
• registered		....	J & J	....		....	....	....
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	699,000	J & J	87½	June 23,'04	....	....	....
• small bonds series B		32,500	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	105	Nov. 20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
• reg. certificates			F & A	....		....	....	....
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	104½	Feb. 28,'06	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	108	Mar. 22,'06	108⅛	107¼	72,000
• registered			J & J	106½	Mar. 29,'06	106¾	106¼	81,500
Lake Shore g 3½s	1997	50,000,000		99½	Mar. 26,'06	100½	99	31,000
• registered			J & D	99	Mar. 13,'06	99	99	10,000
• deb. g. 4's	1928	50,000,000	M & S	98⅝	Mar. 31,'06	99⅛	98½	450,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	101⅛	Feb. 9,'06	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	125½	Mar. 5,'06	125½	125½	5,000
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
• 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
• 5's	1931	3,576,000	M & S	120	Jan. 3,'06	....	....	....
• 5's reg	1931		Q M	119	June 6,'05	....	....	....
• 4's	1940	2,600,000	J & J	104½	Mar. 23,'06	104½	104½	10,000
• 4's reg			J & J	106½	Nov. 26,19'	....	....	....
• g. 3½'s sec. by 1st mge. on J. L. & S.		1,900,000	M & S	....		....	....	....
• 1st g. 3½'s	1952	13,000,000	M & N	98½	Feb. 16,'06	....	....	....
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	105⅛	Mar. 2,'05	....	....	....
• 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	116¼	Mar. 29,'06	118	116¼	12,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107½	Feb. 4,'05	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	106	Mar. 26,'06	106	105½	52,000
• registered			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	124	Feb. 24,'06	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	101½	Mar. 20,'06	101½	100½	58,000
• registered.......$5,000 only.		....	M & S	105⅝	Oct. 11,'05	....	....	....
Norfolk & Southern 1st g. 5's	1941	1,500,000	M & N	111	Feb. 14,'06	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132½	Feb. 19,'06	....	....	....
• imp'ment and ext. 6's	1934	5,000,000	F & A	130¾	Feb. 15,'06	....	....	....
• New River 1st 6's	1932	2,000,000	A & O	129¾	Nov. 27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	40,400,500	A & O	102¾	Mar. 31,'06	102⅞	101½	190,000
• registered			A & O	100	Feb. 16,'06	....	....	....
• small bonds			A & O	....		....	....	....
• div. 1st lien & gen g. 4s	1944	11,000,000	J & J	98½	Mar. 29,'06	99½	98½	17,000
• • registered			J & J	....		....	....	....
• Pocahon C.&C.Co. jt. 4's	1941	20,000,000	J & D	92½	Mar. 30,'06	93¼	92	54,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05	....	....	....
• Sci'o Val & N.E. 1st g. 4's	1989	5,000;000	J & N	101⅛	Mar. 12,'06	101½	101	10,000
N.P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	105	Mar. 31,'06	105	103⅞	354,000
• registered			Q J	104	Mar. 23,'06	104	104	2,000
• gen. lien g. 3's	2047	56,000,000	Q F	77	Mar. 31,'06	77¼	76½	203,000
• registered			Q F	75¼	Feb. 7,'06	....	....	....
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	101	Jan. 24,'06	....	....	....
• registered			J & D	....		....	....	....
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	124¾	Mar. 29,'06	124¾	124	35,000
• registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	113	Mar. 22,'06	113	113	20,000
• 2d 5's	1917	2,000,000	A & O	110	Mar. 13,'06	110	109¾	3,000
• 1st con. g. 4's	1968	1,000,000	J & D	100¼	Dec. 22,'05	....	....	....
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	94	Dec. 5,'05	....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,533,000	J & J	116¾	Mar. 26,'06	116¾	116¾	1,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118	Nov. 8,'05	....	....	....
• gen. mortg. g 6's	1937	2,428,000	A & O	114¾	Jan. 20,'06	....	....	....
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,000	A & O	100	Mar. 5,'06	100⅝	100	3,000
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	111¾	Mar. 31,'06	114¼	111¾	18,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	....	....	....
• s. f. subsidy g 6's	1910	533,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	107½	Mar. 31,'06	107½	106½	15,000
• reg	1921		J & J	107¾	Dec. 11,'05	....	....	....
• gtd.3½ col.tr.reg. cts.	1937	4,815,000	M & S	93⅝	Nov. 4,'05	....	....	....
• gtd.3½ col.tr.cts.serB	1941	9,581,000	F & A	91½	Mar. 7,'06	91½	91½	4,000
• Trust Co. ctfs. g. 3½'s	1916	14,664,000	M & N	97½	Mar. 29,'06	98	97½	76,000
• gtd. g. 3½'s tr. cts. s.C.	1942	4,948,000	J & D	....		....	....	....
• gtd. g. 3½'s tr. cts. s.D.	1944	10,000,000	J & D	90½	Mar. 20,'06	90½	90½	3,000
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	119½	Feb. 26,'06	....	....	....
• registered		....	A & O	110	May 3,'93	....	....	....
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J	....		....	....	....
Clev.&P. gen. gtd. g. 4½'s Ser. A	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
• Series B	1942	1,561,000	A & O	....		....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....		....	....	....
• Series C 3½s	1948	2,994,000	M & N	98½	Dec. 15,'05	....	....	....
• Series D 3½s	1950	1,975,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen. gtd. g. 3½s Ser. B	1940	2,240,000	J & J	96¼	Jan. 2,'06	....	....	....
• • • C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	112⅞	Feb. 2,'06	....	....	....
• Series B gtd	1942	8,786,000	A & O	112½	Feb. 13,'06	....	....	....
• Series C gtd	1942	1,379,000	M & N	112½	June 12,'05	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	103½	Dec. 15,'05	....	....	....
• Series E gtd. g. 3½s	1949	9,851,000	F & A	92½	Mar. 5,'06	92⅝	92½	18,000
• Series F c. gtd. g. 4's	1953	9,000,000	J & D	....		....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• 2d 7's	1912	1,918,000	J & J	117½	Feb. 2,'06	....	....	....
• 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walbonding Vy.&O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....		....	....	....
• 4½'s series B	1933	978,000	J & J	....		....	....	....
• 4's series C	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04	....	....	....
• registered			Q M	....		....	....	....
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug. 28,'03	....	....	....
• ten year conv. 3½'s	1912	20,480,000	M & N	101	Mar. 31,'06	101¼	100	405,000
Penn. R.R. 10-year conv. g. 3½'s	1915	99,683,500	J & D	97	Mar. 31,'06	98	96¾	1,155,000
• registered		....	J & D			....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,889,000	M & S	104¼	Oct. 28,'05	....	....	....
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J	....		....	.. ..	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108¾	Feb. 6,'06	....	....	....
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	110½	Feb. 24,'06	....	....	....
• registered			M & N	....		....	....	....
Pitts.Va.&Charl.Ry1stgtdg.4's	1943	6,000,000	M & N	....		....	....	....
Sunbury & Lewistown 1stg.4's	1936	500,000	J & J	....		....	....	....
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'05	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	117	Mar. 29,'06	117	117	2,000
• 1st con. gold 5's	1939	2,850,000	M & N	110½	Jan. 22,'06	....	....	....
• Port Huron d 1st g 5's	1939	3,325,000	A & O	111½	Jan. 29,'06	....	....	....
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....
Pittsburg. Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	120	Mar. 23,'06	120	120	3,000
• 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg. Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	68,830,000	J & J	100⅝	Mar. 31,'06	101	100¼	636,000
• registered			J & J	101½	Jan. 6,'06	....	....	....
• Jersey Cent. col. g. 4's	1957	23,000,000	......	101½	Mar. 27,'06	101½	101½	94,000
• • registered		....	......	....		....	....	....
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N	....		....	....	....
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	110⅞	Mar. 5,'06	110⅞	110⅞	10,000
• registered		663,000	J & D	....		....	....	....
• 7's	1911	7,310,000	J & D	115½	Mar. 22,'06	115½	115½	1,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	March Sales. *High.*	March Sales. *Low.*	March Sales. *Total.*
• • registered		3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	2,000,000	J & D	109	Mar. 11'05	....	....	....
Rio Grande Southern 1st g. 4's..	1940	2,233,000	J & J	76	Dec. 20,'05	....	....	....
• guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J	100	Feb. 2,'06	....	....	....
Rutland Canadian 1st gtd.g.4's.	1949	1,350,000	J & J	101¼	Nov.18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	93¼	Mar. 12,'06	93¼	93¼	1,000
St. L. & Adirondack Ry. 1st g. 5's.	1996	800,000	J & J	122	Jan. 18,'06	....	....	....
• 2d g. 6's	1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	102⅛	Jan. 31,'06	....	....	....
• 2d g. 6's, Class C	1906	829,000	M & N	102¾	Mar. 21,'06	102¾	102¾	5,000
• gen. g. 6's	1931	3,681,000	J & J	125	Feb. 13,'06	....	....	....
• gen. g. 5's	1931	5,803,000	J & J	113	Mar. 30,'06	113	112¾	8,000
St. L & San F. R. R. con. g. 4's.	1996	1,558,000	J & D	98½	Sept.26,'05	....	....	....
• S. W. div. g. 5's	1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
• refunding g. 4's	1951	60,104,000	J & J	87½	Mar. 30,'06	87¾	86	401,000
• • registered...			J & J	....		....	....	....
• 5 year 4½'s gold notes.	1908	5,728,000	J & D	96	Feb. 9,'06	....	....	....
Kan. Cy Ft.S.&Mem R R con g 6's	1928	13,796,000	M & N	125	Aug.31,'05	....	....	....
Kan.Cy Ft.S &M Ry ref g gtd g4s.	1936	17,810,000	A & O	86⅞	Mar. 30,'06	87	86¼	137,000
• registered			A & O	78½	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1st gtd g5s.	1929	3,000,000	A & O	....		....	....	....
St. Louis Memp.So.E. gtd.g.4½s.	1909	15,627,000	J & D	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	97¾	Mar. 31,'06	98¾	97¾	29,000
• 2d g. 4's inc. Bd. ctfs....	1989	3,272,500	J & J	85	Mar. 16,'06	85⅛	85	....
• con. g. 4's	1932	16,678,000	J & D	80¼	Mar. 27,'06	80⅞	79⅞	114,000
Gray's Point, Term. 1st gtd. g. 5's.	1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's..	1909	6,646,000	A & O	109½	Mar. 27,'06	109½	109½	3,000
• 1st con. 6's	1933	13,344,000	J & J	137½	Feb. 17,'06	....	....	....
• 1st con. 6's, registered....			J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s...		19,322,000	J & J	111½	Mar. 29,'06	111½	110½	5,000
• 1st cons. 6's register'd....			J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's...	1910	5,040,000	M & N	111	Mar. 19,'06	111	110½	26,000
• Mont. ext'n 1st g. 4's..	1937	10,185,000	J & D	102	Mar. 27,'06	102	102	2,000
• registered			J & D	108½	Sept.19,'05	....	....	....
• Pac. Ext. sterl. gtd. 4s.. $5=£1.	1940	£4,000,000	J & J	....		....	....	....
Eastern R'y Minn, lstd. 1st g. 5's..	1908	4,700,000	A & O	102⅜	Oct. 12,'05	....	....	....
• registered			A & O	....		....	....	....
• Minn. N. div. 1st g. 4's..	1940	5,000,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Minneapolis Union 1st g. 6's....	1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd..	1937	6,000,000	J & J	136	Feb. 1,'06	....	....	....
• 1st 6's, registered			J & J	134¾	Dec. 20,'04	....	....	....
• 1st g. g. 5's	1937	4,000,000	J & J	119½	Mar. 20,'06	119½	118½	5,000
• registered			J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
• registered			J & D	....		....	....	....
San Fe Pres.& Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	112½	Jan. 16,'06	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,851,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's......	1950	12,775,000	A & O	90¾	Mar. 31,'06	91	90	58,000
• registered			A & O	....		....	....	....
• col. trust refdg g. 5's..	1911	10,000,000	M & N	102½	Mar. 19,'06	103¼	102¼	17,000
Atlanta—Bir'hm 30-yr-1st g. 4's.	1933	5,760,000	M & S	94	Mar. 30,'06	95	94	28,000
Carolina Central 1st con. g. 4's.	1949	2,847,000	J & J	96½	Mar. 24,'06	97	96½	5,000
Fla Cent & Peninsular 1st g. 5's.	1918	3,000,000	J & J	109	Mar. 27,'06	109	107⅝	5,000
• 1st land grant ext g. 5's.	1930	410,000	J & J	....		....	....	....
• cons. g. 5's	1943	4,370,000	J & J	109½	Mar. 3,'05	....	....	....
Georgia & Alabama 1st con. 5's.	1945	2,922,000	J & J	111½	Mar. 7,'06	111½	111½	5,000
Ga. Car. & Nthern 1st gtd g. 5's.	1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's....	1926	2,500,000	J & J	....		....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.								
• g. 4's Central Pac. coll..	1949	28,818,500	J & D	93	Mar. 31,'06	94	92⅝	151,500
• • registered......			J & D	94	May 4,'05	....	....	....
Austin & Northw'n 1st g. 5's...	1941	1,920,000	J & J	109½	Feb. 19,'06	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's..	1949	79,292,000	F & A	100¼	Mar. 31,'06	100¼	99⅝	107,000
• registered			F & A	98	Apr. 7,'05	....	....	....
• mtge. gtd. g. 3½'s...	1929	17,493,000	J & D	88½	Mar. 29,'06	89	88½	34,000
• • registered			J & D	....		....	....	....
• through S L 1st gtd g. 4's.	1954	8,300,000	A & O	99	Mar. 30,'06	99	99	2,000
• registered			A & O	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..	1910	4,756,000	F & A	106	Feb. 21,'06	....	....	....
• Mex. & P. div 1st g 5's.	1931	13,418,000	M & N	111½	Jan. 26,'06	....	....	....
Gila Val.G.& N'n 1st gtd g 5's.	1924	1,514,000	M & N	107½	June 3,'05	....	....	....
Houst. E. & W. Tex. 1st g. 5's..	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
• 1st gtd. g. 5's	1933	2,199,000	M & N	105½	Feb. 7,'06	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Houst. & T.C. 1st g 5's int. gtd.	1937	4,592,000	J & J	111⅛	Mar. 28,'06	111⅛	110¾	2,000
• con. g 6's int. gtd.	1912	2,290,000	A & O	111	Mar. 27,'06	111⅛	111	2,000
• gen. g 4's int. gtd.	1921	4,275,000	A & O	99	Mar. 19,'06	99	99	6,000
• W&Nwn.div.1st.g.6's.	1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	118	Feb. 17,'06	....	....	....
• 1st 7's	1918	5,000,000	A & O	129⅛	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
• gtd. g. 5's	....	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,235,000	J & J	102½	Mar. 2,'06	102½	102½	1,000
San Ant. & Aran Pass 1st gtd g 4's	1943	17,544,000	J & J	88⅛	Mar. 30,'06	89	88⅛	108,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	105½	Mar. 14,'06	105½	105½	196,000
• • •	1910	4,000,000	J & J	106⅝	Mar. 14,'06	106¾	106⅝	204,000
• of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	102	Jan. 2,'06	....	....	....
• • • E. & F.	1902		A & O	113¾	Feb. 15,'06	....	....	....
• • •	1912		A & O	116	June 29,'04	....	....	....
• 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Jan. 3,'06	....	....	....
• stamped	1905-1937	21,470,000	......	108⅝	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
• of N. Mex. c. 1st 6's	1911	4,180,000	J & J	109⅛	Feb. 23,'05	....	....	....
Tex. & N.O. Sabine div. 1st g 6's	1912	2,575,000	M & S	111¼	Jan. 6,'06	....	....	....
• con. g 5's	1943	1,620,000	J & J	111	Aug. 4,'05	....	....	....
Southern Pacific R.R. Co.	....	75,000,000	J & J	96⅞	Mar. 31,'06	96⅞	96⅝	678,000
• st. refundg mtge. s. f. 4's	1955		J & J	....	....	....	....	....
Southern Railway 1st con. g 5's	1994	44,766,000	J & J	118	Mar. 30,'06	118½	117⅝	150,000
• registered	....		J & J	117⅛	Jan. 25,'06	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	8,069,000	M & S	96	Mar. 27,'06	96	95	26,000
• registered	....		M & S	....	....	....	....	....
• Memph.div.1stg.4-4½-5's	1996	5,183,000	J & J	118	Aug. 19,'05	....	....	....
• registered	....		J & J	....	....	....	....	....
• St. Louis div. 1st g. 4's	1951	11,750,000	J & J	99	Mar. 21,'06	99	98½	12,000
• • registered	....		J & J	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	118	Jan. 4,'06	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	98½	Mar. 8,'05	....	....	....
• 2d mtg	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116½	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	114¼	Jan. 4,'06	....	....	....
• con. 1st g 5's	1956	12,770,000	M & N	119¾	Mar. 29,'06	119¾	119½	54,000
• reorg. lien g 4's	1938	4,500,000	M & S	116½	Feb. 8,'06	....	....	....
• registered	....		M & S	....	....	....	....	....
Ga. Midland Ry. Co., 1st 3's	1946	1,650,000	A & O	74¼	Mar. 30,'06	74½	74¼	5,000
• Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	121⅝	Mar. 23,'06	121⅝	121	11,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122¼	Mar. 21,'06	122¼	122¼	1,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	114	Mar. 28,'06	114	114	2,000
• deb. 5's stamped	1927	3,368,000	A & O	114⅛	Feb. 18,'06	....	....	....
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	108½	Feb. 5,'06	....	....	....
Vir. Midland serial ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small	....		M & S	....	....	....	....	....
• ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small	....		M & S	....	....	....	....	....
• ser. D 4-5's	1921	950,000	M & S	110	Dec 22,'04	....	....	....
• small	....		M & S	....	....	....	....	....
• ser. E 5's	1926	1,775,000	M & S	113	Dec. 20,'05	....	....	....
• small	....		M & S	....	....	....	....	....
• ser. F 5's	1931	1,310,000	M & S	115¾	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	114½	Jan. 16,'06	....	....	....
• gen. 5's. gtd. stamped	1926	2,466,000	M & N	114½	Jan. 25,'06	....	....	....
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97¾	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	112¼	Mar. 20,'06	112¼	112¼	3,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	112	Jan. 16,'06	....	....	....
• 1st con. g. 5's	1894-1944	5,000,000	F & A	119	Feb. 26,'06	....	....	....
• gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	98½	Mar. 29,'06	100¼	98½	21,000
• " " registered.			J & J	....	....	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112⅛	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	123	Mar. 30,'06	123¼	123	55,000
• 2d gold income, 5's	2000	963,000	MAR.	102	Jan. 9,'06	....	....	....
• La. Div. B.L. 1st g. 5's	1931	4,241,000	J & J	108¾	Mar. 29,'06	110	108¾	10,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	113	Mar. 9,'06	113	113	6,000
• 1st M. g 5's West. div	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
• gen. g. 5's	1935	2,000,000	J & D	107¼	Mar. 6,'06	107¼	107¼	4,000
• Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	98½	Mar. 23,'06	98½	98	17,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
Toledo, Peoria & W. 1st g 4's....1917	4,400,000	J & D	91⅛	Feb. 6,'06	....	....	....
Tol., St.L.&Wn. prior lien g 3½'s.1925	9,000,000	J & J	90	Mar. 28,'06	90	89¾	26,000
• registered..................		J & J	....	....	....	....	....
• fifty years g. 4's.........1925	6,500,000	A & O	84	Mar. 27,'06	84	83⅛	21,000
• registered..................		A & O	....	....	...	....	....
Toronto, Hamilton&Buff 1st g 4s.1946	3,280,000	J & D	99⅛	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's....1928	2,000,000	J & D	118¾	Feb. 19,'06	....	....	....
• 1st ref. g. 4's............1952	700,000	A & O	98	Jan. 20,'06	....	....	....
Union Pacific R. R. & ld gt g 4s...1947	100,000,000	J & J	104⅞	Mar. 31,'06	105	104¼	276,000
• registered..................		J & J	104¾	Mar. 31,'06	104¾	104⅛	25,000
• 1st lien con. g. 4's.......1911	2,828,000	M & N	156⅛	Mar. 29,'06	156⅝	152⅞	301,000
• registered..................		M & N	140	Dec. 11,'05	....	....	....
Oreg. R. R. & Nav.Co.con. g 4's.1946	21,482,000	J & D	101⅛	Mar. 31,'06	101⅛	101	44,000
Oreg. Short Line Ry. 1st g. 6's.1922	14,931,000	F & A	122	Mar. 27,'06	122	121	41,000
• 1st con. g. 5's.1946..........	12,328,000	J & J	118⅝	Mar. 30,'06	118⅝	117	53,000
• gtd. refunding g. 4's..1929	45,000,000	J & D	96⅝	Mar. 31,'06	96¾	95⅞	473,000
• • registered....		J & D	96⅛	Dec. 30,'05	....	....	....
Utah & Northern 1st 7's........1908	4,993,000	J & J	105½	Jan. 16,'06	....	....	....
• g. 5's..................1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's........1955	10,000,000	F & A	102⅞	Feb. 2,'06	....	....	....
• registered..................		F & A	....	....	....	....	....
Vera Cruz & Pac. tr. gtd. g.4½'s.1934	2,500,000	J & J	101⅝	Nov.29,'05	....	....	....
• 1st mtg. gtd. bonds of 1934, scaled int. to 1918 Speyer&Co's coupns	4,500,000	J & J	....	....	....	....	....
Virginia & S'western 1st gtd. 5's..2003	2,000,000	J & J	112	Jan. 29,'06	....	....	....
Wabash R.R. Co., 1st gold 5's....1939	33,011,000	M & N	115⅛	Mar. 28,'06	116⅛	115⅛	28,000
• 2d mortgage gold 5's...1939	14,000,000	F & A	105	Mar. 28,'06	106	105	50,000
• deben. mtg series A...1939	3,500,000	J & J	95	Feb. 28,'06	....	....	....
• series B.................1939	26,500,000	J & J	81½	Mar. 31,'06	83	79¾	5,049,000
• first lien eqpt. fd.g. 5's.1921	2,600,000	M & S	102	Dec. 28,'05	....	....	....
• 1st lien 50 yr.g.term4's.1954	2,508,000	J & J	93	Mar. 24,'06	93	93	35,000
• 1st g.5's Det.& Chi.ex..1940	3,349,000	J & J	109	Feb. 28,'06	....	....	....
• Des Moines div.1st g.4s.1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
• Omaha div. 1st g. 3½s..1941	3,173,000	A & O	85	Mar. 23,'06	85	85	3,000
• Tol.&Chic.div.1stg.4's.1941	3,000,000	M & S	97	May 27,'05	....	....	....
St.L.,K.C.& N.St.Chas.B.1st6's1908	463,000	A & O	109⅛	Mar. 13,'03	...	....	....
Wabash Pitts Terml Ry 1stg.4's.1954	27,000,000	J & D	85	Mar. 31,'06	88¼	84½	74,000
• 2d g.4's..................1954	20,000,000	J & D	37⅛	Mar. 29,'06	40	37⅛	1,317,000
Western Maryland 1st 4's... 1952	33,194,000	A & O	88¼	Mar. 31,'06	88¼	87	242,000
West. M'land. g.lien& con.g.4's..1952	10,000,000	A & O	74½	Mar. 29,'06	75	74	104,000
Western N.Y. & Penn. 1st g. 5's..1937	9,990,000	J & J	117⅛	Mar. 26,'06	118	117½	14,000
• gen g. 3-4's..............1943	9,789,000	A & O	97	Feb. 13,'06	....	....	....
• inc. 5's.... 1943	10,000,000	Nov.	30	Jan. 19,'06	....	....	....
West Va.Cent'l & Pitts.1st g. 6's.1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's.1926	2,000,000	A & O	114	Jan. 20,'06	....	.....	....
• Wheeling div. 1st g. 5's.1928	894,000	J & J	112⅛	Feb. 9,'06	....	....	....
• exten. and imp. g. 5's...1930	343,000	F & A	114	June23,'05	....	....	....
• 20 year eqptmt s.f.g.5's.1922	2,152,000	J & J	102⅝	Nov.28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's..1949	11,697,000	M & S	90¼	Mar. 30,'06	90¾	90	20,000
Wisconsin Cen. R'y 1st gen. g. 4s.1949	23,743,000	J & J	92⅞	Mar. 31,'06	93⅛	92¼	151,000
Mil. & L. Winnebago 1st 6's.....1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.							
Brooklyn Rapid Transit g. 5's...1945	6,625,000	A & O	108⅛	Feb. 19,'06	....	....	....
• 1st ref. conv. g. 4's....2002	20,042,000	J & J	98¼	Mar. 31,'06	98⅝	93⅞	1,092,000
• • registered........		J & J	....	....	....	....	....
• City R. R. 1st c. 5's 1916.1941	4,373,000	J & J	106⅛	Mar. 13,'06	106⅛	106⅛	4,000
• Qu. Co. & S. c. gd. g. 5's.1941	2,255,000	M & N	103	Feb. 15,'06	....	....	....
• Union Elev. 1st. g. 4-5s.1950	16,000,000	F & A	109	Mar. 30,'06	109⅛	108¼	112,000
• stamped guaranteed......		......	110	Feb. 6,'06	....	....	....
Kings Co. Elev. R. R. 1st g. 4's.1949	7,000,000	F & A	90	Feb. 27,'06	....	....	....
• stamped guaranteed		......	93	Mar. 27,'06	93	92	11,000
Nassau Electric R. R. gtd. g. 4's.1951	10,474,000	J & J	88⅛	Mar. 28,'06	89	88	55,000
City & Sub. R'y, Balt. 1st g. 5's...1922	2,430,000	J & D	105⅝	Apr. 17,'95	..	....	....
Conn. Ry.& Lightg 1st&rfg.g4½'s.1951	10,918,000	J & J	102	Mar. 29,'06	102	101⅞	21,000
• stamped guaranteed.........		......	100⅝	Jan. 30,'06	....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	97⅛	June13.19'	....	....	....
Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's.1911	918,000	J & J	....	....	....	....	....
Detroit United Ry 1st c. g. 4½'s...1932	11,367,000	J & J	96⅛	Mar. 31,'06	96⅛	95½	14,000
Grand Rapids Ry 1st g. 5's........1916	2,750,000	J & D	....	....	....	....	....
Havana Elec. Ry. con. g. 5s.....1952	6,957,000	F & A	94	Mar. 28,'06	95	94	101,000
Louisville Railw'y Co. 1st c. g. 5's. 1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's. 1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y.g. col. tr.g. 5's.1997	12,500,000	F & A	111	Mar. 21,'06	111⅛	111	20,000
• refunding 4's.........2002	16,418,000	A & O	89⅛	Mar. 30,'06	89⅛	88	26,000

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale.		March Sales.		
				Price.	Date.	High.	Low.	Total.
B'way & 7th ave. 1st con. g. 5's,	1943	7,660,000	J & D	116¾	Mar. 12,'06	116¾	116¾	1,000
„ registered			J & D	119½	Dec. 3,19'			
Columb. & 9th ave. 1st gtd g 5's,	1993	3,000,000	M & S	119½	Jan. 12,'06			
„ registered			M & S					
Lex ave & Pav Fer 1st gtd g 5's,	1993	5,000,000	M & S	116½	Mar. 24,'06	116½	116½	5,000
„ registered			M & S					
Third Ave. R.R. 1st c. gtd. g. 4's	2000	36,943,000	J & J	93	Mar. 30,'06	94	93	100,000
„ registered			J & J					
Third Ave. R'y N.Y. 1st g 5's	1937	5,000,000	J & J	118⅛	Mar. 1,'06	118⅛	118⅛	2,000
Met. West Side Elev. Chic. 1st g. 4's	1938	9,808,000	F & A	94	Oct. 23,'05			
„ registered			F & A					
Mil. Elec. R. & Light con. 30 yr. g. 5's	1926	6,500,000	F & A	106	Oct. 27,'99			
Minn. St. R'y (M. L. & M.) 1st con. g. 5's	1919	4,050,000	J & J	107½	Feb. 14,'06			
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's	1937	3,763,000	M & N					
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	114½	Nov. 18,'05			
„ gtd. gold 5's	1937	1,138,000	J & J	112	Nov. 28,'99			
Salt Lake City 1st g. sk. fd 6's	1913	297,000	J & J					
Undergr'd Elec. Rys. of London Ltd.		16,550,000	J & J	98	Mar. 30,'06	98½	97½	92,000
5% profit sharing notes 1908 series A			J & D					
„ series B			J & D					
„ series C			J & D					
„ series D			J & D					
Union Elevated (Chic.) 1st g. 5's	1945	4,387,000	A & O	106¼	July 13,'05			
United Railways of St. L. 1st g. 4's	1934	28,292,000	J & J	88½	Mar. 22,'06	88½	88⅜	6,000
United R. R. of San Fr. s. fd. 4's	1927	20,000,000	A & O	87½	Mar. 28,'06	89	87⅜	453,000
West Chic. St. 40 yr. 1st cur. 5's.	1928	3,969,000	M & N	87	Sept. 9,'05			
„ 40 years con. g. 5's	1936	6,031,000	M & N	99	Dec. 28,'97			
MISCELLANEOUS BONDS.								
Adams Express Co. col. tr. g. 4's	1948	12,000,000	M & S	102¾	Mar. 27,'06	102¾	102	43,000
Am. Steamship Co. of W. Va. g. 5's	1920	5,062,000	M & N	100¾	June 4,'02			
Bklyn. Ferry Co. of N. Y. 1st c. g. 5's	1948	6,500,000	F & A	48	Feb. 14,'06			
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	108	July 3,'05			
Der. Mac. & Ma. ld. gt. 3½'s sem. an.	1911	1,432,000	A & O	74	Mar. 2,'06	74	74	2,000
Hackensack Water Co. 1st 4's	1952	3,000,000	J & J					
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94			
Madison Sq. Garden 1st g. 5's	1916	1,250,000	M & N	102	July 8,'97			
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	50	Feb. 21,'02			
Newport News Shipbuildng & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94			
N. Y. Dock Co. 50 yrs. 1st g. 4's	1951	11,580,000	F & A	95¾	Mar. 27,'06	95¾	95¼	18,500
„ registered			F & A					
Provident L. Soc. of N. Y. g. 4's	1921	2,000,000	M & S	99	Mar. 17,'06	99	99	2,000
St. Joseph Stock Yards 1st g. 4½'s	1930	1,250,000	J & J	100½	Sept. 15,'05			
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20	1917	3,000,000	J & D					
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	112	July 27,'04			
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	118½	Dec. 18,19'			
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.								
Series E 4's	1907–1917	1,000,000	J & D					
„ F 4's	1908–1918	1,000,000	M & S	100	Mar. 15,19'			
„ G 4's	1903–1918	1,000,000	F & A					
„ H 4's	1903–1918	1,000,000	M & N					
„ I 4's	1904–1919	1,000,000	F & A					
„ J 4's	1904–1919	1,000,000	M & N					
„ K 4's	1905–1920	1,000,000	J & J					
Small bonds								
INDUSTRIAL AND MFG. BONDS.								
Am. Cotton Oil deb. ext. 4½'s	1915	5,000,000		96½	Mar. 17,'06	97	96	19,000
Am. Hide & Lea. Co. 1st s. f. 6's	1919	7,863,000	M & S	96½	Mar. 30,'06	96½	96	77,000
Am. Ice Securities Co. deb. g. 6's	1925	2,655,000	A & O	93½	Mar. 31,'06	94	91⅝	220,500
„ small bonds			A & O					
Am. Spirit Mfg. Co. 1st g. 6's	1915	1,750,000	M & S	103	Mar. 30,'06	103¼	100¼	17,000
Am. Thread Co. 1st coll. trust 4's	1919	6,000,000	J & J	90⅝	Jan. 13,'06			
Am. Tobacco Co. 40 yrs g, 6's	1944	50,769,750	A & O	116⅞	Mar. 31,'06	117	115½	631,500
„ registered			A & O	116¼	Feb. 6,'06			
„ g. 4's	1951	57,557,000	F & A	79¾	Mar. 31,'06	80	78¼	1,453,500
„ „ registered			F & A	79⅝	Mar. 21,'06	79⅝	79¼	4,500
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	105	Jan. 10,'04			
Central Leather Co. 20 yr. g. 5's	1925	33,876,000	A & O	101⅞	Mar. 31,'06	101⅞	101⅛	792,000
Consol. Tobacco Co. 50 year g. 4's	1951	5,735,900	F & A	79¾	Mar. 29,'06	80	78¾	180,000
„ registered			F & A	78¼	Mar. 16,'06	78¼	78¼	1,000
Dis. Secur. Cor. con. 1st g. 5's	1927	13,609,000	A & O	89¼	Mar. 31,'06	89½	87	597,000
Ill. Steel Co. deb. 5's stpd. non-con.	1910	2,922,000	J & J	99	Jan. 17,'99			
„ non. conv. deb. 5's	1910	7,000,000	A & O	92	Feb. 23,'04			

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MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		MARCH SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Internat'l PaperCo. 1st con.g 6's	1918	9,724,000	F & A	109	Mar. 30,'06	109¼	108	48,000
• con.conv.sinkgfundg5s	1935	5,000,000	J & J	96⅛	Mar. 29,'06	97⅛	96	54,000
Int. Steam Pump 10 year deb. 6's	1913	3,500,000	J & J	103	Mar. 22,'06	103	103	8,000
Knick'r'ker IceCo.(Chic) 1st g 5's	1925	1,937,000	A & O	97⅛	Oct. 5	....	....	....
Lack. Steel Co., 1st con. g. 5's	1923	15,000,000	A & O	105⅛	Mar. 30,'06	107	105	97,000
Nat. Starch Mfg. Co., 1st g 6's	1920	2,843,000	J & J	93	Mar. 30,'06	93⅛	93	4,000
Nat. Starch. Co's fd. deb. g. 5's	1925	3,920,000	J & J	75	Mar. 1,'06	75	75	2,000
Standard Rope&Twine inc.g.5's	1946	6,806,000	......	1¾	Mar. 27,'06	1¾	1¾	10,000
United Fruit Co., con. 5's	1911	2,211,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109	Mar. 23,'06	109	108¾	35,000
U. S. Reduction & Refin. Co. 6's	1931	....	......	99⅛	Mar. 31,'06	99⅛	98	84,000
U.S. Realty & Imp.con.deb.g.5's	1924	13,284,000	......	97	Mar. 23,'06	97	95¼	35,000
U.S.SteelCorp.10-60yr.g.sk.fd5's	1963	....	M & N	99	Mar. 31,'06	99⅛	98⅛	3,555,500
• • • reg.	1963	170,000,000	M & N	99⅝	Mar. 31,'06	99⅝	98⅛	20,000
Va.Carol Chem. col.tr.s.fd.g.5's	1912	6,500,000	A & O	101¼	Feb. 13,'06	....	....	....
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g.s.fd.g 5's	1943	5,855,000	F & A	103	Mar. 14,'06	103	102⅝	6,000
• conv. deb. g. 5's	1911	1,709,000	F & A	91⅛	Mar. 21,'06	91⅛	91⅛	1,000
• • registered			F & A	....	....	....	....	....
Col. C'l & I'n Dev.Co. gtd g.5's	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
• Coupons off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	600,000	M & N	107⅛	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	102⅛	July 26,'02	....	....	....
Col.Inds.1st cv g&col tr gt5s ser A	1934	12,378,000	F & A	80⅝	Mar. 31,'06	80⅝	76¼	1,561,000
• registered		....	F & A	....	....	....	....	....
• 1st g & col tr gt 5s ser B.	1934	12,537,000	F & A	79	Mar. 31,'06	79	76	845,000
• • registered		....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
• 2d g. 5's	1926	1,000,000	J & D	102⅛	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's	1951	3,000,000	J & J	105⅛	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.	1928	1,121,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch &Pitts.Cl&Ir.Co.pur my5's.	1946	1,044,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's	1912	321,000	J & D	105	Aug.10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's	1951	4,424,000	J & J	100	Mar. 28,'06	101	99	42,000
• Tenn. div. 1st g. 6's	1917	1,160,000	A & O	110⅛	Mar. 1,'06	110⅛	110⅛	4,000
• Birmingh. div. 1st con.6's	1917	3,603,000	J & J	109	Mar. 26,'06	110⅛	109	6,000
Cahaba Coal M. Co., 1st gtd.g.6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo.gtd.g.6's	1910	2,716,500	F & A	103⅛	Feb. 20,'06	....	....	....
Utah Fuel Co. 1st s. f. g. 5's	1931	826,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,157,000	M & S	94	Mar. 30,'06	94	93	87,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo.1st con g. 5's	1945	14,498,000	M & N	111	Mar. 25,'06	112	110	87,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	78⅛	Mar. 30,'06	79	78	12,000
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104⅛	Jan. 28,'98	....	....	....
ConsolidatedGasCo., con.deb.6's	1909	19,857,500	J & J	145	Mar. 31,'06	152⅛	143	3,328,000
Detroit City Gas Co. g. 5's	1923	5,608,000	J & J	103	Mar. 26,'06	103¾	102⅝	14,000
Detroit Gas Co. 1st con.g.5's	1918	381,000	F & A	105	Sept.28,'05	....	....	....
Eq. G. L. Co.of N.Y. 1st con.g.5's	1932	3,500,000	M & S	102⅛	Nov. 5,'04	....	....	....
Gas. & Elec.of Bergen Co, c.g.5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	90	Mar. 19,'06	90	88⅛	6,000
Grand Rapids G. L. Co. 1st g.5's	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	10,290,000	M & N	109⅛	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O	98	Feb. 8,'06	....	....	....
Kings Co. Elec. L.&Power g. 5's	1937	2,500,000	A & O	....	....	....	....	....
• purchase money 6's	1997	5,010,000	J & J	121	Feb. 23,'06	....	....	....
Edison El.Ill.Bkln 1st con.g.4's	1939	4,275,000	J & J	93½	Mar. 13,'06	93½	93½	3,000
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	107	Mar. 29,'06	107½	107	15,000
• small bonds								
• refdg. & exten 1st g.5s.	1934	5,000,000	A & O	105⅛	May 20,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's	1927	7,000,000	M & N	94	Mar. 26,'06	94⅛	94	13,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo1st col tr g 5's	1948	15,000,000	J & D	107	Mar. 29,'06	107	107	6,000
• registered			J & D	110¼	Dec. 30,'04	....	....	....
• purchase mny col tr g 4's	1949	20,927,000	F & A	87⅛	Mar. 30,'06	88⅛	87⅛	104,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	102⅛	Mar. 21,'06	102⅛	102	16,000
• 1st con. g. 5's	1995	2,156,000	J & J	115⅛	Mar. 28,'06	117	115⅛	25,000
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	104½	Jan. 31,'06	....	....	....
N.Y.& RichmondGasCo.1st g. 5's	1921	1,225,000	M & N	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High*	MARCH SALES. *Low.*	*Total.*
Paterson&Pas. G.&E. con.g.5's	1949	3,317,000	M & S	104¾	Nov. 13,'05	....	....	....
Peo. Gas & C.C. 1st con. g 6's	1943	4,900,000	A & O	123	Mar. 28,'06	123	123	1,000
" refunding g. 5's	1947	2,500,000	M & S	104¾	Mar. 22,'06	104¾	104¾	5,000
" refuding registered	....		M & S	....	....	....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's	1937	10,000,000	J & J	107½	Mar. 15,'06	107½	107	2,000
Con. Gas Co.Chic. 1st gtd.g.5's	1936	4,346,000	J & D	108	Feb. 16,'06	....	....	....
MutualFuelGasCo.1stgtd.g.5's	1947	5,000,000	M & N	103½	Dec. 18,'05	....	....	....
" registered	....	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	110	May 13,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's	1950	1,000,000	J & J	....	....	...	....	....
Westchester Lighting Co. g. 5's	1950	5,916,000	J & D	106	Mar. 28,'06	107¼	106	14,000
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's	1929	53,000,000	J & J	95¼	Jan. 18,'06	....	...	....
Commercial Cable Co. 1st g. 4's	2397	9,782,200	Q & J	97	Mar. 2,'06	97	97	15,000
" registered	....		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Keystone Telephone Co. 1st 5's	1935	4,000,000	J & J			....	....	....
" registered	....		J & J	....	....	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	1,823,000	M & N	109½	May 18,'05	....	....	....
" registered	....		M & N					
N. Y. & N. J. Tel. gen. g 5's	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's	1938	3,615,000	J & J	109⅛	Mar. 15,'06	109⅛	107⅛	16,000
" fundg & real estate g.4½'s	1950	20,000,000	M & N	104⅛	Mar. 9,'06	105	104⅛	40,000
Mutual Union Tel. s. fd. 6's	1911	1,957,000	M & N	106⅛	Mar. 15,'06	106⅛	106⅛	1,000
Northern Tel. Co. gtd fd.4½'s	1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1906. *High.*	YEAR 1906. *Low.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	*Total.*
United States con. 2's registered	1930	542,909,950	Q J	103⅝	103⅛	....	....	.....
" con. 2's coupon	1930		Q J	104⅛	103	104⅛	104⅛	5,000
" con. 2's reg. small bonds	1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
" 3's registered	1908-18	77,135,300	Q F	103¼	103	...	....	......
" 3's coupon	1908-18		Q F	104¾	102⅝	104¾	103⅛	29,000
" 3's small bonds reg.	1908-18		Q F	....	....	....	....	...
" 3's small bonds coupon.	1908-18		Q F	104¼	102¼	104¼	104¼	800
" 4's registered	1907	156,591,500	J A J&O	103¾	103	103¾	103¾	1,000
" 4's coupon	1907		J A J&O	104⅞	103¼	104⅞	103¾	76,500
" 4's registered	1925	118,489,900	Q F	129⅞	129⅞	....	...	......
" 4's coupon	1925		Q F	131⅛	129¾	....	....	......
District of Columbia 3-65's	1924	14,224,100	F & A	....	....	....	....	......
" small bonds	....		F & A	....	....	....	....	......
" registered	....		F & A	....	....	....	....	......
Philippine Islands land pur. 4's	1914-34	7,000,000	Q F	109⅝	109½	....	....	......
" public works & imp. reg.4's	1935	2,500,000	Q MCH.	108¾	108¾	....	....	.... .
STATE SECURITIES.								
Alabama Class A 4 and 5	1906	6,859,000	J & J	....	....	....	....	......
" " small	....	....	....	....	....	....	....	......
" Class B 5's	1906	575,000	J & J	....	....	....	....	......
" currency funding 4's	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new con. 4's	1914	10,752,800	J & J	....	....	....	....	......
" " small bonds	....							
North Carolina con. 4's	1910	3,397,350	J & J	102¾	102¾	....	....	......
" small	....		J & J	....	....	....	....	......
" 6's	1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds	1866 1900	556,500	J & J	....	....	....	....	......
" "	1868-1898		A & O	....	....	....	....	......
" new bonds	1892-1898	624,000	J & J	....	....	....	....	......
" "	....		A & O	....	....	....	....	......
" Chatham R. R.	....	1,200,000	A & O	....	....	....	....	......
" special tax Class 1	....	....	A & O	....	....	....	....	......
" " Class 2	....	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	*Principal Due.*	*Amount.*	*Int'st paid.*	**Year 1906.**		**March Sales.**		
				High.	*Low.*	*High.*	*Low.*	*Total.*
" " to Western N. C. R.		....	A & O	....	....	....	....	......
" " Western R. R.		....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R.		....	A & O	....	....	....	....	......
" " Western & Tar. R.		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96¼	95⅛	96¼	96¼	6,600
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	....	....	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	17,087,000	J & J	96¾	94¾	96	94¾	20,000
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	30	20	29⅛	24⅛	448,000
Foreign Government Securities.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,060,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan	1911	£10,000,000	A & O	101½	99⅝	101½	100⅛	474,500
" " second series		£12,000,000	A & O	101	98⅝	101	100	721,500
$5 shall be considered equiv. £1 sterling Imper. Japan. Gov. 4½% ster. loan. One pound sterling equals Five Dollars Regular delivery £100 and £200 Large bonds £500	1925	£30,000,000	F & A15	91⅛	90⅛	91	90½	221,000
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt	1904	35,000,000	M & S	108	103¾	105	103¾	94,500
" registered			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,897,960	......	101½	99⅝	101½	101¼	33,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......
U. S. of Mex. 4's gold debt 1904 ser. A.	1954	39,737,500	J & D	95	92⅝	94¾	93⅞	305,000
" " " ser. B.	1954		J & D	....	....	....	....	......

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—An increase of the capital of the Interboro Bank will be made, from $100,000 to $200,000, the new stock being offered to present shareholders at 160.

—Orlando F. Thomas, president of the Consolidated National Bank, has been elected a vice-president of the United National Bank, recently purchased by E. R. Thomas. It is stated that the United National is to become a trust company.

—The Gansevoort Bank, which became a branch last summer of the Fourteenth Street Bank, has declared a dividend of fifty per cent.

—Control of the Northern National Bank has been obtained by a syndicate of Connecticut banking interests, headed by Henry Dimse, cashier of the Citizens' Central National Bank, who will become president of the Northern National.

—The Hanover National Bank has changed its period for paying dividends from semi-annually to quarterly, and recently declared a quarterly dividend of three per cent.

—Another bank has been absorbed by the Union Bank, of Brooklyn—the People's Bank, which will be operated as the People's Branch of the Union Bank. At present the Union is capitalized at $500,000 and the People's at $200,000. This last purchase gives the Union total resources of nearly $13,000,000; deposits amount to more than $11,250,000. Not much more than a year ago, before it began to take in smaller institutions, its total resources were only $2,000,000 and deposits about $1,700,000.

—At a meeting, on March 16, of the committee appointed by the Chamber of Commerce to study the currency question and recommend reforms, John Claflin was elected chairman and Frank A. Vanderlip vice-chairman. The other members of the committee are Dumont Clarke, Isidor Straus and Charles A. Conant. Joseph F. Johnson, Dean of the School of Commerce of New York University, has been selected as secretary.

—On the evening of March 23 the officers, heads of departments and clerks of the Bank of Long Island met at a dinner at the Clarendon in Brooklyn. In the past three years the deposits of the bank have grown from $2,400,000 to over $4,456,000.

—Branches of the Lincoln Trust Company have been opened at Broadway and Seventy-Second street and Broadway and Lispenard street.

—Clearing-house privileges have been extended to the Van Norden Trust Company—the company having voluntarily decided on maintaining a larger reserve. Some months ago nearly all the trust companies gave up their clearing-house connections, owing to the reserve requirements imposed by the clearing-house rules.

—Stockholders of the Nassau National Bank, of Brooklyn, have voted to increase the capital stock from $300,000 to $750,000. The new stock is to be issued at par, and stockholders are entitled to subscribe for one and one-half shares of new stock for every share of stock owned. The new issue has already been oversubscribed.

—Samuel S. Campbell, Cashier of the Merchants' National Bank, has been elected vice-president of the United States Mortgage and Trust Co., to succeed Clark Williams, resigned. The position of Asssistant Secretary, which has been vacant for some time, was filled by the election of S. B. Colt, manager of the company's municipal bond department. John W. Platten, vice-president, was elected a director of the company.

—Wm. Hanhart, for many years connected with the Emigrant Industrial Savings Bank, of New York, and at present secretary of the Savings Bank Section of the American Bankers' Association, was recently elected president of the Bankers' Life Insurance Company, of New York.

—John W. Gates was recently elected a director of the National Bank of North America.

—Lyman J. Gage, former Secretary of the Treasury, has resigned as president of the United States Trust Company, of New York, and has been succeeded by E. W. Sheldon, for many years the company's attorney. James S. Clark, second vice-president, also resigned, and was succeeded by William M. Kingsley. Henry L. Thornell, for almost a quarter of a century secretary of the company, resigned, "in accordance with determination, previously announced, not to remain connected with the company in the event that the vacancies in the offices of president and vice-president should be filled without regard to his long-time service and connection with the company." Mr. Gage retires altogether from active connection with banking, and will enjoy a well-earned rest.

MIDDLE STATES.

Philadelphia.—The Union National Bank has recently purchased valuable property adjoining its present location on the east, on Arch street, and about May 1 will begin to erect a new and commodious banking-house, modern in every respect. This has been necessitated by the growth of the bank's business and its remarkably good prospects for future expansion.

New York State Bankers' Association.—July 5 and 6 are the dates for holding the next annual convention of this association, and the Hotel Champlain, Bluff Point, the place.

New Jersey Bankers' Association.—Atlantic City has been selected as the place for holding the annual convention of the New Jersey State Bankers' Association, which meets on April 27 and 28.

SOUTHERN STATES.

Gurdon, Ark.—The Bank of Gurdon opened for business in March last, with $20,000 capital. E. A. Whitmore is president, H. P. O'Neal, vice-president, and A. D. Boss, cashier. The bank has well-equipped quarters in the new modern building owned by Mr. O'Neal, the vice-president.

Prescott, Ark.—Although in business only since the fall of 1904, the Bank of Prescott has $4,000 surplus and deposits of $80,000. Its capital is $35,000. In the first eleven months the bank paid a dividend of ten per cent., and added 8½ per cent. to surplus.

Pine Bluff, Ark.—At the last annual meeting of the directors of the People's Savings Bank and Trust Co. S. C. Alexander, Jr., was elected president, succeeding W. H. Langford, resigned. This company began business in 1903 with $20,000 paid-up capital, which has been increased to $50,000, with $12,000 surplus and profits.

—An increase in the capital of the Citizens' Bank was made the first of the year from $100,000 to $300,000. W. H. Langford is president, R. M. Knox, and John B. Speers, vice-presidents, and M. E. Bloom, cashier.

Hope, Ark.—Recently the Citizens' Bank doubled its capital—increasing from $35,000 to $70,000—the increase being fully made from surplus and profits, the balance being taken by present shareholders. The bank has averaged dividends of eight per cent., and now has $10,000 surplus and profits. It is the intention of the bank to put up a new building this spring.

Tennnessee Bankers' Association.—This year's convention will be held at Lookout Inn June 6 and 7.

North Carolina Bankers' Association.—This year's convention of the association will be held at Lake Toxaway, N. C., June 19, 20 and 21. An attractive programme is being arranged, and some prominent speakers will be present. W. A. Hunt, cashier of the Citizens' Bank, Henderson, is secretary of the association.

New Orleans.—The Canal-Louisiana Bank and Trust Co. has decided to erect a ten-story fire-proof building on the site of the premises lately occupied by the Canal Bank before its consolidation with the Louisiana. The whole ground floor will be occupied by the bank, the upper stories being devoted to offices. The site of the new building is at the corner of Camp and Gravier streets.

Petersburg, Va.—One of the progressive banking institutions of the South is the Petersburg Savings and Insurance Company, which has $200,000 capital and $475,427 surplus and profits. From January 1, 1904, to January 1, 1906, deposits increased $470,325; total assets, $545,116; dividends paid, $50,000. Naturally, the management are much pleased with this showing. This institution is nearing its semi-centennial, having been established in 1860.

Houston, Tex.—Homer N. Tinker, cashier and secretary of the Union Bank and Trust Co., advises The Bankers' Magazine that the company has already outgrown its present quarters, and has leased the building on the corner of Main and Franklin streets, fronting fifty feet on Main street, in which the company will instal up-to-date fixtures and safety vaults.

Lewisville, Ark.—The Merchants and Farmers' Bank was established here five years ago, and is the only bank in the town. The bank occupies its own building, designed by Mr. Smith, the cashier.

Nashville Clearing-House.—At a meeting of the bankers of Nashville, Tenn., on March 31, preliminary steps were taken for the formation of a clearing-house association.

Camden, Ark.—The Merchants and Planters' Bank is now in its second year, and though having to compete with two old-established banks, has deposits of $115,000, and $4,000 surplus and profits after paying ten per cent. dividends on its capital of $50,000. B. C. Powell, the efficient cashier, is an experienced bank man, having been connected with the Camden National Bank for ten years.

Fayetteville, Ark.—Though yet comparatively a new bank, having been started in August, 1904, the First National Bank has $8,000 surplus and profits and $200,000 deposits.

—The National Bank of Fayetteville is the successor to the Bank of Fayetteville, organized in 1888, and has $60,000 capital. It is located in its own building, which is a substantial and handsome structure, and yields the bank eight per cent. on the amount it represents, not counting the rental of the bank's own quarters.

Fort Smith, Ark.—Established in 1887, the American National Bank is the newest of the three national banks of Fort Smith. Originally the capital was $100,000, but in 1904 it was increased to $200,000, of which $50,000 was taken from surplus, the other $5,000 representing new stock. At present the surplus and profits are $125,000, and the bank has paid $246,000 in dividends. Deposits amount to $1,000,000.

—The Bank of Arkansas began business at Fort Smith in December, 1905, with $100,000 capital. T. J. Smith, the president, was formerly vice-president of the American National.

Springdale, Ark.—W. T. Farrar, president of the Farmers and Merchants' Bank, is one of the well-known business men of this part of the state, being largely engaged in merchandising. This bank has $23,212 capital and $80,000 deposits.

—In point of age the Bank of Springdale stands first, having been established in March, 1889. The capital was at first only $2,000, but it has been increased several times and since January, 1896, has been $50,000. Deposits exceed $150,000.

Rogers, Ark.—The First National Bank is the only national bank here. It was started in August, 1905, with $25,000 capital, and now has $55,000 deposits. Being under the management of experienced officers, and having all the necessary equipment for doing a successful business, the prospects for success are of the best.

WESTERN STATES.

Ardmore, Ind.—The Bankers' Trust Company began business in May, 1905, with $250,000. Owing to the large capital and the strong character of the management, it was expected that a large business would be done, and this expectation has been fully realized. Already the business has attained such proportions that it has been found necessary to erect a commodious building for the company's use. The new building will be of pressed brick and stone, three stories, and occupy a lot 25 by 120 feet on the best business corner. It is expected the company will move into its new quarters about July 1.

The officers of the Bankers' Trust Company are: President, C. W. Baumbach; vice-president, F. E. Wettstein; treasurer, A. P. White; secretary, P. C. Dings; cashier, C. H. Woodward.

—The City National Bank of Ardmore started business in 1892, with a paid-up capital of $50,000. The first two years were not very profitable, owing to financial disturbances, but notwithstanding the bank paid dividends from the start. It increased the capital stock in 1902 to $100,000, which amount was paid out of the earnings, and there is now surplus and undivided profits of $70,000, after paying dividends up to last year, when the management adopted the policy of paying no more dividends until their surplus reached $100,000, which, from present indications, will be inside of a year.

—In August, 1890, the First National Bank began business here, and it is the oldest bank in the Indian Territory. Its capital is now $60,000, and surplus and profits, $240,000, exclusive of the building and fixtures, valued at not less than $17,500.

Atoka, Ind. Ter.—The Citizens' National Bank, which started in 1905 with

$30,000 capital, recently increased its capital to $50,000. A new building, two stories high, is being constructed for the bank's use. When completed, it will be fitted up with all the requirements of a modern bank.

Wetumka, Ind. Ter.—The First National Bank was organized in 1901 with $25,000 capital. It now has $7,500 surplus and profits and $85,000 deposits. H. H. Holman, the president, has lived here for twenty-nine years.

Okmulgee, Ind. Ter.—From the time it was organized in 1902 with $50,000 capital, the Citizens' National Bank has been successful, now having surplus and profits of $15,000 after paying regular annual dividends of ten per cent. A further evidence of progress is afforded by the fact that the bank recently moved into new and larger quarters.

Muskogee, Ind. Ter.—There was almost a complete change in the officers of the City National Bank the first of the year. Deposits increased in less than a month after the reorganization from $114,000 to $244,000, and now amount to over $260,000. It is the policy of this bank to carry at least fifty per cent. of its deposit liability in cash and sight exchange.

—The Alamo Savings Bank, reported to be the first in the Territory, opened February 1 with $25,000 capital, and occupying exclusively its own building.

Marietta, Ind. Ter.—E. F. Graham is the official president of the First National Bank, which opened here in 1896, and is the oldest bank in the town. Its capital is $25,000, and the surplus, after paying regular dividends, about $50,000. Deposits were $118,000 at the date of a recent statement.

Ada, Ind. Ter.—W. L. Reed is president of the First National Bank, H. T. Douglas, vice-president, and M. D. Timberlake, cashier. The bank has $50,000 capital, $10,000 surplus and profits, and $125,000 deposits.

—"Our time and attention given to exclusive banking—Nothing else," is the motto of the Citizens' National Bank, of Ada, which has $50,000 capital, $14,315 surplus and profits and $81,659 deposits.

Tulsa, Ind. Ter.—Substantial evidence of progress is given by the First National Bank, which has completed a handsome and substantial five-story building, of pressed brick and stone. It is one of the most modern buildings in this part of the country, and is a credit to the enterprising spirit of the management of the First National Bank. This bank was organized in 1898, and has $50,000 capital, $20,000 surplus and profits and $300,000 deposits.

Madill, Ind. Ter.—The First National Bank reports $60,000 capital, $15,000 surplus and profits and $150,000 deposits. This bank was started August 25, 1902, and in the spring of 1904 found that its business had grown so as to require the construction of a new building, which the bank now occupies.

Durant, Ind. Ter.—In October, 1900, the Durant National Bank was established with $50,000 capital, which was increased on March 1, 1905, out of the earnings, to $100,000, leaving still a surplus of $40,000.

—The Farmers' National Bank, which bought a controlling interest in the Choctaw-Chickasaw National Bank here in August last, and changed the name as above, reports a marked growth, the deposits increasing from $52,000 on August 1, 1905, to $184,363 on January 1, 1906.

Coalgate, Ind Ter.—A surplus of $25,000 is reported by the Coalgate National Bank, which was organized January, 1904, with $50,000 capital.

—In November last the International Bank opened here, and after four months reported $45,000 deposits. Its officers are experienced bankers, and are well known.

Hugo, Ind. Ter.—A new building has recently been completed for the Hugo National Bank. This bank opened June 5, 1905, and by December 20 had deposits amounting to $69,188.

St. Louis.—According to the official statement of March 20 the total resources of the Mississippi Valley Trust Co. were $25,669,003.14. The capital is $3,000,000, surplus and profits, $3,500,000, undivided profits, $2,103,450.56, and deposits, $[illegible],964,711.36.

Chicago.—N. W. Halsey & Co. have removed their office from the Rookery Building to the Chicago National Bank Building, 152 Monroe street. They have leased the offices formerly occupied by the Equitable Trust Co., which have been remodeled to suit the firm's requirements. In the future the Chicago house will do a general banking business in connection with its bond business.

Sallisaw, Ind. Ter.—During the six years of its existence the First National Bank, on its capital of $25,000, has put aside a surplus of $35,000. Deposits amount to $65,000. A. B. Dunlap is president, and R. W. Hines, vice-president and cashier.

Springfield, Mo.—The Springfield Savings Bank has been consolidated with the Springfield Trust Company, the business of both being continued by the last-named institution. Officers are: President, J. T. Woodruff; vice-president, Wm. H. Horine; secretary and treasurer, E. N. Ferguson, formerly treasurer of the Springfield Savings Bank. There is no change in the capital; deposits aggregate $850,000.

PACIFIC SLOPE.

Spokane, Washington.—A special meeting of the shareholders of the Old National Bank will be held April 20 to vote on a proposition to increase the capital of the bank from $200,000 to $500,000. Besides the present capital of $200,000, the Old National has $109,000 surplus. Its deposits on January 29 were $4,500,000.

San Francisco.—Under the title, "The Key of the Pacific," Zoeth S. Eldredge has collated a number of facts and arguments showing the favorable situation of this city with respect to Oriental trade, and especially the enhanced advantages that will accrue to San Francisco as a result of the construction of the Panama Canal. "The Key to the Pacific" is sent out with the compliments of the National Bank of the Pacific.

—The Crocker-Woolworth National Bank will complete the twentieth year of its existence August 31, 1906, and under the renewal charter which will then be granted, it will be designated as the Crocker National Bank of San Francisco. The bank will begin its third decade under promising auspices. Enlargement of quarters has recently been rendered necessary to meet the increase in business, the total volume of which in 1905 reached $600,000,000. Six receiving tellers and three paying tellers are kept constantly busy.

From January 11, 1905, to March 15 1906, the deposits of the institution were increased from $9,490,281 to $18,042,000, a net gain of nearly 100 per cent. in fourteen months. The original capital of $1,000,000 has never been changed, and the surplus of $1,500,000 has been created entirely from the earnings. Not a dividend has been passed in the history of the bank.

Los Angeles, Cal.—The Bank of Los Angeles has been succeeded by the National Bank of Commerce, with $200,000 capital and $20,000 surplus. Its officers are: President, F. M. Douglass; vice-president, Lee A. McConnell; cashier, Charles Ewing.

Spokane, Wash.—Building continues very active here, the value of buildings being erected comparing most favorably not only with other cities of this state but with a number of other live cities of the country. Spokane's building permits for February amounted to $322,776, an increase of seventy-two per cent, over the corresponding month last year.

—The State Tax Commission of Washington has prepared its instructions for county assessors. All state and national banks are to be listed and assessed at the places where the banks are located. The assessor is instructed to find the value of the stock, using such means as he can command. From the total value of the stock is to be deducted the amount of capital actually invested in real estate. The banks are required to furnish a list of all stockholders, and the stock is to be assessed at sixty per cent. of its value, after deducting the amount invested in real estate. The real estate is to be assessed to the bank.

Foreign and private banks are to be assessed on an amount equal to the general average of money used as shown by their daily or monthly balance sheets for the year preceding. The bank is to be called on to furnish a sworn statement, and if it refuses, then the assessor is to make the assessment from the best obtainable information.

Purchase money, mortgages and credits for the purchase price of real property are not assessable. Obligations for the payment of insurance premiums, or for unpaid subscriptions to any institution, society, or corporation, or for the purchase of United States, state, county, or municipal bonds of this state, or for warrants, tax certificates, or other known taxable property, are not to be deducted from taxable credits. The assessors are instructed to require tax payers to give an itemized list of credits and the deductions claimed therefrom. Tax payers must swear to these lists.

Franchises are to be assessed on the value of the land or property as a whole, from which amount the value of the tangible property is deducted. The value of a plant can be arrived at by taking the value of the capital stock where it has an open market value. This value is the amount of its bonded indebtedness plus the market value of its shares of stock.

—There has been a reorganization of the State Bank of Washington, this bank having taken over the assets and business of the People's Bank. It is the intention to increase the capital from $25,000 to $50,000. E. W. Swanson, for many years secretary and treasurer of the Farmers' Grain and Supply Co., is president. A branch will be established at Molson, Wash., in charge of B. A. Amy, cashier.

The Negotiable Instruments Law

THE adoption of this statute in thirty States has made a knowledge of its provisions indispensable to every bank officer and bank clerk, and the American Bankers' Association has accordingly recommended, through its Committee on Education, a course of study in the statute. (See Bankers' Magazine, November, 1905, p. 703.)

The best edition of the Act is that prepared by John J. Crawford, Esq., of the New York bar, by whom the Act was drawn, and who therefore speaks upon the subject with authority. This edition contains the full text of the law with copious annotations.

The annotations are not merely a digest and compliation of cases, but indicate the decisions and other sources from which the various provisions of the statute were drawn. They were all prepared by Mr. Crawford himself, and many of them are his original notes to the draft of the Act submitted to the Conference of Commissioners on Uniformity of Laws. They will be found an invaluable aid to an intelligent understanding of the statute.

A specially important feature is that the notes point out the changes which have been made in the law.

The book, which is published by the well-known law publishing house of Baker, Voorhis & Co., is printed in large clear type on heavy white paper, and neatly bound in law canvas.

The price is $2.50, sent by mail or express, prepaid. Where five or more copies are ordered, a special rate will be made.

For sale by

THE BANKERS' PUBLISHING COMPANY,
87 Maiden Lane, New York.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

National Bank of Topton, Topton, Pa.; by J. H. Baker, et al.

Union National Bank, Elk City, Kansas; by R. J. Conneway, et al.

Lidgerwood National Bank, Lidgerwood, N. D.; by J. L. Mathews, et al.

First National Bank, Frederick, Okla.; by Frank T. Blair, et al.

Farmers & Merchants' National Bank, Nashville, Ill.; by M. J. White, et al.

American National Bank, Spearfish, S. D.; by Henry Leppla, et al.

First National Bank, Miami, Texas; by D. J. Young, et al.

Coolville National Bank, Coolville, Ohio; by J. E. Hartwell, et al.

First National Bank, Lytton, Iowa; by F. A. Ayers, et al.

Citizens' National Bank, Kaukauna, Wis.; by H. Weifenbach, et al.

Sag Harbor National Bank, Sag Harbor, N. Y.; by Daniel B. Vermilye, et al.

Hardyston National Bank, Hamburg, N. J.; by Thomas D. Edsall, et al.

First National Bank, Johnson, Neb.; by Edward M. Boyd, et al.

Burrows National Bank, Andover, N. Y.; by A. B. Burrows, et al.

First National Bank, Youngsville, Pa.; by Geo. L. Morlock, et al.

Elgin National Bank, Elgin, Texas; by . H. Rivers, et al.

Citizens' National Bank, Lubbock, Texas; by Geo. C. Wolffarth, et al.

First National Bank, Lerna, Ill.; by R. G. Hall, et al.

Gramatan National Bank, Bronxville, N. Y.; by Robert E. Farley, et al.

First National Bank, Romney, W. Va.; by John J. Cornwell, et al.

First National Bank, Teague, Texas; by W. E. Richards, et al.

First National Bank, Gilroy, Cal.; by Amos A. Mahan, et al.

First National Bank, Troy, Kansas; by C. V. Norman, et al.

First National Bank, Ashford, Ala.; by Roy D. Clarke, et al.

First National Bank, Thomasboro, Ill.; by Wm. H. Wheat, et al.

First National Bank, Fountain City, Wis.; by A. N. Beiseker, et al.

Farmers & Merchants' National Bank, Knox City, Texas; by J. B. Jones, et al.

Medford National Bank, Medford, Oreg.; by H. E. Ankeny, et al.

Prague National Bank, Prague, Okla.; by A. P. Slober, et al.

Citizens' National Bank, Milford, Ohio; by William R. Fee, et al.

First National Bank, Alma, Wis.; by A. N. Beiseker, et al.

NATIONAL BANKS ORGANIZED.

8109—First National Bank, Santa Anna, Texas; capital, $25,000; Pres., L. V. Stockard; Vice-Pres., A. G. Weaver; Cashier, V. L. Grady; Asst. Cashier, F. Weaver.

8110—Merchants' National Bank, Covington, Ky.; capital, $100,000; Pres., Joseph J. Moser; Vice-Pres., Henry Holtrup and Bernard Ellerman; Cashier, H. W. Percival.

8111—National Bank of Commerce, Rochester, N. Y.; capital, $500,000; Pres., Robert M. Myers; Vice-Pres., Wm. H. Dunn and William Deininger; Vice-Pres. and Cashier, Thomas J. Swanton.

8112—Stanton National Bank, Stanton, Texas; capital, $25,000; Pres., J. V. Stokes; Vice-Pres., F. O. Aiken; Cashier, E. F. Elkin.

8113—Citizens' National Bank, Gothenburg, Neb.; capital, $25,000; Pres., J. H. Kelly; Vice-Pres., T. L. Carroll; Cashier, B. R. Kelly.

8114—First National Bank, Syracuse, Kans.; capital, $25,000; Pres., W. P. Humphrey; Vice-Pres., James Ford; Cashier, E. M. Scott.

8115—Greenup National Bank, Greenup, Ill.; capital, $25,000; Pres., Eb. Stewart; Vice-Pres., C. J. Hancock; Cashier, J .A. Campbell.

8116—Loveland National Bank, Loveland, Colo.; capital, $100,000; Pres., A. S. Benson; Vice-Pres., John Hahn and Wm. C. Vorreiter; Cashier, A. V. Benson; Asst. Cashier, I. G. McCreery.

8117—National Bank of Commerce, Los Angeles, Cal.; capital, $200,000; Pres., F. M. Douglass; Vice-Pres., Lee A. McConnell; Cashier, Charles Ewing.

8118—First National Bank, Dale, Wis.; capital, $25,000; Pres., W. K. Rideout; Vice-Pres., A. T. Hennig; Cashier, W. H. Spengler.

8119—First National Bank, Little Rock, Iowa; capital, $25,000; Pres., M. D. Bilsborough; Vice-Pres., W. B. Burton; Cashier, Charles C. Armour.

8120—Raton National Bank, Raton, N. M.; capital, $75,000; Pres., Chas. B. Kohlhousen; Vice-Pres., Michael K. Mendelson; Cashier, Benjamin Sherrod; Asst. Cashier, Rufus H. Carter.

8121—Monroe National Bank, Chicago, Ill.; capital, $200,000; Pres., Edwin F. Brown; Vice-Pres., E. W. Harden and Samuel K. Martin; Cashier, L. C. Woodworth.

8122—Merchants' National Bank, Detroit City, Minn.; capital, $50,000; Pres., A. G. Wedge, Jr.; Vice-Pres., Jeff H. Irish and W. L. Taylor; Cashier, W. J. Morrow; Asst. Cashier, E. J. Bestick.

8123—Allen National Bank, Edna, Texas; Capital, $30,000; Pres., J. W. Allen; Vice-Pres., A. E. Westoff; Cashier, A. Schmidt.

8124—First National Bank, McHenry, N. D.; capital, $25,000; Pres., H. A. Barnes; Vice-Pres., William O. Lowden; Cashier, G. P. Cross; Asst. Cashier, H. A. Blocker.

8125—German-American National Bank, Redfield, S. D.; catipal, $30,000; Pres., L. Pritzkau; Vice-Pres., T. S. Everitt; Cashier, J. A. Pritzkau.

8126—First National Bank, Eldorado, Okla.; capital, $25,000; Pres., C. T. Herring; Vice-Pres., J. C. Haney; Cashier, Herbert Farrell.

8127—Central National Bank, Saint Paris, Ohio; capital, $50,000; Pres., David McMorran; Vice-Pres., G. Lear Smith; Cashier, B. A. Taylor.

8128—City National Bank, Dublin, Ga.; capital, $100,000; Pres., J. E. Smith, Jr.; Vice-Pres., J. M. Page; Cashier, Albert R. Arnau; Asst. Cashier, D. S. Blackshear.

8129—People's National Bank, Pemberton, N. J.; capital, $25,000; Pres., Theodore Budd; Cashier, W. D. Hunt.

8130—First National Bank, Walnut Springs, Texas; capital, $30,000; Pres., J. W. Rudasill; Vice-Pres., C. E. Durham; Cashier, J. W. Mingus.

3131—Wernersville National Bank, Wernersville, Pa.; capital, $25,000; Pres., Geo. W. Wertz; Vice-Pres., S. S. Hill and Reuben D. Wenrich; Cashier, Leonard M. Ruth.

8132—American National Bank, Silver City, N. M.; capital, $50,000; Pres., C. C. Shoemaker; Vice-Pres., R. M. Turner and J. B. Herndon; Cashier, A. F. Kerr.

8133—Palmetto National Bank, Columbia, S. C.; capital, $250,000; Pres., Wilie Jones; Vice-Pres., John Jacob Seibels and Thomas Taylor; Cashier, J. P. Matthews; Asst. Cashier, Wm. M. Gibbes, Jr.

8134—Blanco National Bank, Blanco, Texas; capital, $25,000; Pres., Arlon B. Davis; Vice-Pres., Leon N. Walthall and Frank Heferman; Cashier, Charles E. Crist; Asst. Cashier, J. W. Lindeman.

8135—Benton County National Bank, Bentonville, Ark.; capital, $60,000; Pres., W. E. Adams; Vice-Pres., Dwight Dickson and Ben S. Terry; Cashier, J. D. Covey; Asst. Cashiers, J. C. Hennon and C. H. Kelly.

8136—Logan National Bank, Logan, W. Va.; capital, $50,000; Pres., Scott Justice; Vice-Pres., S. A. Draper; Cashier, Naaman Jackson.

8137—People's National Bank, Wapanucka, I. T.; capital, $25,000; Pres., E. J. Ball; Vice-Pres. and Cashier, E. O. Loomis; Vice-Pres., Wm. M. Dunn.

8138—First National Bank, Guymon, Okla.; capital, $25,000; Pres., J. H. Wright; Vice-Pres., J. W. Harris; Cashier, S. Denny; Asst. Cashier, J. Y. Grubbs.

8139—Weiser National Bank, Weiser, Idaho; capital, $50,000; Pres., G. M. Waterhouse; Vice-Pres., F. L. Taylor; Cashier, E. M. Shelley.

8140—First National Bank, Frederick, Okla.; capital, $25,000; Pres., W. E. Weathers; Vice-Pres., G. S. Hawkins and C. G. Durand; Cashier, Guy S. Weathers.

8141—People's National Bank, Spring Grove (P. O. Spring Forge), Pa.; capital, $50,000; Pres., P. H. Hershey; Vice-Pres., L. H. Alwine; Cashier, Harry C. Stitt.

8142—National Bank of Ness City, Ness City, Kansas; capital, $25,000; Pres., Mary C. Bennett; Vice-Pres., O. H. Laraway; Cashier, W. F. Baer; Asst. Cashier, L. Z. Emmert.

8143—First National Bank, Redondo, Cal.; capital, $25,000; Pres., Herman W. Hellman; Vice-Pres., H. B. Rollins; Cashier, S. M. Webster.

8144—First National Bank, Cement, Okla.; capital, $25,000; Pres., J. R. Utterback; Vice-Pres., Travis Latimer; Cashier, E. W. Power; Asst. Cashier, Jessie F. Notson.

8145—First National Bank, Elk City, Kans.; capital, $25,000; Pres., O. T. Hayward; Vice-Pres., L. W. Myers; Cashier, W. D. Myers; Asst. Cashier, Geo. L. Hayward.

8146—Burrows National Bank, Andover, N. Y.; capital, $25,000; Pres., W. W. Miller; Vice-Pres., A. B. Burrows; Cashier, F. W. Burrows.

8147—Wolfeboro National Bank, Wolfeboro, N. H.; capital, $30,000; Pres., James H. Martin; Vice-Pres., Almon W. Eaton; Cashier, Wilbra H. Swett.

8148—Capital National Bank; capital, $100,000; Pres., Ransom E. Olds; Vice-Pres., James J. Baird; Cashier, John E. Whitham; Asst. Cashier, M. F. Chafey.

8149—Bozeman-Waters National Bank, Poseyville, Ind.; capital, $50,000; Pres., V. P. Bozeman; Vice-Pres., Geo. J. Waters; Cashier, A. E. Jaquess.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Camp Hill—Bank of Camp Hill; capital, $25,000; Pres., Thos. S. Sturdivant; Vice-Pres., E. L. Andrews; Cashier, John W. Lockhart.

Russellville—Citizens' Bank & Savings Co.; capital, $25,000; Pres., C. E. Wilson; Vice-Pres., W. C. Hurst; Cashier, Foster Gavin.

Troy—Trust Company of Alabama; capital, $25,000; Pres., W. B. Folmar; Sec. & Treas., Frank P. Folmar.

ARKANSAS.

Booneville—Farmers & Merchants' Bank; capital, $15,000; Pres., Jno. W. McConnell; Vice-Pres., J. W. Underwood; Cashier, W. E. Harrell; Sec., Geo. Radford.

Fort Smith—Arkansas Valley Trust Co.; capital, $250,000; Pres., C. R. Breckinridge; Vice-Pres., C. E. Specr; Cashier, Jno. C. Gardner.

Higginson—First Bank; capital, $1,000; Pres., R. A. Cook; Vice-Pres., J. T. Walker; Cashier, Norman Hall.

Reyno—Reyno State Bank; capital, $10,000; Pres., A. M. Reynolds; Vice-Pres., J. W. Shove; Cashier, H. C. Hancock.

CALIFORNIA.

Alameda—Citizens' Bank; capital, $50,000; Pres., Geo. A. Moore; Vice-Pres., S. E. Biddle, Jr.; Cashier, Frank V. Bordwell; Asst. Cashier, R. W. Westover.

COLORADO.

Sedgewick—Sedgewick County Bank; Pres., W. F. Miller; Vice-Pres., W. E. Coombe; Asst. Cashier, Arthur Graham.

GEORGIA.

Draketown—Draketown Banking Co.; capital, $15,000; Pres., W. F. Goldin; Vice-Pres., J. K. Reeves; Cashier, J. C. Golden; Asst. Cash., J. E. Singleton.

East Point—Bank of East Point; capital, $25,000; Pres., Asa G. Candler; Vice-Pres., R. F. Thompson; Cashier, J. C. Keene.

Rebecca—Bank of Rebecca; capital, $5,000; Pres., J. A. Pruitt; Vice-Pres., L. T. Fields; Cashier, R. L. King.

Toccoa—Farmers & Merchants' Bank; capital, $25,000; Pres., J. B. Simmons; Vice-Pres., C. A. Cooper; Cashier, D. S. Wommack.

IDAHO.

Bonners Ferry—First State Bank; capital, $10,500; Pres., J. P. Monks; Vice-Pres., W. P. Mahoney; Cashier, W. D. Baxter.

ILLINOIS.

Fairbury—G. Y. McDowell & Co.

Melrose Park—Melrose Park State Bank; capital, $25,000; Pres., Wm. G. Heldemann; Vice-Pres., Albert Famling; Cashier, John Soffel.

INDIAN TERRITORY.

Ryan—People's Bank & Trust Co.; capital, $20,000; Pres., M. H. Barrett; Vice-Pres., W. B. Wray; Cashier, H. V. Bird.

Tidmore—First Bank; capital, $5,000; Pres., R. C. Parmenter; Vice-Pres., M. R. Sturtevant; Cashier, W. H. Spurr.

Saskawa—Bank of Saskawa; capital, $25,000; Pres., Jno. F. Brown; Vice-Pres., W. J. Smith; Cashier, G. L. Benson.

Wewoka—Bank of Wewoka; capital, $6,200; Pres., A. G. Mayhue; Vice-Pres., R. L. Thurmond; Cashier, W. J. Ryan.

IOWA.

Agency—Agency Sacings Bank; capital, $10,000; Pres., J. H. Merrill; Vice-Pres., J. C. Jordan; Cashier, Watson N. Engart.

Grimes—Farmers' Savings Bank; capital, $15,000; Pres., A. M. Allen; Vice-Pres., Peter Bokrofen; Cashier, J. P. Black.

Lytton—Farmers' Savings Bank; capital, $15,000; Pres., C. F. Brobell; Vice-Pres., S. H. Drum; Cashier, F. A. Ayers.

KENTUCKY.

Dayton—Bank of Dayton; capital, $14,000; Pres., John Kruchten; Vice-Pres., W. A. Young; Cashier, R. Scott Williams.

Hazel Green—Hazel Green Bank; capital, $7,500; Pres., H. F. Pierott; Vice-Pres., E. F. Cecil; Cashier, Marion Knight.

Waddy—Citizens' Bank (successor to Bank of Waddy); capital, $100,000; Pres., W. H. Tipton; Cashier, C. E. Frife.

MICHIGAN.

Grand Rapids—South Grand Rapids State Bank; capital, $25,000; Pres., Geo. Wykes; Vice-Pres.. W. T. Shafer; Cashier, Benjamin C. Porter.

Grant—Grant State Bank; capital. $20,000; Pres., Frank W. Lanier; Vice-Pres., P. Drummond; Cashier, H. M. Finley.

Levering—Levering Exchange Bank (A. R. Taggett); capital, $7,500.

Memphis—Memphis State Bank; capital, $20,000; Pres., Thomas McCall; Vice-Pres., C. E. Green; Cashier, Frank C. Flumerfelt.

MINNESOTA.

Clitherall—Bank of Clitherall; capital, $5,000; Pres., W. E. Parker; Vice-Pres., J. J. Meyer; Cashier, L. M. Clark.

Nelson—Bank of Nelson; Pres., John Ernster; Vice-Pres., James Manuel; Cashier, H. J. Ernster.

Puposky—Bank of Puposky; capital, $10,000; Pres. and Cashier, A. E. Smith; Asst. Cashier, O. J. Luqua.

MISSISSIPPI.

Blue Mountain—Bank of Blue Mountain; capital, $12,500; Pres., T. C. Lowry; Vice-Pres., Charles F. Palmer; Cashier, A. A. Graham.

Jackson—Commercial Bank; capital, $6,000; Pres., N. T. Anders; Vice-Pres., Charles Anders; Cashier, N. T. Anders.

Natchez—Bluff City Savings Bank; Pres., J. B. Banks; Vice-Pres., S. H. Cowen and W. L. Burland; Cashier, J. R. Ross.

Tupelo—Farmers' Bank & Trust Co.; capital, $50,000; Pres., Whitten Duncan; Vice-Pres., Asa W. Allen; Cashier, D. E. Turner; Asst. Cas., C. C. Harrington.

Vicksburg—Security Bank & Trust Co.; capital, $10,000; Pres., W. C. Sharp; Cashier, L. M. Sharp.

MISSOURI.

Cole Camp—People's Bank; capital, $7,500; Pres., Peter Holsten; Vice-Pres., John Jagels; Cashier, W. C. Nelson.

Hermitage—Citizens' Bank; capital, $5,000; Pres., Wm. F. Coon; Vice- Pres., W. J. Edde; Cashier, John H. McCaslin.

Kirksville—Kirksville Loan & Trust Co.; capital, $50,000; Pres., J. E. Waddill; Vice-Pres., E. H. Allison; Sec. & Treas., R. M. Miller.

Nashua—Bank of Nashua; capital, $2,000; Pres., J. W. Tillman; Vice-Pres., A. M. Thompson; Cashier, W. T. Elliott.

St. Joseph—Empire Trust Co.; capital, $50,000; Pres., J. N. Burnes; Vice-Pres., R. W. Powell; Cashier; W. P. Hoehn.

St. Louis—Cass Avenue Bank; capital, $100,000; Pres., Geo. Bothe; Vice-Pres., J. F. Hellrung; Cashier, Louis Schlendorf.—Vandeventer Trust Co.; capital, $100,000; Pres., Wm. A. McCandless; Vice-Pres., W. W. Henderson and E. A. Peters; Sec., C. C. Andrews; Asst. Sec., A. B. Schulze.

MONTANA.

Basin—Hewett State Bank; capital, $32,021; Pres., Marcus L. Hewett; Vice-Pres., Carl G. Weidinger; Cashier, Lynn D. Kent.

Billings—First Trust & Savings Bank; capital, $100,000; Pres., P. B. Moss; Vice-Pres., M. A. Arnold; Sec., Geo. M. Hays.

NEBRASKA.

Clay Center—Clay Center State Bank; capital, $25,000; Pres., J. O. Walker; Vice-Pres., Geo. P. Schwab; Cashier, F. T. Swanson; Asst. Cas., H. A. Swanson.

Long Pine—Commercial Bank; capital, $10,000; Pres., Otto Berger; Vice-Pres., A. M. Modisett; Cashier, Amos Burwell.

Manley—Manley State Bank; capital, $5,000; Pres., Jno. A. Donelan; Vice-Pres., C. W. Bish; Cashier, W. D. Bish.

Paxton—Commercial State Bank; capital, $5,000; Pres., J. W. Welpton; Vice-Pres., H. E. Worrell.

NEVADA.

Fallon—Churchill County Bank; capital, $50,000; Pres., R. L. Douglass; Vice-Pres., Warren W. Williams; Cashier, Geo. T. Childs.

Manhattan—Bank of Manhattan; capital, $50,000; Pres., B. L. Smith; Vice-Pres., O. H. Smith; Cashier, H. B. Gee.

NEW YORK.

Brooklyn—Hamburg Savings Bank; Pres., James Noffett; Vice-Pres., David Engel and N. A. Steunnermann; Sec., Frederick Heib.

New York—Bronx Savings Bank; Pres., Wm. B. Aitken; Vice-Pres., Charles H. Schumann, Charles A. Berrian and Jacob Stahl, Jr.; Sec., Frederic B. Allin; Asst. Sec., Wm. E. Stevens.

NORTH CAROLINA.

Burgaw—Bank of Pender; capital, $12,500; Pres., W. D. Croom; Vice-Pres., H. F. Murphy and J. H. Moore; Cashier, C. C. Branch.

Concord—Southern Loan & Trust Co.; capital, $27,000; Pres., W. W. Flower; Vice-Pres., W. C. Houston; Sec. and Treas., J. A. Cannon.

Robersonville—Bank of Robersonville (successor to J. C. Roberson); capital, $15,000; Pres., W. L. Sherrod; Vice-Pres., R. H. Hargrave; Cashier, J. C. Roberson; Asst. Cashier, W. H. Woolard.

Winterville—Bank of Winterville; capital, $4,800; Pres., A. G. Cox; Vice-Pres., Charles McLawhon; Cashier, J. L. Jackson.

NORTH DAKOTA.

Anamoose—First State Bank; capital, $10,000; Pres., Chas. G. Kapelovitz; Vice-Pres., S. Kapelovitz; Cashier, Fred C. Wick.

Belfield—Belfield State Bank; capital, $10,000; Pres., C. L. Timmerman; Vice-Pres., H. R. Lyon; Cashier, C. H. Picker.

Eckman—First State Bank; capital, $10,000; Pres., J. R. Holton; Vice-

Pres., C. M. Case; Cashier, H. E. Blair.

Kenmare—Farmers & Merchants' State Bank; capital, $10,000; Pres., Fred W. Van Vleck; Vice-Pres., John L. Wemark; Cashier, A. G. Engdahl.

New Rockford—Farmers & Merchants' Bank; capital, $15,000; Pres., Anton Haas; Vice-Pres., A. R. Johns; Cashier, E. R. Davidson.

Palermo—Farmers & Merchants' State Bank; capital, $10,000; Pres., John McCarty; Vice-Pres., Martin D. Johnson; Cashier, A. N. Johnson.

Walum—State Bank; capital, $10,000; Pres., A. H. Berg; Vice-Pres., A. O. Anderson; Cashier, Charles W. Smith.

OHIO.

Centerburg—Centerburg Savings Bank (successor to Centerburg Bank); capital, $100,000; Pres., Mark Cook; Vice-Pres., C. W. Coe; Cashier, Harry Bell; Asst. Cashier, J. M. Cochran.

OKLAHOMA.

Cement—Farmers' State Bank; capital, $10,000; Pres., D. C. Davis; Vice-Pres., C. H. Bower; Cashier, B. E. Kelly; Asst. Cashier, C. B. Gillis.

Crescent—Bank of Crescent; capital, $10,000; Pres., J. H. Norris; Vice-Pres., J. E. Hopkins; Cashier, U. G. Norris.

Elmer—Bank of Elmer; capital, $10,000; Pres., C. T. Herring; Vice-Pres., L. J. Massie; Cashier, Wm. A. Lee.

Gracemint—State Bank; capital, $10,000; Pres., W. T. Clark; Vice-Pres., Jas. M. Bohart, Jr.; Cashier, A. L. Babb.

Longdale—Bank of Longdale; capital, $10,000; Pres., E. E. Hart; Vice-Pres., H. F. Smith; Cashier, C. Fisher.

Selling—Bank of Selling; capital, $10,000; Pres., A. M. Hutton; Vice-Pres., T. L. Davis; Cashier, F. W. Lewis.

Sentinel—Finerty State Bank; capital, $10,000; Pres., F. C. Finerty; Vice-Pres., F. P. Finerty; Cashier, C. C. Finerty; Asst. Cas., J. W. Lambright.

OREGON.

Freewater—Freewater Branch Bank of Milton.

La Grande—Oregon Trust & Savings Bank; capital, $60,000; Pres., W. C. Brown; Vice-Pres., Wm. Miller; Cashier, Geo. L. Cleaver; Asst. Cashier, T. J. Scroggin.

Rainier—Bank of Rainier; capital $10,000; Pres., W. P. Ely; Vice-Pres., W. D. Plue; Cashier, J. P. Buford.

PENNSYLVANIA.

Philadelphia—Rittenhouse Trust Co.; capital, $250,000; Pres., H. O. Hildebrand; Vice-Pres., V. Gilpin Robinson; Sec. & Treas., Robert B. MacMullin; Asst. Treas., W. C. Fitzgerald.—Pelham Trust Co.; capital, $150,000; Pres., Jacob S. Disston; Vice-Pres., Francis Schumann; Treas., W. M. Churchman.

SOUTH DAKOTA.

Albee—Albee State Bank; capital, $10,000; Pres., J. A. Gold; Vice-Pres., J. T. Gold; Cashier, Chas. H. Wallace; Asst. Cas., G. M. Engebretson.

Conde—Farmers & Merchants' Bank; capital, $10,000; Pres., E. R. Place; Vice-Pres., F. P. Taylor; Cashier, L. A. Vandenburg.

Herrick—Bank of Herrick (successor to Rosebud Bank); capital, $6,000; Pres., H. F. Slaughter; Vice-Pres., Wilford Standiford, and W. S. Slaughter; Cashier, J. A. Blair.

TENNESSEE.

La Grange—La Grange Savings Bank; capital, $10,000; Pres., M. L. Anderson; Vice-Pres., W. P. Cowan; Cashier, L. E. Anderson; Asst. Cashier, E. M. McNamee.

Trezevant—People's Bank; capital, $15,000; Pres., W. J. Hurdle; Vice-Pres., R. M. Murray; Cashier, Jeff J. Blanks; Asst. Cashier, Nevins Arnold.

TEXAS.

Allen—Allen State Bank; capital, $10,000; Pres., S. P. Bush; Vice-Pres., H. T. Jordan; Cashier, J. B. Postins.

Bangs—First State Bank; capital, $10,000; Pres., W. J. Schulze; Vice-Pres., E. H. Flynn and H. McGeorge; Cashier, H. P. Rutherford.

Bronte—First State Bank; capital, $15,000; Pres., R. M. Cumbie; Vice-Pres., J. J. Graves; Cashier, J. B. Rielly; Asst. Cashier, H. M. Cameron.

Cameron—Cameron State Bank; capital, $30,000; Pres., T. F. Hardy; Vice-Pres., A. J. Dossett and T. H. Graves; Cashier, T. A. Robinson.

Dallas—Union Bank & Trust Co.; capital, $200,000; Pres., B. M. Burgher; Vice-Pres., M. H. Wolfe, R. Liebman and E. G. Patton; Cashier, I. B. Walker; Asst. Cas., Leon M. Yesner.

Ferris—Farmers & Merchants' Bank; capital, $32,000; Pres., W. W. Batchler; Vice-Pres., C. E. Pratt; Cashier, C. A. Weatherford; Asst. Cashier, C. E. Pratt.

Hamilton—Hamilton Banking & Trust Co.; capital, $50,000; Pres., J. L. Spurlin; Vice-Pres., C. W. Cotton and C. E. Horton; Cashier, J. M. Williams; Asst. Cashier, J. E. Moore.

Putnam—First State Bank (successor to Farmers' Bank); capital, $10,000; Pres., F. P. Shackelford; Vice-Pres., R. D. Williams; Cashier, W. C. Lasley; Asst. Cashier, A. Leslie Biggerstaff.

Rockwall—Farmers' State Bank; capital, $10,000; Pres., W. H. Grove; Vice-Pres., J. F. Corry and H. W. Chandler; Cashier, Mark Wheeler.

Wallis Station—Wallis State Bank; capital, $10,000; Pres., D. N. Harris; Vice-Pres., R. W. Gugler and J. H. Thompson; Cashier, Owen R. Prouty.

UTAH.

Brigham—State Bank (successor to Bank of Brigham City) capital, $40,000; Pres., David Eccles; Vice-Pres., M. S. Browning and R. L. Fishburn, Jr.; Cashier, J. E. Halverson; Asst. Cashier, W. T. Davis.

VIRGINIA.

Dayton—Bank of Dayton; capital, $10,000; Pres., E. C. Ralston; Cashier, N. R. Crist.

WASHINGTON.

Ellensburg—Farmers' Bank; capital, $15,000; Pres., James Ramsay; Vice-Pres., H. S. Elwood; Cashier, J. C. Sterling; Asst. Cashier, R. Lee Barnes.

WEST VIRGINIA.

Hamlin—Lincoln County Bank; capital, $10,000; Pres., D. E. Wilkinson; Vice-Pres., A. J. Knotts and L. M. Thocker; Cashier, Ira S. Bartlett.

WISCONSIN.

Cecil—State Bank; capital, $15,000; Pres., Herman Bocker; Vice-Pres., W. C. Zachow; Cashier, J. H. Kuehl.

Fountain City—First State Bank; capital, $10,000; Pres., F. H. Bohri; Vice-Pres., C. A. Kirchner; Cashier, H. E. Bohri.

CANADA.

ONTARIO.

Dungannon—Bank of Hamilton; R. R. MacLeod, Mgr.

Ilderton—Sovereign Bank of Canada; E. D. Grant, Actg. Mgr.

London—Bank of Nova Scotia; R. B. Rossborough, Mgr.

Merlin—Molsons Bank; Y. L. Woods, Mgr.

New Hamburg—Bank of Hamilton; W. L. Sutherland, Agent.

Orillia—Merchants' Bank of Canada; F. L. MacGachen, Mgr.

Waterloo—Bank of Toronto.

Windsor—Dominion Bank; J. H. Stone, Mgr.

BRITISH COLUMBIA.

Vancouver—Merchants' Bank of Canada; Geo. S. Harrison, Mgr.

NEW BRUNSWICK.

Norton—Bank of New Brunswick; (Sub. to Sussex.)

NOVA SCOTIA.

Amherst—Union Bank of Halifax; P. A. Curry, Mgr.

Stellarton—Union Bank of Halifax; F. G. D. Cameron, Mgr.

QUEBEC.

St. Jacques—Banque d'Hochelaga; P. A. Lavallie, Mgr.

ALBERTA.

Fillmore—Union Bank of Canada; W. B. Steele, Mgr.

Gleichen—Canadian Bank of Commerce; J. S. Hunt, Actg. Mgr.

Leavings—Canadian Bank of Commerce; H. M. Stewart, Actg. Mgr.

Nanton—Bank of Hamilton; G. G. Coote, Mgr.

Stavely—Canadian Bank of Commerce; A. B. Irvine, Actg. Mgr.

SASKATCHEWAN.

Humboldt—Canadian Bank of Commerce; F. C. Wright, Mgr.

Langham—Canadian Bank of Commerce; W. J. Savage, Mgr.

Radisson—Canadian Bank of Commerce; C. Dickinson, Actg. Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Bessemer—Bessemer National Bank; W. H. Lewis, Cashier; J. R. Rutherford, Asst. Cashier.

Elba—First National Bank; J. E. Henderson, Pres. in place of G. H. Malone; F. P. Ranier, Vice-Pres. in place of J. B. Simmons; Y. W. Ranier, Cashier in place of W. D. Hutchison.

Selma—People's Savings Bank; title changed to People's Bank & Trust Co.

Sylacauga—Merchants & Planters' National Bank; W. J. Cannon, Vice-Pres. in place of F. H. Knapp; Jno. F. Golson, Asst. Cashier.

Talladega—Talladega National Bank; J. A. Thornton, Cashier in place of J. M. Hicks.

ARIZONA.

Nogales—First National Bank; Wm. Schuckmann, Pres. in place of L. Lindsay.

ARKANSAS.

Batesville—First National Bank; N. A. Adler, Pres. in place of Theodore Maxfield; J. B. Fitzhugh, Vice-Pres. in place of N. A. Adler.

El Dorado—Citizens' National Bank; John C. Ritchie, Pres. in place of C. H. Murphy; C. H. Murphy, Cashier in place of M. W. Hardy.

Harrison—People's Bank; J. C. McClure, Cashier.

Little Rock—German National Bank; D. G. Fones, Pres. in place of J. G.

Fletcher; R. A. Little, Vice-Pres. in place of D. G. Fones.—State National Bank; Thomas J. Darragh, Vice-Pres. in place of R. D. Duncan; R. D. Duncan, Cashier in place of R. S. Hamilton.

CALIFORNIA.

Compton—First National Bank; Will L. Frew, Asst. Cashier.

Escondido—First National Bank; W. H. Baldridge, Pres. in place of L. J. Wilde.

Los Angeles—United States National Bank; F. W. Smith, Cashier in place of E. J. Vawter, Jr.; R. B. Harris, Asst. Cashier.—Home Savings Bank; W. F. Swayzee, Vice-Pres., deceased.

Modesto—First National Bank; M. McHenry, Pres. in place of O. McHenry, deceased.

Ocean Park—First National Bank; Fred M. Knappen, Asst. Cashier.

Whittier—First National Bank; F. W. Hadley, Cashier in place of G. E. Little.

COLORADO.

Alamosa—American National Bank; Verner Z. Reed, President.

Arvada—First National Bank; G. H. Church, Pres. in place of G. C. Swadley.

Canon City—Fremont County Bank; F. A. Rainolds, Proprietor, deceased.

CONNECTICUT.

Waterbury — Manufacturers' National Bank; Edward L. Frisbie, Pres.; Charles F. Mitchell, Vice-Pres.; Archie E. Lord, Cashier.

DELAWARE.

Wilmington—National Bank of Delaware; no Vice-Pres. in place of H. L. Evans.

DISTRICT OF COLUMBIA.

Washington—People's Bank; W. J. Lambert, Pres. in place of S. J. Masters; William F. Gude, Vice-Pres.

FLORIDA.

Marianna—First National Bank; M. L. Dekle, Pres. in place of W. J. Daniel; W. H. Milton, Vice-Pres. in place of M. L. Dekle.

Quincy—First National Bank; H. A. Love, Vice-Pres. in place of W. H. Davidson; S. E. Key, Cashier in place of W. H. Ide.

IDAHO.

Twin Falls—First National Bank; S. H. Hays, Vice-Pres. in place of Philip Wiesner.

ILLINOIS.

Bloomington—Third National Bank; Geo. L. Parker, Pres. in place of J. J. Cowden.

Carrier Mills—First National Bank; Geo. B. Dodds, Pres. in place of A. V. Tiller; A. V. Tiller, Vice-Pres. in place of Geo. B. Dodds.

Elgin—Union National Bank; John E. Whitham, Cashier, resigned; Geo. R. Sylla, Asst. Cashier.

Peoria—Dime Savings Bank; Sumner R. Clarke, Pres. in place of O. J. Bailey, resigned; H. C. Schwab, Asst. Cashier.

INDIANA.

Fowler—First National Bank; S. J. Withrow, Asst. Cashier.

Trafalgar—Farmers' National Bank; C. E. Willan, Asst. Cashier.

INDIAN TERRITORY.

Claremore—First National Bank; no Asst. Cashier in place of J. Len Comer.

Konawa—First National Bank; H. T. Douglas, Pres. in place of W. H. Holman; W. H. Holman, Cashier in place of W. R. Mershon.

Marietta—First National Bank; no Vice-Pres. in place of J. G. Butler.

Sallisaw—Merchants' National Bank; D. P. Delaney, Cashier in place of J. C. Gardner.

Sapulpa—American National Bank; W. C. Hoover, Vice-Pres.; H. H. Johnson, Cashier in place of W. M. Crawford.

Wapanucka—First National Bank; J. M. Burns, Pres. in place of R. E. Wade; W. O. Salmon, Vice-Pres. in place of E. O. Loomis; E. H. Castle, Cashier in place of W. O. Salmon.

Wewoka—Farmers' National Bank; C. E. Morgan, Asst. Cashier.

Wilburton—First National Bank; H. D. Price, Pres. in place of James Degnan.

Woodville—First National Bank; John W. Beard, Vice-Pres. in place of R. A. Owen; no Asst. Cashier in place of I. J. Weatherford.

IOWA.

Brighton—National Bank of Brighton; Geo. Savage, Vice-Pres. in place of J. H. Bull, deceased.

Crystal Lake—First National Bank; H. S. Hegnes, Cashier in place of F. A. Keup; E. I. Levang, Asst. Cashier in place of H. S. Hegnes.

Fort Dodge—People's Bank; absorbed by Fort Dodge National Bank.

Keokuk—State Central Savings Bank; Geo. E. Rix, Vice-Pres.; C. J. Bode, Cashier; Harry B. Blood, Asst. Cashier.

Mediapolis—Citizens' State Bank; John L. Thomas, Pres., deceased.

Red Oak—First National Bank; O. J. Gibson, Cashier in place of C. F. Clarke, deceased; W. J. Roberts, Asst. Cashier in place of W. S. Ellis.—Farmers' National Bank; F. J. Brody, Cashier in place of O. J. Gibson.

KENTUCKY.

Mayfield—City National Bank; W. W. Beadles, Cashier in place of R. A. Mayes.

MASSACHUSETTS.

Boston—Bunker Hill National Bank; absorbed by City Trust Co.—Beacon Trust Co.; John A. Gale, resigned.

Hingham—Hingham National Bank; B. A. Robinson, Pres. in place of Joseph Jacobs, deceased; E. W. Jones, Asst. Cashier.

Monson—Monson National Bank; A. B. C. Deming, Jr., Cashier in place of E. F. Morris.

Randolph—Randolph Savings Bank; Asa P. French, Pres. in place of J. White Belcher, deceased.

Springfield—Springfield Clearing-House; E. D. Chapin, President, retired.

MICHIGAN.

Grand Haven—National Bank of Grand Haven; H. F. Harbeck, Second Vice-Pres.

Lapeer—First National Bank; C. G. White, Pres. in place of H. D. Rood; J. R. Johnson, Cashier in place of C. G. White; Kirk White, Asst. Cashier in place of J. R. Johnson.

MINNESOTA.

Beardsley—First National Bank; W. Bartlett, Vice-Pres. in place of W. M. Moroney; G. J. Mack, Asst. Cashier.

Cold Spring—First National Bank; John Muggli, Cashier in place of Paul Adams.

MISSISSIPPI.

Wesson—Bank of Wesson; Thad. Lampton, Pres.; James Lyell, Vice-Pres.; Robert Rea, Cashier.

MISSOURI.

Grant City—First National Bank; J. T. Maus, Asst. Cashier.

Kirksville—Baird National Bank; J. E. Waddill, Pres. in place of W. T. Baird; Warren Hamilton, Vice-Pres. in place of E. C. Link.

Linn Creek—First National Bank; William F. Claiborne, Vice-Pres. in place of B. F. Kendrick.

Paris—Paris National Bank; Wm. F. Buckner, Pres. in place of D. H. Moss; J. M. Crutcher, Vice-Pres. in place of Wm. F. Buckner.

NEBRASKA.

North Bend—National Bank of North Bend; Alex. Thom, Pres. in place of M. Dowling; T. J. Kastle, Vice-Pres. in place of T. B. Purcell; D. W. Killeen, Asst. Cashier in place of H. P. Dowling.

Wisner—First National Bank; no Vice-Pres. in place of A. Becher; Wm. Armstrong, Cashier in place of J. W. Stewart; J. C. McNish, Asst. Cashier in place of Wm. Armstrong.

NEW YORK.

Albany—First National Bank; Horace G. Young, Vice-Pres.

Andover—A. M. Burrows, banker, deceased.

Buffalo—Third National Bank; Nathaniel Rochester, Pres., deceased.

Goshen—Goshen National Bank; H. A. Horton, Cashier in place of J. W. Hayne.

Herkimer—Herkimer National Bank; Geo. C. Steele, Asst. Cashier in place of E. G. Davis.

LeRoy—LeRoy National Bank; H. B. Ward, Cashier in place of W. C. Donnan; no Asst. Cashier in place of H. B. Ward.

Lowville—First National Bank; Charles D. Boshart, Vice-Pres., deceased.

New York—Citizens' Central National Bank; J. M. Smith, Asst. Cashier in place of Leo H. McCall.

Norwich—Chenango National Bank; Homer H. Higley, Cashier in place of G. T. Dunham; Wm. Mason, Asst. Cashier.

Utica—Citizens' Trust Company; Edward Bushinger, Secretary, deceased.

Watertown—Watertown National Bank; N. P. Wardwell, Pres. in place of G. W. Knowlton; G. W. Knowlton, Vice-Pres.; W. W. Rice, Cashier in place of N. P. Wardwell.

NORTH CAROLINA.

High Point—National Bank of High Point; title changed to First National Bank; F. C. Boyles, Asst. Cashier.

Wilmington—Atlantic National Bank; Wm. Calder, Vice-Pres.

Winston-Salem — Wachovia National Bank; James A. Gray, Pres. in place of W. A. Lemly; no Cashier in place of James A. Gray; E. S. Gray, Asst. Cashier.

OHIO.

Ashtabula—Farmers' National Bank; E. R. Pierce, Cashier in place of Edwin Goddard; J. H. Goddard, Asst. Cashier in place of E. R. Pierce.

Columbus—City National Bank; Z. L. White, Vice-Pres. in place of C. H. Hanna.—West Side Dime Savings Bank; William Little, Pres. in place of W. S. Courtright; J. O. Shaughnessey, Cashier.

Grove City—First National Bank; Otto Willert, Cashier in place of I. Shaffer.

Mount Vernon—First National Bank; C. B. Curtis, Asst. Cashier.

OKLAHOMA.

Cordell—City National Bank; W. G. Ernest, Cashier in place of C. H. Tinker.

Lexington—Farmers' National Bank; H. C. Rice, Vice-Pres. in place of Chas. Greenmore; F. J. Hawk, Asst. Cashier.

Taloga—First National Bank; F. L. Berry, Asst. Cashier in place of J. A. Clem.

PENNSYLVANIA.

Benson—First National Bank; Charles I. Shaver, Cashier.

Braddock—Braddock Trust Co.; Thos. Baird, Asst. Sec. and Tr., resigned.

Bradford—Bradford National Bank; Claud E. Mitchell, Asst. Cashier, deceased.

Connellsville—Yough National Bank; no Cashier in place of G. T. Griffin.

McKeesport—City Bank; Thomas Baird, Cashier in place of Wm. H. Coleman, resigned.

Middletown—Farmers' Bank; Benjamin S. Peters, Pres., deceased.

Millsboro—First National Bank; J. A. Ray, Pres. in place of J. G. Gibson; Osman McCarty, Vice-Pres. in place of R. E. L. Rodgers; E. M. Emery, Cashier in place of J. P. Clutter; no Asst. Cashier in place of E. M. Emery.

Pittsburg—Bank of Brushton; absorbed by Homewood People's Bank.—Liberty Real Estate Trust Co.; title changed to Liberty Trust Co.—Duquesne National Bank; Edwin Bindley, Pres., deceased.

Scranton—Dime Bank; Charles Du Pont Breck, deceased.

Strasburg—Strasburg National Bank; Christopher Rowe, Pres. in place of A. Ross Black.

SOUTH CAROLINA.

Bennettsville—Planters' National Bank; A. S. Manning, Vice-Pres. in place of H. H. Newton.

Whitmire—First National Bank; Lloyd Osborne, Cashier in place of J. K. S. Ray; no Asst. Cashier in place of Lloyd Osborne.

TEXAS.

Center—First National Bank; A. Ford Cashier in place of J. W. Saunders; T. T. Sanders, Asst. Cashier.

Lampasas—People's National Bank; W. R. Williamson, Pres. in place of J. M. Brown; J. C. Ramsey, Vice-Pres. in place of W. R. Williamson; J. M. Brown, Cashier in place of J. F. White.

Mineral Wells—First National Bank; Marcus M. Bright, Cashier in place of W. I. Smith; G. A. Sims, Asst. Cashier.

Richmond—J. H. P. Davis & Co. Bank; T. A. Wessendorf, Cashier in place of C. A. Beasley.

Rosenburg—J. H. P. Davis & Co. Bank; E. Foerster, Cashier in place of C. A. Beasley.

WASHINGTON.

Harrington—Harrington State Bank; C. D. Ellis, Cashier in place of Wm. P. Christensen.

Port Townsend—First National Bank; Fred J. Bailey, Vice-Pres. in place of W. W. Felger.

Seattle—First National Bank; J. A. Hall, Cashier in place of Chas. P. Masterson.

Spokane—Old National Bank; capital increased to $800,000.

WEST VIRGINIA.

Belington—Belington National Bank; Nora Rohrbough, Asst. Cashier in place of Effie Rohrbough.

BANKERS' OBITUARY RECORD.

Swayzee.—W. F. Swayzee, Vice-President of the Home Savings Bank, Los Angeles, Cal., and interested in several banks in Iowa, died February 17.

Thomas.—John L. Thomas, a pioneer banker of Mediapolis, Iowa, died February 18, aged eighty years. Since 1896 he had been president of the Citizens' State Bank of Mediapolis, of which he was the organizer.

Bushinger.—Edward Bushinger, Secretary of the Citizens' Trust Company, Utica, N. Y., died March 8, aged fifty years.

Jacobs.—Joseph Jacobs, President of the Hingham (Mass.) National Bank, died March 4. He was born at Hingham in 1828.

McHenry.—O. McHenry, President of the First National Bank, Modesto, Cal., died February 21.

Peters. — Benjamin S. Peters, for twenty-five years president of the Farmers' Bank, Middletown, Pa., died recently, aged nearly seventy-two years.

Raynolds.—F. A. Raynolds, proprietor of the Fremont County Bank, Canyon City, Colo., and president of the Colorado State Bankers' Association, died March 9.

Rochester. — Nathaniel Rochester, President of the Third National Bank, Buffalo, N. Y., died March 6.

Bindley.—Edwin Bindley, President of the Duquesne National Bank, Pittsburg, died March 10.

Boshart.—Charles D. Boshart, Vice-President of the First National Bank, Lowville, N. Y., died March 16. He was born at Lowville, November 2, 1829.

Breck.—Charles Du Pont Breck, President of the Dime Deposit and Discount Bank, Scranton, Pa., died March 7, aged sixty-six years.

THE

BANKERS' MAGAZINE

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SAN FRANCISCO.

THE calamity that befell this city on April 18, beginning with a severe shock of earthquake, which was succeeded by the most disastrous fire in the country's history, has annihilated the main business part of the city and the greater portion of the residence districts also. Property valued at from $200,000,000 to $350,000,000 has been destroyed—about one-half being covered by insurance—several hundred lives have been lost, and over 200,000 people left without homes. These are losses that can be measurably estimated, but there are others beyond computation. Incalculable sums will be lost in wages and income, and business men who have built up a local patronage through years of effort will have to begin all over again. And the fact that 200,000 people have been deprived of their homes is of itself a calamity so heartrending as to arouse deep and universal sympathy.

By the prompt action of the Federal Government and the generous contributions of the American people, the immediate distress of San Francisco has been relieved. But the greater problem of providing for the future and of rebuilding the devastated city yet remains. That it will be rebuilt on a grander scale, no one can doubt who is familiar with its splendid location, glorious history, and the indomitable spirit of enterprise that characterizes the people. The task of reconstruction will call for vast amounts of moneyed capital, and as many of the large property owners are men of great wealth, they will be able to begin at once the work of rebuilding. A city offering such fine opportunities for profitable investment in business enterprises will not have to wait long for abundant outside capital. Fortunately, the credit of San Francisco is of the highest, and the debt so low that large amounts can be borrowed on advantageous terms. Although most of the bank buildings were destroyed, the money and securities seem to have been unharmed, and with the resumption of banking operations merchants and other business men will have the benefit of credit facilities to aid them in building up their shattered establishments.

The great work to be done in making a new San Francisco will call for grim resolution and unflinching energy; but the spirit of '49 still lives, and the Golden Gate Metropolis will rise from its ruins.

EDITORIAL COMMENT

DEMANDS for currency for crop-moving purposes cause a monetary stringency at certain seasons of the year that might be avoided or greatly mitigated if a little more foresight were exercised. Long experience has enabled the bankers of the chief financial centers to determine about when these demands will arise and how long they will continue, though the extent of the demand for additional currency can not be foretold with any degree of accuracy. It is well understood, however, that at particular seasons there will be calls on the banks for a very large amount of funds in addition to ordinary requirements. This need of extra money arises chiefly among the patrons of the country banks, though manifestly the strain caused thereby is most acutely felt at the money centers.

Perhaps the country banks might find it more profitable to begin to husband their reserves some time in advance, in order to be fully prepared to meet this extraordinary draft upon them. In proportion as their funds are permitted to become tied up, they will be unable to perform satisfactorily one of the most important functions of commercial banking—the marketing of staple products. By being in a position to supply adequate banking facilities at the harvest season, the banks will not only derive direct profits, but they will also benefit indirectly by the assistance thus rendered in marketing the products of their respective communities and the development of enterprise that is sure to follow.

Even the great city banks, instead of lending their funds to the closest limits, immediately preceding the crop-moving seasons, on Stock Exchange collateral at very low rates, might derive more substantial returns by keeping their reserves in a position to meet the special needs of the spring and autumn seasons.

It is very much easier to make loans for carrying on trading in stocks than it is to make rediscounts of commercial paper or direct loans to country merchants or producers; but it can hardly be denied that if the proper attention were given to the study of credits by the city banks, the latter class of loans would be the most profitable. The purchase and sale of stocks may be just as legitimate as the purchase and sale of corn, wheat, pork and beef, but it is somewhat anomalous that securities representing fixed investments of capital have come to occupy so prominent a place in the portfolios of commercial banks, loans made on this class of securities being so large, in fact, as to make it impossible at times for the banks in the large centers to meet the calls upon them for cash for crop-moving purposes without causing distress to their local borrowers.

Probably the securities dealt in on the Stock Exchange, and which form so large a part of the collateral for loans made by the large banks, not only represent investments of a fixed character, but the loans themselves made for the purpose of dealing in stocks are of a character more or less permanent, though the banks would not like to admit this; and perhaps this statement ought to be modified so far as any particular bank is concerned, but it will be found very often that when a loan of this nature is paid at one bank a new loan is taken out at another bank or trust company.

It is apparent that the banks at the large centers by making loans so extensively for dealing in stocks impair their ability to aid the crop-movement, and it is probable also that they lose a considerable share of the profits which other banks make by being in a position to take advantage of the higher rates of interest which may be had at times of exceptional demand for loans.

There is, however, something to be said in favor of the policy pursued by the banks in New York and the other chief financial points in lending so largely on Stock Exchange collaterals. Such loans are generally safe and are payable on demand, the latter feature being important to banks carrying large reserves for out-of-town banks, payable at call.

There seems to be adequate reason for believing that it would be better for all concerned if the trust companies, particularly those located in the larger cities, would leave commercial banking to the national and state institutions and confine their operations more to making loans on real estate and on securities representing investments of a fixed character. If such a readjustment as that mentioned could be carried out, the financial machinery would certainly work with much less friction and with great advantage to all concerned. By relieving the commercial banks of some of this business they would be the better fitted to offer their facilities for carrying on ordinary commercial transactions, thereby enhancing their own profits and aiding the country's commerce. The trust companies, not acting as reserve agents for other banks, do not find it necessary to keep a very large part of their deposits subject to call, and they could therefore accommodate brokers with loans for fixed terms, and thus avoid the scramble for cash (or for fresh loans) which is one of the chief factors in causing the recurrent periods of excessive stringency in the New York money market.

We have in nowise sought to minimize the importance of providing adequate funds for legitimate transactions in stocks and bonds. Such operations are a very necessary part of the country's business, but it is believed that the separation of such transactions from the dealings of commercial banks would be of benefit to the banks, the stockbrokers and to the general commercial interests of the country.

There are some indications that we shall find difficulty in drawing gold from London to help meet the crop-moving requirements this year, which makes it all the more obligatory on our own banks to take all necessary precautions to provide the funds that will be needed.

PRESIDENT ROOSEVELT'S suggestion, that an inheritance tax be imposed on large fortunes by the Federal Government, has received wide attention and has been the subject of much comment, both favorable and unfavorable. While it can hardly be considered a practical question at present, it opens up an interesting discussion, and is important as showing the growing tendency in this country to look with disfavor upon large accumulations of wealth. The President stated that "Such taxation should, of course, be aimed merely at the inheritance or transmission in their entirety of those fortunes swollen beyond all healthy limits." As to what these limits are, Mr. ROOSEVELT does not state. Manifestly, there would be different standards used in determining the matter. Mr. ROCKEFELLER and Mr. CARNEGIE might be expected to place the limit rather high, while other lesser millionaires would be more modest in their estimate but still much higher than the common run of individuals. Even these latter would doubtless prescribe a limit that to the very poor would appear plutocratic. Since the question as to what constitutes a fortune "swollen beyond healthy limits" is one that can not be determined by mathematical processes, and since there are obvious difficulties in the way of settling the problem otherwise, the best plan would be to submit the matter to a popular vote. It is apparent that most of those voting for a modest figure would really not think that the limit would ever apply to themselves—their real aim would be to limit the fortune of someone else.

While the proposal to limit the accumulation of wealth in the hands of one individual presents many features which are obviously ludicrous, there is a very serious side to the matter. We refer to that feeling of dissatisfaction and unrest that is deep-seated and widespread, and to which serious and thoughtful attention should be paid.

French laws relating to taxation and the testamentary disposition of property are framed with a view to promoting as equitable a division of wealth as possible. These laws have not, however, prevented great accumulations of wealth, and there are now more rich people than ever before, and their individual fortunes are greater. Of course, as a few people have grown richer, the condition of the masses has also improved, wages being higher and the cost of living lower. Without regard to the effect of the laws referred to, it may be said that France seems to be rather more noted for the general well-being of its people than as the home of numerous multi-millionaires.

Whether President ROOSEVELT's suggestions for a tax imposed with a view to prevent the perpetuation of large fortunes are wise or not, he has undoubtedly given voice to a sentiment that is widespread, viz., that the accumulation of enormous fortunes in single hands is coming to be looked on with growing disfavor, particularly when such fortunes have been amassed by means more or less questionable; and whether there ought to be some limitation of the amount of wealth that may be concentrated in one man's hands or not, the sentiment to which we have referred is one that must be reckoned with, or it may develop into something much more radical than the tax suggested by the President.

TREASURY activity in influencing the money market appeared in a new form last month. On April 14 the Secretary of the Treasury announced that "The price of exchange having reached the point where gold ought to have been imported, and believing the reason why it was not engaged to be the loss of its use during transit, the sub-Treasury at New York was authorized * * * to accept bonds available as security to savings banks and to increase the deposit of any national bank desiring to import gold * * * the same to be returned immediately on the arrival of the gold." As a result of this action gold engaged for import is made immediately available in New York, the Treasury furnishing the gold to the importing banks, and being reimbursed by the latter on the arrival of the gold from abroad. Practically, the Government lends the gold in advance of importation, without interest. But this is no more than it does when public funds are deposited with the banks in the usual way; that is, the Government gets no return in the form of interest in either case.

It is said that this new departure will eliminate the loss of interest while gold is in transit arcoss the ocean. In a sense this is truc, for the Treasury has idle funds on which it receives no interest, and consequently no loss of interest is experienced by depositing these funds in the banks without interest; and as the banks have immediately available for lending purposes an amount of gold equivalent to that they are importing, they do not lose the interest on the amount in transit. Nevertheless, idle gold in the Treasury, or afloat in an ocean-liner, is not earning interest, and there is a loss somewhere. The money in the Treasury vaults, in excess of the daily requirements for making payments on account of public expenditures, is withdrawn from the money market; and hence there must be a loss of interest that would be earned were this surplus money employed. If this excess of revenue were not collected, so much additional money would be in the hands of the banks, and a profit would accrue to them in lending it; or if when collected, the Government should lend it out to the banks at interest, the profit would accrue to the public Treasury. Money can not be withdrawn from use without a loss of interest. Therefore, in a wide sense, it is inaccurate to say that Secretary SHAW's new arrangement eliminates the loss of interest incident to the operation of importing gold.

It is conceivable, however, that this loss of interest might be obviated in a very simple manner. If it were practicable for the New York Clearing-House to establish safe-deposit vaults on the principal ocean-liners, gold could be deposited in these vaults when the vessels were abroad, and on receipt of cable advice that the gold was in the custody of the steamer, gold clearing-house certificates could be immediately issued against the deposit, and these certificates could be made available for reserve purposes, as the existing certificates now are. When gold came to be exported from this country, certificates, possibly bank notes, could be issued on the other side. It is not impossible even that United States Treasury gold certificates also could be issued on this plan.

A method like that proposed would be less objectionable than the suggestion heretofore made for an international gold certificate based upon a deposit of the coin with a foreign depositary. It is conceivable—though improbable—that such foreign depositary might be unable to deliver the coin if required, owing to war or some other cause. There would be, on the other hand, practically no possibility that gold consigned to an importer would not arrive in due course. Dangers from storms or other casualties could be guarded against, as they are now, by insurance, and provision could be made for the exigencies of war.

The foregoing plan merely contemplates that gold when once withdrawn for export is constructively in the hands of the importing bankers, and that certificates may be at once issued against it. Usually these certificates are quite as useful as the gold itself. Their use, however, would not curtail the actual movement of the metal. When nations become less distrustful of one another some scheme may be put into effect which will greatly reduce the international movements of gold, most of which represent an unnecessary expense.

SECRETARY SHAW has again shown that he is a courageous and resourceful Finance Minister. The wisdom of his action in the present instance, however, will be questioned; no one, we are sure, can doubt that he acted solely with a view to affording relief to a strained situation. That his course was justified, for the time being at least, is evidenced by the substantial easing of the rates for money. But when everything favorable is said, the fact remains that this is an attempt to interfere artificially with the natural economic laws governing the movement of gold. It is, moreover, a very doubtful use to make of the funds of the Government.

Secretary SHAW has been fertile in expedients to relieve the strain put upon the money market by the imperfections of the sub-Treasury system. He has withdrawn Government deposits from the banks when the money supply seemed redundant, has again deposited public funds with the banks to relieve a stringency, anticipated payments of interest on the public debt, called bonds for redemption, attempted to induce the banks to increase their circulation, and last of all has tried to facilitate the importation of gold. Notwithstanding the resort to all these expedients—most of which have been employed by his predecessors—the state of the money market for a considerable part of his administration has been very unsatisfactory. Of course, the Secretary is not responsible for this condition of affairs, no more than he is responsible for the imperfections of the sub-Treasury system or the defects in our currency and banking system. He has done what he believed best calculated to remedy the evils due to bad fiscal and financial laws, and there is no very credible evidence that anyone else could have done better under all the circumstances. But the ability to exercise a wise control over anything so complex as the American money market can hardly be expected of anyone possessed of less than superhuman wisdom.

The time would seem to have arrived when the banks, acting in coordination through the clearing-houses, should look more closely to the safeguarding of credit operations. As for the Treasury, we should prefer to see its hands kept entirely off the money market. Every resort to Government aid in relieving a tension weakens the spirit of self-reliance on the part of the banks. There ought to be but two factors influencing the money market—the supply of funds and the demand for funds; and a proper equilibrium between the demand and supply ought to be maintained by the banks without any Government intermeddling. While the present system remains, the attainment of this ideal state of affairs may be impracticable; but it is nevertheless what we shall have to come to in the end if the money market is to be relieved of artificial and extrinsic influences.

IN Canada the Banking Act is enacted for a period of ten years only. At the end of this time the law is overhauled, if necessary, and re-enacted.

This limitation of the life of the Banking Act affords an opportunity of adapting it to the growing requirements of the country; and as a matter of fact several important changes have been made in the law, although its fundamental principles remain the same.

Our National Banking Act is almost amendment proof. Few changes have been made in it for many years, except those that were made a part of the gold-standard law of March 14, 1900. Congress even refuses to improve the administrative workings of the law, although nearly every Comptroller in the past ten or fifteen years has recommended that the law in this respect is very defective. The average member of Congress appears to be afraid to support any changes in the banking law, lest he shall be accused of favoring the banks, and whichever political party may be in power apparently takes the same attitude.

If the law were enacted for a limited period of ten years, it could then be thoroughly revised and needed improvements made. The National Banking Act is well designed to protect the interests of shareholders and of the public, but experience has revealed some minor defects that Congress ought to correct. If some of the faulty provisions of the law were remedied and the Comptroller given more discretion in the appointment of examiners, the supervision of the national banks, which is, upon the whole, already excellent, could be greatly improved.

CHANGES in political conditions in this country are indicated by the fact that the radical of a few years ago is the conservative of to-day. In 1896 the political tenets of WILLIAM J. BRYAN were regarded by the opposition, and by many in his own party, as not only radical but revolutionary. Now he seems to be the favorite of the conservative element of the party to which he belongs, while prominent Republican newspapers have been applauding some of his recent views.

Time, travel, and the chastening of two successive defeats for the Presidency have probably made MR. BRYAN much less of a radical than he was in 1896 or even in 1900. But, on the other hand, there has been a considerable change in public opinion. The radical wing of MR. BRYAN'S own party has become frankly socialistic, and has advanced so far as to demand a leader of much more pronounced views than those MR. BRYAN held in 1896. A still more remarkable transformation has taken place in the Republican party and in what has been regarded heretofore as the conservative element of the Democratic organization. There is undoubtedly a breaking away from old traditions. Many people are greatly disturbed over these evidences of change, and predict grave consequences.

But may it not be more reasonable—as it surely is more comfortable—to regard this shifting of ground as an evidence of progress? We are at least not likely to suffer from stagnation and decay while there is such a rapid development of opinion as is now going on in relation to many matters affecting the public welfare. Whether the consequences of the present agitation shall be beneficial or otherwise will depend largely upon the sincerity of purpose and the good sense of those who are in a position to correct the abuses out of which this agitation arose. Cut the ground from beneath the feet of those who are decrying the shortcomings of our institutions and laws by reforming the real abuses wherever possible, and the imaginary evils may be left alone. The Yankee sense of humor does not make this a hospitable home for the professional agitator with a fancied grievance.

Mr. BRYAN recently contributed an article to one of the magazines taking a positive stand against socialism. While no doubt this is an honest expression of his own opinion, it is moreover a shrewd forecast of the political attitude of a majority of his party followers. The American people are not to be hurried headlong into any such violent experiments merely because a few things are not to their liking. They will find ways to correct the ills they have without flying to others that they know not of.

QUESTIONS relating to methods of improving the bank-note currency have been prepared by the special Currency Committee of the Chamber of Commerce of the State of New York, which was recently appointed under the resolution of JACOB H. SCHIFF. These questions have been sent to each member of the clearing-house committees of the principal cities with a view to obtaining an expression of opinion.

The questions are confined to three main points—the influence of the sub-Treasury system upon the money market, an asset currency, and a central note-issuing bank. The form of the questions is such as will afford a full opportunity for those who so desire to declare their views on these subjects, and the information obtained will be of great value when the committee makes its report.

It is idle to expect that the sub-Treasury system will be abolished, nor is it clear that it should be. But the evils of the system would dis-appear if the Government were to use the banks in making deposits and withdrawals just as individuals do. Simple and effectual precautions could be taken to insure the safety of the public funds deposited in the banks, without requiring an equivalent pledge of bonds, as is now the rule.

So long as the present method of handling the Government's revenues continues, with its alternate absorption and pouring out of funds irrespective of the demands of the money market, the Secretary of the Treasury will frequently find it necessary to take some special action to obviate the ill effects of the Treasury operations. His action may represent the acme of human wisdom, yet it will subject the money market to artificial influences that are bound to be more or less spasmodic in their nature.

The questions relating to an asset currency, after taking up the general principle involved, concern themselves largely with the methods of redemption, and the safety of the asset notes. A graduated tax is suggested as one of the means for enforcing redemption. Aside from the fact that a tax levied on circulation with a view to enforce the retirement of notes no longer needed would be a costly device, it does not seem to be based upon correct principles. The prime motive for the retirement of notes should be the disappearance of the demand which brought them into existence. In some of the currency plans heretofore proposed methods of redemption have been worked out that would be much better than a graduated tax. A tax is one of our most convenient means, not only of raising revenue, but of accomplishing many other things. It is believed, however, that a tax on bank notes—particularly such a heavy tax as must be imposed to compel retirement of the notes, would be an unnecessary as well as an unwise burden on an instrument of commerce. Perplexed by the difficulty of providing efficient means for collecting out-of-town checks, the clearing-houses of some cities are resorting to a tax on these items, and the same principle is now proposed to be applied to bank notes. But both checks and bank notes are instrumental (in one way or another) in producing profits for the banks, and to tax them is laying an additional burden directly upon the business of banking and indirectly upon the general business of the community.

The suggestions in the committee's questions regarding a central note-issuing bank are probably merely designed to draw out opinion, as there can hardly be any prospect that Congress will, in the near future, consent to the organization of such an institution. There is not only political prejudice to overcome, but the opposition of a great majority of bankers, before a bank of this character could be established.

Many of the advantages of a great central bank with branches, having the sole right to issue notes, and exercising more or less control over the influences that affect the market might be attained through the incorporation of clearing-houses under Federal law, as proposed by THEODORE

Gilman, of New York. Nor would this plan be open to the objections that are urged against a central bank with branches.

Of course, the questions propounded by the committee are not, necessarily, indicative of the choice of any particular scheme on the part of the committee. They are intended to bring out expressions of opinion as to the best method for effecting an improvement in our currency and banking system. And for that purpose the questions are well devised.

GREAT disasters like that at San Francisco are bound to have a tremendous influence on the market for securities. The unsettling of confidence, the disturbance of the money markets by the sudden and enormous demand for the transference of funds, the actual destruction of property and impairment of earning power of corporations directly related to the stricken city—all these factors tend to depreciate security prices.

That the depreciation of prices of securities dealt in on the New York Stock Exchange should within a week reach an amount estimated at $200,000,000, even in the face of such a calamity, is, however, rather surprising. Some of the corporations whose securities went down were not unfavorably affected by the San Francisco disaster; and indeed very few of them will suffer any direct injury.

Making all due allowance for the disturbances of credit which invariably follow such disasters, and which are always noticed at the beginning of great wars, the fact remains that an enormous and sudden falling off in prices like that recently witnessed at New York is worthy of serious consideration.

The question naturally arises: Would there have been such a great decline if the high prices heretofore prevailing had been closer to actual values? Have not prices been boosted above reasonable bounds? Another important question arises: Are these stock operations carried on largely by the aid of outside money, causing an inevitable slump in prices whenever it is suddenly called for?

It would be unreasonable to expect that the financial markets of the country could stand the shock of such a catastrophe as that which happened at San Francisco without entailing a great strain on the banks and a consequent sloughing off of prices. The New York banks have, in fact, met the situation in a manner that is highly creditable to their financial strength. When the catastrophe happened, the market here was already in a condition of tension; but the banks have promptly met the sudden and expected demands for immense amounts of gold.

The rapid and extensive decline in the prices of stocks at New York folowing the San Francisco calamity may indicate that the speculative dealings in stocks do not rest upon an absolutely sure foundation. Conceivably, events might occur that would rock that foundation more violently than the earthquake on the Pacific Coast has done.

CANADIAN bank notes are redeemed very much like checks. If a branch bank located in a certain town receives notes of another bank, and this latter bank also has a branch in the same town, the notes are presented to it for payment on the day following their receipt. If there is a clearing-house, bank notes are paid through the clearing-house. Under some circumstances it is necessary for the receiving bank to hold the notes until it accumulates a certain amount, when they are sent in for redemption. In seasons of extraordinary business activity a bank may have issued its own notes to the full limit of its capital, and will then pay out the notes of other banks; but ordinarily every bank is trying to get out as many of its own notes as possible, and to curtail the circulation of its rivals, being impelled to do so by the profit incident to the issue of notes. The constant interplay of these two forces—one making for the cancellation and retirement of notes and the other making for fresh issues—tends to keep the circulation elastic.

Redemption of the bank circulation is greatly facilitated by the branch system. Every branch bank is an agent of the head office, keeping a watchful eye for the notes of its rivals, and taking care that they are short-lived. In the United States the incentive to issue notes—the profit to be derived—is less than it is in Canada, and the motive for prompt retirement of the notes of rival banks is lacking.

So admirably does the Canadian system of note issues work that it furnishes a very marked degree of elasticity to the bank note circulation, and greatly facilitates the prompt marketing of the Dominion's heavy grain and other crops. While a safety fund exists, made up of contributions from all the banks, it has never been called on to make good the notes of any failed banks.

PUBLICITY is a remedy now much in favor as a corrective of improper management of corporations. Notwithstanding the advance made in giving publicity to banking operations, the real nature of these operations is unknown except to the shareholders, directors, officials and national or state examiners. The published statements of banks are valuable for statistical purposes, and serve to indicate, in a general way, the important items making up the resources and liabilities. But these statements do not necessarily reveal the exact condition. For example, a statement may show "loans and discounts," so much; but whether the bank is solvent or not depends upon the character of the loans and discounts, and this is not shown. It is not possible, or at least not practicable, to give exact details as to a bank's loans. If the statements showed just how much was lent to Jones and how much to Smith, with the respective endorsers, there would be an end to that secrecy which is considered essential to the success of many business transactions.

It is not rare for banks, on the eve of failure, to publish statements but little, if any, different from those published at other times. Nor does this always imply intentional deceit. A large amount of one kind of paper may be held that is considered perfectly good; but after the official report has been printed, this paper may be found to be of little or no value. Frequently, however, the maker of the statement is not so guileless as has just been assumed. He knows that some of his loans are bad, or at best doubtful, but continues to carry them in the resources at full value, thus giving the bank a larger surplus than it ought to have. If the bank finally shoulders the loss and pulls through, no one is ever the wiser. But if the bank should fail, the inaccurate statement of condition may get the banker into difficulty with the authorities.

It is hardly necessary to say that the vast majority of banks make statements that are absolutely correct. They have nothing to gain from concealment, but are, on the other hand, proud to publish the figures called for by the national or state authorities.

ONE might profitably speculate on what would be the result if every bank should be compelled five times a year to publish a report giving the exact amount of bad or doubtful paper held, and exhibiting all losses sustained by bad loans, defalcations, etc., and giving a historical summary of transactions since the date of the preceding statement. Whatever else would happen, it is entirely safe to say that, although the irregularities revealed would be trifling compared with the whole transactions of any particular locality—and still more so when compared with the transactions for the state or the country at large—they would nevertheless be sufficient to disturb confidence in the banks generally.

While, at first sight, it might be regarded as desirable to have a bank statement that would be more explicit than the present form, it may well be doubted whether the principle of publicity with respect to banking can be safely extended much beyond the present limits. To advertise every doubtful loan, every petty loss, would be to unsettle that confidence which is essential to the conduct of the banking business; and many of the institutions that would suffer harm from the distrust thus engendered would be entirely guiltless. Nor would the ill effects be confined to the banks, but business of all kinds would be disturbed.

THE carrying of silver dollars from one point to another at Government expense was intended to force the coined dollars into circulation, and was part of a plan to "do something for silver." The object aimed at has not been attained, only $79,363,766 of silver in the form of coined dollars being in circulation on March 1, compared with a circulation of $462,752,963 of silver certificates. It is estimated that lately the expense to the Government of transporting the dollars has amounted to about $80,000 a year, and it is not very clear whether the circulation of the dollar coins has been greatly increased in consequence. No one has pointed out any great advantage to anybody that would result if the silver circulation were made up entirely of coin instead of being composed almost wholly of certificates, as at present. Many financial authorities favor the circulation of coin instead of paper; but they generally mean coin of the same intrinsic value as that constituting the standard.

There does not seem to be any good reason why Congress should continue the mistaken policy of forcing silver dollars into circulation. But, on the other hand, the subsidiary coin is indispensable, and in paying the cost of its transportation the Government would not only subserve the public convenience, but the coins could be kept in a much better condition. The demand for subsidiary coin, particularly while business is active, appears to be almost insatiable, and to meet this demand Congress will be called on before long either to provide for recoining the dollars into smaller denominations or to buy more bullion for making subsidiary coins.

NATIONAL bank notes are safe beyond the possibility of doubt; and this safety, while of course highly desirable, has been one of the elements tending to make these notes inelastic. Nobody ever treats a bank note as he does a check, having it promptly redeemed lest the bank may fail. If the holder of a check fails to use due diligence in presenting it for payment, he may lose the amount altogether; but in the case of a national bank note, the failure of the bank issuing it does not make the slightest difference.

If the national bank notes were less rigidly secured, their redemption would be more rapid, and the elasticity of the circulation thereby increased. But any suggestion for diminishing the present absolute security of bank notes will never commend itself to Congress. The country has had its experience with currency of questionable value, and wants no more of it.

Other motives besides even a slight distrust of the safety of the notes can be relied on to force the redemption of a credit currency. If there is a sufficient profit in issuing notes, an incentive will be supplied for one bank to reduce the circulation of another bank in order to get out its own notes and thus reap the profit that would otherwise inure to someone else. At present the only reason why national bank notes are redeemed at all is because the banks in the larger reserve cities wish to increase their holdings of lawful money as much as possible. If a credit currency were issued, based on an adequate gold reserve, the banks would not only have a motive for having the notes redeemed in order to strengthen the reserves they hold against deposits, but would also have to keep up reserves against their outstanding notes. There are also various arbitrary methods of forcing redemptions, as set forth in the numerous currency plans published in the MAGAZINE. The graduated tax on circulation has been frequently proposed as a means of promoting elasticity; but this method is rather expensive, and owing to the great diversity of interest rates in this country, it would probably not work out in practice so well as it does in theory.

INVESTIGATION is the popular diversion just now, and it is not surprising that the attention of the investigators should be turned longingly towards the banks. Next to the insurance companies, they hold the largest aggregates of money. To investigate each separate banking institution would be an impossible task, and the inquiries must therefore be directed toward the supervising authorities.

In the state of New York a measure looking to the investigation of the State Banking Department was pending in the Legislature for some time. The present Superintendent of the Banking Department, Mr. KILBURN, has held the office for several years and seems to have retained the confidence of the Governors under whom he has served and of the banking institutions and the public generally. Like every public official his acts have been subjected to criticism.

IF the State Banking Department and the state banks are so well conducted, it might be asked, What have they to fear from investigation?

There can not be an investigation of the Banking Department without probing into the affairs of the banks; and, as is well known, it does not take much to shake confidence in any institutions that are the custodians of other people's money. The losses that might ensue from the mere innuendoes that such an investigation would give rise to, may well be imagined. It is said that as a result of the insurance investigations in New York one company has had lapses in policies amounting to over $100,000,000. That is a tremendous loss of insurance, falling largely on persons of moderate means.

If drastic reforms are effected in the conduct of the life insurance business, these and other losses may be counterbalanced. Perhaps the offenses of the life insurance companies had become so flagrant and so deeply rooted that there was no other remedy but the searchlight of publicity. It is very much to be doubted whether the banking conditions in this state warrant such heroic treatment. If abuses have developed in the Banking Department, or in the banks, they ought to be reformed vigorously and without delay. It may be questioned, however, whether the expense incurred in hiring brass bands and other concomitants of legislative investigations would be a judicious use of the public funds.

A great deal of the best work done by the Comptroller of the Currency (and by the State Superintendents also) is never known to the public. The public knows when an insolvent bank is closed; but no one ever hears of the many weak banks that are nursed back to health and strength by judicious handling on the part of the supervising officers of the banks.

A REASONABLE amount of publicity is beneficial both to the public and the banks. And when there is any adequate ground for believing that the rights and welfare of the people are not being properly guarded by those appointed to oversee the affairs of the banks, the most searching investigation and complete publicity are justifiable. But, seeing the distrust such investigations engender, they must be regarded as remedies to be invoked in extreme cases only. Confidence is a plant of slow growth; and once blasted by the breath of suspicion, it requires a long time to make it grow again. It is quite true that confidence in the banks may be best maintained by stern insistence on sound management on the part of their officers and a strict enforcement of the law on the part of the Comptroller and the other authorities charged with the supervision of the banks. In correcting whatever evils may exist in the conduct of the banking institutions, there does not appear to be any necessity for going about it in a way that will shake the public faith in the banks and that will cause widespread distress in business circles.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.*

LOANS TO MUNICIPAL CORPORATIONS.

THIS is a branch of banking advances in which grievous mistakes have, at times, been made, and respecting which it is desirable to act according to fixed rules suggested by experience.

It will be found on consideration that the same general rules and considerations apply here that need to be observed in other lines of banking advances. In the business of a corporation, as in that of a manufacturer, there are expenditures on permanent works, and expenditures which may be termed "current and annual."

It is evident that the first class of expenditures should be represented by bonds spread over a term of years, and that only expenditures of a temporary character, resting upon collectible revenue, should be represented by loans from banks. With these two leading principles kept well in mind a bank may steer its way safely through this class of business.

There are enterprising corporations as there are enterprising manufacturers, and the readiest way of obtaining money for schemes of improvement and extension is to apply to the bank where the account is kept.

Now, there are expenditures regularly going on in every municipality to provide for which an annual levy of taxes is made. It is obvious therefore that a bank may reasonably make advances to the amount of such levy, pending the collection of taxes, of course, with a fair allowance for such as are not collected or collectible.

But expenditures for permanent improvements can rarely be provided for out of the annual levy. The money required should therefore not be borrowed from a bank, unless indeed, bonds, duly authorized, are about to be put on the market, and a loan is desired in anticipation. In that case the banker's business will be to see that the bonds are such as are likely to find favor in the market.

But even during the currency of a year, a banker may need to be careful about the amount he advances. An era of extravagance will sometimes set in with a municipality under the regime of an enterprising mayor or council, exactly as it may with an individual. In that case there will be strong pressure put upon a corporation banker to extend his advances beyond due bounds. He will then need to remember that there are charges upon the income of the municipality which take precedence of his advances. Wages of employees, for example, and interest on bonds; these cannot be left in abeyance. For it has been the just pride of Canadian municipalities (with one or two exceptions after the collapse in the Northwest)

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* Continued from April number, page 544.

that they never made a default in their bonds, either of interest or principal.

In carrying on the account of a corporation a banker will need to keep the foregoing in view. He will also be careful not to allow one year's advances to be carried over into another. Each year should stand on its own foundation.

This is the regular and normal working of advances to corporations. But both in times of prosperity and adversity there are apt to arise circumstances which militate against it. In times of expansion and prosperity when a close watch is not kept over the finances by corporation officials, expenditures of a fixed character sometimes get so mixed with those that are temporary that the moneys advanced for the one may become locked up in the other. This is especially the case when advances are made in the form of an overdrawn current account. Nothing is more easy than for a treasurer or finance committee to issue checks *ad libitum,* the result of which is that the banker finds himself at the close of a corporation year with a heavy undischarged debt.

This, of course, may not give a banker the same anxiety as if the debt were against a mercantile firm. A corporation cannot go out of business as a merchant can; and the cases of corporations being absolutely unable to pay their debts have been extremely rare. Usually the worst consequence of abnormal advances is that a certain amount of money is *locked up.* Now, though a "lock up" is not the same as a bad debt in its ultimate consequences, it may, if large enough, be a cause of real embarrassment. It may, however, be thought that a banker's advances can always be prevented from becoming embarrassing by a corporation issuing bonds, or in a last resort, exercising the power of taxation. There are, however, serious limitations to both of these plans. Corporations cannot issue bonds except within the limits of their charter or the general law. If attempts are made to extend such powers, the ratepayers are very apt to initiate opposition. With regard to taxation the same objection would apply in even stronger form. Nothing provokes more determined opposition than undue increase of taxation.

The only mode left under such circumstances is a considerable retrenchment of expenditure; but that, too, is a very difficult process, as anyone connected with municipal matters knows well.

A banker therefore who has incautiously allowed his advances to drift into this position may have the mortification of finding it impossible to collect for years the amount due, and of being under the necessity of curtailing advances to mercantile customers. All that has been observed with regard to this matter is founded on actual experience.

The total amount which a municipal corporation may prudently borrow, that is in a permanent form, is a question on which different opinions may be and have been entertained. It generally resolves itself into a question of so much per capita of population. But here distinctions must be made. For some municipalities are so much wealthier than others, as a whole, that an amount per capita that would be a serious burden to one would rest lightly upon another. But the limit of safety will be found, as a rule, to lie between sixty and eighty dollars per capita: the former, let us say, in the case of a municipality having a considerable population of artisans, and the latter where a much larger percentage consists of the well-to-do class; such, for example, as towns resorted to for the purposes of health or recreation, or which are agreeable places of residence for persons of competence. Suburban towns within reach of a great city can bear a higher rate of debt per capita than many others; but there have been on this Continent (but not in Canada) some striking instances of extravagances in such places under the regime of an enterprising mayor or council, when new streets, squares and boulevards were made in advance of population, burdening the existing inhabitants to such an extent that the taxes became intolerable, and compelled many of them to leave the place altogether. Thus the expenditure defeated its object. Population, instead of being attracted, was driven away, so that those who had property in the place and could not leave were compelled to allow the bonds of the corporation to go into default. Under such a cloud as this an attractive municipality might lie for years, its bonds becoming for a time almost worthless until some forced arrangement was made with creditors that lightened the burden of taxation, and enabled the natural advantages of the locality to assert themselves and bring in population.

Such a state of things as this would scarcely arise until the municipal debt had increased to more than a hundred dollars per capita.

Sometimes, in a large and prosperous city, under the regime of an enterprising board of aldermen, great works of improvement would be planned and carried out year after year that added nothing to the revenue of the city, while they added immensely to the burden of taxation. Such expenditures might at length become so serious as to arouse organized resistance on the part of the property-holders, and appeals to the Legislature to limit the borrowing power of the municipality. Under circumstances such as these, if a bank went on making advances on open account, there might be danger of such advances being declared to be beyond the limit of the law, and considerable difficulty might arise as to liquidation.

The above observations as to the limit within which the debt of a municipality should be kept are of course irrespective of expenditures of a remunerative character. If a municipality borrows for the purpose of acquiring water-works, or other revenue-producing property, it may safely exceed the limit laid down herein, always on the supposition that the price paid for the same be such that the revenue will meet the interest and provide a sinking fund in addition.

But experience shows that a municipality has always a tendency to manage such works less economically than a private company would; hence there is a constant danger that revenue may be insufficient, and ordinary taxation resorted to for meeting the deficiency.

The banker of a corporation needs, therefore, under all circumstances to keep a close eye upon its financial management. And he may render essential service to the citizens by imposing, when needed, stringent checks upon borrowing.* G. H.,

Former Gen. Manager Merchants' Bank of Canada.

BANK PENSION FUND.

SEVERAL banks in this country have pension funds for their employes who are no longer able to work, on account of disease or old age. The custom of pensioning employes is more general in England and Canada than it is in this country. In the past year Lloyds Bank, Limited, of London, contributed over £33,000, or more than one per cent. of its dividend, to a pension fund. Officers are pensioned on a liberal scale, and do not themselves contribute to the fund.

GROWTH OF OUR BANKING INTERESTS.

NATIONAL banks are not only rapidly increasing in numbers, but they are adding to their strength. On February 13, 1900, the date of the last call of the Comptroller prior to the passage of the Act of March 14, 1900, there were 3,604 banks in existence, with $613,084,465 capital, and surplus and profits aggregating $363,872,964.89, or a little more than fifty-nine per cent. of the capital. On January 29, 1906, there were 5,911 banks, with $814,987,743 capital, and surplus and profits amounting to $636,369,239.06, or over seventy-eight per cent. of the capital.

Although over twenty-three hundred banks have been added to the national system since February 13, 1900,—a gain of more than 100 per cent. in the total number of institutions—the ratio of surplus and profits to capital has grown from fifty-nine per cent. in 1900 to seventy-eight per cent. in 1906—an increase of nineteen per cent. If the present rate of gain is kept up the national banks will have surplus and profits equal to their capital in about seven years.

Figures are not available for the state banks, but it can not be doubted that they also have improved the opportunities offered by the recent years of prosperity for strengthening their capital equipment.

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* Nothing in this chapter need prevent advances to a corporation pending the sale of a duly authorized issue of bonds, on the strict agreement that such advances shall be liquidated out of the proceeds of the bonds. A banker in such cases may act as intermediary in the matter and have the bonds in his own possession until a sale is effected. In all such cases it is desirable that a separate account be opened, so as to prevent these extraordinary advances from becoming mixed with those that are of an ordinary character.

TRUST COMPANIES

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

BY CLAY HERRICK

FORMS AND RECORDS FOR THE BANKING DEPARTMENT.—*Continued.*

TELLER'S RECORDS.

THE different tellers keep records of their daily work and prove its correctness on books or sheets of paper variously known as "scratchers," "settlement books," or "proofs." In its original form this record was merely a rough memorandum used by the teller to balance his cash, containing simply lists of items on which cash was received or paid, and the cash count. This is all that is needed in a small bank having only one teller and one bookkeeper, for in such case the keeping of a complete proof such as is described below is merely a duplication of the work of the bookkeeper. But in a large institution having a number of tellers and bookkeepers the system of proofs should be such as to test the accuracy of each man's work in its relations to the work of every other man in the institution. Such systems are now in use in the most progressive companies, and have put an end to the continual "checking back" to locate errors and strike a balance of general cash, which was and is a burdensome feature of the work in banks where a general system of proofs is not in use.

The particular form of the proof for each teller or bookkeeper will of course depend upon the number of such workers and upon the general arrangement of the details of the work of the company; but the principle upon which the system of proofs here described is based will apply to any institution, no matter what the number of workers or the arrangement of the work. This principle is, that the proof of each worker should contain a separate list of the items received from or delivered to each of the other workers. This is illustrated in figures 124 to 127, from a study of which the system will be made clear. On the Receiving Tellers' Proof, figure 124, left-hand page, the first columns provide for

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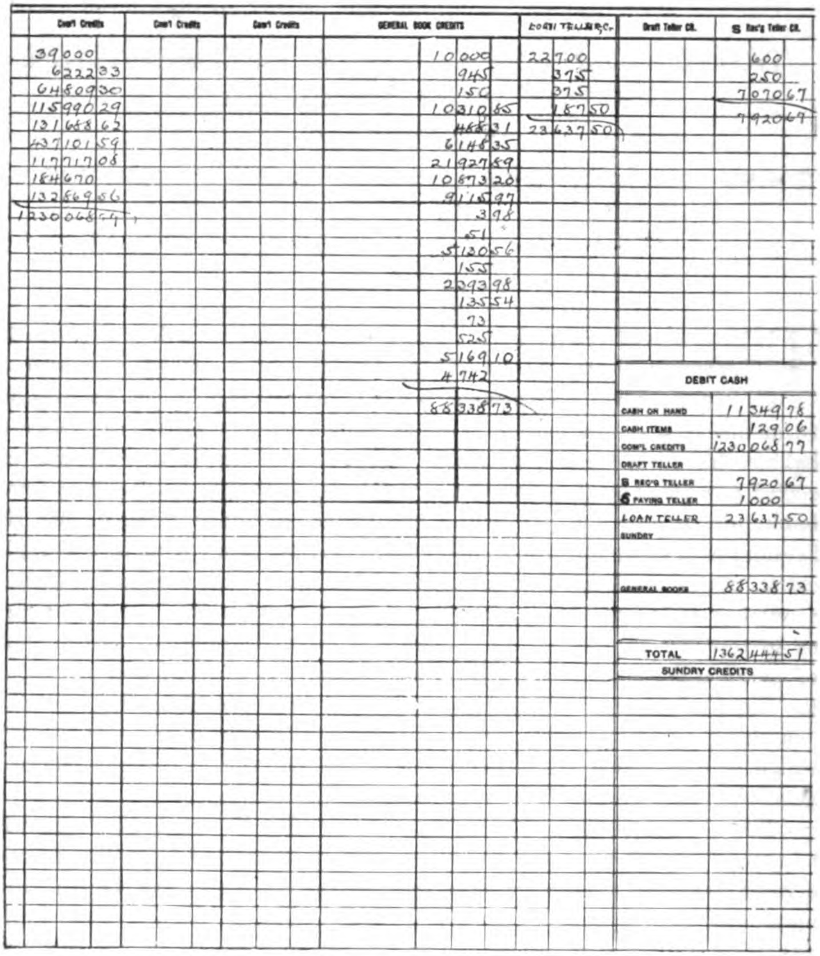
*Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

the listing of "Commercial Credits," i. e., deposits received for checking accounts. Space is provided for the separate listing of each deposit; but instead of this the teller has here made use of the adding-machine, his assistant having taken the deposit slips received, at frequent intervals, listed them on the adding-machine and entered the totals on the proof. By reference to Figure 127, under the heading "Deposits" at the right lower corner, it will be seen that the Individual Bookkeepers' Proof debits the receiving teller with the same total as here shown credited to "Com'l Credits," $1,230,068.77. Under "General Book Credits" is given a list of all credits for the general books passing through the hands of the receiving teller. The total of these items agrees with the total of

RECEIVING TELLER CASH PROOF



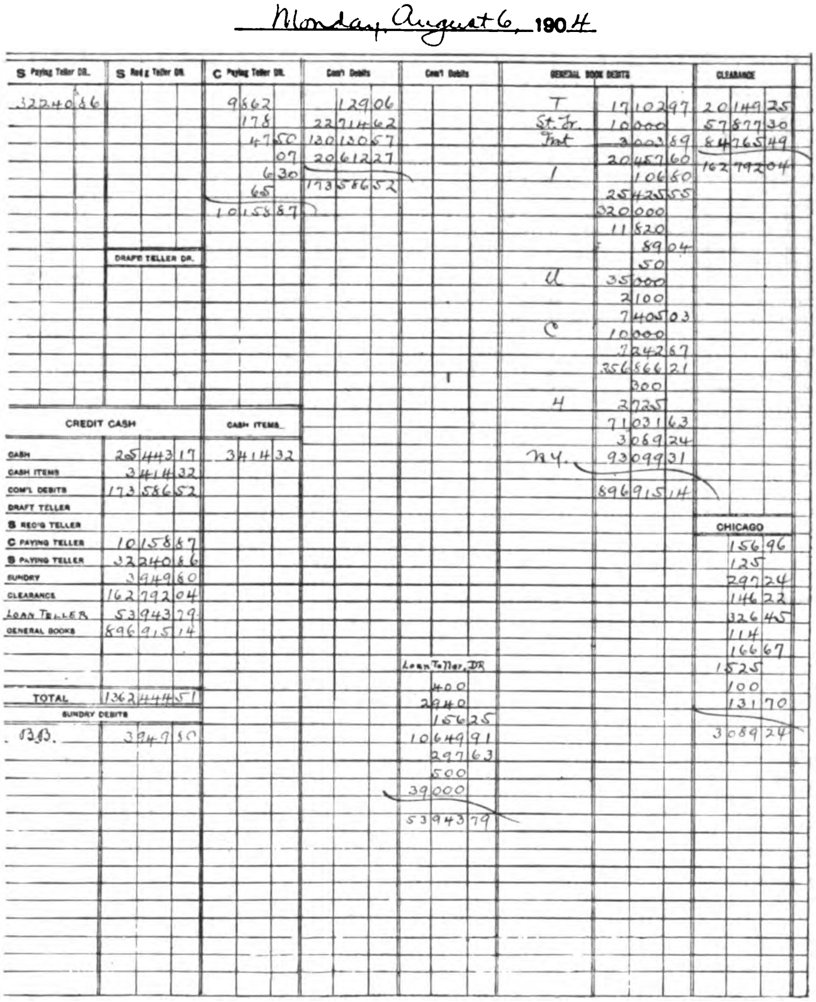
Com'l Credits	Com'l Credits	Com'l Credits	General Book Credits	Loan Teller Cr.	Draft Teller Cr.	S Rec'g Teller Cr.
39000			10000	22700		600
6222 33			945	375		250
64809 30			150	375		7070 67
115990 29			10310 85	187 50		7920 67
131688 62			468 31	23637 50		
437101 59			6148 35			
117717 08			21927 89			
184670			10873 20			
132869 56			9115 97			
1230068 77			3 98			
			51			
			5120 56			
			155			
			2293 98			
			135 54			
			73			
			525			
			5169 10			
			4742			
			88338 73			

DEBIT CASH	
CASH ON HAND	11349 78
CASH ITEMS	129 06
COM'L CREDITS	1230068 77
DRAFT TELLER	
S REC'G TELLER	7920 67
6 PAYING TELLER	1000
LOAN TELLER	23637 50
SUNDRY	
GENERAL BOOKS	88338 73
TOTAL	1362444 51

SUNDRY CREDITS

FIG. 124.—RECEIVING TELLER'S PROOF, LEFT-HAND PAGE.

debits to the receiving teller on the proof of the general bookkeeper. On the right-hand page of Figure 124, the total of "Commercial Debits," $173,586.52, will be seen to agree with the total listed to receiving teller under "Items on Us" in the Individual Bookkeepers' Proof (Figure 127). Here again the teller has entered on his proof adding-machine totals of the items, instead of listing each item. Referring again to the right-hand page of Figure 124, it will be seen that the items and the totals listed under the heading "Paying Teller, Dr." agree with the items listed to the credit of the receiving teller on the left-hand page of Figure 125. If all the proofs in the system were here shown, it would be seen that the list of debits to each worker on the receiving teller's proof appears



Monday, August 6, 1904

S Paying Teller DR.	S Rec'g Teller DR.	C Paying Teller DR.	Com'l Debits	Com'l Debits
32240 86		9862	129 06	
		178	22714 62	
		47 50	130130 57	
		07	20612 27	
		6 30	173586 52	
		65		
		10158 87		

DRAFT TELLER DR.

GENERAL BOOK DEBITS		CLEARANCE
T	17102 97	20149 25
St. Tr.	10000	57877 30
Int	3003 89	84765 49
	20457 60	162792 04
I	106 80	
	25425 55	
	320000	
	11820	
	89 04	
	50	
U	35000	
	2100	
	7405 03	
C	10000	
	7242 67	
	356866 21	
	300	
H	2725	
	71031 63	
	3089 24	
N.Y.	93099 31	
	896915 14	

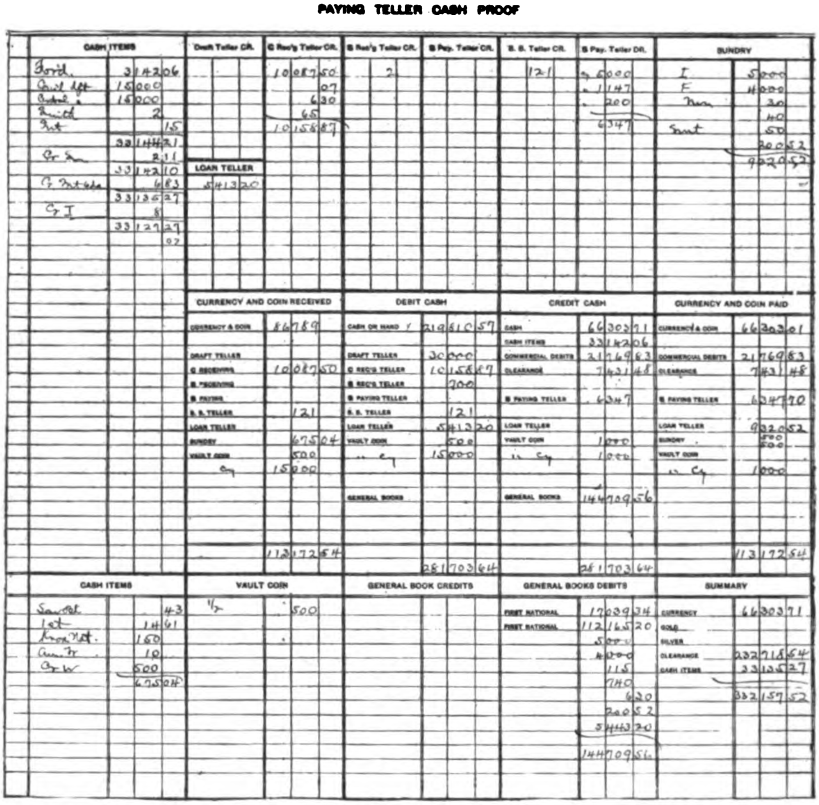
CREDIT CASH		CASH ITEMS
CASH	25443 17	3414 32
CASH ITEMS	3414 32	
COM'L DEBITS	173586 52	
DRAFT TELLER		
S REC'G TELLER		
C PAYING TELLER	10158 87	
S PAYING TELLER	32240 86	
SUNDRY	3949 80	
CLEARANCE	162792 04	
LOAN TELLER	53943 79	
GENERAL BOOKS	896915 14	
TOTAL	1362444 51	

SUNDRY DEBITS	
B.B.	3949 80

Loan Teller, DR
400
2940
156 25
10649 91
297 63
500
39000
53943 79

CHICAGO
156 96
125
297 24
146 22
326 45
114
166 67
1525
100
131 70
3089 24

FIG. 124.— RECEIVING TELLER'S PROOF, RIGHT-HAND PAGE.



PAYING TELLER CASH PROOF

CASH ITEMS	
Ford.	3 142 06
[illegible]	15 000
[illegible]	15 000
Smith	2
Int	15
	33 144 21
Gr [illegible]	2 11
	33 142 10
G [illegible]	6 83
	33 135 27
G I	8
	33 127 27
	07

Draft Teller CR.	C Rec'g Teller CR.	B Rec'g Teller CR.	B Pay. Teller CR.	S. S. Teller CR.	B Pay. Teller DR.
	10 087 50	2		121	5 000
	07				1 147
	6 30				200
	65				6 347
	10 158 87				

LOAN TELLER
5 413 20

SUNDRY	
I	5 000
F	4 000
[illegible]	30
	40
Sundt	50
	200 52
	9 320 52

CURRENCY AND COIN RECEIVED	
CURRENCY & COIN	86 789
DRAFT TELLER	
C RECEIVING	10 087 50
B RECEIVING	
B PAYING	
S. S. TELLER	121
LOAN TELLER	
SUNDRY	675 04
VAULT COIN	500
Cy	15 000
	113 172 54

DEBIT CASH	
CASH ON HAND	219 810 57
DRAFT TELLER	30 000
C REC'G TELLER	10 158 87
B REC'G TELLER	700
B PAYING TELLER	
S. S. TELLER	121
LOAN TELLER	5 413 20
VAULT COIN	500
" Cy	15 000
GENERAL BOOKS	
	281 703 64

CREDIT CASH	
CASH	66 303 71
CASH ITEMS	33 142 06
COMMERCIAL DEBITS	21 769 83
CLEARANCE	7 431 48
B PAYING TELLER	6 347
LOAN TELLER	
VAULT COIN	1 000
" Cy	1 000
GENERAL BOOKS	144 709 56
	281 703 64

CURRENCY AND COIN PAID	
CURRENCY & COIN	66 303 01
COMMERCIAL DEBITS	21 769 83
CLEARANCE	7 431 48
B PAYING TELLER	6 347 70
LOAN TELLER	9 320 52
SUNDRY	500 500
VAULT COIN	
" Cy	1 000
	113 172 54

CASH ITEMS	
[illegible]	43
1st	14 61
[illegible] Nat.	160
[illegible]	10
[illegible]	500
	675 04

VAULT COIN	
½	500

GENERAL BOOK CREDITS	

GENERAL BOOKS DEBITS	
FIRST NATIONAL	17 039 34
FIRST NATIONAL	112 165 20
	500
	4 000
	115
	740
	6 20
	200 52
	5 413 20
	144 709 56

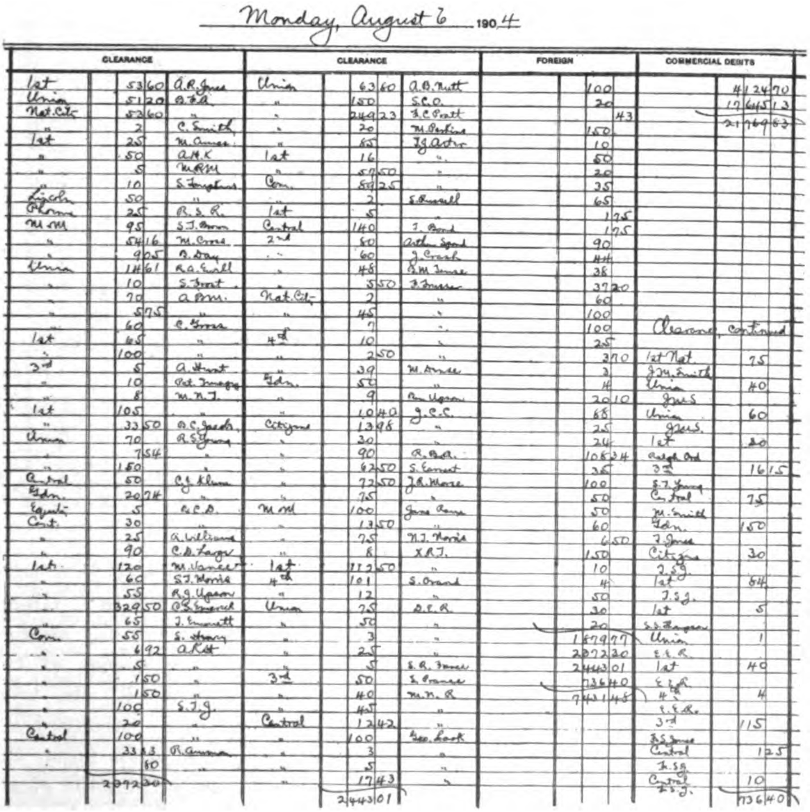
SUMMARY	
CURRENCY	66 303 71
GOLD	
SILVER	
CLEARANCE	232 718 54
CASH ITEMS	33 135 27
	332 157 52

FIG. 125.—PAYING TELLER'S PROOF, LEFT-HAND PAGE.

on the proof of such worker as a list of credits to the receiving teller, and *vice versa*. It is therefore evident that if any teller or bookkeeper fails to balance on completing his proof, he has but to compare his proof with those of the other tellers or bookkeepers to locate his error. If, for example, on the left-hand page of Figure 125, the paying teller had failed to credit the receiving teller with the $6.30 item, his proof would show a total credit to receiving teller of $10,152.57 instead of $10,158.87, and consequently his total of "Debit Cash" would be $6.30 less than the total of "Credit Cash," showing an "over" of $6.30. On comparing his proof with that of the receiving teller, the error would be easily located. Under the same conditions, without a general proof system, this little item of $6.30 might cause the loss of several hours' time in "checking back." It is evident, too, that such a system as this enables each worker to complete his own work as soon as he has proved its correctness, instead of all the workers being delayed by the error of one, as is often the case where no general system of proofs is used. The writer has seen the introduction of such a proof system in an old institution result in every man being able to leave the bank with his work done at about five o'clock, whereas under the old conditions it had been the custom to "check for cash" until a late hour in the evening every few days.

Referring again to Figure 124, at the close of the day the work is summarized by entering the totals of the various columns on the left-hand page under the heading "Debit Cash," and the totals of those on the right-hand page under the heading "Credit Cash." If the work is correct the totals of these columns will agree, as shown in the figure. If they do not agree the teller proceeds, as already suggested, to compare the totals of the columns of his proof with those shown on the proofs of the other tellers or bookkeepers, and thus soon finds the mistake.

The actual count of cash at the close of the day is sometimes listed on the proof, and sometimes listed on separate sheets of paper, which are preserved for some months. In the latter case the total count only is entered on the proof, as shown on the left-hand page of Figure 125, the first item under "Credit Cash," where the paying teller has entered his cash count total, $66,303.71. On the right-hand page of this same figure the teller has gone to the pains of recording the names of the



Monday, August 6 1904

CLEARANCE			CLEARANCE			FOREIGN	COMMERCIAL DEBITS	
1st	53 60	A.R. Jones	Union	63 60	A.B. Nutt	100		4 124 70
Union	51 20	B.F.A.	"	150	S.C.O.	20		17 645 13
Nat. City	52 60	"	"	249 23	J.C. Pratt	43		21 769 83
"	2	C. Smith	"	20	M. Perkins	150		
1st	25	M. Amos	"	85	J.J. Astor	10		
"	50	A.H.K.	1st	16	"	50		
"	5	M.R.M.	"	57 50	"	20		
"	10	S. Hopkins	Com.	80 25	"	35		
Lincoln	50	"	"	2	S. Russell	65		
Phoenix	25	R.S.R.	1st	5		1 75		
M & M	95	S.T. Brown	Central	140	J. Bond	1 75		
"	54 16	M. Cross	2nd	80	Arthur Sword	90		
"	9 05	B. Day	"	60	J. Crash	44		
Union	14 61	R.A. Ewell	"	48	B.M. Jones	38		
"	10	S. Frost	"	5 50	J. Fraser	37 20		
"	70	A.B.M.	Nat. City	2	"	60		
"	5 75	"	"	45	"	100		
"	60	C. Gross	"	7	"	100	Clearance, continued	
1st	65	"	4th	10	"	25		
"	100	"	"	2 50	"	3 70	1st Nat.	75
3rd	5	A. Hunt	"	39	M. Ande	3	J.M. Smith	
"	10	Pat. Imogen	Fdn.	50	"	4	Union	40
"	8	M.N.T.	"	9	R. Upson	20 10	Jones	
1st	105	"	"	10 40	J.C.C.	68	Union	60
"	33 50	B.C. Jacobs	Citizens	13 98	"	25	Jones	
Union	70	R.S. Young	"	30	"	24	1st	20
"	7 54	"	"	90	R.B.A.	106 34	Ralph Ord	
"	150	"	"	62 50	S. Earnest	35	3rd	16 15
Central	50	C.J. Kline	"	72 50	J.R. Morse	100	S.T. Young	
Fdn.	20 74	"	"	75	"	50	Central	75
Equitable	5	G.C.D.	M & M	100	Jane Rowe	50	M. Smith	
Cont.	30	"	"	13 50	"	60	Fdn.	150
"	25	A. Williams	"	75	N.J. Norris	6 50	J. Jones	
"	90	C.D. Lager	"	8	X.R.J.	150	Citizens	30
1st	120	M. Vance	1st	112 50	"	10	J.S.G.	
"	60	S.T. Morris	4th	101	S. Orand	4	1st	64
"	55	R.J. Upson	"	12	"	50	J.S.J.	
"	329 50	O.S. Emerick	Union	75	D.E.R.	30	1st	5
"	65	J. Emmett	"	50	"	20	S.S. Thompson	
Com.	55	S. Henry	"	3	"	1879 77	Union	1
"	6 92	A.R.H.	"	25	"	2072 30	E.E.R.	
"	5	"	"	5	S.R. Jones	2443 01	1st	40
"	1 50	"	3rd	50	S. Prance	736 40	E.E.R.	
"	1 50	"	"	40	M.N.R.	7431 48	4th	4
"	100	S.T.J.	"	45	"		E.E.R.	
"	20	"	Central	12 42	"		3rd	115
Central	100	"	"	100	Geo. Book		J.S. Jones	
"	33 13	R. Amman	"	3	"		Central	1 25
"	80	"	"	5	"		J.S.G.	
	2072 30		"	17 43	"		Central	10
				2443 01			E.S.J.	736 40

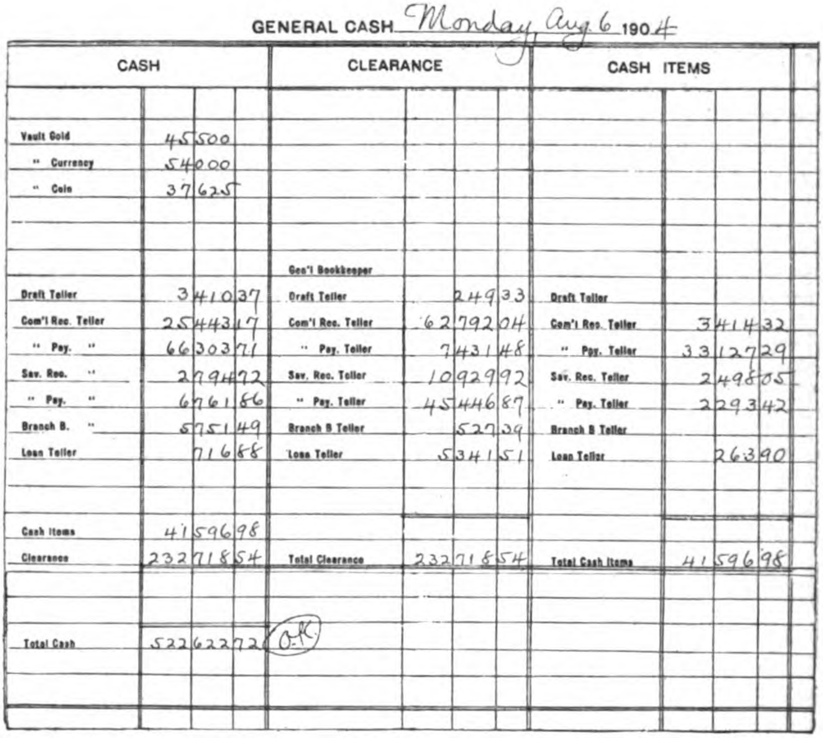
FIG. 125.—PAYING TELLER'S PROOF, RIGHT-HAND PAGE.

drawee bank and the last endorser of each check cashed by him. This, of course, involves some work, but is evidently a valuable safeguard.

Figure 126 shows the "general cash" statement made up by the paying teller at the close of the day, showing the total cash, cash items and clearance, and their distribution among the various tellers.

THE INDIVIDUAL BOOKS.

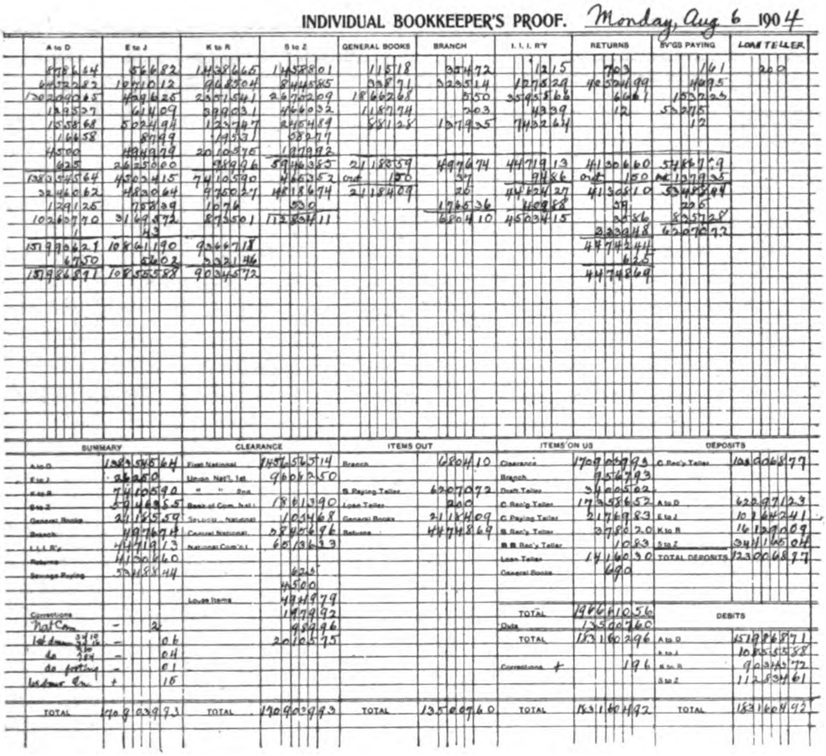
The Individual Bookkeeper's Proof, which is a part of the general system of proofs, is shown in Figure 127. Like the other proofs mentioned it is of course devised with a view to the particular needs of the company using it. The accounts are divided alphabetically into four groups, as shown on the proof, A to D, E to J, K to R and S to Z. Under the headings named the proof shows the total checks for the day against each group. These are summarized at the right lower corner of the figure, showing a total of $1,831,604.92, which agrees with the total shown under "Items on Us," which gives the same items arranged according to the sources from which they came. The first totals under the headings "A to D," etc., are those of the checks received from the clearing-house. These are carried to the places indicated under the heading "Summary" at the left lower corner of the figure, where is given the



GENERAL CASH Monday Aug 6 1904

CASH				CLEARANCE				CASH ITEMS			
Vault Gold	45	500									
" Currency	54	000									
" Coin	37	625									
				Gen'l Bookkeeper							
Draft Teller	3	410	37	Draft Teller		249	33	Draft Teller			
Com'l Rec. Teller	25	443	17	Com'l Rec. Teller	62	792	04	Com'l Rec. Teller	3	414	32
" Pay. "	66	303	71	" Pay. Teller	7	431	48	" Pay. Teller	33	127	29
Sav. Rec. "	2	794	72	Sav. Rec. Teller	10	929	92	Sav. Rec. Teller	2	498	05
" Pay. "	6	761	86	" Pay. Teller	45	446	87	" Pay. Teller	2	293	42
Branch B. "	5	751	49	Branch B Teller		527	39	Branch B Teller			
Loan Teller		716	88	Loan Teller	5	341	51	Loan Teller		263	90
Cash Items	41	596	98								
Clearance	232	718	54	Total Clearance	232	718	54	Total Cash Items	41	596	98
Total Cash	522	622	72	O.K.							

FIG. 126.—SUMMARY OF GENERAL CASH.



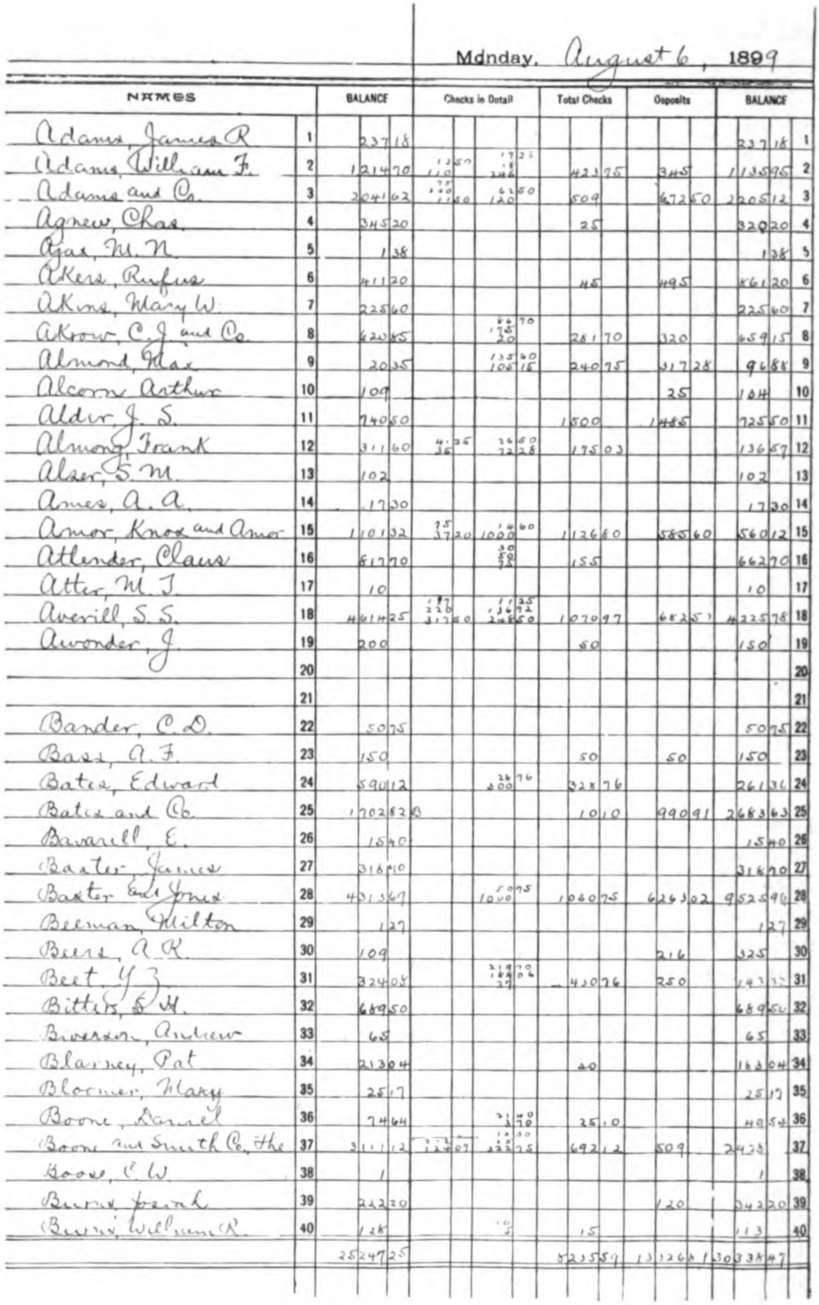
INDIVIDUAL BOOKKEEPER'S PROOF. Monday, Aug 6 1904

FIG. 127.—INDIVIDUAL BOOKKEEPER'S PROOF.

proof of the "Clearance." Provision is made for the listing of the inevitable corrections of the clearance lists. The column headed "Items Out" is for the listing of items received by the individual bookkeeper in the clearance, but which belong not on the individual books, but on the general books, savings books, etc. The proof of the credits on the individual books is shown just above that of the debits at the right lower corner of the figure. The total of the adding-machine list of deposits received by the receiving teller is placed at the top, and with this must agree the totals of deposits shown on the ledgers.

THE BOSTON LEDGER.

For the keeping of individual accounts the system probably most common is that of using the "Boston" combined journal and ledger for the more active accounts, together with a journal and balance ledger for the less active ones. As in the case of other banks, however, local conditions and the prevailing character of the accounts, together with the personal preferences of the officers, result in the choice of different methods of keeping the individual accounts in different companies. On the average the commercial accounts of trust companies are apt to be less active and of smaller balances than those of national banks.



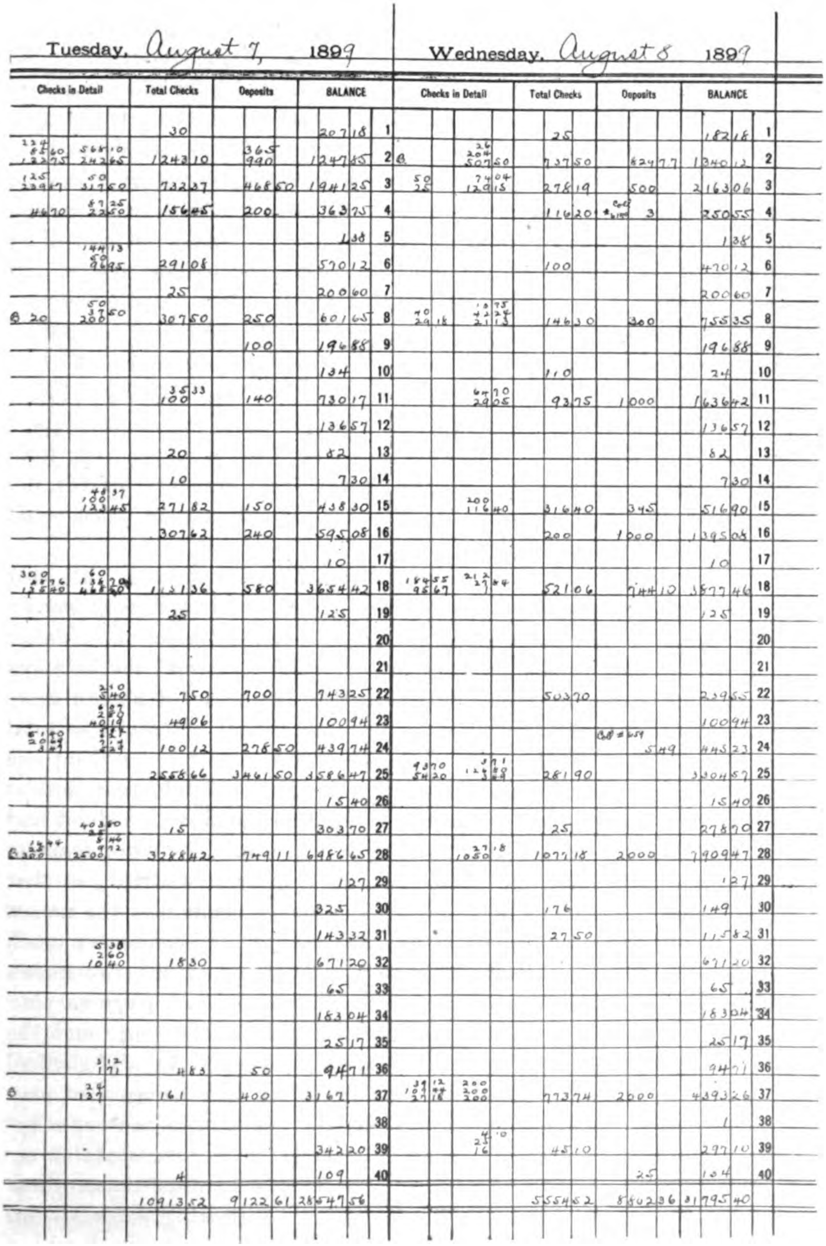
Mdnday, August 6, 1899

NAMES		BALANCE	Checks in Detail		Total Checks	Deposits	BALANCE	
Adams, James R	1	237 18					237 18	1
Adams, William F.	2	1214 70	12 50 110	17 25 18 246	423 75	345	1135 95	2
Adams and Co.	3	2041 62	75 140 11 50	62 50 120	509	672 50	2205 12	3
Agnew, Chas.	4	345 20			25		320 20	4
Agar, M. N.	5	1 38					1 38	5
Akers, Rufus	6	411 20			45	495	861 20	6
Akins, Mary W.	7	225 60					225 60	7
Akrow, C. J. and Co.	8	620 85		66 70 175 20	281 70	320	659 15	8
Almond, Max	9	20 35		135 60 105 15	240 75	317 28	96 88	9
Alcorn Arthur	10	109				25	104	10
Alder, J. S.	11	740 50			1500	1485	725 50	11
Almong, Frank	12	311 60	41 25 35	26 50 72 28	175 03		136 57	12
Alzer, S. M.	13	102					102	13
Ames, A. A.	14	17 30					17 30	14
Amor, Knox and Amor	15	1101 32	75 37 20	14 60 1000	1126 80	585 60	560 12	15
Atlender, Claus	16	817 70		30 50 75	155		662 70	16
Atter, M. J.	17	10					10	17
Averill, S. S.	18	4614 25	177 226 317 50	11 25 136 72 248 50	1070 97	682 50	4225 78	18
Awonder, J.	19	200			50		150	19
	20							20
	21							21
Bander, C. D.	22	50 75					50 75	22
Bass, A. F.	23	150			50	50	150	23
Bates, Edward	24	590 12		28 76 300	328 76		261 36	24
Bates and Co.	25	1702 82	B		10 10	990 91	2683 63	25
Bavarell, E.	26	15 40					15 40	26
Baxter, James	27	318 10					318 10	27
Baxter and Jones	28	4313 67		50 75 1000	1050 75	6263 02	9525 96	28
Beeman, Milton	29	1 27					1 27	29
Beers, A. R.	30	109				216	325	30
Beet, Y. Z.	31	324 08		219 70 164 06 27	420 76	250	147 32	31
Bitters, D. H.	32	689 50					689 50	32
Biverson, Andrew	33	65					65	33
Blarney, Pat	34	213 04			50		163 04	34
Bloomer, Mary	35	25 17					25 17	35
Boone, Daniel	36	74 64		21 40 3 70	25 10		49 54	36
Boone and Smith Co., The	37	3111 12	124 07	18 30 327 222 75	692 12	509	2428	37
Boose, C. W.	38	1					1	38
Burns, Frank	39	222 20				120	342 20	39
Burns, William R.	40	128		10 5	15		113	40
		25247 25			8235 59	13326 81	30338 47	

Fig. 128.— Boston Ledger.

The "Boston Ledger," a form of which is shown in Figure 128, is a combined journal and ledger. The entries are made directly from the deposit slips and the checks. The open book shows the work for one

week, that for the first three days being on the left-hand page, and that for the last three days being on the right-hand page. Figure 128 shows only the left-hand page. The right-hand page is ruled in the same way, with the headings Thursday, Friday and Saturday, but usually does not



Tuesday, August 7, 1899						Wednesday, August 8 1899					
Checks in Detail		Total Checks	Deposits	BALANCE		Checks in Detail		Total Checks	Deposits	BALANCE	
		30		207 18	1			25		182 18	1
224 85 60 122 75	566 10 242 65	1243 10	365 990	1247 85	2	B	26 204 507 50	737 50	829 77	1340 12	2
125 229 47	50 317 50	732 37	468 50	1941 25	3	50 25	74 04 129 15	278 19	500	2163 06	3
46 70	87 25 22 50	156 45	200	363 75	4			116 20	Coll #6199 3	250 55	4
				1 38	5					1 38	5
	144 13 50 96 95	291 08		570 12	6			100		470 12	6
		25		200 60	7					200 60	7
B 20	50 37 50 200	307 50	250	601 65	8	40 29 16	10 75 42 24 24 15	146 30	300	755 35	8
			100	196 88	9					196 88	9
				134	10			110		24	10
		35 33 100	140	730 17	11		64 70 29 05	93 75	1000	1636 42	11
				136 57	12					136 57	12
		20		82	13					82	13
		10		7 30	14					7 30	14
	48 37 100 123 45	271 82	150	438 30	15		200 116 40	316 40	345	516 90	15
		307 62	240	595 08	16			200	1000	1395 08	16
				10	17					10	17
300 48 76 125 40	60 136 26 468 50	1131 36	580	3654 42	18	184 55 95 67	212 27 84	521 06	744 10	3877 46	18
		25		125	19					125	19
					20						20
					21						21
	2 10 5 40	7 50	700	743 25	22			503 70		239 55	22
	6 07 2 80 40 19	49 06		100 94	23					100 94	23
51 40 20 69 3 47	[illegible]	100 12	278 50	439 74	24				Coll #459 5 49	445 23	24
		2558 66	3461 50	3586 47	25	93 70 54 20	3 71 124 60 5 69	281 90		3304 57	25
				15 40	26					15 40	26
		15		303 70	27			25		278 70	27
B 13 44 23 300	403 60 25 8 46 9 72 2500	3288 42	749 11	6486 65	28		27 18 1050	1077 18	2000	7409 47	28
				1 27	29					1 27	29
				325	30			176		149	30
				143 32	31			27 50		115 82	31
	5 38 2 60 10 40	18 30		671 20	32					671 20	32
				65	33					65	33
				183 04	34					183 04	34
				25 17	35					25 17	35
	3 12 1 71	4 83	50	94 71	36					94 71	36
B	24 137	161	400	3167	37	39 12 101 44 27 18	200 200 200	773 74	2000	4393 26	37
					38					1	38
				342 20	39		4 10 25 16	45 10		297 10	39
		4		109	40				25	134	40
		10913 52	9122 61	28547 56				5554 52	8802 36	31795 40	

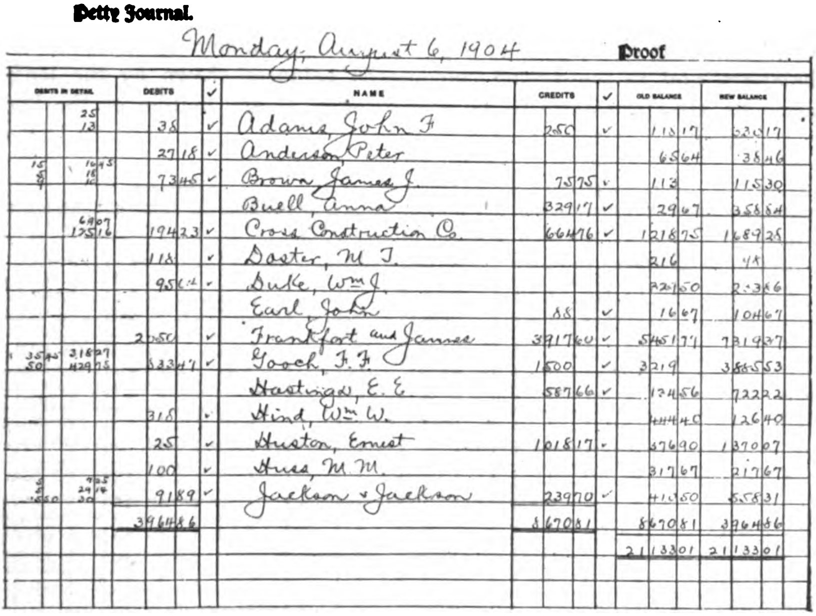
FIG. 128.—BOSTON LEDGER (Continued).

contain a column for the names of depositors, the line for the account of each depositor being followed across the two pages without repetition of the name by the help of the numbers, which, as shown in the figure, are repeated for each day. A further aid in this matter is to have the transverse lines ruled in two or three different colors. In the sample from which Figure 128 is engraved, the first line is ruled in purple ink, the second in blue and the third in red; these colors being repeated in the same order throughout the page. Some companies have the name repeated on the second page as an additional help in following the proper line for each account. In making up the book it is customary to have three out of every four pages cut "short," omitting the column headed "names," so that four weeks' work may be recorded without rewriting the names. A convenient plan is to have these short leaves cut just after the figures in the column immediately following the list of names, and the page creased at the heavy line just after the first balance column. Then by bending over this first balance column the balances for Saturday are extended therein, so that when it is folded back again the balances appear just before the work for the following Monday without copying. The method for proving the work for each day on each page of this ledger is simple. If the work has been done correctly, the total of the balance column for the preceding day, plus the total of the deposits column and minus the total of the total checks column, must equal the total of the day's balance column.

While the form of Boston Ledger shown here is probably the most common one, several variations from it are often found. Many companies prefer to have the deposits column follow immediately after the balance column, so that the bookkeeper may more readily "extend" the balances in his head, the principle being that with this arrangement he can more easily add the deposits to the previous balance and subtract the total checks from the sum of the two. This process is a rather puzzling one to the novice, but the experienced worker on the Boston Ledger does it with ease. The older forms of Boston Ledger provided both a debit and a credit balance column, and this form is still in use. The more common plan, however, is to have the debit balances appear in red ink, so that only one balance column is needed. In the larger companies the names of the customers are usually printed in, thus saving the bookkeeper much tedious copying. The size of the page is usually about twenty-two inches wide by eighteen inches deep; the number of accounts on a page varying from twenty to forty, depending upon the depth of the page and the space between the lines. The accounts are arranged in alphabetical order, several lines being left after each letter for new names that may need to be added. In large banks each ledger contains the accounts beginning with certain letters of the alphabet only: e. g., one contains accounts whose initial letters are from A to K, and another those whose initial letters are from L to Z. The letter "B" appearing after several of the balances in the figure indicates that the pass-books of the customers indicated were balanced on the dates shown.

The Boston Ledger has some decided merits and some distinct defects. Its merits include the great saving of time and labor in the combining of journal and ledger, which does away with posting; the readiness with which the total day's work may be proved; the grouping of all the accounts on a few pages, making it easy to compare the balances in different accounts; the prominence with which overdrafts appear, insuring that they shall not be overlooked.

Among the defects of this ledger are the ease with which items may be entered on the wrong line and so be made to appear against the wrong account; the fact that it is comparatively difficult to ascertain the average balances that a given customer has carried for a series of weeks or months; and the fact that the balances of inactive accounts must be carried forward day by day along with those of active accounts. The size of the book is also considered objectionable by some.



Petty Journal.

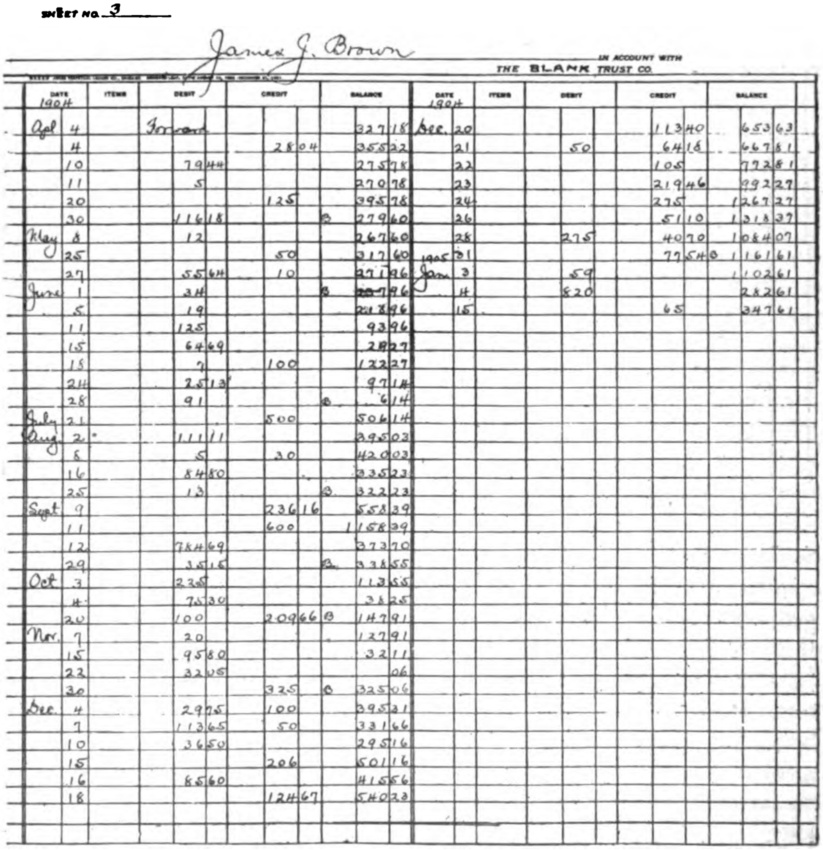
Monday, August 6, 1904 — **Proof**

Debits in Detail		Debits	✓	Name	Credits	✓	Old Balance	New Balance
	25 13	38	✓	Adams, John F	2 50	✓	113 17	223 17
		27 18	✓	Anderson, Peter			65 64	38 46
15 5 9	16 45 16 10	73 45	✓	Brown, James J.	75 75	✓	113	115 30
				Buell, Anna	329 17	✓	29 67	358 84
	69 07 175 16	194 23	✓	Cross Construction Co.	664 76	✓	1218 75	1689 28
		118	✓	Doster, M. J.			216	98
		95 14	✓	Duke, Wm J.			320 50	225 36
				Earl, John	88	✓	16 67	104 67
		2050	✓	Frankfort and James	3917 60	✓	5451 77	7319 37
35 45 50	318 27 429 75	833 47	✓	Gooch, F. F.	1500	✓	3219	3885 53
				Hastings, E. E.	587 66	✓	134 56	722 22
		318	✓	Hind, Wm W.			444 40	126 40
		25	✓	Huston, Ernest	1018 17	✓	376 90	1370 07
		100	✓	Huss, M. M.			317 67	217 67
5 5 5 50	9 25 24 14 30	91 89	✓	Jackson & Jackson	239 70	✓	413 50	561 31
		3964 86			8670 81		8670 81	3964 86
							21133 01	21133 01

FIG. 120.—JOURNAL OR SCRATCHER, WITH PROOF OF POSTING.

The fact that the Boston Ledger is not adapted to the carrying of inactive accounts has led to the introduction of the system already mentioned, of using both a Boston Ledger and a balance ledger, with a special journal for the latter. The more active accounts are carried in the Boston Ledger and the less active ones in the other ledger, which is sometimes called the "inactive ledger," and sometimes the "petty ledger." The total of the balances in the petty ledger is carried as an account in the Boston Ledger, so that the total of balances in the latter shows the total balances for that set of books.

Figure 129 shows a form of journal to be used in connection with the petty ledger, containing also a form for the proof of posting. This form of journal (or "scratcher" as some prefer to call it) is a great improvement over the old form in which the deposits were recorded on one page and the checks on another, as the names of depositors having both deposits and checks need to be written but once, while nothing is sacrificed in the way of clearness or completeness of the record. On the left of the page the first column contains the detailed list of checks and the second column the total checks against each account. Columns are provided for the check-marks used in posting. The first column at the right of the page is for the listing of deposits; while the two other columns are for the proof of posting. This furnishes a daily trial balance of all accounts active for the day. In the first column are listed the old balances, and in the second column the balances shown by the ledger accounts after the day's items are posted. At the bottom of the "Old



SHEET NO. 3

James J. Brown IN ACCOUNT WITH THE BLANK TRUST CO.

DATE 1904		ITEMS	DEBIT	CREDIT		BALANCE
Apl	4		Forward			327 18
	4			28 04		355 22
	10		79 44			275 78
	11		5			270 78
	20			125		395 78
	30		116 18		B	279 60
May	8		12			267 60
	25			50		317 60
	27		55 64	10		271 96
June	1		34		B	237 96
	5		19			218 96
	11		125			93 96
	15		64 69			29 27
	18		7	100		122 27
	24		25 13			97 14
	28		91		B	6 14
July	21			500		506 14
Aug.	2		111 11			395 03
	8		5	30		420 03
	16		84 80			335 23
	25		13		B	322 23
Sept	9			236 16		558 39
	11			600		1158 39
	12		784 69			373 70
	29		35 15		B	338 55
Oct	3		225			113 55
	4		75 30			38 25
	20		100	209 66	B	147 91
Nov.	7		20			127 91
	15		95 80			32 11
	22		32 05			06
	30			325	B	325 06
Dec.	4		29 75	100		395 31
	7		113 65	50		331 66
	10		36 50			295 16
	15			206		501 16
	16		85 60			415 56
	18			124 67		540 23

DATE 1904		ITEMS	DEBIT	CREDIT		BALANCE
Dec.	20			113 40		653 63
	21		50	64 18		667 81
	22			105		772 81
	23			219 46		992 27
	24			275		1267 27
	26			51 10		1318 37
	28		275	40 70		1084 07
	31			77 54	B	1161 61
1905 Jan	3		59			1102 61
	4		820			282 61
	15			65		347 61

FIG. 180.—BALANCE LEDGER.

Balance" column is listed the total of the day's credits; and at the bottom of the "New Balance" column, the total of the day's debits. Then, if the work has been done correctly, the footings of the two columns will agree. While this proof of posting adds somewhat to the bookkeeper's daily work, it insures the correct extension of balances, and lightens the task of the monthly trial balance of all the accounts in the ledgers.

A form of ledger used with the journal just described is shown in Figure 130. This is a modified form of the "Cincinnati" or three-column balance ledger. As compared with the Boston Ledger, this has the advantage of showing the balances of each account for a long period in a form that makes it convenient to see at a glance the average balance. This form may be used in either a bound book or a loose-leaf binder. The latter is preferable, because it permits the arranging of the sheets in alphabetical order, making an index unnecessary; and because each account may be given as many or as few pages as it needs. The size of the sheet, exclusive of binding space for a loose-leaf binder, is about eleven by twelve inches.

(*To be continued.*)

THE AUDIT SYSTEM OF A TRUST COMPANY.

BY THEODORE BOTHMANN, AUDITOR MERCANTILE TRUST COMPANY, ST. LOUIS.*

IN some of the larger banks of to-day, and trust companies having numerous departments, the audit system has been inaugurated, and it has proven most beneficial and satisfactory in practical results.

The auditor travels, as it were, from one department to another, and it is his duty to keep in close touch with the books and records of each department; he must be ready on short notice to make a report to the board or president on any feature within the limits of his rather comprehensive jurisdiction. I will briefly illustrate the actual work of the auditor, by taking up each department and explaining what is done in regard to each.

FINANCIAL DEPARTMENT.

By reason of the great number of cash transactions handled daily in this department a large part of the auditor's time is given to it; he must devise methods which will make it easy for him to detect fraudulent entries as well as errors in its records.

The tellers' cash should be examined at frequent intervals without previous notice, taking care to inspect closely all items carried as cash, making immediate report of any irregularities. Tellers, other than the paying tellers, are not usually required to carry a great amount of cash.

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*An address delivered at a meeting of St. Louis Chapter, American Institute of Bank Clerks.

It is therefore essential that the cash in the custody of these tellers be reduced to a minimum at all times.

As a matter of security about seventy-five per cent. of the actual cash on hand is deposited in a vault in the safe deposit department, requiring the joint signatures of two officers, in a register kept for that purpose, in order to obtain access thereto.

Savings deposits, on account of their inactivity, give opportunities for manipulation. It is, therefore, advisable to maintain a constant check on them. To accomplish this, the balance as shown by the depositor's passbook after a transaction, is noted by the teller or entry clerk on the check or deposit slip, as the case may be, and is subsequently compared with the ledger account by the bookkeeper.

It is an unwise policy in trust companies having a great number of savings accounts to permit a receiving teller to enter deposits in passbooks. After checking the deposit slip the entry should be made by the entry clerk. Thus a double supervision is had.

Where there is a possibility of collusion, changes in positions of clerks should frequently be made.

Balances of outstanding time and demand certificates, treasurer's checks and unpaid dividends are reconciled about once a month; the checks and certificates are carefully gone over before being filed away, to see that those outstanding conform to the register records.

All interest is computed on daily balances before being credited to depositors' accounts, and statements for interest on demand loans, rendered monthly, are also carefully checked.

Systematic defalcations are frequently perpetrated by collusion between tellers and bookkeepers, hence the changing of positions of bookkeepers from one ledger to another will have a moral effect.

Calling in passbooks from time to time and having them balanced by clerks who are not connected with the bookkeeping department, is one of the features of auditing. Current balances are checked daily. Extensions of all the balances in the balance books are made and proved weekly. From time to time the auditor should check over all the accounts and reconcile with the individual deposits as shown by the general books.

Outstanding transient items are listed, and subsequently checked upon receipt of remittances, by the auditing department.

Accounts of banks, bankers, corporations and individuals should be analyzed to determine their value.

A private wire connection with New York, Philadelphia, Chicago and St. Louis is used to great advantage in the transfer of funds, notification of credits or charges, and also in the purchase and sale of securities. Thus is given a daily check on all large transactions taking place between the trust company and its correspondents in the other cities named.

Loans when made are entered in the loan register; the account of each borrower is kept in a ledger designated for that purpose, and a loose-leaf memorandum is also written up daily indicating each loan, list and amount of collateral according to market value. All these loans are checked over at different periods and totals reconciled with the general books. Statements of correspondents with whom accounts are kept are compared upon receipt by the auditing department. Reports on statements rendered to depositors are also checked by this department.

BOND DEPARTMENT.

The bond department keeps a complete record of all the bonds on hand, showing the cost, par value, rate, etc., which is also carried on the general books of the company, condensed according to rates of interest. Thus the totals may be compared at any time.

All bonds are deposited in vaults of the safe deposit department; and various registers requiring both the signatures of a representative of the bond department and an officer of the safe deposit department are kept which must be signed on the deposit or withdrawal of bonds. The actual bonds are also checked periodically.

A coupon record is kept showing the amount of interest due on the first of each month, which amount when reported is checked against a corresponding entry in the cash book of the department.

TRUST DEPARTMENT.

Ordinarily the business of the trust department originates either from appointment by a court or by individuals or corporations. In the case of matters coming through the probate or circuit court, the duty is defined by law, will or decree, and the property to be accounted for is clearly indicated. The auditor with the original instrument before him sees that the personal property in the possession of the department agrees with the inventory or report to the court and that it is properly entered on the register of securities belonging to such estates.

As these securities are converted into cash, the proper account in the estate securities ledger is charged and the cash account of the particular estate in the cash or general ledger is credited.

It is the best policy for a trust company to keep trust funds entirely separate from its own, and to that end the trust department should deposit its cash in other banks and trust companies.

When checks are drawn on these accounts, they are signed by one of the trust officers and countersigned by the treasurer or some other officer. The latter initials a credit slip when he countersigns a check and this slip is handed to the general bookkeeper for entry.

An independent voucher has been taken for the payments and this is compared with the ledger entry. The bank passbooks when balanced are turned over to the auditor for comparison and inspection.

Bonds which are to be certified by the company are carefully inspected as to compliance with the indenture under which they are issued, also as to dates, numbers, signatures and seals, and a record made by the clerk who performs each duty. Deliveries are made according to the authority given and receipt for same compared.

Trial balances of the general ledger, estate securities and miscellaneous securities are taken once a week, examined and certified by the auditor, who thereupon makes his report to the trust committee.

REAL ESTATE DEPARTMENT.

This department is also audited periodically. A trial balance is taken once a month and expense vouchers checked.

Statements to patrons are rendered at the end of each month, a check voucher and receipted bills for repairs sent with the statement, thereby closing the account monthly.

FOREIGN EXCHANGE DEPARTMENT.

Drafts drawn on foreign correspondents are signed by the manager or assistant manager of this department and countersigned by the treasurer or other officer.

Memorandum slips showing the amount of each draft and on whom drawn must accompany such draft, initialed by the officer and delivered to the auditing department.

Statements of foreign correspondents are also compared by the auditor.

SAFE DEPOSIT DEPARTMENT.

All the financial transactions in this department being cash no journal is required. The accounts are posted into the ledger from the cash book. The contract card gives the date on which a box is rented, the charge for its use, also date of surrender or vacating, and should be used to check up all accounts against individual box holders.

A storage record is kept in a like manner and should be used to check up all accounts against individual storage depositors. All monies received for box rents and storage pass through a stub receipt book consecutively numbered and are entered in the cash book, the total being deposited each day with the banking department.

The profits of all other departments are likewise carefully examined and transferred at intervals to the books of the financial department.

The expense vouchers of all departments are regularly checked and inspected.

The above suggestions are, in brief, an outline of an auditing department.

QUESTIONS RELATING TO THE CURRENCY.

THE Special Currency Committee of the Chamber of Commerce of the State of New York, composed of John Claflin, chairman; Frank A. Vanderlip, vice-chairman; Isidor Straus, Dumont Clarke and Charles A. Conant, has sent out the following questions to each member of the clearing-house committees of the leading cities of the United States:

QUESTIONS.

1. Do you believe that some change is desirable in the existing system of issuing bank-note currency?
2. Do you believe that the sub-Treasury system is a disturbing factor in the money market?
3. If so, do you believe that provision should be made for regular deposit in the banks of the surplus of Government funds, above a reasonable working balance, upon such terms as will afford safety and perhaps a small profit to the Treasury?
4. Do you regard the bank note as a form of bank obligation the same in principle as the obligation to pay a deposit on demand, and do you believe that the use of bank notes where they are the most convenient form of credit should be freed from existing restrictions, except such as are required to insure safety, acceptability and conversion on demand into standard money?
5. Is it important, if a more flexible currency system is sought, to take measures to avoid impairing the market value of United States bonds as a basis of circulation?
6. If new currency issues are made, is it advisable that they be made a homogeneous part of the present note-issue system by increasing somewhat above par the proportion of notes which may be issued upon bonds, or should an independent system of note issue be adopted?
7. Do you believe that national banks should be authorized to issue a certain proportion of currency upon their general resources, such notes being secured in case of failure by a guaranty fund or otherwise?
8. Is it advisable, if additional bank-note circulation is authorized, to subject it to a graduated tax intended to compel the retirement of the notes under the higher rates of taxation when the special need for them has passed?
9. If authority is given to issue additional bank notes, in what proportion to capital do you think they should be allowed, and under what rates of taxation, if you favor a graduated tax?

10. If you do not favor the issue of currency under moderate rates of taxation for use under ordinary conditions, do you favor an emergency circulation issued under a high tax, as proposed by Secretary Shaw in his annual report for 1905?

11. Do you favor the constitution of a guaranty fund from the proceeds of taxation to cover the losses on notes for which the assets of a failed bank are insufficient?

12. The taxes collected upon circulation of national banks from 1864 to June 30, 1905, reached the sum of $96,220,997. The failed banks whose affairs have been closed had at the date of failure an outstanding note circulation of $17,295,748. Dividends paid on claims proved averaged 77.95 per cent. At the same ratable proportion of loss the deficiency on account of notes, if these had not been secured by deposit of bonds, would have amounted to only $3,813,712 (22.05 per cent. of $17,295,748) —or less than four per cent. of the total taxes collected upon circulation.

Do you believe that this experience justifies the conclusion that a guaranty fund consisting of the taxes paid upon circulation would be sufficient to secure the payment in full of the notes of failed banks? If not, upon what grounds do you base your conclusion? What other safeguards, if any, are required to insure the payment in full of the notes of failed banks?

13. Is it or is it not desirable, if bank notes are issued not fully secured by bonds, to give discretion to the Comptroller of the Currency to require the deposit of collateral with a clearing-house committee or other custodian?

14. Is it desirable to make bank notes a first lien upon assets, or should they share only ratably with other claims?

15. Do you think that a graduated tax upon circulation would tend to secure elasticity and to retire notes that were not needed? Do you think that such tax would produce sufficient elasticity, or do you think additional measures should be taken?

16. Do you believe that redemption of notes at New York, Chicago, New Orleans, San Francisco and other United States sub-Treasury cities, without cost to the bank presenting them, would tend to stimulate redemptions and adapt the currency to commercial needs?

17. Would you favor a system of note issue similar to the Canadian, the right of issue being limited to banks of large capital, say, not less than $500,000, with four or more central redemption cities?

18. Do you believe that a central note-issuing bank, similar to those in France, Germany, Austria-Hungary and other countries in Europe, with branches in leading cities and with the power to re-discount for national banks and state banking institutions, but not for individuals, would be a better solution of the present currency problem than a plan permitting all banks to issue notes against their resources?

19. Would a central note-issuing bank tend to diminish fluctuations in the rate of interest, to prevent recurring periods of monetary stringency and to lessen the evils incident to financial crises?

20. Should such a bank be made the fiscal agent of the Government in receiving Government funds and paying Treasury drafts as are the central note-issuing banks of Europe?

21. Would the operations of such a bank interfere unduly with the business of existing banking institutions, provided it dealt only with banks and not with individuals?

22. Would country banks regard such a bank as tending to diminish the necessity for borrowing from city correspondents?

23. Would the fact that such a bank could re-discount for state banking institutions as well as national banks, thus extending the use of its credit and credit currency to both, give such a plan an advantage over a plan whose scope was confined to national banks alone?

24. Should the Government appoint the officers of such a bank and a majority of the board of directors, or should the control rest with the stockholders?

25. Do you think the headquarters of such a bank should be in Washington or elsewhere?

26. Do you believe that there are sound political objections, apart from its economic merits, to the creation of such a central bank?

27. Have you any other suggestions to make regarding the improvement of the currency system?

(Replies should be addressed to Joseph French Johnson, Secretary of Special Currency Committee, Chamber of Commerce, New York city.)

AMERICAN BANKERS' ASSOCIATION.

THIRTY-SECOND ANNUAL CONVENTION TO BE HELD AT ST. LOUIS.

A meeting of the Executive Council of the American Bankers' Association was held at the Lawyers Club, New York City, May 2, and was largely attended by members from all sections of the country. It was unanimously decided to hold the Thirty-second Annual Convention at St. Louis, Mo., the date to be fixed hereafter.

The following resolution was also passed:

Whereas, Many members of the American Bankers' Association resident in the State of California have been victims of a great and terrible calamity; therefore, be it

Resolved, That the executive council of this association extends its deepest sympathy, and recommends to its members in other sections of the country that every consideration and support be extended to our California friends in their hour of need.

BANKING AND COMMERCIAL LAW

MPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

POWER OF NATIONAL BANK TO PURCHASE STOCK IN SPECULATIVE ENTERPRISE—ULTRA VIRES.

FIRST NATIONAL BANK OF OTTAWA VS. THEODORE R. CONVERSE, RECEIVER.

Supreme Court of the United States, February 19, 1906.

It is ultra vires of a national bank to take stock in a corporation organized to embark in the purely speculative business of buying and selling the stocks and assets of an insolvent corporation, with power, but without the obligation, to engage in a manufacturing business as an independent enterprise, although the bank takes such stock in exchange for a claim against the insolvent corporation.

Want of authority of a national bank to subscribe for capital stock in a speculative enterprise is a valid defence to an action against it to enforce its statutory liability as a stockholder.

In 1884 the Northwestern Manufacturing and Car Co., being in financial trouble, was placed in the hands of a receiver. The bank was a creditor of the company, and in connection with other creditors organized a new corporation—the Minnesota Thresher Manufacturing Co.—to buy the entire plant of the car company. It was so purchased and the bank surrendered its claim, taking in payment thereof preferred stock in the thresher company. The thresher company carried on a manufacturing business until in 1901 it became insolvent. A receiver was appointed and an assessment of $18 per share was levied by the court upon the stockholders. The bank, owning 274 shares, declined to pay the assessment.

A majority of the court held that the bank did not have authority under its charter to become a stockholder in the thresher company, and was not liable for the amount of the assessment.

Two of the justices—Brewer and Brown—dissented.

MR. JUSTICE WHITE: The limitations upon the powers of national banks were clearly pointed out in California Nat. Bank vs. Kennedy, 167 U. S. 362, where it was said:

"It is settled that the United States statutes relative to national banks constitute the measure of the authority of such corporations, and that they cannot rightfully exercise any powers except those expressly granted or which are incidental to carrying on the business for which they are established. (Logan County Nat. Bank vs. Townsend, 139 U. S. 67, 73.) No express power to acquire the stock of another corporation is conferred upon a national bank, but it has been held that, as incidental to the power to loan money on personal security, a bank may, in the usual course of doing such business, accept stock of another corporation as collateral, and by the enforcement of its rights as pledgee it may become the owner of the collateral, and be subject to liability as other stockholders. (Germania Nat. Bank vs. Case, 99 U. S. 628.) So, also, a national bank may be conceded to possess the incidental power of accepting, in good faith, stock of another corporation as security for a previous indebtedness. It is clear, however, that a national bank does not possess the power to deal in stocks. The prohibition is implied from the failure to grant the power. (First Nat. Bank vs. National Exch. Bank, 92 U. S. 128.)"

As no authority, express or implied, has ever been conferred by the statutes of the United States upon a national bank to engage in or promote a purely speculative business or adventure, accepting the view of the articles of association by which the bank was denied the benefit of the exemption accorded by the Constitution of Minnesota, it follows that the bank had no power to engage in such business by taking stock or otherwise. The power of a national bank to engage in the character of business which the articles of association of the thresher company manifested, as defined by the Supreme Court of Minnesota, cannot be inferred to have been possessed by the bank as an incident of securing a present loan of money, or as a means of protecting itself from loss upon a pre-existing indebtedness. To concede that a national bank has ordinarily the right to take stock in another corporation as collateral for a present loan or as a security for a pre-existing debt, does not imply that, because a national bank has lent money to a corporation, it may become an organizer and take stock in a new and speculative venture; in other words, do the very thing which the previous decisions of this court have held cannot be done.

The speculative venture, therefore, which the bank undertook, as held by the Minnesota court, when it engaged in taking the stock in the thresher company, being *ultra vires*, it allows, under the settled rules hitherto applied by this court, that the bank, despite the subscription, was entitled to plead its want of authority as a defense to the claim of the receiver. The doctrine on the subject was stated in De la Vergne

Refrigerating Mach. Co. vs. German Sav. Inst. 175 U. S. 40, where it was said:

"The doctrine that no recovery can be had upon the contract is based upon the theory that it is for the interest of the public that corporations should not transcend the limits of their charters; that the property of stockholders should not be put to the risk of engagements which they did not undertake; that, if the contract be prohibited by statute, everyone dealing with the corporation is bound to take notice of the restrictions in its charter, whether such charter be a private act or a general law under which corporations of this class are organized."

And, moreover, the authorities cited in the case just referred to conclusively establish that the principle which the case announced as to the power of a corporation to avail of the defense of *ultra vires* had been previously conclusively settled in this court.

Mr. Justice Harlan concurs solely upon the authority of California Nat. Bank vs. Kennedy and the previous cases announcing the doctrine which was adhered to and applied in that case.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

INTEREST—CHECKS AS PAYMENT—RATE OF INTEREST RECOVERABLE BY BANK WHEN MORE THAN SEVEN PER CENT. STIPULATED FOR—BANK ACT, SECTIONS 80 AND 81.

BANK OF BRITISH NORTH AMERICA VS. BOSSUYT (15 MANITOBA REPORTS, PAGE 266).

Defendant borrowed large sums of money from the plaintiff bank by way of overdraft and on promissory notes. Having agreed to pay interest, first at twenty-four per cent. and afterwards at eighteen per cent. per annum, defendant from time to time gave the bank checks on his current account to pay the interest at those rates respectively up to January 31, 1902. When such checks were given the account had already been overdrawn, but it was afterwards changed into a credit balance in defendant's favor by deposits or by collections made by the bank for defendant's account.

HELD, that such checks should be deemed to have been payment of the interest, and that defendant could not recover back such interest or any part of it, although it was in excess of the seven per cent. rate which the Bank Act permits a bank to charge.

HELD, also, that under sections 80 and 81 of the Bank Act, the bank was not entitled to sue for and recover interest accruing after January 31, 1902, at seven per cent. per annum, but could only recover interest at the legal rate of five per cent. per annum from that date on the principal then due.

Statement of Facts: Plaintiff, who is a banking corporation and subject to the provisions of the Bank Act, discounted at its branch at Dawson notes made by defendant, who was one of the bank's customers there, and also allowed him to overdraw his current account with them. The notes were payable on demand and purported to bear interest at the rate of twenty-four per cent. per annum. The defendant also agreed to pay interest at the same rate on his overdraft. Afterwards the rate of interest was, by agreement, reduced to eighteen per cent.

The defendant from time to time gave plaintiff on one or the other of two current accounts, that he had with the bank at different times, checks to pay interest accrued or accruing at the above rates on his indebtedness to the bank. When such checks were given the accounts they were drawn against had already been overdrawn. But each account was, at some date after the giving and charging up of such checks on it, changed into a credit balance in defendant's favor by deposits or by collections made by the plaintiff for the defendant's account. These checks covered such interest up to January 31, 1902.

The defendant mortgaged to plaintiff real estate in Manitoba to secure his indebtedness, and gave the bank orders to receive rents accruing due to him and other collaterals, from which moneys had been received, and presumably were being received, by plaintiff. The plaintiff asked for immediate possession of the mortgaged lands, for an order that the defendant pay the amount due and that, in default, the lands be sold to pay plaintiff's claim.

In the particulars of claim the plaintiff credited itself with interest at the rate of twenty-four and eighteen per cent. up to January 31, 1902, and alleged that same was paid by the above checks. From January 31, 1902, the plaintiff claimed interest at seven per cent.

The defendant alleged in effect that the giving of such checks was not payment of such interest, but that they constituted at the most mere promises to pay, there being to plaintiff's knowledge, when they were given, no funds at defendant's credit to pay them. The defendant asked that the accounts be taken between plaintiff and himself, allowing plaintiff only such interest as it might be entitled to and crediting him on the principal of his indebtedness with anything in excess of that.

JUDGMENT: (RICHARDS, *J.*): The questions to be decided seem to be:

(1) Can plaintiff retain as interest for the period for which such checks were given the amounts of such checks, such interest being admittedly in excess of what the plaintiff is by law entitled to contract for or recover by suit?

(2) What rate of interest, if any, is plaintiff entitled to charge for the period during which it may be held not entitled to the rates it contracts for?

(3) Should an account be directed? If so, from what date should the master be directed to take it?

It was conceded on the argument that moneys actually paid to a bank as interest, under a contract for a rate of interest in excess of seven per cent., could not be recovered from the bank by the party who paid them. But it was argued, as stated above, that the checks as given were not payments but were at the utmost mere promises to pay.

The defendant did not recall these checks or stop payment of them. They were given to plaintiff as creditors of defendant and not as his bankers. They were in effect directions to the plaintiff as defendant's banker to pay the amount to itself as his creditors as soon as there should be available funds at his credit with the plaintiff as his bankers to pay them with; and they were, in fact, paid out of such funds when available. The charging them up when given was a mere matter of bookkeeping. If the checks had been drawn on some other bank than plaintiff, at a time when defendant's account with that other bank was overdrawn, but had afterwards been paid by that other bank as soon as there were funds at the defendant's credit for that purpose, there would be no possibility of claiming that plaintiff should account for the excess received above what it had been entitled to contract for. I am unable to see that the two cases are different in their effect, as the plaintiff received the checks as defendant's creditor, but paid them as his banker; or that plaintiff's case is any weaker than it would have been if defendant, when he gave the checks, had had money at his credit to meet them.

Whether interest should be allowed for the period since January 31, 1902, and if so at what rate, is a more difficult question.

The plaintiff relies on section 81 of the Bank Act as showing that though a bank contracts for a greater rate of interest than seven per cent., it can, nevertheless, sue for and recover interest at seven per cent. on such contract; in other words, that the contract to pay a greater rate than seven per cent. can be read and enforced as a contract to pay seven per cent. It seems to me that very distinct provisions of the law would be required to give rise to such a construction.

There appears to be some confusion as to some of the reported Ontario cases, owing to the fact that the maximum rate that a bank could lawfully take when they were decided was the same rate, six per cent., that was then recoverable in cases where interest was stipulated for or legally recoverable, but where no rate was stipulated.

The object of sections 80 and 81 of the Bank Act is to limit banks in the rates of interest they may contract for. They are not intended to interfere with rights of parties other than banks. Section 80 says that the bank may stipulate for a rate not exceeding seven per cent., but no higher rate of interest shall be recoverable by the bank.

That means, I think, that if a bank contracts for a higher rate than seven per cent., it can not, on that contract for such higher rate, recover any rate of interest by suit. If the Legislature had intended to enact that a contract for such higher rate could be sued on as a contract for seven per cent., it would have, I think, expressed its meaning more clearly.

Section 81 refers to notes or bills that have been discounted by banks.

After providing that such bills or notes shall not be void and that no one shall be subjected to any forfeiture by reason of the rate of interest stipulated for, it says: "But no party thereto other than the bank shall be entitled to recover or liable to pay more than the lawful rate of interest in the Province where the suit is brought, nor shall the bank be entitled to recover a higher rate than seven per cent. per annum."

Section 81 makes two provisions as to the recovery of interest on notes that have been discounted by a bank. First, it states the rights of parties other than the bank who have become holders subsequent to the bank. Then it limits the remedies of the discounting bank itself.

The words "lawful rate of interest," in the first part, mean, I think, the highest rate that, by laws in force in the province where the action is brought, may be recovered by suit by any one on bills or notes, and the provisions in which those words occur seem to me to mean that the holder, other than a bank, may sue for any rate of interest contracted for, unless the recovery of such rate is prohibited by some law (other than the Bank Act) in force where the suit is brought. Any other construction would interfere with the ordinary rights of such holder.

The provision that follows, that a bank shall not recover a higher rate than seven per cent., appears to me to be a restrictive clause in the fullest sense and to mean that the bank shall not have any remedy to recover interest under a contract by which it has stipulated for more than seven per cent.

The construction contended for by the plaintiffs would make the restricting provisions of the act invalid. The bank in such case would lose nothing by breaking the law that it was not to stipulate for more than seven. It would be encouraged, in fact, to break it, as it would in such case gain more than the maximum allowed by the Act if the debtor paid the excess, and could still collect that maximum if he did not.

The next question is whether plaintiffs can recover the rate allowed by law where a contract to pay interest is implied, but no interest is fixed.

Where a borrower from a bank knows at the time of borrowing, as every such borrower probably does, and as the defendant undoubtedly did, that he is to be charged interest on the loan, an implied contract to pay interest may perhaps be assumed. The pleadings for the defence in this case not only do not deny that interest was to be paid, but ask the decision of the court as to the rate to be charged. That is some evidence of an agreement to pay interest without specifying a rate. In this case it seems to me to be sufficient to prove an implied contract to that effect. The expressed contracts to pay the excessive rates, being illegal and such as could not be enforced, do not, it seems to me, negative the implied one to pay interest.

POINTS ABOUT COMMERCIAL PAPER.

BY SAMUEL WOODS.

By carefully observing the points brought out in the following illustrated decisions, banks may avoid inconvenience and possibly serious loss.

DRAFT DRAWN ON SPECIAL FUND.

This draft is drawn on a special fund and is not negotiable. The payees, by simply writing their names on the back of the draft, would incur no liability. The acceptors did not on final settlement owe Ellis McKeaver anything, so their acceptance was of no value.

$1462.95 Saint Louis Mo Oct 4 1903

Pay to the order of Thomas B. Allen & Brother

Fourteen Hundred & sixty two 95/100 Dollars

The same to be the last amount due on my contract

Value received and charge the same to account of

To Messrs Hood Dorbright & Co.

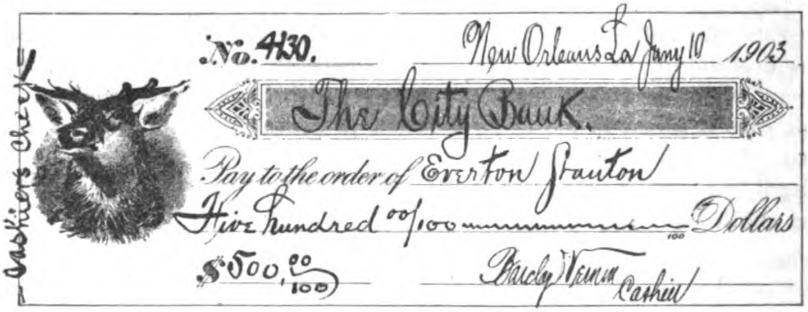
No. Racine Wis

Ellis McKeaver

accepted [illegible]

CHECK GIVEN IN PAYMENT OF GAMBLING DEBT..

Everton Stanton purchased a cashier's check for $500; the same day he endorsed the check and got John S. Black, the proprietor of a gambling establishment, to cash it, for which he received $500 in "chips," which he lost in the game during a few hours on the same day. The next morning Stanton notified the bank how he lost the $500 in Black's



Cashier's Check

No. 4130. New Orleans La Jany 10 1903

The City Bank.

Pay to the order of Everton Stanton

Five hundred 00/100 Dollars

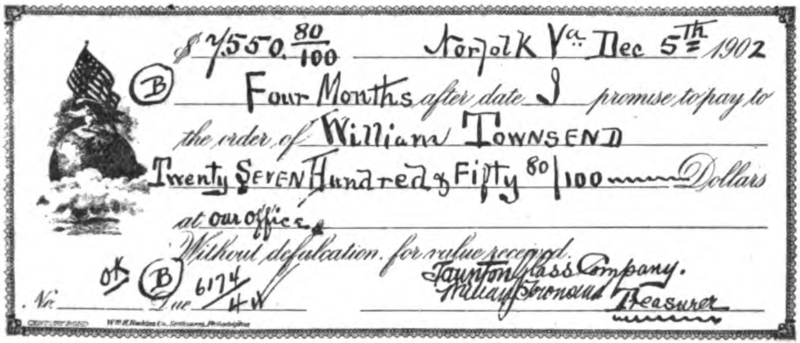
$500.00/100

Cashier

gambling house, and instructed the bank to stop payment on the check; but the bank paid the check. Stanton sued the bank and recovered the $500 with costs.

FORM OF SIGNATURE OF CORPORATION NOTE.

While William Townsend could not be held individually as maker of this note, it was held that the endorsement as above could bind individually. The proper form of signature for the corporation is that signed on the face of the note. The solution of the question depends upon the meaning which is to be given to the word "treasurer" written after the name of Taunton Glass Company in the body of the note and in the endorsement.



$7550.$\frac{80}{100}$ Norfolk Va. Dec 5th 1902

Ⓑ Four Months after date I promise to pay to

the order of William Townsend

Twenty Seven Hundred & Fifty 80/100 Dollars

at our office

Without defalcation, for value received.

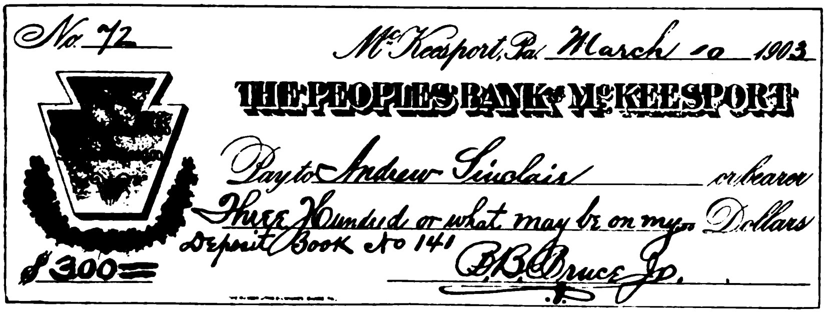
OK Ⓑ No. Due 6174 4 W

Taunton Glass Company.

William Townsend Treasurer

CONDITIONAL ORDER—NON-NEGOTIABILITY OF DRAFT.

The payee of this draft presented it to the People's Bank, and the cashier accepted it. In the litigation over its payment the court said that if the order had been negotiable it might have been held to impart a consideration, but it is not negotiable. It is payable out of a particular fund. The order is to pay $300, or what may be due, on a specified book. The amount to be paid is made to depend upon the adequacy of a specified fund. Such an order is conditional and therefore not negotiable.



No. 72 McKeesport, Pa. March 10 1903

THE PEOPLES BANK of McKEESPORT

Pay to Andrew Sinclair or bearer

Three Hundred or what may be on my Deposit Book No 141 Dollars

$300

B. B. Bruce Jr.

THE DEMAND FOR MORE MONEY.

BENJAMIN C. WRIGHT, for many years financial editor of the San Francisco "Evening Bulletin," writes as follows in a recent issue of "The Financial Brieflet:"

"A renewed demand for more money comes from New York. It is the old story, and when traced to its final analysis its origin will be found in the old quarter—the Wall Street Stock Board—the financial Vesuvius of the country. It is generally conceded that there are some necessary evils in the world. A volcano is one of them. It allows for the overflow of lava, which if restrained beneath the crust of the earth might do other and more serious damage. A stock board is another, in that it gives vent to the gambling instinct so universally inherited by the race. At the same time no one cares to live at the base of a volcano, or to have a crater opened for them alongside their dwellings. Nor is it well to give heed to the frantic appeals of stock board circles for more money to stimulate the gambling craze for stocks and bonds. If these securities possess the merit which those who manipulate them assert, the business of buying and selling them can be carried on in the same way and with the same volume of money as other forms of business find ample for their needs. Money plays but a little part in the transaction of business. Over ninety per cent. is performed by private paper, made and destroyed almost in the same day. If stock boards have not the same confidence of the community as banks and mercantile houses, they must be content to do less and along safer lines.

These periodical cries for more money are becoming monotonous. Of course there is hardly a person of the eighty million or more in the country that has all the money he would like, and the same would be the case if the volume were doubled or quadrupled. A good many people even think they do not have all the money to which they are entitled, and in some instances that may be true. But any increase in the volume of currency would not help them. Besides, as a rule, people are compensated according to their endeavors. * * * The volume of money in the country is the largest ever known, and the proportion of hard money is the largest ever known. The per capita of circulation is the largest in the history of the country. The demand for more money is not a demand for more sound money. That kind of money is not easily created. The demand is for more paper promises to pay money. There is nothing in the way of enlarging the volume in that direction except the credit begotten of confidence. Of course at times that is an insuperable barrier. Increasing the volume of paper promises to pay money does not help the situation. The more of that sort of money crowded into circulation will have only one effect, and that will not be in the line of strengthening confidence and credit. The true remedy for the threatened evil is to conserve business along legitimate lines."

SAN FRANCISCO

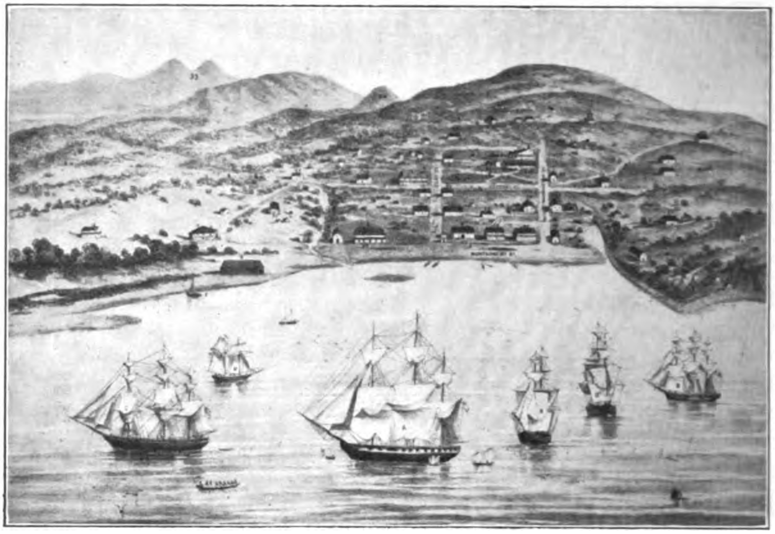
PAST, PRESENT AND FUTURE.

BY EDWARD WHITE

FIRE AND EARTHQUAKE FAIL TO CONQUER THE SPIRIT OF '49, AND THE RESTORED CITY WILL BE GREATER THAN EVER.

PREVIOUS to April 18, 1906, San Francisco occupied one of the proudest positions among the leading cities of America. Its place was imperial, because it was the largest city in the western half of the continent, and its pride was exemplary, because its dignity as a metropolis was maintained by every phase of civic greatness. For a few days, and only for a few days, following that fateful 18th of April the entire nation wept for the stricken city, and pitied the hapless plight of its inhabitants. Then tears and commiseration were changed to wonder and admiration, and the whole world has since been electrified by the tremendous energy shown by the people by the Golden Gate in their work of restoration.

The recuperative powers of the American people are well known to every reader. All know of the marvellously quick recovery of Chicago, Boston, Baltimore, Galveston and Johnstown from the disasters which visited them, yet none of them sustained property loss to be compared with that of San Francisco, and no other city was left so completely without visible resources. With the exception of residence buildings occupied by probably less than thirty per cent. of the city's population, there was scarcely anything left which could be called tenantable. Every wholesale house, every bank, and nearly every warehouse and retail store in the city had either been destroyed or their buildings rendered almost worthless by the earthquake or by the fire. The contents of fireproof safes and vaults were all that remained except the fissured and riven ground upon which the thousands of buildings had stood. In the face of all this ruin, before the smoke had cleared away, and while much of the debris was still aflame, the indomitable spirit of '49 asserted itself, and already every previous effort at the rebuilding of cities is being eclipsed.



San Francisco in 1847.

View of Market Street Before the Earthquake.

The banks found their effects in a good state of preservation, and their solvency has virtually remained unquestioned. Of course, there was a shrinkage in some of the local securities held by them, but the drop was slight, with the exception probably of real estate values. The San Francisco bankers are not only men of sagacity and ability, they are men of iron nerve when it comes to safeguarding the interests of their own community. They will not permit shrinkages where it is in their power to prevent them, any more than they will fail to present a solid front in maintaining the financial honor of their city. The financial honor of San Francisco is a structure of character of the highest mould, not of bricks and mortar. It is not built upon a foundation of treacherous earth, but upon the eternal principles of human conscience and human faith. Such names as Wellman, King, Crocker, Bowles, Murphy, Phelan, Tillman, Pond, Wilson, Donohoe, Rideout, Brown, Lilienthal, Luchsinger, Abbott, Nelson, Tobin, Symmes, High, Sbarboro, Greenebaum, Kains, Smith, Hodsumi, Murdock, Frederick and Hartel, are in themselves pillars of strength which naught but death can shake or topple. In them is combined the dauntless spirit of the Argonaut, the thrift of the true American and the stability of the upright man, and there can be no fear whatever of San Francisco's financial future so long as such men dominate its monetary affairs. Under the guidance of such men the work of rebuilding and rehabilitation is going forward with a self-reliance born of genuine American enterprise.

BANKS AND BANKING PREVIOUS TO THE DISASTER.

The following articles on banks and banking in San Francisco were written just previous to the disaster, the manuscripts being received at this office on April 20. The cuts of the bank buildings and interiors herewith reproduced were made at the time of the writing of the articles, and are therefore the most recent pictures of the kind in existence.

CONDITION OF VAULTS AND BUILDINGS.

The latest information concerning the vaults of the banks is that they are in good condition, all things considered, and that their contents are believed to be preserved intact. The buildings are nearly all destroyed, and those that remain are badly damaged. About half a dozen are available for temporary use, but it is not probable that they can ever be occupied permanently.

OPENING OF BANKS FOR BUSINESS.

By the time this number of THE BANKERS' MAGAZINE reaches its readers the banks of San Francisco may be doing business again. The arrangement is, however, that none will resume until all are ready and permission is formally given by the Clearing House Association.

[*Continued on page 708.*]

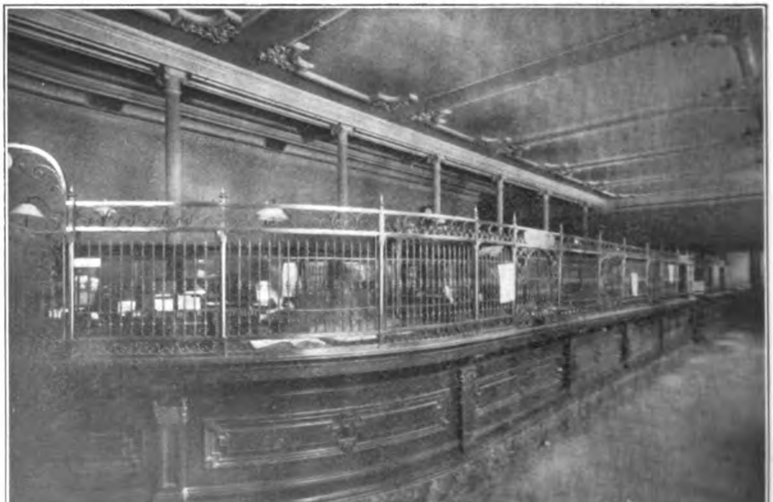
THE ACCOMPANYING VIEWS OF SAN FRANCISCO BANK BUILDINGS WERE MADE FROM PHOTOGRAPHS TAKEN EXPRESSLY FOR THE BANKERS' MAGAZINE A FEW DAYS PREVIOUS TO THE EARTHQUAKE. ALL BANKS WILL RESUME BUSINESS AT ONCE.

Mercantile Trust Company.
Building damaged, but office still maintained therein.

MERCHANTS' EXCHANGE—HOME OF THE AMERICAN NATIONAL BANK.

Building badly damaged, but available. Bank will reopen quarters there. Temporary office, with First National Bank of Oakland.

ANGLO-CALIFORNIAN BANK, LIMITED.
Building destroyed. Temporary office, southwest corner Clay and Franklin Streets.



BANKING ROOM, DONOHOE-KELLY BANKING COMPANY.
Building destroyed. Temporary office, 2410 Pacific Avenue.

MAIN BANKING ROOM, AMERICAN NATIONAL BANK.

WELLS FARGO NEVADA NATIONAL BANK.
Building destroyed. Temporary office, 2020 Jackson Street.

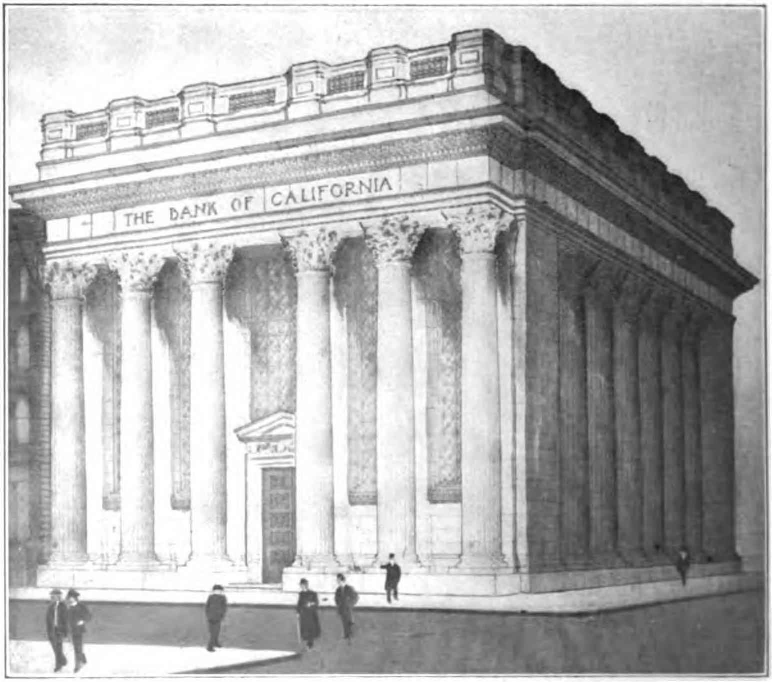
German Savings and Loan Society.

Building destroyed. Temporary office, 2679 California Street.

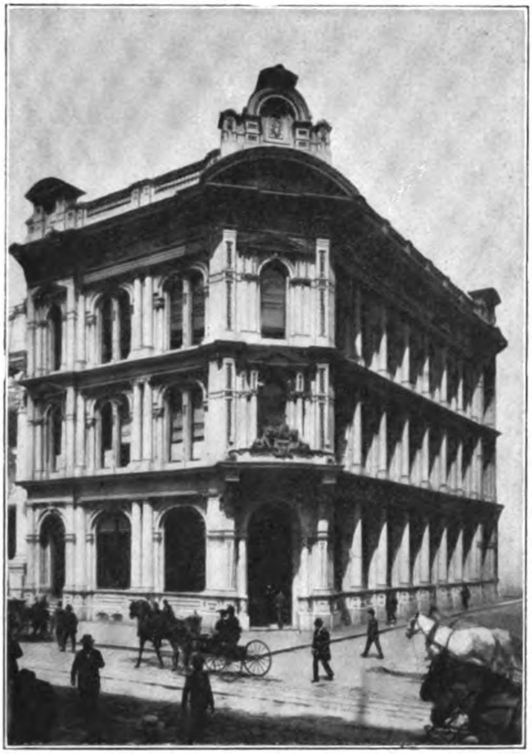
POST STREET FROM MARKET STREET—CROCKER-WOOLWORTH NATIONAL BANK IN FOREGROUND.

Building damaged, but available for use. Temporary office, 2129 Laguna Street.

GERMANIA NATIONAL BANK.
Building destroyed. Temporary office, 2121 Laguna Street.

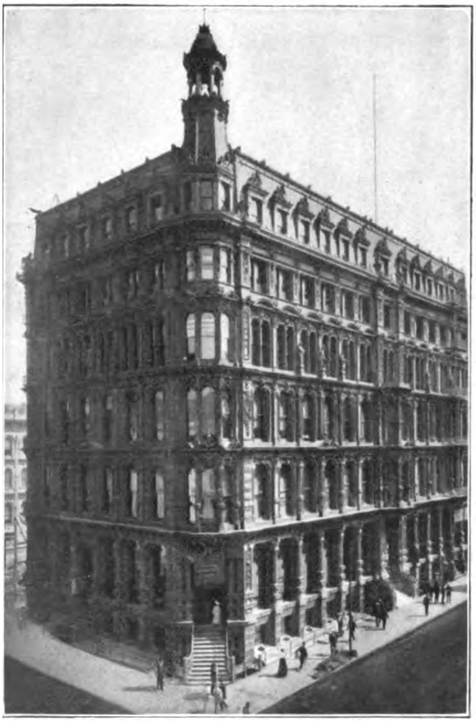


BANK OF CALIFORNIA.
Building in process of construction. Temporary office, 2510 Octavia Street.



Building Purchased by San Francisco National Bank for Future Home.
Present and prospective quarters both destroyed. Temporary office, 2340 Pacific Avenue.

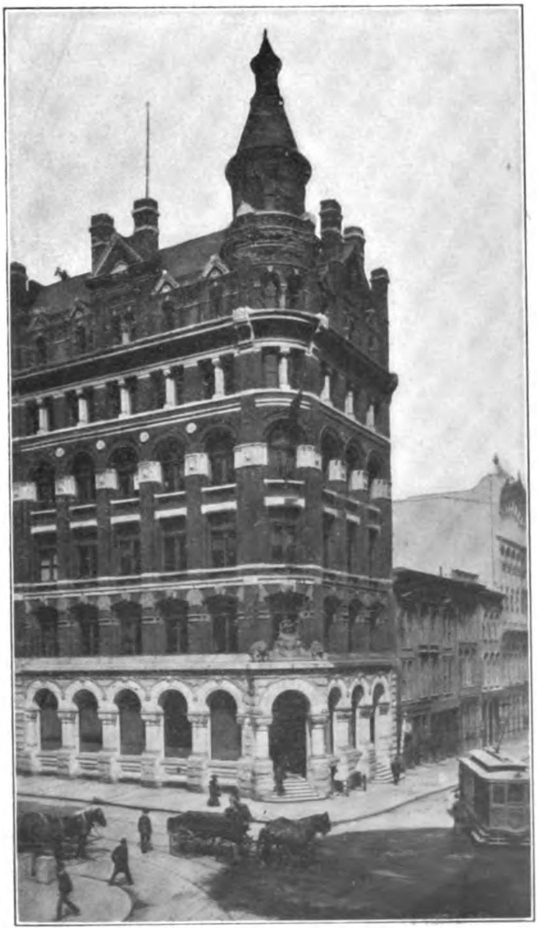
Banking Room, Canadian Bank of Commerce.
Building destroyed. Temporary office, 1715 Pacific Avenue.



California Safe Deposit and Trust Company.
Temporary Office, 2231 Washington Street.

Union Trust Company.
Building damaged, but available for use.

THE MARKET STREET BANK.
Building damaged, but available for use.

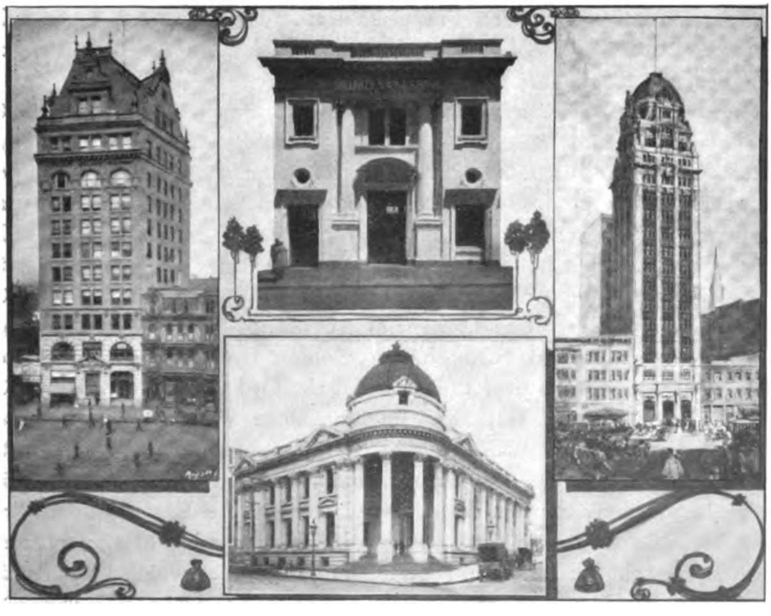


FIRST NATIONAL BANK.
Walls of building standing and Bank arranging quarters there. Temporary office, northwest corner Clay and Laguna Streets,

San Francisco Savings Union.
Building destroyed. Temporary office, 2617 Pacific Avenue.

Central Trust Company.
Building destroyed. Temporary office, 2121 Laguna Street.

SCANDINAVIAN AMERICAN SAVINGS BANK, MILLS BUILDING.
Building badly damaged. Temporary office, corner Washington and Maple Streets.



GROUP OF SAVINGS BANKS.

MUTUAL.
Building damaged.
Temporary office,
2201 Laguna Street.

SECURITY.
HIBERNIA.
Building damaged,
but available for use.

HUMBOLDT.
Building under construction.
Temporary office,
1261 Waller Street.

THE REBUILDING OF THE BANKS.

About twenty of the leading banks of San Francisco occupied buildings owned by them, and everyone of these institutions is financially able to rebuild on an elaborate and extensive scale. That this will be done is not at all a matter of question. The president of a large national bank, which is closely affiliated with one of the big trust companies, stated that his institution will not only erect a new bank building, but that his concerns will spend about $30,000,000 in rehabilitating the city of San Francisco. The new city will undoubtedly have some of the finest bank buildings in the world.

RESOURCES OF CALIFORNIA.

BY CLARENCE E. EDWORDS, OF THE CALIFORNIA PROMOTION COMMITTEE.

[PREPARED FOR THE BANKERS' MAGAZINE, MARCH 13, 1906.]

CALIFORNIA'S history begins in 1536 when Cortes landed on the shores of the Peninsula. In 1579 Sir Francis Drake sailed along the coast and landed at what is still known as Drake's Bay, just north of the entrance to San Francisco Bay. It is a fact not generally understood, that the English language was spoken in California before it was heard at Plymouth Rock.

The Franciscan fathers who came nearly two hundred years later saw that the country was good, and they established the beginning of civilization which was later transformed by the 200,000 hardy miners who responded to James W. Marshall's cry of "gold," when he found the specks of glittering metal in the tail race of Sutter's mill. This modern civilization is but a little over a half century in growth, but today California stands up close to the top of the list of the states in the Union in all commercial and financial lines.

California looks out through the Golden Gate upon the greatest commerce the world has ever known. All the Orient and the isles of the sea are at her doors. With the Pacific Ocean washing the shores of the lands that contain two-thirds of the population of the earth, the possibilities of the future are beyond comprehension. For a long period California was looked upon by moneyed men of the East as being "out of the world." It was so far away on the extreme edge of the continent that little thought was given to it or to the possibilities which Opportunity held in her hand as she knocked vainly at their doors. It was only when there came a baptism of blood in the Orient, and the western gateway of the nation was opened to send across the Pacific men and munitions of war, that the East really became cognizant of what was awaiting it on the West coast.

One-third of the commercial growth of California, as shown in the banking statistics through the clearing-house of San Francisco, has been attained in the last six years, and during that six years there has been a wonderful advance made in all lines of business.

The commercial growth of California has been peculiar in more ways than one. With the coming of gold seekers from all parts of the world a conglomerate population brought the industrial ideas of all nations. While gold was the incentive, it was but a short time until the wonderful opportunities of the land became apparent to these men who had given up various occupations to search for the yellow metal, and one by one they deserted the ranks of gold seekers to find more profitable pursuits. Thus it came about that while gold held no less a charm, agriculture became developed, first on a small scale and then all the broad domain of the great interior valley became the scene of almost unparalleled industry. Thousands upon thousands of acres of the richest land in the world was given over to wheat raising, and in those days a man might ride from sunrise to sunset through one continuous field of growing grain.

THE GROWING OF FRUIT.

Later came the growing of fruit and soon the fame of California fruit extended to all quarters of the globe. Land given over to extensive pasture for immense flocks and herds and to wide fields of grain began to be demanded for the increasing fruit interests, and the day of King Wheat waned and gave place to King Fruit. That king still reigns, giving to California a revenue of $50,000,000 each year which revenue is constantly increasing. Thirty million fruit trees are in bearing and each year sees the coming of more millions, these not including nuts and olives, or small fruits. Two hundred and seventy-five thousand acres of California land are devoted to vineyards on which are growing full-bearing vines.

When it is considered that California's area covers 100,000,000 acres, and that 40,000,000 acres of this is arable land, while 10,000,000 acres more can be brought under cultivation through irrigation and reclamation, it will be seen that the possibilities of the state in the matter of agriculture have not yet gone beyond the infancy stage. Thousands of acres of magnificent land still lie fallow, waiting the coming of the husbandman.

Following almost on parallel lines with the ridge of the Sierra Nevadas the Pacific Ocean forms the western boundary of the state, giving a coast line of 1,200 miles. With an average width of 200 miles and a length of 800 miles, the topography of California presents a pleasing appearance. The snow-clad Sierras form a watershed whence come streams in almost countless number, bringing life to the fertile valleys below, and developing the power which is running machinery all over the state. Electrical generation through the force of these water-falls is revolutionizing the ideas of power and now all the suburban railroads, nearly all of the street-car lines in the cities, the electric lights and telephones, together with many of the mills and factories of the state, are run by electricity generated in these countless mountain streams.

DEVELOPMENT OF MANUFACTURING.

For years California could do little or nothing in the way of manufacturing, owing to the fact that while cheap raw material existed in abundance there was no cheap fuel or cheap power. Almost coincident with the utilization of these Sierra streams for the generation of electricity came the discovery of petroleum in inexhaustible quantities. So wide has been the distribution of this cheap fuel that to-day California has but one rival in the world that produces a greater quantity, and that is in far off Russia. Cheap fuel and cheap raw material are now sending the state to the front rank as a manufacturing centre, and the possibilities in this line are almost beyond comprehension. What California has been in gold production, agriculture and horticulture, the greatest in the world, she is destined to become in the manufacturing industry, and already the output of this industry has increased 300 per cent. within a period of four years. With all the Orient and the ports of the Pacific for a market, with raw material and cheap fuel, and with millions of acres of land ready for the husbandman on which can be raised the crops to sustain the workers in the factories, California is an empire within herself, ready to supply the world with its wares.

VARIOUS ELEMENTS CONTRIBUTING TO PROSPERITY.

The question is often asked, What constitutes California's greatness? There are so many elements entering upon the sum total which makes for good in this state that the answer to that question must be a conglomerate one. The climate alone is an available asset—a tangible factor in state building. It is much more than a pleasure. It is a state builder. But California has more than climate upon which to base its claims for greatness. California's soil equals that of any land in the world. Indeed, tests made at the St. Louis Exposition showed that no soil equalled it. These tests were made in comparison with soil from the valley of the Nile, from the Netherlands, from France and from Italy, and it was found that the soil from the delta lands of California held more of plant life ingredients than any of the others. This combination of climate and soil makes California the great agricultural and horticultural state of the Union.

California is also the live stock state par excellence. This industry is yet in its infancy, notwithstanding the fact that the raising of cattle and sheep are of less importance in the state than they were twenty-five years ago. The alfalfa lands of the state are specially adapted for the dairy industry, and this wonderful forage plant, combined with the equable climate of the state, make California the ideal dairying state. The opportunities in this line are just becoming known and the industry is increasing most remarkably. The poultry industry is far behind the requirements or possibilities of the state, each year from $4,000,000 to $5,000,000 being sent East to buy poultry products. California ships five hundred cars of honey to Eastern markets each year, yet the industry is one that is scarcely counted in enumerations of the state's industries.

Forty-seven mineral substances are being mined in California, the value of the output of which is $45,000,000 a year. The gold deposits have not been more than half exploited, and every day new strikes are being made, even in the old fields where the mines were supposd to be worked out. Copper and petroleum discoveries are being made constantly. In structural materials the average annual output of the state amounts to $7,700,000.

The greatest virgin forest in the United States is found within the borders of California. The impression obtains in some quarters that California forests are becoming depleted, and will be destroyed in a few years. According to the estimates of the expert forestry men of the country, at the present rate of cutting the standing redwood timber cannot be cut down in two hundred years. Each year San Francisco sends to the marts of the world lumber to the value of $8,500,000, totalling 400,000,000 feet, while the by-products amount to an equal sum, totalling $17,000,000 a year for the product. Twelve thousand men are at work in the forests and at the mills turning the timber into lumber. The forests of redwood, white and yellow pine and fir cover 22 per cent. of the state's area, and a vast fleet of vessels is occupied the year round transporting the products to market.

California's future greatness lies in the increasing population which will come to take advantage of all these possibilities. Her area will easily provide homes and occupation for ten times her present population, while the broadening of the markets of the Pacific will provide consumers for all that can be produced either in field, forest or factory.

SAN FRANCISCO AS A COMMERCIAL CENTER.

BY C. W. BURKE, SECRETARY OF THE CHAMBER OF COMMERCE OF SAN FRANCISCO.

THE geographical position of San Francisco is of itself an assurance that it will always be a great city, and the last few years are demonstrating the fact that it will be the chief port of entry and export for the western coast of the North American Continent. Its position is midway between the northern and southern boundaries of the United States, and therefore it is in more direct line of traffic as a general distributing and receiving centre than any other point on the Pacific Coast.

Furthermore, there is no other harbor on the coast which is so well protected and has the water area facilities essential to a great and growing commerce. The port of San Francisco, with its magnificent harbor, stands as the western gateway of commerce of the United States. The ships of all nations come and go, bringing and carrying the treasures of distant lands. The past year shows an enormous increase in the carrying trade of the port; notwithstanding the paucity of wheat and barley cargoes forwarded, the crop outlook for the coming year gives every indication that this branch of business will make a better showing.

Banking, insurance, manufacturing and, in fact, all lines of trade, are in a healthful condition, ready to join the onward march in the tide of business improvement which now so generally spreads over the country.

San Francisco is to California what London is to Great Britain or New York city to the Atlantic seaboard—everything. It is the great centre of trade, not alone for the state, but for the entire Pacific Coast. The great wealth of the Western Slope is centered by the Golden Gate, and the rapidity with which all business is transacted marks San Francisco as one of the most enterprising and energetic of thriving American cities. The lazy man cannot succeed any better than elsewhere, but the record of many of the prominent business men of to-day shows that brains and industry without the initial help of coin have been abundantly rewarded. San Francisco, from a small and insignificant Spanish settlement, has, within the period of half a century, developed by steady growth into one of the wealthiest and most promising of the ten great cities of the Union.

Surviving extensive losses by fire, financial panics, mining stock deals and minor disturbing elements, her borders are being extended and her population continues to grow. The spires of her churches are already rising to the westward in sight of the waves of old ocean; schoolhouses and halls of learning are numerous and well maintained, while along scores of residence streets are stately mansions and cozy homes, all within easy access of the manufacturing and commercial sections of the city by the best street-car service to be found anywhere.

Favorable Location for Asiatic Trade.

As California is renowned throughout the world for its productiveness and wealth of resources, so San Francisco will be known as the purchasing market for the millions of Asia now coming into enjoyment of a higher plane of civilization. San Francisco is destined to be their main source of supply, and American products will find eager buyers in the Orient and the islands of the sea, even as now the people of the Eastern States seek California's golden oranges and other luscious orchard products. San Francisco's commercial greatness is already established, and the coming years will see the full fruition of the brightest business anticipations of the present.

Greater commercial possibilities than ever before existed are now opening in the Orient. Japan is awake and astir. China is preparing to follow—to rouse itself from the slumber in which it has been locked up for thousands of years. It is preparing to throw open its territory to foreign commerce. San Francisco will not have to wait long to embrace its destiny and to develop in fact as well as in name into the Greater San Francisco, the worthy and fitting seat of commercial and industrial empire.

In many respects the year 1905 was the banner year in San Francisco's commercial annals. The bank clearings showed a remarkable increase over the preceding year, the gain being $299,918,652.00, or nearly $1,000,000.00 per day for every business day of the year.

The Growth of Marine Commerce.

Primarily, San Francisco is a seaport, and the growth of its commercial relations with other lands as well as other home ports is an index of its progress and growth. The annual valuations of merchandise traffic between San Francisco and foreign countries, the Atlantic States and non-contiguous territory for the past eight years makes the following showing:

Year.	EXPORTS.	IMPORTS.
1898	$35,852,544	$36,068,124
1899	38,924,908	45,677,924
1900	41,419,679	39,424,435
1901	41,638,410	37,267,279
1902	47,601,422	36,078,270
1903	51,552,249	36,522,187
1904	56,661,481	43,409,980
1905	64,918,505	44,339,611

This steady gain in exports has been attained notwithstanding the fact that grain exports have been decreasing, and for the year 1905 constituted less than one-ninth of the aggregate exports. The statement of tonnage arrivals exclusive of the coasting trade for the last five years, is as follows:

	STEAM.		SAIL.		TOTAL.	
Years.	No.	Tons.	No.	Tons.	No.	Tonnage.
1901	484	993,739	479	568,311	963	1,562,050
1902	430	923,757	488	674,081	918	1,597,838
1903	422	1,019,959	445	652,021	867	1,671,980
1904	427	982,708	348	503,020	775	1,485,728
1905	429	1,066,935	323	415,549	752	1,482,484

The record of departures for the same years is as follows:

	STEAM.		SAIL.		TOTAL.	
Years.	No.	Tons.	No.	Tons.	No.	Tonnage.
1901	473	873,053	428	524,000	901	1,497,053
1902	428	907,800	429	560,247	857	1,468,047
1903	437	1,036,112	385	560,209	822	1,596,231
1904	421	994,718	331	414,018	752	1,408,736
1905	435	989,796	259	376,169	694	1,365,965

Probably one of the most notable as well as important branches of commerce by sea which shows an increase is the Oriental trade. This is well illustrated by a comparative statement covering the last three years, as follows:

EXPORTS TO—	1905.	1904.	1903.
China	$9,883,880	$5,187,179	$2,423,985
Hongkong	1,977,980	3,656,855	3,683,798
Russian China	....	45,928	138,466
Siberia	449,707	120,546	114,992
Japan	18,548,974	10,475,574	3,460,687
Philippine Islands	1,356,232	833,786	772,747
East Indies	112,941	96,448	135,701
Korea	118,907	89,274	83,153
Guam	....	96,348	21,968
Midway Island	7,859	72,589	10,654
Straits Settlements	61,878	51,683	22,702
Siam	12,198	8,819	....
Total	$32,530,556	$20,735,029	$10,868,853

This Oriental trade is the great bone of contention among the principal nations of the world—they have all been striving for years to control it. Germany, England and France have established spheres of influence in China and their trade interests are large. In a commercial sense, neither of those nations is as well situated as America for supplying the growing wants of the millions of China and adjacent countries. This one fact, which can never be overcome or changed, explains why the supremacy of the Pacific Ocean will be a trade possession of the United States.

The progress of events for the last five years shows very clearly how San Francisco is regarded in London, Paris and other great cities of Europe as the leading financial city on the shores of the Pacific Ocean. That position is already attained, and it will as surely be the chief commercial centre, for finance and commerce are inseparable.

The fullest measure of this accumulative power cannot, of course, be attained until the resources of the state are developed to their highest capacity; when its population will have reached its maximum; when the great enterprises designed for the convenience of inter-oceanic and intercontinental commerce shall have been executed. Then, the annual exports of San Francisco will be many times $60,000,000; the annual value of the manufactured products of the state will be greatly in excess of $150,000,000; and the annual product of its gold ledges will greatly exceed $20,000,000; while the commerce of the Queen City of the Pacific will then be gathered from every shore, and she will compete for the position of the greatest commercial city on the face of the earth, as she is now the greatest commercial city on the shores of the Pacific Ocean.

BANKS AND BANKING OF THE WEST COAST OF MEXICO, CENTRAL AND SOUTH AMERICA.

BY C. W. STURTEVANT, MANAGER SPANISH-AMERICAN DEPARTMENT, PACIFIC COMMERCIAL MUSEUM, SAN FRANCISCO, CAL.

IT is but a few years ago that the merchants of San Francisco depended entirely on the shipments of some hides, coffee and other products for the payment of their invoices of goods shipped to the West Coast of Mexico, Central and South America, but all is changed now, as during the last few years the banking facilities of the West Coast of Spanish America have been greatly increased and to-day are in such a condition as to warrant the handling of almost any enterprise, no matter how large the sum involved.

In the seven Western States of Mexico, which include Sonora, Sinaloa, Jalisco, Oaxaca, Chihuahua, Lower California and Chiapas, there are at the present time more than eighteen banks and their branches, which cover all small towns, districts, etc.

In Guatemala in the conduct of its foreign commerce, reasonably long credits are required by the merchants, but always under fixed conditions. When the coffee crop is shipped, bills on Europe and on New York can always be procured at reasonable exchange and the obligations be met in this manner. Since the balance of trade is in favor of Guatemala, there is always the certainty of funds for exchange.

Under the present administration the banks of the country are subject to a regulation somewhat similar to the national banks of the United States.

The latest decree institutes a special bank examination project and requires all the financial institutions to give an account of their conditions and operations to this department.

The following are the leading banks of Guatemala:

	Capital paid in.
Banco de Guatemala	$2,500,000
Banco de Occidente	2,000,000
Banco Internacional	2,000,000
Banco Columbiano	1,776,000
Banco Americano	1,200,000
Banco Agricola Hipolecario	12,000,000

It is said that it is the ambition of President Cabrera to place the finances of Guatemala on a solid basis during his present term.

In Salvador there are nine leading banks, all on a good financial basis, with branches in all towns and in the country. As in Guatemala, exchange is subject to the coffee shipments.

Nicaragua has ten leading banks, some of them of American capital, and these control to a great extent the exchange of this country.

Honduras has five leading banks, all worthy of credit. One of these is of American capital.

Costa Rica has five banks, two of local capital and three foreign.

Panama has five leading banks, and the influence of the gold standard of Panama will be helpful to commerce, though it will not in itself cause the several Republics which are on a silver or paper basis to change to gold, but they will be benefited by being neighbors to financial stability. Uniformity of exchange will be promoted, and the inconvenience of travellers will be lessened.

The fact that the currency of the United States is legal tender in the Republic of Panama will help merchants and shippers at home, who heretofore have had to make their transactions entirely on the basis of the English pound sterling, or the French franc.

In Ecuador there are seven leading banks which do a very profitable business in international exchange, and the Guayaquil banks regularly pay fourteen and fifteen per cent. dividends.

The deposits in the period from 1898 to 1905 rose from 20,688,000 to 39,492,000 sucres.

In Peru there are ten leading banks, the largest of which is of English capital. Peru is almost exceptional among the South American Republics for establishing and maintaining the gold standard. The beginning was made in 1897. Though Peru was a silver-producing country, a law was passed providing that gold should be the sole standard, that customs be paid in gold and that there be no further silver coinage and that the ratio should be ten soles of silver equal to the English pound sterling, the standard coin being known as the inca. It was further provided that silver should not be legal tender in amounts over $100, and that no person be allowed to bring more than ten soles into the country, and that the export duty on silver should be repealed. Silver enough remains in circulation, and at Arequipa and other interior commercial points, gold yet can be had only by paying a slight premium. No question exists that Peru's gold standard has been of great benefit in maintaining the credit of the country abroad and in facilitating commerce at home.

In 1878 paper money, either bank emission or national notes, was prohibited. The currency which was in circulation in 1881 was converted into the internal debt.

In the ten years following 1895, the banking capital of Peru increased at the rate of 150 per cent., while the deposit accounts ran up from $4,500,000 to $14,000,000. The banks pay dividends of from fourteen to sixteen per cent.

In Chile there are ten leading banks; most of these are local and have large capital.

At Santiago, the capital, the Caja de Ahorros, or savings bank has 72,000 depositors with deposits to the amount of $3,951,000. Santiago has a population of 300,000, and while the aggregate of the deposits is not great, the fact that this bank carries 72,000 small accounts, and some of them very small indeed, indicates no lack of thrift on the part of the masses of the population.

Chile is at present making arrangements to get back to the gold standard, and a conversion fund has been established. The banking conditions which exist at present in Chile, while very profitable to the banks and the money changers, is without doubt bad for the merchants.

I cannot fail to note and call the attention of the reader to the fact that nine-tenths of the banks of the West Coast of Mexico, Central and South America are managed by Englishmen, Americans and Frenchmen.

During the last ten years there have been only two bank failures of any note, and one of the failed banks is paying dollar for dollar.

SAN FRANCISCO, THE METROPOLIS OF THE PACIFIC COAST.

BY EDWARD WHITE.

SAN FRANCISCO is the natural and logical clearing-house for a territory embracing four millions of the thriftiest and most prosperous people in the United States. No other large city in the Union occupies exclusively such a wide range of wealth-producing country, and none other stands in the trade-commanding position with relation to so many cities and towns of the advanced American type. Its importance as a commercial and financial centre cannot be overestimated. San Francisco is to the Pacific Coast what New York is to the Atlantic seaboard—the principal business base for one-half the United States and the chief gateway to the countries beyond the sea.

POPULATION OF ONE MILLION WITHIN TEN YEARS.

Holding commercial sway over a territory greater in extent than all the states east of the Mississippi River, and facing the Orient with its rapidly developing trade, San Francisco has a destiny that will remain undimmed by that of any other American city. The rise of the Pacific States in the production of wealth will be reflected in the growth of their metropolis, and it is no idle prediction to say that the city will have a population of one million within the next ten years. It occupies one of the most important places in the world's progress of to-day. California is itself the land of promise, with a productive capacity equal to half a dozen of the largest Eastern States, and the commonwealths surrounding it have an area aggregating more than one-fourth of that of the United States, exclusive of Alaska, with a wealth of natural resources greater than that of all Europe.

CALIFORNIA'S PROGRESS.

The substantial growth of this vast empire may be seen by the rise of California alone, the commercial and industrial progress of which is correctly reflected in the development of its banking interests. The first report of the California Bank Commission, under date of June 30, 1878, showed there were eighty-four incorporated banks in the state, operated as state institutions, with resources aggregating $151,932,430. In addition there were nine national banks, with resources amounting to $9,511,000, making a total for the state of $161,443,430.

Twenty years later the banking resources of the state had reached $330,200,000, showing a net gain of 105 per cent.

In 1905, seven years after the report last named, there were 502 banks of all kinds in operation in the state, with resources reaching a total of $683,200,000, making a net gain for the twenty-seven years of 350 per cent. In the same period the individual deposits were increased from $98,100,000 to $492,623,532, a gain of 400 per cent.

From September, 1904, to August, 1905, the state gained 76 banks, $89,865,126 in resources, and $61,000,000 in individual deposits.

Such a showing by one Pacific Coast state makes an excellent foundation for basing accurate calculations of the future progress of the entire territory. The figures point unmistakably to the fact that the growth of the Great West is so substantial and so permanent that nothing can impede it. Having the groundwork, the start and the momentum, it must go forward, and when it is considered that the truth about the country is fast becoming generally known—that the real facts have in a comparative sense heretofore been hidden—there is every reason to believe that advancement in the future will be even more marked than in the past. More than sixty per cent. of the increase in every line within the past thirty years has been made in the last six or eight years. This in itself is strongly indicative of the situation, and carries with it the lesson of the value of scientific publicity, in addition to marking the genuine progress of a great country.

SAN FRANCISCO'S SHARE OF THE UPBUILDING.

San Francisco's part in this magnificent development is in perfect keeping with its proud position as the metropolis of this great Western Empire. In five years its population increased nearly sixty per cent., its commerce in a general sense more than doubled, and its bank clearings showed a net gain of more than eighty per cent. Such substantial gains, founded as they are upon the material development of the Pacific Coast states and the upbuilding of an excellent trade with Oriental countries, mark the destiny and the solidity of a great city. They clinch the prediction previously made in regard to its prospective growth during the next decade, and make that estimate conservative indeed.

STABILITY OF BANK LOANS.

Pursuing the comparative figures still further, it is seen that the individual deposits in the banks of the city showed a net gain of 150 per cent. in nine years, and that fully two-thirds of that increase were made in the four years last past. The national banks alone made an increase in one year of 56 per cent. in individual deposits and fifty-five per cent. in total resources. The mention of a distinctive feature of banking in San Francisco will here serve to show the solidity of its institutions. The loans made by them are not based upon securities of a purely speculative character. The relation of San Francisco banks to the producing communities of the Great West makes the collateral they hold the most stable in the world, and the rise in property values is so substantial, so lasting, that there is absolutely no danger of future fluctuation. These conditions reduce the element of risk to the lowest minimum, and place the banks of San Francisco in an impregnable position in the event of financial panic or depression.

COMPARISON WITH OTHER COAST CITIES.

In bank clearings San Francisco's showing is remarkable as compared with that of other Pacific Coast cities, as will be seen by the following table for the year 1905:

San Francisco	$1,834,549,788
Los Angeles	478,985,298
Seattle	301,600,202
Portland	228,402,713
Spokane	164,099,092
Salt Lake City	211,597,740
Tacoma	164,955,054
Helena	39,404,842
Total	$3,440,304,015

Reckoning San Francisco's population in 1905 at 500,000, and that of the seven other cities combined at 750,000, the relative standing may be seen by the following table of percentages:

	Per cent.
Clearings.	
San Francisco	53.2
Seven cities combined	46.8
Population.	
San Francisco	40.0
Seven cities combined	60.0

FIGURES ASIDE FROM CLEARINGS.

While the clearing-house returns show a heavy increase in the volume of the city's trade, they do not cover all its financial transactions. The cashing of pay-roll checks of San Francisco's extensive manufacturing interests over the counters of the banks where the accounts are kept constitutes an important factor of the city's business routine, and yet no part of it is shown in the clearings.

CLEARINGS FOR THIRTY YEARS.

Year.	Clearings.	Balances.
1876 (9 2-3 mos.)	$476,123,237.97	$104,804,707.74
1877	519,948,803.68	126,172,850.21
1878	715,329,319.70	151,888,434.05
1879	553,953,955.90	129,561,079.52
1880	486,725,953.77	118,046,934.94
1881	598,696,832.35	125,388,744.81
1882	629,114,119.81	108,487,872.15
1883	617,921,853.51	107,269,494.53
1884	556,857,691.03	95,275,201.49
1885	562,344,737.93	100,460,388.52
1886	642,221,391.21	105,832,828.47
1887	829,181,929.86	129,474,942.72
1888	836,735,954.39	123,271,533.66

Year.	Clearings.	Balances.
1889	843,386,150.94	126,765,916.49
1890	851,066,172.60	118,824,559.86
1891	892,426,712.61	123,033,279.27
1892	815,368,724.41	110,364,511.10
1893	699,285,777.88	91,744,516.81
1894	658,526,806.13	88,426,316.52
1895	692,079,240.23	98,291,742.10
1896	683,229,599.26	90,491,491.73
1897	750,789,143.91	96,115,599.66
1898	818,153,024.00	108,329,265.56
1899	971,015,072.23	121,228,735.39
1900	1,029,582,594.78	118,157,405.71
1901	1,178,169,536.30	138,515,989.73
1902	1,373,362,025.31	166,234,644.08
1903	1,520,200,682.07	177,810,822.37
1904	1,534,631,136.73	170,617,891.90
1905	1,834,549,788.51	187,250,604.74
Total	$25,165,977,969.01	$3,653,138,305.83

Five Years Growth of the Banks.

The banks of San Francisco have grown at a rapid rate within the past few years, and there is every indication that the progress is of the most substantial character. In five years the resources of all the city's institutions were increased from $240,000,000 to $411,000,000, a net gain of seventy-three per cent., fully one-fourth of which was made during the year 1905. The national banks make a showing especially strong, their resources increasing $23,000,000 during 1905, and $65,000,000 in five years. The commercial banks also made an excellent record for the five years named, and savings banks made steady gains.

A Bank with a History.

Closely interwoven with the commercial and industrial development of San Francisco and the Pacific Coast are the careers of two banks which in 1905 were consolidated under the name of the Wells Fargo Nevada Bank. Both institutions, the Nevada National Bank and the Wells Fargo & Co. Bank, were from their inception controlled by the most powerful financial interests on the Pacific Coast, and both were for many years the leading repositories for the industries which comprised the foundation of California's greatness—the mining business and the carrying trade.

The development of the Coast along every material line, therefore, naturally gave these banks a clientele of the most substantial and most permanent character, enabling them to keep in exact alignment with the growth and prosperity of the city and the country.

The Nevada Bank of San Francisco was organized in 1875 by James L. Flood, W. S. O'Brien, John W. Mackay and James G. Fair, the "Big Four" of Bonanza fame. The bank started with a capital of $10,000,000, at that time the largest capital of any bank in the United States. This amount was afterward reduced on account of excessive local taxation. In 1889 Mr. Isaias W. Hellman, a man of wealth and extensive personal influence, who had made his reputation as a banker and financier in Los Angeles, was induced to take a large interest in the bank and to assume its management. From that time the growth was steady.

Wells Fargo & Co. was organized in 1852, to engage in the general lines of express, forwarding, exchange and banking. Subsequently the business was segregated so that the Wells Fargo & Co. Bank was managed practically as a separate institution. The name "Wells Fargo" became a household word, exemplifying business stability, integrity and good faith.

In April, 1905, these two banks were merged under the title of Wells Fargo National Bank of San Francisco, with a capital of $6,000,000 and surplus of $3,500,000. The new institution opened April 24, 1905, with assets of about $32,000,000. It is dominated by the interests which had controlled both constituent banks, the directors being Messrs. Isaias W. Hellman, I. W. Hellman, Jr., F. Bigelow, Henry F. Allen, C. DeGuigne, Dudley Evans, James L. Flood, E. H. Harriman, William Haas, William F. Herrin, Herbert E. Law, Clarence H. Mackay, Louis Sloss, F. W. Van Sicklen, and Robert Watt. The active management is composed of the officials of both institutions, with Mr. Isaias W. Hellman as president; John F. Bigelow, vice-president; I. W. Hellman, Jr., vice-president; F. L. Lipman, cashier; George Grant, F. B. King, W. McGavin, J. E. Miles, assistant cashiers.

The growth of the bank since the consolidation has been continuous, its assets on the different calls of the Comptroller of the Currency being as follows:

May 29, 1905,	$33,041,354.12
Aug. 25, 1905,	37,559,103.65
Nov. 9, 1905,	40,072,870.32
Jan. 29, 1906,	41,456,364.39

The Wells Fargo Nevada National Bank is one of the strongest financial institutions on the Pacific Coast, and leads all other purely San Francisco banks in capital, surplus, loans, deposits and assets. It is strong because its growth, its management and its heavy capitalization have made it so, and it has grown because the community has recognized the necessity for an institution of such strength. These are facts of moment, for they show that there is stability in the rapid development of San Francisco which is now going on, and they point unerringly to the modern tendency toward solid foundations for large superstructures.

THE DONOHOE-KELLY BANKING COMPANY.

Perhaps the oldest among the surviving banks of the pioneer days of California is The Donohoe-Kelly Banking Co., which dates its establishment back to the early 60's. Joseph A. Donohoe and Eugene Kelly, of New York, became early associated in the dry goods business, but soon convincing themselves that finance was more inviting and corresponded better to their tastes, retired as merchants to organize what afterwards became one of the bulwarks of stability and conservatism in banking circles in California. Their mercantile business was sold out to Murphy, Grant & Co., who are to this day the merchant princes of the Pacific Coast; Mr. Donohoe forming the firm of Donohoe, Fretz & Ralston in

San Francisco, while Mr. Eugene Kelly organized the firm of Eugene Kelly & Co. in New York, at 45 Exchange Place, where the eastern and foreign business of the San Francisco firm was carefully looked after by Mr. Eugene Kelly himself. In the course of time the firm of Donohoe, Fretz & Ralston was changed to Donohoe, Ralston & Co., and so continued until July 1, 1864, when Mr. Ralston retired to found the Bank of California, and the old firm became Donohoe, Kelly & Co. This partnership continued until March 31, 1891, when the bank was incorporated and changed to its present title, The Donohoe-Kelly Banking Co.

While both of the original founders of the bank are dead, Mr. Joseph A. Donohoe, the son of the founder of the bank, is now its president, and is a worthy successor of his honored father.

The bank is located in the business centre of San Francisco on the corner of Sutter and Montgomery streets, in a handsome office with every facility for conducting the large business it has so carefully built up. While not one of the largest banks in San Francisco, its assets have steadily grown to $4,000,000, and the bank enjoys, even among its competitors, an enviable reputation for solidity and conservatism. Its present officers are: Joseph A. Donahoe, president; John Bermingham, vice-president; Edward Donohoe, cashier; Jno. Ed. Fitzpatrick, assistant cashier. Among its directors will be found the names of men who are at the head of the various firms they represent in the business community. They are as follows: Joseph A. Donohoe, president; Edward Donohoe, cashier; John Bermingham, president California Powder Works; Edward L. Eyre, of Girvin & Eyre; George Whittell, capitalist; Joseph D. Grant, of Murphy, Grant & Co.; Eugene Kelly, capitalist; C. de Guigne, capitalist; Foster P. Cole, of Sterling Furniture Co.; R. H. Pease, president Goodyear Rubber Co.

The Anglo-Californian Bank, Limited.

The Anglo-Californian Bank, Limited, has its head office in London, where it was incorporated in 1873, its San Francisco branch being located at the corner of Pine and Sansome streets, the centre of the wholesale district.

The annual report for 1905 shows total resources of $14,559,855, being a gain over the previous year of $2,148,610. With a constantly increasing business, its world-wide connections of long standing afford facilities for domestic as well as foreign business that are particularly attractive and specially advantageous to its clients.

The bank also transacts an extensive business in bonds, having recently placed on the Pacific Coast a large amount of the Japanese Government loan. The managers in San Francisco are Messrs. Ignatz Steinhart and P. N. Lilienthal.

A Fifteen-Fold Increase in Four Years.

Dominated by a board of directors of unusual power and influence in the business world, and guided by a staff of officials thoroughly trained in progressive methods and conservative action, the American National

Bank of San Francisco has sustained a growth within the past four years that gives it the palm for rapid and substantial development, and places it in a foremost position among the financial institutions of the Pacific Coast. It is in every essential feature a bank for bankers and for business men. It is in the hands of a business element of the highest order, and its policies are along lines of security and safety vouchsafed only by such a combination.

Although the bank was organized in 1887, as the American Bank and Trust Company, it was not until the year 1902 that it began to make progress. In March of that year a change in management was effected, and the present president was elected to the chief executive office.

In September, 1902, it went into the national system, increasing its capital from $500,000 to $1,000,000.

The continued development of the American National Bank is best shown by the following comparative statement of deposits since the change in management:

March 3, 1902	$387,728.70
Sept. 15, 1902	1,374,983.43
March 15, 1903	2,232,582.94
Sept. 15, 1903	2,629,113.39
March 15, 1904	3,586,912.31
Sept. 15, 1904	3,825,471.71
March 15, 1905	4,349,427.92
Sept. 15, 1905	4,938,629.05
March 15, 1906	5,998,431.52

In 1903 the bank began paying dividends and has since continued them in addition to creating a surplus and undivided profit account of over $300,000. Its present resources amount to over $9,000,000.

The growth of the American National Bank under the present management is not surpassed in the annals of Western banking. It is a clean-cut exhibition of Western thrift and enterprise, and the results during the past four years correctly forecast what its future is to be. An increase of over fifteen-fold in four years carries with it a meaning which cannot be misinterpreted.

In January, 1905, the bank removed to its new home in the Merchants' Exchange Building, where it has one of the most modern up-to-date banking rooms in San Francisco.

The officers are as follows: P. E. Bowles, president; Francis Cutting, vice-president; E. W. Wilson, vice-president; Geo. N. O'Brien, cashier; E. J. Broberg, assistant cashier; O. D. Jacoby, assistant cashier; H. de Saint Seine, manager foreign exchange department.

The diversified business interests of the members of the board of directors give the bank an unusually high standing in the commercial world, as will be seen by the following list: P. E. Bowles, W. H. Talbot, L. F. Monteagle, Francis Cutting, W. H. Chickering, Harvey C. Somers, H. J. Crocker, James McNabb, George P. McNear.

Rapid Development of a Solid Institution—Finest Bank Building in the West.

One of the most marked features of the latter-day financial history of San Francisco is the upbuilding of the Mercantile Trust Company of

San Francisco. Commencing business June 5, 1899, with a capital of $1,000,000—one-half paid in upon organization and the remainder called two years later—it has in less than seven years created a business which gives it rank among the leading institutions of the West, and made it second to none in reputation for financial stability. Its career was begun under the most favorable auspices, the directing power being vested in a number of the leading capitalists and business men of the Pacific Coast, its hold upon the business community becoming almost instantaneous.

March 31, 1900, less than ten months from the day it opened its doors, the published statement showed deposits of $1,884,271, and total resources of $2,407,616. Undivided profits to the amount of $28,345 were also shown.

The statement of January 15, 1903, gave a capital of $1,000,000, profits of $349,255, deposits of $4,265,303, and total resources amounting to $5,614,559.

August 1, 1904, the showing was as follows: Capital, $1,000,000; surplus and profits, $456,635; deposits, $6,094,174; total resources, $7,550,810.

From March 31, 1905, to October 31 of the same year the surplus and profits were increased from $567,662 to $623,583, the deposits from $6,294,789 to $8,913,819, and the resources from $7,864,452 to $10,537,403, the deposits showing a net gain of forty per cent. in seven months.

February 28, 1906, the condition of the company was as follows:

RESOURCES.		LIABILITIES.	
Bonds and stocks......	$1,386,360	Capital stock paid in..	$1,000,000
Loans on collaterals...	6,414,235	Surplus fund	500,000
Banking - house and vaults	425,000	Undivided profits	175,013
Cash on hand and in banks	3,657,016	Due depositors	10,207,598
Total	$11,882,612	Total	$11,882,612

From this statement it is seen that the cash and convertible securities of the institution exceed its liabilities to depositors by $1,250,013, or more than twelve per cent. Besides this the bank premises are carried on the books at the modest amount of $425,000.

In 1902 the Mercantile Trust Company of San Francisco completed and occupied a structure which is an enduring monument to its thrift and to its success. The site consists of a lot 50x114 feet on the north side of California street, opposite the Merchants Exchange. The building is a model of architectural beauty, making the most substantial, most convenient and most appropriate banking quarters in the West. A single glance at its classic exterior suggests to the casual passer that it is unquestionably a bank, and the finish and equipment of the interior carry out the impression to the minutest detail. Throughout the building, from the huge keystone in the granite steps of the entrance, on through the costly bronze grilles, into the spacious banking-room of mahogany and Numidian marble, the officers' quarters of quiet elegance, the directors' rooms of suggestive solidity, the massive burglar and fire-proof vaults in the rear, with two doors weighing 25,000 pounds each, the cheerful balcony for overflow work, the unexcelled safe deposit system and conveniences for board and trustee meetings in the basement, the automatic electric elevator, to the glass-arched roof—everywhere and with everything there is the absolute and unqualified mark of perfection. It was built for a purpose, and everything fits the purpose.

The present president of the company, Mr. N. D. Rideout, controls seven other banks in the interior of California, and is a banker of wide experience. He is well known throughout the Pacific Coast country.

The present officers of the Mercantile Trust Company of San Francisco are as follows: N. D. Rideout, president; H. T. Scott, vice-president; W. G. Irwin, vice-president; John D. McKee, cashier; W. F. Berry, assistant cashier; A. H. Winn, trust officer.

Following are the directors: William Babcock, of Parrott & Co.; Wakefield Baker, of Baker & Hamilton; H. C. Breeden, of the Standard Oil Company; Warren D. Clark, of Williams, Dimond & Co.; W. F. Detert, mining; F. G. Drum, capitalist; C. E. Green, banker; M. H. Hecht, of Hecht Brothers & Co.; William G. Irwin, of William G. Irwin & Co.; D. O. Mills, capitalist; E. S. Pillsbury, attorney-at-law; N. D. Rideout, president; Henry T. Scott, capitalist; Claus Spreckels, capitalist; Frederick W. Zeile, capitalist.

SOLID, SAFE AND CONSERVATIVE.

An institution with a growth in keeping with the substantial commercial advancement of the city and with a hold upon the confidence of the community in accord with the lines of business rectitude which it strictly follows from year to year, is the San Francisco National Bank.

It was organized in 1897, with a capital stock of $500,000, which was increased to $1,000,000 in 1905 in order to meet the requirements of the growing business.

In the year ending January 29, 1906, the deposits were increased from $2,381,766 to $3,342,813, a net gain of nearly fifty per cent. On the occasion of the increase in the capital stock, $125,000 was added to the surplus, raising that account to $225,000, to which may be added undivided profits amounting to $110,000, making the total capital and surplus of the bank $1,335,000.

In 1905 the building formerly owned by the London and San Francisco Bank was purchased, and will be occupied by the San Francisco National Bank as soon as it is vacated by the Bank of California, upon completion of its new building.

The bank is dominated by an element of business and capital, which in itself is an absolute guarantee of financial integrity. No methods of an undue character are employed to secure business, and nothing of a speculative nature enters into the transactions of the bank.

Following are the officers: James K. Wilson, president; William P. Johnson, vice-president; C. K. McIntosh, vice-president; F. W. Wolfe, cashier; C. L. Davis, assistant cashier.

The directors are: William Pierce Johnson, president Willamette Pulp & Paper Co.; William J. Dutton, president Fireman's Fund Insurance Co.; George A. Pope, capitalist; C. S. Benedict, president Hastings Clothing Co.; George Almer Newhall, of H. M. Newhall & Co.; W. H. Talbot, of Pope & Talbot, lumber dealers; H. D. Morton, president W. T. Garratt & Co.; C. K. McIntosh, vice-president; James K. Wilson, president.

UNION TRUST COMPANY OF SAN FRANCISCO.

Union Trust Company of San Francisco was organized in February, 1893, and started in business in April of same year, in temporary quarters. On January 1, 1895, the company moved into its own building on the corner of Market, Montgomery and Post streets.

At that time the company had on deposit in its banking and trust department combined about one million dollars. Since January, 1895, on account of its great growth, the Union Trust Company of San Francisco has been twice compelled to increase the size of its office. The last time, in 1903, it purchased the land adjoining its building, and now occupies a ten-story brick-and-stone building on the corners of Market, Montgomery and Post streets, with a frontage on Montgomery street alone of one hundred and twelve (112) feet. The growth of the company has been remarkably rapid.

The present capitalization is $1,200,000 paid up, with a surplus of $800,000, all of which has been earned; the deposit line in its banking department alone is over eighteen million dollars. The deposits of the trust department, which are a very large amount, are kept entirely separate from the banking business of the company.

The president of the company, Mr. Isaias W. Hellman, is also president of the Wells Fargo Nevada National Bank of San Francisco, of the Farmers and Merchants' National Bank of Los Angeles and of the United States National Bank of Los Angeles, as well as being the heaviest stockholder in a number of other banks throughout the Pacific Coast.

The remaining officers of the company are: I. W. Hellman, Jr., vice-president and manager; Robert Watt, vice-president; Charles J. Deering, cashier; J. M. Israel, assistant cashier; H. Van Luven, assistant cashier.

THE SAN FRANCISCO SAVINGS UNION.

The San Francisco Savings Union was incorporated in 1862, with a capital of $100,000, which was increased to $200,000 in 1871; to $400,000 in 1876, and to $1,000,000 in 1888. It has accumulated a reserve fund of $1,068,148, besides paying dividends to depositors, and has a line of deposits amounting to $34,263,852. The growth in deposits since 1902 has been as follows:

January 3, 1902	$30,026,451
January 2, 1903	32,139,937
January 2, 1904	33,232,907
January 3, 1905	33,940,132
January 2, 1906	34,263,852

The officers are as follows: E. B. Pond, president; W. C. B. de-Fremery, vice-president; C. O. G. Miller, vice-president; Lovell White, cashier and secretary; R. M. Welch, assistant cashier.

The directors are: E. B. Pond, W. C. B. deFremery, Robert Watt, Wakefield Baker, Jacob Barth, Fred H. Beaver, William A. Magee, John F. Merrill, C. O. G. Miller.

THE GERMAN SAVINGS AND LOAN SOCIETY.

The German Savings and Loan Society was organized in 1868, with a capital of $90,000, which was afterward increased to $1,000,000. Splendid management is shown in the statement that in the five years ending December 30, 1905, the deposits were increased from $29,589,864 to $39,112,812, and the resources were advanced from $31,726,925 to $41,526,532. In the same period the reserve fund was increased from $995,000 to $1,250,000.

The board of directors: F. Tillmann, Jr., president; Daniel Meyer, vice-president; Emil Rothe, second vice-president; Ign. Steinhart, I. N. Walter, N. Ohlandt, E. T. Kruse, J. W. Van Bergen, W. S. Goodfellow.

Officers: A. H. R. Schmidt, cashier; William Herrmann, assistant cashier; George Tourny, secretary; A. H. Muller, assistant secretary; W. S. Goodfellow, general attorney.

THE CROCKER NATIONAL BANK OF SAN FRANCISCO.

The Crocker-Woolworth National Bank of San Francisco will complete the twentieth year of its existence August 31, 1906, and under the renewed charter which will be issued at that date it will thereafter be known as the Crocker National Bank of San Francisco. Enlargement of quarters has recently been rendered necessary in order to meet the increase in business, the total volume of which reached $600,000,000 in 1905. Six receiving tellers and three paying tellers are constantly kept busy. From January 11, 1905, to March 15, 1906, the deposits were increased from $9,490,281 to more than $18,000,000, a net gain of 100 per cent. in fourteen months. In the same period $165,000 was added to the surplus and profit account, bringing that item up to $1,540,000, every dollar of which has been earned. The original capital of $1,000,000 has never been changed. Not a dividend has been passed in the history of the bank.

Officers: William H. Crocker, president; Charles E. Green, vice-president; James J. Fagan, vice-president; W. Gregg, Jr., cashier; C. F. Baker, assistant cashier.

Board of directors: William H. Crocker, George Crocker, Charles T. Crocker, Frank G. Drum, James J. Fagan, Charles E. Green, W. Gregg, Jr., A. F. Morrison, E. B. Pond, Henry T. Scott, George W. Scott.

THE CENTRAL TRUST COMPANY OF CALIFORNIA.

The Central Trust Company of California was incorporated January 29, 1903, and has made very substantial progress. Its last public report, under date of January 1, 1906, made the following showing:

Capital paid in	$1,500,000
Surplus and profits	260,885
Deposits	3,751,749
Resources	5,512,669

The company is interested in a number of banks located in the interior of the state, has a good line of investments of a general character, and is in a prosperous condition.

Officers: Frank J. Symmes, president; Charles Nelson, vice-president; A. O. Hale, vice-president; E. W. Runyon, vice-president; Henry Brunner, cashier; Otto Ottesen, assistant cashier; Fred F. Ouer, assistant cashier; Frank S. Jacott, trust officer.

Directors: Henry Brunner, E. A. Denicke, F. W. Dohrmann, W. A. Frederick, Mark L. Gerstle, A. O. Hale, Charles Webb Howard, John M. Keith, Charles F. Leege, Edward McCarthy, Gavin McNab, James Madison, Charles C. Moore, Charles Nelson, George C. Perkins, W. B. Reis, E. W. Runyon, Frank J. Symmes, G. H. Umbsen.

THE BANK OF CALIFORNIA.

On the fifth of July, 1864, The Bank of California was organized, with Mr. D. O. Mills as president, and Mr. William C. Ralston as cashier. The location of the bank was at the corner of Washington and Battery streets, but in 1867 it was moved to its new building at Sansome and California streets, where it remained until January 20, 1906, when the latter premises were vacated for the purpose of erecting a new structure of modern type.

In February, 1905, the business of the London and San Francisco Bank (Ltd.), upon the Pacific Coast, was purchased, that bank in London going into liquidation, and The Bank of California acquiring in addition to the San Francisco business of the London and San Francisco Bank, Ltd., its three branches in Portland, Tacoma and Seattle, which have since been continued as branches of The Bank of California.

The new building of The Bank of California now in course of construction, will cover an area of 87½ feet frontage on California street by a depth of 124 feet on Sansome street to Halleck street, thus giving a frontage on three streets. The design of the building is classical Roman and is to be executed in structural steel, faced with white California granite, and will be of one story, seventy-five feet to the top of the balustrade, the entire area being covered by the banking-room with a ceiling fifty feet in height. Upon the roof of the building, and invisible from the street, a few rooms will be constructed for the use of the directors, attorneys of the bank, etc. It is expected that the building will be completed and ready for occupancy within two years. In addition to being one of the finest banking homes in the entire country it will be one of the city's handsomest architectural adornments.

The growth of the bank for many years has been of the most substantial and most permanent character, and its recent advancement has shown that it is keeping pace with the splendid development of the Pacific Coast country that is now under way.

Following are the officers: Homer S. King, president; Charles R. Bishop, vice-president; Frank B. Anderson, vice-president; Irving F. Moulton, cashier; Sam H. Daniels, assistant cashier; William R. Pentz, assistant cashier; Arthur L. Black, assistant cashier; Allen M. Clay, secretary; James D. Ruggles, assistant secretary, and G. Howard Thompson, land officer.

The following capitalists and business men comprise the board of directors: James M. Allen, George E. Goodman, Frank B. Anderson, Edward W. Hopkins, William Babcock, Homer S. King, Charles R. Bishop, John E. Merrill, Antoine Borel, Jacob Stern, Warren D. Clark, Joseph S. Tobin.

NORTHERN BRANCHES.—The northern branches of the bank are under the general management of Mr. William Mackintosh. The Portland branch is conducted by Mr. William MacRae, assisted by Mr. James T. Burtchaell; Tacoma by Mr. Samuel M. Jackson, assisted by Mr. E. J. Cooper; Seattle by Mr. Ernest C. Wagner, assisted by Mr. George T. S. White, while the agency at Virginia City, Nevada, is in charge of Mr. John W. Eckley.

THE MUTUAL SAVINGS BANK OF SAN FRANCISCO.

The Mutual Savings Bank of San Francisco was incorporated in 1889, with an authorized capital of $1,000,000, $300,000 of which has been paid in. It has surplus and profit accounts aggregating $350,000, and resources reaching a total of $10,529,000.

The progress of the bank has been very substantial, as the following comparative statement of deposits each year will show:

January 1, 1891	$1,161,475
January 1, 1893	2,844,678
January 1, 1895	2,926,136
January 1, 1899	3,242,598
January 1, 1900	3,827,520
January 1, 1901	4,592,412
January 1, 1902	5,619,592
January 1, 1903	6,953,396
January 1, 1904	8,679,706
January 1, 1905	9,579,507
January 1, 1906	10,213,301

Officers: James D. Phelan, president; S. G. Murphy, first vice-president; John A. Hooper, second vice-president; George A. Story, secretary and cashier; C. B. Hobson, assistant secretary and assistant cashier; Frank J. Sullivan, attorney.

Directors: James D. Phelan, John A. Hooper, Frank J. Sullivan, James M. McDonald, S. G. Murphy, James Moffitt, Robert McElroy, Charles Holbrook, Rudolph Spreckels.

THE HUMBOLDT SAVINGS BANK.

The Humboldt Savings Bank was organized in 1869, with a capital of $100,000, which was increased in 1892 to $300,000. The following comparative statement of deposits marks the progress of the bank:

January 1, 1903	$2,620,687.67
January 1, 1904	3,182,292.21
January 1, 1905	3,857,363.17
January 1, 1906	4,765,092.87
February 15, 1906	5,010,167.30
April 4, 1906	5,270,756.00

A marked evidence of prosperity and progress by the bank is the erection of a sky-scraper building which is begun on Market street, east of Fourth street. It will occupy a lot with a frontage of fifty feet and a depth of 170 feet. The front of the building will be carried to a height of 240 feet, the floors above the first being devoted to offices. The entrance to the bank, which will occupy the entire first floor, will be in the centre, opening into a large inner vestibule, around which will be grouped the various departments of the bank.

Following are the officers: G. H. Luchsinger, president; Winfield S. Keyes, vice-president; W. E. Palmer, cashier.

Directors: William H. Crocker, W. S. Keyes, W. A. Frederick, George L. Payne, I. Kohn, G. X. Wendling, Alexander D. Keyes, Rudolph Herold, Jr., G. H. Luchsinger.

HIBERNIA SAVINGS AND LOAN SOCIETY.

The Hibernia Savings and Loan Society was incorporated in 1859, and reincorporated in 1864. It has no capital stock, being operated on the mutual plan. According to its report of December 31, 1905, it has deposits of $61,176,757, a reserve fund of $3,459,630, and total assets of $64,635,757.

The building owned and occupied by the society is one of the finest of its kind in the West.

The president is James R. Kelley, and the secretary is Robert J. Tobin.

THE SECURITY SAVINGS BANK.

The Security Savings Bank was incorporated March 2, 1871, with a capital of $300,000, one-half of which was paid in. The par value of the stock was $250. June 30, 1892, the stock was fully paid in by a distribution of the undivided profits to the amount of $150,000. July 1, 1904, the capital stock was increased to $1,000,000, one-half paid in. Eight hundred shares were sold to stockholders at $325, yielding $260,000, $60,000 of which was carried to the reserve fund, making it a total of $135,000 and undivided profits of $137,800.

In May, 1905, a handsome new building was completed and occupied by the bank, on Montgomery near California street, the financial centre of the city. The building, a modern two-story structure of classic design, affords the institution a convenient and appropriate home. Between the date of occupancy and the 15th of March, 1906, the deposits were increased from 4,233,663 to $5,093,614, a net gain of $859,951 in ten months.

The control of the Security Savings Bank is in the hands of men representing the most powerful financial and business interests of San Francisco, as will be seen by the following list of the board of directors: William Babcock, of Parrott & Co.; S. L. Abbot, Security Savings Bank; O. D. Baldwin, of O. D. Baldwin & Sons; Joseph D. Grant, of Murphy, Grant & Co.; E. J. McCutchen, of Page, McCutchen & Knight; L. F. Monteagle, capitalist; R. H. Pease, president Goodyear Rubber Co.; Warren D. Clark, of Williams, Dimond & Co.; James L. Flood, capitalist; J. A. Donohoe, president Donohoe-Kelly Banking Co.; John Parrott, capitalist; Jacob Stern, president Levi Strauss & Co.

Following are the officers: William Babcock, president; S. L. Abbot, vice-president; Fred W. Ray, secretary; Sidney V. Smith, attorney.

SURE FOOTHOLD OF A NEW INSTITUTION.

A good example of substantial growth by a new institution is shown in the career of the Scandinavian-American Savings Bank, which transacts a general banking business as well as savings. It was incorporated December 14, 1904, with a paid-up capital of $300,000, and opened its doors in the Mills Building, January 3, 1905. The statement of the condition of the bank issued December 30, 1905, contained the following items of interest:

Loans on collateral	$638,421.56
Loans on real estate	225,683.50
Undivided profits	12,000.00
Deposits	957,265.67
Resources	1,269,265.67

The control of the institution is in the hands of representative business men of the highest honor, and an executive staff of strength and ability. Capt. Charles Nelson, the president, is a man of large influence, and after fifty years of commercial business experience in San Francisco, stands at the head among the financiers of the Pacific Coast. Mr. Lewis I. Cowgill, the organizer and vice-president, has been connected with San Francisco banking interests for the past fourteen years, and Mr. L. M. MacDonald, the cashier, is a thoroughly experienced banking man, having received his early training in one of the largest Canadian banks.

Officers: Charles Nelson, president; Lewis I. Cowgill, vice-president; L. M. MacDonald, cashier.

Directors: Charles Nelson, Lewis I. Cowgill, J. C. Eschen, George H. Tyson, Martin Sanders, W. H. Little, Henry Wilson.

Advisory board: Wallace Bradford, Jacob Jenson, E. W. Ferguson, A. T. Dunbar, F. C. Siebe, J. C. Everding and Mikal Olsen. S. C. Denson, attorney.

CALIFORNIA SAFE DEPOSIT AND TRUST COMPANY.

The California Safe Deposit and Trust Company was organized in 1882, with a capital of $800,000. This amount was increased from time to time until the present capital of $2,000,000 was paid in, and in the meantime a surplus of $1,000,000 was created.

Eight years ago, when the present management assumed charge of the company's affairs, it began a growth which has given it a volume of business commensurate with its capitalized strength, making it one of the prominent corporations of the Pacific Coast. In the six years dating from January 1, 1900, the deposits were increased 325 per cent., the growth being gradual and substantial throughout that period. The following comparative statement shows the growth in the last six years:

January 1, 1900	$1,772,000
January 1, 1902	3,306,000
January 1, 1905	6,160,000
January 1, 1906	7,412,278

The California Safe Deposit and Trust Company is conducted under the management of J. Dalzell Brown, vice-president and manager, backed by a strong board of directors, of which David F. Walker is the president.

Recent improvements in the arrangement and equipment of the banking rooms of the company have been made at a cost of $35,000, giving it one of the most attractive and convenient homes in the city.

California's First National Bank.

The first bank organized in California under the National Banking Act was the First National Bank of San Francisco, which was established in 1870. It has a capital of $1,500,000, which added to surplus and profits of $1,535,728, gives it a capitalized strength of more than $3,000,000. While the growth of the First National Bank has been along the safe lines of strict conservatism, it has yet made splendid progress and kept squarely abreast of the times in method and equipment. In the six years ending January 29, 1905, the following substantial advancement was made:

	1900.	1906.
Deposits	$6,877,886	$11,078,271
Loans and discounts	5,034,692	8,783,766
Surplus and undivided profits	1,085,064	1,535,728
Resources	9,507,951	15,613,999

The directory of the First National Bank is known as one of the strongest financial and commercial bodies on the Pacific Coast, and gives the institution an enviable prestige among business men of the best class. The following gentlemen comprise the board: J. Downey Harvey, John A. Hooper, Thomas Jennings, James Moffitt, S. G. Murphy, George C. Perkins, James D. Phelan, Rudolph Spreckels, J. W. Van Bergen.

The officers: S. G. Murphy, president; James Moffitt, vice-president; James K. Lynch, vice-president; J. K. Moffitt, cashier; J. H. Skinner assistant cashier.

The Germania National Bank.

The Germania National Bank of San Francisco was incorporated in January, 1903, and has a paid-in capital of $300,000. It has sustained a good growth, its statement of January 29, 1906, showing deposits of $809,537, surplus and undivided profits of $20,705, and resources amounting to $1,230,242. The bank is well managed under the control of a board of directors representing some of the city's best interests.

Officers: W. A. Frederick, president; F. Kronenberg, vice-president; F. Kronenberg, Jr., cashier; R. F. Crist, assistant cashier.

Directors: W. A. Frederick, F. Kronenberg, John G. Rapp, F. A. Kuhls, Fred Woerner, Walter M. Willett, Joseph Schweitzer, F. C. Siebe, Henry Brunner, Phillipp Zimmermann, O. A. Hale, R. F. Crist, E. Luenberger, H. Fred Suhr, Jr., Adolph Meyer.

The Market Street Bank.

The Market Street Bank was originally established as the Bank of Kingsburg in 1892, and in 1895 it was moved to San Francisco and the name changed to the Market Street Bank.

In April, 1903, all the stock was purchased by the present management and the bank was re-established under the latter name. The capital, originally $50,000, was increased in 1905 to $500,000, $100,000 of which was paid in.

Since its reorganization in 1903 the bank has paid dividends to savings depositors of 3½ per cent. per annum on ordinary and four per cent. on term deposits, and last year paid six per cent. on its capital stock.

During the last year the deposits have increased 200 per cent., and now reach a total of nearly $600,000.

The business of the safe deposit vaults is steadily growing, it having been necessary to order more boxes twice during the year just passed.

The bank is conducted along progressive lines, and being conservatively managed and located in the most rapidly growing section of the city, faces a good future. It is equipped with facilities for promptly taking care of all kinds of business.

The present officers are: A. F. Martel, president; E. C. Dudley, vice-president; W. S. Upham, vice-president; W. B. Nash, cashier; Oliver Ellsworth, attorney.

THE CANADIAN BANK OF COMMERCE.

The Canadian Bank of Commerce has at the present time a capital of $10,000,000, with a surplus of $4,500,000. Its resources reach a total of $98,375,597. Its head office is in Toronto, Canada, and it has a chain of branches stretching from the Atlantic to the Pacific on the Canadian side, numbering upwards of one hundred and twenty, besides agencies in New York, New Orleans, San Francisco, Portland, Seattle and Skagway.

This bank opened for business May 15, 1867, and acquired its foothold on the Pacific Coast by means of its consolidation with the Bank of British Columbia, which was established in 1862, and had branches at the principal cities on the Coast from San Francisco north. This consolidation took place in 1901, and the progress of the bank since that time has been very marked, the principal growth taking place in the Northwest Provinces of Canada. The San Francisco branch has been steadily in operation since 1864, and has always done a good business, though by reason of its foreign affiliations it has not expanded in the same way as some of its local sisters, whose growth has kept pace with the growth of the city. The San Francisco branch is under the management of Mr. A. Kains, who is assisted by Mr. G. W. B. Heathcote. The character of the business transacted is such as to make the institution a decided convenience to the business world, the extensive foreign connections of the bank giving it an advantage which few can enjoy.

THE NATIONAL BANK OF THE PACIFIC.

Beginning business September 20, 1905, the National Bank of the Pacific at San Francisco has already taken a hold upon the commerce of the city and the state that presages a future in keeping with its significant title. Mr. Zoeth S. Eldredge, the organizer and president of the bank, was for many years Bank Commissioner for California and national bank examiner, holding the latter office under Comptroller Eckels and for fifteen months executing that officer's special work in different parts of the United States. This experience taught him that a successful bank must have, first, a substantial object for existence, and, secondly, a controlling body of unquestioned strength in the financial and commercial world. These were the guiding lines used by Mr. Eldredge in the organization of the National Bank of the Pacific, and a good future for it is within easy and reasonable prediction.

June 1, 1906, the bank will be removed to the northwest corner of Montgomery and Californa streets, where it will be the centre of the city's financial district. On that date it will increase its capital from $300,000 to $500,000, giving it ample capitalized strength for the requirements of a large business.

Following are the officers: Zoeth S. Eldredge, president; Walter J. Bartnett, vice-president; Allen Griffiths, vice-president; M. J. Hynes, cashier; Ralph S. Heaton, assistant cashier.

The directors are: Arthur Holland, retired; John Lloyd, ex-president German Savings and Loan Society; E. F. Hutton, of E. F. Hutton & Co., bankers and brokers, New York and San Francisco; Walter J. Bartnett, vice-president and general counsel Western Pacific R. R.; Charles Webb Howard, president Spring Valley Water Works; James H. Swift, president Columbian Banking Company; O. H. Hale, of Hale Bros.; Charles W. Slack, ex-judge superior court; William P. Plummer, manager Drexler Estate; Allen Griffiths, vice-president, capitalist; Zoeth S. Eldredge, president, late Bank Commissioner and national bank examiner for Pacific States and Territories.

METROPOLIS TRUST AND SAVINGS BANK.

The Metropolis Trust and Savings Bank began business February 1, 1906, with an authorized capital of $1,000,000, about one-third of which was paid in. From a statement issued April 2, 1906, it is seen that subscriptions had been made for $676,400 of its capital stock and that $523,681 had been paid in. The statement also showed a surplus of $66,630, undivided profits of $31,403, and a line of deposits amounting to $1,605,207.

On the first of August of this year the bank will occupy quarters in the new Chronicle building, where it will have facilities and conveniences for the growing business with which it has so auspiciously begun.

Officers and directors: A. A. Watkins, president; C. Grange, vice-president; John M. Keith, vice-president; A. D. Cutler, vice-president; F. R. Cook, cashier; C. B. Perkins, assistant cashier; George C. Boardman, James B. Stetson, E. A. Denicke, Charles E. Ladd, Gavin McNab, Charles Hagmaier.

THE INTERNATIONAL BANKING CORPORATION.

This is one of the most serviceable and convenient banking institutions in San Francisco doing a general banking business, the headquarters of which is in New York, having fifteen branches in foreign countries and agencies in as many more. The corporation is the fiscal agent for the United States in China, the Philippine Islands and the Republic of Panama. It is also the designated depository for the funds of the Government in the Philippine Islands and Panama, and has correspondents in all parts of the world. The extensive foreign connections of the corporation make it indeed serviceable to the banking fraternity, and give it an excellent prestige in all forms of banking.

The last statement showed that the corporation had a capital of $3,250,000, a surplus of $3,332,200, and resources amounting to $32,472,426. Mr. William H. High is the capable manager of the San Francisco branch.

WESTERN NATIONAL BANK.

Commencing business January 28, 1901, the close of the first year of the Western National Bank found it with $509,384 in deposits; the second year with $1,052,205; the third year with $1,819,360; the fourth year with $2,157,078, and the fifth year with $3,208,199.

February 27, 1905, the bank moved to its new quarters at Powell and Market streets. On October 18, 1905, the board of directors voted to increase the capital of the institution from $500,000 to $1,000,000. On March 15, 1906, the Western National had deposits amounting to $3,113,858.78 and undivided profit account of $151,788.08.

The executive officers are all actively engaged in the bank, and are thoroughly trained in the practical features of the business. The officers are as follows: William C. Murdoch, president; F. L. Holland, vice-president; William C. Murdoch, Jr., cashier; R. M. Gardiner, assistant cashier.

Board of directors: B. C. Brown, Charles E. Hansen, F. L. Holland, James Irvine, William C. Murdoch, James K. Prior, Jr., W. A. Schrock, John H. Speck, William T. Wallace.

AN IMPORTANT MERGER.

Arrangements have been perfected for the consolidation of the Savings and Loan Society, one of the oldest institutions in the city, with one of the newest savings banks, the Mechanics Savings Bank. The Savings and Loan Society, whose title will be preserved in the merger, has a paid-in capital of $750,000, a reserve fund of $175,000, deposits of $7,554,461, and resources of $8,620,599. The Mechanics' Savings Bank has a capital of $250,000, deposits of $709,456, and resources of

OTHER BANKS.

Citizens' National Bank—Capital, $200,000; resources, $678,425.

United States National Bank—Capital, $200,000; resources, $794,313.

Columbus Loan and Savings Society—Capital, $130,000; resources, $2,482,979.

French Savings Bank—Capital, $600,000; resources, $4,421,596.

Bank of British North America—Capital, $4,866,500; resources San Francisco branch, $2,298,655.

Bank of Italy—Capital, $300,000; resources, $723,335.

Bank of South San Francisco—Capital, $50,000; resources, $67,279.

Citizens' State Bank—Capital paid in, $23,000.

City and County Bank—Capital $250,000; resources, $1,189,673.

French-American Bank—Capital, $1,000,000; resources, $2,489,331.

Golden State Bank—Capital, $100,000; resources, $189,047.

Italian-American Bank—Capital, $750,000; resources, $3,060,044.

London, Paris and American Bank (Ltd.)—Capital, $5,000,000; resources San Francisco branch, $7,711,000.

Mission Bank—Capital, $200,000; resources, $909,570.

Russo-Chinese Bank—Capital, $15,000,000; resources San Francisco branch, $892,626.

Seaboard Bank—Capital, $125,000; resources, $399,652.

Swiss-American Bank—Capital, $1,000,000; resources San Francisco branch, $2,747,772.

United Bank and Trust Company—Capital, $158,000; resources, $224,741.

Yokohama Specie Bank (Limited)—Capital, 24,000,000 yen; resources San Francisco branch, $842,767.

SAN FRANCISCO CHAPTER, AMERICAN INSTITUTE OF BANK CLERKS.

THE San Francisco Chapter of the American Institute of Bank Clerks was organized in 1902. Its membership has steadily grown until today there are three hundred bank men enrolled. The chapter has permanent headquarters in the Mechanics' Library, where there are current financial publications and the text and reference books required for the standard examinations inaugurated by the American Bankers' Association. The rooms are attractively fitted up with weathered-oak furniture, and pictures of conventions and prominent bank men. Adjoining the headquarters is a large lecture-hall which has the appearance of being a school-room. All the appurtenances are there; blackboard, teachers' desk, etc. It is here that the chapter has been giving, during the past term, its two courses of lectures. From the subject-matter of these lectures it is plain to see that the young men in the banks of San Francisco are firm in their belief that the mantle of responsibility will fall on the shoulders of those who are prepared for it. Under the University extension system six lectures were delivered by Professor A. C. Miller, University of California, with the general title of "American Financial Policy in Its Historical Relations." The titles of the lectures were: 1. "Foundation of a National System of Finance under Hamilton;" 2. "Changes of System under Gallatin and the Financing of the War of 1812;" 3. "Jackson's Struggle against the Bank of the United States;" 4. "Establishment of the Independent Treasury System;" 5. "Suspension of 1861 and Resort to the Legal-Tender Expedient;" 6. "Restoration of Credit and Resumption of Specie Payments."

Professor Robert W. Harrison, Hastings College of Law, University of California, delivered a series of six lectures under the general title of "Practical and Technical Banking." The subjects were: 1. "Bills of Lading;" 2. "Endorsements;" 3. "Rights of Depositors;" 4. "Forms of Negotiable Instruments;" 5. "Partnership and Corporation Paper;" 6. "California Corporation Law as Applied to Banks and Bankers."

Add to these lectures the papers read and the talks delivered, and you will find that the San Francisco bank men have had a profitable term.

The miscellaneous work was as follows: "Bank Publicity," Rollin C. Ayres, vice-president Pacific Coast Advertising Men's Association; "Chapter Advantages," A. H. R. Schmidt, cashier German Savings and Loan Society; "Educational Plans for the Chapter," Col. F. E. Beck, assistant cashier Anglo-Californian Bank, Ltd.; "Present-Day Opportunities," Professor A. C. Miller, University of California; "Work of the Institute," Frank C. Mortimer, The Bank of California.

That is the record of the chapter work from August, 1905, to March, 1906, when the annual meeting was held.

In January, at the adding-machine contest, the world's record for fast time in operating the machine was established by Mr. R. A. Newell of the First National Bank, who listed 150 checks, most of which were large amounts, in the remarkably short time of three minutes and fifteen seconds.

In January, 1905, the chapter entered into an arrangement with the Mechanics' Institute, whereby membership in the San Francisco chapter includes membership in the Mechanics' Library. A recent amalgamation has increased the number of volumes in the library to 200,000. The services of trained librarians are at the disposal of chapter members seeking information, and extensive purchases have recently been made of books on financial subjects.

The annual conventions of the chapters of the institute have been held thousands of miles away, but San Francisco chapter has sent three delegates to every one of them, and hopes to continue to do so. William A. Day, J. W. McDermott and H. T. Maginnity went to Cleveland in 1903; R. Norris, Horace G. White, Jr., and Frank C. Mortimer were sent to St. Louis in 1904, and George L. Woolrich, James E. Degan and Frank J. Jones went to Minneapolis in 1905. There have been no promotions to official positions in San Francisco except from the ranks of the American Institute of Bank Clerks, with possibly one or two exceptions. The chapter holds with Oliver Wendell Holmes, that it is "not so much where we stand as in what direction we are moving."

The first president of the chapter is down in Panama, and is the manager of the International Banking Corporation at that place. The second president is the cashier of a San Francisco bank. An ex-vice-president of the chapter has just completed the amalgamation of two of the large savings banks and is to be the cashier and manager of the new concern.

The work that has been going on in San Francisco is showing good results and through the American Institute of Bank Clerks the bank men are being encouraged to perfect themselves in their chosen profession.

The advisory board, under whose supervision the chapter is conducted, is composed of J. Dalzell Brown, vice-president California Safe

Deposit and Trust Company; James K. Lynch, vice-president First National Bank of San Francisco; F. L. Lipman, cashier Wells Fargo Nevada National Bank; Irving F. Moulton, cashier The Bank of California; F. E. Beck, assistant cashier Anglo-Californian Bank, Ltd. The officers of the chapter are: President, Frank C. Mortimer, The Bank of California; vice-president, Horace G. White, Jr., San Francisco National Bank; secretary, Henry L. Clapp, The Bank of California; treasurer, Frank L. Moss, London, Paris and American Bank, Ltd.

SAVINGS BANK SECTION, AMERICAN BANKERS' ASSOCIATION.

THE Executive Committee of the Savings Bank Section of the American Bankers' Association met May 1, at 31 Nassau street, New York city. The following members were present: Lucius Teter, Chairman, cashier Chicago Savings Bank, Chicago; Hon. Myron T. Herrick, Society for Savings, Cleveland; Edward E. Duff, vice-president People's Savings Bank, Pittsburg; Chas. E. Sprague, president Union Dime Savings Institution, New York; C. Byron Latimer, secretary Irving Savings Institution, New York; P. Le Roy Harwood, treasurer Mariners' Savings Bank, New London, Conn.; E. Quincy Smith, vice-president Union Savings Bank, Washington, D. C.; Chas. E. Mills, cashier People's Trust & Savings Bank, Clinton, Iowa; John F. Flack, president City Savings Bank, Omaha; J. H. Johnson, cashier Peninsular Savings Bank, Detroit; A. C. Tuttle, Naugatuck Savings Bank, Naugatuck, Conn.; and Wm. Hanhart, secretary.

Among the many questions that came up for discussion, was the matter of monthly statistics, and the proposed change in the constitution, altering the titles of the officers and permitting the election of vice-presidents in all states having ten or more Savings Banks.

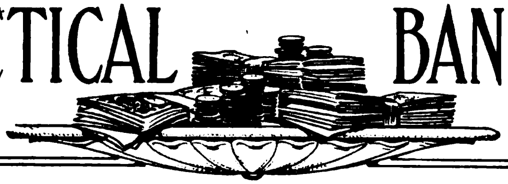
This section is growing very fast, the membership having increased from 734 at the date of the last convention in Washington, D. C., in October, 1905, to 972 at the present time, showing an increase of 238 members in six months.

A GOOD WORD FOR THE BANKERS.

AT the recent convention of the New Jersey Bankers' Association, Governor E. C. Stokes had the following to say about the bankers:

"When I read the newspapers and magazines and learn of the general weakness and duplicity of mankind in general, I turn to the banking fraternity, the agents of merchants and manufacturers and professional men and day laborers, and think how the money of all classes passes through the banker's hands, how true he is to his trust, how carefully he accounts for every penny put into his keeping. This busy nation pours its treasures into the banker's hands in perfect confidence and credit, a confidence and credit justified by long trial and experience, and thus I am glad that honesty and virtue still abide, and that the banking fraternity is a splendid refutation of the doubt and mistrust of the pessimist."

PRACTICAL BANKING



METHOD OF KEEPING THE INDIVIDUAL ACCOUNTS.

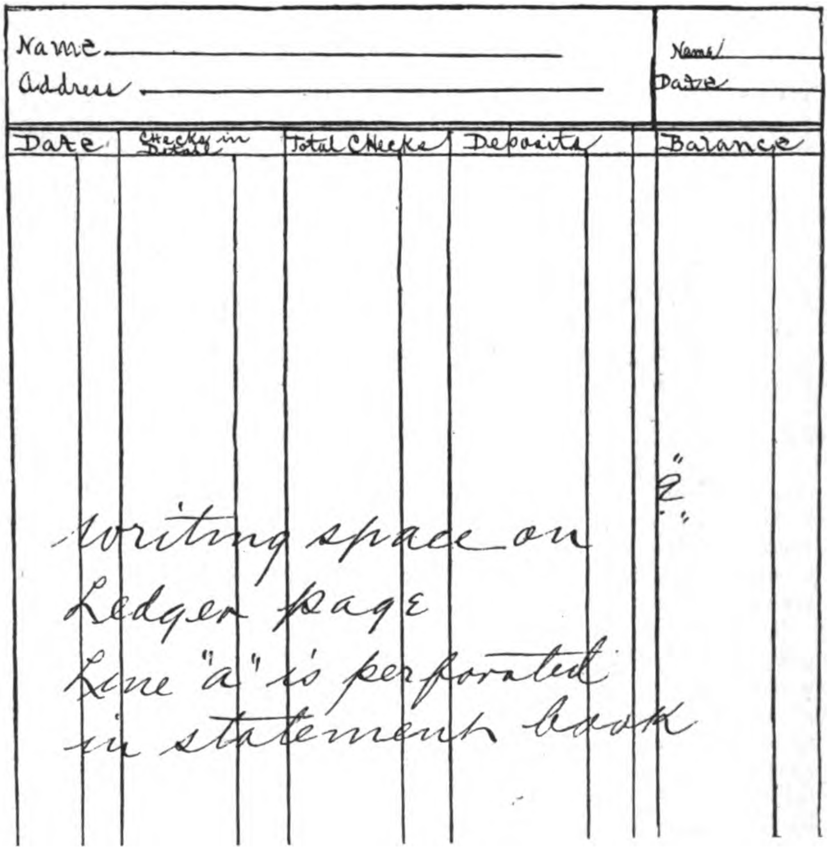
BY E. A. BANCKER, JR.,
AUDITOR LOWRY NATIONAL BANK, ATLANTA, GA.

THE following is a method of keeping the individual accounts of a bank. The ledger used is loose-leaf, about 11 x 15 inches, and one current ledger binder will hold from 400 to 800 leaves.

We will assume that a bank has 1000 accounts. The bookkeeper, whom we will call "A," has two ledgers—one for A to K accounts and the other for L to Z accounts. The ledger pages are ruled as follows: A column for (1) date; (2) checks in detail; (3) total checks; (4) deposits; (5) balance. It is usual to have several columns for checks in detail, but the principle is the same. The assistant bookkeeper, whom we will call "B," has two books that correspond to "A's," with the exception that each leaf is perforated so it can be torn out at the end of the month and serve as a statement. The balance column on the statement book is also perforated and torn off at the end of the month and sent to the credit department, where it is filed away as a record of the *average balance* of the depositor. The accounts on A's and B's books are kept in absolutely alphabetical order, which can only be done with a loose-leaf book. There are in addition two transfer binders, to which the sheets from the ledger are transferred when filled up. The method of procedure is as follows:

When the checks come to the bookkeeper from the various departments of the bank, he will take the first half, sort and charge them on his book. At the same time "B" is doing the same thing with the second half on *his own statement* book. When this is finished they swap checks, and now the *reason* for having two ledgers and two statement books is apparent. The same method is followed throughout the day, consequently both A and B are through at the same time. They then run rapidly through their respective books and extend the *balances* in the balance column of such accounts as have changed, putting down on a sheet of paper the previous and resultant balances. The assistant then calls his resultant balances to A, who checks them on his sheet. The difference between the sum of the previous and resultant balances agrees with the difference between the checks and deposits charged to the bookkeeper. Thus, there is an absolute check daily on an account. Should A charge a check to the wrong account, the resultant balance on his sheet would not agree with B's. Should a check for $200.00 be charged by both A and B as $300, the difference in the sum of the previous and resultant balances would disagree with the difference between the checks and deposits charged against them on the teller's books.

At the end of the month, at the close of the day's work, the statement sheets are torn out of the assistant's book, balance drawn down in red ink, statement and checks enclosed in an envelope ready for delivery next morning. The pass-books, both sides of which are used, are simply receipts to the depositor and *are not balanced.* When the statement is handed out, a receipt is taken on which is printed the notice that if the statement is not reported on in ten days it will be assumed to be correct. Every check is taken out of the files every month, and *every account* balanced monthly.



FORM OF INDIVIDUAL LEDGER.

This is the only system known to the writer that at approximately the same cost, but probably less, gives such good results. It makes an audit possible and reduces the chance of making errors to a minimum. In the transfer binder all of an account can be kept together for years back, which is a very desirable feature.

Once a week, or oftener, every balance is added on the adding machine and the sum compared with the "individual deposit account" on the general ledger. To render this easier, the reverse side of the individual ledger leaf is ruled upside down; so that when the face of the sheet is filled, it can be taken out and turned over. In this way the bookkeeper always works on the right side of his book and in using the adding-machine this is a great help.

BANKING PUBLICITY

PUBLICITY WORK OF A WASHINGTON TRUST COMPANY.

THE American Security and Trust Company of Washington is the largest financial institution in the South, and its banking building on the northwest corner of Pennsylvania Avenue and Fifteenth Street, opposite the United States Treasury, is considered one of the finest bank buildings in the country.

C. A. Aspinwall,
Advertising Manager, American Security & Trust Co.

About two years ago, having determined to make a test of systematic advertising, a definite sum was appropriated for this purpose, somewhat less than the previous year's expenditure on haphazard advertising, and the work was placed in charge of Mr. C. A. Aspinwall.

The first movement made was to limit the expenditures to a few mediums, decided on after careful investigation. These consisted principally of the daily papers and the street cars. In the papers a small space was used every day in the week, except Sunday, and the advertisement was changed each day. The space selected was not in the financial column, but in chosen locations elsewhere in the papers. The street car cards were changed monthly.

The use of street car cards and newspaper space outside the financial columns were innovations in Washington and were perhaps the more noticed because of the standing and conservative reputation of the company. It was freely predicted by some that advertising of this character would alienate some of the bank's conservative customers, but the prediction has so far failed of fulfilment and furthermore both innovations have been faithfully imitated by several banks and trust companies in Washington.

Along with this publicity work direct advertising was carried on by means of attractive pamphlets and personal letters, results from which have been carefully tabulated.

The advertising has never been spectacular or remarkable for its extent; the aim, on the contrary, has been for quietness and dignity, but it has been persistent and systematic.

It was realized at the beginning that the American Security and Trust Company had a certain well-established character and that this character must be if possible reflected in its advertising, the theory of the advertising manager being that no matter how clever or noticeable the advertising might be it would in the end be of little value if it departed from the general tone of the company's policy and performance.

As to results, after one year of systematic advertising, deposits had increased $1,261,556, or 30 per cent., and foreign exchange had nearly doubled. The safe deposit rentals were near the maximum when the advertising was started, so little attention was paid to this subject.

Fiduciary business in the nature of the case cannot be traced directly to advertising, but there is little doubt that advertising of the proper sort does influence this class of business also.

The gains during the second year have so far been even more remarkable, but advertising can reasonably claim but the minor share in this, as the occupation of the new building in December, 1905, has undoubtedly been the main cause of this increase.

THE BANKING PUBLICITY BULLETIN.

SOME months ago the Banking Publicity Association of the United States was organized by the advertising managers of leading banks and trust companies throughout the country, the object being "whereby through the interchange of ideas, information and methods of publicity, the public may be systematically educated and informed of the benefits and advantages offered by the various classes of financial institutions."

The first number of the Banking Publicity Bulletin, the organ of the association, has just been issued under the editorship of Frederick Phillips, the association's secretary. It is a four-page sheet of generous size and good typographical appearance and is largely taken up with short descriptions of the advertising literature of leading banking institutions. Mr. Phillips also contributes a valuable article on "Banking and Fiduciary Publicity." The Bulletin will serve as a valuable means of communication between the association and its members, who may also obtain from the secretary at any time specimens of any desired class of banking literature, and intelligent criticism of their own work.

FREDERICK PHILLIPS,
Secretary Banking Publicity Association.

The association promises to become a valuable adjunct to modern banking methods and the Bulletin will play an important part in its work. Harold A. Davidson of the Home Trust Co., New York, is the president, and Frederick Phillips of the Lincoln Trust Co., New York, secretary, of the association.

The National Bank of Brunswick, Ga., uses a convenient memorandum book as a means of soliciting new business.

THE ADVERTISING OF THE TRUST CO. OF AMERICA.

WE reproduce herewith a group of advertisements of the Trust Company of America, of New York, which have attracted considerable attention. These advertisements appear three times a week in two-inch single-column spaces in three morning and one evening papers in New York, "island" positions being used entirely, on news pages, surrounded by reading matter. The wording is changed in each issue and is educational in its character, the design being to inculcate in the public mind the various functions of the modern trust company in general and of the Trust Company of America in particular.

YOUR PERSONAL ACCOUNT may as well be deposited with a banking institution which not only gives you the convenience of the check system, but also allows you interest on your balances.

The Trust Company of America
135 BROADWAY, NEW YORK
BRANCHES { 36 Wall Street, New York
95 Gresham Street, London, E.C.

WHEN OUR TELLER receives your money our $12,080,000 capital and surplus are placed between you and the chance of loss.

The Trust Company of America
135 BROADWAY, NEW YORK
BRANCHES { 36 Wall Street, New York
95 Gresham Street, London, E.C.

YOUR SURPLUS FUNDS need not lie idle awaiting next month's demands. Even the surplus for a month may as well be earning interest.

The Trust Company of America
135 BROADWAY, NEW YORK
BRANCHES { 36 Wall Street, New York
95 Gresham Street, London, E.C.

IN VISITING LONDON you will find us there, as ready to serve you as in New York. Funds transferred by cable.

The Trust Company of America
135 BROADWAY, NEW YORK
Branches { 36 Wall Street, New York.
95 Gresham St., London, E. C.

TRAVEL WHERE YOU MAY, our letters of credit will assure you a constant supply of funds. They are good all over the world.

The Trust Company of America
135 BROADWAY, NEW YORK.
Branches { 36 Wall Street, New York
95 Gresham St., London, E. C.

EXECUTORS GIVE BONDS, but these offer nothing like the security afforded by the resources of a great trust company. This company's responsibility amounts to over $12,200,000.

The Trust Company of America
135 BROADWAY, NEW YORK.
BRANCHES { 36 Wall Street, New York
95 Gresham St., London, E. C.

THE INDIVIDUAL EXECUTOR will not always be at his office to give counsel to widows and other heirs, but the trust company is never "sick," "out of town," or otherwise unavailable.

The Trust Company of America
135 BROADWAY, NEW YORK
BRANCHES { 36 Wall Street, New York
95 Gresham Street, London, E.C.

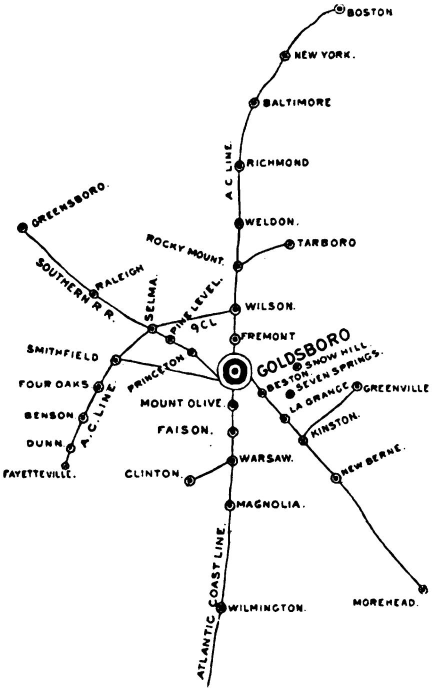
EFFICIENCY in the administration of trust funds *may* be secured by the appointment of an individual executor. But *permanent* efficiency is only made possible by employing a deathless corporation.

The Trust Company of America
135 BROADWAY, NEW YORK
BRANCHES { 36 Wall Street, New York
95 Gresham St., London, E. C.

This is one of the best series of trust company advertisements that have appeared and the results are understood to have been so far very satisfactory. The announcements are prepared under the supervision of Mr. Frank L. Hilton, assistant secretary of the Company.

The Trust Company of America is one of New York's big institutions, with assets of $66,000,000, deposits of $54,000,000, and capital and surplus of $12,200,000. It was formed by a merger of the City Trust Company, the North American Trust Company and the Trust Company of America. A fine new banking house is now under construction at 37, 39 and 41 Wall street.

ADVERTISING ITS FIELD FOR COLLECTIONS.



17 HOURS FROM NEW YORK
5 HOURS FROM RICHMOND.
GOLDSBORO IS YOUR NATURAL CLEARING POINT
THE BANK OF WAYNE WILL HANDLE YOUR ITEMS ON ABOVE POINTS PROMPTLY

The Bank of Wayne, Goldsboro, N. C., uses an effective little map of the territory surrounding its home town, for the purpose of calling attention to its field in the collection of items forwarded from other banks. We reproduce the sketch herewith.

NEW ENGLAND TRUST COMPANY.

The New England Trust Company has recently issued a pamphlet descriptive of its new building on the corner of Devonshire and Milk streets, Boston, a copy of which has been forwarded to us by Mr. Francis R. Jewett, trust officer. The new building, which is designed for the exclusive use of the company, will be a costly and beautiful structure, with ample accommodations for the company's large business.

STATE BANKERS' ASSOCIATIONS.

Arkansas Bankers' Association.

THE sixteenth annual convention of the Arkansas Bankers' Association was held at Little Rock, April 19 and 20, E. K. Smith, cashier of the State National Bank, Texarkana, presiding. After discussing the need of a new state banking law and other questions of practical importance to the bankers of the state, these officers were chosen:

President—I. J. Stacey of Augusta.
First Vice-President—S. W. Reyburn, of Little Rock.
Second Vice-President—R. O. Herbert, of Greenwood.
Third Vice-President—Greenfield Quarles, of Helena.
Fourth Vice-President—Joe Nichol, of Pine Bluff.

Fifth Vice-President—A. N. Falls, of Danville.

Sixth Vice-President—B. C. Powell, of Camden.

Seventh Vice-President—J. M. Hawks, of Corning.

Secretary—C. T. Walker, of Little Rock.

Treasurer—W. A. Steele, of Van Buren.

Member of Executive Council—George W. Rogers, of Little Rock.

Delegates to American Bankers' Association—George T. Sparks, of Fort Smith; E. K. Smith, of Texarkana; W. Y. Foster, of Hope; Charles McKee, of Little Rock, and T. C. McRae, of Prescott. Alternates—H. Thane, of Arkansas City; J. Q. Wolf, of Batesville; A. D. Reynolds, of Ozark; Eli J. Meisner, of Paragould, and R. L. Hyatt, of Monticello.

NEW JERSEY STATE BANKERS' ASSOCIATION.

Atlantic City entertained the convention of the New Jersey State Bankers' Association, which met on April 27 and 28.

Carlton Godfrey, of Atlantic City, was elected president, and the other officers chosen were: Vice-President, Henry G. Parker, cashier of the National Bank of New Jersey, New Brunswick; treasurer, H. H. Pond, of the Vineland National Bank; secretary, William J. Field, secretary and treasurer of the Commercial Trust Company of New Jersey, Jersey City.

Executive Committee, Dr. John D. McGill, president of the Hudson County National Bank, Jersey City; Hugh H. Hammell, of Trenton; Edward L. Howe, of the Princeton Bank, re-elected for three years; A. C. Wood, president of the Camden Safe Deposit and Trust Company, and Adrian Lyon, president of the Perth Amboy Savings Bank.

At the anuual banquet of the association, Governor Stokes, United States Senator John F. Dryden, Secretary of War William H. Taft, and Secretary of the Navy Charles J. Bonaparte, were the leading speakers.

LOUISIANA BANKERS' ASSOCIATION.

The bankers of Louisiana held their annual convention at Lake Charles, April 18 and 19, S. McC. Lawrason presiding. Bank examination, and methods of state taxation were among the topics discussed. Following are the new officers:

President, H. E. Drew, Lake Charles; vice-president, Charles Janvier, New Orleans; secretary, L. O. Broussard, Abbeville; treasurer, P. L. Girault, New Orleans; district vice-presidents, First Congressional District, G. Ad Blaffer; Second, E. H. Keep; Third, Robert Martin; Fourth, R. H. Miller; Fifth, W. H. Grafton; Sixth, Dr. E. L. Erwin; Seventh, W. E. Ellis.

Executive Council—G. W. Bolton, Alexandria; John Edgcombe, New Orleans; C. H. Culberson, New Orleans; R. N. Sims, Donaldsonville; D. M. Reymond, Baton Rouge; L. E. North, Lake Charles; E. Bernstein, Shreveport.

Committee on Legislation—E. T. Merrick, New Orleans; W. J. Knox, Baton Rouge; L. H. Dinkins, New Orleans; Thomas C. Barrett, Shreveport.

Delegates to American Bankers' Convention—Peter Youree, Shreveport; Sol Wexler, New Orleans; P. L. Rennerding, New Ib[illegible] nates, Dr. W. B. Haas, Dr. C. B. Webb, L. Garnicheaux.

Massachusetts Bankers' Convention.

The members of the Massachusetts Bankers' Association are looking forward with considerable pleasure to the coming convention which is to be held in Boston on June 20 and 21. The members have received a circular which gives an outline of the program which will be followed at the convention. Headquarters will be at the Hotel Somerset. The evening of June 20 will be given over to the reception and addresses which will be delivered by some prominent speakers who are to be present. The morning of the second day will be devoted to the business meeting, reports of committees and election of officers. In all probability the ladies will be given some trip of interest near enough to Boston so that they can return in time to meet the gentlemen and spend the balance of the day in the enjoyment of the annual outing of the Association.

It is expected that the members of the Association will very generally attend the convention, and already considerable interest is being expressed with regard to the speakers who will be the guests of the Association. At this time the list of speakers is not available, but it is expected that the executive committee will make an announcement regarding this feature at an early date.

Coming Conventions of Bankers.

American Bankers' Association, St. Louis, Mo. (date to be fixed.).

American Institute of Bank Clerks, New York City, September 6, 7 and 8.

Connecticut, Meriden, June 11 or 12.
Florida, Atlanta, Ga., June 11 and 12.
Georgia, Atlanta, Ga., June 11 and 12.
Illinois, Springfield.
Iowa, Cedar Rapids, June 13 and 14.
Kansas, Wichita, May 22, 23 and 24.
Maryland, Ocean City, June 19, 20 and 21.
Minnesota, Lake Minnetonka, June 20 and 21.
Missouri, Excelsior Springs, May 16 and 17.
New York, Bluff Point, July 5 and 6.
North Carolina, Lake Toxaway, June 19, 20 and 21.
North Dakota, Fargo, July 17.
Oklahoma-Indian Territory, Oklahoma City, May 21 and 22.
South Dakota, Aberdeen, May 23 and 24.
Tennessee, Lookout Mountain, June 6 and 7.
Virginia, Old Point, June 14, 15 and 16.
Washington, Tacoma, June 21, 22 and 23.
West Virginia, Elkins, June 19 and 20.
Wisconsin, Milwaukee, July or August.

BANKING COMMISSIONER OF MASSACHUSETTS.

BY a law recently passed by the Massachusetts Legislature, the supervising authority of the banks of that state, other than national, is taken from a board of bank commissioners composed of three members and placed in the hands of a single commissioner. On March 28 Governor Guild nominated Pierre Jay, at that time vice-president of the Old Colony Trust Company, Boston, to be Savings Bank Commissioner, and the nomination was unanimously confirmed by the Council.

PIERRE JAY.

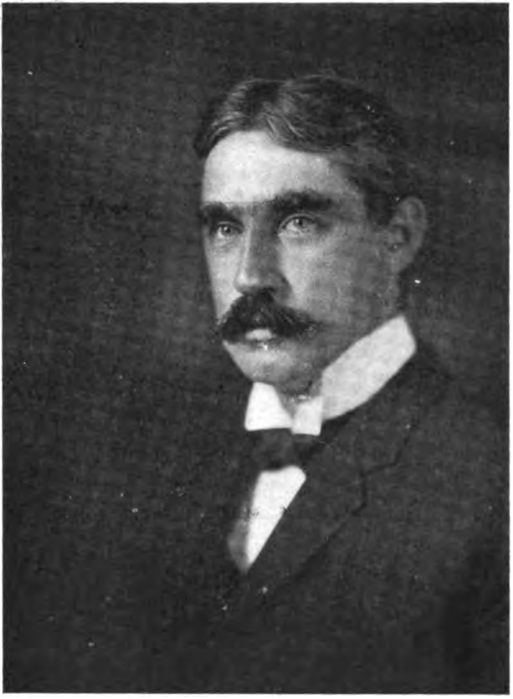
Mr. Jay was born at Warwick, N. Y., thirty-six years ago. He was graduated from Yale University in 1892. For some years prior to 1903 he was in charge of the bond and investment department of the firm of Pool & Flagg, New York, but in the year named he went to Boston to become vice-president of the Old Colony Trust Co., which position he held until his appointment as Savings Bank Commissioner.

Mr. Jay is a member of the Massachusetts Bankers' Association, chairman of the executive committee of the Trust Company Section of the American Bankers' Association, president and director of the Helena Water Works, and a director of several other corporations.

MODERN FINANCIAL INSTITUTIONS AND THEIR EQUIPMENT

NEW YORK'S NIGHT AND DAY BANK.

THE latest innovation in New York banking circles is the Night and Day Bank, which was opened under most favorable auspices April 30th in the handsome new building at Fifth avenue and Forty-fourth street. The bank will be open for business twenty-four hours a day except Sundays, and is the first of its kind in the world. The bank has a capital of $200,000 and surplus and reserve of $300,000.



Oakleigh Thorne.
Copyright, 1903, by Pirie MacDonald, Photg'r of Men, New York.

The officers are: Oakleigh Thorne, president; J. W. Harriman, vice-president; G. M. Wynkoop, vice-president and executive officer; Harri-

G. M. WYNKOOP.

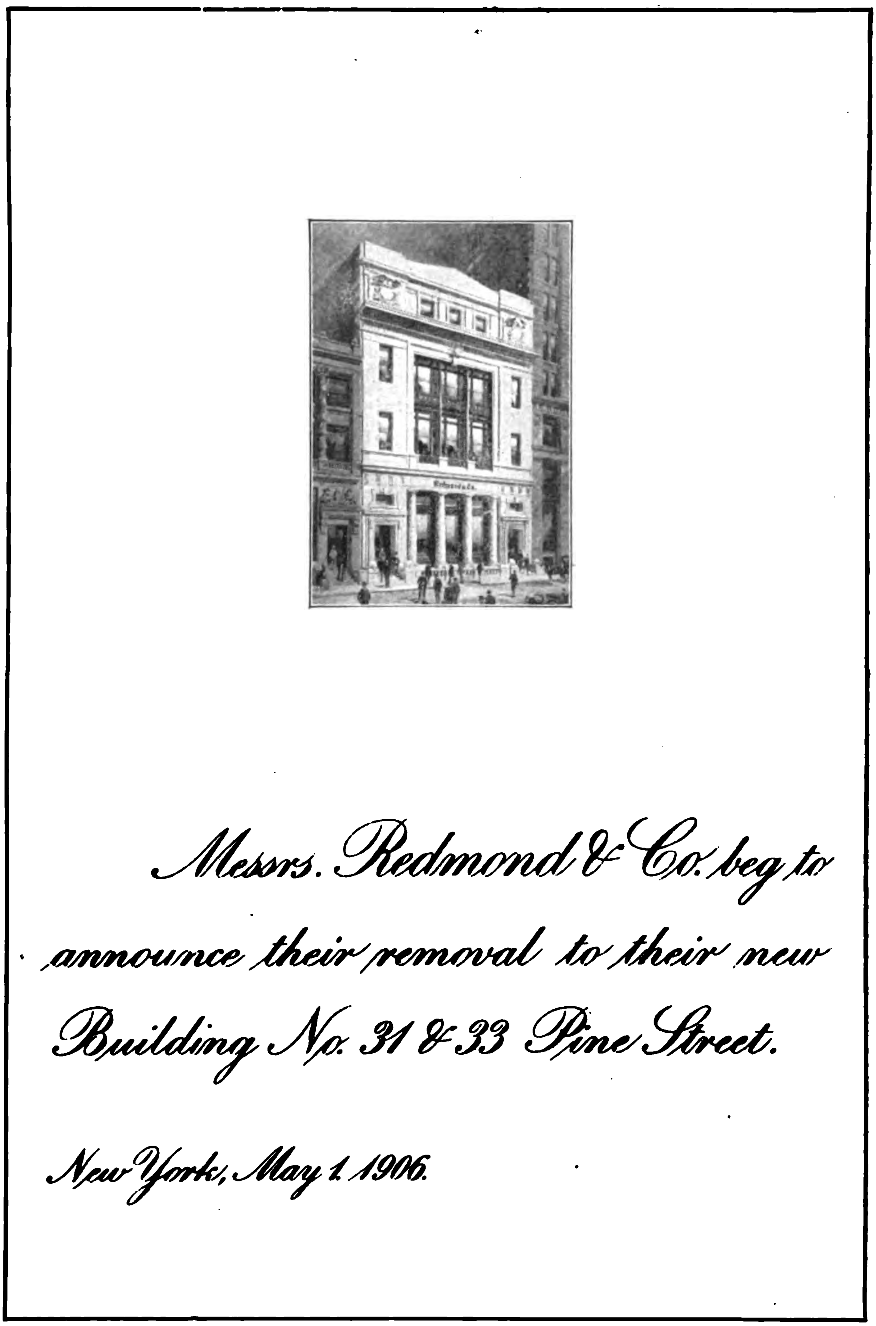
son K. Bird, cashier and secretary; William G. Hoffman, assistant cashier; G. L. Wilmerding, night manager.

A feature of the Night and Day Bank will be a system of visitors' New York money orders, to be issued by correspondent banks throughout the country, which will be payable at the bank in New York at any time without personal identification.

REDMOND & CO.'S NEW BUILDING.

REDMOND & CO., the well-known bankers, formally opened their new offices at 31 and 33 Pine street on Tuesday, May 1st, by a reception that was largely attended by many prominent people of the city and from out of town, and which kept the members of the firm busy throughout the afternoon receiving the congratulations of their friends. The affair was made brilliant by the presence of a number of ladies, and the rooms were adorned by masses of flowers, many of the neighboring banking houses sending floral tributes.

The new building of Redmond & Co. stands two doors east of the Sub-Treasury, and just across the street from Kean, Van Cortlandt &



Messrs. Redmond & Co. beg to announce their removal to their new Building No. 31 & 33 Pine Street.

New York, May 1. 1906.

REPRODUCTION OF REDMOND & CO.'S REMOVAL ANNOUNCEMENT.

Co. and Speyer & Co. It is a handsome, broad, comparatively low structure, giving in every line a sense of strength and solidity, and characterized by dignity and rich simplicity. The front is of white marble, with finishings of bronze about the central windows and entrance doors on either side. Four monolith columns of Dover marble stand before the windows and support the second floor. There is but little carved work on the facade and that of the most dignified order. The entrances are of pure white marble, and the interior is finished in Breche Violette (Italian) marble and bronze, with oak in the general banking offices and mahogany paneling in the private offices and customers' rooms.

The edifice, about 50 by 100 feet in ground dimensions, has but four stories, and is in many respects unique. The banking room is especially large and lofty, and the building contains every modern improvement for facilitating business and for the comfort and convenience of occupants and patrons. Taken altogether, the Redmond Building is one of the most perfectly equipped of the banking buildings in the city, and one in every way representative of its owners. Messrs. Redmond & Co. occupy the street floor and the mezzanine; the second floor is occupied by the Bank of Montreal.

The removal of this prominent banking firm, for so many years at 41 Wall street, to their own beautiful new building in Pine street, is an event of notable interest in banking circles, as it is yet another indication of the movement among the larger and better class of bond and solid investment houses to move to the block above Wall street and establish there a select neighborhood of their own. This has been exemplified lately by the moving to Pine street of several large houses such as Speyer & Co., and Kuhn, Loeb & Co., and the accession of Redmond & Co. will make a strong addition to the group.

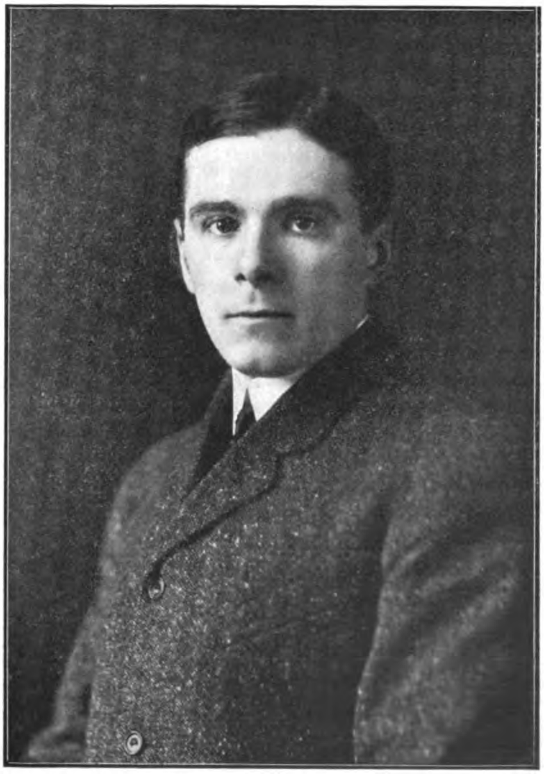
The firm was organized in 1889 as Redmond, Kerr & Co., and was reorganized as Redmond & Co. two years ago, the present partners being Henry S. Redmond, F. Q. Brown, Otto J. Thomen, James C. Bishop and William Redmond Cross. This is the first move the firm has made in over fifteen years.

TEXAS STATE BANKS.

THE operation of the new state banking law of Texas is thus described in a recent despatch to the "New York Sun."

"The new state bank law which was passed by the Legislature at its last regular session has been in effect for several months, and there were on April 2 sixty-five state banks and fourteen trust companies doing business under its provisions. The reports which these institutions have made to the State Bank Commissioner show that the total resources of the chartered banks on April 2 were $4,032,388.97. The total resources of the fourteen chartered trust companies on the date named were $6,213,054. * * * Included in the total liabilities of the sixty-five banks are individual deposits of $2,380,925.86 and capital stock amounting to $1,371,000. The total capital stock of the fourteen chartered trust companies is $1,910,000, and individual deposits, $2,110,379.

The establishment of these state banks and trust companies seems to have in no way affected the business of the existing national banks of the state. The new institutions fill a niche in the financial affairs of the state which was apparently unoccupied before. Under the law their capital stock may be as low as $10,000. These smaller banks are located in little towns which have been heretofore without banking facilities."



Frank C. Mortimer,
President San Francisco Bank Clerks.

NEW YORK, NEW HAVEN & HARTFORD RAILROAD.

THERE are no investment securities which have in the past proved safer than the stocks of the great railroad corporations which have been conservatively managed and have been operated throughout a territory where the business interests were sufficient in magnitude and importance to give to the railway a patronage enabling the company to do business at a profit. There is to-day no railway which operates throughout a territory from which more can be expected in the way of freight and passenger traffic than the New York, New Haven & Hartford, and there is no company which at the present time has a more able management.

While the more speculative railroad stocks have enjoyed a very material advance in price during the past twelve months, there seems to have been an apparent disregard of New Haven stock and the fact that it to-day represents greater intrinsic value and earning power than at any other period in its long and prosperous career.

President Charles S. Mellen, now personally in charge of the operation of the road, is looked upon by many as the premier operating man in the railroad world. During his brief connection with the property he has certainly given evidence of shrewdness and aggressiveness, linked with conservatism. He is determined to make the New Haven system the finest piece of railroad property in this country, and it is believed that there are latent possibilities in connection with this road's strategic position that will successfully call forth the best of Mr. Mellen's operating abilities. Within the next five years it is expected that the results to stockholders in the New Haven road will prove a very pleasing revelation.

New England railroad securities have for years justly ranked as the highest grade railroad investments to be had anywhere. There is no attempt at showing a large "surplus,"—all earnings over and above dividend and interest requirements being put back into the improvement of track, roadway or equipment.

In the tables below are brought out some striking results in a ten-year comparison of the progress of this system. The figures in large measure tell their own story and need little or no elaboration. The average yearly stock earnings since 1896, after heavy charges to maintenance, have been eleven per cent. per annum, the remaining three per cent., after eight per cent. dividends, having been charged to the operating account for the betterment of the road's physical condition.

During this period fixed charges per mile have actually decreased, notwithstanding there has been an enormous growth in traffic,—the tons carried one mile for instance, having increased over 105 per cent.

One of the striking features of New Haven's finances is the fact that it has not outstanding a single mortgage on its main line, its only mortgage bonds being those of subsidiary properties, leased or guaranteed.

As is generally known, President Mellen has fortified his position with respect to electric street railway competition by purchasing through the Consolidated Railways Co. of Connecticut 600 miles of electric railway property, which lines during the past year earned $431,333 over all charges. The gross earnings of these trolley lines were $4,567,978. The net results were equal to over four per cent. on the investment of the New Haven road therein. These earnings should double within five years.

A purchase was made November 1, 1904, of 291,600 shares of the common stock and twenty-two shares of the preferred of the New York, Ontario & Western R. R., constituting a majority of each class. The net cost of this investment was $13,108,397. The vast manufacturing interests of New England are thus insured of a coal supply, irrespective of any prejudicial or discriminating action on the part of the big coal roads.

The current gross and net earnings of the New Haven system are surpassing all previous attainments, and the pressure of tonnage at all points of the system is taxing to the utmost the carrying capacity of the road's equipment.

Such in brief are some of the striking characteristics in connection with the New Haven system to-day. It is just beginning to demonstrate its possibilities and the wisdom of the past expenditure of vast sums for improvements of every character.

To take up certain floating obligations incurred through recent absorption of securities of its leased and controlled lines, and to pay for improvements made and in contemplation, and which must be capitalized, and to put the whole property in shape to handle at the lowest cost the increasing business now offering at every point, the directors have authorized the issue of $30,000,000 3½ per cent. debenture certificates, at the rate of $37.50 par of debentures for each share of stock owned, and convertible after January 1, 1911, into New Haven stock at the rate of $150 par of debentures for $100 par value of stock.

The growth in earnings in the past decade is shown below:

Year ended June 30.	Gross Earnings.	Net Earnings.	Operat'g Ratio.	Imp't's charged to operating expenses.
1896	$31,201,315	$10,064,089	69.65%	$1,223,015
1897	30.237.405	10.194,147	67.66	716.563
1898	30,923.805	10,032,119	68.90	1,146,816
1899	37.767,340	12,186.084	68.87	1,653,719
1900	40,871,271	12,646.432	69.99	2,745,652
1901	40,693,870	12.646,392	69.89	2,425.814
1902	44,134,147	12,860.273	71.86	3,403,708
1903	47,861,894	12,906.871	73.91	1,867,817
1904	49,189.344	14,030,134	72.82	871,488
1905	51,205.398	15,372,376	71.69	1,056,572

Gross earnings increased in ten years	64.1%
Net earnings increased in ten years	52.7%
Improvements charged to operating expenses in ten years	$17,111,264
Average improvements annually charged to operating expenses	1,711,126

An important feature of the operations of the New Haven road is its very heavy charges to operating expenses. Instead of capitalizing every dollar of improvements and betterments, it has, during the past ten years, greatly overcharged the expense account. In the table preceding we show that the total overcharge during the past ten years has amounted to no less than $17,111,264. This figure represents what may be termed concealed earnings, inasmuch as the net results for this period were naturally reduced to this extent.

Treating this item of improvement charges as in reality stockholders' net earnings, we have the actual earnings of the New Haven road during each year of the past ten, as follows:—

Year.	Stock Outstanding.	Reported Net for Divs.	Imp't's charged to operating expenses.	Actual Net.	Earned on Stock.
1896	$47,475,700	$3,666,892	$1,223,015	$4,889,907	10.3%
1897	47,612,200	3,878,244	716,563	4,594.807	9.6
1898	47,633,200	3,919,638	1,146,816	5,066,454	10.6
1899	54,641,400	4,365.970	1,653,719	6,019,698	11.0
1900	54,685,400	4,622,613	2,745,652	7,368,265	13.5
1901	54,685,400	4.658,287	2,425,814	7,084,101	12.9
1902	54,685,400	4,678.858	3,403,708	8,082,566	14.8
1903	70,897,300	4,826,971	1,867,817	6,694,788	9.5
1904	80,000,000	6,094,755	871,488	6,966,243	8.7
1905	80,000,000	6,708,052	1,056,572	7,764,624	9.7

Average for ten years, 11.06 per cent.

This shows a margin of three per cent. above the eight per cent. dividend paid which may be properly considered share earnings, but which has been put back into the property, thus solidifying the investment.

Herewith are given some traffic statistics, covering the development of the past decade:

	Passengers Carried.	Passenger Earnings.	Tons Freight moved.	Freight Earnings.	Tons carried 1 Mile.	Average Tons in Ea. Car.
1896 ...	43,970,932	$13,928,017	10,366,909	$13,296,584	847,107,629	9.55
1897 ...	41,599,670	13,618,249	10,391,726	12,922,041	839,960,369	9.34
1898 ...	41,464,748	13,453,499	11,042,006	13,585,359	899,636,294	9.43
1899 ...	49,036,411	15,505,050	14,375,823	17,739,008	1,257,413,624	10.10
1900 ...	52,096,916	16,754,561	15,708,266	19,450,996	1,340,789,590	10.20
1901 ...	53,051,460	16,736,761	15,436,435	19,117,043	1,292,378,364	10.29
1902 ...	58,838,131	17,866,424	17,145,313	21,018,284	1,444,544,216	10.65
1903 ...	63,714,199	19,271,634	18,283,733	23,014,494	1,627,858,848	11.13
1904 ...	63,130,459	19,597,010	17,566,485	23,637,823	1,661,382,186	11.69
1905 ...	63,323,476	20,008,579	18,321,329	24,533,305	1,742,915,367	12.27
Increase in ten years,	44.0%	43.0%	69.0%	84.3%	105.8%	28.5%

It will be noted that ten years ago the passenger earnings exceeded the freight revenue, but that during the past eight years the greatest percentage of growth has been in the freight department. During the past ten years the "tons carried one mile" has increased over 100 per cent.

Reduced to a per mile basis, a safer guide in determining railroad development and operating efficiency, and we have the following:—

Year.	Miles.	Gross.	N		Maint.	Maint.
1897	1,464	$20,724	$6,	Int.	of	of
et	Charges.	Way.	Equip. 288	$4,370	$2,643	$2,600
1897	1,464	20,231	6,542	4,321	2,409	2,270
1898	1,464	20,709	6,441	4,170	2,626	2,326
1899	2,047	18,235	5,676	3,820	2,427	1,994
1900	2,032	19,844	5,954	3,953	2,644	2,325
1901	2,027	19,795	5,960	3,941	2,701	2,194
1902	2,027	21,467	6,041	4,036	3,033	2,676
1903	2,027	23,329	6,087	3,986	3,077	2,067
1904	2,031	23,766	6,459	3,907	2,692	2,311
1905	2,075	24,082	6,817	4,171	2,491	2,452

The above gross per mile shows an increase in the ten years of 16.2 per cent.; the net per mile an increase of 8.4 per cent., while there are few roads in the country can make such an exhibit of maintenance as is presented above. Important as well is the decrease in fixed charges per mile.

RAILWAY CAR CONSTRUCTION.

LOCOMOTIVES and cars approximating the value of $260,000,000 were built in the locomotive and car shops of the United States in 1905, according to figures collected by the Railroad Gazette. These returns do not include locomotives and cars built by the railroads in their own shops, of which an exceptionally large number were constructed during the year, nor do they include street and interurban electric cars. The number of locomotives built was 5491 as against 3441 in 1904. The number built exceeds the total for any previous year. The car output, subject to the limitations noted, was 168,006, the largest car output in any one year.

MONEY, TRADE AND INVESTMENTS

NEW YORK, May 4, 1906.

THE DESTRUCTION OF SAN FRANCISCO by earthquake and fire was the overshadowing event of the month just closed. Early in the morning of April 18 the city was visited by an earthquake which demolished a number of buildings and started a conflagration which raged for several days and left a great part of San Francisco in ruins. While it is not possible at the present time to estimate with any accuracy the value of the property destroyed, there is no doubt the loss will exceed that caused by any single conflagration in the previous history of the country. It is believed that $300,000,000 will not measure the value of property wiped out of existence by the calamity in San Francisco. There has never been any such sweeping loss before. The Chicago fire of October 9, 1871, destroyed from $150,000,000 to $200,000,000 of property. The Boston fire, which occurred a year later, on November 11, 1872, caused a loss of about $100,000,000. The Baltimore fire, on February 7, 1904, involved a loss approximating $100,000,000 also. In value of property destroyed these three great conflagrations were the largest the United States had ever experienced until now.

Naturally, the destruction of San Francisco has had a disturbing influence in the financial world. Wall Street has witnessed another slaughter of values—a natural result of the conditions which are sure to be created whenever an immense amount of capital is swallowed up in a day, and the resources of 200,000 people are crippled. Large sums of money had to be sent to San Francisco to relieve the immediate needs of her people. The fire insurance companies were brought face to face with demands aggregating perhaps $200,000,000, which could be met only by converting valuable assets into cash.

Wall Street quickly felt a tremor, and in anticipation of a possible avalanche of securities being thrown upon the market, holders of securities began to sell, while speculators operated for a decline. No one can say to what extent the decline in the stock market in the last two weeks was justified by actual conditions, or how much of it was caused by temporary insanity. But there was a tremendous fall in prices and nearly every stock dealt in at the New York Stock Exchange in April touched the lowest prices recorded this year. Nearly two score stocks declined ten per cent. or more in the month. The accompanying table shows what stocks declined to that extent:

	Per cent.
Atlantic Coast Line	19
Brooklyn Rapid Transit	16⅝
Central New Jersey	17⅛
Chicago, Milwaukee & St. Paul	17
Chicago & Northwestern	23
" " pref	15
Delaware & Hudson	25
Delaware, Lackawana & Western	17
Detroit United Railway	10¼
Great Northern pref	45½
Illinois Central	10⅛
Louisville & Nashville	11⅛
New York Central	14⅛
New York, Chicago & St. Louis	10⅝
Northern Pacific	29⅛
Reading	20
Union Pacific	15⅝
United Railways S. F	46
" " " pref	37
Wisconsin Central pref	14⅛

	Per cent.
Amalgamated Copper	15
American Locomotive	12¼
American Smelt. & Refinery	18¾
American Sugar Refinery	12⅛
Anaconda Copper	44
Brooklyn Union Gas	11
Consolidated Gas	14⅝
Federal Mining & Smelting	23
" pref	12⅛
General Electric	12¼
International Power	24
National Lead	11¼
New York Air Brake	14
Pacific Mail	12⅛
Pressed Steel Car	11¾
Pullman	19⅝
Sloss-Sheffield Steel & Iron	14
Tennessee Coal & Iron	13
Virginia-Carolina Chemical	14

What might have been the course of events had not the San Francisco disaster intervened, it is not possible to say. There has been talk of a proposed campaign to make a rampant bull market this spring, which that event has delayed if not killed. But prior to April 18 the situation was not entirely encouraging. The money market had become stringent and on April 5 call loans were made at thirty per cent. The bank statement of April 7 showed a deficit of $2,560,625 and the stock market, if there were any preparations for giving it an upward turn, showed no signs of immediate activity or improvement.

No little surprise was caused when on April 14 it was announced that the Secretary of the Treasury had entered upon an arrangement with some of the national banks to encourage the importation of gold. The plan had been in operation two days before the public had any inkling of it. The Secretary gave the banks the privilege of withdrawing gold from the Treasury upon a declaration that they had engaged gold for shipment to the United States, and upon depositing securities against the gold withdrawn. The arrangement was in fact to deposit public moneys in the banks in the usual way, the banks thus saving interest on the gold engaged while it was in transit. The object of the Secretary was to relieve the money situation, and nearly $33,000,000 of gold was engaged during the month, of which some $15,000,000 has arrived.

But for the San Francisco fire, which has made it necessary for foreign fire insurance companies to remit considerable sums of money to this country, it is doubtful if the Secretary's plan would have been entirely successful, as a rise in foreign exchange might have promptly wiped out the advantage which was afforded in saving the interest on shipments.

The Secretary originally limited the amount of deposits, to obtain gold, to $25,000,000, but after the San Francisco fire he removed the limit.

The legislation on insurance matters at Albany last month has more or less influence upon the stock market. All the bills proposed by the Armstrong Committee have been enacted into laws, and some of their provisions are of vital interest to investors.

The entire body of trustees of two of the great life insurance companies, owning $800,000,000 of assets, is legislated out of office, their places to be filled at an election to be held next December. Who shall control this immense aggregate of assets, is a question the settling of which may have considerable influence upon values in the future. Another provision which may be even more influential in affecting the market prices of securities requires the life insurance companies to dispose of certain classes of securities which they now own. They will have a year in which to sell them, and it is not to be expected that the companies will sacrifice them, but the fact that they must sell is taken as an unfavorable factor in the market.

With the fire companies selling securities to meet their liabilities in California and the life insurance companies selling stocks to comply with the law, there is at least a rare combination which is apt to encourage the view that the security market may be overloaded.

Coupled with this condition is the known requirement of various corporations for more money to carry out plans already formulated. There is a considerable amount of new securities to be marketed with some of the syndicate machinery once very effective not at present in good repair.

Congress has been busy most of the month with railroad rate regulation legislation. There have been some important changes in position and some compromises effected between antagonistic forces, and there is now a prospect of some law being enacted aimed at the railroads. To some extent there is a revival of the feeling against corporations which more than twenty-five years ago brought the "Granger" laws of the Western States into being and some years later created the Inter-State Commerce Commission.

The threatened strike of the anthracite coal miners has been imminent all month, but at the last minute was averted. It now seems more likely than at any previous time that there will be a settlement of the difficulty without war.

A strike of coal miners would probably have affected the iron and steel industry, and with that menace removed the immediate future of that industry seems to be very promising. The production of pig iron by the coke and anthracite furnaces amounted to 2,165,632 tons, the largest month's output ever recorded. In January, when the previous high record was made, the production was 2,068,893 tons. The weekly capacity of furnaces in blast on April 1 was 484,240 tons, an increase in March of 4,503 tons. Compared with a year ago there is an increase of 44,676 tons, or at the rate of more than 2,000,000 tons a year.

The condition of the steel trade is reflected in the statement for the first quarter of the year by the United States Steel Corporation. The net earnings for the first three months of 1906 were $36,634,490, as compared with $23,025,896 in 1905, and 13,208,886 in 1904, and $25,068,707 in 1903. The net earnings by months for the quarter in each of the last four years were as follows:

MONTH.	1903.	1904.	1905.	1906.
January	$7,425,775	$2,868,213	$6,810,847	$11,856,375
February	7,730,361	4,540,673	6,629,463	10,958,275
March	9,912,571	6,036,346	9,585,586	13,819,840
Total	$25,068,707	$13,445,232	$23,025,896	$36,634,490

These earnings indicate the extraordinary growth in the steel trade in the last few years, as well as the prosperous condition existing at the present time.

The first crop report of the year was issued on April 10, and showed the conditions of winter wheat on April 1. The average was 89.1 per cent., as compared with 91.6 per cent. on April 1, 1905, and 76.5 per cent. on April 1, 1904. The average reported on December 1 last was 94.1 per cent., showing a decline of five per cent. during the winter. The estimated acreage is 31,340,837 and the indicated crop upon the present condition is 473,249,000 bushels, as compared with 428,462,834 bushels, the actual crop in 1905. That the yield will be considerably less than indicated in the estimate may be assumed, but the outlook is certainly favorable for a good winter wheat crop this year. The following table shows the April 1st condition, acreage and actual yield of winter wheat in past years:

YEARS.	Condition.	Acreage.	Crop, bush.
1906	89.1	31,340,837	*473,249,000
1905	91.6	29,864,018	428,462,834
1904	76.5	26,865,855	332,935,348
1903	97.3	32,510,510	399,867,250
1902	78.8	28,581,426	411,788,666
1901	91.7	21,145,951	318,785,000
1900	82.1	25,605,714	330,890,712
1899	77.9	25,820,737	296,679,586
1898	86.7	25,736,989	379,813,291
1897	81.4	24,232,442	332.701,105
1896	77.1	22,612,686	264,339,099
1895	81.4	22,477,063	257,709,377
1894	86.7	23,306,500	326,398,840
1893	77.4	22,868,539	275,480,000
1892	81.2	25,989,070	359,191,000
1891	96.9	26,581,284	392,495,000
1890	81.0	23,520,104	255,374,000

* Estimated.

The Money Market.—The local money market was under considerable strain during the month, rates for call money reaching 30 per cent. at one time. The Treasury came to the relief of the market and weakened the influence of the heavy drain of money caused by the San Francisco disaster. At the close of the month call money ruled at 3½@4¾ per cent., with the majority of loans at 4½ per cent. Banks and trust companies loaned at four per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 5½@6 per cent. for all periods from sixty days to six months, on good mixed collateral. For commercial paper the rates are 5½@6 per cent. for sixty to ninety days' endorsed bills receivable, 5½@6 per cent. for first-class four to six months' single names, and six per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Dec. 1.	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*April 1.*	*May 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	4½–9	25 –75	3¾–4	4¾–6¾	4 –7¾	3½–4¾
Call loans, banks and trust companies................................	5 —	25 –75	3¾—	3 —	4 —	4 —
Brokers' loans on collateral, 30 to 60 days..................................	5½– ¾	6 – ½	4½—	5½–6	4¾–5	5½–6
Brokers' loans on collateral, 90 days to 4 months........................	5¼– ½	6 —	4½– ¾	5½– ¾	4¾–5	5½–6
Brokers' loans on collateral, 5 to 7 months..................................	5 —	5½—	4½– ¾	5¼– ½	4¾–5	5½–6
Commercial paper, endorsed bills receivable, 60 to 90 days............	5½– ¾	6 —	4½–5	5 – ½	5¼– ½	5½–6
Commercial paper prime single names, 4 to 6 months..............	5½– ¾	6 —	4¾–5¼	5¼– ¾	5¼– ½	5½–6
Commercial paper, good single names, 4 to 6 months..............	6 —	6½– 7	5½–6	6 --	6 —	6 —

NEW YORK BANKS.—There were wide fluctuations in the weekly statements issued by the clearing-house banks during the month. The deposits, which at the close of March were $1,004,000,000, two weeks later had fallen to below $982,000,000, a loss of $22,000,000. Loans in the same time fell from $1,025,000,000 to $1,009,000,000, a loss of $16,000,000. In the next two weeks deposits increased $47,000,000 and loans $30,000,000. Specie reserves had fallen to $172,000,000 early in the month, but the Treasury's offer to allow gold to be withdrawn upon the deposit of securities enabled the banks to increase their gold reserve $18,000,000 between April 7 and April 21. The worst showing was made on April 7, when there was a deficit in reserves of $2,560,000. Three weeks later a surplus of $16,000,000 was reported, but this was reduced to $10,367,000 on April 28.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Mar. 31...	$1,025,503,900	$177,895,000	$78,308,900	$1,004,290,500	$5,131,275	$51,845,000	$1,701,120,400
April 7...	1,032,709,400	171,758,000	76,541,700	1,003,441,300	*2,560,625	51,717,400	2,225,525,600
" 14...	1,009,275,200	172,704,700	77,538,200	981,861,600	4,772,500	51,452,300	2,044,064,900
" 21...	1,017,429,000	189,653,600	75,579,200	1,007,464,800	16,366,725	51,481,300	2,126,247,800
" 28...	1,039,210,500	186,734,300	80,803,900	1,028,683,200	10,367,400	51,188,400	1,965,375,614

* Deficit.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1904.		1905.		1906.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425	$977,651,300	$4,292,575
February	1,023,943,800	25,129,050	1,189,828,600	26,979,550	1,061,403,100	11,127,625
March	1,027,920,400	32,150,200	1,179,824,900	14,646,075	1,029,545,000	5,008,755
April	1,069,369,400	27,755,050	1,188,661,300	8,664,575	1,004,290,500	5,181,270
May	1,114,367,800	33,144,250	1,146,528,600	16,665,250	1,028,683,200	10,367,400
June	1,098,953,500	29,692,325	1,136,477,700	6,050,275	....	....
July	1,152,988,800	36,105,300	1,166,038,900	11,658,875	....	....
August	1,204,965,600	55,969,600	1,190,744,900	15,305,975	....	....
September	1,207,302,800	57,875,400	1,166,587,200	5,498,785	....	....
October	1,212,977,100	19,913,425	1,080,465,100	7,440,025	....	....
November	1,204,434,200	16,793,650	1,042,092,300	12,430,925	....	....
December	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146,163,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Mar. 31	$142,552,900	$153,977,500	$6,742,900	$7,157,200	$14,491,700	$5,876,900	*$4,225,675
April 7	144,649,700	156,316,300	6,710,200	6,985,900	14,905,500	5,832,900	*4,644,575
" 14	146,845,400	156,321,100	7,009,900	7,175,500	13,161,900	5,524,900	*6,208,075
" 21	146,438,000	157,625,300	7,022,900	7,293,500	14,597,700	5,945,200	*4,547,150
" 28	147,922,300	159,452,800	7,050,400	7,356,100	14,986,800	6,062,900	*4,407,000

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Mar. 31	$181,249,000	$201,189,000	$16,377,000	$4,210,000	$7,400,000	$142,720,700
April 7	181,934,000	207,835,000	16,627,000	4,089,000	7,421,000	177,098,300
" 14	181,318,000	204,904,000	16,129,000	4,695,000	7,478,000	163,778,300
" 21	177,812,000	210,215,000	15,841,000	4,909,000	7,485,000	161,263,900
" 28	177,742,000	202,781,000	15,484,000	5,403,000	7,433,000	157,807,200

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Mar. 31	$211,713,000	$237,211,000	$53,994,000	$14,091,000	$143,503,800
April 7	212,516,000	241,112,000	56,626,000	14,085,000	157,409,800
" 14	213,540,000	242,772,000	56,015,000	14,102,000	183,904,300
" 21	212,147,000	246,806,000	58,957,000	14,082,000	158,485,600
" 28	211,326,000	245,352,000	60,249,000	13,964,000	154,911,800

FOREIGN BANKS.—The Bank of England lost about $15,000,000 gold last month, the Bank of Germany $10,000,000, and Russia $13,000,000. The Bank of France shows a gain equal to the loss sustained by Russia. The latter has $75,000,000 less than was held a year ago.

FOREIGN EXCHANGE.—The stringency in the New York money market caused a rapid decline in sterling exchange early in the month. There

GOLD AND SILVER IN THE EUROPEAN BANKS.

	Mar. 1, 1906.		*April 1, 1906.*		*May 1, 1906.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England............	£37,263,884	....	£38,450,218	....	£35,504,720	....
France............	115,002,957	£42,148,531	116,906,386	£42,035,000	119,543,505	£42,295,517
Germany..........	36,362,000	12,120,000	38,792,000	12,981,000	36,523,000	12,174,000
Russia..............	94,605,000	3,890,000	92,635,000	4,762,282	90,063,000	4,914,000
Austria-Hungary..	45,853,000	12,685,000	46,089,000	12,859,000	46,257,000	12,880,000
Spain..............	15,067,000	23,448,000	15,078,000	23,849,000	15,111,000	24,183,000
Italy..............	28,260,000	3,756,800	28,297,000	3,855,600	28,360,000	3,886,700
Netherlands.......	6,388,300	6,100,200	6,054,000	6,045,600	5,469,300	5,929,800
Nat. Belgium......	3,540,000	1,770,000	3,422,000	1,11,000	3,232,000	1,616,000
Totals..........	£382,342,141	£105,918,531	£385,723,654	£108,048,482	£377,063,525	£107,822,517

was a sharp recovery on April 12, influenced by the action of the Treasury to stimulate gold imports. Later the market was weak and irregular and was affected by the transmission of insurance funds from Europe on account of the San Francisco fire.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Mar. 31...........	4.8250 @ 4.8260	4.8525 @ 4.8530	4.8580 @ 4.8590	4.82⅛ @ 4.82¼	4.81⅝ @ 4.82¼
Apr. 7...........	4.8235 @ 4.8250	4.8475 @ 4.8480	4.8515 @ 4.8525	4.81⅝ @ 4.81¾	4.81¼ @ 4.82
" 14...........	4.8225 @ 4.8235	4.8490 @ 4.8510	4.8525 @ 4.8550	4.81¾ @ 4.81⅞	4.81⅛ @ 4.82⅛
" 21...........	4.8125 @ 4.8150	4.8415 @ 4.8450	4.8460 @ 4.8510	4.80¼ @ 4.80⅜	4.80¼ @ 4.81
" 28...........	4.8125 @ 4.8135	4.8415 @ 4.8425	4.8485 @ 4.8495	4.80¾ @ 4.81	4.80½ @ 4.81½

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Jan. 1.	*Feb. 1.*	*Mar. 1.*	*April 1.*	*May. 1.*
Sterling Bankers—60 days......	4.81¾— 2	4.84 —	4.82⅝— ¾	4.82½— ⅝	4.81¼— ⅜
" " Sight........	4.85⅛— ¼	4.87¼— ⅜	4.86 — ⅛	4.85¼-- ⅝	4.84¼— ½
" " Cables.......	4.86⅛— ¾	4.87⅞—88	4.86⅝— ¾	4.85¾— ⅞	4.84⅞—85
" Commercial long......	4.81⅜— ⅝	4.83⅝— ¾	4.82⅜— ½	4.82⅛— ¼	4.81 — ¼
" Docu'tary for paym't.	4.80¾— 1⅞	4.83¼— 4⅛	4.82 — ⅞	4.81⅝— 2¼	4.80¾— 1¼
Paris—Cable transfers..........	5.15 —14⅜	5.15 —14⅝	5.16¼—	5.16⅞—	5.18¾— ⅛
" Bankers' 60 days..........	5.19⅜— 18¾	5.17½—	5.18¾—	5.19⅜—	5.21⅞— ¾
" Bankers' sight...........	5.17½— 16⅞	5.15⅝—	5.16⅞—	5.17½—	5.19⅜—18¾
Swiss—Bankers' sight............	5.18⅛—17½	5.16⅞—	5.18⅛—	5.18⅛—	5.19⅜—
Berlin—Bankers' 60 days........	94⅝— 11/16	94⅝— 11/16	94⅝—	94¼— 5/16	94 — ⅛
" Bankers' sight..........	95 — 1/16	95⅛—	94 11/16— ⅞	94 11/16—	94⅛— 3/16
Belgium—Bankers' sight.........	5.18⅝— ½	5.16¼—	5.18⅛—	5.18¾—	5.20⅝—20
Amsterdam—Bankers' sight....	40⅛—	40 3/16— ¼	40 — 1/16	40 1/32— 1/16	39⅞— 15/16
Kronors—Bankers' sight..... ..	26¾— ⅞	26 11/16— 13/16	26 11/16— 13/16	26¾— ⅞	26⅝— ⅞
Italian lire—sight................	5.16¼—	5.16¼—15⅝	5.16⅞— ¼	5.19⅞—	5.19⅜—18¾

MONEY RATES ABROAD.—The Bank of England reduced its rate of discount from 4 to 3½ per cent. on April 5, after maintaining the higher rate since September 28, 1905. Open market rates in London, however, advanced later in the month and are higher than they were a month ago. Discounts of sixty to ninety-day bills in London at the close of the month were 4 per cent., against 3⅛@3¼ per cent. a month ago. The open market rate at Paris was 2½ per cent., against 3 per cent. a month ago, and at Berlin and Frankfort 4½ per cent., against 3@4 per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Jan. 31, 1906.	*Feb. 28, 1906.*	*Mar. 31, 1906.*	*Apr. 30, 1906.*
Circulation (exc. b'k post bills)	£28,473,000	£28,266,000	£28,498,000	£29,062,000
Public deposits	8,019,500	18,097,000	19,259,000	8,329,000
Other deposits	45,341,500	45,449,000	43,620,000	43,082,000
Government securities	13,940,000	16,389,000	16,115,000	15,977,000
Other securities	34,876,500	38,032,000	36,754,000	36,394,000
Reserve of notes and coin	22,738,000	27,477,000	28,402,000	21,892,000
Coin and bullion	32,761,730	37,268,884	38,450,118	32,504,718
Reserve to liabilities	42.52%	43.13%	45.12%	38.76%
Bank rate of discount	4%	4%	4%	3½%
Price of Consols (2½ per cents.)	90¼	90⅝	90¼	90⅝
Price of silver per ounce	30⅛d.	30⅝d.	29 15/16d.	30½d.

SILVER.—The price of silver in London advanced quite steadily after the first week of the month, and reached 30 9-16d. on April 27, closing at 30½d. on April 30, a net gain of 9-16d. for the month.

MONTHLY RANGE OF SILVER IN LONDON—1904, 1905, 1906.

MONTH.	*1904.*		*1905.*		*1906.*		MONTH.	*1904.*		*1905.*		*1906.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 5/16	25⅛	28⅜	27 9/16	30¼	29 13/16	July......	27	26⅝	27 5/16	26⅞	....	....
February	27⅛	25⅝	28 5/16	27⅝	30 11/16	30⅛	August ..	27	26 5/16	28¼	27⅛	....	....
March....	26 11/16	25⅛	27 11/16	25 13/16	30 7/16	29	Septemb'r	26⅞	26	28¾	28	....	....
April.....	25½	24 7/16	26⅝	25 7/16	30 9/16	29⅝	October..	26 13/16	26⅛	28 13/16	28⅜	....	....
May......	25 13/16	25⅛	27 5/16	26⅛	....	....	Novemb'r	27 5/16	26¾	30 5/16	28 13/16	....	....
June.....	26⅛	25 5/16	27⅛	26¾	....	....	Decemb'r	28 9/16	27 5/16	30 5/16	29⅜	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.85	$4.88	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.85	4.88	Mexican 20 pesos	19.55	19.65
Twenty francs	3.86	3.89	Ten guilders	3.95	4.00
Twenty marks	4.74	4.78	Mexican dollars	.50½	.52
Twenty-five pesetas	4.78	4.82	Peruvian soles	.46¼	.48¼
Spanish doubloons	15.55	15.65	Chilian pesos	.46¼	.48¼

Bar silver in London on the first of this month was quoted at 30½d. per ounce. New York market for large commercial silver bars, 65⅝ @ 67⅛c. Fine silver (Government assay), 66 @ 68c. The official price was 65¾c.

NATIONAL BANK CIRCULATION.—The increase in bank-note circulation was less than $2,000,000 in April, while the Government bonds deposited to secure circulation increased $2,100,000. The national banks deposited nearly $27,000,000 of miscellaneous bonds to secure public deposits, and the total securities deposited for this purpose now amount to $106,000,000, as compared with $77,000,000 a month ago.

NATIONAL BANK CIRCULATION.

	Jan. 31, 1906.	*Feb. 28, 1906.*	*Mar. 31, 1906.*	*Apr. 30, 1906.*
Total amount outstanding	$543,230,080	$550,803,895	$554,666,967	$556,646,282
Circulation based on U. S. bonds	506,365,749	507,173,566	512,221,551	514,423,519
Circulation secured by lawful money	36,864,331	41,630,329	42,445,416	42,222,763
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	5,699,600	6,725,700	8,479,200	10,772,200
Four per cents. of 1925	3,743,500	4,058,500	3,989,500	3,749,500
Three per cents. of 1908–1918	1,878,140	1,958,240	2,219,540	2,263,840
Two per cents. of 1930	498,580,450	499,104,000	499,674,750	499,601,900
Total	$509,901,690	$511,846,440	$514,362,990	$516,387,440

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $4,850,600; 4 per cents. of 1925, $6,225,800; 3 per cents. of 1908-1918, $3,414,900; 2 per cents. of 1930, $44,133,000; District of Columbia 3.65's, 1924, $1,078,000; Hawaiian Islands bonds, $1,478,000; Philippine loan, $7,455,000; State, city and other bonds, $37,419,825; a total of $106,055,125.

Government Revenues and Disbursements.—The expenditures of the Government in April exceeded the revenues by $1,932,239, leaving the surplus for the ten months of the current fiscal year at $4,030,566. In 1905, April showed a deficit of more than $9,000,000, while for the ten months there was a deficit of $33,000,000. The expenditures so far during the fiscal year are $2,000,000 more than in 1905, but the revenues show an increase of nearly $40,000,000. Customs receipts have increased $31,000,000, and internal revenues $13,000,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	*April, 1906.*	*Since July 1, 1905.*
Customs	$23,481,830	$251,220,003
Internal revenue	19,083,153	206,132,640
Miscellaneous	2,528,384	34,214,967
Total	$45,092,867	$491,567,610
	*1,932,239	4,030,566

Expenditures.

Source.	*April, 1906.*	*Since July 1, 1905.*
Civil and mis	$11,772,838	$105,814,625
War	8,025,482	82,065,616
Navy	6,981,054	94,687,752
Indians	1,024,926	10,849,116
Pensions	10,170,238	117,578,321
Public works	5,197,359	54,224,582
Interest	3,853,209	22,297,032
Total	$47,025,106	$487,537,044

* Deficit.

United States Public Debt.

	Feb. 1, 1906.	*Mar. 1, 1906.*	*April 1, 1906.*	*May 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$595,942,350	$595,942,350	$595,942,350	$595,942,350
Funded loan of 1907, 4 "	116,755,050	116,755,050	116,755,050	116,755,050
Refunding certificates, 4 per cent	26,420	26,410	26,410	26,400
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	63,945,460	63,945,460	63,945,460	63,945,460
Total interest-bearing debt	$895,159,180	$895,159,170	$895,159,170	$895,159,160
Debt on which interest has ceased	1,170,825	1,156,705	1,139,425	1,139,145
Debt bearing no interest:				
Legal tender and old demand notes	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct	35,478,666	40,322,758	41,583,908	41,640,909
Fractional currency	6,866,709	6,866,709	6,865,959	6,865,959
Total non-interest bearing debt	$389,079,673	$393,923,766	$395,184,165	$395,241,166
Total interest and non-interest debt	1,285,409,678	1,290,239,641	1,291,482,760	1,291,539,471
Certificates and notes offset by cash in the Treasury:				
Gold certificates	539,252,869	542,360,869	544,746,869	550,691,869
Silver "	467,926,000	467,164,000	469,729,000	472,644,000
Treasury notes of 1890	8,086,000	7,969,000	7,794,000	7,661,000
Total certificates and notes	$1,015,264,869	$1,017,493,869	$1,022,269,869	$1,030,996,869
Aggregate debt	2,300,674,547	2,307,733,510	2,313,752,629	2,322,536,340
Cash in the Treasury:				
Total cash assets	1,404,710,877	1,418,958,612	1,434,138,945	1,441,615,921
Demand liabilities	1,110,825,795	1,116,240,526	1,124,279,623	1,134,489,696
Balance	$293,885,082	$302,718,086	$309,859,322	$307,126,224
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	143,885,082	152,718,086	159,859,322	157,126,224
Total	$293,885,082	$302,718,086	$309,859,334	$307,126,224
Total debt, less cash in the Treasury	991,524,569	987,521,555	981,623,822	984,413,247

United States Public Debt.—The net debt less cash in the Treasury shows an increase of $2,800,000 for the month, the net cash balance being reduced from $309,859,000 to $307,126,000. The principal of the debt is about the same as it was a month ago except an increase of more than $8,000,000 in gold and silver certificates issued. Against these, however, there is an increased amount of coin and bullion held in the Treasury.

Foreign Trade of the United States.—The foreign movement of merchandise in March made new records, the exports exceeding $145,000,000, the largest total for any corresponding month, and imports amounting to $113,625,000, the largest for any month in the history of our import trade. The excess of exports was nearly $32,000,000, which is $5,000,000 more than in 1905, but less than in 1903 or 1901. The total exports for the nine months ended March 31 are about $1,344,000,000, or nearly $200,000,000 more than in the previous years. The imports for the same time are $913,000,000, while the net exports are $430,000,000. This balance is the largest since 1901. The net imports of gold in March were only about $1,000,000, and for the nine months of the year, $18,000,000. In 1905 we exported $40,000,000 gold in the nine months, and in 1904 we imported $40,000,000.

Exports and Imports of the United States.

Month of March.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1901	$124,473,643	75,886,834	Exp., $48,586,809	Imp., $2,030,186	Exp., $2,443,820
1902	106,749,401	84,227,082	" 22,522,319	Exp., 1,796,633	" 994,792
1903	132,093,964	96,230,457	" 35,863,507	Imp., 3,525,130	" 2,185,879
1904	119,888,449	91,347,909	" 28,540,540	" 5,791,704	" 1,990,467
1905	136,978,429	110,431,188	" 26,547,241	" 2,740,808	" 1,659,836
1906	145,522,342	113,625,066	" 31,897,276	" 1,006,902	" 1,706,279
Nine Months.					
1901	1,139,668,627	599,426,674	Exp., 540,241,953	Imp., 25,946,381	Exp., 21,034,424
1902	1,080,987,514	678,694,539	" 402,292,975	" 1,208,163	" 16,524,903
1903	1,114,162,027	777,002,217	" 337,159,810	" 21,012,735	" 19,011,434
1904	1,167,835,075	745,710,093	" 422,124,982	" 56,008,452	" 15,313,680
1905	1,145,039,237	839,430,114	" 305,609,123	Exp., 40,515,988	" 17,533,200
1906	1,343,913,725	913,584,586	" 430,329,139	Imp., 18,185,374	" 18,157,040

Money in Circulation in the United States.—Nearly $44,000,000 was added to the volume of circulation in April. Of this increase nearly $29,000,000 was in gold coin and $2,000,000 in gold certificates. Silver certificates were increased nearly $11,000,000, and national bank notes nearly $4,000,000. The per capita of circulation is the largest ever reported, $32.22.

Money in Circulation in the United States.

	Feb. 1, 1906.	*Mar. 1, 1906.*	*Apl. 1, 1906.*	*May 1, 1906.*
Gold coin	$654,793,697	$648,856,052	$643,993,307	$672,524,404
Silver dollars	80,417,545	79,363,766	81,711,436	80,424,056
Subsidiary silver	107,589,534	107,381,453	109,489,339	109,494,665
Gold certificates	508,569,639	491,733,319	489,830,619	500,696,389
Silver certificates	459,019,134	462,752,963	465,110,695	467,574,470
Treasury notes, Act July 14, 1890	8,057,279	7,912,455	7,768,095	7,640,039
United States notes	337,693,281	336,086,877	337,524,081	337,180,321
National bank notes	524,489,823	537,215,618	541,077,216	544,765,959
Total	$2,680,629,932	$2,671,302,503	$2,676,504,788	$2,720,250,303
Population of United States	84,077,000	84,194,000	84,311,000	84,428,000
Circulation per capita	$31.88	$31.73	$31.75	$32.22

Money in the United States Treasury.—The Treasury in its efforts to make the money market easy reduced its net cash balance $26,000,000. Its net gold holdings are $24,000,000 less than on April 1, but they still amount to $260,000,000, or to $110,000,000 more than the reserve held against legal-tender notes.

MONEY IN THE UNITED STATES TREASURY.

	Feb. 1, 1906.	*Mar. 1, 1906.*	*Apl. 1, 1906.*	*May 1, 1906.*
Gold coin and bullion	$768,426,516	$768,151,387	$774,206,908	$760,928,166
Silver dollars	487,811,820	488,865,099	486,517,429	487,804,809
Subsidiary silver	9,521,847	9,787,503	7,274,248	7,425,109
United States notes	8,987,735	10,594,139	9,156,985	9,550,695
National bank notes	18,740,257	13,588,277	13,589,751	11,880,823
Total	$1,293,487,675	$1,290,986,405	$1,290,747,261	$1,277,587,102
Certificates and Treasury notes, 1890, outstanding	975,646,052	962,398,737	962,709,409	975,910,898
Net cash in Treasury	$317,841,623	$328,587,668	$328,037,852	$301,676,204

Supply of Money in the United States.—The stock of money in the country increased $17,000,000 in April, $15,000,000 being in gold, most of which was imported during the month. An increase of $2,000,000 in national bank notes makes up the balance.

SUPPLY OF MONEY IN THE UNITED STATES.

	Feb. 1, 1906.	*Mar. 1, 1906.*	*Apl. 1, 1906.*	*May 1, 1906.*
Gold coin and bullion	$1,423,220,213	$1,417,007,439	$1,418,202,210	$1,433,450,570
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	117,111,381	117,168,956	116,763,582	116,919,774
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	543,230,080	550,803,895	554,666,967	556,646,282
Total	$2,998,471.555	$2,999,890,171	$3,004,542,640	$3,021,926,507

PROSPECT OF GOOD CROPS.

SECRETARY WILSON of the Department of Agriculture says that reports from all parts of the country indicate good crops. The spring is late this year, not only in Washington, but throughout the country. There is fine corn weather, however, and everywhere the crops are in excellent condition. In the dry parts of the West there is plenty of moisture and all of the spring crops are doing finely. Farming has been reduced to a science and there is not the danger now of an absolute failure of crops in any section that used to prevail. Throughout the Middle West and West he expects to see bountiful crops this year.

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of April and the highest and lowest during the year 1906, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		APRIL, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	93⅜	77⅝	96⅞—Jan. 18	87¾—Apr. 28	95⅝	87¾	89¾
" preferred	105⅝	99	106 —Jan. 8	100 —Apr. 27	104½	100	101
Baltimore & Ohio	117	100⅛	117 —Jan. 27	106 —Apr. 28	115	106	107⅞
Baltimore & Ohio, pref.	100	95¾	99½—Jan. 5	94½—Apr. 12	98	94½	95
Brooklyn Rapid Transit	91⅝	56⅞	94⅛—Jan. 26	72¾—Apr. 28	89⅝	72¾	77⅛
Canadian Pacific	177⅛	130¾	177¾—Jan. 19	156 —Apr. 28	174⅞	156	160⅛
Canada Southern	74⅞	67	70⅞—Jan. 8	66⅜—Apr. 27	67½	66⅜	67¼
Central of New Jersey	235	190	231½—Jan. 22	205 —Apr. 27	222½	205	205
Ches. & Ohio	60⅛	45½	62¼—Jan. 23	53⅛—Apr. 28	60½	53⅛	55⅝
Chicago & Alton	44½	30	38¼—Jan. 15	30 —Jan 4	35	30¼	30¼
" preferred	83¾	73	80⅝—Jan. 12	74½—Jan. 10	76½	74½	75
Chicago, Great Western	25⅛	17½	23⅝—Jan. 20	18¼—Apr. 30	22¼	18¼	19¼
Chic., Milwaukee & St. Paul	187½	168⅛	193 —Jan. 22	162½—Apr. 27	179½	162½	164⅛
" preferred	192½	182½	196 —Jan. 22	181 —Apr. 26	185½	181	181
Chicago & Northwestern	249	190⅛	240 —Jan. 15	192 —Apr. 27	215	192	201
" preferred	263½	234	270 —Mar. 30	235 —Apr. 27	250	235	240
Chicago Terminal Transfer	20	7¾	18¼—Jan. 19	9¾—Apr. 19	11¼	9¾	11
" preferred	42½	17½	42¾—Jan. 22	27 —Apr. 27	29	27	29
Clev., Cin., Chic. & St. Louis	111	90	109⅞—Jan. 15	95 —Apr. 28	102¾	95	96
Col. Fuel & Iron Co.	59	38	83⅝—Jan. 26	45⅛—Apr. 28	67⅞	45⅛	48
Colorado Southern	30⅛	22¼	37 —Jan. 24	29½—Jan. 4	36	31¾	32½
" 1st preferred	69⅞	52	73⅛—Feb. 20	66½—Apr. 30	72⅜	66½	67¾
" 2d preferred	55	32½	56¾—Jan. 12	47 —Apr. 24	51⅝	47	47⅛
Consolidated Gas Co.	214	175	181¾—Jan. 23	130⅝—Apr. 27	145	130⅝	136⅞
Delaware & Hud. Canal Co.	240¾	178½	229½—Jan. 18	190 —Apr. 30	215	190	196
Delaware, Lack. & Western	498½	335	474¾—Feb. 2	438 —Apr. 28	455	438	440
Denver & Rio Grande	39¾	27¼	51⅞—Jan. 26	38 —Jan. 4	47¾	40	41¼
" preferred	91¼	83¼	91½—Jan. 22	85 —Apr. 27	90½	85	85¾
Duluth So. S. & Atl., pref.	46¾	21	45 —Jan. 11	32 —Apr. 28	43½	32	35
Erie	52¾	37½	50⅞—Jan. 16	39¼—Apr. 28	45⅞	39¼	44¾
" 1st pref.	85½	74⅞	83 —Jan. 15	75½—Apr. 24	79¾	75½	77
" 2d pref.	78⅜	55½	76⅜—Jan. 16	62½—Apr. 27	71	62½	64⅝
Express Adams	250	236	250 —Mar. 5	246 —Feb. 28	250	250	250
" American	246	209½	249½—Jan. 26	215 —Apr. 26	235	215	220
" United States	134	110	138½—Jan. 26	110 —Apr. 30	121	110	110
" Wells, Fargo	260	227	260 —Apr. 16	233 —Mar. 19	260	242½	250
Great Northern Pref.	335	236	348 —Feb. 9	282 —Apr. 27	327½	282	295⅝
Hocking Valley	121½	86⅝	135 —Apr. 24	113⅛—Feb. 8	135	124	130
" preferred	97¼	90	98½—Apr. 16	93½—Mar. 6	98½	94½	94½
Illinois Central	183	125¾	182 —Jan. 12	165 —Mar. 6	176¼	165¾	170
Iowa Central	32	24	34¾—Jan. 12	26 —Apr. 30	31⅞	26	27¼
" preferred	61	50	63¾—Jan. 13	51 —Apr. 30	60	51	52½
Kansas City Southern	36¼	22⅛	37⅝—Jan. 5	24½—Apr. 30	29¼	24½	25½
" preferred	70	52	71 —Jan. 5	52 —Apr. 30	59	52	53
Kans. City Ft. S. & Mem. pref.	87	81⅝	84½—Feb. 7	80¾—Apr. 24	82¾	80¾	81¼
Lake Erie & Western	47½	28¼	44⅞—Jan. 12	33 —Apr. 28	38½	33	33
Louisville & Nashville	157⅜	134½	156½—Jan. 19	141⅛—Apr. 28	152⅝	141⅛	143½
Manhattan consol	175	161	162 —Jan. 26	150⅝—Apr. 28	157	150⅝	152
Metropolitan securities	91	68⅝	75½—Jan. 15	65 —Feb. 28	74⅞	70½	71¼
Metropolitan Street	133	114	127 —Jan. 16	109¾—Apr. 30	118¾	109¾	110½
Mexican Central	26	18¼	26⅝—Jan. 19	19¼—Apr. 28	26	19¼	20¼
Minneapolis & St. Louis	84¾	56½	84¼—Jan. 11	73½—Mar. 22	77½	75	76
Minn., S. P. & S.S. Marie	145	89½	164 —Mar. 24	141½—Jan. 4	160	150	151⅛
" preferred	173	148	183¾—Jan. 11	163½—Apr. 30	174¼	163½	164

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		APRIL, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri, Kan. & Tex.	39½	24	40⅝—Jan. 12	30¾—Apr. 28	36¼	30¾	32⅝
• preferred	73	56¼	74⅜—Jan. 18	64¼—Apr. 27	73⅜	64¼	66
Missouri Pacific	110⅞	94½	106¾—Jan. 20	89¼—Apr. 28	98¾	89¼	91¼
Natl. of Mexico, pref	45	33⅛	41 —Mar. 14	36 —Apr. 27	39¾	36	37
• 2d preferred	24½	17¾	21¾—Feb. 24	19⅝—Mar. 2	21	20	20¾
N. Y. Cent. & Hudson River	167¾	136¾	156¼—Jan. 8	132 —Apr. 27	146½	132	135¼
N. Y., Chicago & St. Louis	76¼	42	73½—Apr. 17	59 —Mar. 5	73½	63⅛	67
• 2d preferred	95	74	91¾—Jan. 9	81 —Mar. 1	89	85⅞	86
N. Y., Ontario & Western	64	40⅝	57¼—Jan. 27	45¼—Apr. 30	53¼	45¼	47
Norfolk & Western	88⅛	76	93⅛—Feb. 1	84 —Feb. 28	91⅝	85⅝	87⅞
• preferred	96	91⅛	96 —Jan. 6	89⅛—Apr. 12	91½	89½	90
North American Co.	107	95⅝	107 —Jan. 12	94 —Apr. 30	102	94	96
Northern Pacific	216½	165	232½—Feb. 14	193½—Apr. 30	228	193½	199½
Pacific Mail	53¾	33	51½ - Jan. 19	34¼—Apr. 30	46¾	34¼	37¼
Pennsylvania R. R.	148	131½	147¼—Jan. 23	135⅝ Apr. 27	143¾	135⅝	137⅝
People's Gas & Coke of Chic.	115⅛	97¼	103 —Jan. 2	89½—Apr. 28	96	89½	91½
Pullman Palace Car Co	258	230	247¾ - Jan. 15	220¼—Apr. 28	239⅝	220¼	220¼
Reading	143¾	79	164 —Jan. 23	120 —Apr. 28	140	120	128
• 1st prefered	97	90	96 - Jan. 22	89½—Mar. 1	92	89½	90
• 2d preferred	101	84	102 —Jan. 20	90 —Apr. 30	96⅝	90	91
Rock Island	37⅞	21¾	28⅝—Apr. 2	24¾—Apr. 28	28⅝	24¾	25½
• preferred	85	60½	68⅝—Mar. 31	61½—Jan. 4	68½	62½	64
St. L. & San Fran. 2d pref	73½	45	51¼—Feb. 6	43 —Apr. 30	49¾	43	43½
St. Louis & Southwestern	27½	20	27⅞—Jan. 19	20¾—Jan. 2	24½	21¼	21¾
• preferred	66⅝	55	61½—Jan. 24	49 —Apr. 30	57½	49	53
Southern Pacific Co.	72⅝	57¾	72⅞—Jan. 22	62⅞—Apr. 24	70½	62⅞	64½
Southern Railway	38	28	42⅞—Jan. 26	35¾—Jan. 2	41⅞	36	37⅛
• preferred	102½	95	103 —Jan. 16	98⅝—Apr. 27	102⅞	98⅝	98¾
Tennessee Coal & Iron Co.	148	68	165 —Jan. 12	129 —Jan. 2	152	139	141½
Texas & Pacific	41	29¾	39¾—Jan. 24	28¾—Apr. 30	34¾	28¾	30⅝
Toledo, St. Louis & Western	43¾	34½	40½—Jan. 19	34¼—Apr. 28	36½	34¼	35
• preferred	65	51¾	59⅞—Jan. 19	51½—Apr. 30	56¼	51½	51½
Union Pacific	151¼	118	160½—Jan. 24	144¼—Apr. 28	159⅝	144¼	147
• preferred	101⅝	95½	99¼—Jan. 2	93 —Apr. 25	96	93	93
Wabash R. R.	24¼	17½	26½—Jan. 24	19 —Apr. 28	23⅛	19	20½
• preferred	48	37	53⅝—Feb. 27	40½—Jan. 3	51	41¼	43⅝
Western Union	95½	92	94¼—Jan. 26	91 —Mar. 20	93¼	91½	92½
Wheeling & Lake Erie	19¾	15	21¾—Feb. 6	16 —Apr. 28	20	16	17¼
• second preferred	28½	20	29½—Feb. 6	22 —Apr. 27	27	22	23½
Wisconsin Central	33½	20	33 —Jan. 17	23¼—Apr. 28	29¼	23¼	24
• preferred	64½	45	64 —Jan. 15	44½—Apr. 28	58¼	44½	47¼
"INDUSTRIAL"							
Amalgamated Copper	111¾	70	118¼—Feb. 13	100 —Mar. 5	115⅝	100⅝	104¼
American Car & Foundry	43⅝	31	47½—Jan. 24	37¼—Apr. 28	46	37¼	39⅝
• pref	104½	91¾	105 —Jan. 24	99⅛—Jan. 4	103⅛	100½	101
American Co. Oil Co	40½	27¾	44¼—Jan. 11	29½—Apr. 30	35	29½	31
American Ice	36	24¾	63½—Apr. 17	35¼—Jan. 2	63⅛	55	60¼
American Locomotive	76¼	33	78½—Jan. 3	59 —Apr. 30	71¼	59	61
• preferred	122¾	133¾	120¼—Jan. 16	111½—Apr. 28	115½	111½	113
Am. Smelting & Refining Co.	170⅝	79¾	174 —Jan. 18	144¾—Apr. 28	163½	144¾	149
• preferred	137	111¼	130 —Jan. 12	115 —Apr. 28	123½	115	117½
Am. Steel & Foundries	18⅝	6⅛	15¼—Jan. 17	10 —Apr. 30	13¾	10	10⅝
• pref	67½	35½	53¼—Jan. 17	42½—Mar. 1	47¼	42⅞	43½
American Sugar Ref. Co.	154⅜	130	157 —Jan. 8	130¾—Apr. 28	142⅞	130¾	133
American Tobacco, pref	109⅜	91⅞	109 —Jan. 22	100½—Apr. 30	105½	100½	101¾
Anaconda Copper Mining	295	100½	300 —Feb. 13	230 —Jan. 5	286	242	253
Central Leather	47½	40	49⅞—Jan. 24	40½—Apr. 28	46⅝	40½	41¾
• preferred	105⅞	102½	107½—Jan. 24	100½—Apr. 28	105½	100½	103½
Corn Products, Ref'g	22¾	8¾	26½—Mar. 31	22¼—Apr. 28	28	22¼	23¼
• preferred	79	40	84 —Mar. 31	77¼—Apr. 30	85¾	77¼	78
Distillers Securities	54½	34⅞	62⅜—Mar. 28	51 —Jan. 30	61¾	52	54⅝
Federal Min'g & Smelt., pref.	110½	75	112⅞—Jan. 22	94 —Apr. 28	106½	94	97
General Electric Co.	192	169	181¼—Jan. 9	162⅝ - Apr. 28	174⅞	162⅝	166
International Paper Co.	25¼	18⅛	26¼—Jan. 15	18¼—Apr. 30	23½	18¼	19½
• preferred	88¼	76	90 —Jan. 12	82½—Mar. 15	86	82½	83½
International Power	100	48	95 —Jan. 29	50 —Apr. 30	74	50	54½
International Steam Pump	40⅞	26	56 —Apr. 30	27 —Jan. 2	56	35	53½
National Biscuit	69½	52	71¼—Feb. 6	63 —Apr. 28	67½	63	64¾
National Lead Co.	89½	24½	95⅝—Jan. 19	70½—Feb. 28	85¼	74	75¾
Pressed Steel Car Co.	58⅞	34	64⅝—Jan. 24	46 —Apr. 30	57¾	46	48⅝
• preferred	101½	87	105 —Feb. 1	96 —Mar. 2	99¾	97	98
Republic Iron & Steel Co.	36½	15	39 —Jan. 12	25 —Apr. 28	32½	25	27½
• preferred	108	67	110½—Jan. 9	94 —Apr. 28	103¾	94	96
U. S. Rubber Co.	58½	33¾	58½—Jan. 23	48¾—Mar. 1	55⅝	49	50¼
• 1st preferred	118½	98⅝	115 —Jan. 15	106⅞—Apr. 28	115	106⅞	107½
U. S. Steel	43¼	24⅞	46¼—Jan. 20	38¾—Mar. 21	44½	39	41
• pref	107	90¾	113¼—Jan. 20	104¼—Mar. 5	109½	104⅝	106¾

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		APRIL SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	95¼	Apr. 24,'06	97	94	152,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	100¼	Apr. 30,'06	102⅜	100	726,000
" registered		....	A & O	100¼	Apr. 26,'06	100¼	100¼	3,000
" adjustment, g. 4's	1995	25,616,000	NOV	94¼	Apr. 27,'06	95½	94¼	41,000
" registered		....	NOV	95	Sep. 11,'05	....	....	....
" stamped	1995	26,112,000	M & N	93	Apr. 27,'06	95¼	93	189,000
" registered		....	M & N	96	Feb. 19,'06	....	....	....
" fifty-yearconv. g.4's	1955	35,750,000	J & D	102	Apr. 30,'06	103⅞	101¾	2,220,000
" registered		....	J & D	....		....	....	....
" serial debenture 4's—								
" series D	1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series E	1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series F	1908	2,500,000	F & A	98¾	Apr. 10,'04	98¾	98¾	2,000
" registered		....	F & A	....		....	....	....
" series G	1909	2,500,000	F & A	100½	Jan. 19,'06	....	....	....
" registered		....	F & A	....		....	....	....
" series H	1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
" registered		....	F & A	....		....	....	....
" series I	1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series J	1912	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series K	1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
" registered		....	F & A	....		....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....		....	....	....
" East.Okla.div.1stg.4's	1928	6,128,000	M & S	99½	Feb. 23,'06	....	....	....
" " registered		....	M & S	....		....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....		....	....	....
Atlan.Coast LineR.R.Co.1stg.4's	1952	43,141,000	M & S	98¾	Apr. 28,'06	100¼	98¾	238,000
" registered			M & S	102	Nov. 27,'05	....	....	....
Charleston& Savannah 1st g.7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	132⅞	Jan. 30,'06	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114⅝	Nov. 14,'05	....	....	....
Brunswick & W'n 1st gtd.g.4's	1938	3,000,000	J & J	99½	Mar. 30,'06	....	....	....
"L'ville & Nash. col." g. 4's	1952	35,000,000	M & N	94	Apr. 27,'06	94¾	93½	40,000
" registered		....	M & N	....		....	....	....
Sil.SpsOc.& G.RR.&ldg.gtdg.4s	1918	1,067,000	J & J	99½	Apr. 5,'06	99½	99½	1,000
Balt. & Ohio prior lien g. 3½s	1925	72,822,000	J & J	94¼	Apr. 26,'06	95	94¼	123,000
" registered			J & J	96	Nov. 7,'04	....	....	....
" g. 4s	1948	70,963,000	A & O	101¾	Apr. 30,'06	103⅛	101½	243,000
" g. 4s. registered			A & O	101¼	Apr. 5,'06	101¼	101¼	3,000
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	92	Apr. 6,'06	92	92	5,000
" registered			QFeb	....		....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	31,347,000	M & N	98¼	Apr. 30,'06	98¾	97½	187,000
" Southw'n div. 1st g.3½s	1925	43,590,000	J & J	90¾	Apr. 27,'06	92	90	121,000
" registered			Q J	92⅛	June 23,'05	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	108½	July 13,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's	1917	633,000	J & J	98	Mar. 23,'06	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	117½	Apr. 7,'06	117½	117½	5,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124	Apr. 26,'06	124	124	1,000
" cons. 1st 6's,	1922	3,920,000	J & D	128½	Feb. 23,'06	....	....	....
Buff. & Susq. 1st refundg g. 4's	1951	6,521,000	J & J	98½	Apr. 6,'06	98½	98½	9,000
registered			J & J	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	101⅝	Apr. 30,'06	102¼	101⅛	38,000
• 2d mortg. 5's,	1913	6,000,000	M & S	105⅛	Apr. 20,'06	105⅛	105¼	8,000
• registered			M & S	105¼	Jan. 3,'04	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	95	Mar. 22,'06	....	....	....
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	120	Mar. 22,'06	....	....	....
• registered $1,000 & $5,000			F & A	....	....	....	....	....
• con. g. 5's	1945	16,700,000	M & N	113¾	Apr. 30,'06	114½	112⅝	109,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	113	Apr. 17,'06	118	113	5,000
• 1st. pref. inc. g. 5's,	1945	2,899,000	OCT 1	97	Apr. 30,'06	98¼	97	85,000
• • stamped		1,601,000	OCT 1	98½	Apr. 9,'06	98½	98⅛	8,000
• 2d pref. inc. g. 5's	1945	3,915,000	OCT 1	87	Apr. 28,'06	93	87	257,000
• • stamped		3,085,000	OCT 1	87	Apr. 30,'06	92	87	215,000
• 3d pref. inc. g. 5's	1945	2,169,000	OCT 1	86	Apr. 30,'06	90¾	86	208,000
• • stamped		1,831,000	OCT 1	86	Apr. 28,'06	90⅝	86	115,000
• Chat. div. pur. my. g. 4's.	1951	2,051,000	J & D	94⅛	Apr. 25,'06	94⅛	94⅛	3,000
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	110⅝	Sept. 5,'05	....	....	....
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	128	Apr. 27,'06	129½	128	24,000
• registered			Q J	127½	Apr. 7,'06	127½	127½	1,500
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	118	Apr. 16,'06	118	118	1,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....	....	....	....	....
Lehigh & W.-B. Coal con. 5's.	1912	2,691,000	Q M	102	Mar. 7,'06	....	....	....
• con. extended gtd. 4½'s.	1910	12,175,000	Q M	101	Apr. 25,'06	101	100½	35,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....	....	....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106¼	Feb. 2,'06	....	....	....
• Mortgage gold 6's	1911	2,000,000	A & O	110½	Mar. 6,'06	....	....	....
• 1st con. g. 5's	1939	25,858,000	M & N	118½	Apr. 27,'06	118½	118	36,000
• registered			M & N	116¼	Dec. 1,'05	....	....	....
• Gen. m. g. 4½'s	1992	40,573,000	M & S	105¼	Apr. 28,'06	106½	105	220,000
• registered			M & S	105	Apr. 12,'06	105	105	5,000
• Craig Val. 1st g. 5's	1940	650,000	J & J	112	Feb. 28,'06	....	....	....
• (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	101¾	Apr. 17,'06	102	101⅝	13,000
• 2d con. g. 4's	1989	1,000,000	J & J	96¾	Apr. 20,'06	96¾	96¾	3,000
• Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	99¾	Feb. 2,'06	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	80	Apr. 25,'06	80½	80	8,000
• • registered			A & O	....	....	....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	80¼	Apr. 24,'06	80½	80⅛	38,000
registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
• Denver div. 4's	1922	4,534,000	F & A	101	Apr. 2,'06	101	101	6,000
• Illinois div. 3½s	1949	50,835,000	J & J	92¾	Apr. 28,'06	94¼	92¾	16,000
• registered			J & J	96⅛	Feb. 24,'05	....	....	....
• Illinois div. 4s	1949	10,306,000	J & J	104¾	Mar. 15,'06	....	....	....
• registered		....	J & J	....	....	....	....	....
• (Iowa div.) sink. f'd 5's,	1919	2,329,000	A & O	110¼	Jan. 5,'05	....	....	....
• 4's	1919	7,712,000	A & O	100	Apr. 3,'06	100	100	3,000
• Nebraska extensi'n 4's,	1927	25,071,000	M & N	106¼	Apr. 25,'06	107	106¼	93,000
• registered			M & N	106¼	June 16,'05	....	....	....
• Southwestern div. 4's.	1921	2,382,000	M & S	100	Apr. 10,'05	....	....	....
• 4's joint bonds	1921	215,225,000	J & J	98½	Apr. 30,'06	100¾	98¼	1,849,000
• • registered			Q JAN	97¼	Apr. 30,'06	99⅝	97⅛	175,000
• 5's, debentures	1913	9,000,000	M & N	107	Mar. 28,'06	....	....	....
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	108¼	Apr. 21,'06	106¼	108¼	7,000
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	96¾	Mar. 9,'06	....	....	....
• registered			J & J	....	....	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	104⅛	Mar. 22,'06	....	....	....
• small bonds			J & D	108½	July 8,'04	....	....	....
• 1st con. 6's, gold	1934	2,653,000	A & O	133	Apr. 11,'06	133	132	10,000
• gen. con. 1st 5's	1937	16,529,000	M & N	119¼	Apr. 16,'06	120	119¼	6,000
• registered			M & N	118⅛	Feb. 26,'06	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118¼	Mar. 28,'06	....	....	....
Chicago, Indianapolis & Louisville.								
• refunding g. 6's	1947	4,700,000	J & J	133	Apr. 28,'06	134⅝	133	5,000
• ref. g. 5's	1947	4,942,000	J & J	114¼	Apr. 3,'06	114¼	114¼	4,000
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	107¾	Mar. 29,'06	....	....	....
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g. 5's.	1914	4,748,000	J & J	108⅛	Mar. 27,'06	....	....	....
• gen. g. 4's, series A	1989	23,676,000	J & J	107½	Apr. 28,'06	108	107½	9,000
• registered		....	Q J	109½	June 18,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	LAST SALE.		APRIL SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
" gen. g. 3½'s, series B.	1989	2,500,000	J & J	93⅛	Apr. 30,'06	95	93⅛	15,000
" registered			J & J	....		....	....	....
" Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
" Chic. & M. R. div. 5's,	1926	3,083,000	J & J	116	Apr. 3,'06	116	116	54,000
" Chic. & Pac. div. 6's,	1910	3,000,000	J & J	108	Apr. 28,'06	108⅛	108	9,000
" 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	114	Apr. 24,'06	114¾	113⅛	9,000
" Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	109	Mar. 15,'06	....	....	....
" Far. & So. g. 6's assu...	1924	1,250,000	J & J	137⅛	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	111¾	Mar. 13,'06	....	....	....
" 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D, ex.	1908	546,000	J & J	182⅛	Apr. 5,'06	182⅛	182⅛	1,000
" 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	112	Mar. 7,'06	....	....	....
" Mineral Point div. 5's,	1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
" 1st So. Min. div. 6's....	1910	7,432,000	J & J	108⅛	Apr. 10,'06	108⅛	108⅛	1,000
" 1st 6's, Southw'n div.,	1909	4,000,000	J & J	106¾	Feb. 13,'06	....	....	....
" Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	112¾	Apr. 7,'06	112¾	112¾	1,000
" Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	108¾	Mar. 17,'06	....	....	....
" 1st con. 6's	1913	5,092,000	J & D	115	Feb. 10,'06	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	125	Apr. 4,'06	125	125	1,000
" extension 4's.....	1886-1926	18,632,000	F A 15	108	Apr. 12,'06	104⅛	103	2,000
" registered			F A 15	102	Mar. 31,'06	....	....	....
" gen. g. 3½'s	1987	20,538,000	M & N	99	Apr. 25,'06	99	99	18,000
" registered			Q F	103	Nov. 19,'98	....	...	....
" sinking fund 6's..	1879-1929	5,686,000	A & O	114⅛	Nov. 2,'05	....	....	....
" registered			A & O	114⅛	Feb. 7,'06	....	....	....
" sinking fund 5s'..	1879-1929	6,702,000	A & O	108¾	Apr. 25,'06	108¾	108⅛	5,000
" registered			A & O	108¼	Nov. 14 '05	....	....	....
" deben. 5's	1909	5,618,000	M & N	104⅛	Mar. 23,'06	....	....	....
" registered			M & N	104	Mar. 3,'04	....	....	....
" deben. 5's	1921	10,000,000	A & O	112¼	Mar. 2,'06	....	....	....
" registered			A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.	1933	9,800,000	M & N	116¾	Mar. 9,'06	....	....	....
" registered			M & N	117	Feb. 8,'06	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	105¼	Dec. 11,'05	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	104	Dec. 5,'05	....	....	....
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	125	Apr. 27,'06	126⅛	125	10,000
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	117¼	Apr. 11,'06	117⅞	117¼	8,000
" Ashland div. 1st g. 6's	1925	1,000,000	M & S	142⅛	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.	1924	1,281,000	J & J	128⅛	Feb. 27,'06	....	....	....
" con. deb. 5's	1907	436,000	F & A	105⅛	Sept. 18,'05	....	....	....
" incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	120⅝	Feb. 21,'06	....	....	....
" registered	1917		J & J	119	Mar. 23,'06	....	....	....
" gen. g. 4's	1988	61,581,000	J & J	101⅝	Apr. 25,'06	103	101⅝	116,000
" registered			J & J	99⅛	Apr. 27,'06	99⅛	99⅛	6,000
" refunding 4s	1934	44,342,000	A & O	93⅛	Apr. 30,'06	94¾	92¾	376,000
" registered			A & O	96	Nov. 29,'05	....	....	....
" coll. tr. ser. 4's.								
" D	1906	1,494,000	M & N	....		....	....	....
" E	1907	1,494,000	M & N	....		....	....	....
" F	1908	1,494,000	M & N	....		....	....	....
" G	1909	1,494,000	M & N	....		....	....	....
" H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
" I	1911	1,494,000	M & N	97⅛	May 28,'05	....	....	....
" J	1912	1,494,000	M & N	96¾	Dec. 19,'05	....	....	....
" K	1913	1,494,000	M & N	....		....	....	....
" L	1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
" M	1915	1,494,000	M & N	96	Nov. 11,'05	....	....	....
" N	1916	1,494,000	M & N	93	May 24 '04	....	....	....
" O	1917	1,494,000	M & N	94⅛	Dec. 14,'05	....	....	....
" P	1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,938,000	M & N	79	Apr. 30,'06	80¾	78½	589,000
" registered			M & N	79	Dec. 19,'05	....	....	....
" coll. trust g. 5's	1913	17,342,000	M & S	89¾	Apr. 30,'06	91½	89	248,000
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	101¾	Apr. 30,'06	101¾	101⅝	27,000
" con. 1st & col. tst 5's.	1934	11,000,000	A & O	119¼	Feb. 23,'06	....	....	......
" registered			A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	111	Nov. 20,'04	....	....	....
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	106⅝	Jan. 3,'06	....	....	....
" con. g. 5's	1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	108	Apr. 7,'06	108	108	2,000
small bond	1923	....	A & O	110¾	Mar. 3,'06	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Chic., St.P., Minn. & Oma. con. 6's	1930	14,953,000	J & D	133	Apr. 23,'06	135	133	11,000
• con. 6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,6.9,000	M & N	133	Apr. 27,'06	133	133	6,000
North Wisconsin 1st mort. 6's	1930	641,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	120⅛	Apr. 11,'06	120¼	120⅛	6,000
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	100⅛	Apr. 10,'06	100⅛	100⅛	1,000
• coupons off				99½	Apr. 30,'06	100	99⅛	51,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,036,000	Q M	113⅛	Mar. 20,'06	....	....	....
Cin., Ham. & Day 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	112	Mar. 12,'06	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....		....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	91	Mar. 27,'06	....	....	....
Clev., Cin., Chic. & St.L. gen. g. 4's	1993	20,749,000	J & D	103⅝	Apr. 30,'06	104¼	103¼	48,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¼	Feb. 6,'06	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	100½	Apr. 9,'06	100¾	100½	11,000
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	101¼	Apr. 24,'06	101¼	101	6,000
• registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,545,000	Q F	102¾	Apr. 4,'06	102¾	102¾	1,000
• registered				103	Feb. 5,'06	....	...	....
• con. 6's	1920	654,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	112⅝	Apr. 6,'06	112⅝	112⅝	5,000
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	122	Jan. 29,'07	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	134	Feb. 15,'06	....	....	....
• registered			J & J	....		....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	97	Apr. 19,'06	96½	96½	13,000
• income 4's	1990	4,000,000	A	72	Apr. 28,'06	74½	72	34,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	115½	Mar. 29,'06	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
• registered			Q J	....		....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	76	Apr. 26,'06	77½	75½	110,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	93¾	Apr. 27,'06	94¾	93¾	200,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	104⅞	Apr. 11,'06	104⅞	104⅞	2,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	123½	Apr. 16,'06	126⅛	123½	2,000
• 1st c. gtd 7's	1915	11,677,000	J & D	127	Jan. 16,'06	....	....	....
• registered			J & D	127	June 23,'05	....	....	....
• 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....		....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	126½	Mar. 9,'06	....	....	....
• const. 5's	1923	5,000,000	F & A	112	Mar. 24,'06	....	....	....
• terml. imp. 4's	1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	104¼	Jan. 10,'06	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133	Feb. 13'06	....	....	....
• reg	1917		M & S	149	Aug. 5,'01	....	....	....
Alb. & Sus. cuv. con. 40y. g. 3½'s	1946	10,000,000	A & O	107¾	Apr. 30,'06	109	107¾	100,000
• registered			A & O	....		....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	100	Apr. 30,'06	101	100	58,000
• con. g. 4½'s	1936	6,382,000	J & J	108	Mar. 24,'06	....	....	....
• impt. m. g. 5's	1928	8,318,500	J & D	108	Apr. 2,'06	108	108	2,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	96¾	Apr. 26,'06	97¾	96¼	33,000
• mge. & col. tr. g. 4's ser. A	1949	13,336,000	A & O	89½	Apr. 4,'06	89½	88	32,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	1,050,000	J & D	99¼	Feb. 19,'06	....	....	....
• g. 4s	1995	1,250,000	J & D	96¾	Mar. 23,'06	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
• Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	88	Apr. 19,'06	88	88	18,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	112	Apr. 25,'06	113⅛	112	25,000
• registered			A & O	112½	Feb. 13,'06	....	....	....
• 2d 1 m 6s	1916	2,000,000	J & J	....		....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	113½	Apr. 12,'06	113½	113½	2,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....		....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	116⅝	Apr. 23,'06	116⅝	116⅝	10,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107½	Jan. 30,'06	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	114½	Feb. 23,'06	....	...	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	108¼	Mar. 21,'06	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	115¼	Jan. 24,'06	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101	Jan. 8,'06	....	....	....
" 1st cons. gold 7's	1920	16,890,000	M & S	130	Apr. 27,'06	130½	130	18,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	133	Feb. 21,'06	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	35,000,000	J&J	101	Apr. 30,'06	101½	100¼	154,000
" registered			J&J	100¼	Apr. 19,'06	100¼	100¼	1,000
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	91	Apr. 30,'06	93	91	142,000
" registered			J&J	88	Nov. 15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	91½	Apr. 30,'06	92¾	91½	76,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	102¼	Apr. 30,'06	106¾	101	273,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	122½	Feb. 26,'06	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	104⅝	Feb. 16,'06	....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121½	Apr. 24,'06	122	119½	13,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	102¾	Dec. 5,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	135½	Feb. 23,'06	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅝	Dec. 8,'05	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121½	Oct. 17,'05	....	....	....
" small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¼	Jan. 11,'06	....	....	....
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	116	Apr. 23,'06	116½	116	9,000
" 2d g. 4½'s	1937	447,000	F & A	103	Feb. 3,'06	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	107¼	Apr. 25,'06	107½	106	8,000
" term. 1st g. 5's	1943	2,000,000	M & N	118¾	Dec. 30,'05	....	....	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	113	Apr. 12,'06	113	113	2,000
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	116	Apr. 25,'06	116	116	1,000
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	109½	Apr. 20,'06	109½	109½	3,000
" Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	106¼	Feb. 21,'06	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	114¼	Apr. 20,'06	114½	112½	23,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	89	Mar. 22,'06	....	....	....
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	104	Apr. 30,'06	104	104	2,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	14,139,000	J & J	107¾	Apr. 28,'06	110	107¾	53,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100	Apr. 23,'06	100	100	1,000
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,441,000	......	100	Apr. 3,'06	100	100	2,000
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	100	Feb. 20,'06	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	100½	Jan. 19,'06	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000.	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	104½	Apr. 14,'06	105¾	104½	3,000
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105	Apr. 23,'06	105¾	105	13,000
" registered			M & N	106½	July 11,'05	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	92¼	Apr. 27,'06	92¼	91½	2,000
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	78½	Apr. 10,'06	78½	78½	1,000
" St. Louis div. g. 3's	1951	4,939,000	J & J	86½	Dec. 9,'05	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	82½	Feb. 7,'06	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	107¾	Jan. 26,'06	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carondt 1st 6's	1923	470,000	J & D	122	July 7,'04	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	123½	Mar. 9,'06	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
• gold 5's, registered		16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
• registered			J D 15	106¼	Aug. 17,'99	....	....	....
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	108⅞	Jan. 30,'06	....	....	....
• 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	100	Apr. 3,'06	100	100	3,000
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	118¼	Mar. 29,'06	....	....	....
• 2d g. 5's	1909	10,391,000	M & S	99	Apr. 26,'06	99	98	8,000
• 3d g. 4's	1921	2,960,500	M & S	78	Dec. 14,'05	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	112	Apr. 24,'06	112	112	12,000
• refunding g. 4's	1951	2,000,000	M & S	86	Mar. 15,'06	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	71	Apr. 30,'06	73⅛	71	182,000
• registered			A & O	68¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115¾	Apr. 17,'06	115¾	115⅝	12,000
• 2d mtge. g. 5's	1941	3,625,000	J & J	118⅛	Mar. 24,'06	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	117	Jan. 17,'06	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	109¾	Apr. 26,'06	110¼	109¾	19,000
• registered		....	J&J	112½	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's	2003	20,100,000	M & N	98¼	Apr. 24,'06	98¼	98¼	2,000
• registered			M & N	....	....	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	118¾	Apr. 10,'06	118¾	118¾	2,000
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	112⅝	Apr. 6,'06	112⅝	112⅝	10,000
• registered	1933		J & J	....	....	....	....	....
• 1st 40-yr. gtd. int. red to 4%	1933	1,400,000	J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	98⅛	Dec. 22,'05	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	113⅞	Jan. 22,'06	....	....	....
• • g. gtd 5's	1914	1,250,000	A & O	105¼	Jan. 5,'06	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	114½	Apr. 23,'06	114½	114¼	6,000
• 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	102	Mar. 2,'06	....	....	....
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	102	Nov. 27,'05	....	....	....
• g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
• unified g. 4's	1949	6,860,000	M & S	98	Apr. 26,'06	98	98	6,000
• deb. g. 5's	1934	1,135,000	J & D	110	June 22,'04	....	....	....
• gtd. refunding g. 4's	1949	22,408,000	M & S	99¾	Apr. 26,'06	100¾	99¾	76,000
• • registered			M & S	99	Mar. 19,'06	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	106½	Dec. 9,'05	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's,	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	888,000	M & S	111	Jan. 23,'06	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,425,000	QJAN	112½	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	105	Jan. 26,'06	....	....	....
Louis. & Nash. gen. g. 6's	1930	7,492,000	J & D	118	Apr. 17,'06	119	119	7,000
• gold 5's	1937	1,764,000	M & N	121⅛	Feb. 27,'06	....	....	....
• Unified gold 4's	1940	37,562,000	J & J	103	Apr. 27,'06	103⅛	102½	140,000
• registered	1940		J & J	100	Apr. 21,'06	100	100	20,000
• collateral trust g. 5's,	1931	5,129,000	M & N	115	Mar. 17,'06	....	....	....
• 5-20yr. col. tr. deed g. 4's	1923	23,000,000	A & O	97½	Apr. 24,'06	98	97½	93,000
• E., Hend. & N. 1st 6's	1919	1,600,000	J & D	114¼	June 6,'05	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
• N.O. & Mobile 1st g. 6's	1930	5,000,000	J & J	129¼	Apr. 10,'06	129¼	129¼	2,000
• 2d g. 6's	1930	1,000,000	J & J	122¼	Mar. 19,'06	....	....	....
• Pensacola div. g. 6's	1920	405,000	M & S	114	Apr. 26,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	120½	Mar. 6,'06	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	74⅝	Oct. 4,'05	....	....	....
• At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	114⅛	Sept. 6,'05	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,414,000	M & S	108½	Jan. 3,'06	....	....	....
• Ken. Cent. g. 4's	1987	6,742,000	J & J	100¼	Apr. 19,'06	100¼	100¼	3,000
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	108½	Mar. 27,'06	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	96	Apr. 27,'06	96	96	22,000
• registered			Q Jan	95	Feb. 6,'05	....	....	....
• N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	114¾	Mar. 13,'06	....	....	....
• Pen. & At. 1st g. g. 6's,	1921	2,331,000	F & A	112½	Mar. 28,'06	....	....	....
• S. & N. A. con. gtd. g. 5's	1936	3,678,000	F & A	107	Dec. 4,'05	....	....	....
• sinking fund g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	97	Apr. 28,'06	97½	97	3,000
Manhattan Railway Con. 4's	1990	28,065,000	A & O	101¼	Apr. 24,'06	101⅝	101	44,000
• registered			A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	105¼	Apr. 24,'06	105½	105¼	16,000
Manitoba Swn. Coloniza n g. 5's,	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's	1911	65,690,000	J & J	78½	Apr. 30,'06	82½	78½	311,000

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• 1st con. inc. 3's	1939	20,511,000	JULY	20⅛	Apr. 28,'06	25¾	20⅝	341,000
• 2d 3's	1939	11,724,000	JULY	20¾	Apr. 30,'06	20¾	18⅛	442,000
• equip. & collat. g. 5's	1917	500,000	A & O	....		....	....	....
• 2d series g. 5's	1919	615,000	A & O	....		....	....	....
• col.trust g.4½'s1st se of	1907	10,000,000	F & A	98¾	Apr. 10,'06	98¾	98⅝	30,000
Mexican Internat'l 1st con g. 4's	1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
• stamped gtd		3,631,000	......	....		....	....	....
Mexican Northern 1st g. 6's	1910	935,000	J & D	....		....	....	....
• registered			J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....		....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	137	June 29,'05	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120	Feb. 8,'06	....	....	....
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	114	Apr. 16,'06	114	114	5,000
• 1st & refunding g. 4's	1949	9,350,000	M & S	94½	Mar. 2,'06	....	....	....
DesMoines&Ft.Dge1stgtd g.4's	1935	3,072,000	J & J	97	Apr. 19,'06	97	97	2,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	38,105,000	J & J	101	Apr. 30,'06	102¼	101	18,000
• stamped pay. of int. gtd.				....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
• stamped pay. of int. gtd.				89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	101⅛	Apr. 30,'06	102⅛	101	68,000
• 2d mtge. g. 4's	1990	20,000,000	F & A	86⅛	Apr. 30,'06	90	86⅛	88,000
• 1st ext gold 5's	1944	3,254,000	M & N	106½	Apr. ,30'06	107⅛	105⅞	58,000
• 1st & ref. mtg. 4s	2004	5,182,000	M & S	88½	Apr. 28,'06	88⅝	88	8,000
• • small			M & S	....		....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	90½	Apr. 24,'06	90½	90	11,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	108	Feb. 13,'06	....	....	....
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	90¼	Apr. 16,'06	90¼	90¼	2,000
Mo., Kan. & East. 1st gtd. g. 5s.	1942	4,000,000	A & O	113⅝	Apr. 6,'06	113¾	113⅝	7,000
Mo.,Kan.& Ok. 40 yr. 1st gtd.5s.	1942	5,468,000	M & N	108⅛	Apr. 6,'06	108½	108⅛	4,000
Mo.,K.& Tex.of Tex.1stgtd.g.5s	1942	4,505,000	M & S	106¼	Apr. 30,'06	106¼	106	6,000
Sher., Shreve.& So. 1st gtd.g.5s.	1943	1,689,000	J & D	108¼	Apr. 3,'06	108¼	108¼	1,000
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	105¾	Apr. 25,'06	106⅛	105¾	10,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	121¾	Apr. 30,'06	123	121¾	20,000
• 3d mortgage 7's	1906	3,828,000	M & N	104	Apr. 19,'06	104	104	1,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	104⅛	Apr. 20,'06	104¼	103½	84,000
• registered			M & S	107⅛	Feb. 17,'06	....	....	....
• 1st collateral gold 5's.	1920	9,636,000	F & A	103	Apr. 27,'06	106	103	10,000
• registered			F & A	....		....	....	....
• forty yrs. 4's g. loan.	1945	25,000,000	......	93	Apr. 23,'06	93	92¼	18,000
Cent. Branch Ry.1st gtg. g. 4's.	1919	3,459,000	F & A	97	Mar. 19,'06	97	97	1,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	103	Apr. 27,'06	103	103	6,000
• 2d extended g. 5's	1938	2,573,000	F & A	120⅝	Jan. 31,'06	....	....	....
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,624,000	A & O	113¼	Apr. 30,'06	115⅛	113	66,000
• stamped gtd gold 5's	1931	6,833,000	A & O	116	Nov. 6,'05	....	....	....
• unify'g & rfd'g g. 4's.	1929	30,469,000	J & J	91½	Apr. 30,'06	93¼	91½	21,000
• registered			J & J	87¼	Apr. 23,'04	....	....	....
• Riv&Gulf divs 1stg 4s.	1933	22,754,000	M & N	94¾	Apr. 30,'06	95¾	94¾	12,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	107½	Apr. 13,'06	107½	107½	10,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	115⅝	Apr. 14,'06	115⅝	113⅛	4,000
• small		226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	93	Oct. 9,'05	....	....	....
• small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson&Kan.City 1stg.5's.	1946	1,882,000	J & D	96	Apr. 7,'06	96	96	1,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126	Apr. 24,'06	127	126	2,000
• 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	....	....	....
• gen. g. 4's	1938	9,472,000	Q J	93¾	Jan. 20,'06	....	....	....
• Montg'rydiv.1st g.5's.	1947	4,000,000	F & A	113½	Apr. 10,'06	113½	113½	2,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	95	Mar. 27,'06	....	....	....
• collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	119⅝	Apr. 2,'06	119⅝	119⅝	1,000
• 1st cons. g. 5's	1928	7,608,000	A & O	112½	Apr. 16,'06	112½	112½	7,000
• 1st g.6's Jasper Branch.	1923	371,000	J & J	110¼	Feb. 16,'06	....	....	....
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat.R.R.of Mex.priorlieng.4½'s.	1926	20,000,000	J & J	105	Apr. 6,'06	105	105	5,000
• 1st con. g. 4's	1951	24,496,000	A & O	83⅛	Apr. 28,'06	84	83	21,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108⅛	Aug. 13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg.3½s.	1997	84,890,000	J & J	98	Apr. 30,'06	98¼	97½	223,000
• • registered			J & J	98¼	Feb. 15,'06	....	....	....
• deb. g 4s	1934	30,000,000	M & N	101½	Apr. 28,'06	101¾	101	227,000
• • registered			M & N	100¾	Apr. 25,'06	101⅛	101¾	2,000
Lake Shore col. g. 3½s	1998	90,578,000	F & A	88	Apr. 30,'06	89½	88	104,000
• registered			F & A	88½	Apr. 9,'06	88½	88¼	12,000

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				Price.	Date.	High.	Low.	Total.
Michigan Central col. g. 3½s	1998	19,836,000	F & A	89⅛	Apr. 6,'06	89⅛	89¼	2,000
" registered			F & A	86¼	Apr. 30,'06	89	86¼	4,000
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105½	Feb. 20,'06	....	....	....
" registered			J & J	104	Dec. 13,'05	....	....	....
" 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
" registered		....	J & J	....		....	....	....
" ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
" registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	699,000	J & J	87½	June 23,'04	....	....	....
" small bonds series B		32,500	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	105	Nov. 20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1966	1,650,000	F & A	105	Oct. 10,'02	....	....	....
" reg. certificates			F & A	....		....	....	....
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	104⅛	Feb. 28,'06	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	180,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	105⅞	Apr. 27,'06	108	105⅞	35,000
" registered			J & J	105	Apr. 27,'06	106¾	104⅝	60,000
Lake Shore g 3½s	1997	50,000,000		100	Apr. 12,'06	100	100	12,000
" registered			J & D	98¼	Apr. 13,'06	98⅝	98¼	10,000
" deb. g. 4's	1928	50,000,000	M & S	96⅞	Apr. 30,'06	99¾	96¼	551,000
Detroit, Mon. & Toledo 1st, 7's	1906	924,000	F & A	101⅛	Feb. 9,'06	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	125⅛	Mar. 5,'06	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
" 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
" 5's	1931	3,576,000	M & S	120	Jan. 3,'06	....	....	....
" 5's reg	1931		Q M	119	June 6,'05	....	....	....
" 4's	1940	2,600,000	J & J	104⅛	Mar. 23,'06	....	....	....
" 4's reg			J & J	106⅛	Nov. 26,19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S	....		....	....	....
" 1st g. 3½'s	1952	18,000,000	M & N	97	Apr. 3,'06	97	97	1,000
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c	1900	12,000,000	M & N	105⅛	Mar. 2,'05	....	....	....
" 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's	1923	9,081,000	A & O	113¾	Apr. 11,'06	113¾	113¾	13,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107⅛	Feb. 4,'05	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104	Apr. 27,'06	104½	103¾	57,000
" registered			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	3,838,000	M & N	124	Feb. 24,'06	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115⅛	Oct. 15,'94	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	101⅛	Apr. 30,'06	101¾	101	59,000
" registered .... $5,000 only.		....	M & S	105⅝	Oct. 11,'05	....	....	....
Norfolk & Southern 1st g. 5's	1941	1,500,000	M & N	111	Feb. 14,'06	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132⅝	Apr. 27,'06	132⅝	132⅝	1,000
" imp'ment and ext. 6's	1934	5,000,000	F & A	130¾	Feb. 15,'06	....	....	....
" New River 1st 6's	1932	2,000,000	A & O	129¾	Nov. 27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	40,400,500	A & O	100⅛	Apr. 30,'06	101	100	270,000
" registered			A & O	100	Feb. 16,'06	....	....	....
" small bonds			A & O	....		....	....	....
" div. 1st lien & gen g. 4s	1944	11,000,000	J & J	97	Apr. 28,'06	99½	97	16,000
" " registered			J & J	....		....	....	....
" Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	91	Apr. 30,'06	92⅞	91	107,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109¼	Feb. 20,'05	....	....	....
" Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	101⅝	Apr. 27,'06	103	101⅝	16,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	103	Apr. 30,'06	104½	103	438,000
" registered			Q J	104	Mar. 23,'06	....	....	....
" gen. lien g. 3's	2047	56,000,000	Q F	77	Apr. 30,'06	77	76¼	151,000
" registered			Q F	75¼	Feb. 7,'06	....	....	....
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	101	Jan. 24,'06	....	....	....
" registered			J & D	....		....	....	....
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	125	Apr. 3,'06	125	125	6,000
" registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	113	Mar. 22,'06	....	....	....
" 2d 5's	1917	2,000,000	A & O	110	Mar. 13,'06	....	....	....
" 1st con. g. 4's	1968	1,000,000	J & D	100¼	Dec. 22,'05	....	....	....
Washington Cen. Ry 1st g. 4's	1948	1,538,000	Q M C H	94	Dec. 5,'05	....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,533,000	J & J	116¾	Mar. 26,'06	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118	Nov. 8,'05	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	114¾	Jan. 20,'06	....	....	....
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,009	A & O	100	Mar. 5,'06	....	....	....
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	112	Apr. 16,'06	112	111	12,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	....	....	....
" s. f. subsidy g 6's	1910	538,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	107⅝	Apr. 23,'06	108	107⅝	8,000
" reg	1921		J & J	107¾	Dec. 11,'05	....	....	....
" gtd.3½ col.tr.reg. cts.	1937	4,815,000	M & S	93⅝	Nov. 4,'05	....	....	....
" gtd.3½ col.tr.cts.serB	1941	9,581,000	F & A	91½	Mar. 7,'06	....	....	....
" Trust Co. ctfs. g. 3½'s.	1916	14,664,000	M & N	97½	Apr. 24,'06	97½	96⅝	118,000
" gtd. g. 3½'s tr. cts. s. C.	1942	4,948,000	J & D	....		....	....	....
" gtd. g. 3½'s tr. cts. s. D.	1944	10,000,000	J & D	90½	Mar. 20,'06	....	....	....
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	119½	Feb. 26,'06	....	....	....
" registered		....	A & O	110	May 3,'93	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....		....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug.21,'03	....	....	....
" Series B	1942	1,561,000	A & O	....		....	....	....
" " int. reduc. 3½ p.c.		439,000	......	....		....	....	....
" Series C 3½s	1948	2,944,000	M & N	98½	Dec. 15,'05	....	....	....
" Series D 3½s	1950	1,975,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,240,000	J & J	96¼	Jan. 2,'06	....	....	....
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	....		....	....	....
Ohio Con'ing Ry. 1st gtd.s.f.4's.	1943	2,000,000	M & S	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
" Series A	1940	10,000,000	A & O	112⅞	Feb. 2,'06	....	....	....
" Series B gtd	1942	8,786,000	A & O	109½	Apr. 30,'06	109½	109½	2,000
" Series C gtd	1942	1,379,000	M & N	112½	June12,'05	....	....	....
" Series D gtd. 4's	1945	4,983,000	M & N	103½	Dec. 15,'05	....	....	....
" Series E gtd. g. 3½s	1949	9,851,000	F & A	92½	Mar. 5,'06	....	....	....
" Series F c. gtd. g. 4's	1953	10,000,000	J & D	....		....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	3,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
" 2d 7's	1912	1,918,000	J & J	118	Apr. 17,'06	118	118	4,000
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy.&O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....		....	....	....
" 4½'s series B	1933	978,000	J & J	....		....	....	....
" 4's series C	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept.21,'04	....	....	....
" registered			Q M	....		....	....	....
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug.28,'03	....	....	....
" ten year conv. 3½'s	1912	20,480,000	M & N	99½	Apr. 30,'06	102¼	99¼	10,914,000
Penn. R.R. 10-year conv. g.3½'s.	1915	99,676,000	J & D	95½	Apr. 30,'06	96⅞	95⅝	2,850,000
" registered		....	J & D	....		....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,889,000	M & S	104¼	Oct. 28,'05	....	....	....
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J	....		....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's,	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108¾	Feb. 6,'06	....	....	....
Phila. Balto. & Wash. 1st g. 4's.	1943	10,570,000	M & N	110½	Feb. 24,'06	....	....	....
" registered			M & N	....		....	....	....
Pitts.Va.&Charl.Ry1stgtdg.4's.	1943	6,000,000	M & N	....		....	....	....
Sunbury & Lewistown 1stg.4's.	1936	500,000	J & J	....		....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept.28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr.28,'02	....	....	....
Flint & Pere Marquette g. 6's.	1920	3,999,000	A & O	112½	Apr. 17,'06	112½	112½	1,000
" 1st con. gold 5's	1939	2,850,000	M & N	110½	Jan. 22,'06	....	....	....
" Port Huron d 1st g 5's.	1939	3,325,000	A & O	110	Apr. 23,'06	110	110	2,000
Sag'w Tusc. & Hur. 1st gtd.g.4's.	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'98	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	120	Mar. 23,'06	....	....	....
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	68,330,000	J & J	100	Apr. 30,'06	100⅝	100	699,000
" registered			J & J	101½	Jan. 6,'06	....	....	....
" Jersey Cent. col. g. 4's	1957	23,000,000	......	99⅝	Apr. 7,'06	99⅝	99⅝	8,000
" " registered		....	......	....		....	....	....
Atlantic City 1st con. gtd. g.4's.	1951	1,850,000	M & N	....		....	....	....
Philadelphia & Reading con.6's.	1911	7,304,000	J & D	110⅞	Mar. 5,'06	....	....	....
" registered		663,000	J & D	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale.		April Sales.		
				Price.	Date.	High.	Low.	Total.
• 7's	1911	7,810,000	J & D	115⅛	Mar. 22,'06	....	....	....
• • registered		8,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's	1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	76	Dec. 20,'05	....	....	....
• guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J	100	Feb. 2,'06	....	....	....
Rutland Canadian 1stgtd.g.4's	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 3.342	1947	3,500,000	J & J	92½	Apr. 25,'06	92½	92½	1,000
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J	122	Jan. 18,'06	....	....	....
• 2d g. 6's	1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B	1906	998,000	M & N	102⅛	Jan. 31,'06	....	....	....
• 2d g. 6's, Class C	1906	829,000	M & N	102¾	Mar. 21,'06	....	....	....
• gen. g. 6's	1931	3,681,000	J & J	125	Feb. 13,'06	....	....	....
• gen. g. 5's	1931	5,808,000	J & J	113½	Apr. 17,'06	114	113¼	4,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	98½	Sept. 26,'05	....	....	....
• S. W. div. g. 5's	1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
• refunding g. 4's	1951	60,104,000	J & J	84¾	Apr. 30,'06	88	84½	421,000
• • registered			J & J	....		....	....	....
• 5 year 4½'s gold notes	1908	5,728,000	J & D	96	Feb. 9,'06	....	....	....
Kan. Cy Ft.S.&MemRRcong6's	1928	13,736,000	M & N	125	Aug. 31,'05	....	....	....
Kan.Cy Ft.S &MRyrefggtd g4s	1936	17,810,000	A & O	84¼	Apr. 26,'06	84½	84	111,000
• registered			A & O	78½	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1stgtdg5s	1929	3,000,000	A & O	....		....	....	....
St. Louis Memp.So.E. gtd.g.4½s	1909	15,627,000	J & D	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	97¼	Apr. 26,'06	98⅛	97¼	42,000
• 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	85	Mar. 16,'06	....	....	....
• con. g. 4's	1932	16,678,000	J & D	78⅞	Apr. 30,'06	80	78⅞	52,000
Gray's Point, Term. 1stgtd.g.5's	1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	6,646,000	A & O	106¼	Apr. 19,'06	106¼	106¼	6,000
• 1st con. 6's	1933	13,344,000	J & J	137½	Feb. 17,'06	....	....	....
• 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s		19,322,000	J & J	111¼	Apr. 16,'06	111½	110¼	24,000
• 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's	1910	5,040,000	M & N	111	Mar. 19,'06	....	....	....
• Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	102	Mar. 27,'06	....	....	....
• registered			J & D	103½	Sept. 19,'05	....	....	....
• Pac.Ext.sterl.gtd.4s $5=£1.	1940	£4,000,000	J & J	....		....	....	....
Eastern R'y Minn, 1std. 1stg.5's	1908	4,700,000	A & O	101¼	Apr. 18,'06	101¼	101¼	4,000
• registered			A & O	....		....	....	....
• Minn. N. div. 1stg.4's	1940	5,000,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	136	Feb. 1,'06	....	....	....
• 1st 6's, registered			J & J	134¾	Dec. 20,'04	....	....	....
• 1st g. g. 5's	1937	4,000,000	J & J	119½	Mar. 20,'06	....	....	....
• registered			J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
• registered			J & D	....		....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's	1942	4,940,000	M & S	112½	Jan. 16,'06	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,851,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	86½	Apr. 27,'06	88½	86½	82,000
• registered			A & O	....		....	....	....
• col. trust refdg g. 5's	1911	10,000,000	M & N	102¼	Apr. 26,'06	102¾	102⅜	97,000
Atlanta—Bir'hm 30-yr-1stg.4's	1933	5,760,000	M & S	95¼	Apr. 3,'06	95¼	95⅛	10,000
CarolinaCentral 1st con. g. 4's	1949	2,847,000	J & J	96½	Mar. 24,'06	....	....	....
Fla Cent & Peninsular 1st g.5's	1918	3,000,000	J & J	109¾	Apr. 25,'06	109¾	109¾	2,000
• 1st land grant ext g.5's	1930	410,000	J & J	....		....	....	....
• cons. g. 5's	1943	4,870,000	J & J	109¼	Mar. 3,'05	....	....	....
Georgia & Alabama 1st con.5's	1945	2,922,000	J & J	111½	Mar. 7,'06	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's	1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	....		....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.								
• g. 4's Central Pac. coll.	1949	28,818,500	J & D	91½	Apr. 28,'06	93¾	91½	136,000
• • registered			J & D	92	Apr. 4,'06	92	92	1,000
• two-five ys. col. tr. 4's	1910	7,253,000	J & D	....		....	....	....
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	109½	Feb. 19,'06	....	....	....
Cent. Pac. 1st refud. gtd.g.4's	1949	79,292,000	F & A	99	Apr. 30,'06	100¾	99	196,000
• registered			F & A	98	Apr. 7,'05	....	....	....
• mtge. gtd. g. 3½'s	1929	17,493,000	J & D	88½	Apr. 30,'06	88¾	88½	24,000
• • registered			J & D	....		....	....	....
• throughSL1stgtdg.4's	1954	8,800,000	A & O	99	Mar. 30,'06	....	....	....
• registered			A & O	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	106	Feb. 21,'06	....	....	....
• Mex. & P. div 1st g 5's	1931	13,418,000	M & N	111½	Jan. 26,'06	....	....	....
Gila Val.G.& N'n 1st gtd g 5's	1924	1,514,000	M & N	105½	Apr. 6,'05	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		APRIL SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Houst. E. & W. Tex. 1st g. 5's..	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
• 1st gtd. g. 5's...........	1933	2,199,000	M & N	105½	Apr. 6,'06	105½	105½	10,000
Houst. & T.C. 1st g 5's int. gtd..	1937	4,592,000	J & J	111½	Apr. 24,'06	111½	111½	7,000
• con. g 6's int. gtd......	1912	2,290,000	A & O	111½	Apr. 13,'06	111½	111½	2,000
• gen. g 4's int. gtd......	1921	4,275,000	A & O	99	Mar. 19,'06	....	....	....
• W&Nwn.div.1st.g.6's.	1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....		....	....	....
Morgan's La & Tex. 1st g 6's....	1920	1,494,000	J & J	118	Feb. 17,'06	....	....	....
• 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's..	1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
• gtd. g. 5's..................		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........	1927	18,235,000	J & J	102½	Mar. 2,'06	....	....	....
San Ant.&Aran Pass 1st gtd g 4's.	1943	17,544,000	J & J	88	Apr. 24,'06	89	88	126,000
South'n Pac. of Ariz. 1st 6's.....	1909	6,000,000	J & J	105½	Mar. 14,'06	....	....	....
• • •	1910	4,000,000	J & J	107	Apr. 28,'06	107	107	1,000
• of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	102	Jan. 2,'06	....	....	....
• • • E. & F.	1902		A & O	113¾	Feb. 15,'06	....	....	....
• • •	1912		A & O	116	June 29,'04	....	....	....
• 1st con. gtd. g 5's...	1937	6,809,000	M & N	119	Jan. 3,'06	....	....	....
• stamped........	1905–1937	21,470,000	......	108⅜	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's.	1937	5,500,000	J & J	....		....	....	....
• of N. Mex. c. 1st 6's.	1911	4,180,000	J & J	109½	Feb. 23,'05	....	....	....
Tex.&N.O. Sabine div. 1st g 6's.	1912	2,575,000	M & S	111¼	Jan. 6,'06	....	....	....
• con. g 5's..............	1943	1,620,000	J & J	110	Apr. 10,'06	110	110	3,000
Southern Pacific R.R. Co............		75,000,000	J & J	95	Apr. 30,'06	97	94⅛	650,000
• st. refundg mtge. s. f. 4's.	1955		J & J	....		....	....	....
Southern Railway 1st con. g 5's.	1994	44,7 6,000	J & J	116	Apr. 30,'06	118	116	187,000
• registered..................			J & J	117⅛	Jan. 25,'06	....	....	....
Mob. & Ohio collat. trust g. 4's.	1938	8,069,000	M & S	.96	Apr. 19,'06	96	96	7,000
• registered.................			M & S	....		....	....	....
• Memph.div.1stg.4-4½-5's.	1996	5,183,000	J & J	118½	Apr. 4,'05	118½	118	1,000
• registered..................			J & J	....		....	....	....
• St. Louis div. 1st g. 4's...	1951	11,750,000	J & J	98½	Apr. 19,'06	98¾	98½	18,000
• • registered.........			J & J	....		....	....	....
Alabama Central, 1st 6's.......	1918	1,000,000	J & J	113	Jan. 4,'06	....	....	....
Atlantic & Danville 1st g. 4's..	1948	3,925,000	J & J	96⅜	Apr. 12,'05	96⅜	96⅜	10,000
• 2d mtg..................	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s.	1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's.....	1916	2,000,000	J & J	116½	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's.	1930	3,106,000	J & J	115½	Apr. 10,'06	115½	115½	1,000
• con. 1st g 5's...........	1956	12,770,000	M & N	119½	Apr. 10,'06	119½	119½	5,000
• reorg. lien g 4's.......	1938	4,500,000	M & S	116½	Feb. 8,'06	....	....	....
• registered.................			M & S	....		....	....	....
Ga. Midland Ry. Co., 1st 3's.....	1946	1,650,000	A & O	74¼	Mar. 30,'06	....	....	....
• Pacific Ry. 1st g 5-6's......	1922	5,660,000	J & J	121⅝	Mar. 23,'06	....	....	....
Knoxville & Ohio, 1st g 6's.....	1925	2,000,000	J & J	122⅜	Apr. 10,'06	122⅜	122⅜	1,000
Rich. & Danville, con. g 6's....	1915	5,597,000	J & J	114½	Apr. 16,'06	114½	114½	1,000
• deb. 5's stamped:.....	1927	3,368,000	A & O	114½	Feb. 13,'06	....	....	....
Rich. & Mecklenburg 1st g. 4's.	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's....	1919	5,250,000	M & S	107½	Apr. 20,'06	108	107½	3,000
Vir. Midland serial ser. B 6's..	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small......................			M & S	....		....	....	....
• ser. C 6's..............	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small......................			M & S	....		....	....	....
• ser. D 4-5's............	1921	950,000	M & S	110	Dec. 22,'04	....	....	....
• small......................			M & S	....		....	....	....
• ser. E 5's..............	1926	1,775,000	M & S	113	Dec. 20,'05	....	....	....
• small......................			M & S	....		....	....	....
• ser. F 5's..............	1931	1,310,000	M & S	115¾	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's......	1936	2,392,000	M & N	114½	Jan. 16,'06	....	....	....
• gen. 5's. gtd. stamped.	1926	2,466,000	M & N	114½	Jan. 25,'06	....	....	....
W. O. & W. 1st cy. gtd. 4's.....	1924	1,025,000	F & A	97¾	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's........	1914	2,531,000	J & J	112¼	Mar. 20,'06	....	....	....
Spokane Falls & North. 1st g. 6's..	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s.	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.	1939	7,000,000	A & O	112	Jan. 16,'06	....	....	....
• 1st con. g. 5's.....	1894–1944	5,000,000	F & A	120	Apr. 24,'06	120	119½	6,000
• gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	98½	Apr. 24,'06	99⅛	98½	14,000
• " " registered.			J & J	....		....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's...	1930	3,500,000	A & O	112⅛	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's.......	2000	25,000,000	J & D	123	Apr. 30,'06	123⅜	122¾	35,000
• 2d gold income, 5's......	2000	963,000	MAR.	102	Jan. 9,'06	....	....	....
• La. Div. B.L. 1st g. 5's...	1931	4,241,000	J & J	108¾	Mar. 29,'06	....	....	....
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's.........	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		APRIL SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	114¾	Apr. 13,'06	114¾	114¾	3,000
• 1st M. g.5's West. div.	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
• gen. g. 5's	1935	2,000,000	J & D	107¼	Mar. 6,'06	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	96	Apr. 16,'06	96	95¾	5,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	98¼	Apr. 17,'06	98¾	98¼	3,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	90	Mar. 28,'06	....	....	....
• registered			J & J	....	....	....	....	....
• fifty years g. 4's	1925	6,500,000	A & O	80½	Apr. 27,'06	82	80½	55,000
• registered			A & O	....	....	....	....	....
Toronto, Hamilton & Buff 1st g 4s	1946	3,280,000	J & D	99½	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	110¼	Apr. 27,'06	110¼	110¼	2,000
• 1st ref. g. 4's	1952	700,000	A & O	98	Jan. 20,'06	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	104½	Apr. 30,'06	105¼	103⅛	859,000
• registered			J & J	103⅛	Apr. 25,'06	105	102½	6,000
• 1st lien con. g. 4's	1911	1,217,000	M & N	148	Apr. 30,'06	160¾	146¼	280,000
• registered			M & N	149⅛	Apr. 26,'06	149⅛	146⅛	2,000
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	100½	Apr. 30,'06	102	100½	77,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	122½	Apr. 28,'06	122½	122	9,000
• 1st con. g. 5's. 1946		12,328,000	J & J	116½	Apr. 25,'06	116½	116½	1,000
• gtd. refunding g. 4's	1929	45,000,000	J & D	94⅞	Apr. 28,'06	96¾	94⅞	444,000
• • registered			J & D	96⅛	Dec. 30,'05	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	105½	Jan. 16,'06	....	....	....
• g. 5's	1926	1,842,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's	1955	10,000,000	F & A	102⅞	Feb. 2,'06	....	....	....
• registered			F & A	....	....	....	....	....
Vera Cruz & Pac. tr. gtd. g. 4½'s	1934	2,500,000	J & J	101⅜	Nov. 29,'05	....	....	....
• 1st mtg. gtd. bonds of 1934, scaled int. to 191 Speyer & Co's coupns		4,500,000	J & J	....	....	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	112½	Apr. 30,'06	114	112½	6,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	116	Apr. 30,'06	116½	115	52,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	105	Apr. 27,'06	105½	105	49,000
• deben. mtg series A	1939	3,500,000	J & J	95	Feb. 28,'06	....	....	....
• series B	1939	26,500,000	J & J	75¾	Apr. 30,'06	82	72½	1,564,000
• first lien eqpt. fd. g. 5's	1921	2,600,000	M & S	102	Dec. 28,'05	....	....	....
• 1st lien 50 yr. g. term 4's	1954	2,508,000	J & J	93	Mar. 24,'06	....	....	....
• 1st g. 5's Det. & Chi. ex	1940	3,349,000	J & J	109½	Apr. 23,'06	110	109½	20,000
• Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
• Omaha div. 1st g. 3½s	1941	3,173,000	A & O	84	Apr. 14,'06	84	84	1,000
• Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	97	May 27,'05	....	....	....
St.L., K.C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109½	Mar. 13,'06	....	....	....
Wabash Pitts Terml Ry 1st g. 4's	1954	29,000,000	J & D	83¾	Apr. 30,'06	85⅝	83¾	55,000
• 2d g. 4's	1954	20,000,000	J & D	36	Apr. 30,'06	38½	35	266,000
Western Maryland 1st 4's	1952	33,194,000	A & O	84	Apr. 27,'06	86¾	84	103,000
West. M'land. g. lien & con. g. 4's	1952	10,000,000	A & O	71½	Apr. 30,'06	74½	71½	207,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	117½	Apr. 12,'06	117½	117½	1,000
• gen g. 3-4's	1943	9,789,000	A & O	94¾	Apr. 9,'06	94¾	94½	25,000
• inc. 5's	1943	10,000,000	Nov.	31	Apr. 7,'06	31	31	1,000
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114	Jan. 20,'06	....	....	....
• Wheeling div. 1st g. 5's	1928	894,000	J & J	112½	Feb. 9,'06	....	....	....
• exten. and imp. g. 5's	1930	343,000	F & A	114	June 23,'05	....	....	....
• 20 year eqptmt s.f.g.5's	1922	2,152,000	J & J	102⅝	Nov. 28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,697,000	M & S	89	Apr. 30,'06	90	89	15,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	91½	Apr. 30,'06	93	90½	341,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	105¾	Apr. 27,'06	107	105¾	29,000
• 1st ref. conv. g. 4's	2002	32,042,000	J & J	95¾	Apr. 30,'06	99	94¼	1,813,000
• • registered			J & J	....	....	....	....	....
• City R. R. 1st c. 5's 1916	1941	4,378,000	J & J	106¼	Apr. 13,'06	106¼	106¼	6,000
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	104	Apr. 11,'06	104	104	2,000
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	108	Apr. 30,'06	109½	107½	112,000
• stamped guaranteed			......	110	Feb. 6,'06	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	90	Feb. 27,'06	....	....	....
• stamped guaranteed			......	91	Apr. 30,'06	92¾	91	15,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	88	Apr. 27,'06	88½	85	20,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light g 1st & rfg. g 4½'s	1951	10,913,000	J & J	102	Mar. 29,'06	....	....	....
• stamped guaranteed			......	102½	Apr. 2,'06	102½	102½	1,000
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13.19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	11,367,000	J & J	95	Apr. 26,'06	96½	95	9,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	94	Apr. 26,'06	94¾	93¾	22,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	110	Apr. 27,'06	110½	110	15,000
″ refunding 4's	2002	16,418,000	A & O	86	Apr. 25,'06	88	86	62,000
B'way & 7th ave. 1st con. g. 5's	1943	7,660,000	J & D	113⅛	Apr. 12,'06	114½	113⅛	5,000
″ registered			J & D	119½	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's	1993	3,000,000	M & S	115	Apr. 23,'06	115	115	2,000
″ registered			M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's	1993	5,000,000	M & S	115	Apr. 7,'06	115	115	5,000
″ registered			M & S	....	....	....	....	....
Third Ave. R.R. 1st c. gtd. g. 4's	2000	36,943,000	J & J	92¾	Apr. 30,'06	94	92½	45,000
″ registered			J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's	1937	5,000,000	J & J	118⅛	Mar. 1,'06	....	....	....
Met. West Side Elev. Chic. 1st g. 4's	1938	9,808,000	F & A	94	Oct. 23,'05	....	....	....
″ registered			F & A	....	....	....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's	1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's	1919	4,050,000	J & J	107½	Feb. 14,'06	....	....	....
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's	1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	114½	Nov. 18,'05	....	....	....
″ gtd. gold 5's	1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Salt Lake City 1st g. sk. fd 6's	1913	297,000	J & J	....	....	....	....	....
Undergr'd Elec. Rys. of London Ltd.		16,550,000	J & J	97½	Apr. 27,'06	98½	97¼	217,000
5% profit sharing notes 1908 series A			J & D	....	....	....	....	....
″ series B			J & D	....	....	....	....	....
″ series C			J & D	....	....	....	....	....
″ series D			J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g. 5's	1945	4,387,000	A & O	106¼	July 13,'05	....	....	....
United Railways of St. L. 1st g. 4's	1934	28,292,000	A & O	88½	Mar. 22,'06	....	....	....
″ St. L. T. Co. gtd. imp. 20 yr 5's	1924	10,000,000	A & O	96½	Apr. 12,'06	96½	96½	10,000
United R. R. of San Fr. s. fd. 4's	1927	20,000,000	A & O	78⅛	Apr. 30,'06	85¾	71	381,000
West Chic. St. 40 yr. 1st cur. 5's	1928	3,969,000	M & N	87	Sept. 9,'05	....	....	....
″ 40 years con. g. 5's	1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....
MISCELLANEOUS BONDS.								
Adams Express Co. col. tr. g. 4's	1948	12,000,000	M & S	103	Apr. 30,'06	103¾	102¾	15,000
Am. Steamship Co. of W. Va. g. 5's	1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N.Y. 1st c. g. 5's	1948	6,500,000	F & A	48	Feb. 14,'06	....	...	....
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	108	July 3,'05	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an.	1911	1,432,000	A & O	74	Mar. 2,'06	....	....	....
Hackensack Water Co. 1st 4's	1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's	1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's	1951	11,580,000	F & A	95½	Apr. 11,'06	95½	95½	3,000
″ registered			F & A	....	....	....	....	....
Provident L. Soc. of N.Y. g. 4's	1921	2,000,000	M & S	99	Mar. 17,'06	....	....	....
St. Joseph Stock Yards 1st g. 4½'s	1930	1,250,000	J & J	100½	Sept. 15,'05	....	....	....
St. Louis Term'l. Cupples Station. & Property Co. 1st g 4½'s 5-20	1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	113½	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.								
Series E 4's	1907–1917	1,000,000	J & D	....	....	....	....	....
″ F 4's	1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
″ G 4's	1903–1918	1,000,000	F & A	....	....	....	....	....
″ H 4's	1903–1918	1,000,000	M & N	....	....	....	....	....
″ I 4's	1904–1919	1,000,000	F & A	....	....	....	....	....
″ J 4's	1904–1919	1,000,000	M & N	....	....	....	....	....
″ K 4's	1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds	....	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.								
Am. Cotton Oil deb. ext. 4½'s	1915	5,000,000	......	96	Apr. 25,'06	96	96	21,000
Am. Hide & Lea. Co. 1st s. f. 6's	1919	7,863,000	M & S	95	Apr. 24,'06	96½	95	30,000
Am. Ice Securities Co. deb. g. 6's	1925	2,655,000	A & O	90½	Apr. 30,'06	92	90	97,000
″ small bonds			A & O	....	....	....	....	....
Am. Spirit Mfg. Co. 1st g. 6's	1915	1,750,000	M & S	102	Apr. 30,'06	103	102	22,000
Am. Thread Co. 1st coll. trust 4's	1919	6,000,000	J & J	91⅞	Apr. 30,'06	91⅞	91⅞	4,000
Am. Tobacco Co. 40 yrs g. 6's	1944	55,306,000	A & O	112⅝	Apr. 30,'06	114⅛	112½	1,193,000
″ registered			A & O	113½	Apr. 25,'06	113½	113½	1,000
″ g. 4's	1951	58,168,000	F & A	78¼	Apr. 30,'06	80⅛	78	1,218,000
″ ″ registered			F & A	77½	Apr. 30,'06	79¾	77½	22,000
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Central Leather Co. 20 yr. g. 5's	1925	33,876,000	A & O	97½	Apr. 30,'06	99½	97½	527,000

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MISCELLANEOUS BONDS—*Continued.*

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Consol. Tobacco Co. 50 year g. 4's.	1951	5,810,500	F & A	78¼	Apr. 30,'06	79¾	78⅛	88,000
" registered			F & A	78¼	Mar. 16,'06	....	....	....
Dis. Secur. Cor. con. 1st g. 5's	1927	13,609,000	A & O	84	Apr. 30,'06	86⅛	83⅛	452,000
Ill. Steel Co. deb. 5's stpd. non con.	1910	2,922,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con. g 6's	1918	9,724,000	F & A	109	Apr. 24,'06	109½	109	20,000
" con. conv. sinkg fund g 5s	1935	5,000,000	J & J	96½	Apr. 23,'06	97	96	8,000
Int. Steam Pump 10 year deb. 6's	1913	8,500,000	J & J	103½	Apr. 23,'06	103½	103½	3,000
Knick'r'ker Ice Co. (Chic) 1st g 5's	1925	1,937,000	A & O	97½	Oct. 2,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's	1923	15,000,000	A & O	103	Apr. 28,'06	104⅝	103	193,000
Nat. Starch Mfg. Co., 1st g 6's	1920	2,843,000	J & J	93½	Apr. 26,'06	93½	93	11,000
Nat. Starch. Co's fd. deb. g. 5's	1925	3,920,000	J & J	73	Apr. 14,'06	73	73	9,000
United Fruit Co., con. 5's	1911	2,177,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109½	Apr. 30,'06	109½	109	48,000
U. S. Reduction & Refin. Co. 6's	1931	....	......	99	Apr. 30,'06	102	99	89,000
U.S. Realty & Imp. con. deb. g. 5's	1924	13,284,000	......	96¾	Apr. 27,'06	97½	96½	57,000
U.S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963	....	M & N	99⅝	Apr. 30,'06	100⅛	99¼	5,190,000
" " " reg.	1963	170,000,000	M & N	97	Apr. 30,'06	100¼	97	28,000
Va. Carol Chem. col. tr. s. fd. g. 5's	1912	6,500,000	A & O	100¼	Apr. 20,'06	100¼	100	14,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's	1943	5,855,000	F & A	103	Mar. 14,'06	....	....	....
" conv. deb. g. 5's	1911	1,709,000	F & A	91½	Mar. 21,'06	....	....	....
" " registered			F & A	....	....	....	....	....
Col. C'l & I'n Dev. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19	....	....	....
" Coupons off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	600,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	102⅝	Apr. 25,'06	102⅝	102⅝	1,000
Col. Inds. 1st cv g & col tr gt 5s ser A	1934	12,980,000	F & A	75	Apr. 30,'06	80½	73	1,610,000
" registered		....	F & A	....	....	....	....	....
" 1st g & col tr gt 5s ser B	1934	12,537,000	F & A	74	Apr. 30,'06	79½	73	875,000
" " registered		....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105½	Oct. 10,'98	....	....	....
" 2d g. 5's	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	8,000,000	J & J	105½	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s	1928	1,121,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's	1946	1,044,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's	1912	321,000	J & D	105	Aug. 10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's	1951	4,424,000	J & J	100	Apr. 30,'06	100	99⅝	37,000
" Tenn. div. 1st g. 6's	1917	1,160,000	A & O	110½	Mar. 1,'06	....	....	....
" Birmingh. div. 1st con. 6's	1917	3,603,000	J & J	110	Apr. 24,'06	110	109⅝	12,000
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C & I Co. gtd. g. 6's	1910	2,716,500	F & A	103½	Feb. 20,'06	....	....	....
Utah Fuel Co. 1st s. f. g. 5's	1931	826,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,157,000	M & S	93	Apr. 30,'06	95¼	93	77,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st con g. 5's	1945	14,498,000	M & N	111½	Apr. 27,'06	112	111	7,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	75	Apr. 30,'06	76	75	18,000
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Consolidated Gas Co., con. deb. 6's	1909	19,857,500	J & J	139⅝	Apr. 30,'06	146½	137	1,341,000
Detroit City Gas Co. g. 5's	1923	5,608,000	J & J	103	Apr. 21,'06	103	103	11,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	Sept. 28,'05	....	....	....
Eq. G. L. Co. of N.Y. 1st con. g. 5's	1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c. g. 5s	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88½	Apr. 26,'06	88½	88½	2,000
Grand Rapids G. L. Co. 1st g. 5's	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	10,290,000	M & N	108½	Apr. 24,'05	108½	108½	5,000
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O	98	Feb. 8,'06	....	....	....
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's	1997	5,010,000	J & J	121	Feb. 23,'06	....	....	....
Edison El. Ill. Bkln 1st con. g. 4's	1939	4,275,000	J & J	93½	Mar. 13,'06	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	107	Apr. 25,'06	107½	107	17,000
" small bonds								
" refdg. & exten 1st g. 5s	1934	5,000,000	A & O	105½	May 20,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's	1927	7,000,000	M & N	94½	Apr. 6,'06	94½	94½	15,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y. Gas EL. H & P Co 1st col tr g 5's	1948	15,000,000	J & D	107½	Apr. 17,'06	107½	107½	4,000
" registered			J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's	1949	20,927,000	F & A	88	Apr. 30,'06	88	88	100,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	102½	Apr. 9,'06	102¼	101⅞	5,000
" 1st con. g. 5's	1995	2,156,000	J & J	118	Apr. 2,'06	118	118	2,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		APRIL SALES.		
				Price.	*Date.*	*High*	*Low.*	*Total.*
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	104½	Jan. 31,'06	....	....	....
N.Y.& RichmondGasCo.1stg. 5's.	1921	1,225,000	M & N	....		....	....	....
Paterson&Pas. G.&E. con.g.5's..	1949	8,817,000	M & S	104¾	Nov.13,'05	....	....	....
Peo. Gas & C. C. 1st con. g 6's...	1943	4,900,000	A & O	117	Apr. 30,'06	120	117	11,000
" refunding g. 5's.........	1947	2,500,000	M & S	103½	Apr. 14,'06	104¾	103½	8,000
" refuding registered....			M & S	....		....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's.	1937	10,000,000	J & J	107½	Mar. 15,'06	....	....	....
Con. Gas Co.Chic. 1st gtd.g.5's.	1936	4,346,000	J & D	108	Feb. 16,'06	....	....	....
MutualFuelGasCo.1stgtd.g.5's.	1947	5,000,000	M & N	103½	Dec. 13,'05	....	....	....
" registered..................		....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g. 5's..	1951	2,000,000	J & D	....		....	....	....
Trenton Gas & Electric 1st g. 5's.	1949	1,500,000	M & S	110	May 13,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.	1950	1,000,000	J & J	....		....	....	....
Westchester Lighting Co. g. 5's.	1950	5,918,000	J & D	106½	Apr. 3,'06	106½	106½	10,000
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's.	1929	53,000,000	J & J	95¼	Jan. 18,'06	....	....	....
Commercial Cable Co. 1st g. 4's.	2397.	9,170,000	Q & J	97	Mar. 2,'06	....	....	....
" registered.....................			Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Keystone Telephone Co. 1st 5's..	1935	4,000,000	J & J			....	....	....
" registered			J & J	....		....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.	1918	1,823,000	M & N	109½	May 18,'05	....	....	....
" registered..................			M & N					
N. Y. & N. J. Tel. gen. g 5's.......	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...	1938	8,615,000	J & J	109¼	Apr. 16,'06	109¼	108⅝	17,000
" fundg & real estate g.4½'s.	1950	20,000,000	M & N	105	Apr. 30,'06	106	104¼	49,000
Mutual Union Tel. s. fd. 6's....	1911	1,957,000	M & N	106½	Mar. 15,'06	....	....	....
Northern Tel. Co. gtd fd.4½'s..	1934	1,500,000	J & J	103	July26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1906.		APRIL SALES.		
				High.	*Low.*	*High.*	*Low.*	*Total.*
United States con. 2's registered...	1930	542,909,950	Q J	103⅞	103½	103⅞	103⅞	10,000
" con. 2's coupon............	1930		Q J	104½	103	103⅞	103⅝	12,000
" con. 2's reg. small bonds..	1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
" 3's registered...........	1908-18	77,135,300	Q F	103⅞	103	103⅞	103	15,000
" 3's coupon..............	1908-18		Q F	104¾	102⅝	104⅝	104	4,000
" 3's small bonds reg.....	1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.	1908-18		Q F	104¼	102¼	....	....	......
" 4's registered..............	1907	156,591,500	J A J&O	103¼	103	103⅝	103⅝	6,000
" 4's coupon.................	1907		J A J&O	104⅞	103¼	103¾	103⅜	70,000
" 4's registered..............	1925	118,489,900	Q F	129⅞	129⅞	....	...	......
" 4's coupon................	1925		Q F	132¼	129¾	132¼	131	37,000
District of Columbia 3-65's...........	1924	14,224,100	F & A	....	....	....	....	......
" small bonds.....................			F & A	....	....	....	....	......
" registered.......................			F & A	....	....	....	....	......
Philippine Islands land pur. 4's...	1914-34	7,000,000	Q F	109⅝	109½	....	....	......
" public works & imp. reg.4's.	1935	2,500,000	Q MCH.	108¾	108¾	....	....	.... .
STATE SECURITIES.								
Alabama Class A 4 and 5..............	1906	6,859,000	J & J	101	100⅞	101	100⅞	6,000
" " small............		....	....	....	....	....	....	......
" Class B 5's....................	1906	575,000	J & J	....	....	....	....	......
" currency funding 4's.......	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new con. 4's................	1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........								
North Carolina con. 4's...............	1910	3,397,350	J & J	102¾	102¾	....	....	......
" small........................			J & J	....	....	....	....	......
" 6's........................	1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......	1866-1900	556,500	J & J	....	....	....	....	......
" "	1868-1898		A & O	....	....	....	....	......
" new bonds.............	1892-1898	624,000	J & J	....	....	....	....	......
" "			A & O	....	....	....	....	......
" Chatham R. R....................		1,200,000	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	YEAR 1906.		APRIL SALES.		
				High.	*Low.*	*High.*	*Low.*	*Total.*
" special tax Class 1		....	A & O	....	....	....	....	......
" " Class 2		....	A & O	....	....	....	....	......
" " to Western N. C. R.		....	A & O	....	....	....	...	......
" " Western R. R.		....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R.		....	A & O	....	....	....	....	......
" " Western & Tar. R.		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96¼	95⅛	96⅛	96⅛	1,000
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	....	....	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	17,087,000	J & J	96¾	94¾	....	....	......
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	30	20	24¼	23¾	95,000
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,060,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan	1911	£10,000,000	A & O	101⅛	96¾	101⅛	96¾	714,000
" " second series	....	£12,000,000	A & O	101¼	97¼	101¼	97¼	692,000
$5 shall be considered equiv. £1 sterling								
Imper. Japan. Gov. 4½% ster. loan.	1925	£30,000,000	F & A15	95⅛	90½	93⅛	91½	2,875,000
One pound sterling equals Five Dollars								
Regular delivery £100 and £200								
Large bonds £500								
Imperial Russian Gov. State 4% Rente	....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	103¾	105	104⅝	76,000
" registered			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,897,960	......	101⅛	99⅝	100⅝	99½	26,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	...	....	...	....	......
U. S. of Mex. 4'5 gold debt 1904 ser. A.	1954	39,737,500	J & D	95⅛	92⅝	95⅛	94¼	266,000
" " " ser. B.	1954		J & D	....	....	....	....	......

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—In consideration of fifty years of faithful service in the Mechanics' National Bank, John C. Brinckerhoff, one of the tellers, was presented with a silver loving-cup by his fellow employees on May 2.

—A. B. Leach & Co. have moved to new and enlarged offices at 149 Broadway.

—Miles M. O'Brien, vice-president of the Mercantile National Bank, was elected president of the New Amsterdam National Bank, April 3, succeeding R. R. Moore, resigned.

—Redmond & Co. moved on May 1 into their new building, 31 to 33 Pine street.

—The Night and Day Bank opened in its own building, Forty-fourth street and Fifth avenue, May 1, and the popularity of a bank which keeps open both night and day has been demonstrated by the large number of accounts received.

—Mr. Harry Evers, for a number of years connected with the Manufacturers and Traders' National Bank, is now associated with Messrs. Fisk & Robinson, of this city, as their representative in Buffalo and vicinity.

—Plans have been filed for an eleven-story fireproof bank and office building to be erected for J. & W. Seligman & Co., at the intersection of William, South William and Stone streets.

—The building at the southwest corner of Broadway and Seventy-second street, formerly ocupied by the Colonial Club, is to be remodeled into a store and office building for the Lincoln Trust Co. New elevators are to be installed and safe-deposit vaults built in the basement. Part of the first floor will be fitted as banking offices.

NEW ENGLAND STATES.

Boston.—It is announced that control of the American Loan and Trust Company has been purchased by interests closely identified with the Old Colony Trust Company, and that the two companies will hereafter work in close harmony.

—All records of the Boston Clearing House Association for volume of business done were broken last year, according to reports made at the recent annual meeting. The total exchanges for the year, $7,969,401,440, were larger by $600,000,000 than in any year of the half-century of the association's history. This aggregate exceeded that of last year by $1,000,000,000.

According to the report of C. A. Ruggles, manager, the membership is now twenty-two banks, with a capital of $26,650,000, a surplus of $23,572,000, and deposits of $215,161,000.

Franklin Haven, president of the Merchants' National Bank, was reelected president, and A. W. Newell, president of the Fourth National Bank, secretary.

—David Shaw, of Andover, Mass., has been admitted as a member of the banking firm of Lee, Higginson & Co.

—Gilbert K. Rand, of Worcester, who was cashier of the First National Bank of Worcester at the time of its absorption by the Worcester Trust Company, three years ago, has been appointed as assistant Savings Bank Commissioner by Pierre Jay, the recently appointed head of the Savings Bank Commission.

MIDDLE STATES.

Pittsburg.—Announcement was made on April 11 that the Guarantee Title and Trust Company had absorbed the Equitable Trust Company. This gives the Guarantee Company $1,000,000 capital, $2,108,000 surplus and profits, $3,-

200,000 deposits, and $7,824,301 total resources.

Jersey City, N. J.—Samuel Ludlow, Jr., was recently elected president of the Second National Bank, succeeding William Hagencamp, resigned.

Mr. Ludlow was for a number of years connected with the credit department of the Fourth National Bank, of New York, and a short time ago was elected assistant cashier of the National Shoe and Leather Bank. He organized the New York Chapter of the American Institute of Bank Clerks, and was president of the chapter for two years. Mr. Ludlow is only thirty-five, but has had extensive and thorough banking experience, and has exhibited great energy and capacity.

SOUTHERN STATES.

Waco, Texas. — On its capital of $300,000 the First National Bank, of Waco, has accumulated a surplus fund of $100,000 and $55,401 undivided profits. Deposits on April 6 were $1,692,307, and total resources, $2,197,708.

WESTERN STATES.

Terre Haute, Ind. — During the past year the Terre Haute Trust Company has increased its deposits $117,556, the total now being $566,573. The company has $200,000 capital, $96,265 undivided profits, and total resources of almost $1,000,000.

Peoria, Ill. — John C. Paddock has been elected cashier of the Merchants' National Bank, succeeding Walter Wiley, resigned. T. D. McDougall is a new director. Both Mr. Paddock and Mr. McDougall are old employees of the bank.

—On April 6 the Commercial German National Bank reported: Deposits, $4,800,000; capital, $550,000; surplus, $200,000; undivided profits, $90,018; total resources, $6,190,856.

Minneapolis, Minn.—Deposits amounting to $6,440,708 were reported by the National Bank of Commerce on April 6, which compares with a total of $5,406,831 on January 11, 1905. The bank has $1,000,000 capital, $350,000 surplus, and $37,505 undivided profits.

St. Louis.—One of the very large and prosperous trust companies of the United States is the Mercantile Trust Company, of this city. Its deposits amounted to $17,077,827 on April 6, and the capital, surplus and profits aggregated $9,834,908. Total resources on the date named exceeded $27,000,000.

Quincy, Ill.—The State Savings Loan and Trust Company now reports total deposits, $4,839,991. This company operates commercial, savings and trust departments, and has made a most successful record, deposits having grown to the present large figure from $1,364,507 on January 1, 1895, the increases being continuous for every year since that date. Adequate strength is assured by the $500,000 capital, $180,000 undivided profits, $500,000 additional liability of shareholders, and the high standing of the officers and directors.

PACIFIC SLOPE.

San Francisco.—Great damage was done to the bank buildings here by the earthquake of April 18, and the fire on that and following days, which destroyed a large part of the city. On April 25 the press despatches gave the following summary of the condition of the bank buildings:

"A trip today through what was once the banking and financial centre of San Francisco showed that while ninety per cent. of the banking buildings are in absolute ruin, the vaults give indications of being in such condition that their contents are likely to be found safe when the proper time comes to open them.

About ten per cent. of the buildings devoted to banking and safe deposits escaped practically without harm. This holds particularly true of the vaults of the Crocker-Woolworth Bank, the San Francisco National Bank, the Market Street Bank, the Union Trust Company, the Safe Deposit Vaults of the Mercantile Trust Company of San Francisco and banking vaults of the last-named institution.

The vaults of the California Safe Deposit and Trust Company are buried in tons of debris, but seem to be all right. The Canadian Bank of Commerce has been fortunate in that the lower floors escaped serious damage.

The Bank of California will at once put in a wooden floor and begin to do business at an early day. Its officials have grounds for believing their possessions in the vaults will be found in good condition.

The Crocker-Woolworth Bank had this sign displayed outside of the doors: 'Our vaults are all right.' On the face of the Market Street Bank this notice was displayed: 'Bank and vaults in perfect condition. Opening will be announced by the Bank Commissioners.'

The Hibernia Savings Bank, the largest institution of its kind in the city, already has a force of men cleaning out the debris. Its construction being of heavy granite, it is believed that its vaults are safe.

The Hibernia Bank is now being used as a temporary station for the harbor police, the location being about a mile and a half from the water-front.

The Security Savings Bank presents a fairly good appearance externally, but its interior is full of wreckage, and this has probably served as a protection to the vaults.

The walls of the San Francisco Savings and Loan Society are standing, and this is accepted as a favorable omen in relation to its vaults' contents.

The Anglo-California Bank's vaults are standing and its safe is apparently all right, the vaults being in the basement.

All that was left of the Mechanics' Bank, a new institution, is a small brick vault.

The Italian - American is badly wrecked, but the vaults are visible and are intact.

The Mutual Savings Bank was located in a modern skyscraper which still stands, though badly damaged. The vaults here will without doubt be found to have escaped serious harm."

Notwithstanding the great calamity, the banks will all resume business, and their solvency remains unimpaired.

Seattle, Washington. — During the past year the Washington National Bank has made a gain of $1,123,013.63 in deposits, equivalent to $3,682.01 for every working day. This bank has $100,000 capital, and $581,679.21 surplus and profits—the latter items being all earned.

Spokane, Washington.—From April 6, 1902, to April 6, 1906, deposits of the Spokane and Eastern Trust Company increased from $1,558,069.57 to $3,765,754.67. An interesting feature of the statement of the company is the detailed presentation of its resources, giving a clear idea of the character of its investments. The company has $100,000 capital, $100,000 surplus, $33,649 undivided profits, $3,765,754 deposits and $4,022,181.83 total resources.

—Deposits of the Old National Bank increased from $2,468,273 on April 6, 1904, to $4,745,400 on April 6, 1906.

Helena, Mont.—The statement of the Union Bank and Trust Company for April 6 shows: Capital, $250,000; undivided profits, $77,094; deposits, $2,207,076.

Sacramento.—There was a general interruption of banking business throughout the state on account of the San Francisco calamity. "Wide open business after the hiatus" is the way the Fort Sutter National Bank, of this city, announces the return of usual conditions. This bank increased its resources from $284,052 on August 25, 1905, to $735,115 on April 18, 1906.

—The Old National Bank, of this city, has called a special meeting of its stockholders for April 20, at which time the capitalization of the bank will be increased from $200,000 to $500,000, making it the largest national bank in the state. The present capital is $200,000 and the surplus $109,000, which gives a book value of $155 to the stock. The new capital will be opened to the present stockholders, pro rata to the holdings. In case they do not call for all the new $300,000 issue, it will be offered to outside interests. If the stock is offered at the present book value, it will mean the addition of $465,000 in capital and surplus, or a total of $775,000 capital and surplus for the bank as reorganized.

Wenatchee, Wash. — The Columbia Valley Bank will increase its capital from $30,000 to $100,000, the increase being made necessary by the growth of the bank's business.

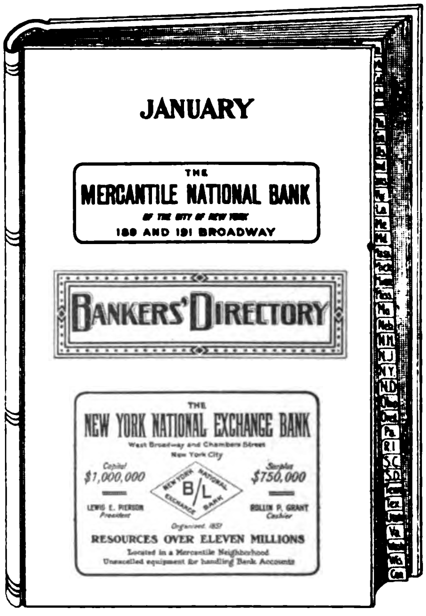
Seattle, Wash.—This city was recently made a reserve city under the provisions of the National Banking Act, all the national banks having joined in a request to the Comptroller of the Currency to that effect.

—Deposits of the Scandinavian American Bank on January 29 last amounted to $4,919,571, a gain of nearly $4,000,000 since May 31, 1900. In every year but one (1894) since 1892, the deposits have gained steadily and rapidly—in fact, at a rate rarely equalled

Paquette, Idaho—Plans have been approved for a new building for the First National Bank. It will be two stories, of brick and stone, and is to be fitted up with vaults, safe deposit boxes and other necessaries of a modern bank.

Portland, Ore.—A stock exchange is being organized here.

Washington Bankers' Convention—P. C. Kauffman, secretary of the Washington State Bankers' Association, announces that the eleventh annual convention of the association will be held at Tacoma, June 21,, 22 and 23. At a meeting of the Tacoma Clearing-House Association, March 8, a committee was appointed to make all necessary arrangements for the convention, and it is confidently expected that this convention will prove to be the most successful in the history of the association. The Tacoma bankers are arranging a delightful programme for the entertainment of the delegates.



JANUARY
THE
MERCANTILE NATIONAL BANK
OF THE CITY OF NEW YORK
189 AND 191 BROADWAY
BANKERS' DIRECTORY
THE
NEW YORK NATIONAL EXCHANGE BANK
West Broadway and Chambers Street
New York City
Capital
$1,000,000
Surplus
$750,000
NEW YORK NATIONAL EXCHANGE BANK
B/L
LEWIS E. PIERSON
President
ROLLIN P. GRANT
Cashier
Organized 1851
RESOURCES OVER ELEVEN MILLIONS
Located in a Mercantile Neighborhood
Unexcelled equipment for handling Bank Accounts

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Farmers & Merchants' National Bank, Walnut Springs, Texas; by C. C. Rushing, et al.

Grange National Bank, Patton, Pa.; by James A. Farabaugh, et al.

First National Bank, Council Hill, I. T.; by Charles W. Mandler, et al.

Interstate National Bank, Texico, N. M.; by L. T. Lester, et al.

Citizens' German National Bank, Hammond, Ind.; by Peter Crumpacker, et al.

First National Bank, St. James, Neb.; by W. S. Weston, et al.

First National Bank, Orange, Cal.; by W. D. Granger, et al.

First National Bank, Blockton, Iowa; by W. M. Wright, et al.

Fairfax National Bank, Fairfax, Okla.; by D. C. Maher, et al.

First National Bank, Midland, Pa.; by Edward J. Allison, et al.

First National Bank, Hamlin, Texas; by R. V. Colbert, et al.

First National Bank, Henderson, Neb.; by Jacob I. Kroeker, et al.

County National Bank, Lincolnton, N. C.; by W. E. Grigg, et al.

Mariner Harbor National Bank, Mariner Harbor, N. Y.; by Jos. W. Place, et al.

Camden National Bank, Camden, Ala.; by E. W. Berry, et al.

First National Bank, Hastings, Okla.; by W. P. Caden, et al.

Citizens' National Bank, Munday, Texas; by J. J. Switzer, et al.

Commercial National Bank, La Grande, Oreg.; by Geo. Stoddard, et al.

Western National Bank, Caldwell, Idaho; by S. D. Simpson, et al.

First National Bank, Northfork, W. Va.; by Lester G. Toney, et al.

Calumet National Bank, Calumet, Mich.; by Charles B. Mersereau, et al.

Talbotton National Bank, Talbotton, Ga.; by James R. Atwater, et al.

First National Bank, Riceville, Iowa; by B. N. Hendricks, et al.

First National Bank, Springfield, Minn.; by J. B. Sullivan, et al.

Bentleyville National Bank, Bentleyville, Pa.; by J. T. Neel, et al.

First National Bank, Tripoli, Iowa; by J. H. Martin, et al.

First National Bank, Fair Chance, Pa.; by W. E. Moore, et al.

Greenwich National Bank, Greenwich, Conn.; by Frederick A. Hubbard, et al.

American National Bank, Lehigh, I. T.; by W. S. Bunting, et al.

American National Bank, Pawhuska, Okla.; by Alex. Stuart, et al.

National Bank of Delta, Ohio; by N. P. Carmon, et al.

First National Bank, Kewanna, Ind.; by D. W. Sibert, et al.

First National Bank, Dewey, I. T.; by William Johnstone, et al.

Exchange National Bank, North Fort Worth, Texas; by W. H. Grove, et al.

Merchants' National Bank, Lehigh, I. T.; by J. A. Jackson, et al.

First National Bank, Hastings-on-Hudson, N. Y.; by A. D. Vanderburgh, et al.

First National Bank, Jamaica, N. Y.; by W. C. Baker, et al.

National Exchange Bank, West, Texas; by W. R. Glasgow, et al.

Commercial National Bank, Sandy Hill, N. Y.; by Erskine C. Rogers, et al.

Konowa National Bank, Konowa, I. T.; by C. B. Hyde, et al.

First National Bank, Greenwich, Conn.; by Charles A. Moore, et al.

First National Bank, Preston, Iowa; by G. E. Bartholomew, et al.

First National Bank, New Egypt, N. J.; by Lemuel Robbins, Jr., et al.

First National Bank, Port Valdez, Alaska; by I. Salhinger, et al.

First National Bank, Imogene, Iowa; by O. E. Holly, et al.

First National Bank, Aliquippa, Pa.; by C. M. Hughes, et al.

Globe National Bank, Globe, Ariz.; by Geo. J. Stoneman, et al.

First National Bank, Tarboro, N. C.; by Geo. A. Holderness, et al.

Roosevelt National Bank, Carteret, N. J.; by Harry Conrad, et al.

Citizens' National Bank, Brazil, Ind.; by W. E. Carpenter, et al.

APPLICATION FOR CONVERSION TO NATIONAL BANKS APPROVED.

Citizens' Bank, Kirksville, Mo.; into Citizens' National Bank.

Farmers & Merchants' Bank, Snyder, Okla.; into First National Bank.

Merchants' State Bank, Almena, Kans.; into First National Bank.

State Bank, Longton, Kans.; into First National Bank.

People's Bank, Scranton, Pa.; into People's National Bank.

Safety Savings Bank, Humboldt, Iowa; into First National Bank.

Citizens' Bank, Gravette, Ark.; into First National Bank.

Farmers' State Bank, Newkirk, Okla.; into Farmers' National Bank.

Bank of Hastings, Hastings, Okla.; into National Bank of Hastings.

NATIONAL BANKS ORGANIZED.

8150—Produce National Bank, South Deerfield, Mass.; capital, $50,000; Pres., C. F. Clark; Vice-Pres., J. B. Bridges; Cashier, H. D. Packard.

8151—Pine Grove National Bank, Pine Grove, Pa.; capital, $25,000; Pres., M. H. Boyer; Vice-Pres., B. H. Ray; Cashier, O. A. Fulmer.

8152—City National Bank, Roanoke, Va.; capital, $200,000; Pres., Jno. W. Woods; Vice-Pres., B. P. Huff and D. M. Taylor; Cashier, N. W. Phelps.

8153—Tupper Lake National Bank, Tupper Lake, N. Y.; capital, $25,000; Pres., U. S. Scott; Vice-Pres., Wm. J. Dievendorf; Cashier, James L. Jacobs.

8154—First National Bank, Amo, Ind.; capital, $25,000; Pres., John N. Phillips; Vice-Pres., Harvey C. Summers, Wm. H. White and Eleazer B. Owen; Cashier, Jno. Kendal.

8155—First National Bank, Thomasboro, Ill.; capital, $25,000; Pres., Fred Collison; Vice-Pres., Francis A. Collison; Cashier, William H. Wheat; Asst. Cashier, Lola Spicklemire.

8156—Elgin National Bank, Elgin, Texas; capital, $50,000; Pres., W. H. Rivers; Vice-Pres., P. C. Wells; Cashier, James Keeble; Asst. Cashier, W. H. Rivers, Jr.

8157—People's National Bank, Franklinville, N. Y.; capital, $25,000; Pres., E. M. Adams; Cashier, E. D. Scott.

8158—Farmers' National Bank, Theresa, N. Y.; capital, $25,000; Pres., I. C. Cooper; Vice-Pres., James B. Vock; Cashier, B. W. Aldrich.

8159—Prague National Bank, Prague, Okla.; capital, $25,000; Pres., C. C. Bush; Vice-Pres., F. R. Vlasak; Cashier, A. P. Slover.

8160—National Bank of Greenville, Greenville, N. C.; capital, $50,000; Pres., L. I. Moore; Vice-Pres., J. P. Quinerly; Cashier, J. W. Aycock.

8161—First National Bank, Johnson, Neb.; capital, $25,000; Pres., Daniel Casey; Vice-Pres., Herman J. Holtgrewe; Cashier, R. C. Boyd.

8162—First National Bank, Troy, Kans.; capital, $25,000; Pres., Henry Boder, Jr.; Vice-Pres., Wm. I. Stuart; Cashier, John S. Norman; Asst. Cashier, Charles V. Norman.

8163—Farmers & Merchants' National Bank, Morris, Ill.; capital, $100,000; Pres., Joshua R. Collins; Vice-Pres., Elwin J. Matteson; Cashier, Henry Stocker.

8164—First National Bank, Dallas, Pa.; capital, $25,000; Pres., Geo. R. Wright; Vice-Pres., Philip T. Raub; Cashier, F. Leavenworth.

8165—First National Bank, Youngsville, Pa.; capital, $30,000; Pres., Geo. L. Morlock; Vice-Pres., James W. McClune; Cashier, F. A. McDowell.

8166—American National Bank, Princeton, Ind.; capital, $100,000; Pres., Joseph McCarty; Vice-Pres., Joseph Carithers; Cashier, J. W. Yochum; Asst. Cashier, Harvey F. Milburn.

8167—Farmers' National Bank, Ault, Colo.; capital, $35,000; Pres., W. W. Sullivan; Vice-Pres., Jacob Hasbrouck; Cashier, R. M. Gale.

8168—First National Bank, Culbertson, Mont.; capital, $25,000; Pres., K. O. Slette; Vice-Pres., J. Z. Bruegger; Cashier, I. O. Slette; Asst. Cashier, P. J. Eie.

8169—Citizens' National Bank, Odessa, Texas; capital, $25,000; Pres., H. M. Pegues; Vice-Pres., Branch Isbell; Cashier, E. S. Martin.

8170—Merchants' National Bank, Fargo, N. D.; capital, $100,000; Pres., N. A. Lewis; Vice-Pres., O. G. Barnes; Cashier, H. W. Geary.

8171—Lincoln National Bank, Hamlin, W. Va.; capital, $25,000; Pres., Louis R. Sweetland; Vice-Pres., B. F. McGhee; Cashier, Albert Youngs.

8172—First National Bank, Gresham, Neb.; capital, $25,000; Pres., W. N. Hylton; Vice-Pres., R. S. Hirsch; Cashier, J. E. Hart; Asst. Cashier, C. H. Davidson.

8173—First National Bank, Texico, N. M.; capital, $25,000; Pres., L. T. Lester; Vice-Pres., J. P. Stone; Cashier, C. C. Marshall.

8174—First National Bank, Gibson, Ill.; capital, $80,000; Pres., E. Mattinson; Cashier, L. E. Rockwood.

8175—Coolville National Bank, Coolville, Ohio; capital, $25,000; Pres., Joseph E. Hartnell; Vice-Pres., John S. Walden; Cashier, Howard V. Speer; Asst. Cashier, John Edson Bailey.

8176—First National Bank, Santo, Texas; capital, $25,000; Pres., J. L. Cunningham; Vice-Pres., J. D. T. Bearden and J. S. Lanham; Cashier, E. M. Stone.

8177—First National Bank, Keota, I. T.; capital, $25,000; Pres., H. D. Price;

Vice-Pres., J. F. Price; Cashier, C. S. Leonard.

8178—Citizens' National Bank, Wolfe City, Texas; capital, $30,000; Pres., M. H. Wolfe; Vice-Pres., T. H. Leeves and W. P. Maloney; Cashier, R. F. Akridge; Asst. Cashier, Ula Bush.

8179—First National Bank, Higgins, Texas; capital, $25,000; Pres., Robert Moody; Vice-Pres., D. J. Young and Thomas F. Moody; Cashier, J. P. Hatfield; Asst. Cashier, P. O. Boyd.

8180—First National Bank, Ullin, Ill.; capital, $25,000; Pres., L. F. Robinson; Vice-Pres., Fred Hoffmeier; Cashier, J. G. Hemenway.

8181—First National Bank, Orange, Cal.; capital $25,000; Pres., W. D. Granger; Vice-Pres., David F. Campbell; Cashier, F. H. Mellor.

8182—First National Bank, Venterburg, Ohio; capital, $25,000; Pres., M. W. Hicks; Vice-Pres., J. K. Haiden.

8183—First National Bank, Henderson, Neb.; capital $25,000; Pres., Jacob I. Kroeker; Vice-Pres., D. J. Kroeker; Cashier, J. J. Kroeker; Asst. Cashier, A. Franz.

8184—County National Bank, Lincolnton, N. C.; capital, $40,000; Pres., Ambrose Costner; Vice-Pres., R. M. Roseman; Cashier, W. E. Grigg.

8185—Fort McIntosh National Bank, Beaver, Pa.; capital, $50,000; Pres., J. Sharp Wilson; Vice-Pres., Robert W. Darragh; Cashier, Frank S. Mitchell.

8186—First National Bank, Crofton, Neb.; capital, $25,000; Pres., Henry Lammers; Vice-Pres., H. J. Oswald; Cashier, Frans Nelson.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Dora—Dora Banking & Trust Co.; capital, $10,000; Pres., H. W. Crawford; Vice-Pres., W. L. Martin; Cashier, C. J. Jones.

Grove Hill—Bank of Grove Hill; Pres., E. P. Chapman; Vice-Pres., C. I. Fleming; Cashier, Otto Stuber.

Haleysville—Traders & Farmers' Bank; capital, $10,000; Pres., C. L. Haley; Vice-Pres., J. C. Taylor; Cashier, W. W. Haley.

Town Creek—Merchants' Bank (Branch of Decatur).

Wedowee—Bank of Wedowee; capital, $15,000; Pres., J. C. Swann; Vice-Pres., W. W. Dobson; Cashier, Abner Coker.

ARKANSAS.

Knoxville—First Bank; capital, $5,000; Pres., C. W. Sanders; Vice-Pres., W. M. Phillips; Cashier, Polk K. Robins; Asst. Cashier, M. H. Hobbs.

CALIFORNIA.

Norwalk—Bank of Norwalk; capital, $12,500; Pres., James Hay; Vice-Pres., H. A. Church; Cashier, C. M. Church.

Orange—Orange Savings Bank; capital, $12,500; Pres., D. C. Pixley; Vice-Pres., P. W. Ehlen; Cashier, J. R. Porter.

Pomona—State Bank; capital, $25,000; Pres., P. R. Rush; Vice-Pres., A. C. Abbott; Cashier, E. R. Yundt.

San Pedro—Harbor City Savings Bank; capital, $25,000; Pres., Chas. Nicolai; Vice-Pres., James Weir and James Dobson; Cashier, A. G. Sepulveda.

COLORADO.

Castle Rock—People's Bank; capital, $10,000; Pres., N. T. Smith; Vice-Pres., Jonathan House; Cashier, A. L. Meade.

Denver—National Savings & Trust Co.; capital, $50,000; Pres., S. L. Roland; Vice-Pres., J. M. Garrett; Sec. and Treas., L. W. Van Dyke; Asst. Sec., M. P. Anthony.

Holyoke—Phillips County Bank; capital, $10,000; Pres., E. N. McPherrin; Cashier, Charles R. Sears; Asst. Cashier, Ida M. Maddock.

FLORIDA.

Bartow—State Bank; capital, $50,000; Pres., J. G. Boyd; Vice-Pres., U. A. Lightsey; Cashier, J. A. Fort.

Orlando—Orlando Bank & Trust Co.; capital, $50,000; Pres., J. D. Beggs; Vice-Pres., M. W. Smith and W. S. Witham; Cashier, Thomas Hopkins; Asst. Cashier, A. E. Pollock.

Tarpon Springs — Sponge Exchange Bank; capital, $15,000; Pres., George Jessup; Vice-Pres., L. P. Fernald; Cashier, A. M. Lowe.

GEORGIA.

Carnesville—Bank of Franklin; capital, $17,000; Pres., W. C. Mason; Vice-Pres., Jacob Hunter; Cashier, L. F. Lenheardt; Asst. Cashier, W. N. Harrison.

Girard—Bank of Girard; capital $15,000; Pres., T. Z. Daniel; Vice-Pres., W. R. Buxton.

Lake Park—Lake Park Bank; capital, $15,000; Pres., W. S. Witham; Vice-Pres., J. K. White; Cashier, S. C. Knox.

Lenox—Bank of Lenox; (Branch of Merchants & Farmers' Bank, Tifton).

Parrott—Bank of Parrott; capital $15,000; Pres., W. D. Manley; Vice-Pres., C. F. Oxford; Cashier, S. J. Carter.

Stillmore — Exchange Bank; capital,

$10,000; Pres., Geo. M. Brinson; Cashier, W. C. Myers.

Watkinsville — Farmers & Citizens' Bank; capital, $15,000; Pres., Jno. D. Walker; Vice-Pres., J. T. Dickens; Cashier, C. E. Baker.

IDAHO.

Buhl—State Bank; capital, $12,500; Pres., E. A. Milner; Vice-Pres., I. B. Perrine; Cashier, R. H. Cost.

Meadows—Meadows State Bank; capital, $20,000; Pres., E. C. Rowell; Vice-Pres., F. C. Woodford; Cashier, A. B. Lucas.

Murray—State Bank; capital $10,000; Pres., M. S. Simmons; Vice-Pres., and Asst. Cashier, J. C. Feehan; Cashier, C. B. Craven.

Preston—Idaho State & Savings Bank; capital, $25,000; Pres., Geo. C. Parkinson; Vice-Pres., Thomas Smart.

Sandpoint—Traders' State Bank; capital, $15,000; Pres., Will F. Whitaker; Vice-Pres., B. S. Defenbach; Cashier, C. E. Riggs.

ILLINOIS.

Chicago—North West Savings Bank; capital, $25,000; Prop., Jos. R. Noel; Manager, Charles L. McMahan; Cashier, H. B. Berentson; Asst. Cashier, Frank W. Hausmann.—West Englewood Bank; Pres., John Bain; Vice-Pres., Michael Maisel; Cashier, W. J. Holton; Asst. Cashier, Max Holton.

Shumway—Shumway Bank; capital, $5,000; Pres., D. F. Richardson; Vice-Pres., M. M. Kelly; Cashier, W. F. Lane; Asst. Cashier, H. H. Kelly.

INDIANA.

Corydon—Farmers' Savings & Trust Co.; capital, $25,000; Pres., J. W. McKinster; Vice-Pres., S. D. Alexander; Sec. and Treas., W. E. Cork.

North Judson—Farmers & Merchants' Bank; capital, $10,000; Pres., J. F. Mauz; Vice-Pres., Christopher Schricker; Cashier, P. H. McCormick.

So. Whitley—Farmers' State Bank; capital, $25,000; Pres., John Swihart; Vice-Pres., Harmon H. Warner; Cashier, Robert Emerson.

INDIAN TERRITORY.

Canadian—Bank of Canadian; capital, $10,000; Pres., C. W. Crum; Vice-Pres., M. C. Young; Cashier, W. A. Foyil.

Checotah—Commercial Bank; capital, $10,000; Pres., A. H. Livingston; Vice-Pres., G. G. Hendrix; Treas., A. O. Johnson; Sec., W. H. Hooker.

Chelsea—Union Bank & Trust Co.; capital, $15,400; Pres., J. W. Bone; Vice-Pres., G. Bonds; Cashier, E. L. Orr.

Guertie—Bank of Guertie; capital, $10,000; Pres., R. M. Evens; Vice-Pres., H. P. Cozad; Cashier, C. W. Harrison; Asst. Cashier, L. Holloway.

McGee—United States Bank; capital, $25,000; Pres., J. C. Honaker; Cashier, I. F. Honaker.

Red Oak—Bank of Red Oak; capital, $15,000; Pres., D. H. McPherson; Vice-Pres., A. J. Hain; Cashier, O. A. McPherson; Asst. Cashier, Dora E. McPherson.

Roff—American Trust Co; capital $20,000; Pres., E. D. Nims; Vice-Pres., W. P. Casey; Sec., C. S. Hudson.

IOWA.

Cantril—Warner Bank; capital, $10,000; Pres., Q. N. Warner; Cashier, R. L. Wellborn.

Casey—Citizens' Savings Bank; capital, $15,000; Pres., Fred Gray; Vice-Pres., N. P. Clayton; Cashier, C. C. Jones.

Hopkinton—Farmers' State Bank; capital, $25,000; Pres., H. M. Johnson; Vice-Pres., S. P. Thorpe; Cashier, A. W. McDonald.

Lawler—State Savings Bank (successor to Merchants' Exchange Bank); capital, $25,000; Pres., James Curran; Vice-Pres., C. Saltzman; Cashier, F. A. O'Connor.

Palo—Bank of Palo; capital, $10,000; Pres., W. Gerecke; Cashier, F. T. Gerecke.

Panora—Citizens' State Bank; capital, $25,000; Pres., S. C. Culbertson; Vice-Pres., M. M. Head; Cashier, Geo. P. McBurney.

Rake—Ross Banking Co. (successor to Farmers & Merchants' Savings Bank); Pres., W. E. C. Ross; Vice-Pres., A. C. Buswell; Cashier, B. Leknes.

KANSAS.

Bennington—Farmers' State Bank; capital, $12,000; Pres., O. H. Shepard; Vice-Pres., B. F. Markley; Cashier, A. E. Lockhart.

Codell—Codell State Bank; capital, $10,000; Pres., S. R. Tucker; Vice-Pres., W. H. Johnson; Cashier, John McReynolds.

Glen Elder—Traders' State Bank; capital, $30,000; Pres., M. R. Spessard; Vice-Pres., Jacob Neifert; Cashier, R. G. Heard.

Minneola—Minneola State Bank; capital, $10,000; Pres., Geo. W. Hall; Cashier, Helen N. Hall.

Summerfield — Citizens' State Bank; capital, $10,000; Pres., Geo. Finlayson; Vice-Pres., H. B. Finlayson; Cashier, R. P. Evans.

Talmadge—Citizens' State Bank; capital, $10,000; Pres., Jno. W. Briedenthal; Vice-Pres., W. D. Fulton; Cashier, J. B. Higdon.

KENTUCKY.

Ashland—Merchants' Bank & Trust Co.; (successor to Merchants' National Bank); capital, $125,000; Pres., John F. Hager; Vice-Pres., I. A. Kelly; Cashier and Sec., Charles Russell.

Lancaster—Garrard Bank & Trust Co., capital, $50,000; Pres., R. E. McRoberts; Vice-Pres., J. C. Eubanks and J. M. Bourne; Asst. Cashier, J. W. Elmore.

MAINE.

Portland—Fidelity Trust Co.; capital, $150,000; Pres., Edward P. Rucker; Vice-Pres., Charles Sumner Cook and Fredk. O. Conant; Treas. and Sec., Ernest J. Eddy.

MICHIGAN.

Chesaning—Farmers' Exchange Bank; capital, $5,000; Cashier, B. G. Coryell.

Deckerville—Commercial Bank; capital, $10,000; Pres., Ira Arnot; Vice-Pres., E. M. Mark; Cashier, R. J. Arnot.

Deford—Deford Bank; capital, $5,000; Cashier, J. Frutchey; Asst. Cashier, G. A. Tindall.

MINNESOTA.

Alden—Security State Bank; capital, $10,000; Pres., E. P. Greeley; Vice-Pres. and Cashier, James McConnell.

Conger—Citizens Bank; capital, $10,000; Pres., V. Lahr; Vice-Pres., C. F. Heiland; Cashier, F. A. Lahr.

Excelsior — Minnetonka State Bank (successor to Minnetonka Bank); capital, $10,000; Pres., Geo. A. Du Toit; Vice-Pres., M. L. Du Tout; Cashier, Geo. P. Dickinson.

Henning—Farmers' State Bank; capital, $10,000; Pres., W. E. Dickson; Vice-Pres., R. J. Lindberg; Cashier, A. T. Nelson.

Lengby—Bank of Lengby; Pres., S. S. Stadsvold; Cashier, E. J. Olson.

Robbinsdale—State Bank; capital $10,000; Pres., John G. Lund; Vice-Pres., Thomas H. Girling; Cashier, O. J. Rosendahl.

MISSISSIPPI.

Natchez—Southern Bank & Trust Co.; capital, $150,000; Pres., Geo. M. D. Kelly; Vice-Pres., James Henry Beard.

MISSOURI.

Branson—Bank of Branson; capital $10,000; Pres., V. C. Todd; Vice-Pres., J. G. Root; Cashier, Jesse A. Tolerton.

Crane—Farmers & Merchants' Bank; capital, $21,500; Pres., J. C. Lane; Vice-Pres., S. P. Neill and L. F. Lockhart; Cashier, William R. Gillette.

Reeds Spring—Bank of Reeds Spring; capital, $5,000; Cashier, C. B. Swift.

St. Louis—Chippewa Bank; capital, $100,000; Pres., John T. Nolde; Vice-Pres., Gottlieb Eyermann; Cashier, J. S. Carr; Asst. Cashier, Henry Niemann.—Scruggs, Vandervoort & Barney Bank; capital, $5,000; Pres., Hanford Crawford; Cashier, T. J. Prentice.

NEBRASKA.

Leshara—Leshara State Bank; capital, $10,000; Pres., Jay Willey; Vice-Pres., J. T. Conrad; Cashier, John Foster; Asst. Cashier, Edith Foster.

Nora—Nora State Bank; capital $5,000; Pres., Edward Kelly; Vice-Pres., F. E. Bottenfield; Cashier, Charles E. Johnson.

NEW MEXICO.

Socorro—Socorro State Bank; capital, $30,000; Pres., Joseph Price; Cashier, Edward L. Price.

Thoreau—Horabin-McGaffey Co., Inc.; capital, $30,000; Pres., A. B. McGaffey; Vice-Pres., Wm. Horabin; Cashier, N. G. McCroden; Sec., A. G. O. Cooke.

NEW YORK.

New Rochelle—People's Bank for Savings; Pres., Henry W. Lester; Vice-Pres., Eugene Lambden and Chester Pryer; Sec., A. L. Hammett.

NORTH CAROLINA.

Asheville—Citizens' Trust & Savings Bank; capital, $50,000; Pres., J. K. S. Ray; Vice-Pres., Edwin L. Ray; Cashier, Jno. A. Campbell.

Roper—Bank of Roper; capital, $20,000; Pres., Thomas W. Blount; Vice-Pres., Hugh G. Whitehead; Cashier, W. S. Davenport.

Wallace—Bank of Wallace; capital, $15,000; Pres., W. E. Borden; Vice-Pres., Maury Ward; Cashier, S. A. Boney.

NORTH DAKOTA.

Columbus—Farmers' State Bank; capital, $10,000; Pres., J. A. Walter; Vice-Pres., C. M. Larson; Cashier, F. A. Keup.

Hurdsfield — Hurdsfield State Bank; capital, $10,000; Pres., H. F. Miller; Vice-Pres., A. W. Eynon; Cashier, C. G. Hinninger.

Kenmare—Citizens' Bank; capital, $15,000; Pres., Geo. M. Gray; Vice-Pres., W. E. Freeman; Cashier, H. W. Hansch.

Leeds—Farmers & Merchants' Bank; capital, $15,000; Pres., F. H. Wellcome; Vice-Pres., M. L. Strong; Cashier, F. E. Wood.

OHIO.

Caledonia—American Exchange Bank; capital, $12,680; Pres., L. A. Bartholomew; Vice-Pres., E. E. Hofmann; Cashier, Raymond Schenck.

Lowellville — Lowellville Savings & Banking Co.; capital, $30,000; Pres., H. D. Smith; Vice-Pres., John Frick and W. J. Lowmax; Sec. and Treas., John F. Taylor.

Sterling—Farmers' Banking Co.; Pres., D. I. Slemmons; Vice-Pres., S. S. Fouch; Cashier, S. A. Slemmons; Asst. Cashier, E. H. Earl.

OKLAHOMA.

Blair — Citizens' State Bank; capital $10,000; Pres., J. D. Tinsley; Vice-Pres., Jno. W. Reid; Cashier, H. Hamock.

Crawford—Crawford Cotton Exchange Bank; capital, $10,000; Pres., W. O. Horr; Vice-Pres., Irving H. Wheatcroft and J. F. Valleau; Cashier, Field Sherman.

Rhea—Rhea Cotton Exchange Bank; capital, $10,000; Pres., W. O. Horr; Vice-Pres., Irving H. Wheatcroft; Cashier, James W. Porter.

Texmo—Texmo Cotton Exchange Bank; capital, $10,000; Pres., W. O. Horr; Vice-Pres., Irving H. Wheatcroft; Cashier, C. A. Horr.

Tyrone—Tyrone State Bank; capital, $10,000; Pres., J. E. George; Vice-Pres., C. C. Woods; Cashier, Guy S. Speakman.

Waukomis — Farmers & Merchants' Bank; capital, $10,000; Pres., J. T. Vance; Vice-Pres., A. C. Richardson; Cashier, A. H. Drew; Asst. Cashier, W. R. Austin.

OREGON.

Woodburn — Farmers & Merchants' Bank; capital, $25,000; Pres., E. C. Price; Vice-Pres., E. P. Morcom; Cashier, O. E. Price; Asst. Cashier, J. C. Price.

PENNSYLVANIA.

Harrisburg—Allison Hill Bank; capital, $50,000; Pres., W. M. Hoerner; Vice-Pres., M. M. Ritchie.

SOUTH CAROLINA.

Columbia—Palmetto Trust Co.; capital, $50,000; Pres., Wilie Jones; Vice-Pres., John J. Seibels; Cashier, J. P. Matthews; Asst. Cashier, W. M. Gibbs, Jr.

SOUTH DAKOTA.

Big Stone—Gold & Co. State Bank; capital, $25,000; Pres., J. T. Gold; Vice-Pres., J. A. Gold; Cashier, Geo. K. Clark.

Mound City—Mound City State Bank; capital, $10,000; Pres., S. O. Overby; Vice-Pres., J. H. Fischer; Cashier, Theo. Wasmik.

TEXAS.

Bonita—Bonita State Bank; capital $10,000; Pres., C. McCall; Vice-Pres., J. C. Howard; Cashier, P. E. Wald.

Carney—First State Bank; capital, $10,000; Pres., J. F. Mitchell; Vice-Pres., L. H. Womble; Cashier, J. Frank Potts.

Gustine—Bank of Gustine; capital, $10,000; Pres., W. H. Eddleman; Vice-Pres., W. A. Waldrop; Cashier, Geo. C. Jones.

Jacksonville—Jacksonville State Bank; capital, $25,000; Pres., T. S. Hatton; Vice-Pres., Lucius Gooch; Cashier, John Howard.

Keller—Citizens' Bank; capital $10,000; Pres., B. Lavoise; Vice-Pres., O. L. Sweet; Cashier, W. J. Mays.

Marble Falls—Citizens' State Bank; capital, $20,000; Pres., J. R. Yett; Vice-Pres., Levi Crownover; Cashier, Carl Francis.

Melissa—Melissa State Bank; capital, $10,000; Pres., J. E. Gibson; Vice-Pres., S. F. Miller; Cashier, O. C. Cartwright.

Richardson—Citizens' State Bank; capital, $10,000; Pres., D. E. Waggoner; Vice-Pres., C. H. Blewett; Cashier, W. H. V. Harris; Asst. Cashier, R. E. Thompson.

Seagoville—First State Bank; capital, $10,000; Pres., D. E. Waggoner; Vice-Pres., B. M. Crawford; Cashier, M. E. Hulsey; Asst. Cashier, T. C. Andrews.

Tahoka—First State Bank; capital, $10,000; Pres., O. L. Slaton; Vice-Pres., G. W. Coughran; Cashier, W. D. Nevels.

Temple—Temple State Bank; capital, $50,000; Pres., James E. Ferguson; Cashier, E. J. Slubicki; Asst. Cashier, Charles H. Black.

VIRGINIA.

Keysville—Bank of Keysville; capital, $10,000; Pres., L. E. Martin; Vice-Pres., Wm. Henderson; Cashier, A. B. Hammer.

WASHINGTON.

Bridgeport — Bridgeport State Bank; capital, $15,000; Pres., A. E. Case; Vice-Pres., B. F. Culp; Cashier, T. J. East.

White Salmon—White Salmon Valley Bank; capital, $15,000; Pres., Carleton Lewis; Vice-Pres., C. M. Wolford; Cashier, J. A. Byrne.

WEST VIRGINIA.

Morgantown — Bank of Morgantown; capital, $40,000; Pres., Thomas E.

Hodges; Vice-Pres., H. L. Carspecken; Cashier, M. L. Brown.

Shepherdstown—Farmers' Bank; capital, $25,000; Pres., M. H. Crawford; Vice-Pres., Jos. B. Van Metre; Cashier, G. W. Billmyer.

WISCONSIN.

Red Granite—Red Granite State Bank; capital, $10,000; Pres., J. M. Koser; Vice-Pres., H. Dehre and Wm. Bannerman; Cashier, Fred W. Luck.

WYOMING.

Guernsey—Guernsey State Bank; capital, $10,000; Pres., T. A. Cosgriff; Vice-Pres., G. E. Abbott; Cashier, Geo. Hald.

Lovell—Lovell State Bank; capital, $10,000; Pres., Charles A. Welch; Vice-Pres., Ira Waters; Cashier, L. V. Stryker.

CANADA.

ONTARIO.

Latchford—Canadian Bank of Commerce; W. H. Collins, Mgr. pro tem.

Massey—Traders' Bank of Canada; H. D. Cantlon, Mgr.

Webbwood—Traders' Bank of Canada; H. D. Cantlon, Mgr.

Wingham—Canadian Bank of Commerce; A. E. Smith, Mgr.

MANITOBA.

Melita—Northern Bank; H. H. Richards, Mgr.

Russell—Merchants' Bank of Canada; J. F. Fields, Mgr.

Selkirk—Traders' Bank of Canada; Thomas Muir, Mgr.

Waskada—Union Bank of Canada; John R. Major, Mgr.

QUEBEC.

St George de Beauce—Eastern Townships Bank; J. B. Hebert, Mgr.

ALBERTA.

Calgary—Traders' Bank of Canada; R. E. Oaks, Mgr.

Crossfield—Canadian Bank of Commerce; James Cameron, Mgr. pro tem.

SASKATCHEWAN.

Canora—Canadian Bank of Commerce; H. J. White, Mgr. pro tem.

Halbrite—Weyburn Security Co.; Clarence Kjeldson, Mgr.

Saskatoon—Bank of Montreal; Kenneth Ashworth, Mgr.

Vonda—Canadian Bank of Commerce; J. C. Kennedy, Mgr. pro tem.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Dothan—First National Bank; D. C. Carmichael, Pres. in place of G. Y. Malone, deceased; E. R. Malone, Vice-Pres. in place of D. C. Carmichael.

Mobile — Central Trust Co.; G. B. Thames, Vice-Pres. in place of F. B. Merrill.

Samson—First National Bank; W. B. Sellers, Vice-Pres.

Sheffield—Sheffield National Bank; J. W. Worthington, Pres. in place of J. Gray, Jr.

ARKANSAS.

Des Arc—Bank of Des Arc; Emmet Vaughan, Cashier in place of A. R. Krewson.

Marked Tree—Bank of Marked Tree; E. Ritter, Pres.; J. A. Emrich, Vice-Pres.; Charles E. Walker, Cashier.

Siloam Springs—State Bank; W. T. La Follette, Cashier.

CALIFORNIA.

Corona—First National Bank; W. E. Hibbard, Pres. in place of E. H. May; S. H. Herrick, Vice-Pres. in place of W. E. Hibbard.

Imperial—First National Bank; O. K. Thomas, Cashier in place of Geo. A. Carter.

Marysville—Northern California Bank of Savings; N. D. Rideout, Pres. in place of J. U. Hofstetter, resigned; Heiman Cheim, Vice-Pres. in place of N. D. Rideout.

Sacramento — California State Bank; Frederick Cox, Pres., deceased.

CONNECTICUT.

New Haven—New Haven Trust Co.; capital increased to $200,000.

DISTRICT OF COLUMBIA.

Washington—Traders' National Bank; J. Fendall Cain, Cashier in place of John C. Athey; H. O. Thompson, Asst. Cashier in place of J. Fendall Cain.

IDAHO.

Lewiston—First National Bank; A. E. Clarke, Cashier in place of E. W. Eaves.

ILLINOIS.

Amboy—First National Bank; F. N. Vaughan, Pres. in place of Josiah Little; T. P. Phillips, Vice-Pres. in place of F. N. Vaughan; L. L. Brink, Asst. Cashier.

Casey—First National Bank; W. C. Turner, Vice-Pres.; Rose Turner, Cashier in place of W. C. Turner; B. F. Parker, Asst. Cashier.

Manito—People's State Bank; James S. Pollard, Pres., deceased.

Mason City—Farmers' National Bank; William S. Thompson, Pres., deceased.

Metropolis—First National Bank; E. P. Copland, Asst. Cashier.

Strawn—Farmers' National Bank; T. J. O'Connor, Vice-Pres. in place of Edward Lynch.

INDIANA.

Evansville — People's Savings Bank; John Rheinlander, Sec. & Treas., resigned.

Indianapolis—Capital National Bank; Frank L. Powell, Pres., deceased.

Loogootee—First National Bank; W. J. McCord, Pres. in place of P. M. Walker; G. A. Walker, Vice-Pres. in place of W. J. McCord; Geo. W. Gates, Cashier in place of W. D. Madden.

North Manchester—Lawrence National Bank; R. C. Hollinger, Cashier in place of Clement L. Arthur; Geo. W. Shively, Asst. Cashier in place of R. C. Hollinger.

Richmond—First National Bank; F. M. Taylor, Cashier; Alton T. Hale, Asst. Cashier in place of F. M. Taylor.

INDIAN TERRITORY.

Calvin—First National Bank; P. J. McClure, Vice-Pres. in place of Fred C. Russell.

Durant—First National Bank; O. W. Goolsbee, Cashier in place of A. N. Leecraft.

Eufaula—Eufaula National Bank; J. Burdett, Pres., deceased.

Holdenville — First National Bank; Charles E. Taylor, Pres. in place of Geo. L. Rose.

Ramona—First National Bank; J. L. Greenwood, Cashier in place of Charles P. Davis.

Sulphur—First National Bank; Roy C. Oakes, Vice-Pres.; M. F. Bayless, Asst. Cashier in place of Roy C. Oakes.

Tulsa—City National Bank; J. M. Hall, Pres. in place of J. M. Bayless; no Vice-Pres. in place of E. G. Bayless.

Woodville—First National Bank; J. T. Ingham, Vice-Pres. in place of J. W. Beard; R. A. Owen, Cashier in place of Ollie L. Beard.

IOWA.

Charles City—First National Bank; C. D. Ellis, Pres. in place of J. A. Case.

Fonda—Pocahontas County Bank; Geo. Fairburn, Pres., deceased.

Fontanelle—First National Bank; R. R. Tuttle, Cashier in place of W. F. Johnston.

Harlan—First National Bank and Shelby County State Bank; reported consolidated under title of latter.

Harris—First National Bank; Harry H. Buck, Pres. in place of Frank Y. Locke; B. B. Van Steenburg, Vice-Pres. in place of G. W. Lister.

Linn Grove—First National Bank; John J. Spindler, Vice-Pres. in place of J. H. McCord.

Newton—First National Bank; E. E. Lyday, Cashier, resigned.

Spirit Lake—Spirit Lake National Bank; A. W. Osborne, Vice-Pres. in place of F. H. Daley.

KANSAS.

Dodge City—National Bank of Commerce; H. J. Hanson, Asst. Cashier in place of H. W. Earlougher.

Garden City—Garden City National Bank; H. G. Doddridge, Cashier in place of W. O. Horr.

Marion—Marion National Bank; Ferd. J. Funk, Vice-Pres.

Parker—Parker State Bank; Andrew Smith, Cashier in place of W. H. Slaughter.

Solomon—Solomon State Bank; Mason D. Sampson, Cashier in place of C. D. Reimold, resigned.

Topeka—Capital National Bank; no Cashier in place of A. H. Bates.

KENTUCKY.

Covington—German National Bank; H. P. Colville, Asst. Cashier in place of H. W. Percival.—Farmers & Traders' National Bank; Jos. B. Thiessen, Asst. Cashier in place of W. W. Payne.

Morehead—Lenora National Bank; S. Hogge, Pres. in place of W. W. Utterback; W. J. Rice, Cashier in place of Luke P. V. Williams; J. W. Hogge, Asst. Cashier in place of C. M. Durham.

Stanley—Stanley Deposit Bank; Estill Neel, Cashier, reported an embezzler.

LOUISIANA.

Crowley—First National Bank; Percy L. Lawrence, Pres. in place of J. J. Toler; B. M. Lambert, Vice-Pres.

Eunice—Eunice State Bank; Gustave Fuseller, Pres. in place of Louis Mayer; Julius Stagg, Vice-Pres.

Hammond—Bank of Hammond; capital increased to $50,000.

MARYLAND.

Annapolis—Farmers' National Bank; Geo. A. Culver, Cashier, resigned.

Bel Air—Second National Bank; W. Wylie Hopkins, Cashier in place of H. F. Adams.

Centerville — Queen Annes National Bank; Wm. J. Price, Pres. in place of Edwin H. Brown, deceased; Charles A. Busteed, Vice-Pres. in place of Wm. J. Price.

Chesapeake City—National Bank of Chesapeake City; John Banks, Cashier, deceased.

MASSACHUSETTS.

Boston—American Loan & Trust Co.; absorbed by Old Colony Trust Co.—National Security Bank; Albert E. Gladwin, Asst. Cashier.

Lynn—Lynn Institution for Savings; Walter E. Symonds, Treasurer, deceased.

Salem—Salem Savings Institution; Edward L. Millett, Treas. in place of Clarence A. Evans, resigned.

Westfield—Woronoco Savings Bank; John H. Ashley, Treasurer, resigned.

Whitman—Whitman National Bank; Urban S. Whiting, Asst. Cashier, resigned.

MICHIGAN.

Detroit—Union Trust Co.; Gerald J. McMechan, Sec.; Charles R. Dunn, Asst. Sec.

Grand Rapids—Fourth National Bank; L. Z. Caukin, Cashier in place of J. A. Seymour; J. Clinton Bishop, Asst. Cashier in place of L. Z. Caukin.

Grant — Grant Exchange Bank and Grant State Bank; reported consolidated under latter title.

Menominee—Lumbermen's Bank; William Webb Harmon, Asst. Cashier in place of S. G. Reed, resigned.

Vicksburg—First State Bank; John Hamilton, Pres. in place of L. H. Kirby.

MINNESOTA.

Beardsley—First National Bank; G. J. Mack, Cashier in place of J. Minkiewitz, Jr.

Blooming Prairie—First National Bank; Sam A. Rask, Cashier in place of O. P. Rask; L. O'Toole, Asst. Cashier in place of Sam A. Rask.

Elgin—First National Bank; H. Choate, Pres. in place of W. P. Tearse.

Long Prairie—First National Bank; Albert Rhoda, Pres. in place of W. I. Paine; Charles Koonze, Cashier in place of Albert Rhoda.

McIntosh—First National Bank; C. M. Berg, Vice-Pres. in place of John Petterson; K. K. Hoffard, Asst. Cashier in place of C. M. Berg.

Ortonville — First National Bank; P. Clarke, Pres. in place of E. J. Weiser.

MISSISSIPPI.

Greenwood—First National Bank; L. F. McShane, Cashier.

McComb City—Pike County Bank & Trust Co.; Geo. F. Bauer, Pres. in place of Richard Griffith, deceased.

MISSOURI.

Excelsior Springs—First National Bank; C. D. Wale, Pres. in place of A. Gordan.

Independence—First National Bank; B. Zick, Jr., Pres. in place of J. W. Mercer, deceased; John G. Paxton, Vice-Pres. in place of Wm. A. Symington; Wm. A. Symington, Cashier in place of B. Zick, Jr.

Stewartsville — First National Bank; Frank A. Gantz, Asst. Cashier.

St. Louis—State National Bank; A. O. Wilson, Vice-Pres.

Trenton—Trenton National Bank; C. H. Cook, Vice-Pres. in place of G. W. Smith, deceased.

NEBRASKA.

Anoka—Anoka National Bank; S. A. Richardson, Asst. Cashier.

Beemer—Beemer State Bank; Charles Nead, Asst. Cashier, reported an embezzler.

Humphrey—First National Bank; Henry Hunker, Pres. in place of F. L. Gallagher; no Cashier in place of H. M. Little; John E. Hugg, Asst. Cashier.

Sargent—First National Bank; W. J. Root, Asst. Cashier.

Scottsbluff—First National Bank; S. H. Burnham, Pres. in place of M. W. Folsom; Charles A. Morrill, Vice-pres. in place of F. D. Ball; A. L. Bowen, Cashier in place of Charles A. Morrill; Sumner Burnham, Asst. Cashier.

Sidney — First National Bank; D. J. Scanlon, Pres. in place of B. A. Jones; A. Pease, Vice-Pres. in place of D. J. Scanlon.

Wisner—First National Bank; A. Becher, Pres. in place of J. R. Mansfield; J. C. McNish, Vice-Pres. in place of A. Becher; no Asst. Cashier in place of J. C. McNish.

NEW JERSEY.

Atlantic City—Chelsea National Bank; Wm. H. Schurch, Jr., Cashier in place of J. H. Nixon.

Camden—First National Bank; H. T. Nekervis, Asst. Cashier.

Dover—National Union Bank; no Asst. Cashier in place of H. W. Whipple.

Hackettstown — Hackettstown National Bank; Henry W. Whipple, Cashier in place of R. A. Cole.

Jersey City — Second National Bank; Samuel Ludlow, Jr., Pres. in place of

William Hagencamp, resigned.—Third National Bank; Robert S. Ross, Pres. in place of John D. Carscallen, deceased.

Paulsboro—First National Bank; Richard Richards, Vice-Pres. in place of G. C. Laws.

NEW YORK.

Brooklyn—North Side Bank; Paul E. Bonner, Pres. in place of Thomas W. Kiley.—Nassau National Bank; capital increased to $750,000.

Campbell—Bank of Campbell; John E. Frederick, Cashier in place of Amasa B. White, resigned.

Dunkirk—Lake Shore National Bank; T. D. Lunt, Asst. Cashier in place of G. A. Starr.

East Aurora—Bank of East Aurora; Byron D. Gibson, Vice-Pres., resigned.

Flushing — Flushing Branch Bank of Long Island; W. H. D. Nimmo, Cashier, resigned.

Glen Cove—Glen Cove Bank; Carmi B. Gruman, Pres., deceased.

Holland — Bank of Holland; Geo. E. Merrill, Pres. in place of Wm. B. Jackson, resigned; Albert F. Bangert, Cashier.

New York City—United National Bank; Henry C. Strahmann, Cashier in place of W. W. Warner; E. F. Giese, Asst. Cashier. — Northern National Bank; Henry Dimse, Pres. in place of Frank C. Mayhew.—New Amsterdam National Bank; Miles M. O'Brien, Pres. in place of R. R. Moore. — Merchants' National Bank; Z. S. Freeman, Cashier in place of S. S. Campbell.—Citizens' Central National Bank; A. K. Chapman, Cashier in place of Henry Dimse; James McAllister, Jr., Asst. Cashier.—Baring, Magoun & Co.; dissolved March 31st. —Monroe Bank and Jefferson Bank; consolidated under latter title.

Niagara Falls — Bank of Suspension Bridge; James Low, Pres., deceased.

Owego—Tioga National Bank; Frederick E. Platt, Cashier, deceased.

Utica—Citizens' Trust Co.; Frank H. Doolittle, Sec. in place of Edward Bushinger, deceased.

NORTH DAKOTA.

Sheldon—Ransom County State Bank and First National Bank; reported consolidated.

Upham—Farmers' State Bank and Security State Bank; reported consolidated under latter title.

OHIO.

Dayton — Merchants' National Bank; Charles W. Slagel, Cashier in place of T. W. Gable; T. W. Gable, Asst. Cashier.

Fostoria — Mechanics' Banking Co.; Charles Olmstead, Pres., deceased.

Garrettsville—First National Bank; A. M. Cline, Asst. Cashier in place of G. B. Chapman.

Girard—First National Bank; Anthony Wayne Kennedy, Pres., deceased.

Montpelier—First National Bank; Geo. E. Morris, Pres. in place of C. A. Bowersox; Fred W. Shammel, Vice-Pres. in place of Geo. E. Morris; no Asst. Cashier in place of S. B. Walters.

Wooster — Citizens' National Bank; Walter D. Foss, Pres., resigned.

Youngstown—Wick National Bank and Dollar Savings & Trust Co.; reported consolidated under latter title.

OKLAHOMA.

Alva—Alva National Bank; E. C. Rumsey, Asst. Cashier in place of J. H. Hudson.

Chandler — Chandler National Bank; Charles A. Tilghman, Pres. in place of J. M. Hale; no Vice-Pres. in place of G. W. Schlegel; G. W. Schlegel, Cashier in place of Chas. A. Tilghman.

Cherokee—First National Bank; H. W. Moore, Asst. Cashier in place of F. J. Salisbury.

Newkirk—First National Bank; W. F. Smith, Cashier in place of H. H. Smock; J. Wendell Smith, Asst. Cashier in place of W. F. Smith.

Ponca—Farmers' National Bank; Geo. H. Brett, Pres. in place of J. Jensen.

Stillwater—Stillwater National Bank; C. W. Crooks, Asst. Cashier in place of W. J. Emmert.

Temple—First National Bank; J. C. Tandy, Vice-Pres.; Leo J. Curtis, Cashier in place of J. C. Tandy.

OREGON.

Joseph — First National Bank; F. F. Scribner, Cashier in place of K. H. Blaesser.

PENNSYLVANIA.

Benson (P. O. Holsopple) — First National Bank; L. A. Beabes, Cashier in place of C. I. Shaver.

Bloomsburg—Farmers' National Bank: H. A. McKillip, Vice-Pres., resigned.

Bradford—Bradford National Bank; H. E. Schonblom, Asst. Cashier in place of C. A. Mitchell.

Charleroi—First National Bank; F. B. Newton, Vice-Pres. in place of J. H. Frye.

Connellsville—Yough National Bank; E. R. Floto, Cashier in place of G. T. Griffin.

Edinboro—First National Bank; J. B. Scott, Cashier in place of D. E. Gillaspie.

Emaus—Emaus National Bank; Charles D. Brown, Vice-Pres. in place of H. W. Jarrett.

Garrett—First National Bank; D. Boyd Alter, Cashier in place of L. T. Lampe.

Jenkintown — Jenkintown National Bank; Hutchinson Smith, Pres. in place of C. F. Wilson.

Leechburg—First National Bank; Dunn Van Giesen, Asst. Cashier.

McConnellsburg—First National Bank; W. Scott Alexander, Vice-Pres. in place of M. R. Shaffner.

Philadelphia—Franklin National Bank; L. H. Shrigley, Asst. Cashier. — National Bank of Germantown; Walter Williams, Cashier in place of Romaine Keyser, deceased.

Pittsburg—Duquesne National Bank; John Bindley, Pres. in place of Edwin Bindley.—Equitable Trust Co.; absorbed by Guarantee Title & Trust Co.

Scottdale — Broadway National Bank; Theodore J. Robinson, Cashier, resigned.

Strassburg — First National Bank; C. Rowe, Pres. in place of A. R. Black, deceased.

Webster — First National Bank; B. B. Hunter, Cashier in place of H. R. Smith.

West Chester — Farmers' National Bank; J. Comly Hall, Vice-Pres.

SOUTH CAROLINA.

Charleston—Germania Savings Bank; Charles Litschgi, Pres., deceased.

SOUTH DAKOTA.

Clark—Security Bank; James N. Platt, Pres., deceased.

Colman — First National Bank; W. McK. Housman, Pres. in place of M. R. Keneflck; Henry Robertson, Vice-Pres. in place of W. McK. Housman.

TENNESSEE.

Brownsville—First National Bank; Geo. W. Lyle, Vice-Pres.

Cornersville — Farmers' Bank; D. C. Kennedy, Cashier.

Nashville—Merchants' National Bank; W. B. Frierson, Cashier in place of W. D. Suttle.

TEXAS.

Arlington — Arlington National Bank; Mike Ditto, Vice-Pres. in place of James Ditto; James Ditto, Cashier in place of Mike Ditto; J. P. Smith, Asst. Cashier.

Clyde—First National Bank; Jno. H. Harkins, Cashier in place of J. B. Stokes.

Dalhart—Dalhart National Bank; E. L. Conger, Vice-Pres. in place of W. H. Wolff.

McGregor—McGregor National Bank; W. E. Crews, Cashier in place of W. F. Barclay.

Merkel—Merkel National Bank; A. H. Thornton, Asst. Cashier.

Mt. Vernon—First National Bank; no Asst. Cashier in place of J. W. Hargrave.

Seymour—Farmers' National Bank; S. Edwards, Vice-Pres. in place of R. E. Fowlkes.

Tulia—Tulia National Bank; title changed to First National Bank.

VIRGINIA.

Woodstock — Shenandoah National Bank; no Vice-Pres. in place of N. B. Schmitt, deceased.

WASHINGTON.

Colfax—Farmers' State Bank; S. D. O'Neal, Cashier in place of H. S. Burdick, resigned.

Ellensburg—Washington State Bank; capital increased to $50,000.

Seattle—First National Bank; J. A. Hall, Second Vice-Pres.

WEST VIRGINIA.

Bluefield — American National Bank; Lester G. Torrey, Second Vice-Pres.; C. R. McNutt, Third Vice-Pres.; W. B. Hicks, Asst. Cashier.

Charles Town—National Citizens' Bank; J. Frank Turner, Cashier in place of H. C. Getzendanner; A. M. S. Morgan, Asst. Cashier in place of J. Frank Turner.

Glenville—First National Bank; Charles E. Barnett, Cashier in place of R. E. Kampfer; W. D. Whitney, Asst. Cashier in place of Charles E. Barnett.

WISCONSIN.

Clintonville—First National Bank; F. E. Ruth, Asst. Cashier.

Menomonie—First National Bank; J. H. Stout, Pres. in place of F. J. McLean; W. C. Rihenack, Vice-Pres. in place of J. H. Stout; Frank C. Jackson, Cashier in place of J. P. McLean.

Milwaukee—Milwaukee Trust Co.; J. H. Van Dyke, Jr., Pres., deceased.

Sheboyan—Citizens' State Bank; Henry Hillemann, Pres. in place of A. D. DeLand, resigned; D. W. Huenink and L. C. Meyer, Asst. Cashiers.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

Attalla—First National Bank; in hands of S. H. L. Cooper, Receiver, April 24.

ILLINOIS.

Frankfort—Exchange Bank.
Pekin—Teis Smith & Co.

IOWA.

Harlan—First National Bank; in voluntary liquidation March 22.
Harris—First National Bank; in voluntary liquidation April 1.

LOUISIANA.

Shreveport—Farmers' Bank & Trust Co.

MASSACHUSETTS.

Boston—W. X. Fuller & Co.—N. B. Goodnow & Co.
Boston—Foote & French.

MISSISSIPPI.

Leland—Delta Bank.

MISSOURI.

Centerview—Bank of Centerview.
Kirksville—Baird National Bank; in voluntary liquidation April 9.

NEW YORK.

Boonville — S. C. Thompson & Co.'s Bank.
New York—National Shoe & Leather Bank; in voluntary liquidation February 28.

OHIO.

Mansfield—Farmers' National Bank; in voluntary liquidation March 31.

PENNSYLVANIA.

Freeland—First National Bank; in hands of Receiver, March 1.
Glassport—Glassport National Bank; in voluntary liquidation March 24.
Mount Pleasant — Citizens' National Bank; in voluntary liquidation April 1.
Pittsburg—Industrial National Bank; in voluntary liquidation March 12.

TENNESSEE.

Gadsden—People's Exchange Bank.

TEXAS.

Galveston—Seawall National Bank; in voluntary liquidation Feb. 12.
West—First National Bank.
McGregor—McGregor National Bank; in voluntary liquidation March 31.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING AND BANKERS' MAGAZINE CONSOLIDATED

SIXTIETH YEAR JUNE, 1906 VOLUME LXXII, NO. 6

THE SUMMER VACATION.

ONE of the countless evidences of human progress to be seen by the careful observer is the growing habit of persons in all walks of life to devote a certain period, at least once every year, to rest and recreation. The growth of this custom may have been due in part to the greater tension of modern business life, making periodical relief from the strain thereby superinduced a necessity, but it is largely attributable to a better realization of the value of rest in restoring the depleted energies of mind and body.

In the banks of the large cities it has become almost the universal rule for the clerks and officers to rest for two weeks or longer at some time during the summer season. It can not be doubted that this temporary withdrawal from the care and worry of business is of great benefit to the banks as well as to the individuals composing their staffs.

Not only is there benefit derived from the mental and physical relaxation which the vacation season makes possible, but one's sense of proportion—apt to be disturbed by the unceasing agitation of the times—will be restored by a short sojourn in the country. Here the few changes that take place are unhurried, going on quietly and in an orderly manner. The serenity of the sky and the calm dignity of the mountains are antidotes for the feverish haste, the noise and sharp contests of modern business life. Now, as of old, help may be had by looking to the hills.

The man to whom incessant application to his daily occupation has become indispensable is to be pitied. Few men need to work all the time to supply their own requirements or the wants of those dependent upon them. Probably most people have more money than they know how to expend judiciously. And the banker, or anyone else, whose life has become so inextricably woven into his business that he can not even temporarily get disentangled from it, lacks some of the elements that should go to make up the well-poised man of affairs.

The enjoyment of this year's vacation season ought to be heightened by the thought that never before has our country been so prosperous or so well deserving of the affection of its citizens. Our ideals of public and private life were never higher, and the opportunities for industry and efficiency to obtain an adequate reward were perhaps never surpassed.

EDITORIAL COMMENT

PROFESSOR F. W. TAUSSIG, of Harvard University, delivered an important address before the annual meeting of the New York Savings Banks Association, held in New York city, May 8, his subject being, "Reform in Currency and Banking, with Reference to Crises." In the course of his address he said:

"I would distinguish between two kinds of demand which appear in times of crisis: on the one hand a demand for cash, and on the other hand a demand for accommodation. These are not the same. They rest on different causes and call for different remedies.

"The demand for accommodation seems to me to indicate the real and fundamental need. It is the desire to be taken care of; to have assurances for the present and for the immediate future. In all times of uncertainty, most of all in times of acute crisis, merchants and business men need to be safeguarded against accidental or unjustifiable insolvency. Their debts are recurrently coming due, their credits on the other hand—the debts due to them—are more or less uncertain. A concern whose affairs are in good condition may be unable to meet its immediate liabilities simply because its quick assets are for the moment not available. If there be certainty that banks are willing and able to make advances to firms in this situation, their real demands are met. Such certainty is the one effective agency in preventing universal panic. It cannot be too much insisted on that it is accommodation, not cash, which is then wanted from the banks."

Perhaps, on the whole, if there were no question of limitation of the power of the banks to grant accommodation, crises might be reduced in number and severity. But there are panics marked by a distrust of the banks, and at such times not simply accommodation but cash is largely demanded.

Professor TAUSSIG does not like certain changes in the position of the banks. He says:

"The banking situation in the United States seems to have changed, and changed for the worse, in the last ten or twenty years. The old ideal of a strictly commercial bank, having its semi-judicial policy and consequent prestige, seems to be passing away. The tendency is for a combination of various kinds of banking operations in one hand or in one set of hands. National banks, and state banks doing a similar business, are closely asociated with investment houses, with the large private bank-

> ing firms that undertake to promote and finance great ventures in new business fields, with trust companies that carry on a very wide range of financial operations, and with individuals whose primary interest is not in banking, but in independent enterprises of their own.
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> "Such widespread operations bring the chance of great gains. They mean economy in the indirect expenses of management. They enable one part of the concern's operations to interlock with the other parts, and make it possible, and apparently easy, to earn two or three profits instead of one. But they mean also greater risks and greater commitments. There is a chance of making more money, but there is also a certainty of a greater locking up of capital. There is less easy command of free resources, greater danger of embarrassment if the unexpected happens. The process tends to mean less cash on hand, less reserve, less ability to meet sudden demands. Even where a bank is not directly engaged in a wide range of operations, it is often so closely associated with the trust company or banking firm undertaking them that to all intents and purposes its resources are locked up in the same way."

The profits to be made from discount and exchange usually come in more slowly than those realized from promoting large enterprises, although the latter class of business hardly comes within the domain of legitimate commercial banking. The kind of operations referred to may be, in themselves, just as proper as any of the operations of a bank; but they ought to be handled by individuals, or by corporations whose resources may be tied up in them without curtailing the ordinary requirements of the business community. This could be accomplished, it would seem, by the banks leaving everything alone except strictly commercial banking, and the trust companies would be the more able to undertake the financing of these enterprises if they would have as little as possible to do with the discount of commercial paper.

Elastic note issues are not considered the appropriate remedy for crises by Professor TAUSSIG. He states his position thus:

> "The measures for reform which I should advocate are, therefore, primarily measures which look to accommodation; to prudent management and free resources, rather than to increasing the supply of cash in times of crisis. The means toward this end are partly legislation, but perhaps in even greater degree improvements in the traditions and customs of the business community."

In closing his notable address Professor TAUSSIG made the following strong plea for a high standard of banking:

> "It may be utopian to expect a sense of duty to be maintained or strengthened in the face of opportunities for great profit. Yet I hope that more vivid realization of the public importance of their operations may affect the policy of those in charge of our great banking institutions. Can we not nurture something like a sense of professional ethics among the banks, analogous to that which the physicians and the lawyers main-

tain for their professions? May it not be understood that a bank's operations have an important part in promoting the sober conduct of industry and discouraging rash enterprises? And may it not be recognized that it is part of the banker's duty to keep his affairs in such condition that he can grant accommodation and support in times of peril?"

AMERICAN food products have justly attained a very high reputation and large sales in foreign markets. Our meat products, however, are liable to be in some discredit for a time owing to the sensational revelation of the conditions existing in some of the Chicago packing-houses.

It is to be regretted that the injury will not be limited to the guilty, but will affect the growers of live stock as well as wholesale and retail dealers who are altogether blameless of complicity in any of the evils brought to light by the special commission appointed by the President. No sympathy need be wasted on those who are responsible for these evils. But seeing the harm that may be done to others, and the great and perhaps permanent injury that our meat trade may suffer, one can not escape the conviction that there ought to be some less melodramatic method of reforming abuses like those brought to light at Chicago. If these abuses can be corrected in no other way than by the noisy and sensational methods employed, the latter are fully justified. For, of course, foreign trade or no foreign trade, we can not permit anybody to pollute our food products. But it seems that ample authority ought to exist, either upon the part of the state or Federal Government, to correct the conditions complained of without quite so much noise being made. While, ultimately, a more rigid inspection of meat products, and an insistence on a strict observance of sanitary regulations, will be beneficial to those engaged in raising and marketing cattle and beef, the inauguration of these improved methods in a sensational style is apt to do irreparable harm. If our meat products, even unjustly, once get a bad name, it will be a long time before this unfavorable reputation can be removed; and trade once lost to a rival is rarely regained except at a sacrifice of profit. The sensational disclosures regarding the Chicago packing-houses are already being made use of by other countries eager to get trade away from us, just as the disclosures made in relation to some of the New York life insurance companies were availed of by foreign companies.

Suppose the Comptroller of the Currency or the supervising officers of state banks were to publish broadcast every deviation from sound banking discovered by them, what would be the result? The best work done by such officers is never heard of by the public. Those whose business it is to keep watch over the banks are not seeking to make a reputation by exposing something or somebody. Their sole aim is to promote sound banking, and in enforcing the rules necessary to insure this result they do not do their work any the less effectually because they do it quietly.

SPECULATION in real estate seems to be active in all parts of the country. Several causes have contributed to produce this result—the general prosperity of the people, heavy immigration, and the high prices of the staple agricultural crops. The influx of foreigners, many of whom remain in the larger cities, has greatly intensified the demand for houses, increasing rentals, with a consequent advance in the price of land. There has been an overflow of population into suburban districts, and it is here that speculation is most rife. Prices paid for houses and lands in some of these districts are higher than those asked for residence property centrally located.

Most American cities are growing rapidly, and in time actual values will catch up with the speculative figures at which a great deal of property is now being held. But meanwhile those who have bought at the high prices, and who have not completed their payments, will find themselves much embarrassed should there be a sharp decline in prices, which is almost certain to take place. In this event they would experience difficulty in selling at a satisfactory figure or in procuring loans to make the necessary payments to carry the property. With the recession of the speculative wave, many who now are indulging dreams of great wealth will be left stranded.

Real estate speculation, especially when it is general, is not infrequently one of the phases marking the approaching culminaton of an era of prosperity. Whether the present unusual activity in land dealing may portend a reversal of our long run of prosperous times or not, observers of the course of financial affairs can not fail to study it with great interest.

GOLD imports will not be "facilitated" by the Treasury Department for the present. On May 31 Secretary SHAW revoked his recent order which permitted Government funds to be deposited with banks desiring to import gold, the Government money being retained by the banks until the gold arrived, thus "preventing a loss of interest." The propriety of the Secretary's order was fully discussed in last month's issue of the MAGAZINE, and it is only necessary at this time to refer to the criticism called forth by the revocation of the order.

There is much ground for a justification of the suspension of the privilege referred to, inasmuch as the Secretary doubtless considers it as an expedient to be used only in case of emergency. As the resources of the banks and the Treasury also to provide relief of this character are somewhat limited, it may be very plausibly urged that these resources should be carefully husbanded. It is indisputable that the employment of remedies of this nature affords marked relief, for the time being at least. When the money market gets into a condition of extraordinary tension, the sudden transfer of large sums of idle money from the Government vaults to be active channels of trade, through the banks, affords instant and material relief. Whether the resort to such expedients, especially when employed so frequently as they have been of late years, exercises a beneficial or baneful influence on the money market, in the long run, is another question.

Under the present system the Secretary of the Treasury has become a sort of financial Jack-in-the-box, whose alert movements may be very wisely ordained, but which are nevertheless exceedingly mystifying to those traders, speculators and others to whom an accurate measurement of money market conditions is a matter of no slight importance.

There are a few old-fashioned people who believe that the money market should be removed as far as possible from the influence of sudden and extraneous fluctuations, whether of an increase or diminution in the supply of funds. They look with scant approval on a policy that favors the carrying on of enterprise, business activity and speculation at top speed until the inevitable monetary stringency ensues, to be relieved by an appeal to the Secretary of the Treasury—the operation being repeated over and over again, and the severity of the conditions calling each time for a more heroic remedy. Why, indeed, should anybody fear a monetary stringency, knowing that before it reaches the acute stage the Government will pour unlimited funds into the banks? It is fortunate, indeed, that we have so large a surplus, derived from taxation, that it may be used to bolster up a tottering speculative market!

We are not complaining of the Secretary's action. At times the operations of the Treasury needlessly withdraw funds from the market, and it is only fair that the Secretary should take the opposite course as occasion demands. One transaction is just as logical and as legitimate as the other. Both should be prevented, and could be, if the laws governing such matters were wisely framed.

Reliance upon Treasury relief is becoming too pronounced, and it is believed that the policy of frequently extending Government aid to the money market tends to weaken that spirit of independence that we like to think of as appertaining to our financial institutions. As already stated, the Secretary of the Treasury cannot well refrain from doing what he can to ameliorate a situation partly superinduced by the Sub-Treasury plan of locking up the surplus public revenues. Congress ought to make it unnecessary for the Secretary to attempt the impossible task of regulating the money market.

FRANCE appears destined to gain the ascendency in international finance. It is estimated that the investments in foreign securities already amount to some $15,000,000,000, and that there is $500,000,000 available each year for further investment in home and foreign securities.

Many explanations have been put forth to account for the great capacity of the French people for absorbing new investments, but still there is considerable room for inquiry as to the source of such a vast volume of investment-seeking funds. France is, of course, a very old country whose enterprises are very fully developed. Within its own boundaries there are comparatively few opportunities for investments in fresh undertakings, such as exist in the United States, in Canada and in the South American states. The saving propensity of the French is proverbial, and there is no lack either of industry or of efficiency. It is suspected that the latter factor is one that plays a considerable part in the prosperity of the French nation, for we see that China has an industrious population, disposed to be saving, but still the country is very poor. France is less heavily engaged in foreign trading than some of the other leading nations, and probably by far the greater part of the export trade is in the form of finished products into whose manufacture art and skill enter largely as elements of cost. Exports of this character make lighter drafts on the natural resources of a country, and are perhaps more profitable than where raw materials constitute the bulk of the exports. Many of the manufactured commodities exported by France are articles of luxury on which a large profit is made—such as silks, wines, objects of art, etc. As a matter of fact, however, the country generally imports more than it exports, but this apparently "unfavorable" trade balance is much more than offset by the large revenue derived from foreign investments. Undoubtedly France gains immensely by the constant influx of tourists who leave, in the aggregate, large amounts of money in the country but take away very little in the shape of goods.

But after all has been said, the fact that France is able to hold substantially all of her own public debt, to finance her own industrial enterprises, and still have so much left for outside investment, is a remarkable evidence of the thrift of the French people. The Bank of France and other financial institutions of the country seem to be constituted and managed in a way to promote the best interest of all classes. One reason for the great prosperity of the French people seems to be the general distribution of wealth among the population, large fortunes and great industrial combinations being comparatively few in number.

AT the recent convention of the Missouri Bankers' Association, MILTON E. AILES, formerly Assistant Secretary of the Treasury, and now vice-president of the Riggs National Bank, Washington, D. C., paid a well-deserved tribute to the ability and character of the late HUGH McCULLOCH, the first Comptroller of the Currency and twice Secretary of the Treasury. MR. McCULLOCH was not only an able public official, but he was a banker of wide experience and sound judgment. For many years, during an epoch when numerous banks were in disfavor, owing to their lax methods, he conducted an institution that steadily maintained its credit. When he came to be Comptroller of the Currency he sought to exercise much the same careful scrutiny of the national banks as he maintained over the branches of the State Bank of Indiana. He was not content merely to have the banking laws observed, but he wanted the banks to conduct their operations with careful regard to the rules of sound banking. He was a trained banker himself, and the advice he gave the institutions under his supervision was always worthy of careful attention.

If Congress had not intervened, Mr. McCULLOCH, when Secretary of the Treasury, would have retired the greenbacks, and thus saved the country an enormous expense, and relieved our financial system of an element that has been a source of distrust in the past, and which may become so again.

We have no doubt that the reports made by Mr. McCULLOCH as Comptroller and Secretary would be very instructive for bankers who desire to gain a thorough understanding of the organic rules of their business.

DISARMAMENT of the world's great military powers is one of the dreams sometimes indulged in by European statesmen. LORD AVEBURY, who is distinguished in the world of science and in that of finance also, speaking in the House of Lords on May 25, said: "Europe is a great military camp. We have no peace; only an armistice, with unlimited expenditure. The result is that instead of accumulating capital for our children we are piling up for them debt and overwhelming responsibilities."

The expenditures for military purposes have grown to be so great among the principal European nations as to be a serious burden upon the productive energies of the people. Farmers, artisans and others who go about continually with one or more soldiers strapped upon their backs are getting tired of carrying this load, which shows a disposition to grow heavier all the time.

Individuals have generally relinquished physical combats as a means of settling disputes and it is difficult to see why nations might not advantageously adopt the same policy, appealing to a specially-constituted court for the adjustment of their controversies, just as individuals do to the local courts. It must be admitted, however, that it might not always be easy to compel nations to acquiesce in the decisions of such an international tribunal or even to bring their controversies before it in all cases. One nation might contend that a certain dispute related to a question of honor, and of course matters of this kind, in the opinion of many people, can be adjusted in no other way except by a contest of physical strength. Then, too, one or more nations concerned might sometimes find it advantageous to decline to accept the verdict of the court. This would compel the other nations to employ force in order to bring the recalcitrant members of the international compact to terms. In the end, all the great nations of the world might find themselves involved in a general war. All these are unpleasant possibilities. It is more probable, however, that no nation entering the compact could refuse to submit its case to the court, or decline to accept the verdict rendered. A practically united opinion, world-wide in its scope, is a more formidable foe than any nation cares to face.

AN emergency circulation is favored by many students of finance as an effective palliative of monetary stringencies. Such a circulation is issued by the Imperial Bank of Germany, and seems to work very satisfactorily. It is claimed, however, that the emergency issues in Germany are not made for purposes similar to those which would call for an issue of this character in the United States. In Germany, it is said, settlements are customarily made at fixed periods; for example, on certain days of the month, or quarterly; and it is the demand for money on these settlement days that calls for the temporary expansion of circulation by the Reichsbank. In the United States this custom of making settlements only at certain periods does not generally exist.

Merchants and others pay their bills from day to day, regardless of whether it may be the first of the month, or the fifteenth; or whether it may be the middle of a quarter or the end. Rents and some other payments, however, are usually made on fixed dates. There are also exceptional disbursements on account of dividends, etc., in January and July. But none of these are the emergencies supposed to require provision for issuing more bank circulation. In fact, it will be found that the extra demand for money at the times mentioned is met, as a rule, without difficulty.

The agitation in favor of an emergency currency here is founded on the belief that such a currency would supply the exceptional demands due to periods of increased business activity when speculation, trade and enterprise are proceeding at such a rapid pace as to absorb the funds ordinarily available. It is doubtful if the crop movement, of itself, would call for an emergency currency. Assuredly it would not if it were not for the fact that the requirements for crop-moving purposes often come at a time when the country's funds are almost completely tied up in other directions, and it is the added strain that causes the pinch.

The real aim of the advocates of an emergency currency seems to be to provide a weapon that may be employed in fighting against the distrust engendered in times of financial panic. They do not seek so much to prevent a financial crisis as to mitigate its ill effects.

Financial panics are sometimes due to causes beyond human control. If the earthquake of April 18 last had devasted the principal American cities, who could have measured the resulting distrust and alarm in financial circles? Great calamities like that at San Francisco can not be guarded against so effectually as to prevent their destructive effects entirely. Wars also have a very serious influence in shaking the confidence of the business world, and modern statesmanship has not yet devised a substitute for war in settling international disputes—at least none that can be relied on with any certainty. Panics due to disturbances of the character named are comparatively infrequent, and hardly call for any special provision to ward off their ill effects. The advocates of an emergency currency do not, in fact, seek to provide for crises resulting from natural calamities or from wars. What they wish to do, apparently, is to find a way to avoid the money squeezes that are caused by an over indulgence in the optimistic propensities of human nature. In times of exceptional prosperity we Americans, who are apt to look on the sunny side of things anyway, have a tendency to rush ahead at a somewhat swifter pace than is consonant with absolute safety. At such times some of us, in fact nearly all of us, get into financial trouble, and we seriously feel the need of a prop to sustain our vast and numerous enterprises.

An emergency circulation would, perhaps, afford some help, but would it not also tend to encourage that spirit of undue optimism which many believe to be one of the causes of financial crises? Why should there be any hesitancy in pushing enterprise to the utmost limit, since the printing press stands ready to turn out unlimited supplies of money on short notice?

IN the face of a severe financial panic only one remedy will provide effectual relief—the *unlimited* power of the banks to furnish credit either in the shape of loans or circulating notes; and if the emergency currency will enable the banks to extend this relief, the force of the panic can be broken.

But a panic once having occurred, the period of recovery is always sure to entail much hardship upon business enterprise, and great losses must ensue before the business world is restored to its normal condition. Would it not therefore be better, instead of seeking for means to break the force of a panic, to devise a plan that would prevent such disturbances, except those caused by wars or great natural cataclysms? If the slow but steady march of enterprise could be maintained, the real progress achieved would doubtless not be less than it now is when so much of time and of effort must be expended in recovering from the effects of periodic crashes due to a feverish endeavor to push business activity beyond prudent limits. If the faults in our financial system tend to aggravate this eagerness and haste of mankind to get rich, or if they tend to foster speculation at the expense of ordinary trade, and thus contribute to cause business revulsions, these faults should be remedied. It would seem to be more desirable to remove the causes of financial crises, so far as this may be done, than to provide for meeting emergencies, since the latter plan would perhaps make the financial and business world less regardful of those principles which must be observed if the progress of industry and trade is to be reasonably safe from the severe shocks and disturbances to which it is now exposed.

UNWISE investments annually waste a vast amount of saved capital in the United States. The present times seem especially propitious for the promoters of all sorts of get-rich-quick schemes, and mining, oil, land and numerous other enterprises are being flaunted in the public eye in the most glaring and alluring colors. The immense sums that are being expended in advertising these schemes indicate a plentiful crop of customers, and justify the inference that the gullibility of mankind is not decreasing very much despite the spread of education and general knowledge.

It is hardly possible that any effective means can be devised for altogether preventing the losses due to foolish speculation. But the banks may do much by extending sound advice to their depositors and warning them of the danger they run in buying Hot Air common or Balloon Bubble preferred, to say nothing of the thousands of other "securities" and "investments" less obviously speculative. If the stream of cash that flows into the bucket-shops and into the innumerable traps set to catch the dollars of the unwary could be diverted into the legitimate channels of commerce and industry, the solid prosperity of the country would be greatly enhanced. We are not unmindful of the fact that these risky ventures are but excrescences upon our national wealth and progress and do not denote any radical unsoundness in our business methods. But these excrescences are not healthy growths, and the sooner and more completely they are lopped off, the less will be the danger of their impairing our national vitality.

CORPORATIONS, as is well known, have no souls. Judging by the evidences of stupidity on the part of the management of many of them, it must also be concluded that they are deficient in brains and in ordinary common sense.

Private individuals, engaged in almost any business, and who hope for large success, realize that this may be attained only by furnishing the best article, or a superior service of some kind, at a fair price. There are great corporations that hope to thrive by reversing this principle. They have been able to do this and to reap great profits, owing to their practical monopoly of certain lines of production and distribution or of public service. But that spirit of competition which is ever watching for an opportunity to profit by the mistakes of others is inevitably roused to action by such a short-sighted policy as that above described. The lethargy of the public is also too confidently relied on by some of the great corporations. They do not seem to realize that all the people can not be fooled all the time. The public may be likened to a large body, whose inertia is not easily overcome; but when this body once gets in motion, its force is terrific. That the indignation of the people has been stirred against the corporations that have defied the principles of honesty and decency, can not be doubted. And there is going to be a stern retribution for those who have been guilty and a strict accountability demanded in the future.

Misgivings are expressed that popular fury may be so fanned as to destroy the vast properties carefully built up by the great railway and other corporations. But the way to prevent this is not by glossing over the corruption and dishonesty that have been found to exist. However disagreeable it may be, there is no safe remedy but to uproot the evils that have been disclosed. Popular agitation may, indeed, be carried too far; but after all, the original sin lies with those guilty of the evil practices and not with those who have exposed them. The work of exposure, though painful and disgusting, should go on until there is a thorough cleansing of the foul spots in our corporate organizations.

The hostility that has been aroused is not aimed at all corporations. There is no antagonism to those corporations, even the great "trusts," so-called, that observe the ordinary rules of fairness and decency. The fight is against the corporations that imagine that their charters grant them immunity from the results of defying every principle of right and honesty, and this fight will continue to be waged with increasing vigor until the eyes of the blind managers of these concerns are opened.

Dishonesty and sharp practice may win ephemeral success, but in the end they will fail utterly and wretchedly, and this is true of corporations as well as individuals. It would seem that the dictates of common sense ought to admonish the managers of all great corporations that they must either conduct their enterprises according to sound principles or take the consequences. If they wilfully persist in sowing the wind, they should not complain of reaping the whirlwind.

STRAIGHTFORWARD dealing with the currency question on the part of Congress would probably do more to bring about desirable reform than the most elaborate and skillfully devised plan that can be drawn. The errors that have become a permanent part of our currency system are not perpetuated through ignorance, but through the failure of the legislative authority to meet the problems presented with candor and inflexible honesty. The pledge made when the legal tenders were first issued, that they would be but a temporary expedient, has not been kept. We have postponed their retirement indefinitely because of the political possibilities that might follow if the cry of "contraction" were raised, although it is well known that there have been times when contraction would have been beneficial. Our dealing with silver was mistaken at the time, and recognized to be so now; but though under the whip of necessity the coinage of silver was stopped, the weakening of our currency system caused by the dilution of the silver flood has not been frankly remedied. When the bonded debt approached maturity, thus leaving no basis for issuing bank circulation, we did not meet the situation squarely by providing some other security for bank-note circulation, but weakly perpetuated the debt and kept on in the same way, although scientific opinion almost unanimously condemned it.

Congress seems indisposed to enact financial legislation, however desirable it may be, unless there is some political capital to be made out of it. If business is so deranged as a result of a bad currency system that the ruling party can get some credit by changing the law, then there is a prospect that the law will be changed.

This method of dealing with the currency is not honest. It would seem that if considerations of principle should govern anywhere it would be in matters relating to the country's money. There is, of course, no way of effecting a reform of the currency except through political instrumentality; but it is believed that the time has gone by when it is necessary to resort to shifty expedients. If the politicians would take the people into their confidence and frankly tell them the truth about the greenbacks and the present national bank notes, authority could be obtained for effecting reforms which all thoughtful men know to be desirable.

Educational movements in behalf of currency reform are well enough in their way, but they will not prove of much effect until we resolve to confront the problems involved squarely, and not evade them, as has been done too often in the past. The cause of currency reform does not seem to lack brains so much as it lacks backbone.

THAT venerable and respected institution, the Bank of England, is severely criticised by W. R. LAWSON, in an article published elsewhere in this number of the MAGAZINE. Mr. LAWSON does not find fault with the administration of the Bank, but with the system under which the Bank is compelled to carry on its work. Its machinery, he says, is poorly adapted to bear the immense strain put upon the Bank by the requirements of modern finance.

Mr. LAWSON states that in neglecting purely banking transactions and keeping its attention fixed on the note-issuing privilege, the Bank of England has grasped the shadow and lost the substance. Its rivals have not only taken advantage of this neglect of the banking field by the country's great financial institution, but have compelled the Bank of England to assist them in profiting by its own inability to do a proper share of the banking business of London.

The situation in which the Bank of England finds itself is an illustration of the difficulty that even the greatest and strongest institution labors under when its machinery—or, rather, the powers granted to it—become unsuited to the needs of the times. Industry and commerce are constantly growing, and methods of doing business are changing. The banks must keep pace with the demands of business, and if one class of institutions should be handicapped by obsolete laws and regulations, the institutions not so hampered will forge ahead.

Our own national banking system, like the Bank of England, was designed primarily to serve the interests of the Government; but the national banks of the United States have admirably served the purposes of commercial discount and deposit banks. There has been here, as in England, some disposition—at least from the theoretical side—to magnify the importance of the circulation privilege, since most of the discussion of banking problems relates to the circulation and not to the development of the check and deposit system. But in practice the latter is of vastly more importance.

Since the original National Banking Law was passed there has been a vast change in methods of doing business, and the banks are now subjected to much keener competition than ever before. If the national banks are to maintain the highest efficiency, the laws under which they operate will have to be changed to enable the banks to meet reasonable competition.

Mr. Lawson has performed a valuable service in pointing out that banking systems, in order to be of the highest service to the business community, must keep pace with the needs of the times.

RESERVES of the British banks are determined by the managers of the various banking institutions, and are not fixed by law, as in the United States. But at present there is considerable agitation going on in England favorable to the enactment of a law that will require the keeping of a certain reserve by the banks.

One of the London financial papers argues that if any law is passed it should provide for the use of the reserves in emergencies, as it is declared that a reserve is kept precisely for that purpose. It is also stated by the same authority that the national banks of the United States are forbidden to make such use of their reserves. This is not correct. As a matter of fact, many of the banks not only make use of their reserves in emergencies, but a considerable number of them seem to have gotten into a condition where there is a chronic deficit below the legal requirement, even though no special emergency justifies such a condition. The law prescribes what a bank shall do when the reserve goes below the point fixed by law, and also prescribes the course to be taken by the Comptroller of the Currency. But in actual practice there is no severe penalty for infractions of the reserve law. The Comptroller may close a bank because its reserve is short, but as a matter of fact he resorts to admonition instead of taking the severe course. Practically, the law in the United States allows the banks great discretion in the use of their reserves.

One proposal brought out in the discussion of the reserve question in England is apparently novel and certainly interesting. It is that the banks be allowed to trench upon their reserves, but that they shall be compelled to pay a tax of five per cent. per annum on the amount so taken from the sums which the law may require. Doubtless the banks in the United States would not welcome such a law, as they prefer to use their reserves when necessary without paying a tax. Admonitory letters from the Comptroller may be annoying, but as a rule they do not cost anything more than the postage expended in replying.

If a tax were imposed upon the banks that encroach on their reserves it might have very important effects upon the money market. It would probably tend to make the banks more circumspect than they now are in the use of their reserves. But unless it can be established that a tax of this character is necessary, it would be objectionable on the score of cost alone.

It is no doubt true that the ill effects of a monetary stringency could be checked if the banks had their reserves in a position to be used at such times; that is, if they had not already used them before the stringency became acute. On the other hand, if the reserves are used before the acute stage of the stringency a panic may be forestalled.

There is, perhaps, too much of a tendency on the part of the banks to leave but a scant margin of reserves for use in emergencies. They are impelled to this course by the very laudable desire of keeping their funds as fully employed as possible in order to earn satisfactory dividends. But it might be found that substantial advantage would be derived by keeping in a position to make large loans at times when the money market was tight. Greater profit can be made at such times, and a bank that can keep on expanding its loans when other banks are contracting theirs is apt to increase its prestige by such a course. To remain serene in the teeth of a financial gale is one of the most telling advertisements a bank can have.

Such reserves as the English banks keep at present are of a more or less shadowy character. It seems to be the practice over there to count as cash items that would not be so considered in this country.

THE GROWING STRAIN ON THE BANK OF ENGLAND.

BY W. R. LAWSON.

OF all the great financial institutions in the world the one that demands the closest and most watchful study at the present moment is the Bank of England. Not because of its power or its magnitude or the brilliance of its management. Not that it cherishes any vaulting ambition or is likely to plunge into a policy of adventure. The Bank of England is the most prosaic and least adventurous of financial organizations. It is conservative to the core and never had a speculative idea in its head. Nevertheless it is and has been for some time past an object of universal concern.

Partly by legislation based on conditions as dead as if they were centuries old, and partly by the growing of new customs and conditions over which it has little or no control, it has been forced into a corner in which it struggles spasmodically almost by accident, and without any prevision of the possible consequences, it has been made the hub of the world's money market—a difficult and thankless office. It was never designed for such a duty, and it has made no serious attempt to adapt itself to it. Its policy so far has simply been to rub along somehow, and to deal with difficulties as they arose.

THE ORIGINAL FUNCTION OF THE BANK.

What the Bank of England was originally intended for was to finance the British Treasury. That function, which it performed for two centuries with marked success, has now become a secondary part of its programme. Within the last half-century there has been added to it another and quite incongruous function, to wit, holding the reserves of the joint-stock and private banks of the United Kingdom. As regards at least one-half of these reserves it is merely stake-holder. It can make no banking use of them, for the good reason that the joint-stock and private banks do that themselves. The balances they hold at the Bank of England they trade with in Lombard Street just the same as if the money were in their own tills. They lend it from day to day or from week to week as opportunity offers. In fact, it is much easier to operate with while in the Bank of England than if they held it themselves.

UTILIZATION OF THE BANKERS' BALANCES.

The bankers' balances in Threadneedle Street are thus to a large extent illusory reserves. The Bank of England must utilize a certain proportion of them or they would not be worth having. But so far as they are utilized they cease to be, properly speaking, bank reserves. This is an acute form of the question that has sometimes been raised with regard to the legal reserves of the United States national banks. The law allows a country bank to place a certain percentage of its reserve on deposit in a reserve city bank. The latter again may deposit a certain percentage of its reserve in a central reserve city. By that overlapping process the aggregate reserves of the national banks become in the end greatly attenuated. In a more refined and less obvious way the reserves of the London clearing banks are watered down by storing them at the Bank of England and allowing the Bank free use of so much of them as it considers safe to lend out again. The proportion varies from forty to fifty per cent.

WATERING OF BANK RESERVES.

In one respect this watering of bank reserves is a more risky practice in England than in the United States. The liabilities of the United States banks are no doubt large, but they are well known; they are not subject to sudden or violent changes; they can be closely watched, and the margin of security for them is ample. They have besides the special merit of being chiefly domestic. On the other hand, the liabilities of the London banks are to a large extent foreign. They are not only immense in volume, but the amount at a given time can never be more than guessed at. They are subject to rapid and bewildering fluctuations. They make sudden and unexpected demands on the banks. Their future movements cannot be forecast, and they are full of risks which cannot be guarded against.

For sheer blind chance Lombard Street can beat any race-course or gambling-saloon in the world. And in critical times all that stands between it and financial deadlock is the thirty or thirty-five millions sterling of gold in the Bank of England vaults—hardly one-fourth of what is generally to be found in the United States Treasury. London's pyramid of banking credit, which steadily grows wider and wider at the top, rests on a very fine gold point. At the present moment (April, 1906,) New York, regardless of its 700 million dollars of a gold reserve in the Treasury, is drawing on London for every dollar it can borrow or finance. Wall Street is transferring all it can of its unwieldy bull account to the London Stock Exchange. Why the Bank of England's 35 millions sterling of a gold reserve should be deemed so much more invulnerable than the 140 millions sterling in the Treasury at Washington, it were hard to say. The real reason why borrowers flock to it from all the ends of the earth is, no doubt, its accessibility. So long as there is a sovereign left it will be at everybody's service.

That, as banking readers will at once see, is an altogether artificial and precarious arrangement. It puts everybody connected with it in a more or less false position—the Bank of England itself, the clearing banks, and Lombard Street which borrows the money supposed to be in reserve. It creates a fictitious banking fund which could not exist otherwise. It produces an intricate series of monetary operations which are not always profitable and many of which might easily be dispensed with. It causes speculative movements in money, and sharp fluctuations in rates which have an unwholesome reaction, both on domestic and international trade. When rates are low foreign borrowers are attracted to Lombard Street, and when they are high foreign lenders rush in. Thus Lombard Street becomes a financial Petticoat Lane and the Bank of England, often with little pleasure to itself, has to hold the candle for the polyglot crowd.

This description of the Bank of England and its existing relations to Lombard Street is, I admit, perfectly heterodox; but it is, in my opinion, one of the heterodox doctrines that have a knack of coming true. The present generation has seen several of them verified in the money market, and this one is, I hope, to be the next.

"THE MONEY MARKET OF THE WORLD."

But whether my view of Lombard Street be heterodox or otherwise, there can be no question as to the difficulty which the orthodox authorities are having over their doctrine. What they complacently worship as the "money market of the world" is largely a figment of their own imaginations. It is not an intelligently planned financial system, but a creature of circumstances. The first fortuity in the series is the Bank of England itself. The second is the bankers' balances with which its joint-stock competitors have loaded it up as Mark Twain's jumping frog was filled up with shot by the owner of the rival frog. The third is the so-called "short-money market," which is simply a crowd of bankers and bill brokers scalping each other for sixteenths or thirty-seconds. If the joint-stock banks were to handle their own bills as they ought to do, and to hold their own balances, there would be little need for a "short-money market." Meanwhile they have got the Bank of England between the upper and the nether millstones; or, as it might be more properly put, between the devil and the deep sea. So long as it holds their daily balances it must play their game for them. But the strain of it is rapidly growing intolerable.

The Bank of England, so far from being the regulator of Lombard Street, is a mere clearing-house for its colossal cosmopolitan operations. Not only so, but it has to a certain extent to guarantee them. When the bill brokers and short-money scalpers overreach themselves they think they have no more to do than to run to the Bank of England for an emergency loan. The Bank has in a way countenanced that practice. Some directors have gone so far as to recognize it as the duty of the Bank to pull Lombard Street out of its periodical scrapes. Other directors have, however, quite as strenuously repudiated that view. There has never been a decided majority of the court either way, but recent indications have been increasingly negative. The Bank seems to be discovering that impossibilities have hitherto been expected of it.

If the theory that the Bank of England is the hub of the world's money market be examined historically it at once breaks down. Its organization is less adapted for such a difficult and responsible office than that of any other state bank in Europe. Its direct control over the foreign exchanges or the international movements of money is not to be compared with that of either the Bank of France or the Imperial Bank of Germany. It is one of the many accidents of English financial history. It was not originally founded as a bank. It has never been conducted on ordinary banking principles. Its Governors have seldom if ever been trained professional bankers. Nevertheless they find themselves called upon to fill the most difficult, responsible and perplexing position in the whole banking world. With crude and primitive weapons they have to defend as best they can a complex organization against forces far more powerful than itself.

OTHER BANKS MORE INDEPENDENT.

The Bank of England, though historically the head of the financial world, is not by any means the strongest or the wealthiest or the most independent of the great banks. It is not even the biggest dividend earner. It pays on its capital of fourteen millions sterling only about half of the average dividend of its joint-stock competitors. Though it pays no interest on its deposits either public or private, they yield barely two per cent., thanks to the fact that seldom half of them are employed. Fortunes may be made in Lombard Street every year, but the share of the Bank of England is infinitesimal. It is a very moderate remuneration indeed for the risks and anxieties which have to be endured in earning it.

To the general public these risks are as little known as the internal affairs of the Bank of Japan, but they are very real and of grave import. It is no trifling matter to be held responsible for a paper currency which in principle should circulate as freely as water, but in fact will not rise beyond a certain level; for a banking reserve which is supposed to be all gold, but is to a large extent paper; for an open door gold market which professes to buy or sell the metal at a fixed price, but can seldom buy at its own price, and would soon have to stop selling if a few foreign buyers were to put it to the test.

The Bank of England has all these responsibilities to meet every day and a few more as well. With its three London offices and its nine provincial branches it has to regulate the "money market of the world." Which means, in practice, that it has to be the final resort for domestic and international finances. This task, always heavy, is year by year growing more burdensome as the ramifications of the money market extend. New banks and banking combinations are always joining the crowd in Lombard Street. The first thing they do is to open an account at the Bank of England and dump their surplus cash there for greater convenience in trading with it. Thus the Bank's embarrassing and unprofitable office of stakeholder to Lombard Street becomes increasingly difficult.

INCREASING INFLUENCE OF FOREIGN AND OTHER BANKS.

According to the estimate of a reliable authority there are over two hundred British banks operating in London, with aggregate resources of over one thousand millions sterling; nearly one hundred Colonial banks, aggregating about four hundred and forty millions sterling; and one thousand branches or agencies of foreign banks, with over three thousand millions sterling behind them. The grand total is nearly thirteen hundred banks, with aggregate resources between four and five thousand millions sterling. Many of these banks may be small and the volume of their transactions unimportant, but a number of them are larger than the Bank of England itself. The amount of business, domestic and foreign, which they put through every day must be enormous. Individual transactions which half a century ago would have made a good month's exports pass unnoticed.

NUMEROUS BURDENS OF THE BANK OF ENGLAND.

Though the Bank of England is under no obligation either legal or moral to these gigantic traders and financiers, they can by skillful use of the Act of 1844 make it their sponsor. Without having any check on them or even knowing them by name, it has to stand behind them in all emergencies. They can count on its help in time of trouble whether they deserve it or not. Moreover, it has always to be on the lookout for trouble and preparing to meet it. The Bank directors have to watch gold going out and foreign bills coming in. They have to note the ebb and flow of money in Lombard Street. They must find out day by day how much "fine paper" is floating about, where it comes from, what names are on it and what class of business it represents. Without these details the fluctuations of foreign exchange would be Greek to them.

And when they have laboriously collected all that information, very often its only effect is an impression of sheer impotence. If they were freehanded, as they used to be previous to 1844, they might know how to act on it. But they are hampered by precepts and theories and maxims of two generations ago, which are not only out of date, but have never really justified their existence. In plain language, they have been delusions. The currency scheme of 1844, the "automatic" foreign exchange regulator, the patent Bank rate adjuster, the separate Issue and Banking Departments, the banking reserve, and the fixed tariff for gold, have all gone wrong in practice. They were mere fancy schemes of currency and banking experts long dead and forgotten. Much of the financial wisdom of sixty years ago sounds rather foolish now. Whoever would sample it let him hunt up Joplin and other oracles of the period.

Joplin had a theory, and a very plausible one, that a definite amount of metallic money is required by each country for its domestic exchanges; that the amount in question should be maintained as uniformly as possible; that every import or export of gold should be offset by a corresponding reduction or increase of local prices, and that every such readjustment should be made in the district where the original transaction had taken place causing the import or export of gold. London and the provinces were no longer to interfere with each other's money market. Each was to be on its own bottom and to have the regulation of its own prices and exchanges.

The idea that manipulating the currency can equalize prices or create a demand for labor may still linger in academic circles, but as a rule of practical banking it had to be given up long ago. The Bank directors do not now attempt to correct the foreign exchanges by operating on prices generally. They select one commodity—money—and make it a scapegoat for all the others. Raising or lowering the Bank rate makes money dearer or cheaper to those who deal in it. This is a delightfully simple recipe when it works, but a rather embarrassing one when, as often happens nowadays, it will not work.

Lombard Street has outgrown the most fanciful of the old currency nostrums including the one which assumes a self-adjusting relation between the volume of money and prices. To that extent the Bank of England has been emancipated from the yoke of the currency doctrinaires. Of late it has been trying to force itself farther. Instead of moving the rate up and down automatically in order to correct the vagaries of foreign exchange, it operates now on the open money market. This is a precarious operation demanding great skill and judgment on the part of the Bank directors. Its latest development has excited warm and widespread controversy, but no great success has been claimed for it even by its warmest defenders.

DIRECTORS OF THE BANK SHOULD HAVE WIDER DISCRETION.

What the Bank directors obviously need in this connection is a much larger margin for acting on their own judgment and discretion. But in order to act safely they would require to be expert all-round bankers. During their brief term of office they may pick up a good deal of the routine of local banking, but no amateur ever distinguished himself in international finance. It is the most intricate and perplexing branch of monetary science. Strange to say, the Bank of England in its early years did foreign as well as domestic business. It cultivated foreign bills of exchange and discounted them at lower rates than inland bills, doubtless because of the superior names they generally bore. But the long interregnum when specie payments were suspended seems to have killed that department. The Bank found it much easier to make money out of its unlimited paper issues. These were its ruin as an international banker. When specie payments were resumed in 1822 the Bank directors were still so enamored of their note-issuing monopoly that they sacrificed the best part of their banking business for it. The new joint-stock banks gradually took possession of the field thus abandoned. In a sweet spirit of historical irony they are now compelling the Bank of England to assist them in carrying on the business which it should have kept to itself. But the question is still far from being settled. It is open to the Bank of England to take a heroic resolve and repair the great error of eighty years ago. It may renounce the modern idea that nature meant it to be a mere convenience for Lombard Street and become a genuine national bank. Either it must do that or fall more and more into the power of its joint-stock competitors. They are willing and even eager to "co-operate" with it, because they see that the inevitable result would be substantial for them and shadowy for the Bank.

BANK HAMPERED BY VARIOUS INFLUENCES.

It has been the bane of the Bank of England throughout its long history to be always dependent on some outside influence. From its birth down to the resumption of specie payments in 1822 it was more or less at the mercy of the Government of the day. It had hardly freed itself from that yoke than it came under another still worse in one respect. The tutelage of Lombard Street has always been erratic, uncertain and intangible. Only on one point has it been consistent. Its power over Threadneedle Street has steadily grown and now it is too obvious for even the Bank directors themselves to dispute it. The present Governors have in fact ceased to do so. More than once during the past few months they have gracefully held out the olive branch to Lombard Street.

The Bank of England, though not a state bank in the full sense that the Bank of France and the Imperial Bank of Germany are, has all the duties of a state bank to perform, along with sundry others even more important. There is equal and even greater reason than in the case of the Reichsbank and the Bank of France for it to have a well-defined sphere of its own, self-dependence and perfect self-government. At present it has none of these primary requisities. Whether it likes or not it has to serve outside interests and frequently to invite outside help.

Incredible as it may sound to all who do not realize the British love of anomaly, nearly every principle and theory on which the Bank of England conducts its business has at one time or another been forced on it from outside. In many cases they were only submitted to it under protest. The theoretical standard by which the Bank attempts to regulate both its circulation and its banking reserve is the rise and fall of the foreign exchanges. That was one of the new doctrines of the Bullion Committee of 1810, which for nearly a century were regarded in England as the final word of financial wisdom. They were elevated to the same position in banking science that the Cobden gospel afterwards achieved in commerce.

Public faith in them is no longer so absolute as it was, but in 1819 they were in the first flush of novelty. Sir Robert Peel had been converted to them and in 1819 he made them the corner stone of his measures for the resumption of specie payments. It required at that time no ordinary courage in any one, and especially a Bank director, to express the slightest doubt as to their plenary inspiration. But the Governors of the Bank of England did declare their scepticism in no uncertain terms. In March, 1819, they submitted to the Government the following resolutions adopted at a General Court:

"That with respect to the continental finance operations already alluded to this court does not consider their injurious effects to be bounded by the investments which may have been already made for account of British subjects, but it is apprehended that these operations during their continuance will contribute to keep the foreign exchange in an unsettled state.

That this court cannot refrain from adverting to an opinion strongly insisted on by some that the Bank has only to reduce its issues to obtain a favorable turn in the exchanges and a consequent influx of the precious metals; the court conceives it to be its duty to declare that it is unable to discover any solid foundation for such a sentiment.

To expect the Bank to issue gold at £3 17 10½ per ounce, however high the price in the market may be, would be to impose a heavy loss upon the corporation without rendering any adequate benefit to the public."

The last paragraph refers evidently to a proposal made by Ricardo in connection with his plan for redeeming Bank notes in bullion instead of in coin, that the Bank should be required to buy all gold offered to it at a certain price and to sell gold to all comers at a somewhat higher price. This was merely a suggestion of Ricardo to facilitate the working of his scheme, which nevertheless proved quite unwarrantable and had to be abandoned after a few years' trial. He might have been both surprised and amused to find a quarter of a century later this casual suggestion canonized into a great currency principle. In the Bank Act of 1844 it was adopted as a declaration in favoring free trade in gold. Such was the accidental origin of clause 4 of the Bank Act—the most mischievous of the many "automatic" rules that Parliament has imposed on the Bank of England.

Sir Robert Peel's plan for the gradual resumption of specie payments in 1819 was a combination of the two latest currency doctrines—that of the Bullion Committee requiring the currency to be adjusted to the foreign exchanges, and Ricardo's compulsory purchase and sale of gold clause. They have practically governed the Bank of England down to the present day, though not by any means without challenge. On the contrary, high financial and banking authorities have repeatedly questioned them and today the diversity of opinion regarding them is obviously on the increase. The General Court of the Bank of England in 1819 left Sir Robert Peel in no doubt as to the lack of faith in them. In a communication to the Government it wrote:

"But when the directors are now to be called upon in the new situation in which they are placed by the Restriction Act to procure a fund for supporting the whole national currency, either in bullion or coin; and when it is proposed that they shall effect this measure within a given period by regulating the market price of gold by a limitation of the amount of the issue of bank notes, *whatever distress such limitation may be attended with to individuals or the country at large,* they feel it their bounden and imperious duty to state their sentiments thus explicitly, in the first instance, to His Majesty's ministers on this subject, that a tacit consent and concurrence at this juncture may not at some future period be construed into a previous implied sanction on their part of a system which they cannot but consider fraught with very great uncertainty and risk."

What a sardonic example we have of the little wisdom with which even banks are governed. Having recorded their protest against the "automatic" foreign exchange regulator of paper money, the Bank directors gave in and proceeded to act upon it. By 1832, when they next came under parliamentary investigation, they had swallowed the "automatic" doctrine whole. Not only so, but they were making additions to it of their own. They had become such earnest believers in the foreign exchange currency gauge that they were extending it to their deposits. These were also being adjusted "automatically." Their latest rule was to invest two-thirds of the amount of their issues and deposits in interest-bearing securities and to hold the other third in specie. The arrangement was described as follows by the then Governor of the Bank, Mr. John Horsley Palmer, to Lord Althorp's committee on the Bank Charter in 1832:

Lord Althorp (Chairman): What is the principle by which in ordinary times the Bank is guided in the regulation of its issues?

Answer: The principle with reference to a period of full currency, and consequently a par of exchange, by which the Bank is guided in the regulation of its issues (except under special circumstances) is to invest and retain in securities bearing interest a given proportion of the deposits and the value received for the notes in circulation, the remainder being held in coin and bullion. The proportions which seem to be desirable under existing circumstances may be stated at about two-thirds in securities and one-third in bullion; *the circulation of the country so far as the same may depend upon the Bank being subsequently regulated by the foreign exchanges.*

Lord Althorp: When you say that as a general principle you think it desirable to have one-third of bullion in your coffers against your circulation you mean to include in that circulation not only your paper but all deposits, whether of Government or individuals?

Answer: Yes.

Lord Althorp: In short, all liabilities to pay on demand?

Answer: Yes.

Lord Althorp: And you hold the liability to pay on demand arising from a deposit to be an equivalent to a note out?

Answer: I hold it to be that sort of liability which the bank is bound to provide for by a reserve of bullion.

Mr. John Horsley Palmer was long before his time. Not only did he fail to carry out his new rule of a one-third cash reserve for both circulation and deposits, but few of his successors have been more fortunate. The ideal he set before the committee of 1832 was then impracticable. At the very moment when he was giving his evidence the specie reserve in the bank was barely twenty per cent. of the circulation and deposits. Even now, with a total stock of gold and silver seven times larger than that of 1832, Mr. Palmer's one-third ratio to circulation and deposits is difficult to maintain. As it so happens, the latest bank return (April 5, 1906) shows the exact third thus:

		April 5, 1906.
Total notes in both departments		£53,857,300
Public deposits		15,586,446
Private deposits		42,750,451
		112,194,197
Gold in Issue Department	£35,407,300	
Gold and Silver in Banking Department	1,768,509	37,175,809
Unreserved circulation and deposits		£75,018,388
Ratio of gold and silver to circulation and deposits		33 per cent.

This, it may be said, is very much below the ratio of reserve—ranging from thirty-five to fifty-five per cent.—shown in the usual weekly return of the Bank of England. Quite true, but it is for business purposes a more reliable ratio than the official one. The latter applies only to the Banking Department exclusive of the Issue Department. The bank directors profess to have nothing to do with the latter. Under the Act of 1844 it became "automatic"—a term which in England veils an immense deal of make-believe. One of the many questions of banking policy supposed to have been finally settled in 1844, but now being reopened, relates to this fictitious division of the Bank's assets and liabilities. The practical effect of it at the present time is to produce a misleading idea of the resources of the Bank and of its capacity to bear severe strains such as are bound to come one day if the work thrown on it continues to go on indefinitely.

Origin of the Act of 1844.

This very vexed and intricate question will be easier to elucidate after we have more fully grasped all the circumstances that led up to the Act of 1844. One of the most important of these is the date when the Bank of England adopted its modern policy of currency regulation. According to the following answers given by Mr. Horsley Palmer to Lord Althorp's Committee, it appears to have been soon after the financial panic of 1825:

LORD ALTHORP: How long have the Bank conducted their affairs upon this principle?

ANSWER: The bank have not had the power of acting upon any fixed principle until a late period—subsequent to 1825.

LORD ALTHORP: Why was that?

ANSWER: From various circumstances that existed prior to that period—from the year 1819 to 1822—the preparation for returning to cash payments under the order of the House of Commons; the conflicting character of the circulation of London and the country, governed as the country was by a small note circulation. So long as the Bank was governed by that internal demand it could hardly be expected to adopt any system such as I have alluded to.

ANTIQUITY OF SOME OF THE BANK'S BUSINESS METHODS.

It is impossible to appreciate rightly the difficult position of the Bank of England to-day without always bearing in mind that many of its business methods are over two centuries old, and that few of its governing ideas are younger than three-quarters of a century. The latter originated chiefly in the two decades between 1825 and 1844. That was the golden age of English banking theorists and currency doctrinaires. It was also the pioneer age of the joint-stock banks, but it witnessed the beginning of the private banker's decline and fall. Both these movements had a marked influence on the policy of the Bank of England, and the policy of that day is an indispensable key to the existing situation.

From 1826, when the first law was passed authorizing joint-stock banks, the evolution of the Bank of England has followed certain definite lines which were marked out for it by the currency doctrines and theories then in vogue. Practical banking had little or nothing to do with it. In 1826 and for years after the Bank regarded itself and encouraged others to regard it as a note-issuing agency. As may be gathered from the above evidence of its Governor before the select Committee of 1832, it attached little or no importance to banking operations properly so called. It was quite willing to leave these to the private bankers provided they would circulate its notes in place of making issues of their own. It might willingly have entered into a similar compromise with the new joint-stock companies. All its early quarrels with them were over note issues and not banking proper.

SEPARATION OF NOTE-ISSUING AND DISCOUNTING FUNCTIONS.

The banking doctrinaires of 1826 whose influence was so prejudicial to the Bank Act of 1844 sometimes went so far as to contend that banks of issue and banks of discount as they called them should be kept apart. The Bank of England had in fact a narrow escape of losing its banking business altogether. And to judge from Mr. Horsley Palmer's views given below it was quite prepared to make the sacrifice.

Lord Althorp: Have there been periods when the Bank's rate of interest has been considerably above the market rate of interest and what has been the effect?

Answer: Yes; and the effect has been that the Bank has had very little demand for discount, special cases excepted, for some years past in the London market.

Lord Althorp: Then you think that the Bank of England should be a bank of discount only in cases of emergency?

Answer: I think so, with the exceptions above referred to.

Lord Althorp: Is not the accommodation of discount to the commerce of the country one of the main objects for which the Bank was instituted and for which all banks are instituted?

Answer: As an exclusive bank of issue in the capital it appears to me that it cannot beneficially conduct a discount business to any great extent with individuals except in times of discredit. When the circulation is full competition with the bankers would in all probability lead to excess, in addition to other difficulties which would occur in the attempt on the part of the Bank of England to regulate their issues through the channel of discounts.

Lord Althorp: Then you consider that it ceases to be the paramount duty of the bank because there are other bodies in the shape of private bankers and so on that do it?

Answer: Yes; who employ the circulation.

Lord Althorp: What do you consider to be the principal function which it is the duty of this Bank to perform?

Answer: To furnish the paper money with which the public act around them and to be a place of safe deposit for the public money, or for the money of individuals who prefer a public body like the Bank to private bankers.

The founders of the joint-stock banks naturally encouraged these self-sacrificing ideas at Threadneedle Street. One of their pamphleteers predicted that:

> "The Bank of England will remain as it is, the creator and manager of a very considerable portion—perhaps after a short time of the whole—of the paper symbol which the nation chooses to accept and circulate as money; as a depository also for the cash of those who, looking altogether to security and not altogether to profit, prefer to keep cash at the Bank; and lastly, as the lever by means of which the rate of interest and the value of property are shifted and controlled by the Government itself. It will also remain the place of resort for discount and advances in times of panic and alarm."

That amusing passage appeared in a semi-official prospectus of the London and Westminster Bank in 1834. It expresses exactly the sentiments still entertained by certain joint-stock banks as to the proper functions of the Bank of England. But they are no longer reciprocated in Threadneedle Street as they were in Mr. Horsley Palmer's time. The Bank made the mistake of its life seventy years ago in imagining that note issues were better worth cultivating than deposits and discounts. Had it then adopted the other alternative, and made itself a bona-fide national bank—a bank of the people, as the Bank of France has always been—its control over the "money market of the world" would to-day be indisputable. Moreover, the "money market of the world" would itself be on a much stronger basis.

The fatal error was committed by the Bank in 1836 when it held on to its issue monopoly in London and allowed the new joint-stock banks free run of banking business. It kept the shadow and threw away the substance. This fatal decision was sealed and confirmed in the Charter Act of 1844, and it may almost be doubted if the Bank will ever be able to retrieve the position then deliberately thrown away. In spite of itself, it has had to become a bank of discount as well as a bank of issue, but between the two stools it has had a good many awkward falls. To a Governor of the Bank with some historical pride it must be galling to have to act as reserve keeper to the joint-stock banker when he ought to have had the lion's share of the business which these reserves are meant to protect. His chagrin is likely to be aggravated by the fact that the note issues on which such exaggerated value was set in 1844 have not proved in all respects a fortunate legacy. They are not an element of strength to the bank in its struggle with the new forces of international finance. Rather are they a weakness and a handicap to it.

AMERICA'S INTEREST IN THE POSITION OF THE BANK.

The whole financial world, and the American section of it more perhaps than any other, is interested in the crisis through which the Bank of England is passing. There may be a good deal of hyperbole in the compliments often paid to the Bank; it may not be in fact either the hub of the "world's money market" or an inexhaustible purse for international financiers to dip into, but any radical change in its constitution or its conduct would be felt all over the globe. If it should allow itself to be further burdened by responsibilities not of its own making, and at the same time to be further weakened by outside competition, it will be gradually pushed out of the banking business. On the other hand, should it make a bold effort to provide itself with legal powers and machinery adequate to its work, its future may be still brighter than its historic past.

Already a cry has been raised in the city for a Royal Commission to investigate the whole banking situation. If the bankers were not so divided among themselves as to the best way out of the existing dilemma, they would, I have litle doubt, join in the demand, and it would then be speedily granted. But most of them deem it better to bear those ills they have than fly to others that they know not of. Nevertheless, official inquiry is inevitable sooner or later.

HOW CANADA PROVIDES CURRENCY FOR MOVING THE CROPS.

BY A. ST. L. TRIGGE, OF THE CANADIAN BANK OF COMMERCE, TORONTO.

THERE are two features of the Canadian banking system which, more than any others, play an important part in enabling the Canadian crops to be marketed with an entire absence of that financial stress which is sometimes a characteristic element in the fall of the year in the United States. These are:

(*a*) The bank-note currency.
(*b*) The system of bank branches.

Bank-note currency in Canada forms by far the largest part of the cash handled in the course of ordinary business; indeed, for denominations of $5 and upwards it is practically the sole currency of the country. As the issue of bank notes for smaller denominations than $5 is forbidden by law, Government legal-tender notes, together with silver and bronze coins for fractional parts of the dollar, form the money for small change. Gold is rarely seen, being employed only for the reserves of the banks. It is true that there are Government legal-tender notes of larger denominations than the ones, twos and fours in common use, but few Canadians have ever seen them. They belong almost entirely to a special issue for use only between banks and are practically gold certificates employed in clearing-house settlements.

REGULATIONS RELATING TO THE ISSUE OF BANK NOTES.

At the risk of repeating what is familiar to many, some description will now be given of the principal provisions of the law under which bank notes are issued. This law, known as the Bank Act, is enacted by Parliament for a period of ten years. At the end of this period it is either re-enacted or revised, and in this way an opportunity is given for the introduction of any improvements which the experience of the previous decade may have suggested. In Canada, banking is a subject reserved to the jurisdiction of the Federal Government, and this general act therefore forms the charter of all the banks, no special privileges being granted to any one institution. To this statement there is one slight exception in the case of the Bank of British North America, which has a Royal charter granted by the Imperial Government antedating the establishment of the present banking system. Under this charter the shareholders of the Bank of British North America are not subject to double liability on their shares in the event of failure as is the case with the other Canadian banks, and as a set-off this bank is permitted to issue circulating notes on the same terms as the other banks but up to seventy-five per cent. only of its paid-up capital. It may, however, issue notes up to the full extent of its capital upon depositing with the Minister of Finance of Canada cash or bonds of the Dominion of Canada equal to the amount of such excess over seventy-five per cent. of its capital. Apart from this every bank is permitted to issue circulating notes for denominations of $5 and multiples of that sum to the extent of its paid-up capital. These notes form a first lien on all the assets of the issuing bank in the event of failure, and are in addition secured by the combined guarantee of all the banks chartered under the act, operating through a bank circulation redemption fund which is held by the Government of Canada. This fund consists of a contribution from each bank of a sum equal to five per cent. of the average amount of its notes in circulation during the previous year, this average being ascertained and adjusted annually in the manner provided by the act. The whole of the fund may be called upon to redeem the notes of any failed bank which is unable within a period of two months after suspension to make other arrangements for the redemption of its notes. If the fund should prove to be insufficient to meet the demands made upon it, the solvent banks may be called upon to make good to the fund their pro rata share of the deficiency, provided only that such additional contributions shall not exceed in any one year an amount equal to one per cent. of the average circulation of the contributing bank for the previous year. This fund was established in 1891, and it is pleasing to note that it has not as yet been called upon to make any payment for the redemption of the notes of failed banks.

Provision is made against any discount on bank notes for geographical reasons by requiring every bank to maintain redemption agencies at Toronto, Montreal, Halifax, St. John, N. B., Winnipeg, Charlottetown and Victoria. The notes of a suspended bank bear interest at five per cent. per annum from the date of suspension until the date fixed for redemption either by the liquidator or assignee of the failed bank, or, if the notes are paid out of the redemption fund, by the Minister of Finance and Receiver-General of Canada.

THE BRANCH BANKING SYSTEM.

The part played by bank branches in moving the crops and facilitating the general commerce of the country is a very important one. In the little towns and grain centres which are springing up as if by magic in the Canadian West we find branches of the powerful financial institutions of the country ready and willing, when the strain comes, to bend every energy to the task of facilitating the movement of the crops; secure in the knowledge that these same crops will shortly furnish the means of discharging abroad the obligations assumed in order to finance the heavy importations of wholesalers and manufacturers in the older districts of the country.

In addition to this the branch system and the bank-note currency are interdependent for successful working to an extent which is only to be accounted for by the fact that they have grown up together along with the country in which they are found. The note circulation privileges granted to the banks render possible the maintenance of branches at many small country points where otherwise the loss of interest on the cash required for till purposes would render a branch unprofitable. The bank notes themselves, with a small amount of Government notes and coin for purposes of small change, form the till cash of these branches, but so long as the notes are held there they involve no loss of interest nor any addition to the liabilities of the issuing bank. *They are merely so much paper.* On the other hand, the branches facilitate the successful operation of the bank-note currency by providing facilities for maintaining supplies of notes at the active rural centres where the notes are actually required to pay for the crops. And not only is the issue of the notes thus facilitated, but their redemption likewise. The more complete the banking facilities in any given district of the country the less is the strain on the bank-note currency to perform the work allotted to it. The great number of bank branches in Canada has also doubtless done its part in the popularizing of banking which is so marked a feature in this country where almost every one has an account of some kind with a bank. All the chartered banks maintain savings departments, and those individuals who do not require to keep a drawing account usually have a savings account with some bank or other. And it is evident that the more widespread this custom is in the community the quicker will the notes put into circulation return to the issuing bank ready to go forth again on their errand of facilitating the movement of the crops.

How the Notes Are Withdrawn from Circulation.

It will probably be well at this point to give some description of the manner in which the bank notes are withdrawn from circulation as soon as their work is done. That the Canadian banking system provides against the possibility of undue expansion in the circulation is often overlooked by writers in the United States who have obtained their knowledge of Canada's banking system in other ways than by a practical acquaintance with its every-day working. They are not perhaps to be blamed for their ignorance, for the provision to this end is embodied in no law, nor is it found in any bank charter. It is purely the result of competition between the banks for whatever profit is derivable from the issue of notes.

It is the custom of each Canadian bank in order to obtain for itself as large a share as possible of this profit to pay out at all its branches only its own notes, and to send in for redemption the notes of other banks which it may receive in the ordinary course of its business. There is thus a constant struggle in progress all over the country between the various banks, each one striving to issue as many as possible of its own notes, and *all* its competitors in all parts of the country returning these notes for redemption as soon as they come into their hands. This process has of late years been suspended for a short time during the height of the crop-moving season, when most of the smaller banks reach the margin of safety on this side of the legal limit, beyond which they dare not go for fear of incurring the heavy penalties for overissue prescribed by the Bank Act. But no sooner does the strain relax than this automatic safeguard resumes its normal function of limiting the volume of the circulating medium to the actual needs of business at the moment. The average individual, and here we note the importance of the widespread use of banking facilities alluded to above, does not long retain in his possession money in excess of his momentary needs. If the bank notes he receives are not parted with in exchange for some purchase they are soon deposited to his credit with his bank. Then if they are notes issued by the bank in which they are deposited they are at once, as it were, put out of commission, and lie in its tills waiting for the next call for funds to which the bank may see fit to respond. If issued by some other bank they are as promptly as possible returned to that bank for redemption. The manner of doing this varies a little according to the locality in which the transaction takes place. If there is a branch of the issuing bank in the same town, the receiving bank will send the notes into it the morning following their receipt along with such checks and other obligations against it as may have been received in the ordinary course of business. If there is no local branch of the issuing bank, but the place happens to be one of the redemption points instituted by the Bank Act, the notes will be sent in to the redemption agent as though they were issued by the latter. The redemption agent will forward them to the issuing bank in the manner provided by the agreement under which it acts. If, however, there is neither a branch of the issuing bank in the same town, nor is the town a redemption point, the notes will be held by the bank with which they are deposited until a sufficient amount is collected, usually about $1,000, of notes of other banks also not redeemable locally, and then all are shipped either to the nearest redemption point or to some nearer place where redemption can be arranged. In all cases where there is a clearing-house at the place of redemption use is made of its facilities for the purpose, and *notes are cleared in the same manner as checks.*

THE MOVING OF THE CROPS.

We turn now to the manner in which all this machinery is applied to the moving of the crops.

The greatest grain-producing district of Canada is the far inland section which forms the Provinces of Manitoba, Saskatchewan and Alberta. The larger part of the Canadian crop finds a market abroad and has to be transported to the Atlantic seaboard. In the case of grain grown in Ontario or the Eastern Provinces this is not a difficult matter, for the distance is shorter and the means of communication are numerous. But between the provinces we have mentioned and the seaboard the only links of communication are one or two vast stretches of single track railroad supplemented by water communication from the head of the Great Lakes. But navigation usually closes in these northern waters during November, and the period between the harvesting of the crop and the close of navigation, after allowance is made for the time consumed in threshing and marketing the grain, is all too short. Hence the rush to ship which takes place in the fall of each year, and hence, too, the immense storage elevators which have sprung up at the lake ports of Port Arthur and Fort William at the head of navigation. Once these outlets are closed there is nothing but the long and expensive railroad haul to fall back upon.

Long before the movement of the crops is due the banks make arrangements to accumulate large supplies of notes at convenient points, Winnipeg being naturally the chief centre for this purpose. It is at Winnipeg that the large milling and elevator companies which handle most of the grain crops have their headquarters, and it is the Winnipeg branches of the banks which are most conveniently situated to replenish the tills of the country branches and to provide funds for the country storekeepers who cash the grain tickets issued by the wheat buyers. Scattered along the railroad lines in the West at the little wayside stations are the tall buildings of the grain elevators, and here are to be found the buyers for the Winnipeg grain firms. To them the farmer brings his wheat, receives a voucher called a grain ticket specifying the weight of the grain he has sold and the price to be paid for it. These tickets are cashed at the local banks or, if there is no bank, by the country storekeepers, arrangements for supplying the latter with notes for this purpose having been made by the companies in Winnipeg. Checks are seldom used in transactions of this kind with the farming community. At this season of the year the business of a country branch bank even in very small places will be very active, and large sums are daily paid out over the counters.

The Canadian banks are specially empowered under the Bank Act to acquire warehouse receipts and bills of lading as collateral security and to lend money to wholesale shippers, or purchasers of, or dealers in agricultural products upon the security of such products. So the banks readily make advances to the grain dealers on the security of the grain in their possession. Then when it is shipped by the wholesale dealer the advances are retired by drafts on the purchasers with bills of lading attached. If the grain is to be exported the bill of lading is usually replaced at the port of shipment by an ocean bill of lading, which is in its turn attached to a bill of exchange on the foreign dealer. This exchange is then purchased by the bank, the previous drafts having been retired, and forwarded to its correspondents abroad. The bank finally

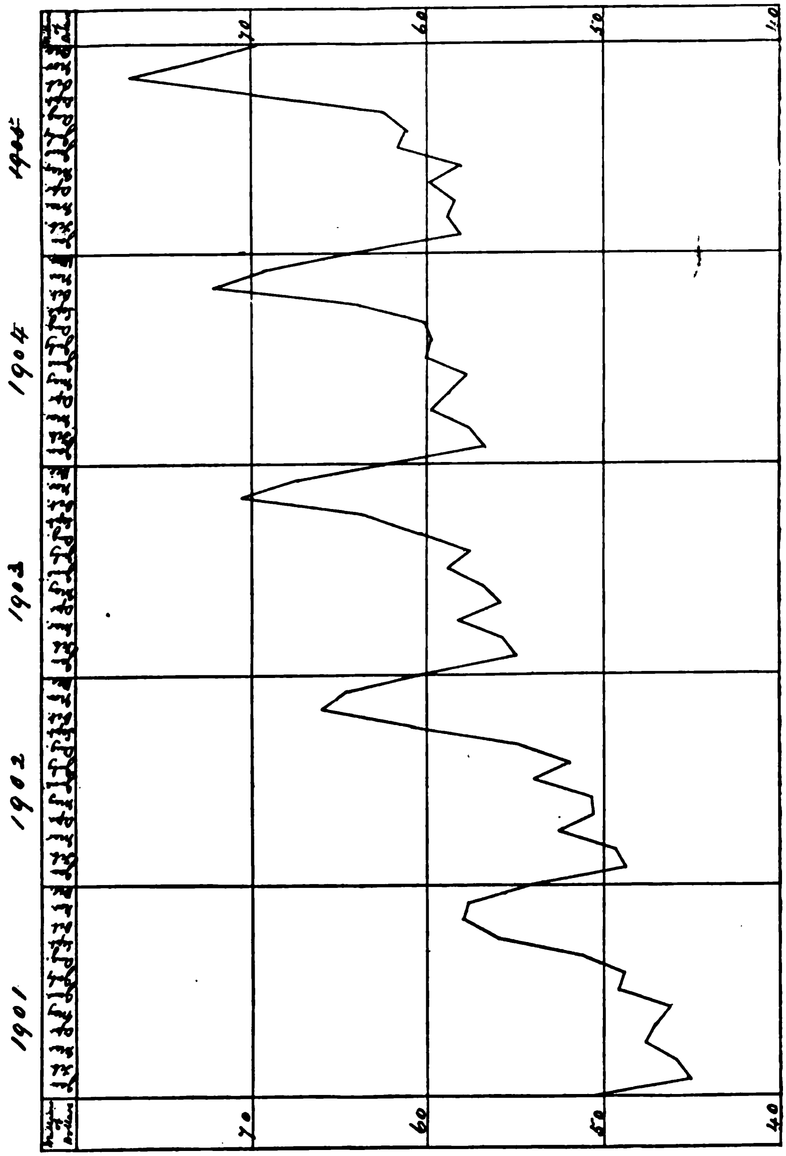

CHART SHOWING FLUCTUATIONS IN CANADIAN BANK-NOTE CURRENCY, 1901-1905.

receives credit for the proceeds in London or some other European centre. By this time the bank notes originally issued for the purchase of grain have come in for redemption, and the issuing bank, to obtain funds to meet its clearing-house settlements, will be forced to sell sterling or New York funds, or else to import gold. As the balance of trade between Canada and the United States, most of which is finally discharged in

New York, is against Canada, there is a fairly steady demand for New York funds in the financial centres, and there will usually be found some bank willing to buy. But as the proceeds of the grain shipments are still in Europe, the selling bank will provide cover for its drawings on New York by selling sterling or other foreign exchange in that market against the credit balances acquired abroad by means of the bills of exchange drawn against the shipments of the very grain for the purchase of which in the first place its notes were issued. If gold is imported the resulting transactions are very similar, as New York is the point from which it is usually obtained. In this connection it is interesting to note that some of the Canadian banks are among the largest dealers in foreign exchange in New York, where the credit of their bills is unexcelled. So extensive are these foreign transactions that several of the Canadian banks maintain their own offices in New York, and even in London, for the purpose of looking after their own interests at these points.

We have now traced the series of transactions involved in the issue of bank notes for the purchase of grain up to the redemption of these notes in Canada and the final liquidation of the whole matter in New York and London. Bearing in mind what has been said as to the shortness of the season for marketing the grain of the vast fields of the West, it will be readily understood that tremendous fluctuations in the volume of the bank note currency take place in the course of a short period. To illustrate these the chart presented herewith has been prepared. It is compiled from the statements rendered by the banks to the Government and covers the five-year period from January, 1901, to December, 1905. A study of these fluctuations is most interesting and the regularity of their recurrence remarkable. Were the various years superimposed one upon the other the lines would be almost identical, save for the increase due to the larger volume of business transacted each year in a rapidly-growing country. The redemption of the notes issued to pay for the crops is completed in January of each year, and this month marks the lowest level of the year. There is a second slight dip during the spring and a third culminating about midsummer. For thirty years prior to 1896 the lowest point of the year had been reached regularly in May or June, but since that date it has with equal regularity been transferred to January. In 1905, however, the difference in level between January and May was very slight, the note circulation dropping to $58,021,000 in January and to $58,136,000 in May. January is a month usually marked by a lull in business. The holiday trade is over, winter has set in steadily, and some out door occupations are suspended for a time, while the majority of business men, in both wholesale and retail trade, are taking stock. As winter wears on business becomes much more active, and the note circulation rises for a time, to experience a slight fall in the early spring, when many factories close down for repairs, the lumber camps in the woods are closed and the men discharged, and other winter employments come to an end. It resumes its upward course as summer occupations begin again, navigation on the Great Lakes reopens, and general business gets into full swing. Midsummer brings a slight falling off, as might be expected, but soon the heavier movement of farm produce begins and the note circulation at once responds. The rise is somewhat gradual at first, but as cattle buyers, cheese factories, and finally grain buyers look to the banks for notes with which to pay the farmers, it increases in velocity, and the volume of the circulation mounts by leaps and bounds to reach its height at the end of October or beginning of November, when every nerve is being strained to hurry as much as possible of the western crops to market and to the seaboard before navigation closes on the inland waterways. The period of rapid expansion covers the three months of August, September and October and probably part of November, as the exact figures are only available at the end of each month, and during this period the increase in volume has ranged of late years from twenty per cent. to thirty-five per cent., according to the size of the crop to be marketed. A period of contraction even a little more rapid than the expansion now follows, and lasts till the end of January, when the lowest level of the next year is reached. During this period of between two and three months winter has set in, sealing some of the outlets for the varied activities of the human race, and at the same time opening up others, and bringing with it that invigorating influence which renders the cooler months of the year the most active in general business.

TO INSURE SOUND BANKING.

JAMES B. McDOUGAL has been appointed a special bank examiner to act under the direction of the Chicago Clearing-House Association. All of the banks which have membership in the association or clear through those which have will be under Mr. McDougal's surveillance.

Conditions which caused the downfall of the Chicago National Bank, the Home Savings, the Equitable Trust and the Bank of America in the last six months and started a run on the Jackson Trust will be obviated.

The clearing house will not tolerate improper banking practices, which will be difficult to cover up under the new regime, as the special examiner has authority to examine the books of any institution under his jurisdiction whenever he wishes to.

Mr. McDougal has had wide experience in the field he will occupy in Chicago.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.*

THE DISCOUNTING OF TRADE BILLS.

DEFINITION OF TRADE BILLS—DISCOUNTING WITH MORE THAN ONE BANK—BILLS UPON BRANCHES OF THE SAME HOUSE—BILLS OF SELLING AGENTS—BILLS OF WHOLESALERS ON RETAILERS—BILLS OF MANUFACTURERS ON MERCHANTS.

TRADE bills ordinarily (though there are other classes) are representatives of sales, and arise at the point where a bargain for purchase of a commodity has been consummated, and the property in it has passed to the purchaser, who has given a written promise to pay for it. That promise to pay, in accordance with universal modern practice, is written on a brief document called variously a *note* or a *bill.*

Sometimes the promise is in the form of an acceptance of an order or direction to pay. It is then called a bill. But when it is a simple promise to pay, it is called a note, or more definitely, a promissory note.

These distinctions, however, are principally matters of form. The essence of all such documents, when legitimate and regular, is that certain goods have been bought, and that the purchaser has given written engagement to pay for them.

Now, when such documents are what they purport to be, and are given for *value received* (these words being of the essence of the *bona fides* of the document though not of its legality), the business of a banker in dealing with one of them is comparatively simple. He has, in the first place, to be satisfied that the signature of the maker or acceptor of the document is genuine. If the maker or acceptor is an officer of a company, he is bound to enquire whether he has authority to bind his employers by his signature. Being satisfied on the point, he will next scrutinize the document to see whether it is drawn out in accordance with the law. For the law in respect of these simple looking documents is more precise and more elaborate than it is with regard to almost any other documents involving a contract.

Bylcs on Bills of Exchange is a well known handbook. Yet, though containing hundreds of pages, it is so far from exhausting the subject that hundreds of cases have been argued and decided since it was written, the record of which would occupy many volumes more. The subject appears to be unfathomable, for new cases are constantly arising involving new considerations, based on new sets of facts, and demanding, if not new laws, new applications of those already existing.

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* Continued from May number, page 664.

The more abstruse points connected with notes and bills are matters for the consideration of a lawyer alone, and a banker, if he is wise, will let his solicitor deal with them. But there are certain general principles which every banker ought to have, so to speak, "at his fingers' ends," viz., that the document shall *not have been altered* in any essential point; that is, as to *amount*, or *date*, or *time*, or the *person* to *whom* it is *payable*, or the person who *promises to pay;* also that it promises to pay a *specific amount* at a *specified time*, and *without* any *conditions;* also that it is properly endorsed. All these are of the essence of the document. It is not a bill that can be sued on by a banker if there is a failure in one of these respects, although the seller of the goods would always have the right to recover on his contract.

But a bill may be made in perfect accordance with the law, and the person who brings it to the bank may have a perfect right to transfer it, and yet it may not be a desirable document for him to discount. The person promising may not be what is generally called "good" for its amount; which brings up once more a commercial question whether the seller of the goods was wise in selling him so large an amount on credit as he has done.

It is a banker's business to keep informed as to the whole series of bills made by any one promissor standing in his books, to keep the total in mind, and to consider not the single document presented to him at any one time, but the amount of the whole of the bills made by this one person or firm that may be afloat. And this brings up another point of vital importance, viz., whether the bank's customer keeps *more than one* bank account. For in that case the banker will need to keep himself informed of the amount of bills made by the same party that are domiciled in another institution. Want of consideration on this point will result in constant misconception.

Let us suppose, for argument's sake, that the amount of the bills of a certain promissor in his own office is $2,000. That figure will be before him whenever a reference is made to the bills of the party. He will recall the information he has on record respecting him, and applying that information to this specific amount will exercise his judgment accordingly.

But if the merchant who offers the paper has another discount account, he will, in all probability, offer the paper of the same customer in that quarter also.

Thus the very basis of a banker's judgment will be a misconception. For he is thinking of a credit of $2,000; whereas, he ought to be thinking of some larger sum, viz., $3,000, or $5,000, or even more; and may awake to the true condition of things only when he is prevented from applying a remedy. For his own customer, i. e., the wholesale merchant, may fail, and his failure be due to the fact of his having given too much credit. Then, for the first time, the banker realizes the true position. The retailer who was considered perfectly good for $2,000 is found quite unable to pay $5,000 or $10,000, and the merchant who has been considered prudent in crediting the retailer $2,000 is discovered to have been rash and imprudent in trusting him double or treble the amount.

The question therefore of what is called in banking phrase "a divided account" is of the first importance in connection with the discount of customers' bills. It is even of more importance in connection with loans of money.

In a banking system like that of Canada, where branches are established at many points, a banker has also to consider whether his customer is carrying on business in more than one centre, and keeping a discount account at some other branch of his own, or some other bank. This, of course, is a matter for the consideration of those who from the head office of the bank have supervision over what is going on at the branches. But in general it may be said that it is not desirable for a customer to have a discount account at more than one branch, though he may, of course, keep another deposit account. And it is very undesirable, as a rule, for a customer who carries on business in two places to have bills discounted for him drawn upon his own firm in another centre of business. It is common, in these days, for large houses to establish branches or agencies in other cities; and it appears as natural at times for the central establishment to draw bills upon the branch representing goods shipped to it as for it to draw bills upon the purchasers of goods. But consideration will show that there is an essential difference between the two cases. In the one there is an actual transfer of property to an independent party, whose obligation to pay is a distinct contract; while in the other, the goods are only transferred from one warehouse to another, the obligation of the keepers of the second warehouse adding no strength whatever to the bill. The paper thus created differs in no wise from that which might arise if a firm had two warehouses in different streets of a city, and one warehouse drew bills upon the other.

All such paper will be classed by an intelligent banker not amongst his trade bills, but as *loans without security*. Such loans may be good or otherwise according to circumstances, but the documents are not trade bills.

But now, supposing the bill to be genuine, as bearing the real or duly authorized signature of the parties to it, and that it be properly drawn in accordance with law, the banker, bearing in mind the total amount that he is asked to discount of the same person, will have before him the fundamental question, whether the maker of the bills can be relied on to pay them. To the settlement of this question a banker will bring all the information at his command from outside sources, aided by his own experience of the same name in the course of an account, or in that of other persons. It not infrequently happens that a purchaser of commodities may deal with several houses in the same trade, all of whom keep accounts in the one bank, either at the head office or at some of the branches. The banker has thus a somewhat wide range of experience and information at his command. A large Scotch bank may have a mercantile account in Glasgow, and discount thereat the bills of traders in different towns of the interior. But some of these traders may buy goods also in London, and their bills may be offered at the London office of the same bank. Thus, from two sources the bank can form a judgment as to the quality of the bills. The same principle will apply to cities in Canada, for it is common there also for retail traders to make purchases in more than one centre of wholesale trade. Thus, their bills may come under the review of a banker in any one of the centres where the head offices of banks are situated.

The same custom of buying from wholesale houses in other cities doubtless prevails in the United States. But American bankers have not the same facilities for discovery that the bankers of Canada have.

Almost every large wholesale firm has a circle of customers who, for various reasons, deal almost exclusively with it. The bills given by this class of customers will swell up to a much larger total than those of the average trader, and the attention of the banker will very naturally be given to them with corresponding care. For experience shows that the line of credit given by a wholesale merchant to a retailer of this class is very apt to be abused.

The retailer gradually acquires the habit not only of buying his goods from the merchant, but of leaning upon him financially, looking to him for help in emergencies, expecting help when he has not the wherewithal to meet his bills; in fact, practically making the merchant his banker. In such cases it is not uncommon for a merchant to hold security, which security may, or may not, be strictly applicable to the paper held by the bank. Such security may be for an open account, or a balance due over and above the notes given for goods, in which case the banker would derive no benefit from it in case of failure.

When the amount of a retail customer's paper swells up beyond the average, it will always be wise for a banker to ascertain what is his total indebtedness to the merchant; and, supposing he has given security, what is the nature of it, and the terms on which it has been given. And if an account begins to show unfavorable features, it may be desirable to have the security transferred.

It is in connection with customers' paper of this kind that the danger of a divided account becomes manifest. For, in that case, it is certain that the bills of the customers who owe the largest amounts will be divided between two or more banks. The result is that an excessive credit is apt to be concealed or overlooked. The banker, having before him a statement of the account of a certain customer, may not notice what he would consider an excessive amount under one name. And though he may have been informed that there is another bank account, he does not always recollect at the moment that the amount he has before him is not the true total. But if the whole of the paper of the retailer were in his own hand, he would at once be struck with the amount as excessive, and take measures accordingly. He would almost certainly have refused to discount so large an amount of paper at all, and thus have rendered his customer essential service. Or if inadvertently so large an amount had been allowed to creep in, he would require reduction or security, putting the customer on his guard by such action, and indicating to him that the account of his debtor was becoming dangerous. When a wholesale firm has failed, the failure has often been brought about by excessive credit given to a small number of customers whose paper has been distributed between two or three banks.

Remarkable instances of this kind have been known in the experience of Canadian banks. The failure of a wholesale firm has revealed more than once an amount of credit as having been given to certain retailers that was simply appalling, and which could never have happened if all the bills had been domiciled with one banker. The same danger arises in the United States when bills are sold to bill brokers in New York, as well as discounted at a merchant's own bank.

The discounting, then, of customers' bills by a banker is not so simple a matter as might be supposed.

The note, say, of John Thompson to McGregor & Co. for $500 may seem to be a good bill, and the risk of discounting it a mere nothing. But if the banker has already discounted Thompson's paper to the same firm for $5,000, the question whether he shall take $500 more is a different affair. If the banker has also in his bill-case, Thompson's paper to Williamson & Co., the affair is more complicated still. If in addition, McGregor & Co. keep an account with another bank, and have under discount there more of Thompson's paper, amount not known, the question of the $500 note has an aspect that a casual glance does not begin to reveal. Still further, if in addition to all the notes, the banker is aware that McGregor & Co., and probably Williamson & Co. as well, have *an open account* against Thompson, the considerations with regard to that one note may well be of such a character as to make him take a long time to deliberate about it.

Yet this is a fair specimen of the manner in which much of the discounting of customers' paper has to be conducted. In every case, the consideration has to be of the *total amount of the same name* in the banker's possession, then of the position of the maker, then that of the merchant himself, then of the total amount of the latter's whole discount line; and also, if he is known to have more than one account, the amount and character of the liability under that.

It might be thought that if such complicated considerations present themselves with regard to every note offered, the time necessary to comprehend them would prevent any discounting being done at all. But a banker who understands his business and gives close attention to it, acquires a sort of instinct, which, aided by accurate information periodically placed before him, enables him to deal with such matters promptly and without wasting either the customer's time or his own.

But such a habit of close attention is absolutely necessary to efficiency, and not less is the habit of constantly consulting his records and of arranging the summaries of his customers' discounts so that he may be able at a glance to see how each of them stands, and how much paper of each retailer is generally offered by mercantile customers.

The foregoing observations largely refer to the notes generally offered by importing merchants. But when such merchants have established a character for prudence and attention to business, and are known to have sufficient capital, it is common for the banker to "pass" such paper as is offered without special scrutiny of the names *at the time.* Indeed, it may fairly be said that a merchant has never established himself on a proper footing with his banker until the bills he offers can be passed at once. This, however, can only be the case where a bank has the whole account.

But for all that, the paper will come under periodical review, and a judgment will be passed upon the names which compose it, in those summarized statements which are presented to the banker by his officers, which statements are almost of as much importance to him as the compass is to the captain of a ship.

There are other classes of trade bills than these, such, namely, as arise in connection with manufacturing industries and require to be judged by different rules. The relation between a manufacturer and the purchaser of his goods is often of an entirely different character from that of a wholesale merchant and the retailer.

In transactions between a wholesale merchant and a retailer the former is generally the more important person. But when the manufacturer sells to the wholesale merchant, it is not infrequently the case that the purchaser has a far larger capital than the seller.

Included in the category of manufacturers is the large class of owners or operators of flouring mills and saw mills; though, as has been observed, they are sometimes not thought of as manufacturers at all.

Many of these mills are small concerns, yet they occupy a most useful place in the industrial development of the country. Such as these will have as purchasers the large merchants of central cities, whose reputed wealth and standing give them a position much beyond the persons from whom they buy.

The bills of houses of this kind are generally esteemed by bankers as of a choice character; for they are, as a rule, short, and as a rule, paid at maturity. If a wholesale merchant were to desire a renewal of any of his obligations, his credit would be impaired at once.

The bills drawn by a saw miller in Canada upon lumber houses in the United States are often of a high quality, yet a banker will need to keep himself advised from time to time, and especially from season to season, of the operations of such houses.

The bills of woolen and cotton mills upon dry goods and clothing houses are of the same class as the last. They, as a rule, are promptly paid, for the reason just assigned. In fact, their regular payment is sometimes the reason why a banker is deceived by them. The wholesale merchant must pay his obligations promptly or stop payment altogether. Thus, when such a house does stop payment, it is usually without any premonitory symptoms, such as the asking for renewals, or letting an acceptance occasionally be dishonored.

BILLS DRAWN AGAINST CONSIGNMENTS OF GOODS.

There is, however, a class of bills, which, though having the appearance of customers' paper, and being generally classed as such, does in reality take its rise from different circumstances altogether.

The ordinary trade bill represents a purchase of goods. But in some cases, as has been shown in an earlier chapter, a selling agent is employed in large cities who receives goods as a purchaser would do, and accepts bills against them in favor of his manufacturing correspondent. These bills naturally run up to large amounts; in fact, to the whole sum which the bills of a number of purchasers would have done had sales been made direct to them. The arrangement saves the manufacturer much labor, for instead of drawing on a multitude of traders, he only draws upon a single agency house.

But it is obvious that the risk is heavy, for in case of misfortune to the agent, the manufacturer becomes a creditor of a bankrupt estate to such an amount that he may be landed in bankruptcy himself. These bills, however, are of an exceptional class, for the property in the goods against which they are drawn has not passed to the drawee.

The bills drawn by a flour miller or pork packer upon a consignee against goods sent for sale are a variety of the same class. If drawn against merchandise, a banker would look on them with considerable favor, objectionable as the practice of consigning is, so far as the owner is concerned. But it is not uncommon for such relations to be established between consignor and consignee that the latter will sometimes accept bills before goods are shipped, and for this, in time, to degenerate into a practice of drawing without reference to merchandise at all. When matters have arrived at this shape, it may be assumed that both parties are pretty far on the way to insolvency. Yet the consignor's banker may not find it out until both parties fail, and the true character of the paper is revealed.

The only safe mode of dealing with bills drawn against staples like flour, grain, pork, or similar articles is to require a bill of lading to be attached to them. This, in fact, has now generally come to be the case; the only question being whether the goods shall be to "order" generally, or to the bank's order, or to the order of the purchaser or consignee. In the latter case the bill of lading gives no practical security, except to insure that the bill is drawn against merchandise. In the two former, the purchaser cannot get the goods without the bill of lading, and it is for the banker to say whether he will give it up on acceptance or retain it until payment. The last is the usual course. But the drawee may refuse to accept, in which case the bank has the goods as security. What he shall do with them is generally a matter of arrangement with the drawer.

Accommodation Bills.

There is, however, a class of bills which have generally been known by the appellation of "accommodation," but which, as will be shown, ought properly to be designated by a severer epithet.

For such bills, as a rule, are the expression of a written falsehood. It is not essential to the legality of a bill to append the words *for value received,* for which reason the words are not found in every bill that is drawn. But it was once universal, and it is almost universal now. The practice is founded on the reason of things; viz., that the promise to pay, or the acceptance of an order to pay, should be a warrant to any man who is asked to give cash for the document, that a genuine transaction is at the bottom of it. That the maker owes the money, that he has received value, raises a strong presumption that he will pay the bill. This is the natural order of things, and it is this that gives a value to the bill it would not otherwise possess. For unless the maker becomes bankrupt, it is certain he will endeavor to pay the bill. But if he does not owe the money, he may do all that is possible to avoid payment. Thus the words "for value received," though not essential to the legality of the bill, are important as bearing on its *genuineness.*

It consequently follows that these words, if used on a bill which is not founded on a debt owing by the party that made or accepted it, are a written falsehood. The document therefore is a fraud. Even if the words are not there, when the bill has the form and outward character of a bill representing a business transaction, when there is no such basis for it, the bill, if passed at all, will be passed on false pretences.

In banking practice there are found to be various descriptions of notes of this kind, which differ considerably from one another.

A merchant, for example, when sales are slow, and bills are scarce, and having payments impending which he must meet or lose credit, will sometimes ask one of his customers to make a note or accept a bill for a larger amount than he owes. In this case the merchant will probably promise to send goods at a future day to cover the extra amount. The bill will, in such a case, be partly genuine and partly fraudulent. But the words for value received, should they be written on the bill, will be wholly false.

Such bills as these are perhaps more dangerous than those which have no business foundation at all. It is almost impossible for a banker to detect the fraudulent element, seeing that the bill is made by a trader known to have dealings with the house. It would be difficult for a merchant to obtain such a bill from a man who owed him nothing at all; and if he did, a banker would more easily find it out. If such a practice therefore is entered on, it is generally with a customer who has regular dealings with the house, and is in the constant habit of giving them bills in settlement. The practice, however, is a very dangerous one for the merchant himself. The single instance affords so ready a mode of obtaining money that there is a constant temptation to continue it. Like other evil habits, this is apt to grow by indulgence, it may therefore come to pass that there is a constant (but fluctuating) element of fraud in the whole line of this merchant's discount. If indeed the merchant informed his banker of the real state of the case; if he advised him, let us say, that of the bills he offered for discount a certain amount, twenty per cent., thirty per cent., or otherwise, did not represent business transactions, he would be relieved from the charge of fraud. But we can scarcely conceive of the merchant having the coolness to do it; and if he did, of the banker being simple enough to go on discounting the bills. The banker's proper reply would be this: if you have need of more money than could be provided by genuine bills, let me know the amount you want and whether you can give me security for it; and if security, *what* security; or whether you want me to make a temporary advance without security at all. We should then understand one another, and all would be fair on both sides. But for me to go on discounting so-called commercial bills that have a taint of fraud in them would be to become a party to the fraud myself.

There are, however, bills of this character which have the element of fraud outright. Bills have been offered to banks and have been discounted to considerable amounts which rested on no business transaction whatever. Commercial firms in great business centers having high credit and standing have been found capable of concocting and carrying forward for years schemes of deliberate deception with their bankers, like the following. They would arrange with a number of small traders in various parts of the country to accept bills drawn upon them, although no business transactions whatever had passed between them. A consideration was given in such cases; and the bills were always carefully seen to at maturity by the negotiating house. It was by a perfect network of arrangements of this kind that the great wholesale firm of Macdonald & Co., of Glasgow, managed to deceive the Western Bank of Scotland, and to keep themselves afloat long after they were insolvent. The amount involved in the deception was enormous (some £408,000), and when the bubble burst, as it could not fail to do, it had much to do with the stoppage and ruin of the bank itself.

It may be said without a carping style of criticism that the officers of the bank might surely have discovered what was going on before the situation became dangerous.

Another instance of the same kind was in the case of a great house in the leather trade, who with headquarters in London, had established a network of branches and correspondents by means of which an enormous amount of bills was kept afloat far beyond the actual business transacted. When the firm failed it was found that no less than twenty-nine of these "drawing posts" had been made use of, and that the fraudulent bills amounted to no less than £620,000! In this case a certain amount of real business was done with some of the corresponding houses, giving color to the bills offered for discount. It is evident, however, that in this case, a vigilant style of doing business would have discovered the fraudulent character of the operations carried on. So far, however, was this from being the case that the London bank where the account was kept carried on the discounting operations of the firm in such a reckless manner as to raise the imputation that the manager was a *particeps criminis* in the affair. He was on such terms of intimacy with the partners of the house that a sort of *slang-talk* was current between them, according to which a small batch of bills was called a *teaspoon,* a larger batch a *dessertspoon,* and a batch of considerable amount a *tablespoon.* In the examination before the bankruptcy court, it was revealed that the manager of the bank had been in the habit of sending over to the firm, asking whether they had any bills to discount, thus grossly violating all natural order, and letters from him were produced in court such as the following:

My dear M.:

We are flush this morning. Send me over a *tablespoon.*

Yours,

A. B., *Manager.*

If ever in the dealings of banker and customer there was a downright incentive to extravagance and fraud it was offered in this instance.

It cannot be wondered that the bank itself had only a short career. It was regularly organized, and had the ambitious title of The Bank of London. But it ran only a short career and was wound up in disgrace, with a heavy loss to the stockholders.

G. H.,

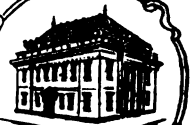
Former Gen. Manager Merchants' Bank of Canada.

FOR A FREER USE OF BANK CREDIT.

IN a recent address before the Reform Club, New York city, Charles A. Conant, the well-known financial authority, said:

"It is the function of the modern system of credit to economize the use of currency, but in order to make that economy greatest and most advantageous to the community, there should be the greatest freedom consistent with safety in the use of the form of credit adapted to a given situation. Every dollar of gold money should be permitted to do its most efficient work; every dollar of credit money should be permitted to assume the form which will afford the greatest convenience, and will permit its quickest movement from the place where it has ceased to be needed to the place where the need for it is felt. When our monetary system is so organized that it will secure these results then 120 per cent. money will be no longer possible in New York."

TRUST COMPANIES



TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

BY CLAY HERRICK.

FORMS AND RECORDS FOR THE BANKING DEPARTMENT.—*Continued.*

The Individual Books—*Continued.*

ANOTHER form of check and deposit journal is shown in Figure 131. This is arranged much the same as the "Petty Journal" shown in Figure 129, but does not include the columns for proof of posting. The latter may be written, if desired, on separate sheets of paper; and some companies dispense with it altogether, relying upon the monthly trial balance to detect any possible errors in the computation of balances.

In some companies, particularly in the older and larger companies in the East, the old plan of having both debit and credit "scratchers" or journals is still in use. Under this plan the checks are listed on check scratchers, a form of which is shown in Figure 132, and the deposits are listed on deposit scratchers, a form of which is shown in Figure 133. In both of these forms, the columns at the right, not filled in in the figures, are for the continuation of the work begun in the first columns, thus giving space for more entries on each page. Often, however, only the single ruling is included on each page. Various forms of ledgers are used with these scratchers, some companies still continuing the use of the old-fashioned two-column ledger, without a balance column—the ruling of the ledger being practically the same as that shown in Figure 133, with the addition of date columns on both debit and credit sides. In the newer companies, however, it is far more usual to employ one of the various forms of ledgers having balance columns.

A number of plans have been devised to lessen the labor of keeping individual accounts, the particular aim being to do away, so far as possible, with the entering of items on both journal and ledger, the items

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* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

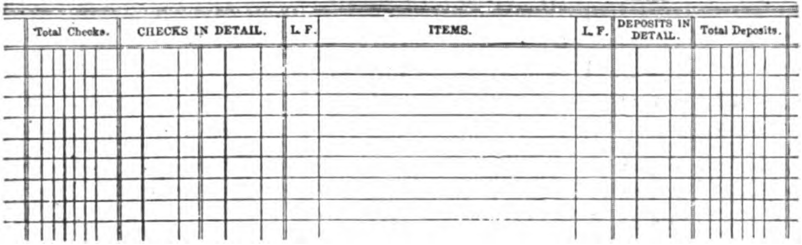


FIG. 131.—CHECK AND DEPOSIT JOURNAL.

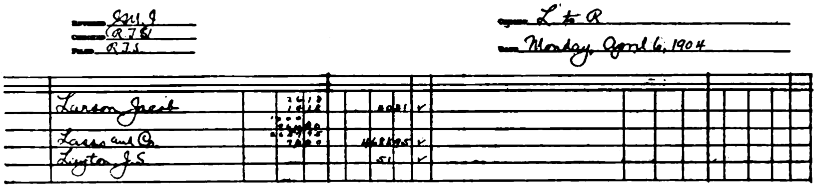


FIG. 132.—CHECK SCRATCHER.

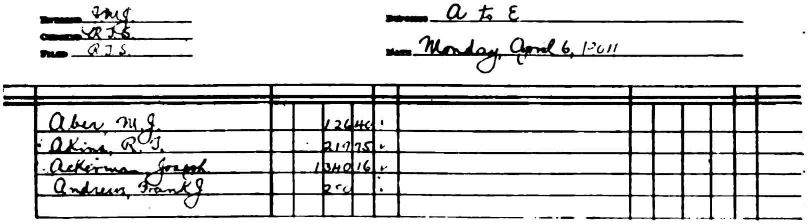
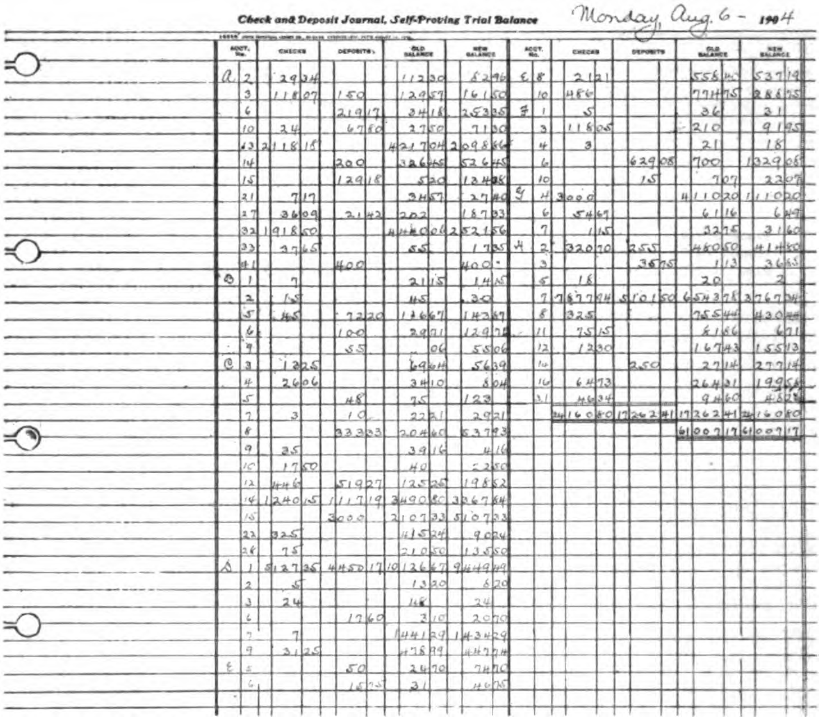


FIG. 133.—DEPOSIT SCRATCHER

being entered in the ledger directly from the original credit or deposit slips and from the checks. Figures 134 and 135 illustrate one set of forms devised with this end in view. The ledger, shown in Figure 135, is a modified form of Boston Ledger, involving some of the features of that ledger and some of the "Cincinnati" or three-column balance ledger. It may be either permanently bound or used with a loose-leaf binder, the latter being more usual. The entries are made in this ledger directly from the deposit slips and the checks; and, as will be seen from the figures, all the detail work is done in the ledger. As each account is posted in the ledger from the original items, the total debits and the total credits, together with the old and the new balances, are entered, from the ledger, in the form shown in Figure 134, which is an abbreviated journal combined with a proof of posting. Here, it will be noticed, the old practice is reversed—the items being posted from the ledger into the journal, instead of vice versa. The use of the so-called journal in this case is merely to record the total day's work in compact form, and to prove that all items have been entered in the ledger. In order to abbreviate the work as much as possible, the accounts under each letter of the alphabet are numbered from 1 up: those whose initial letter is A being numbered A1, A2, A3, etc.; those whose initial letter is B being numbered B1, B2, B3, etc. In the journal (Figure 134) instead of the names of the accounts these numbers are entered as a means of identifying the items. When the work of the day is completed, this "journal" will contain the totals of all the credits and debits for the day; and if the work has been done correctly, the totals of the "Checks" and "Deposits" columns will agree with the totals of these items as shown on the proofs. At the same time the footings of the "Old Balance" and the "New Balance" columns, with the total deposits added to the former, and the total checks added to the latter, will agree and furnish a proof of posting in the same manner as was explained in connection with Figure 129. If several ledgers are used, as is necessary in the larger companies, one of these journals is of course used with each ledger.

THE SAFE DEPOSIT & TRUST CO. OF PITTSBURG, PA.



Check and Deposit Journal, Self-Proving Trial Balance Monday, Aug. 6 - 1904

Acct. No.		Checks	Deposits	Old Balance	New Balance
a	2	29 34		112 30	82 96
	3	118 07	150	129 57	161 50
	6		219 17	34 18	253 35
	10	24	67 80	27 50	71 30
	13	2118 18		4217 04	2098 86
	14		200	326 45	526 45
	15		129 18	5 20	134 38
	21	7 17		34 57	27 40
	27	36 09	21 42	202	187 33
	32	1918 50		4440 06	2521 56
	33	37 65		55	17 35
	41		400		400
B	1	7		21 15	14 15
	2	15		45	30
	5	45	72 20	116 67	143 87
	6		100	29 71	129 71
	9		55	06	55 06
C	3	12 25		69 64	56 39
	4	26 06		34 10	8 04
	5		48	75	123
	7	3	10	22 21	29 21
	8		333 33	204 60	537 93
	9	35		39 16	4 16
	10	17 50		40	22 50
	12	446	519 27	125 25	198 52
	14	1240 15	1117 19	3490 80	3367 84
	15		3000	2107 33	5107 33
	22	325		415 24	90 24
	26	75		210 50	135 50
D	1	8127 35	4450 17	10126 67	9449 49
	2	5		13 20	8 20
	3	24		48	24
	6		17 60	3 10	20 70
	7	7		1441 29	1434 29
	9	31 25		478 99	447 74
E	5		50	24 70	74 70
	6		15 75	31	46 75

Acct. No.		Checks	Deposits	Old Balance	New Balance
E	8	21 21		558 40	537 19
	10	486		774 75	288 75
F	1	5		36	31
	3	118 05		210	91 95
	4	3		21	18
	6		629 08	700	1329 08
	10		15	7 07	22 07
G	4	3000		4110 20	1110 20
	6	54 67		61 16	6 49
	7	1 15		32 75	31 60
H	2	320 70	255	480 50	414 80
	3		35 75	1 13	36 88
	5	18		20	2
	7	7877 94	5101 50	6543 78	3767 34
	8	325		755 44	430 44
	11	75 15		81 86	6 71
	12	12 30		167 43	155 13
	14		250	27 14	277 14
	16	64 73		264 31	199 58
	31	46 34		94 60	48 26
		24160 80	17262 41	17262 41	24160 80
				61007 17	61007 17

FIG. 134.—MEMORANDUM CHECK AND DEPOSIT JOURNAL, WITH TRIAL BALANCES.

The custom of paying interest on daily balances on checking accounts which have satisfactory balances is a growing one. The terms on which interest is allowed vary somewhat in different localities, but interest at the rate of two per cent. per annum on daily balances of $500 or over is quite common. For the sake of convenience it is usual to compute and credit the interest about the 28th of each month. The interest statement is then ready to hand to the customer with his returned vouchers when his book is balanced on the first of the next month. Figure 136 shows a form of such an interest statement. It will be noticed that the balances are written in thousands and hundreds of dollars only, the figures in the units and tens columns being omitted. This method is followed in many institutions as a means of lessening the work, as it cannot in any case

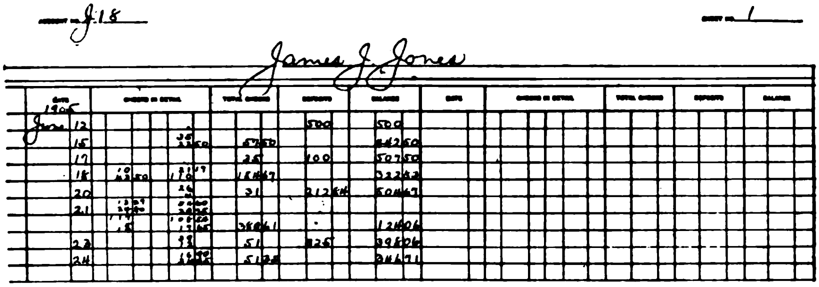
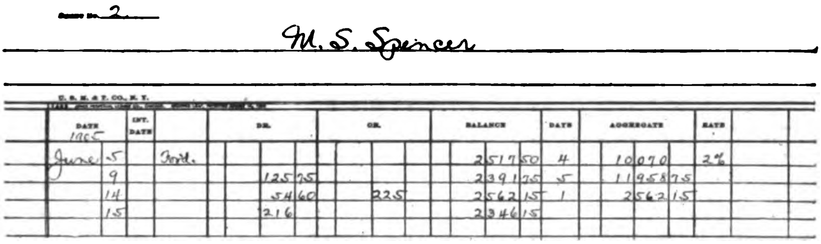


FIG. 135.—INDIVIDUAL LEDGER.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M. S. Spencer

U. S. M. & T. CO., N. Y.

DATE 1905		INT. DATE		DR.	CR.	BALANCE	DAYS	AGGREGATE	RATE
June	5		Fwd.			2517 50	4	10070	2%
	9			125 75		2391 75	5	11958 75	
	14			54 60	225	2562 15	1	2562 15	
	15			216		2346 15			

FIG. 137.—INDIVIDUAL LEDGER, FOR ACCOUNTS ON WHICH INTEREST IS ALLOWED.

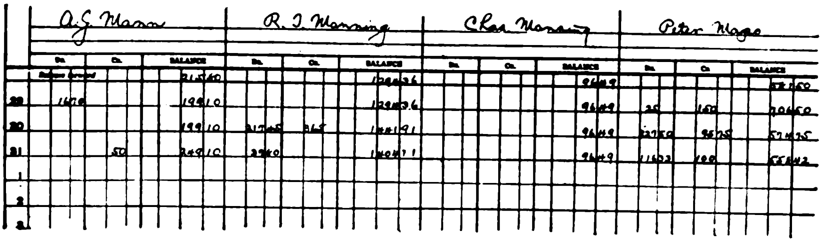
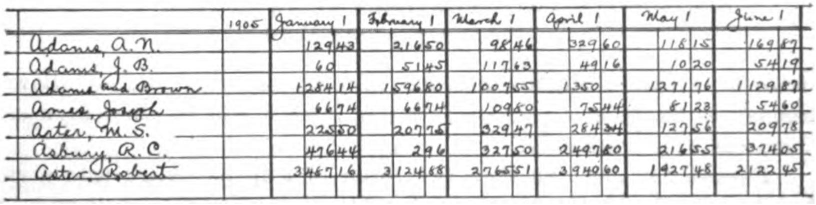
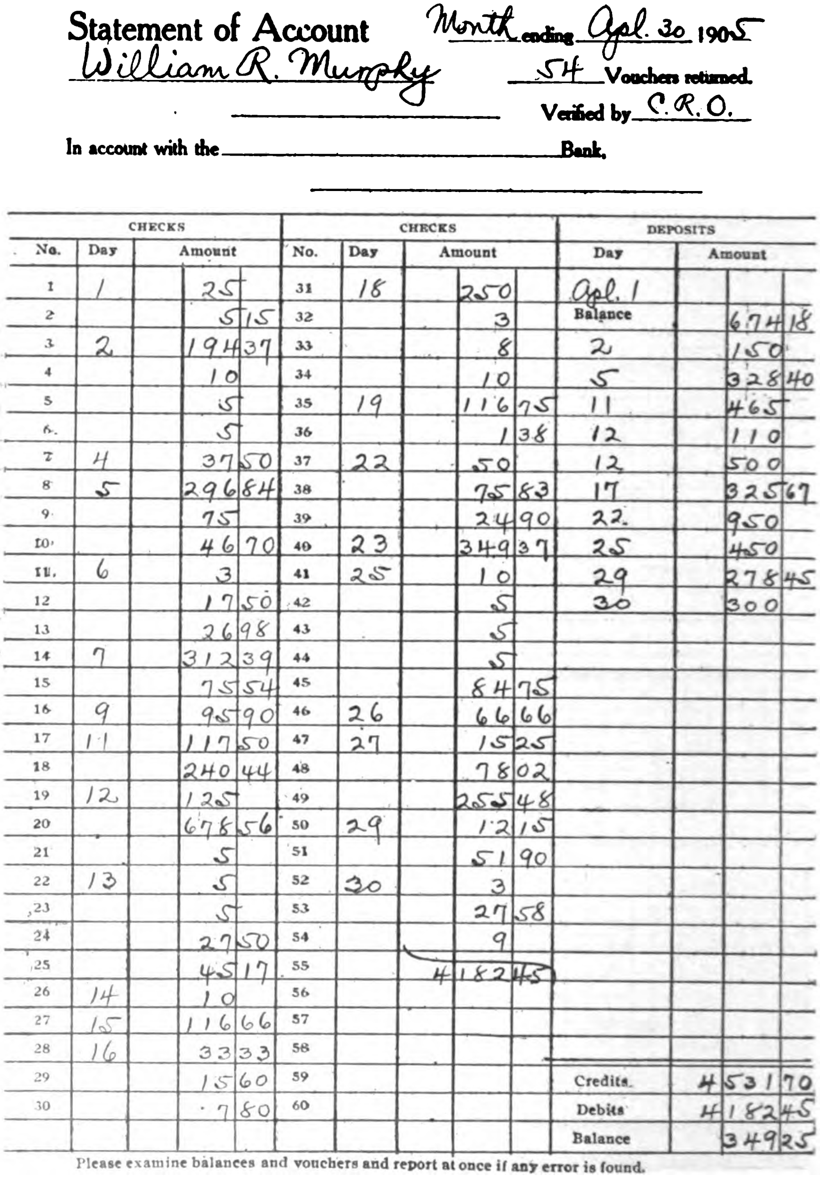


FIG. 138.—INDIVIDUAL LEDGER FOR ACCOUNTS ON WHICH INTEREST IS ALLOWED.



	1905	January 1	February 1	March 1	April 1	May 1	June 1
Adams, A. N.		129 43	216 50	98 46	329 60	118 15	169 87
Adams, J. B.		60	51 45	117 63	49 16	10 20	54 19
Adams and Brown		1284 14	1596 80	1007 55	1350	1271 76	1129 87
Ames, Joseph		66 74	66 74	109 80	75 44	81 23	54 60
Aster, M. S.		225 50	207 75	329 47	284 34	127 56	209 78
Asbury, R. C.		476 44	2 96	327 50	2497 80	216 55	374 05
Aster, Robert		3467 16	3124 68	2765 51	3940 60	1927 48	2122 45

FIG. 139.—TRIAL BALANCE BOOK.



Statement of Account Month ending Apl. 30 1905

William R. Murphy 54 Vouchers returned.

Verified by C. R. O.

In account with the ______ Bank.

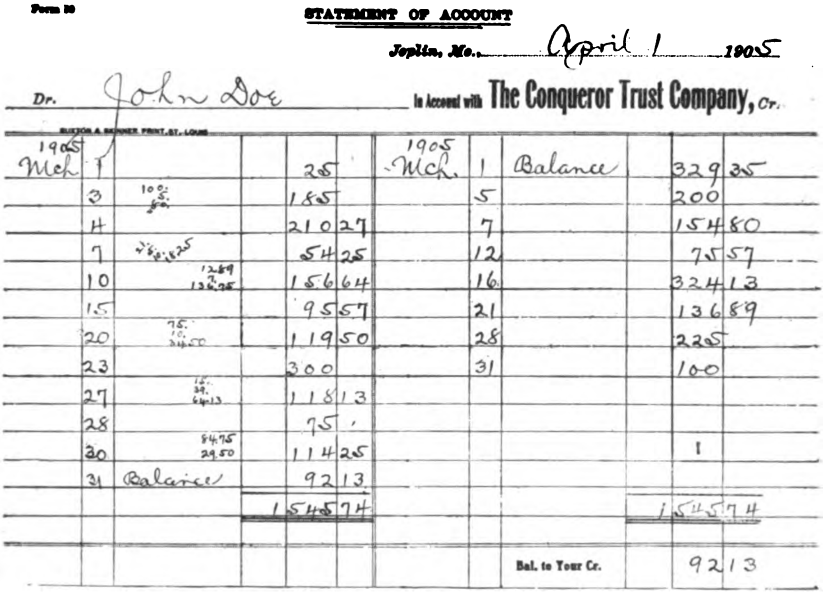
CHECKS				CHECKS				DEPOSITS		
No.	Day	Amount		No.	Day	Amount		Day	Amount	
1	1	25		31	18	250		Apl. 1		
2		5	15	32		3		Balance	674	18
3	2	194	37	33		8		2	150	
4		10		34		10		5	328	40
5		5		35	19	116	75	11	465	
6		5		36		1	38	12	110	
7	4	37	50	37	22	50		12	500	
8	5	296	84	38		75	83	17	325	67
9		75		39		24	90	22	950	
10		46	70	40	23	349	37	25	450	
11	6	3		41	25	10		29	278	45
12		17	50	42		5		30	300	
13		26	98	43		5				
14	7	312	39	44		5				
15		75	54	45		84	75			
16	9	95	90	46	26	66	66			
17	11	117	50	47	27	15	25			
18		240	44	48		78	02			
19	12	125		49		255	48			
20		678	56	50	29	12	15			
21		5		51		51	90			
22	13	5		52	30	3				
23		5		53		27	58			
24		27	50	54		9				
25		45	17	55		4182	45			
26	14	10		56						
27	15	116	66	57						
28	16	33	33	58						
29		15	60	59				Credits	4531	70
30		7	80	60				Debits	4182	45
								Balance	349	25

Please examine balances and vouchers and report at once if any error is found.

FIG. 140.—STATEMENT OF ACCOUNT

cause more than a slight difference in the amount of interest allowed. Sometimes the interest rule specifies that interest will be allowed on even hundreds of dollars only.

Figures 137 and 138 show two forms of ledgers devised with a view to assist the bookkeeper in the computation of interest on accounts. In Figure 137, in the column headed "Days," is entered the number of days that each balance stands undisturbed. In the next column, headed "Aggregate," is placed the product of the balance and the number of days. The principle involved in the figuring of the interest is the same as that used in Figure 136; namely, that the interest on any given amount for X days is the same as the interest on X times that amount for one day. Thus, on the first line of Figure 137, the interest on $2,517.50 for four days is the same as the interest on four times $2,517.50, or $10,070, for one day. Hence, if at the end of the interest period (usually the 28th of each month) the items in the column headed "Aggregate" be added, the interest for one day on the sum so obtained represents the correct interest on the daily balances of the account for the month. Figure 188 represents the top portion of a ledger sheet which facilitates the computation of interest, groups four accounts on each page, and shows on one page the balances of each account for one month. Down the first column at the left of the page are printed the numbers of the days of the month; the numbers beginning, however, with the 29th of the month, and extending through the 28th of the following month. This arrangement of the numbers is due to the fact already noted, that it is customary to compute interest at the close of the 28th of each month; and the page represents the work, not of a calendar month, but of an "interest month." At the bottom of each of the four sub-divisions of the page is printed "Interest at —— per cent., $————." At the close of the month the balance columns are footed, and the interest for one day on the totals represents the interest for the month on the accounts. By the use of "short" leaves,



Form 10

STATEMENT OF ACCOUNT

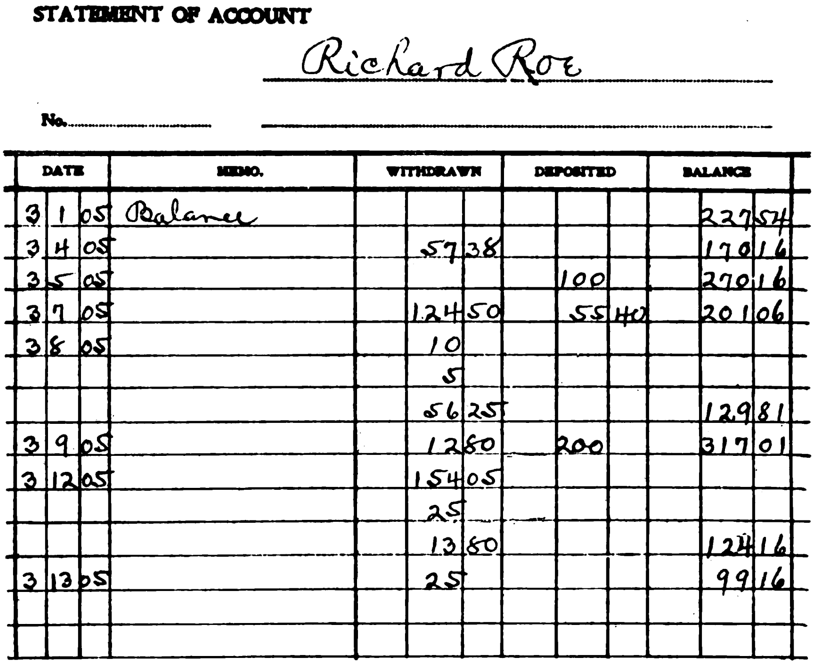
Joplin, Mo., April 1 1905

Dr. John Doe In Account with **The Conqueror Trust Company,** Cr.

Buxton & Skinner Print. St. Louis

1905 Mch	1			25		1905 Mch.	1	Balance		329	35
	3	100. 5. 80.		185			5			200	
	4			210	27		7			154	80
	7	[illegible]		54	25		12			75	57
	10	12.89 7. 136.75		156	64		16			324	13
	15			95	57		21			136	89
	20	75. 10. 34.50		119	50		28			225	
	23			300			31			100	
	27	15. 39. 64.13		118	13						
	28			75							
	30	84.75 29.50		114	25						
	31	Balance		92	13						
				1545	74					1545	74
								Bal. to Your Cr.		92	13

FIG. 141.—STATEMENT OF ACCOUNT.



STATEMENT OF ACCOUNT

Richard Roe

No.

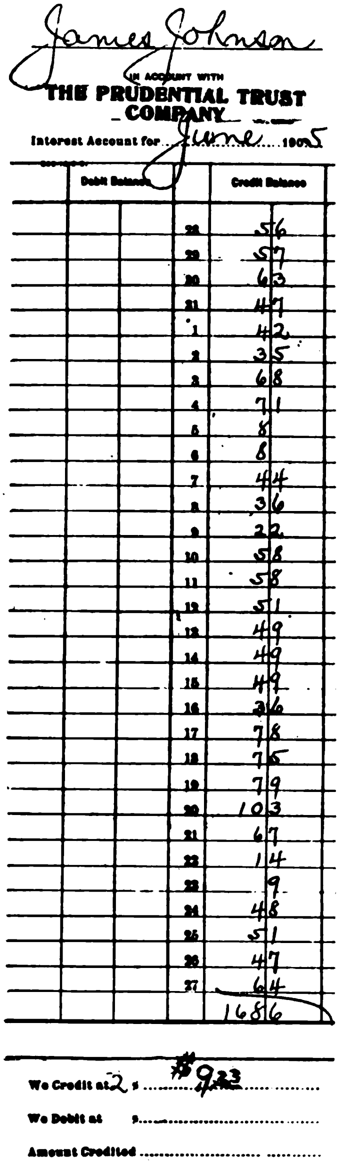
DATE			MEMO.	WITHDRAWN		DEPOSITED		BALANCE	
3	1	05	Balance					227	54
3	4	05		57	38			170	16
3	5	05				100		270	16
3	7	05		124	50	55	40	201	06
3	8	05		10					
				5					
				56	25			129	81
3	9	05		12	80	200		317	01
3	12	05		154	05				
				25					
				13	80			124	16
3	13	05		25				99	16

FIG. 142. STATEMENT OF ACCOUNT.

cut at the top on the line just above the headings of the columns, the work may be continued for several months without transferring the names and balances.

Whatever form of ledger is used for individual accounts a trial balance should be taken once a month, except where the Boston Ledger is used, in which case the ledger itself furnishes a daily trial balance. For the purpose of taking such trial balances, many companies use a trial-balance book, a form of which is shown in Figure 139. The open book may show the trial balances for one year, twelve columns being provided for the twelve months. By having some of the leaves cut short, along the heavy line just before the January column, the work for several years may be shown without rewriting the names; but in such case a considerable space should be left after the lists under each letter of the alphabet, for the insertion of the names of new accounts. Overdrafts are entered in red ink in this form of balance book: but some forms provide two columns, one for credit balances and one for debit balances. In many institutions, the introduction of the adding machine has done away with the trial-balance book, the trial balances being taken off on the adding-machine, which is of course a much quicker and easier way. These adding-machine lists are preserved by pasting them in scrap-books, or by filing them in envelopes.

An important part of the duties of the individual bookkeeper or of his assistant lies in the careful preservation of deposit tickets and of



James Johnson

IN ACCOUNT WITH

THE PRUDENTIAL TRUST COMPANY

Interest Account for June 1905

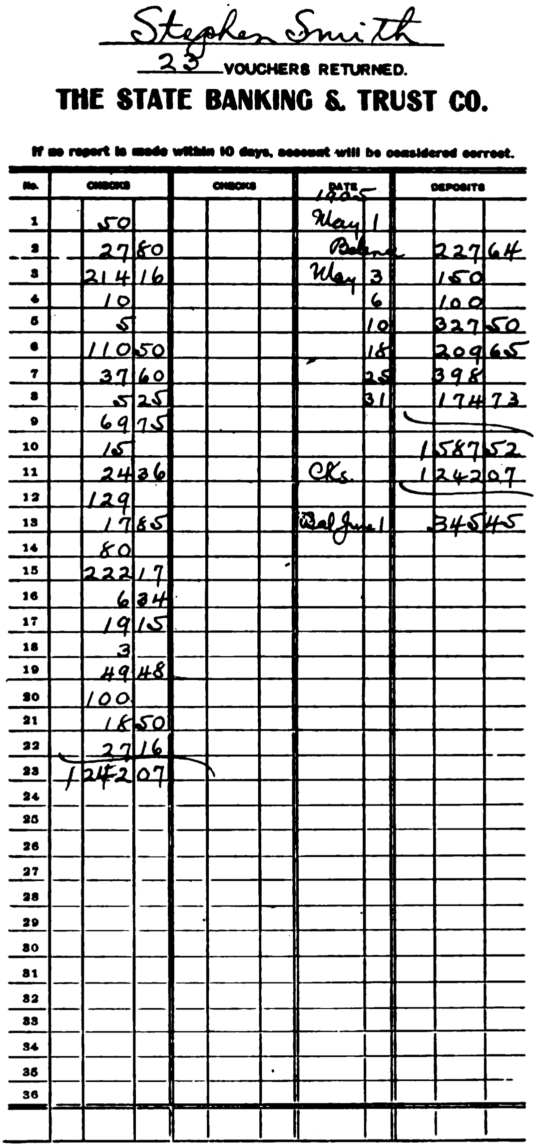
	Debit Balance			Credit Balance	
			28	5	6
			29	5	7
			30	6	3
			31	4	7
			1	4	2
			2	3	5
			3	6	8
			4	7	1
			5	8	
			6	8	
			7	4	4
			8	3	6
			9	2	2
			10	5	8
			11	5	8
			12	5	1
			13	4	9
			14	4	9
			15	4	9
			16	3	6
			17	7	8
			18	7	5
			19	7	9
			20	10	3
			21	6	7
			22	1	4
			23		9
			24	4	8
			25	5	1
			26	4	7
			27	6	4
				168	6

We Credit at 2 $ $9.23

We Debit at $

Amount Credited

FIG. 136.—INTEREST STATEMENT.



Stephen Smith

23 VOUCHERS RETURNED.

THE STATE BANKING & TRUST CO.

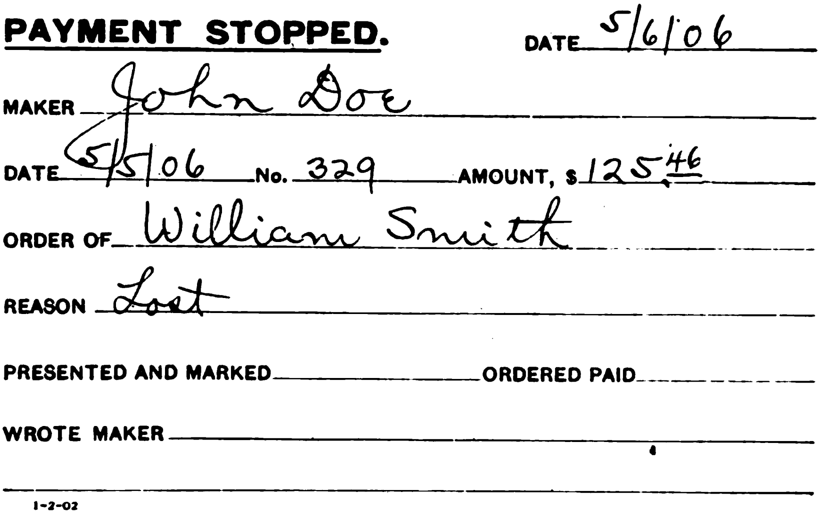
If no report is made within 10 days, account will be considered correct.

No.	Checks		Checks		Date 1905		Deposits	
1	50				May	1		
2	27	80			Balance		227	64
3	214	16			May	3	150	
4	10					6	100	
5	5					10	327	50
6	110	50				18	209	65
7	37	60				25	398	
8	5	25				31	174	73
9	69	75						
10	15						1587	52
11	24	36			Cks.		1242	07
12	129							
13	17	85			Bal June 1		345	45
14	80							
15	222	17						
16	6	34						
17	19	15						
18	3							
19	49	48						
20	100							
21	18	50						
22	27	16						
23	1242	07						
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								

FIG. 148.—STATEMENT OF ACCOUNT.

checks. The latter are cancelled at the close of the day's business, and filed away alphabetically by the names of the drawers until the passbooks are written up and the checks returned to the customers. The deposit tickets, which are kept permanently by the company, are filed either by dates, all tickets for the day's work being filed together in alphabetical order, or alphabetically by the names of the depositors; some companies preferring the one method, and some the other.

The pass-books for all active accounts should be balanced, and the checks returned to the depositors as vouchers, once a month. The methods of balancing or "writing up" the pass-books have been shown in Figures 110 and 111. In practice it is found to be a difficult matter to get all customers to bring in their pass-books for balancing each month; and there is always a considerable number of depositors who frequently fail to bring their pass-books when making deposits. These facts, together with other considerations, have led many companies to adopt the practice of sending monthly statements of accounts to all depositors, the pass-books being used merely as the depositor's record of deposits made. Figures 140, 141 and 142 show different forms of statements of account, those in Figures 141 and 142 being practically copies of the ledger accounts in the old-style debit and credit ledger and the balance ledger respectively. Some companies have the statements kept up regularly as duplicate ledgers. The advantages of such a practice are twofold: it furnishes a check upon the correctness of the work on the regular ledgers, and it keeps the statements always up to date, so that the customer may be furnished with a statement of his account on demand. The plan also distributes the work of preparing statements throughout the month, instead of requiring it all to be done at the close of the month, as is the case where the pass-books are called in for balancing. If the duplicate ledgers are kept by a separate set of bookkeepers, a check is obtained against possible dishonest practices on the part of any one bookkeeper. Figure 143 shows another form of statement of account, which is printed on the face of an envelope, in which the vouchers are enclosed when the statement is handed to the depositor.



PAYMENT STOPPED. DATE 5/6/06

MAKER John Doe

DATE 5/5/06 No. 329 AMOUNT, $125 46

ORDER OF William Smith

REASON Lost

PRESENTED AND MARKED ________ ORDERED PAID ________

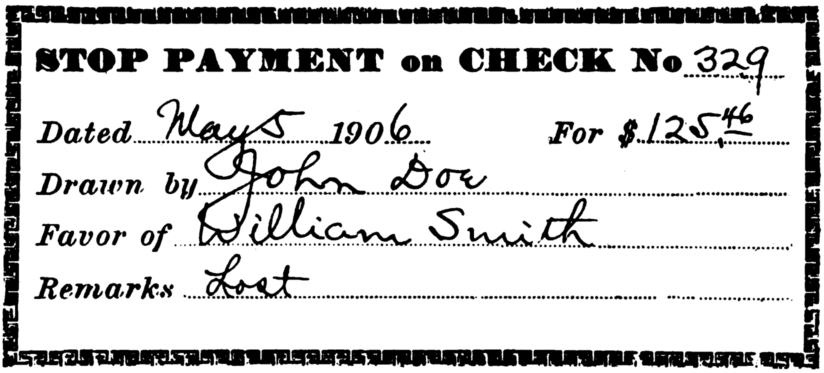
WROTE MAKER ________

1-2-02

Fig. 144.—Stop-Payment Memorandum.

It is not the usual practice to take the depositor's receipt for the vouchers returned to him; but this is done by some companies, and there are those who maintain that a receipt in such a case is quite as important as a receipt for any valuable papers. One form of such a receipt reads as follows: "Received from the Blank Trust Company of Chicago, Illinois, my pass-book, balanced, with —— paid checks. Unless advised to the contrary within five days, the balance may be considered correct, and the paid checks in all respects genuine."

A troublesome thing for the individual bookkeeper to handle is the stopping of payment on customers' checks. Sometimes a rack is provided, in which are placed cards like that shown in Figure 144, containing descriptions of the checks of which payment is ordered stopped. Another plan is to paste on the ledger a slip like that shown in Figure 145. A third plan, and probably the safest one, is to make duplicates, from the descriptions furnished, of all checks of which payment has been ordered stopped. When the incoming checks are arranged in order for entry in the books each day, these duplicates are inserted in their proper order with the other checks, so that the memorandum is found where the bookkeeper cannot easily overlook it. These duplicates are kept and used daily for a week or two, after which time the date of the check will of itself put the bookkeeper on his guard against paying it without investigation.



STOP PAYMENT on CHECK No 329

Dated May 5 1906 *For* $ 125.46

Drawn by John Doe

Favor of William Smith

Remarks Lost

FIG. 145.—STOP-PAYMENT MEMORANDUM.

(*To be continued.*)

LEGAL RESERVES FOR NEW YORK TRUST COMPANIES.

FOLLOWING is the text of the new law passed by the New York Legislature, providing for a legal reserve for trust companies:

"Section 1. Chapter 689 of the Laws of 1892, entitled 'An act in relation to banking corporations,' and constituting chapter 37 of the General Laws, is hereby amended by inserting therein a new section to be known as section 164, to read as follows:

Section 164. Lawful Money Reserve.—Every trust company having its principal place of business in any city in the state having a population of over 800,000 shall at all times have on hand a reserve fund equal to at least fifteen per cent. of the aggregate of its deposits. The whole of such reserve fund may, and at least one-third thereof must, consist of either lawful money of the United States, gold certificates, silver certificates or notes or bills issued by any lawfully organized national banking association; one-third thereof may consist of bonds of the United States, bonds of the State of New York and bonds issued in compliance with law by any city of the first or second class within the State of New York computed at their par value, which must be the absolute property of the corporation exclusive of all other investments; the balance thereof over and above the part consisting of lawful money of the United States, gold certificates, silver certificates, notes and bills issued by any lawfully organized national banking association, and the part thereof consisting of bonds as above provided must consist of moneys on deposit subject to call in any bank or trust company in this state having a capital of at least $200,000 or a capital and surplus of $300,000, and approved by the Superintendent of Banks.

Every trust company having its principal place of business elsewhere in this state shall at all times have on hand a reserve fund equal to at least ten per cent. of its aggregate deposits. The whole of such last-mentioned reserve fund may, and at least thirty per cent. thereof must, consist either of lawful money of the United States, gold certificates, silver certificates or notes or bills, issued by any lawfully organized national banking association; thirty per cent. thereof may consist of bonds of the United States, bonds of the State of New York and bonds issued in compliance with law by any city of the first or second class within the State of New York computed at their par value and which are the absolute property of such corporation exclusive of all other investments; and the balance thereof over and above the part consisting of lawful money of the United States, gold certificates, silver certificates, notes and bills issued by any lawfully organized banking association, and the part thereof consisting of bonds as above provided must consist of money deposit subject to call in any bank or trust company in this state having a capital of at least $200,000 or a capital and surplus of at least $300,000 and approved by the Superintendent of Banks.

The amounts to be kept on hand, as above provided, shall be called the lawful money reserve. If the lawful money reserve of any trust company shall be less than the amount required by this section, such company shall not increase its liability by making any new loans or discounts otherwise than by discounting bills of exchange, payable on sight, or making any dividends of its profits until the full amount of its lawful money reserve has been restored. The Superintendent of Banks shall notify any trust company whose lawful money reserve shall be below the amount herein required to make good such reserve, and if it shall fail for thirty days thereafter to make good such reserve, such trust company shall be deemed insolvent, and may be proceeded against as an insolvent moneyed corporation.

Section 2. This act shall take effect immediately, except that the part of such lawful money reserve above required to consist of lawful money of the United States, gold certificates, silver certificates or notes or bills issued by any lawfully organized national banking association shall be created as follows: Two-fifths thereof on the passage of this Act; one-fifth thereof on July 1, 1906; one-fifth thereof on October 1, 1906, and one-fifth thereof on January 1, 1907, and thereafter the entire amount of such part of said reserve must be at all times maintained and kept on hand as above provided."

TAXATION OF LARGE FORTUNES.

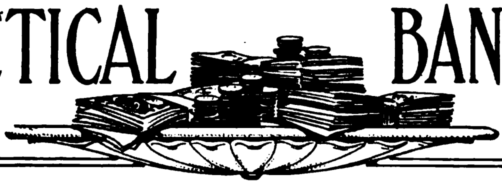
PRESIDENT ROOSEVELT'S suggestion that an inheritance tax should be placed on large fortunes seems to have met the approval of at least one of the great millionaires. In a letter to "The New York Times," commenting on the President's suggestions, Andrew Carnegie made the following quotation from his "Gospel of Wealth:"

"The growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion. The State of Pennsylvania now takes—subject to some exceptions—part of the property left by its citizens. The budget presented in the British Parliament the other day proposes to increase the death duties, and, most significant of all, the new tax is to be a graduated one. Of all forms of taxation this seems the wisest. Men who continue hoarding great sums all their lives, the proper use of which for public ends would work good to the community, from which it chiefly came, should be made to feel that the community, in the form of the state, cannot thus be deprived of its proper share. By taxing estates heavily at death the state marks its condemnation of the selfish millionaire's unworthy life.

"It is desirable that nations should go much further in this direction. Indeed, it is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of the state, and by all means such taxes should be graduated, beginning at nothing upon moderate sums to dependents and increasing rapidly as the amounts swell, until of the millionaire's hoard, as of Shylock's, at least 'The other half comes to the privy coffer of the state.'

"This policy would work powerfully to induce the rich man to attend to the administration of wealth during his life, which is the end that society should always have in view, as being by far the most fruitful for the people. Nor need it be feared that this policy would sap the root of enterprise and render men less anxious to accumulate, for, to the class whose ambition it is to leave great fortunes and be talked about after their death, it will attract even more attention, and, indeed, be a somewhat nobler ambition to have enormous sums paid over to the state from their fortunes."

PRACTICAL BANKING



HOW TO FIGURE THE RESERVES OF NATIONAL BANKS.

BY LLOYD M. TILLMAN.

THE law pertaining to the reserves of national banks may be found in sections 5191, 5192 and 5195, United States Revised Statutes, or pages 24, 25 and 26 of the 1905 edition of the National Bank Act as amended.

1. The law originally specified New York as the only central reserve city, but the law was amended in 1877 so as to permit additional central reserve cities, and this amended act has been taken advantage of by Chicago and St. Louis. The law provides that a bank in a central reserve city shall at all times have on hand, in lawful money of the United States, an amount equal to at least twenty-five per centum of the aggregate amount of its deposits in all respects.

2. Banks in other reserve cities, Boston, Albany, Brooklyn, Philadelphia, Pittsburg, Baltimore, Washington, Savannah, New Orleans, Louisville, Dallas, Fort Worth, Houston, Galveston, Waco, Cincinnati, Cleveland, Columbus, Indianapolis, Detroit, Milwaukee, Cedar Rapids, Des Moines, Dubuque, St. Paul, Minneapolis, Kansas City, Kansas, Wichita, Kansas City, Missouri, St. Joseph, Lincoln, Omaha, Denver, Salt Lake City, San Francisco, Los Angeles, Portland, and Seattle, Wash., may keep one-half of their lawful money reserve of 25 per cent., that is, 12½ per cent., in cash deposits in the central reserve cities.

3. Other national banks (country banks, of which there are over 5566 in number), shall at all times have on hand, in lawful money of the United States, an amount equal to at least fifteen per centum of the aggregate amount of its deposits in all respects, 3-5 of which (i. e., nine per cent.) may be balance due from associations approved by the Comptroller of the Currency in the reserve or central reserve cities.

CENTRAL RESERVE CITY.

As will be noticed from Form 1, the calculation of the reserve of a central reserve city is a very simple matter. From the sum of the net "due to" banks and other deposits, subtract the "deduction allowed." Next take one-fourth of the remainder, and then deduct the five per cent. redemption fund, for section three of the Act of June 20, 1874, provides "that the five per cent. redemption fund, which shall at all times be kept on deposit with the Treasurer of the United States, shall be counted as a part of the lawful reserve." The result is the net reserve required.

OTHER RESERVE CITIES.

The method for calculating the reserve in each of the three classes of banks is identical down to the point of finding the different per cent. of the reserve. Where the reserve in bank meets the requirements of the law, it will be an ordinary calculation; but where the reserve in bank is deficient and there is an excess with approved reserve agents, such excess cannot be counted as reserve (for sections 5192 and 5195 state what amount of reserve is allowed to be kept with approved reserve agents), but is available only to reduce or cancel net balances "due to" banks, etc.

Rule I.—Where the excess with approved reserve agents equals or exceeds the net balance "due to" banks, take one-eighth of net balance "due to" banks, etc., and apply it, as a reduction to the amount of reserve required in bank.

Rule II.—Where the excess with approved reserve agents is less than the net balance "due to" banks, etc., take one-seventh of excess and apply it, as a reduction of the amount of reserve required in bank.

In Form 2, let us suppose the excess with approved reserve agents equalled or exceeded the net "due to" banks, etc. Then it is quite clear that no reserve should be kept on the net "due to," for it is practically wiped out by the excess. Therefore, as the amount required in bank is one-half or one-fourth (twenty-five per cent.), the reduction would be one-eighth of the net "due to" banks, etc., as in Rule I.

Again, in Figure 2, Rule II. is applicable, for $199,095, the amount of excess with reserve agents, will have the effect of making a proportionate reduction in the amount of reserve required in bank, of one dollar to every eight dollars of said excess, which amount to be deducted is obtained under "Coffin's Rule," which is the practice of the Treasury Department, by taking one-seventh of said excess, namely $28,442, and subtracting it from the reserve required in bank.

To obtain the amount required in bank, multiply the "net reserve" by 0.4 (for six-fifteenths is equal to two-fifths, which is equal to 0.4). To obtain the amount which may be kept with the approved reserve agents, multiply the net reserve to be held by 0.6 (nine-fifteenths equals three-fifths, which is equal to 0.6). The same reasons apply in exceptional cases for country banks as for the other reserve city banks, with the corresponding rules, viz.:

Rule A.—Where the excess with approved reserve agents equals or exceeds the net balance "due to" banks, etc., take six per cent. of the net "due to" banks.

Rule B.—Where the excess with approved reserve agents is less than the net "due to" banks, take six-ninety-firsts of said excess.

Of course, where the "due from" banks exceeds the "due to" banks, the "special" rules are not applicable.

Where it is evident that the excess with approved reserve agents equals or exceeds the net "due to" banks, time can be saved by omitting both "due to" and "due from" banks from the calculation.

Section 5191 of the United States Revised Statutes, forbids a bank to increase its liabilities by new loans or discounts, or to declare any dividend when its reserve is below the legal requirement.

ILLUSTRATIONS OF METHOD OF COMPUTING THE RESERVES OF NATIONAL BANKS.

ITEMS ON WHICH RESERVE IS TO BE COMPUTED.

LIABILITIES.

Should the aggregate "Due from" exceed the aggregate "Due to" Banks, both items must be omitted from the calculation.

Due to National Banks..........	$13,298,536		
Due to State Banks and Bankers	4,734,734	$21,521,066	
Due to Trust Companies, etc....	3,487,796		
LESS—			
Due from other National Banks.	847,163		
Due from State Banks & Bankers	92,775		
Due from Trust Companies, etc.	639,585	1,579,523	$19,941,543
Dividends unpaid......................			2,475
Individual Deposits....................			9,904,306
United States Deposits excluded......			
Deposits of U. S. Disbursing Officers..			100,000
Gross amount.......................			$29,948,324
DEDUCTIONS ALLOWED.			
Checks on other Banks in the same place		$35,370	
Exchanges for Clearing House...........		1,676,802	
Other National Bank Notes..............		70,600	
Other Funds with Treasurer U. S........		50,000	$1,832,772
Twenty-five per cent of this total amount ☞			28,115,552
is the entire Reserve required, which is........			7,028,888
Deduct 5 per cent Redemption Fund with Treasurer U. S..................................			50,000
Net Reserve to be held.......................			$6,978,888

ITEMS COMPOSING THE NET RESERVE.

The Net Reserve is...........................		$6,978,888
Items in Bank's possession to make up the same, viz:		
Fractional Silver....................	$21,133	
Silver Dollars........................	76	
Silver Treasury Cert's	1,148,785	
Gold Coin............................	403,600	
Gold Treasury Cert's.................	3,005,610	
Legal-Tender Notes.................	1,765,000	
U. S. Cert's of Deposit for Gold....	650,000	
C. H. Cert's for Coin and Legal-Tenders............................	470,000	$7,464,204
Excess in the entire Reserve held........		$485,316
Deficiency in the entire Reserve held....		

FORM 1.—CENTRAL RESERVE CITY.

ITEMS ON WHICH RESERVE IS TO BE COMPUTED.

LIABILITIES.

Should the aggregate "Due from" exceed the aggregate "Due to" Banks, both items must be omitted from the calculation.	Net balance due to approved Reserve Agents....................	$10,000		
	Due to National Banks..........	209,800		
	Due to State Banks and Bankers	11,650	$1,768,970	
	Due to Trust Companies, etc....	1,537,520		
	LESS—			
	Due from other National Banks	298,242		
	Due from State Banks & Bankers	99,758		
	Due from Trust Companies, etc,	2,090	400,090	$1,368,880
	Dividends unpaid.......................			
	Individual Deposits.....................			3,447,130
	United States Deposits excluded......			
	Deposits of U. S. Disbursing Officers..			
	Gross amount.......................			$4,816,010
	DEDUCTIONS ALLOWED.			
	Checks on other Banks in the same place		$97,280	
	Exchanges for Clearing House..........		291,990	
	Other National Bank Notes..............		9,500	$398,770
	Twenty-five per cent of this total amount ☞			4 417,240
	is the entire Reserve required, which is.......			1,104.810
	Deduct 5 per cent Redemption Fund with Treasurer U. S................................			2,500
	Net Reserve to be held....................			$1,101,810

ITEMS COMPOSING THE NET RESERVE AND THE DISTRIBUTION OF THE SAME.

One-half of the Net Reserve is.........	$550,905	One-half of the Net Reserve is...............		$550,905
		†Credit by excess with Reserve Agents.....		28,442
Items making up the same may consist of* Balances with approved Reserve Agents, viz:		Items in Bank's possession to make up the same, viz:		522,463
		Fractional Silver.....................	$13,818	
		Silver Dollars.......................	5,000	
		Silver Treasury Cert's..............	111,829	
		Gold Coin............................	23,340	
$750,000	750,000	Gold Treasury Cert's................	41.500	
Excess with Reserve Agents.............	199,095	Legal-Tender Notes.................	64,565	
		U. S. Cert's Deposit for Gold....		
Deficiency with Reserve Agents......		C. H. Cert's for Coin and Legal-Tenders...........................	85,000	345,052
		Excess in items held by the Bank...		
One-seventh of Excess equals.........	28,442	Deficiency in items held by the Bank....		177,411

†Reduction allowed.

RECAPITULATION.

Excess in the entire Reserve held.........................	$	Deficiency in the entire Reserve held..................	$177,411

*If reciprocal accounts are kept with reserve agents, only the *net* amount due from such agents is available for reserve.

FORM 2.—OTHER RESERVE CITIES.

ITEMS ON WHICH RESERVE IS TO BE COMPUTED.

LIABILITIES.

Should the aggregate "Due from" exceed the aggregate "Due to" Banks, both items must be omitted from the calculation.

Due to National Banks..........	$19,099		
Due to State Banks and Bankers	1,575		
Due to Trust Companies, etc....	835		
Due to approved Reserve Agents net balances....................		$21,509	
LESS—			
Due from other National Banks.	9,071		
Due from State Banks & Bankers	1,031	10,102	$11,407
Due from Trust Companies, etc.			
Dividends unpaid.......................			
Individual Deposits....................			238,773
United States Deposits.................			
Deposits of U. S. Disbursing Officers..			
Gross amount.......................			$250,180
DEDUCTIONS ALLOWED.			
Checks on other Banks in the same place		$100	
Exchanges for Clearing House..........			
Other National Bank Notes..............		200	$300
Other funds with U. S. Treasurer........			
Fifteen per cent of this amount ☞			249,880
is the entire Reserve required, which is.......			37,482
Deduct 5 per cent Redemption Fund with Treasurer U. S..................................			2,500
Net Reserve to be held......................			34,982

ITEMS COMPOSING THE NET RESERVE AND THE DISTRIBUTION OF THE SAME.

Three-fifths of the Net Reserve is....	$20,989	Two-fifths of the Net Reserve is............		$13,993
Items making up the same may consist of* Balances with following approved Reserve Agents, viz:		†Credit by excess with Reserve Agents.....		684
				$13,309
		Items in Bank which may lawfully make up the same, viz:		
		Fractional Silver....................	$165	
		Silver Dollars.......................	142	
		Silver Treasury Cert's..............	2,116	
		Gold Coin...........................	2,062	
$102,645	102,645	Gold Treasury Cert's...............	700	
Excess with Reserve Agents.............	81,653	Legal-Tender Notes.................	1,000	
Deficiency with Reserve Agents......		U. S. Cert's of Deposit for Gold....		
†Reduction allowed 6 per cent of......	11,407	C. H. Cert's for Coin and Legal-Tenders...........................		$6,185
		Excess in the two-fifths Reserve held...		
		Deficiency in the *two-fifths* Reserve held.		7,124

RECAPITULATION.

Excess in the entire Reserve held..........................	*Deficiency* in the entire Reserve held..................	$7,124

*If reciprocal accounts are kept with reserve agents, only the *net* amount due from such agents is available for reserve.

FORM 3.—COUNTRY BANKS.

The Drift of Wealth to Los Angeles

BY
EDWARD WHITE

LOS ANGELES—INCREASE IN BANK DEPOSITS, 9 2-3 YEARS, 740 PER CENT.
UNITED STATES—INCREASE IN BANK DEPOSITS, 10 YEARS, 130 PER CENT.

FACTS and figures tell the story of Los Angeles.

Superlatives and fine phrasing have no place in such a chronicle.

Forty years ago Los Angeles was without a bank. In 1867, when the late Governor John G. Downey talked to the citizens about establishing a bank, they answered him derisively, one man saying:

"I hope, Downey, you and I will never see a bank established in Los Angeles; we have gotten along so well without one."

Later Governor Downey induced Colonel Hayward, of San Francisco, to join him in an enterprise of that character, and in February, 1868, the firm opened the doors of a bank with a capital of $100,000. In September of the same year the firm of Hellman, Temple & Co., was established, and in 1871 the interests controlling the two firms were united in forming the first incorporated bank in Los Angeles.

The commercial development of the city was for many years so slow and uncertain that banking did not begin to assume pretentious proportions until the latter part of the eighties, when both banking and commerce were stimulated by the completion of the first transcontinental railroad to Los Angeles.

THE YEAR 1896.

In 1896 there were thirteen banks of all kinds in the city, with combined capital, surplus, deposits and resources as follows:

Capital and surplus	$4,716,000
Deposits	11,300,000
Resources	16,756,000

Such was the condition of the banks of Los Angeles in September, 1896. The depression caused by the panic of 1893 was still being felt throughout the country, but the financial institutions of the City of Los Angeles kept on growing as though the period were one of great prosperity.

Four Years Later.

The statements of the banks in September, 1900, showed remarkable progress, the figures in round numbers being as follows:

Capital and surplus	$5,073,000
Deposits	23,470,000
Resources	30,133,000

Compared with the statements of 1896, the percentage of increase was slight in capital and surplus, but marked in deposits and resources.

Still Climbing in 1906.

With the advent of prosperity throughout the country the banks of Los Angeles appeared to take a place on the crest of the highest wave, and they have continued in that position with befitting grace, as the following statement of April 6, shows:

Capital and surplus	$14,776,000
Deposits	85,400,000
Resources	110,497,000

Nine and One-half Years' Growth.

The growth of banking in Los Angeles in the nine and one-half years from September, 1896, to April, 1906, is best seen in the following table of percentages:

	Per cent.
Increase in capital and surplus	209
Increase in deposits	660
Increase in resources	570

One Additional Month's Increase.

On May 3, 1906, the response to a call from the clearance house showed that the deposits had increased about $10,000,000 over the April report, making the total deposits of all the banks of Los Angeles, in round numbers, $95,000,000, a net increase of 740 per cent. in nine and two-thirds years.

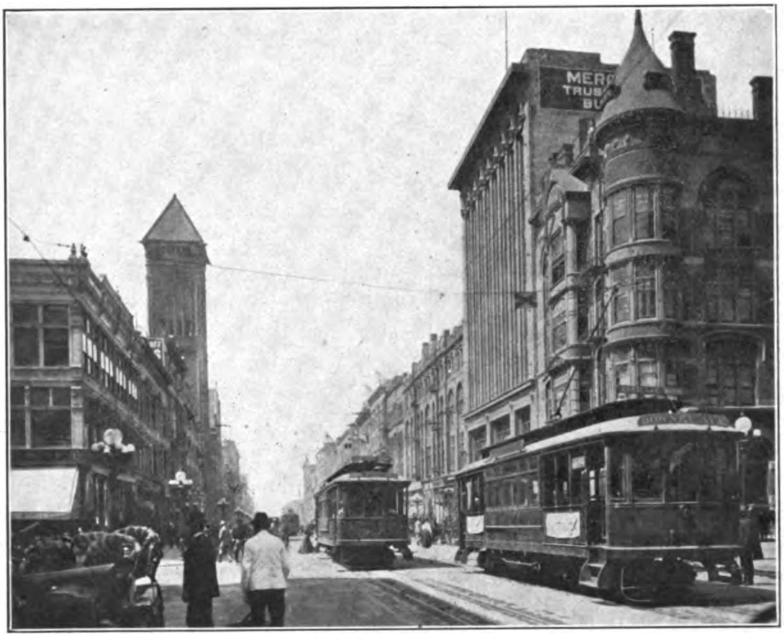
Compared with Figures for Entire Country.

The following comparative statement shows the growth of banking in the United States from 1895 to 1905, ten full years:

	1895	1905	Increase. Per cent.
Capital and surplus	$1,786,000,000	$2,900,000,000	65
Deposits	4,900,000,000	11,350,000,000	130
Resources	7,562,000,000	16,916,000,000	124

LOS ANGELES' SHOWING UNEQUALLED.

Such a showing as above exhibited is not equalled by any other American city. It is a story of substantial prosperity which cannot fail to strike the understanding of every reader, and to convince him that there is a drift of wealth to the metropolis of the Southwest. That this wealth has come to stay is not questioned. The beautiful homes, filled with the happy, contented families of the men who have brought much of the money to Los Angeles, and whose investments here are proving more profitable than in the East, stamp with unqualified certainty the declaration that prosperity is here to remain.



BROADWAY, SOUTH FROM SECOND.

GROWTH OF CLEARINGS.

In the increase of exchanges of the clearing-house, Los Angeles comes forward with a record almost as remarkable as its bank statements. From 1900 to 1905 the clearings rose from $113,586,000 to $449,953,000, an increase of nearly 300 per cent., while the increase for the entire country during the same period amounted to only sixty-eight per cent., the figures being $84,582,000,000 for 1900 and $140,501,000,000 for 1905.

The following table shows the growth of Los Angeles clearings from 1890 to 1905:

1890	$31,019,721
1895	57,046,832
1900	113,766,378
1905	479,985,298

SINCE THE SAN FRANCISCO DISASTER.

Notwithstanding the fact that Los Angeles contributed nearly $600,000 in currency to the sufferers from the earthquake and fire in San Francisco, and that the banking machinery of its sister city was completely stopped for more than a month, the growth of deposits in Los Angeles banks continued even more rapidly than before. The first month after the disaster showed an increase of fully $10,000,000, and the very latest reports are that the influx of money is unabated.

THE AMERICAN NATIONAL BANK.

The American National Bank of Los Angeles had its origin in the California Bank, which was organized in 1887. In January, 1903, the institution was converted into a national bank, and the capital increased from $350,000 to $1,000,000.

The growth of the bank has been of a steady, substantial character throughout its entire career. In 1896 its line of deposits amounted to $400,000, which had increased to $1,407,449 in 1901. From the date of the operation of the bank under a national charter the progress has been as follows:

	Deposits.
January, 1903	$2,164,300
January, 1905	3,151,601
April, 1906	4,435,419

The last statement reveals a net increase in deposits in ten years of more than one thousand per cent., a most remarkable showing. In this connection it may be added that the American Savings Bank, which was organized in January, 1905, is owned and controlled by the same interests that dominate the American National Bank, and has deposits aggregating $1,500,000. The two banks are conducted as distinct institutions, yet if their combined deposits should be considered in reckoning the result of the management of the American National, there would be a total of nearly $6,000,000 to its credit.

The American National Bank owes its success to the fact that it is a bank for business men. It is neither ultra conservative nor inordinately progressive, rather letting its cash reserve of nearly fifty per cent. speak for its stability, and its perfection of service tells the story of its up-to-date methods. It is one of the only two banks in the city which owns the building it occupies, a cut of which is herewith presented.

Officers: W. F. Botsford, president; J. G. Mossin, vice-president; George Chaffey, vice-president; T. W. Phelps, cashier; Wm. W. Woods, assistant cashier.

Directors: W. F. Botsford, Eben Smith, Frank C. Bolt, M. J. Connell, Epes Randolph, C. M. Wood, John F. Champion, W. J. Hole, Walter S. Newhall, Arthur L. Hawes, George Chaffey.

AMERICAN NATIONAL BANK BUILDING.

MORE THAN A QUARTER OF A CENTURY OF USEFULNESS.

With capital and surplus, deposits and resources larger than any other banking institution in Southern California, and with high rank among the leading banks of the nation, the First National Bank of Los Angeles has rounded out a full quarter of a century of existence in a manner befitting such a long career of usefulness. When the First National was organized, in 1880, there were barely 11,000 people within the limits of Los Angeles, and the development of neither city nor tributary country had yet begun. The bank being one of the first national institutions organized in Southern California, and being ably and conservatively managed, with ample capital for effective operating power, it naturally bore a conspicuous part in the early struggles of Los Angeles, and became closely interwoven with the best element of business and capital as the city entered its era of prosperity. This position as a leader has since been maintained by the bank, and it is gaining in financial strength at a rapid rate.

The First National Bank of Los Angeles was organized in 1880, with a capital of $100,000, which was increased to $200,000 in 1887, to $400,000 in 1893, and to $500,000 in 1904. In October, 1905, the Southern National and the Los Angeles National banks were absorbed by the First National, and the capital of the latter was increased to $1,250,000, which, added to a surplus and profit account of $1,400,000, gives it a capitalized strength of $2,650,000.

The growth of the bank up to the time of the consolidation in October, 1905, was a marked feature of the city's wonderful development. The statement of August 11, 1900, made the following showing:

Capital	$400,000
Surplus and profits	314,000
Deposits	2,657,235
Resources	3,673,110

The same items had increased to the following amounts in the statement of August 25, 1905:

Capital	$500,000
Surplus and profits	900,000
Deposits	7,772,802
Resources	9,671,902

April 6, 1906, the principal items were reported to the Comptroller as follows:

Capital	$1,250,000
Surplus and profits	1,400,000
Deposits	15,179,777
Cash and due from banks	6,766,939
United States bonds, etc.	2,742,622
Loans and discounts	9,468,966
Resources	19,135,292

(Additional resources of $1,500,000 invested in the stock of the Los Angeles Trust Company and the Metropolitan Bank and Trust Company, and held by the officers of the First National Bank, as trustees, in the interest of the shareholders of that bank.)

A most interesting feature of the above figures is the showing of cash and convertible securities, there being a total of $9,509,561, or sixty-three per cent. of the deposits. This fact puts a finishing touch to the statement, revealing, as it does, that the bank is not only strongly equipped with capital and has a large and growing business, but that it is conducted with an eye single to the perfect security of its patrons.

In addition to affording the public a high grade of service at a minimum of risk, the First National has long been on a good paying basis, its stock now being held at a higher figure than any other Los Angeles bank. It pays dividends at the rate of twenty per cent. a year, thus distributing annually $250,000 among its stockholders. While paying good dividends it has created $1,000,000 of its undivided profit account from its earnings, and re-enforced its capital with that amount.

The management of the First National Bank is in the hands of a corps of officials thoroughly trained in national bank work and executive requirements, and the board of directors is composed of men drawn from the best there is in Southern California business interests.

Officers: J. M. Elliott, president; Stoddard Jess, vice-president; W. C. Patterson, vice-president; G. E. Bittinger, vice-president; John S. Cravens, vice-president; W. T. S. Hammond, cashier; A. C. Way, assistant cashier; E. S. Pauly, assistant cashier; E. W. Coe, assistant cashier; A. B. Jones, assistant cashier.

Directors: G. E. Bittinger, vice-president; George I. Cochran, vice-president Pacific Mutual Life Insurance Co.; John S. Cravens, capitalist; J. C. Drake, president Los Angeles Trust Company.; J. M. Elliott, president; Henry Fisher, capitalist; Frank P. Flint, United States Senator, president Metropolitan Bank and Trust Company; M. H. Flint, postmaster, Los Angeles; C. W. Gates, Vail & Gates, stock growers and dealers; W. M. Garland, president W. M. Garland & Co., real estate; W. I. Hollingsworth, president W. I. Hollingsworth Co.; H. E. Huntington, president Los Angeles Railway Co. and president Pacific Electric Railway Co.; W. E. Hampton, president Pacific Tank Co.; Stoddard Jess, vice-president; H. Jevne, wholesale and retail grocer; Gail B. Johnson, vice-president German American Savings Bank; F. M. Kelsey, vice-president Metropolitan Bank and Trust Company; J. O. Koepfli, Bishop & Co.; Dan Murphy, president Brea Canon Oil Co.; E. J. Marshall, capitalist; John B. Miller, president Edison Electric Co.; A. H. Naftzer, capitalist; John H. Norton, capitalist; W. C. Patterson, vice-president; Epes Randolph, assistant to E. H. Harriman; Wm. R. Staats, president Wm. R. Staats Co., bankers; F. Q. Story, president Semi-Tropic Fruit Exchange; J. S. Torrence, president Union Oil Co.; Walter J. Trask, Bicknell, Gibson, Trask, Dunn & Crutcher, attorneys; Wm. M. Van Dyke, clerk U. S. Circuit Court and U. S. Commissioner; H. C. Witmer, capitalist.

THE CITIZENS' NATIONAL BANK.

The Citizens' National Bank began business in 1890 as a state institution, and was reorganized under a national charter in 1901. At the time of its reorganization the following condition was reported:

Capital	$200,000
Surplus and profits	45,000
Deposits	1,036,674
Resources	1,281,960

The last report to the Comptroller, April 6, 1906, made the following showing:

Capital	$200,000
Surplus and profits	181,180
Deposits	2,943,679
Cash and due from banks	1,302,969
Resources	3,509,860

The Citizens' National Bank is in the hands of some of the city's leading business men and capitalists, and its stock is quoted at 220, although not a share is offered at any price. The dividend rate is ten per cent. per annum.

At the corner of Third and Main streets the bank has just completed a new building, a cut of which is herewith presented. The corner room of the ground floor, 70x70 feet, is occupied by the bank, and is fully equipped with up-to-date conveniences and appliances.

Officers: R. J. Waters, president; J. Ross Clark, vice-president; A. J. Waters, cashier; George E. F. Duffet, assistant cashier; E. T. Pettigrew, assistant cashier.

NEW BUILDING OF CITIZENS' NATIONAL BANK.

Directors: R. J. Waters, president; J. Ross Clark, vice-president San Pedro, Los Angeles and Salt Lake Ry. Co.; A. G. Hubbard, president Citizens' National Bank, Redlands; L. W. Blinn, president Blinn-Robinson Lumber Co.; J. M. Hale, president J. M. Hale Dry Goods Co.; John H. Norton, capitalist; C. A. Canfield, capitalist; E. G. Fay, president Empire Steam Laundry Co.; Robert Hale, capitalist; John J. Fay, Jr., chairman Board of Water Commissioners; A. J. Waters, cashier.

THE FARMERS AND MERCHANTS' NATIONAL BANK.

In the commercial development of the City of Los Angeles a conspicuous part has been borne by the Farmers and Merchants' National Bank, which was organized as a state institution in 1871, when there were less than ten thousand people within the corporate limits. The bank has grown as the city has grown, keeping pace with its business requirements, and aiding its advancement liberally yet judiciously. From the beginning the Farmers and Merchants' Bank hewed close to the line of legitimate banking methods, thus gaining and maintaining the fullest confidence of the business world. This has, in fact, been the keynote of the success which the institution has achieved, its clients ever feeling that their interests are thoroughly safeguarded, and the stockholders realizing that their earnings are never insecure.

The Farmers and Merchants' Bank of Los Angeles was organized in 1871, with a capital of $500,000, of which $400,000 was paid in. In January, 1903, it was reorganized under a national charter, with a capital of $1,000,000 and a surplus of $500,000. A year later the capital of the Farmers and Merchants' National Bank was increased to $1,500,000 and its surplus to $1,000,000. In order to further meet the requirements of its growing business and the necessities of the rapidly developing city, the bank soon afterward began the erection of its present building, which is conceded to be one of the handsomest and best of its kind in the country.

FARMERS AND MERCHANTS' NATIONAL BANK BUILDING.

The growth of the Farmers and Merchants' National Bank has been one of the most marked features of the financial development of the Pacific Coast. Its report to the Bank Commissioner in August, 1900, made the following showing:

Capital	$500,000
Surplus and profits	968,000
Deposits	5,009,724
Resources	6,478,006

April 6, 1906, the report to the Comptroller of the Currency was as follows:

Capital	$1,500,000
Surplus and profits	1,381,696
Deposits	13,676,206
Resources	18,057,903

In the last statement were included the following items:

Available cash	$4,986,338
United States bonds	2,078,201
Other high-grade bonds	1,767,385
Total cash and bonds (65% of the total deposits)...	$8,831,924

The control of the Farmers and Merchants' National Bank is in the hands of some of the leading and most successful business men on the Pacific Coast, their reputations for financial strength and executive ability extending throughout the entire country, and giving the institution a national as well as a local influence.

Officers: Isaias W. Hellman, president; J. A. Graves, vice-president; I. N. Van Nuys, vice-president; T. E. Newlin, vice-president; Charles Seyler, cashier; Gustav Heimann, assistant cashier; John Alton, assistant cashier.

Directors: Isaias W. Hellman, president Wells Fargo Nevada National Bank and the Union Trust Company, of San Francisco; H. E. Huntington, president Pacific Electric Railway Company and Los Angeles Railway Company; W. G. Kerckhoff, president Pacific Light and Power Company; I. N. Van Nuys, president Los Angeles Farming and Milling Company; W. H. Perry, capitalist; Kaspare Cohn, of K. Cohn & Co., wool merchants; J. A. Graves, formerly of Graves, O'Melveny & Shankland, attorneys at law; I. W. Hellman, Jr., vice-president Wells Fargo Nevada National Bank and Union Trust Company, of San Francisco; Dr. Walter Lindley, secretary and manager California Hospital Company; William Lacy, president Lacy Manufacturing Company, sheet iron and pipe manufacturers; J. Baruch, of Haas, Baruch & Co., wholesale grocers; T. E. Newlin, banker; N. W. Stowell, capitalist; C. E. Thom, capitalist; C. A. Ducommin, hardware merchant; O. W. Childs, broker.

THE NATIONAL BANK OF CALIFORNIA.

The National Bank of California was organized in 1889, with a capital of $200,000, and has been conducted as a conservative though profitable institution. None of its stock is on the market, although a good price is bid for it. In the ten months ending April 6, 1906, the surplus and profits of the bank were increased from $127,290 to $292,338, a net gain of 130 per cent. In the same period the deposits were increased from $1,522,606 to $2,178,732, and the resources were raised from $2,045,396 to $2,852,271. Its cash reserve is large, being, with sight exchange, $1,217,682, or sixty per cent. of the deposits. With the United States bonds and other convertible securities held by the bank added to its cash, it has the unusually large proportion of seventy-nine per cent., a condition which is rarely equalled.

Officers: John M. C. Marble, president; John E. Marble, vice-president; J. E. Fishburn, cashier; F. J. Belcher, Jr., assistant cashier.

Directors: John M. C. Marble, John E. Marble, J. E. Fishburn, R. I. Rogers, S. C. Hubbell, O. T. Johnson, W. D. Woolwine.

MERCHANTS' NATIONAL BANK.

The Merchants' National Bank of Los Angeles was established in 1886, with a capital of $200,000. Its growth has been of a substantial character, the increase in deposits being in perfect consonance with the city's actual material development.

August 11, 1900, it had deposits of $904,239. On April 6, 1906, the following showing was made:

Capital	$200,000
Surplus and profits	329,715
Deposits	4,191,149
Resources	4,918,914

Officers: Herman W. Hellman, president; W. L. Graves, vice-president; H. T. Newell, vice-president; W. H. Holliday, cashier; Marco H. Hellman, assistant cashier; Henry Anderson, assistant cashier.

A GAIN OF 100 PER CENT. A YEAR.

When a bank makes a net gain of twenty-five per cent. a year in deposits it is worthy of local attention; when the increase reaches fifty per cent. it is regarded as excellent work in banking, but when the percentage is 100 for five full years, it becomes a matter of general import, and should be heralded abroad as a wonderful achievement. The Central

THE CENTRAL BANK.

Bank of Los Angeles has accomplished this feat, and has in addition created an earned surplus of $120,000, besides paying good dividends, making it clear that its business is profitable as well as of rapid growth.

The following comparative statement shows the growth of the bank from the beginning:

	Deposits.
January 1, 1901	$118,340.02
January 1, 1902	210,231.19
January 1, 1903	430,948.53
January 1, 1904	859,246.26
January 1, 1905	1,019,348.10
January 1, 1906	2,001,507.70
April 6, 1906	2,256,226.64

The bank has a capital of $100,000 fully paid, and resources reaching a total of $2,477,663, as shown by the statement of April 6, 1906. The management of such a bank must be of an unusually high order. None of its stock is to be had, although prices considerably above its book value have been offered for it. It is one of the most successful institutions in one of the most successful cities in America.

Officers: Wm. Mead, president; John P. Burke, vice-president; A. B. Cass, vice-president; P. W. Weidner, vice-president; W. C. Durgin, cashier; J. B. Gist, assistant cashier.

Directors: A. B. Cass, Robert N. Bulla, E. W. Davies, James C. Kays, Niles Pease, William D. Stevens, William Mead, John P. Burke.

Broadway Bank and Trust Company.

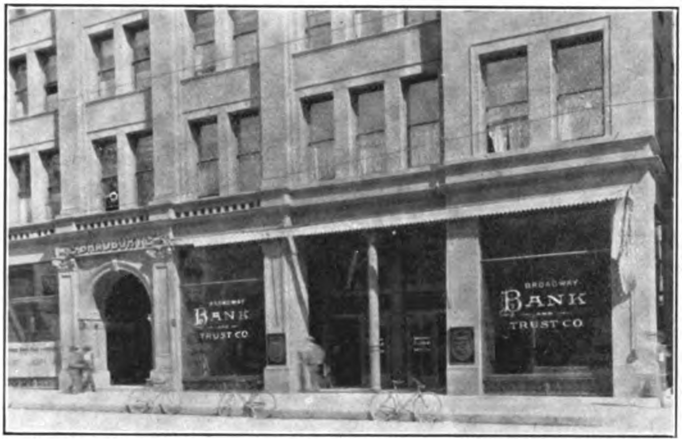
The Broadway Bank and Trust Company was incorporated in February, 1891, with a capital of $30,000, which was afterward increased to $75,000, then to $100,000, and still later to $250,000, the present capitalization. The following comparative statement shows the growth of the deposits of the institution from March, 1899:

	Deposits.
March, 1899	$288,134
March, 1900	427,228
June, 1901	641,299
June, 1902	1,160,034
February, 1903	1,275,867
April, 1904	1,691,773
March, 1905	1,888,134
April, 1906	2,825,658

In addition to the continuous and substantial increase in deposits the resources of the bank have increased in the seven years from $322,344 to $3,226,544, a net gain of more than 900 per cent. In the same period a surplus and profit account of $140,000 has been created from the earnings, besides paying good dividends. This splendid progress has been made on a very conservative basis, and is the result of the application of sound business methods to the conduct of a bank.

Officers: Warren Gillelen, president; George I. Cochran, vice-president; R. W. Kenny, cashier.

Directors: R. C. Gillis, capitalist; Arthur Letts, proprietor Broadway Department Store; Warren Gillelen, president; W. E. Cummings, proprietor Cummings shoe store; G. W. Walker, wholesale cigars; R. W. Kenny, cashier; George I. Cochran, vice-president Pacific Mutual Life Insurance Co.; Dr. W. W. Beckett, surgeon; Ben Williams, capitalist.



BROADWAY BANK AND TRUST CO.

A DIAL FINGER OF STABILITY.

That the commercial development of Los Angeles is upon solid ground is nowhere more strongly reflected than in the growth of its savings banks. No other kind of prosperity is so indelibly stamped with enduring soundness as that which is manifested in the accumulation of money in savings accounts. It is a conservation of forces that means permanency in a city's upbuilding, and Los Angeles can point with pride to its remarkable record in that pursuit. Fully one-half the deposits in its banks are savings deposits, and the institutions of that character in the city are bulwarks of its financial enterprise.

One of the leaders of this class is the German American Savings Bank, which was organized in 1890. In January, 1906, it absorbed the Union Bank of Savings, and at the same time increased its capital from $200,000 to $600,000. This, with a surplus and profit account of $250,000, gives the bank an available capital of $850,000.

The growth of the German American from January 1, 1900, is seen in the following comparative statement of deposits:

	Deposits.
January 1, 1900	$1,234,241.39
July 1, 1900	1,473,163.94
January 1, 1901	1,612,495.66
July 1, 1901	1,881,184.83
January 1, 1902	2,095,302.07
July 1, 1902	2,626,388.94
January 1, 1903	3,336,294.76
July 1, 1903	4,001,250.44
December 10, 1903	4,302,002.49
December 10, 1904	4,779,975.72
December 10, 1905	5,581,122.94
May 1, 1906	10,012,453.28

The Union Bank of Savings, at the time of absorption by the German American, had a line of deposits amounting to $3,607,905, showing that both banks were successful institutions. In the six years covered by the above comparative statement the German American made an increase of its deposits of nearly 400 per cent., or at the rate of more than sixty-five per cent. a year. A statement made January 25, 1906, just after the consolidation, showed deposits of $8,687,440, while on May 1, 1906, the line had grown to $9,089,572. Its resources at that date were $10,012,453.

German-American Savings Bank.

The success of the German Savings Bank is traceable to conservative management and the fact that it is controlled by an element of power and influence in the business world. Its executive staff is composed of men seasoned to work and bank management, and is as follows:

W. S. Bartlett, president; M. N. Avery, vice-president; Gail B. Johnson, vice-president; W. E. McVay, vice-president; W. F. Callander,

GERMAN-AMERICAN SAVINGS BANK.
(Branch, corner First and Main Streets.)

cashier; J. F. Andrews, assistant cashier; E. D. Elliott, assistant cashier; R. P. Hillman, assistant cashier.

The board of directors is as follows: J. M. Elliott, president First National Bank; E. T. Earl, capitalist; J. C. Drake, president Los Angeles Trust Company; C. N. Flint, cashier Commercial National Bank; Gail B. Johnson, vice-president; I. N. Van Nuys, capitalist; Victor Ponet, capitalist; J. S. Cravens, vice-president First National Bank; P. F. Schumacher, capitalist; W. E. McVay, vice-president; O. T. Johnson, capitalist; J. M. Schneider, manager Boston Dry Goods Store; Walter F. Haas, attorney; M. N. Avery, vice-president; W. S. Bartlett, president.

THE SECURITY SAVINGS BANK.

The Security Savings Bank was organized in January, 1889, with J. F. Sartori, the present president of the bank, as Cashier and manager. Dominated by a strong business element, working harmoniously and effectively for the bank's success, it immediately secured a place among the leading financial institutions of Los Angeles, and its growth since has been in keeping with the city's wonderful development. In January, 1896, its deposits were $780,963, and in August, 1900, they had reached $2,183,051, an increase of nearly threefold in four and one-half years. The next five and one-half years showed another remarkable gain, the figures on April 6, 1906, being $15,089,900. Deducting $2,000,000, which was taken over by the absorption, in November, 1904, of the Los Angeles Savings Bank, the oldest savings institution in the city, the $13,000,000 remaining as the natural growth of the Security still makes an increase of practically 500 per cent., or at the rate of nearly 100 per cent. per year.

The accompanying picture is from the architect's drawing of the stately building which is being erected on the corner of Fifth and Spring streets. It will be eleven stories in height and will occupy a ground area of 120 by 160 feet. The entire ground floor, with the exception of elevator space, will be occupied by the bank, and the appointments will be the best and most complete that modern skill can devise.

The statement of the Security Savings Bank of April 6, 1906, contained the following items:

Capital paid in	$330,000
Surplus and profits	325,000
Loans and discounts	10,513,000
Deposits	15,089,900
Available cash	2,248,718
Resources	15,883,138

There are few, if any, banks in the West with a board of directors embracing as many able bankers and financiers as the Security Savings, two presidents and three vice-presidents of other institutions being included. These are in addition to one eminent attorney, one capitalist and the official staff of the bank, which comprises men of the highest training and experience in banking affairs.

Officers: J. F. Sartori, president; M. S. Hellman, vice-president;

SECURITY SAVINGS BANK BUILDING,
(Under Construction.)

John E. Plater, vice-president; W. D. Longyear, secretary and cashier; T. Q. Hall, assistant cashier; W. M. Caswell, assistant cashier.

Directors: W. H. Allen, Jr., president Title Insurance and Trust Company; H. W. Hellman, president Merchants' National Bank; T. E. Newlin, vice-president Farmers and Merchants' National Bank; J. H. Shankland, attorney; J. A. Graves, vice-president Farmers and Merchants' National Bank; Henderson Haywood, capitalist; W. L. Graves, vice-president Merchants' National Bank; J. F. Satori, president; H. W. O'Melveny, attorney; Maurice S. Hellman, vice-president; John E. Plater, vice-president; W. D. Longyear, cashier and secretary.

THE SOUTHERN CALIFORNIA SAVINGS BANK.

The Southern California Savings Bank is the oldest savings institution in Southern California, having been organized in January, 1885. At that time Los Angeles had a population of barely 16,000, and its material development had not yet begun. The bank, therefore, became an early factor in the industrial life of the city, and the growth of the one has been coincident with the other. Men of eminence in the commercial and financial world have directed the affairs of the Southern California Savings Bank, and their guidance has ever been along lines of absolute security for all concerned. The progress of the institution since December 31, 1900, is seen in the following comparative statement of deposits:

	Deposits.
December 31, 1900	$1,750,088.72
December 31, 1901	2,355,983.63
December 31, 1902	3,120,651.61
December 31, 1903	4,104,653.82
December 31, 1904	5,438,942.85
December 30, 1905	7,518,154.47
April 6, 1906	7,859,951.11

It will be seen that the increase in deposits during the year 1905 was $2,079,211.60, a net gain of nearly forty per cent.; in fact, the progress of the entire period was both rapid and substantial, and it is an unfailing index to the bank's standing in the community. In addition to the showing made in the growth of deposits, the following items appear in the last statement:

Capital	$100,000
Surplus	259,770
Total resources	8,308,996

All of the surplus has been created from the earnings, and dividends of twelve per cent. are regularly paid on the stock, none of which, however, is on the market. Interest at the rate of three per cent. is paid on ordinary deposits and four per cent. on term deposits.

The offices and main banking room of the Southern California Savings Bank are among the largest and most complete in the West, and are equipped with every convenience and facility for caring for a large business.

Following are the officers and directors: J. H. Braly, president; J. M. Elliott, president First National Bank, Los Angeles; W. C. Patterson, vice-president First National Bank; H. Jevne, wholesale and retail grocer; A. H. Braly, vice-president; W. D. Woolwine, vice-president; Charles H. Toll, cashier; J. H. Griffin, secretary and assistant cashier; C. W. Wilson, assistant cashier.

UNION TRUST BUILDING.
(Home of Southern California Savings Bank.)

THE EQUITABLE SAVINGS BANK.

Although the Equitable Savings Bank is one of the newer financial institutions of Los Angeles, having been incorporated in March, 1903, it has yet made a splendid record along the safest and most conservative of lines. It is unique in that it publishes regularly a detailed statement of its investments, showing the number of loans of each class, their location and the value of each security as compared with the amount loaned, the average ratio being about forty per cent. No money is loaned to any officer, director or employee on any security whatever. The amount of cash and available securities held by the bank would meet every dollar of demand deposits at any time. Such evidences of absolute security tell a story of strength of management, and point unmistakably to a bright future for the bank.

EQUITABLE SAVINGS BANK.
(Under Construction.)

The Equitable has begun the erection of a modern steel building, seven stories high, the entire lower floor of which will be occupied by the bank and the upper floors be devoted to offices.

A statement of the institution made April 6, 1906, showed the following:

Capital	$50,000
Surplus	21,283
Loans	814,111
Deposits	1,290,786
Resources	1,370,204

The officers and directors are as follows: W. J. Washburn, president; Willis H. Booth, vice-president; P. F. Johnson, cashier; F. P. Flint, president Metropolitan Bank and Trust Company; Charles S. Bradford, Stockwell & Bradford; G. T. Bittinger, vice-president First National Bank; J. O. Koepfli, Bishop & Company—director First National Bank.

COMMERCIAL NATIONAL BANK OF LOS ANGELES.

The Commercial National Bank of Los Angeles was organized in September, 1903, with a capital of $200,000. Its first statement, under date of December 17, 1903, showed a line of deposits amounting to $246,392. In the year 1904 there was a net gain of 129 per cent., the increase being $305,000. The year 1905 marked a gain of over 100 per cent., the deposits in January, 1906, being $1,107,897.

Officers: W. A. Bonynge, president; Joseph Burkhard, vice-president; Philip L. Wilson, vice-president; Charles N. Flint, cashier; Newman Essic, assistant cashier.

LOS ANGELES TRUST COMPANY.

The Los Angeles Trust Company was opened for business in March, 1903, with a capital of $600,000. Its report at the close of business December 31, 1903, showed that it had deposits amounting to $539,334, which were increased during the following year to $1,641,002.

During the year 1905 the deposits were more than doubled, the exact figures at the close of the year being $2,233,782. In 1905, the capital was increased to $1,000,000, and a controlling interest in the company was purchased by the stockholders of the First National Bank, giving the institution the benefit of an alliance with the largest bank in Southern California, an institution with assets of $20,000,000.

April 6, 1906, the principal items of the company were reported as follows:

Capital	$1,000,000
Surplus and profits	147,902
Deposits	2,870,463
Resources	4,018,365

In addition to the commercial and savings deposits of the bank, it has trust deposits considerably in excess of $3,000,000, and a safe-deposit department doing a good business.

Following are the officers: J. C. Drake, president; H. S. McKee, vice-president; H. W. O'Melveny, vice-president and counsel; Robert Wankowski, secretary and cashier; H. B. Kay, assistant cashier; C. G. Greene, trust officer; C. E. Woodside, bond officer.

THE SPIRIT OF ENTERPRISE.

An institution which clearly marks the progress of a really prosperous community is the Merchants' Trust Company, which in a little more than a year's existence has passed the million mark in deposits.

In January, 1905, its deposits amounted to $208,240; in July, they were $513,925; in January, 1905, they had reached $752,244; in March they were $902,942, and April 9, they were $1,006,912.

Such a growth means more than the mere increase in figures show. It indicates a business following of a most substantial character, and warrants the prediction that the institution faces a good future. It is in the hands of a body of men who have been successful in their various enterprises, and who are governed by a spirit that means success in all their undertakings. The company has a capital of $355,000, paid in, and owns and occupies one of the finest buildings in the city.

A strong feature of the Merchants' Trust Company's business methods is that it collects all California items at par. Immediate advice is rendered and remittances are made bi-weekly.

Officers: W. L. Brent, president; L. L. Elliott, vice-president and general manager; J. C. Wickham, cashier; L. D. Williams, assistant cashier; Clarence A. Miller, counsel; Frederick B. Braden, assistant trust officer.

Directors: W. L. Brent, L. L. Elliott, Mark G. Jones, W. F. Bottsford, J. C. Wickham, George A. Parkyns, T. H. Dudley, C. A. Miller, Edwin M. Hills.

THE BANK OF SOUTHERN CALIFORNIA.

The Bank of Southern California was opened for business May 7, 1906, under very promising auspices. It has a capital of $100,000, and its charter gives it ample scope for useful work and the building up of a large business. The bank is dominated by a business element of a substantial and prosperous character, and its location, in the heart of the most rapidly-growing section of Los Angeles, gives it an immediate hold upon the commerce of the city. The officers and directors are among the oldest residents of Los Angeles, and their knowledge of the city and its development is of direct value to all their clients, as well as to strangers who desire to make inquiry.

The institution is conducted as a commercial bank, with departments for savings and safe deposit, and its equipment is of the most modern type. Among its correspondents is the National City Bank of New York, which has placed its facilities for investigating and purchasing bonds on the New York market at the command of the Bank of Southern California.

Following are the officers and directors: J. B. Lankershim, president; Newton J. Skinner, vice-president; John W. Mitchell, vice-president; O. C. Conley, cashier; U. S. Frye, assistant cashier; Henry T. Hazzard, director; John I. Lankershim, director.

BANK OF LOS ANGELES.

The Bank of Los Angeles opened for business in its handsome, commodious quarters in the Alexandria Hotel, May 15, 1906, with a paid-in capital of $100,000 and a surplus of $20,000. Its opening was indeed auspicious, many business men calling in person, inspecting the attractive banking room and offices, and opening accounts. The bank is owned and controlled by a number of solid, prosperous men of business, who realize the importance of such an institution in the rapidly-growing section of the city where it is located.

The Bank of Los Angeles is in the broadest sense a commercial bank, its charter giving it a wide scope for operations, and its policy being such as to enable it to look after the interests of its patrons with consistency and safety. In other words, it is modern in method as well as equipment.

Following are the officers and directors: Jno. A. Pirtle, president; W. S. Collins, vice-president; W. M. Bowen, vice-president; G. F. Conant, cashier; G. F. Stainback, assistant cashier; George R. Murdock, Leonard Merrill, Louis Blankenhorn, T. S. Fuller.

NATIONAL BANK OF COMMERCE.

The National Bank of Commerce began business in March, 1906, with a paid-in capital of $200,000 and a surplus of $20,000. Its officers are men of experience in the banking business, and a good future is foreshadowed for the institution. The officers are: F. M. Douglass, president; Lee H. McConnell, vice-president; Charles Ewing, cashier.

THE UNITED STATES NATIONAL BANK.

The United States National Bank began business March 27, 1905, with a capital of $200,000 and a surplus of $50,000. On April 6, 1906, it had a line of deposits amounting to $403,986, with available cash in its vaults of $216,220. Officers: Isaias W. Hellman, president; O. M. Soullen, vice-president; F. W. Smith, cashier.

AMERICAN SAVINGS BANK.

The American Savings Bank opened for business January 2, 1905, and its growth has been one of the features of banking in Los Angeles, its deposits on May 1, 1906, reaching a total of $1,250,000. The bank has a capital of $225,000 and surplus and profits aggregating $50,000.

Officers and directors: George Chaffey, president; W. F. Botsford, vice-president; J. W. Phelps, cashier; W. H. Avery, A. M. Chaffey, Dr. C. B. Jones, A. W. Skinner, W. H. Workman.

LOS ANGELES ON A FIRM FOUNDATION.

BY J. M. ELLIOTT, PRESIDENT FIRST NATIONAL BANK.

[Mr. J. M. Elliott, the author of this article, is, in term of service, the dean of the banking fraternity of Los Angeles, having been continuously engaged in the business in the city for thirty-six years. He entered the employ of the First National Bank in 1881, a few months after its organization, his first position being that of bookkeeper. Rising steadily through the various grades of promotion, he was elected president of the bank in 1892, in which position his strong personality and his ability as a financier have done much to build up the largest and most influential institution of its kind in Southern California. Mr. Elliott is a director in one of the leading savings banks of the city, the German American, thus giving him a directing power in two institutions with combined assets of more than $30,000,000. He has been identified with Los Angeles' business interests since it was a town of less than 5,000 inhabitants; he has not only witnessed but has materially aided almost the entire commercial and financial development of the city, and has for many years been recognized as a leading business man of the most conservative type. His counsels are therefore always at a premium, and what he says of business conditions and prospects can be accepted as the soundest of utterances. Although his immediate business concerns have engrossed much of his attention, Mr. Elliott has yet found time to make a careful, conscientious study of abstract questions along useful lines, and his storehouse of knowledge covers a wide range of the most practical subjects. He has also given much time to affairs instituted for the common good, serving successively as manager, vice-president and president of the Los Angeles Clearing-House Association, and as vice-president and president of the California Bankers' Association. In both of the latter positions he was the presiding officer of the association, and received upon his retirement written declarations not only of esteem, but of genuine affection of his fellow members. He has occupied positions of trust and responsibility in the city government, being at present president of the Board of Water Commissioners and having been largely instrumental in pushing the Owens River water project to a successful issue.—Editor Pacific Department.]

THOUGH many persons in the eastern part of the United States look upon Southern California as depending chiefly upon its climate for its attraction, we who have been long resident know that it has other resources as substantial. Not only is our citrus production of more than 25,000 carloads a year a great money-bringer, but we have our wine, produced in such quantities and at such reasonable prices as to assure the consumers of its absolute purity. Few people know that the English walnut crop of Southern California now fixes the price for the United States, and that through proper cultivation and selection, by men who work on the same lines as the celebrated Mr. Burbank, the quality of our nuts is now better than that produced anywhere in the world. Our dried and canned apricots and peaches are sent to all parts of the world and are known for their excellence. Our olive oil and olives are fast superseding those of Spain and Italy. These and many other productions of the soil provide remunerative employment for many persons.

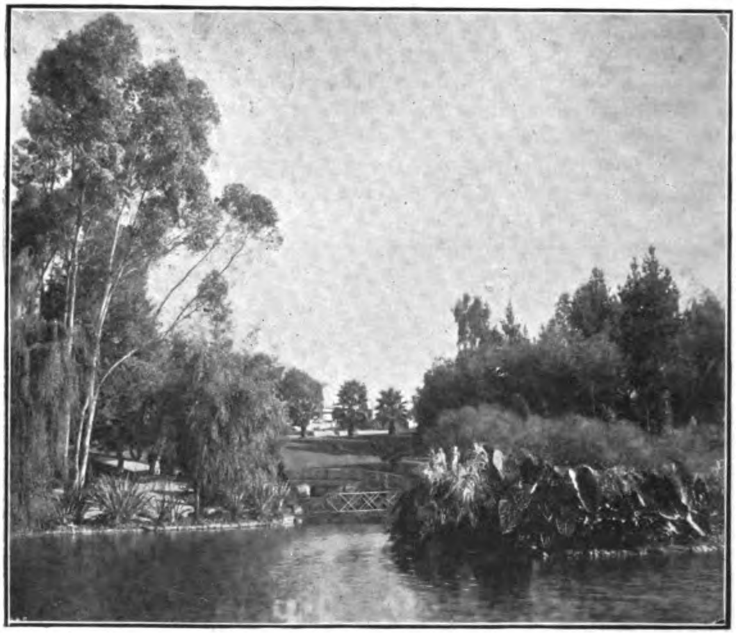
BUSY SPRING STREET, FROM FIRST NATIONAL BANK.

For a long time Southern California was handicapped as to manufacturing by the great cost of coal; now we have one of the cheapest and most easily-handled fuels in the world, viz., crude petroleum, which is produced even in the confines of the City of Los Angeles, and reaches the consumer at a cost of from forty to sixty cents a barrel.

We have had up to very lately a harbor that would only allow the entrance within its basin of vessels drawing some eighteen feet of water, but now our Government breakwater on the outside is so nearly finished that in a storm which recently occurred eighteen vessels safely slipped around its outward arm without even a pilot and rode with safety behind its protecting wall. Arrangements have been made by which dock facilities will be extended within the reach of this outer harbor, which has sufficient water for the largest vessels in the world.

GROWTH OF BANKING.

Speaking particularly of Los Angeles City, I would say that the banking interests have more than kept pace with the increase in population. This is but reasonable, because many of those who have come here to take advantage of our climate and of the congenial society that they find here, have brought with them a considerable part of their funds, which they have invested here, or are using annually the income they receive from the eastern investments.



VIEW IN WESTLAKE PARK, LOS ANGELES.

Los Angeles has little of what might be called a native population. Those who have been here for many years fully recognize the efforts of men from the East who have brought here their ability, experience and energy gathered in other fields. These people are really the people of Los Angeles, and often fresh from contact with the harsh winters of the East, they glory in the delights of the climate of the country which they have selected for their home, and do not fail to advise their friends in the East of the enjoyment they get from life in the open air.

Although great progress has been made in every direction Los Angeles has still much to do for itself. Beautiful boulevards should be laid out, mountain paths should be made into the deepest recesses where, even in the heat of summer, the cool springs remind one of the Eastern mountain home. Our parks will be elaborated, and a greater area of paved streets will be provided. As the city grows it will in the future, as in the past, undoubtedly do everything to make the stranger within its gates feel that he is welcome and that provision is made for his comfort and amusement.

One thing more I may add. Los Angeles, when it was a small city, had an abundant supply of pure water dedicated to its use; the amount is still sufficient for ordinary needs, but should the city continue to grow in the future as it has in the past, we must look elsewhere, and we are doing so. The highest plateau in the United States is that in the Sierra Nevadas surrounding Mount Whitney. From these snow-clad heights the water runs to the east and collects itself in the Owens River Valley. The water rights in this valley have already been purchased by the City of Los Angeles, and there is under way the building of a system which will pour this water, which now wastes itself on the desert, into our fertile valley where it will provide all the needs of the population that will make us one city from the mountains to the sea.

As long as there are people in the United States who will enjoy an unequalled climate and social surroundings made to suit themselves; as long as there are manufacturers who appreciate the value of cheap fuel, the production of which is not subject to strikes, and a place where work can be carried on through the whole year, just so long will Los Angeles continue its prosperity.

THE MARVEL CITY.

BY W. J. WASHBURN.

[Mr. W. J. Washburn, the author of this article, is president of the Los Angeles Chamber of Commerce, president of the Equitable Savings Bank, and president of the Los Angeles Board of Education. He has been a resident of Los Angeles for seventeen years, and has been engaged in the banking business during that entire period. As a business man he is of the most conservative type, a fact which makes his prominence in the affairs of the city all the more significant and important. His range of vision in commercial matters being governed entirely by facts, the utmost faith can be placed in what he writes.—Editor Pacific Department.]

THOSE old Franciscan padres were wonderful men in many ways. In no direction was their intelligence and good taste more strikingly displayed than in their selection of sites for their missions. Not only had they always a keen eye for the material end of things—for the productiveness of the surrounding country, the water supply and the opportunities for shipping and receiving produce—but they were also wideawake to the beauties of nature. Hence we find that the site of every mission, from San Diego on the south to Solano on the north, is highly picturesque. The sites of several of these missions have become important cities, owing to the natural advantages of their location.

In the case of Los Angeles, this was not originally a mission site. That was in the beautiful vale of San Gabriel, distant eleven miles from the City of the Angels. Los Angeles was, however, wisely selected as the site of a pueblo, founded in a modest way, by a small band of colonists from Mexico, 135 years ago, on the 4th of next September.

FOURTH STREET, FROM MAIN.

It would be difficult to imagine a more fitting location than this for the metropolis of the Great Southwest. Midway between the snow-capped Sierra and the sunset sea, distant about ten miles from the former and fifteen from the latter, partly on a mesa, or a plain, and partly on rolling hills, from which both the mountains and the ocean are in full view, Los Angeles enjoys one of the most picturesque sites of any important city in the United States. Its commercial importance is assured by its commanding location on the line of the shortest distance and easiest grades between the Pacific and the Atlantic oceans.

Los Angeles is no longer a modest semi-Mexican town, mainly constructed of adobe houses, as it was twenty-five years ago. It is a modern American city, with American enterprise displayed on every side. The

Exhibit Room, Chamber of Commerce, Los Angeles.

population is in the highest degree cosmopolitan, containing representatives of every state and territory in the Union, and of almost every country on the face of the globe. It is a city of fine public buildings and business blocks, but the main attraction for the outsiders and the main pride of the residents, is centered in the thousands of beautiful homes surrounded by luxuriant foliage, and flowers of every description. The heliotrope, climbing rose and geranium often smother a cottage in their sweet embrace.

Remarkable Increase of Population.

It is only a brief twenty years since Los Angeles began to blossom forth from the old pueblo chrysalis, in which she lay for a century. Within that brief period a more wonderful transformation has taken place than was ever before seen on the American continent. The immense figures of increase in population tell an eloquent tale. Here they are, in round figures: 1880, 11,000; 1890, 50,000; 1900, 100,000; 1906, 230,000.

The assessed valuation of city property is now $200,000,000. Buildings have been going up during the past two years representing on the average an expenditure of a million and a quarter dollars a month. The banks of Los Angeles hold deposits of $90,000,000, the clearings for the year 1905 amounting to nearly $500,000,000. There are twenty-two commercial banks and twelve savings banks. The banks of Los Angeles showed their solidity, by coming safely through the stringent times that followed the collapse of the big real estate boom of twenty years ago; and again, when they came unscathed out of the panic of 1893 that caused so many big financial institutions to go to the wall.

The public library excels every other public library in the United States in the circulation of books according to population. The electric car service is declared by experienced travellers to be the best urban and interurban system in the world.

The street car companies distribute in Los Angeles $150,000 a month in salaries—almost enough of itself to have supported the population of Los Angeles as it was twenty-five years ago. Then there are nearly 5,000 men employed, in and immediately around Los Angeles, by the steam railroads entering the city, of which four are transcontinental lines.

View in Westlake Park, Los Angeles.

In telephones, Los Angeles is far ahead of any other city in the world, in proportion to population. It is also said to maintain the same rank in regard to automobiles. There are a dozen theaters; hotels and lodging houses can take care of 60,000 people; an abundant water supply, owned by the city; 170 churches, of various denominations; sixty-one school buildings, many of them of large size, and sixteen public parks with an aggregate acreage of 3,720, one of them the largest municipal parks in the world. The city has for nearly twenty-five years been lighted by electricity, being the first city in the United States to adopt this system of lighting, exclusively.

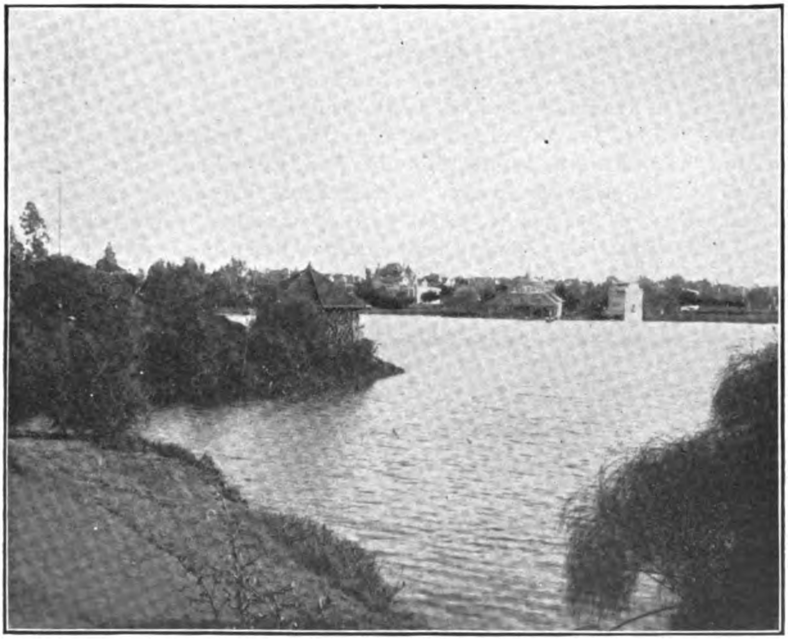
During the past ten years Los Angeles has led every other city in the United States—and probably in the world—in percentage increase of postage revenues, of bank clearings, and of value of buildings erected.

BASIS OF THE CITY'S PROGRESS.

"On what meat doth this our Caesar feed, that he hath grown so great?" Upon what basis has Los Angeles made such remarkable growth, and is it on a solid foundation? Let us see. There is a common impression among many outsiders that Los Angeles is mainly a tourist resort, and that the income of the city is practically confined to revenues derived from "tenderfeet" and oranges. This is a big mistake, as we shall presently show.

The five leading stones upon which the edifice of the City of the Angels is erected are: (1) climate; (2) horticulture; (3) commerce; (4) manufacturing; (5) mining.

It is sometimes claimed by newcomers in a jocular way, that the land-owners of Southern California charge for the climate. Well, surely they have a right to, have they not? What makes an acre of land in Southern California worth five to ten times as much as an acre of land in Dakota, or Minnesota, or Michigan? You will say because it produces crops that yield from five to ten times as much revenue as the staple crops of those states. True, but what makes it possible for us to raise such crops? The soil is no more fertile than elsewhere. It is the climate. It is the climate that brings to us, every winter, from all over the frigid east, thousands upon thousands of health and pleasure-seekers, many of them men of means, travelling in special cars. Frequently these men, charmed with the balmy climate of this section, decide to cast in their lot with us, and in many cases, becoming imbued with the spirit and enterprise of Southern California, they invest of their millions in productive



VIEW IN HOLLENBECK PARK, LOS ANGELES.

enterprises. In this way Los Angeles is peculiarly situated among the cities of the country, in that, in addition to the revenues derived from natural resources of the surrounding country, she receives millions upon millions of ready-made capital that have been earned in the East.

THE FRUIT INTERESTS.

The chief horticultural crop is the orange. Of these, and of lemons, there were shipped last year 30,000 carloads, having a value to the growers of $10,000,000. There were also shipped 2,100 carloads of celery, 800 carloads of cabbages, 500 carloads of cauliflower, 700 carloads of nuts, 774 carloads of raisins and dried fruits, 280,000 gallons of pickled olives, 100,000 gallons of olive oil, 85,000,000 pounds of beet sugar, 1,200,000 gallons of wine and brandy and 1,500 carloads of beans. Floriculture is also an important and rapidly growing branch of industry in Southern California, flowers being grown by hundreds of acres not only for their blossoms, but for their seeds and bulbs, which are shipped east by the carload. Honey is another important product of Southern California and the dairy industry has assumed great importance, there having been shipped, during the past year over 3,000,000 pounds of butter, 75,000 pounds of cheese and 30,000 cases of eggs, although these products are still imported to Southern California. It may truly be said that Southern California is, like Palestine, a "land flowing with milk and honey." Also, it is the land of the olive, the vine, the fig and the pomegranate.

COMMERCIAL ADVANTAGES.

The ideal location of Los Angeles for commerce has been referred to above. The Government breakwater at San Pedro is now nearly completed, affording room for the navies of the world. Projects are already under way for the establishment of steamship lines to the Orient, to the Philippines, to Honolulu and to South America. The amount of available water front, for wharfage, on the Bay of Wilmington, is greater than that now utilized on the Bay of San Francisco. The wholesale business of Los Angeles already extends from Fresno on the north to Salt Lake City on the northeast, El Paso on the east, and Mexico on the south. The disastrous calamity that has befallen the largest city in the state must necessarily have the effect of stimulating all lines of business in Los Angeles, as it will be several years before San Francisco can again assume the position it recently held. Indeed, it is quite probable that the census of 1910 will show Los Angeles to contain a larger population than San Francisco.

DEVELOPMENT OF MANUFACTURING.

A few years ago it was taken for granted that Los Angeles could never become an important manufacturing city. This was mainly on account of the high cost of fuel, in the shape of coal, which was then sold at about $10 a ton. Since then, however, a vast transformation has taken place, and it is now apparent that Los Angeles is destined to become one of the great manufacturing cities of America. The discovery of petroleum in and near the city in immense quantities, that sells at a price equivalent to about $1.50 per ton for coal, and the subsequent development of still cheaper power, in the shape of electricity derived from mountain streams, has settled the fuel question. The city of Los Angeles is about to undertake a big enterprise, in bringing water over 200 miles from the slopes of Mount Whitney, the highest mountain in the United States. This will not only furnish ample water for a city of a million inhabitants, but will also furnish an immense amount of power, that the city can afford to sell to manufacturers at a nominal cost. Other advantages are high freight rates from the East, acting as a protective tariff; a mild climate, obviating the necessity of expensive building, and last, but not least, absence of labor troubles. Already the manufacturing industry of Los Angeles is by no means unimportant. The value of manufactured products turned out in the city is at present about $50,000,000 annually. Of these a large proportion is represented by mining machinery, for the numerous camps of the Southwest.

THE MINING INDUSTRY.

Los Angeles is the financial and commercial center of the richest mining regions of the United States, extending from Southern Nevada and Utah on the north, to New Mexico on the east, and Old Mexico on the south. These mines contribute to the revenue of the city in many ways. Their machinery and supplies are drawn from here. Their dividends, or profits, are largely paid out here; the owners of the mines, with their families, come to Los Angeles to spend the warmer months of the year. This industry is yet in its infancy, and promises a marvelous development within the next few years.

In conclusion, it may be said, in brief, that Los Angeles is "different." Unlike such cities as Nice and Cairo, in the old world, and Jacksonville and Tampa in the new world, it not only offers climatic charms to the health and pleasure seeker, but is also a great and growing metropolis, where all the "modern improvements," so dear to the heart of the up-to-date American, may be found. In brief, Los Angeles is a good place for wealthy men to rest without rusting.

THE GROWTH OF SAVINGS BANKS.

BY J. S. SARTORI, PRESIDENT SECURITY SAVINGS BANK..

[Mr. Sartori has been engaged in the banking business in Los Angeles for eighteen years, has made a success of all his undertakings, and is regarded as a man of unusual strength in business circles.]

THE growth of savings banks in Los Angeles has simply kept pace with the commercial and industrial growth of the city. This development, like that of Los Angeles as a whole, has also been remarkable. There are few "bad spots" in the financial history of Los Angeles. Honor and usefulness have marked the careers of the city's banking institutions, as a rule, and they have thriven naturally and under friendly competition. The spirit of co-operation has ever pervaded the business atmosphere of Los Angeles.

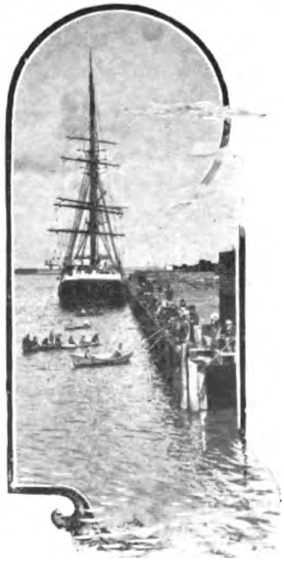
There is surely a great future in store for savings banks in this city. Industrial development has only just begun, and there is a stretch of country reaching into Arizona and New Mexico which can always be drawn upon for savings accounts with the magnets of high interest rates and good security, both of which are afforded by Los Angeles banks. These institutions are owned and controlled by men of wealth and business ability, and their loans are made with great care and circumspection.

On January 1, 1896, there were in existence in Los Angeles, seven savings banks, with deposits as follows:

Los Angeles Savings Bank	$1,258,236.12
Security Savings Bank	780,963.12
Southern California Savings Bank	811,889.42
German-American Savings Bank	669,071.27
Main Street Savings Bank	390,775.82
Columbia Savings Bank	180,564.33
Union Bank of Savings	38,279.93

On April 6, 1906, there were thirteen savings banks in the city, with deposits as follows:

American Savings Bank of Los Angeles	$1,400,000
California Savings Bank of Los Angeles	871,066
Dollar Savings Bank and Trust Company of Los Angeles	873,088
Equitable Savings Bank	1,290,786
German-American Savings Bank of Los Angeles	9,264,092
Home Savings Bank of Los Angeles	833,247
International Savings and Exchange Bank of Los Angeles	388,392
Los Angeles Savings Bank	Unknown
Security Savings Bank	15,089,900
Manhattan Savings Bank	110,843
Mercantile Trust and Savings Bank	812,600
Pacific Savings Bank of Los Angeles	49,548
Southern California Savings Bank	7,859,951



OCEAN HARBOR, SAN PEDRO.

AN IMPORTANT MERGER.

Preliminary to the consolidation of two large savings banks in Los Angeles the officers of the Security Savings Bank, on May 16, purchased 740 shares, or about three-fourths of the stock of the Southern California Savings Bank. The two banks will continue separately as before and about the 1st of July J. H. Braley, President of the Southern California and Arthur H. Braley, Vice President, will retire. Vice President W. D. Woolwine and Cashier Charles H. Toll will remain with the consolidated bank. The combined resources of the merged institutions will be about $23,000,000. There is a proposition pending to increase the capital stock to $600,000,000.

BANK NEEDED IN SANTO DOMINGO.

VICE-CONSUL A. W. LITHGOW advises that the Puerto Plata consulate is constantly receiving inquiries as to opportunities for investments in the island of Santo Domingo, and as he has often heard the merchants there express the urgent need of a bank to facilitate their transactions, the following report is presented:

One of the greatest needs for developing the resources of the Dominican Republic is the establishment of a bank which would aid its commerce, agriculture, and industries. This enterprise would reap good profits with no more risks than in other countries. Santo Domingo has a population of 600,000, but has not one bank in the whole country.

As there are no institutions where the merchants can be financially accommodated they are obliged to recur to their foreign commercial credits. On the northern side of the island the greater part of this business is done with Germany. These facilities are onerous, as can readily be understood. The merchant in Germany allows his correspondent here to draw at ninety days, and the same must be covered by produce shipped before maturity. The following are the products which, in the main, are sent to Germany: Tobacco, cocoa, coffee, wax, and hides. The foreign merchant discounts these bills at the rate of six per cent. per annum, but where he obtains his great profits is by the commissions on the sales. He generally sells the produce when the draft is about to fall due, to cover himself, no matter what the state of the market may be. This is often disastrous to the shipper.

BANKING AND COMMERCIAL LAW

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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

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

INSPECTION OF BOOKS—DISCOVERY OF ACCOUNTS OF DEPOSITORS—TAXATION—UNREASONABLE SEARCH AND SEIZURE—CONSTITUTIONAL RIGHTS OF BANK.

WASHINGTON NATIONAL BANK *vs.* DAILY.

Supreme Court of Indiana, March 13, 1906.

The Supreme Court of Indiana affirmed an order of the circuit court of Davies county, directing the Washington National Bank of Washington, Ind., to permit John Daily, county assessor, to inspect its books with a view to ascertain whether Francis M. Harney had ommitted to list for taxation taxable property. Under a statute the county assessor filed an affidavit in the circuit court setting forth his belief that the bank had books showing evidence of property owned by Harney, which he had omitted to list in his taxable property, and asked for an order to compel the bank to permit him to inspect such books. An order was issued, and the bank asked to have it vacated and annuled on these grounds: first, that no summons or other process had been issued or served; second, the court had no jurisdiction of the subject matter; third, the affidavit was insufficient; fourth, the statute upon which the proceeding was based was unconstitutional; fifth, no compensation was provided for the bank officers and employees in waiting upon the assessor. The court below denied the bank's petition to vacate, whereupon it appealed.

After passing upon the minor matters adversely to the bank, the court takes up the question of the right to compel a bank to submit its books to such inspection, which is of more general interest. The court says:

"In considering the constitutional questions, it is well to bear in mind that it is agreed on all hands that the power to tax is an attribute of sovereignty, a prerogative of the state that is indispensably necessary, not only to the public welfare, but to the maintenance of the government, and therefore yields to no limitation and no restriction by courts beyond what the people themselves have set up in the fundamental law.

The power of taxing the people and their property is essential to the very existence of government, and may be legitimately exercised on the objects to which it is applicable to the utmost extent to which the government may choose to carry it. * * * It is unfit for the judicial department to inquire what degree of taxation is the legitimate use, and what degree may amount to abuse of the power.

The Legislature has, under our constitution (Section 1, art. 10), the power to levy taxes, and 'to prescribe such regulations as shall secure a just valuation of all property for taxation.' The power here expressly granted embraces the right to adopt any reasonable regulation that may seem to the Legislature necessary and efficient in making the taxes exacted by it not only "uniform and equal," but in like manner borne by all the assessable property of the state. Federal courts have gone so far as to hold that in matters of revenue the regulations that Congress sees fit to establish must prevail without reference to their reasonableness.

We are not, however, required to go so far in disposing of this case, since there appears nothing unreasonable in the proceeding assailed.

The bank has no interest in the taxes to be placed on the tax duplicate, and the assessor is attempting no discovery that will affect its person or property. Its position is that of a person in possession of books and papers containing evidence of value affecting the rights of others, and, like any other citizen similarly possessed, its cashier is at all times subject to be called as a witness duces tecum and required to submit such evidence, without reference to whether it will put him to loss, or delay the bank in the transaction of its business. If the cashier should be summoned by a court of justice to produce the books and papers of the bank as evidence of a certain specified account or other particular transaction with the bank in a suit between individuals, would any one expect him to rely on the constitutional guaranty against unreasonable search to justify his refusal? All that is required of the bank here is to cause its cashier, in a proceeding instituted and prosecuted under the statute, to produce for examination certain books and papers believed by the county assessor to contain evidence pertinent and necessary to perfect the tax list of the county. The measures taken to secure the inspection of the books are both reasonable and appropriate and prescribed by law, and the case seems in no wise different in principle from what would have been called for by a judicial tribunal in an action pending before it. The order upon the bank to submit the books and papers specified to the inspection of appellee was sanctioned by constitutional and legislative authority, and therefore did not contemplate an unreasonable search and seizure.

There is no merit in the insistence that because the examination by the assessor would require, without compensation, time of the officers of the bank to submit the books and papers to the assessor and to render him assistance, besides delaying the bank in the transaction of its business, it would be in conflict with those provisions of the constitution, supra, which forbid the taking of private property for public use and the demanding of any man's particular services without just compensation.

But compelling the cashier or other officer of a bank to point out to the assessor certain books, pages, and papers, which at most would require an inconsiderable length of time, would not amount to the taking of private property, or a man's particular services, without compensation. The bank is invested with a public franchise to receive money on deposit as public bankers, and, like individuals, owes to the public certain duties in return for the protection it receives. It is its duty to cooperate with all other citizens in the enforcement of the laws. Any one who avoids payment of his ratable share of taxes violates the law, and when such evasion is being attempted it is the public duty of banks, as well as of all other persons and corporations having knowledge or evidence of such attempt, when called upon by proper authority, to disclose it, whether written or parol. There is no more moral excuse or legal justification for concealing the delinquency of the 'tax dodger' than for any other class of lawbreakers. If a person enters upon the street in an intoxicated condition, or misbehaves at a public meeting, any one summoned as a witness to either of these unlawful incidents is compelled to attend and testify without compensation so far as the state is concerned. Likewise the citizen must respond to the supervisor's summons to labor upon the highway without compensation other than the benefit he receives in common with the public. He must also join the sheriff's posse comitatus, without compensation, when commanded to do so. These and many other public duties rest upon the principle that every citizen, as an integral part of the state, has a personal interest in the execution of all the laws which the people have enacted for enforcement against themselves, for the benefit of themselves. Private right and personal interest must make reasonable concessions to public necessities. The power to compel the attendance of witnesses in both civil and criminal cases, and give testimony under oath, and produce their private books and papers, when material to the vindication of the rights of others, for an arbitrary and often inadequate compensation, rests upon the same ground, and all upon the theory that in rendering to the public such particular service the actor receives his compensation in the better enforcement of the laws.

There is much stronger reason, if needed, for holding the act as amended in 1901 constitutional, since it requires the proceeding to be commenced before the circuit judge upon affidavit of the assessor, specifying the particular individual and kind of property believed to be omitted from the tax list; and the assessor's authority to inspect and examine under the writ cannot exceed the specifications of the affidavit.

Summed up, the decisions of this court establish the doctrine that the power to search for and discover omitted property against all taxpayers alike, and cause it to be placed upon the tax duplicate, is one of the legitimate powers of taxation. The mode of accomplishing this end is provided by the statute, and the due process of law, and other constitutional mandates to be observed in such cases, are compliance with the enactment of the Legislature upon the subject. One of the practical effects of the doctrine is succinctly expressed in the syllabus of National Bank vs. Hughes (C. C.) 6 Fed. 737, as follows: 'A national bank may be compelled to disclose the names of its depositors, and the amounts of their deposits, under the compulsory process of a state court, in order to ascertain whether any money deposited therein, subject to taxation within the county, has not been duly returned for that purpose by the owners.'

We find no error. Judgment affirmed."

CHECK — DRAFT — FORGERY — INDORSEMENT — "FICTITIOUS," "NON-EXISTING" PAYEE — FRAUD — INNOCENT THIRD PARTIES—NEGLIGENCE—ACCEPTANCE —BEARER.

SEABOARD NATIONAL BANK VS. THE BANK OF AMERICA.

Supreme Court of New York, Part II.

An interesting decision has been handed down by the Supreme Court of New York, Part II, in the suit of the Seaboard National Bank vs. The Bank of America, holding that where an agent of a firm, personally known to a bank where the firm had an account, presented a forged check for $2,000, purporting to be drawn by his employers, and the bank on his request issued a draft on another bank payable to another firm whose indorsement he forged, and deposited the draft to his own account in a third bank, that the intention of the first bank is the controlling consideration; that it gave to the agent a draft to order and not to bearer and handed it to him not as owner but for delivery to the firm to whom it was made payable; and that he had no title to the draft, so his own bank assumed the risk and must bear the consequence in placing reliance upon his implied warranty of title. The court holds that while the first bank was negligent in receiving the forged check, it still had a right to reclaim the money upon discovery of the forgery and the consequent mistake in making payment.

H. R. Pennock, auditor and chief bookkeeper of E. V. Babcock & Co., lumber dealers in Pittsburgh, Pa., on September 17, 1904, presented a check, purporting to be drawn by that firm on the Federal National Bank, where it had an account, to the order of "N. Y. draft" for $2,000, and at his request it drew on the Seaboard National Bank a draft for $2,000 in favor of Carroll Bros. The latter firm, also in the lumber business, was not known to the bank, but Pennock was known to it. Without the knowledge of any of the parties, Pennock indorsed "Carroll Bros." on the draft and deposited it to his own credit in his personal account with the Mellon National Bank of Pittsburgh. That bank in its turn indorsed it and sent it for collection to the Bank of America, the defendant. The latter bank secured payment from the Seaboard National Bank, September 23, 1904, through the clearing-house, in its usual course and it accounted for the proceeds to the Mellon National Bank, while the Seaboard National Bank charged the payment against the Federal National Bank in the running account between them.

Upon discovery that the check for $2,000 which Pennock presented to the Federal National Bank was forged, presumably by him, notice was sent to that bank, which previously had charged the check against the account of Babcock & Co., and the bank made due restitution. The bank thus learned that the indorsement "Carroll Bros." was a forgery and acquainted the Mellon National Bank and the parties to this action with the facts. Pennock had withdrawn all moneys to his credit in the Mellon National Bank, including the amount of the draft. He died insolvent. An affidavit of Babcock & Co. to the effect that its indorsement was a forgery and that it derived no benefit from the draft and the draft were tendered by the Federal National Bank, January 2, 1905, to the Mellon National Bank. The tender was refused and the affidavit and draft were sent to the plaintiff, which made a like tender to and demand on the defendant, but it likewise refused to refund. The plaintiff restored to the Federal National Bank the amount of the draft by crediting it on the account between them, and brought this action. The signatures of the partners of Babcock & Co. were at the Federal National Bank and the signature to the check was a forgery, and that could have been detected upon inspection. The firm was at no time indebted to Carroll Bros.

Broadly, the plaintiff contended the defendant could acquire only the title of the Mellon National Bank, which title failed because of the forged indorsement of the payee.

The defense set up chiefly that the draft was in effect payable to bearer, that there was no forgery in a legal sense and that, therefore, the Mellon National Bank acquired good title. Beyond this the defendant contended that, irrespective of the forgery, the loss must fall on the Federal Bank, because through its negligence in accepting the spurious check it became primarily responsible for the commission of the fraud so far as it affected innocent third parties dealing with the draft in good faith.

LEVENTRITT, *J.*, after stating the facts says: These are the only questions that call for extended examination. To consider them in order:

(1) What was the nature of the draft? If in law it was equivalent to a draft payable to bearer, then through Pennock's endorsement of "Carroll Bros.," the payee, the Mellon National Bank and, through it, the defendant, acquired a good title to the draft. An instrument is payable to bearer not only when it is so expressed on its face, but also "when it is payable to the order of a fictitious or non-existing person, and such

fact was known to the person making it so payable." (Negotiable Instruments Law, Section 28, subd. 3.) To bring the draft within the provisions of the statute, the defendant maintains that in so far as the Federal National Bank was concerned Carroll Brothers, unknown to it as a firm or as individuals, was "non-existing;" and in so far as Pennock was concerned Carroll Brothers was "fictitious," because it was a mere name arbitrarily selected by him to promote the fraudulent scheme which he had concocted, a firm that was a nonentity in the transaction, a stranger to it and neither interested in, nor entitled to, any of the proceeds of the draft. Thus the defendant deduces as a conclusion that Carroll Brothers was either "fictitious or non-existing" to the only parties who participated in or were aware of the issuance of the draft. But the mere adoption of a random name for a payee would not under the statute make the instrument payable to bearer and such a result would follow only provided the "person making it so payable" knew the payee named to be "fictitious or non-existing." The defendant argues that in the contemplation of the statute Pennock, and not the Federal National Bank, made the draft payable to Carroll Brothers; that in its preparation the bank acted simply as a scribe, obedient to Pennock's dictation and direction; that his mind guided the bank's hand to record intention.

Let us consider these propositions. It is uniformly recognized law that negotiable paper, the payee of which does not represent a real person, cannot be deemed payable to bearer unless the paper was put into circulation by the maker with the knowledge that the name of the payee does not represent a real person. The fictitiousness of the payee and the knowledge of the maker must concur. Then the maker's intention as disclosed by his adoption of a fictitious payee fixes the character of the paper. (Shipman vs. Bank of the State of New York, 126 N. Y. 318; Turnbull vs. Bowyer, 40 N. Y. 456; Irving National Bank vs. Alley, 79 N. Y. 536; Vagliano vs. Bank of England, L. R. [22 Q. B. D. 103]; Armstrong vs. Pomeroy, 46 Ohio St. 512; Gibson vs. Minet, 1 H. Black, 569.)

But can it be said that Carroll Brothers was non-existent merely because the Federal National Bank was ignorant of the existence of that concern? Ignorance of existence is not the equivalent of knowledge of non-existence. Carroll Brothers was a real concern, though the bank did not know it.

Conceding that conclusion, the defendant argues, in effect, that ignorance of the existence of Carroll Brothers precludes the possibility of any intention on the part of the bank that that firm should enjoy the proceeds of the draft; that if any intention so utterly colorless and purposeless could be conceived it is of no consequence; that Pennock was in effect the maker as he was the author of the draft; that it was his intention that the name Carroll Brothers should represent a fictitious payee and that that intention is controlling and should prevail. That argument ignores the statute which constitutes the intention of the maker the test and not that of any person to whose dictation the maker submits. It also ignores the essential fact that the draft is the obligation of the bank and that to allow the argument would enable any person to change the legal effect of the act of the obligor. There are many precedents for the conclusion that the drawer of a negotiable instrument is liable to the drawee if payment be made to a person not named as payee. Where the drawee of a check, draft or bill of exchange delivers it to an impostor, supposing him to be the person whose name he has assumed, the drawer must, as against the drawee or a bona fide holder for value, bear the loss where the impostor obtains payment of, or negotiates, the draft. The underlying reason is that it was the drawer's intention that the *person* to whom the instrument was delivered should be the payee, even though through fraud and imposition that intention was created. Though the victim of deception practiced by the person who adopted the name of the payee, the maker must honor the paper. (Land Title and Trust Company vs. Northwestern National Bank, 196 Pa. 230; U. S. vs. National Exchange Bank, 45 Fed. Rep. 163; Levy vs. Bank of America, 24 La. Ann. 220; Electrical Construction Co. vs. Globe Savings Bank, 64 Ill. App. 225.)

Under such circumstances the intention of the maker of the instrument controls and casts upon him the consequences of the imposition. It is because the drawee has acted in accordance with the drawer's indicated intention that the latter must make reimbursement. It is scarcely conceivable that if under such conditions the maker's intention is vital to involve him in liability, that under other conditions where liability would not follow, such intention is immaterial and must give place to the intention of a third person, here the impostor.

Let us assume that Pennock as a stranger had called at the Federal National Bank, had represented himself to be a member of the firm of Carroll Brothers, and as such had requested the draft in suit, and the bank, believing the representation of Pennock to be true, had drawn the draft in the form in which it appears and delivered it to Pennock, then Pennock's endorsement of Carroll Brothers would have made the Federal National Bank answerable, because its intention had been effectuated. But the facts are otherwise. Pennock was known to the bank; he claimed to represent his employers, E. V. Babcock & Co., and in their behalf applied for a draft in favor of Carroll Brothers as payee. He made no pretense whatever to be a member of that firm or in any wise to be entitled as payee to the proceeds of the draft. The imposition which he practiced did not relate to his own identity. Nothing transpired which could have given rise to an intention on the part of the bank that Pennock should become the payee. The delivery to him of the draft did not import any intention on the part of the bank that he should reap the proceeds. If under the assumed conditions the bank is to be mulcted as a result of its intention, is it also to be mulcted under the actual conditions where a contrary intention existed? If so, the intention of the maker, which the courts have uniformly accepted as the controlling element, could be eliminated, as his liability would attach whatever his intention.

In my opinion the intention of the Federal National Bank, to the exclusion of any design of Pennock, is the controlling consideration. The bank intended to issue, as in form it did, a draft to order and not to bearer and handed it to Pennock, not as owner, but for delivery to E. V. Babcock & Co., or to Carroll Brothers. His endorsement of Carroll Brothers was a forgery. He had no title to the draft; he could convey none. The Mellon National Bank cashed the draft in reliance on his implied warranty of title; having taken that risk, it cannot complain if it must bear the consequences of its misplaced reliance and restore to the defendant the remitted proceeds of a draft to which it did not give the defendant good title.

(2) To turn now to the plea of negligence. The Federal National Bank was certainly negligent in accepting the forged check of its depositor, E. V. Babcock & Co., whose signature it was bound to and actually did know. The dissimilarity between the genuine and the spurious signatures could have been detected on inspection. But does that negligence defeat the right of the Federal National Bank to reclaim the money upon discovery of the forgery and the consequent mistake in making the payment? I think not. The negligence was unrelated to the cashing of the draft by the Mellon National Bank. The careless acceptance of the forged check did not affect or influence the conduct of that bank in permitting Pennock to utilize the draft. The negligence of the Federal National Bank was not the proximate cause of the Mellon National Bank's loss. That resulted from misplaced confidence in the integrity of Pennock and mistaken reliance on his implied warranty of title to the draft. The Mellon National Bank was ignorant of and in no wise concerned in the consideration, if any, received by the Federal National Bank. The latter owed the former no duty to inspect or examine the check and where there is no duty there can be no breach of duty. Nothing which the Federal National Bank did or omitted was calculated to mislead the Mellon National Bank. There is no estoppel, because essential elements of estoppel are missing. There was no false representation or concealment; there was no breach of duty; nothing was said or done by the Federal National Bank to mislead or deceive or to prevent inquiry as to the validity of the endorsement of Carroll Brothers.

No comfort can be derived from the claim that the plaintiff's reimbursement of the Federal National Bank was voluntary and that it might have resisted repayment on the ground of negligence. The draft in controversy was issued by one bank on another. Such a draft is a check, and the parties thereto are subject to the same liabilities and possessed the same rights as though the draft was drawn upon a particular bank by an individual. Suppose such individual depositor should draw his check on the bank in favor of a payee from whom he had accepted counterfeit money in exchange for the check, could the bank successfully defend a suit for the unauthorized payment of the check on a forged endorsement because of the depositor's negligence in accepting the counterfeit money for his check? The question answers itself.

In the case at bar the negligence was not only unrelated to the cashing of the draft, but it may well be said to be unrelated to the issuance of the draft. So long as the bank acted in good faith it had the right to issue the draft against any check it might see fit to accept. For its negligence in accepting the check it must answer to the drawer, and has so answered. But it had the right to rely on its direction that the draft would be paid to order, and any negligence in accepting the check has in law nothing to do with that direction.

It follows that the plaintiff's motion for a verdict should be granted.

BANKRUPTCY—FRAUDULENT PREFERENCES—RECOVERY —DEMAND — EQUITY— CONSPIRACY — REMEDY AT LAW.

BLAKELEY VS. BOONVILLE NATIONAL BANK, *et al.*

Supreme Court of Indiana, January 5, 1906.

In the suit of William M. Blakeley, trustee in bankruptcy of Marion Folsom vs. the Boonville National Bank, the People's National Bank of Boonville, both in Boonville, Ind., and certain individuals, seeking to recover alleged fraudulent preferences made by the bankrupt in contemplation of his insolvency, the Supreme Court of Indiana has handed down an opinion in favor of the banks and other defendants, holding that there was no evidence of a combination between them and that the plaintiff improperly joined them in a bill, the causes of action being essentially distinct and separate. It reverses the decision of the circuit court of Perry county in denying motions for separate trials.

It was alleged that Folsom, being insolvent, with intent to prefer the creditors and to cheat, hinder and delay other creditors, entered into a fraudulent and secret combination with the defendants. An acounting from each was sought for the purpose of determining what amount each received and to have such amount paid back to the plaintiff. Want of facts to constitute a cause of action and improper joinder of parties were the grounds of the demurrers filed by the defendants. The court below overruled the demurrers and motions for separate trials. The case came before the supreme court on exceptions to the rulings of the court below.

The supreme court holds that it was an abuse of the trial court's discretion to deny the motions for separate trials, which were made seasonably. It also holds that on a bill in equity based on the theory of a conspiracy between a bankrupt and the defendants, who were the preferred creditors, where no conspiracy was proved, the complainant is not entitled to a decree, though he establishes a cause of action warranting a judgment at law. It is further held that a demand for the surrender of the alleged preferences given by the bankrupt to the defendants is not a condition precedent to the trustee's right to recover such preferences, as authorized by the Bankruptcy Act, July 1, 1898, c. 541, s. 60b, 30 Stat. 562.

After discussing the matter of the court record and amendment to pleadings, the court takes up the questions of bankruptcy, relating to fraudulent preferences, and demand, and of equity relating to jurisdiction, conspiracy, multifariousness and other issues.

The court says: Appellee's counsel urge upon our attention a line of cases in which it is held that persons who have received separate fraudulent conveyances, alleged to have been made voluntarily in pursuance of a plan upon the part of the grantor to strip himself of his property, may be joined as defendants. These cases are distinguishable from the case at bar, in that the sole question involved in the cases cited was the fraud of the grantor, and, also, in that all of the involved suits were distinctively equitable in their nature. Here the question as to whether each of appellants has reasonable cause to believe that a preference was intended was an essential question in the case. (Bankruptcy Act, s. 60b; Pirie vs. Chicago, etc., Co., 182 U. S. 445, 21 Sup. Ct. 906, 45 L. Ed. 1171; Blakey vs. Boonville Nat. Bank [D. C.] 95 Fed. 267; In re Ft. Wayne Electric Corp., 99 Fed. 400, 39 C. C. A. 582; In re Eggert, 102 Fed. 735, 43 C. C. A. 1.)

Preferences can only be given to creditors, and the provisions of section 60b of the act are not to be confounded with those of section 67e. In the nature of things the questions which would be common to all of the defendants in such a suit as this would be likely to be the subsidiary questions, while the questions as to whether each of the appellants had reasonable cause to believe that a preference was intended would be likely to be the important questions, and it would also be probable that the inquiries concerning them would prove widely divergent.

But one objection to the complaint is urged in support of the demurrer for want of facts, and that is that a demand was not alleged. It is contended by counsel for appellants that, as a preference is only voidable under section 60b of the Bankruptcy Act (Act July 1, 1898, c. 541, 30 Stat. 562 U. S. Comp. St. 1901, p. 3445), there must be an election to avoid the payment before the creditor's possession can be rendered wrongful. It was held in Nixon vs. Whitsett, 2 H. Bl. 135, which was an action of trover for the value of goods transferred in contemplation of insolvency, that a demand and a refusal were necessary to furnish the requisite evidence of a conversion. It was subsequently held, however, in Marks vs. Feldman, L. R. 5 Q. B. 275, 10 Best & S. 371, where a person had received a bill of sale of goods, the transaction being voidable under the bankruptcy law, and had sold the goods before the appointment of the assignee, that the purchaser could be held liable for money had and received. Although the question as to whether a demand was necessary was not discussed in that case, yet the reasoning of Kelly, C. B., relative to the contention that at the time of the conversion by the purchaser his possession was not wrongful, affords a basis for the conclusion that a demand is not necessary.

Under the terms of section 60b of the Bankruptcy Act, one of the elements of a voidable preference is that the person to be benefited by the transaction shall have "had reasonable cause to believe that it was intended thereby to give a preference." Under section 3 of said act (30 Stat. 546, U. S. Comp. St. 1901, p. 3422), an insolvent debtor who transfers any portion of his property to a creditor with intent to prefer such creditor commits an act of bankruptcy. It is therefore plain that a creditor who receives a preference, having reasonable cause to believe that it was so intended, violates the very heart and spirit of the act, which is to secure a just distribution of the assets of the insolvent. It has been said that the unlawful receiving of a preference is an inchoate fraud. (Lowell on Bankruptcy, 77; Tapley vs. Forbes, 2 Allen, 20; Foster vs. Hackley, 2 N. B. R. 406, Fed. Cas. No. 4971.)

In such circumstances the creditor is not only in the attitude of violating the statute, but he stands charged with knowledge that the giving of the preference affords a ground for casting his debtor into involuntary bankruptcy, and thus precipitating a condition of affairs in which the law declares the transaction voidable. When, therefore, within four months, a petition is filed, and, as a result of the proceedings, a trustee is appointed, who has the right, as an incident of his office, to avoid the preference, and who is expected to do so, if it be advantageous to the estate to pursue the assets in the hands of the creditor, there would seem to be no reason for requiring the trustee to make demand before instituting an action.

An ordinary action for fraud can be maintained without a demand, where the plaintiff has nothing which he is called on to tender back. In such a case the transaction would be merely voidable, and upon the same principle it would seem that an election to avoid a fraudulent preference may be manifested by a suit. Indeed, the standing of such a preference is in most respects like unto a fraudulent conveyance. It is valid as to the grantor, but creditors are not bound by it. The only difference, in substance, is that in the case of a fraudulent transfer within the statute of frauds the transaction is void as to creditors, and therefore they may treat it as such by levying upon the property; while, in the case of a preference, the transaction being voidable, an action must be brought. The reason for the use of the word "voidable" in section 60b of the Bankruptcy Act is found in the fact that it has to do with creditors whose debts have been liquidated. As such a transaction may be so far beneficial to the estate as not to warrant the bringing of an action, it may be assumed to the estate as not to warrant the bringing of an action, it may be assumed that it was deemed improper to use the word "void" in that connection.

But, in any event, appellants, under the averments of the complaint, were guilty of fraud in receiving the payments respectively made to them, and in such a case an action for money had and received will lie, for the law will imply a promise, if the person who is authorized to avoid a fraudulent preference manifests his election to do so by suit. (Hogan vs. Shee, 2 Esp. 522; Lyon vs. Annable, 4 Conn. 350; 9 Am. & Eng. Ency. of Law, 207; 1 Cyc. 694, 695.)

The parties seem to have treated the question as properly presented as to whether the court erred in overruling the motions of appellant banks to docket separately the plaintiff's cause of action against each of them. The question of multifariousness is in the case as to all of the appellants, because the propriety of the subsequent rulings depends upon the complaint, and we shall therefore discuss this question. Appellee's counsel contend that a suit to set aside a preference is properly brought in equity; that the complaint, in practical effect, is to set aside a fraudulent transfer, under section 67e of the Bankruptcy Act (30 Stat. 564, U. S. Comp. St. 1901, p. 3449); that the allegation that an accounting is necessary, and the averments concerning the avoiding of a multiplicity of actions, authorized a suit in equity; and, finally, that the allegation of a conspiracy authorized the joinder of all of the defendants alleged to have received a fraudulent conveyance, and that therefore the whole matter was properly drawn into equity. We are of opinion that these contentions cannot be upheld.

One of the most important of the questions which underlie the matter under consideration is whether, in any portion of the complaint, there appears to be a vital connection in the payments and other transactions complained of. The averment concerning a conspiracy is very limited. There is no charge of a combination as between the defendants. The charge is, in effect, that Marion Folsom entered into a conspiracy with each defendant to defraud all other of said Folsom's creditors. It does not appear that the alleged conspiracy was on foot when the debtor made the several payments and transfers which are complained of, but merely that the debtor made them in fulfillment of such fraudulent designs. Besides, there is a paucity of fact as to what was the subject matter of the conspiracy. Whether the combination charged, "to manage and conceal any of his [Folsom's] property, and pay the proceeds of the same out, so as to delay and defraud all other of his creditors," was a combination to make the particular payments and transfers complained of, does not appear. But one thing is certain, and that is that the complaint was not framed on the theory of a joint liability.

The theory of the complaint is that appellee is entitled to recover from each defendant who received a payment the amount of such payment and interest, and that the other transfers should be set aside. By this theory, therefore, the complaint must be judged. (Elliott vs. Pontius, 136 Ind. 641, 35 N. E. 562, 36 N. E. 421.)

It is clear, we take it, that the causes of action stated against appellants are essentially distinct, and especially does it appear to us that there was no warrant for joining an action to recover the amount of a preference with an action to set aside a fraudulent conveyance. The procedure in courts of law is much less plastic than in equity, owing to the fact that a judgment cannot be molded to a particular circumstance to the extent that may be done by decree, but it can be shown, as we think, that even in chancery there are limitations upon the right to join defendants for the purpose of litigating controversies in which the defendants have no common concern.

PROMISSORY NOTE—ATTORNEY'S FEES.

ST. JOSEPH'S COUNTY SAVINGS BANK VS. RANDALL, *et al.*

Appellate Court of Indiana, Division No. 1, March 6, 1906.

The St. Joseph County Savings Bank, of South Bend, Ind., lost its suit against Arthur T. Randall, *et al.*, administrators of the estate of Jennie A. Gray, the Appellate Court of Indiana, Division No. 1 having affirmed the judgment of the circuit court of Pulaski county, which was for the defendants. The bank was payee of a promissory note of the decedent's which provided for the payment of attorney's fees, and the court holds that under Burns's Ann, St. 1901, section 2465, it is not entitled to the attorney's fees where its claim on the note was filed before it was due or there had been any breach of condition.

LIABILITY OF DIRECTORS—FALSE REPORT—WRONGFUL ACT OF CASHIER—PURCHASE OF STOCK—AGENTS OF BANK.

MASON VS. MOORE, *et al.*

Supreme Court of Ohio, February 2, 1906.

A decision of interest to directors of banks was handed down by the Supreme Court of Ohio in the case of Mason vs. Moore, *et al.*, holding that the directors were not insurers of the fidelity of a cashier and other agents whom they appointed, and where they exercised reasonable supervision and ordinary care and prudence and acted in good faith, they were not responsible for losses resulting from wrongful acts or omissions of such cashier or other agents, unless the loss were a consequence of their own neglect of duty. They are not held, as matter of law, to know all the affairs of the bank, or what its books and papers would show, and such knowledge cannot be imputed to them for the purpose of charging them with liability.

The plaintiff sues Reason B. Pritchard, William Moore, John McVicker, James K. Frew, and David A. Pritchard, to recover of them

$2,000 damages which he sustained by reason of the representations and conduct of said defendants while they were acting as directors of the First National Bank of New Lisbon. They were the lawful directors during the year 1897 and were elected again to the same position on January 11, 1898. They qualified and entered upon the discharge of their duties. During both years, and until October 21, 1898, Reason B. Pritchard was president and William Moore vice-president of the bank. On the latter day, the Comptroller of the Currency took possession of the bank, and on November 12, 1898, I. B. Cameron was appointed receiver on account of its insolvency. On or about January 15, 1898, the plaintiff purchased from W. S. Potts, as administrator of the estate of Simon Wisden, deceased, ten shares of the capital stock of said bank for a consideration of $1,000, and procured the shares to be duly transferred to him on the books of the bank, and he owned the stock when the receiver was appointed and the affairs of the bank wound up. He, with other stockholders, was assessed 100 per cent. on his shares for the purpose of discharging the liabilities of the bank, which he says he paid. This amount and the original purchase price of the stock constitute the sum for which he asks judgment in his petition.

He alleges that: "On December 24 (which was a short time before he purchased the stock referred to above), the said corporation (the bank) professing to comply with the acts of Congress requiring reports exhibiting the resources and liabilities of national banking corporations to be made to the Comptroller of the Currency, made, with the knowledge, assent, and direction of the defendants, a report to the said Comptroller, of the resources and liabilities of said corporation as they existed on December 15, 1897, which report was sworn to by M. J. Child, as cashier, and was attested as correct by said Reason B. Pritchard, James K. Frew, and John McVicker.

The petition alleges that the report was false in this, to wit: That loans and discounts that were good and collectible did not exceed $40,000 instead of being $74,208.01 as stated in the report. The remaining $34,208.01 of the loans and discounts were on December 15, 1897, uncollectible and worthless, as the defendants then knew. The overdrafts did not exceed $1,000 instead of being $7,509.25; the remaining $6,509.25 of the overdrafts were on December 15, 1897, worthless and uncollectible. The total resources did not exceed $96,873.95 instead of being $137,590.40 as stated in the report. The petition alleges the individual deposits exceeded $68,000 instead of being $48,013.40 as reported. The demand certificates of deposit exceeded $45,000 instead of being $17,461.37. The bills payable exceeded $19,000 instead of being $6,000. The total liabilities exceeded $190,115.44 instead of $137,590.54. It was alleged that on December 15, 1898, and ever since the bank was insolvent and its capital stock worthless, as the defendants knew; that an examination of the books would have disclosed to the defendants as directors that the report was wholly false and that the bank was mismanaged and its funds and assets misappropriated and squandered. The plaintiff alleged he purchased his stock on the strength of the report, believing it true and if he had known the real condition of the bank he would not have bought the stock.

After rehearsing the facts the court says:

Price, J.: "It is not in dispute that the plaintiff in error relied wholly on the report made by the bank through its cashier, Child, to the Comptroller of the Currency on December 24, 1897, attested by three of its directors, Reason B. Pritchard, James K. Frew, and John McVicker. He purchased the ten shares of stock on January 15, 1898. The report referred to was published in the "Lisbon Journal" on January 3 of that year. The bank was in fact insolvent on and ever since December 15, 1897, but the defendants were ignorant of that fact.

The evidence also tends to prove that John McVicker and James K. Frew, directors, signed said report without any examination, at the time, of the books of the bank as to its correctness; that an examination by a competent bookkeeper at that time would have shown the total amount due individual depositors to be $68,902.65, and an examination of the entries in the journal as to certificates of deposit paid, with the ledger of the bank as to "certificate deposit accounts," would have shown quite a number of false entries made by the absconding cashier, between April 11, 1891, and October 29, 1897, making a total of false entries in the ledger of $31,117.25, to the debtor side of the certificate deposit account. So that the cashier, or some one for him, during the period mentioned, frequently manipulated the books, and especially the ledger accounts, at various times producing false entries of the condition of the bank, both as to its resources and liabilities. There is no evidence tending to prove that either of the attesting directors had any knowledge of these false entries, or that anything had previously occurred to their knowledge to excite their suspicion or distrust of the cashier. There is no evidence tending to show that either of them was a competent bookkeeper, and we therefore assume that neither of them was a competent bookkeeper. There is no evidence tending to prove that the directors received any salary or compensation, and we assume that they served without compensation. In short it seems, as may be the fact in most cases, the directors had implicit confidence in the cashier, who made up the bank's report to the Comptroller, and did not examine the books so as to test its accuracy. And if they had examined the books in order to have discovered the false entries as finally found, their investigation of the preceding year would not have been sufficient, but it must have included each year back to 1890. The bill of exceptions recites in substance that an examination by a competent bookkeeper would have shown these false entries and the true condition of the bank. We suppose that a competent bookkeeper is one who is qualified by education and experience to examine and compare the various books kept by the bank, and trace the bearing of one entry upon another in the different books. No doubt that, where a cashier turns to be dishonest, it is within his power to purposely complicate his accounts, and thus thwart all ordinary efforts to ascertain the truth from the books. False entries seem to have been the bane in this case. In the presence of these facts how shall the attesting directors be judged? By their attestations did they vouch for the absolute truthfulness of the statements in the report? Or are they held merely by the rule of ordinary care—care commensurate with the business intrusted to them and the duties properly incumbent upon them?

The plaintiff contends for the former standard, as found in his request appearing in our statement of the case. The trial court declined to charge that proposition, and this is one of the errors assigned. In its stead the court, in paragraph 4 of the general charge, said to the jury: "It must appear by a preponderance of the evidence that, at the time of the attesting and publication of said report, the directors so attesting this report, or who assented to and directed the publication of the same, did so knowing the report to be false, or, under such circumstances as will warrant the jury in finding by a preponderance of the evidence that such directors, by the exercise of ordinary care and prudence, would have known that said report was false in some one or more of the particulars set forth in the petition."

The court further charged: "Inasmuch as there has been a large amount of testimony introduced tending to show the manner in which the affairs of said bank were conducted for many years prior to its dissolution, and inasmuch as a great deal has been said by counsel in argument as to the manner in which the directors of said institution attended to its affairs, I feel it my duty to say to you, at the outset, that this is an action for deceit based on the publication of said report as set out in the petition, and the question for you to determine is not whether the directors were generally negligent in the performance of their duties as directors, but whether or not the report in question was false, and whether or not the defendants or any one of them knew the same to be false, or would have known the same to be false, had they given such attention to their duties as the law requires under the instructions I shall hereafter give you. * * * " The same standard of liability is repeated in later portions of the charge in applying the law to the facts of the case. The plaintiff was not satisfied with the charge, and excepted. The plaintiff. as we have seen, submitted his theory by the request to charge, and we have the different theory of the court in the above instructions. Which of the two is correct?

Section 5211, Rev. St. U. S., U. S. Comp. St. 1901, p. 3498, requires the reports of national banks, such as the one under consideration. It provides that: "Every banking association shall make to the Comptroller of the Currency not less than five reports during each year, according to the form which may be prescribed by him, verified by the oath or affirmation of the president or cashier of such association and attested by the signature of at least three of the directors. Such report shall exhibit in detail, and under appropriate heads, the resources and liabilities of the association at the close of business on any past day specified by him, and shall be transmitted to the Comptroller within five days after the receipt of a request or requisition therefor from him, and in the same form in which it is made to the Comptroller it shall be published in a newspaper published in the place where such association is established. * * *" Section 5146 U. S. Comp. St. 1901, p. 3463, prescribes the qualifications of directors: (1) Every director must, during his whole term of service, be a citizen of the United States, and at least three-fourths of the directors must have resided in the state, territory, or district in which the association is located, for at least one year immediately preceding their election, and must be residents therein during their continuance in office. (2) Every director must own in his own right at least ten shares of the capital stock of the association. A director who ceases to be the owner of ten shares or otherwise becomes disqualified shall thereby vacate his place.

By section 5147 U. S. Comp. St. 1901, p. 3464, each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of the association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith and in his own right of the number of shares of stock required, etc. Having the qualifications named in section 5146, and taking the oath prescribed in section 5147, the directors entered upon the discharge the expert or technical knowledge of bookkeeping usually adopted by the executive officers of such associations. When they attested the bank's report they did it as the act of ordinary men, or men of common and ordinary intelligence. This report had two purposes: Primarily to inform the Comptroller of the condition of the bank as to resources and liabilities; and its publication is for the information of the stockholders and the general public. There were no personal representations made to the plaintiff. As one of the public, he read the report and relied upon it in purchasing his stock, and was deceived. His action is grounded upon the deceit thus practiced upon him as a member of the public.

As to the liability of the bank and its directors, section 5239, Rev. St. U. S., U. S. Comp. St. 1901, p. 3515, provides: "If the directors of any national banking association shall knowingly violate, or knowingly permit any of the officers, agents or servants of the association to violate any of the provisions of this title, all the rights, privileges and franchises of the association shall be thereby forfeited, * * * and in cases of such violation, every director who participated in or assented to the same, shall be held liable in his personal and individual capacity for all damages which the association, its shareholders, or any other person, shall have sustained in consequence of such violation.

We have in this section the statutory standard of liability, and it relates to every director who "participated in or assented to" the violations of the provisions of the title of which said section forms a part. If he did not participate in or assent to such violation, this statute fixes no individual or personal liability against him. In this case there was no evidence tending to prove that the defendants participated in or assented to any violation of the banking statute, except such participation or assent as may be ascribed to the attestation of the bank's report, and it would seem that such an act will not be sufficient to establish the participation and assent contemplated and penalized by the statute. Participating and assenting both imply affirmative action of some sort, as distinguished from mere silence and inaction. This statute does not preclude a liability at common law.

If we leave the statute just considered, and look to the common-law liability of directors, we find that actions for damages against them founded on a published false report of the bank, which they attested, are actions for deceit, and they are controlled by the law governing actions of that character. This doctrine is laid down in numerous cases, some of which are cited later in this opinion.

Pomeroy, in his second volume on Equity Jurisprudence (section 884) states the rule as follows: "It is now a settled doctrine of the law that there can be no fraud, misrepresentation, or concealment without some moral delinquency. There is no actual fraud, legal fraud, which is not also a moral fraud. This immoral element consists in the necessary guilty knowledge and consequent intent to deceive—sometimes designated by the technical term 'scienter.' The very essence of the legal conception is the fraudulent intention flowing from the guilty knowledge. No misrepresentation is fraudulent at law, unless it is made with actual knowledge of its falsity, or under such circumstances that the law must necessarily impute such knowledge to the party at the time he makes it." The author then proceeds to illustrate his proposition, which we think fairly represents the text writers on the subject of fraud and deceit.

The directors of a bank are surely authorized to appoint a cashier, conferring upon him the powers usually exercised in such an office. He is properly confided in as to the custody of its money, securities, books, and valuable papers, and the supervision of its books and accounts. While it is true that the directors cannot divest themselves of the duty of general supervision and control, they may properly intrust to him the powers usually appertaining to the direct management of the business, and, where they have acted in good faith and with ordinary diligence in their general supervision, they are not liable for losses resulting through secret speculations and secret false entries of the cashier. Their position does not require them to devote themselves to the details of the business, which may be left to the clerks and bookkeepers under the supervision of the cashier. They are not required to look with suspicion upon the conduct of these agents or employees, nor to practice a system of espionage over the cashier or his subordinates, without apparent reason, and they have a right to assume they are honest and faithful, where no circumstances transpire to excite doubt or suspicion. On the other hand, they cannot excuse their indifference or negligence by pleading mere honesty of intention.

We believe this a fair summary of the law as deduced from the weightier cases and the opinions of text writers. In harmony with the authorities as we approve them, the trial court instructed the jury in the present case with commendable clearness, and properly applied this law to the facts before the jury. It then was a question of fact for the jury to determine whether, under the rules submitted for its guidance, the defendants should be held liable. The verdict was for the defendants. The judgment rendered on the verdict was affirmed by the circuit court, and we are content with that judgment.

Judgment affirmed.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

PRIVATE INTERNATIONAL LAW—INTERPRETATION OF CONTRACT—LAW GOVERNING NATURE OF OBLIGATIONS.

GERMAN SAVINGS BANK VS. TETRAULT (Quebec Superior Court Reports, Vol. 27, p. 447).

STATEMENT OF FACTS: Plaintiffs lent money to one McNarnee on real estate in New York State, which real estate was later sold to the defendant at a time when the mortgage was in default. In consideration of the plaintiffs' forbearance to foreclose, the defendant gave to them the collateral bonds sued on in this action. Later the plaintiffs foreclosed their mortgage, and the full amount of the loan not having been realized they sued Tetrault, who had removed to Quebec, on the bonds. He pleaded in defence Article 1628 of the New York Code of Procedure which reads as follows:

"While an action to foreclose a mortgage upon real estate is pending, or after final judgment for the plaintiff therein, no action shall be commenced or maintained to recover any part of the mortgage debt without leave of the court in which the former action was brought."

SUMMARY OF JUDGMENT (ARCHIBALD, *J.*): Parties to a contract are presumed to adopt the law of the place where it is made as governing the nature of the obligations which spring from it and the incidents which arise in the course of its development.

Where the purchaser of real estate in New York executes guarantee bonds, there, in favor of the mortgagee, in consideration of the latter's forebearance to sue for a period, after which he does foreclose but does not realize enough to pay his debt and the law of New York provides as set out in Article 1628, no action will lie on the bonds in the Superior Court of Quebec without such leave first obtained as a condition precedent.

The law brought in question under such circumstances is not one of the forms of remedies and modes of proceeding, but one which affects the nature of the obligation and the right to enforce it at all. In all pleas of outlawry or prescription the law of the place of trial, lex fori, applies on the assumption that statutes of limitation do not deny the continued existence of the obligation, but only after a certain time deny the remedy. But where by the law of the country where the contract was made the obligation has become extinct, it cannot be revived by a different law which prevails in the place where the obligation is sought to be enforced. And if by the law of the place where the contract was entered into the remedy has been suspended until a certain condition precedent has been complied with, that compliance will be required by the lex fori.

CONTRACT OF PLEDGE—BONDS PLEDGED AS COLLATERAL SECURITY — RIGHTS OF PLEDGEE — RIGHTS OF BONDHOLDERS UNDER THE RAILWAY ACT.

ATLANTIC AND LAKE SUPERIOR RAILWAY COMPANY (defendants, appellants) vs. DE GALINDEZ, (respondents), (Quebec King's Bench Reports, Vol. 14, p. 161.)

STATEMENT OF FACTS: In 1895 and 1897 the respondents lent large sums of money to the plaintiffs on their acceptance secured by the deposit of bonds of the Baie des Chaleurs Railway and also of their own, which latter had never been issued and had all the interest coupons attached. In 1904 DeGalindez Bros. sued for $380,440, the amount of the interest coupons, but did not produce or refer to the negotiable bills to which the bonds were collateral. Pending these proceedings the plaintiffs applied to the court by motion alleging that they had transferred a certain number of bonds to different persons and praying for permission to demand the registration of these bonds in the names of their respective transferees. The plaintiffs also applied to separate the coupons from the bonds and to remove the latter from the records. Both these applications were allowed and the present appeal was from such allowance.

JUDGMENT: (SIR A. LACOSTE, *C. J.;* BOSSE, BLANCHET, HALL AND LEMIENXAD LOC, *JJ.*) There is no doubt the bonds have not been sold by the railway, and the rights of the pledgee are defended by articles 1871 and 1972 of the Croil Code. "The creditor cannot, in default of payment, dispose of the thing given in pawn. He may cause it to be seized and sold in the usual course of law, under the authority of a competent court and obtain payment by preference out of the proceeds."

The pledgee of the bonds of a railway company, deposited with him as security for the payment of advances to the company, cannot use them as if he were a holder for value. He is not a bondholder within the meaning of the railway act, and cannot therefore cause them to be registered in his name nor in that of parties to whom he has transferred them.

As to the severance of the coupons the railway company have a right on the payment of their indebtedness to have the bonds restored to them in the form in which they were given. It is sometimes of great importance to a company to withdraw an issue of bonds and to substitute an issue of different import, and this would be practically impossible if some of the bonds in this case entrusted to the respondents were transferred to third parties and a portion of the coupons detached.

If the railway company have exposed themselves by their default to a sale under the usual legal formalities of all the bonds there deposited and in an mutilated condition, they would have no reason to complain. They would have the opportunity of protecting themselves at such sale, but they are improperly exposed to injury and entitled to a legal remedy when the respondents assume to deal with these securities as owners, to dispose of them to third parties, to change their appearance and to diminish the amount of their interest obligations.

BILLS OF EXCHANGE AND PROMISSORY NOTES—JOINT AND SEVERAL NOTE—RELEASE OF CO-MAKER—RESERVATION OF RIGHTS—KNOWLEDGE AND CONSENT —SUBSEQUENT DEED—RATIFICATION.

BOGART vs. ROBERTSON *et al.* (Eleven O. L. R. p. 295.)

STATEMENT OF FACTS: This was an appeal to the Court of Appeal for Ontario against the judgment dismissing as against the defendant Tench an action to recover upon a promissory note for $1,500 made by Tench, and four others, jointly and severally to the plaintiff.

The defence was that the plaintiff had released three of the joint makers of the note without reserving her rights against the others and that thereby the remaining parties to the note were released by operations of law; and this defence was sustained by the trial court. In the court of appeal this judgment was set aside and a judgment entered for the plaintiff.

JUDGMENT: (MOSS, C. J. O.; OSLER, MACLENNAN, GARROW, MACLAREN, *JJA.*): The following extracts are from the judgment of Chief-Justice Moss: No doubt if a creditor releases one of several co-debtors without the knowledge or consent of the others, he thereby discharges them; but he may still preserve the liability of the others by express stipulation in the instrument of discharge. No doubt also, if the intention and effect were to extinguish the debt altogether, there could be no saving of rights against anyone, for the debt is gone.

In this particular case the whole arrangement of which the release formed a part was come to and carried out with the knowedge and consent of the defendant, notwithstanding that there was no express reservation of rights in the instrument of discharge, and that knowledge and consent were sufficient to prevent the release of his co-maker operating as a discharge of the defendant's liability.

Osler, *JA.*: Even if the release did in law operate from the moment of its execution as a discharge of the defendant, there was nothing to prevent the latter, after its execution, from acknowledging and ratifying, by a proper instrument, his continuing liability to pay, just as a surety may do who has been discharged by time given to his principal or by the release of a co-surety. Co-contractors and co-debtors stand in these respects in the same position as co-sureties. The release of one operates in general as a release of all, but the legal operation of such a release may be restrained by the express terms of the instrument, or the codebtors may reaffirm and ratify their liability notwithstanding the release.

REPLIES TO LAW AND BANKING QUESTIONS.

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

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

CHECK—PROTEST.

Astoria, Ore., June 5, 1906.

Editor Bankers' Magazine:

Sir: A check is sent us on a local bank, bearing endorsements. On presenting, payment is refused because the maker is dead, as we know. We protest and return. The attorney for the executors refuses to pay protest fee, claiming there was no reason for protesting. Please give your opinion. S. S. Gordon, *Cashier.*

Answer.—In order to charge the indorsers it was necessary to give them notice of dishonor. The Negotiable Instruments Law provides: "Except as herein otherwise provided, when a negotiable instrument has been dishonored by non-acceptance or non-payment, notice of dishonor must be given to the drawer and to each indorser, and any drawer or indorser to whom such notice is not given is discharged." (Sec. 89, Oregon Act.) There is no exception made where payment is refused because of the maker's death. We, therefore, see no reason why protest was not proper, or why the executors of the drawer should not be liable for the protest fees.

CHECKS—PAYMENT WHEN FUNDS ARE INSUFFICIENT TO PAY ALL.

New York, May 21, 1906.

Editor Bankers' Magazine:

Sir: In your answer to C. A. Hammond, Cashier, on page 570 of The Bankers' Magazine for April, I notice the following statement: "If therefore, a number of checks are presented at the same time, as, for example, through the mails or through the clearing-house, the bank itself would have to select which it would pay and which it would return."

This opinion is so directly contrary to that held by Morse, an authority so long held in esteem, that I am anxious to learn upon what legal decision, if any, it is based.

Morse says: "The payment of checks may be affected by the use of the clearing-house in one important particular. Checks, as has been seen, must be paid in the order of presentment. But, when the deputy of the bank takes from its drawer in the clearing-house all the checks which it has to pay, he may receive a considerable number of checks of the same depositor. It is clear that there can be no priority among these. They are all received at precisely the same moment. For the order in which they are placed in the drawer has nothing to do with the presentment of them to, or receipt of them by, the bank—indeed, is in nearly all cases unknown to the bank. The bank cannot look at their dates, for priority of presentment and not of date secures priority of payment. So, if the bank cannot pay all the checks of any individual depositor then coming through the clearing, it must pay none of them. It has no legal power or right to select or choose from among them certain ones which it will honor, or certain ones which it will dishonor. All or none must be paid. Any other course would render the bank liable to the holders of the dishonored paper. A check presented at the counter for payment must be paid at once if there are funds enough to the drawer's credit to pay it alone; but if it is sent through the clearing it must take its chance that his funds will be sufficient to pay not only it but all his other checks which shall be sent through the clearing on the same day; and failing this it must be dishonored." (Morse on Banks and Banking, 2d Edition, p. 456.) W. J. Gilpin,

Assistant Manager New York Clearing House Association.

Answer.—The statement in Morse on Banks may be correct as to some states, but it has never been the law in New York, nor does it now prevail in any state where the Negotiable Instruments Law is in force. In some jurisdictions it has been held that the drawing and delivery of a check operates as an assignment of the deposit *pro tanto,* and that the holder can maintain an action thereon against the bank on which it was drawn. (Munn vs. Burch, 25 Ill. 35; Bank vs. Patton, 109 Ill. 479; Fonner vs. Smith, 31 Neb. 107.) Under such a rule there might be good ground for adopting the views of Morse, which, however, it will be noted are not supported by any judicial determinations. But the assertion that "any other course would render the bank liable to the holders of the dishonored paper," has no support in any decision in this state. On the contrary, the New York courts have always held that the holder could not sue the bank until the check was certified or accepted. (Attorney-General vs. Continental Life Ins. Co., 71 N. Y., 325, 330; First Nat. Bank vs. Clark, 134 N. Y., 368; O'Connor vs. Mechanics' Bank, 124 N. Y., 324.) And the same rule has been adopted by many other courts. And now, by the Negotiable Instruments Law, it is provided: "A check of itself does not operate as an assignment of any part of the funds to the credit of the drawer with the bank, and the bank is not liable to the holder, unless and until it accepts or certifies the check." (Sec. 325, N. Y. Act.) The rule stated by Morse would be most inconvenient in practice. Suppose that a man's balance is $1,000, and that eleven checks are presented, ten of them for $100 each and one for $25; should the bank return all of them because the check for $25 will cause the aggregate to exceed the balance? On the contrary, we think it would be very dangerous for the bank to adopt such a course. If the drawer should sue for wrongful refusal to pay the ten checks, what excuse could the bank offer? It could not say that the drawer's balance was not sufficient to meet them, and the mere fact that it had to return the $25 check would be no reason why it should return the other ten. And we understand that it is the general practice, at least in the City of New York, for the banks to pay such checks as the balance is sufficient to meet, returning only the others.

TAXATION OF NATIONAL BANK SHARES—U. S. BONDS.

WAGONER, I. T., May 9, 1906.

Editor Bankers' Magazine:

SIR: In the assessment of taxes on the stock of a national bank, should the amount of the funds invested in United States bonds to secure circulation be deducted from the amount of the capital, surplus, and undivided profits? Please give the decisions governing this case.

C. W. SHELDON, *Cashier.*

Answer.—No. As the tax is upon the shares and not upon the capital stock, it is not necessary that any deduction should be made from that portion of the capital, surplus or undivided profits which is invested in United States bonds. (Van Allen vs. The Assessors, 3 Wallace [U. S. Sup. Ct.], 573.)

CREDIT GIVEN UNDER MISTAKE OF FACT.

PORTLAND, OREGON, May 28, 1906.

Editor Bankers' Magazine:

SIR: Can a check or draft which has been credited to a depositor's account, be legally charged back to the account upon subsequent discovery that the depositor, who is the payee, has failed to indorse the item, and who is immediately notified of his oversight; and can the bank refuse to pay checks against the deposit pending the arrival of the depositor to supply the omission? J. W. BICKFORD.

Answer.—In such a case it would be very evident that the credit was given to the depositor under a mistake of fact, which mistake was primarily that of the depositor, who should have indorsed the check before offering it for deposit. He would, therefore, have no right to complain if the bank, upon discovering the mistake, should cancel the credit it had previously given. We know of no decision directly in point, but we see no reason why the case should not be treated like any other case of mutual mistake. Of course, as the bank has the right to cancel the credit, it would have the right to refuse payment of checks drawn against the deposit.

DRAFT AND BILL OF LADING—RESPONSIBILITY FOR CHARACTER OF GOODS.

GLEN RIDGE, N. J., June 9, 1906.

Editor Bankers' Magazine:

SIR: Where a bill of lading reads, "Received from owners" so much merchandise consigned "order and notify," what construction is to be put on the word "owners?" Is the *shippers'* endorsement necessary on such bill of lading to render it negotiable, and can a bank in New York city receiving payment for a draft attached to which is a bill of lading, made out as above, be held responsible by the *consignee* for any shortage or misrepresentation in the goods upon his obtaining possession?

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Answer.—The term "Received from owners" would indicate that the consignors intended to retain the title to the goods in themselves; and hence we think their indorsement upon the bill of lading should be obtained. But we do not see why a bank collecting the draft attached to the bill of lading should be liable for claims of the consignee arising upon the sale. The payment is made upon the *draft*, and if the consignee has any claims for shortage, or for fraud in the sale, they are against the seller and not against the holder of the draft who received payment in good faith. Of course, while funds of the seller remain with the bank, the latter might be held as garnishee.

CHECK—GUARANTY OF INDORSEMENT.

GLENS FALLS, N. Y., June 3, 1906.

Editor Bankers' Magazine:

SIR: In the exchange of checks among the banks of a city, when, for example, the "National Bank" receives a check for deposit drawn on another local bank, endorsed as follows: C. A. Dean by L. P. F., and this "National Bank" stamps "Paid, Jan. 6, 1906, Nat. Bank," as its endorsement; and the paying bank having received same from the "National Bank," inquiries of them regarding the validity of the payee's endorsement as it stands, and learns that although no power of attorney has been filed by the payee, with the "National Bank," yet they have been accepting checks for deposit endorsed by L. P. F. for Mr. C. A. Dean at his verbal request; should the paying bank, to keep legally correct, return the check and demand a guarantee of endorsement, or can the "National Bank" refuse to guarantee by entering the plea that their endorsement, as given above, *is* a guarantee, and that therefore it should be satisfactory to the paying bank? Could the paying bank upon trouble arising from paying a check endorsed in that manner without guarantee, hold the "National Bank" for its payment? BANK CLERK.

Answer.—If it should turn out that L. P. F. had no authority to indorse for C. A. Dean, then the "National Bank" would have acquired no title to the check, and no right to demand payment thereof, and the money received by it could be recovered as money paid under a mistake of fact. (Canal Bank vs. Bank of Albany, 1 Hill, 287; Bank of Commerce vs. Union Bank, 3 N. Y., 230.) There would be no necessity, therefore, for requiring that the "National Bank" guarantee the indorsement. But if any of the prior indorsements were restrictive, such guarantee should be demanded, since the "National Bank" would, in that case, be acting only as agent, and would cease to be liable after it had paid over the money to its principal. (National Park Bank vs. Seabord National Bank, 114 N. Y., 28; United States vs. American Exchange Nat. Bank, 70 Fed. Rep. 232.) By the rules of many of the clearing-houses throughout the country, the stamp "Paid" placed upon the instrument by the bank presenting the paper operates as a guarantee of all indorsements.

RESTRICTIVE INDORSEMENT OF CHECK.

FORT WORTH, TEXAS, June 9, 1906.

Editor Bankers' Magazine:

SIR: A check is indorsed as follows: "1st Natl. Bank, Ft. Worth, Texas, May 8, 1906; deposited by Texas Brewing Co." Do you consider this indorsement a restrictive one? AMERICAN NATIONAL BANK.

Answer.—We do not think that the words "deposited by" make the indorsement restrictive in the proper sense. If the instrument had been lost, and had come into the hands of a stranger, these words would have been notice that he had no valid title, but in the possession of the bank, they would not operate as a limitation upon the right of the bank to transfer the title or otherwise treat the paper as its own. (See Security Bank vs. Northwestern Ins. Co., 58 Minn. 141, 144; Nat. Commercial Bank vs. Miller, 77 Ala. 168, 173-174.)

EVIDENCES OF THE PROGRESS AND PROSPERITY OF THE UNITED STATES.

BY O. P. AUSTIN, CHIEF OF THE BUREAU OF STATISTICS.

I HAVE been requested to prepare for THE BANKERS' MAGAZINE a discussion of the progress of the United States in its material industries, and the evidences of prosperity at the present moment. The evidences of progress and prosperity are found in population, production, manufacturing, transportation, intercommunication, commerce, currency, and wealth. To measure any of these conditions at the present time requires more than a mere statistical statement of present conditions; for we measure our prosperity of to-day largely by comparison with conditions of some earlier period.

THE DEVELOPMENT IN THIRTY YEARS.

The growth of our country and the development of prosperity among our people have been so steady that a comparison of conditions to-day with almost any earlier period of our history proves gratifying. Whether the point by which we measure be selected at that at which the present generation came upon the stage of activities, say thirty years ago, or whether we compare with a single decade, conditions are equally gratifying, and in many cases astonishing. If we were to compare 1905 with 1875 we should find that with no increase in area the population had practically doubled, that the wealth had probably trebled, that the public debt less cash in the Treasury had fallen from more than two billions of dollars to considerably less than one billion, that the annual interest charge had fallen from $2.20 per capita to twenty-nine cents per capita, that the money in circulation had grown from 754 million dollars to 2,588 millions, the total bank deposits from 2,182 million dollars to 11,351 millions, and that the number of depositors in savings banks had increased from 2,359,864 to 7,696,229. We should also find that the imports of merchandise had a little more than doubled and the exports practically trebled, that the share which manufactures form of the imports had fallen from thirty-six per cent. to twenty-nine per cent., while the share which manufactures form of the exports had increased from sixteen per cent. to thirty-six per cent., that the value of domestic manufactures as measured by the census figures had trebled, that the length of our railways had nearly trebled, that the number of telegraph messages sent in 1905 was over five times as great as in 1875, that the number of post offices had doubled, the number of newspapers and periodicals trebled, and the expenditures for public education considerably more than trebled.

PROGRESS IN THE LAST DECADE.

But this comparison of conditions to-day with those of thirty years ago is scarcely sufficient to satisfy the characteristics of the American, who wants to compare those conditions with those of yesterday rather than with those of the period at which he began his active career. Reducing to a single decade the period covered by the conditions contrasted, we find that the population of 1905 is more than twenty per cent. in excess of that of 1895, with no increase in area meantime; that the wealth is fully thirty-three per cent. greater than a decade ago; that the annual interest charge, despite the increase in indebtedness due to the war with Spain, has fallen from forty-two cents to twenty-nine cents per capita; that the total money in circulation has grown from 1602 millions in 1895 to 2588 millions in 1905, gold and gold certificates alone from 528 millions to 1136 millions, and the total circulation per capita from $23.20 to $31.08 on July 1, 1906, and $31.73 at the present time; that the total bank deposits have increased from a little less than 4921 millions in 1895 to 11,350 millions in 1905, the number of depositors in savings banks from 4,875,519 to 7,696,229; that imports have grown from 732 million dollars in 1895 to 1117 millions in 1905, and exports from 807 millions to 1518 millions; that the share which manufactures form of the imports has fallen from thirty-two per cent. in 1895 to twenty-nine per cent. in 1905, while the share which manufactures form of the exports has increased meantime from twenty-three per cent. to thirty-six per cent.; that the value of farm animals has increased from 1819 millions to 3675 millions, according to estimates of the Department of Agriculture; that the quantity of pig iron produced has grown from 9½ million tons in 1895 to practically 23 millions in 1905; that the length of railways in operation has increased from 181,000 miles to 217,000; that the number of newspapers and periodicals published has increased 3,000 since 1895, and the amount of money expended for public schools increased by more than 100 million dollars in the decade.

GAINS MADE IN THE FIVE YEARS FROM 1900 TO 1905.

This comparison, however, of present conditions with those of a decade ago might seem unfair, since the decennial period, 1895, with which we thus contrast conditions of to-day chances to fall in the midst of a term of depression. It seems more absolutely fair, then, and more likely to be satisfactory to the man who wants to measure conditions of to-day with those of yesterday, to select for the detailed comparison the year 1900, a year generally accepted as one of prosperity and one from which we are removed but five years in the opportunities for statistical measurement. The year 1900 was one of prosperity, and its record was taken with unusual care as marking the end of the century, and therefore it is of especial interest to be able to compare business conditions of the year just ended with those of 1900, and to do so more in detail than has been done with reference to the earlier periods with which the hurried contrasts above noted have been made. Even in that short period of five years, the population has grown from 76 millions to 83 millions. Meantime the public debt less cash in the Treasury fell from 1108 millions in 1900 to 990 millions in 1905, and 987 millions at the present time; the per capita indebtedness, from $14.52 in 1900 to $11.91 in 1905 and $11.73 at the present time, and the interest charge from forty-four cents per capita in 1900 to twenty-nine cents in 1905. The total money in circulation increased from 2,550 million dollars on July 1, 1900, to 2,588 millions on the corresponding date of 1905, and 2,671 millions at the present time; and gold and gold certificates alone increased from 812 millions in 1900 to 1,136 millions in 1905, an increase in that short five-year period of forty per cent., while the increase in total circulation meantime was about twenty-five per cent. During the same time the amount of money per capita has increased from $26.94 in 1900 to $31.08 in 1905, and $31.73 at the present time, and if we contrast present conditions with those of a decade earlier and find the amount of money in circulation in 1906 $31.73 against $21.41 in 1896, we may perhaps find at least a partial explanation of the general advance in prices of which so much has been heard in recent years.

One result of this large increase in money in circulation and in the average per capita is found in the fact that the deposits in savings banks, which in 1900 aggregated 2390 millions of dollars, were in 1905 3,093 millions, and that the total bank deposits, so far as they can be measured, grew from 7239 millions in 1900 to 11351 millions in 1905. The class of banking institutions which shows the largest gain is loan and trust companies, whose deposits have grown from 1028 millions in 1900 to 1981 millions in 1905, the deposits in national banks meantime increasing from 2458 millions in 1900 to 3783 millions in 1905. Another measure of not merely circulation but activity in business is that of the bank clearings, which for the City of New York alone have grown from practically 52 billions in 1900 to 92 billions in 1905, speaking in round terms; and for the entire United States, from 84½ billions in 1900 to 140½ billions in 1905.

EFFECTS OF THE INCREASED PRODUCTION OF GOLD.

This increase in money in circulation, money in bank, money represented by the clearing-house exchanges, is merely an index of the great activity in every branch of industry and in the enlarged supply of that material which forms the basis of all currency—gold. In the half century ending with 1850 the world's gold production averaged but 16 million dollars per annum; in the forty years between 1850 and 1890 it averaged 120 millions per annum; in the decade from 1890 to 1900 it averaged 210 millions per annum; in the five-year period from 1900 to 1905 it averaged 320 millions per annum, and in the year 1905 the production of gold was approximately 375 millions. When we realize that the annual average of the world's gold production in the last five years has been two and one-half times as great as the annual average in the forty years ending with 1890, it is not surprising that business has responded with a quickened activity in every branch, whether of production, of transportation, of manufacture, of consumption, of commerce, or any of the other occupations of man related thereto. Nor is it surprising that the United States, the world's greatest single producer of nearly all of the principal requirements of man, should have felt most distinctly this new impulse in business life.

Activity in All Branches of Industry.

The activity of the quinquennial period ending with 1905 seems to have extended to practically every branch of industry. Our pig iron production for 1905 is set down at practically 23 million tons, against a little less than 14 millions in 1900. Coal production advanced from 241 million tons in 1900 to 331 millions in 1905; cotton production, from 9½ million bales in 1900 to 13½ millions in 1905; and corn production, from a little over 2 billion bushels in 1900 to practically 2¾ billions in 1905.

Development of Manufacturing.

Evidences of activity in business and in production are gratifying, but with them we naturally want to know conditions in that greatest of our industries, manufacturing; for while the number of persons engaged in agriculture in the United States exceeds that engaged in manufacturing, the value of the product turned out by the manufacturers is far in excess of that turned out by the agriculturists, and the development of the industry itself has been far more rapid than the development of agriculture. Still another reason for a desire to study the development of our manufacturing industries is the fact that with the growth in population and the transfer of attention from agriculture to manufacturing, we are reducing each year the surplus of our agricultural products which can be spared for the foreign market and it is therefore necessary that we increase our exports of manufactures if we are to maintain our present rank at the head of the exporting nations of the world.

While it is not possible to measure accurately at the present moment the value of the product turned out by all the manufacturing industries of the United States, it may be safely asserted that conditions in 1905 were eminently satisfactory and that the value of the product turned out by our manufacturing establishments in that year far exceeded that of 1900. The Census Office, as is well known, took a census of the manufacturing industries of the United States in 1905, and while no announcement has yet been made of the total value of manufactures in the United States in that year, a study of the reports already presented regarding the manufacturing industry in certain states indicates an average increase of fully thirty per cent. in the value of manufactures turned out in 1905 as compared with that of 1900. The Census of 1905 does not include the production by hand trades as did that of 1900, but comparing the figures of manufactories exclusive of hand trades in 1900, the returns thus far received seem to justify the above estimate of an increase of fully thirty per cent. in 1905 compared with 1900. In the few articles in which we can measure the growth of production, the figures show a marked growth in 1905 compared with 1900. The number of cotton spindles in operation, for instance, has grown from 19,100,000 in 1900 to 23,850,000 in 1905, and the quantity of domestic cotton taken by our mills has increased from 3,644,000 bales in 1900 to 4,562,000 in 1905. Another evidence of activity in manufacturing is found in the fact that the quantity of raw wool demanded in excess of home production is steadily increasing. The quantity of raw wool imported in 1905 was 249 million pounds, against 156 millions in 1900, while the domestic production for 1905 was set down at 295 million pounds, against 288 millions in 1900.

Other evidences of the activity in the manufacturing industries are found in the imports of certain articles of manufacturers' materials not produced in the United States. Of raw silk, for example, of which the United States is not a producer, the quantity imported in 1905 was over 22 million pounds, against 13 millions in 1900; of india rubber, of which we produce none, the quantity imported in 1905 was 67 million pounds, against 49 millions in 1900. Of pig tin, of which we produce none, the quantity imported in 1905 was 85 million pounds, against 70 millions in 1900; while the total value of manufacturers' materials of all kinds imported for consumption in 1905 was 509 million dollars, against 380 millions in 1900, and the value of manufactures exported in 1905 was 544 millions against 434 millions in 1900.

THE INCREASE IN TRANSPORTATION.

Transportation also presents a further evidence of the activities of the country. The number of tons of freight carried one mile by the railways is given at the enormous figure of 174 billions for 1904, the latest available year, against 127 billions five years earlier, an increase of thirty-six per cent. in five years; the number of passengers carried in 1904, 720 millions, against 538 millions five years earlier; the tonnage of American vessels engaged in coastwise trade in 1905 was 5,502,030 tons, against 4,338,145 tons in 1900, and the registered tonnage of vessels passing through Sault Ste Marie Canal in 1905, 36,617,699 tons, against 22,315,934 tons in 1900.

GROWTH OF OUR FOREIGN COMMERCE.

Foreign commerce has, of course, been active in this season of general prosperity. The total imports in 1905 were valued at 1117 million dollars, against 850 millions in 1900, and the total exports, 1519 millions in 1905, against 1394 millions in 1900, making the total foreign commerce in 1905 2636 millions, against 2244 millions in 1900. The growth in imports has occurred chiefly in manufacturers' materials and finished manufactures, and the growth of exports has occurred chiefly in manufactures, of which the total value exported in 1905 was 544 millions, against 434 millions in 1900, manufactures supplying 36.4 per cent. of the exports of 1905, against 31.6 per cent. in 1900. Manufactures formed a larger total and a larger share of the total of exports in 1905 than in any earlier year of our history, while agricultural products in 1905 formed a smaller percentage of the exports than in any earlier year in the history of the country, this being due in part to the light wheat crop of 1904 and in part to the growing home demand for our farm products resulting from increased population and a tendency to transfer attention from agriculture to manufacturing and other lines of industry.

Thus all the important features of our industrial and economic life, whether production, manufacturing, transportation, commerce, or finance, seem to show for the year 1905 a marked improvement over that comparatively recent year of prosperity, 1900, and a great improvement over 1895, a decade ago, or the year 1870, the approximate date at which the present generation began its career of activity.

RESULTS OF THE PERIOD OF PROSPERITY.

Now, let us see some of the results of this period of prosperity. As already indicated, the money deposited in banks has grown from 7¼ billions of dollars in 1900 to 11 1-3 billions in 1905, and that in savings banks alone from 2 1-3 billions in 1900 to over 3 billions in 1905, and the money in circulation, as already shown, has increased from 2 billions in 1900 to 2 2-3 billions at the present time. But evidences of the advantageous effect of this improved activity are also found in lines other than those measured by dollars. The number of pupils enrolled in the public schools, for example, was in 1904, the latest available year, 16¼ millions, against a little over 15 millions five years earlier; the salaries paid to teachers and superintendents in public schools, 168 million dollars in 1904, against 129 millions five years earlier; and the total expenditure for public schools, 273 million dollars in 1904, against 200 millions five years earlier. The number of students in universities, colleges, and schools of technology was in 1904 111,688, against 92,385 five years earlier; the number of newspapers and periodicals published in 1905, 23,146 against 20,806 in 1900, and the amount of life insurance in force in 1904, 12½ billions, against 8½ billions in 1900.

BANKING PUBLICITY

ADVERTISING A COUNTRY BANK.

IN the conduct of every kind of business to-day, the question of advertising is becoming more and more an all-important one, and "banking" is no exception. The day has passed when a business man, after entering your bank on tiptoe and removing his hat, asks if you will please allow him to open an account. The time was, not many years ago, when bankers had but a very small amount to place after the entry—"Expense—advertising."

Now every up-to-date banker will readily acknowledge the necessity for advertising and can point to the good results obtained thereby. Our bank takes a generous space in all three local weekly newspapers and in the papers of two small towns nearby. The "copy" is seldom changed—a common error. Under ordinary circumstances, I think this should be done at least quarterly. Certainly a banker's interest in advertising should increase, at least in proportion to the increase in competition.

Three years and two years ago respectively our bank mailed neat black leather card cases to all of our customers. Upon the inside of each case was printed in gold letters, the name of the bank, the amount of its capital, surplus and undivided profits, that interest is paid on daily balances subject to check, and that it has safe deposit boxes to rent. These card cases are not very elaborate, but with ordinary care, they would last for several years. I am sure they have served their purpose very well. This year calendars of various designs were distributed. This method of advertising has become so very general that I do not think it is the best medium for a bank to use.

It is necessary, especially for country banks, to have and to hold the "good will" of the community. In order to accomplish this end, our bank's "ad." appears in most of the programmes of the home entertainments, conventions, etc. It would be a very difficult matter to tell exactly how much profit actually comes from such an expenditure of the bank's income. Nevertheless, plenty of "good will" adds just so much to the first-class assets of any institution.

Our bank has a small ad. in the back of THE BANKERS' MAGAZINE calling particular attention to the fact that we collect drafts and remit for same on day of payment, at lowest rates. It is a good place for just such an ad. The great point to be borne in mind in advertising, is that you must let the people know what your bank can do for them and then, as opportunity offers, render that service cheerfully. Be it remembered, too, that in advertising, like everything else, "keeping everlastingly at it brings success."

PERCY M. CHRISTIE,
Citizens' National Bank, Englewood, N. J.

DATES OF COMPTROLLER'S CALLS.

THE dates of the calls of the Comptroller of the Currency for statements of National banks for the past twenty years is shown in the accompanying chart in very interesting form. It will be seen that until the year 1904 there was no call in the month of January, while the December column is blank until 1902 is reached. From 1887 to 1905

Date of Comptroller's Calls Since September 9, 1886.

YEAR	JAN.	FEB.	MAR.	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
1886										TH 7		T 28-82
1887			F 4-66		F 13-70			M 1-80		W 5-65		W 7-63
1888		T 14-69		M 30-76		S 30-61				TH 4-96		W 12-69
1889		T 26-76			M 13-76		F 12-60		M 30-80			W 11-72
1890		F 28-79			S 17-78		F 18-62			TH 2-76		F 19-78
1891		M 26-69			M 4-67		TH 9-66		F 25-78			W 2-68
1892			T 1-90		T 17-77		T 12-56		F 30-80			F 9-70
1893			M 6-87		TH 4-59		W 12-69			T 3-83		T 19-77
1894		W 28-71			F 4-65		W 18-75			T 2-76		W 19-78
1895			T 5-76		T 7-63		TH 11-65		S 28-79			F 13-76
1896		F 28-77			TH 7-69		T 14-68			T 6-84		TH 17-72
1897			T 9-82		F 14-66		F 23-70			T 5-74		W 15-71
1898		F 18-65			TH 5-76		TH 14-70		T 20-68			TH 1-72
1899		S 4-65		W 5-60		F 30-86			TH 7-69			S 2-86
1900		T 13-73		TH 26-72		F 29-64			W 5-68			TH 13-99
1901		T 5-54		W 24-78			M 15-82		M 30-77			T 10-71
1902		T 25-77		W 30-64			W 16-77		M 15-61		T 25-71	
1903		F 6-73		TH 9-62		T 9-61			W 9-92		T 17-69	
1904	F 22-66		M 28-66			TH 9-73			T 6-89		TH 10-65	
1905	W 11-62		T 14-62		M 29-76			F 25-88			TH 9-76	
1906	M 29-81											
1907												
1908												
1909												
1910												

Key: Figures before hyphen denote day of month call was made. Figures after hyphen show number of days intervening between calls. Letters signify day of week call was made.

there was no call in the month of August. The longest period intervening between calls was from September 5 to December 13, 1900—ninety-nine days, and the shortest period immediately followed, from December 13, 1900, to February 5, 1901—fifty-four days. The days of the week show thirteen calls on Monday, twenty-five on Tuesday, seventeen on Wednesday, eighteen on Thursday, twenty on Friday, and five on Saturday. The chart was prepared by an officer of the Crocker-Woolworth National Bank of San Francisco, which bank is mailing copies free to all who make the request.

TRANS-CONTINENTAL MAP FOR INVESTORS.

MESSRS. Spencer Trask & Co., the well-known bankers and corporation fiscal agents, of William and Pine streets, New York, have done some excellent original work in the line of publicity among the investors of the country. A recent unique piece of work is their Trans-Continental Map, showing the main lines and proposed extensions of the various transcontinental railroad systems of the United States and Canada, with some of the important connecting lines.

The map is about 24x30 inches in size, and the various roads being shown in different and distinguishing colors, gives a comprehensive idea of the relative positions and mileage of the transcontinental systems, with their more important eastern and southern connections. An accompanying table gives the average miles operated, gross earnings, operating expenses, net income, fixed charges, surplus, bonded debt, capital stock, dividend rate, etc. The figures are for the year ending June 30, 1905, and are based on earnings per mile of road. Earnings of several eastern connections and north and south lines are also included for the sake of comparison. It is an effective map and an interesting study for the investor.

PROTECTION OF MUNICIPAL BOND ISSUES.

THE United States Mortgage and Trust Co. of New York city has issued an attractive circular on "Municipal Bonds: Their Issue and Protection." The circular calls attention to the necessity of safeguarding municipal bond issues and outlines the company's facilities for attending to all details of such issues, including engraving, assistance in the disposition of the bonds, certifying to their genuineness, and the provision of a safe and convenient place for depositing the papers relating to the same. This is a very important matter, considering the present opportunities for forgery and duplication of bonds, and the circular is a timely one. The typographical work is excellent, the cover being in imitation of a bond.

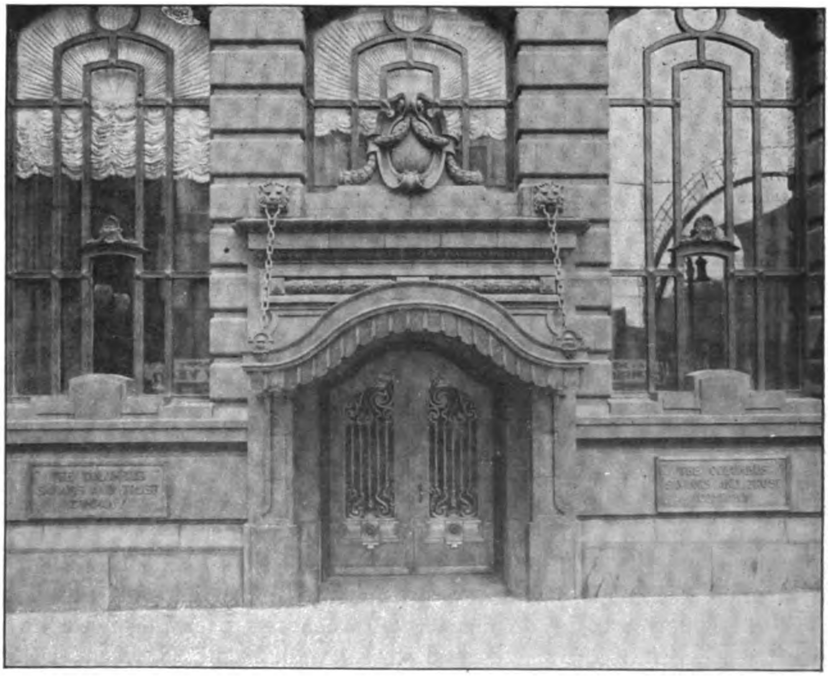
ARTISTIC METAL WORK FOR BANKS.

ARCHITECTURAL ORNAMENTATION COMBINED WITH UTILITY IN WROUGHT IRON, BRASS AND BRONZE—DECORATIVE ART FOR BUSINESS PURPOSES.

BY WILLIAM F. BLANDING.

WROUGHT metal work in America has reached its present high state of development through a process of evolution which is practically confined to a period covering the last thirty years. The great masters of the art of wrought metal were at one time or another British, French, Italian, Spanish or German. A few pieces of genuine mediæval or renaissance wrought-iron work, and more good specimens of later periods, came to America during the colonial emigrations, some of which are still preserved, notably in the old French quarter of the city of New Orleans. The blacksmith's art, however, virtually remained in abeyance in this country until it participated in the awakening of all the technic arts which came with the concluding quarter of the last century.

As with the other decorative arts, there was no native school of craftsmen, from whose labored and uninterrupted workings through a long

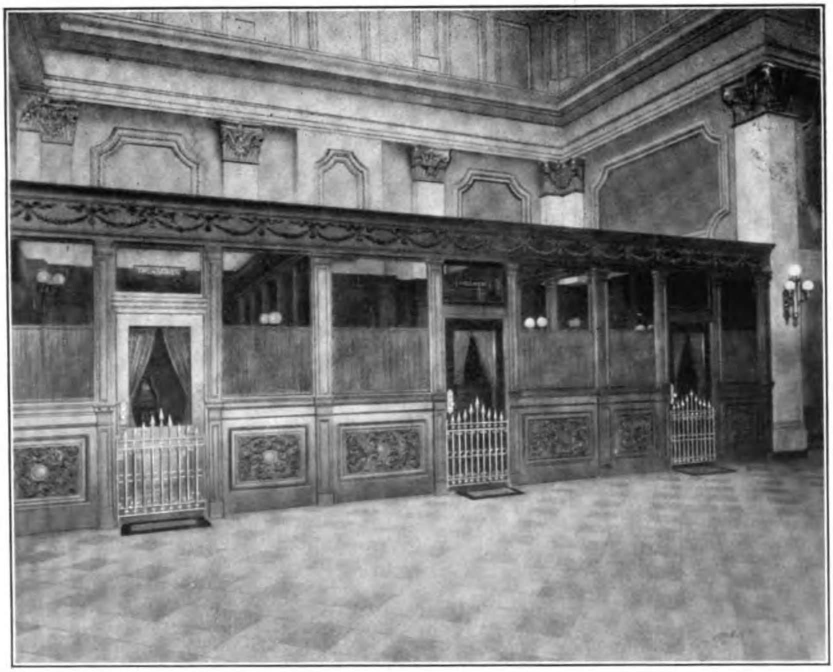


A Bank Entrance.

Courtesy of The W. S. Tyler Company.

A DECORATIVE LAMP.
Courtesy of The W. S. Tyler Company.

series of years each generation might profit. On the contrary, when America awoke to a consciousness of her artistic inferiority to the old world through the Centennial exhibition of 1876, and determined to attain a more worthy position in the world of art, she instinctively as well as necessarily turned for inspiration and instruction to the work of continental and British craftsmen. While the artistic hope inspired by the Centennial was amply justified, as was shown by the Columbian Exposition of 1893, yet to-day, a quarter of a century after the awakening, American decorative wrought-metal work is still deeply affected by the spirit and intent of its foreign exemplars. Nevertheless, in metal, as in other artistic lines, an American school is steadily making its way out of



A Bank Interior.
Courtesy of The W. S. Tyler Company.

the foreign chrysalis which has so long enveloped it, and to-day in mechanical execution and technical perfection American decorative wrought-metal work is equal to the best, and superior to most, of that produced by contemporary European craftsmen.

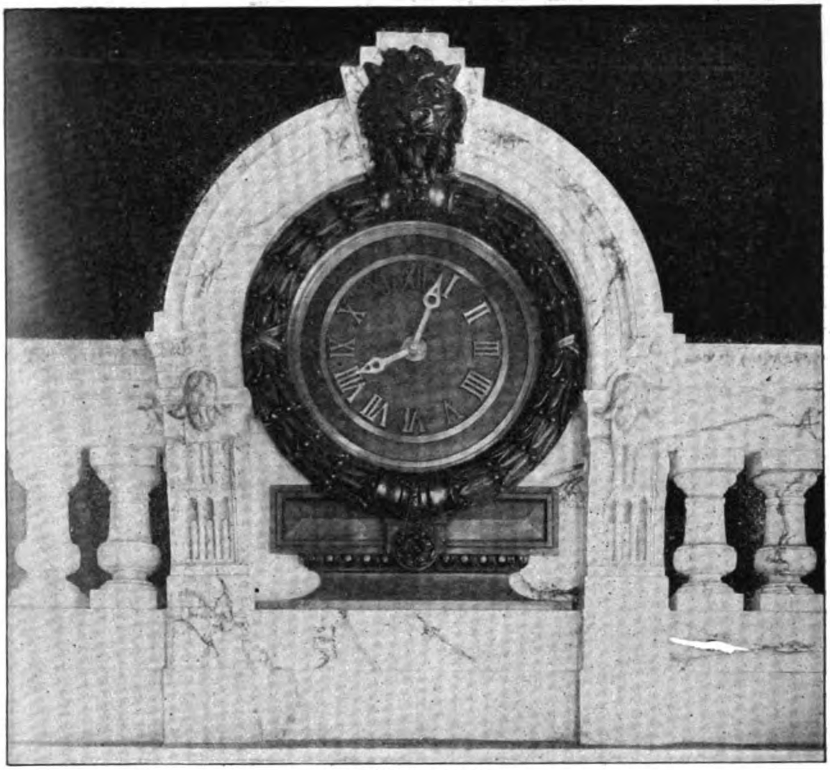
As an architectural adjunct, wrought metal in its various forms is becoming of the highest importance. One of the most flexible of the fundamental materials of building, wrought iron readily responds to the most ornate or most delicate moods of the designer. Used alone or in combination with masonry, there is scarcely one of the lesser features of a facade which may not be effectively done in metal. Finial and cresting, balcony and railing, grille and gate, all add immensely to the most effective composition in masonry, if well done. The whole gamut of expression is ready to be played upon by the cunning hand of the smith. From strength and protective energy to the daintiest fancy of the drawing-room table, the skillful master workman's highly trained and sympathetic touch finds in wrought metal a worthy and striking means of expression.

Wrought Metal Work in Banks.

Modern development in the decorative use of wrought-metal work in America is perhaps most strikingly shown in our banking-houses and

ORNAMENTAL SIGN PLATE.
Courtesy of The W. S. Tyler Company.

financial institutions, where the demands of protection combined with refined and dignified taste in ornamentation have led to the production of highly-elaborated designs in door and window grilles, counter screens and railings, folding gates and guards, and similar devices, supplemented by the purely ornamental accessories of lanterns, brackets, stairways, etc. The general character of these utilitarian yet decorative adjuncts to financial and business establishments has become pretty generally known. But the clever designers and enterprising manufacturers are constantly bringing out something new, and our readers who have not kept in close touch with developments in this line of art work can scarcely fail to be surprised at the unique designs, ornate effects and pleasing elaboration



A Bank Clock.

Courtesy of The W. S. Tyler Company.

of details shown in the accompanying illustrations. A few years ago it was only occasionally that such elaborate workmanship was anywhere to be seen. To-day, so rapidly has the appreciation of wrought-metal work spread, and so fully equipped, technically and artistically, are the leading makers of the country to meet any demand that may be made upon them for its production, that banking-houses and business offices in any city of importance, and many private houses in more or less remote districts, can show examples of the best character and design, doing credit alike to the taste of the owners and the skill of the manufacturer.

It should be said that the chief credit for the immense stimulus which has been given the wrought-metal industry in this country is due to American architects. They have led the advance, showing the way to the craftsmen and holding them rigidly to the best ideals. In this they have been ably seconded by their clients, whose increasing contact with all forms of foreign art, and their willingness and ability to pay for expensive results in similar lines at home, have in turn stimulated the craftsman to rival his foreign brethren. Yet it must be acknowledged, both by architect and client, that these results have been attained only by the devoted exertions and continuous, unremitting labor of the men who are the heads of the great wrought-metal firms of America.

MODERN FINANCIAL INSTITUTIONS AND THEIR EQUIPMENT

FRENCH-AMERICAN BANK OF NEW YORK.

THE American merchant is found in every part of the world; but the American banker is not. And it is high time that the American people should awake to the fact that without adequate representation of our financial interests abroad, we cannot expect to succeed in capturing and holding our rightful share of the world's commerce.

An important move in this direction is the new French-American Bank, organized December 2, 1905, under the laws of France, with American offices in the Hanover Bank Building, 5 Nassau street, New York, and doing business in France under the name of the Banque Franco-Americaine, 22 Place Vendome, Paris.

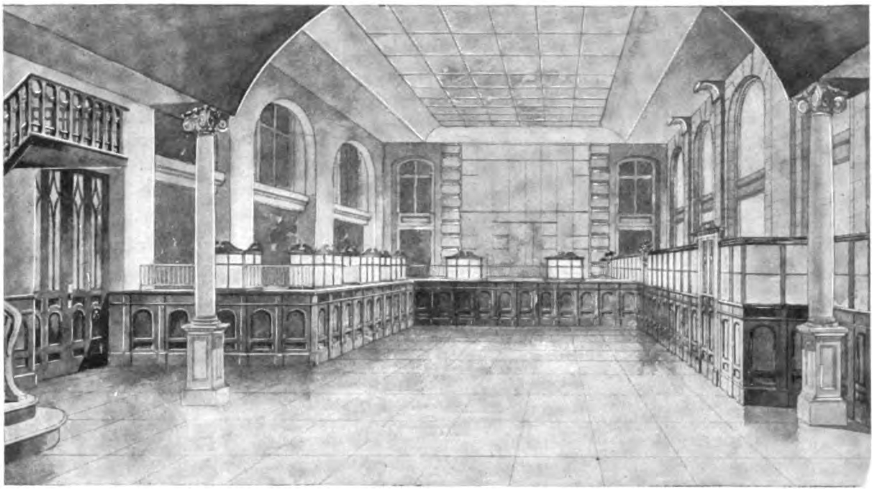
The institution has ten million francs paid-up capital, and has effected a close relationship with more than 200 banks in France through the "Syndicat des Banquiers de Province," whose president, M. Achille Adam, of Paris and Boulogne, is the Banque Franco-Americaine's vice-president. The president of the French-American Bank is M. Pierre Baudin of Paris, formerly Minister of Railways and just re-elected member of the Chamber of Deputies from Paris.

Various of the solid institutions of New York, Boston, Philadelphia, Pittsburg, Chicago, New Orleans and San Francisco have put their money into this enterprise, seeing an opening in France, with two main objects in view: (1) The transaction of a banking business on the other side that will draw not only the rightful share of the United States and Canadian business which is done directly with France, but also as an entering wedge into the connections which are centered in Paris from all parts of the world and more especially from South America; and (2) the purpose of firmly establishing American securities among the investing public of France, not through the issue of "debentures" but rather by the direct sale of first class American securities there.

It is calculated that about 500 million dollars is yearly invested by the French public outside of their own interests, and a surprising feature is that 90 per cent. of this investing source is in the cities and provinces outside of Paris.

The American Advisory Board of the French-American Bank consists of Messrs. Charles T. Barney, president Knickerbocker Trust Co., New York; W. A. Read, of W. A. Read & Co., bankers, New York; Oakleigh Thorne, president Trust Co. of America, New York; R. B. Van Cortlandt, of Kean, Van Cortlandt & Co., New York; H. Winterfeldt, of Hallgarten & Co., New York; H. Blumenthal, of Hallgarten & Co., New York; James W. Gerard, lawyer, New York; Hugh J. Grant, capitalist, New York; Douglas H. Gordon, president International Trust Co., Baltimore; J. Newman, of Isidore Newman & Son, bankers, New York and New Orleans; H. B. Parsons, president Wells Fargo Bank, New York; John Skelton Williams, president Bank of Richmond, Richmond, Va.; P. A. B. Widener, capitalist, Philadelphia; and S. D. Scudder, New York—Manager of the bank.

Mr. Scudder, the bank's New York manager, has had an interesting career. He was born January 1, 1862, at Vellore, India, the son of American missionaries to India under the Dutch Reformed Board, and was educated at Hastings, England, finishing with a five-years course at Stuttgart, Germany. He entered the service of the Bank of Montreal, 62 Wall street, New York, in 1878, and in 1882 established a banking partnership with Frank H. Dykeman in Minnesota. Compelled to a change of location owing to the severity of the northwestern climate, Mr. Scudder went to San Antonio, Texas, and engaged in the mortgage-loan and insurance business, representing there the Scottish-American Mortgage Company of Edinburgh, the Germania Fire Insurance Company of New York, the London Assurance Corporation of London, and others. In 1896 the Germania appointed him their southern manager, with headquarters at New Orleans, and in 1899 he was promoted to the head office in New York, where he soon became interested in various northern enterprises. In 1901 Mr. Scudder was elected treasurer of the North American Trust Company of New York, and thenceforward devoted all his time to the banking department of that institution, until, in the merger of the North American with The Trust Company of America, May, 1905, he was elected treasurer of the combined institutions. From this position he resigned the last of the year to take charge of the French-American Bank.



MAIN CORRIDOR IN HEAD OFFICE OF FRENCH-AMERICAN BANK, PARIS.

Prominent stockholders not shown on the New York Advisory Board include Messrs. J. T. Woodward, president Hanover National Bank, Robert Goelet and R. T. Wilson, New York; J. S. Bradley, banker, Boston; Whitney & Stephenson, bankers, Pittsburg; H. M. Byllesby & Co., engineers, Chicago, and others.

The policy of the bank will be to co-operate with and not antagonize in any way the banking interest in the United States, and drawing from these sources to place first-class American securities with investors all over France, particularly through its French country-banker friends. Already it has been instrumental in placing some good American securities throughout the French agricultural districts, including a portion of the recent Pennsylvania Railroad Co.'s short-term obligations.

The bank's general offices in Paris are second to none in all Europe for comfort and dispatch of business. From the Paris offices there will of course be transacted a general banking business all over the world.

COHOES SAVINGS INSTITUTION, NEW YORK.

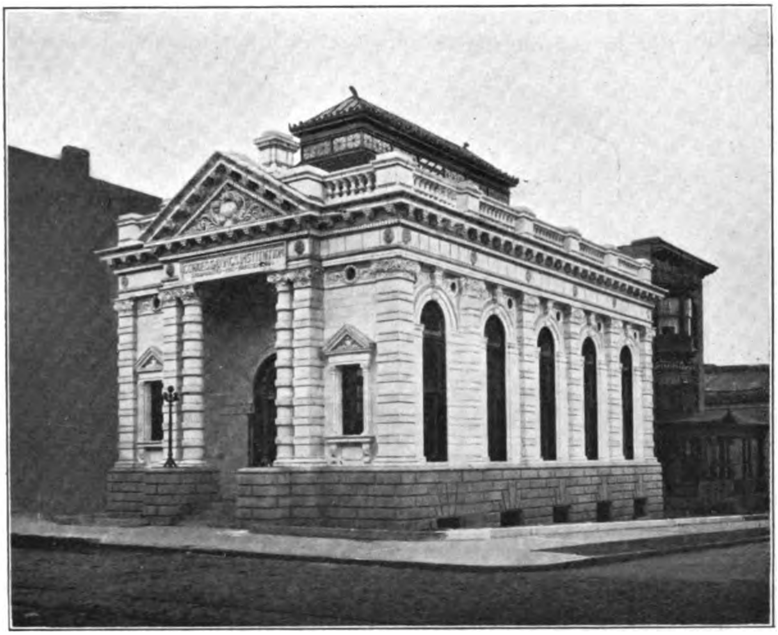
ON Saturday, May 5, the Cohoes Savings Institution of Cohoes, N. Y., opened its beautiful new building which has been for over a year under construction, and which since its exterior completion some months ago has been justly considered one of the architectural ornaments of the city. The interior, it may be said, now revealed and devoted in its entirety to the business of the institution, more than fulfils the external promise.

Architecturally the building is in the style of the Italian Renaissance. Resting on a base of Vermont granite, the superstructure is of white semi-glazed terra-cotta with artistic carvings, surmounted by a roof of red tile enclosed by a white terra-cotta balustrade. Floors, ceiling and roof are of steel, and the construction throughout is fireproof.

The entrance, flanked by buttresses bearing bronze lamp-standards mounted with effective clusters of globes, is through a revolving door with heavy plate-glass panels, ushering the visitor in to a banking-room spacious and lofty, rising to a central leaded-glass dome surrounded by heavy beams forming panels embellished with rich carvings. Circular-head windows, enriched buttresses and cartouches in the side walls, the wood-work of mahogany with bronze trimmings and verde-antique marble base, with floor of ceramic tile in colors reproduced harmoniously in wall, ceiling and dome, make up an interior effect that is impressive and beautiful.

The banking department is furnished with every approved equipment for conducting a modern banking business, and has connected a banking room for ladies, trustees' room, officers' private rooms, and filing-room. In the basement are the toilet-rooms, lobby, two fireproof book-vaults and boiler-room. The heating and lighting systems are complete and up-to-date in every respect. The building was designed and the work of construction supervised by Architect William M. Goddard, of Cohoes.

The Cohoes Savings Institution was incorporated by legislative act in 1851, but its organization was not perfected and the bank opened for business until August, 1853. It has had a career of continued and of late rapidly-increasing prosperity, having successfully weathered the financial storms of the several panic periods. Its statement January 1, 1906, showed resources of $3,074,205.03, deposits $2,857,817.38 and surplus $216,387.65. On April 28, 1906, the deposits were $2,935,000.



Cohoes Savings Institution, Cohoes, N. Y.

The interest-dividends paid or credited to depositors from the bank's organization to and including January 1, 1906, aggregate $1,650,458.93. Of this amount $424,594.28 has been paid or credited in the last five years.

The officers are: William T. Dodge, president, dating from 1902; George H. McDowell and James W. Ablett, vice-presidents, from 1902; and Charles R. Ford, treasurer, from 1896.

THE SOUTHERN NATIONAL BANK OF WILMINGTON, N. C.

ALTHOUGH the youngest of North Carolina's financial institutions, the Southern National Bank of Wilmington has already taken rank with the foremost banking-houses of the South, and its establishment is second to none in its methods, facilities and equipment for conducting banking business.

The Southern National was organized September 11, 1905, with $200,000 capital, and opened for business on September 18 following with a subscribed surplus of $100,000. The prime mover in the enterprise was Mr. Matt J. Heyer, who with other prominent business men of Wilmington recognized the need, in the banking center of the state, of a national bank with ample capital, surplus, resources and connections, equipped with every modern facility for the safe conduct and quick despatch of banking business.

Mr. Heyer and the merchants and manufacturers who affiliated themselves with him in considering the project were men of action as well as suggestion, and the realization of the undertaking was soon accomplished. An innovation insisted upon by the promoters was a determination to fix the control of the bank, not in the hands of a few, but to place the stock in small lots with successful, practical business men in every avenue of life; men who began as wage-earners and had accumulated something by their individual industry, honesty and enterprise. As a result, the stock of the bank is distributed among nearly two hundred successful business men of North Carolina. The board of directors, fourteen in number, are paid for their services in directing the affairs of the institution, which is operated along broad yet conservative lines, in the interest of its customers and stockholders, no twenty of whom can control its stock or its policy.

SOUTHERN NATIONAL BANK BUILDING, WILMINGTON, N. C.

According to a statement made November 9, 1905, less than sixty days after the bank opened, it had loans and other resources amounting to $696,334.24. At that time it had deposits aggregating $270,019.37, surplus of $24,110 and undivided profits of $2,204.87. On January 15, 1906, the subscribed surplus had been fully paid and the resources had increased about $150,000.

The banking rooms occupied by the Southern National are among the handsomest in the South. The building is Romanesque in style, six stories, of Pennsylvania brownstone in the two lower stories and Washington red pressed-brick with brownstone trimmings and terra-cotta corners above. The interior fixtures and fittings correspond to the best of metropolitan banking institutions. The lobby is wainscoted in marble, the counters are of Italian marble with verde-antique base, the floors are of white ceramic tile with colored borders, and the wood finish is quartered oak in Old English stain with columnar effect. All the equipments, including vaults, doors and locks, are of the most approved order, as also are the heating and lighting systems. The safe-deposit vaults in the basement are accessible from the outside, and hence can be used before and after regular banking hours. The upper stories of the building are devoted to office purposes.

The officers are as follows: Matt J. Heyer, president; Hugh McRae, first vice-president; D. L. Gore, second vice-president; directors, Matt J. Heyer, Hugh McRae, D. L. Gore, J. A. Arringdale, Z. W. Whitehead, J. A. Taylor, J. H. Rehder, L. Hanson, Isadore Bear, Eduard Ahrens, S. O. Middleton, H. C. Bridger, C. C. Pridgen and D. D. McColl.

PANAMA BANKING COMPANY.

The Panama Banking Co. has established New York city offices at 17 State Street. This company was established about a year ago at Panama for the purpose of doing a banking business between the United States, Mexico, Central and South America. The New York office is in charge of Mr. E. C. Bataille, president of the company. In addition to the main office at Panama, branches are maintained at Colon, Culebra, Gorgona and Empire, the last three in the canal zone.

NEW YORK STATE BANKERS' ASSOCIATION.

THE annual convention of the New York State Bankers' Association, will be held at the Hotel Champlain, Bluff Point, N. Y., July 5, 6 and 7. David H. Pierson, chairman of the committee of arrangements, announces that the Delaware & Hudson, New York Central and the People's Line of steamers have made a reduction in fares. Among the speakers who will address the convention are F. A. Vanderlip, of New York, S. R. Flynn, of Chicago, and J. A. S. Pollard, of Fort Madison, Ia.

The committee has also arranged incidental trips to delegates, such as the following: A trip to Lake Placid on Saturday, July 7, a visit to Ausable Chasm, parade of United States troops stationed at Plattsburg, a banquet on the evening of July 5, and an open air concert on the evening of July 6.

BANKING AND BUSINESS SYSTEM

MECHANICAL AIDS TO THE EVER-INCREASING WORK OF THE MODERN BUSINESS OFFICE.

Among the requirements of the modern business office or institution the desk tray, the filing cabinet and the card index have come to hold first place. Without them no business of magnitude could today be successfully conducted. System is the keynote of successful business, and the perfection of the system depends largely upon the combined efficiency and simplicity of the mechanical methods and appliances employed.

FIGURE 1.

FIGURE 2.

FIGURE 3.

FIGURE 4.

Many and various are the devices and so-called systems to meet the demand of the times that have been originated by the manufacturers of office furniture, all possessing some features of merit, but many of them requiring an elaboration of outfit too cumbersome and complicated, not to say too expensive, for the needs of the average office business, and calling for the services of a special clerk to keep them in order. Simplicity and elasticity are the chief requisities, and these seem to be peculiarly characteristic of the Vetter Perpetual Sectional Cabinets, made by the Vetter Desk Works, of Rochester, N. Y. The term "perpetual" in this connection has a practical meaning, as the "system" has only one end, and that is the beginning, to which one can add from time to time as his business grows and necessity demands.

The first of the accompanying illustrations shows a series of three lateral stacking vertical filing cabinets. In the second illustration these sections are brought together and fastened, making practically a solid constructed cabinet. Each section is a complete cabinet, and as the sections are so made as to stack perfectly and accurately, any number of sections combined make a complete cabinet—files for various purposes being added as the business expands, and stacked with the original section.

The other cuts illustrate the Vetter Unique Vertical Tray outfit, which to the business man is better than a private secretary, as it provides for having all important letters and papers at his finger ends, for convenient and instant reference, without the trouble of asking for them. With this system the daily correspondence and memoranda of matters pending are assorted and at once filed and indexed for ready use, leaving the desk clear for conveniently transacting the day's business. These outfits are equipped with 200 folders, and sets of alphabetical, monthly and daily guides, and can be securely locked by simply closing the curtain which fastens by a spring lock.

The Vetter Desk Works have been manufacturing filing cabinets and office furniture of the highest grade for more than a quarter of a century, and from the standpoint of perfect construction, quality and finish, their products are equal, to say the least, to any now on the market.

CHANGES IN THE DEPARTMENT OF BUSINESS SYSTEMS.

MAY 1, Mr. C. N. Smith, who has been connected with the Chicago organization in a special capacity, came to the Home Office to assist in the conduct of the Business Systems Department. Mr. Smith's experience in the Auditing Department of the Standard Oil Company and as special representative for the Baker-Vawter Company of Chicago, the well known auditors, accountants and systematizers, and lately his experience as salesman for the Burroughs Adding Machine Company, fits him as a system man to assist the force in solving the various problems that may come before it, and his experience as salesman will very materially benefit the character of the advertising suggestions and methods he will offer.

In connection with the above, it will interest the force to learn that we have made arrangements with Mr. E. B. Looker to take a position as an assistant in the Systems Department with special reference to accounting methods. Mr. Looker was formerly connected with the Auditing Department of the Standard Oil Company and the Auditing Department of the United States Steel Corporation, and latterly he has been very successfully connected with N. A. Hawkins & Company, a well known firm of public accountants, systematizers and auditors of Detroit.

MONEY, TRADE AND INVESTMENTS

New York, June 3, 1906.

A SHARP RECOVERY IN PRICES at the Stock Exchange, following the tremendous decline of the previous month, was the conspicuous event of the month. The decline, however, extended over into May, and Wednesday, May 2, will long be remembered as one of Wall Street's panic days. Reviewers of the market of that day said, "no security had apparently any value." So it seemed. More than 100 stocks sold on that day at the lowest prices recorded this year. Nor were they the stocks which are usually considered footballs of speculation. In fact, the leader of the decline on that memorable day was St. Paul, which in January last was quoted at 193 but fell to 155¼ on May 2. Gilt-edged bonds came tumbling after, and for a great many the date in the low price column is May 2.

But the panic spent its force on the same day and a recovery began which subsequently carried prices well above the low point, although late in the month the security market became quiet and without any pronounced tendency either upward or downward.

The month has not been one in some ways to encourage optimism. Aside from the settlement of the anthracite coal strike which ended in the framing of an agreement on May 7 to extend for three years from April 1, 1906, the old agreement between the operators and the mine workers, the developments were in the nature of discouraging revelations.

On May 4 a message to Congress from the President, accompanied by a report of Commissioner of Corporations Garfield, arraigned the Standard Oil Company for obtaining secret rebates. Following this later in the month came the disclosures in the investigation conducted by the Interstate Commerce Commission of extensive gifts of money and stocks to officers and employees of the Pennsylvania Railroad from patrons of the road, presumably for favors received or expected. With these revelations came indications that the practice had extended to other railways. On top of these developments came the publication of allegations regarding the beef-packing establishments of the country. Some of the details are of a revolting character, and belief in their accuracy caused the Senate to attach a rider to the agricultural appropriation bill providing for Government inspection of the beef-packing concerns.

It were useless to deny that such a budget of uncovered methods of a doubtful character, to put it as mildly as possible, must have an unfavorable influence upon public sentiment as well as upon the reputation of American corporations. Public opinion abroad is now being aroused against our life insurance and our food products and to some extent against our securities. From the many revealed delinquencies in our financial and commercial life in the last two years it must be admitted that prosperity carries many serious menaces to moral standards.

The money market during the month worked down to a normal level and for the present the indications are favorable for easy money. At the close of the month the Secretary of the Treasury announced that he would discontinue the receipt of securities against gold withdrawn from the sub-Treasury to encourage gold inmports. While this plan of the Secretary was in force more than $50,000,000 of gold was imported into the United States, and the effect is seen in the increased stock of gold now in our money supply. On April 1 the total amount was estimated at $1,418,000,000, or nearly $2,000,000 less than on January 1. On May 1 it had increased to $1,433,000,000 and on June 1 to nearly $1,467,000,000. In two months the increase was $49,000,000.

The amount of money in actual circulation has been increased almost beyond precedent in the last two months. In April the increase was nearly $44,000,000 and in May it was more than $23,000,000, a total increase of $67,000,000. The estimated per capita circulation, which on April 1 was $31.75, increased to $32.45 on June 1, or an average of 70 cents per capita in two months.

The first steps in the direction of rehabilitating San Francisco were taken last month. The earthquake occurred on April 18, and for a month the work of restoring the ruined city was delayed pending the settlement of a number of difficult problems, among them the adjustment of insurance losses. The banks reopened for business on May 21, and the Governor of California announced that the legal holidays which had been declared since the fire would come to an end on June 3.

The evidence that the city was over supplied with available cash was quickly forthcoming after the banks had obtained access to their vaults and had resumed business. In the few days before the end of the month $6,000,000 was shipped to New York from San Francisco, and it is now believed that a considerable part of the money sent to San Francisco in the month following the fire will be returned to the Eastern money centres.

Different views are taken of the effect of the San Francisco disaster upon financial affairs in the future. There are those who believe that the activity stimulated in various industries by the rebuilding of the city will make for favorable conditions. On the other hand, the loss of the vast millions represented by property destroyed is a calamity which many believe must carry evil consequences. The "Journal of Commerce," a very careful authority on fire statistics, estimates that the value of property destroyed in the San Francisco conflagration was at least $280,000,000, and that the loss to insurance companies is $175,000,000. Here is $105,000,000 of property wiped out of existence, with no indemnity whatever to the former owners, while $175,000,000 additional is destroyed, but the insurance companies instead of the owners are mulcted.

The fire insurance companies have been hit very hard, but at no previous time have they so well demonstrated their ability to meet the losses of a great conflagration as in the San Francisco disaster. Comparatively few companies have failed. Some have been compelled to increase their capital, while a large number have been able to pay all their losses without impairing their capital at all.

How fluctuating are the losses caused by fire is made to appear in the following table, published by the "Journal of Commerce," showing the fire loss in the United States and Canada in each month since January 1, 1904, and in the first five months of each of the last three years:

FIRE LOSSES IN THE UNITED STATES AND CANADA.

	1904.	*1905.*	*1906.*
January	$21,790,200	$16,878,100	$17,723,800
February	90,051,000	25,591,000	13,249,350
March	11,212,150	14,751,400	13,727,750
April	23,623,000	11,901,850	292,501,150
May	15,221,400	12,736,250	16,512,850
Total 5 months	$161,891,750	$81,858,100	$353,714,900
June	10,646,700	11,789,800	....
July	11,923,200	13,178,250	....
August	9,715,200	11,435,600	....
September	14,387,650	13,715,250	....
October	12,866,200	12,267,000	....
November	11,515,000	16,178,200	....
December	19,422,350	15,276,600	....
Total 12 months	$252,364,050	$175,157,800	....

The table includes two conflagrations of exceptional extent, the Baltimore fire in February, 1904, and the San Francisco fire in April, 1906. The fire loss in 1904 ranged from $9,715,200 in August to $90,051,000 in February, in 1905 from $11,435,000 in August to $25,591,000 in February. So far this year the smallest loss was in May, $16,512,850, and the largest in April, $292,501,150. It is not possible to study the monthly records of fire losses for any number of years without becoming convinced that no law such as that discovered in life insurance regulates the number of fatalities or prescribes their regular occurrence.

One happening of the last month involved to some extent the welfare of one of the leading life insurance companies in the United States. The Mutual Life having terminated its relations with an employee who had for years represented the company as its London manager, the latter undertook to transfer practically all the British business of the company to an English company. The veriest tyro in life insurance understands that a policy-holder who has been insured a few years or more cannot afford to transfer from one company to another. The action of the London manager is therefore fairly open to criticism even without making a defence of the Mutual Life. The event, however, is only another instance of the upheaval that has occurred among the great financial interests of the country in the last few years.

The Pennsylvania Railroad last month successfully placed $50,000,000 of 4½ per cent. notes to run eighteen months at a price which makes the interest about five per cent. The amount was largely oversubscribed. The company will use the proceeds in construction work, largely upon the tunnel line and terminal station in New York.

Among the events of the month which had some influence in the minds of investors was the passage of the railroad rate bill in the United States Senate on May 18, by a vote of 71 to 3, the negative votes being cast by Senator Foraker, Republican, of Ohio, and Senators Morgan and Pettus, Democrats, of Alabama. The measure had been under general discussion in the Senate since March 12.

Of local interest, yet of more than local influence, was the signing by Governor Higgins, of New York, of the bill repealing the annual mortgage tax. This bill substitutes a single recording tax of one-half of one per cent. and may be paid by either borrower or lender. The effect of the amended law will be to cause a general reduction of one-half of one per cent. in the rate of interest charged borrowers on new loans on real estate.

The Government crop report on May 10 showed that the average condition of winter wheat on May 1 was 91, as compared with 89 on April 1, 92 on May 1, 1905, and 76 on May 1, 1904. The area of winter wheat under cultivation is estimated at 29,623,000 acres, or about 241,000 acres less than the area harvested last year.

An upward movement in the silver market in London has carried the price of that metal to the highest point touched in ten years. On May 23 the price was 31⅜d. per ounce English standard, the equivalent of which for an American ounce 1,000 fine, is 68.78 cents. At this price the bullion value of the standard dollar is about 53.20 cents. The English price of silver has not been as high as 31d. at any time since 1896 until this year. The lowest point ever reached was 21 11-16d., in 1902 and 1903. At that price the standard dollar was worth as bullion only 36.77 cents. In the following table are shown the highest and lowest London quotations of silver in 1873, in 1878, and in each year since 1890:

PRICE OF SILVER IN LONDON.

	Highest. Pence.	*Lowest.* Pence.		*Highest.* Pence.	*Lowest.* Pence.
1873	59 15-16	57⅞	1897	29 13-16	23⅝
1878	55¼	49½	1898	28⅝	25
1890	54⅝	45⅝	1899	29	26⅝
1891	48¾	43½	1900	30¼	27
1892	42¾	37⅞	1901	29 9-16	24 15-16
1893	38¾	30½	1902	26 1-16	21 11-16
1894	31¾	27	1903	28½	21 11-16
1895	31⅜	27 3-16	1904	28 9-16	24 7-16
1896	31 15-16	29¾	1905	30 5-16	26¼

It was in 1873 that the silver dollar was "demonetized." In that year the bullion value of the dollar fluctuated between 98 cents and $1.01.7. In 1878 the Government began the purchase of $2,000,000 of silver bullion a month and coined it into standard dollars. In that year the bullion value of the silver dollar was 83.9@93.7 cents. In 1890 the Government increased its purchase of silver to 4,500,000 ounces a month, but stopped the compulsory coinage. By that time the value of the silver dollar had fallen to 74@92.6 cents. In 1893, after the Government had purchased $464,000,000 of silver, Congress repealed the silver purchase law and the silver dollar had fallen in bullion value to 51.7@65.7 cents. Since that time silver had tended downward, except for a temporary advance in 1900, until a little more than two years ago.

The present advance is taken to be in response to a legitimate demand for the use of silver for subsidary coinage purposes, for use in India on account of the heavy wheat and cotton crop in that country, and possibly the large increase in gold production. A constantly increasing quantity of silver is being used in the arts, nearly one-third of the total world's production being used annually for this purpose.

THE MONEY MARKET.—Early in the month the local money market was under considerable strain. On May 2, when prices on the Stock Exchange reached the lowest point touched this year, call money rose to 12 per cent. More favorable conditions immediately thereafter began to develop, and rates for money steadily declined. At the close of the month call money ruled at 2@4½ per cent., with the majority of loans at 3½ per cent. Banks and trust companies loaned at 3 per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 4@4½ per cent. for 30 to 90 days, 4½@5 per cent. for 4 to 6 months and 4½@5½ per cent. for seven months, on good mixed collateral. For commercial paper the rates are 5@5½ per cent. for sixty to ninety days' endorsed bills receivable, 5@5½ per cent. for first-class four to six months' single names, and 5½@6 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Jan. 1.	*Feb. 1.*	*Mar. 1.*	*April 1.*	*May 1.*	*June 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	25 –75	3¾–4	4¾–6¾	4 –7¾	3½–4¾	2 –4½
Call loans, banks and trust companies	25 –75	3¾–	3 –	4 –	4 –	3 –
Brokers' loans on collateral, 30 to 60 days	6 – ½	4½–	5½–6	4¾–5	5½-6	4 – ½
Brokers' loans on collateral, 90 days to 4 months	6 –	4½– ¾	5½– ¾	4¾–5	5½–6	4 – ½
Brokers' loans on collateral, 5 to 7 months	5½–	4½– ¾	5¼– ½	4¾–5	5½–6	4½–5
Commercial paper, endorsed bills receivable, 60 to 90 days	6 –	4½–5	5 – ½	5¼– ½	5½–6	5 – ½
Commercial paper prime single names, 4 to 6 months	6 –	4¾–5¼	5¼– ¾	5¼– ½	5½–6	5 – ½
Commercial paper, good single names, 4 to 6 months	6½– 7	5½–6	6 –	6 –	6 –	5½–6

NEW YORK BANKS.—The weekly bank statements in May were a fair index of the changes which occurred in conditions and sentiment. In the first two weeks of the month deposits were reduced $14,000,000 and loans nearly as much. In the following three weeks ended June 2 deposits were increased nearly $10,000,000 and loans nearly $26,000,000. The effect of the large increase in loans is seen in a cutting down of the surplus reserve, $6,000,000 since May 12. It is, however, $700,000 larger than at this time a year ago. Both loan and deposit are now larger

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
May 5...	$1,042,110,900	$183,146,600	$79,571,300	$1,027,273,500	$5,899,525	$50,844,200	$2,590,218,500
" 12...	1,025,650,500	186,443,400	80,090,300	1,014,556,400	12,894,600	50,378,700	1,943,995,900
" 19...	1,040,722,100	185,441,600	81,395,900	1,026,832,900	10,129,275	50,011,800	1,928,703,800
" 26...	1,049,390,800	180,981,000	83,896,100	1,032,731,800	6,694,150	49,834,900	1,665,808,100
June 2...	1,051,543,200	188,105,600	82,898,200	1,036,751,100	6,816,025	49,739,200	1,581,568,900

than at any previous time since the close of February. In fact, loans are within about $10,000,000 of the largest recorded this year and deposits within $25,000,000. Compared with a year ago loans show a decrease of $50,000,000 and deposits of $100,000,000.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1904.*		*1905.*		*1906.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425	$977,651,300	$4,292,575
February	1,023,943,800	25,129,050	1,189,828,600	26,979,550	1,061,408,100	11,127,625
March	1,027,920,400	32,150,200	1,179,824,900	14,646,075	1,029,545,000	5,008,755
April	1,069,369,400	27,755,050	1,138,661,300	8,664,575	1,004,290,500	5,181,270
May	1,114,367,800	33,144,250	1,146,528,600	16,665,250	1,028,683,200	10,367,400
June	1,096,953,500	29,692,325	1,136,477,700	6,050,275	1,036,761,100	6,816,025
July	1,152,988,800	36,105,300	1,166,088,900	11,658,875	....	....
August	1,204,965,600	55,969,600	1,190,744,900	15,305,975	....	....
September	1,207,302,800	57,375,400	1,166,587,200	5,498,785	....	....
October	1,212,977,100	19,913,425	1,080,465,100	7,440,025	....	....
November	1,204,434,200	16,798,650	1,042,092,300	12,430,925	....	....
December	1,127,878,100	8,539,075	1,023,882,300	2,565,375	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,146-163,700 on August 5, 1905, and the surplus reserve $111,623,000 on Feb. 8, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
May 5	$144,765,900	$156,876,900	$6,604,700	$7,142,600	$15,095,700	$5,411,400	* $4,889,825
" 12	144,933,900	156,398,300	6,651,800	7,462,000	14,816,800	5,551,600	* 4,617,875
" 19	143,484,700	154,783,000	6,622,300	7,307,000	14,865,700	5,764,400	* 4,636,350
" 26	143,162,800	156,795,900	6,490,200	7,347,000	16,484,900	5,587,500	* 3,019,875
June 2	143,198,200	154,432,800	6,437,300	7,254,900	14,309,500	6,029,800	* 4,589,200

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
April 28	$177,742,000	$202,781,000	$15,484,000	$5,403,000	$7,433,000	$157,807,206
May 5	176,591,000	202,475,000	14,793,000	5,890,000	7,475,000	179,632,000
" 12	174,466,000	198,498,000	15,336,000	5,556,000	7,467,000	154,317,700
" 19	173,767,000	201,949,000	15,394,000	5,697,000	7,479,000	152,658,400
" 26	174,960,000	199,481,000	14,854,000	5,876,000	7,546,000	139,235,400

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
April 28	$211,326,000	$245,352,000	$60,249,000	$13,964,000	$154,911,800
May 5	213,948,000	245,178,000	59,074,000	14,012,000	173,443,100
" 12	212,170,000	243,249,000	57,809,000	13,958,000	141,379,100
" 19	212,408,000	249,691,000	62,489,000	13,972,000	139,460,600
" 26	214,225,000	252,371,000	64,171,000	13,956,000	154,489,500

FOREIGN BANKS.—Germany and Russia gained gold last month, the former $15,000,000 and the latter $23,000,000, while England and France lost gold, each $10,000,000. Compared with a year ago the

Bank of England has lost $20,000,000 gold, the Bank of France gained $15,000,000 and Russia lost nearly $50,000,000

GOLD AND SILVER IN THE EUROPEAN BANKS.

	April 1, 1906.		May 1, 1906.		June 1, 1906.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£38,450,218	....	£35,504,720	....	£36,672,322	....
France	116,906,386	£42,035,000	119,548,505	£42,295,517	117,647,607	£42,531,659
Germany	38,792,000	12,981,000	36,523,000	12,174,000	39,515,000	13,172,000
Russia	92,635,000	4,762,282	90,063,000	4,914,000	94,741,000	5,572,000
Austria-Hungary	46,089,000	12,859,000	46,257,000	12,880,000	46,650,000	12,874,000
Spain	15,078,000	23,849,000	15,111,000	24,133,000	15,184,000	24,452,000
Italy	28,297,000	3,855,600	28,360,000	3,886,700	28,575,000	3,963,400
Netherlands	6,054,000	6,045,600	5,469,300	5,923,300	5,522,000	5,770,800
Nat. Belgium	3,422,000	1,11,000	3,232,000	1,616,000	3,234,667	1,617,333
Totals	£385,723,654	£108,048,482	£377,063,525	£107,822,517	£384,691,996	£109,953,193

FOREIGN EXCHANGE.—The sterling exchange market was weak early in the month, but an advance in the rates of discount by the Bank of England caused the market to become stronger. Toward the end of the month the money situation abroad became easier and loaning rates in New York declined, causing sterling exchange to become irregular.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
	60 days.	Sight.			
May 5	4.8075 @ 4.8100	4.8415 @ 4.8425	4.8475 @ 4.8500	4.80⅛ @ 4.80¼	4.79⅛ @ 4.80⅝
" 12	4.8225 @ 4.8250	4.8550 @ 4.8560	4.8605 @ 4.8610	4.81¾ @ 4.81⅞	4.81¼ @ 4.82⅛
" 19	4.8210 @ 4.8215	4.8515 @ 4.8525	4.8565 @ 4.8575	4.81¾ @ 4.81⅞	4.81¼ @ 4.82⅛
" 26	4.8210 @ 4.8220	4.8520 @ 4.8530	4.8565 @ 4.8575	4.81⅞ @ 4.82	4.81 @ 4.82⅛
June 2	4.8210 @ 4.8225	4.8510 @ 4.8525	4.8565 @ 4.8575	4.81¾ @ 4.81⅞	4.81⅛ @ 4.82⅛

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Feb. 1.	Mar. 1.	April 1.	May. 1.	June 1.
Sterling Bankers—60 days	4.84 —	4.82⅝— ¾	4.82½— ⅝	4.81¼— ⅜	4.81 — ⅛
" " Sight	4.87¼— ⅜	4.86 — ⅛	4.85¼— ⅜	4.84¼— ⅜	4.82⅛— ¼
" " Cables	4.87⅞—88	4.86⅝— ¾	4.85¾— ⅞	4.84⅞—85	4.85⅝— ¾
" Commercial long	4.83⅝— ¾	4.82⅝— ⅞	4.83⅛— ¼	4.81 — ¼	4.81¾— ⅞
" Docu'tary for paym't.	4.83¼— 4⅛	4.82 — ⅞	4.81⅝— 2¼	4.80¾— 1¾	4.81½— 2⅛
Paris—Cable transfers	5.15 —14⅝	5.16¼—	5.16⅞—	5.18¾— ⅛	5.18⅛—
" Bankers' 60 days	5.17⅛—	5.18¾—	5.19⅜—	5.21⅞— ¾	5.21¼—20⅝
" Bankers' sight	5.15⅝—	5.16⅞—	5.17½—	5.19⅜—18¾	5.18¾—
Swiss—Bankers' sight	5.16⅞—	5.18⅛—	5.18⅛—	5.19⅜—	5.18¾— ⅛
Berlin—Bankers' 60 days	94⅝— 11/16	94⅝—	94¼— 5/16	94 — ⅛	94⅛— ¼
" Bankers' sight	95⅛—	94 13/16— ⅞	94 13/16—	94½— 5/16	94 11/16— ¾
Belgium—Bankers' sight	5.16¼—	5.18⅛—	5.18¾—	5.20⅝—20	5.20 —19⅞
Amsterdam—Bankers' sight	40 3/16— ¼	40 — 1/16	40 1/32— 1/16	39⅞— 15/16	39 15/16—40
Kronors—Bankers' sight	26¾—27	26 11/16— 13/16	26¼— ⅞	26⅝— ⅞	26¾—27
Italian lire—sight	5.16¼ —15⅝	5.16⅞— ¼	5.19⅞—	5.19⅝—18¾	5.17½—16⅞

MONEY RATES ABROAD.—The Bank of England on May 3 advanced its rate of discount from 3½ to 4 per cent., but the Imperial Bank of Germany on May 23 reduced its rate from 5 to 4½ per cent. Open market rates, both in London and on the Continent, are lower than they were a month ago. Discounts of sixty to ninety-day bills in London at the close of the month were 3½ per cent., against 4 per cent. a month ago. The open market rate at Paris was 2¼ per cent., against 2½ per cent. a month ago, and at Berlin and Frankfort 3½ per cent., against 4½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Feb. 28, 1906.	*Mar. 31, 1906.*	*Apr. 30, 1906.*	*May 31, 1906.*
Circulation (exc. b'k post bills)	£28,266,000	£28,498,000	£29,062,000	£28,946,000
Public deposits	18,097,000	19,259,000	8,829,000	10,048,000
Other deposits	45,449,000	43,620,000	48,082,000	42,678,000
Government securities	16,389,000	16,115,000	15,977,000	15,977,000
Other securities	33,032,000	36,754,000	36,394,000	31,488,000
Reserve of notes and coin	27,477,000	28,402,000	21,892,000	23,176,000
Coin and bullion	37,268,884	38,450,118	32,504,718	33,672,322
Reserve to liabilities	43.18%	45.12%	38.76%	43.90%
Bank rate of discount	4%	4%	3½%	4%
Price of Consols (2½ per cents.)	90⅝	90⅛	90⅝	89⅝
Price of silver per ounce	30⅝d.	29 15/16d.	30½d.	31⅛d.

SILVER.—The price of silver in London advanced quite steadily during the month, reaching 31⅜d. per ounce on May 23, the highest point in some years. The closing price for the month was 31⅛d., a net advance of ⅝d.

MONTHLY RANGE OF SILVER IN LONDON—1904, 1905, 1906.

MONTH.	*1904.*		*1905.*		*1906.*		MONTH.	*1904.*		*1905.*		*1906.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	27 5/16	25⅛	28⅜	27 5/16	30¼	29 11/16	July	27	26⅝	27 5/16	26⅞	....	....
February	27⅛	25⅝	28 5/16	27⅝	30 11/16	30⅛	August	27	26 5/16	28¾	27⅛	....	....
March	26 11/16	25⅛	27 11/16	25 11/16	30 7/16	29	Septemb'r	26⅞	26	28¾	28	....	....
April	25⅛	24 7/16	26⅝	25 7/16	30 5/16	29⅝	October	26 11/16	26⅛	28 11/16	28⅜	....	....
May	25 11/16	25⅛	27 1/16	26⅛	31⅜	30 1/16	Novemb'r	27 5/16	26¾	30 5/16	28 11/16	....	....
June	26⅛	25 5/16	27⅛	26¾	....	....	Decemb'r	28 9/16	27 5/16	30 5/16	29⅜	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.85½	$4.88	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.85	4.88	Mexican 20 pesos	19.55	19.65
Twenty francs	3.86	3.89	Ten guilders	3.95	4.00
Twenty marks	4.74	4.78	Mexican dollars	.52¼	.54¼
Twenty-five pesetas	4.78	4.82	Peruvian soles	.47⅛	.50
Spanish doubloons	15.55	15.65	Chilian pesos	.47½	.50

Bar silver in London on the first of this month was quoted at 31⅛d. per ounce. New York market for large commercial silver bars, 67⅛ @ 69⅛c. Fine silver (Government assay), 67⅝ @ 69⅝c. The official price was 67⅜c.

NATIONAL BANK CIRCULATION.—The volume of national bank notes issued increased $2,483,378 in May of which nearly $900,000 is represented by an increase in lawful money deposited to retire the notes. The Government bonds deposited to secure circulation increased about $2,900,000, but the 2 per cent. bonds which constitute the great bulk of the deposits, show a decrease of nearly $1,400,000. The national banks deposited $3,400,000 of the 4 per cent. of 1907 and $650,000 of the 4 per cent. of 1925. Most of the 2 per cent. withdrawn as security for bank circulation have apparently been substituted as security for public deposits while more than $13,000,000 of state, municipal and railroad bonds have been withdrawn. The total securities now deposited against public deficit amount to $96,000,000, a decrease in the past month of $10,000,000.

NATIONAL BANK CIRCULATION.

	Feb. 28, 1906.	*Mar. 31, 1906.*	*Apr. 30, 1906.*	*May 31, 1906.*
Total amount outstanding	$550,803,895	$554,666,967	$556,646,282	$559,129,660
Circulation based on U. S. bonds	507,173,566	512,221,551	514,423,519	516,036,146
Circulation secured by lawful money	41,630,829	42,445,416	42,222,763	43,093,514
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	6,725,700	8,479,200	10,772,200	14,194,800
Four per cents. of 1925	4,058,500	3,989,500	3,749,500	4,399,500
Three per cents. of 1908-1918	1,958,240	2,219,540	2,263,840	2,421,380
Two per cents. of 1930	499,104,000	499,674,750	499,601,900	498,249,850
Total	$511,846,440	$514,362,990	$516,387,440	$519,265,530

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $5,855,700; 4 per cents. of 1925, $7,193,800; 3 per cents. of 1908-1918, $8,896,900; 2 per cents. of 1930, $45,955,500; District of Columbia 3.65's, 1924, $1,076,000; Hawaiian Islands bonds, $1,478,000; Philippine loan, $7,515,000; State, city and railroad bonds, $23,762,325; a total of $96,235,225.

GOVERNMENT REVENUE AND DISBURSEMENTS.—The Treasurer reported a surplus in May of $2,131,812, making for the eleven months of the fiscal year a total of $6,162,378. This compares with a deficit of about $3,000,000 in May last year and of $37,000,000 in the eleven months. The improvement over the premium year is due almost entirely to an increase in revenues. In May they were $4,000,000 greater than in 1905, while the expenditures were reduced less than $900,000. There was a decrease of $2,000,000 in civil and miscellaneous expenditures, of $600,000 in navy, of $800,000 in pensions, and $500,000 in interest, but an increase of $300,000,000 in public works. The latter item shows an increase of $20,000,000 for the eleven months ended May 31.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*May, 1906.*	*Since July 1, 1905.*
Customs	$23,178,144	$274,398,148
Internal revenue	20,323,841	226,456,480
Miscellaneous	4,478,083	38,693,005
Total	$47,980,028	$539,547,633
Excess of receipts,	2,131,812	6,162,378

EXPENDITURES.

Source.	*May, 1906.*	*Since July 1, 1905.*
Civil and mis	$7,538,882	$113,353,507
War	6,874,998	88,960,614
Navy	8,817,596	108,505,348
Indians	1,124,269	11,973,386
Pensions	13,081,696	130,660,017
Public works	6,814,516	61,039,096
Interest	1,596,254	28,893,285
Total	$45,848,211	$533,385,255

UNITED STATES PUBLIC DEBT.—The net public debt less cash in the Treasury was reduced last month about $2,500,000 and is now about $982,000,000, or a trifle in excess of the amount on April 1, last. The Government continues to increase the outstanding issues of certificates. Nearly $7,000,000 gold certificates and $2,000,000 silver certificates were issued in May. The certificates now outstanding, including $7,500,000 of Treasury notes, secured by an equal amount of gold and silver in the Treasury approximate $1,040,000,000. The cash balance reported in the Treasury on May 21, was $310,000,000, of which $92,500,000 is on deposit in national bank depositaries.

UNITED STATES PUBLIC DEBT.

	Mar. 1, 1906.	*April 1, 1906.*	*May 1, 1906.*	*June 1, 1906.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$595,942,350	$595,942,350	$595,942,350	$595,942,350
Funded loan of 1907, 4 "	116,755,050	116,755,050	116,755,050	116,755,150
Refunding certificates, 4 per cent	26,410	26,410	26,400	26,290
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	63,945,460	63,945,460	63,945,460	63,945,460
Total interest-bearing debt	$895,159,170	$895,159,170	$895,159,160	$895,159,150
Debt on which interest has ceased	1,156,705	1,139,425	1,139,145	1,135,045
Debt bearing no interest:				
Legal tender and old demand notes	346,734,298	346,734,298	346,734,298	346,734,298
National bank note redemption acct.	40,322,758	41,583,908	41,640,909	42,445,616
Fractional currency	6,866,709	6,865,959	6,865,959	6,865,959
Total non-interest bearing debt	$393,923,766	$395,184,165	$395,241,166	$396,045,873
Total interest and non-interest debt	1,290,239,641	1,291,482,760	1,291,539,471	1,292,340,068
Certificates and notes offset by cash in the Treasury:				
Gold certificates	542,360,869	544,746,869	550,691,869	557,599,869
Silver "	467,164,000	469,729,000	472,644,000	474,640,000
Treasury notes of 1890	7,969,000	7,794,000	7,661,000	7,504,000
Total certificates and notes	$1,017,493,869	$1,022,269,869	$1,030,996,869	$1,039,743,869
Aggregate debt	2,307,733,510	2,313,752,629	2,322,536,340	2,332,083,937
Cash in the Treasury:				
Total cash assets	1,418,958,612	1,434,138,945	1,441,615,921	1,453,270,606
Demand liabilities	1,116,240,526	1,124,279,623	1,134,489,696	1,142,885,230
Balance	$302,718,086	$309,859,322	$307,126,224	$310,385,376
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	152,718,086	159,859,322	157,126,224	160,385,376
Total	$302,718,086	$309,859,334	$307,126,224	$910,385,376
Total debt, less cash in the Treasury	987,521,555	981,623,822	984,413,247	981,954,692

MONEY IN CIRCULATION IN THE UNITED STATES.—There was an increase of more than $23,000,000 in the amount of money in circulation in the United States last month. The gain is the immediate result of the heavy imports of gold, the increase in gold coin being $11,000,000 and in gold certificates $13,000,000. In the last three months circulation has increased $72,000,000.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Mar. 1, 1906.	*Apl. 1, 1906.*	*May 1, 1906.*	*June 1, 1906.*
Gold coin	$648,856,052	$643,998,807	$672,524,404	$683,426,878
Silver dollars	79,363,766	81,711,486	80,424,056	78,602,135
Subsidiary silver	107,381,458	109,489,339	109,494,665	109,894,819
Gold certificates	491,783,819	489,830,619	500,696,889	518,808,789
Silver certificates	462,752,963	465,110,695	467,574,470	469,663,586
Treasury notes, Act July 14, 1890	7,912,455	7,768,095	7,640,039	7,477,218
United States notes	336,086,877	337,524,081	337,180,821	335,552,898
National bank notes	537,215,618	541,077,216	544,765,959	545,260,302
Total	$2,671,302,503	$2,676,504,788	$2,720,250,303	$2,743,681,120
Population of United States	84,194,000	84,311,000	84,428,000	84,545,000
Circulation per capita	$31.73	$31.75	$32.22	$32.45

MONIES IN THE UNITED STATES TREASURY.—The total money in the Treasury increased $27,000,000 last month, while the certificates issued increased $15,000,000, leaving a gain in net cash of $12,000,000. The balance is now in excess of $314,000,000.

MONEY IN THE UNITED STATES TREASURY.

	Mar. 1, 1906.	*Apl. 1, 1906.*	*May 1, 1906.*	*June 1, 1906.*
Gold coin and bullion	$768,151,387	$774,208,908	$760,926,166	$783,494,496
Silver dollars	488,865,099	486,517,429	487,804,809	489,626,730
Subsidiary silver	9,787,508	7,274,248	7,425,109	7,045,878
United States notes	10,594,189	9,156,935	9,550,695	11,128,123
National bank notes	13,588,277	13,589,731	11,880,328	13,869,358
Total	$1,290,966,405	$1,290,747,261	$1,277,587,102	$1,305,164,580
Certificates and Treasury notes, 1890, outstanding	962,398,737	962,709,409	975,910,898	990,944,593
Net cash in Treasury	$328,567,668	$328,037,852	$301,676,204	$314,219,987

SUPPLY OF MONEY IN THE UNITED STATES.—The stock of money in the country on June 1 was nearly $3,058,000,000, the largest ever reported. The increase in May was $36,000,000, an exceptional month's gain. Gold increased about $33,500,000 and national bank notes $2,500,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Mar. 1, 1906.	*Apl. 1, 1906.*	*May 1, 1906.*	*June 1, 1906.*
Gold coin and bullion	$1,417,007,439	$1,418,202,210	$1,433,450,570	$1,466,921,374
Silver dollars	568,228,865	568,228,865	568,228,865	568,228,865
Subsidiary silver	117,168,956	116,763,582	116,919,774	116,940,192
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	550,803,895	554,666,967	556,646,282	559,129,660
Total	$2,999,880,171	$3,004,542,640	$3,021,926,507	$3,057,901,107

FOREIGN TRADE OF THE UNITED STATES.—The export movement of merchandise continues to exceed all previous records. In April the exports were valued at nearly $144,500,000, or $16,000,000 more than in April, 1905. The import movement is also unparalleled in volume, the output in April reaching $107,000,000, or $12,000,000 more than in 1905. The net exports for the month were $37,000,000, the largest for April in any year since 1901. With two months of the current fiscal year to make returns, the exports for the year aggregate $1,488,000,000, or more than have been recorded in twelve months in previous years. Compared with the corresponding ten months of 1905, the exports show

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF APRIL.	MERCHANDISE.			*Gold Balance.*	*Silver Balance.*
	Exports.	*Imports.*	*Balance.*		
1901	$120,754,190	$76,698,131	Exp., $44,056,059	Imp., $2,667,827	Exp., $2,588,933
1902	109,169,873	75,822,268	" 33,347,605	Exp., 979,437	" 1,689,526
1903	109,827,215	87,682,106	" 22,145,109	Imp., 855,845	" 1,033,898
1904	109,880,405	83,521,882	" 26,358,523	" 9,180,288	" 1,617,322
1905	128,575,374	95,110,288	" 33,465,086	" 1,277,183	Imp., 242,277
1906	144,491,909	107,327,038	" 37,164,871	" 12,487,023	Exp., 1,417,061
TEN MONTHS.					
1901	1,260,422,817	676,124,805	Exp., 584,298,012	Imp., 23,278,454	Exp., 23,623,357
1902	1,190,157,387	754,516,807	" 435,640,580	" 228,726	" 18,214,429
1903	1,223,989,242	864,684,323	" 359,304,919	" 20,656,890	" 20,045,832
1904	1,277,715,480	829,231,975	" 448,483,505	" 46,828,164	" 16,931,002
1905	1,273,614,611	934,540,402	" 339,074,209	Exp., 39,238,805	" 17,290,923
1908	1,488,393,999	1,020,881,835	" 467,512,164	Imp., 29,377,564	" 19,571,795

an increase of nearly $215,000,000. The imports have reached nearly $1,020,000,000 in the ten months, an increase of $86,000,000 over 1905. The full fiscal year will no doubt show exports exceeding $1,700,000,000 and imports of $1,200,000,000. In April nearly $12,500,000 of gold was imported, making for the ten months ended April 30 a total of $29,000,000. The imports in May will further swell the total and the movement for the year ending June 30, 1906, will probably show net imports exceeding the net exports of the previous year.

EFFICACY OF THE BANK NOTE.

THE power to issue bank notes is in some degree less important today, with the diffusion of banking methods which has followed the enactment of the gold standard law, than it was ten years ago, but it has not ceased to be important. We can do without the bank note very well here in New York on ordinary occasions, but the people of the country districts, remote from banks and having no check accounts, can do without it less easily than we. And all of us, in periods when currency is greatly in demand, either because of the expansion of business or because other forms of credit are less acceptable, have felt the embarrassment of reducing our reserves by paying out our slender stock of legal-tender money, when we could just as well have met every ordinary requirement by turning the deposit account into the printed bank note. Our obligation in either case would have been substantially the same, but in issuing the note we should have afforded the client who desired currency the form of credit for which he asked.

This is the whole philosophy of a bank note currency—that it shall be available in the same manner as other forms of credit to meet certain needs under such restrictions as are necessary to protect the public against fraud and to secure uniformity. Does any one pretend that the present restrictions upon the issue of bank notes are limited to these simple requirements? Everyone knows that it is not so—that the present basis of our bank note circulation is the result of a shrewd project, in a great emergency now long since passed, to make a market for United States bonds. Every student of the subject knows that in hardly any other civilized country today do the same restrictions exist. In the two or three countries, including Japan and Argentina, which tried to follow our system, the chapter of accidents failed to protect them against the folly of basing notes redeemable on demand on long-term obligations issued by the Government in its hour of need.—*Charles A. Conant, Address before Reform Club.*

STOCKS AND BONDS

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of May and the highest and lowest during the year 1906, by dates, and also, for comparison, the range of prices in 1905:

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		MAY, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	93⅜	77⅝	96⅞—Jan. 13	85⅝—May 2	91⅛	85⅝	89⅝
• preferred	105⅝	99	106 —Jan. 8	99⅞—May 2	103	99⅞	103
Baltimore & Ohio	117	100⅛	117 —Jan. 27	105¾—May 2	109	105¾	107¾
Baltimore & Ohio, pref.	100	95¾	99½—Jan. 5	92½—May 2	95¼	92½	94
Brooklyn Rapid Transit	91⅝	56⅞	94⅛—Jan. 26	72 —May 2	84⅞	72	82
Canadian Pacific	177⅛	130¾	177¾—Jan. 19	155⅝—May 2	161¾	155⅝	159½
Canada Southern	74⅞	67	70⅞—Jan. 8	66¼—May 1	69¼	66¼	68½
Central of New Jersey	235	190	239⅞—May 24	204 —May 2	239⅞	204	237
Ches. & Ohio	60⅛	45½	62¼—Jan. 23	53⅛—Apr. 28	59½	53⅛	58⅝
Chicago & Alton	44½	30	38¼—Jan. 15	25 —May 5	30	25	29⅞
• preferred	83¾	73	80⅝—Jan. 12	74 —May 3	77	74	76
Chicago, Great Western	25⅛	17⅛	23⅝—Jan. 20	17½—May 2	20½	17½	19¼
Chic., Milwaukee & St. Paul	187½	168⅛	193 —Jan. 22	155¼—May 2	171¾	155¼	170½
• preferred	192½	182½	196 —Jan. 22	177½—May 2	181	177½	181
Chicago & Northwestern	249	190½	240 —Jan. 15	192 —Apr. 27	207	194½	205
• preferred	263½	234	270 —Mar. 30	230 — May 22	240	230	236½
Chicago Terminal Transfer	20	7¾	18¼—Jan. 19	9¾—Apr. 19	12½	11⅛	12¼
• preferred	42½	17½	42¾—Jan. 22	27 —Apr. 27	29	28⅞	29
Clev., Cin., Chic. & St. Louis	111	90	109⅞—Jan. 15	90¼— May 2	99	90¼	98¼
Col. Fuel & Iron Co.	59	38	83⅝—Jan. 26	40⅛—May 2	57¾	40⅛	56½
Colorado Southern	30⅛	23¼	37 —Jan. 24	29½—Jan. 4	34⅝	30	33⅞
• 1st preferred	69⅞	53	73½—Feb. 20	66½—Apr. 30	70½	66½	69¼
• 2d preferred	55	32½	56¾—Jan. 12	43 —May 2	49	43	47¾
Consolidated Gas Co.	214	175	181¾—Jan. 23	130⅝—Apr. 27	141	132¼	139¾
Delaware & Hud. Canal Co.	240¾	178½	229½—Jan. 18	189 —May 2	215	189	213
Delaware, Lack. & Western	498½	335	560 —May 24	437¾—May 2	560	437¾	549¾
Denver & Rio Grande	39¾	27¼	51⅞—Jan. 26	36⅝—May 2	44½	36⅝	44
• preferred	91¼	83¼	91½—Jan. 22	84⅞—May 2	88	84⅞	87½
Duluth So. S. & Atl., pref.	46¾	21	45 —Jan. 11	32 —Apr. 28	39⅝	33	38
Erie	52¾	37½	50⅞—Jan. 16	38⅛—May 2	47	38⅛	46¼
• 1st pref	85½	74⅞	83 —Jan. 15	75 —May 2	80¾	75	79½
• 2d pref	78⅜	55½	76⅜—Jan. 16	62½—Apr. 27	72½	62½	72
Express Adams	250	236	250 —Mar. 5	243 —May 16	250	243	250
• American	246	209½	249½—Jan. 26	215 —Apr. 26	230	215	217
• United States	134	110	138½—Jan. 26	109 —May 1	113	109	109
• Wells, Fargo	260	227	285 —May 31	233 —Mar. 19	285	255	285
Great Northern Pref.	335	236	348 —Feb. 9	275 —May 2	307⅜	275	306½
Hocking Valley	121½	86⅝	135 —Apr. 24	113½—Feb. 8	130½	123	131
• preferred	97¼	90	98½—Apr. 16	93 —May 2	98½	93	96¼
Illinois Central	183	125¾	182 —Jan. 12	164 —May 2	182	164	180
Iowa Central	32	24	34¾—Jan. 12	24¾—May 2	28	24¾	27¾
• preferred	61	50	63¾—Jan. 18	49 —May 4	53	49	50¾
Kansas City Southern	36¼	22⅛	37⅜—Jan. 5	23½—May 2	26½	23½	26
• preferred	70	52	71 —Jan. 5	50 —May 2	54	50	53¾
Kans. City Ft. S. & Mem. pref.	87	81⅝	84½—Feb. 7	80¾—Apr. 24	81	81	81
Lake Erie & Western	47½	28¼	44⅞—Jan. 12	32 —May 2	33½	32	33½
Louisville & Nashville	157⅜	134½	156½—Jan. 19	136¼—May 2	148¾	136¼	147⅞
Manhattan consol	175	161	162 —Jan. 26	147¼—May 2	154	147¼	152½
Metropolitan securities	91	68⅝	75⅞—May 11	70½—May 2	75⅞	70½	73
Metropolitan Street	133	114	118¾—Apr. 4	104½—May 3	116¼	104½	113½
Mexican Central	26	18¼	26⅝ Jan. 19	18⅜—May 2	23⅝	18⅜	22½
Minneapolis & St. Louis	84¾	56½	84¼—Jan. 11	69 —May 3	73	69	71
Minn., S. P. & S.S. Marie	145	89½	164 —Mar. 24	141½—Jan. 4	159	145¼	157½
• preferred	178	148	183¾—Jan. 11	163½—Apr. 30	175	164	174⅝

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1905.		HIGHEST AND LOWEST IN 1906.		MAY, 1906.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri, Kan. & Tex..........	39⅛	24	40⅝—Jan. 12	29 —May 2	35⅛	29	34⅛
• preferred.......	73	56¼	74⅝—Jan. 18	64¼—Apr. 27	69⅛	64½	68¼
Missouri Pacific...............	110⅞	94½	106¾—Jan. 20	85½—May 2	95¼	85½	94⅛
Natl. of Mexico, pref..........	45	33⅛	41 —Mar. 14	36 —Apr. 27	39½	36	39¼
• 2d preferred.,.........	24⅛	17¾	31¾—Feb. 24	19⅝ -Mar. 2	21	20¼	21
N. Y. Cent. & Hudson River..	167¾	136¾	156¼—Jan. 8	130½—May 2	142⅜	130½	139
N. Y., Chicago & St. Louis....	76¼	42	73½—Apr. 17	59 —Mar. 5	70¾	63	68⅛
• 2d preferred.........	95	74	91¾ -Jan. 9	80 —May 3	87	80	85¾
N. Y., Ontario & Western.....	64	40⅝	57¼—Jan. 27	43¾—May 2	53	43¾	51½
Norfolk & Western............	88½	76	93½—Feb. 1	84 —Feb. 28	90¾	84⅛	87¾
• preferred............	96	91⅛	96 —Jan. 6	89½—Apr. 12	91⅞	90	91⅛
North American Co...........	107	95⅝	107 —Jan. 12	93 —May 2	98	93	97⅛
Northern Pacific..............	216½	165	232½—Feb. 14	179¼—May 2	211⅞	179¼	200
Pacific Mail....................	53¾	33	51½ Jan. 19	34 —May 2	40½	34	39
Pennsylvania R. R.............	148	131½	147½—Jan. 23	131 May 23	137¼	131	132½
People's Gas & Coke of Chic.	115½	97¼	103 —Jan. 2	89½—Apr. 28	95	89½	92
Pullman Palace Car Co.......	258	230	247¾- Jan. 15	219¾—May 2	231½	219¾	231½
Reading........................	143¾	79	164 —Jan. 23	112 —May 2	142⅛	112	140⅝
• 1st prefered..........	97	90	96 - Jan. 22	89½—Mar. 1	92½	91	91
• 2d preferred..........	101	84	102 —Jan. 20	90 —Apr. 30	98½	90	97
Rock Island....................	37⅞	21¾	28⅝—Apr. 2	23½—May 2	26½	23½	25¾
• preferred............	85	60½	68⅝—Mar. 31	61½—Jan. 4	65	61½	65
St. L. & San Fran. 2d pref....	73½	45	51¼—Feb. 6	41 May 2	47	41	44½
St. Louis & Southwestern....	27½	20	27⅞—Jan. 19	20½—May 2	23¼	20½	21½
• preferred............	66⅝	55	61½—Jan. 24	48¾—May 2	56⅛	48¾	53½
Southern Pacific Co...........	72⅜	57¾	72⅞—Jan. 22	61 —May 2	66⅞	61	66¼
Southern Railway............	38	28	42⅞—Jan. 26	35 —May 2	39	35	38½
• preferred............	102½	95	103 —Jan. 16	97¾—May 2	100	97¾	99
Tennessee Coal & Iron Co....	148	68	165 —Jan. 12	129 - Jan. 2	156	133½	155
Texas & Pacific................	41	29¾	39¾—Jan. 24	28 —May 2	33¼	28	32¼
Toledo, St. Louis & Western..	43¾	34⅛	40½—Jan. 19	30 —May 3	33¼	30	31½
• preferred............	65	51¾	59⅞—Jan. 19	48 —May 2	52¼	48	50
Union Pacific..................	151¼	113	160½—Jan. 24	138½—May 2	151⅜	138½	149⅝
• preferred............	101⅝	95½	99¼—Jan. 2	91½—May 2	96	91½	94
Wabash R. R..................	24¼	17½	26½—Jan. 24	19 —Apr. 28	21⅞	19	21
• preferred............	48	37	53⅝—Feb. 27	40½—Jan. 3	50½	41	49¼
Western Union................	95½	92	94¼—Jan. 26	91 —Mar. 20	92⅞	91	92½
Wheeling & Lake Erie.........	19¾	15	21¾—Feb. 6	16 —Apr. 28	18½	16	18
• second preferred....	28½	20	29½—Feb. 6	22 —Apr. 27	25	22	24
Wisconsin Central............	33½	20	33 —Jan. 17	23 —May 2	29	23	25¾
• preferred............	64½	45	64 —Jan. 15	44⅛—Apr. 28	52	46⅝	50
"INDUSTRIAL"							
Amalgamated Copper.........	111¾	70	118¼—Feb. 13	96 - May 4	111⅜	96	107¾
American Car & Foundry....	43⅝	31	47½—Jan. 24	34½—May 2	42	34½	41¼
• pref..................	104½	91¾	105 —Jan. 24	99⅛—Jan. 4	102¾	99⅝	102
American Co. Oil Co..........	40⅛	27¾	44¼—Jan. 11	28 —May 2	33	28	31⅞
American Ice..................	36	24¾	65¼—May 10	35¼—Jan. 2	65¼	57	62⅜
American Locomotive........	76¼	33	78½—Jan. 3	53¾—May 2	70¾	53¾	69
• preferred............	122¾	133¾	120¼—Jan. 16	110½—May 2	115	110½	114
Am. Smelting & Refining Co.	170⅜	79¾	174 —Jan. 18	138½—May 2	157⅝	138½	154
• preferred............	137	111¼	130 —Jan. 12	115 —Apr. 28	122	115½	119½
Am. Steel & Foundries........	13⅜	6⅞	15¼—Jan. 17	10 —Apr. 30	12¾	10	12½
• pref..................	67½	35½	53¼—Jan. 17	40 —May 2	48	40	48
American Sugar Ref. Co......	154⅜	130	157 —Jan. 8	127½—May 2	138⅜	127½	137⅝
American Tobacco, pref.....	109⅜	91⅞	109 —Jan. 22	100½—May 2	104	100½	103⅜
Anaconda Copper Mining....	295	100½	300 —Feb. 13	223½—May 4	275¾	223½	267
Central Leather...............	47½	40	49⅞—Jan. 24	38⅞—May 2	43½	38⅞	42½
• preferred....	105⅞	102½	107½—Jan. 24	100½—Apr. 28	105	100½	104½
Corn Products, Ref'g.........	22¾	8¾	28½—Mar. 31	21½—May 2	24	21½	22¾
• preferred............	79	40	84 —Mar. 31	74½—May 2	81½	74½	80
Distillers Securities...........	54½	34⅞	65⅝—May 9	51 -Jan. 30	65⅝	51⅝	63¼
Federal Min'g & Smelt., pref.	110½	75	112⅞—Jan. 22	92⅝—May 2	100½	92⅝	99½
General Electric Co...........	192	169	181¼—Jan. 9	161½ May 2	169	161½	168¾
International Paper Co......	25¼	18⅛	26¼—Jan. 15	18 —May 2	20¾	18	19½
• preferred............	88¼	76	90 —Jan. 12	82½—Mar. 15	86¾	82½	85½
International Power	100	48	95 —Jan. 29	50 —Apr. 30	62	50	60½
International Steam Pump..	40⅝	26	60 —May 8	27 —Jan. 2	60	50	55¼
National Biscuit..............	69½	52	71¼—Feb. 6	62 —May 2	65	62	65
National Lead Co..............	89½	24½	95⅜—Jan. 19	66 —May 2	82½	66	76¼
Pressed Steel Car Co..........	58⅞	34	64⅝—Jan. 24	43 —May 2	51⅞	43	51½
• preferred............	101½	87	105 —Feb. 1	95 —May 2	97⅞	95	97⅞
Republic Iron & Steel Co.....	36½	15	39 —Jan. 12	22¼—May 2	29¾	22¼	28
• preferred............	108	67	110½—Jan. 9	91 —May 2	103⅜	91	103⅜
U. S. Rubber Co...............	58½	33¾	58½—Jan. 22	48½—May 2	51¾	48½	51
• 1st preferred........	118½	98⅝	115 —Jan. 15	105½—May 2	111½	105½	109
U. S. Steel......................	43¼	24⅞	46¼—Jan. 20	36¾—May 2	42	36¾	40¾
• pref........................	107	90¾	113¼—Jan. 20	102 —May 2	107	102	106

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MAY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	90	May 7,'06	93⅛	90	3,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	102⅛	May 31,'06	102⅛	100⅛	623,000
• registered		....	A & O	100⅞	May 28,'06	101⅛	99½	36,000
• adjustment, g. 4's	1995	25,616,000	NOV	94⅝	May 29,'06	95	91	32,000
• registered		....	NOV	95	Sep. 11,'05	....	....	....
• stamped	1995	26,112,000	M & N	93	May 31,'06	93	91	150,000
• registered		....	M & N	96	Feb. 19,'06	....	....	....
• fifty-year conv. g. 4's	1955	37,164,000	J & D	108¼	May 31,'06	108⅞	101½	1,232,000
• registered		....	J & D	....	....	....	....	....
• serial debenture 4's—								
• series D	1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
• registered		....	F & A	....	....	....	....	....
• series E	1907	2,500,000	F & A	99⅝	May 2,'05	....	....	....
• registered		....	F & A	....	....	....	....	....
• series F	1908	2,500,000	F & A	98¾	Apr. 10,'04	....	....	....
• registered		....	F & A	....	....	....	....	....
• series G	1909	2,500,000	F & A	100½	Jan. 19,'06	....	....	....
• registered		....	F & A	....	....	....	....	....
• series H	1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
• registered		....	F & A	....	....	....	....	....
• series I	1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
• registered		....	F & A	....	....	....	....	....
• series J	1912	2,500,000	F & A	....	....	....	....	....
• registered		....	F & A	....	....	....	....	....
• series K	1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
• registered		....	F & A	....	....	....	....	....
• series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
• registered		....	F & A	....	....	....	....	....
• East. Okla. div. 1st g. 4's	1928	6,128,000	M & S	99½	Feb. 23,'06	....	....	....
• • registered		....	M & S	....	....	....	....	....
• Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. Coast Line R. R. Co. 1st g. 4's	1952	43,141,000	M & S	101¾	May 31,'06	101¾	98¾	167,000
• registered			M & S	102	Nov. 27,'05	....	....	....
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	132⅞	Jan. 30,'06	....	....	....
• 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114⅝	Nov. 14,'05	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	99½	Mar. 30,'06	....	....	....
"L'ville & Nash. col." g. 4's	1952	35,000,000	M & N	94¾	May 31,'06	94¾	92½	75,000
• registered		....	M & N	....	....	....	....	....
Sil. Sps Oc. & G. R R. & ldg. gtd g. 4s	1918	1,067,000	J & J	98	May 31,'06	98	98	1,000
Balt. & Ohio prior lien g. 3½s	1925	72,822,000	J & J	95¾	May 31,'06	96	94½	168,000
• registered			J & J	95	May 31,'06	95	93	14,000
• g. 4s	1948	70,963,000	A & O	103	May 29,'06	103	101	303,000
• g. 4s. registered			A & O	102½	May 16,'06	102½	100½	19,000
• Pitts. Junc. 1st g. 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	92	Apr. 6,'06	....	....	....
• registered			Q Feb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	31,347,000	M & N	97	May 31,'06	98¼	95¾	69,000
• Southw'n div. 1st g. 3½s	1925	43,590,000	J & J	92½	May 28,'06	92½	90⅝	152,000
• registered			Q J	92½	June 23,'05	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	108½	July 18,'05	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s	1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g. 6's	1922	441,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g. 4's	1917	633,000	J & J	97	May 8,'06	97	97	1,000
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	117	May 3,'06	117	117	5,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124	Apr. 26,'06	....	....	....
• cons. 1st 6's	1922	3,920,000	J & D	128½	Feb. 23,'06	....	....	....
Buff. & Susq. 1st refundg g. 4's	1951	6,521,000	J & J	98½	May 8,'06	98½	98½	2,000
registered			J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE.		MAY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	102⅛	May 31,'06	102⅝	101⅝	160,000
" 2d mortg. 5's,	1913	6,000,000	M & S	105½	May 29,'06	106	105	17,000
" registered			M & S	105¼	Jan. 3,'04	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	95	Mar. 22,'06	....	....	....
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	119	May 3,'06	119	119	2,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,700,000	M & N	111¼	May 29,'06	112	109⅛	81,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	113	Apr. 17,'06	....	....	....
" 1st. pref. inc. g. 5's,	1945	2,370,000	OCT 1	97	May 29,'06	97⅛	96¾	41,000
" " stamped		1,630,000	OCT 1	98½	Apr. 9,'06	....	....	....
" 2d pref. inc. g. 5's	1945	3,069,000	OCT 1	90	May 26,'06	90½	87	218,000
" " stamped		3,391,000	OCT 1	90	May 26,'06	90½	88½	32,000
" 3d pref. inc. g. 5's	1945	1,826,000	OCT 1	89	May 25,'06	89½	85	131,000
" " stamped		2,174,000	OCT 1	89	May 29,'06	89	85¼	57,000
" Chat. div. pur. my. g. 4's.	1951	2,057,000	J & D	94½	Apr. 25,'06	....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	110⅝	Sept. 5,'05	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	115½	Aug. 3,'05	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	108¾	Aug. 4,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	128	Apr. 27,'06	....	....	....
" registered			Q J	127½	Apr. 7,'06	....	....	....
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	112¾	May 17,'06	112¾	112¾	1,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102	Mar. 7,'06	....	....	....
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	102⅛	May 29,'06	102⅛	101	3,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	103½	May 10,'06	103½	103	6,000
" Mortgage gold 6's	1911	2,000,000	A & O	107	May 16,'06	107	107	5,000
" 1st con. g. 5's	1939	25,858,000	M & N	116⅝	May 17,'06	116⅝	116⅝	24,000
" registered			M & N	114½	May 11,'06	114½	114½	1,000
" Gen. m. g. 4½'s	1992	40,573,000	M & S	105⅞	May 31,'06	106¼	105	127,000
" registered			M & S	104	May 23,'06	104	104	2,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	Feb. 28,'06	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	102	May 24,'06	102	101	5,000
" 2d con. g. 4's	1989	1,000,000	J & J	96¾	May 11,'06	96¾	96¾	4,000
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	99¾	Feb. 2,'06	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	37,350,000	A & O	80	May 17,'06	80½	80	31,000
" " registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	79	May 29,'06	79¾	78	46,000
registered			J & J	80¼	Mar. 4,'05	....	....	....
Chicago, Burl. & Quincy:								
" Denver div. 4's	1922	4,534,000	F & A	101½	May 22,'06	101½	100½	2,000
" Illinois div. 3½s	1949	50,835,000	J & J	94	May 28,'06	94	92½	25,000
" registered			J & J	96½	Feb. 24,'05	....	....	....
" Illinois div. 4s	1949	10,806,000	J & J	104¾	Mar. 15,'06	....	....	....
" registered		....	J & J	....		....	....	....
" (Iowa div.) sink. f'd 5's,	1919	2,320,000	A & O	110¼	Jan. 5,'05	....	....	....
" 4's	1919	7,712,000	A & O	100⅝	May 14,'06	100⅝	100⅝	2,000
" Nebraska extensi'n 4's,	1927	24,791,000	M & N	105	May 12,'06	105	105	5,000
" registered			M & N	104¼	May 8,'06	104¼	104¼	25,000
" Southwestern div. 4's.	1921	2,382,000	M & S	100	Apr. 10,'05	....	....	....
" 4's joint bonds	1921	215,225,000	J & J	99⅞	May 31,'06	100	98½	1,732,000
" " registered			Q JAN	98⅜	May 29,'06	99	97¾	189,000
" 5's, debentures	1913	9,000,000	M & N	105	May 3,'06	105	105	15,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	108¼	Apr. 21,'06	....	....	....
Chic. & E. Ill. 1st g. 4's ref. & imp.	1955	5,000,000	J & J	96¾	Mar. 9,'06	....	....	....
" registered			J & J	....		....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	104⅜	May 10,'06	104⅜	104⅜	2,000
" small bonds			J & D	103½	July 8,'04	....	....	....
" 1st con. 6's. gold	1934	2,653,000	A & O	133	Apr. 11,'06	....	....	....
" gen. con. 1st 5's	1937	16,529,000	M & N	119¼	Apr. 16,'06	....	....	....
" registered			M & N	118½	Feb. 26,'06	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118¼	Mar. 28,'06	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	133½	May 7,'06	133½	133½	,000
" ref. g. 5's	1947	4,942,000	J & J	114¼	Apr. 3,'06	....	....	....
Louisv. N. Alb. & Chic. 1st 6's.	1910	3,000,000	J & J	107	May 7,'06	107	107	13,000
Chicago, Milwaukee & St. Paul.								
Chic. Mil. & St. Paul term. g 5's.	1914	4,748,000	J & J	108⅛	Mar. 27,'06	....	....	....
" gen. g. 4's, series A	1989	23,676,000	J & J	108	May 31,'06	108	105½	25,000
" registered		....	Q J	109½	June 18,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due.	Amount.	Int'st paid.	LAST SALE.		MAY SALES.		
				Price.	Date.	High.	Low.	Total.
• gen. g. 3½'s, series B.	1989	2,500,000	J & J	94	May 25,'06	94	93	19,000
• registered			J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	115¼	Oct. 24,'05	....	....	....
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	116	Apr. 3,'06	....	....	....
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	108	Apr. 28,'06	....	....	....
• 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	114	May 26,'06	114½	114	19,000
• Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	108	May 24,'06	108	107½	2,000
• Far. & So. g. 6's assu...	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	111¾	Mar. 13,'06	....	....	....
• 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
• 1st 7's, Iowa & D, ex.	1908	546,000	J & J	182½	Apr. 5,'06	....	....	....
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	111½	May 17,'06	111½	111½	1,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	108½	May 24,'06	108½	108½	1,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	106¾	Feb. 13,'06	....	....	....
• Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	112¾	Apr. 7,'06	....	....	....
• Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	108¾	Mar. 17,'06	....	....	....
• 1st con. 6's	1913	5,092,000	J & D	115	Feb. 10,'06	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	125	Apr. 4,'06	....	....	....
• extension 4's.....	1886–1926	18,632,000	F A 15	103	Apr. 12,'06	....	....	....
• registered			F A 15	102	Mar. 31,'06	....	....	....
• gen. g. 3½'s	1987	20,538,000	M & N	98¼	May 29,'06	98¼	97	35,000
• registered			Q F	103	Nov. 19,'98	....	..	....
• sinking fund 6's..	1879–1929	5,686,000	A & O	114½	Nov. 2,'05	..	....	....
• registered			A & O	114½	Feb. 7,'06	....	....	....
• sinking fund 5s'..	1879–1929	6,702,000	A & O	109	May 24,'06	109	109	6,000
• registered			A & O	108¼	Nov. 14 '05	....	....	....
• deben. 5's	1909	5,618,000	M & N	104½	Mar. 23,'06	....	....	....
• registered			M & N	104	Mar. 3,'04	....	....	....
• deben. 5's	1921	10,000,000	A & O	112¼	Mar. 2,'06	....	...	....
• registered			A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's.	1933	9,800,000	M & N	116¾	Mar. 9,'06	....	....	....
• registered			M & N	117	Feb. 8,'06	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	105¼	Dec. 11,'05	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	104	Dec. 5,'05	....	....	....
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	122½	May 14,'06	122½	122½	1,000
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	117⅝	May 22,'06	117⅝	117⅝	5,000
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's.	1924	1,281,000	J & J	128½	Feb. 27,'06	....	....	....
• con. deb. 5's	1907	436,000	F & A	105½	Sept. 18,'05	....	....	....
• incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	120⅝	Feb. 21,'06	....	...	....
• registered	1917		J & J	119	Mar. 23,'06	....	....	....
• gen. g. 4's	1988	61,581,000	J & J	103¼	May 29,'06	103¼	101¼	142,000
• registered			J & J	102	May 9,'06	102	100½	11,000
• refunding 4s	1934	44,342,000	A & O	94¼	May 31,'06	94½	93	512,000
• registered			A & O	96	Nov. 29,'05	....	....	......
• coll. tr. ser. 4's.								
• E	1907	1,494,000	M & N	....	....	....	....	....
• F	1908	1,494,000	M & N	....	....	....	....	....
• G	1909	1,494,000	M & N	....	....	....	....	....
• H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
• I	1911	1,494,000	M & N	97½	May 26,'05	....	....	....
• J	1912	1,494,000	M & N	96¾	Dec. 19,'05	...	....	....
• K	1913	1,494,000	M & N	......	......	....	....	....
• L	1914	1,494,000	M & N	96¼	May 26,'05	....	....	....
• M	1915	1,494,000	M & N	96	Nov. 11,'05	....	....	....
• N	1916	1,494,000	M & N	93	May 24 '04	....	....	....
• O	1917	1,494,000	M & N	89½	May 1,'06	89½	89½	5,000
• P	1918	1,494,000	M & N	90	May 11,'04	....	...	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,938,000	M & N	78½	May 31,'06	79	76	389,000
• registered			M & N	79	Dec. 19,'05	....	....	....
• coll. trust g. 5's	1913	17,342,000	M & S	91	May 31,'06	91	89	322,000
Burlington, Cedar R. & N. 1st 5's.	1906	6,500,000	J & D	102⅛	May 15,'06	102⅛	102	10,000
• con. 1st & col. tst 5's.	1934	11,000,000	A & O	119¼	Feb. 23,'06	....	....	......
• registered			A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	111	Nov. 20,'04	....	....	....
Minneap's & St. Louis 1st 7's, g.	1927	150,000	J & D	40	Aug. 24,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	105	May 8,'06	105	105	4,000
• con. g. 5's	1952	5,411,000	J & J	111	May 17,'05	111	111	5,000
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	108	Apr. 7,'06	....	...	....
small bond	1923	....	A & O	110¾	Mar. 3,'06	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MAY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Chic., St.P., Minn. & Oma. con. 6's	1930	14,970,000	J & D	135	May 25,'06	135	132	13,000
″ con. 6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,602,000	M & N	131¾	May 23,'06	131¾	131¾	1,000
North Wisconsin 1st mort. 6's	1930	641,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	120⅛	Apr. 11,'06	....	....	....
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	101⅛	May 8,'06	101⅛	101⅛	1,000
″ coupons off				100	May 31,'06	100	99⅛	58,000
Chic. & Wn. Ind. gen'l g. 6's	1932	8,968,000	Q M	113½	Mar. 20,'06	....	....	....
in., Ham. & Day 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	8,500,000	M & N	112	Mar. 12,'06	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	91	Mar. 27,'06	....	....	....
Clev., Cin., Chic. & St.L. gen. g. 4's	1993	20,749,000	J & D	104	May 24,'06	104	102⅞	43,000
″ do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¼	Feb. 6,'06	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	100⅝	May 16,'06	100⅝	100⅝	1,000
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	100	May 25,'06	100¼	100	83,000
″ registered				100	Oct. 8,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,545,000	Q F	101⅞	May 24,'06	101⅞	101⅞	4,000
″ registered				101	May 21,'06	101	101	4,000
″ con. 6's	1920	654,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	112⅝	Apr. 6,'06	....	....	5,000
Clev., C., C. & Ind. con. 7's	1914	8,991,000	J & D	122	Jan. 29,'07	....	....	....
″ sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
″ gen. consol 6's	1934	8,205,000	J & J	134	Feb. 15,'06	....	....	....
″ registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	97	May 10,'06	97	97	3,000
″ income 4's	1990	4,000,000	A	78	May 31,'06	78	69	126,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	115½	Mar. 29,'06	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116⅛	Jan. 23,'05	....	....	....
″ registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	76¾	May 28,'06	76¾	74½	127,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	93½	May 31,'06	94⅝	93	237,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	104⅞	Apr 11,'06	....	...	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	123½	Apr. 16,'06	....	....	....
″ 1st c. gtd 7's	1915	11,677,000	J & D	127	Jan. 16,'06	....	....	....
″ registered			J & D	127	June 23,'05	....	....	....
″ 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	126⅛	Mar. 9,'06	....	....	....
″ const. 5's	1923	5,000,000	F & A	112	Mar. 24,'06	....	....	....
″ terml. imp. 4's	1923	5,000,000	M & N	105	Oct. 23,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	101½	May 15,'06	101½	101½	1,000
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
″ 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133	Feb. 13'06	....	....	....
″ reg	1917		M & S	149	Aug. 5,'01	....	....	....
Alb. & Sus. cuv. con. 40y. g. 3½'s	1946	10,000,000	A & O	111½	May 31,'06	111½	105	219,000
″ registered			A & O	....	....	....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	100¼	May 31,'06	100¼	100	80,000
″ con. g. 4½'s	1936	6,382,000	J & J	108	Mar. 24,'06	....	....	....
″ impt. m. g. 5's	1928	8,318,500	J & D	107¼	May 15,'06	107¼	107	4,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	97½	May 29,'06	98	96¾	42,000
″ mge. & col. tr. g. 4's ser. A	1949	13,336,000	A & O	87	May 10,'06	87	86½	4,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	1,050,000	J & D	99¼	Feb. 19,'06	....	....	....
″ g. 4s	1995	1,250,000	J & D	96¾	Mar. 23,'06	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
″ Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	88	Apr. 19,'06	....	....	....
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	112	May 22,'06	113	112	8,000
″ registered			A & O	112½	Feb. 13,'06	....	....	....
″ 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	8,816,000	J & J	123½	Apr. 12,'06	....	....	....
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	116⅝	Apr. 23,'06	....	....	....

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE		MAY SALES.		
				Price.	Date.	High.	Low.	Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107½	Jan. 30,'06	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	114½	Feb. 23,'06	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	107¼	May 7,'06	107¼	107¼	10,000
" 4th extended g. 5's	1920	2,926,000	A & O	115¼	Jan. 24,'06	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101	Jan. 8,'06	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	131	May 29,'06	131	128⅝	18,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	133	Feb. 21,'06	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	102	May 31,'06	102	100	178,000
" registered			J&J	100¼	Apr. 19,'06	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	92½	May 31,'06	93	90	181,000
" registered			J&J	88	Nov.15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	94	May 31,'06	94	92½	129,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	107½	May 31,'06	108	100¾	584,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	122½	Feb. 26,'06	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	104⅝	Feb. 16,'06	....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	120	May 26,'06	120½	118	6,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	102¾	Dec. 5,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	135½	Feb. 23,'06	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	115⅝	Dec. 8,'05	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	121½	Oct. 17,'05	....	....	....
" small				117	July 20,'05	....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¼	Jan. 11,'06	....	....	....
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	117½	May 25,'06	117½	115	45,000
" 2d g. 4½'s	1937	447,000	F & A	103	Feb. 3,'06	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	107¼	Apr. 25,'06	....	....	....
" term. 1st g. 5's	1943	2,000,000	M & N	118	May 23,'06	118	115¼	9,000
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	113	May 9,'06	113	113	1,000
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	116	Apr. 25,'06	....	....	....
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Oct. 20,'05	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	109½	Apr. 20,'06	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	106¼	Feb. 21,'06	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	115	May 25,'06	115	111¾	62,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	89	Mar. 22,'06	....	....	....
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	101	Dec. 6,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,937,000	J & J	104	May 31,'06	104	104	5,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	14,139,000	J & J	107¾	May 31,'06	108	106¾	30,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100	May 2,'06	100	100	2,000
Colu. & Tol. RR. Co. 1st m. ex. 4's	1955	2,441,000	......	100	Apr. 3,'06	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	110	Dec. 18,'05	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	100	Feb. 20,'06	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,009,000	A & O	101¼	May 4,'06	101¼	101¼	3,000
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000.	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	104½	Apr. 14,'06	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	104½	May 31,'06	104½	103	8,000
" registered			M & N	100	May 8,'06	100	100	10,000
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	92¼	Apr. 27,'06	....	....	....
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	78½	Apr. 10,'06	....	....	....
" St. Louis div. g. 3's	1951	4,989,000	J & J	82½	May 31,'06	82½	82½	1,000
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	82½	Feb. 7,'06	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	107¾	Jan. 26,'06	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	122	July 7,'01	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,'91	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	121	May 5,'06	121	121	1,000

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				Price.	Date.	High.	Low.	Total.
• gold 5's, registered		16,555,000	J D 15	119¾	Mar. 12,'04	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
• registered			J D 15	106¼	Aug. 17,'99	....	....	....
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	108⅞	Jan. 30,'06	....	....	....
• 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	100	Apr. 3,'06	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	118¼	Mar. 29,'06	....	....	....
• 2d g. 5's	1909	10,391,000	M & S	99	Apr. 26,'06	....	....	....
• 3d g. 4's	1921	2,960,500	M & S	78	Dec. 14,'05	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	112	Apr. 24,'06	....	....	....
• refunding g. 4's	1951	2,000,000	M & S	86	Mar. 15,'06	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	72	May 31,'06	72⅛	70½	109,000
• registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115¾	Apr. 17,'06	....	....	....
• 2d mtge. g. 5's	1941	3,625,000	J & J	113½	Mar. 24,'06	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	117	Jan. 17,'06	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	110⅛	May 29,'06	110⅛	110	19,000
• registered		....	J&J	112⅛	Nov. 6,'05	....	....	....
Lehigh Val. (Penn.) g. c. g. 4's	2003	20,100,000	M & N	98¼	Apr. 24,'06	....	...	....
• registered			M & N	....	....	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	118¾	Apr. 10,'06	...	....	....
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	112⅝	Apr. 6,'06	....	....	....
• registered	1933		J & J	....	....	....	....	....
• 1st 40-yr gtd int. red to 4%	1933	1,400,000	J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	96¼	May 4,'06	96¼	96¼	10,000
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	113⅞	Jan. 22,'06	....	....	....
• • g. gtd 5's	1914	1,250,000	A & O	105¼	Jan. 5,'06	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	115	May 1,'06	115	115	1,000
• 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	101¼	May 23,'06	101¼	101¼	3,000
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	102	Nov. 27,'05	....	....	....
• g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
• unified g. 4's	1949	5,660,000	M & S	97	May 29,'06	98	97	15,000
• deb. g. 5's	1934	1,135,000	J & D	110	June 22,'04	....	....	....
• gtd. refunding g. 4's	1949	22,408,000	M & S	100¼	May 29,'06	101¼	99	50,000
• • registered			M & S	99	Mar. 19,'06	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	106½	Dec. 9,'05	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	111	Jan. 23,'06	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	QJAN	112⅛	July 7,'05	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	3,390,000	M & S	105	Jan. 26,'06	....	....	....
Louis. & Nash. gen. g. 6's	1930	7,492,000	J & D	118	Apr. 17,'06	....	....	....
• gold 5's	1937	1,764,000	M & N	121⅛	Feb. 27,'06	....	....	....
• Unified gold 4's	1940	37,562,000	J & J	103⅝	May 26,'06	103⅝	102⅛	114,000
• registered	1940		J & J	101	May 1,'06	101	101	5,000
• collateral trust g. 5's	1931	5,129,000	M & N	113⅛	May 31,'06	113⅛	113	9,000
• 5-20 yr. col. tr. deed g. 4's	1923	23,000,000	A A O	97¾	May 26,'06	97¾	97	111,000
• E., Hend. & N. 1st 6's	1919	1,600,600	J & D	114¼	June 6,'05	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
• N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	129¼	Apr. 10,'06	....	....	....
• 2d g. 6's	1930	1,000,000	J & J	122¼	Mar. 19,'06	....	....	....
• Pensacola div. g. 6's	1920	405,000	M & S	114	Apr. 26,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	120½	Mar. 6,'06	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	74⅝	Oct. 4,'05	....	....	....
• At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	114⅛	Sept. 6,'05	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,414,000	M & S	108½	Jan. 3,'06	....	....	....
• Ken. Cent. g. 4's	1987	6,742,000	J & J	100⅛	May 29,'06	100⅛	100	21,000
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	108½	Mar. 27,'06	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	96	May 22,'06	96	96	12,000
• registered			Q Jan	95	Feb. 6,'05	....	....	....
• N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	114	May 2,'06	114	114	1,000
• Pen. & At. 1st g. g. 6's	1921	2,331,000	F & A	112½	Mar. 28,'06	....	....	....
• S. & N. A. con. gtd. g. 5's	1936	3,678,000	F & A	107	Dec. 4,'05	....	....	....
• sinking fund g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	97	May 8,'06	97	97	5,000
Manhattan Railway Con. 4's	1990	28,065,000	A & O	101½	May 23,'06	101½	101⅛	74,000
• registered			A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	105½	May 25,'06	105½	105⅜	85,000
Manitoba Swn. Coloniza n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's	1911	65,690,000	J & J	79	May 31,'06	80	77½	233,

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				Price.	Date.	High.	Low.	Total.
• 1st con. inc. 3's	1939	20,511,000	JULY	21⅛	May 31,'06	22¼	19¾	1,612,000
• 2d 3's	1939	11,724,000	JULY	16⅜	May 25,'06	18⅝	15⅛	556,000
• equip. & collat. g. 5's	1917	500,000	A & O	....	....	....	....	....
• 2d series g. 5's	1919	615,000	A & O	....	....	....	....	....
• col.trust g.4½'s1st se of	1907	10,000,000	F & A	99	May 21,'06	99	99	5,000
Mexican Internat'l 1st con g. 4's	1977	706,000	M & S	90⅝	July 29,'01	....	....	....
• stamped gtd	....	6,377,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	905,000	J & D	....	....	....	....	....
• registered	....		J & D	105	May 2,19'	....	....	....
Midland Term'l Ry. 1st g.s.f.5's	1925	472,000	J & D	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	137	June 29,'05	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅛	Oct. 26,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120	Feb. 8,'06	....	....	....
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	111	May 21,'06	111	111	5,000
• 1st & refunding g. 4's	1949	9,350,000	M & S	90¾	May 28,'06	91	90⅛	5,000
DesMoines&Ft.Dge1stgtd g.4's	1935	3,072,000	J & J	97	Apr. 19,'06	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	38,105,000	J & J	102¼	May 29,'06	102¼	102¼	2,000
• stamped pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov.11,'01	....	....	....
• stamped pay. of int. gtd.				89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	100¾	May 31,'06	102⅛	100	157,000
• 2d mtge. g. 4's	1990	20,000,000	F & A	88¼	May 31,'06	88½	85	111,000
• 1st ext gold 5's	1944	3,254,000	M & N	105½	May 28,'06	107⅝	103⅛	36,000
• 1st & ref. mtg. 4s	2004	5,182,000	M & S	88⅛	Apr. 28,'06	....	....	....
• • small	....		M & S	....	....	....	....	....
St. Louis div. 1st refundg 4s	2001	1,915,000	A & O	90	May 3,'06	90	90	1,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	108	Feb. 13,'06	....	....	....
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	90¼	Apr. 16,'06	....	....	....
Mo., Kan. & East. 1st gtd. g. 5s.	1942	4,000,000	A & O	113¼	May 26,'06	113⅝	113¼	11,000
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s.	1942	5,468,000	M & N	106⅛	May 31,'06	107	106⅛	12,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	107	May 28,'06	107	106¾	9,000
Sher., Shreve. & So. 1st gtd. g. 5s.	1943	1,689,000	J & D	106¼	Apr. 3,'06	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	105¾	Apr. 25,'06	....	....	....
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	120½	May 29,'06	120½	120	37,000
• 3d mortgage 7's	1906	3,828,000	M & N	101	May 16,'06	101	101	5,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	104	May 23,'06	104½	103⅝	30,000
• registered	....		M & S	107½	Feb. 17,'06	....	....	....
• 1st collateral gold 5's.	1920	9,636,000	F & A	106¾	May 31,'06	106¾	103⅝	18,000
• registered	....		F & A	....	....	....	....	....
• forty yrs. 4's g. loan.	1945	25,000,000	......	92⅝	May 31,'06	92¾	92¼	45,000
Cent. Branch Ry. 1st gtg. g. 4's.	1919	3,459,000	F & A	95	May 22,'06	95	94	12,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	110	Mar. 18,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	103	Apr. 27,'06	....	....	....
• 2d extended g. 5's	1938	2,573,000	F & A	116	May 31,'06	116	116	1,000
St. L. & I. g. con. R.R. & l. gr. 5's	1931	36,624,000	A & O	113⅞	May 29,'06	114	112	39,000
• stamped gtd gold 5's	1931	6,833,000	A & O	116	Nov. 6,'05	....	....	....
• unify'g & rfd'g g. 4's.	1929	30,469,000	J & J	93¾	May 28,'06	93¾	91½	121,000
• registered	....		J & J	87¼	Apr. 23,'04	....	....	....
• Riv & Gulf divs 1st g 4s.	1933	22,754,000	M & N	93¾	May 16,'06	93¾	93¾	7,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	107½	Apr. 13,'06	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	115⅝	Apr. 14,'06	....	....	....
• small	....	226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	96	Oct. 9,'05	....	....	....
• small	....	500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1st g. 5's.	1946	1,882,000	J & D	96	Apr. 7,'06	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126	May 2,'06	126	126	1,000
• 1st extension 6's	1927	974,000	J & D	122	Dec. 20,'05	....	....	....
• gen. g. 4's	1938	9,472,000	Q J	98¾	Jan. 20,'06	....	....	....
• Montg'ry div. 1st g. 5's.	1947	4,000,000	F & A	113½	Apr. 10,'06	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	95	Mar. 27,'06	....	....	....
• collateral g. 4's	1930	2,494,000	Q F	92¼	Oct. 18,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	119	May 24,'06	119	115½	12,000
• 1st cons. g. 5's	1928	7,608,000	A & O	113	May 26,'06	113	112	27,000
• 1st g. 6's Jasper Branch.	1923	371,000	J & J	119¼	Feb. 16,'06	....	....	....
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s.	1926	20,000,000	J & J	105	Apr. 6,'06	....	....	....
• 1st con. g. 4's	1951	24,496,000	A & O	84½	May 31,'06	84½	83	106,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. g. mtg. 3½s.	1997	84,890,000	J & J	98½	May 31,'06	98⅝	97¾	343,000
• • registered	....		J & J	97½	May 16,'06	97½	97½	10,000
• deb. g 4s	1934	30,000,000	M & N	99	May 31,'06	99¼	98¼	106,000
• • registered	....		M & N	100¾	Apr. 25,'06	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	89½	May 31,'06	89½	88	185,000
• registered	....		F & A	88	May 16,'06	88	87½	29,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Michigan Central col. g. 3½s	1998	19,836,000	F & A	89	May 31,'06	89½	88⅝	51,000
• registered			F & A	86¼	Apr. 30,'06	....	....	....
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105½	Feb. 20,'06	....	....	....
• registered			J & J	104	Dec. 13,'05	....	....	....
2d gtd. g. 5's	1936	500,000	J & J	....	....	....	....	....
·gistered		....	J & J	....	....	....	....	....
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....	....	....	....	....
• registered			A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	699,000	J & J	87½	June 23,'04	....	....	....
• small bonds series B		32,500	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	105	Nov. 20,'05	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
• reg. certificates			F & A	....	....	....	....	....
N. Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	104⅛	Feb. 28,'06	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	106⅞	May 31,'06	108	105⅛	129,000
• registered			J & J	106	May 25,'06	107	105½	25,000
Lake Shore g 3½s	1997	50,000,000		98½	May 31,'06	100	98	149,000
• registered			J & D	98¾	May 29,'06	99½	98¾	52,000
• deb. g. 4's	1928	50,000,000	M & S	98½	May 31,'06	98½	96⅝	725,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	101⅛	Feb. 9,'06	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	125½	Mar. 5,'06	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
• 2d gtd 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
• 5's	1931	3,576,000	M & S	120	Jan. 3,'06	....	....	....
• 5's reg	1931		Q M	119	June 6,'05	....	....	....
• 4's	1940	2,600,000	J & J	104½	Mar. 23,'06	....	....	....
• 4's reg			J & J	106½	Nov. 26,19'	....	....	....
• g. 3½'s sec. by 1st mge. on J. L. & S.		1,750,000	M & S	....	....	....	....	....
• 1st g. 3½'s	1952	13,000,000	M & N	97	Apr. 3,'06	....	....	....
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....	....	....	....	....
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	105½	Mar. 2,'05	....	....	....
• 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	114	May 28,'06	114	113½	4,000
coup. g. bond currency			A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	118¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's	1922	1,300,000	J & J	107½	Feb. 4,'05	....	....	....
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104½	May 31,'06	106	104⅛	24,000
• registered			A & O	103	Oct. 6,'05	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	124	Feb. 24,'06	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	101	May 24,'06	101¾	100⅛	106,000
• registered.......$5,000 only.		....	M & S	101	May 31,'06	101	101	10,000
Norfolk & Southern 1st g. 5's	1941	1,500,000	M & N	110	May 31,'06	110	110	1,000
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132⅝	Apr. 27,'06	....	....	....
• imp'ment and ext. 6's	1934	5,000,000	F & A	130¾	Feb. 15,'06	....	....	....
• New River 1st 6's	1932	2,000,000	A & O	129¾	Nov. 27,'05	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	40,400,500	A & O	101	May 31,'06	101	99¾	123,000
• registered			A & O	100	Feb. 16,'06	....	....	....
• small bonds			A & O	....	....	....	....	....
• div. 1st lien & gen g. 4s	1944	11,000,000	J & J	97	Apr. 28,'06	....	....	....
• • registered			J & J	....	....	....	....	....
• Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	94	May 31,'06	94	91	116,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05	....	....	....
• Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	99¾	May 29,'06	100	99⅝	28,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	104	May 31,'06	104⅝	102¾	413,000
• registered			Q J	102½	May 18,'06	102½	102¼	13,000
• gen. lien g. 3's	2047	56,000,000	Q F	76¼	May 31,'06	77⅝	75	165,000
• registered			Q F	75¼	May 31,'06	75¼	74¾	8,000
Paul & Duluth div. g. 4's	1996	7,897,000	J & D	101	Jan. 24,'06	....	....	....
• registered			J & D	....	....	....	....	....
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	124¾	May 4,'06	124¾	124¾	7,000
• registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	113	Mar. 22,'06	....	....	....
• 2d 5's	1917	2,000,000	A & O	110	Mar. 13,'06	....	....	....
• 1st con. g. 4's	1968	1,000,000	J & D	100¼	Dec. 22,'05	....	....	....
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	93	May 9,'06	93	91	2,000
Nor. Pacific Term. Co. 1st g. 6's	1933	3,533,000	J & J	116	May 16,'06	116	116	1,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	116	May 16,'06	116	116	6,000
• gen. mortg. g 6's	1937	2,428,000	A & O	114¾	Jan. 20,'06	....	....	....
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,000	A & O	100	Mar. 5,'06	....	....	....
Pacific Coast Co. 1st g. 5's	1946	5,000,000	J & D	112	May 24,'06	112	112	1,000
Panama 1st sink fund g. 4½'s	1917	2,272,000	A & O	105	Dec. 22,'05	....	....	....
• s. f. subsidy g 6's	1910	533,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	108	May 31,'06	108	106⅞	9,000
• reg	1921		J & J	107¾	Dec. 11,'05	....	....	....
• gtd.3½ coi.tr.reg.cts.	1937	4,815,000	M & S	93⅝	Nov. 4,'05	....	....	....
• gtd.3½ col.tr.cts.serB	1941	9,581,000	F & A	91½	Mar. 7,'06	....	....	....
• Trust Co.ctfs.g.3½'s.	1916	14,664,000	M & N	96	May 29,'06	96	96	17,000
• gtd. g. 3½'s tr. cts. s.C.	1942	4,948,000	J & D	....		....	....	....
• gtd. g. 3½'s tr. cts.s.D.	1944	10,000,000	J & D	90½	Mar. 20,'06	....	....	....
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	119½	Feb. 26,'06	....	....	....
• registered		....	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....		....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug.21,'03	....	....	....
• Series B	1942	1,561,000	A & O	....		....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....		....	....	....
• Series C 3½s	1948	2,944,000	M & N	98½	Dec. 15,'05	....	....	....
• Series D 3½s	1950	1,975,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,240,000	J & J	96¼	Jan. 2,'06	....	....	....
• • • C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	....		....	....	....
Ohio Con'ing Ry.1st gtd.s.f.4's.	1943	2,000,000	M & S	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	109½	May 16,'06	109½	109½	1,000
• Series B gtd	1942	8,786,000	A & O	109½	Apr. 30,'06	....	....	....
• Series C gtd	1942	1,379,000	M & N	112½	June12,'05	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	103½	Dec. 15,'05	....	....	....
• Series E gtd. g. 3½s	1949	9,851,000	F & A	92½	Mar. 5,'06	....	....	....
• Series F c. gtd. g. 4's.	1953	10,000,000	J & D	....		....	....	....
Pitts., Ft. Wayne & C. 1st 7's.	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• 2d 7's	1912	1,918,000	J & J	118	Apr. 17,'06	....	....	....
• 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy.&O.1st gtd.bds 4½'s series A	1931	1,500,000	J & J	....		....	....	....
• 4½'s series B	1933	978,000	J & J	....		....	....	....
• 4's series C	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Dec. 6,'05	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept.21,'04	....	....	....
• registered			Q M	....		....	....	....
con. gold 4 per cent	1943	2,741,000	M & N	106	Aug.28,'03	....	....	....
• ten year conv. 3½'s	1912	20,211,500	M & N	97⅝	May 31,'06	99	96¾	720,000
Penn. R.R. 10-year conv. g.3½'s.	1915	99,676,000	J & D	95¾	May 31,'06	96½	95	5,012,000
• registered		....	J & D	....		....	....	....
Allegh. Valley gen. gtd. g.4's.	1942	5,389,000	M & S	104¼	Oct. 26,'05	....	....	....
Belvedere Del. con. gtd. 3½'s.	1943	1,000,000	J & J	....		....	.. ..	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's.	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	107½	May 8,'06	107½	107½	1,000
Phila. Balto. & Wash. 1st g. 4's.	1943	10,570,000	M & N	110½	Feb. 24,'06	....	....	....
• registered			M & N	....		....	....	....
Pitts.Va.&Charl.Ry1stgtdg.4's.	1943	6,000,000	M & N	....		....	....	....
Sunbury & Lewistown 1stg.4's.	1936	500,000	J & J	....		....	....	....
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept.28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	100¾	Dec. 5,'05	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr.28,'02	....	....	....
Flint & Pere Marquette g. 6's.	1920	3,999,000	A & O	112½	Apr. 17,'06	....	....	....
• 1st con. gold 5's	1939	2,850,000	M & N	110½	Jan. 22,'06	....	....	....
• Port Huron d 1st g 5's.	1939	3,325,000	A & O	110	Apr. 23,'06	....	....	....
Sag'w Tusc. & Hur.1st gtd.g.4's.	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov.17,'98	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'98	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	120	Mar. 23,'06	....	....	....
• 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg. Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	116	May 24,'05	....	....	....
Reading Co. gen. g. 4's	1997	68,330,000	J & J	100⅞	May 31,'06	101	99¾	660,000
• registered			J & J	99½	May 24,'06	100	99½	3,000
• Jersey Cent. col. g. 4's.	1957	23,000,000	......	98	May 26,'06	98	97½	58,000
• • registered		....	......	....		....	....	....
Atlantic City 1st con. gtd. g.4's.	1951	1,850,000	M & N	....		....	....	....
Philadelphia & Reading con.6's.	1911	7,304,000	J & D	110⅞	Mar. 5,'06	....	....	....
• registered		663,000	J & D	....		....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
• 7's	1911	7,310,000	J & D	115⅛	Mar. 22,'06	....	....	....
• • registered		3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	76	Dec. 20,'05	....	....	....
• guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	106⅛	Oct. 24,'05	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J	100	Feb. 2,'06	....	....	....
Rutland Canadian 1st gtd.g.4's	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 3.342	1947	3,500,000	J & J	92½	May 5,'06	92½	92½	1,000
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J	122	Jan. 18,'06	....	....	....
• 2d g. 6's	1996	400,000	A & O	....	....	....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	100⅝	May 21,'06	100⅝	100⅛	6,000
• 2d g. 6's, Class C	1906	829,000	M & N	100¼	May 10,'06	100¼	100¼	1,000
• gen. g. 6's	1931	3,681,000	J & J	127	May 22,'06	127	127	1,000
• gen. g. 5's	1931	5,803,000	J & J	113½	May 23,'06	113½	112¾	6,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	98½	Sept. 26,'05	....	....	....
• S. W. div. g. 5's	1947	829,000	A & O	102¼	Aug. 7,'05	....	....	....
• refunding g. 4's	1951	60,104,000	J & J	86	May 31,'06	86	84⅛	351,000
• • registered			J & J	....	....	....	....	....
• 5 year 4½'s gold notes	1908	5,728,000	J & D	97	May 22,'06	97	97	2,000
Kan. Cy Ft.S.&Mem RR con g6's	1928	18,736,000	M & N	125	Aug. 31,'05	....	....	....
Kan.Cy Ft.S &M Ry ref g gtd g4s	1936	17,810,000	A & O	84⅛	28 May,'06	84¼	83½	28,000
• registered			A & O	78½	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1st gtd g5s	1929	3,000,000	A & O	....	....	....	....	....
St. Louis Memp.So.E. gtd.g.4½s	1909	15,627,000	J & D	....	....	....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	96¼	May 31,'06	97	95½	95,000
• 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	88	May 29,'06	88	84	14,000
• con. g. 4's	1932	16,678,000	J & D	80	May 31,'06	80½	78⅝	199,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D	....	....	....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	6,646,000	A & O	106¼	Apr. 19,'06	....	....	....
• 1st con. 6's	1933	13,844,000	J & J	133¾	May 16,'06	133¾	133¾	1,000
• 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s		19,822,000	J & J	110⅝	May 24,'06	110⅝	110⅝	7,000
• 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's	1910	5,040,000	M & N	108	May 19,'06	108	108	7,000
• Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	103⅛	May 15,'06	103⅛	103⅛	7,000
• registered			J & D	103½	Sept. 19,'05	....	....	....
• Pac. Ext. sterl. gtd. 4s $5=£1.	1940	£4,000,000	J & J	....	....	....	....	....
Eastern R'y Minn, 1std. 1st g. 5's	1908	4,700,000	A & O	101¼	Apr. 18,'06	....	....	....
• registered			A & O	....	....	....	....	....
• Minn. N. div. 1st g. 4's	1940	5,000,000	A & O	....	....	....	....	....
• registered			A & O	....	....	....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	124	May 4,'05	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	134	May 12,'06	134	134	1,000
• 1st 6's, registered			J & J	136¼	May 31,'04	136¼	136¼	2,000
• 1st g. g. 5's	1937	4,000,000	J & J	119½	Mar. 20,'06	....	....	....
• registered			J & J	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	121½	Oct. 3,'05	....	....	....
• registered			J & D	....	....	....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's,	1942	4,940,000	M & S	112½	Jan. 16,'06	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,851,000	J & J	110	Oct. 4,'05	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	88	May 29,'06	88	86½	35,000
• registered			A & O	....	....	....	....	....
• col. trust refdg g. 5's	1911	10,000,000	M & N	101½	May 28,'06	101½	101	20,000
Atlanta—Bir'hm 30-yr-1st g.4's	1933	5,760,000	M & S	95¼	Apr. 3,'06	....	....	....
Carolina Central 1st con. g. 4's	1949	2,847,000	J & J	96½	Mar. 24,'06	....	....	....
Fla Cent & Peninsular 1st g.5's	1918	3,000,000	J & J	109½	May 2,'06	109½	109½	8,000
• 1st land grant ext g.5's	1930	410,000	J & J	....	....	....	....	....
• cons. g. 5's	1943	4,370,000	J & J	109¼	May 2,'05	....	....	....
Georgia & Alabama 1st con.5's	1945	2,922,000	J & J	110½	May 24,'06	110½	110½	2,000
Ga. Car. & Nthern 1st gtd g. 5's	1929	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	110	May 22,'06	110	110	15,000
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'08	....	....	....
Southern Pacific Co.								
• g. 4's Central Pac. coll	1949	28,818,500	J & D	94	May 31,'06	94	91⅝	100,000
• • registered			J & D	91½	May 24,'06	91½	91½	1,000
• two-five ys. col. tr 4's	1910	7,253,000	J & D	....	....	....	....	....
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	109½	Feb. 19,'06	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's	1949	79,292,000	F & A	100⅝	May 31,'06	100⅝	99	202,000
• registered			F & A	98½	May 9,'05	98⅛	98½	10,000
• mtge. gtd. g. 3½'s	1929	17,493,000	J & D	88¾	May 22,'06	88¾	88½	14,000
• • registered			J & D	....	....	....	....	....
• through S L 1st gtd g.4's	1954	8,300,000	A & O	99	Mar. 30,'06	....	....	....
• registered			A & O	....	....	....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	106	Feb. 21,'06	....	....	....
• Mex. & P. div 1st g 5's	1931	13,418,000	M & N	111½	Jan. 28,'06	....	....	....
Gila Val.G.& N'n 1st gtd g 5's	1924	1,514,000	M & N	106	May 2,'06	106	106	2,000

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Houst. E. & W. Tex. 1st g. 5's	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
• 1st gtd. g. 5's	1933	2,199,000	M & N	103½	May 1,'06	106½	103½	1,000
Houst. & T.C. 1st g 5's int. gtd.	1937	4,242,000	J & J	111¾	May 18,'06	111⅞	111⅝	2,000
• con. g 6's int. gtd.	1912	2,290,000	A & O	111½	Apr. 15,'06	....	....	....
• gen. g 4's int. gtd.	1921	4,275,000	A & O	99	Mar. 19,'06	....	....	....
• W&Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	118	Feb. 17,'06	....	....	....
• 1st 7's	1918	5,000,000	A & O	129⅛	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
• gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,235,000	J & J	102⅛	Mar. 2,'06	....	....	....
San Ant. & Aran Pass 1st gtd g 4's	1943	17,544,000	J & J	89	May 31,'06	89	87¾	109,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	105⅛	Mar. 14,'06	....	....	....
• • •	1910	4,000,000	J & J	107	Apr. 28,'06	....	....	....
• of Cal. 1st g 6's C. & D.	1906	12,693,500	A & O	102	Jan. 2,'06	....	....	....
• • • E. & F.	1902		A & O	113¾	Feb. 15,'06	....	....	....
• • •	1912		A & O	116	June 29,'04	....	....	....
• 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Jan. 3,'06	....	....	....
• stamped	1905–1937	21,470,000	......	108⅝	July 11,'05	....	....	....
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
• of N. Mex. c. 1st 6's	1911	4,180,000	J & J	105¾	May 16,'06	105¾	105	4,000
Tex. & N.O. Sabine div. 1st g 6's	1912	2,575,000	M & S	111¼	Jan. 6,'06	....	....	....
• con. g 5's	1943	1,620,000	J & J	110	Apr. 10,'06	....	....	....
Southern Pacific R.R. Co.		75,000,000	J & J	96½	May 31,'06	96¾	94¾	661,000
• st. refundg mtge. s. f. 4's	1955		J & J	....	....	....	....	....
Southern Railway 1st con. g 5's	1994	44,766,000	J & J	117¾	May 31,'06	118	115⅝	114,000
• registered			J & J	117⅛	Jan. 25,'06	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	8,069,000	M & S	95	May 22,'06	96	94⅛	11,000
• registered			M & S	....	....	....	....	....
• Memph. div. 1st g. ~~4-4½-~~5's	1996	5,188,000	J & J	118½	Apr. 4,'05	....	....	....
• registered			J & J	....	....	....	....	....
• St. Louis div. 1st g. 4's	1951	11,750,000	J & J	97⅛	May 24,'06	98	97⅛	7,000
• • registered			J & J	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	113	Jan. 4,'06	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	96¾	Apr. 12,'05	....	....	....
• 2d mtg	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116½	May 8,'05	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	116	May 24,'06	116	116	5,000
• con. 1st g 5's	1956	12,770,000	M & N	117	May 29,'06	117½	116	23,000
• reorg. lien g 4's	1938	4,500,000	M & S	113½	May 15,'06	113½	113½	1,000
• registered			M & S	....	....	....	....	....
Ga. Midland Ry. Co., 1st 3's	1946	1,650,000	A & O	74¼	Mar. 30,'06	....	....	....
• Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	121	May 14,'06	121½	121	3,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122⅝	Apr. 10,'06	....	....	....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	116	May 1,'06	116	113½	3,000
• deb. 5's stamped	1927	3,368,000	A & O	114½	Feb. 13,'06	....	....	....
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	105	May 5,'06	105	105	2,000
Vir. Midland serial ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small			M & S	....	....	....	....	....
• ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small			M & S	....	....	....	....	....
• ser. D 4-5's	1921	950,000	M & S	110	Dec 22,'04	....	....	....
• small			M & S	....	....	....	....	....
• ser. E 5's	1926	1,775,000	M & S	113	Dec. 20,'05	....	....	....
• small			M & S	....	....	....	....	....
• ser. F 5's	1931	1,310,000	M & S	115¾	Nov. 2,'05	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	111⅝	May 21,'06	111⅝	111⅝	2,000
• gen. 5's. gtd. stamped	1926	2,466,000	M & N	109½	May 2,'06	109½	109½	1,000
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97¾	May 15,'05	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	112¼	Mar. 20,'06	....	....	....
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1 g 4½'s	1939	7,000,000	A & O	109	May 16,'06	109	109	1,000
• 1st con. g. 5's	1894–1944	5,000,000	F & A	120	Apr. 24,'06	....	....	....
• gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	98	May 29,'06	98½	97½	30,000
• " " registered.			J & J	....	....	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112¼	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	122⅝	May 29,'06	123¾	122½	58,000
• 2d gold income, 5's	2000	963,000	MAR.	102	Jan. 9,'06	....	....	....
• La. Div. B.L. 1st g. 5's	1931	4,241,000	J & J	106¾	Mar. 29,'06	....	....	....
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	114¾	Apr. 18,'06	....	....	....
• 1st M. g. 5's West. div	1935	2,500,000	A & O	115	Oct. 28,'04	....	....	....
• gen. g. 5's	1935	2,000,000	J & D	109	May 25,'06	109	109	5,000
• Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	98	May 21,'06	98	98	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,400,000	J & D	98¼	Apr. 17,'06	....	....	10,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	89¾	May 24,'06	89¾	89½	....
• registered			J & J	...	....	....	....	3,000
• fifty years g. 4's	1925	6,500,000	A & O	80½	May 15,'06	80½	80½	... .
• registered			A & O	....		...	....	....
Toronto, Hamilton & Buff 1st g 4s	1946	3,280,000	J & D	99½	Nov. 8,'05	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	110¼	Apr. 27,'06	....	....	....
• 1st ref. g. 4's	1952	700,000	A & O	98	Jan. 20,'06	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	104⅝	May 31,'06	105	103⅛	857,000
• registered			J & J	104	May 28,'06	104	103⅛	11,000
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	101⅞	May 31,'06	101⅞	100⅛	101,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	123¼	May 25,'06	123¼	122½	82,000
• 1st con. g. 5's	1946	12,328,000	J & J	118⅝	May 29,'06	119	117¼	8,000
• gtd. refunding g. 4's	1929	45,000,000	J & D	96	May 31,'06	96	94¾	571,000
• • registered			J & D	96⅛	Dec. 30,'05	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	105½	Jan. 16,'06	....	....	....
• g. 5's	1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's	1955	10,000,000	F & A	102⅞	Feb. 2,'06	....	....	....
• registered			F & A	....		....	....	....
Vera Cruz & Pac. tr. gtd. g. 4½'s	1934	2,500,000	J & J	101⅜	Nov. 29,'05	....	....	....
• 1st mtg. gtd. bonds of 1934, scaled int. to 1918 Speyer&Co's coupons		4,500,000	J & J	....		....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	112½	Apr. 30,'06	....	....	....
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	114	May 28,'06	114	112⅞	44,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	104¾	May 31,'06	105	104	33,000
• deben. mtg series A	1939	3,500,000	J & J	94	May 14,'06	94	93½	16,000
• series B	1939	26,500,000	J & J	80½	May 31,'06	82¾	78¾	6,903,000
• first lien eqpt. fd. g. 5's	1921	2,500,000	M & S	102	Dec. 28,'05	....	....	....
• 1st lien 50 yr. g. term 4's	1954	2,508,000	J & J	93	Mar. 24,'06	....	....	....
• 1st g. 5's Det. & Chi. ex	1940	3,349,000	J & J	109½	Apr. 23,'06	....	....	....
• Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
• Omaha div. 1st g. 3½s	1941	3,173,000	A & O	85½	May 1,'06	85½	85½	5,000
• Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	97	May 27,'05	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109½	Mar. 18,'03	....	....	....
Wabash Pitts Terml Ry 1st g. 4's	1954	29,000,000	J & D	85¼	May 31,'06	85¼	82⅞	159,000
• 2d g. 4's	1954	20,000,000	J & D	37¼	May 31,'06	37¼	35	448,000
Western Maryland 1st 4's	1952	33,194,000	A & O	86½	May 31,'06	87	84⅛	185,000
West. M'land. g. lien & con. g. 4's	1952	10,000,000	A & O	75¾	May 31,'06	75⅞	71	178,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	116⅞	May 11,'06	116⅞	116⅞	2,000
• gen g. 3-4's	1943	9,789,000	A & O	95	May 29,'06	95	95	5,000
• inc. 5's	1943	10,000,000	Nov.	30	May 3,'06	30	30	1,000
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	110	Aug. 3,'05	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114	Jan. 20,'06	....	....	....
• Wheeling div. 1st g. 5's	1928	894,000	J & J	112½	Feb. 9,'06	....	....	....
• exten. and imp. g. 5's	1930	343,000	F & A	114	June 23,'05	....	....	....
• 20 year eqptmt s.f. g. 5's	1922	2,152,000	J & J	102⅝	Nov. 28,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,697,000	M & S	88¾	May 31,'06	89	87½	70,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	92¼	May 31,'06	92¼	90½	167,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....		....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	106	May 21,'06	106¼	106	22,000
• 1st ref. conv. g. 4's	2002	22,042,000	J & J	97¾	May 31,'06	98¼	95¾	2,058,000
• • registered			J & J	....		....	....	....
• City R. R. 1st c. 5's 1916	1941	4,373,000	J & J	106	May 11,'06	106	106	1,000
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	100	May 31,'06	100	100	1,000
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	108½	May 31,'06	109	107½	124,000
• stamped guaranteed			......	110	Feb. 6,'06	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	91	May 26,'06	91	91	3,000
• stamped guaranteed			......	91⅛	May 23,'06	91⅛	89	14,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	88	May 29,'06	88	88	43,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light g 1st & rfg. g 4½'s	1951	10,913,000	J & J	102	Mar. 29,'06	....	....	....
• stamped guaranteed			......	102½	Apr. 2,'06	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,19'	..	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....		....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	11,367,000	J & J	95	May 29,'06	95½	94⅞	43,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....		....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	94	May 31,'06	94	93½	83,000

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				Price.	*Date.*	*High.*	*Low.*	*Total.*
Louisville Railw'y Co. 1st c. g. 5's,	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's,	1913	3,000,000	J & J	....		....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's.	1997	12,500,000	F & A	111	May 29,'06	111	110	41,000
• refunding 4's..........	2002	16,418,000	A & O	87	May 31,'06	87½	86	61,000
B'way & 7th ave. 1st con. g. 5's,	1943	7,660,000	J & D	113¼	May 25,'06	113¼	112½	26,000
• registered			J & D	119½	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's,	1993	3,000,000	M & S	114½	May 11,'06	114½	114½	2,000
• registered................			M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's,	1993	5,000,000	M & S	114	May 31,'06	114½	113½	2,000
• registered................			M & S	....		....	....	....
Third Ave. R.R. 1st c. gtd. g. 4's..	2000	36,943,000	J & J	93	May 28,'06	93	92½	39,000
• registered................			J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...	1937	5,000,000	J & J	118	May 22,'06	118¼	118	4,000
Met. West Side Elev. Chic. 1st g. 4's.	1938	9,808,000	F & A	94	Oct. 23,'05	....	....	....
• registered................			F & A	....		....	....	....
Mil. Elec. R. & Light con. 30yr. g. 5's.	1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's..................	1919	4,050,000	J & J	107½	Feb. 14,'06	....	....	....
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's.	1937	3,763,000	M & N	....		....	....	....
St. Paul City Ry. Cable con. g. 5's.	1937	2,480,000	J&J15	114½	Nov. 18,'05	....	....	....
• gtd. gold 5's	1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Salt Lake City 1st g. sk. fd 6's ..	1913	297,000	J & J	....		....	....	....
Undergr'd Elec. Rys. of London Ltd.		16,550,000	J & J	98⅝	May 31,'06	98¾	97½	204,000
5% profit sharing notes 1908 series A			J & D	....		....	....	....
• series B			J & D	....		....	....	....
• series C			J & D	....		....	....	....
• series D			J & D	....		....	....	....
Union Elevated (Chic.) 1st g. 5's.	1945	4,387,000	A & O	106¼	July 13,'05	....	....	....
United Railways of St. L. 1st g. 4's.	1934	28,292,000	A & O	87¾	May 31,'06	88½	86½	36,000
• St. L. T. Co. gtd. imp. 20yr 5's.	1924	10,000,000	A & O	96½	Apr. 12,'06	....	....	....
United R. R. of San Fr. s. fd. 4's...	1927	20,000,000	A & O	79½	May 31,'06	79½	76	254,000
West Chic. St. 40 yr. 1st cur. 5's.	1928	3,969,000	M & N	87	Sept. 9,'05	....	....	....
• 40 years con. g. 5's......	1936	6,081,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	*Price.*	*Date.*	*High.*	*Low.*	*Total.*
Adams Express Co. col. tr. g. 4's.	1948	12,000,000	M & S	102¾	May 29,'06	103	102¾	22,000
Am. Steamship Co. of W. Va. g. 5's	1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N.Y. 1st c. g. 5's.	1948	6,500,000	F & A	48	Feb. 14,'06	....	...	....
Chic. Junc. & St'k Y'ds col. g. 5's.	1915	10,000,000	J & J	108	July 3,'05	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an.	1911	1,432,000	A & O	70	May 29,'06	70	70	3,000
Hackensack Water Co. 1st 4's....	1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's....	1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.	1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............	1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...	1951	11,580,000	F & A	94	May 21,'06	95¼	94	28,000
• registered................			F & A	....		....	....	....
Provident L. Soc. of N.Y. g. 4's .	1921	2,000,000	M & S	99	May 10,'06	99	99	1,000
St. Joseph Stock Yards 1st g. 4½'s	1930	1,250,000	J & J	100½	Sept. 15,'05	....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..	1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..	1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....	1906	3,897,000	M & S	113½	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.								
Series E 4's...............	1907-1917	1,000,000	J & D	....		....	....	....
• F 4's...............	1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
• G 4's...............	1903-1918	1,000,000	F & A	....		....	....	....
• H 4's...............	1903-1918	1,000,000	M & N	....		....	....	....
• I 4's...............	1904-1919	1,000,000	F & A	....		....	....	....
• J 4's...............	1904-1919	1,000,000	M & N	....		....	....	....
• K 4's...............	1905-1920	1,000,000	J & J	....		....	....	....
Small bonds............	....	....	......	....		....	....	....
INDUSTRIAL AND MFG. BONDS.								
Am. Cotton Oil deb. ext. 4½'s....	1915	5,000,000	......	95¾	May 29,'06	95¾	94⅞	71,000
Am. Hide & Lea. Co. 1st s. f. 6's...	1919	7,863,000	M & S	91	May 31,'06	93¾	90¼	151,000
Am. Ice Securities Co. deb. g 6's.	1925	2,655,000	A & O	89¼	May 16,'06	90½	88¾	74,000
• small bonds......			A & O	....		....	....	....
Am. Spirit Mfg. Co. 1st g. 6's....	1915	1,521,000	M & S	102½	May 23,'06	102½	99	58,000
Am. Thread Co. 1st coll. trust 4's.	1919	6,000,000	J & J	91⅞	Apr. 30,'06	...	....	....
Am. Tobacco Co. 40 yrs g, 6's	1944	54,861,750	A & O	113⅞	May 31,'06	114¼	112	728,000
• registered...........			A & O	113½	Apr. 25,'06	....	....	....
• g. 4's..............	1951	58,168,000	F & A	79¼	May 31,'06	79¾	78	682,000
• • registered...........			F & A	79½	May 31,'06	79½	77½	3,000
Barney & Smith Car Co. 1st g. 6's.	1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Central Leather Co. 20 yr. g. 5's .	1925	33,876,000	A & O	99½	May 31,'06	99⅝	98¾	671,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		MAY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Consol. Tobacco Co. 50 year g. 4's.	1951	5,310,500	F & A	79	May 31,'06	80	78¼	24,000
″ registered			F & A	78¼	Mar. 16,'06	....	....	....
Dis. Secur. Cor. con. 1st g. 5's.	1927	13,609,000	A & O	89⅞	May 31,'06	90	81	1,047,000
Ill. Steel Co. deb. 5's stpd. non-con.	1910	2,922,000	J & J	99	Jan. 17,'99	....	....	....
″ non. conv. deb. 5's.	1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con. g 6's.	1918	9,724,000	F & A	109	May 25,'06	109¼	108	21,000
″ con. conv. sinkg fund g 5s	1935	5,000,000	J & J	96½	May 25,'06	96½	96	17,000
Int. Steam Pump 10 year deb. 6's.	1913	3,500,000	J & J	103½	May 23,'06	103½	103¼	20,000
Knick'r'ker Ice Co. (Chic) 1st g 5's.	1928	1,937,000	A & O	97½	Oct. 2,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's.	1923	15,000,000	A & O	104	May 31,'06	104⅛	102½	135,000
Nat. Starch Mfg. Co., 1st g 6's.	1920	2,843,000	J & J	90	May 31,'06	90	90	1,000
Nat. Starch. Co's fd. deb. g. 5's.	1925	3,920,000	J & J	75	May 8,'06	75	74	27,000
United Fruit Co., con. 5's.	1911	2,169,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's.	1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109	May 23,'06	109½	107	102,000
U. S. Reduction & Refin. Co. 6's.	1931	....	......	101½	May 25,'06	102	95	64,000
U.S. Realty & Imp. con. deb. g. 5's.	1924	13,284,000	......	96	May 31,'06	97½	95	499,000
U.S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963	....	M & N	98½	May 31,'06	98½	95¾	4,350,000
″ ″ ″ ″ reg.	1963	170,000,000	M & N	98⅛	May 28,'06	98½	95⅝	128,000
Va. Carol Chem. col. tr. s. fd. g. 5's.	1912	6,000,000	A & O	100	May 16,'06	100	100	2,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's.	1943	5,355,000	F & A	103	Mar. 14,'06	....	....	....
″ conv. deb. g. 5's.	1911	1,709,000	F & A	91½	Mar. 21,'06	....	....	....
″ ″ registered			F & A	....	....	....	....	....
Col. C'l & I'n Dev. Co. gtd g. 5's.	1909	700,000	J & J	55	Nov. 2,19	....	....	....
″ Coupons off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.	1919	560,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.	1919	949,000	A & O	102⅝	Apr. 25,'06	....	....	....
Col. Inds. 1st cv g & col tr gt 5s ser A	1934	12,980,000	F & A	79	May 31,'06	79	71½	1,312,000
″ registered		....	F & A	....	....	....	....	....
″ 1st g & col tr gt 5s ser B.	1934	12,537,000	F & A	78	May 31,'06	78¾	73	1,025,000
″ ″ registered		....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's.	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
″ 2d g. 5's.	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105½	Oct. 7,'05	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,121,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's.	1946	1,044,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's.	1912	321,000	J & D	105	Aug. 10,'05	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's.	1951	4,424,000	J & J	100	May 26,'06	100	100	33,000
″ Tenn. div. 1st g. 6's.	1917	1,160,000	A & O	110½	Mar. 1,'06	....	....	....
″ Birmingh. div. 1st con. 6's	1917	3,603,000	J & J	110½	May 24,'06	110½	109	2,000
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C & I Co. gtd. g. 6's	1910	2,716,500	F & A	103½	Feb. 20,'06	....	....	....
Utah Fuel Co. 1st s. f. g. 5's.	1931	826,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's.	1949	6,157,000	M & S	94½	May 18,'06	95¼	94½	89,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's.	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st con g. 5's.	1945	14,493,000	M & N	109	May 18,'06	109	108⅝	7,000
Buffalo Gas Co. 1st g. 5's.	1947	5,900,000	A & O	71	May 31,'06	74	70	62,000
Columbus Gas Co., 1st g. 5's.	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Consolidated Gas Co., con. deb. 6's.	1909	19,857,500	J & J	145	May 31,'06	145½	138½	390,000
Detroit City Gas Co. g. 5's.	1923	5,603,000	J & J	104	May 28,'06	104	103	5,000
Detroit Gas Co. 1st con. g. 5's.	1918	381,000	F & A	105	Sept. 28,'05	....	....	....
Eq. G. L. Co. of N.Y. 1st con. g. 5's.	1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,047,000	F & A	88½	Apr. 26,'06	....	....	....
Grand Rapids G. L. Co. 1st g. 5's.	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's.	1949	10,290,000	M & N	108½	Apr. 24,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	98	Feb. 8,'06	....	....	....
Kings Co. Elec. L. & Power g. 5's.	1937	2,500,000	A & O	....	....	....	....	....
″ purchase money 6's.	1997	5,010,000	J & J	121	Feb. 23,'06	....	....	....
Edison El. Ill. Bkln 1st con. g. 4's.	1939	4,275,000	J & J	93½	Mar. 13,'06	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	104	May 24,'06	104¾	104	5,000
″ small bonds								
″ refdg. & enten 1st g. 5s.	1934	5,000,000	A & O	103½	May 26,'06	103½	103½	1,000
Milwaukee Gas Light Co. 1st 4's.	1927	7,000,000	M & N	93¼	May 29,'06	93¼	93¼	6,000
Newark Cons. Gas, con. g. 5's.	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y. Gas EL. H & P Co 1st col tr g 5's.	1948	15,000,000	J & D	108¼	May 31,'06	109	107	59,000
″ registered			J & D	110¼	Dec. 30,'04	....	....	....
″ purchase mny col tr g 4's.	1949	20,927,000	F & A	87⅞	May 31,'06	88	86½	69,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	102½	Apr. 9,'06	....	....	....
″ 1st con. g. 5's.	1995	2,156,000	J & J	118	Apr. 2,'06	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

Name.	*Principal Due.*	*Amount.*	*Int't paid.*	Last Sale. *Price.*	Last Sale. *Date.*	May Sales. *High*	May Sales. *Low.*	May Sales. *Total.*
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	101⅛	May 29,'06	101⅛	100⅛	14,000
N.Y.& RichmondGasCo.1stg.5's	1921	1,225,000	M & N	....	....	....	....	....
Paterson&Pas. G.&E. con.g.5's	1949	3,817,000	M & S	104¾	Nov.13,'05	....	....	....
Peo. Gas & C.C.1st con. g 6's	1943	4,900,000	A & O	120	May 24,'06	120	117⅝	4,000
" refunding g. 5's	1947	2,500,000	M & S	103⅛	Apr. 14,'06	....	....	....
" refuding registered	....		M & S	....	....	....	....	....
Chic.Gas Lt&Coke 1st gtd g.5's	1937	10,000,000	J & J	107⅛	Mar. 15,'06	....	....	....
Con. Gas Co.Chic. 1st gtd.g.5's	1936	4,346,000	J & D	108	Feb. 16,'06	....	....	....
MutualFuelGasCo.1stgtd.g.5's	1947	5,000,000	M & N	103⅛	Dec. 18,'05	....	....	....
" registered	....	....	......	....	....	....	....	....
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	110	May 13,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's	1950	1,000,000	J & J	....	....	...	....	....
Westchester Lighting Co. g. 5's	1950	5,916,000	J & D	106⅛	Apr. 5,'06	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's	1929	53,000,000	J & J	95¼	Jan. 18,'06	....	....	....
Commercial Cable Co. 1st g. 4's	2397	9,170,000	Q & J	97	Mar. 2,'06	....	....	....
" registered	....		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Keystone Telephone Co. 1st 5's	1935	4,000,000	J & J			....	....	....
" registered	....		J & J	....	....	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	1,761,000	M & N	109⅛	May 18,'05	....	....	....
" registered	....		M & N					
N. Y. & N. J. Tel. gen. g 5's	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's	1938	8,615,000	J & J	109⅛	May 22,'06	109⅛	109⅛	13,000
" fundg & real estate g.4½'s	1950	20,000,000	M & N	103¾	May 29,'06	104	102	64,000
Mutual Union Tel. s. fd. 6's	1911	1,957,000	M & N	106⅛	Mar. 15,'06	....	....	....
Northern Tel. Co. gtd fd.4½'s	1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

Name	*Principal Due.*	*Amount.*	*Int'st Paid.*	Year 1906. *High.*	Year 1906. *Low.*	May Sales. *High.*	May Sales. *Low.*	May Sales. *Total.*
United States con. 2's registered	1930	542,909,950	Q J	103⅞	103⅛	103⅛	103⅛	15,000
" con. 2's coupon	1930		Q J	104⅛	103	....	....	......
" con. 2's reg. small bonds	1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
" 3's registered	1908-18	77,135,300	Q F	103⅞	102¾	102¾	102¾	3,000
" 3's coupon	1908-18		Q F	104¾	102⅝	103¼	102 ¼	13,000
" 3's small bonds reg	1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.	1908-18		Q F	104¼	102¼	....	....	......
" 4's registered	1907	156,591,500	J A J&O	104⅛	103	104⅛	103⅛	49,000
" 4's coupon	1907		J A J&O	104⅞	103¼	103⅛	103¼	5,000
" 4's registered	1925	118,489,900	Q F	129¾	129	129	129	2,000
" 4's coupon	1925		Q F	132¼	129⅛	131	129⅛	9,000
District of Columbia 3-65's	1924	14,224,100	F & A	....	....	....	....	......
" small bonds	....		F & A	....	....	....	....	......
" registered	....		F & A	....	....	....	....	......
Philippine Islands land pur. 4's	1914-34	7,000,000	Q F	111	109⅛	111	111	1,000
" public works & imp. reg.4's	1935	2,500,000	Q MCH.	108¾	108¾	....	....	.....
STATE SECURITIES.								
Alabama Class A 4 and 5	1906	6,859,000	J & J	101	100⅞	....	...	......
" " small	....	....	....	....	....	....	....	......
" Class B 5's	1906	575,000	J & J	....	....	....	....	......
" currency funding 4's	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new ccn. 4's	1914	10,752,800	J & J	....	....	....	....	......
" " small bonds	....							
North Carolina con. 4's	1910	3,897,350	J & J	102¾	102¾	....	....	......
" small	....		J & J	....	....	....	....	......
" 6's	1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds	1866 1900	556,500	J & J	....	....	....	....	......
" "	1868-1898		A & O	....	....	....	....	......
" new bonds	1892-1898	624,000	J & J	....	....	....	....	......
" "	....		A & O	....	....	....	....	......
" Chatham R. R	....	1,200,000	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	YEAR 1906.		MAY SALES.		
				High.	*Low.*	*High.*	*Low.*	*Total.*
" special tax Class 1		....	A & O	....	....	....	....	......
" " Class 2		....	A & O	....	....	....	....	......
" " to Western N. C. R.		....	A & O	....	....	....	....	......
" " Western R. R.		....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R.		....	A & O	....	....	....	....	......
" " Western & Tar. R.		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96¼	95½	....	....	......
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	....	....	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	17,087,000	J & J	96¾	94¾	....	....	......
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	30	20	24	22	40,000
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on the-Main, Germany, bond loan 3½'s series 1	1901	13,802,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	101⅛	96¾	100	97⅜	598,000
" " second series	....	£12,000,000	A & O	101¼	97¼	99⅝	97¼	1,023,000
$5 shall be considered equiv. £1 sterling								
Imper. Japan. Gov. 4½% ster. loan.	1925	£30,000,000	F & A15	95⅛	90½	94⅛	91⅝	2,079,000
One pound sterling equals Five Dollars								
Regular delivery £100 and £200								
Large bonds £500								
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	103¼	105⅛	103¼	213,000
" registered			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,805,460	......	101⅛	99¼	99¾	99¼	9,000
Small bonds denominations of £20	...	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......
U. S. of Mex. 4's gold debt 1904 ser. A.	1954	39,737,500	J & D	96	92⅝	96	94¼	268,000
" " " ser. B.	1954		J & D	....	....	....	....	......

BANKING AND FINANCIAL NOTES

NEW YORK CITY.

—On June 4 the Coal and Iron National Bank increased its capital and surplus to a total of $1,000,000. Deposits have shown a steady growth, and now amount to about $5,000,000.

This bank, by careful attention to the wants of its local depositors and correspondents, has built up a reputation for intelligent and courteous treatment, the results of which are seen in its growing list of deposit accounts.

John T. Sproull is president; Anthony A. Lisman, vice-president; David Taylor, second vice-president, and Addison H. Day, cashier.

—L. V. F. Randolph, who has been president of the Consolidated Stock and Petroleum Exchange for the past three years, will not be a candidate for reelection—a determination expressed a year ago. During Mr. Randolph's presidency 238 members have been admitted to the exchange, its transactions have largely increased and the gratuity fund reformed on conservative lines.

—The Title Guarantee and Trust Co. has moved into its new ten-story building, at 176 Broadway, which will be exclusively occupied by the company's offices.

—Early next fall the Union Trust Co. will open a branch at Fifth avenue and Thirty-eighth street.

—On May 21 the Real Estate Trust Company (organised in 1890) changed its title to Fulton Trust Company of New York. This change was made for the reason that the company transacts the ordinary business of a trust company, and no longer does a real estate commission business, and owns no real estate, except in a trust capacity.

—Vice-President Horace C. DuVal, of the Mechanics' Bank, Brooklyn, tendered a dinner to the officers and directors of the bank, at the Brooklyn Club on the evening of May 9.

—The dividend recently declared by the Greenwich Bank is its one hundred and second since the founding of the institution in 1830. In that time the capital and surplus has been increased from $200 to $1,000,000, and the dividend raised from six per cent. to eight per cent. per annum.

—The downtown branch of the Lincoln Trust Company, Broadway and Lispenard street, will be served by the following advisory committee: John Degenor, Jr., C. A. Auffmordt & Co.; Stuart Duncan, John Duncan's Sons; U. T. Hungerford, president U. T. Hungerford Brass & Copper Co.; Arthur Iselin, William Iselin & Co.; Decatur M. Sawyer, Sawyer & Blake; Charles H. Simmons, president John Simmons Company; Horace C. Stebbins, Grinnell, Willis & Co.; Morton Whitman, Clarence Whitman & Co.; John Currie Wilmerding, Wilmerding, Morris & Mitchell.

—Directors of the Bowling Green Trust Co. have decided to reduce the capital from $2,500,000 to $1,000,000, selling $1,500,000 of New York city bonds held and distriuting a cash dividend to stockholders. Besides its capital the company has $2,500,000 surplus and over $528,000 undivided profits.

—The Phenix National Bank has removed from 49 Wall street to 36 Nassau street, corner of Liberty. Under the management of President F. E. Marshall the business of this bank—one of the oldest in the city—has more than doubled, and larger quarters became a necessity.

—Fisk & Robinson of New York have been awarded the entire issue of $1,000,000 3 per cent. gold canal bonds by the New York State Comptroller. These bonds are exempt from taxation, run for fifty years, and are issued either in registered or coupon form. They were purchased at 101.13 and interest.

NEW ENGLAND STATES.

Boston.—Control of the Winthrop National Bank has been acquired by the City Trust Company, at $325 per share. The business of the bank will be continued as usual.

The Mercantile Trust Company will be

merged with the City Trust Company, and the capital of the latter will be raised from $1,000,000 to $1,500,000.

—At the annual meeting of the Bank Officers' Association on the evening of May 16 John A. Hunneman, of the Second National Bank, was chosen president. There was an attendance of 550 members at the meeting.

—A recent issue of the "Wall Street Journal," of New York, makes the following comparison of the growth of national banks and trust companies in this city:

"The opinion is nearly unanimous in the banking circles of Boston that local banks and trust companies will in the future show progress relatively much more nearly equal than has marked their progress during the past seven years.

The relation which the two classes of institutions bore to one another in 1899 may be best pictured by the following figures:

1899	National Banks	Trust Cos.
Number	50	14
Capital	$44,750,000	$7,850,000
Surplus and undivided profits	20,025,705	7,642,148
Deposits	232,875,459	87,365,788

This relation at present is:

1906		
Number	28	18
Capital	$28,400,000	$12,000,000
Deposits	209,165,766	141,209,015
Surplus and undivided profits	24,889,565	22,085,343

Recapitulated and contrasted we have:

	1906	1899
Aggregate dep., bks. & tr. cos.	$350,374,781	$320,241,247
Per cent. held by banks	59.7	72.7
Per cent. held by trust cos.	40.3	27.3
Aggregate resources	437,749,689	400,509,100
Per cent. held by banks	60	74.4
Per cent. held by trust cos.	40	25.6

It is noteworthy that the capital invested in the banks and trust companies seven years ago was $12,600,000 more than it is to-day; that the banks have reduced their capital $16,350,000, have lost $23,700,000 in deposits, and have gained $4,836,860 in surplus and undivided profits; that the trust companies on a net increase of $4,250,000 in capital have increased their deposits $54,000,000 and surplus and undivided profits $14,443,195; and that, while seven years ago a difference of twenty-two per cent. of the aggregate of deposits separated the banks from the trust companies, that difference to-day is but nine per cent.

Commenting upon the above, the president of a leading trust company, who is affiliated with other trust companies in Boston and New York, says: 'If the record of the past few years were to be duplicated in the next few, the trust companies would be a more important factor in the banking situation than the national banks. But it will not be. Seven years ago the majority of the city banks were obsolescent; their business was done in an old-fashioned way, and they were in a position analogous to the disintegrated condition of country banks to-day. Now the position of the city banks is greatly solidified; they do business in a different and more modern way; the growth of the trust companies and trust company ideas has infused new elements into national bank methods; they are in much higher favor with patrons, individual and corporate, than seven years ago. The future is bound to see a relatively equal growth between these two kinds of institutions.' "

Pittsfield, Mass.—The Third National Bank celebrated its twenty-fifth anniversary on June 1, having opened for business on June 1, 1881. Of the directors at that time none is serving at the present time and only three of the original directors are living.

The only man now connected with the bank who was with it twenty-five years ago is President Ralph D. Bardwell, who started in as cashier and held that position until the death of Henry W. Taft, two years ago.

In the quarter century of its existence the bank has paid in dividends about $153,000. Its capital stock from the beginning has been $125,000. The last statement of April 6 shows the bank to have a surplus of $125,000 and undivided profits of $58,883.17.

Connecticut Savings Bank Tax.—According to a recent decision of the Connecticut Supreme Court, the bill passed by the Legislature of that state reducing the tax on savings banks did not become a law. It seems that the governor signed the bill but afterwards erased his signature.

MIDDLE STATES.

Philadelphia.—The Fourth Street National Bank has continued its policy of maintaining "young blood" in important official positions, by advancing Cashier E. F. Shanbacker to the first vice-presidency, B. M. Faires to the second vice-presidency and Assistant Cashier W. Z. McLear to the office of cashier. The changes were brought about by the retirement of Sydney L.

Tyler and Francis L. Potts, who some time ago determined, for reasons entirely personal, to vacate their vice-presidential offices, which had been simply honorary positions.

First Vice-President Shanbacker has been connected with the bank for seventeen years, having entered its employ as secretary to Sydney F. Tyler, who was then its president. His first promotion came when he was made collateral clerk. In 1898 he was advanced to the office of assistant cashier, and three years later the duties of cashier were intrusted to him. When he was promoted to this latter office he was not only the youngest cashier in Philadelphia, but one of the youngest, and regarded as one of the most efficient, in the country.

Mr. Faires was a vice-president of the bank before his promotion to the second vice-presidency. Like Mr. Shanbacker, he began way down the ladder and gradually, but steadily, worked his way up from position to position, until today the board of directors regard him as one of its most successful employes.

Mr. McLear has been connected with the bank for many years, having entered its employ as a stenographer. In due course he became its general bookkeeper, and later was placed in charge of the collateral department. For some years previous to his appointment to the assistant cashiership, in 1901, he traveled for the bank, looking after its out-of-town business. In this way he gained a thorough knowledge of the country bank business and was very successful in building up a large line of deposits for his institution, which is by far the largest in Philadelphia. He has a very wide circle of acquaintances among bankers, and probably no other Philadelphia banker is so well known in this section of the country.

SOUTHERN STATES.

Changes in Mississippi Banking Laws.—Hon. T. M. Henry, State Auditor of Mississippi,, furnishes the following information in regard to recent changes in the banking laws of his state:

"The creation or organization of any branch bank in this state after this chapter goes into effect shall be and the same is forbidden and prohibited; and no branch bank shall be thereafter established in this state, and no parent bank chartered under the laws of the state shall thereafter establish any branch bank, either within or without the state."

As to branch banks already existing there is, according to the auditor, quite a decided change, as the new law directs that a minimum capital must be shown and be actually employed in the business. The law reads:

"Every parent bank operating one or more branch banks shall set apart and devote from its capital a sum not less than $10,000 for the exclusive use of each of said branch banks in its business, and the amount of the capital of said parent bank shall not be less than $10,000 at any time."

Another new provision is as follows:

"Trust Companies—Any bank now incorporated under the laws of the state with a capital paid up of as much as $100,000 may amend its charter to include the business of a trust company, and any bank incorporated hereafter under the laws of the state with a paid up capital of as much as $100,000 may provide in its charter the right to exercise powers and authorities of trust companies."

Still another change is that relative to the loaning of money by corporations to stockholders. This is a part of chapter 25, on corporations, which is of interest, as being the last one of the 148 to have passed the gauntlet of debate and conference owing to the imitation of the holding clause, which brought forth the gubernatorial message and a complete reversal of position by both houses. The section provides that no loan of money shall be made by any corporation to any stockholder, and in case such loan is made, the officers who make it shall be jointly and severally liable for principal and interest, and further, that a bank of deposit shall not loan a greater part of its capital than one-fifth of its capital to any officer or director.

Savannah, Ga.—Action has been taken by the clearing-house of this city whereby the banks belonging to the association are bound to adhere to a fixed rate to be paid on deposits. The rate has been placed at 3½ per cent. Heretofore some of the banks have allowed as much as five per cent. and the action referred to is therefore a step in the direction of more conservative banking.

WESTERN STATES.

Muscogee, Ind. Ter.—The First National Bank is increasing its banking room by a thirty-nine foot addition in the rear, and is installing another vault, making three in all. By means of these improvements the available banking space will be about doubled. New furniture and fixtures are also being put in.

This is the oldest bank in the Territory, as well as one of the largest. It was established in 1890 with $250,000 capital. A recent statement showed $60,000 surplus and $782,000 deposits. The officers are: President, J. L. Dabbs; vice-president, F. C. Hubbard; cashier, B. A. Randle; assistant cashier, W. T. Wisdom.

Tulsa, Ind. Ter.—The Standard Bank and Trust Company, which opened March 3, will combine the business of a bank and trust company. The new bank is well located in the Turn r Block, one of the best business corners in Tulsa, and has a banking room fitted up with modern equipment. Its capital is $40,000. G. C. Stebbins is president; F. C. Giddings, vice-president, and Edward McCoy, cashier. The correspondents are the Fidelity Trust Co., Kansas City, and Mississippi Valley Trust Co., St. Louis.

—The Union Trust Co., with $100,000 capital fully paid, transacts both a banking and trust company business. Fourteen of the stockholders are active and practical banking men. The Company's banking rooms, in the Robinson Hotel Block, present an attractive and substantial appearance. J. W. Ground is president; J. W. McCloud, first vice-president and general counsel; Geo. G. Bayne, second vice-president; H. C. Ashby, secretary, and Beeks Erick, acting treasurer.

Quincy, Ill.—The State Savings, Loan and Trust Co. is adding the adjoining building to its present quarters, which will about double the existing space, and will give the company one of the very large and attractive banking houses in the state. This additional room was needed to meet the requirements incident to the great growth of the company's business.

Chicago.—H. M. Byllesby & Co. announce the removal of their general offices to the American Trust Building, Clark and Monroe streets.

Monett, Mo.—The First National Bank is the only national bank here. It has a modern three-story stone building, which not only provides especially fine quarters for the bank, but has proved a good investment. This bank was started in 1893, and has $50,000 capital and $270,000 deposits. Carl W. Lehnhard, the president, is also president of the First National Bank, Sapulpa, Indian Territory.

Lamar, Mo.—In April last the business of the C. H. Brown Banking Co., established in 1867, was merged with the First National Bank, established in 1899. The latter now has $100,000 paid-up capital, $20,000 surplus and $400,000 deposits. Walter J. Miller is president; F. M. Conrad, vice-president, and C. B. Edwards, cashier. Mr. Conrad was formerly cashier of the Brown Banking Co.

PACIFIC SLOPE.

San Francisco.—On May 14 the Bank of California announced to its depositors and correspondents that it would take pleasure in transferring such portion of their balances to "special account" as might be required to meet immediate calls. The contents of the bank's vaults were found not to have been injured by the great disaster of April 18, and business is now going on in new quarters.

Spokane, Wash.—On May 11 the Traders' National Bank increased its capital from $300,000 to $600,000, the surplus of $575,000 being reduced by $300,000, and this latter amount applied to increase of capital.

—Thomas H. Brewer, president of the Genesee (Idaho) Exchange Bank, and who has had twelve years of successful experience in banking, and is well-known in Eastern Idaho and Northern Washington, has been elected a vice-president of the Fidelity National Bank of Spokane.

Los Angeles, Cal.—John P Burke, who for the last three years was vice-president of the Bank of San Jose, California, has purchased an interest in the Central Bank of Los Angeles, and has become vice-president of the bank. He has also been made a director in the Dollar Savings Bank, an auxiliary of the Central. Mr. Burke began his banking career in Walnut, Iowa, and after eleven years experience there removed in 1890 to San Jose, where he soon became identified with the practical development of that growing city. In company with others he bought the horse car lines of the city and converted them into overhead electric lines, and for ten years he was vice-president and manager of the system. He also practiced law in San Jose. Mr. Burke will hereafter reside in this city.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

People's National Bank, Brunswick, Md.; by G. H. Hogan, et al.

Sheridan National Bank, Sheridan, Wyo.; by Geo. W. Perry, et al.

Citizens' National Bank, Alamogordo, N. M.; by H. P. Seamans, et al.

First National Bank, Seward, Alaska; by V. W. Van Cleve, et al.

First National Bank, Sand Point, Idaho; by T. J. Humbird, et al.

Citizens' National Bank, Brownwood, Texas; by I. J. Rice, et al.

Farmers' National Bank, Madison, Neb.; by M. B. Foster, et al.

Farmers & Merchants' National Bank, Rule, Texas; by F. G. Alexander, et al.

First National Bank, Portsmouth, Va.; by J. J. McPherson, et al.

Enid National Bank, Enid, Okla.; by O. J. Fleming, et al.

First National Bank, Bardwell, Ky.; by H. J. Gardner, et al.

Lehigh National Bank, Catasauqua, Pa.; by Wm. H. Glass, et al.

First National Bank, Milnor, N. D.; by H. H. Berg, et al.

First National Bank, Binford, N. D.; by J. H. Sinclair, et al.

First National Bank, Florence, S. D.; by D. M. Cline, et al.

Citizens' National Bank, Houston, Texas; by Carey Shaw, et al.

Mercantile National Bank, Brownwood, Texas; by Felix Jackson, et al.

First National Bank, Creal Springs, Ill.; by A. A. Dugger, et al.

Americus National Bank, Americus, Ga.; by M. M. Lowrey, et al.

First National Bank, Blacklick, Pa.; by W. F. Elkin, et al.

First National Bank, Tuttle, I. T.; by C. W. Baumbach, et al.

First National Bank, Hewitt, I. T.; by C. W. Baumbauch, et al.

First National Bank, Oakford, Ill.; by M. O. Atterbury, et al.

First National Bank, Woodbridge, N. J.; by T. F. Dunigan, et al.

Fidelity National Bank, Aurora, Neb.; by H. Cole, et al.

First National Bank, Ransom, Ill.; by Al. F. Schoch, et al.

Springdale National Bank, Springdale, Pa.; by L. A. Burnett, et al.

Farmers' National Bank, Imogene, Iowa; by T. H. Read, et al.

Exchange National Bank, Montgomery, Ala.; by Michael Cody, et al.

Idaho National Bank, Boise, Idaho; by Geo. W. Fletcher, et al.

People's National Bank, Hackettstown, N. J.; by Robert A. Cole, et al.

NATIONAL BANKS ORGANIZED.

8187—First National Bank, Lansford, N. D.; capital, $25,000; Pres., H. F. Opfer; Vice-Pres., John S. Tucker; Cashier, C. A. Adams; Asst. Cashier, J. L. Opfer.

8188—Citizens' National Bank, Milford, Ohio; capital, $50,000; Pres., William R. Fee; Vice-Pres.; John Burger; Cashier, A. J. Allen; Asst. Cashier, Hiram Hebard.

8189—Merchants' National Bank, Lehigh, I. T.; capital, $25.000; Pres., J. A. Jackson; Vice-Pres., Wm. Menton; Cashier, Frank L. Bloomer.

8190—First National Bank, Vanderbilt, Pa., capital, $25,000; Pres., E. T. Norton; Vice-Pres., G. B. Roberts; Cashier, W. A. Cosgrove.

8191—First National Bank, Roscoe. N. Y.; capital, $50,000; Pres., W. E. Sprague; Vice-Pres., Thomas Keery; Cashier, Wm. H. Peters.

8192—First National Bank, Kewanna, Ind.; capital, $25,000; Pres., D. W. Sibert; Vice-Pres., Joseph Slick; Cashier, William H. Gohl.

8193—Globe National Bank, Globe, Ariz.; capital, $50,000; Pres., G. S. Van Wagenen Vice-Pres., Jos. H. Hamlill; Cashier, A. G. Smith; Asst. Cashier, J. R. Todd.

8194—Mariner Harbor National Bank, Mariner Harbor, N. Y.; capital. $50,000; Pres., Geo. T. Egbert; Vice-Pres., Alfred B. Potterton and Andrew Hagaman; Cashier, J. M. Walsh.

8195—First National Bank, Teague, Texas; capital, $50.000; Pres., W. E. Richards; Vice-Pres., M. Sweeney; Cashier, E. B. St. Clair.

8196—Bentleyville National Bank, Bentleyville, Pa.; capital. $25,000; Pres., C. K. Frye; Vice-Pres., A. N. Booth; Cashier, J. T. Neel; Asst. Cashier, J. W. Piersol.

8197—Hartford National Bank, Hartford, Kans.; capital, $25,000; Pres., W. M. Wilcox; Vice-Pres., E. F. Nance; Cashier, C. A. Johnson; Asst. Cashier, C. R. Baysinger.

8198—First National Bank, Sumner, Iowa; capital, $50,000; Pres., R. D. Cook; Cashier, Nelson McCook.

8199—Citizens' German National Bank, Hammond, Ind.; capital, $100,000; Pres., Charles C. Smith;; Vice-Pres., Wm. D. Weis; Cashier, Geo. M. Eder; Asst. Cashier, E. S. Emerine.

8200—First National Bank, Goree, Texas; capital, $25,000; Pres., R. E. Fowlkes; Cashier, D. L. Allen.

8201—Merchants' National Bank, Dickinson, N. D.; capital, $50,000; Pres., John F. Davis; Vice-Pres., Welton McDonald; Cashier, J. L. Hughes.

8202—Fairfax National Bank, Fairfax, Okla.; capital, $25,000; Pres., John L. Bird; Vice-Pres., G. M. Carpenter; Cashier, D. C. Maher.

8203—Chickasha National Bank, Chickasha, I. T.; capital, $100,000; Pres., T. H. Dwyer; Vice-Pres., D. H. Sigmon; Cashier, J. N. Cooke.

8204—Farmers' National Bank, Rockwall, Texas; capital, $25,000; Pres., W. H. Grove; Vice-Pres., J. T. Pemberton, M. L. Halford, J. R. Dumas, J. F. Corry and H. W. Chandler; Cashier, Mark Wheeler.

8205—First National Bank, Julesburg, Colo.; capital, $25,000; Pres., W. E. Coumbe; Vice-Pres., Mark Burke; Cashier, H. N. Linebarger.

8206—City National Bank, Frederick, Okla.; capital, $25,000; Pres., J. L. Lair; Vice-Pres., O. T. Hayward; Cashier, S. E. Patton; Asst. Cashier, A. Lair.

8207—Baldwin National Bank, Kahului, Hawaii; capital, $50,000; Pres., H. A. Baldwin; Vice-Pres., J. P. Cooke; Cashier, D. C. Lindsay.

8208—Citizens' National Bank, Lubbock, Texas; capital, $50,000; Pres., Geo. C. Wolffarth; Vice-Pres., R. C. Burns; Cashier, R. B. Tudor.

8209—First National Bank, Hastings, Okla.; capital, $25,000; Pres., W. P. Carden; Vice-Pres., E. B. Johnson; Cashier, J. B. Steele; Asst. Cashier, A. C. Savage.

8210—National Bank of Hastings, Hastings, Okla.; capital, $25,000; Pres., J. A. Smith; Vice-Pres., J. H. Porter; Cashier, A. R. Arnold; Asst. Cashier, W. V. Bergen.

8211—First National Bank, Blockton, Iowa; capital, $25,000; Pres., W. M. Wright; Vice-Pres., U. S. Wright; Cashier, I. V. Wright; Assst. Cashier, M. E. Roof.

8212—Findlay National Bank, Findlay, Ill.; capital, $25,000; Pres., Wm. Truitt; Vice-Pres., E. K. Schwartz; Cashier, C. B. Laughlin.

8213—Konawa National Bank, Konawa, I. T.; capital, $25,000; Pres., C. E. Hyde; Vice-Pres., V. V. Harris, Cashier, H. E. Fuller.

8214—Farmers' National Bank, Newkirk, Okla.; capital, $25,000; Pres., A. A. Slosson; Vice-Pres., T. D. Tyler; Cashier, J. H. Coleman.

8215—Citizens' National Bank, Munday, Texas; capital, $25,000; Pres., J. N. Campbell; Vice-Pres., W. D. Carter; Cashier, John Switzer; Asst. Cashier, J. T. Yeargin.

8216—First National Bank, Westfield, Ill.; capital, $25,000; Pres., J. E. Carr; Vice-Pres., Alva Biggs; Cashier, J. M. Lockett.

8217—Camden National Bank, Camden, Ala.; capital, $30,000; Pres., E. W. Berry; Vice-Pres., J. R. Liddell; Cashier, Jno. Miller.

8218—First National Bank, Trenton, Neb.; capital, $25,000; Pres., W. S. Collett; Vice-Pres., A. H. Thomas; Cashier, Ethyl Hall.

8219—First National Bank, Princeton, W. Va.; capital, $50,000; Pres., C. R. McNutt; Vice-Pres., Wm. E. Fowler; Cashier, J. Lee Harne.

8220—First National Bank, Kiowa, Kansas; capital, $25,000; Pres., A. J. Bentley; Vice-Pres., G. F. Long; Cashier, J. E. Holmes.

8221—Farmers & Merchants' National Bank, Nashville, Ill.; capital, $25,000; Pres., P. Ziegel; Vice-Pres., S. P. Schroeder; Cashier, M. J. White.

8222—Covina National Bank, Covina, Cal.; capital, $25,000; Pres., J. B. Coulston; Vice-Pres., J. D. Reed; Cashier, V. O. English.

8223—National Bank of Topton, Topton, Pa.; capital, $25,000; Pres., Martin S. Croll; Vice-Pres., John Hartley; Cashier, A. H. Smith.

8224—First National Bank, Lerna, Ill.; capital, $25,000; Pres., Charles H. Faris; Cashier, R. G. Hall.

8225—Western National Bank, Caldwell, Idaho; capital, $50,000; Pres., W. H. Redway; Vice-Pres., Jno. T. Morrison; Second Vice-Pres., D. D. Campbell; Cashier, S. D. Simpson.

8226—First National Bank, Maddock, N. D.; capital, $25,000; Pres., Andrew M. Shelmo; Vice-Pres., Edward L. Yager; Cashier, Norman H. Story.

8117—Hardyston National Bank, Hamburg, N. J.; capital, $50,000; Pres., Horace E. Rude; Vice-Pres., B. W. Decker and Reeve Harden; Cashier, T. D. Edsall.

8228—First National Bank, Harrison, Ohio; capital, $25,000; Pres., C. C. Coburn; Asst. Cashier, S. J. Burk.

8229—First National Bank, Central City, Ky.; capital, $25,000; Pres., W. R. McDowell; Vice-Pres., P. K. Salsburg; Cashier, A. E. Orr; Asst. Cashier, W. P. Kincheloe.

8230—Lidgerwood National Bank, Lidgerwood, N. D.; capital, $35,000; Pres., M. Lynch; First Vice-Pres., Geo. E. Dutton; Second Vice-Pres., J. A. Morrow; Cashier, J, L, Matthews.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Flomaton—Bank of Flomaton; capital, $15,000; Pres., W. J. Bryan; Vice-Pres., A. McGowin; Cashier, R. W. Drury.

Goodwater—Planters' Bank; capital, $10,000; Pres., C. H. Gilliland; Vice-Pres., A. R. Lauderdale; Cashier, T. P. Crawford.

Montgomery—Montgomery Bank & Trust Co.; capital, $250,000; Pres., W. E. Holloway; Vice-Pres., Meyer L. Griel; Cashier, F. H. Logan; Sec., J. W. Kelly.

Thomaston—Bank of Thomaston; capital, $10,000; Pres., A. Morton Butler; Vice-Pres., C. B. Thomas.

Vinegar Bend—Bank of Washington County; capital, $10,000; Pres., H. O. McMain; Vice-Pres., N. E. Turner; Cashier, A. R. L. Turner.

ARKANSAS.

Cave City—Bank of Cave City; capital, $5,000; Pres., J. A. Laman; Vice-Pres., G. W. Brewer; Cashier, A. E. Albright; Asst. Cashier, L. R. Laman.

Pettigrew—First Bank; capital, $2,000; Pres., J. Frank Bretz; Cashier,, Columbus C. Drake.

Paragould—Paragould Trust Co.; capital, $50,000; Pres., M. F. Collier; Vice-Pres., F. M. Scott; Cashier, L. C. Stephenson.

CALIFORNIA.

Gridley—Gridley State Bank; capital, $15,000; Pres., H. M. Serkland; Vice-Pres., C. W. Putnam; Cashier, James Ownby; Asst. Cashier, Ray W. Seager.

Los Angeles—Bank of Southern California; capital, $100,000; Pres., J. B. Lankershim; Vice-Pres., N. J. Skinner and J. W. Mitchell; Cashier, O. C. Conley; Asst. Cashier, U. S. Frye.

COLORADO.

Trinidad—Italian Bank., Pres., John Ciello.

DISTRICT OF COLUMBIA.

Washington—Citizens' Savings Bank; capital $100,000; Pres., James A. Sample; Vice-Pres., Rignald W. Beall; Cashier, Bestor R. Walters.

FLORIDA.

Sanford—Peoples' Savings Bank; capital, $30,000; Pres., M. M. Smith; Cashier, W. E. Lee.

GEORGIA.

Logansville—Farmers & Merchants' Bank; capital, $15,500; Pres., L. O. Benton; Vice-Pres., D. Y. Hodges and W. H. Braswell; Cashier, J. B. Hodges.

Norman Park—Bank of Norman Park; capital, $25,000; Pres., J. B. Norman, Jr.; Vice-Pres., K. W. Harne; Cashier, Lewis Edwards.

Savannah—Hibernia Bank; capital, $200-000; Pres., M. A. O'Byrne; Vice-Pres., Charles Ellis; Cashier, Joseph W. Heffernan.

Scott—Scott Banking Co.; capital, $15,000; Pres., L. O. Benton; Vice-Pres., J. Warren Carter; Cashier, J. V. Carter.

IDAHO.

Burley—Burley State Bank; capital, $10,000; Pres., J. E. Miller; Vice-Pres., L. W. Robbins; Cashier, W. D. Kenyon; Asst. Cashier, E. C. Davis.

ILLINOIS.

Barry—Barry State Bank; capital, $25,000; Cashier, John Weber; Asst. Cashier, Bessie Stearnes.

Cherry—State Bank; capital, $25,000; Pres., John W. Blee; Vice-Pres., Michael H. Flaherty; Cashier, Charles L. Connolly.

Chester—Bank of L. H. Gilster & Co.; capital, $10,000; Pres., L. H. Gilster, Sr.; Vice-Pres., Henry Gilster; Cashier, L. H. Gilster, Jr.

Dongola—First State Bank; capital, $25,000; Pres., Jaspar A. Dellow; Vice-Pres., D. W. Karraker; Cashier, S. O. Boyd.

Elwood—J .C. Beattie Bank; Cashier, J. C. Beattie; Asst. Cashier, B. T. Harley.

Geneseo—Geneseo Savings Bank; capital, $50,000; Pres., J. H. Bryan; Vice-Pres., C. S. Young and A. W. Weiner; Cashier, W. H. Holzinger.

Osco—Farmers' Bank; capital, $10,000; Pres., John Johnson, Jr.; Vice-Pres., E. V. Johnson; Cashier, E. G. Samuelson; Asst. Cashier, A. L. Westerlind.

INDIANA.

Evansvile—Commercial Bank; capital, $50,000; Pres., Jno. M. Funke; Vice-Pres., G. A. Hartmetz; Cashier, L. E. Fricke.

INDIAN TERRITORY.

Ardmore—Federal Savings Bank; capital, $50,000 Pres., C. H. Fleming; Vice-Pres., M. K. Fleming; Sec. and Treas., G. G. Hastings.

Big Cabin—Bank of Big Cabin; capital, $10,000; Pres., Bird Ballinger; Vice-Pres., L. S. Robinson; Cashier, Robert E. Lee.

Gans—Gans State Bank; capital, $25,000; Pres., James W. Nelson; Vice-Pres., Geo. B. Nelson; Cashier, S. D. Nelson.

Kinta—Kinta State Bank; capital, $10,000; Pres., Geo. W. Scott; Vice-Pres., Emmett Johnson; Cashier, Park J. Anderson.

Pauls Valley—Santa Fe Trust Bank; Pres., H. R. Little; Vice-Pres., R. F.

Howard; Sec. and Treas., Frank J. Scott.

IOWA.

Brandon—Brandon State Savings Bank; capital, $10,000; Pres., R. F. Clarke; Vice-Pres., Roy A. Cooke; Cashier, V. W. Davis.

Farley—Farley State Bank; capital, $25,000; Pres., John P. Sanner; Vice-Pres., B. D. Heald; Cashier, Frank Ferring.

Halbur—German Savings Bank; capital, $10,000; Pres., N. W. Uselding; Vice-Pres., A. Stephenson; Cashier, W. E. Klein.

Rembrandt—Rembrandt Savings Bank; capital, $10,000; Pres., C. B. Mills; Vice-Pres., Jno. J. Spindler; Cashier, H. C. Berger.

Shannon City—Citizens' Bank; capital, $5,000; Pres., E. T. Dufur; Cashier, M. I. Roberts.

KANSAS.

Ashland—Citizens' State Bank; capital, $15,000; Pres., C. D. Perry; Vice-Pres., W. P. Fulkerson; Cashier, W. C. Smith.

Greensburg—Home State Bank; capital, $10,000; Pres., S. D. Robinett; Vice-Pres., T. F. Phillips; Cashier, E. A. Northrup.

Lakin—Lakin State Bank; capital, $10,000; Pres., Nathan Fulmer; Vice-Pres., M. A. Mosher; Cashier, C. W. Chandler.

Lincolnville—Lincolnvile State Bank; capital, $10,000; Pres., H. W. Tiemeier; Vice-Pres., W. H. Wight; Cashier, F. A. Smith.

Milford—State Bank; capital, $10,000; Pres., W. H. Kennett; Vice-Pres., A. F. Fawley; Cashier, E. McChesney.

Redfield—Redfield State Bank; capital, $10,000; Pres., A. A. Belinger; Vice-Pres., Grant Hornaday; Cashier, A. R. Thompson.

KENTUCKY.

Mt. Vernon—People's Bank; capital, $10,000; Pres., H. H. Wood; Vice-Pres., W. G. Nicely; Cashier, M. B. Salin; Asst. Cashier, Walter G. Smith.

LOUISIANA.

New Orleans—Third District Savings, Banking & Trust Co.; capital, $100,000; Pres., E. J. Leonard; Vice-Pres., Ph. Forschler; Cashier, H. A. S. Backer.

Ville Platte—Bank of Ville Platte; capital, $20,000; Pres., Rene L. Derouen; Vice-Pres., Thomas Reed.

MAINE.

Guilford—Guilford Trust Co. (successor to First National Bank); capital, $60,000; Pres., M. R. Morgan; Vice-Pres., A. W. Ellis; Cashier, H. W. Davis.

Rangeley—Rangeley Trust Co.; capital, $25,000; Pres., G. A. Procter; Vice-Pres., Phineas Richardson; Cashier, H. A. Furbish; Asst. Cashier, P. M. Richardson.

MICHIGAN.

Bancroft—State Exchange Bank; capi- $20,000; Pres., T. M. Euler; Vice-Pres., C. E. Ward; Cashier, E. P. Sherman.

MINNESOTA.

Bandette—First State Bank; capital, $10,000; Pres., R. I. Holen; Vice-Pres., H. L. Melgaard; Cashier, I. R. Severtson.

Belgrade—Land Mortgage Security Bank; capital, $15,000; Pres., C. Borgerding; Vice-Pres., A. Linderholm; Cashier, Wm. Moening.

North Redwood—Security Bank; Pres., H. A. Baldwin; Cashier, Frank Frank Horejsi.

Perley—First State Bank; capital, $15,000; Pres., J. G. Johnson; Vice-Pres., Harry Richards; Cashier, J. E. Richards; Asst. Cashier, E. D. Anderson.

MISSISSIPPI.

Bassfield—People's Bank; capital, $12,000; Pres., Vance R. McDonald; Vice-Pres., D. N. McLean; Cashier, V. T. Rudder.

Florence—Citizens' Bank; capital, $15,000; Pres., W. L. Martin; Vice-Pres., W. D. Steen; Cashier, J. Luther Singletary.

Hattiesburg—Hattiesburg Trust & Banking Co.; capital, $150,000; Pres., H. A. Camp; Vice-Pres., J. L. Moyse and H. G. Lea; Cashier, R. L. Bennett.

Scobey—Citizens' Bank; capital, $10,000; J. B. Talbert, Vice-Pres. and Acting Cashier.

MISSOURI.

Clever—Bank of Clever capital, $10,000; Pres., Benjamin Schatz; Vice-Pres., Geo. W. Pearce; Cashier, L. Hayes.

Kirkwood—Kirkwood Savings Bank; capital, $20,000; Pres., B. F. Andrae; Vice-Pres., J. B. Greensfelder; Cashier, W. T. Mars.

Luxembourg—Lemay Ferry Bank; capital, $25,000; Pres., W. E. Huppert; Vice-Pres., S. J. Witt; Cashier, H. W. Karrenbrock.

Mill Grove—Mill Grove State Bank; capital $10,000; Pres., J. B. Minter; Vice-Pres., E. M. Vanderford; Cashier, P. S. Moffitt.

NEBRASKA.

Auburn—German-American Bank; capital, $25,000; Pres., Peter Berkt; Vice-Pres., C. E. Ord; Cashier, J. M. Wright.

Ewing—Pioneer Bank; capital, $10,000; Pres. J. A. Trommershauser; Vice-Pres., L. S. Butler; Cashier, J. N. Trommershauser.

NEW MEXICO.

Santa Fe—U. S. Bank & Trust Co.; capital, $50,000; Pres., H. S. Reed; Vice-Pres and Cashier, C. H. Ingraham.

Texico—Texico Savings Bank & Trust Co.; capital, $15,000 Pres., W. O. Oldham; Vice-Pres., S. F. Wooding; Cashier, B. D. Oldham; Asst. Cashier, Alsey Alford.

NEW YORK.

Avoca—J. S. Sturdevant.

Great Neck—Bank of Great Neck; capital, $50,000; Pres., Wm. R. Grace; Cashier, Austin Hicks.

New York City—Night and Day Bank; capital, $200,000; surplus, $200,000; Pres., Thos. B. Clarke, Jr.; Vice-Pres., Marsden J. Perry and G. M. Wynkoop; Sec., John C. Tomlinson; Treas., G. L. Wilmerding.

Seacliff—Sea Cliff Bank; capital, $25,000; Pres., J. G. Jenkins, Jr.; Vice-Pres., John C. Keenech; Cashier, Roger P. Conklin.

Watkins—Weed, Fisher & Co.; capital, $75,000; Pres., W. N. Weed; Cashier, C. S. Fisher; Asst. Cashier, C. M. Weed.

NORTH CAROLINA.

Clinton—Bank of Sampson; capital, $16,000; Pres., Geo. A. Norwood; Vice-Pres., Henry A. Grady; Cashier, W. F. Peterson.

La Grange—Bank of La Grange; capital, $10,000; Pres., G. A. Norwood, Jr.; Vice-Pres., Simeon Wooten; Cashier, Jno. D. Walters.

NORTH DAKOTA.

Belfield—Security State Bank; capital, $10,000; Pres., Ed. O'Connor; Vice-Pres., N. P. Jenson; Cashier, T. O. Ramsland.

Bordulac—Bordulac State Bank; capital, $10,000; Pres., N. E. Landeene; Vice-Pres., E. A. Roach; Cashier, A. H. Wentland.

Columbus—First International Bank; capital, $10,000; Pres., R. P. Ward; Vice-Pres., W. G. Tubbs; Cashier, Geo. C. Jewett; Asst. Cashier, R. L. Taft.

DesLacs—State Bank; capital, $10,000; Pres., M. L. Meyer; Vice-Pres., M. E. Titus; Cashier, A. A. Torgerson.

Hansboro—Bank of Hansboro; capital, $10,000; Pres., J. J. McCanna; Vice-Pres., D. F. McLaughlin; Cashier, B. L. Thomas.

McCumber—First State Bank (successar to First National Bank); capital, $15,000; Pres., D. N. Tallman; Vice-Pres., N. B. Felton; Cashier, P. L. Arness.

Ryder—First State Bank; capital, $10,000; Pres., John S. Tucker; Vice-Pres., A. Miller; Cashier, H. C. Miller; Asst. Cashier, Aleck Haraldson.

White Earth—Farmers & Merchants' Bank; capital, $10,000; Pres., E. B. Goss; Vice-Pres., F. H. Gaulke; cashier, W. E. Arnot.

York—Bank of York; capital, $10,000; Pres., E. B. Prage; Vice-Pres., Victor Warderope; Cashier, O. H. Erickson.

OHIO.

Akron—South Akron Banking Co.; capital, $25,000; Pres., Fred E. Smith; Vice-Pres., H. L. Graves; Cashier, F. C. Wilson.

Cleveland—Emery, Anderson & Co.

Oberlin—People's Banking Co.; capital, $25,000; Pres., J. T. Henderson; Vice-Pres., H. F. Smith; Cashier, H. G. Waite.

Richwood—Richwood Banking Co. (successor to Bank of Richwood); capital, $25,000; Pres., C. McAllister; Vice-Pres., J. E. Howe; Cashier, B. L. Talmage; Asst. Cashier, Frank Graham.

South Solon—Famers & Traders' Bank; capital. $12,500; Pres., E. W. Christy; Vice-Pres., A. P. Gatch; Cashier, F. J. Southward; Asst. Cashier, D. J. Schurr.

OKLAHOMA.

Cheyenne—Cheyenne Cotton Exchange Bank; capital, $10,000; Pres., W. O. Horr; Vice-Pres., Irving H. Wheatcroft; Cashier, G. B. Goode.

Farmers & Merchants' Bank; capital, $10,000; Pres., G. L. Converse; Vice-Pres., W. T. Bonner; Cashier, R. V. Converse; Asst. Cashier, Leon Young.

Hamburg—Washita Valley Bank; capital, $10,000; Pres., R. V. Converse; Vice-Pres., W. T. Bonner; Cashier, G. L. Converse.

Remington—De Noya State Bank; capital, $10,000; Pres., L. L. DeNoya; Vice-Pres., A. Carlton; Cashier, Jno. Connelly.

OREGON.

Canby—Canby Bank & Trust Co.; capital, $10,000; Pres., H. A. Dedman; Vice-Pres., E. H. Carlton; Cashier, L. D. Walker; Asst. Cashier, M. H. Walker.

Portland—Bankers & Lumbermen's Bank; capital, $200,000; Pres., D. C. Pelton; Vice-Pres., F. H. Rotchild and John Keating; Cashier, E. C. Mears; Asst. Cashier, H. D. Storey.

PENNSYLVANIA.

Glassport—Glassport Trust Co.; capital, $125,000; Pres., S. A. Bruce; Vice-Pres., James Evans and J. W. Jones; Sec. and Treas., W. S. Kearney; Asst. Sec. and Treas., James Evans, Jr.

Latrobe—Latrobe Trust Co.; capital, $200,000; surplus, $250,000; Pres., Joseph C. Head; Vice-Pres., Joseph B. Barnett; Sec. and Treas., Ira B. Shallenberger.

SOUTH CAROLINA.

Greenville— Bank of Commerce; capital, $100,000; Pres., B. A. Morgan; Vice-

Pres., J. Clarke Brawley; Cashier, Frank F. Martin.

Rock Hill—People's Bank & Trust Co.; capital, $30,000; Pres., L. C. Harrison; Vice-Pres., J. B. Johnson and Leroy Springs; Cashier, C. L. Cobb; Asst. Cashier, Jno. R. London.

SOUTH DAKOTA.

Esmond—Esmond State Bank; capital, $10,000; Pres., A. N. Barber; Vice-Pres,. Geo. L. Coleman; Cashier, Bert W. Wattles.

Roswell—State Bank; capital, $5,000; Pres., C. C. Bratrud; Cashier, E. O. Bratrud.

TENNESSEE.

Livingston—Overton County Bank; capital, $15,000; Pres., W. W. Goodpasture; Cashier, W. H. Estes.

Martin—Farmers & Merchants' Bank (successor to First National Bank); capital, $80,000; Pres., H. H. Lovelace; Vice-Pres., T. M. Ryan; Cashier, J. H. Faircloth; Asst. Cashier, F. Smith.

Memphis—City Bank (successor to Memphis National Bank); capital, $250,000; Pres., Robert L. Brown; Vice-Pres., K. R. Armistead; Cashier, Wm. H. Kyle.

Middleton—Bank of Middleton; capital, $8,395; Pres., J. S. Falls; Vice-Pres., J. D. Sasser, Jr.; Cashier, T. Y. Moore.

West Point—West Point Banking Co.; capital, $8,000; Pres., C. H. Hollis; Vice-Pres., N. M. Hollis; Cashier, Thomas H. Wakefield.

TEXAS.

Chillicothe—Herring & Laird Banking Co.; Pres., C. T. Herring; Vice-Pres., A. Laird; Cashier, R. A. Morgan.

Houston—Texas Savings Bank; capital, $30,000; Pres., O. S. Cummings; Vice-Pres., J. G. Tod and E. R. Johnson; Cashier, E. M. Parrish; Asst. Cashier, O. K. Caldwell.

Luling—Luling State Bank; capital, $10,000; Pres., Otis McGaffey, Jr.; Vice-Pres., R. M. King; Cashier, M. O. McGaffey.

Overton—Farmers & Merchants' Bank; Pres., Otho S. Houston; Cashier, D. C. Stone.

Rowe—Rowe State Bank; capital, $10,000; Pres., W. E. Reeves; Vice-Pres., Nat Smith; Cashier, S. B. Daniel.

Stanton—Stanton Banking & Mercantile Co.; capital, $25,000; Cashier, E. F. Elkin.

West—Continental Bank & Trust Co. (successor to First National Bank); J. Brian, Mgr.

UTAH.

Richfield—State Bank of Sevier; capital, $45,000; Pres., Chas. Jansen; Vice-Pres., R. D. Young; Cashier, H. C. Christensen.

VIRGINIA.

Arvonia—State Bank; capital, $17,000; Pres., W. P. Venable; Vice-Pres., E. R. Williams; Cashier, Roger S. Warren.

Portsmouth—Bank of Tidewater; Pres., T. L. Cleaton; Vice-Pres., E. L. Lash; Cashier, R. S. Marshall.

WASHINGTON.

Centerville—Farmers & Merchants' Bank; Pres., T. Z. Gillett; Vice- Pres., K. C. Gillett; Cashier, J. C. Kaldera.

Molsons—Okanogan Bank; capital, $10,000; Pres., W. W. Parry; Cashier, B. A. Amy.

North Yakima—Yakima Trust Co.; capital, $100,000; Pres., G. S. Rankin; Vice-Pres., H. Stanley Coffin and M. H. Grover; Cashier, Geo. L. Bonta; Sec., W. A. Bell; Treas., G. C. Mitchell.

Renton—M. H. Broadwater; capital, $10,000; Cashier, S. B. Broadwater.

South Bend—Pacific State Bank (successor to South Bend Banking Co.); capital, $50,000; Pres., Jos. G. Heim; Vice-Pres., J. H. Drissler; Cashier, S. H. Eichner; Asst. Cashier, L. W. Homan.

Sumner—State Bank; capital, $25,000; Pres., R. R. White; Vice-Pres., G. C. Spencer; Cashier, F. M. Brown.

WEST VIRGINIA.

Clarksburg—Home Bank for Savings; capital, $25,000; Pres., John L. Ruhl; Vice-Pres., M. J. Francis; Cashier, James T. Drudy.

Glenville—Kanawha Union Bank (successor to Little Kanawha Valley Bank and First National Bank); capital, $40,000; Pres., S. A. Hays; Vice-Pres., M. B. Morris; Cashier, John E. Arbuckle; Asst. Cashier, L. D. Zinn.

McMechen—Bank of McMechen; capital, $10,000; Pres., J. L. McMechen; Vice-Pres., J. E. Doyle; Cashier, Charles R. Lowe.

WISCONSIN.

Alma—German-American Bank; capital, $10,000; Pres., Knut Johnson; Vice-Pres., G. Ryffel; Cashier, P. E. Ibach.

CANADA.

ONTARIO.

Brucefield—Sovereign Bank of Canada; R. T. Dunlop, Mgr.

Dublin—Western Bank of Canada; Frank McConnell, Mgr.

London—Imperial Bank of Canada; R. Arkell, Mgr.

Lynden—Bank of Toronto.

Merritton—Bank of Toronto.

Penetanguishene—Sovereign Bank of Canada; A. P. Smith, Mgr.

Walkerville—Home Bank; E. R. Dewart, Mgr.

MANITOBA.

Cartwright—Bank of Toronto.

St. Boniface—Northern Bank; C. A. Baynes, Mgr.

NEW BRUNSWICK.

Moncton—Bank of New Brunswick; R. E. A. E. Williams, Mgr.

QUEBEC.

Bishop's Crossing—Eastern Townships Bank; L. P. Bishop, Mgr.

Eastman—Eastern Townships Bank; W. L. Teeson, Mgr.

Marbleton—Eastern Townships Bank; L. P. Bishop, Mgr.

ALBERTA.

Banff—Imperial Bank of Canada; E. K. Boultbee, Mgr.

Carstairs—Merchants' Bank of Canada; J. H. Johnson, Mgr.

SASKATCHEWAN.

Forget—Merchants' Bank of Canada; C. R. Young, Mgr.

Lemburg—Union Bank of Canada; H. Dunsford, Mgr.

Saltcoats—Northern Bank; B. P. Dutton, Mgr.

Yellowgrass—Yellowgrass Security Co.; capital, $10,000.

Yorkton—Bank of Toronto; J. R. Bunting, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Eutaw—First National Bank; Bernard Harwood, Vice-Pres.

Montgomery—Merchants & Planters' Farley National Bank, consolidated with First National Bank under latter title; capital, $1,000,000.

ARIZONA.

Tombstone—First National Bank; C. L. Cummings, Pres. in place of James Reilly; Hans Brandt, Asst. Cashier.

ARKANSAS.

Arkadelphia—Elkhorn Bank; C. C. Henderson, Pres. in place of S. R. McNutt, deceased.

Berryville—People's Bank; Charles W. Davis, Cashier in place of E. B. Hinchman.

Mena—Union Savings & Trust Co.; business taken over by Farmers & Merchants' Bank.—Farmers & Merchants' Bank; W. A. Finks, Cashier in place of E. W. Hutchinson.

CALIFORNIA.

Azusa—First National Bank; H. S. Johnson, Cashier in place of W. S. Bridgee.

Cucamonga—First National Bank; J. Patterson, Cashier in place of Geo. C. Bushnell.

Pasadena—San Gabriel Valley Bank; capital increased to $100,000.

Watsonville—Bank of Watsonvile; H. S. Fletcher, Pres. and Mgr; W. R. Radcliff, Cashier.

CONNECTICUT.

Middletown—Middletown Savings Bank; Arthur L. Allin, Treas. pro tem. in place of Henry H. Smith, deceased.—Farmers & Mechanics' Savings Bank; C. H. Leach, Treasurer in place of Fred B. Chaffee.

New Milford—First National Bank; S. S. Green, Vice-Pres.

South Manchester—Manchester Trust & S. D. Co.; Frank G. Vibberts, Sec. and Treas., resigned.

FLORIDA.

Bartow—Polk County National Bank; J. G. Boyd, Pres. in place of C. H. Robinson; W. B. Swearingen, Vice-Pres. in place of E. W. Codrington.

Jasper—First National Bank; W. H. Greene, Pres. in place of W. Y. Sandlin; P. H. Sandlin, Vice-Pres. in place of W. H. Greene.

GEORGIA.

Arlington—Bank of Arlington; capital increased to $50,000.

HAWAII.

Lahaina—Lahaina National Bank; W. Henning, Vice-Pres. in place of C. D. Lufkin; C. D. Lufkin, Cashier in place of F. C. Atherton.

IDAHO.

Weiser—Weiser National Bank; J. G. Lang, Asst. Cashier.

ILLINOIS.

Ashley—Ashley Bank; James W. Estes, Cashier, deceased.

Champaign—First National Bank; H. S. Capron, Cashier in place of G. A. Turell.

Chana—M. A. Southworth Banking Co.; John Hoffmaster, Cashier, deceased.

Hull—First International Bank; Walter W. Somers, Cashier, deceased.

Lewistown—Lewistown National Bank; J. W. Rhodes, Pres. in place of D. A. Burgett; J. J. Johnson, Vice-Pres. in place of J. W. Rhodes.

Peoria—Merchants' National Bank; J. C. Paddock, Cashier in place of W. L. Wiley.

Seneca—State Bank; R. D. Wiley, Cashier in place of Chas. Taylor; John Thomas, Asst. Cashier.

INDIANA.

Amo—First National Bank; H. C. Summers, Pres. in place of J. H. Phillips; J. W. Carter, Vice-Pres. in place of H. C. Summers; J. N. Phillips, Cashier in place of John Kendal.

Hope—Citizens' National Bank; Lola M. Miller, Asst. Cashier in place of A. K. Lambert.

Montezuma—First National Bank; William H. Dylvester, Pres., deceased.

Valparaiso—Valparaiso National Bank; Charles W. Benton, Vice-Pres., in place of L. R. Skinner.

INDIAN TERRITORY.

Atoka—Citizens' National Bank; W. W. Allen, reported a defaulter.

Owasso—First National Bank; Thomas Hayden, Pres. in place of Ed Pierce; Hayward Hayden, Cashier in place of S. T. Wolfe; Maime Miller, Asst. Cashier.

Tulsa—First National Bank; A. F. Ault, Pres. in place of Clifton George.

IOWA.

Clarence—First National Bank; M. B. Cottrell, Pres. in place of W. D. G. Cottrell; R. O. Hoyer, Cashier in place of M. B. Cottrell.

Traer—First National Bank; Howard Everett, Vice-Pres. in place of O. Gravatt.

KANSAS.

Alma—Alma National Bank; Fred Reuter, Pres. in place of L. J. McCrumb; Otto J. Hess, Vice-Pres. in place of Fred Reuter.

Garnett—National Bank of Commerce; Scott Elliott, Pres, in place of W. S. Fallis.

Humboldt—Humboldt National Bank; R. M. Porter, Cashier in place of G. S. Speakman; no Asst. Cashier in place of R. M. Porter.

Lincoln—Farmers' National Bank; W. B. McBride, Vice-Pres. in place of D. C. Stelson; D. C. Stelson, Cashier in place of J. S. Stover; Bernice McCurdy, Asst. Cashier.

KENTUCKY.

Catlettsburg—Big Sandy National Bank; G. W. Gunnell, Pres. in place of Charles Russell; Charles Russell, Vice-Pres.

Harrodsburg—Mercer National Bank; C. M. Dedman, Vice-Pres. in place of N. I. Buster.

Lexington—Third National Bank; Y. Alexander, Vice-Pres.

Shreveport—Commercial National Bank; John P. Scott, Vice-Pres.; R. H. Davis, Asst. Cashier.

LOUISIANA.

Lake Charles—First National Bank; capital increased to $100,000.

MAINE.

Bath—Bath Trust Co.; James B. Drake, Pres. in place of A. H. Shaw.

Portland—Casco National Bank; John H. Davis, Cashier in place of M. R. Goding; F. W. Woodman, Asst. Cashier.

Rockland—Rockland National Bank; I. M. Conant, Cashier in place of H. F. Hix.

MARYLAND.

Baltimore—Commonwealth Bank; capital increased to $200,000.

Chesapeake City—National Bank of Chesapeake City; Byron Bouchelle, Cashier in place of John Banks.

Cumberland—Inter-State Trust & Guaranty Co.; title changed to Inter-State Trust Co.

Oakland—Garrett National Bank; G. A. Fraley, Asst. Cashier.

MASSACHUSETTS.

Boston—Adams Trust Co.; consolidated with American Loan & Trust Co.; Charles L. Burrill, Vice-Pres.

Brockton—Brockton National Bank; capital increased to $200,000.

Lowell—Wamesit National Bank; Geo. Winfield Knowlton, Pres., deceased.

Natick—Natick Five Cents Savings Bank; John O. Wilson, Pres., deceased.

Springfield—Springfield Institution for Savings; W. N. Caldwell, Pres. in place of John A. Hall.—Hampden Savings Bank; Peter S. Bailey, Treasurer, deceased.

Wellesley—Wellesley National Bank; B. W. Guernsey, Acting Cashier in place of F. E. Garside.

West Newton—West Newton Savings Bank; Geo. P. Bullard, Pres. in place of James H. Nickerson.

Williamstown—Williamstown National Bank; John B. Gale, Pres., deceased.

MICHIGAN.

Niles—Niles City Bank; capital increased to $50,000.

MINNESOTA.

Wilmont—First National Bank; Edwin Brickson, Vice-Pres. in place of James Montgomery; G. E. Briggs, Cashier in place of Edwin Brickson; no Asst. Cashier in place of G. E. Briggs.

Foley—First National Bank; Wm. H. Lord, Cashier in place of J. F. Hall.

Redwing—Goodhue County National Bank; J. H. Rich, Pres. in place of Frederick J. Busch.

MISSOURI.

Gallatin—First National Bank; H. J. Lynch, Vice-Pres. in place of S. T. Brosius; J. E. Scott, Asst. Cashier.

Hume—Hume Bank; business transferred to Commercial Bank.

Lamar—First National Bank; Walter J. Miller, Pres. in place of F. E.

Frantz; F. M. Vonrad, Vice-Pres. in place of E. P. Davis.

Manchester—First National Bank; H. M. Johnson, Cashier in place of Wm. Seibel, Acting Cashier.

MONTANA.

Glendive—First National Bank; T. F. Hagan, Cashier in place of J. L. Gault; M. J. Hughes, Asst. Cashier.

Great Falls—First National Bank; J. G. Morony, Pres. in place of J. D. Ryan; J. C. Lalor, Vice-Pres. in place of D. J. Hennessy; W. M. Thornton, Cashier in place of J. G. Morony.

Red Lodge—Red Lodge State Bank; capital increased to $40,000.

NEBRASKA.

Anoka—Anoka National Bank; R. B. Forbes, Cashier in place of W. W. Roberts.

Loomis—First National Bank; Roscoe J. Slater, Asst. Cashier in place of J. G. Doherty.

Omaha—Omaha National Bank; W. H. Bucholz, Cashier in place of Charles E. Waite.

NEW JERSEY.

Freehold—Central National Bank; G. A. Denise, Cashier instead of Acting Cashier.

Hopewell—Hopewell National Bank; S. V. Van Zandt, Pres. in place of A. L. Holcombe, deceased; Louis Labow, Vice-Pres. in place of S. V. Van Zandt.

Plainfield—City National Bank; Arthur E. Crone, Asst. Cashier.

NEW YORK.

Brooklyn—Bushwick Savings Bank; John Davis, Pres., deceased.—Greenpoint Savings Bank; Robert J. Whittemore, Sec., resigned.—Franklin Trust Co.; Geo. H. Southard, Jr., Third Vice-Pres.; Henry C. Low, Jr., Asst. Sec.—Jenkins Trust Co. and Ridgewood Bank; reported consolidated.

Clayton—First National Bank; W. H. Consaul, Pres.; Jerome Snell, Vice-Pres. in place of W. H. Consaul.

Clifton Springs—S. J. Jackson, Banker, deceased.

Ellenville—First National Bank; Geo. Young, Vice-Pres. in place of N. C. Clark.—Ellenville Savings Bank; Geo. H. Dutcher, Sec. and Treas., resigned; John A. Tice, Sec.; Henry Hoornbeck, Treas.

Kingston—Kingston Savings Bank; Charles Tappen, Asst. Treas.

Millerton—Millerton National Bank; W. G. Denney, Vice-Pres. in place of Baldwin Reed.

New York City—Real Estate Trust Co.; title changed to Fulton Trust Co.—Mutual Bank; Charles A. Sackett, Pres. in place of James McClenahan.—Lionello Perera & Co.; Charles C. Allen, deceased.—Knauth, Nachod & Kuhne; Max Hessberg, deceased.—Germania Bank; John Burckhardt, Asst. Cashier in place of T. Henry Cook, resigned.—Metropolitan Trust Co.; Jacob C. Klinch, Sec. in place of Charles Baker, Jr., resigned; Jas. F. McNamara, Trust Officer; Rupert W. K. Anderson, Asst. Tr.; Frederick E. Fried, Asst. Sec.

Niagara Falls—Bank of Niagara; James Moakler, Asst. Cashier.—Bank of Suspension Bridge; Geo. W. Whitehead, Pres. in place of James Low, deceased.

Owego—Tiogo National Bank; C. D. Yothers, Cashier in place of F. E. Platt, deceased.

Potsdam—Citizens' National Bank; F. L. Dewey, Pres. in place of Edson M. Perkins, resigned; Bertrand H. Snell, Vice-Pres.

Rochester—National Bank of Commerce; E. W. Burton, Asst. Cashier.

Watertown—Watertown Savings Bank; Harvey W. Steele, Sec. and Treas. in place of Oscar P. Hadcock, deceased.—Watertown National Bank; capital increased to $200,000; J. R. Miller, Vice-Pres.

Yonkers—Yonkers Savings Bank; Raffaelle Cobb, Cashier, deceased.

NORTH DAKOTA.

Esmond—First International Bank; capital increased to $10,000.

Glenullin—German State Bank; capital increased to $20,000.

Sarles—State Bank; location changed to Adams.

Sheldon—First National Bank; Charles G. Banks, Asst. Cashier.

OHIO.

Centerburg—First National Bank; J. K. Haiden, Cashier; Verner Brokaw, Asst. Cashier.

Cincinnati—Citizens' National Bank; capital increased to $2,000,000.

Cleves—Hamilton County National Bank; Geo. G. Greenamyer, Asst. Cashier.

East Liverpool—First National Bank; T. H. Fisher, Cashier in place of N. G. Macrum; W. E. Dunlap, Asst. Cashier in place of T. H. Fisher.

Shelby—First National Bank; W. L Close, Asst. Cashier.

Springfield Citizens' National Bank; F. E. Hosterman, Cashier in place of J. G. Benallack.

St. Paris—First National Bank; I. P. Kizer, Pres. in place of D. J. Brubaker; John C. Norman, Vice-Pres. in place of I. P. Kizer.

Youngstown—Mahoning National Bank; capital increased to $300,000.

OKLAHOMA.

Carmen—Carmen National Bank; Hugo Fisher, Asst. Cashier in place of F. W. Lewis.

Foss—Bank of Foss; capital increased to $20,000.

Frederick—City National Bank; J. B. Beard, Jr., Asst. Cashier.

Mountain View—First National Bank; no President in place of A. J. Dunlap, deceased.

Pawnee—Pawnee National Bank; F. M. Phillips, Asst. Cashier in place of W. A. Jacobs.

OREGON.

Baker City—Citizens' National Bank; N. U. Carpenter, Cashier in place of A. E. Beard.

Burns—First National Bank; N. U. Carpenter, Vice-Pres. in place of C. Cummins; J. L. Gault, Cashier in place of N. U. Carpenter.

PENNSYLVANIA.

Allentown—Lehigh Valley Trust & Safe Deposit Co.; Edward M. Young, Pres. in place of M. C. L. Kline.

Carbondale—Carbondale National Bank; J. S. Lewis, Pres. in place of Frank T. Joyner, resigned.

Freedom—Freedom National Bank; E. O. McCauley, Cashier in place of C. H. Bentel.

Freeland—First National Bank (in hands of receiver March 17); resumed business April 30.

Meyersdale—Citizens' National Bank; R. H. Philson, Cashier in place of E. R. Floto.

Philadelphia—Centennial National Bank; C. Howard Clark, Jr., Pres. in place of Clarence H Clark, deceased.—Fourth Street National Bank; Wm. V. McLear, Cashier.

Pittsburg—German Savings & Deposit Bank; Frederick Maul, Pres., deceased.—Duquesne National Bank; A. H. Patterson, Vice-Pres. in place of James McKay; Robert Jenkins, Jr., Second Vice-Pres.; W. S. Linderman, Cashier in place of A. H. Patterson; no Asst. Cashier in place of W. S. Linderman.—Fort Pitt National Bank; Thomas W. Pomeroy, Asst. Cashier.

Tunkhannock—Wyoming National Bank; S. W. Eysenbach, Asst. Cashier.

RHODE ISLAND.

Providence—Old National Bank; Frederick W. Arnold, Acting Pres. in place of Edward P. Metcalf, resigned.

SOUTH CAROLINA.

Greenwood—First National Bank; J. E. Crymes, Cashier in place of E. E. Child.

SOUTH DAKOTA.

Geddes—Charles Mix County Bank; F. H. Johnson, Pres.; V. A. Welcher, Cashier, J. A. Nelson, Asst. Cashier.

TENNESSEE.

Nashville—Fourth National Bank; J. S. McHenry, Asst. Cashier.

TEXAS.

Bells—First National Bank; C. R. Badgett, Pres. in place of W. B. Blanton; S. D. Simpson, Vice-Pres. in place of C. R. Badgett; W. B. Blanton, Cashier in place of S. D. Simpson.

Celina—First National Bank; S. E. Bateman, Asst. Cashier in place of W. G. Mixon; M. F. Smith, Second Asst. Cashier.

Dublin—Citizens' National Bank; W. E. Reese, Cashier in place of J. H. Reese; no Asst. Cashier in place of W. E. Reese.

Gatesvile—Farmers' State Bank; sold out to Gatesville National Bank.

Grand View—First National Bank; no Pres. in place of T. E. Pittman.

Hallettsville—Lavaca County National Bank; no Cashier in place of E. B. Seymour.

Lampasas—People's National Bank; W. H. Browning, Jr., Asst. Cashier.

Smithville——First National Bank; W. L. Moore, Pres. in place of C. K. Gaskill; E. Runk, Vice-Pres. in place of W. L. Moore.

Sweetwater—First National Bank; E. L. Hopkins, Vice-Pres. and Asst. Cashier in place of E. Q. Daniel.

VERMONT.

Chelsea—National Bank of Orange County; Millard T. King, Pres. in place of J. B. Bacon; W. H. H. Hall, Vice-Pres. in place of Millard T. King.

VIRGINIA.

Berkley—Merchantts & Planters' Bank; R. S. Cohoon, Cashier, C. L. Old, Asst. Cashier.

Lebanon—Citizens' National Bank; S. H. Fletcher, Vice-Pres. in place of D. E. Johnson.

Woodstock—Shenandoah National Bank; M. B. Wunder, Vice-Pres. in place of N. B. Schmitt, deceased.

WASHINGTON.

Everett—Bank of Commerce; capital increased to $100,000.

Mount Vernon—First National Bank; N. J. Moldstad, Pres. in place of D. H. Moss; N. B. Hannay, Vice-Pres.

Spokane—Traders' National Bank; capital increased to $600,000; surplus, 275,000.

WEST VIRGINIA.

Hinton—First National Bank; W. H. Garnett, Cashier in place of J. H. Miller.

WISCONSIN.

Burlington—Bank of Burlington; capital increased to $50,000.

Ellsworth—Bank of Ellsworth; capital increased to $40,000.

Waupaca—Waupaca County National Bank; title changed to First National Bank.

WYOMING.

Newcastle—First National Bank; J. L. Baird, Vice-Pres. in place of L. T. Wolfe; Walter Schoonmaker, Cashier in place of J. L. Baird.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

Newport—Bank of Newport.

ILLINOIS.

Moline—Moline National Bank; in voluntary liquidation May 2; succeeded by State Savings Bank & Trust Co.

INDIAN TERRITORY.

So. McAlester—McAlester Banking & Investment Co.

IOWA.

Thornton—Bank of Thornton.

KENTUCKY.

Ashland—Merchants' National Bank; in voluntary liquidation April 30.

LOUISIANA.

Zivolle—Bank of Zivolle.

MAINE.

Guilford—First National Bank; in voluntary liquidation May 1.

MASSACHUSETTS.

Boston—Bunker Hill National Bank; in in voluntary liquidation April 23.

MINNESOTA.

Hopkins—First Bank of W. Minneapolis.

OHIO.

Buckeye City—First National Bank; in voluntary liquidation April 30.

PENNSYLVANIA.

Delmont—DelmontNational Bank of New Salem; in charge of Receiver May 2.

Duquesne—Monongahela Valley Bank; in hands of Receiver May 2.

Pittsburg—Columbia Savings & Trust Co.

TENNESSEE.

Martin—First National Bank; in voluntary liquidation April 30.

TEXAS.

Stanton—Stanton National Bank; in voluntary liquidation April 20.

Newport News—Savings Bank of Newport News; in hands of Receiver May 21.

WEST VIRGINIA.

Glenville—First National Bank; in voluntary liquidation April 24.

BANKERS' OBITUARY RECORD.

Allen.—Charles C. Allen, a member of the banking firm of L. Perera & Co., New York city, died April 30. He was born in Philadelphia in 1835, and came to New York in 1861.

Bailey.—Peter S. Bailey, treasurer of the Hampden Savings Bank, Springfield, Mass., died recently after a long and faithful service with the institution named.

Cobb.—Captain Raffaello Cobb, cashier of the Yonkers (N. Y.) Savings Bank, died May 24, in his fifty-seventh year.

Estes.—James W. Estes, cashier of the Ashley (Ill.) Bank, died April 26, aged fifty years.

Gale.—John B. Gale, president of the Williamstown (Mass.) National Bank, died May 17.

Hessberg.—Max Hessberg, one of the senior members of the banking firm of Knauth, Nachod & Kuhne, New York city, died May 3. He was born in Saxony in 1865, and entered the employ of the above named house at Leipsic. In 1888 he came to this country as a junior partner.

Hoffmaster.—John Hoffmaster, cashier of the M. A. Southworth Banking Co., Chana, Ill., died recently.

Jackson.—Sidney D. Jackson, a private banker doing business at Clifton Springs, N. Y., died May 17, aged seventy-three years.

Knowlton.—George W. Knowlton, president of the Wamesit National Bank, Lowell, Mass., died May 7. He was born at Newmarket, N. H., June 3, 1844. After being educated in the public schools of Lowell, he enlisted in the Union Army toward the close of the late Civil War, and when the war was ended he entered the Wamesit National Bank. He served in various capacities, and in January, 1874, was elected cashier, and in March, 1898, he became president. His banking career extended over a period of more than forty years, during which time he won and kept the respect of the banking and business men of his community.

Maul.—Frederick Maul, president of the German Savings and Deposit Bank, Pittsburg, Pa., died recently.

Spencer.—C. H. Spencer, vice-president of the Mercantile Trust Company, St. Louis, since its organization in 1899, died May 3. He had been an active director and a member of important committees continuously since the company was started, and was widely known among business men and in social circles.