

every one of them," and he stated that the manager appeared to attach little importance to the names he was lending money on, all he wanted was bills. The bank, of course, lost heavily on these transactions, but the lesson does not seem to have been effectual in producing a more cautious style of operation. They have of late entered upon the dangerous class of loans in which large amounts of capital are locked up for long periods, and when this became known, there was a strong pressure to sell the shares on the part of the public, and to withdraw their money on the part of depositors. This soon brought matters to a crisis, and when the last mail left England the bank had just made arrangements for winding up, and transferring its business to the Consolidated Bank, (Limited) a company formed some time ago to take up the business of Hankey & Co. and some other private bankers. There can of course be no loss to the depositors, as the stockholders are liable to the full extent of their respective fortunes, and it is confidently expected that no sacrifice will be required of them beyond the loss of the capital, if indeed the sacrifice will be so great.

To give an idea of the extent and character of the reversion, and the spots that have been affected by it, we may take a glance at the source of the principal failures that have been reported since the panic set in—

## BANKS.

Barnes's Banking Company (Limited)  
New Zealand Banking Corporation (Limited).  
Oriental Commercial Bank (Limited).

This is not to be confounded with the Oriental Bank Corporation which is organized on the unlimited principle and is a highly respectable institution. At its meeting in April last, a statement of its affairs was submitted, from which it appeared that the bank then held £2,335,000 in coin and bullion.

English Joint Stock Bank (Limited)  
Bank of Turkey (Limited)  
Commercial Bank Corporation of India and the East.  
Bank of London.

Of the above all except the two last are on the limited principle, and all except the last are either entirely new concerns or old banks transformed into limited companies. Some of them have made reports recently, and as a sample of the way in which the affairs of some companies are managed, we may notice the report of the Commercial of India:—At the meeting in April last, held in London, it was reported that their Acting-Manager in Bombay had been led away by the share mania there, and involved the bank by injudicious advances to the extent of £89,000. In addition their Manager at San Francisco had exceeded his authority and advanced on mining shares nearly £200,000, none of which could be realized except at a ruinous depreciation. This was not all, for the late Manager at Shanghai had entered on certain irregular transactions—land speculations, &c., which had resulted in losses of £50,000.

This single report gives the key to the larger part of the disasters and failures of the present panic. Instead of employing their funds in discounting bills and making advances represented by mercantile transactions, the banks which have failed have, one and all, been working up their resources in advances which were represented by fixed property of one kind or other. In many cases these advances were known to be risky, and high rates of interest were charged, by which means large apparent profits were being realized which profits have, in some instances, been divided amongst stockholders to their great gratification. In the end, however, the event has justified the old maxim—"High interest, bad security." The pushing, enterprising banks have gone to the wall, the moderate, cautious, and conservative institutions stand their ground.

## DISCOUNT COMPANIES AND PRIVATE BANKERS.

Overend, Gurney & Co. Limited.  
Imperial Mercantile Credit Association Limited  
Hallett, Osmanney & Co., London.  
Robinson, Corydon & Co., Manchester.

Of these the first overshadows in importance all the rest. The failure is simply the culmination of a long series of injudicious advances, made before the business of the old firm was transferred to a Company. It is the old story. The great house had been living on its high credit for a long period, and possibly might have retrieved its position had business continued good for a few years longer.

## MERCANTILE AND OTHER FIRMS.

Peto & Betts, London, contractors.  
Forrie Brothers & Co., Liverpool, merchants.  
Penny & Co., Liverpool, merchants.

W. Shrimpton, London, contractor.  
Ebbw Vale Co., South Wales & London, ironmasters  
Wakefield, Nash & Co., London, produce merchants.  
And a number of others in London, Manchester, and Liverpool.

It is noticeable that scarcely a failure has occurred but in the great financial centres of England. Out of London, Liverpool, and Manchester, no bank, no contractor, and no large mercantile firm has suspended. There have been no failures in Scotland, none in Ireland, none in the West Riding of York, none in the iron district of which Birmingham is the capital, and none in the West of England. The whole of the circumstances of this panic point to the enormous extension of the foreign connexions of England, both in the way of mercantile transactions, finance, and the construction of public works, as the root of the trouble, and it is within the circle comprised by this class of business that disasters have occurred. England has been too ambitious, or too hasty. Her merchants and financiers have aimed at bringing the whole world to her feet, but their resources have been inadequate to the enterprise.

P.S.—Since the above was written, news has arrived of the suspension of the Consolidated Bank, (Limited.)

## ENGLISH COTTON MARKET.

The following is an extract from Messrs. Hocken, Bird, Cole, & Co.'s private Circular:—

MANCHESTER, May 24th, 1866.

The Cotton Market continues much depressed, arising from the state of the Money Market, and of Continental affairs. Since the commencement of the present year there has been a great want of confidence existing in moneyed circles, the breaking up of different Limited Liability Companies, disclosing some ugly features as to the mode of floating many of these Companies, and so rigging the Market as to get them up to high premiums, paying dividends out of Capital, and an utter recklessness of management, the public gradually lost confidence, and when the firm of Overend, Gurney, & Co., stopped payment on the 10th instant, a wild and furious panic set in, which was only stayed when the relaxation of the Bank Act by the Government was announced on the 12th instant, and the Government for money (which was only 6 per cent on the 3rd instant) on that day and remains at the present 10 per cent.

## AARON ERICKSON &amp; CO.'S WOOL CIRCULAR.

Boston, June 8th, 1866.

SINCE our Circular of the 1st, the advices from Europe have continued quite unfavorable. Business affairs are very unsettled in Great Britain, and, in consequence, large shipments of gold continue to be made from this side. The rates of gold have again materially advanced, are quite fluctuating, and this has an unfavorable influence on trade generally. Business men can make no reliable calculations for the future, as it is now very difficult to say what changes a few weeks may bring about.

We continue the movements of Wool, in this market for some weeks past, as follows:—

Taken by Manufacturers, &c.		Receipts, 1866.	
Week ending	Apr. 29.	1,000,000 lbs.	250,000 lbs.
Do do	May 3.	1,050,000 "	300,000 "
Do do	10.	1,250,000 "	320,000 "
Do do	17.	1,100,000 "	400,000 "
Do do	24.	825,000 "	375,000 "
Do do	31.	850,000 "	475,000 "
Do do	June 7.	700,000 "	475,000 "

We cannot report any change in Wool since our Circular of the 1st inst. Manufacturers are still quite free purchasers at full previous prices, and the sales have only been limited by the small quantities of Wool offering. Of the 700,000 lbs taken full one-half was pulled, and the balance mostly medium fleeces. The highest price obtained was 75s for a lot of 10,000 lbs. of the same description, sold at 70c. These prices, however, as we noticed in previous Circulars, are obtainable only for very choice selections. About 50,000 lbs fine Ohio brought 63 to 65c, and 10,000 lbs. fine New Hampshire, 62½c.

Michigan Wool has been taken to some extent, 125,000 lbs. selling from 65 to 61c, mostly at 60 to 61c, part for a neighboring market, and the balance of the sales were mostly from 52½ to 58c for Wisconsin, Minnesota, Iowa, and other Western. The sales of pulled were mostly good and choice super and extra, from 50 to 60c for super and 60 to 65c for extra, and one very choice lot of Rochester extra sold at 70 per lb., a very extreme price.

California Wool continues to be sought after, and 85,000 lbs. new Spring clip sold at 40c for very handsome quality, and 55,000 lbs. old and burry sold at 24 to 28c per lb.

In Oregon Wool, sales at 40c, but there is very little of this description in market.

Texas wool has been sold to some extent, 10,000 lbs. having been taken at 31½c, and 125,000 lbs. at 23 to 35c per lb.

No Canada combing here of any consequence, and prices of this description are nominally 75 to 80c per lb. A small lot of Canada combing pulled sold at 65c. It is believed that prices in Canada will rule at about 85c, but, on account of the advance in gold, our manufacturers are not disposed to become purchasers at present.

The new clip, it is now evident, will be backward some two or three weeks. Prices at the West are likely to open higher than dealers and manufacturers in this neighborhood are willing to pay. Some purchases in Pennsylvania at 55 to 70c for fine and choice fleeces have quite surprised the trade here, as these prices are comparatively higher than the current rates in the leading markets on the seaboard. We would advise our friends to accept all such offers, as the prices are above the views of buyers generally, and higher than are likely to be sustained. The new clip should be forwarded to the seaboard as early as possible, before the railroads become lumbered up with other freight, as from present indications we think the best prices will be realized early in the season.

Woolen Goods have been moderately active during the week at steady prices.

## J. BINGHAM &amp; CO'S CIRCULAR.

LIVERPOOL, 2nd June, 1866.

THE stoppage of the Consolidated Bank on Monday 1st caused increased gloom in commercial circles, but as the week wore on matters assumed a more cheerful aspect: owing chiefly to the large receipts of gold from America and less pressure for discounts at the Bank of England. There have been several failures again this week, some of them for very large amounts.

The country Grain Markets held since our last, are generally all reported quiet at late prices.

WHEAT.—The market here has been without animation, and prices must be quoted the turn in favour of buyers. FLOUR.—American, owing to its inferior quality meets but little attention, the demand running chiefly on French, at from 81s. 6d. to 89s. 6d. per 280 lbs. as in quality; "Paris six marks," 87s. to 87s. 6d.; Canadian, 28s. 6d. to 27s. per barrel. INDIAN CORN.—Owing to more liberal supplies has given way 6d. to 9d. per qr.; Good Mixed having been sold yesterday at 20s. 6d., and Fair at 23s. 3d. per 480 lbs.—no White here. PEASE.—Are 1s. per qr. lower, and have still a drooping tendency. OATS.—Canadian are ½d. to a 1d. per bus. lower; holders being free sellers, owing to liberal arrivals and advice of increased shipments to this port.

LINSEED CAKE.—Is lower and business trifling, sales reported of American being only 60 tons, at 49 10s.

CLOVERSEED.—Is unchanged in value, 200 bags of American red being reported at 37s. per cwt.

BACON.—Some 1500 boxes were put up by auction on Tuesday, and forced off at a smart decline, since then there has been an improved demand, and the sales are on a larger scale than for some time past. PORK.—Is dull of sale, but good quality being scarce, is now lower. BEEF.—The business is confined to some forced sales at rather reduced prices.

BUTTER.—Inferior American is offered at 70s. to 78s. There is nothing fine here. CHEESE.—As supplies increase, holders meet buyers more freely; prices, however, are steady. LARD.—The advance of the last week is maintained, but the demand is not so active, the sale being estimated at only 100 tons.

TALLOW.—After declining 1s. 6d. to 2s., has recovered to the rates of last week.

ARABES.—Pots are 6d. to 1s. lower; but Pearls, being scarce, are held for rather more money; the sales are estimated at 150 barrels, at 30s. 6d. down to 30s. for Pots, and 38s. to 40s. per cwt. for Pearls.

PETROLEUM.—Keep quiet at the rates of last week.

TURPENTINE.—Some sales of Crude are reported on private terms; Spirit, transactions limited. French is held for 4½s. to 4½s. per cwt., American at a shade more money.

ROSIN.—Keeps quiet, with sales of Common at 6d. good Common at 7s. and Medium at 9s. 6d. to 10s. per cwt.

BEES WAX.—A few small sales of inferior American are reported at 23 6s. per cwt.

COTTON.—The Market, after a long period of depression, has at length assumed a much stronger position, and during the last three days of the week ending 31st ultimo, a large business was done at advancing prices. On Saturday the demand revived upon advices of large shipments of gold from the United States, and of reduced receipts and exports, but on Monday the disposition evident on the part of buyers to act freely was materially checked by apprehensions of further financial difficulties being caused by the suspension of the Consolidated Bank, on Tuesday considerable purchases were made, on Wednesday the sales were unusually extensive, and on Thursday with a large business, the Market closed with firmness, the quotations showing a general advance upon last week's rates.

In Sea Island the demand has been moderate at previous prices.

American, after a decline of ½d. on Friday week, has been in active request from all classes of buyers, and is much less freely offered; an advance of 1d. to 1½d. per lb. has been generally established on last week's quotations.

The sales for the week ending 31st ultimo amount to 86,160 bales, including 12,710 on Speculation, and 9,480 declared for Export, leaving 63,970 bales to the Trade. The sales yesterday were estimated at 10,000 bales, with a firm market. To-day, the sales are put down at 15,000 bales, with a strong active market, at an advance of ½d. to 1d. per lb. on above quotations.