THIRD EDITION

LATER FROM EUP.OPE.

FIGHTING COM MENCED.

Prussia Formaliy Declares War.

PRUSSIANS ENTER SAXONY

Engagement Near Frankfort.

ONE REGIMENT OF HESSIANS ALMOST ANNIHILATED

BY THE PRUSSIANS.

The Austrian Army Hourly Expected in Saxony.

RUSSIA WILL KEEP FRANCE IN CHECK

Italian Government Declares War Against Austria.

The Reform Bill in the British House of Commons.

DEFEAT OF THE ADMINISTRATION BY ELEVEN MAJORITY.

Etc., Etc., Etc., Etc., Etc., Etc., Etc.

NEW YORK, July 2 .- The steamship Bremen, from Southampton on the 20th ult., arrived at

this port this morning. The steamers Aleppo, and City of Cork have arrive lout. The steamer Ericsson will not sail from Southampton on the 23d, in consequence of the continental war. In the House of Commons, on June 18, Mr.

Cardwell laid upon the table the report of the Jamaica Commission.

The debate on the Reform bill was continued. The House divided on Lord Dunkellen's amendment, substituting a ratable value for a clear yearly value. The amendment was carried against the Government by 11 votes-viz., 315 yes to 304 noes.

The Great Eastern will leave the Medway with he new cable on the 30th of Anne.

western frontiers.

The King of Prussia issued a proclamation his faithful people, in which he relies upon ieir loyal co-operation.

The King had left Dresden to join the army, ecompanied by Baron Buest.

The entry of the Prussians into Saxony was preceded by a formal declaration of war. The Prussian Minister was about to leave

Dresden. The entry of the Austrians into Saxony was

hourly expected. The Prussians were advancing on Wurzen They have occupied Lobau and Zittau-Meissen It is rumored that the Saxon army has effected junction with the Austrians.

The Moniteur says the Prussians entered Dresden on the 17th. The King of Saxony

withdrew into Bohemia. The King of Hanover and the Crown Prince lomed the army at Gottingen.

Diplomatic relations between Bayaria and Prussia have been broken of. The Bavarian Minister had left Berlin.

The Prussians occupy Hanover and threaten Frankfort. They also occupy Cassel. An engagement took place between the Prussians and the Hessians, near Frankfort. One

regiment of Hessians was almost annihilated. The Prussians were pushing on to Bohemia. The Federal plan of operations is the recon

quest of Holstein. Oldenburg and Anhalt had withdrawn from

the Confederation. It is rumored that Italy has declared war

against Austria. Garibaldi has left Como. As soon as his volunteers are completely equipped, they will

proceed to Bergamo and Brescia. The Italian Chambers have annulled Mazzini's election.

RUSSIA. Gortschakoff stated that upon the slightest violation of neutrality by France, Russia will abandon her present neutral attitude.

The vanguard of a strong Russian army corps has arrived at Farnogrod.

PORTUGAL. The Cortes has closed. Portugal will oberve a strict neutrality.

FRANCE. The Patrie says a majority of the guaranteeing powers are opposed to Turkish intervention in the Principalities. France, England, and Russia have protested against such interven-

The Latest News.

By telegraph to Bouthampton. Berlin, June 19 .- Prussia' formally declared war against Austria yesterday.

The minister of Hesse Darmstadt had been rdered to leave the Prussian capital, on account f the seizure of the Prussian telegraph station t Hamburg by the Darmstadt soldiers.

REICHENBURG, June 17 .- Ansrmy corps, 30,000 frong, bivouscked at Abersdorff last night, 2,000 are expected to-day at Seifhennersdorf,

nd 800 at Littdorf. The Prussians have occupied Seidenburg in onsiderable force, and reinforcements were still couring in.

EGER, Bohemia, June 19,-On Saturday 20,000 Prussians occupied Mochern, two miles from Leipsic, and subsequently Wurzens, Dahlen, and

Railway communication between Leipsle and Riesa has been destroyed.

The Westphalian Army Corps, stationed at Schkenditz, is going to the Silesian frontier. STRASBURG, June 19.-A demonstration against the Prussian policy took place on Sunday at

The Baden troops have gone to Frankfort. FRANKFORT-ON-THE-MAIN, June 19. - From thirty to forty thousand Federal troops are assembled

VIENNA, June 19 .- Advices from Bohemia state that the Saxon royal arms have been removed from all the places occupied by the Prussians and replaced by the Prussian arms.

Considerable contributions have been levied. Up to the present time the Prussians have not crossed the Austrian frontier. NEISSE, June 19,-The Austrians commenced

hostilities yesterday evening. An Austrian patrol crossed the Silesian frontier at Guhran, and fired upop a Prossian patrol.

Four thousand Austrians are marching towards the frontier.

BERLIN, June 19 .- At the request of the Prussian Government, the French Government has consented to protect the Pra siau interests in Austria and Bavaria.

A battle is expected near Frankfort, FLORENCE, June 19 .- The Italian Government formally declared war against Austria yes

The Italian Ministry has been reorganized under Ricasoli.

The persons atached to the King's household have left Florence to join his Majesty at the

It is stated that Cardinal Autonelli has resigned, and it was believed he would be succeeded by Cardinal Altieri.

London, Tuesday, June 19, Evening.-In consequence of the eleven majority against the Government, Mr. Gladstone has put nimself into communication with the Queen at Balmoral, and the House of Commons was adjourned until Monday. No business was done in Parliament

Commercial Intelligence.

LIVERFOOL, June 20.—The sales of Cotton, for two days were 13 000 bales, the market closing very duli at a decine of \$\frac{1}{2}d \text{@}_3\text{d}\$. The sales to speculators and exporters were 2000 bales.

The Manchester advices were uniavorable, the market being inactive but easier.

Floor firm at 2s. advance. Wheat has advanced \$\frac{4}{d \text{@}_6\text{c}}\$. winter red, 10s.9d \text{@}_11\text{S}_3\text{J}\$. Mixed Corn steady at 28.9d \text{@}_29s\$.

I rovisions—Beef active, at an advance of 20s.\text{@}_6\text{d}\$. Pork firmer, and all qualities have advanced

Frovisions—Beef active, at an advance of 20s.@6d.
Pork firmer, and all qualities have advanced
to a trifing extent. Bacon quiet and steady.
Butter has an upward tendency. Lard dull, but
nomical. Tailow firmer at an advance of 1@2s

Produce—Ashes; sales small. Sugar-steady. Coffee
quiet. Rice; no sales. Common Rosin inactive
Spirits of Turpentine dull. Petroleum quiet and

stendy.
London, June 20 —Conso's for money. 86@964;
United States 5 20s. 64}@65; Il. mois Central, 74}@75};
Erie Railroad, 40}@41.

EXTRACTS FROM EUROPEAN PAPERS

War Plans of Austria-Value of the Cav alry Arm of Prussia-The Grand Military Race for Dresden-Condition of the Treasuries of the Belligerents.

Kohlfort (June 12) Correspondence of London Times. Popular opinion has to-day ske ched out a new plan of operations for General Benedek. It is now di tinetly asserted—how the information has been obtained, or to whom the Austrian General has confided his plans, cannot be so clearly ascertainedthat the Austrian army is to advance in force against Silesia, to mask the fortresses in toat province, press against the Prussian left with 1's main body, force it into Prussian Saxony, and then, taking up the line of the Oder, to cut of Berlin from the old provinces

This plan, successfully carried out, would deprive the Prussians of some of their linest recruiting ground, but the steep roads through the narrow val lets of the Riesen Gebirge and the fortified places in Silesia would require considerable time to pass, during which the hostile army that is now watching the issues of the passes could be largely reinforced by the issues of the passes could be largely reinforced by means of the railway transport at its disposal. Not her could the Austrian's by this rouse avail themselved of their cavalry, which they not unjustly consider to be the best in the world. The telegram which announced that the Emperor had reached O muíz has, after creating considerable excitement in Berlin, been contradicted; now, in the revu'sion of popular feeling, rumous of probable peace are being circulated widely on this side of the ironter; but beyond the mountains it appears that serious preparations are boing made to open the camserious preparations are being made to open the cam-

On the Silesian frontier the Austrians are reported to be cantoned in more on a line stretching from Zarernig, near the county of Glatz, to the vicinity of Cracow, and to have a strong corps near Frice adt, on the road leading on the Prussian for-tress of Ratibor. It is possible that the collection, or, more probably, the discovery of the collection of or, more propadly, the discovery of the collection of large numbers of Austrian troops in this direction may have given rise to the rumor to which allusion has been made above, but, even if the reported concentration at Freistadt be a fact it does not prove that any serious attack against any province further centration at Freistadt be a fact it does not prove that any serious attack against any province further north than Silesia is contemplated. Many men in Prussia whose opinions are entitled to consideration have held for some time past that in the event of war the Austrians would cross into Silesia, but only with the intention of overrunning the province and levying contributions on its inhabitants, while the main attack would be made through Saxony. Perhaps the result of this very opinion being entertained may lead to an attack again: the line of the Oder through Silesia, for of course the object of every through Stiessa, for of course the object of every general who conducts an advance is to burst out where he is least expected, and where his columns are like y to meet with the least amount of resist-ance.

THE CAVALRY ARM OF PRUSSIA.

In winter or af er much rain, the country between the Neisse and Elbe, through which run the affluents the Neisse and Elbe, through which run the affluents of the Upper Spree, is marshy, and much intersected with brooks, which, on account of the flatness of the ground, and the consequent slight fall for drainage, form many pends and little lakes. When there are filled with water the byreewald is not fit for the movement of cavalry or artillery; but when, as at present, the weather has been tolerably warm for a short time, the water evaporates and this district affords a very fair field for the employment of those arms. The Frussian War Office, fully alive to this fact, are said to be massing a large force of cavalry fact, are said to be massing a large force of cavalry in this direction, which is to be organized on a dif-ferent system to that which is in general use in the

recept system to that which is in general use in the service.

Usually a certain number of regiments of cavalry are attached to each corps d'armee, and follow the movements of their corps, except when actually upon the field of batte; an exception, it is said, is now atout to be made to this rule; only one cavalry regiment is to be left with each corps, and the remainder, with a strong follow of artillery, to be organized as a large independent cavalry corps, which will, if the campaign should open on the side of Saxony, have an opportunity of proving its mettle. I hat the Austrians will make great use of their horsemen cannot be doubted; as much care has been lately bestowed in their army on this particular branch of the service that it will doubtless have a chance afforded it of adding to its already high reputation. It the campaign takes place on the Saxon frontier an opportunity may be afforded for arriving at some decision on the question which has for the last few years been rather polemically discussed by many of the military authorities—namely, whether arms of precision have abolished the necessity of cavalry in the field of battle, or if it is possible for squadrons to execute a charge under the fire of rifled artillery.

THE GRAND MILITARY RACE FOR DRESDEN.

Fer in (June 11) Correspondence of London Times.

The King of Prussia has apparently been discussing the plan of the campaign during the last three days. On Saturday he had a long interview with General von Schack, who commands the 4th Corps d'Armee, and Prince Auguste, of Wurtemburg, who is the general of the corps of the Guards. He was afterwards engaged for several hours with General von Roon, the Minister of War, when Generals Molike, Vola Alvensieben, and Von Freskow were also present. Of course nothing that passes at these secret meetings ever eks out, but a general impression is floating about so day that in the event of war being declared it is expected that Austria will attack Silesia. This step would almost drive the Prussians to advance on Dresden, and thus Austria would cast upon the Cabinet of Berlin the odium of being the first to invade federal territory.

It is believed that immediately the Prussian van crosses the front er into Saxony, the news of its ad-Fer in (June 11) Correspondence of London Times.

It is believed that immediately the Prussian van crosses the front or into Saxony, the news of its advance will be telegraphed to General Benedek's troops on the Bohemian frontier of saxony, and that they will at once move upon Dresdon. Should there be any foundation for this impression, the race to Dresden will be a close one. The Prussians have the longer distance to go over, and as means will in all probabinty be taken by Saxony to allow soe e part at least of the Austrian army to travel by railway, the Austrian advanced guard has a good chance of first gaining possession of the Saxon capital. It is quite natural to suppose that Genera' Benedek will attempt to carry the war into Saxony and Southern Brandenburg, both because the line televen the Bohemian frontier and Berlin, his probable objective point, is shorter by that route than by he sia, and because he is said to be desirous of taking advantage of the flat planes of Saxony and of the Upper Spree for the action of the much-vaunted Austrian cavalry.

MONEY DIFFICULTIES IN FLORENCE.

MONEY DIFFICULTIES IN FLORENCE.

Fierence (June 11) Correspondence of London News. The matter of the bank note difficulty is still causing infinite trouble and discontent. The way in ing infinite trouble and discontent. The way in which the people endure the annoyance and the loss is something really marvellous, and taking the motive of their forbearance into consideration, is truly admirable. Indeed, the evil grows worse, this morning the small notes were at seven per cent, and not to be had at that price. In a former letter I spoke very severely of the conduct of the Government in this matter. But a long conversation on the subject with a gentleman high in office has led me to believe that the shortcoming of the Government does not go beyond the faults of negligence, inexpertness, and improvidence.

ment does not go beyond the faults of negligence, inexpertness, and improvidence.

The dreadual loss which has islien on the community, and all the suffering which has been occasioned seem to have been due to the conduct of the National Bank, and not to that of the Government. The latter (in a very great and inevitable hurry) concluded a bargain with the bank, by the terms of which it was provided that the latter should lend the Government two hundred and fifty milhons; that the bank should issue notes to this amount, freed from the obligation of paying them in gold; that those notes should be guaranteed by the King's Government; and that the bank should be paid interest at the rate of one and a half per cent, per abnum only. No word of provision was made for the due suoply of the circulating medium when it should come to pass—as of course it must have been known that it inevitably would come to pass—that the gold and siller should obey the law of their nature in the lace of such enactment as that just named, and disappear.

No control we atsoever was reserved to the Government over the mode or nature of the emission of notes. And the bank has acted in the matter with

No control we atsoever was reserved to the Government over the mode or nature of the emission of notes. And the bank has acted in the matter with a most perfect disregard of the interests of the country, and the most cymeal insensibility to any consideration save the interests of its shareholders. And these must have made out of the general distress a very rich "pood thing" indeed Perhaps tae bank was acting "according to the true principles of banking;" and perhaps, if I were a shareholder, I should seel that it bas done so. But the discredit which it has thrown upon the Government has been very great indeed, and very mischlevous.

The Daugers of Italy. From the Revue des Deux Mondes, of Paris, July 14, * * * The Ita and say that armed peace exhau.t-them; but war would exhaust tuem still more. Have they, in fact, the means of carr, ing it on? Not that they are deficient in courage or discipline; on this point I am persuaded they would do their duty, and pursue an honorable career; but the material resources required for war are wanting to them. The truth which pe ples as well as kings should be resigned to hear is that the Italians, who hat dis played an admirable spirit before being united into one single Sia e, have no been the same since they have formed only one realm from the Mincio to the southern extremity of the hormer kingdom o the l'wo Siches The wisdom which had been remarked in them until then has experienced a total ecipse on one essential point—the floances. hey have not known how to frame a budget, and have accumu-

ated deficit on deficit While the most able financiers are unanimous in While the most able financiers are unanimous in declaing that a loan is a resource which ought to be reserved for a time of war, the Italians have contracted in times of peace enormous foreign ones, in France e-pecially, unhappily for the small capitalists of Paris, who have engalied their sayings in them. They have been totally wanting in resolution to raise by taxation receipts adequate to their expenditure, or to reduce their expenditure to the level of their possible receipts. This grave fault, of which at present they perceive the full magnitude, is not imputable to their Ministers of France. Mosel'a frankly recommended them to impose taxes on Sel'a frankly recommended them to impose taxes on themselves. M. Scialoja has repeated with all his porce similar sa utary recom mendations; but they closed their ears until too late. They have given themselves the satisfaction of uttering the sen-tences, and nourshed themselves with reminis-cences of the Roman republic —to-day ou, of

Like the Roman Senate, which, after the batt'e of Cannae, sold by auction the ground on which Ham-nibal was encamped, they thought they would give a magnificent example of patriotic pride in claim no boldly as their own property Ven'ce and the famous Quadrila eral, by which, in the judgment of the most experienced men and of their most sincere friends, they have ruined their situation. B. these ir considerate menaces they have irritated an enemy it was their interest to appease, so that, once entered upon a course of concilia ion they would have negotiated and treated for the coarsion of Vermitic Concilia ion they would have negotiated and treated for the coarsion of Vermitic Concilia ion. magnificent example of patriotic pride in claim no gotasted and treated for the cession of Venetia on equitable conditions, for which, when a l parties were cool, an understanding would very likely have

The Money Crisis.

REPORTED EFFECT OF THE ENGLISH PANIC ON AMERICAN TRADE—THE DRAIN OF SPECIE TO EUROPE AND THE GOLD MARKET IN WALL STREET From the London Globe (Evening), June 13

the monetary crisis in London of May 10 and 11 was partially echoed in the United States on the arrival of the Cuba at Haifax on the 21st. The return mail brought two accounts of the first effects of American trade, which may be relied upon as coming, not from English visitors, who would be likely to gain only a superficial knowledge of such sudden events, but from independent American writers, whose close agreement in narra ion of incts is a good guarantee of their correc ness. Both

tacts is a good guarantee of their correctness. Both letters hear date May 25.

We have also telegrams up to June 2. It appears that in the course of three das unwards of two milions steriling in gold were shipped for England, that in the course of a forenight the whole amount exported was not less than four millions, and that during the menth of May nearly six millions had left the country. No wonder the premium on gold rose fast. Before the delivery of the news brought be the Cuba the quotation was 129 or 130; this was on the morning of Monday, the 21st. On the tolowing Wednesday the price was 133, and on Friday on the morning of Monday, the 21st. On the fol-lowing Wednesday the price was 139, and on Friday 141, from white it has not fallon. This rise occurred no withstanding great efforts on the part of the Gov-ernment to check it by sales of bution to the ex-tent of file millions sterling. There is always a large amount of gold accumulating in the Treasury, and the Secretary habitually employs his command of it to prevent, as far as possible, fluctuations in the tremium.

wors among the many mischie's of an inflated The wors among the many mischie's of an inflated paper circu ation is the disturbance of foreign contracts, which is occasioned by variations in the price of go d. An American merchant, having to remit to London, must either send oils or gold, and the basis of any contract he makes must be the cot of sending gold, since oils are not alvars to be had. Now, it London a merchant always knows beforehand, pretty nearly, what it will cost him to send gold to any part of the earth; but in New York he does not know even within ten per cent how much gold to any part of the earth; but in New York he does not know even within ten per cent how much he will have to pay, in the paper money with which his own creditor; tutil their obligations to him at home, for bullion to export to Europe This is the danger and the obtacle to commerce which Mr. Mc-tulloch tries to correct by s-ting his reserves when the market likes and buying when it falls.

It may be a profit able practice for the Treasury, and it may be expedient in the interests of trade, but a system which necessitates it must be terribly de moralizing. In consequence of the érain of gold, money became scarse in Wall street, that is to say, borrowers were numerous and their demands great,

while lenders were for and their supplies small. Stocks fell. There were a few failures and much anxiety, but no paint, and nothing approaching to a general collabse. The correspond int of the Special Despatches to Evenino telegraph of others have not ced American described by the control of the Special Despatches to Evenino telegraph of the Evening Telegraph, and the state of the Evening Telegraph of t a general collapse. The correspondint of the Specializer of discrees that he and others have not ced American sto be less excitable and apprehensive under such circums ances than Englishmen, and we have sunwhere read the parallel remark that in Liverpool there is more calminess and cool-headedness than in London. Perhaps the difference is that London is nar the most subject to the influence of improfessional naders and speculators, corry folks who dablie in stocks and share; with their little savings or richer men who work their ca, that through other people's brains; and those are more hable to ignorant and unvelleding alarms it in the experienced communities of Liverpool and New York. But, a ter all, we do no know what would have happened in New York last month except for a relief essentially similar to that afforded to Liverpool and London by the suspension of the Bank ac. In both cases the Government was the Bank of England reserve were delivered over as a piety to the urgent borrowers; in America the Treasury heard was produced for the same purpose; and the amount of the boon was about the same. When the Bank of England reserve was falling fast it was acknowledged that there must be a limit to this artificial distribution of capital.

A return of the crisis was narrowly escaped here; and it will not be wise to be too sure the same of the sand the lamit to the crisis was narrowly escaped here; and it will not be wise to be too sure the same.

it was acknowledged that there must be a limit to this artificial distribution of capitas.

A return of the crisis was narrowly escaped here; and it will not be wise to be too sure the, are clear of it yet in America, for the Treasur, cannot sell five millions sterling of gold every week. Although New York may be too wise to fall a victim to a senseless panic, still it is not exempt now, any more than in 1857, from wide-spread commercial disaster. All na ions among which mercantile credit is liberally expanded are liable to periodical collapses of credit. Panic, we suspect, in the proper acceptation of the term, that is, unleasonable and universal terror, is a far more rare event.

As usual, it is very difficult to distribute effects to causes now in operation in the commercial affairs of America. It is stated that at the very beginning of the war prices of commodities tell. Then came the issues of paper which, including the initional bank circulation, but not that of the Southern States, reached £173,600,000 in Aovember, 1884. At that time prices had doubled and go d was quoted at allout two hundred and sixty. The extreme quotation of two hundred and eighty-five in the July preceding was attributable to the uncertainty of the war, the abortive Gold bill, the change of finance misters, and such like accidental circumstances. La ely gold has fallen to one hundred and twenty-four, the issues are reduced to about £140,000,000, and the Southern States notes are obliterated. Prices of commodities, however, remain about the same as in November, 1864. It might have been expected that the contraction of the money would have made its purchasing power greater, and commodities therefore cheaper, especially as this result is so manifest in the piece of bull ion.

There must be some count-racting influence, some changes in the relations of supply and demand, to prevent this cheapening, if it be really the fact that

There must be some count-racting influence, some changes in the relations of supply and demand, to prevent this cheapening, if it be really the fact that prices generally are as high as they were eighteen months ago. Probably, accurate statistics would show that bullion is not literally the only article which has fallen, but that many objects of luxury, at all events, are similarly affected by the improvement of the money. In the market for the of necessaries of life, and goods of ordinary consumption, and in the labor market, much allowance must be made nor the consequences of a change from peace to war. As the waste of war diminishes, the country enriches itself. This alone would go far to preven a safall of prices. When the return to specie payment approaches, then indeed, if not sooner there is likely to by some convulsion, but that all prices do not at once find their level is not very extraordinary. very extraordinary.

THE LATE PAILURES.

THE LATE FAILURES.

From the London Time (City Article), J. me 15.

Vice-Chance for Wood, in whose court the Bank of London is being wound up, has sanct.o.ied the arrangement provisionally come to between the official heidator of that bank and the Consolida ed Bank. It now only remains for the sharehold rs and creditors of the Consolidated Bink to give their assent in order to complete the measures for the reciening of the Consolidated Bank.

At a meeting of the creditors of Moore, McQueen & Co. (limited), held yesteriar, it was reso ved to recommend to the meeting of shareholders convened for Friday next, with the view to the proper and

for Friday next, with the view to the proper and economical realization of the assets, that the management of the business be taken in hand by a committee of five creditors who enjoy not only the confidence of the creditors but the starcholders.

At a meeting to day of the creditors of Messrs, H.

J Enthoven & Sons merc ants, of London and Liverpool, chiefly in the metal trade, who suspended on the 30th of May, a statement was submitted by Messrs. Coleman, Turquand & Co., showing liabilities for £185 907 and an estimated surplus of £36 640. It was lecolved to wind up under inspection, a letter of license to be granted for the purpose, and a vote of sympathy with and confidence in the firm was also adopted :— LIMITED LIABILITY COMPANIES.

Mr. M. Gibson (in reply to Mr. Otway) stated that he intended at some future time to reintroduce (with amendments) the bill which had been thrown out in the Lords to enaste companies to divide their capi-tal into a greater number of shares, but at present was not prepared to go the length of agreeing to a bill allowing them to a ter their original memoran-dum of agreement to the extent of diminishing the amount of their registered cap tal. THE BANK OF ENGLAND RATE AND DEMAND POR

DISCOUNT From the London Times (City A tiele), June 15. he Bank Directors made no alteration this (June 14) morning in their rate of discount. Under order nary circumstances the justification or this delay would be loure in the figures of the weekly return, which show that the demand has still been such as to prevent any great recovery in the reserve or notes,

and consequently that the terms still exacted can but be considered to be above the na ural market ra c. but we are in t c midst of an entirely excep tional p riod when exceptional measures won on apparently or most advantageous. The lact that the notes in the hands of the public are at this instant £5 230,000 above the fotal held at the onding date of last year, and that the bullion is higher than at any previous date of the present year, demonstrate that the lowness of the reserve is to be attribu ed not to any causes that would render it essential for the bank to guard that reserve by the usual means, but from a general system of koarding adopted by all the bankgeneral system of working adopted by all the banking establishments in the country, from fear of the
consequences that may arise from the pressure of
the existing charge. Paradoxical as it may seem, it
is, therefore, highly probable that the true way to
bring notes back to the bank in the present state of
affairs would be til reduce the raje of discount, while
it may be considered certain that an attempt
to educate the raje of discounts of the to advance it would insently produce a directly opposite effect. The demand now is a precautionary demand which would simply be rimu ated by every movement calculated to lead to the ides that precautions are especially incressary; and i has be anticipated that he before, just as the rate of discount declines will be the rapidity with which capitalists will find that they have more mone than they can readily employ. With the contraden in the bill circulation that has taken place during the past three months far greater taken place during the past three months far greater than in any torner pane, the limitation like wise of business in all directions from the simu taneous occurrence of fluantial district at home and political district on the cottnent, and the progress that has been made in paing off the large amount of bills on London that had accumu ated in Paris and elsewhere, there canbe ittle doubt that the real currency requirements of the country are now brought within limits that if all sonse of panic could be extensuished would cause discount instead of being at ten per cent. To be down at an average point.

Under these circumstances it is one great evil of a needless maintenance of the rate that it causes the ultimate reaction to be more violent than would otherwise be the late. It may also be suggested in favor of the suffering public that the protection afforded to the later by the Government authority to dispense will, a strict adherence to the Charter act, was meant to enable a course of relief to be ur-

act, was meant to enable a course of relief to be unset. Was meant is easile a course of refer to be arreaded with a boldness har world otherwise be indesignable, and that it no such boldness he exhibited, the measure, with he exception of its service at the item measure, with he exception of its service at the item measure, with have actually content of its innouncement, will have actually content of the innouncement, will have actually content on the innouncement, will have actually content on the innouncement with a removed.

Some there can be no doubt that its early effect was by the drain which it stimulated to foreign countries to isolease the prevailing difficulties. Happily, however the tone of business seems to be experiencing a degree of improvement such as to render the approach towards a resumption of ease merely a question of a weet or two. Those who weigh all the figures of the piecent bank account will observe that it shows the country to have regained an almost average degree of financial strength. If the notes absorbed in the provinces in excess of the regular amount were now in their natural place the bank reserve would be more than usually strong; while as regards the buillon, we see already that it has attained the normal point, which in ordinary times has been coincident with a rate of discount not exceeding a or 42 per cant.

Naval Officer at New York.

There are no new developments regarding the appointment of Naval Officer. The list of candldates now numbers at least a dozen, most of them prominent names. The only thing certain about the matter is that the appointment will not be made immediately, perhaps not until just before the adjournment of Congress.

Personal. Major-General Geary left for his home, near Harrisburg, on Saturday. -

Mr. Clarence A. Seward, nephew of the Secretary of State, and at one time Assistant Secretary of State, left this city yesterday for New York, where he will take the next steamer for Europe, as bearer of despatches from the United States to the Emperor of France.

It is reported that our Minister at Madrid, John P. Hale, has asked to be recalled, and that General Sickles, lately appointed to the Hague will probably be his successor.

General Gordon Granger will be a candidate for a mission to the Hague when it becomes

The Flag Presentation.

HARBISBURG, July 2.-The State regimental flags were shipped on Saturday by Adams Express to Philadelphia, where they will be ten porarily deposited in the City Armory, at the corner of Broad and Race streets. Adjutant-General Russell left here at 8 o'clock to-day, to superintend their delivery to the different color bearers.

In consequence of this arrangement, the order directing color guards to stop at Harrisburg has been rescinded, and the guards from different localities will proceed direct to Philadelphia instead of stopping here to receive their colors

Governor Curtin, accompanied by his staff, and a large escort of civilians from different parts of the State, will leave at 8 o'clock tomorrow morning for Philadelphia.

Twenty-eight firemen, detailed from the differ ent companies of this city, will start to-morrow. at 10 o'clock P. M., to unite with the Philadelphia firemen as a guard of honor to the ambulances containing the orphan children in the procession of the 4th.

From Fortress Monroe.

FORTRESS MONROF, June 20.-The steamer George Appold touched here to-day on her pas sage to Boston, and took on board about eightytive people of both sexes and all ages. Ho nes for the young women and employment for the young men have been provided in various parts of Massachusetts.

The Appoid was seized at Norfolk to-day by an oyster inspector, for an alleged violation of the ovster laws of the State of Virginia. She was released on the agent giving bonds in the sum

Base Ball at Tyrone, Pa-

Tyrone, Pa., July 2 .- A base-ball match was played here on Saturday between the Central d Bald Eagle Clubs, resulting as follows:-

CENTRAL. BALD EAGLE. Hastings, 1st b. cephart, p..... Valentine, s. s. 2 Scorer-G. F. Harris. Umpire-W. L. Craig.

Attempted Suicide of Senator Lane, of Kansas.

Washington, July 2.—Representative Clarke, of Kansas, has received a telegram from Leaven worth, dated July 2, saying that "Senator James H. Lane shot himself through the head last night. The surgeon says he cannot recover." This intermation soon became known in both Houses of Congress, and excited much comment.

The Steamer "City of Boston" Signalled NEW YORK, July 2 .- The steamer City of Beston, from Liverpool on the 2sth, via Queens town on the 21st ult., has been signalled below.

One Way to Get an Autograph. A correspondent of the Boston Advertiser tells he following story:-

I have seen an album which contains this inscripon on one of its tit e pages :-Treason is the greatest crime.

Washington, D C , August, 1861. The name is written in the stiff characters so well the name is written in the next in a much bolder and more foreible hand. The album is the property of a New York lady, who visited the city at the extra session of Congress in 1861. She was very anxious session of Congless in 1861. She was very anxious to get the old General's autograph but soon learned that it was not an easy thing to do She, he sever, not upon the expedient of sending her little girt, of about ten years, right to his office during business hours. The charming creature to d the orderly that she must see General Scott—and she would not be put off with any p'ea of business, but waited haf an hour, till her request was finally taken to the Adutant Of course, she was admitted to his presence, though to had no intention of allowing her to see the General. She persus de however, and said

seace, though to had no intention of allowing her to see the General. She persused, however, and said she must see him. The officer fically pointed out the door which led to his room and to'd her she could go in it she dared. She took him at his word, as it in an instant stood within the door. Speaking of it afterwards, she said she was afraid when he first looked up, "but as soon as he saw it was only me, he said, right pleasant, 'Well, little girl, what do you want?' and I told him my ma wanted him to write his name in her book: and ne looked sharp at me, and then smiled a little bit, and then shook hands with me, and asked me who my ma way, and I told him, my na way in the army, and my him, and I told him my pa was in the army, and my ma was all alone with me; and then he just k seed my cheek, and wro'e in ma's book, and said 'Good merning' to me and I came out, and nobody didn's hurt me at all."

SERIOUS ACCIDENTS ON THE RETURN PROM THE DERBY .- In the return home from the "Derby ast month several accidents of a serious character took place. In the New Kent road a acter took place. In the New Kent road a three-horse van, laden with persons, in turning the corner, swayed and turned over with a loud crash. It was found necessary to remove several persons to St. Thomas' Hospital. Near Kensington Church a gentleman on horseback rode down a lad named William Sweeny, aged seventeen years, and on his removal to St. Thomas' Hospital it was found that his skull was fractured. In Walworth road a collision occurred between a cab and a horse and eart, the occur pants of the latter, four in number, being all thrown out. They were taken to St. Thomas' Hospital. Several persons were also attended at the hospital suffering severe injuries to the eyes from the effect of flour, lime, and sand thrown at them.

Office of the Evening Telegraph, Saturday, July 2, 1866.

There was more disposition to operate in stocks this morning, and prices are firmer. Railroad shares, as we have noticed for several days past, continue the most active on the list. About 5000 shares of Catawissa preferred sold at from 364@384, the latter rate an advance of 44 on the closing price Saturday evening; Reading sold at 25 56-100, dividend off; Philadelphia and Eric at 31 (@31), a slight advance; Pennsylvania Railroad at 55%, "no change; Little Schuylkıll at 394, a decline of 1; and Camden and Amboy at 1341, no change; 564 was bid for Minehill; 38 for North Pennsylvania; 62½ for Lebigh Valley; 43 for Elmira; and 434 for Northern Central.

City Passenger Railroad shares are unhanged. Hestonville sold at 184@184. 88 was bid for Second and Third; 21 for Thirteenth and Fifteenth; 394 for Spruce and Pine; 724 for West Philadelphia; 13 for Ridge Avenue; and 39 for Union.

Government bonds are firmly held at full prices. 5-20s sold at 1031, and 7-30s at 1031. 106g was bid for 6s of 1881, coxpon off, and 97g for 10-40s. City loans are without change; the new issue sold at 96%, and old do. at 93%.

Bank shares continue in good demand; but we hear of no sales. 140 was bid for First National; 142 for Philadelphia; 31 for Mechanics'; 100 for Southwark; 95 for Kensington; 52½ for Penn Township: 52½ for Girard; 80 for Western; 65 for City; 63½ for Corn Exchange; and 60 for Umon.

In Canal shares there is very little movement. Schuylkill Navigation common sold at 261@27. 341 was bid for Schuylkill Navigation preferred; 120 for Morris Canal preferred; 11 for Susquenanna Canal; and 55 for Delaware Divi-

Quotations in Gold—10'30 A. M., 154; 11 A.M., 153½; 12 M., 154; 1 P. M., 154. -The New York Tribune this morning says:-

The New York Tribune this morning says:—

"Money is excessively abundant at 5@6 per cent., with loans upon Government stocks a 4 per cent. Commercial paper of prime character is wanted, and can be used at 5@6 per cent.

"National Bans currency is very plenty, and in variety of issue exceeds belief. Until something is done to reduce the volume of this currency there can be no return to specie payments. The readiest modes of reducing the currency wond be found in offering a special loan in exchange for legal-tenders and compound notes. With \$200,000 000 of legal tenders and compound notes. With \$200,000 000 of legal tenders and compound notes indea there would be forced upon the national system a more conservative policy. Among its first fruits wond be relief inclusional system a more conservative policy. Among its dist fruits wond be relief inclusional system a more conservative policy. Among its dist fruits with the refusal of the New York City banks to make their settlements in National notes not redeemable at specified points. The banks have a periect right to do this, but they make a distinction not appreciated by the mass of the people and one which cannot be made popular. The ment of the National currency with the people lies in having \$100 in United States stocks pledged for every \$90 of currency, and alobedy thinks of looking to see that Smith, or Jones, or Brown writes his name as President or Cashier. The names of these gent emen are of certain value and, locally, are of great importance to the gentlemen writing them; but the public honor the bank rotes ceause they are guaranteed by the Government and are paid by it when the banks issuing it pet into troute. This currency is good enough to pay balances at the Clearing House, and the sooner it is used the better."

PHILADELPHIA STOCK EXCHANGE SALES TI-DAY Reported by De Haven & bro. No. 40 8 Third streat.

PHILADELPHIA STOCK EXCHANGE SAUES TO-DAY Reported by De Haven & bro. No. 40 8 Third street.

BEFORE BOARDS 100 sh Catn pr....b20 38 100 sh do.....c 87 20....lots. 87 100 sn Cat pf. . 80wn 37] 100 sh co...... 55 38 100 sh do...... 88 100 sh do..... b5 872 do. . . 85wn 875 ### FIRST B ARD | \$500 U S 6-20s 65 . 103 | 200 ch C | \$4000 U S 7-30s. Jne 108 | 100 st | \$4500 City 6s, oid|| ots 98 | 500 sh 200 sh cata pt...b30 38 100 sh do...tsc. 38 500 sh do...tsc. 38 100 sh to...tswn 38 100 sh cy...s30wh 38 900 sh cy...s30wh 38

-Messrs, DeHaven & Brother, No. 40 South Thud street, make the following quotations of the rates of exchange to-day at 1 P.M.:-

Philadelphia Trade Report. MONDAY, July 2.- The foreign advices recording the commencement of the great European conflict and a material advance in breadstuffs in the English markets. have had comparatively little effect on trade here, ex cept to cause a little more confident feeling on the part of holders.

of holders.

There is no improvement to notice in the Flour Market and the only sales effected were a few hundred barres, in lots, for the supply of the home trade at from \$8 2269 % bbl for superdine; \$960.00 for extrast \$1100125 for Northwestern extra family: \$1175601350 for Fennsylvania and Ohio de; and \$146017 for fancy brands, according to quality. Bye Flour is in moderate request but there is very little here. We quote at \$5.50 6075. Prices of Corn Meal are nominal.

There is no new feature to present in the Whest Market, and in the absence of sales we quote common and choice Fennsylvania and a \$2.4063 10; 500 bush, old winter so d at \$2.90; white may be quoted at \$3.500 5.40. Bye is in fair request, with sales of 1000 bush at \$1.25 for Fennsylvania and \$1.20 for Western Corn comes in more free, y and is in good demant; sales of 10 f00 bush, ye low at 90c. and 28 600 bush Western mixed part at \$56050c, and part on private terms. Outs are mocerately active with sales of 1000 bush Fennsylvania at 73c., and 1000 bush. Western at 90c. hisky is quiet with small sales at \$1.2462.25 for Pennsylvania and \$2.2602 29 for Ohio.

Philade phia Cattle Market.

Vondar, July 2 -The Cattle Market is less ac ive this week and prices rather lower. 1980 head arrived and sold this week at from 16%@17%c for extra; a few choice at 18c ; fair to good at 50018c ; and demmon at from 12@14%c. With as to quality. The following are the particulars of the sales :-

the partien are of the sales:

14 head J. Se donnidge, Henols 14@16.

11 Montague & Montel, Western, 16@17%.

18 J. S. Leflien, Western, 16@17%.

18 Uliman & Bosiman, Lancaster co., 16@17%.

18 A conev & Fro., Western, 14@16.

20 L. Frank, Sestern 14@16.

21 M. De foos. Western, 16@17

22 J. A. Chain, Sestern, 15@17

23 H. Chain, Panaylvania and Virginia, 15@16%

24 M. Sestern, 16. 18.

25 Med. Sestern, 16. 18.

26 Med. Sestern, 16. 18.

27 J. A. Chain, Western, 16. 18.

28 Med. Sestern, 16. 18.

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23 J. Kirk, Western, 16. 18.

24 Med. Sestern, 16. 18.

25 Med. Coven Smith, Pennsylvania, 16. 18.

26 Med. Chester county, 16. 18.

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