

MERCHANTS' BANK,
Baltimore, January 14, 1842.

B. C. Presstman, Esq. Chairman, &c.

In reply to yours of the 5th instant, enquiring whether this Bank is ready for specie payments, I have to state, that its operations have been so conducted as to be prepared for resumption at the shortest notice, and this desirable object could be forthwith accomplished, without detriment to the community, if we could have the co-operation of the banks of Virginia and Pennsylvania. If however the banks of Maryland shall be required to resume without regard to the action of the banks of neighboring States, it seems to me proper, that notice should be given to that class of the community who would be most affected by the measure.

I have the honor to be, very respectfully,

Your obedient servant,

J. SWAN, President.

CHESAPEAKE BANK,
Baltimore, January 14, 1842

Hon'ble B. C. PRESSTMAN,
Chairman Com. on Currency.

Sir,—In reply to your letter of the 5th instant, desiring to know whether this Bank is prepared for an immediate resumption of specie payments, I reply that it is, provided that the State of Maryland can return the amount we have loaned her. If the State cannot return it, we should desire a reasonable time to call in our loans. Such a curtailment of our discounts will be necessary to place us in a condition to continue specie payments, as will seriously affect the interest of our customers, amongst whom are some of the largest manufacturers of machinery in our city, one of them alone paying out upwards of \$600 a week, and several others paying out from \$300 to \$500. It is not necessary for me to portray the distress which would be occasioned by this or any other Bank, having the description of customers spoken of, refusing to discount.

If the Legislature fixes a day not earlier than the first of August, the Banks that have extended (principally by advancing the State,) might without serious injury to their customers, curtail sufficiently to maintain specie payments. Should an earlier day be fixed than the one mentioned, many of our most enterprising merchants and useful mechanics will have to suspend their business, or pay away their hard earnings to usurers, as the Banks will not be able to afford them any relief.

If the Banks of Maryland resume without a concurrent action on the part of the Virginia and Pennsylvania Banks, the resumption will continue a very short period, unless the Maryland Banks keep their discount lines below their capital, the effect of which would be to flood our State with the paper of Virginia and Penn-