THE MARYLAND NEWS SHEET.

VOL I---NO. 18. BALTIMORE, THURSDAY, OCTOBER 10, 1861. PRICE TWO CENTS.

SEE FOURTH PAGE.

BOARD OF TRADE.

Committee of Arbitration for month of September.

THOS. WHITRIDGE.

FRANCIS CAPRON, | S. P. THOMPSON,
C. D. HINKS, | EDWARD SLADE.

Monetary and Commercial Review.

BALTIMORE, October 9, 1861.

Stocks were very quiet to-day, and the market generally was rather heavy. The only sale at the Board was one of $100 Baltimore City 1890 6's at 79⅞, this figure being a decline of ⅛ on yesterday's price; 1890's closed at 79⅞ bid, 80⅜ asked, and 1886's at 80 bid. Maryland 6's were weaker than on yesterday, 1870's closing at only 82¼ bid, a decline of ⅛ per cent. Missouri 6's of which there were some lots offered, closed at 43 bid, 44 asked.—Railroad shares were tolerably firm, Baltimore and Ohio closing at $41⅞ bid, and Northern Central at $13⅞ bid, $14 asked. We understand that the management of the Washington branch of the Baltimore and Ohio Railroad, which has for some months past been in the hands of the Government, was a day or two since handed over to the Company. Railroad bonds were tolerably firm, but nothing was done in them. Baltimore and Ohio bonds closed at 81 bid for 1867's; 70⅜ bid, 72 asked for 1875's; 68 bid for 1880's; 65 bid, 65⅜ asked for 1885's; and 41⅞ for 1863's. Northern Central 1885's left off at 56 bid, 57 asked. For Baltimore Gas Company $99 was bid, and $101 asked, and Springfield Mining closed at $1⅞ bid, $2¼ asked regular way.

In New York to-day Stocks generally improved, and the market closed firm. North Carolina 6's advanced 1 per cent; Missouris and Tennessees ⅛ each; Virginias ½; Erie ½; Reading $1; and New York Central $2. Treasury notes closed firm at 99⅜, yesterday's price.

SALES AT THE BALTIMORE STOCK BOARD

WEDNESDAY, October 9, 1861.

$100 Baltimore city 6's '90 ..... 79⅞

PRICES AND SALES OF STOCKS IN NEW YORK.
BY TELEGRAPH,
Through WILLIAM FISHER & SON, Stock and Bill Brokers
No. 22 South street.

	1st Board	2d Board
Virginia 6's	47⅞	00
Missouri 6's	44	43⅞
Tennessee bonds	43	00
North Carolina bonds	61	00
Canton Company	9	00
Erie Railroad	30	30
New York Central Railroad	77⅞	78⅞
Reading Railroad	37	36⅞
Treasury notes 2 years 6 per cents	99⅜	00
	firm.	firm.

The New York *Herald* of this morning says:

The activity and buoyancy of the Stock Exchange are unchecked. Almost every one expected a reaction yesterday, but, on the contrary, prices in many instances rose higher than ever, and stocks were firmer and in more general demand in the afternoon than has been the case for some time past. New York Central advanced ⅛; Erie ⅜; Hudson ⅛; Toledo 1; guaranteed ⅛; Galena, Reading, Illinois Central, Harlem and Rock Island were firm at the advance of yesterday. State stocks and governments were generally steady; the United States 5's of 1874 advanced ⅛. The only exceptions to the market were Pacific Mail, which declined ⅛ per cent; Panama, which declined ⅜, and Michigan Central, which fell off ⅛, on the disappointment created by the September earnings. A lively demand sprang up for railway bonds, and a general advance took place in the issues of the Erie, Hudson, and some of the older Western roads.

Money is easier again. Any amount can be had on call at 5 per cent. The bankers are beginning to understand that they are not going to lose their specie, but that on the contrary their reserve will increase steadily as the war progresses. Business paper is scarce, and the best names sell readily at 6@7 per cent.

A brisk business was done in foreign exchange yesterday. The bankers competed with each other freely for produce bills, and at the close good bills could not be had under 106⅜. Bankers sold their own bills at 107, and put up the price at the close to ⅛@⅜. It is understood that some heavy remittances go out by this packet, in payment of dry goods sold here within a few days, for European account.

The following is a comparative statement of the exports, exclusive of specie, from New York to foreign ports, for the week and since January 1:

	1861.	1860.	1861.
For the week	$1,095,690	$2,061,717	$3,000,878
Previously reported	49,968,740	69,757,793	96,057,241
Since January 1	$51,064,430	71,819,510	99,058,119

This enormous export—which is quite unexampled considering that we are shipping no cotton—comprises $510,000 worth of breadstuffs sent to England, and $1,040,000 worth sent to France. The same countries took from us during the same week about $500,000 worth of provisions.

The banks paid $2,100,000 into the Sub Treasury yesterday, being six per cent. on the first loan of $50,000,000. Instead of receiving $17,000,000 of the second $50,000,000 by the 15th of October—as it was said Mr. Chase would—it is evident that he will not draw the whole of the first fifty millions by that date. His drafts are kept in the hands of the public and used as a currency instead of being presented for payment.

The weekly statement of the Philadelphia banks, made up Monday afternoon, presents the following aggregates, as compared with those of the previous week:

	Sept. 30.	Oct. 7.	
Capital stock	$11,811,030	$11,811,030	
Loans	29,413,073	29,499,119	Inc. $3,785,222
Specie	5,222,672	5,383,277	Inc. 160,005
Due fm other banks	1,310,780	1,271,846	Dec. 89,884
Due to other banks	3,105,770	3,104,160	Dec. 51,610
Deposits	16,344,113	20,231,970	Inc. 3,957,857
Circulation	2,194,481	2,238,730	Dec. 54,258

We copy the annexed correspondence:

NEW YORK, Sept. 27, 1861.

SIR—We beg the favor of your informing us whether any United States income or other tax will be charged on coupons, or interest to become due, on American securities (Government or otherwise) owned by Europeans resident abroad.

We propound this query that we may be enabled to satisfy various foreign correspondents who now hold or may purchase United States bonds, &c., and have written to us inquiring as to this point. Your answer, we believe, will be in the negative, judging from the law recently passed, and if so—it being authoritative—its publication would immediately remove all fear of such taxation from the minds of European capitalists.

We have the honor to be, sir,

Your most obedient servants,

(Signed) BARCLAY & LIVINGSTON.

Hon. Salmon P. Chase, Secretary of the Treasury.

TREASURY DEPARTMENT, Oct. 1st, 1861.

Gentlemen—In reply to your inquiry of the 27th ultimo, I beg leave to say that the existing laws of the United States do not impose any tax upon securities of any kind held by foreigners residing abroad.

Very respectfully, your obedient servant,

(Signed) S. P. CHASE,

Secretary of the Treasury.

Messrs. Barclay & Livingston, New York.

BALTIMORE MARKETS.

WEDNESDAY, October 9.

COFFEE.—There has been no movement in Coffee to-day so far as we have heard. The market however continues very firm in tone, and holders show no desire to sell unless at full rates. We quote Rio firm at 14 cts. for ordinary, 15@15½ cts. for fair to good; 15½@16 cts. for prime; and Java at 20 cts. per lb. There is no Laguayra here but it would bring if here 15½@16¼ cts. per lb. The stock of Rio is about 22,000 bags.

FLOUR.—The foreign advices brought by the last steamer are less favorable for breadstuffs than those previously received, and the market for Flour was in consequence rather heavy this morning. Sales were reported on 'Change of 750 bbls. City Mills Super at $5.50, which is a decline of 25 cts. per bbl. on yesterday's price. Howard Street and Ohio Super continue very scarce. There is none of the former description offering, and as it is wanted by the trade for retailing, it would bring very readily if here $5 87½@6 per bbl. There is a little Ohio Super offering and we heard this morning of a sale of 100 bbls. at $5 87½ per bbl. We quote Ohio Extra to day as follows, viz: at $6 12½@6 25 for Ohio; $6 25@6.50 for Howard Street; and $6.50@7 per bbl. for shipping brands City Mills.

FAMILY FLOUR.—Family Flour is selling by the dray load to the trade at $8 for the best brands Baltimore, $7.25@7.50 for Ohio and Howard Street; and Baltimore high grade Extra is bringing $7.50 per bbl.

RYE FLOUR AND CORN MEAL.—Rye Flour is firm at $4, but we quote Corn Meal dull and heavy at $3 per bbl. for both Baltimore and Brandywine.

GRAIN.—Wheat was in moderate supply this morning, the receipts amounting to about 12,000 bushels. The demand for it was less active than it has been, and although prices were not quotably lower than on yesterday, the market was evidently weaker. Red sold at from 120 to 123 cts. for fair to prime, and white at 128@135 cts. for medium to fair, 140@150 cts. for good to prime, and 155 cts. for choice, but at the close the top quotations could not have been obtained for either description. There were only a few hundred bushels Corn at market, but we quote it nominal at 60@62 cts. for white, and 65 cts. for yellow. Rye, of which there were about 1,000 bushels at market, may be quoted at 60@65 cts. for Maryland, and 65@70 cts. per bushel for Pennsylvania. Of Oats there were about 6,000 bushels offered, and they were mostly sold at from 33 to 38 cts. for Maryland.

MOLASSES.—Molasses is quiet but very firm at the quotations, which are as follows, viz: 28@33 cts. for Cuba clayed; 33@35 cts. for do. Muscovado; 35@45 cts. for Porto Rico; and 50@56 cts. per gallon for New Orleans. The stock here is very light.

PROVISIONS.—There has been no movement of consequence in Provisions for some days past. A large contract for Bacon, Beef, &c., for the government is however to be awarded to-morrow. The market exhibits no new features, and quotations are generally unchanged. Bacon Shoulders, which are rather scarce, are now generally held at 6@6¼ cts., but Sides are selling at 6⅜@6¾ cts., and we quote Hams as ranging from 8 to 11 cts. per lb. There is no Bulk Meat selling and we can give no reliable quotations for it. Lard is steady at 6½ cts. for City, and 9 cts. for Western, and we quote Mess Pork at $14@14.25 for City, and $13 for Western: Prime do. at $12@12.50, and Beef at $13 for Baltimore No. 1, and $15 per bbl. for do. Mess.

RICE.—Rice is firm at 7¼@7½ cts. for good to prime. There is however very little here, and it is only selling in retail lots.

SUGARS.—We are again without transactions to note in Sugars. There are no hogsheads but few lots offering, and the market although quiet is very firm indeed. We quote as follows, viz: Cuba at $8@8.25 for refining, and $8.50@ for grocery grades; Porto Rico and New Orleans at $8.50@9.50; and current qualities of Manilla and Pernambuco at $8@8.25.

REFINED SUGARS.—The quotations for Refined Sugars are still as follows, viz: 11¼@11⅜ cts. for loaf; 10⅞@11⅛ cts. for crushed, powdered and granulated; 10⅜@10¾ cts. for soft crushed white; and 9⅞@10 cts. per lb. for C yellow.

SALT.—Salt continues very firm with an upward tendency, but there has been no change for several days past in the rates, and we still quote Liverpool at 120@125 cts. for Ground Alum, and 170@175 cts. per sack for Marshall's, Jeffrey & Darcy's and Worthington's fine, and Turks Island at 28@30 cts. per bushel.

WHISKEY.—Whiskey is steady and firm at 22½ cts. for City, and 23 cts. for Ohio. We note sales to-day of about 100 bbls. at these figures.

DOMESTIC MARKETS.

BOSTON, October 7.—Flour—The market is firm with a good demand. Sales of Western superfine at $5.25@5.37½; fancy $5.50@5.62½; extra at $5.75@6, superior $6.25@7.25 per bbl. Southern is quiet. We quote common and fancy at $6.50@5.75; extra $6@6.50; superior $7.50@8.50 per bbl. Corn is firm but the demand is moderate. Sales of Western yellow at 62@64 cts.; mixed 60 cts. per bushel. Oats are in steady demand. Sales of Western, Canada and Southern at 36@40 cts. per bushel. Rye is very scarce and is worth 80 cts. per bushel.

PHILADELPHIA, Oct. 8.—Flour quiet. Wheat dull: sales 2,000 bushels red at $1.20@1.22; white $1.45. Corn active; sales of yellow at 67 cts. Whiskey firm at 22@22½ cts.

BUFFALO, Oct. 7.—Corn is selling steady. Wheat quiet; sales 2,000 bushels Milwaukee club at $1.07, 5,000 bushels do. at 98 cts., and 2,000 bushels prime do. at 1.10. Corn steady and demand active; sales 10,000 bushels at 50½ cts. Whiskey, sales yesterday and to-day 700 bbls. at 20 cts. Lake imports—9,000 bbls flour, 60,000 bushels Wheat, 66,000 bushels corn, 20,000 bushels oats. Canal exports—2,000 bbls flour, 152,000 bushels wheat, 146,000 bushels corn, 42,000 bushels oats.

OSWEGO, Oct. 8.—Flour steady; wheat dull. Sales 4,200 bush. red State $1.15⅛. Corn in fair demand but very scarce; no sales. Barley in active demand; sales 5,600 bush. Toronto 58c.; 5,500 bush. Bay Quinte and 23,000 bush. do., part to arrive 53⅜c. in store. Rye scarce; sales 8,000 bush. Canadian, to arrive, at 58⅜c. in store. Lake imports—22,500 bush. wheat, 18,600 bush. corn, 31,000 bush. barley. Canal exports—4,725 bbls. flour, 37,000 bush. wheat, 21,300 bush. corn, 27,300 bush. barley.

CHICAGO, October 8—Flour dull. Wheat declined 4@4⅜ cts.; 77@78 cts. for No 1; 71@72 cts. for No. 2, in store. Corn declined ½ cent, mixed in store 20⅜@21 cts. Oats quiet. Receipts 6,300 bbls. flour, 95,000 bushels wheat, 128,000 bushels corn. Shipments—111,200 bushels wheat, 103 bushels corn. Freights inactive. Exchange on New York unchanged.

IMPORTS INTO BALTIMORE.

COASTWISE.

BOSTON—*Schr. W. B. Darling*—450 bbls. herrings, T. R. Matthews & Sons; 150 do., do.; 2 casks codfish, Curtis & Post; 200 doz. pails, Heebe & Co.; 1 suit of anchors, order.

FOREIGN.

TURKS ISLAND—*Schr. Kingfisher*—3,070 bushels salt, Price & Huffington.

HALIFAX—*Br. schr. J. B. Huey*—670 bbls herrings, 150 do. mackerel, 25 do. alewives, 4 do. trout, Jas. Corner & Sons.

LATEST NEWS.

TELEGRAMS:

FROM HATTERAS INLET.

Naval Engagement at Hatteras--Confederate Attempt to Capture the Indiana Twentieth Regiment -- Three Hundred Killed and Wounded--Affairs at Fortress Monroe.

FORTRESS MONROE, Oct. 8.—The frigate Susquehanna has arrived from Hatteras Inlet, and brings most interesting and exciting intelligence.

On the 2d inst., the day after the capture of the steamer Fanny, the steam-tugs Ceres and Putnam, having one of the launches of the Susquehanna in tow, went up to Chicimacomico bank, and landed seven days' provisions for the seven companies of the Indiana regiment stationed there, which is forty miles from Fort Hatteras. They returned the same evening without having seen anything of the Confederates.

On Friday, however, word reached Hatteras Inlet, by the steamer Stars and Stripes, that 2,500 Confederates, consisting of Georgia, South Carolina and Virginia regiments, had come over from the main land in six small steamers and schooners, with flat boats, and had attacked the Indiana regiment, who were obliged to retreat along the narrow neck of land towards Hatteras Inlet.

The frigate Susquehanna and Monticello immediately steamed up outside of the Sound, while Col. Hawkins marched up with the steamers and reached Hatteras Light by nightfall, a distance of thirteen miles. During the night Colonel Hawkins was joined by the Twentieth Indiana regiment, who had succeeded in making their escape from the combined naval and land force brought against them, and had passed, in the darkness of the night, a Confederate regiment which had been landed below them for the purpose of cutting them off. Col. Brown, who was in command of the Indiana regiment, reported that he had lost forty men as prisoners, comprising his sick, wounded, and twenty pickets who could not be called in. He succeeded in saving his tents, provisions, &c.

On Saturday morning the Monticello steamed around the point, and a few miles up the coast met the Confederate force marching down the narrow neck of land to attack our troops. Confederate steamers were also landing additional forces to cooperate with them. They were in easy range, and the Monticello opened upon them with shells and five-second fuses, two hundred and eighteen of which were fired from three guns in three hours and thirty minutes, doing great execution.

The Confederates at first tried to shelter themselves behind a sand hill, and then in a narrow cops of pine trees, but soon broke in every direction and took refuge in their vessels. A shell passed through the wheel-house of the steamer Fanny, which was already employed against us. The shells exploded in their midst constantly, driving them from point to point, and it is supposed that their loss cannot be less than from two to three hundred in killed and wounded.

During the engagement a member of the Indiana regiment, who had been taken prisoner, managed to break the rope with which he was tied, and escaped. He immediately took to the surf, and was picked up by a boat from the Monticello. He reports that the first shell from the Monticello killed Col. Braisted, of the Georgia regiment, and that the havoc among the enemy was frightful. He also reports that when he escaped he killed a Confederate Captain with his revolver.

Upon the withdrawal of the Confederates the Monticello and Susquehanna returned to Hatteras Inlet. Lieutenant Birkhead, of the Susquehanna, from whom I have obtained the above account, thinks that no advance can be made upon Hatteras Inlet, without being supported by a fleet of light draft vessels, and that our force at the Inlet should be specedily increased.

The steamer S. R. Spaulding had arrived at Hatteras Inlet on the 7th instant with Gen. Mansfield, and had landed her men and stores.

Too much praise cannot be accorded to Lieutenant Braine, of the Monticello, for this brilliant achievement, which has caused great exultation at Old Point.

Col. Brown narrowly escaped with the Indiana regiment, in the face of such an overwhelming force. He was shelled from the Confederate steamers, and troops were landed above and below him, yet he managed to escape with a comparatively small loss. The particulars of his masterly conduct have not yet arrived.

From Fortress Monroe there is but little news of interest. Commodore Goldsborough has not yet arrived from Washington. The steamer Baltimore has come down the Potomac with a cargo of ordnance stores.

The channel of Newport News is being buoyed so that the Minnesota can run up in the night, if necessary.

The Congress and Cumberland are still at Newport News.

Official Account of the Engagement on North Carolina Coast.

The following despatches were to-night received at the Navy Department:

U. S. STEAMER SUSQUEHANNA,
Off Hatteras Inlet, Oct. 6, 1861.

SIR:—Late on the afternoon of the 4th inst, I received information that the enemy had landed a large force at Chicamonico and Kine Keet, and that the Indiana regiment posted there was in full retreat before them. Also that our three tugs in the Inlet were aground or disabled. The Fanny had been captured the day before. I at once got under way with this ship and the Monticello and anchored for the night close to those in Hatteras Cove.

At daylight I found our troops in and about the light-house and in distress for want of provisions, which they had been without for twenty-four hours. I supplied them with food and, at the request of the commanding officer, remained for their protection during the day. Hearing that the enemy were still in large force at Kine Keet, I sent the Monticello to drive them off, which important service was performed by Lieutenant-Commanding Braine with great effect and good conduct.

His report is enclosed.

I am, very respectfully,
Your obedient servant,
J. L. LARDNER, Captain.
(Signed) Flag-Officer L. M. GOLDSBOROUGH.

U. S. STEAMER MONTICELLO,
OFF CAPE HATTERAS, N. C., Oct. 5, 1861.

SIR—I have the honor to inform you that, in obedience to your order of this morning, I stood through the inner channel of Hatteras at 12.30 P. M., and stood close along shore to the northward, keeping a bright lookout from the left. At 1.30 P. M. we discovered several sculling vessels over the woodland of Kine Keet, and, at the same time, a regiment marching to the northward carrying a Confederate flag in their midst, with many straggliers in the rear; also two steam tugs inside flying the same flag.

As they came out of the woods at Kine Keet, we ran close in shore, and opened a deliberate fire upon them at the distance of three-quarters of a mile. At our first shell, which fell apparently in their midst, they rolled up their flag and scattered, running rapidly up the beach to the northward.—We followed them, firing rapidly from three guns, driving them up to a clump of woods, in which they took refuge, and abreast of which their steamers lay.

We now shelled the woods and could see them embarking in small boats for their vessels evidently in great confusion and suffering greatly from our fire.

Their steamers now opened fire upon us, firing however, but three shots which fell short. Two of their boats filled with men were struck by our shells and destroyed.

Three more steamers came down the Sound and took position opposite the woods which we were shelling, also two sloops. We continued firing deliberately upon them from 1½ P. M. until 3½ o'clock P. M., when two men were discovered on the sea beach making signals to us. Supposing them to be two of the Indiana regiment, we sent an armed boat and crew to bring them off, covering them at the same time with our fire. Upon the boat nearing the beach they took to the water, and one of them was successful in reaching the boat—private Warren O. Hane, of Company H, 20th Indiana Regiment. The other man, private Charles White, of Company H, 20th Regiment Indiana troops, was unfortunately drowned in the surf.

Private Haine informs me that he was taken prisoner on the morning of the 4th; that he witnessed our fire which was very destructive. He states that two of our shells fell into the ships loaded with men, blowing the vessels to pieces and sinking them. Also that several of the officers were killed, and their horses were seen running about the track. He had just escaped from his captors after shooting the captain of one of the Confederate companies. He states that the enemy were thrown into the greatest confusion, rushing wildly into the water to get off to their vessels.

Private Haine now directed me to the point, where the Confederates were congregated, waiting an opportunity to get off. I opened fire again with success, scattering them. We were now very close—in three fathoms water—and five-seconds shell told with great effect.

Six steamers were now off the Point, one of which I recognized as the Fanny. At 5.25 P. M. we ceased firing, leaving the enemy scattered along the beach for upwards of four miles.

I fired repeatedly at the enemy's steamers with our rifled cannon and Parrott 24 pounders, and struck the Fanny, I think, once. I found the range of this piece much short of what I had anticipated, many of the shot turning end over end, and not exceeding much the range of the smooth bore 32-pounders. I enclose herewith the memorandum of the ammunition expended.

I am, respectfully, your obd't serv't,
Lieut. D. L. BRAINE,
Commanding U. S. Steamer Monticello.

To Captain J. L. Lardner, commanding U. S. steamer Susquehanna, off Cape Hatteras, N. C.

FROM WASHINGTON.

The Policy of the Government Relative to the Employment of Foreigners in the Army.

WASHINGTON, Oct. 9.—The policy of the Government in regard to employing foreigners in the military service is as follows, the statement being made on good authority:

First. No one has been authorized to enlist or raise troops in Canada, as has been affected to be understood there.

Second. No commissions have been offered or other overtures made to military men in France or other European States, as has been assumed there.

Third. The Government has not tendered the command of the army to Gen. Garibaldi, as has been represented in Europe. What is true is:

First. That every foreigner who has come with a good character and credentials and offered his services to the government for the support of the Union has been accepted, and no other is in the military employment of the United States.

Second, Gen. Garibaldi being a naturalized citizen, it was reported to the government by one of our Consuls that the General was contemplating a visit to this country, and that he had intimated conditionally a disposition to engage in the service of the United States. He was informed that if this was so his services would be accepted with pleasures and he would receive a commission as Major-General, being the same rank which was conferred on Lafayette in the army of the Revolution. Gen. Garibaldi, however, upon consideration of the subject has concluded not to offer his services at present but thinks he may by and by revisit the United States.

MOVEMENT OF GENERAL McCLELLAN'S ARMY.

Advance of General Smith's Division and Occupation of Lewinsville--Advance of General Porter's Division to Miner's Hill.

About six o'clock this morning the division under command of General Smith at Chain Bridge advanced and occupied prominent positions in the neighborhood of Lewinsville.

On the advance arriving at Langley's, the hitherto output of our army, the division was divided, a portion of them continuing up the Little Rock Run turnpike and occupying Prospect Hill, the other part of the division taking the new artillery road and occupying Smut's and Maxwell's Hills, a mile and a half this side of Lewinsville.

Batteries were drawn up in prominent positions and infantry placed in positions to support them. After remaining about three hours waiting in rain for the Confederates to make an attack, in fact inviting them to do so, our skirmishers advanced and occupied Lewinsville, the Confederate forces retiring.

Lewinsville will be retained, as well as the other positions taken by our forces to-day.

The troops under Brigadier-General Porter also advanced and occupied Miner's Hill, to the right of Falls Church, commanding both that village and Barrett's Hill—the latter of which is in the possession of the Confederate pickets.

Gen. McClellan and staff accompanied by Capt. Baker's McClellan dragoons, crossed over the Chain Bridge at an early hour this morning, spending the whole day in making reconnoissance of the new positions taken by the Federal forces.

About five o'clock yesterday afternoon, Captain Barney, of the 24th New York, advanced three miles beyond Falls Church, on the Leesburg turnpike, with ten men, where he surprised a picket guard of eight of Col. Steuart's cavalry. Three of the enemy were killed and one taken prisoner. They also captured five horses equipped, thirteen navy pistols, four sabres, one carbine and a rifle scope. One of the horses was killed—a white one—which has been often seen by our pickets, and is believed to have belonged to Captain Powell, of Steuart's cavalry.

The capture took place within a half a mile of a Confederate encampment. So sudden was the descent of Capt. Barney, upon the Confederates, and so much were they frightened, that they had not time to draw their pistols. Only two horses out of their eight escaped.

The Discharge of Minors from the Army.

Brigadier-General Graham appeared before Judge Merrick to-day to answer to a charge of contempt of Court in detaining the minor, Jeremiah Lyons, in the camp of the 23d Pennsylvania regiment, after the Court had, under a writ of *habeas corpus*, ordered his release. General Graham answered by filing an affidavit disavowing contempt, and claiming that he had acted in strict confirmation with law and literally obeyed the order of his superior officer; and quoting, in the connection, General Order No. 73, emanating from the Adjutant General's office. It is dated Sept. 7th, and says: "Hereafter no discharge shall be granted on the ground of [illegible]

General Graham's counsel argued that the [illegible] has no jurisdiction in the case, it being one of a purely military character, to be determined alone by the military authority—the power to discharge being specially vested in the War Department.

The Court differed altogether from the argument, maintaining that undisturbed by the clamors of the multitude and carefully guarding against dangerous precedents, justice should be administered according to the Constitution and laws. No political motives—no reasons of state, nor plea of necessity could justify a disregard of the solemn duties of the judiciary.

He showed that the power of discharging minors by judicial process had been exercised in various States, not only during the war of 1812, but since the commencement of the present civil contest; and he, himself, had repeatedly exercised this jurisdiction without any question being raised as to the propriety of his course. The solemn decision of the entire Supreme Court was, that the military cannot be exempted from subordination to the civil tribunals, and at no time can a military officer purge himself from an illegal act by quoting the order of his superior officer.

Following the example of Chancellor Genton in the case of Commodore Chauncy and Gen. Lewis, the Court said that, if by noon to-morrow the minor, Jeremiah Lyons, shall not be surrendered to the Court, to be dealt with according to law, and to carry out the previous order, the rule for attachment against Gen. Graham for contempt of Court shall be made absolute.

The North Carolina Prisoners at Fort Columbus.

Permission has been given to Wm. F. Martin, who was in command of the Confederate troops at Hatteras Inlet, and is now in confinement with his seven hundred associates at Fort Columbus, to furnish winter clothing for the prisoners with funds to be received by him from North Carolina.

LATEST FROM MISSOURI.

From Jefferson City--Report About General Wool.

ST. LOUIS, October 8.—A special despatch to the *Republican*, dated Jefferson City, the 7th instant, says:

It is stated here that General Wool is now on his way to St. Louis, and is to be followed by 50,000 troops, half of whom are to stop at Cincinnati and go into Kentucky, while the other half are to enter into active operations in Missouri and supply the places of General Fremont's army.

Information has been received here that about three weeks ago a slave insurrection was attempted in Jasper county, and that about thirty-five of the negroes were killed and a number of others were to be hanged. The discovery of the plot proved that the insurrection was wide-spread, and that the slaves intended to murder their masters and perpetrate all manner of barbarities.

A report is current that two thousand Confederates are twenty-six miles from Hermann, marching towards the Gasconade river, with the intention of burning the railroad bridge across the stream. The Confederates are said to be headed by Rev. M. Johnson.

Union men from Lexington, deny that any session of the Confederate Legislature has been held there. Gens. Sturgis and Lane are said to be close in the rear; also two steam tugs inside flying the same flag.

As they came out of the woods at Kine Keet, we ran close in shore, and opened a deliberate fire upon them at the distance of three-quarters of a mile. At our first shell, which fell apparently in their midst, they rolled up their flag and scattered, running rapidly up the beach to the northward,—We followed them, firing rapidly from three guns, driving them up to a clump of woods, in which they took refuge, and abreast of which their steamers lay.

We now shelled the woods and could see them embarking in small boats for their vessels evidently in great confusion and suffering greatly from our fire.

Their steamers now opened fire upon us, firing however, but three shots which fell short. Two of their boats filled with men were struck by our shells and destroyed.

Three more steamers came down the Sound and took position opposite the woods which we were shelling, also two sloops. We continued firing deliberately upon them from 1½ P. M. until 3½ o'clock P. M., when two men were discovered on the sea beach making signals to us. Supposing them to be two of the Indiana regiment, we sent an armed boat and crew to bring them off, covering them at the same time with our fire. Upon the boat nearing the beach they took to the water, and one of them was successful in reaching the boat—private Warren O. Hane, of Company H, 20th Indiana Regiment. The other man, private Charles White, of Company H, 20th Regiment Indiana troops, was unfortunately drowned in the surf.

Private Haine informs me that he was taken prisoner on the morning of the 4th; that he witnessed our fire which was very destructive. He states that two of our shells fell into the ships loaded with men, blowing the vessels to pieces and sinking them. Also that several of the officers were killed, and their horses were seen running about the track. He had just escaped from his captors after shooting the captain of one of the Confederate companies. He states that the enemy were thrown into the greatest confusion, rushing wildly into the water to get off to their vessels.

Private Haine now directed me to the point, where the Confederates were congregated, waiting an opportunity to get off. I opened fire again with success, scattering them. We were now very close—in three fathoms water—and five-seconds shell told with great effect.

Six steamers were now off the Point, one of which I recognized as the Fanny. At 5.25 P. M. we ceased firing, leaving the enemy scattered along the beach for upwards of four miles.

I fired repeatedly at the enemy's steamers with our rifled cannon and Parrott 24 pounders, and struck the Fanny, I think, once. I found the range of this piece much short of what I had anticipated, many of the shot turning end over end, and not exceeding much the range of the smooth bore 32-

WAR ITEMS.

From the St Louis Evening News, Oct. 4.

Latest from Lexington--Evacuation of the Place by Price--Fight in Ray County.

We had an interview this morning with Captain Neet and Lieut. Neet, of the Fourteenth Missouri regiment, who were captured at Lexington, in the late battle, but managed to escape from the place last Monday. They state positively that Price had moved his whole army from Lexington, and taken up a position about eight miles southwest of the town, where he is fortifying, with the design of awaiting there the approach of the Federal troops. The movement from Lexington was going on all through Sunday and Monday, and on Monday evening the town was completely bare of troops.

Capt. Neet estimates that on Friday the Confederate forces amounted to 46,000 men, and as reinforcements were arriving every hour, he thinks that on Monday the entire army was 50,000 strong. Of these 20,000 or 25,000 were well armed, well drilled, and pretty efficient troops; the remainder were armed merely with shot guns, and squirrel rifles, and had but little idea of drill and discipline, except such as company organization gave.

On Saturday a fight took place in Ray county, opposite and about six miles from Lexington, between 6,000 Confederate troops, under Tom Harris, and 7,000 under Sturgis and Lane, in which Harris was worsted, and forced to retreat to Lexington, with the loss of his baggage train.

Harris had been sent over the river to meet Sturgis, who was reported coming down towards Lexington with a force smaller than it proved to be. The hostile armies came in collision about three o'clock Saturday night, when a cannonading took place which lasted about fifteen minutes. Next morning it was resumed, and maintained briskly till Harris retreated from the field, and fell back on Lexington, some of his men, in the hot pursuit, being compelled to swim the river.

Capt. Neet was in jail, as prisoner, at the time the battle took place, and could learn few details of the fight. He, however, heard the cannonading, and saw the retreating soldiers coming into Lexington, many of them thoroughly drenched from having swam the river. The Provost Marshal then ordered Colonels Peters and Boyle formed, and directed Colonel Cundiff to go forward with the remainder of my regiment, while I should rally and bring up all the available force not yet over the river.

The enemy opened on us with grape from a brass six pounder, which my men silenced at the sixth round, killing all their artillerymen, (except one who was slightly wounded and taken prisoner) and their horses. The men from the rear now commenced reaching the scene of action, and adding their cheers to those in front—the enemy commenced flying, leaving their caisson on the ground containing 123 shell and a large lot of canister, grape and round shot. My men run them some three miles, and only desisted when entirely exhausted. The officers and men under my command behaved most gallantly, and deserve especial notice for their bravery and coolness during the action. If I had had artillery I doubt not I should have taken the piece opened upon us, with all the enemy's baggage.

My loss was one killed and seventeen wounded.

The enemy admitted a loss of one hundred and fifty to two hundred killed, wounded and missing; forty-two were left dead on the field. We got ten prisoners, who are still in my hands. Several gentlemen not in any company or official capacity deserve especial mention for gallantry and activity; among those were G. W. Van Horn, of St. Joseph, and Wm. Pope, of Buchanan county. The latter fell mortally wounded in the very front of my advancing column.

Respectfully,
J. P. SAUNDERS, Col. M. S. G.

From the St. Louis Evening News, Oct. 4.

Important from the Cherokee Nation--Disaffection of John Ross--Alliance with the South.

From Rev. Wm. S. Robinson, missionary teacher of the Old School Presbyterian Church, who reached St. Louis last Saturday, from the Cherokee nation, we learn some unpleasant intelligence concerning the action of the chief and council of that nation.

The battle of Wilson's creek had had the unhappiest effects. The secession party—against which Chief John Ross had struggled so hard, and apparently with so much success—was greatly strengthened by that event, and, instigated by emissaries of the Confederate States, had renewed their violent clamors for alliance with the South.

Overborne by this pressure, John Ross, on the 20th of August, called the Council together at Talequah, and sent in a message recommending a severance of their connection with the Government of the United States, and an alliance with the Southern Confederacy. The Council, by a vote, approved of these recommendations, and next day appointed Commissioners to make a treaty of alliance with the Southern Government.

The Confederate Commissioner at Talequah, with authority from Richmond, had made propositions to the Council, offering to assume the payment of the regular annuities which the Cherokees have hitherto received from the United States Government, and which they feared would be lost to them by an alliance with the South. The proposition, together with the violent and overbearing conduct of the secession party, proved too much for the wavering Ross and the Council; and as they were threatened by invasion from Arkansas, and Texas, and without the hope of support from the Federal Government, they agreed to secede from the United States, and unite with the Confederate government.

The wife of Chief Ross, however, held out to the last, and refused to yield up her adherence to the Union. After the proceedings of the Council, a Confederate flag was prepared to be hoisted over the Council House in Talequah, but Mrs. Ross declared she would not allow it, and threatened that if it were raised, she would make her son, six years old, tear it down. Owing to her spirited resistance the flag was not raised.

The violence of the secession party in the nation, aroused by the result of the battle of Wilson's Creek, grew still more furious after the disloyal action of the Council, and Mr. Robinson, who had been a teacher in the Missouri School at Tallehassee, in the Creek nation, for twelve years, was compelled to flee with his family, upon twenty-four hours' notice.

The Missouri school was broken up on the 25th of July last, by a company of "light horse" under the command of the Superintendent, who had been deputed by the first and second chiefs. The Creeks took possession of all the Missionary property, valued at about $4,000, and three families and four ladies connected with the school were ordered out of the country. All the Missionaries left the nation except Rev. Messrs. Buckner and Vandever, of the Baptist Church South.

The Creeks had raised, and were drilling 1,000 men for service in the Confederate army, and had appropriated $10,000 from their school fund to pay for their equipment. The Cherokees had raised 1,200 men as a Union Guard, when Mr. Robinson left Talequah. He represents the people generally as being in favor of peace.

As long as the Federal army under General Lyon held its position at Springfield, the Union party among the Cherokees successfully maintained itself, as the secessionists were too much occupied in the defence of their own territory, and in gathering troops to meet Lyon, to pay attention to affairs in the nation; but when Lyon was killed, and his army forced to evacuate Southwest Missouri, the Unionists in the nation who had so long held out, and repelled the seductive advances of the Confederate Commissioner, became terrified, and relaxed the rigor of their resistance.

Subsequently, McCulloch sent a portion of his army into Arkansas, to take up a position on the border of the nation, to intimidate the Council with threats of invasion. To conciliate the Indians, the secessionists exhibited, in Talequah, a Confederate soldier who had scalped a Federal soldier in the battle of Wilson's Creek, and resorted to other kindred devices to gain the good will of the nation. Under pressure of these violent acts, and deprived of support, the Unionists were forced to yield to the despotism of secession, and forsake the Union that had protected them.

Correspondence New York Times.

The Situation in Kentucky.

LOUISVILLE, Oct. 5.—Buckner, backed by Bull Run, Springfield and Lexington, is making clean work of Southern Kentucky. Foiled in his attempt on Muldraugh's Hill, he has stopped his advance in a strong position at Green River, and turned his whole attention to the work of converting Southern Kentucky into *bona fide* rebel territory. He is marching from town to town, expelling the refractory, receiving the submission of weak and mercenary, and bringing the whole country under Confederate away. Before the end of Autumn, all of Kentucky, south of Green River, will be as literally a part and parcel of the Southern Confederacy as once loyal Tennessee is. They already have all the most important towns and strategic points, and will soon have undisputed possession of the whole west end of the State, from Green River to the Mississippi, and from the Ohio to the Tennessee line. There is no force there to oppose them, except a few unarmed and undrilled recruits, who at last accounts were flying from their camps, and breaking for the banks of the Ohio. As for the Home Guard, who were so vehement in their protestations before