CITY INTELLIGENCE.

ANNUAL EXHIBITION OF THE MARYLAND INSTITUTE.—The Managers of the Maryland Institute announce that the fifteenth regular exhibition will commence on Monday, the 6th of October, and close on the evening of the 21 November next. To effect the object of this exhibition of the works of art, the Board state that they confidently rely upon the public spirit of the manufacturers and artisans to render the fifteenth annual exhibition worthy of the skill which has, in all the past, characterized that class of industry in the State of Maryland and city of Baltimore, as well as in other States and cities of the United States. That encouragement, in the matter of contributions of goods for competition and display, is indispensable to the successful prosecution of the ends of the Institute, for notwithstanding there are other, and perhaps more important, departments embraced in its operations, the revenue in the main is derived from the annual subscription of the membership, the renewal of which, from year to year, has hitherto been contingent upon the holding of the annual exhibitions. Whilst this contingency should not, from a liberal consideration of the great benefits which spring from the Institute, deter any member from a renewal of his connection with the body, yet in view of the fact that it does so operate, the Board of Managers pledge to the members of the Institute and to the public their best efforts for a successful and creditable exhibition of the works of art. The judges, on the respective classes of articles, will be selected with reference to their skill and impartiality, and every effort which the judgment of the Managers can call into action, will be put in requisition to insure fair verdicts upon the respective merits of articles submitted to the arbitrament of the judges. The regulations of the committee charged with the special duty of superintending the exhibition, furnish the necessary information in that connection.

DRUID HILL PARK.—*A Novel Feature.*—During the present season, Druid Hill Park has been visited by a larger number of persons than ever before, and each visit serves to render it more highly appreciated by all classes of the citizens of Baltimore. A novel feature has been introduced this season, in the form of an ambrotype saloon, which is conducted by Mr. Theodore Parsons, assisted by Mr. Francis Cannoles. The location selected for the transaction of their business is just east of the old mansion house. They have a tent erected, in which pictures are taken while the sun shines; but *after sunset* they are enabled to operate out of doors, and the most ample opportunity is afforded for persons to select a beautiful *natural* background from the fine scenery everywhere abounding.—Families are taken, with the horses and carriages, in the highest style of the art. In consequence of the superiority of the light—there being no reflection from brick walls—the best pictures of horses and carriages, groups, etc., can be taken *late in the evening*—just the best time to visit the Park.—Some rare pictures of horses have been taken by these gentlemen.

LARGE STEAMER.—The steamer Knickerbocker, a United States transport, arrived here yesterday morning about 9 o'clock, from the James river. The Knickerbocker left Harrison's Landing on Wednesday, with a large number of sick and wounded soldiers. Upon her arrival at Fortress Monroe, the sick and wounded were transferred to another steamer, which proceeded to New York, and the Knickerbocker was sent here for repairs and stores for the army. She is about the largest steamer in the employ of the Government and one of the largest in the country. A large number of persons visited the steamer yesterday at her moorings, Henderson's wharf, Fell's Point.

EXCITEMENT.—There was considerable excitement yesterday afternoon near the corner of Frederick and Fayette streets, occasioned by the drunken exploits of a soldier in a Zou-Zou uniform. He had imbibed too freely in the taverns in that vicinity, and upon reaching the street became quite pugnacious, having a desire to pitch into everybody. He first assaulted one of two gentlemen who were quietly passing along Fayette street by dealing him a severe blow upon the face, which was calculated to prostrate him upon the pavement, but owing to his knowledge of the pugilistic art, he made a sudden spring and escaped the force of the blow. The police were then called, and the soldier was taken to the station-house.

INQUEST.—Coroner Sparklin held an inquest yesterday morning over the body of a lad named Charles Shriver, who was drowned on Wednesday afternoon by being knocked overboard from the schooner Rio Grande, near the Lazaretto. The body was recovered yesterday morning and taken to Broadway wharf, where the inquest was held—a verdict being rendered of accidental drowning. Deceased lived with his father, Capt. John Shriver, No. 119 Albemarle street.

THE WEATHER.—Yesterday might be called a very pleasant day for this season of the year. Early in the morning the atmosphere was rather sultry, with the wind southeast; but as the sun arose it veered to the northwest, and a pleasant breeze from that quarter continued all day. About noon a few clouds shadowed the earth, but only for a short time, the sun shining brightly during nearly the whole day. The thermometer at the NEWS SHEET office did not denote over 83 degrees up to 8 o'clock.

SUICIDE.—A woman about 25 years of age, whose name could not be ascertained, yesterday crossed over Light street bridge and proceeded to Deal's shore, on the south side of Spring Gardens, where she pulled off her shoes and jumping into the water was drowned before assistance could be rendered, although she was observed by two young men who recovered her body and brought it to Carl's wharf, where Justice Showacre held an inquest.

MELODEON.—There will be an extra performance to-night at this popular place of amusement. The orchestra under Sandy Jamison will introduce some new overtures, which they have been practising for a long period, and which cannot fail to please the regular attendants of the Melodeon. The dancing of Madamoiselle Hyrel and the varied performances of the troupe, should crowd the house to-night.

STABBING CASE.—Wm. Myers was yesterday before Justice Logan charged with stabbing Charles Smith, colored. Smith was also charged with assaulting Myers. Both parties were held for Court.

PROCEEDINGS OF THE CITY COUNCIL.

(Special Session.)

FIRST BRANCH.—Present, WM. S. CROWLEY, Esq., President *pro tem.*, and all the members.

Mr. DUKEHART inquired of the Chair whether the Branch could adjourn over until Monday.

The CHAIR decided that it was necessary to have the concurrence of the other Branch.

Mr. SULLIVAN presented the petition of Jos. Grass, asking permission for the continuance in use of a frame shed. Referred.

Mr. EVANS presented the petition of Adam Schaller, asking compensation for awnings damaged on his premises, 235 E. Baltimore street. Referred.

Adjourned.

SECOND BRANCH.—Mr. George being the only member present, the Clerk adjourned the Branch.

THE LATEST FROM RICHMOND.

From the Washington Star of yesterday.

We are in possession of a copy of the Richmond *Enquirer* of the 23d instant. The leading editorial is upon the pending exchange of prisoners. It says:

"The basis of the exchange has been the cartel of 1812. This cartel marks an important era in the war. It is the acknowledgment of our *quasi* nationality. We are by it made belligerents, and the Government of the United States treats with the Government of the Confederate States through commissioners."

The publication of the heavy list of Confederate losses in the late battles before Richmond is continued in the *Enquirer*. The 7th Virginia regiment, which was in no engagement but that of Monday, 30th of June, participated in action about 225, and lost 111—nearly one-half.

Counterfeit notes are alleged to be largely in circulation in Georgia.

The *Enquirer* has another groan at the prices for marketing in Richmond. It says "high prices are still raging, and hucksters are making a mint of shinplasters."

Among the recent arrivals in Richmond are James M. Randall, author of the secesh song "Maryland, my Maryland," and Mr. Bonford, formerly law partner with Judas Benjamin, both refugees from New Orleans.

The *Enquirer* claims that one more Confederate victory will end the war, and that "commissioners for a truce, an armistice, will meet—those necessary preludes to a peace."

Rowdyism and disorder appear to have the upper hand in Richmond, and the *Enquirer* complains of bogus military guards, who shout down men wantonly and "also do a great deal of mischief in the way of robbing and bruising." It also complains of "straggling desperadoes, runaways from camp, whose fixed occupation is stealing, stabbing, bruising and rowdying."

Under the head of "Buell in a Tight Place," the *Enquirer* has the following despatch:

"CHATTANOOGA, July 21.—The enemy is concentrating a large force at Tullahoma, 40 miles the other side of Stevenson. Buell's army is in a tight place."

The *Enquirer* has a long list of hospitals in Richmond, including fifteen army hospitals, six private hospitals and some thirty additional hospitals just opened. Hospital tents, it is stated, are being erected in Howard's Grove, and Mayo's and Debrill's warehouses, and the Danville workshops in Manchester have been opened for hospitals.

Dr. Garnett, son-in-law to Governor Wise, is announced as not dead, but as alive and well.

The inflated condition of the Confederate paper currency has caused stocks to go up in proportion. The following sales are quoted:

10 shares Petersburg Railroad stock, at.....$115
25 " Bank of the City of Petersburg stock, at 100
2 " Exchange Bank stock, at..... 98
5 " Farmers' Bank stock, at..... 95
35 " South-side Railroad stock, at..... 31¾
12 " " " " 31¾

Gen. Johnston's official report of the Seven Pines battle appears under date of June 24. He excuses himself for imperfections in his report by reason of his yet weak condition from his wounds. He charges upon Gen. Huger the fact that the Confederate plan to destroy Gen. Keyes' entire corps was not realized, in consequence of Huger's delay in getting into position and ready for action. He claims as follows:

"We took ten pieces of artillery, six thousand (6,000) muskets, one garrison flag, and four regimental colors, besides a large quantity of tents and camp equipage.

"Major General Longstreet reports the loss in his command as being about 3,000; Major General G. W. Smith reports his loss at 1,283; total 4,283. That of the enemy is stated in their own newspapers to have exceeded ten thousand—an estimate which is, no doubt, short of the truth."

The *Enquirer* has the following:

"CAPTURE OF THE BEAVER DAM RAIDER BURNERS.—Gen. Steuart's cavalry are again at work, having just succeeded in overtaking a portion of the Yankee force engaged in burning the bridge at Beaver Dam. One lieutenant and six private were captured, and one killed. The prisoners admit having been engaged in the recent raid.

The Hon. Samuel F. Miller, of Keokuk, Iowa, one of the new Justices of the United States Supreme Court, is the first person ever appointed to the Supreme bench from any State west of Ohio.

THE RIGHT OF FREE SPEECH VINDICATED IN MASSACHUSETTS, SO FAR AS RESPECTS MASSACHUSETTS MEN.

EXAMINATION OF THE GORDONS, FOR TREASON, IN BOSTON.

SOME NOTICEABLE EXTRACTS FROM THE SPEECH OF MR. SENNOTT, FOR THE DEFENCE.

From the Boston Courier.

R. H. Dana, Jr., the District Attorney, appeared and said in substance that there was no statute of the United States under which the Gordons could be held merely for expressions of hostility to the Government, or for receiving intelligence from the South; that such things were not actually treason, there being no overt acts proved; that the line must be drawn somewhere, and that although the conduct of the Gordons was pretty close up to it, he must enter a *nolle prosequi* in the case.

H. M. Parker, Esq., replied that after what had been said by the Attorney, it was his duty to protest against any disposition of the case, except by a hearing and determination by the Magistrate. He said that no one of the five Gordons had been guilty even of improper talk, except Henry, the youngest. He warned those self constituted Committees that the community would not tolerate such interference as they had been guilty of. He thought the counsel for the defendants ought to have an opportunity to vindicate the character of these men. He had not himself preferred to argue this case, having from the beginning left that to the junior counsel, Mr. Sennott.

Mr. Dana said that an argument in the case after Government had abandoned it would be useless; but if anything could be said in vindication of the Gordons, it would be quite fair to allow it.

Mr. Sennott was obliged to the District Attorney for that. He said that, after what the Gordons had suffered, it would be no advantage for them to argue their case. What they wanted their counsel to do was to vindicate their character, and expose the meanness of their prosecutors. This he proposed to do now.

He then addressed the Commissioners in a speech, from which we make the following extracts:

THE RIGHT OF FREE SPEECH.

I declare before God that as I understand that right, I value it more than I do my life! And I call this whole country to witness, if I have not before now proved the sincerity of this declaration by my actions! And the right I vindicated at the hazard of my life, before a Southern tyrant, I will not give up, for the sake of my business, to a Yankee sneak. Neither shall the Gordons. Their case is ours. We are tried with them. And in defending them, we defend ourselves and our country from a gang compared with whom Col. Ledbetter is humane, and Gen. Floyd respectable.

Mr. Sumner was once the advocate of free speech. He claimed to be almost one of its martyrs. And in defence of it, or in consequence of it, he certainly was the victim of a cowardly assault, inflicted with a ferocity and endured with a meekness unexampled in the annals of cudgelling! He now changes his opinion, or at least his language. With that felicity of allusion which belongs, among the public writers of America, to him and to Governor Andrew alone, he advises his friends to put their "heels" upon those who differ from them, and who dare to speak out. The advice is given in a letter to the late war meeting at New York. Is this a prosecution an experiment made upon poor mechanics, by a few small conspirators, in pursuance of an agreement between the principal Thugs at Washington, in order, if it works well, to sacrifice more important victims to the Abolition Kalee? I do not know—I know that the gentlemen of the Republican party do not countenance it, and that it will fail here, because, to reach their political opponents, they must cut down their political and personal friends. If free speech is treason here, our excellent Governor would speedily be known as the late unlamented John A. Andrew, for his speech is exceedingly free and easy—quite loose, as you may say. Then, what would become of Mr. Phillips? Does he speak in *favor* of the Government? Has he ever said anything in favor of any Government, except that of Hayti? Did he not lately advise a large and patriotic assembly not to give a man or a dollar to the Government of the United States? And did not that patriotic society applaud that liberal suggestion? Shall we prosecute Mr. Phillips, therefore? Not with my good will. Not without my active resistance. I should violate the very first principles of Democracy, which is greater to me than anything but the word of God himself, if I did not fight for Mr. Phillips' right to *talk* treason to any fool who wants to hear him.

WHAT WAS SAID OF THE IRISH TROOPS ON LEAVING BOSTON.

When the regiment of the late Colonel Cass went off, without an escort even of the Second Battalion, it was not actually hissed in State street, as was the Massachusetts regiment on its return from Mexico, *but the agreeable remarks made and heard, that the departure of the Irish would be a great relief to our poor-houses and jails!* The Governor or his friends may say so about Colonel Cass' countrymen—the Irish—without committing treason, or even giving offence. We are not accused of talking so badly, even about Mr. Andrew's countrymen—the negroes—yet are we prosecuted!

WHAT MR. SENNOTT THINKS OF SECRETARY SEWARD.

Have we arrived at such a state that no one must find fault with any action or omission of our Government or any member of it, without having treason imputed to him? Can not you, sir? Can not I? I, for example, have the misfortune to think, that Mr. Seward, our present Secretary of State, is not fit, as a statesman, to index the papers of the late Silas Wright. However little he may be affected by my thoughts, I do think his want of sense—*sober sense*—has made him the laughing stock of Europe! I think that he is a small, weak, vain coxcomb, with the vanity of age, a sophomore and acts like a stockjobber. Every time he speaks about what will happen in *sixty days*, in *ninety days!* he puts me in mind of a kerb-stone broker, chattering over the approaching maturity of a dubious note! I think such men have been advanced to important places in this country about as often as they will be, and cannot help rejoicing to think that Mr. Seward will probably be the last of the Lilliputians.

AN ILLUSTRATION—SEWARD AND SUMNER.

Again, I do not worship Mr. Sumner. I cannot admire a person who is so simple as to think it a fine thing to pretend to be a fanatic, then to be a dull but honest man. There is a fine old German story, called "The Adventures of Reynard the Fox," in the illustrations of which animals of different countries are represented in the attitudes and with the expressions of men. The illustrator was very good, and became so well known that men were called by certain animals, to whom they bore any strikes to be reminded by them of any particular person. Now, must I suffer death if I say that I never looked at those pictures without thinking" of Mr. Seward and of Mr. Sumner? and that I never hear the names of Mr. Seward or of Mr. Sumner without thinking of the picture of the Fox and of the picture of the Gander?

SICK OF THE IMBECILITY OF THE GOVERNMENT.

And what if I am frank enough to say that I am sick of the swaggering imbecility with which the Government have managed this war of life and death? Is that treasonable? Shall *my* Government—that is to say, *my* servant, *my creature*—waste *my* money, and even let it be stolen, and stop *my* paper, and interrupt *my* business, and violate *my* Constitution, and starve and kill *my* soldiers out of pure neglect, and gain only disaster and defeat for me by all this folly? And shall I say nothing? If I am to put up with this, and more, and say nothing, or else be shut up by order of W. H. Seward, I want to know, seriously and calmly, what shall I fight Jeff. Davis for. What shall I fight Jeff. Davis for? What worse can he do to me than Seward or Stanton have done already? What, indeed—when their want of sense and want of energy have made him everything that he is! Lost money may be regained, lost armies may be replaced out of our swarms of men; but who shall give us back the *time* we have "fooled away" before the dirt heaps of Manassas? Expose a cup of clear water to the frost. Observe it, and even when the cold begins to fill its transparent substance with beautiful *spicules* of ice, if you agitate the mass it will not immediately freeze. But give it, in that condition, a very short period of rest and it becomes a rock, hardly yielding to the energies of gunpowder and fire! So have we found the South. They were once undecided. Time and the stupidity of Government have consolidated a hesitating into a hostile people. Yet Mr. Gordon is a traitor if he calls a fool a fool.

A PICTURE OF NEW ENGLAND SOCIETY WHICH IS NOT AT ALL FLATTERING.

New England to-day is covered with societies, in which the best of men and women coercionitously, but reluctantly, and the worst of men and women, eagerly and with a devilish delight, perform the part of spies and informers upon each other. To say that such a gigantic system of mutual espionage does not tend to degrade character, is simply to say that eaves dropping and tale bearing are not low and mean occupations. Under its influence, nothing is known of a man's real character or disposition. Habitual watchfulness upon the one side awakens habitual hypocrisy on the other. And it is only when the little saint of Boston expands into the gigantic villain of New Orleans or San Francisco, that you can tell how vast a benefit you derived from his emigration. The wickedness looked little here, because we saw but little of it. The enormous pressure of universal listening and peeping had driven it deep into the innermost fibres of our society. So pressed, it produces Snealing Committees—it elects Liss Legislatures; it brings such men as Deacon Palmer to associate, on terms with men like Mr. Washburn, whom they receive into their cellars, and dismiss through back doors. Nobody will deny the fact or its application here, who is not prepared to deny the existence of the Rev. Mr. Kalloch, or his church member, Mr. Hayes, who peeped after him, and black mailed him and then exposed him. It is Mr. Hayes' turn to-day. It may be Mr. Kalloch's turn to-morrow. It is Mr. Washburn's now. It may be the Gordons' turn by and by. But be the turn whose it may, the system of a barbarous age and people applied to the control of civilized mankind awakens the fiercest resentment. Men have put up with the savagest task-masters. They have endured the bloodiest tyrants without resistance for many years. They have submitted to the Kings of Prussia—to the Czars—to the House of Austria—and even to the Turks. But a Government of meddling philanthropists they cannot bear. It resembles the government of vermin more than any human despotism. Individually vile and odious, but quite insignificant, when collected, they are all-pervading, all-devouring, appalling, loathsome to every sense, and intolerable to the strongest body and the firmest mind!

The New York *Tribune* states that the Postoffice Department will continue, after the 1st of August, to issue stamps for currency. Those thus intended will be without gluten, and will be redeemable at the treasuries, or exchanged at the postoffices for stamps intended for postage.

The correspondent of the New York *Herald* states that last week the bark dited out by Redpath and sent to Aquia creek to collect contrabands for Hayti, sailed with four hundred and fifty new colonists.

THE BATTLES BEFORE RICHMOND.

From the London Times, July 11.

The "strategical motives" which have led a general to retire, after an attack of the enemy, from a position which he had occupied in order to make an assault upon his capital, are purely unintelligible. It is quite obvious that a retrograde movement on the part of a besieging army means an untenable position, a confession of weakness, a measure of safety.

If the English army before Delhi had thrown their right beyond the Subsee Mundee, and then had retired across it after two hard fights against a sortie of the Sepoys, so that their right was obliged to double back and cover itself behind the left on the Jumna, even our affection, our hopes and our fears could not deceive us into the belief that the retrograde movement was made in consequence of any premeditated strategy, and that the attack was an expected result which must lead to the strengthening of the new position.

If for a moment we take the Thames as representing the James river, and then imagine a deep and sluggish stream sweeping round the city from the northeast, so as to fall into the Thames below Plaistow-marshes we may have a rough idea of the relations of the Chickahominy with the James river and Richmond. To the east of the Chickahominy, thus represented, let us conceive a river flowing from the northwest, at a distance of 12 miles from it, which is called the Pamunkey, and which turns off eastward into the sea at some point on the coast of Essex.

The Union General, having advanced between the James and the latter river, finds himself with the Chickahominy in his front. He throws a portion of his army across the river, and, having thus established his left; proceeds to pivot upon it, and to extend his right by the right bank of the Pamunkey so as to get to the north of Richmond. Scarcely has he done so, when the enemy attack the left which had crossed the river Chickahominy, inflict on it a severe defeat, take guns and prisoners, and only retire when McClellan throws a large supporting force across the river.

A small cavalry razzia made by the enemy on his right sweeps round it, destroys commissariat vessels in the Pamunkey, and encircling his whole army, crosses the Chickahominy below his left, and returns to the "besieged city." The communications of the army so situated have been mainly dependent on the rivers and the sea, and while the General has been preparing for an assault on the enemy, the corps on which he has relied for some demonstration on his extreme right are suddenly attacked by the Confederates under "Stonewall" Jackson (so called from his tenacity in holding to an obstruction that nature in his fight with Shields at Winchester last spring and are chased across the Potomac.

An active offensive movement in combination with Fremont forces Jackson to fall back into the Valley of the Shenandoah, but, suddenly turning to the east, he crosses the mountains and marches straight, with his victorious little army "largely reinforced," whether Fremont's men or not it is impossible to say, and joins the Confederates at Richmond. The presence of this celebrated leader and his men seems to invigorate the Southern leaders. On the 26th of June they direct an attack on the right wing of the Unionists between the Chickahominy and Pamunkey in heavy force.

Then come out McClellan's good generalship. "The Federals, by order of Gen. McClellan, recoiled several miles, hotly pursued" (and thoroughly beaten) "by the Confederates." Two days' hard fighting led to the retreat of the whole of the Union army to the other side of the Chickahominy, so that they now lie massed between that river on their right and the James river on their left. Now, their retreat was forced upon the whole of the country between the Chickahominy and the Pamunkey to the Confederates.

West Point and White House have fallen into the enemy's hands, and the head of the York river is once more their own. If McClellan had *proprio motu* suddenly transported his army across the river, after menacing Richmond on the north side, so as to lead the enemy to throw up works and to prepare for an attack on that quarter, leaving Richmond at the side resting on the James river, comparatively weak, we might understand the strategy; but such a movement after a serious attack, hard fighting for two days or more, "heavy loss," "no hot pursuit" by the enemy, a contraction of lines is at least suspicious, strategically considered; and "making" for the James river looks like a severe reverse. The proximity to Richmond is gone—the menace of the line is no more—for if General McClellan or his successor in command wishes river the base of operations, the Union army must drop down lower than Fort Darling, unless their gunboats have worked through the obstructions, which has not yet been asserted.

From the Daily News, July 11.

We cannot profess to be greatly surprised at this disaster. We saw days for some time looked in vain for any Federal preparations in Virginia corresponding to the change of the general military situation which has been taking place for the last three or four months. The dispersion of a large portion of the Federal army in expeditions and garrisons, simultaneous with the concentration of the Confederate army in Virginia, the abandonment of a large number of its positions, constituted a new relation between the two collective forces, the importance of which, it seems to us, has not been appreciated at Washington. It ought to have been clearly perceived that every Union success in the outlying portions of the scene of war would tend to increase the difficulties of General McClellan, who should have been reinforced accordingly.—This was not done, and a reverse is the natural consequence.

Serious as this reverse of the Unionists undoubtedly is, it would be a great mistake to see in it any decisive character. The people of the North will be surprised, and possibly for the moment alarmed, at the defeat of the most numerous of their armies. But we do not expect that they will lose in a moment that proud consciousness of immensely superior strength which they have acquired by experience, and which they see reflected in the opinion of the world.

[illegible] probably serious their disasters to a misapplication of the resources they have placed at the disposal of the Government, and while increasing those resources from their boundless store, will take precautions, only provoked employment. Hitherto [illegible] and, without paradox, them to might. Moment when their largest army has at the very [illegible] reverse, the North knows itself stronger suffered [illegible] South knows itself weaker than at any previous stage of the war.

While, therefore, we recognize the importance of the Confederate success, we see in it an event which is likely to draw out rather than shorten the war; for whether we suppose the North to be fighting to restore the Union, to maintain territorial integrity, or simply, as some advise, for a frontier, it is certainly not until they have conclusively established their superiority.

INTERESTING FROM MEMPHIS.

A BRILLIANT AND audacious TELEGRAPHIC FEAT—A CONFEDERATE OPERATOR READS GENERAL HALLECK'S DESPATCHES FOR FOUR DAYS.

MEMPHIS, Tenn., July 18.—The telegraph line between Memphis and Corinth is exceedingly important. Gen. Halleck's messages to Gen. Davis, Gen. Curtis, and the commandant of this post have all passed over that line. Little of the line is guarded, but of late the Confederates have refrained from cutting the wires. Their unusual amiability is now explained; they found a better use for it!

For a week the Memphis operators have detected something wrong in the working of the instruments, and surmised that some outsider was sharing their telegraphic secrets. They communicated this suspicion to the Superintendent at Corinth, who promised to keep a sharp look out.

Yesterday they discovered that their uninvited confidant could talk as well as listen. The transmission of a message was suddenly interrupted by the ejaculation, "O pshaw!" A moment after it was again broken with "Hurrah for Jeff. Davis!" Individuality shows itself as well in telegraphing as in the footsteps, or in handwriting. Mr. Hall, one of the Memphis operators, instantly recognized the performer, not by his name, but his time, as a young man formerly in Buffalo and other Northern offices, but now employed by the Confederates.—Mr. Hall surprised him by replying promptly, "Hi, Saville, if you don't want to be hung, you had better leave! Our cavalry is closing in on both sides of you!"

There was a little pause, and then the reply, "How in the world did you know me? However, I've been here four days, and learned all we want to know. As this is becoming rather a tight place, I think I *will* leave. You'll see me again when you least expect it. Good bye, boys."

The Confederate operator made good his escape. He had cut the wire, inserted a piece of his own, and by a pocket instrument been reading our official despatches. Some of the utmost importance, giving the very information most desired by the Confederates, were passing, and as they were not in cipher, he must have received them. One from General Hovey, commandant of this post, in reply to a question from General Halleck, stated the precise number of our available men in Memphis (only about 3,000), and their exact location!

The ill effect of this exposure of our weakness has been guarded against as far as possible. General W. T. Sherman has already started for Memphis with two of the three divisions under his command, and will arrive to-day. So we are in no special danger of a Confederate dash.

This brilliant and audacious telegraphic feat was performed between here and Moscow, only 22 miles distant, and probably within 15 miles of Memphis! We are at a loss here to understand why, after the enemy has disappeared, the magnificent army with which Gen. Halleck threatened Corinth is unable to guard 200 miles of railroad and telegraph, or to furnish fifteen or twenty thousand men for the capture of Vicksburg. We hope that our brilliant successes in the West are not to be followed by an era of how not to do it.

WHAT FATHER HAGAN, OF SICKLES' BRIGADE, SAW AND LEARNED AT RICHMOND.

Correspondence of the New York Herald.

The city of Richmond and its environs are one great camp. Father Hagan learned much about the spirit that animates the army, and enjoyed opportunities of judging of its extent. He says that merit is the only avenue to promotion. There are men in the ranks worth large fortunes serving under officers who have not a dollar. Money and political influence are of no advantage, but military knowledge and skill everything. Father Hagan, who has travelled in the South and formed some acquaintances there, found one of them serving as a private, who is quite wealthy. A private in the same company was shot in one of the late battles near Richmond, leaving a destitute family, and his wealthy neighbor and comrade drew his check for five hundred dollars on a Richmond bank and presented it to the family. The camps about Richmond are kept scrupulously clean, as well as the streets of the city, an epidemic or pestilence being feared in consequence of massing so many men there. The most rigid discipline is maintained, and the reverend gentleman says that a sight of the troops in and around Richmond would give the Northern people a different idea of the magnitude of the job they have undertaken from that entertained by them at present. They would also see the necessity of going into the contest with the same united and self-sacrificing spirit that animates the South, who feel that they are struggling, as they believe, for their very existence.

ADDITIONAL FROM EUROPE.

THE FRENCH OCCUPATION OF ROME.

The official correspondence in relation to the French occupation of Rome has been laid before Parliament. It appears that M. Thouvenel said to Lord Cowley, the British Ambassador in Paris—"Why are we to be asked to give up Rome and the patrimony of St. Peter to the King of Italy? The utmost that can be expected of us would be the restoration of Rome to the Romans."

Lord Cowley sent a report of this conversation to Earl Russell, whose reply is pointed:

"M. Thouvenel asks: 'Why are we to be asked to give up Rome and the patrimony of St. Peter to the King of Italy? The utmost that can be expected of us would be the restoration of Rome to the Romans.' This is an objection rather captious than conclusive. The grand objection made to the evacuation of Rome by the French troops, as stated frequently by M. Billault, as the parliamentary organ of the French Government, is that anarchy would prevail."

In a concluding despatch Earl Russell summarises the result of the discussions, which he thinks have been attended with considerable advantages. He says:

"M. Thouvenel no longer speaks of the difficulty of persuading the Italian Government to accept of such conditions as her Majesty's Government had suggested. Nor is there any question of forcing the Pope to abandon his temporal power and remain in Italy as the subject of another sovereign. The whole question is, whether the Pope, having lost Romagna, the Marches and Umbria, should retain the whole of the territory now occupied by France, or whether the French troops should occupy for the Pope only the Patrimony of St. Peter, including the Vatican. Setting aside all difference between a Protestant and Roman Catholic sovereign, it is manifest that the principle thus upheld is at variance with the principles maintained everywhere else by France as well as by Great Britain. Rome is foreign territory; the Romans are to have nothing, and foreign troops everything, to say to the form of its government. This system can hardly be of long duration; it is too directly opposed to the maxims of international law and the wishes of the Italian people."

Earl Russell, deeming the information he has obtained all that can at present be had by discussion, does not wish it to be continued, but he sends an arrow into the French camp as he retires from the subject:

"On the other hand, the French Government must not make it a reproach to the Government of Italy that the southern provinces are not in a state of tranquillity, while the French flag protects the Pope in maintaining a sanctuary where every chief of brigands can find a refuge, and prepare his band for future incursions on peaceful provinces."

ADMIRAL PROTET, OF FRANCE, SHOT FOR ACTION IN CHINA.—A letter from Shanghae, of the 22d of May, informs us that Rear Admiral Protet, who commanded the French squadron in the China Seas, has been killed before Ningpo, in a battle between the Allies and the Rebels. Admiral Protect was at the head of the French soldiers and marines when he received his death wound. He had on his right Admiral Hope, the commander of the English forces, and with whom he had always been on the most friendly terms. Admiral Protet was a brave and distinguished officer, and his heroic death has produced an immense sensation at Shanghae.—*Paris Patrie.*

Monetary and Commercial Review.

BALTIMORE, July 25, 1862.

STOCKS.—There continues to be a good demand for State and City securities. At the Stock Board to day $10,000 Maryland 6's 1870 sold at 101, closing at 104¾ bid for the coupons, and $104¾ asked for inscribed; for Missouri 6's 48 was bid. The transactions in City 6's amounted to only $610 of 1890 at 103, which figure was bid for both the old and new issues, without finding sellers; for 1870 102¾ was asked; 1875 102¾ bid; 1886 102¾ asked. In Railway bonds we notice the sale of $1,000 Northwestern Virginia 6's, second mortgage, at 95, and $1,000 do. do. 34 mortgage at 89, $500 Western Maryland 6's, unguaranteed, sold at 70. The only transaction in Bank shares was 30 Merchants' at $100. For Canton Company $13¾ was bid, $14 asked; and for Baltimore Gas Company $115 was bid. In other stocks there is no change worthy of note.

AMERICAN GOLD.—The rates are lower to day. At the Stock Board $62,000 changed hands—$50,000 at 116; $10,000 at 115¾, and $2,000 at 116¼. The sales at the New York board yesterday were very heavy, amounting to over one million of dollars. To day, in New York, gold has been selling at 115.

DEMAND NOTES.—No sales reported; bidders are offering 6 per cent. premium, but sellers are demanding 7¾.

SALES AT THE BALTIMORE STOCK BOARD.

FRIDAY, July 25, 1862.

$10,000 Maryland 6's '70	104
640 Baltimore city 6's '90	103
1,000 Northwestern Virginia 2d m bonds	95
1,000 do. do. 3d m. do.	89
500 Western Maryland bonds unofficered	70
50,000 American Gold	116
1,000 do. do.	115¾
2,000 do. do.	116¼
10 shares Balt. & Ohio Railroad stock	65¾
30 shares Merchants' Bank	100

PRICES OF STOCKS AND BONDS IN NEW YORK, BY TELEGRAPH,

To LEONARD J. TORMEY, 22 South street.

FRIDAY, July 25, 1862.

	1ST BOARD.	2D BOARD.
United States 6's, 1881, coupon	104¾	00
" " " 1 year certificates	98¾	00
" " Treasury notes, 7 3-10	102¾	00
Tennessee 6's	50½	50½
Virginia 6's	60	60
Missouri 6's	46¾	47
North Carolina 6's	65	00
Canton	13	00
Cumberland	31¾	31¾
Reading	70¾	70¾
Cleveland and Toledo	47¾	00
Michigan S. and North Indiana	20	00
" " "	61	00
Rock Island	68	00
Galena and Chicago	68¾	00
New York Central	93¾	93¾
Erie	19	00
Hadle Mail	108	109¾
Panama	131¾	130¾
	Firm.	Firm.

The New York *Post* of Thursday afternoon says:

The feature of Wall street to day is the fall in gold to 118, with considerable pressure to sell at the decline. Upon reference to the stock list it will be seen that we have this morning foot up about $750,000 at 118 @ 118¾. There were large sales on buyers' option, but it is difficult to execute contracts giving the seller the option of delivery. No better proof can be had of the stagnation in money than the fact that the deposits made yesterday and to day by the banks at the Public Treasury in exchange for united States notes of $320,000, at that rate, and the indications are that additional large sums will be lodged with the government on the same terms, should we have no disturbing news. The stock exchange is extremely quiet, both buyers and sellers are awaiting further advices from Europe. The next steamer will bring dates of the 5th of July, in regard to our check before Richmond, and until it arrives we shall probably have no special activity in stocks. The transactions are on very small scale, chiefly between the speculators of the board. State stocks are quiet and steady. Missouris advanced ¾, Illinois 6's ¾. California 7's ¼ per cent. There is an improvement of ¼@¾ per cent in government securities, but without any speculative animation. The 6's of 1881 rose to 98¾ against 98@98¼ last evening. The 7 30 notes also advanced ¼, closing at 102¾@102¾. The 1 year certificates of indebtedness are in good demand at ⅞. The various old 6's of 1867 and 1868 are ¾@1 per cent better. Money is dull. The ruling rate on call to day is 5 per cent., and borrowers at 6 are paying off their loans. Most of the banks, however, are not in the market under 6 per cent. The exchange market is irregular and lower. The quotation of first-class bills on London ranging from 3¾ to 4¾ cts. per lb. gross.

CHEMICALS.—There have been small sales during the week of Soda Ash at 2¾ cts. per lb. We now quote Sal Soda at $2, Bi-Carb Soda at $4.60@4.75; Soda Ash at $2.75 for standard test, per 100 lbs., and Bleaching Powders at 2¾ cts. per lb.

CANDLES.—There continues to be a moderate demand for Candles, and sales are making at quotations, viz: 15@16¾ cts. for Adamantine; 22@25 cts. for Chemical Sperm; 30@32 cts. for Sperm; 25@28 cts. for Paraffine; and 40@42 cts. per lb. for Patent Wax. Mould may be quoted at 11 cts. per lb. cash, Sheathing at 20@21 cts. for Baltimore, and 25@27 cts. per lb. for English; Yellow Metal Sheathing may be quoted at 25 cts. for English and American; we quote Copper Nails at 40 cts., and Copper Bolts at 32 cts. per lb. The stock here is moderate.

COAL.—There has been an active demand for Cumberland Coal, and the receipts have been large, although not equaling the demand. We now quote on board at Locust Point at $4.25@4.50 for the run of the mine. It is selling from the yards at $5.50@5.75 per ton. By the cargo Anthracite is selling at $4.25@4.50, and delivered by the ton at $5.25@5.50.

FRUIT.—There has been no fresh arrival of Sicily Fruit, and as the market is getting rather bare of Oranges and Lemons prices have advanced. From store sales are making at $6.25@6.50 for Oranges, and $6 per box for Lemons. There is a good supply of St. Barts Pine at $7 per thousand. We quote Bordeaux Almonds at 16@18¾ cts.; Ivica do. at 13¾ cts.; Alicant do. at 12 cts.; Sicily soft shell at 10 cts., and shelled in boxes at 24@25 cts. per lb.; Filberts 11 cts.; Palm Nuts 9@10 cts.; Sicily Walnuts 10¾@17 cts. per lb.; Cocoanuts $35@40 per thousand; and African Peanuts at $1.50@1.75 per bushel. There is not much doing in Dried Fruit, in fact nothing except in a retail way. We quote Dried Apples at 5@7 cts., per lb., according to quality, and unpeeled Peaches at 7 cts. per lb. There are no peeled Peaches in market.

FISH.—New Mackerel have been coming forward quite freely. There is a scarcity of Susquehanna Herrings, and the stock of Shad is about exhausted. There is only a moderate demand for all descriptions. We quote as follows: Herrings, Labrador, $3.25@4.25 per bbl.; do. common split do., $2@2.50 do.; do. Eastern $2@2.3 do.; do. Susquehanna $5@5.50 do. Susquehanna Shad $9@10 do.; Codfish per 100 lbs. $3@3.50; Hake do. $1.50@2; Mackerel, No. 1, $9@10 per bbl.; do. No. 2, $6.50@7.25; do. No. 3, new and large, $6.25@6.50; do. do. medium, $5.25@5.75; do. do. old small, $3.25@3.75.

FLOUR.—The market opened on Saturday with a good demand for all descriptions of shipping Flour; the sales on 'Change embraced 700 bbls. Ohio Super at $5.25, an advance of 12½ cts. per bbl.; 600 bbls. Extra do. at $5.50, a like advance; 550 bbls. Howard Street Super at