

Colony, as set forth in the enclosed paper, together with the favorable notices which the prominent journals were induced to give in their money articles on the day the advertisement appeared, all tended to restore public confidence and to create a market for the securities which did not previously exist.

13. Whenever you may require to place a further instalment of this Loan upon the market you will do well to furnish the Crown Agents with a concise, official, accurate, and comprehensive return, containing all the information likely to be required by investors, and made up to the latest possible date. Such a return can only be correctly framed in the Colony, and in treating with the public here it is essential for your interests that the Crown Agents should be placed in a position to answer all inquiries upon the highest official authority.

14. It would also appear advisable when treating of a further issue of the 6 per cents. that the Crown Agents should be put in possession of your views with regard to redeeming any further portion of the 8 per cents. prior to maturity.

15. As most of these securities are it is believed held by financial bodies, it is quite possible that the state of the market may at the time be such as to induce them to treat on favorable terms. In fact the Crown Agents have already been offered a considerable amount maturing in 1867 in exchange for 6 per cent. Debentures at 90, ex accrued interest, but for the reasons already given they did not feel themselves in a position to entertain such offers.

16. The New Zealand Government is by no means the only one whose securities are difficult of sale here at present. The Oriental Bank offered £700,000 New South Wales Debentures, at a rate that would pay 7 per cent., only four days before yours were deposited of, and utterly failed, as you will see by the enclosed paragraph cut from one of the daily papers.

17. The Union Bank of Australia also failed in an attempt to dispose of £250,000 Queensland Debentures in the preceding month.

I have, &c.,

PENROSE G. JULYAN.

P.S. 26th March.—When the foregoing letter was written the Crown Agents were under the impression that the final balance of £51,200 had been disposed of at 92. The negotiation now threatens to fall through, but if it does so, you may still reckon upon the speedy sale of that balance on terms no less favorable.

The Hon. E. W. Stafford, Colonial Secretary,
New Zealand.

No. 16.

Copy of a Letter from Mr. P. G. JULYAN to the Hon. E. W. STAFFORD.

(No. 39-269.)

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W.,
26th March, 1866.

SIR,—

I have the honor to acknowledge your letter No. 14, of the 12th January, 1866, enclosing a warrant under the hand of His Excellency the Governor, authorizing the Crown Agents, under certain circumstances, to create and issue Debentures bearing interest at the rate of 8 per cent. per annum.

Fortunately there will not be any occasion for the Crown Agents to exercise the powers vested in them by that warrant, as the 6 per cents. have been successfully dealt with, as reported to you in my letter of the 24th instant.

The sum of £1000, referred to in the concluding part of your letter, was paid to Mr. Morrison on the 22nd instant, and the Bills for £40,000 in favor of the New Zealand Bank, therein advised, will be met at maturity.

The Hon. E. W. Stafford, Colonial Secretary, &c.,
New Zealand.

I have, &c.,
P. G. JULYAN.

No. 17.

Copy of a Letter from the CROWN AGENTS to the Hon. E. W. STAFFORD.

(No. 39-603.)

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W., 26th April, 1866.

SIR,—

In a postscript to my letter of the 24th ultimo, I intimated to you the probability that a balance of £51,200 of your 6 per cents., would still be left in the hands of the Crown Agents for the Colonies by the person to whom they were supposed to have been sold having withdrawn his offer. This apprehension was fully verified, and the panic since produced in the Stock Exchange by a threatened war between the two leading German powers (see paragraph from the *Times* annexed), has in a great measure prevented any considerable dealings in them since.

Still the Crown Agents have managed to dispose of £15,000 at 92, thus reducing the unsold balance to £36,200, and as the latest news from Germany is of a more pacific character than it has been for some weeks past, they believe that they will shortly be able to place the balance on the market on equally favorable terms.

The instalment due on the 21st instant, on the general allotment, was duly paid, and after retaining £40,000 to meet your bill of the 12th January last, the sum of £30,000 was yesterday paid to your account with the Bank of New Zealand.

The Crown Agents offered to retire the bill above referred to, at once, if the Bank would allow the current rate of interest for the difference of time; but this was declined, and therefore the money has been placed on deposit, at interest, with the City Bank, where it will remain until the bill matures on the 18th May. The interest will be placed to the credit of your account with this department.

The Hon. E. W. Stafford,
Colonial Secretary, &c., New Zealand.

I have, &c.,
P. G. JULYAN.