Impunities — The rebel army is overrated and I doubt whether they have 80,000 fighting men in Virginia — while we are undoubtedly slowly but surely piling up an enormous force — The rebels are now to make the experiment of fighting without shoes or clothes and [illegible] a camping ground about the York & James & Rappahannock rivers as could well be chosen —

I see that Fort Craig is to be held, and I judge also that all our officers and men at Fort Fillmore were duly sworn, which is melancholy —

Our Banks are beginning to think over the second Fifty Million Loan, which they will take but there will be some difference of opinion on the subject I rather think — There is an opposition here among the hardest of our hard money men to the use of demand notes — For my part I hope to see a large enough issue to drive out Bank bills — Where the Circulation of Bank Bills is secured it is by Government or State Stocks and the Banks issuing keep a proportion