SOME

CALCULATIONS

Relating to the

PROPOSALS

OF THE

SOUTH-SEA COMPANY, *&c.*

SOME

CALCULATIONS

Relating to the

PROPOSALS

MADE BY THE

South-Sea Company,

AND THE

Bank of England,

TO THE

HOUSE OF COMMONS;

SHEWING,

The LOSS to the *New Subſcribers*, at the ſeveral Rates in the ſaid Computations mentioned; and the GAIN which will thereby accrue to the Proprietors of the Old *South-Sea* Stock.

By a MEMBER *of the* Houſe of Commons.

LONDON,

Printed in the YEAR MDCCXX.

PREFACE.

WHEN the PROPOSALS of the South-Sea Company, and Bank of England, came into Parliament, altho' I lik'd neither, I inclin'd most in Favour of the First; believing, a great Capital less dangerous in the South-Sea Company, than in the Bank; who have a Power very like that of Coining Money. I had also some Hopes, that a Time might come, when the Bank, for a valuable Consideration, wou'd be dispos'd to Sell their Property, and leave the Parliament at Liberty, to establish a National Bank; which I am thoroughly convinc'd, wou'd be of the greatest Importance and Advantage to the Kingdom: But in the Progress of this Affair, the Dangers from the South-Sea Company have appeared to me, as great as those I apprehend from the Bank; and the Hopes I had, of seeing a National Bank established, on the Foot I wish, are intirely vanish'd: For if the BILL now depending pass into a Law, it will be in the Power, and, no doubt, in the Inclinations, of the South-Sea Company, to swallow up the Bank, the East-India Company, and the whole, or as much of the Trade of Great Britain, as they shall think fit: And there is reason to apprehend, that their Influence will be such, that all future Parliaments will be only Grand Committees of that formidable Society: For computing their Capital, when encreased as Projected, at 500 l. per Cent. it will be equal in Value to all the Lands of England, at Twenty Years Purchase.

These, and many other foreseen Mischiefs, will be the inevitable Consequences of this BILL, if it pass into a Law; besides those which are out of the reach of Human Foresight. It is, certainly, a very dangerous Experiment; and seems to bid fair, for the entire Subversion of the British Constitution.

This is the Light in which this BILL now appears to me; and, under that Conviction, I shall, in the strongest Terms, Protest against it; and sincerely wish, and heartily endeavour, That it may never have the last Sanction of the House of Commons.

I have always expressed the greatest Zeal for the Payment of the Publick Debts; and there is no Proportion, were it a Moiety of my Estate, which other Gentlemen will Agree to, that I shall not heartily Concur in: But to risque, at once, the Liberties of Britain, by making the Path to Arbitrary Power plain and easy, is a Measure which I never can come into: For so great a Company, under the Influence of an ill-designing Ministry, if that should ever happen to be our Case, may load the Nation with heavier Chains, than the Debts we are endeavouring to Discharge, by their Help; which, I am persuaded, might have been, and may still be done, without their Assistance; and more to the true Interest of the Nation, and the Honour of a British Parliament; tho', perhaps, not to the Raising of such immense Estates to particular Persons, as have been created in a few Weeks; to the just Reproach, in my poor Opinion, of the Scheme which is now pursued.

I shall, in the next Place, beg leave to observe, That the Offers made by the South-Sea Company, and the Bank, and the great Struggle between them, for the Preference, gave me reason to imagine, That they had a Prospect of Raising these great Sums, on a solid Foundation of the real Value of their Stocks; without any Detriment to themselves, or to the New Subscribers; and the Pamphlets which were afterwards wrote, and what I have heard, either within or without Doors, having been generally designed in Favour of one or the other of the said Two Companies, have been far from setting the Matter, to me, in any clear Light; and it was this which put me upon making the following CALCULATIONS; and, I believe, they may be of some Use to others, as they have been to myself

PREFACE.

myself, in forming my Judgment, in relation to this Matter. I was, indeed, in Hopes, that they would have been delivered this Day, at the Door of the House of Commons; *being sensible, that a Subject of this Kind, which consists so much in Figures, requires a very deliberate Consideration. But I have done my utmost to finish this Work, and to dispatch the Printing of it; tho' I did not apprehend, that the* BILL *would have been in so great a Forwardness, as I now perceive it is.*

If the Computations I have made, are right, it is then evident, That the Gains of the South-Sea Company, *in Trade, must be immensly Great, to make Good to the New Subscribers, at any high Rates, the Principal Money advanced by them, with the Interest only of* 4 l. per Cent. per Ann. *If there be any solid Foundation for such great Annual Profits, must they not arise from the Advantages granted to the Company by this* BILL, *or from some others, which they may hereafter expect from* Parliament? *And if so, is it not evident, That for Seven Millions and a half, which the Company are to pay to the Publick, they will Gain over and above this Sum, to the Amount of above Six, Fourteen, Twenty Two, or Thirty One Millions; as is explained in the following* Calculations: *And can a* British Parliament *Answer to their Country, the making of such a Bargain?*

But if the Truth be, as I verily believe it is, That there is no real Foundation for the present, much less for the further expected, high Price of South-Sea Stock; *and that the Frenzy which now reigns, can be of no long Continuance in so cool a Climate; and amongst a People hitherto so justly fam'd for Wisdom and for Prudence; I say, if this be the Case, is it not the Duty of a* British Senate, *to take all necessary Precautions, to prevent the Ruin of many Thousands of Families; and, that our Weekly* Bills of Mortality, *may not be filled with large Articles of unhappy People, who have Hang'd, Drown'd, or Shot themselves; and, surely, no honest, good-natur'd Man can enjoy, with Comfort, an Estate, how immense soever, rais'd on such a Foundation as this.*

But, surely, in all Events, Care shou'd be taken, that the New Subscribers shou'd pay such a Price only, as is necessary to enable the Company to raise the Money stipulated for the Publick; and can the Proprietors of the Old South-Sea Stock, *with any Pretence to Conscience, desire more, than to lay this whole Tax on the New Subscribers; and to be entirely acquitted thereof themselves, with a very competent Bounty, for their Trouble, in this Undertaking; and to enable them to Reward the great Projectors of this glorious Scheme! and by the following* Calculations, *it will fully appear, That this may be effected, by a Subscription at* 150 l. per Cent.

It seems to be the universal Opinion within and without Doors, That the present Price of South-Sea Stock *is much too high: It is, certainly, in the Power of the* Parliament, *to check it; and if what I have wrote shall any-wise contribute thereto, I have so far, I think, concurr'd in what I take to be the general Sense of the Gentlemen of the* House of Commons.

March 31. 1720.

SOME

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CALCULATIONS

Relating to the

South-Sea Proposals, &c.

I HAVE, in the following *Calculations*, Stated the Loss to the New Subscribers to the *South-Sea* Stock, if the Redeemable Debts are only subscribed; and also, if the Irredeemable Debts be taken in, paying to the Publick the Sums mentioned in the PROPOSALS of the Company: and I have stated the same at *Par*, at 125, at 150, at 175, at 200, at 300, at 400, and at 500 *l. per Cent.* And I have admitted the Interest, payable by the Publick, to be 5 *l. per Cent. per Ann.* on the whole Capital; altho' at an Average the same will be under 4 *l.* 16 *s.* 7 *d. per Ann.* if the Redeemables only be taken in; and under 4 *l.* 17 *s.* 9 *d. per Ann.* if the Irredeemables also be taken in: And I Calculate as if the National Interest were now reduced to 4 *l. per Cent. per Ann.* and the present, and to be encreased Capitals, and also the Money payable to the Publick, are stated in round Sums near the Truth.

I proceed also on the Supposition, as if the whole Subscription would be compleated at *Midsummer*, 1720. and that the Money payable to the Publick were to be then paid; which will make little Alteration in the Case, from the Times of Payment mentioned in the Proposal, supposing (which to be sure the Company suppose) that the Subscriptions of the additional Stock will come in equally slow. But be this as it will, it can give but very little Variation to the following *Calculations*.

And I have also stated, how much of the Advanced Price comes back to the Subscribers of the Additional Stock; how much to the Proprietors of the Old Stock, and how much to the Publick: And, to avoid all Obscurity, and to set this Matter in the clearest Light, instead of apportioning the Profits arising from the New Subscriptions into Dividends for Seven Years, I have made one entire Dividend thereof, as at *Midsummer*, 1720. and that deducted from the Price paid, the Remainder is what the New Subscribers give for the Stock, for which at *Midsummer*, 1727, they are to receive from the Publick at the Rate of 100 *l.* for each 100 *l.* Capital Stock by them purchased; and deducting out of this 6 *l.* (which is the present Value of 1 *l. per Ann.* for Seven Years, *viz.* the difference between 5 *l.* and 4 *l. per Cent. per Ann.* for that Time) the Remainder is an undeniable dead Loss to the New Subscribers, excepting so much thereof as shall be made Good to them by the Profits on Trade.

And altho' the Proposal of the *Bank* has been rejected, I have stated what the Loss to the New Subscribers wou'd have been, if the same had been accepted, Valuing their Stock at 150 *l. per Cent.*

Having premised these Things, I shall proceed to my *Calculations*; And, first, supposing the Redeemable Debts only to be taken in,

		L.
Present *South-Sea* Capital is near		11,750,000
The Redeemables, at 5 *l. per Cent.* are above	L. 11,796,000	
The Redeemables, at 4 *l. per Cent.* when all the Army-Debentures shall be Issued, above	4,954,000	
		16,750,000
The Total increased Capital will then be		28,500,000
The Company are to pay the Publick, for the Redeemables,	4,000,000	
And, if none of the long Terms are taken in, a Year's Purchase of them, being above	667,500	
		4,667,500

N° I. *Purchaſe at* Par.

	l. *s.* *d.*
THEN each Proprietor paying his Proportion of 4,667,500 *l.* on the whole Capital of 28,500,000 *l.* each Hundred Pound's Original Stock will coſt him, above *Par*, the Value of	16 : 7 : 6
The Intereſt being ſtated at 4 *l. per Cent. per Ann.* there is a Profit of 1 *l. per Cent. per Ann.* to each Proprietor for Seven Years, the preſent Value of which is	6 : 0 : 0
Which being deducted, then the preſent Loſs on each Hundred Pound's Stock, or the advanced Price thereof, above its Value, is	10 : 7 : 6

Which, at the Rate of 4 *l. per Cent.* is the preſent Value of an Annuity of 1 *l.* 14 *s.* 6 *d.* for Seven Years; and ſo much therefore muſt be Yearly gained by Trade, to make it a Saving Bargain to the Purchaſors.

N° II. *The Purchaſe at* 125 l. per Cent.

THE Money to be paid the Publick, is	*l.* 4,667,500	
The Profits of the Additional Stock, at 125 *l. per Cent.* is only	4,187,500	
Which leaves		480,000
to be raiſed upon the entire Capital, and is 1 *l.* 13 *s.* 8 *d.* on each Hundred Pound's Original Stock; and this being added to the 25 *l. per Cent.* makes the Price of Stock, above *Par*,		*L.* 26 : 13 : 8
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 00 : 0
Then the Price, over and above the Value, is		20 : 13 : 8

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 3 *l.* 8 *s.* 11 *d.*

N° III. *The Purchaſe at* 150 l. per Cent.

THE Profits of the Additional Stock, at 150 *l. per Cent.* is	*L.* 8,375,000	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		3,707,500
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	50 : 0 : 0	
But the Dividend of 3,707,500 *l.* is, *per Cent.*	13 : 0 : 2	
Which reduces the Price to		36 : 19 : 10
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 00 : 00
Then the Price, over and above the Value, is		30 : 19 : 10

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 5 *l.* 3 *s.* 3 *d.*

N° IV. *The Purchaſe at* 175 l. per Cent.

THE Profits of the Additional Stock at 175 *l. per Cent.*	*l.* 12,562,500	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		7,895,000
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	75 : 00 : 0	
But the Dividend of 7,895,000 *l.* is, *per Cent.*	27 : 14 : 0	
Which reduces the Price to		47 : 6 : 0
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 0 : 0
Then the Price, over and above the Value, is		41 : 6 : 0

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 6 *l.* 17 *s.* 7 *d.*

N° V. *The Purchaſe at* 200 l. per Cent.

THE Profits of the Additional Stock, at 200 *l. per Cent.* is	*L.* 16,750,000	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		12,082,500
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	100 : 0 : 0	
But the Dividend of 12,082,500 *l.* is, *per Cent.*	42 : 8 : 0	
Which reduces the Price to		57 : 12 : 0
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 00 : 0
Then the Price, over and above the Value, is		51 : 12 : 0

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 8 *l.* 11 *s.* 11 *d.*

N° VI. *The Purchaſe at* 300 l. per Cent.

THE Profits of the Additional Stock, at 300 *l. per Cent*, is	*L.* 33,500,000	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		28,832,500
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	200 : 0 : 0	
But the Dividend of 28,832,500 *l.* is, *per Cent.*	101 : 3 : 3	
Which reduces the Price to		98 : 16 : 9
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 00 : 0
Then the Price, over and above the Value, is		92 : 16 : 9

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 15 *l.* 9 *s.* 4 *d.*

N° VII. *The Purchaſe at* 400 l. per Cent.

THE Profits on the ſaid Additional Stock, at 400 *l. per Cent.* is	*l.* 50,250,000	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		45,582,500
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	300 : 00 : 0	
But the Dividend of 45,582,500 *l.* is, *per Cent.*	159 : 18 : 9	
Which reduces the Price to		140 : 1 : 3
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 0 : 0
Then the Price, over and above the Value, is		134 : 1 : 3

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 22 *l.* 6 *s.* 9 *d.*

N° VIII. *The Purchaſe at* 500 l. per Cent.

THE Profits on the Additional Stock, at 500 *l. per Cent.* is	*l.* 67,000,000	
But the Money to be paid the Publick, is only	4,667,500	
Which leaves a Dividend on the whole Capital of		62,332,500
	l. *s.* *d.*	*l.* *s.* *d.*
The Advanced Price, as aforeſaid, is	400 : 00 : 0	
But the Dividend of 62,332,500 *l.* is, *per Cent.*	218 : 14 : 2	
Which reduces the Price to		181 : 5 : 10
But out of this deduct the preſent Value of 1 *l. per Ann.* for Seven Years, which is		6 : 0 : 00
Then the Price, over and above the Value, is		175 : 5 : 10

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 29 *l.* 4 *s.* 2 *d.*

I Proceed now to my Calculations, supposing the absolute Terms, as well as the redeemable Debts, to be taken in; and in this I add Five Years Purchase to be paid to the Proprietors of the long Terms, to the Money to be paid to the Publick, because I have supposed a Subscription at *Par*; and in such Case, Five Years Purchase must be paid to the said Proprietors, because there will not be room in the encreased Capital to give them Stock for the whole Twenty Five Years Purchase. It is true, there will be room to do it in the advanc'd Prices; and that, indeed, will be an additional Advantage to the Proprietors of the old Stock; but then, it will be a further proportionable Loss to the Proprietors of the long Terms: For an Annuitant of 100 *l. per Ann.* will then lose as much on each Hundred Pounds of the 500 *l.* (which I have supposed to be paid him in Money) as he will lose on each 100 *l.* of the 2000 *l.* which I have supposed him to Subscribe.

The long Irredeemables, at 20 Years Purchase, near	*l.* 13,355,000		
The short *Ditto*, at 14 Years Purchase, is above	1,703,000		
The Redeemables at 5 *l. per Cent.* are above		15,058,000	
Ditto, when all the Army Debentures shall be issued at 4 *l. per Cent.* above	11,796,000		
	4,954,000		
The New additional Capital is near		16,750,000	
The present Capital is near			31,808,000
			11,750,000
The whole encreased Capital will then be			43,558,000
There is to be paid to the Government, if no Redeemables be taken in,		*l.* 4,667,500	
If the long Terms be taken in, Three and a half Years Purchase, near		2,337,000	
If the short Terms be taken in, Four and a half Years Purchase is above		547,500	
Total to be paid the Publick		2,884,500	
			7,552,000
If the long Terms be taken in at Twenty Five Years Purchase, then the Company must pay those Proprietors Five Years Purchase more than the Capital, which the Parliament allows them on that Account, and it Amounts to near			3,339,000
Total, to be paid to the Publick, and the Proprietors of the Long Terms,			10,891,000

N° I. *The Purchase at* Par.

THEN each Proprietor paying his Proportion of 10,891,000 *l.* on the whole Capital of 43,558,000 *l.* each Hundred Pound's Original Stock will cost them above *Par*, the Sum of — *l.* 25 : *s.* 00 : *d.* 4
The Interest being stated at 4 *l. per Cent.* there is a Profit of 1 *l. per Cent. per Ann.* to each Proprietor for Seven Years, the present Value of which is — 6 : 00 : 0
Which being deducted, then the present Loss on each 100 *l.* Stock, or the Advance Price thereof above its Value, is — 19 : 00 : 4
Which, at the Rate of Four *per Cent.* is the present Value of an Annuity of 3 *l.* 3 *s.* 4 *d.* for Seven Years, and so much there must be Yearly gained by Trade to make it a Saving Bargain to the Purchasors.

N° II. *The Purchase at* 125 l. per Cent.

THERE is to be paid to the Publick, and to the Proprietors of the long Terms, *l.* 10,891,000
The Profits of the Additional Stock, at 125 *l. per Cent.* is only — 7,952,000
Which leaves — 2,939,000
to be raised upon the entire Capital, and is near 6 *l.* 15 *s.* on each 100 *l.* Original Stock; and this being added to the 25 *l. per Cent.* makes the Price of Stock, above *Par*, — *l.* 31 : *s.* 15 : *d.* 0
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is — 6 : 00 : 0
Then the Price, over and above the Value, is — 25 : 15 : 0
Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 4 *l.* 5 *s.* 9 *d.*

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N° III. *The Purchase at* 150 l. per Cent.

THE Profits of the Additional Stock, at 150 *l. per Cent.* is — *l.* 15,904,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only — 10,891,000
Which leaves a Dividend on the whole Capital of — 5,013,000

	l.	*s.*	*d.*	*l.*	*s.*	*d.*
The Advanced Price, as aforesaid, is	50	00	00			
But the Dividend of 5,013,000 *l.* is, *per Cent.*	11	10	02			
Which reduces the Price to				38	09	10
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is				6	00	00
Then the Price, over and above the Value, is				32	09	10

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 5 *l.* 8 *s.* 3 *d.*

N° IV. *The Purchase at* 175 l. per Cent.

THE Profits of the Additional Stock, at 175 *l. per Cent.* is — *l.* 23,856,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only — 10,891,000
Which leaves a Dividend on the whole Capital of — 12,965,000

	l.	*s.*	*d.*	*l.*	*s.*	*d.*
The Advanced Price, as aforesaid, is	75	00	0			
But the Dividend of 12,965,000 *l.* is, *per Cent.*	29	15	3			
Which reduces the Price to				45	4	9
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is				6	0	0
Then the Price, over and above the Value, is				39	4	9

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 6 *l.* 10 *s.* 9 *d.*

N° V. *The Purchase at* 200 l. per Cent.

THE Profits of the Additional Stock, at 200 *l. per Cent.* is — *l.* 31,808,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only — 10,891,000
Which leaves a Dividend on the whole Capital of — 20,917,000

	l.	*s.*	*d.*	*l.*	*s.*	*d.*
The Advanced Price, as aforesaid, is	100	0	0			
But the Dividend of 20,917,000 *l.* is, *per Cent.*	48	0	5			
Which reduces the Price to				51	19	7
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is				6	00	0
Then the Price, over and above the Value, is				45	19	7

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 7 *l.* 13 *s.* 2 *d.*

N° VI. *The Purchase at* 300 l. per Cent.

THE Profits of the Additional Stock, at 300 *l. per Cent.* is - - *l.* 63,616,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only - - - - - - - - - } 10,891,000
Which leaves a Dividend on the whole Capital of - - - - 52,725,000

The Advanced Price, as aforesaid, is - - - -	200 : 0 : 00			
But the Dividend of 52,725,000 is, *per Cent.* - - -	121 : 0 : 10	*l.*	*s.*	*d.*
Which reduces the Price to - - - - -		78	19	2
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is -		6	00	0
Then the Price, over and above the Value, is - - - - - -		72	19	2

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 12 *l.* 3 *s.* 1 *d.*

N° VII. *The Purchase at* 400 l. per Cent.

THE Profits of the Additional Stock, at 400 *l. per Cent.* is - - *l.* 95,424,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only - - - - - - - - - } 10,891,000
Which leaves a Dividend on the whole Capital of - - - 84,533,000

	l.	*s.*	*d.*			
The Advanced Price, as aforesaid, is - - - -	300 : 0 : 0					
But the Dividend of 84,533,000 is, *per Cent.* - - - -	194 : 1 : 6	*l.*	*s.*	*d.*		
Which reduces the Price to - - - - -		105	18	6		
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is -		6	00	0		
Then the Price, over and above the Value, is - - - - - -		99	18	6		

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 16 *l.* 13 *s.*

N° VIII. *The Purchase at* 500 l. per Cent.

THE Profits of the Additional Stock, at 500 *l. per Cent.* is - - *l.* 127,232,000
But the Money to be paid the Publick, and the Proprietors of the long Terms, is only - - - - - - - - - } 10,891,000
Which leaves a Dividend on the whole Capital, of - - - 116,341,000

	l.	*s.*	*d.*			
The Advanced Price, as aforesaid, is - - - -	400 : 0 : 00					
But the Dividend of 116,341,000 *l.* is *per Cent.* - - -	267 : 1 : 11	*l.*	*s.*	*d.*		
Which reduces the Price to - - - - -		132	18	1		
But out of this Deduct the present Value of 1 *l. per Ann.* for Seven Years, which is -		6	00	0		
Then the Price, over and above the Value, is - - - - - -		126	18	1		

Which will require, to make it a Saving Bargain, a Yearly Profit on Trade of 21 *l.* 2 *s.* 10 *d.*

An

An ABSTRACT *shewing the* Loss *to the New Subscribers to the* South-Sea Stock, *at the several Prices following; and the Yearly Profits on* Trade *necessary to make Good the said Loss, on the Ingraftment of all the Redeemable Debts, which will make the Capital* 28,500,000 l. *and also on the Ingraftment of the Irredeemables, which will make the Capital* 43,558,000 l. *And these* Calculations *are made Computing Interest at the Rate of* 4 l. per Cent. per Ann.

N°	Capital of 28,500,000 *l.*									Capital of 43,558,000 *l.*								
	1. The advanced Price, or present Loss, of every 100 *l.* *South-Sea* Stock subscribed for.			2. The Annual Profits on Trade for Seven Years necessary to make good the said Loss.			3. The Amount of the said Annual Profits computed on the whole Capital.	1. The advanced Price, or present Loss, of every 100 *l.* *South-Sea* Stock subscribed for.			2. The Annual Profits on Trade for Seven Years necessary to make good the said Loss.			3. The Amount of the said Annual Profits computed on the whole Capital.
	l.	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*
1. at *Par* - -	10	07	6	1	14	6	491,625	19	0	4	3	3	4	1,379,336
2. at 125 - -	20	13	8	3	8	11	982,062	25	15	0	4	5	9	1,867,549
3. at 150 - -	30	19	10	5	3	3	1,471,312	32	9	10	5	8	3	2,357,576
4. at 175 - -	41	6	0	6	17	7	1,960,563	39	4	9	6	10	9	2,847,604
5. at 200 - -	51	12	0	8	11	11	2,449,813	45	19	7	7	13	2	3,335,816
6. at 300 - -	92	16	9	15	9	4	4,408,000	72	19	2	12	3	1	5,294,111
7. at 400 - -	134	1	3	22	6	9	6,366,187	99	18	6	16	13	0	7,252,407
8. at 500 - -	175	5	10	29	4	2	8,324,375	126	18	1	21	2	10	9,208,887

IN the foregoing *Abstracts* the Fractions are ommitted in the First and Second Columns, and the Shillings and Pence in the Third.

It appears, that in Subscriptions at *Par* at 125 *l.* and at 150 *l.* that the present Loss to the New Subscribers will be less on the Capital of 28,500,000 *l.* than on the Capital of 43,558,000 *l.* but in all the other advanced Prices, the present Loss to the New Subscribers will be less on the Capital of 43,558,000 *l.* than on the Capital of 28,500,000 *l.* but the Profits on Trade, necessary to make good the said Loss, rise higher on the greater than they do on the lesser Capital.

Note, That tho' the Capital of the *South-Sea* Company should be redeemed at *Midsummer*, 1727, yet their Right of Trade remains to them for ever; but the Value of that Inheritance, in all Probability, will go but a little way towards the Satisfaction of the Loss herein-before stated, and which shall happen to remain unsatisfied, by the Profits arising on Trade during the aforesaid Seven Years.

In relation to the Profits on Trade, I desire it may be observ'd, that the same are Computed on the whole Capital, tho' in all Probability but a small Part thereof can be so employed: And is there the least

leaſt Appearance to expect, that the Profits on the Money ſo employ'd in Trade, will Anſwer the Sums herein-before computed on the whole Capital, *viz.* 30 *l.* 40 *l.* 50 *l.* or *Cent. per Cent.* on the Money ſo employ'd; conſidering, that moſt private Traders, for many Years paſt, have Traded to Loſs; and ſcarce any, for more than common Intereſt: And it may be ſuppos'd, that private Trade is manag'd to more Advantage than it can be in any Joint-Stock whatſoever?

If the Capital be compleated to 43,538,000 *l.* and the New Subſcribers come in at 150 *l. per Cent.* or the other greater advanced Prices; it appears, that their Principal and Intereſt, at the Rate of Four *per Cent. per Ann.* cannot be made Good to them without an Annual Profit for Seven Years of the immenſe Sums herein-before mentioned, which exceeds a Land-Tax at the following Rates; *viz.*

The Subſcriptions at - -	150.			175.			200.			300.			400.			500.		
	l.	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
The Annual Sums neceſſary to make good the Loſs, exceed a Land-Tax, in the Pound, of - - - -	0	4	6	0	5	6	0	6	6	0	10	6	0	14	6	0	18	0

It will never, ſurely, be thought reaſonable, to Tax the Lands of *Britain* the leaſt of the aforeſaid Sums, to make Good to the New Subſcribers their imaginary Eſtates; unleſs a Majority of a future Houſe of Commons ſhould have a greater Proportion of their Wealth in *South-Sea* Stock than in Lands and Tenements: And, were it reaſonable to diſcourage all private Induſtry, what Trade can poſſibly be given to the Company, excluſively; or, what Trade can they poſſibly carry on, to produce Annually the aforeſaid Exorbitant Sums? For the Revenues of the Cuſtoms and Exciſe, much leſs a Farm of them, will fall greatly ſhort to Anſwer the aforeſaid Sums.

Is it not, therefore, reaſonable, That the *South-Sea* Company ſhould Explain, from whence their Advantages are to ariſe, which may be a ſolid Foundation for the Value of their Stock; and that the *Bill*, now depending in the *Houſe of Commons*, may ſtop till then; that Thouſands and Thouſands of unwary People may not be Undone: Or, which is ſtill worſe, that the Nation may not be plunged into greater Difficulties than any they have hitherto had to ſtruggle with.

I HAVE added Two other Tables, to ſhew, how the Money advanced by the New Subſcribers, over and above the real Value of the Stock, is diſtributed, (*viz.*) How much thereof is repaid back to themſelves; How much to the Publick, in Conſideration of the Difference between 5 and 4 *l. per Cent. per Ann.* for Seven Years; How much to the Publick, without any Conſideration; and how much to the Proprietors of the Old Stock; from which it will appear, that the Proprietors of the ſaid Old Stock will Gain vaſtly more than the Publick do. If the Proprietors, therefore, of the Redeemable and Irredeemable Debts ſhall think fit to make a Preſent to their Country of the Premium propoſed by the *South-Sea* Company, they will have a moſt juſt Title to the Favours of the *Britiſh* Parliament, which the Proprietors of the preſent *South-Sea* Stock can only gain at their Expence; and will not only make them pay what is to be paid to the Publick, but Gain vaſtly greater Sums to themſelves.

A STATE *ſhewing the Diſtribution of the Advanced Price which will be given by the* New Subſcribers *to the* SOUTH-SEA Stock, *if the Redeemables only be taken in, and the Stock compleated to* 28,500,000 l.

N°	The Diſtribution, if Subſcription at *Par*.	Repaid to the Proprietors themſelves.			To the Publick, for an equivalent Advantage.			Total of the 1ſt and 2d Columns.			To the Publick without an Equivalent.			To the Proprietors of the Old Stock, for nothing.			Total of the 4th and 5th Columns.			Total of the 3d and 6th Columns.		
		l.	*s.*	*d.*	*l.*	*s*	*d.*	*l.*	*s.*	*d*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
1.	On the advanced Price of every 100 *l.*	- - -			6	0	0	6	0	0	10	7	6	- -			10	7	6	16	7	6
	On the whole addit^l. advanced Price, *Ditto*, at 125 *l.*	- -			1,005,000	0	0	1,005,000	0	0	1,738,179	16	6	- - -			1,738,179	16	6	2,743,179	16	6
2.	On the advanced Price of every 100 *l.*	- - -			6	0	0	6	0	0	20	13	8	- -			20	13	8	26	13	8
	On the whole addit^l. advanced Price, *Ditto*, at 150 *l.*	- -			1,005,000	0	0	1,005,000	0	0	3,464,605	5	4	- - -			3,464,605	5	4	4,469,605	5	4
3.	On the advanced Price of every 100 *l.*	13	0	2	6	0	0	19	0	2	21	17	4	9	2	6	30	19	10	50	0	0
	On the whole addit^l. advanced Price, *Ditto*, at 175 *l.*	2,178,969	6	0	1,005,000	0	0	3,183,969	6	0	3,662,500	0	0	1,528,530	14	0	5,191,030	14	0	8,375,000	0	0
4.	On the advanced Price of every 100 *l.*	27	14	0	6	0	0	33	14	0	21	17	4	19	8	8	41	6	0	75	0	0
	On the whole addit^l. advanced Price, *Ditto*, at 200 *l.*	4,640,043	17	2	1,005,000	0	0	5,645,043	17	2	3,662,500	0	0	3,254,956	2	10	6,917,456	2	10	12,562,500	0	0
5.	On the advanced Price of every 100 *l.*	42	8	0	6	0	0	48	8	0	21	17	4	29	14	8	51	12	0	100	0	0
	On the whole addit^l. advanced Price, *Ditto*, at 300 *l.*	7,101,118	8	6	1,005,000	0	0	8,106,118	8	6	3,662,500	0	0	4,981,381	11	6	8,643,881	11	06	16,750,000	0	0
6.	On the advanced Price of every 100 *l.*	101	3	3	6	0	0	107	3	3	21	17	4	70	19	5	92	16	9	200	0	0
	On the whole addit^l. advanced Price, *Ditto*, at 400 *l.*	16,945,416	13	4	1,005,000	0	0	17,950,416	13	4	3,662,500	0	0	11,887,083	6	8	15,549,583	6	8	33,500,000	0	0
7.	On the advanced Price of every 100 *l.*	159	18	9	6	0	0	165	18	9	21	17	4	112	3	11	134	1	3	300	0	0
	On the whole addit^l. advanced Price, *Ditto*, at 500 *l.*	26,789,714	18	3	1,005,000	0	0	27,794,714	18	3	3,662,500	0	0	18,792,785	1	9	22,455,285	1	9	50,250,000	0	0
8.	On the advanced Price of every 100 *l.*	218	14	2	6	0	0	224	14	2	21	17	4	153	8	6	175	5	10	400	0	0
	On the whole addit^l advanced Price,	36,634,013	3	2	1,005,000	0	0	37,639,013	3	2	3,662,500	0	0	25,698,486	16	10	29,360,986	16	10	67,000,000	0	0

It is to be Noted, That in Subſcriptions at *Par* there would be nothing Paid by the New Subſcribers to the Proprietors of the Old Stock, who would Contribute equally with them towards the Sum to be paid the Publick; nor would there any Thing be paid by them at Subſcriptions at 125 *l.* But in this Caſe the New Subſcribers would pay 26 *l.* 13 *s.* 8 *d. per Cent.* towards the Money payable to the Publick; and the Old Proprietors, only 1 *l.* 13 *s.* 8 *d. per Cent.* as may be ſeen in the particular Calculations of the Subſcriptions at thoſe Prices: But in all the other advanced Rates of Subſcribing, the whole Money, payable to the Pulick, is paid by the New Subſcribers; and a further Sum alſo to the Proprietors of the Old Stock; as may be ſeen in the particular Computations of the Subſcriptions at the ſeveral advanced Prices, which Amounts to 27 *l.* 17 *s.* 4 *d.* whereof 6 *l.* is for the valuable Conſideration of the 1 *l. per Ann.* Surplus-Intereſt for Seven Years; and the Remaining 21 *l.* 17 *s.* 4 *d.* without any Conſideration; and deducting what is repaid to the Proprietors themſelves, and to the Publick, the Remainder is a Payment to the Proprietors of the Old Stock. The Payments, therefore, in the Firſt and Second Columns, of which the Third is the Total, is no Loſs to the New Subſcribers; but the Payments in the Fourth and Fifth Columns, of which the Sixth is the Total, is a dead Loſs to them; and the Seventh Column, which is the Total of the Third and Sixth, ſhews the whole advanced Price. This Explanation is not intended for thoſe who are well skilled in Computations; but may be of ſome

A STATE *shewing the Distribution of the Advanc'd Price that will be given by the* New Subscribers *to the* SOUTH-SEA Stock, *if the Redeemables and Irredeemables be taken in, and the Stock compleated to* 43,558,000 l.

No.	The Distribution, if Subscription at *Par*.	Repaid to the Proprietors themselves			To the Publick, for in equivalent Advantage.			Total of the 1st and 2d Columns.			To the Publick, without an Equivalent.			To the Proprietors of the Old Stock, for nothing.			Total of the 4th and 5th Columns.			Total of the 3d and 6th Columns.		
		l.	s.	d.	l.	s.	d.	l.	s.	d.	l.	s.	d.	l.	s.	d.	l.	s.	d.	l.	s.	d.
1.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	-	-	-	1,908,480	6	0	1,908,480	6	0	6,044,615	19	0	-	-	-	6,044,615	19	0	7,953,095	25	0
	Ditto, at 125.																					
2.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	-	-	-	1,908,480	6	0	1,908,480	6	0	6,044,615	19	0	-	-	-	6,044,615	19	0	7,953,095	25	0
	Ditto, at 150.																					
3.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	3,660,716	11	10	1,908,480	6	0	5,569,196	17	10	2,589,709	8	0	5,599,500	32	9	8,189,709	25	15	10,098,189	31	15
	Ditto, at 175.																					
4.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	9,467,622	29	15	1,908,480	6	0	11,376,102	35	15	2,352,283	4	5	10,334,803	39	4	12,479,897	39	4	15,904,000	75	0
	Ditto, at 200.																					
5.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	15,274,529	48	0	1,908,480	6	0	17,183,009	54	0	3,497,377	11	0	9,356,000	17	1	12,479,897	39	4	23,856,000	75	0
	Ditto, at 300.																					
6.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	38,502,159	121	0	1,908,480	6	0	40,410,639	127	0	14,222,846	44	14	5,642,470	17	14	23,205,366	72	19	63,616,000	200	0
	Ditto, at 400.																					
7.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	61,729,777	194	1	1,908,480	6	0	63,638,257	200	1	7,146,743	22	9	5,642,470	17	19	31,785,742	99	18	95,424,000	300	0
	Ditto, at 500.																					
8.	On the advanced Price of every 100 l. On the whole additl. advanced Price,	84,957,402	267	1	1,908,480	6	0	86,865,882	273	1	40,366,117	126	18	8,634,117	40	8	127,232,000	400	0	127,232,000	400	0

The Explanation given of the immediately preceding TABLE will equally serve for this.

If the *Bank* had offered the same Terms to the Government as the *South-Sea* have done, and if their Capital had been as Great; then all the aforegoing Calculations had been equally applicable to them: But as their Capital is less, and their Proposals different, it would Proportionably vary the aforegoing Calculations, on taking in the Redeemables only, and on taking in these and the Irredeemables also: However, I shall make a Computation from their Proposal, for taking in the whole Debt, and suppose their Stock, as it then was, and now is, at 150 *l. per Cent.*

The long Irredeemables, at Twenty Years Purchase, near	*l.* 13,355,000	
Short *Ditto*, at Fourteen Years Purchase, is above	1,703,000	
Redeemables, at 5 *l. per Cent.* above	11,796,000	15,058,000
Ditto, at 4 *l. per Cent.* when all the Army Debentures shall be issued, above	4,954,000	16,750,000
The Additional Capital		31,808,000
Present Capital of the Bank, is about		5,500,000
The whole Encreased Capital, will then be		37,308,000

The Bank *have proposed to Pay to the Publick, as followeth;*

FOR the long Terms, 15 *l. per Cent.* which is about	*l.* 2,003,100	
The short Terms, Three Years Purchase, which is about	364,500	
For the Redeemables, 20 *l. per Cent.* which is		2,367,600
The whole Money offered, is		3,350,00
		5,717,600

Besides which, they propose to allow the Proprietors of the long Terms Fourteen Years Purchase in *Bank Stock*, and in Proportion for the short Terms; which may be under Eleven Years Purchase in *Bank Stock*.

Computing Bank Stock *at* 150 l. *and that the Redeemables are taken in at that Price, and the Irredeemables according to their* Proposal; *then the Profits of the* Bank *will stand thus;*

THE *Bank*, over and above the Stock given by them for the long and short Terms, are allowed by the Publick Three Years Purchase more, *viz.* 20 *l.* for the long Terms, and 14 *l.* for the short, which Amounts, as above, to	2,367,600	
But this being Stock, is worth 50 *l. per Cent.* Advance	*l.* 1,183,800	
The *Bank* Gain on the Redeemables 50 *l. per Cent.* which is		3,551,400
Total		8,375,000
To be paid by them, to the Publick, as above		11,926,400
		5,717,600
Remains then to be divided amongst the Proprietors of the whole Encreased Capital,		6,208,800

Which is 16 *l.* 12 *s.* 10 *d.* for each 100 *l.* Capital Stock.

The Advanced Price of *Bank Stock* to the new Purchasors, over and above the *Par* of 100 *l. per Cent.* will then stand thus, *viz.*,

	l. s. d.	
The Advanced Price of 100 *l. per Cent.* is	50 : 00 : 00	
But out of this Deduct the aforesaid Dividend of	16 : 12 : 10	
And then the Advanced Price will be reduced to		33 : 07 : 02
But computing Interest at 4 *per Cent. per Ann.* and the Publick allowing 5 *per Cent.* for Seven Years, there is a Profit of 1 *l. per Cent. per Ann.* for that Term to the Proprietors, the present Value of which is		6 : 00 : 00
Which, being also deducted, reduces the Advanced Price to		27 : 07 : 02

Which, at the Rate of 4 *l. per Cent. per Ann.* Interest, will purchase an Annuity of 4 *l.* 11 *s.* 2 *d.* for Seven Years; and so much therefore must be Gained by the Profits of Banking on each 100 *l.* Stock to make this a Saving Bargain.

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An ABSTRACT *ſhewing the* Loss *to the* New Subſcribers *to the* Bank, *according to their* Propoſals *to the Parliament, computing their Stock at* 150 l. per Cent.

	The Advanced Price, or preſent Loſs, of every 100 *l. Bank-Stock* ſubſcribed for.	The Annual Profits on Banking, for Seven Years, neceſſary to make good the ſaid Loſs.	The Amount of the ſaid Annual Profits, computed on the whole Capital
	l. s. d.	*l. s. d.*	*l.*
Bank-Stock at 150 *l. per Cent.* and their Capital at 37,308,000 *l.*	27 : 07 : 02	04 : 11 : 02	1,700,623

Note, That tho' the encreaſed Capital of the *Bank* ſhould be redeemed, there will ſtill remain to them their Original Capital of 1,600,000 at the Rate of 6 *l. per Cent. per Ann.* Intereſt; and alſo the Right of Banking for Fifteen Years more: And the Profits ariſing thereby to the Proprietors of the whole encreaſed Capital are to be eſtimated, and to go in Abatement of the aforeſeid Loſs; tho', on Examination, it will not be found ſufficient to Anſwer one 4th Part thereof.

POST-

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N. B. AFTER Payment to the Publick of the Money ſtipulated by the *Bank*, had their Propoſal been accepted, the Diſtribution of the Remainder of the advanced Price would have been as followeth; *viz.*

	l.	*s.*	*d.*	*l.*	*s.*	*d.*
To the Proprietors of the abſolute Terms - -	2,505,953	8	6			
To the Proprietors of the Redeemable Debts - -	2,787,536	3	9	5,293,489	12	3
To the Proprietors of the Old *Bank*-Stock, in Conſideration of admitting the New Subſcribers into a proportionable Share of the Profits of Banking - -				915,310	7	9
				6,208,800	00	0

But to make the aforeſaid Sum effectual to the Proprietors of the Old *Bank*-Stock, it muſt be ſuppoſed, that the Profits of Banking would have encreaſed in Proportion to the new Ingraftment; which is far from being certain: And altho' the New Subſcribers would have been Loſers by this Propoſal; yet, 'tis evident, the *Bank* would not have got much; and that the chief Gain would have accru'd to the Publick.

☞ If the *South-Sea* Company admit the Long Terms at Twenty five Years Purchaſe, and the Short at Fourteen, and give them, and the Proprietors of the Redeemable Debts, Stock at the Rate of 150 *l. per Cent.* they will raiſe ſufficient to pay the Money promiſed to the Publick, and Gain for themſelves, as appears by the aforegoing Computations, 1,352,283 *l.* in Conſideration of letting the New Subſcribers into a Share of their Profits in Trade.

If the Proprietors of the Debts ſhould not think fit to come in, or others to Buy Stock at a higher Price than 150 *l. per Cent.* the *South-Sea* Company muſt comply therewith; for, otherwiſe, the 4,667,500 *l.* to be paid to the Publick, muſt come out of their preſent Capital; which would reduce it to 7,082,500 *l.* excluſive of the Profits, or Loſs, hitherto in their Trade; and then 100 *l.* of their Stock, would be worth only 60 *l.* 5 *s.* 6 *d.*

It appears from the aforegoing *Calculations*, That if the Capital of 43,558,000 *l.* be compleated, the Gain of the Proprietors of the Old *South-Sea* Stock, from the New Subſcribers, over and above the Money they are to pay to the Publick, will be as followeth, on the following high Rates of Subſcriptions; *viz.*

SUBSCRIPTIONS At																	
150.			175.			200.			300.			400.			500.		
For the Benefit of their whole Capital of 11,750,000 *l.*																	
l.	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
1352283	3	6	3497377	1	3	5642470	19	2	14222846	11	0	22803222	2	10	31383597	14	8
For the Benefit of each 100 *l.* Original Stock in the ſaid Capital.																	
l.	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
11	10	2	29	15	3	48	0	5	121	0	10	194	1	6	267	1	11

The Profits of the whole Capital in the firſt Line are exactly Calculated; but not in the ſecond Line; the Fractions under one Penny being omitted: So that the Multiplication of the Leſſer Sums into thoſe which are to produce the Greater, will be ſo much leſs than the Sums in the firſt Line, as the Value of thoſe Fractions in ſuch Multiplication.

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