

SECRET

Econ. Policy

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10 DOWNING STREET

From the Private Secretary

15 June 1979

*BP 20-6-79
100 Tim to check in
Lester action*

Gilt Edged Market

The Prime Minister has considered the Financial Secretary's minute of 14 June in which he proposes that £800 million of short stock and £1,000 million of long stock should be announced today. The Prime Minister is content with the Financial Secretary's proposals, but she would like to have a discussion fairly soon with Treasury Ministers and with the Governor about gilt edged funding and monetary policy generally. I will be in touch with the Chancellor's Office in due course to arrange a meeting.

I am sending a copy of this letter to John Beverly in the Governor's Office.

T. P. LANKESTER

Mrs. P.C. Diggle,
HM Treasury.

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