

Friday, 11th May, 1979.

The Gilt Edged market has had a much calmer day. After opening reasonably steady the market saw a certain amount of selling and lost about $\frac{1}{4}$ in the longer end. During the morning however these losses were regained in relatively quiet trading, although shorts continued to show marginal losses. Following the publication of the Retail Price Index the market again eased slightly, but once again these losses were subsequently regained. During the latter part of the afternoon the whole market tended to improve a little and closed showing generally small advances from last night's close. Exchequer 11% 1991, which had this week been subject to selling pressure, but is now being dealt in in £45 paid form, outperformed the rest of the market to close $\frac{5}{8}$ higher.

The Industrial market opened steady. Prices soon advanced on small buying interest, but this petered out on the announcement of the Retail Price Index. During the afternoon session prices drifted lower on lack of interest. Insurance shares steadied on further consideration of yesterday's figures from Royal Insurance. Furness Withy were marked down on the announcement that K.C.A. had acquired a stake in the company, but elsewhere in the shipping sector prices moved ahead. P. & O. were in demand on bid speculation. Grand Metropolitan were dull on persistent rights issue rumours. Kaffirs were narrowly mixed as the bullion price eased.

Financial Times Index (3.00 p.m.) 533.0 (up 0.3)

C.N.D.

and Sales and Purchases NIL

Bank