

Monday, 14th May, 1979.

The Gilt Edged market was quiet and slightly easier in the short-dated bonds at the opening of the week. Shorts remained looking reasonably steady throughout the day at the slightly lower levels, about  $\frac{1}{16}$  -  $\frac{1}{8}$  down on balance. By contrast some quite substantial sellers were seen of the medium and long-dated issues and, in particular, the recent Government issue, Exchequer 11% 1991, came under some pressure, to close the day  $\frac{3}{4}$  down from the opening level. Few, if any, buyers appeared and, although the market became much quieter during the afternoon, no recovery was seen and prices ended the day at or around the lowest levels, showing falls in the medium and long-dated areas of up to  $\frac{1}{2}$  -  $\frac{3}{4}$  of a point.

The Industrial market opened cautiously following the week-end Press comment. Prices, after easing initially on small routine selling, rallied towards the close on cheap buying interest, with all sections closing above the worst levels. Oil, Banking and Electrical shares rallied in later trading, while Kaffir issues closed at the higher levels. Unilever moved sharply higher after the first quarter figures, while Readicut were unchanged following their statement.

Financial Times Index (3.00 p.m.) 524.9 (down 7.9)

<u>Bank</u>	Sales		NIL
	Purchases	£	44,336,000
	Nett Purchases on balance	£	44,336,000