

Monday, 21st May, 1979.

The Gilt Edged market was quite sharply easier at the opening in all sections. Prices had fallen after hours on the previous Friday evening, following the announcement of the new Government long-dated tap stock and further sellers appeared this morning as soon as the market opened. Falls of $\frac{1}{2}$ - $\frac{3}{4}$ of a point were seen at the long end of the market and the short-dated bonds were lower by $\frac{1}{4}$ - $\frac{3}{8}$. No buyers appeared at the lower levels and the market drifted down throughout the morning and by lunchtime falls of more than 1 point were seen at the long end of the market, while shorts also remained nervous, about $\frac{1}{4}$ - $\frac{3}{8}$ down on balance. Little change was seen during the afternoon but a slightly firmer tendency developed just before the close on the appearance of a few cheap buyers and the market ended the day about $\frac{1}{16}$ - $\frac{1}{8}$ above the lowest levels.

The Industrial market opened easier following the week-end Press comment. Prices continued to move lower on renewed selling and, with little or no buying interest, all sections closed at or around the worst levels. Store, Oil and Banking shares were dull sectors, while Kaffir issues closed at the best levels on the gold fix price reaching a new high.

Financial Times Index (3.00 p.m.) 509.8 (down 12.4)

<u>Bank</u>	Sales	£	4,895,000
	Purchases	£	4,858,000
	Nett Sales on balance	£	37,000