

Monday, 11th June, 1979.

The Gilt Edged market was easier at the opening in all sections and prices were lower by $\frac{1}{4}$ - $\frac{1}{2}$ throughout the list. These falls reflected some selling which had taken place after hours on the previous Friday, following the announcement of the bad trade figures for the previous three months. The market was looking reasonably steady at these lower levels during the morning and no further sellers appeared, with the result that by lunchtime prices had improved by $\frac{1}{8}$ - $\frac{1}{4}$ from the lowest levels. The market remained very quiet and inactive during the afternoon, in advance of tomorrow's Budget, but a few cheap buyers appeared just before the close after the announcement of the Central Government Borrowing Requirement for May, and the whole market closed the day looking reasonably steady, about $\frac{1}{8}$ - $\frac{1}{4}$ below the opening levels in the long-dated issues and $\frac{1}{8}$ either side of the opening prices in the short-dated bonds.

The Industrial market opened steady after weakness on Friday evening, following the announcement of the previous three months' trade figures. Business was minimal ahead of the Budget tomorrow and prices began to ease on lack of interest. Investors appeared at the lower levels, causing slight improvement and prices closed unchanged. Metal Box were weak following disappointing final results, in an otherwise quiet Engineering sector. Further profit-taking was encountered in Shell and British Petroleum as both finished lower on the day. Kaffirs were in demand throughout on a further increase in the bullion price.

	Financial Times Index (3.00 p.m.)	503.0 (down 0.2)
<u>Bank</u>	Sales	£ 13,971,000
	Purchases	£ 8,996,000
	Nett Sales on balance	£ 4,975,000