

Monday, 18th June, 1979.

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The Gilt Edged market was looking reasonably steady at the opening at the lower levels which had been reached on Friday afternoon, following the announcement of the two new Government tap stocks. Short-dated bonds were, however, slightly higher on balance, while other sections of the market were looking steady at the lower levels, which were about $\frac{1}{4}$ - $\frac{3}{4}$ down, following the announcement of the new loans. Although business was not on a large scale, a rather firmer tendency developed during the morning and the short-dated bonds improved by as much as $\frac{3}{8}$ - $\frac{1}{2}$ a point and the mediums by $\frac{1}{8}$ - $\frac{1}{4}$. Long-dated issues were rather mixed; stocks in the area 1990-1995 recovered most of their previous losses but the very long-dated issues, although improving, were still about $\frac{1}{2}$ a point below the previous night's closing levels. The whole market ended the day looking reasonably firm in light trading at the slightly higher levels.

The Industrial market opened slightly easier following the week-end Press comment and concern ahead of the forthcoming trade figures. Prices, after drifting lower on initial dealings, rallied strongly on reports that Sauda Arabia have increased their oil output and most sections tended to close marginally higher on balance. Banking, Brewery and Store shares recovered earlier losses, while Kaffir issues tended to react slightly on the gold fix price. Hanson Trust closed higher on balance after their results and rights issue announcement.

Financial Times Index (3.00 p.m.) 480.5 (up 2.0)

<u>Bank</u>	Sales	£	9,210,000
	Purchases		NIL
	Nett Sales on balance	£	9,210,000