

Tuesday, 19th June, 1979.

The Gilt Edged market was very quiet, steady and unchanged at the opening but during the early part of the morning a firmer tendency developed, led by the short-dated bonds, and prices improved by  $\frac{1}{8}$  -  $\frac{1}{4}$  throughout the list. Although business was not on a large scale, small buyers predominated and further improvement was seen so that by lunchtime rises of as much as  $\frac{3}{8}$  -  $\frac{1}{2}$  a point were widespread in all sections. Business was on a much smaller scale during the afternoon, in advance of the trade figures, although a slightly easier tendency developed just before the close of business and prices in some places were  $\frac{1}{8}$  below the very best levels. Apart from this, the market closed the day looking reasonably firm.

The Industrial market opened steady but tended better during the morning session on selective investment interest. This was prompted by speculation that the May trade figures may not be as poor as has been suggested in recent Press comment. The Engineering sector was generally firm throughout with John Brown again a feature ahead of results due next week. In Stores issues, House of Fraser eased on profit-taking after a bid denial from Lonrho. Trust Houses Forte produced better than anticipated interim figures and the shares improved accordingly. Kaffirs eased marginally in light trading conditions.

Financial Times Index (3.00 p.m.) 487.7 (up 4.8)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	2,506,000
	Nett Purchases on balance	£	2,506,000
<u>Bank</u>	Sales	£	9,276,000
	Purchases	£	15,084,000
	Nett Purchases on balance	£	5,808,000