

Thursday, 12th July, 1979.

The Gilt Edged market was very quiet, steady and unchanged at the opening in all sections. An easier tendency, however, developed soon after trading had started and this was thought to be mainly due to press comment concerning the likelihood of the continuation of the 14% M.L.R. for a period of months rather than weeks. Selling was not heavy but prices were marked down so that by midday falls of $\frac{1}{4}$ - $\frac{3}{8}$ were widespread in all sections. A slight recovery was seen during the early part of the afternoon but this improvement was soon lost when it was learnt that the West German Bank Rate had risen from 4% to 5%. Business remained on a very small scale and the whole market closed the day looking reasonably steady at the lower levels.

The Industrial market opened steady after yesterday's easier trend. Prices tended to improve marginally during the day on selective buying interest, with all sectors closing slightly higher on balance. Oil shares, initially sharply lower on American advices, rallied from the worst levels, while Kaffir issues remained steady at the overnight levels. Imperial Tobacco, initially higher ahead of their interim figures, eased following publication and closed lower on the day, while Howden Group moved higher after their final figures. Cartiers, suspended at 9.30 pending an announcement, returned at 146p following the bid of 150p a share from Tesco.

Financial Times Index (3.00 p.m.) 470.1 (up 1.5)

C.N.D.

Sales	NIL
Purchases	£ 3,822,000
Nett Purchases on balance	£ 3,822,000

Bank

Sales	£ 9,705,000
Purchases	NIL
Nett Sales on balance	£ 9,705,000