

Tuesday, 17th July, 1979.

The Gilt Edged market was looking quietly firm at the opening in all sections, in spite of the adverse press comment on the trade figures which had been announced on the previous afternoon. Sterling was looking very strong and it was thought that once again foreign buyers were entering the market. Prices improved throughout the morning in all sections but most interest was concentrated on the long-dated high coupon issues. Rises in this section amounted to as much as $\frac{3}{4}$ - $1\frac{1}{4}$ points, while improvement in the shorts was confined to about $\frac{1}{4}$ - $\frac{1}{2}$. The market remained firm during the early part of the afternoon but just before the close some profit-takers were seen and the whole market closed the day looking reasonably firm but below the best levels.

The Industrial market opened cautiously on the overnight comment on yesterday's trade figures. Prices, however, responded to the higher gilt market and small buying interest caused most sections to move higher throughout the day with most sections closing at the best levels. Brewery, Store and Property shares were firm sections, while Oil and Paper issues eased on balance. Ladbrokes remained nervous following yesterday's sharp decline on the rejection for the renewal of their London Casino licences, while Unigate returned, after suspension, on their figures and sale of sixteen creameries to the Milk Marketing Board for £43 million, 11p higher at 92p. Kaffirs remained an active market on the gold fix price and closed at the best levels.

Financial Times Index (3.00 p.m.) 475.8 (up 5.1)

<u>Bank</u>	Sales	£	68,572,000
	Purchases	£	2,439,000
	Nett Sales on balance	£	66,133,000