

Wednesday, 18th July, 1979.

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The Gilt Edged market was looking very firm at the opening in all sections and this, once again, was thought to be mainly due to the strength of sterling and foreign interest in Government securities. Most of the buying was concentrated at the long end of the market and, with the jobbers short of stock, prices improved sharply to show rises at one moment in time, of as much as almost 2 points. Short-dated bonds also attracted some interest but on a much smaller scale and prices only improved by  $\frac{1}{4}$  -  $\frac{3}{8}$ . Some profit-taking was seen at the higher levels and there was little follow through during the afternoon, with the result that falls of  $\frac{1}{4}$  -  $\frac{1}{2}$  from the highest levels were seen at the long end, but the market closed looking reasonably firm after these considerable rises, although well below the best levels.

The Industrial market opened steady following yesterday's firmer trend. Prices, however, tended to drift lower during the day on lack of any follow through and most sections closed lower on balance. Store, Property and Electrical shares failed to maintain the best levels, while Oil issues were dull on the strength of sterling and the weakness of the dollar premium. Unigate improved further following yesterday's results and sale of sixteen of their creameries, while Union Discount and Birmid Qualcast both improved after their respective results. Kaffir shares were again in demand on the gold fix price, which was fixed at 303.85.

Financial Times Index (3.00 p.m.) 475.5 (down 2.5)

<u>C.N.D.</u>	Sales	NIL
	Purchases	£ 3,552,000
	Nett Purchases on balance	£ 3,552,000
<u>Bank</u>	Sales	£ 47,203,000
	Purchases	£ 3,235,000
	Nett Sales on balance	£ 43,968,000