

Wednesday, 1st August, 1979.

The Gilt Edged market was looking slightly firmer at the opening in all sections after the quite substantial falls which had taken place during the previous two days trading. Sellers were absent and on the appearance of a few cheap buyers, the market improved by $\frac{1}{8}$ - $\frac{3}{8}$ throughout the list. Business remained on a fairly low scale and by lunchtime most of the early improvement had been lost. However, in the early part of the afternoon the sterling/dollar rate improved quite sharply and the market made a quick recovery in all sections and, in particular, at the long end of the market where rises of $\frac{3}{4}$ - 1 point were seen. In fact, the whole market closed the day looking reasonably firm at or around the best levels.

The Industrial market opened steady to slightly easier on the overnight press comment. Prices, however, tended to recover during the day on renewed small buying interest with all sections closing at the slightly higher levels. Tobacco, Banking and Electrical shares were firm sectors, while Kaffir issues moved lower on the gold fix price. B.P. opened sharply easier on the Nigeria nationalisation proposal, but recovered in later trading, while Shell were unchanged on the special dividend payment.

Financial Times Index (3.00 p.m.) 455.8 (up 1.6)

<u>C.N.D.</u>	Sales	NIL
	Purchases	£ 1,332,000
	Nett Purchases on balance	£ 1,332,000
<u>Bank</u>	Sales	NIL
	Purchases	£ 2,745,000
	Nett Purchases on balance	£ 2,745,000