

Thursday, 9th August, 1979.

Jul 9/8

The Gilt Edged market was looking firm at the opening and prices improved by $\frac{1}{8}$ - $\frac{1}{4}$ throughout the list. Although turnover was on a much smaller scale, buyers still predominated and further demand was seen for the long-dated high coupon issues following the exhaustion of the Government long-dated tap stock, Treasury 11 $\frac{3}{4}$ % 2003/07 on the previous day. The medium-dated area of the market was also extremely firm and, in particular, there was a heavy demand for stock in the 1983/1985 area. By lunchtime rises at the long end amounted to as much as $\frac{3}{4}$ of a point, while the short-dated bonds were $\frac{1}{4}$ - $\frac{3}{8}$ higher. The market turned slightly easier during the afternoon on the appearance of some profit-takers but it closed the day looking reasonably steady at about $\frac{1}{4}$ - $\frac{3}{8}$ below the best levels.

The Industrial market opened slightly lower, failing to maintain the recent firmer trend. Prices tended to move easier throughout the day on small profit-taking, after the recent rise, with all sections closing at the worst levels. Leading issues, Electrical and Oil shares were dull sectors, while Banking and Insurance issues closed around the overnight levels. Kaffir shares continued to improve during the day on investment demand, on the higher gold fix price.

Financial Times Index (3.00 p.m.) 467.6 (down 6.1)

<u>Bank</u>	Sales	£	39,217,000
	Purchases	£	20,568,000
	Nett Sales on balance	£	18,649,000