

Tuesday, 14th August, 1979.

The Gilt Edged market was very quiet and slightly easier in the short-dated bonds at the opening. Business was on a small scale throughout the morning but an easier tendency developed and by midday long-dated issues were about $\frac{1}{4}$ - $\frac{3}{8}$ below the opening levels. In fact the recent Government long-dated tap stock, Treasury 11^{3/4} 2003/07, fell at one moment to 14 $\frac{1}{2}$ %, 15% paid. Just before lunch and in the early part of the afternoon some quite substantial buyers returned to the market at the lower levels and, with the jobbers short of stock, a very sharp recovery was seen and prices rose by as much as $\frac{3}{4}$ of a point from the lowest levels at the long end of the market. The short-dated bonds were also firm and all the early losses were regained, and this section closed showing rises of about $\frac{1}{8}$ - $\frac{1}{4}$ from the opening levels.

The Industrial market opened cautiously following yesterday's firmer tone. Prices tended to drift easier during the day on small selective selling and, with little or no buying interest, all sections closed at the lower levels. Brewery shares were an isolated firm sector, while Insurance and Electrical issues eased marginally on balance. Kaffir shares were dull on the gold fix price, while Smith & Nephew and Commercial Union were unchanged following their respective results.

Financial Times Index (3.00 p.m.) 474.1 (down 1.7)

<u>C.N.D.</u>	Sales	£	4,262,000
	Purchases	£	4,252,000
	Nett Sales on balance	£	10,000
<u>Bank</u>	Sales	£	11,225,000
	Purchases	£	50,400,000
	Nett Purchases on balance	£	39,175,000