

Tuesday, 18th September, 1979.

The Gilt Edged market was showing a slightly firmer tendency at the opening this morning and prices were $\frac{1}{8}$ - $\frac{1}{4}$ higher throughout the list, following an improvement in the sterling/dollar rate. Sellers seemed to have disappeared from the scene temporarily and a few cheap buyers appeared at the slightly improved levels, and found jobbers short of stock, with the result that the market remained quietly firm throughout the morning although in places one or two long-dated issues were $\frac{1}{8}$ below the best levels by lunchtime. The market remained quietly firm during the morning, in advance of the announcement of the trade figures for August and, in fact, closed at or around the best levels in all sections.

The Industrial market opened steadier after yesterday's easier tone. Prices, however, reversed the initial trend during the day on optimism of the outcome of the engineering talks and ahead of the August trade figures, most sections closed at the slightly higher levels. Kaffir shares were a particularly firm feature on the sharply higher gold fix price, while Rolls Royce, Willis Faber and Inveresk all eased following their respective results.

Financial Times Index (3.00 p.m.) 468.5 (up 2.5)

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|-------------|---------------------------|---|------------|
| <u>Bank</u> | Sales | £ | 5,083,000 |
| | Purchases | £ | 35,226,000 |
| | Nett Purchases on balance | £ | 30,143,000 |