

Thursday, 20th September, 1979.

The Gilt Edged market was slightly easier at the opening in all sections and this was thought to be mainly due to the higher interest rates announced in the U.S.A. on the previous evening and the continuation of the engineering strike. Prices were  $\frac{1}{16}$  -  $\frac{1}{8}$  lower in all sections and this easier tendency continued throughout the morning and further falls were seen so that by lunchtime the market was at least  $\frac{3}{8}$  -  $\frac{1}{2}$  a point down in the longer dated issues and  $\frac{1}{16}$  -  $\frac{1}{8}$  lower in the short-dated bonds. During the afternoon long-dated issues improved by  $\frac{1}{8}$  while the short-dated bonds regained their early losses, and the whole market closed the day looking slightly steadier at the lower levels. The main feature of the day's trading was the large purchase by the authorities of Treasury  $10\frac{1}{2}\%$  Stock 1979.

The Industrial market opened slightly lower following the latest Bank of England bulletin report. Prices continued to drift easier during the day on small selling and, with little or no buying interest, all sections closed at or around the worst levels. Stone Platt and Delta Metal were sharply lower following their respective results, while Croda and G.K.N. moved higher after the interim figures. Kaffir shares remained steady around the overnight levels after the recent active trend.

Financial Times Index (3.00 p.m.) 457.2 (down 3.1)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	522,000
	Nett Purchases on balance	£	522,000
<u>Bank</u>	Sales	£	831,000
	Purchases	£	87,604,000
	Nett Purchases on balance	£	86,773,000