

Tuesday, 2nd October, 1979.

The Gilt Edged market was very quiet and slightly easier at the opening following some selling which had been seen after hours on the previous evening. Short-dated bonds were lower by about  $\frac{1}{16}$  and the medium and long-dated issues by  $\frac{1}{8}$ . Business was on a very small scale throughout the morning but a few sellers appeared and prices were marked down, so that by lunchtime falls of about  $\frac{1}{2}$  a point in the long-dated issues were widespread. Short-dated bonds also lost a further  $\frac{1}{8}$  and showed falls of  $\frac{3}{16}$  -  $\frac{1}{4}$ . Little change was seen during the afternoon and the market made no recovery and closed looking barely steady at the lower levels.

The Industrial market opened cautiously following yesterday's easier tone. Prices, however, rallied during the day on renewed buying interest, with most sections closing at the slightly higher levels. Brewery and Paper shares improved during the day, while Building issues eased marginally on balance. B.P. were again a firm feature ahead of the share split, while Bunzl results were slightly disappointing. Kaffir issues provided a very firm sector on the sharply higher gold fix price.

Financial Times Index (3.00 p.m.) 470.3 (up 3.5)

<u>Bank</u>	Sales	£ 6,146,000
	Purchases	£ 7,289,000
	Nett Purchases on balance	£ 1,143,000