

Wednesday, 10th October, 1979.

The Gilt Edged market was steady and more or less unchanged in price at the opening in all sections; in fact, during initial trading, prices tended to improve by $\frac{1}{16}$ - $\frac{1}{8}$. This slightly steadier tendency was, however, very short lived and quite substantial sellers soon appeared in both the short and long-dated areas of the market. Although there was some evidence of cheap buyers at the lower levels, selling continued throughout the morning and some of it was thought to be from foreign sources. By lunchtime prices were as much as a $\frac{1}{2}$ lower in the short-dated bonds and 1 point down in the long-dated issues. A slight rally in the early part of the afternoon brought in further sellers and the market closed the day looking weak at the lowest levels, after further falls of $\frac{1}{8}$ - $\frac{1}{4}$ in all sections.

The Industrial market opened easier after the sharp overnight decline on Wall Street. Prices moved lower initially and despite a mid-morning rally, all sections reacted again on renewed selling, to close at the worst levels. Insurance, Brewery and Oil shares were particularly dull sectors, while Banking issues closed only marginally easier on balance. Kaffir shares and Mining Financial issues were sharply higher on the gold fix price, while Consolidated Gold Fields, after moving ahead on the final results, reacted in later trading.

Financial Times Index (3.00 p.m.) 473.4 (down 9.5)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	2,029,000
	Nett Purchases on balance	£	2,029,000
<u>Bank</u>	Sales	£	10,338,000
	Purchases	£	14,140,000
	Nett Purchases on balance	£	3,802,000