

Friday, 12th October, 1979.

The Gilt Edged market was looking reasonably steady at the opening and, where changed, prices in all sections were slightly higher after the fairly sharp fall which had taken place on the previous day. In spite of no encouraging news from the U.S.A., it was thought that there would be some bear closing and cheap buyers would appear at the lower levels, and this proved to be the case. The market remained quite firm and reasonably active throughout the morning, with buyers predominating, and by lunchtime rises of $\frac{1}{4}$ in the short-dated bonds and as much as $\frac{1}{2}$ a point in the long-dated issues were widespread. The market eased slightly during the afternoon but it ended the week looking reasonably firm, showing rises of $\frac{1}{8}$ - $\frac{3}{8}$ in the short-dated bonds and $\frac{1}{8}$ - $\frac{3}{8}$ in the long-dated issues, but below the best levels.

The Industrial market opened quietly with prices steady at overnight levels. Modest investment interest during the morning session caused most sectors to improve but this was not sustained and prices drifted lower on lack of business. Leading issues were generally firm with Courtaulds in demand following favourable press comment. In a mixed Electrical sector, International Computers Ltd. were lower after the announcement of a factory closure. Standard Telephones and Cables were weak on disappointing half-yearly results. Television shares were higher and Debenhams tended better on further consideration of yesterday's interim figures. Dalgety were easier as they finally gained control of Spillers and their bid was declared unconditional. Kaffirs were dull on the lower bullion price.

Financial Times Index (3.00 p.m.) 475.3 (up 3.4)

<u>Bank</u>	Sales	£	14,281,000
	Purchases		NIL
	Nett Sales on balance	£	14,281,000