

Monday, 15th October, 1979.

The Gilt Edged market was steady and unchanged in all sections at the opening and there was little or no change in price. However, soon after dealing started an easier tendency developed and some quite substantial sellers appeared and this was thought to be mainly due to Press comment in the 'Financial Times' on the subject of the possibility of wage claims this winter running at minimum level of $17\frac{1}{2}\%$ and the increased likelihood of Minimum Lending Rate remaining at its present level or possibly rising. By lunchtime falls of $\frac{1}{4}$ - $\frac{3}{8}$ in the shorts and $\frac{1}{2}$ - $\frac{5}{8}$ in the longs were widespread. The market recovered slightly during the early part of the afternoon but, on rumours of a rise in Prime Rates of the major American banks from $14\frac{1}{2}\%$ - 15% just before the close, the market ended the day looking rather weak in all sections, at the lowest levels.

The Industrial market opened the second week of the account quietly steady. Prices soon drifted lower as investors await the September trade figures due tomorrow. Oils were generally dull on week-end Press comment concerning the imminence of the sale by Her Majesty's Government of B.P. shares. Stores were steady, ahead of interim figures due within the next week from Marks & Spencer, Mothercare, Grattan and British Home Stores. Rugby Portland Cement were steady on the announcement of lower interim profits. Property shares eased on fears of continuing high interest rates. Hawker Siddeley were dull ahead of the interim results due on Thursday. Kaffirs were in demand as the gold price improved.

Financial Times Index (3.00 p.m.) 471.0 (down 4.0)

C,N,D.

and Sales and Purchases NIL

Bank