

Wednesday, 31st October, 1979.

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The Gilt Edged market was steady at the opening in all sections and the only changes in price were seen in the short-dated bonds, which were $\frac{1}{16}$ higher in one or two places. A few small buyers were seen during the morning, which was thought to be mainly due to the slight improvement in the sterling/dollar rate and this improvement was seen in all sections so that by lunchtime rises of $\frac{1}{4} - \frac{3}{8}$ were widespread throughout the list. The market hesitated temporarily when it was learnt that there had been a rise in the German bank rate, but the market remained reasonably firm during the afternoon and closed the day looking fairly steady, at or just below the best levels, with rises of $\frac{1}{4} - \frac{3}{8}$ throughout the list.

The Industrial market opened steady at around the overnight levels. Prices tended to improve initially on the announcement of the B.P. Offer for Sale, but all sections reacted in later trading to close slightly easier on balance. Brewery, Food and Building shares were dull sectors, while Kaffir issues improved in line with the higher gold fix price. B.P. opened sharply higher on the official statement, with most Oil shares moving ahead in sympathy but profit-taking caused a reaction throughout the sector in later trading.

Financial Times Index (3.00 p.m.) 437.4 (down 1.7)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	3,591,000
	Nett Purchases on balance	£	3,591,000
<u>Bank</u>	Sales	£	11,715,000
	Purchases		NIL
	Nett Sales on balance	£	11,715,000