

Tuesday, 6th November, 1979.

The Gilt Edged market was looking reasonably steady at the opening and, in places, one or two prices were slightly above the previous night's closing level, which reflected some buying which had been seen after hours. Business was on a fairly small scale throughout the morning but most of the early gains were soon lost and by lunchtime, after a certain amount of selling, particularly in the area of the short-dated bonds, prices throughout the list were about $\frac{3}{8}$ - $\frac{1}{2}$ below the opening levels. The market remained very quiet in the early part of the afternoon in advance of the banking figures for October and when these were announced at 2.30 p.m., they were very much worse than the market had expected and prices were marked down by a further $\frac{1}{2}$ - $\frac{3}{4}$ of a point. Even at these low levels some sellers appeared and, in particular, quite a large amount of stock maturing within the next 12 months came on to the market, which closed the day looking soft, at or around the lowest levels, with falls of about $\frac{7}{8}$ - $1\frac{1}{8}$ points in all areas.

The Industrial market opened slightly steadier after the recent dull tone. Prices tended to move higher initially on small investment buying but, following the bank lending figures, all sections reacted sharply to close marginally ahead on balance. Banking shares held nett gains, while Property, Electrical and Oil issues reacted in later trading after initial firmness. Kaffir shares remained steady, while Whitbread and Capper Neill both improved on their respective results. E.M.I. held steady on the announcement of a revised bid from Thorn Electrical.

Financial Times Index (3.00 p.m.)

423.3 (up 2.3)

<u>C.N.D.</u>	Sales	NIL
	Purchases	£ 7,052,000
	Nett Purchases on balance	£ 7,052,000
<u>Bank</u>	Sales	NIL
	Purchases	£ 24,475,000
	Nett Purchases on balance	£ 24,475,000