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Thursday, 8th November, 1979.

The Gilt Edged market opened somewhat easier this morning following some overnight selling which was to a certain extent renewed this morning. It did not initially appear that there was any follow through to this trend and the market tended to rally. However, during the morning further sellers appeared, largely in the longer end, and drove prices downward again. By 12.30 long-dated stocks were up to 1 point down and shorts were up to  $\frac{3}{8}$  down. Following the no change decision in Minimum Lending Rate, prices improved slightly but this rally did not hold and prices by lunchtime were generally back to 12.30 levels. During the afternoon a few buyers did come in and once again the market improved by up to  $\frac{1}{4}$  from the lowest levels. At the close of business short-dated stocks were about  $\frac{1}{8}$  -  $\frac{1}{4}$  down on balance with longs about  $\frac{5}{8}$  -  $\frac{3}{4}$  lower.

The Industrial market opened cautiously on the further decline on Wall Street and the increase of the U.S. prime rate by Chase Manhattan. Prices continued to ease during the morning on rumours of a possible increase in M.L.R. but, following an unchanged rate, most sections closed at or around the worst levels. Store and Building shares were dull sectors, while Banking issues held small nett gains. Cater Ryder moved lower on the interim statement, while Kaffir shares were slightly easier on the gold fix price.

Financial Times Index (3.00 p.m.) 412.8 (down 5.3)

C.N.D.

Sales	NIL
Purchases	£ 2,903,000
Nett Purchases on balance	£ 2,903,000