

Tuesday, 20th November, 1979.

The Gilt Edged market was easier at the opening in all sections and prices were lower by  $\frac{1}{4}$  -  $\frac{3}{8}$  in the short-dated bonds and about  $\frac{1}{2}\%$  in the long-dated issues. These falls affected some selling which had been seen after hours on the previous evening. This easier tendency continued throughout the morning and, to some extent, this was thought to be due to fears of further industrial troubles in Leyland Motors and the Coal Industry. Selling was not heavy but some quite substantial profit-takers were seen after the large rises which had recently taken place, so that by lunchtime falls of  $\frac{1}{2}$  - 1 point were widespread in all sections. The market was much quieter during the afternoon but no recovery was seen and it ended the day looking barely steady at or just above the lowest levels.

The Industrial market opened cautiously following yesterday's firmer tone. Prices tended to drift easier initially and after the announcement of the conflict in Africa, all sections moved lower and closed at the worst levels. Banking shares reacted sharply, while Electrical and Brewery issues moved easier throughout the day. Oil shares continued the recent firmer trend, while Kaffir issues failed to maintain the better levels. Metal Box, initially higher on the better than expected interim figures, reacted in later trading.

Financial Times Index (3.00 p.m.) 406.3 (down 5.0)

<u>Bank</u>	Sales	£ 9,553,000
	Purchases	£ 4,785,000
	Nett Sales on balance	£ 4,768,000