

Monday, 14th January, 1980.

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The very firm tendency which had been seen at the end of last week continued this morning and the market was very firm in all sections at the opening, although the short-dated bonds were not nearly as much in demand as the medium and long-dated issues. Business was on a fairly large scale throughout the morning and, with the jobbers short of stock and buyers predominating, prices improved at the long end of the market and rises of as much as $1\frac{1}{2}$ - 2 points were seen by lunchtime. This was quite a remarkable performance in view of the fact that money was extremely tight and overnight rates rose to over 20%. The market remained firm and reasonably active throughout the afternoon and closed the day at or around the best levels in all sections and it was thought that some of this improvement was due to buying from overseas.

The Industrial market opened slightly firmer at the beginning of the new account. Prices continued the recent advance during the day on investment interest and, with a lack of any selling, all sections closed at the best levels. Store, Property and Banking shares were particularly firm sectors, the latter following recent dullness, while Kaffir issues were sharply higher on the gold fix price. Kenning Motors were marginally firmer after the final figures and statement.

Financial Times Index (3.00 p.m.) 448.3 (up 13.1)

BANK

Sales	£	62,609,000
Purchases	£	55,242,000
Nett Sales on balance	£	7,367,000