

Thursday, 24th January, 1980.

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The Gilt Edged market was firm at the opening in all sections and prices improved in the short-dated bonds by as much as $\frac{1}{8}$ - $\frac{3}{8}$ and $\frac{1}{2}$ - $\frac{3}{4}$ in the long-dated issues. Both the short and the long-dated Government new issues, which had been on offer by tender on the previous day, had been undersubscribed and at the opening of business a very large demand was seen for the new tranche of Treasury 12 $\frac{1}{2}$ % Stock 2003-05 'A' and official supplies of this stock were immediately exhausted at a price of £26% (25% paid). There was a smaller demand for the new short-dated bond, Exchequer 13 $\frac{1}{2}$ % 1983, but a certain amount of this stock was also sold at a price of 60 $\frac{1}{8}$ (60% paid). After this initial burst of activity some quite substantial sellers and profit-takers soon appeared and by midday all the early gains had been lost and in fact the market was looking far from robust in all sections, with falls of about $\frac{1}{2}$ - $\frac{3}{4}$ of a point below the previous night's closing levels, although there were one or two vain attempts to rally during the afternoon. The market closed the day looking rather weak at the lowest levels with the two new tap stocks standing at 59 $\frac{3}{8}$ and 24 $\frac{1}{8}$.

The Industrial market opened slightly higher on the better overnight tone on Wall Street. Prices moved sharply ahead initially on investment buying but lack of any follow through caused all sections to react to around overnight levels. Store, Oil and Electrical shares failed to maintain the best levels in later trading, while Kaffir issues rallied after recent dullness, on the gold fix price. Davy International were sharply lower after the disappointing interim figures, while Rank Organisation moved slightly higher following their final results.

Financial Times Index (3.00 p.m.) 450.6 (down 0.2)

<u>C.N.D.</u>	Sales	£	4,628,000
	Purchases	£	4,635,000
	Nett Purchases on balance	£	7,000
<u>BANK</u>	Sales	£	198,086,000
	Purchases	£	72,223,000
	Nett Sales on balance	£	125,863,000