

Wednesday, 19th March, 1980.

The Gilt Edged market was steady and unchanged at the opening following a further rise in the prime rate of the major American banks to 19%. In spite of this, short-dated bonds in early trading showed some small improvement but this, however, was short lived and sellers soon appeared; it was thought that some holders of shorts were switching into the long-dated issues, which improved around midday by $\frac{1}{8}$ - $\frac{1}{4}$. The easier tendency in the shorts continued throughout the day and they closed looking rather irregular with falls of $\frac{1}{16}$ - $\frac{1}{8}$. The medium and long-dated issues, by contrast, remained firm and even showed some slight improvement during the afternoon, to close at the best levels, with rises of $\frac{1}{8}$ - $\frac{3}{8}$.

The Industrial market opened slightly higher following the better overnight tone on Wall Street. Prices, however, failed to maintain the initial levels as the buying interest was replaced with small sellers, and most sections drifted throughout the remainder of the day and closed marginally easier on balance. Kaffir shares recovered after the recent sharp decline on the gold fix price, while Insurance, Store and Electrical issues moved narrowly during the day. D.R.G., Thomas Tilling and Tube Investments all improved after their respective results and statements.

Financial Times Index (3.00 p.m.) 429.9 (down 1.8)

<u>C.N.D.</u>	Sales	£	3,555,000
	Purchases	£	3,675,000
	Nett Purchases on balance	£	120,000