

Wednesday, 2nd April, 1980.

The Gilt Edged market was steady and unchanged in all sections at the opening. Although business was on a much smaller scale compared to the previous day, the firmer tendency continued in spite of the further rise in the prime rate of a major American bank to $19\frac{3}{16}\%$. Short-dated bonds were particularly firm and attracted some quite substantial buying and this spread down the list to the longer-dated issues, so that by lunchtime rises of $\frac{1}{8}$ - $\frac{3}{8}$ were widespread. Little change was seen during the afternoon and the announcement of the reserve figures for March had little effect on the market. Some profit-taking was seen just before the close but the market ended the day looking reasonably steady, just below the best levels. Once again the authorities were able to buy quite a substantial amount of the next maturity, Treasury $9\frac{1}{2}\%$ 1980.

The Industrial market opened steady to slightly higher, extending yesterday's better tone. Prices tended to fluctuate marginally during the day in extremely quiet trading and most sections closed at or around the overnight levels. Insurance and Banking shares reacted after the recent firm tone, while Oil and Property issues held small nett gains. Burton Group provided a firm feature on renewed press comment, while Kaffir issues drifted easier on the gold fix price. G.K.N., B.I.C.C. and Willis Faber all reacted after initial firmness, following their respective results.

Financial Times Index (3.00 p.m.) 433.7 (up 1.3)

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| <u>C.N.D.</u> | Sales | £ | NIL |
| | Purchases | £ | 1,789,000 |
| | Nett Purchases on balance | £ | 1,789,000 |
| <u>BANK</u> | Sales | £ | 8,953,000 |
| | Purchases | £ | 50,396,000 |
| | Nett Purchases on balance | £ | 41,443,000 |