

Wednesday, 28th May, 1980.

The Gilt Edged market was slightly easier at the opening in all sections and prices were about $\frac{1}{16}$ - $\frac{1}{8}$ below the previous night's closing level. Business was on a much smaller scale compared to Tuesday and some profit-taking was seen during the morning, with the result that by lunchtime falls of $\frac{1}{4}$ - $\frac{1}{2}$ a point were widespread, due to a certain extent on the slight weakening of sterling in the absence of any further buyers. Little or no change was seen during the afternoon and no real recovery took place, so that the market closed the day looking barely steady at the lowest levels, showing falls of about $\frac{1}{4}$ - $\frac{3}{8}$ in the short-dated bonds and $\frac{1}{4}$ - $\frac{1}{2}$ down in the long-dated issues.

The Industrial market opened steady, unaffected by the dismal C.B.I. report on manufacturing prospects. Prices generally drifted lower, without experiencing any significant selling pressure, in very quiet trading conditions. Electrical shares extended yesterday's easier trend as some large offerings of stock were seen on further consideration of recent bearish press comment. Stores issues were dull following the latest Retail sales figures, which were unchanged. British Home Stores, F. W. Woolworth and House of Fraser were particularly weak. Bass Charrington were easier on interim profits below market estimates and the Brewery sector was marked down in sympathy. Kaffirs and Mining Financials were in demand on the continued strength of the bullion price.

Financial Times Index (3.00 p.m.) 417.0 (down 3.0)

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| <u>C.N.D.</u> | Sales | | NIL |
| | Purchases | £ | 4,642,000 |
| | Nett Purchases on balance | £ | 4,642,000 |
| <u>BANK</u> | Sales | | NIL |
| | Purchases | £ | 488,000 |
| | Nett Purchases on balance | £ | 488,000 |