

Tuesday, 17th June, 1980.

The Gilt Edged market continued to be very firm and active throughout the day and prices once again improved sharply in all sections, although most of the emphasis was on the long-dated issues, with the short-dated bonds, by comparison, rather neglected. The medium and long-dated issues improved throughout the morning and by lunchtime were showing rises of 1 - 1½ points. Some profit-taking was seen in the early part of the afternoon: some of the short-dated bonds lost their early gains and the long-dated issues were lower by ¼ - ⅜ from the best levels. This was not really surprising after the very large rises which had taken place during the last 48 hours. The market improved slightly just before the close and ended the day looking reasonably firm but well below the best levels.

The Industrial market opened cautiously after the very firm tone seen yesterday. Prices, however, after tending to drift marginally easier initially on lack of institutional support, rallied again in later trading with most sections closing at the slightly higher levels. Oil shares met profit-taking while Banking, Stores and Building issues recovered to the overnight levels. Hambros Bank moved higher on further consideration of yesterday's figures, while Tesco were sharply lower ahead of the final figures due tomorrow. Kaffir shares continued to drift on the lower gold fix price, while Pilkington closed at the best level following the share placing.

Financial Times Index (3.00 p.m.) 469,5 (up 1.9)

<u>C.N.D.</u>	Sales	£	67,745,000
	Purchases	£	3,755,000
	Nett Sales on balance	£	63,990,000
<u>BANK</u>	Sales	£	19,352,000
	Purchases	£	15,530,000
	Nett Sales on balance	£	3,822,000