

Tuesday, 1st July, 1980.

The Gilt Edged market was slightly easier at the opening and prices, where changed, were $\frac{1}{8}$ - $\frac{1}{4}$ lower throughout the list. This was thought to be mainly due to press comment on the worsening of the industrial outlook for the country and the possibility of a reduction in the interest rates being further delayed. Selling was not heavy but there were few, if any, buyers and the easier tendency continued throughout the early part of the morning, so that by midday falls of $\frac{3}{8}$ - $\frac{1}{2}$ a point were widespread. Some cheap buyers, however, appeared at the lower levels and the market made quite a sharp recovery just before lunch and nearly all the early losses were regained. Little change was seen during the afternoon and the market closed the day looking reasonably steady, at or just around the opening levels.

The Industrial market opened easier on the press comment concerning the deepening recession and the lower overnight trend on Wall Street. Prices tended to drift during the day on selective selling and little or no buying demand caused all sections to close at the worst levels. Oil shares were sharply lower on the revised production target but tended to rally in later trading. Hays Wharf were particularly firm on the takeover approach, while I.C. Gas improved on the final figures. Kaffir shares were marginally firmer on the gold fix price.

Financial Times Index (3.00 p.m.)

461.0 (down 3.8)

C.N.D.

Sales

NIL

Purchases

£

5,000,000

Nett Purchases on balance

£

5,000,000