

Friday, 4th July, 1980.

The Gilt Edged market was quietly firm at the opening and prices were about $\frac{1}{8}$ higher in the shorts and $\frac{1}{4}$ up in the medium and long-dated issues. As soon as business started there was a large demand for Treasury 3% Stock 1985 and Exchequer 12 $\frac{1}{2}$ % Stock 1985 'A' and official supplies of both these issues were soon exhausted. After this initial burst of activity, the whole market quietened down and, although making further improvement in all sections during the morning, saw some quite substantial profit-taking around midday and some of the early gains were lost. Buyers once again appeared during the early part of the afternoon and prices rose about $\frac{1}{8}$ - $\frac{1}{4}$ above the opening levels but conditions were extremely irregular and small gains or losses were seen in all sections of the market by the close.

At 3.30 p.m. it was announced that there would be a further issue of Government stock by tender and partly-paid, which took the form of £1,000 million 12% Treasury Stock 1987 at a price of 96.

The Industrial market opened higher again, reflecting press comment on yesterday's M.L.R. reduction and the excellent results from G.E.C. and Scottish and Newcastle. Prices continued to improve initially before profit-taking at the higher levels caused most sections to react marginally and close below the best. Oil shares met selling following the recent firmer tone, while Brewery, Insurance and Building shares met buying interest. B.P., Selection Trust and Charter Consolidated were suspended pending an announcement, while Town & City moved higher after the final figures. Kaffir shares were slightly firmer on the higher gold fix price.

Financial Times Index (3.00 p.m.) 484.2 (up 4.1)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	3,357,000
	Nett Purchases on balance	£	3,357,000
<u>BANK</u>	Sales	£	209,489,000
	Purchases	£	21,147,000
	Nett Sales on balance	£	188,342,000