

Monday, 7th July, 1980.

The Gilt Edged market has been firm with demand concentrated in the longer end where prices have responded accordingly. Following the announcement on Friday of the Treasury 12% 1987 issue, the shorter-mediums have been restrained and have shown only minor price changes throughout the day. The longs however have moved ahead sharply and although seeing some profit-taking late in the session have shown rises on balance of up to $1\frac{1}{2}$ points. Short-dated stocks were also somewhat restrained both by the amount of stock recently absorbed in that area and also by the new tap. Prices in this section again closed below the best but with rises generally of up to $\frac{1}{4}$.

The Industrial market opened slightly lower following the cautious weekend press comment. Most sections, however, rallied strongly during the remainder of the day on renewed buying interest and prices generally closed at the best levels. Building, Insurance and Brewery shares were particularly firm sectors, while Oil issues remained depressed on continued production fears. B.P. returned 10 pence lower following the bid terms for Selection Trust, themselves £1.50 higher on the announcement, while Kaffir shares failed to register a decided trend.

Financial Times Index (3.00 p.m.) 492.7 (up 8.9)

C.N.D.

Sales		NIL
Purchases	£	4,353,000
Nett Purchases on balance	£	4,353,000

BANK

Sales	£	17,421,000
Purchases		NIL
Nett Sales on balance	£	17,421,000