

Friday, 1st August, 1980.

The Gilt Edged market was easier at the opening in all sections and this reflected some selling which had taken place after hours on the previous evening. A firmer tendency, however, developed during the morning after the quite sharp falls which had taken place earlier in the week and there was some evidence of bear closing, particularly at the long end of the market. By midday nearly all the early losses had been regained and prices recovered by  $\frac{1}{4}$  -  $\frac{3}{8}$  from the lower levels. The market continued to look reasonably steady during the afternoon and, although the high coupon short-dated bonds remained under slight pressure, the low coupon shorts continued to improve and showed rises on the day, while the long-dated issues ended the week either unchanged from the previous night's closing levels or showing rises of  $\frac{1}{8}$  -  $\frac{1}{4}$ .

The Industrial market opened easier as jobbers tried to establish trading levels and clear stock from their books before the week-end. Very little business was evident throughout the day with few significant movements and prices remained at the lower levels. Among generally dull Engineering shares, Dowty Group and Mining Supplies were firm on news of overseas orders for coal-mining equipment. In the Building sector, Taylor Woodrow were in demand following a bullish broker's circular. English China Clay eased on profit-taking as bid hopes receded. Electricals and Insurance shares recovered to overnight prices on small investment interest. Kaffirs were better as the gold price improved.

Financial Times Index (3.00 p.m.) 487.6 (down 2.7)

C.N.D.

and

Sales and Purchases

NIL

BANK