

Friday, 15th August 1980

The Gilt Edged market was looking slightly firmer at the opening and prices improved  $\frac{1}{16}$  -  $\frac{1}{8}$  throughout the list. This firmer tendency continued throughout the morning and further improvements were seen in anticipation of a more favourable announcement at 11.30 am of the R.P.I. figures. This improvement was more or less as expected and after a slight hesitation the market made further progress and by lunch time rises of  $\frac{3}{8}$  -  $\frac{1}{2}$  a point were wide spread. Some hesitation was seen in the early part of the afternoon but the market improved once again before the close and ended the week looking reasonably firm, showing rises of  $\frac{1}{4}$  to  $\frac{3}{4}$  in the short dated bonds and  $\frac{3}{8}$  to  $\frac{5}{8}$  in the long dated issues.

The Industrial market opened slightly higher extending the overnight trend. Investment demand was selective but most sectors improved during the day to close around the best levels. The Retail Price Index, although showing the expected rise, was an additional aid to the prevailing quietly bullish sentiment. Banks, Insurance and Property shares were firm. Barclays Bank were well supported ahead of interim results due next week. Leading issues were generally firm, with Unilever a feature. BOC International improved following favourable press comment after yesterday's figures. Kaffirs were steady in line with the bullion price.

Financial Times Index (3.00 p.m.)	481.9 (up 4.6)
<u>C.N.D.</u> Purchases	£2,017,000
<u>BANK</u> Sales	£9,725,000
Purchases	£5,496,000
Nett Sales on balance	£4,229,000