

Thursday, 21st August, 1980.

The Gilt Edged market was looking slightly firmer at the opening in all sections and prices, where changed, were  $\frac{1}{8}$  -  $\frac{1}{8}$  above the previous night's closing levels. This rather firmer tendency continued throughout the morning on the appearance of a few cheap buyers and some bear closing before the end of the week, so that by lunchtime some prices improved by as much as  $\frac{1}{2}$  a point at the long end of the market and  $\frac{1}{8}$  -  $\frac{1}{4}$  in the short-dated bonds. The market remained quietly firm during the afternoon and the announcement of the Public Sector Borrowing Requirement figures for the first quarter were more or less as anticipated. A few sellers did, however, appear just before the close and the market ended the day looking reasonably steady, showing rises of about  $\frac{1}{8}$  -  $\frac{1}{4}$  above the opening levels.

The Industrial market opened better, extending yesterday's late trend. Initial investment demand gave way to two-way trade later in the day, with prices closing around the best levels. Leading Electrical shares showed impressive gains as jobbers unsuccessfully attempted to cover short positions following the strong support seen recently. G.E.C. and Thorn-E.M.I. were the main features. In a steady Oil sector, Shell were slightly higher on satisfactory second-quarter figures. Lasmo were weak on unconfirmed reports of a dry well in the North Sea. Among quietly firm leading issues, I.C.I. were dull as analysts down-graded profit estimates prior to the interim statement due next week. Barclays Bank improved on half-yearly results that equalled expectations and other Clearing Banks tended better in sympathy. Food shares were generally firm with Reckitt and Colman encountering speculative interest ahead of figures due shortly. Tate and Lyle and British Sugar hardened on the continued strength of the sugar price. Kaffirs were higher in line with the bullion price.

Financial Times Index (3.00 p.m.) 497.3 (up 5.6)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	3,547,000
	Nett Purchases on balance	£	3,547,000
<u>BANK</u>	Sales	£	8,948,000
	Purchases	£	2,821,000
	Nett Sales on balance	£	6,127,000