

Tuesday, 26th August, 1980.

The Gilt Edged market at the opening was unchanged from the previous Friday's closing levels and business was on an extremely small scale with little, if any, interest being shown in any section of the market. During the morning, however, a slightly easier tendency developed on the appearance of a few sellers and by lunchtime prices were $\frac{1}{8}$ - $\frac{1}{4}$ down in the short, medium and long-dated areas. Little or no change was seen during the afternoon and no recovery was seen following the news that the Chase Manhattan Bank in America had raised its prime rate from $11\frac{1}{2}\%$ - $11\frac{1}{2}\%$, and the market closed the day looking barely steady, at or around the lower levels.

The Industrial market opened quietly steady following the long week-end recess. Prices tended to improve initially in extremely subdued trading but lack of any follow through caused most sections to react during the remainder of the day and close slightly lower on balance. Insurance and Electrical shares failed to maintain the better levels towards the close, while Kaffir issues moved easier on the gold fix price. Hong Kong Banking and I.M.I. were marginally lower after their respective results.

Financial Times Index (3.00 p.m.) 497.6 (down 1.3)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	4,941,000
	Nett Purchases on balance	£	4,941,000
<u>BANK</u>	Sales	£	2,255,000
	Purchases	£	2,815,000
	Nett Purchases on balance	£	560,000