

Wednesday, 3rd September, 1980.

The Gilt Edged market was quietly firm at the opening continuing the better trend which had developed on the previous afternoon. Short-dated bonds were about $\frac{1}{8}$ higher and the long-dated issues had improved by about $\frac{1}{8} - \frac{1}{4}$. This improvement continued throughout the morning and, with buyers predominating and jobbers short of stock, prices by lunchtime were showing gains of up to $\frac{3}{4}$ of a point in all sections; in particular, there was quite a large demand for the short-dated bonds and the medium maturities between 1985-1987. The market remained firm and reasonably active during the afternoon and, although hesitating slightly just before the close, it ended the day looking quite strong, at or just below the best levels, showing rises of more than 1 point in the longer shorts and $\frac{5}{8} - \frac{3}{4}$ of a point in the longer-dated high coupon issues.

The Industrial market opened slightly higher following the better overnight trend on Wall Street. Prices continued to improve throughout the day on renewed investment interest on hopes of an early reduction in M.L.R., with most sections tending to close at or around the best levels. Electrical, Property and Banking shares were particularly firm sectors, while Kaffir issues moved higher in line with the gold fix price. Insurance shares, initially firm ahead of results from Sun Alliance, G.R.E. and Phoenix, eased following the publication of the respective figures but rallied again towards the close.

Financial Times Index (3.00 p.m.)

489.4 (up 6.7)

C.N.D.

Sales		NIL
Purchases	£	1,215,000
Nett Purchases on balance	£	1,215,000

BANK

Sales	£	66,122,000
Purchases		NIL
Nett Sales on balance	£	66,122,000