

Thursday, 4th September, 1980.

The Gilt Edged market was slightly easier at the opening and prices, where changed, were about $\frac{1}{16}$ - $\frac{1}{8}$ down in the shorts and $\frac{1}{8}$ - $\frac{1}{4}$ lower in the medium and long-dated issues. This, it was thought, reflected some profit-taking after the large rise which had been seen on the previous two days' trading. This easier tendency continued throughout the morning, although selling was not heavy and by lunchtime falls of $\frac{1}{2}$ - $\frac{5}{8}$ were widespread throughout the list. The market made some recovery during the afternoon, due possibly to the further strength of sterling and ended the day looking reasonably firm, having recovered most of the early losses but prices were still $\frac{1}{8}$ - $\frac{1}{4}$ below the previous night's closing levels.

The Industrial market opened higher, extending yesterday's improvement. Sentiment was helped by the overnight strength of Wall Street. However, early selective buying was not sustained and prices failed to hold the best levels. Oil issues were active in two-way trade. British Petroleum were firm as interim figures exceeded market estimates. Tricentrol were unchanged on the latest progress report of North Sea drilling. The Engineering sector was generally better but Morgan Crucible and Blackwood Hodge eased following lower half-yearly results. Northern Engineering were steady on marginally increased profits. Among quiet Food shares, Cadbury-Schweppes improved on better than anticipated first-half figures. Bowater were dull on selling, ahead of their profits announcement due next week. Kaffirs were in demand as the gold price moved ahead.

Financial Times Index (3.00 p.m.) 491.6 (up 1.8)

<u>BANK</u>	Sales	£	1,476,000
	Purchases	£	2,400,000
	Nett Purchases on balance	£	924,000