

Friday, 19th September, 1980.

The Gilt Edged market was easier at the opening in all sections as a result of some selling which had been seen after hours on the previous evening, following various statements attributed to the Government with regard to any likelihood of lower interest rates in the immediate future. Business was on a small scale throughout the day but sellers predominated and by lunchtime falls of $\frac{3}{8}$ - $\frac{1}{2}$ a point were widespread. This easier tendency continued during the afternoon and no real recovery was seen and sentiment was not helped by further rises by several major U.S. banks of their prime rates to $12\frac{1}{4}\%$. The market closed the day looking barely steady, about $\frac{1}{2}$ - $\frac{3}{4}$ of a point below the opening levels in most sections.

The Industrial market opened easier, extending yesterday's late weakness caused by the very disappointing G.K.N. results. Prices fluctuated in light two-way trade before closing just above the lowest levels. Banking and Insurance shares encountered some profit-taking after recent strength. Engineering issues continued to fall as sellers were seen on further consideration for the sector outlook following the G.K.N. figures. European Ferries were dull on profits below market estimates. Other Shipping stocks were marked down in sympathy. Stores were steady and U.D.S. improved following press comment on yesterday's results. Electrical shares were generally easier, although Standard Telephones and Cables were better on increased interim figures. Kaffirs were firm as the bullion price remained unchanged.

Financial Times Index (3.00 p.m.)

493.0 (down 4.7)

BANK

Sales	£	2,096,000
Purchases	£	2,687,000
Nett Purchases on balance	£	591,000