

Tuesday, 30th September, 1980.

The Gilt Edged market was easier at the opening in all sections and this was thought to be mainly due to the sharp fall on Wall Street and fears of even higher interest rates in the U.S.A. Prices were $\frac{1}{8}$ - $\frac{1}{4}$ down in all sections but this easier tendency brought in few, if any, sellers and the market recovered during the morning and in fact made quite a substantial improvement so that by lunchtime rises of $\frac{1}{4}$ - $\frac{1}{2}$ a point were widespread. This firmer tendency continued throughout the afternoon in light trading and the market closed the day looking firm, at or around the best levels, with rises of $\frac{1}{4}$ - $\frac{3}{8}$ in the short-dated bonds and $\frac{1}{2}$ - $\frac{3}{4}$ of a point in the longer-dated issues.

The Industrial market opened slightly lower with sentiment adversely affected by the continuing Middle East troubles. However, there was no selling to cause any further reaction and selective investment support, helped prices to improve during the day in very quiet conditions. Oil shares, with little dependence on the volatile Arabian supplies, were in demand; secondary issues with large North Sea interest were particularly strong. Electricals and Properties were generally better and the Engineering sector was firm, with Tube Investments higher following a recent broker's recommendation. Poseco Minsep eased on marginally disappointing interim figures. Building shares were dull on a bearish report for house building prospects. Ready Mixed Concrete were steady as first-half profits exceeded market estimates. Kaffirs initially encountered profit-taking but soon steadied as cheap buyers appeared. The bullion price fluctuated but remained lower on balance.

Financial Times Index (3.00 p.m.) 477.4 (up 1.8)

BANK

Sales		NIL
Purchases	£	468,000
Nett Purchases on balance	£	468,000