

Wednesday, 15th October 1980

The Gilt-Edged market was quiet and slightly easier at the opening and prices where changed were $\frac{1}{16}$ - $\frac{1}{8}$ lower. These small losses however were soon regained and right after the market opened a large demand was seen for the Government long dated 'tap' stock Exchequer 12% 1998 'A' and official supplies were exhausted at a price of $50\frac{1}{2}$ (50% paid). Other stocks at the long end of the market made further improvement during the morning and by lunch time rises of $\frac{3}{8}$ - $\frac{1}{2}$ a point were wide spread. Short dated bonds by contrast were quiet and rather neglected and remained unchanged, or $\frac{1}{16}$ below the opening levels. The market remained much quieter during the afternoon in advance of the trade figures but ended the day looking reasonably firm at or just below the best levels in the medium and long dated issues and more or less unchanged or slightly easier in the short dated bonds.

The Industrial market opened steady ahead of the United Kingdom average earnings indicator and the Trade Figures expected later in the day. The Earnings Index, when announced, was much as anticipated. Prices fluctuated during the day and closed higher on balance. Oil shares encountered a renewed demand and leading stocks held their best levels in active trading. The Engineering sector was generally firm. Yarrow Shipbuilders were sharply better on the latest figure for compensation on their nationalised business. Vosper improved in sympathy. Among 'blue-chip' issues, ICI were marginally easier on further consideration of factory closures and redundancies in the Fibres division. Stores were unchanged with Marks and Spencer and Debenhams reporting interim profits tomorrow. Kaffirs were lower although the gold price strengthened.

Financial Times Index (3.00 p.m.) 481.1 (up 3.7)

C.N.D.

Purchases £ 548,000

BANK

Sales	£179,219,000
Purchases	£ 13,065,000
Nett Sales on Balance	£166,154,000