

Thursday, 30th October, 1980.

The Gilt Edged market was quiet, steady and unchanged at the opening in respect of the rises which had taken place in the prime rates of the major American banks. Soon after business had started a slightly easier tendency developed on the appearance of a few sellers and prices fell by $\frac{1}{8}$ - $\frac{1}{4}$ throughout the list. However, soon afterwards a few cheap buyers appeared and by midday the early losses had been regained, so that by lunchtime the market was looking reasonably firm and unchanged from the previous night's closing levels. The market remained looking quiet and steady during the afternoon; there was little or no alteration in prices in the long-dated issues but the short-dated bonds improved slightly to show gains of about $\frac{1}{16}$ on the day.

The Industrial market opened steady at the overnight levels. As anticipated, Minimum Lending Rate remained unchanged and prices fluctuated narrowly during the day in quiet trading conditions. Oil shares were active with buyers appearing for leading companies and the secondary issues. Electricals were generally firm. Standard Telephones were sharply higher on confirmation of a large undersea cables contract. Thorn-EMI improved following the announcement of several joint ventures through new subsidiaries. Stores were better with House of Fraser initially higher on revived bid rumours. However, the shares reacted later after a denial. J. Hepworth were steady on final results such as expected. Banks encountered profit-taking after the recent rise but Hambros Bank continued to improve on further demand in a thin market. Coats Patons were firm following the predicted lower yearly profits but unchanged dividend. Kaffirs strengthened although the bullion price was marginally easier.

Financial Times Index (3.00 p.m.) 493.7 (up 0.5)

<u>BANK</u>	Sales		NIL
	Purchases	£	2,203,000
	Nett Purchases on balance	£	2,203,000