

Friday, 7th November, 1980.

Following the rise in some U.S. Prime Rates to $15\frac{1}{2}\%$ yesterday the Gilt Edged market had been up to $\frac{3}{8}$ easier after hours. The market opened this morning just above those lowest levels to show falls from 3.30 yesterday of $\frac{1}{8}$ - $\frac{1}{4}$. After a very slow start, a little selling did come in during the morning, and prices tended to ease away. This gentle drift continued throughout the day and prices finally closed up to $\frac{3}{8}$ down in shorts and $\frac{5}{8}$ - $\frac{3}{4}$ down in longs.

The Industrial market opened cautiously following the sharp overnight reaction on Wall Street. Prices tended to move lower initially on higher interest rates from America, the deepening recession news in the U.K. and the worsening of industrial relations, with all sections closing at or around the worst levels. The postponement of the B.L.M. strike had little or no effect although Oil shares rallied marginally towards the close. Kaffir issues opened sharply easier on the bullion price but met investment interest at the lower levels, while I.C.L. were dull on the proposed redundancies within the company.

Financial Times Index (3.00 p.m.) 474.2 (down 4.6)

C.N.D.

and

Sales and Purchases

NIL

BANK