

Tuesday, 11th November, 1980.

Following the Prime Minister's speech, the Gilt Edged market opened quietly firm this morning. With investors continuing to take note of the signs that the rate of inflation was beginning to come down, a certain amount of buying came in during the morning in the medium and long-dated stocks. Prices improved accordingly and by lunchtime shorts were showing rises of $\frac{1}{8}$ while longs, which saw most of the activity, had improved by up to $\frac{1}{2}$. The afternoon was a good deal quieter, but the market remained firm, and, although shorts showed no further changes, longs closed the day up to $\frac{3}{8}$ higher.

The Industrial market opened slightly better reflecting last night's late trend. Brighter prospects for the rate of inflation and encouraging results from Unilever caused some investment interest. Prices tended higher during the day to close around the best levels. Oil shares improved as world crude-oil prices approached record levels. Ultramar showed further gains ahead of interim figures due later this week. Speculative demand was encountered in the secondary issues. Leading 'blue-chip' companies were generally firm, helped by the better than anticipated third quarter profits from Unilever, whose shares were sharply higher. The Property sector was well supported on renewed hopes for a cut in interest rates. Land Securities and Great Portland Estates improved on half-yearly results in line with market estimates. Commercial Union were weak after disappointing interim profits and other Composite stocks were dull in sympathy. However, Life companies and Insurance Brokers remained higher. Among quiet Paper shares, De La Rue were substantially lower following the poor results. Electricals were generally firm throughout. Kaffirs were flat as the gold price declined against the strength of the dollar.

Financial Times Index (3.00 p.m.) 487.9 (up 5.4)

C.N.D.

Sales	£	128,664,000
Purchases	£	6,369,000
Nett Sales on balance	£	122,295,000

BANK

Sales	£	7,323,000
Purchases	£	1,456,000
Nett Sales on balance	£	5,867,000