

Tuesday, 18th November, 1980.

Following yesterday's good Trade Figures, the Gilt Edged market opened steady today, with short-dated stocks largely unchanged and longs about $\frac{1}{8}$ firmer. Activity was again relatively low, but buyers were in the majority and the market edged slowly ahead virtually throughout the day. By the close shorts were showing rises of up to $\frac{3}{8}$ while longs were about $\frac{1}{2}$ better.

The Industrial market opened steady. Prices quickly improved as institutional buying was encountered on renewed hopes of falling interest rates. The market was given added impetus by the British Leyland workers official acceptance of the latest pay offer. Most sectors closed around the best levels in active trading conditions. Stores were in demand following several encouraging statements recently and Burton Group were sharply higher on better than anticipated half-yearly figures. Clearing Banks were easier on the thought that profit margins will be tighter after any cut in interest rates. There was no enthusiasm for Insurance shares which were mostly unchanged. Leading 'blue-chip' companies, Electricals and Engineers were firm with price movements exaggerated by a general shortage of stock in the face of considerable demand. Beechams were better ahead of interim results expected tomorrow. Tesco improved as first-half profits exceeded market estimates. Kaffirs were well supported as the bullion price increased.

Financial Times Index (3.00 p.m.) 507.5 (up 12.4)

<u>BANK</u>	Sales	£	5,157,000
	Purchases	£	1,033,000
	Nett Sales on balance	£	4,124,000