

Monday, 8th December, 1980.

The Gilt Edged market was very quiet and inactive at the opening. No change in price was seen in the medium and long-dated issues but the short-dated bonds, in one or two cases, were $\frac{7}{32}$ - $\frac{1}{16}$ lower. Business was once again on a very small scale throughout the day and most investors were waiting for the banking figures due to be announced tomorrow. A certain amount of activity was seen in the short-dated bonds and some switching took place out of the next maturity into the slightly longer dated issues. The market remained quiet and reasonably steady during the afternoon although the shorts eased slightly, while the long-dated issues improved by $\frac{1}{16}$ - $\frac{1}{8}$ from the opening levels.

The Industrial market opened marginally easier on the first day of the long account leading to the Christmas Holiday. Prices fluctuated narrowly in very quiet trading conditions, closing generally unchanged on the day. The Property sector was initially dull on an adverse broker's circular but most issues recovered in later business. However, Land Securities remained lower following a 'sell' recommendation by a week-end newspaper. Clearing Banks improved after favourable press comment concerning future prospects and the probability of increased dividend payments. Electricals encountered selective investment support with G.E.C. and Racal particularly firm features. Oil shares opened lower but recovered to overnight levels as British Petroleum announced plans for higher petrol prices. Brooke Bond Liebig were easier on the proposed takeover terms for Mallinson-Denny, a timber company in whom they already have a substantial shareholding. Mallinson-Denny were sharply higher. Kaffirs weakened as the bullion price declined.

Financial Times Index (3.00 p.m.) 469.3 (down 0.9)

| | | |
|---------------|---------------------------|--------------|
| <u>C.N.D.</u> | Sales | £ 1,509,000 |
| | Purchases | £ NIL |
| | Nett Sales on balance | £ 1,509,000 |
| <u>BANK</u> | Sales | £ 22,482,000 |
| | Purchases | £ 36,018,000 |
| | Nett Purchases on balance | £ 13,536,000 |