

Wednesday, 28th January, 1981.

The Gilt Edged market was steady at the opening in all sections and there was little or no change in any prices, apart from the fact that one or two short-dated bonds were $\frac{1}{8}$ lower. Business was on a very small scale throughout the morning, waiting for the result of the tender issue for the new Government Convertible medium-dated stock. Prices tended to ease slightly and by midday falls of $\frac{1}{8}$ - $\frac{1}{4}$ were widespread. The market improved slightly when it was known that all applications for the new issue had been allotted in full at the minimum price, and part of the early falls were regained. The market was very quiet during the afternoon and a few sellers appeared just before the close and it ended the day looking barely steady about $\frac{1}{8}$ - $\frac{1}{4}$ below the opening levels, after very light trading.

The Industrial market opened slightly easier on further consideration of yesterday's bearish economic statement from the C.B.I. Most sectors continued to drift lower during the day on light selling in fairly quiet trading conditions. The Oil sector was generally firm on news that American oil price controls are to be phased out. Stores were steady although House of Fraser were sharply higher following the bid terms from Lonrho and the announcement that the Chairman has been replaced. Banks, Properties and Insurances were better on selective investment interest. Engineering shares were weak, affected by the latest C.B.I. survey. Kaffirs were higher on the improved gold price.

Financial Times Index (3.00 p.m.) 462.0 (down 5.4)

<u>C.N.D.</u>	Sales and Purchases	NIL
<u>BANK</u>	Sales	£ 9,815,000
	Purchases	£ 14,363,000
	Nett Purchases on balance	£ 4,548,000