

Friday, 11th January, 1980.

The Gilt Edged market was very firm at the opening following the exhaustion of the Government long-dated tap stock on the previous afternoon. An extremely large demand built up for the Government short-dated tap stock, Exchequer 14% 1984, and official supplies of this issue were sold out at a price of 97%, which was $\frac{1}{2}$ % above the minimum tender price. As a result of this large demand, which had, to a certain extent not been fully satisfied, the whole market made further improvement during the morning and some of the long-dated issues were showing rises of 2 points or more by midday. Short-dated bonds, which had improved in early trading, lost some of their gains but remained firm and active throughout the morning, although below the best levels. The market continued to be quite strong during the afternoon and closed the week at or around the best levels.

The Industrial market opened slightly higher on the final day of the account. Prices continued to improve initially on renewed buying interest, aided by the strength of the gilt market, but most sections reacted in later trading on small profit-taking. Store, Insurance and Property shares failed to maintain the best levels, while Kaffir issues were again in demand. Associated News and Daily Mail Trust moved sharply higher following their respective results, while Thorn Electrical were marginally lower after the interim figures.

Financial Times Index (3.00 p.m.) 431.1 (up 0.3)

<u>BANK</u>	Sales	£	869,048,000
	Purchases	£	60,743,000
	Nett Sales on balance	£	808,305,000