

Friday, 1st February, 1980.

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The Gilt Edged market was looking reasonably steady at the opening and there were hardly any changes in price. However, soon after trading had started, some quite substantial sellers appeared in all areas of the market and prices were marked down sharply, so that falls of as much as  $\frac{3}{8}$  -  $\frac{5}{8}$  were widespread by midday. No recovery was seen during the afternoon and prices continued to drift lower and this easier tendency was increased by a quite substantial rise in the treasury bill rate. The market closed the week looking barely steady, with falls of up to  $\frac{3}{4}$  in the shorts and  $1 - 1\frac{1}{8}$  in the long-dated issues.

The Industrial market opened slightly easier after yesterday's lower trend. Prices drifted during the morning in extremely quiet trading but rallied marginally around midday, only to ease again towards the close. Debenhams were a firm feature on renewed takeover talk, while Town & City eased on disappointment with the interim figures. Decca shares were suspended awaiting a counter offer from G.E.C. to the initial bid from Rascal, who were sharply lower, while Kaffir issues moved higher on the gold fix price.

Financial Times Index (3.00 p.m.) 448.7 (down 4.6)

BANK

Sales	NIL
Purchases	£ 14,808,000
Nett Purchases on balance	£ 14,808,000