

Friday, 8th February, 1980.

The Gilt Edged market opened quite firm, largely reflecting rises of about  $\frac{1}{4}$  which had taken place after hours yesterday. During the morning buying continued, some again thought to be foreign, and the market moved ahead. By mid-morning shorts were showing rises of about  $\frac{1}{2}$  and longs of about  $\frac{3}{4}$  -  $\frac{1}{8}$  on the day. Following reports that negotiations on steel pay had again been broken off, prices eased  $\frac{1}{8}$  -  $\frac{1}{4}$ , and then for the rest of the dealing day held steady at those levels. Short-dated stocks closed up to  $\frac{1}{4}$  higher while longs had improved by up to  $\frac{5}{8}$  on balance.

The Industrial market opened steady on the last day of the account. Prices tended to improve initially on investment interest but, following rumours of a breakdown of talks on the steel strike, all sections turned easier and closed lower on balance. Engineering, Store and Banking shares failed to maintain the best levels, while Oil issues closed at the higher prices with Tricentrol and Premier Consolidated moving sharply ahead on an Oil find in Canada. Kaffir shares recovered initial losses, while Decca shares were slightly higher following the latest bid from G.E.C.

Financial Times Index (3.00 p.m.)                      459.3 (down 3.6)

<u>BANK</u>	Sales	£	30,826,000
	Purchases	£	1,212,000
	Nett Sales on balance	£	29,614,000

*$\frac{1}{16}$  down after hours.*