

Friday, 15th February, 1980.

The Gilt Edged market was easier at the opening in all sections and prices were $\frac{1}{4} - \frac{3}{8}$ down from the previous night's closing levels. Selling was not heavy when trading started but it was not expected that there would be any substantial buyers in advance of the week-end and the worsening of the various industrial disputes in the U.K. The market continued to drift slowly downwards throughout the morning and by lunchtime falls of up to $\frac{1}{2} - \frac{9}{8}$ in the shorts and 1 point in the long-dated issues were widespread. A few cheap buyers appeared at these lower levels and a slight improvement was seen in the early part of the afternoon but this, however, was short lived when it was learnt that the Federal Fund's rate had risen by 1% and that there had been a quite considerable rise in the retail price index for January. Short-dated bonds came under some pressure just before the close, in advance of the trade figures, and the market closed the week looking barely steady, at or around the lowest levels.

The Industrial market opened lower after the easier tone yesterday afternoon. Prices reacted sharply on profit-taking initially and, although a small rally was evident around midday, most sections drifted again to close around the worst levels. Electrical, Property and Paper shares were particularly dull sections, while Oil and Banking issues closed marginally above the lower levels. Kaffir shares moved in line with the gold fix price, while Mail Order shares were dull on further consideration on the statement from Freemans on profits.

Financial Times Index (3.00 p.m.)

465.6 (down 8.3)

BANK

Sales	£	10,157,000
Purchases	£	7,097,000
Nett Sales on balance	£	3,060,000