

Tuesday, 19th February, 1980.

The Gilt Edged market was looking quietly firm at the opening and prices were $\frac{1}{8}$ - $\frac{1}{4}$ higher in all sections. Part of this improvement had taken place after hours on the previous evening but the market remained firm and reasonably active throughout the morning and by lunchtime rises of $\frac{3}{8}$ - $\frac{1}{2}$ a point were widespread in the short, medium and long term issues. The market turned slightly easier during the afternoon and this was thought to be mainly due to the weakness of sterling and the news of a prime rate increase by a major American bank from $15\frac{1}{8}\%$ - $15\frac{3}{8}\%$. A few sellers, however, appeared but the market closed the day well below the best levels, looking reasonably steady, about $\frac{1}{8}$ - $\frac{1}{4}$ higher on balance in all sections.

The Industrial market opened slightly higher on the latest Oil price increase. Prices, however, after improving initially, failed to maintain the best levels and most sections closed at or around the overnight levels. Oil issues were a firm feature with Burmah Oil particularly firm on possible takeover rumours, while Kaffir shares again failed to maintain a trend throughout the day. Engineering and Paper shares were easier on balance, while Brewery and Food issues closed at or around the best levels.

Financial Times Index (3.00 p.m.) 463.0 (unchanged)

<u>BANK</u>	Sales	£	10,372,000
	Purchases	£	1,514,000
	Nett Sales on balance	£	8,858,000

*After hours more a less back to
3.30 of day.*