

Wednesday, 20th February, 1980.

The Gilt Edged market was looking quite steady at the opening and the falls which had taken place after hours on the previous evening, following the rise in the prime rates of the major American banks, were more than recovered. The market was in fact encouraged by the decision of the Leyland workers not to strike in support of Mr. Robinson and some improvement was seen in the prices of the short-dated bonds and the medium issues. There was little or no interest in the long-dated stocks, which remained more or less unchanged throughout the day. By lunchtime the pattern was much the same, with the shorts showing rises of about  $\frac{1}{4}$  -  $\frac{3}{8}$  and the mediums  $\frac{1}{8}$  -  $\frac{1}{4}$ . The whole market eased slightly on the announcement of the average earning figures and some of the early gains were lost. Little or no change was seen during the afternoon and the whole market closed looking reasonably steady but just below the best levels.

The Industrial market opened cautiously on the continuing implications of the steel strike. Prices tended to drift lower on small routine selling initially but most sections tended to fluctuate marginally during the remainder of the day and close slightly easier on balance. Insurance and Banking shares were dull sectors, while Oil issues provided an isolated firm feature, with Burmah Oil again in demand on possible takeover rumours. Carrington Viyella were easier following the final figures, while Kaffir shares moved in line with the lower gold fix price.

Financial Times Index (3.00 p.m.)

459.3 (down 2.5)

<u>C.N.D.</u>	Sales	£	6,789,000
	Purchases	£	6,983,000
	Nett Purchases on balance	£	194,000
<u>BANK</u>	Sales	£	40,238,000
	Purchases	£	17,991,000
	Nett Sales on balance	£	22,247,000