

Thursday, 21st February, 1980.

The Gilt Edged market was looking steady at the opening and some of the losses which had been seen after hours on the previous evening were regained, with the result that the short-dated bonds were looking firm with rises of about $\frac{1}{16}$ - $\frac{1}{8}$, while the medium and long-dated issues were steady and unchanged at the previous night's closing levels. During the morning the market became rather irregular, some of the early gains were soon lost and, on the appearance of a few sellers at the long end of the market, prices by midday were showing falls of $\frac{3}{16}$ - $\frac{1}{2}$ a point, while the short-dated bonds, although higher than the opening levels, were at least $\frac{1}{16}$ - $\frac{3}{16}$ below the best. The market was much quieter during the afternoon, hesitated slightly on the announcement of the third quarter Public Sector Borrowing Requirement figures, but ended the day looking reasonably steady, with rises of $\frac{1}{16}$ - $\frac{1}{4}$ in the shorts and falls of a similar amount in the long-dated issues.

The Industrial market opened marginally easier, extending yesterday's lower trend. Prices, after drifting easier initially, rallied during the remainder of the day in extremely quiet trading and most sections closed slightly lower on balance. Oil shares were again in favour after the interest shown on Wall Street overnight, while Banking issues were easier ahead of the dividend season, starting with Lloyds results tomorrow. Bass Charrington and Whitbread were particularly firm features on a brokers circular, while Kaffir shares moved higher on the gold fix price.

Financial Times Index (3.00 p.m.) 458.2 (down 0.1)

<u>C.N.D.</u>	Sales	£	5,581,000
	Purchases	£	3,781,000
	Nett Sales on balance	£	1,800,000

<u>BANK</u>	Sales	£	36,925,000
	Purchases	£	34,639,000
	Nett Sales on balance	£	2,286,000