

Wednesday, 27th February, 1980.

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The Gilt Edged market was quiet, steady and more or less unchanged in price at the opening. Short-dated bonds, however, soon developed an easier tendency and this section of the market was not helped by a rise of $1\frac{1}{2}\%$ in the Belgium bank rate, and falls of $\frac{3}{16}$ - $\frac{5}{16}$ were widespread. By contrast, the long-dated issues improved slightly during the morning and by lunchtime rises of about $\frac{1}{8}$ were seen in the medium and long-dated areas of the market. Little change was seen during the afternoon but the slight improvement in the mediums and longs soon disappeared and these stocks closed the day unchanged from the opening levels, while the shorts remained looking rather soft, without showing any improvement.

The Industrial market opened marginally higher on renewed investment interest. Prices continued to improve throughout the day in subdued trading and, with little or no selling, most sections tended to close around the best levels. Engineering shares were a firm feature on hopes of a settlement of the steel strike, while Building and Oil shares, with the exception of Burmah Oil, also closed higher on the day. Allen, Harvey & Ross moved ahead on their final figures, while General Accident and B.O.C. both drifted slightly easier after their respective results. Kaffir issues moved in line with the gold fix price.

Financial Times Index (3.00 p.m.) 457.6 (up 4.0)

BANK

Sales	£	15,299,000
Purchases	£	15,904,000
Nett Purchases on balance	£	605,000