

Thursday, 28th February, 1980.

The Gilt Edged market was quietly firm at the opening in all sections and prices, where changed, were $\frac{1}{16}$ - $\frac{1}{8}$ higher. Business was on a fairly small scale throughout the day but a few cheap buyers were seen at the long end of the market and prices improved by about $\frac{1}{8}$ in this section. Short-dated bonds fluctuated within narrow limits and some of their early gains were soon lost when it was learnt that the Swiss bank rate had risen by 1% and, later in the day, that the German bank rate and Lombard rate had risen by 1% and $1\frac{1}{2}$ % respectively. Little change was seen during the afternoon and short-dated bonds closed the day either unchanged or $\frac{1}{16}$ easier while the long-dated issues maintained their improvement, showing rises of about $\frac{1}{8}$ throughout the list.

The Industrial market opened slightly higher ahead of the I.C.I. final figures due later today. Prices continued to improve on renewed investment buying and, with little or no selling evident, all sections closed at the best levels. Insurance and Store shares were particularly firm sectors, while Oil and Banking issues failed to maintain the higher prices. I.C.I. improved following the final results, while Vickers were sharply higher on the sale of a French subsidiary. Kaffir shares moved in line with the gold fix price throughout the day.

Financial Times Index (3.00 p.m.) 466.0 (up 5.6)

BANK

Sales	£	6,764,000
Purchases	£	6,531,000
Nett Sales on balance	£	233,000