

Monday, 28th April, 1980.

Following its sharp fall on Friday the Gilt Edged market rebounded upwards today. After initially opening about $\frac{1}{4}$ better, the market continued to improve for much of the day. Worldwide reaction to the events of Friday appeared to have been limited, and as a result, although turnover was by no means heavy, buyers were in the ascendant. By lunchtime shorts had improved by up to $\frac{3}{4}$ and longs by up to 1 point. During the afternoon a fall to $18\frac{1}{2}\%$ in a U.S. prime rate was further encouragement to the market and longs improved again by up to $\frac{3}{8}$. This latest advance however brought in a few sellers and the market retreated, to close at the lunchtime levels in all sections.

The Industrial market opened steady on the first day of the new account. Prices tended better during the day. Investment support was fairly light but a lack of selling enabled the market to close around the best levels. Oil issues were generally in demand following further press comment about North Sea oil prospects. Property shares again encountered buyers on renewed hopes for lower interest rates. Leading stocks in the Electrical sector were firm although Thorn were weak on further consideration of the E.M.I. loss announced last week. In Shipping, P. & O. improved ahead of results due next week. European ferries were better after a bullish newspaper article on their North American property developments. Kaffirs were lower in line with the bullion price.

Financial Times Index (3.00 p.m.) 431.1 (up 3.6)

<u>C.N.D.</u>	Sales	£	4,017,000
	Purchases	£	4,149,000
	Nett Purchases on balance	£	132,000
<u>BANK</u>	Sales	£	18,908,000
	Purchases	£	1,342,000
	Nett Sales on balance	£	17,566,000