

Monday, 21st July, 1980.

Following the announcement on Friday of the further tranche of Treasury 11<sup>3/4%</sup> 1991, the long end of the Gilt Edged market had been very firm after hours. This firmness was built on at the opening today, with prices being called up to 1 point above 3.30 on Friday. While shorts soon lost their early gains the longer-mediums and long-dated stocks continued to see buyers during the morning and prices continued to move ahead. By lunchtime rises of <sup>3</sup>/<sub>4</sub> in the middle of the list, stretching out to 2 <sup>1</sup>/<sub>4</sub> points at the longer end, were well established. During the afternoon the market came back slightly from the highest levels, to close with short-dated stocks at or around overnight levels, mediums up to <sup>5</sup>/<sub>8</sub> better and longs up to 2 points higher.

The Industrial market opened steadily before improving on some investment demand. However, this was not sustained and prices drifted back to close around Friday's closing levels. Selective interest was seen in the Oil sector with Lasmo a feature. On-shore exploration stocks were also generally well supported. In the Engineering sector, Tube Investments were better following press comment. Dowty Group were easier on an adverse circular ahead of final results due tomorrow. Insurance and Merchant Bank shares continued their recent firm trend, but Clearing Banks were dull following Lloyds Bank's disappointing figures last week. Kaffirs were firm in line with the higher bullion price.

Financial Times Index (3.00 p.m.) 497.5 (up 0.2)

<u>C.N.D.</u>	Sales	£	43,393,000
	Purchases	£	44,984,000
	Nett Purchases on balance	£	1,591,000
<u>BANK</u>	Sales	£	4,662,000
	Purchases		NIL
	Nett Sales on balance	£	4,662,000