

Wednesday, 13th August 1980

The Gilt Edged market was looking slightly firmer at the opening in all sections and prices improved by $\frac{1}{8}$ - $\frac{1}{4}$ throughout the list. Business was on a fairly small scale but buyers predominated during the morning and by lunch time further improvement was seen and the market was showing rises of as much as $\frac{1}{4}$ in the short dated bonds and $\frac{1}{2}$ a point in the long dated issues. This improvement did however bring in a few sellers at the higher prices and during the afternoon nearly all the early gains were lost in the long dated area of the market. Short dated bonds also eased slightly but closed the day showing rises of about $\frac{1}{4}$ on balance. The medium and longs however closed looking reasonably steady but no better than around the opening levels.

The Industrial market opened marginally lower. Sentiment was adversely affected by the news of widespread short-time working in the Motor industry and falling output indicating a worsening of the economic recession. Some disappointing company statements during the day caused further losses and prices closed around the worst levels in quiet trading conditions. F.W. Woolworth were weak on interim figures that barely showed a profit and other store shares were marked down in sympathy. The Oil sector was dull following the announcement of further reductions in petrol prices. Dealings began in Charterhouse Petroleum and they retained a small premium over the tender price. Clearing Banks eased as sellers were encountered but Insurance issues improved on the General Accident half-yearly profits which exceeded market expectations. UDT were suspended pending a statement and prior to final results due today. Kaffirs were in demand as the gold price tended higher.

Financial Times Index (3.00 p.m.)	475.5 (down 5.1)
<u>C.N.D.</u> Sales	£141,433,000
Purchases	£145,127,000
Nett Purchases on balance	& 3,694,000
<u>BANK</u> Sales	£ 10,219,000
Purchases	£ 10,210,000
Nett Sales on balance	£ 9,000