

Friday, 12th September, 1980.

The Gilt Edged market was steady at the opening but slightly easier in all sections compared to the previous night's closing levels. This reflected some quite substantial selling which had been seen after hours and a partial recovery in early morning trading. On balance prices were not more than $\frac{1}{8}$ lower and at this level some buyers appeared and the early losses were soon regained. Following the improvement in the Retail Price figures announced at 11.30 a.m., the market made further progress and by lunchtime short-dated bonds had risen by as much as $\frac{1}{4}$ - $\frac{3}{8}$ and the long-dated issues by $\frac{3}{8}$ - $\frac{1}{2}$ a point. The market turned slightly easier during the early part of the afternoon and part of the morning gains were soon lost, but it closed the week looking reasonably steady, with rises of $\frac{1}{4}$ - $\frac{3}{8}$ in all sections.

At 3.30 p.m. an announcement was made of another issue of Government stock, which took the form of a further tranche of £1,000 million 12% Exchequer Stock 1998, payable as to 50% on tender and the balance on the 24th of October, at a minimum tender price of 92 $\frac{1}{2}$ %.

The Industrial market opened better on the final day of the account. Buying for the next account caused prices to improve during the day and sentiment was helped by the Retail Price Index announcement indicating a continued slowing down in the rate of inflation. Electrical shares were again in demand with Plessey and G.E.C. particularly strong. Thorn-EMI were weak after the warning of lower profits from the Chairman. Banks and Insurance issues extended recent gains. However, Guinness Peat were dull following unfavourable press comment on yesterday's figures. Shipping shares continued to move higher on further consideration of recent results from P. & O. and Ocean Transport, which were initially thought to be rather disappointing. The Building and Property sectors were generally firm throughout. Kaffirs were better in line with the bullion price.

Financial Times Index (3.00 p.m.) 507.1 (up 4.1)

<u>C.N.D.</u>	Sales	£	11,113,000
	Purchases		NIL
	Nett Sales on balance	£	11,113,000
<u>BANK</u>	Sales	£	10,376,000
	Purchases		NIL
	Nett Sales on balance	£	10,376,000