

Friday, 24th October, 1980.

The Gilt Edged market was looking quiet and reasonably firm at the opening and prices were $\frac{1}{16}$ - $\frac{1}{8}$ higher in all sections. This firmer tendency continued throughout the morning and the Bank were able to sell quite a large amount of the medium-dated tap stock, Exchequer 11 $\frac{3}{4}$ % 1986, at 30 $\frac{1}{16}$ (30% paid). There was also quite a demand for the long-dated issues and these had improved by lunchtime to show rises of $\frac{1}{2}$ - $\frac{3}{8}$. Short-dated bonds, by contrast, encountered some selling and, in a rather nervous market, stocks in this area lost their early gains and were showing falls of $\frac{1}{16}$ - $\frac{3}{16}$. Little change was seen during the afternoon; short-dated bonds lost another $\frac{1}{16}$ while the long-dated issues were about $\frac{1}{8}$ below their best levels at the close.

At 3.30 p.m. an announcement was made of a further tranche of Treasury 3% 1985. This took the form of £400 million to be issued by tender at a minimum price of 72 $\frac{1}{2}$, payable in full.

The Industrial market opened cautiously following the sharp overnight decline on Wall Street. Prices drifted marginally lower initially on the last day of the account but most sections tended to rally during the remainder of the day, to close at or around the overnight levels. Oil shares were dull on Wall Street advices, while Kaffir issues closed above the worst on the gold fix price. Derec and Minster Assets eased following their respective results, while Standard and Chartered Bank rallied strongly on favourable press comment.

Financial Times Index (3.00 p.m.) 492.6 (up 0.1)

<u>C.N.D.</u>	Sales	NIL
	Purchases	£ 30,000
	Nett Purchases on balance	£ 30,000
<u>BANK</u>	Sales	£ 34,012,000
	Purchases	£ 58,345,000
	Nett Purchases on balance	£ 24,333,000