

Thursday, 18th December 1980

The Gilt Edged market was steady at the opening in all sections and there was hardly any change in price compared to the previous night's closing level. A slightly firmer tendency developed during the morning on the appearance of a few buyers and with the jobbers short of stock prices improved throughout the list by about  $\frac{1}{4}$  in short dated bonds and  $\frac{3}{8}$  -  $\frac{1}{2}$  in the long dated issues. The market remained firm at these better levels throughout the morning and the early part of the afternoon until the banking figures for November were announced at 2.30pm when a few sellers appeared. Part of the early gains were lost and the market ended the day looking reasonably firm but just below the best levels.

The Industrial market opened steady. Most sectors fluctuated narrowly during the day although the undertone remained firm with investors prepared to buy stock on any price weakness. Trading conditions remained quiet and prices closed slightly higher on balance. Oil shares were dull, affected by vague rumours of a rights issue from Lasmo to help finance further North Sea exploration. Leading 'blue-chip' companies were generally better, helped by the BOC International figures which were not as bad as was feared. As a result, BOC were sharply higher. In a mainly unchanged Brewery sector, Greenall Whittey improved following increased profits, higher dividend and scrip issue. Distillers were easier on lower final results and bearish chairman's statement. Among Engineers, Davy Corporation encountered profit-taking after yesterday's bid announcement while Ransome Hoffman eased on good final profits but gloomy statement on future prospects. Other market features were Unigate and Associated Communications, both lower reflecting disappointment with the interim figures. Kaffirs hardened in line with the gold price.

Financial Times Index (3.00 pm) 466.9 (up 0.4)

C.N.D.

Sales £ 1,683,000

BANK

Sales £12,043,000

Purchases £ 398,000

Nett Sales on balance £11,645,000