

Monday, 19th January, 1981.

The Gilt Edged market was firm and active at the opening in all sections and prices improved by about $\frac{1}{8}$ in the short-dated bonds and $\frac{1}{4}$ in the medium and long-dated issues. This firmer tendency continued throughout the morning and quite a large amount of buying took place, and, with the jobbers short of stock, prices had improved by lunchtime to show rises of $\frac{3}{8}$ - $\frac{5}{8}$ throughout the list. The market continued to be firm though less active during the afternoon and a further slight improvement was seen in all sections. A few profit-takers appeared just before the close but the market ended the day looking firm, at or just below the best levels.

The Industrial market opened steady at the start of the second week for the current account. Prices fluctuated narrowly during the day with most sectors unchanged on balance. Leading 'blue-chip' companies were easier, affected by ICI whose shares were flat on a broker's bearish profits forecast and worries concerning the final dividend payment. Electricals were generally firm with Defence issues particularly strong. Ferranti and Racal Electronics were features. Clearing Banks were lower following adverse press comment about the forthcoming dividend announcements. The Paper sector was active with Letraset better on further consideration of last week's interim figures. Inveresk remained sharply higher after Friday's news of a bid approach. De La Rue were weak as estimates of full-year profits were revised downward. Kaffirs were dull in line with the bullion price.

Financial Times Index (3.00 p.m.) 452.8 (up 0.9)

<u>C.N.D.</u>	Sales	£	21,246,000
	Purchases		NIL
	Nett Sales on balance	£	21,246,000
<u>BANK</u>	Sales	£	93,478,000
	Purchases	£	11,759,000
	Nett Sales on balance	£	81,719,000