

Friday, 13th February, 1981.

The Gilt Edged market was slightly easier in the short-dated bonds at the opening with losses of $\frac{1}{16}$ - $\frac{1}{8}$, while the medium and long-dated issues were looking reasonably firm with rises of $\frac{1}{8}$ throughout the list. Business was on a very small scale throughout the day and no decided trend developed during the morning. The market improved slightly just before lunch following the announcement of the Retail Price Index for January. Little change was seen during the afternoon and the market closed looking reasonably steady, showing falls of $\frac{1}{16}$ in the short-dated bonds, while the medium and long-dated issues were either unchanged or $\frac{1}{8}$ higher on balance.

The Industrial market opened steady. Most sectors encountered selective investment interest during the day, encouraged by the favourable Retail Price Index. Although prices drifted slightly lower towards the close of business, the undertone remained firm. Engineers continued to be in demand on recovery prospects. GKN and Metal Box were again the features on strong institutional support. Dowty Group were better on further consideration of yesterday's excellent figures. However, Lucas Industries were dull on the bearish outlook for the motor industry. Clearing Banks and Insurance companies were easier but Insurance Brokers were higher following bullish press comment. Merchant Banks were better with Hambros Bank attracting interest after a broker's recommendation. The Property, Building and Brewery sectors were generally firm. Kaffirs fluctuated narrowly before closing higher on balance, in line with the bullion price.

Financial Times Index (3.00 p.m.) 492.7 (up 2.7)

<u>C.N.D.</u>	Sales and Purchases	NIL
<u>BANK</u>	Sales	NIL
	Purchases	£ 6,759,000
	Nett Purchases on balance	£ 6,759,000