

Tuesday, 24th February, 1981.

The Gilt Edged market opened steady, but it quickly became apparent that there was substantial demand for the medium-dated tap stock Treasury 12% 1986. As a result the authorities were able to sell a substantial amount and announce that official supplies were exhausted. The market then generally improved slightly but during the day shorts, although fluctuating, tended to lose their early gains and closed with little change on balance. Longs however continued to edge ahead and ended the day up to about $\frac{1}{2}$ higher.

The Industrial market opened steady. Selective investment interest together with an absence of sellers helped most sectors to improve during the day and close around the best levels. Leading 'blue-chip' companies were initially easier as Beecham Group weakened on reports of difficulties in marketing their latest drug. Prices later recovered as cheap buyers appeared. Unilever remained in demand ahead of figures expected next week. Clearing Banks were easier following the National Westminster final results that disappointed analysts and a bearish statement on future prospects. Insurance shares were better, although the Commercial Union yearly figures were below most market estimates. Food Retailers were dull following an adverse broker's circular. Hotels, Stores and Breweries were generally firm on hopes of an upturn in business after the announcement of the forthcoming Royal Wedding. Kaffirs were unchanged as the bullion price fluctuated narrowly.

Financial Times Index (3.00 p.m.) 493.3 (up 6.7)

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| <u>C.N.D.</u> | Sales | £ | 263,000 |
| | Purchases | | NIL |
| | Nett Sales on balance | £ | 263,000 |

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| <u>BANK</u> | Sales | £ | 93,592,000 |
| | Purchases | £ | 28,431,000 |
| | Nett Sales on balance | £ | 65,161,000 |