

Wednesday, 25th February, 1981.

The Gilt Edged market was steady and unchanged at the opening in all sections. Business was on a much smaller scale throughout the day but a slightly firmer tendency developed in the medium and long-dated issues during the morning, while the short-dated bonds encountered some profit-taking and were either unchanged or $\frac{1}{16}$ - $\frac{1}{8}$ down. The market remained more or less unchanged during the afternoon and turnover continued at a very low level. The market closed the day looking reasonably steady with the short-dated bonds showing losses of $\frac{1}{16}$ - $\frac{1}{8}$, while the medium and long-dated issues were either unchanged or $\frac{1}{8}$ - $\frac{1}{4}$ higher.

The Industrial market opened steady. Selective institutional investment on hopes for lower interest rates helped most sectors to improve during the day and close around the best levels. Leading 'blue-chip' companies were generally better with Glaxo in demand on reports that a new product is to be introduced in America. Beecham Group remained dull on further consideration of marketing problems for their latest drug. ICI were unchanged ahead of final results and dividend to be announced tomorrow. Clearing Banks recovered on further consideration of recent profits from Lloyds and National Westminster. Merchant Banks were higher with Hambros Bank well supported and Britannia Arrow encountering speculative buyers. Insurance shares continued to move higher on the strength of the dollar which should help overseas earnings. In the Food sector, J. Sainsbury showed renewed weakness on adverse comment concerning future prospects. British Sugar hardened prior to next week's Monopolies Commission report on the bid from S. & W. Berisford. Kaffirs were better in line with the bullion price.

Financial Times Index (3.00 p.m.) 499.5 (up 5.0)

<u>C.N.D.</u>	Sales	£	7,913,000
	Purchases		NIL
	Nett Sales on balance	£	7,913,000
<u>BANK</u>	Sales and Purchases		NIL