

Thursday, 26th March, 1981.

The Gilt Edged market opened slightly firmer, as the selling over the past few days appeared to have abated. Although turnover was again not large, buyers were encouraged by the better tone, and prices in the longer end continued to improve gently throughout the day. Short-dated stocks were comparatively neglected and closed the day up to $\frac{1}{8}$ higher. Mediums were generally about $\frac{1}{4}$ up, and longs, where the buying was concentrated, improved by up to $\frac{3}{4}$.

The Industrial market opened steady. However, most sectors quickly moved higher on widespread institutional interest. Sentiment was helped by the overnight strength of Wall Street and an optimistic statement about the British economy by the Chancellor. Prices closed at the best levels with jobbers suffering from a shortage of stock. Leading 'blue-chip' companies were firm although Dunlop were dull on the absence of any takeover developments. Building and Engineering shares were in demand on the Chancellor's hopes for economic recovery. G.K.N., Metal Box and Tubes were particularly strong features. Lucas Industries were better after the large interim loss but maintained dividend and favourable statement. Banking issues were well supported and Kleinwort, Benson were sharply higher on excellent final results. Among Food shares, British Sugar improved awaiting new bid terms from S. & W. Berisford after clearance from the Monopolies Commission. Kaffirs fluctuated narrowly with no decided trend as the gold price rose marginally.

Financial Times Index (3.00 p.m.) 519.0 (up 11.6)

<u>C.N.D.</u>	Sales	£	4,078,000
	Purchases	£	4,931,000
	Nett Purchases on balance	£	853,000
<u>BANK</u>	Sales	£	4,997,000
	Purchases	£	5,594,000
	Nett Purchases on balance	£	597,000