

Wednesday, 8th April, 1981.

The Gilt Edged market opened steady today following yesterday's fall in prices after the Banking Figures. Newspaper comment on the figures was adjudged to be relatively neutral and in early dealings the market improved slightly. This improvement was held during the morning, and by lunchtime shorts were up to  $\frac{1}{8}$  better while mediums and longs generally showed rises of about  $\frac{1}{4}$ . During the afternoon trading remained quiet and while shorts showed no further change, longs tended to ease and closed at around yesterday's 3.30 levels.

The Industrial market opened steady. However, prices improved during the day as institutional interest returned with the easing of tension in Poland. There was also considerable demand for the new three-week account beginning on Friday and most sectors closed at the best levels. Clearing Banks and Insurance issues were firm. Fears that the overnight counter-bid by Hong Kong and Shanghai Bank for the Royal Bank of Scotland may be referred to the Monopolies Commission created some uncertainty. The shares of both companies together with initial bidders, Standard and Chartered Bank, fluctuated narrowly throughout the day. The Electrical sector was well supported and B.I.C.C. moved higher following final profits, increased dividend and favourable statement. Among Builders, London Brick were better on annual results. Higgs and Hill were strong after excellent yearly figures. Stores were active with Debenhams encountering speculative buyers on takeover suggestion. Empire Stores and Grattan were firm on final results, which exceeded market estimates. Kaffirs were easier as the gold price weakened.

Financial Times Index (3.00 p.m.)

536.9 (up 11.1)

<u>C.N.D.</u>	Sales	£	2,624,000
	Purchases	£	1,571,000
	Nett Sales on balance	£	1,053,000
<u>BANK</u>	Sales	£	35,838,000
	Purchases	£	10,077,000
	Nett Sales on balance	£	25,761,000