

Thursday, 16th April, 1981.

The Gilt Edged market was very quiet all day. Following the trend of the previous close, prices opened cautiously with losses of $\frac{1}{16}$ throughout, however this weakness soon attracted buyers and the losses disappeared to be replaced with gains of $\frac{1}{16}$ in the shorts and $\frac{1}{8}$ in the long end. The Index-Linked gilt moved ahead to close at $35\frac{3}{8}$, $\frac{1}{4}$ up on the day.

The Industrial market opened slightly better on renewed optimism for an upturn in the economy and the prospect of lower interest rates. Considerable overseas and institutional buying created acute stock shortages which accentuated the widespread gains. Most sectors closed at their best with the Financial Times Index reaching a record level. Leading 'blue-chip' issues and Electricals were the most active with strong demand throughout. Oils recovered following recent weakness although Burmah Oil remained depressed after press comment concerning yesterday's disappointing results. The Building and Property sectors were well supported on hopes of a cut in interest rates. Engineering stocks were extremely firm, reflecting talk of increased industrial production. Hawker Siddeley continued to improve on further consideration of this week's figures. Financials, Stores, Foods and Breweries were generally better on persistent investment interest. Kaffirs hardened in line with the gold price.

Financial Times Index (3.00 p.m.) 566.1 (up 17.0)

<u>C.N.D.</u>	Sales and Purchases	NIL
<u>BANK</u>	Sales	NIL
	Purchases	£ 3,073,000
	Nett Purchases on balance	£ 3,073,000