

Wednesday, 22nd April, 1981.

The Gilt-edged market opened quietly and prices recouped the losses of the previous close and managed to improve by a further $\frac{1}{8}$. During the morning small but persistent institutional buying maintained this improvement and even pushed the prices of the more wanted stocks a further $\frac{1}{4}$ better; however during the afternoon all enthusiasm waned and the market lost $\frac{1}{8}$ from its best levels on lack of interest. Short prices followed the same pattern and small rises were trimmed during the afternoon, leaving some stocks better by $\frac{1}{8}$ while others closed unchanged on the day.

The Industrial market was initially steady. Prices moved higher during the day as institutional interest was revived by bullish press comment. Most sectors closed around the best levels with gains accentuated by a continued shortage of stock. Leading 'blue-chip' companies were in demand. ICI improved on the chairman's cautiously optimistic statement at the annual meeting. Engineers were well supported, particularly those with recovery potential. GKN, Tubes and Lucas Industries were especially strong. However, Delta Metal eased following the disappointing final results. In a firm Food sector, S. & W. Berisford announced revised takeover terms for British Sugar valuing the company at £290 million. British Sugar moved lower on news that the board are likely to reject the offer. Stores encountered persistent buying and Harris Queensway were sharply higher on the better than expected annual profits and encouraging statement. Electricals, Papers and Building shares were generally firm throughout. Kaffirs improved in line with the increased bullion price.

Financial Times Index (3.00 p.m.)

581.3 (up 15.2)

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| <u>C.N.D.</u> | Sales | £ | 4,606,000 |
| | Purchases | £ | 2,056,000 |
| | Nett Sales on balance | £ | 2,550,000 |
| <u>BANK</u> | Sales | £ | 31,031,000 |
| | Purchases | £ | 5,289,000 |
| | Nett Sales on balance | £ | 25,742,000 |