

Friday, 1st May, 1981.

The Gilt Edged market opened steady but newspaper reports of further hardening of U.S. interest rates brought in a certain amount of selling during the morning. This was not large but was sufficient to cause falls of up to $\frac{1}{4}$ in short-dated stocks and about $\frac{3}{8}$ in longs, with buyers still apparently content to hold off. At these levels, however, the market steadied again and remained relatively unchanged for the rest of the day. Dealings commenced in International Bank $13\frac{1}{2}$ 1986 which opened at $29\frac{3}{4}$ and closed at $29\frac{1}{8}$ (30% paid).

The Industrial market opened steady after the sharp advance seen yesterday following the I.C.I. figures. Prices, after improving initially, met profit-taking at the higher levels, with most sections reacting during the day ahead of the holiday recess, with prices generally closing at the slightly lower levels. Oil shares rallied after recent dullness, while Electrical, Store and Insurance issues moved lower after their recent firmness. Royal Bank of Scotland opened sharply easier following the reference to the Monopolies Commission, but rallied during the day, while Kaffir shares were selectively firmer on the gold fix price.

Financial Times Index (3.00 p.m.) 593.7 (down 3.6)

<u>C.N.D.</u>	Sales	£	3,155,000
	Purchases		NIL
	Nett Sales on balance	£	3,155,000
<u>BANK</u>	Sales		NIL
	Purchases	£	240,516,000
	Nett Purchases on balance	£	240,516,000