

A wire came after hours

Monday, 11th May, 1981.

The Gilt Edged market continued its better tone in early dealings today with prices opening up to  $\frac{1}{4}$  better. A certain amount of buying took place in all sections, and in particular the authorities were able to reactivate the short tap stock Treasury  $11\frac{1}{2}\%$  1985 at a price of  $27\frac{1}{8}$ , and to sell stock before finishing at that price. This and other official sales appeared to satisfy the buyers for the time being, and prices came off the best levels. Increasing worries about a possible all out Civil Service strike, and the rise during the afternoon of the Chase prime rate to  $19\frac{1}{2}$ , were both unhelpful features, and the market tended to ease during the afternoon. By the close shorts were generally showing small losses on the day, while the gains in longs had been pared to  $\frac{1}{8}$  on balance.

The Industrial market opened steady. Most sectors moved narrowly during the day with no definite trend emerging. Prices closed around overnight levels in quiet business conditions. Leading 'blue-chip' companies were firm although Courtaulds weakened following an adverse broker's circular. Dunlop were better on revived speculation of an overseas bid, while Unilever improved ahead of figures due shortly. Stores were higher in active trading with both Sears Holdings and British Home Stores hardening on final results that exceeded market estimates. F. W. Woolworth and Debenhams were well supported after favourable press comment. Among steady Electricals, Racal Electronics were in demand on hopes of a large American contract for their latest radio equipment. In the Engineering sector, Tube Investments were lower on the uncertain A.G.M. statement and news of loss in the first quarter. Shipping shares were easier with P. & O. remaining dull after last week's bearish report. European Ferries fluctuated before ending unchanged on annual profits, which were slightly below expectations and the announcement of a rights issue. Kaffirs moved higher in line with the increased gold price.

Financial Times Index (3.00 p.m.) 568.9 (down 0.4)

<u>C.N.D.</u>	Sales	£	41,526,000
	Purchases		NIL
	Nett Sales on balance	£	41,526,000
<u>BANK</u>	Sales	£	54,795,000
	Purchases		NIL
	Nett Sales on balance	£	54,795,000