

Wednesday, 13th May, 1981.

The Gilt Edged market opened a little better this morning with prices  $\frac{1}{8}$  -  $\frac{1}{4}$  higher and a number of early buyers in evidence. However after this early improvement a few sellers also appeared and the market showed no further rise. Business then became very quiet and during the afternoon the market drifted a little to close back around yesterday's 3.30 levels.

The Industrial market opened slightly better. However, the initial trend was not sustained and prices fell throughout the day. Sentiment was adversely affected by fears of escalating Middle Eastern troubles, rumours of more large rights issues and receding hopes of a cut in interest rates. Most sectors closed around the worst levels in subdued trading conditions. Stores were weak despite some encouraging results recently. F. W. Woolworth were flat following disappointing interim profits. Electricals and Engineers were generally lower through a marked lack of support. Clearing Banks and Insurance issues were easier although Royal Insurance remained unchanged ahead of tomorrow's interim statement. Coats Patons improved on annual figures that exceeded market estimates and Trafalgar House were higher on increased final profits. Kaffirs were marginally better in line with the gold price.

Financial Times Index (3.00 p.m.) 548.3 (down 7.7)

<u>C.N.D.</u>	Sales	£	501,000
	Purchases	£	175,000
	Nett Sales on balance	£	326,000
<u>BANK</u>	Sales and Purchases		NIL