

Wednesday, 3rd June, 1981.

With the uncertainty over the future of U.S. interest rates continuing to prevail, the Gilt Edged market went through an uncertain and not very active day. After opening marginally easier prices improved again in early dealings, and then, with the spot dollar rate continuing to fall in the direction of 2, the market turned easier in the later morning to show falls of $\frac{3}{8}$ in the longer end by lunchtime. The selling abated during the afternoon and prices tended to recover again, but only enough to leave long prices down about $\frac{1}{4}$ on the day. Shorts after minor fluctuations closed with little change.

The Industrial market opened steady. Most sectors improved during the day on selective investment interest. However, turnover was fairly light and prices drifted back to close around overnight levels. Among firm 'blue-chip' companies, Unilever and Glaxo were unchanged ahead of tomorrow's final results. Electricals were better with Standard Telephones, Farnell and Telephone Rentals particularly strong on confirmation of the increased spending facilities for British Telecom. Oil shares were weak but Ultramar hardened on news of the increased holding by Consolidated Gold Fields. British Petroleum fell prior to tomorrow's interim profits. Among Financials, Clearing Banks were steady, while Insurance issues were better as jobbers encountered considerable demand. Kaffirs were dull as the gold price eased marginally.

Financial Times Index (3.00 p.m.) 547.1 (up 0.1)

C.N.D.

Sales	NIL
Purchases	£ 931,000
Nett Purchases on balance	£ 931,000

BANK

Sales	NIL
Purchases	£ 874,000
Nett Purchases on balance	£ 874,000