

Wednesday, 1st July, 1981.

The Gilt Edged market opened easier this morning following the fall in the sterling rate, an easier U.S. bond market, and a certain amount of selling after hours yesterday. Shorts were soon showing losses of up to $\frac{3}{8}$ and longs of up to $\frac{3}{4}$, although turnover remained very light. A small rally around midday did not hold and prices closed the day at or around the lowest levels.

The Industrial market opened steady. Prices moved ahead during the day with selective institutional support in evidence and most sectors closed at the best levels. Trading conditions remained subdued. Electricals continued to attract interest with GEC hardening ahead of tomorrow's annual profits news. Plessey and Racal Electronics were also firm on further consideration of recent figures. In a quiet Food sector, J. Sainsbury were sharply higher following the encouraging AGM statement. The S. & W. Berisford takeover bid for British Sugar closed today with both shares unchanged prior to publication of the outcome. Clearing Banks were steady but Insurance issues eased on profit-taking after the firm trend of late. Engineers, Stores and Builders were generally better throughout. Kaffirs fell in line with the depressed gold price.

Financial Times Index (3.00 p.m.) 548.4 (up 3.6)

<u>C.N.D.</u>	Sales	£	4,399,000
	Purchases		NIL
	Nett Sales on balance	£	4,399,000
<u>BANK</u>	Sales	£	808,000
	Purchases	£	12,761,000
	Nett Purchases on balance	£	11,953,000