

Thursday, 23rd July, 1981.

The Gilt Edged market opened slightly better this morning, largely reflecting an improvement after-hours yesterday. In early dealings the market remained quiet as investors sought to discover whether yesterday's rebound would be consolidated. When prices generally held at the better levels, a certain amount of buying came in during the day, and although the market remained relatively thin, prices saw a further improvement. By the close short-dated stocks were showing rises of $\frac{1}{4}$ - $\frac{3}{8}$ while longs were up to $\frac{5}{8}$ higher on the day.

The Industrial market opened steady on the last day of the current account. Most sectors fluctuated within narrow margins and prices closed slightly higher on balance in extremely quiet business conditions. Electricals were actively traded with institutional demand in evidence ahead of the parliamentary debate concerning increased spending powers for British Telecom. Plessey, G.E.C. and Standard Telephones were particularly strong features. Among Engineers, Metal Box eased following the chairman's AGM statement. Davy Corporation were initially better but ended unchanged after the final results. Dowty Group remained weak on further consideration of recent figures. The Oil sector was firm with Ultramar improving on vague takeover rumours. Clearing Banks were dull although Insurance issues hardened on hopes of further overseas bid approaches within the sector. Inchcape were higher after encouraging annual profits. Kaffirs drifted lower in line with the bullion price.

Financial Times Index (3.00 p.m.) 518.9 (up 1.9)

<u>C.N.D.</u>	Sales	£	507,000
	Purchases		NIL
	Nett Sales on balance	£	507,000

<u>BANK</u>	Sales	£	91,139,000
	Purchases		NIL
	Nett Sales on balance	£	91,139,000