

Friday, 24th July, 1981.

The Gilt Edged market opened slightly firmer in the longer end with rises of about $\frac{1}{4}$ in this area, while shorts showed only fractional rises. Little business either way developed during the morning although shorts saw a little buying and moved slightly higher. During the afternoon a few buyers did come in in the longer end and prices here improved in turn. At the close shorts were about $\frac{1}{8}$ up and longs were up to $\frac{1}{2}$ higher on the day.

At 3.30 the issue of two further £250 million tranches of Exchequer 3% 1984 and Treasury 3% 1985 were announced, to rank pari passu with the existing stocks.

The Industrial market opened steady on the first day of the new account. Trading conditions remained subdued and price movements were marginal throughout the day. In the Engineering sector, John Brown were sharply higher on annual profits that exceeded estimates and a maintained dividend. Hawker Siddeley weakened following a company meeting with analysts yesterday. Among leading 'blue-chip' stocks, I.C.I. were dull prior to next week's interim results. Dunlop were well supported on revived takeover rumours. Food shares were unchanged although J. Sainsbury were better on reports of an increase in market share. Clifford Dairies were in demand after suggestions that Unigate may attempt a fresh bid approach. Clearing Banks and Insurance issues were quiet but Merchant Banks encountered selective interest. Britannia Arrow were firm on takeover speculation while Mills and Allen improved following a forecast of higher profits and dividends. Kaffirs were neglected as the gold price drifted slightly easier.

Financial Times Index (3.00 p.m.) 519.8 (up 1.2)

C.N.D. Sales and Purchases NIL

<u>BANK</u>	Sales	£ 14,678,000
	Purchases	NIL
	Nett Sales on balance	£ 14,678,000