

Friday, 31st July 1981

The Gilt Edged market opened slightly firmer this morning with rises of up to $\frac{3}{8}$ in the longer end. The National Savings announcement, the ending of the Civil Service strike, and an improved U.S. bond market were all thought to be to some extent responsible. Prices in the longer end remained quietly firm all day and ended $\frac{1}{4}$ - $\frac{1}{2}$ higher. Shorts on the other hand eased back under the influence of higher money rates and closed showing small net changes either way.

The Industrial market remained quiet and steady at the opening. Prices tended to improve marginally on the better overnight performance of Wall Street but lack of follow-through in extremely subdued trading caused most sections to close with small net gains. Insurance shares provided a firm feature while Oil issues failed to maintain the higher levels. I.C.I. remained steady on further reflection of the figures while Midland Bank's results were slightly above market expectations. Kaffir shares lacked a decided trend.

Financial Times Index (3.00 p.m.) 527.4 (up 1.5)

C.N.D.

Sales and purchases NIL

BANK

Sales and purchases NIL