

Monday, 3rd August, 1981.

The Gilt Edged market opened easier this morning, part of the fall having occurred after hours yesterday following the announcement of the issue of two further small tranches of long-dated stock. Longs opened up to $\frac{1}{2}$ lower but stock still came in at these levels, with sterling falling quite sharply and investors continuing to take a pessimistic view of any easing in U.S. rates. By mid-morning shorts were showing falls of up to $\frac{3}{8}$ and longs of up to $\frac{7}{8}$. At these levels the market steadied and even tended to improve slightly, but during the afternoon prices eased away again to close up to $\frac{1}{2}$ down in shorts and 1 point in longs.

The Industrial market opened slightly higher following the week-end press comment. Prices tended to improve initially in extremely subdued trading, but lack of follow through caused most sections to react marginally towards the close. Store shares held small nett gains, while Banking issues failed to show a decided trend awaiting Barclays results, due on Thursday. Kaffir issues drifted lower throughout the day on the gold fix price.

Financial Times Index (3.00 p.m.) 528.9 (up 0.8)

<u>C.N.D.</u>	Sales	£	352,000
	Purchases		NIL
	Nett Sales on balance	£	352,000
<u>BANK</u>	Sales		NIL
	Purchases	£	21,031,000
	Nett Purchases on balance	£	21,031,000