

Wednesday, 2nd September, 1981.

The Gilt Edged market opened the period on a firmer note with gains of $\frac{1}{4}$ to $\frac{3}{8}$ throughout the list, encouraged by the firmer trend in sterling and the steadier tone of Wall Street. With little stock on offer, prices tended to harden throughout the morning on selective buying and by lunchtime showed gains of $\frac{1}{2}$ to $\frac{5}{8}$ in the longer dated stocks. The United Kingdom official reserve figures for August, which were published in the early afternoon and showed a loss of £57 million, had little effect on the market. With the first indications from Wall Street suggesting a lower market level, prices eased fractionally to close slightly below the best levels.

The Industrial market opened cautiously steady following yesterday's easier trend. Prices tended to drift throughout the day on lack of interest, with most sections closing at or around the worst levels. R.T.Z. were easier after the poor results from the Australian subsidiary C.R.A., while Electrical and selective engineering issues were marked lower on the possible U.S. defence cuts. P. & O. were an isolated firm feature following the deal with Exxon to carry Liquified Gas, while Kaffir shares moved higher on the gold fix price. Sun Alliance and Phoenix were unchanged after their results, while G.R.E. eased after the figures.

Financial Times Index (3.00 p.m.) 564.8 (down 3.2)

<u>C.N.D.</u>	Sales		194,000
	Purchases	£	1,222,000
	Nett Purchases on balance	£	1,028,000
<u>BANK</u>	Sales	£	14,114,000
	Purchases		NIL
	Nett Sales on balance	£	14,114,000