

EASA

Tuesday, 22nd September, 1981.

Following the reduction in U.S. prime rates and the Federal Reserve surcharge, and heartened by the performance of sterling particularly against the continental currencies, the Gilt Edged market has had a good day. After opening up to $\frac{1}{4}$ higher prices improved throughout the morning. Turnover improved also and the buying became rather more positive. By lunchtime shorts were showing rises of $\frac{1}{4}$ - $\frac{3}{8}$ while longs were up to $\frac{3}{4}$ higher. Activity declined during the afternoon but prices held up well and closed at around the lunchtime levels.

The Industrial market opened sharply higher, extending the better tone seen yesterday afternoon. Prices improved initially aided by the overnight rally on Wall Street and the oversold position in the U.K. markets, with all sections fluctuating at or slightly below the best levels. Vickers provided a firm feature ahead of their forthcoming results, while Barratt Development were sharply higher on the excellent results and capitalisation issue. Kaffir shares lacked a decided trend throughout the day.

Financial Times Index (3.00 p.m.) 514.8 (up 7.9)

C.N.D. Sales and Purchases NIL

<u>BANK</u>	Sales	£	136,156,000
	Purchases	£	726,000
	Nett Sales on balance	£	135,430,000