

Friday, 25th September, 1981.

The Gilt Edged market had seen some buying and bear-closing after hours yesterday, and this morning had to react to President Reagan's statement. The net result of this was that prices opened this morning up to $\frac{1}{2}$ above yesterday's 3.30 levels. At this level however sellers came in throughout the market and prices were pushed down during the morning to about $\frac{1}{4}$ - $\frac{3}{8}$ below yesterday at 3.30. During the afternoon, following the Treasury Bill tender, particularly since the average rate of discount was in fact lower than might have been expected, prices rallied slightly to close at or just below yesterday's close.

The Industrial market opened slightly nervous after last night's sharp rally. Prices moved lower throughout the morning as further sellers appeared and, with no support evident on the final day of the account, all sections closed at the worst levels. Property, Electrical and Leading industrials were particularly dull, while Kaffir shares moved marginally higher on the gold fix price.

	Financial Times Index (3.00 p.m.)	475.2 (down 13.9)
<u>C.N.D.</u>	Sales and Purchases	NIL
<u>BANK</u>	Sales	NIL
	Purchases	£10,394,000
	Nett Purchases on balance	£10,394,000