

Wednesday, 14th October, 1981.

The Gilt Edged market again opened very quiet and about $\frac{1}{8}$ easier. During the morning a little selling came in and prices eased by a further $\frac{1}{8}$ - $\frac{1}{4}$ by lunchtime. In the early afternoon some more determined selling, largely in shorts, developed, and in the absence of any offtake prices retreated quite sharply, with short-dated stocks suffering the most. At the low point, losses of up to $\frac{7}{8}$ had appeared in this area. At this level however buyers came in and the market rebounded somewhat, although shorts still closed the day up to $\frac{3}{4}$ lower. Longs saw less activity, and although also easier in the afternoon finally closed only about $\frac{1}{4}$ down on balance.

The Industrial market opened slightly lower despite the base rate cuts. Prices continued to move lower throughout the day on continued selling, and with little or no buying interest all sections closed at the worst levels. Banking, Insurance and Property shares were dull sectors, while Kaffir issues lacked a decided trend throughout the day. Tubes were dull on rumours of problems within the group, while Ranks Hovis and Britannic Arrow, initially firm, failed to maintain the better levels.

Financial Times Index (3.00 p.m.) 470.6 (down 14.0)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	1,653,000
	Nett Purchases on balance	£	1,653,000
<u>BANK</u>	Sales		NIL
	Purchases	£	53,395,000
	Nett Purchases on balance	£	53,395,000