

Thursday, 29th October 1981

The Gilt-Edged market opened with rises of up to $\frac{1}{4}$ point throughout the list. This, however, attracted some selling and prices were unable to make any further progress. Only after the market had slipped back to almost its overnight level was further buying interest seen and, encouraged also by a rise of a cent in the Sterling/Dollar rate, prices began to move ahead again. An improvement in U.S. bonds of up to 2 points helped sentiment further and prices closed at their best levels showing rises of up to $\frac{3}{8}$ in the shorts and $\frac{3}{4}$ in the mediums and longs.

The Industrial market opened steady. Business conditions were overshadowed by the ICI figures that were announced at lunchtime. Early speculation that the results would be favourable encouraged selective investment interest and most sectors improved marginally. However, the support was not maintained and prices drifted lower towards the close in very subdued trading. Leading 'blue-chip' companies encountered some institutional buying. Glaxo and Unilever were particularly strong features. ICI were initially higher on the encouraging third-quarter results but later reacted on profit-taking to end slightly better on balance. In the Food sector, J. Sainsbury were in demand ahead of figures due next week. Gill and Duffus recovered partially after the sharp overnight fall on news of dealing losses and irregularities at their Hong Kong subsidiary. Electricals were quietly firm. Berec moved ahead following the announcement that they have agreed a bid from Thomas Tilling that easily exceeds the previous offer made by Hanson Trust. Among textile shares, Coats Patons were dull after the slightly disappointing half-year results. Lucas Industries were flat on adverse press comment. Kaffirs declined in line with the lower gold price.

Financial Times Index (3.00 p.m.) 467.1 (up 0.4)

C.N.D.

Sales		NIL
Purchases	£	411,000
Nett Purchases on balance	£	411,000

BANK

Sales		£78,881,000
Purchases		NIL
Nett Sales on balance		£78,881,000