

Tuesday, 10th November, 1981.

The Gilt Edged market ran out of steam today after its recent rise. Prices opened slightly easier, and the fact that the market was no longer going ahead exposed some overbought positions, particularly in the light of the call due shortly on Exchequer 15% 1997. As a result sellers appeared and remained in the ascendant all day, although there was good two-way business going on at certain times. The market tried to rally after the banking figures but this failed to hold, and prices closed the day generally about $\frac{3}{4}$ down, with Exchequer 15% 1997 at $22\frac{3}{4}$.

The Industrial market opened steady. However, most sectors reacted to profit-taking after yesterday's strong improvement and prices drifted down during the day through lack of support, closing around the worst levels. The Food sector remained the focus of attention with Northern Foods flat on news of a rights issue to raise £41 million. Suggestion that the cash might be used for an acquisition helped Avana move ahead. Argyll Foods were higher following the referral of their bid for Linfood to the Monopolies Commission. Linfood weakened on the announcement. Insurance shares were dull with Commercial Union marginally lower on third-quarter profits. In a quiet Banking sector, Hill Samuel were better following first-half figures, while Discount Houses remained steady although Cater Ryder's interim statement was rather disappointing. Whitbread half-year results were below market expectations; they and other Brewery shares fell accordingly. Among Paper stocks, De La Rue declined on the sharp drop in interim profits. Engineers, Electricals and Oils were generally dull throughout. Kaffirs were easier in line with the gold price.

Financial Times Index (3.00 p.m.) 504.7 (down 6.2)

<u>C.N.D.</u>	Sales and Purchases	NIL
<u>BANK</u>	Sales	NIL
	Purchases	£ 26,029,000
	Nett Purchases on balance	£ 26,029,000