

Monday, 23rd November, 1981.

With the news from the U.S. not so immediately encouraging as of late, and with stock now available at both ends of the market, the Gilt-Edged market took a step back today. Prices had been slightly easier after hours yesterday following the issue of the three new tranches, and this trend was continued with the market opening up to $\frac{3}{8}$ easier. A certain amount of attempted selling and profit-taking was seen during the morning and prices continued to retreat so that by lunchtime shorts were up to $\frac{1}{2}$ down while longs had lost about 1 point. The market remained around this level until shortly before the close, when a small rally enabled prices to close about $\frac{1}{8}$ above the worst in all sections.

The Industrial market opened steady on the first day of the new account. However, most sectors drifted lower during the day, failing to consolidate the sharp improvement witnessed on Friday evening. Prices closed around the worst levels in subdued trading conditions. In the Engineering sector, Metal Box hardened following better than expected interim results, increased dividend and encouraging statement. Other leading stocks were marked up in sympathy although British Aerospace succumbed to profit-taking after the recent rise. Electricals were easier as jobbers encountered selling but Thorn-EMI were better after the announcement of the sale of a subsidiary. Building issues improved and English China Clay were the subject of speculative interest on revived takeover gossip. Tunnel Holdings made further progress awaiting possible bid developments. Banking and Insurance issues were quiet although Commercial Union hardened on a favourable brokers' circular. Kaffirs were dull as the bullion price declined.

Financial Times Index (3.00 p.m.) 515.6 (down 4.3)

C.N.D. Sales and Purchases NIL

BANK Sales NIL
Purchases £ 19,733,000
Nett Purchases on balance £ 19,733,000