

Thursday, 26th November, 1981.

The Gilt-Edged market has had a quiet day following its improvement yesterday. Prices opened steady but saw a little selling and profit-taking during the morning, as a result of which prices eased away gently in the mediums and longs. By lunchtime, although short prices were showing little change on balance, the rest of the market was about $\frac{1}{4}$ down. A little further ground was lost during the afternoon, so that shorts closed the day up to $\frac{1}{8}$ easier, while longs generally ended about $\frac{3}{8}$ lower.

*16 better
afternoon*

The Industrial market opened slightly better in anticipation of a cut in U.K. interest rates following the recent American prime rate reductions. However, when the expected news failed to materialise, prices drifted back to close around overnight levels in quiet trading conditions. Among leading 'blue-chip' companies, Courtaulds improved on the encouraging first-half profits and statement. In an active Building sector, both Redland and Tunnel Holdings were higher following favourable interim figures. Tarmac and Hoveringham hardened after news that their merger had been cleared by the Office of Fair Trading. Engineers were subdued although T. W. Ward were well supported on the rejection of the R.T.Z. take-over terms accompanied by excellent results and increased dividend. 600 Group were unchanged on the interim report. Among Financials, Banking shares were firm and Grindlays encountered speculative demand on revived bid gossip. Insurance issues were quiet but Eagle Star rose on hopes of a full-scale takeover approach from major shareholders, Allianz of Germany. Kaffirs were easier on balance despite a steady bullion price.

Financial Times Index (3.00 p.m.) 525.7 (down 0.5)

<u>C.N.D.</u>	Sales	£	5,112,000
	Purchases	£	4,794,000
	Nett Sales on balance	£	318,000
<u>BANK</u>	Sales		NIL
	Purchases	£	12,883,000
	Nett Purchases on balance	£	12,883,000