

Tuesday, 1st December, 1981.

The Gilt-Edged market opened somewhat easier this morning following the sharp overnight fall in U.S. bonds. With short money rates looking firmer, a few sellers appeared during the morning, and prices eased further to show falls of up to $\frac{3}{4}$ at one time. From this level the market fluctuated for the rest of the day but on a gradually easing trend, and finally closed showing losses of up to $\frac{1}{2}$ in short-dated stocks and up to about $\frac{7}{8}$ in longs.

The Industrial market opened easier with dealers cautious ahead of the Chancellor's speech tomorrow. Most sectors fluctuated around the lower levels during the day with sentiment further influenced by early indications that the Esso tanker drivers will vote to strike over their pay dispute. Leading 'blue-chip' companies reacted as jobbers encountered widespread profit-taking. The Property sector was initially depressed by a £27 million rights issue from Great Portland but prices later recovered following the excellent annual figures from MEPC whose shares were sharply higher. Electricals were lower as investors took profits prior to the GEC and Plessey results later this week. Hanson Trust moved ahead strongly after favourable final profits, an increased dividend and optimistic statement. Breweries reacted on the dismal outlook for the sector and Allied-Lyons fell on the disappointing interim report. Banking and Insurance issues were weak while Oils, Foods and Stores were generally dull throughout as jobbers noted a marked lack of support. Among Mining Financials, Charter Consolidated improved following interim results but Kaffirs declined in line with the gold price.

Financial Times Index (3.00 p.m.) 531.6 (down 6.2)

<u>C.N.D.</u>	Sales	£	3,362,000
	Purchases	£	3,901,000
	Nett Purchases on balance	£	539,000
<u>BANK</u>	Sales		NIL
	Purchases	£	4,089,000
	Nett Purchases on balance	£	4,089,000