

Thursday, 14th January 1982

Unsettled by the easier tone of sterling and the overnight weakness of the U.S. bond market, the Gilt-Edged market opened easier. Falls of up to $\frac{3}{8}$ were common but as there was no undue pressure prices edged better and recovered nearly all their losses. Despite a lower rise in Sterling M3 than had been expected the market remained very quiet and prices closed marginally easier on the day with the exception of the low-coupon stocks which remained in demand and closed with gains of up to $\frac{5}{16}$.

The Industrial market opened steady. Most sectors were slightly better during the day on selective investment interest although the undertone remained cautious awaiting the outcome of today's Coalminers' pay ballot. Prices tended easier towards the close as several sellers appeared. Electricals were mixed with Thorn-EMI moving ahead on satisfactory half-yearly results and the absence of a large rights-issue which had been widely anticipated. Racal Electronics weakened on bearish press comment after yesterday's interim report; Plessey and GEC were marked down in sympathy. Among secondary issues, both Muirhead and Dixons improved on figures that exceeded expectations. Chemical shares were well supported on hopes of a more favourable trading outlook for the sector while Fisons hardened on revived takeover gossip. Among quiet Financials, Royal Bank of Scotland were initially dull awaiting confirmation that the rival bids by Standard Chartered and Hong Kong and Shanghai Bank have been vetoed by the Monopolies Commission and the Trade Secretary. However, the price recovered in later business after the chairman's statement on future prospects. In the Food sector, S. & W. Berisford were higher on the increased final profits. Kaffirs were weak as the gold price continued to fall.

Financial Times Index (3.00 p.m.) 526.2 (down 1.1)

C.N.D.

Sales	NIL
Purchases	NIL

BANK

Sales	£4,950,000
Purchases	NIL
Nett Sales on balance	£4,950,000