

Tuesday, 26th January, 1982.

The expected easier trend in U.S. bonds overnight not having materialised, and with the December trade figures continuing to exert an encouraging influence, the market opened better this morning with long-dated stocks up to $\frac{1}{2}$ higher, about half of this rise having occurred late after-hours yesterday. Turnover was not nearly as good as of late and the market tended to fluctuate narrowly over the day to close up to $\frac{5}{8}$ higher in longs. Shorts, which had opened mixed, improved during the afternoon to close $\frac{1}{8}$ - $\frac{1}{4}$ up. Index-Linked stocks saw little further change, with the 2006 stock slightly easier on the day at $87\frac{7}{8}$.

The Industrial market opened higher encouraged by the latest trade figures and optimistic press comment on the economic outlook. Most sectors encountered renewed institutional demand after yesterday's weakness and prices closed around the best levels in active business conditions. Leading 'blue-chip' companies were well supported with Glaxo and Beechams particularly strong features. Engineers were better, although Davy Corporation were flat following disappointing interim results and rights issue raising £25 million. T. W. Ward eased after overnight confirmation that RTZ have succeeded with their takeover bid. Among firm Electricals, Rank Organisation maintained last night's improvement on annual profits that exceeded market estimates. Oil shares met sustained investment interest. However, among secondary issues Clyde Petroleum were dull following a £28 million rights issue. Banks and Insurances were generally better throughout. Kaffirs hardened in line with the higher bullion price.

Financial Times Index (3.00 p.m.) 566.1 (up 8.4)

C.N.D. Sales and Purchases NIL

BANK Sales NIL
Purchases £ 11,026,000
Nett Purchases on balance £ 11,026,000