

Thursday, 11th February, 1982.

The Gilt-Edged market has had a very firm day although the turnover was not at all large. Prices had been firm after hours yesterday, and with the news from the United States judged to be relatively encouraging, this trend continued today. With stock in short supply, a few buyers were enough to move the market sharply, and in spite of one or two minor reactions, the tone was firm throughout the day. By the close short-dated stocks had improved by about $\frac{1}{2}$ while longs were up to $1\frac{1}{4}$ better. This improvement switched some attention to the Index-Linked stocks which improved slightly in price, and the authorities were able to sell a small amount of the 2011 stock at $35\frac{3}{4}$.

The Industrial market opened higher, extending yesterday's firm tone aided by the overnight advance on Wall Street. Prices, however, failed to maintain the initial demand on lack of sustained interest, although most sections closed at the better levels. Food shares were firm on investment buying, while Electrical issues tended slightly lower on profit-taking, with the exception of B.I.C.C. in demand ahead of their forthcoming figures. Imperial Tobacco were sharply higher on the much better than expected figures, while G.K.N. provided a dull feature on press rumours of a poor trading performance of the component factory in the U.S.A. Kaffirs continued the recent advance, although activity was subdued.

Financial Times Index (3.00 p.m.) 576.2 (up 2.5)

<u>C.N.D.</u>	Sales	£	5,926,000
	Purchases	£	298,000
	Nett Sales on balance	£	5,628,000
<u>BANK</u>	Sales	£	33,714,000
	Purchases		NIL
	Nett Sales on balance	£	33,714,000