

Friday, 19th February, 1982.

In the wake of a firm U.S. bond market and substantial buying of the short tap Exchequer 13¹/₄% 1987 A after hours yesterday, the Gilt-Edged market opened firm this morning. Although long stocks opened up to about ⁵/₈ higher, dealings in this section of the market remained thin, and the bulk of the interest was in shorts which were up to ¹/₄ better. The authorities were able to sell a large amount of the short tap at 20¹/₈ (20% paid) and finish at this price. Following this dealing conditions became a lot quieter, but the market remained basically firm throughout the day. After selling further Exchequer 13¹/₄% 1987 A at 20¹/₄, the authorities also finished at that price during the afternoon. By the close shorts were showing rises of up to ⁷/₁₆ while longs were up to 1 point higher on the day.

The Industrial market opened slightly easier following overnight comment on the possibility of the equity sector drifting lower in the short term. Blue Circle continued the recent lower tone on losses in Mexico, while BET met investment interest on a buying recommendation from a brokers' circular. T.V. rental companies moved sharply higher after a seminar last evening but failed to maintain the best levels, while Lloyds Bank results caused the price to be marked higher only to meet profit-taking in later trading. Kaffir shares lacked a decided trend throughout the day.

Financial Times Index (3.00 p.m.) 561.8 (down 0.4)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	2,900,000
	Nett Purchases on balance	£	2,900,000
<u>BANK</u>	Sales	£	168,092,000
	Purchases	£	28,190,000
	Nett Sales on balance	£	139,902,000