

Tuesday, 23rd February, 1982.

The Gilt-Edged market failed to continue its sharp upward movement today. Having been slightly better after-hours yesterday, the market opened at around that level today, but it was soon apparent that the momentum was unlikely to be maintained. The one exception to this was Treasury 3% 1987 where substantial demand was seen and the authorities' supply of this stock was exhausted during the morning. Apart from this the market tended to drift, more particularly in the afternoon, and finished the day with nett losses of $\frac{3}{16}$ - $\frac{3}{8}$ in all sections, with Exchequer 13 $\frac{1}{4}$ % 1987 A closing at 21 $\frac{3}{16}$. There was some demand during the day for the Index-Linked 2011 stock, where the authorities were able to sell a small amount.

The Industrial market opened lower with sentiment adversely influenced by the unexpected overnight reversal on Wall Street. Most sectors continued to weaken during the day and prices closed around the worst levels. Clearing Banks were initially dull on fears that falling interest rates may affect trading margins. However, prices rallied sharply in response to excellent annual profits from National Westminster. Insurance issues fluctuated narrowly although Commercial Union were higher following final results that exceeded market estimates. Oils remained weak on consideration of the downward trend in crude oil values. Among leading 'blue-chip' companies, ICI eased prior to yearly figures due later this week. Electricals, Engineers and Stores were generally lower throughout on lack of support. Kaffirs declined in line with the bullion price.

Financial Times Index (3.00 p.m.) 559.5 (down 8.7)

C.N.D. Sales and Purchases NIL

<u>BANK</u>	Sales	£	142,219,000
	Purchases	£	38,708,000
	Nett Sales on balance	£	103,511,000