

Monday, 8th March, 1982.

The Gilt-Edged market started the day very firm following the good U.S. money supply figures over the week-end, but towards the end of the day the imminence of the Budget statement made for quieter conditions and some profit-taking. After opening about  $\frac{1}{4}$  -  $\frac{3}{8}$  up prices went further ahead, and by lunchtime were showing rises in the bracket  $\frac{5}{8}$  -  $\frac{7}{8}$  throughout the list. In spite of some falls to 16% in U.S. prime rates, the market was generally slightly easier during the afternoon to close with improvements of  $\frac{1}{2}$  -  $\frac{3}{4}$ . There was again some demand for Index-Linked 2011 stock and the authorities sold further stock at  $36\frac{1}{4}$ .

The Industrial market opened better at the start of the second week in the current account. Favourable week-end press comment encouraged selective investment demand although trading conditions remained subdued ahead of tomorrow's Budget. Among firm leading 'blue-chip' companies, ICI were a particularly strong feature following a bullish newspaper article highlighting future prospects. Building shares were well supported on consideration of lower interest rates which will help the sector outlook. Oil issues continued to weaken on worries concerning falling demand and dull crude oil prices. In an improved Electrical sector, ACC were marked higher awaiting further takeover developments. Kaffirs were weak as the bullion price declined.

	Financial Times Index (3.00 p.m.)		564.3 (up 3.6)
<u>C.N.D.</u>	Sales	£	685,000
	Purchases		NIL
	Nett Sales on balance	£	685,000
<u>BANK</u>	Sales	£	23,760,000
	Purchases		NIL
	Nett Sales on balance	£	23,760,000