

Friday, 12th March, 1982.

The Gilt-Edged market continued to be rather less active with dealing conditions returning to normal after the sharp post-Budget movements. With U.S. bonds easier overnight, Gilt-Edged prices had been up to  $\frac{1}{4}$  down after-hours yesterday and opened slightly easier again this morning as a few profit-takers came in before the week-end. Although the market steadied in early dealings, a little further selling brought the market back to show falls of up to  $\frac{1}{2}$  in shorts and up to  $\frac{3}{4}$  in longs by lunchtime. Part of the selling was thought to be due to fears that the U.S. money supply figure might show a sharp rise again. The market showed little further change during the afternoon and closed at around the lunchtime levels. Index-Linked stocks attracted demand both from straight buying and on switches and closed up to  $3\frac{1}{2}$  points better on the day.

The Industrial market opened steady on the final day of the budget account. Prices, however, tended to drift selectively lower as potential buyers failed to commit themselves ahead of the week-end, with most sections closing easier on balance. Oil shares reacted after yesterday's better tone on the Shell figures, awaiting B.P. results due on Monday. S.T.C. moved ahead following satisfaction with the statement, while Cadbury Schweppes met profit-taking on comment on the results. Kaffir issues were again dull on the lower gold fix price.

Financial Times Index (3.00 p.m.) 566.7 (down 1.2)

C.N.D.

Sales and Purchases

NIL

BANK

Sales

£ 128,802,000

Purchases

£ 128,522,000

Nett Sales on balance

£ 280,000