

Friday, 19th March, 1982.

The Gilt-Edged market opened steady throughout, but during the morning saw a certain amount of demand in the longer end where prices had risen by $\frac{1}{2}$ at lunchtime. During the afternoon this rise was partially reversed so that longs closed the day $\frac{1}{4} - \frac{3}{8}$ up on balance. Short-dated stocks on the other hand showed little movement on the day and closed at around opening levels. Index-Linked stocks which had opened steady fell away following the publication of the encouraging R.P.I. figure, and in small trading closed $1\frac{1}{2} - 2$ points lower. The announcement of the allotment price ($97\frac{1}{2}$) for the Index-Linked 1988 stock, was thought to be much in line with market yields and had no discernible effect on prices.

The Industrial market opened slightly better at the end of the first week in the current account. Most sectors continued to improve during the day on selective institutional investment. Buyers were encouraged by a larger than anticipated fall in the Retail Price Index and prospects of a further cut in short-term money rates. Prices closed around the best levels in quiet business conditions. Clearing Banks were firm in sympathy with Midland Bank whose shares hardened following annual results marginally better than expected. Oil issues were better after news that petrol price subsidies are to be reduced. Among well supported Electricals, BICC made progress ahead of next week's figures. Engineers were generally better although Turner and Newall remained flat on further consideration of the recent disappointing profits and cautious comment on future prospects. Kaffirs eased in line with the dull gold price.

Financial Times Index (3.00 p.m.) 563.5 (up 6.7)

<u>C.N.D.</u>	Sales		NIL
	Purchases	£	1,507,000
	Nett Purchases on balance	£	1,507,000
<u>BANK</u>	Sales	£	86,323,000
	Purchases	£	2,883,000
	Nett Sales on balance	£	83,440,000