

Tuesday, 11th May, 1982.

Following its good rise yesterday the Gilt-Edged market opened about  $\frac{1}{8}$  easier this morning. Long-dated stocks remained around this level in very quiet trading for the rest of the day. Shorts improved during the morning to show virtually no change at one time, but they also eased later to close up to  $\frac{1}{8}$  down on the day. The market showed no movement either way in response to the estimate of money supply rise of  $\frac{1}{2}\%$ .

Index-Linked stocks, apart from the 1988 stock, saw sellers, and were generally easier by up to  $\frac{1}{2}$ , with the 1996 stock showing a larger fall of  $\frac{7}{8}$ .

The Industrial market opened easier after the dull overnight performance of Wall Street on fears of an increase in short-term American interest rates. Most sectors fluctuated in two-way trade during the day, closing around the worst levels in quiet business conditions. Among dull leading 'blue-chip' companies, Glaxo were sharply higher on reports that their new anti-ulcer drug will gain marketing acceptance in America. Smith and Nephew weakened on disappointing interim profits. Food Retailers remained depressed by worries about the possible outbreak of another price cutting war. In the Stores sector, Sears were better following encouraging annual figures. Insurance shares were steady although Commercial Union hardened on first-quarter losses but a hopeful statement. Building issues encountered profit-taking but Costain improved on excellent final results. Kaffirs were unchanged with the gold price marginally better.

Financial Times Index (3.00 p.m.) 586.2 (down 4.3)

C.N.D.  
and  
BANK

Sales and Purchases

NIL