

Monday, 24th May, 1982.

The Gilt Edged market has taken heart today from the week-end's developments in the Falklands, and although turnover has not been all that large, prices have been firm virtually throughout the day. Prices opened up to about $\frac{1}{2}$ better and, aided by a firm sterling rate, the market gently improved right through to the close, with the authorities being able to sell some stock. By 3.30 shorts were showing rises of up to $\frac{5}{8}$ and longs of up to $1\frac{1}{8}$. Index-Linked stocks remained inactive and without change in price.

The Industrial market opened higher at the beginning of the second week in the present three-week account. Selective institutional demand, on hopes of a swift conclusion to the Falklands conflict, caused most sectors to rise during the day, closing at the best levels in thin and volatile trading conditions. Electricals were well supported with "Defence" stocks such as GEC and Hawker Siddeley particularly strong after encouraging week-end press comment. Plessey were sharply better prior to this week's annual figures. Among firm leading 'blue-chip' companies, Glaxo hardened as buyers returned following recent profit-taking. Engineers, Stores and Oils were generally higher throughout on consideration of the improving economic outlook. In the Food sector, A.B. Foods were better on favourable final results. Building and Property shares moved ahead on revived suggestion of a cut in interest rates. Kaffirs were dull in line with the gold price.

Financial Times Index (3.00 p.m.) 574.8 (up 14.2)

<u>C.N.D.</u>	Sales	£	26,503,000
	Purchases		NIL
	Nett Sales on balance	£	26,503,000
<u>BANK</u>	Sales	£	50,523,000
	Purchases		NIL
	Nett Sales on balance	£	50,523,000