

Monday, 7th June, 1982.

The Gilt Edged market had been slightly better in longs after-hours on Friday, but the news about the Middle East was sufficient to erase those gains, and shorts in fact opened the day slightly easier. However the market saw very little selling and prices soon firmed up during the morning to go into lunch showing little change on balance in shorts while longs were $\frac{1}{4} - \frac{3}{8}$ higher. In the afternoon the market remained firm if relatively inactive and closed $\frac{1}{2} - \frac{5}{8}$ up in longs, while shorts remained virtually unchanged on the day.

The Industrial market opened slightly lower at the start of a new account. Sentiment was adversely affected by a cautious C.B.I. report. However, there was no selling pressure and prices moved ahead across a broad front on selective institutional investment, closing around the best levels. Among firm leading 'blue-chip' companies, Glaxo were a particularly strong feature on American business prospects. Electricals were well supported with 'Defence contract' shares encountering sustained buying interest. Brewery issues were higher on further consideration of some encouraging figures recently. Engineering stocks were better and Metal Box improved following excellent annual profits. In the Paper sector, Reed weakened after disappointing final results. Kaffirs hardened as the bullion price increased.

Financial Times Index (3.00 p.m.) 590.5 (up 2.7)

<u>C.N.D.</u>	Sales	£	469,000
	Purchases	£	494,000
	Nett Purchases on balance	£	25,000
<u>BANK</u>	Sales	£	16,911,000
	Purchases	£	3,347,000
	Nett Sales on balance	£	13,564,000