

Tuesday, 22nd June, 1982.

Although uncertainty still prevailed over the outlook for U.S. interest rates, some slightly more hopeful reports together with the abrupt turn-round in the dollar, brought a better market in Gilt-Edged today. Prices were in any case ready for a technical up-turn after their fall, and turnover continued extremely light. After opening up to $\frac{3}{8}$ higher the market saw just enough buying during the day to keep it drifting upwards. By the close shorts were up to $\frac{9}{16}$ higher, longs up to $\frac{3}{4}$ better, while Index-Linked had recovered the $\frac{1}{4}$ they lost yesterday.

The Industrial market opened better, extending last night's sharp improvement. However, business conditions were rather thin and most sectors failed to hold the best levels. Electricals were active with Racal hardening on news of a £25 million Royal Navy order and awaiting final results deferred until tomorrow. Also reporting tomorrow, Ferranti were well supported, further helped by persistent bid speculation. In the Engineering sector, Vickers eased following the announcement of short-term working at Rolls-Royce. Foods, Stores and Breweries were generally higher on selective investment demand. Among Mining Financials, Charter Consolidated were firm on annual profits better than anticipated, while Kaffirs recovered in line with the bullion price.

Financial Times Index (3.00 p.m.) 558.9 (up 4.0)

C.N.D.

and Sales and Purchases

NIL

BANK