

Wednesday, 21st July, 1982.

After a quiet start during which a small amount of selling pushed prices lower by $\frac{1}{8}$ the Gilt-edged market began to see buyers. Prices soon recovered their losses and moved ahead to be a net $\frac{1}{8}$ up on the overnight list. Encouragement was taken from the rates at which the authorities dealt in the money market and prices improved by up to a further $\frac{1}{4}$ throughout the list. During the afternoon, however, the buying ceased and a few sellers reappeared which caused prices to slip again. At the close of business tranches of £300 m of each of Treasury $11\frac{1}{2}\%$ 1989 and Exchequer 12% 1998 were announced, at which time shorts were showing gains of up to $\frac{1}{4}$ while longs were unchanged to $\frac{1}{8}$ better.

The Industrial market opened steady. Most sectors improved during early business in response to selective investment demand but this was not sustained and prices drifted back, closing lower on balance. Among active leading 'blue-chip' companies, Glaxo were flat on persistent profit-taking that also affected Beechams. I.C.I. weakened as employees sold their annual shares bonus. B.O.C. continued to make progress after favourable comment, while Unilever were sharply higher on institutional support. Clearing Banks were better, although Midland Bank declined following disappointing profits from the American subsidiary, Crocker National. Union Discount hardened on the increased interim dividend and other Discount House shares were marked up in sympathy. Engineers were dull with Turner and Newall particularly weak following adverse publicity for the asbestos industry. Breweries, Foods and Stores were generally unchanged. Kaffirs were higher in line with the bullion price.

Financial Times Index (3.00 p.m.) 573.2 (down 3.0)

<u>C.N.D.</u>	Sales	£	248,000
	Purchases	£	1,291,000
	Nett Purchases on balance	£	1,043,000
<u>BANK</u>	Sales	£	3,250,000
	Purchases	£	769,000
	Nett Sales on balance	£	2,481,000