

Tuesday, 3rd August, 1982.

With rates continuing to fall in the U.S. the Gilt-Edged market opened firm again with demand in the longer end, which enabled the authorities to sell a further amount of Exchequer 12% 1998. Opening prices were generally  $\frac{1}{4}$  up and with the undertone remaining firm, prices edged a little higher during the day. Shorts closed slightly below the best levels, but the whole market still closed about  $\frac{3}{8}$  up.

At the close the issue to the Bank was announced of £500 million Treasury 12% 1987 A at a price of  $99\frac{5}{8}$ .

The Industrial market opened sharply higher, reflecting a strong overnight performance on Wall Street and increasing hopes of interest rate cuts. Prices held the best levels during the day despite a gloomy C.B.I. report on the economic outlook. Among firm leading 'blue-chip' companies, Beechams and Glaxo hardened on persistent institutional demand. Electricals were active with S.T.C. recovering partially following yesterday's fall on disappointing interim figures. Building and Property shares were well supported in anticipation of mortgage and base rate reductions. Breweries and Stores were generally better with rises exaggerated by a shortage of stock in the market. Kaffirs continued to improve in line with the bullion price.

Financial Times Index (3.00 p.m.) 566.5 (up 8.3)

<u>C.N.D.</u>	Sales	£	5,248,000
	Purchases		NIL
	Nett Sales on balance	£	5,248,000
<u>BANK</u>	Sales	£	137,720,000
	Purchases		NIL
	Nett Sales on balance	£	137,720,000