

Thursday, 5th August, 1982.

The Gilt-Edged market opened up to $\frac{1}{8}$ better today and there was demand during the morning for Treasury 12% 1987 A where the authorities sold stock at $99\frac{3}{4}$ ($\frac{1}{8}$ above the issue price) and were off at that level. There was also further demand for Index-Linked 1988 stock which the authorities also supplied $\frac{1}{4}$ above yesterday's price. Around midday however the market began to run out of steam and, with the Bank's bill dealing rates unchanged and U.S. bonds initially coming in slightly easier, a little profit-taking appeared and prices eased slightly. By the close shorts were showing losses on balance of around $\frac{1}{8}$ and longs of around $\frac{1}{4}$.

The Industrial market opened easier reflecting a sharp overnight decline on Wall Street. However, there was no selling pressure and most sectors recovered on selective investment support to close around overnight levels. Electricals encountered active two-way trade, with leading issues improving marginally, although S.T.C. weakened on further consideration of the recent disappointing half-year results. Hoover were flat on news of considerable interim losses. Stores were steady but Mail Order shares were marked down following adverse comment. In the Paper sector, Reed International were sharply lower on the first quarter profits setback. Barclays Bank reacted as interim figures were well below expectations and other Clearing Banks fell in sympathy. Breweries and Foods were generally slightly better. Kaffirs fluctuated narrowly as the gold price remained unchanged.

Financial Times Index (3.00 p.m.) 560.7 (up 0.4)

<u>C.N.D.</u>	Sales	£	22,625,000
	Purchases	£	16,617,000
	Nett Sales on balance	£	6,008,000
<u>BANK</u>	Sales	£	203,059,000
	Purchases	£	39,444,000
	Nett Sales on balance	£	163,615,000