

Tuesday, 17th August, 1982.

The Gilt-edged market opened at the best levels reached after hours last night. When no further upward movement appeared a little profit-taking caused prices to slip by  $\frac{1}{16}$  in the shorts and  $\frac{1}{8}$  in the longs. However, as no further selling appeared prices firmed up again, encouraged by the favourable rates at which the authorities dealt in the money market. News of a very strong opening in U.S. bonds caused prices to jump by up to  $\frac{3}{4}$  in the afternoon but profit-taking immediately trimmed the rise in the medium area to  $\frac{1}{2}$ . By the close shorts and longs were showing gains on the day of  $\frac{3}{8}$  and  $\frac{3}{4}$  respectively on top of the after hours gains of  $\frac{1}{8}$  and  $\frac{3}{8}$ .

The Industrial market opened slightly better, helped by further overnight progress on Wall Street. The increasing expectation of a cut in domestic interest rates failed to stimulate share prices and most sectors closed at the marginally higher levels in subdued business conditions. Textile issues were weak, anticipating adverse publicity from a television documentary to be broadcast this evening. Breweries continued to move ahead on hopes of brighter trading prospects. Among quiet leading 'blue-chip' companies, Unilever eased following rather disappointing first-half results. Oils were initially dull on fears of crude oil price reductions but leading stocks recovered in later business with Shell hardening ahead of tomorrow's interim report. Banks and Insurances improved on institutional investment support. Kaffirs were lower as the gold price declined.

Financial Times Index (3.00 p.m.) 550.3 (up 4.5)

C.N.D. Sales and Purchases NIL

<u>BANK</u>	Sales	£	50,058,000
	Purchases	£	8,457,000
	Nett Sales on balance	£	41,601,000