

Wednesday, 25th August, 1982.

Following the firmer trend after hours, the Gilt-edged market opened firmly with prices $\frac{1}{2}$ point above the list in the shorts and $\frac{3}{4}$ up in the longs. With no follow through prices began to slip which, in turn, encouraged some sellers and the slide became more pronounced. By midday all the gains had disappeared and shortly after that prices fell a further $\frac{1}{4}$ in the shorts and up to 1 point in the longs, whereupon buyers reappeared to push prices back up towards the level of the list again. By the close shorts were unchanged but longs were still down by up to $\frac{3}{4}$ on balance.

The Industrial market opened slightly easier with sentiment affected by the overnight reaction on Wall Street following recent strength. Business conditions were rather subdued and prices fluctuated within narrow margins, closing around the worst levels despite indications of further interest rate reductions. In the Building sector, both Blue Circle and London Brick improved after favourable interim figures. Among Financials, Mercantile House were re-quoted after a long suspension pending re-organisation with the new shares opening at a small discount. Insurance shares were dull with Pearl Assurance weakening on disappointing interim results. Breweries, Stores and Foods were lower, influenced by widespread profit-taking. Kaffirs eased in line with the bullion price.

Financial Times Index (3.00 p.m.) 568.4 (down 2.6)

C.N.D.

Sales		NIL
Purchases	£	369,000
Nett Purchases on balance	£	369,000

BANK

Sales		NIL
Purchases	£	11,495,000
Nett Purchases on balance	£	11,495,000