

Friday, 10th September, 1982.

News from the United States where the bond market remained unsettled continued to dominate the Gilt-edged market and prices opened down  $\frac{1}{4}$  in the shorts and  $\frac{1}{2}$  in the long end. Selling was persistent rather than heavy, with some rumoured to have come from overseas. The absence of buyers was the main cause of the continuous drift in prices which fell a further  $\frac{1}{2}$  point in the shorts with only one half-hearted attempt at rallying. Sentiment was not helped by a rise in the Treasury Bill rate and although the shorts closed  $\frac{1}{8}$  above their worst levels, losses still reached up to  $\frac{3}{4}$  while longs were down by up to  $1\frac{3}{8}$ . Index-Linked issues were marked down  $\frac{1}{8}$  in sympathy.

The Industrial market opened sensitively on Wall Street influence and with no new evidence of a further decline in interest rates. Prices tended to move lower throughout the morning and, following the dismal A.G.M. statement from Thorn-EMI, all sections reacted further and closed at the worst levels. Electrical shares were particularly dull, B.S.R. being marked sharply down after the interim loss and Thorn-EMI 40p easier on balance. The Tricentral rights issue, raising £25 million had an adverse effect on the sector, with other Oil issues moving easier in sympathy, while Glaxo were depressed by further comment in the 'Lancet' magazine. Kaffirs continued to meet profit-taking on the easier bullion price.

Financial Times Index (3.00 p.m.) 576.2 (down 14.3)

<u>C.N.D.</u>	Sales	£	2,343,000
	Purchases	£	2,484,000
	Nett Purchases on balance	£	141,000
<u>BANK</u>	Sales and Purchases		NIL