

Friday, 1st October 1982

The Gilt-edged market opened quietly and slightly easier. With no incentive to improve prices drifted off quickly and soon the shorts were  $\frac{3}{16}$  lower while medium and longs lost up to  $\frac{1}{2}$ . At this level the market steadied but when no buyers appeared prices began to drift again and by midday losses ranged up to  $\frac{3}{8}$  in the shorts,  $\frac{5}{8}$  in the mediums and  $\frac{3}{4}$  in the longs. A drop in the Treasury Bill rate and a small improvement in the price of the long U.S. bond encouraged a little interest in the market and prices recovered  $\frac{1}{8}$  which became  $\frac{1}{4}$  by the close. At the close losses had been reduced to  $\frac{1}{4}$  in the shorts and  $\frac{1}{2}$  through the mediums and longs.

The Industrial market opened sharply lower on the last day of the current account. Sentiment was affected by the overnight decline on Wall Street but initial profit-taking was not sustained and prices recovered to close only marginally easier on balance. Among leading "blue-chip" companies, Glaxo met renewed institutional demand ahead of forthcoming results. ICI continued to weaken following bearish forecasts for future profitability. In the Building sector, John Laing were flat after the interim report disclosed unforeseen overseas contractual settlement problems. Stores were active with UDS encountering speculative buying on vague takeover gossip. Banking and Insurance issues were generally dull on lack of support. Kaffirs improved in line with the higher gold price.

Financial Times Index (3.00 p.m.) 575.9 (down 2.2)

C.N.D.

Sales	£1,039,000
Purchases	NIL
Nett Sales on balance	£1,039,000

BANK

Sales	NIL
Purchases	£10,143,000
Nett Purchases on balance	£10,143,000