

Tuesday, 5th October 1982

The Gilt-edged market opened nervously with prices marked down by  $\frac{1}{16}$  in the shorts and by up to  $\frac{1}{4}$  in the longs. This was in response to an undecided trend in Wall Street and in advance of the publication of the banking statistics. When no sellers were to be found prices quickly recovered their losses and by mid-morning were showing net gains of up to  $\frac{1}{8}$  throughout the list. The indication that £M3 had grown by 1% was well received and prices moved ahead again to reach a level where shorts were up to  $\frac{1}{4}$  better on the day, with mediums and longs up by  $\frac{3}{8}$ . At this level the market faltered and tended to drift off. By the close shorts were up to  $\frac{1}{8}$  better, mediums and longs up to  $\frac{1}{4}$ . Index-linked issues received more attention than of late and prices closed with gains of up to  $\frac{5}{8}$ .

The Industrial market opened steady around overnight levels. Most sectors fluctuated within narrow margins but prices closed at the best levels as some cheap buyers appeared in later trading. Among leading "blue-chip" companies, Glaxo weakened on profit-taking prompted by adverse press comment. In an active Electrical sector, GEC and Plessey were significantly higher while STC were flat following news of a rationalisation of British Telecom business. Stores improved, helped by encouraging interim results from Sears while UDS made further progress on speculative demand. Debenhams hardened ahead of half-yearly figures due this week. Kaffirs were better in line with the increased bullion prices.

Financial Times Index (3.00 p.m.) 574.4 (up 3.8)

C.N.D.

Sales	£ 2,042,000
Purchases	£ 2,058,000
Nett Purchases on balance	£ 16,000

BANK

Sales	£49,086,000
Purchases	£25,053,000
Nett Sales on balance	£24,033,000