

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR, 3 FEBRUARY

The Treasury are supplying a note tonight on the proposals for 15 March, as you requested at last week's meeting. This is probably the main item.

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But in addition I gather the Chancellor may want to have a word with you about:

- the position in the market following the half percent interest rate rise - this seems to have gone very quietly yesterday and today;

- the follow-up to your discussion with Lord Plowden on TSRB.

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(PAUL GRAY)

2 February 1988