

Monday, 27th April, 1981.

Following week-end press comment on the possible depth of the recession, and on the improbability of a reduction in M.L.R. in the near future, the Gilt Edged market opened a little easier in the longer end. Although conditions remained very quiet a few sellers appeared and all sections of the market eased a little further during the morning. By lunchtime short-dated stocks were about  $\frac{1}{8}$  down while longs were up to  $\frac{3}{8}$  lower. There was little further turnover during the afternoon and prices closed at around the lunchtime levels.

The Industrial market opened lower at the beginning of the last week for the current account. Sentiment was influenced by rather bearish week-end press comment with profit-taking causing most sectors to weaken. However, the selling was not sustained and two-way trade ensued with prices recovering to close around the overnight levels. Leading 'blue-chip' companies were active and I.C.I. improved following the recent encouraging statement and prior to Thursday's interim figures. Dunlop were better on takeover speculation. The Oil sector was weak on suggestion of falling prices to counter the decrease in world consumption. Among generally steady Engineering issues, Spear and Jackson were flat on disappointing results. Simon Engineering were sharply higher on the increased final dividend. In a quiet Food sector, BAT Industries were in demand ahead of interim figures expected later this week. Clearing Banks were better and Discount House shares hardened after the favourable profits announced by Gerrard and National. Kaffirs were easier as the gold price declined.

	Financial Times Index (3.00 p.m.)	586.4 (down 0.9)
<u>C.N.D.</u>	Sales	£ 2,669,000
	Purchases	NIL
	Nett Sales on balance	£ 2,669,000
<u>BANK</u>	Sales	£ 3,551,000
	Purchases	£ 15,473,000
	Nett Purchases on balance	£ 11,922,000