

Thursday, 25th June, 1981.

The Gilt Edged market remained extremely quiet all day. Prices opened about  $\frac{1}{8}$  -  $\frac{1}{4}$  lower influenced by the easier overnight trend in U.S. bond prices, and by small sales at the opening. With minor fluctuations the market remained basically unchanged from that level for most of the day. In the afternoon a further easing in U.S. bonds brought the market a fraction lower, and short-dated stocks closed  $\frac{1}{8}$  -  $\frac{1}{4}$  down and longs  $\frac{1}{4}$  -  $\frac{3}{8}$  down on the day.

The Industrial market opened steady. Most sectors improved during initial trading but the early selective investment interest was not sustained and prices drifted back to close slightly lower on balance. Oil issues were firm on the announcement that Saudi Arabia is to cut production in an effort to counter falling demand. This was particularly beneficial to the North Sea oil producers. The Electrical sector was active with Racal sharply higher on further consideration of yesterday's figures. Plessey were easier on final results that were marginally below expectations. Among dull Stores, Mothercare were flat in response to the bearish chairman's statement. Engineers were lower with Vickers weak following the gloomy AGM statement. Renold were depressed by the poor annual profits and news that a final dividend will not be paid. Trusthouse Forte eased on disappointing interim figures. Kaffirs declined in line with the gold price.

Financial Times Index (3.00 p.m.) 546.1 (down 2.3)

|               |                       |   |         |
|---------------|-----------------------|---|---------|
| <u>C.N.D.</u> | Sales                 | £ | 420,000 |
|               | Purchases             | £ | 90,000  |
|               | Nett Sales on balance | £ | 330,000 |

|             |                           |   |             |
|-------------|---------------------------|---|-------------|
| <u>BANK</u> | Sales                     |   | NIL         |
|             | Purchases                 | £ | 110,704,000 |
|             | Nett Purchases on balance | £ | 110,704,000 |