

Friday, 26th June, 1981.

The Gilt Edged market was again extremely quiet today. Prices generally opened up to $\frac{1}{8}$ easier with a few small sellers in evidence. These however soon dried up and the market recovered to show little change at lunchtime. During the afternoon the slightly easier trend in U.S. bond prices caused longs to close $\frac{1}{8}$ down on balance, while shorts closed around the lunchtime levels.

The Industrial market opened steady on the last day of the current account. Most sectors drifted lower either through lack of support or on end-account profit-taking. Business conditions were extremely quiet apart from several special situations. Electricals remained active with prices fluctuating in two-way trade. GEC continued to improve following a broker's encouraging reappraisal and forthcoming results. Plessey and Racal made further progress on consideration of recent figures. Among dull Engineers, British Aerospace were higher on relief that they will not be affected by Defence spending cuts. Vickers extended losses after yesterday's bearish AGM statement. Oil shares were mainly easier on reports that Saudi Arabia have denied they are cutting oil production. Breweries and Stores were generally lower and Mothercare remained depressed by the Chairman's remarks on current trading. Kaffirs were flat in line with the weak bullion price.

Financial Times Index (3.00 p.m.) 541.7 (down 3.1)

C.N.D.

Sales		NIL
Purchases	£	64,000
Nett Purchases on balance	£	64,000

BANK

Sales	£	12,976,000
Purchases	£	78,988,000
Nett Purchases on balance	£	66,012,000