

Friday, 11th September, 1981.

Following the improvement in U.S. bonds, the Gilt Edged market opened slightly better with shorts and longs about $\frac{1}{8}$ - $\frac{1}{4}$ better respectively. Turnover however remained very low and prices soon lost about half their rises. The market remained at this level for most of the rest of the day, but shortly before the close a fall in the sterling/dollar rate brought a further small easing in shorts. On balance the market closed fractionally easier in shorts and slightly higher in longs.

The Industrial market opened steady on the last day of the current account. Most sectors improved marginally during the day on selective investment interest. However, trading conditions were generally subdued with little support encountered for dealing forward for the new account. Among firm 'blue-chip' companies, I.C.I. maintained the overnight rise following news that an American licence has been granted to market their latest heart drug. Electricals were better on balance although Thorn-EMI weakened after the chairman's bearish statement on business prospects. B.S.R. were in demand on the interim profit which exceeded estimates. Among unchanged Engineering shares, G.K.N. hardened prior to next week's half-year figures. Banks and Insurance issues were quiet but Guinness Peat declined on disappointing interim results and a severe cut in the dividend. Kaffirs fluctuated narrowly as the gold price eased.

Financial Times Index (3.00 p.m.) 552.0 (up 3.4)

<u>C.N.D.</u>	Sales and Purchases		NIL
<u>BANK</u>	Sales	£	16,083,000
	Purchases	£	4,212,000
	Nett Sales on balance	£	11,871,000