

Thursday, 17th September, 1981.

The Gilt Edged market resumed its downward trend today, although prices improved towards the close. After opening slightly easier, the market saw selling during the morning, on this occasion more concentrated in long stocks, and prices fell away. By lunchtime longs were up to $\frac{3}{4}$ down, although shorts were only showing modest falls. Both before and after the money supply figures a small rally took place, although buying interest was still at a low level, and prices came off the bottom. By the close short-dated stocks were showing falls of up to $\frac{1}{8}$ while longs were about $\frac{1}{4}$ - $\frac{3}{8}$ down on balance.

The Industrial market opened cautiously, still reflecting uncertainty on the higher interest rates and the easier tone on Wall Street. Prices tended to rally marginally after the recent sharp falls during the day and most sections closed slightly better on balance. Foseco opened sharply easier on the rights issue announcement, while the results from U.D.S. proved better than expected. G.K.N., initially firmer on the interim statement, failed to maintain the higher levels, while Kaffir shares fluctuated at the better levels.

Financial Times Index (3.00 p.m.) 528.2 (up 2.7)

C.N.D. Sales and Purchases NIL

BANK Sales NIL
Purchases £ 5,203,000
Nett Purchases on balance £ 5,203,000