

Tuesday, 22nd December, 1981.

Having been slightly easier in the longer end after hours yesterday, the Gilt-Edged market opened at that level this morning to show virtually no change in short-dated stocks, and about $\frac{1}{8}$ losses in longs. This easier tendency however was not maintained, and with a small number of buying orders coming in, prices recovered during the morning, so that by lunchtime rises of $\frac{1}{8}$ - $\frac{3}{16}$ on balance were general throughout the market. The afternoon was very quiet and brought no changes from the lunchtime level.

The Industrial market opened steady. Most sectors drifted easier during the day on lack of investment support with sentiment adversely affected by the upward pressure on short-term interest rates. Prices closed at the slightly lower levels in extremely quiet and featureless trading conditions. Electricals were narrowly mixed although Plessey encountered institutional buying on a bullish brokers' circular, while GEC continued to make progress after recent news of large overseas contracts. Among firm Breweries, both Scottish and Newcastle and Grand Metropolitan improved on figures that easily exceeded market expectations. In the Engineering sector, Lucas Industries and GKN were dull on fears of a Ford' workers strike in the New Year. T. W. Ward were higher on hopes of increased takeover terms from RTZ. Peninsular and Oriental weakened on receding hopes of a Far Eastern bid approach. Stores, Foods and Oils were generally easier throughout. Kaffirs declined in line with the lower bullion price.

Financial Times Index (3.00 p.m.) 519.2 (down 1.5)

C.N.D.

Sales and Purchases

NIL

BANK

Sales

£

1,465,000

Purchases

NIL

Nett Sales on balance

£

1,465,000