

Thursday, 25th February, 1982.

Assisted by further hopes of a reduction in U.S. rates the Gilt-Edged market rebounded from its recent fall today. Prices were up to about $\frac{3}{8}$ better at the opening, and with buyers still appearing, prices went ahead during the morning. There was demand too for the Index-Linked stocks which improved by about $\frac{1}{4}$ with the authorities selling the 2011 stock at $35\frac{3}{4}$ and finishing at that price. During the afternoon short-dated stocks came back from the top but still closed up to $\frac{3}{8}$ higher on the day, while longs finished at around the best levels, with rises of up to 1 point.

The Industrial market opened higher as institutional buyers appeared, encouraged by the strong overnight performance on Wall Street. However, the initial widespread support was not sustained and prices fell during the day, sentiment being affected by the ICI Chairman's bearish statement. Most sectors closed around the worst levels. Leading 'blue-chip' companies were lower. ICI annual profits equalled analysts' estimates but the price reacted as the Chairman reported very little sign of any significant recovery. Dealings began in Amersham International and the shares, issued at 142p, maintained a healthy premium, closing at 188p. Electricals were flat with Plessey particularly weak following news of reducing profit-margins and increasing competition although third-quarter results were quite well received. Oils were under renewed pressure in response to falling crude oil values. Stores, Foods and Breweries were generally dull throughout on lack of interest. Kaffirs were marginally better in line with the bullion price.

Financial Times Index (3.00 p.m.) 550.4 (down 2.2)

<u>C.N.D.</u>	Sales and Purchases		NIL
<u>BANK</u>	Sales	£	41,264,000
	Purchases		NIL
	Nett Sales on balance	£	41,264,000