

Tuesday, 25th May, 1982.

Despite an early forecast that the Gilt-edged market would open better, prices failed to make any progress at the start. A little selling depressed the short prices which at their worst showed losses of up to $\frac{1}{8}$ while longs remained unchanged. Trading remained very quiet and short prices recovered $\frac{1}{16}$ but no interest was shown in the longs. In the absence of any information regarding the conflict in the South Atlantic shorts closed with losses of $\frac{1}{16}$ and longs remained unchanged.

The Industrial market opened steady despite a £125 million cash call by Grand Metropolitan. Most sectors improved during the day on selective investment interest, closing around the best levels. Electricals continued to be well supported with Ferranti and British Aerospace particularly strong features. Muirhead met speculative demand on revived takeover gossip. Among otherwise firm Food issues, Ranks Hovis eased following slightly disappointing interim figures. In the Brewery sector, Grand Metropolitan were better after the widely anticipated announcement of a £125 million rights issue. Banking shares were quiet although Cater Allen were sharply higher on the increased final dividend and other Discount companies were marked up in sympathy. Kaffirs were lower in line with the gold price.

Financial Times Index (3.00 p.m.) 579.3 (up 3.5)

<u>C.N.D.</u>	Sales	£	10,897,000
	Purchases	£	1,743,000
	Nett Sales on balance	£	9,154,000
<u>BANK</u>	Sales and Purchases		NIL