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Tuesday, 6th July, 1982.

The Gilt Edged market continued relatively firm today, but, although there were still a number of buyers, the pressure was not as great as yesterday. Prices opened initially showing little change but edged up gradually during the morning to go into lunch about $\frac{1}{4}$ - $\frac{5}{16}$ higher. The authorities were able to sell some of the Convertible tap at $30\frac{3}{8}$, but following the money figures, which presaged a $\frac{3}{4}$ rise in M.3, and were much as expected, a few profit-takers came in. Although shorts closed around $\frac{1}{4}$ up, longs lost a little ground to close $\frac{1}{8}$ up on balance.

The Industrial market opened higher, helped by revived talk of an impending reduction in domestic base rates. Most sectors fluctuated narrowly during the day in two-way trade, closing around the best levels. Among firm leading 'blue-chip' companies, Beechams rose in response to an encouraging statement by their chairman and Glaxo were particularly strong on persistent buying demand. Electricals continued to attract support on hopes of increased Government "Defence" spending. However, B.I.C.C. weakened following adverse press comment and Granada eased after slightly disappointing results. Among better Stores, U.D.S. improved on news that Heron Corporation have purchased a share stake. Oil shares were quietly firm while I.C. Gas hardened on excellent annual profits. Kaffirs were lower in line with the bullion price.

Financial Times Index (3.00 p.m.) 554.6 (up 6.2)

<u>C.N.D.</u>	Sales	£	6,431,000
	Purchases	£	6,212,000
	Nett Sales on balance	£	219,000
<u>BANK</u>	Sales	£	69,073,000
	Purchases	£	9,425,000
	Nett Sales on balance	£	59,648,000