

Monday, 9th August, 1982.

With U.S. bonds and sterling easier, and with continuing suggestions that the fall in U.S. rates had run its course for the moment, the Gilt-Edged market opened $\frac{1}{4}$ - $\frac{3}{8}$ easier. A little early selling took place, and some longs during the morning were showing falls of $\frac{1}{2}$, but at the lower level business was relatively quiet and two-way. Prices showed little change during the afternoon, and the market closed marginally above the worst, with prices reverting to their opening levels of $\frac{1}{4}$ - $\frac{3}{8}$ down throughout the market.

The Industrial market opened sharply lower, influenced by the continued decline on Wall Street and the disappointing American Money Supply figures which could delay a further reduction of interest rates. However, most sectors recovered partially during the day but still remained easier on balance. Engineers were dull, affected by adverse comment on prospects for the manufacturing industry. Building issues were lower with Cement shares particularly weak on further consideration of last week's decision not to increase prices. Among leading 'blue-chip' companies, I.C.I. fell on news of larger petro-chemical losses, while Fisons were flat following a bearish week-end press article. Breweries, Stores and Foods were generally easier on lack of support. Kaffirs were weak in line with the gold price.

Financial Times Index (3.00 p.m.) 540.6 (down 8.2)

<u>C.N.D.</u>	Sales and Purchases		NIL
<u>BANK</u>	Sales		NIL
	Purchases	£	5,291,000
	Nett Purchases on balance	£	5,291,000