

Thursday, 19th August, 1982.

The Gilt-edged market opened quietly with prices  $\frac{1}{4}$  point lower than the overnight lists. A small recovery took place with rises of  $\frac{1}{16}$  in the shorts and  $\frac{1}{4}$  in the mediums and this encouraged demand for the long high coupon stocks, which rose  $\frac{1}{2}$  from their lower levels. The price at which the Exchequer  $10\frac{1}{2}\%$  1987 was allotted caused marginal disappointment and prices began to slip, and when it was realised that not all of the stock had been allotted the market fell away quickly. The major sufferers were the lower coupon stocks which fell by up to  $1\frac{1}{2}$  but there was enough demand to slow the fall in other stocks. By the close nett losses of up to  $\frac{7}{8}$  were common throughout the list.

The Industrial market opened sharply lower in response to the overnight reversal on Wall Street. Most sectors were affected by widespread profit-taking after recent strength and prices closed around the worst levels. Among easier leading 'blue-chip' companies, Fisons were particularly weak as a large line of stock overhung the market. Electricals were active with Plessey dull for technical reasons, despite interim results that equalled analysts expectations. Stores weakened and British Home Stores declined on confirmation that several brokers have downgraded profit estimates. Breweries, Builders and Engineers were generally lower throughout on lack of support. Kaffirs eased in line with the bullion price.

Financial Times Index (3.00 p.m.) 567.9 (down 11.3)

<u>C.N.D.</u>	Sales	£	36,662,000
	Purchases	£	38,030,000
	Nett Purchases on balance	£	1,368,000

<u>BANK</u>	Sales and Purchases	NIL
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