

Wednesday, 22nd September, 1982.

The Gilt-edged market opened strongly having seen the sharp overnight rise in the U.S. bond market. Prices were marked up by  $\frac{3}{4}$  in the shorts and 1 point throughout the mediums and longs. The shorts reacted quickly falling back by  $\frac{1}{4}$  but the longer stocks retained their rise and, in the case of the very long issues, pushed ahead by up to a further  $\frac{3}{8}$ . At this level calmer conditions prevailed and two-way trade developed. Some disappointment was felt when the money market rates were seen to remain unchanged and prices fell by  $\frac{3}{8}$  throughout the shorts and longs; however, when Wall Street was seen to open firmly the market recovered. By the close shorts were showing gains of up to  $\frac{5}{8}$ , mediums of up to  $1\frac{1}{8}$  and longs of up to  $1\frac{3}{8}$ .

The Industrial market opened sharply higher following the significant overnight rise on Wall Street. However, initial buying interest was not sustained and widespread profit-taking caused most sectors to react, closing marginally above last night's levels. Among leading 'blue-chip' companies, BAT Industries weakened after disappointing interim profits. Electricals fluctuated in active two-way trade, while Thorn-EMI were flat as a result of a bearish analysts' meeting and further adverse profit forecasts. In the Stores sector, F. W. Woolworth remained suspended pending a statement that may lead to a takeover bid. Among Paper shares, DRG improved on encouraging half-year figures and maintained interim dividend. Standard Chartered Bank announced a £100 million loan stock issue. Kaffirs were better in line with the bullion price.

	Financial Times Index (3.00 p.m.)	579.5 (up 3.3)
<u>C.N.D.</u>	Sales	NIL
	Purchases	£ 1,108,000
	Nett Purchases on balance	£ 1,108,000
<u>BANK</u>	Sales	£ 136,149,000
	Purchases	NIL
	Nett Sales on balance	£ 136,149,000