

BEWARE THAT YOU ARE NOT LIVING IN MONKEYLAND !

It is so easy, when one is falling from what appears to be a great height, to try to catch hold of any leaf of any bough in the tree in the hope that one's fall may be halted or slowed.

Even monkeys, among the best climbers of trees in the world, often miss their marks when leaping from one tree to another, or from one bough to another on the same tree.

However, due to their natural physical agility, fatalities in the monkeyland are few and far between, even when a Primate falls a long way from a high part of the forest's canopy.

Man is not as fortunate as his brother monkey, however, and he has to be especially careful because he does not have a prehensile tail, or the physical strength in his arms and shoulders, as do most Primates.

Which brings TARGET to the matter of the latest unemployment figures in the US.

The US Government announced, just last Wednesday, that, for the fourth consecutive week, initial claims for unemployment benefits in the US had dropped.

It, also, announced, however, that continuing claims for unemployment benefits fell about 65,000 claims, from the November 10 week figure (seasonally adjusted) of about 3.80 million claims to the November 17 figure of about 3.73 million claims.

Smoothing out the bumps and grinds, one seeks that the 4-week moving average for continuing unemployment claims is, actually, rising, from the November 10 figure of about 3.71 million claims to the November 17 figure of about 3.73 million claims.

According to **TOLFIN** (**TARGET's** Computerised Online Information System), the latest figures for continuing unemployment claims, adjusted to reflect a monthly moving average, is the highest level since at least January 2000, which is far enough back to give anybody an indication as to the extent of the drain on the US economy of the unemployment situation in The Home of The Free and The Land of The Brave.

While it would appear that initial unemployment claims are tapering off, one would be wise not to mistake this lone piece of intelligence as a strong bough – because it would appear to **TARGET** to be nothing more than a newly formed leaf on the US labour tree.

However, it is good news, nevertheless, since it is the first piece of news on which one may be tempted to state that things may be on the mend in the US.

But one has to remember that the word, 'may', is still only an auxiliary verb and may only be used in conjunction with another verb, which may be transitive or intransitive.

The most recent surge in initial unemployment claims in the US was brought about when Muslim madmen attacked New York and Washington D.C., leading to the US Government, forming what is now a coalition of countries, dedicated to attacking international terrorism, where-ever it may be lurking.

Tourism-led activities were among the first to lay off staff in the US, following the September 11 attacks, and near empty hotel rooms and restaurants led to airlines to feel the brunt as more and more people just stopped

flying or frequenting hotels and restaurants.

It is estimated that, in New York alone, close to 100,000 people were thrown out of work in the wake of the September 11 attacks.

In **TARGET**'s opinion, the worst is not yet over in the US, and labour conditions in the US will, most likely, continue to deteriorate, but not to the extent and speed of deterioration of that which transpired in the latter part of September and early October.

Further, labour conditions in the US are unlikely to stabilise before the second half of next year ... at the earliest.

An unemployment rate of 6 percent is expected, if it is not exceeded.

The extent of the recent rally on The New York Stock Exchange, of late, may not continue for very long because there is, as yet, little to back it up, with the lone exception of patriotism – which is as fickle as a virgin at her first prom (and virgins are a near extinct species of homo sapiens, at a prom or anywhere else).

Consumer confidence, which had been badly dented even before the September 11 incidents, can be expected to be influenced by unemployment, not just in the US, but also in most countries of the world where consumerism is entertained and advocated.

The war in Afghanistan may well, in essence, be concluded, but the fight for true peace, in that Muslim, mixed-up country, is just about to begin.

There are, still, other problems, festering in Iraq, Iran, Syria, Libya, Algeria, Egypt and, of course, the issue of the Palestinians, under control of Mr Yasir Arafat, the latter-named, being the leader of the Al Fatah, an Arab guerrilla group, which has been held responsible for countless deaths of innocent Jews.

All of the above-named territories are known to have harboured fundamentalists, of one '*colour*' or another, and all of whom engage, or have engaged, in terroristic activities.

The US-led coalition against terrorism has made it clear that it is the enemy of international terrorism and/or any government or organisation that assists, or offers refuge to, terrorists.

The Afghanistan problem may be under control, but there are plenty of international pots that require new lids in order to stop the oil from bubbling over.

However, looking at the brighter side of things, it is very evident that the Bush Administration is determined to turn the US economy, one way or another, away from its recessive course.

The Bush packages of economic stimuli will take effect, to be sure, but they may take a little while to filter through to the man-in-the-street.

Other countries will feel that effect, but their effects, cascading down the international trench, will take another 6 months to a year, it would appear.

This means that things should bounce back, internationally, at the latest, in the first half of 2004.

That may appear to be a long way off, but markets will react to the prospects of a turnabout about 6 months before the actual event.

The prospects of a prolonged recession are negligible, to be sure – barring an event such as the September 11 attacks.

But that does not mean that the monkey has a firm grip on the bough of that investment tree – because it could turn out to be another leaf.

-- E N D --

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to editor@targetnewspapers.com or targnews@hkstar.com. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.