

**THE FEDERAL RESERVE BOARD'S RATE CUT DOES NOT STOP THE ROT
IS THERE ANOTHER DOCTOR IN THE HOUSE ?**

With the US Federal Reserve Board's meeting just 2 days away, at which time, the Central Bank of the US would make its determinations, recommendations and its updated prognostications in respect of the US economy, equity markets, throughout Asia, were generally lower.

The **Federal Open Market Committee Meeting (FOMC)**, scheduled for last Tuesday and Wednesday, was widely expected to lower interest rates to the floor level of 1958 – at least.

According to a number of economists, the idea, of further, short-term interest-rate cuts, known as a reduction in the Federal Funds Rate, was that The Fed had to do something in order to try to stimulate the US economy, and reducing interest rates by another one quarter of a percentage point, or more, appeared to be a reasonable approach.

(For a **TARGET** analysis of this situation, please see last Wednesday's [TARGET Intelligence Report, Volume V, Number 118, second story: 'LOWER INTEREST RATES MAY NOT HELP'](#).)

Aside from US parochial matters, internationally, the situation in Iran was continuing to simmer, but appeared to be approaching the boiling point: Iranian university students were becoming a little more vocal, warning the Government of the (fundamentalist) Muslim country that they might be forced to adopt other methods instead of passive resistance, which had been employed, up to that point.

The students had been protesting in and around the Capital City of Iran, Teheran, for the past month, wanting to force the Islamic Government to modify its political stance so that it would veer away from the harsh, traditional Islamic dogma of the Government, which is dominated by ayatollahs (high-ranking male Shi'ite religious authority).

Not since the 1979 Islamic Revolution, led by Ayatollah Ruholla Khomeini, had there been such unrest on the country.

The Government of Iran admitted, openly, that about 500 students had been arrested: They were labelled as being 'hooligans'.

During the weekend of June 21-22, the protests had infected other Iranian cities as the call went out: Give us freedom!

It was seen, internationally, as a powder keg, ready to explode.

Meanwhile, the US Government was encouraging the protestors to continue to pressure the Government of Iran, which Washington had branded was being part of '*the axis of evil*', along with North Korea and the former Saddam Hussein Government of Iraq.

And, in another Iranian matter, US President George W. Bush had warned the Government of the country, the previous week, that the US would not tolerate Iran, having just one nuclear weapon.

One such weapon was one too many.

With regard to the student unrest at Teheran University, the President had said:

'This is the beginning of people, expressing themselves toward a free Iran, which I think is positive ... I think that freedom is a powerful incentive...'

Iran is known to have a nuclear programme and the United Nations (UN) maintains that the country is in violation of the Nuclear Non-Proliferation Treaty, of which Iran is a signatory, in that Iran had not made declaration with regard to certain aspects of its nuclear advancements.

The **International Atomic Energy Agency (IAEA)**, part of the UN, and the determinations of its Director General, Mr Mohammed El Baradei, maintains that Iran had failed to report some of its nuclear activities.

President George W. Bush said, when commenting on that situation:

'The international community must come together to make it very clear to Iran that we will not tolerate construction of a nuclear weapon ... Iran would be dangerous if they have a nuclear weapon.'

(For further analysis of this situation, please see last Wednesday's [TARGET Intelligence Report, Volume V, Number 118, first story: 'BRANDISHING THE SWORD OF JUSTICE'](#).)

Iranian President Mohammad Khatami was under intense international pressure.

Ayatollah Modammad Yazdi, a member of The Guardian Council, in a live radio broadcast, was reported to have stated, officially:

'American leaders' remarks show (that) you have baseless thoughts and dreams about Iran ...' and, then, he went on to state, *'Don't think that Iran is Afghanistan or Iraq that you (the US Government's military might) can enter by force...'*

In Europe, on the first day of trading, last week, every major bourse suffered miserably, as investors dumped their shares and stocks in what was close approaching a panic situation.

Although there were a number of local European reasons to suggest that defensive actions should be taken by investors, it was Wall Street and The Fed that were the catalysts for the selling, generally.

This was how major European stock markets ended last Monday's trading session:

Amsterdam's AEX Index	Minus 3.48 percent*
Great Britain's FTSE 100 Index	Minus 1.74 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.62 percent
France's CAC40 Index	Minus 2.22 percent
Switzerland's Swiss Market Index	Minus 2.25 percent
Italy's MIBTEL Index	Minus 2.40 percent

* This was the largest loser in Europe of the day

On Wall Street, on Friday, June 20, stocks and shares appeared to be marking time in anticipation of the determinations of the US Fed in the week to come.

On The New York Stock Exchange, the Dow Jones Industrial Average, the gauge of trading in blue chips, ended the week with a gain of 21.22 points, or about 0.23 percent, running up to 9,200.75 points.

Trading was unusually high on the Big Board of The New York Stock Exchange – which was not a particularly good augury.

The NASDAQ's Composite Index went in the other direction to the key index of Main Board of The New York Stock Exchange, retreating to 1,644.76 points, for a one-day fall of about 0.24 percent.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), in spite of the **World Health Organisation (WHO)**, giving the territory a clear bill of health in respect of **Severe Acute Respiratory Syndrome (SARS)**, share prices fell in quick succession.

SARS had taken its terrible toll of the economy of the HKSAR, with tourism, having fallen out of bed as soon as it became known that the death toll had run up to some 296 people, over a period of just 3 months.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gave up about 1.97 percent of its value, falling back to 9,734.29 points.

The close of trading saw The Index at its nadir of the day.

The Total Turnover was about \$HK8.38 billion, with losers, trampling on gainers: The ratio of losers to gainers was 3.08:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.82 percent to \$HK94.25 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.03 percent to \$HK48.20 per share
PCCW Ltd (Code: 8)	Down 2.45 percent to \$HK4.975 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.57 percent to \$HK18.95 per share
PetroChina Company Ltd (Code: 857)	Down 2.22 percent to \$HK2.20 per share

Cheung Kong (Holdings) Ltd (Code: 1)
 Maanshan Iron and Steel Company Ltd (Code: 323)
 Hang Seng Bank Ltd (Code: 11)
 China Petroleum and Chemical Corporation (Code: 386)
 Sun Hung Kai Properties Ltd (Code: 16)

Down 2.44 percent to \$HK47.00 per share
 Down 4.51 percent to \$HK1.27 per share
 Down 1.47 percent to \$HK83.50 per share
 Up 1.09 percent to \$HK1.86 per share
 Down 3.10 percent to \$HK40.60 per share

But the biggest movers of the day were reserved for the following bunch:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied (China) Ltd	472	15.38		0.03
Applied International Holdings Ltd	519	19.23		0.062
Arnhold Holdings Ltd	102		12.50	0.28
Asean Resources Holdings Ltd	22	13.33		0.85
Asia Resources Holdings Ltd	899		10.34	0.26
CEC International Holdings Ltd	759		15.08	0.107
Central China Enterprises Ltd	351		20.00	0.02
Chengdu PUTIAN Telecommunications Cable Company Ltd	1202		13.00	0.87
China Investments Holdings Ltd	132		11.35	0.203
China Rich Holdings Ltd	1191	28.57		0.081
Chun Wo Holdings Ltd	711	12.70		0.275
CIL Holdings Ltd	479	17.65		0.02
Dan Form Holdings Company Ltd	271		13.75	0.138
FT Holdings International Ltd	559		10.34	0.052
Grand Field Group Holdings Ltd	115	11.90		0.047
Great China Holdings Ltd	141		40.74	0.32
Hongkong Fortune Ltd	121	10.87		0.102
ING Beijing Investment Company Ltd	1062		21.43	0.11
Jade Dynasty Food Culture Group Ltd	970	15.38		0.30
Karl Thomson Holdings Ltd	7		18.79	0.121
Kong Sun Holdings Ltd	295		12.00	0.022
Le Saunda Holdings Ltd	738	15.18		0.22
Magnificent Estates Ltd	201		12.12	0.029
Orient Resources Group Company Ltd	467		11.43	0.062
Sen Hong Resources Holdings Ltd	76		21.43	0.33
Sky Hawk Computer Group Holdings Ltd	1129		12.20	0.072
Stelux Holdings International Ltd	84		12.50	0.175
Styland Holdings Ltd	211	14.29		0.016
V.S. International Group Ltd	1002	10.34		0.32
Wah Nam International Holdings Ltd	159	14.00		0.171

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover dropped back to about \$HK141.55 million, as losing counters, outraced advancing ones by the ratio of 1.93:One.

The Growth Enterprise Index ended the day at 1,108.05 points, a one-day fall of about 2.16 percent.

The five most active counters, in terms of their turnovers, only, were:

CK Life Sciences International (Holdings) Incorporated (Code: 8222)
 tom.com Ltd (Code: 8001)
 Wah Sang Gas Holding Ltd (Code: 8035)
 hongkong.com Corporation (Code: 8006)
 Global Link Communications Holdings Ltd (Code: 8060)

Down 5 percent to \$HK1.63 per share
 Down 5 percent to \$HK2.325 per share
 Up 7 percent to 96 cents per share
 Up 1 percent to 72 cents per share
 Up 13 percent to \$HK1.53 per share

On this speculative market, the biggest movers of the day were restricted to the following counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Global Link Communications Holdings Ltd	8060	13.33		1.53
Grandy Applied Environmental Technology Corporation	8143		11.11	0.04
Linefan Technology Holdings Ltd	8166		10.00	0.036
Satellite Devices Corporation	8172	16.00		0.058

Thiz Technology Group Ltd	8119		33.33	0.02
Vodatel Networks Holdings Ltd	8033	15.79		0.44
Yuxing InfoTech Holdings Ltd	8005		15.63	0.27
Zheda Lande Scitech Ltd	8106		11.76	0.30

In the news was The London Stock Exchange, which was said to be close to formulating a plan, allowing its shares to be listed on the Main Board of The Stock Exchange of Hongkong Ltd.

In Japan, the premier bourse of the country continued to make strides, but the gains were extremely small, last Monday, being 0.18 percent: Investors pushed the Nikkei-225 Stock Average to another 6-month high of 9,137.14 yen.

The pace and quality of the trading appeared to indicate that the market was ready for a large-scale fall.

News wise:

- **NEC Corporation** announced that it would be spinning off the company's laser-processing operations into a new entity, in which 2 other companies will be shareholders. At the end of the day, NEC will have an equity stake of about 20 percent of the new company. The other 2 partners will be **Japan Industrial Partners Incorporated** and **Cyber Laser Incorporated**; and,
- **Nippon Steel Corporation** and **Sumitomo Metal Industries Ltd** have signed an agreement to spin off their stainless steel businesses and integrate them under a joint-venture company to be established in October, this year. The new company will be named **Nippon Steel Sumikin Stainless Corporation** and it will have a capitalisation of 5 billion yen.

And, in other Asian bourses, this was how they fared, last Monday:

HKSAR	Minus 1.94 percent to 9,734.29
Indonesia	Minus 1.00 percent to 506.31
Japan	Plus 0.18 percent to 9,137.14
Malaysia	Plus 0.36 percent to 684.91
The Philippines	Minus 0.87 percent to 1,229.90
Singapore	Minus 1.80 percent to 1,491.79
South Korea	Minus 1.69 percent to 674.59
Taiwan	Minus 1.62 percent to 4,921.72
Thailand	Plus 1.35 percent to 458.79

Tuesday

Share prices retreated, last Tuesday, from North America, to Europe, to Asia.

The penny had dropped from the majority of investors.

On the first day of trading on Wall Street, the ratio of losers to gainers on both the Main Board of The New York Stock Exchange and the NASDAQ was about 3:One.

The first day of trading on the world's largest bourse saw the Dow Jones Industrial Average, the '*barometer*' of trading on the Main Board of The New York Stock Exchange, lose 127.80 points, equivalent to about 1.39 percent, falling back to 9,027.95 points.

As for the tech-laden NASDAQ, its Composite Index shed 33.90 points, or about 2.06 percent, ending the day at 1,610.82 points.

Earnings of a couple of main-stream, publicly listed companies, and projections of future prospects did little to instill confidence in American investors, especially just 24 hours before the US Federal Reserve Board was due to convene its crucial meeting, at which time, it was widely expected that interest-rate reductions would be the main course of the day.

In Iran, the Government of that Muslim, fundamentalist country announced that it would ban all demonstrations outside of its universities for the next month, at least.

The protest demonstrations of the previous 3 weeks appeared to have lost a great deal of their former impetus, with fewer students, voicing displeasure at the Government of President Mohammad Khatami.

In Europe, investors followed Wall Street's direction of Monday, by and large, as one by one, indices on major bourses on Tuesday started to surrender chunks of their former values.

This is the way that they fared, last Tuesday:

Amsterdam's AEX Index	Minus 0.87 percent
Great Britain's FTSE 100 Index	Minus 0.66 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.97 percent
France's CAC40 Index	Minus 0.51 percent
Switzerland's Swiss Market Index	Plus 0.06 percent
Italy's MIBTEL Index	Plus 0.30 percent

News that Swiss International Air Lines was about to engage in widespread sackings of about 3,000 of its workers did not, exactly, instill confidence in eurozone scrip.

The number of sackings at Swiss International is equal to about one third of the total workforce of this airline, which rose from the ashes of former bankrupt carrier, Swissair, and its regional subsidiary, Crossair.

In Asia, every stock market saw investors unload scrip as soon as buyers could be located, with the 3 Japanese markets, leading the long list of losers; its key indices took quite a drubbing.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there was widespread selling of stocks and shares as nervousness pervaded trading halls.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gave up about 1.08 percent of its value, falling to 9,629.35 points.

The Total Turnover was about \$HK8.97 billion, with losing counters, outnumbering gaining ones by the ratio of 2.89:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.27 percent to \$HK94.00 per share
Hutchison Whampoa Ltd (Code: 13)	Down 2.28 percent to \$HK47.10 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.11 percent to \$HK18.55 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.46 percent to \$HK47.20 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.96 percent to \$HK39.40 per share
PetroChina Company Ltd (Code: 857)	Up 1.14 percent to \$HK2.225 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.60 percent to \$HK83.00 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Down 1.57 percent to \$HK1.25 per share
PCCW Ltd (Code: 8)	Down 1.01 percent to \$HK4.925 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 1.45 percent to \$HK10.20 per share

There were a total of 34, double-digit movers of the day, with 21 of their number, being losers, while the rest gained 10 percent or more.

Sun Innovation Holdings Ltd (Code: 547) was the biggest winner as investors pushed up its share price by 22.22 percent to 2.20 cents per share.

Paladin Ltd (Code: 495) was the biggest loser of the day as investors thrashed the share price, which fell 46.77 percent to 3.30 cents per share.

As for trading on the HKSAR's speculative marketplace, The Growth Enterprise Market of The Stock Exchange of Hongkong, known, ironically, as The GEM because it is the world's worst-performing bourse and it has held that reputation for at least the previous 2 years, its Growth Enterprise Index shed about 1.45 percent of its value, dropping back to 1,091.97 points by the close of trading at 4 pm.

However, at the end of the morning session, at 12:30 pm, The Growth Enterprise Index had been off by about 3.26 percent, compared with Monday's closing level, so that it could be said that the 90-minute afternoon session cut down a little more than half of the earlier losses.

The GEM's Total Turnover was about \$HK153.09 million, with losers, outrunning gainers by the ratio of 2.36:One.

The 5, most-active counters, in terms of their turnovers, only, were:

CK Life Sciences International (Holdings) Incorporated (Code: 8222)
hongkong.com Corporation (Code: 8007)
tom.com Ltd (Code: 8001)
Wah Sang Gas Holding Ltd (Code: 8035)
Global Link Communications Holdings Ltd (Code: 8060)

Down 3 percent to \$HK1.58 per share
Down 10 percent to 65 cents per share
Unchanged at \$HK2.325 per share
Down 4 percent to 92 cents per share
Down 8 percent to \$HK1.66 per share

As for the GEM's double-digit movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
HK6 Holdings Ltd	8206		10.71	0.125
Linefan Technology Holdings Ltd	8166		11.11	0.032
LOULAN Holdings Ltd	8039		10.00	0.225
Northeast Tiger Pharmaceutical Company Ltd	8197		11.76	0.15
Thiz Technology Group Ltd	8119	90.00		0.038
Vertex Communications and Technology Group Ltd	8228		12.05	0.365

News wise:

- Deflation continued to dog the economy of the HKSAR, with the Government of Mr Tung Chee Hwa, announcing that consumer prices had fallen 2.50 percent in May, Year-on-Year. It represented the 55th consecutive month of declines, **The Census and Statistics Department** said.

Japan's 3 equity markets led the losers of Asia, last Tuesday, as the key index of the premier bourse of The Land of The Rising Sun gave up 217 yen, equivalent to about 2.38 percent, surprising some investors when The Nikkei-225 Stock Average touched 8,919.26 yen by the close of the day.

Many Japanese investors and Tokyo stock-market gurus, employed by finance houses, which hold seats on Asia's largest bourse, were making claims, the previous week, that the 9,000-level would not been seen this year, again.

Talk, talk, talk!

Japanese exporters were among the biggest losers of the day as investors determined that, in the event that the US economy was not, after all, on the mend, it must impact on Japan's industries because the US is still the biggest customer of Japan and it is likely to remain as such for some time to come.

News wise:

- Pioneer Corporation** was said to be in talks with the advertising agency, **Dentsu Incorporated**. Pioneer has a controlling stake in Dentsu, which produces DVDs and video content. The suggestion was that Pioneer would sell more than 51 percent of the Issued and Fully Paid-Up Share Capital of Dentsu in a multi-billion-yen transaction;
- UFJ Holdings Incorporated**, one of Japan's largest banks, announced that 3 of its banks may be hard-pressed to recover some of the loans, afforded to **Fukusuke Corporation**, a manufacturer of socks, etc. The exposure is about 12.33 billion yen. Fukusuke Corporation and 2 of its affiliates have filed for protection from its creditors in the Osaka District Court; and,
- Japan's trade surplus with the rest of the world jumped 12.50 percent in May, Year-on-Year. It was the second, straight monthly increase, according to **The Finance Ministry**.

This was how things looked in the rest of Asia, last Tuesday night:

HKSAR	Minus 1.08 percent to 9,629.35
Indonesia	Minus 1.21 percent to 500.19
Japan	Minus 2.38 percent to 8,919.26
Malaysia	Minus 0.90 percent to 678.73
The Philippines	Minus 2.04 percent to 1,204.79
Singapore	Minus 1.85 percent to 1,464.21
South Korea	Minus 1.57 percent to 664.01

Taiwan	Minus 0.25 percent to 4,909.31
Thailand	Minus 1.91 percent to 450.02

Wednesday

The world got more than a little bit of shock, last Wednesday, when it was announced that the largest, fixed-line telephone company in Spain, Telefonica, is planning to sack about 37 percent of its Establishment.

That is equal to about 15,000 workers.

Just the thing to rattle the working class.

And Sony Ericsson, the mobile telecommunications producer, appeared to try to match the Spanish, record-breaking labour news when it announced that about 500 jobs would be lost in its North American facilities, equal to about 12 percent of its Establishment.

The giant producer of mobile telephones, etc, will reduce its presence in Continental US, it said.

On Wall Street, last Tuesday, fractional gains were the order of the day.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.41 percent, ending the day at 9,109.85 points.

Over on the NASDAQ, its Composite Index shed 5.24 points, or about one third of a percentage point, falling back to 1,605.51 points.

Wall Street had a little bit of fillip, last Tuesday, also, however, when it was announced that consumer confidence appeared not to be as bad as had, hitherto, been expected.

But the Conference Board's Index was only up by a fraction and, in any event, as the axiom goes: One swallow does not make a spring.

Wall Street was awaiting the pleasure of the US Federal Reserve Board's determinations with regard to short-term interest rates.

As for Iran, for a change, things were relatively quiet in that part of the world although there was one report, which suggested that there had been some student unrest outside the Capital City of Teheran.

In Europe, investors were waiting to see what The Fed would recommend as a tonic for the US economy.

As such, the majority of the indices of European equity markets moved sideways:

Amsterdam's AEX Index	Plus 1.45 percent
Great Britain's FTSE 100 Index	Plus 0.17 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.58 percent
France's CAC40 Index	Plus 0.17 percent
Switzerland's Swiss Market Index	Plus 0.06 percent
Italy's MIBTEL Index	Plus 0.28 percent

With the lone exception of The Manila Stock Exchange, all other stock markets in Asia moved only fractionally, last Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the 2 stock markets hardly moved at all, during the entire trading day.

On the Main Board of The Stock Exchange of Hongkong Ltd, the gauge to trading in blue chips, the Hang Seng Index, lost 0.004 percent, ending the day at 9,628.99 points.

The Total Turnover was about \$HK6.35 billion, with trading in the scrip of HSBC Holdings plc (Code: 5), being responsible for about 11 percent of the entire volume of activity.

Investors switched some 7.27 million, HSBC Holdings shares, during the day: The dollar value of those trades was about \$HK686.50 million.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.27 percent to \$HK94.25 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK47.10 per share
PetroChina Company Ltd (Code: 857)	Up 3.37 percent to \$HK2.30 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.08 percent to \$HK18.35 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.21 percent to \$HK47.10 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.25 percent to \$HK39.30 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK83.00 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Up 2.40 percent to \$HK1.28 per share
Hongkong Electric Holdings Ltd (Code: 6)	Down 0.33 percent to \$HK30.60 per share
PCCW Ltd (Code: 8)	Up 0.51 percent to \$HK4.95 per share

As for the double-digit movers of the day, they were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	12.96		0.305
Chaoda Modern Agriculture (Holdings) Ltd	682	10.53		1.26
China Eagle Group Company Ltd	493		19.21	0.143
CNT Group Ltd	701	10.66		0.135
e-Kong Group Ltd	524	14.68		0.25
Fortuna International Holdings Ltd	530	27.27		0.014
Friedmann Pacific Greater China Investments Ltd	1226		46.27	0.18
Golden Harvest Entertainment (Holdings) Ltd	1132	11.54		0.29
Great China Holdings Ltd	141		12.00	0.22
Greater China Sci-Tech Holdings Ltd	431		10.45	0.30
Hantec Investment Holdings Ltd	111		10.29	0.61
i100 Ltd	616		17.14	0.029
Innovative International (Holdings) Ltd	729	12.50		0.018
Jade Dynasty Food Culture Group Ltd	970	13.73		0.29
KEL Holdings Ltd	681	10.11		0.098
Leaptek Ltd	336		15.38	0.011
Mansion House Group Ltd	376		32.17	0.156
Medtech Group Company Ltd	1031	10.00		0.011
Paladin Ltd	495	87.88		0.062
Rontex International Holdings Ltd	1142		10.34	1.30
Shanghai Ming Yuan Holdings Ltd	233	15.76		0.213
Sky Hawk Computer Group Holdings Ltd	1129	50.67		0.113
South East Group Ltd	726	21.05		0.046
Tack Hsin Holdings Ltd	611	12.00		0.112

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover was about \$HK136.20 million.

The Growth Enterprise Index gained about 0.41 percent, rallying lamely to hit 1,096.35 points by the time that the closing bell rang.

The ratio of gainers to losers was 1.07:One.

The 5, most-active counters, in terms of turnovers, only, were:

Global Link Communications Holdings Ltd (Code: 8060)	Down 9 percent to \$HK1.51 per share
tom.com Ltd (Code: 8001)	Up 2 percent to \$HK2.375 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1 percent to \$HK1.57 per share
hongkong.com Corporation	Down 2 percent to 64 cents per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Up 5 percent to 88 cents per share

As for the double-digit movers on this speculative marketplace, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Creative Energy Solutions Holdings Ltd	8109		10.37	0.242
M Channel Corporation Ltd	8036		14.29	0.018

Medical China Ltd	8186		10.45	0.06
Riverhill Holdings Ltd	8127		11.11	0.16
Timeless Software Ltd	8028	10.42		0.159
Universal Technologies Holdings Ltd	8091		15.49	0.12

The world of stock and share trading in The Land of The Rising Sun was awaiting the determinations of the US Federal Reserve Board in respect of short-term interest rates, such determinations, expected to hit Asian markets at their openings of Thursday.

As a result of the uncertainty as to what The Fed might do, Japanese investors adopted a holding pattern for most of last Wednesday's trading session on The Tokyo Stock Exchange where its Nikkei-225 Stock Average gained just 13 yen, or about 0.15 percent, ending the day at 8,932.26 yen.

News wise:

- **Aoki Urban Development Corporation**, the operator of **Westin Hotel Osaka**, announced that it is in financial trouble and had sought refuge in the Tokyo District Court in order to protect its assets from creditors. The company's debts have swollen to 31.50 billion yen. There are some 620 Aoki Urban Development creditors, most of whom are a little impatient for their money; and,
- Department-store sales in Japan fell by about 3.20 percent in May, Year-on-Year, to 633.20 billion yen, **The Japan Department Stores Association** announced. It was the 14th consecutive month of falling sales.

And, in other Asian markets, this was how they fared, last Wednesday night:

HKSAR	Minus 0.004 percent to 9,628.99
Indonesia	Plus 0.02 percent to 500.28
Japan	Plus 0.15 percent to 8,932.26
Malaysia	Plus 0.53 percent to 682.32
The Philippines	Plus 2.23 percent to 1,231.64
Singapore	Minus 0.11 percent to 1,462.57
South Korea	Plus 1.51 percent to 674.03
Taiwan	Plus 0.50 percent to 4,933.79
Thailand	Plus 0.86 percent to 453.89

Thursday

Dr Alan Greenspan and his happy little band at the US Federal Reserve Board did that which everybody had expected them to do: To lower short-term, interest rates.

But The Fed, which is the de jure Central Bank of the US, added a little more than had been expected in its pronouncements about the economy of the world's only real superpower ... and that was not appreciated by equity markets, around the world.

This is what The Fed said:

'The Federal Open Market Committee decided today (last Wednesday, Washington time) to lower its target for the federal funds rate by 25 basis points to 1 percent. In a related action, the Board of Governors approved a 25 basis point reduction in the discount rate to 2 percent.'

'The Committee continues to believe that an accommodative stance of monetary policy, coupled with still robust underlying growth in productivity, is providing important ongoing support to economic activity.'

'Recent signs point to a firming in spending, markedly improved financial conditions, and labor and product markets that are stabilizing. The economy, nonetheless, has yet to exhibit sustainable growth. With inflationary expectations subdued, the Committee judged that a slightly more expansive monetary policy would add further support for an economy which it expects to improve over time.'

'The Committee perceives that the upside and downside risks to the attainment of sustainable growth for the next few quarters are roughly equal. In contrast, the probability, though minor, of an unwelcome substantial fall in inflation'

exceeds that of a pickup in inflation from its already low level. On balance, the Committee believes that the latter concern is likely to predominate for the foreseeable future.'

One of the keys to understanding, more fully, that which The Fed is telling the world, aside from its determinations that there is a dire, clear and obvious necessity to execute a moderate, interest-rate reduction in order to titillate the US economy a little more, is contained in the following, taken from the third paragraph, above:

'... the upside and downside risks to the attainment of sustainable growth (in respect of the US economy) for the next few quarters are roughly equal ...'.

Not exactly a bullish pronouncement.

Not since 1958 had interest rates in the US fallen to such levels.

Clearly, also, there is perceived to be a clear and present danger (to coin an expression of the US Central Intelligence Agency) that, should The Fed do nothing to try to stimulate the economy of the US, it would be tantamount to rank negligence.

Wall Street was not happy with its understanding of the statements, emanating from the world's most famous doctor, Alan Greenspan, because there are those who maintain that the interest-rate reduction should have been 50 basis points and not just 25 basis points.

After being in positive territory for most of the morning session, as soon as the news from The Fed broke, down came the prices for stocks and shares on the world's largest equity market.

By the close of the session on The New York Stock Exchange, the Dow Jones Industrial Average stood at 9,011.85 points, a one-day fall of about 1.07 percent.

On the NASDAQ, its Composite Index shed just 2 points, falling to 1,603.51 points.

Adding to the gloom on Wall Street was a report that came from the US Government's Commerce Department, concerning orders for US durable goods.

According to the Commerce Department, the month of May saw orders for durable goods sink by about 0.30 percent, Year-on-Year, following an April drop of about 2.40 percent.

The Commerce Department, also, said that the value of orders fell to \$US168.30 billion, which is the lowest level since June of 2002.

This year's rapid depreciation of the US dollar vis-à-vis the euro/Japanese yen, etc, must have been responsible in part, if not in whole, for the drop in the dollar value of US-produced durable goods when translated into other 'hard' currencies.

From Europe came news that the Italian conglomerate, Fiat, was to sack about 12,500 workers by 2006, as well as close down some 12 factories, outside of Italy.

Fiat is the producer of the motor vehicles, Lancia, Alfa Romeo and Fiat brands, all popular marques in Europe.

In Europe, there was little joy in the pronouncements and prognostications of The Fed, but, due to the timing of the announcement, there was little immediate reaction to them.

This was how Europe ended trading on equity markets, last Thursday:

Amsterdam's AEX Index	Minus 0.57 percent
Great Britain's FTSE 100 Index	Minus 0.64 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.33 percent
France's CAC40 Index	Minus 0.17 percent
Switzerland's Swiss Market Index	Plus 0.32 percent
Italy's MIBTEL Index	Minus 0.35 percent

In Asia, indices of major stock markets fell to sellers.

The falls, however, were generally small.

On The Stock Exchange of Hongkong Ltd, the Main Board's key index lost ground, while the lone index of The Growth Enterprise Market (The GEM) gained substantial ground, relative, that is, to the events that had engulfed the world's financial markets, last Wednesday in the US and Thursday in Asia.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) seemed to be unsure about trading in blue chips, but they continued to be intent in gambling on The GEM listings.

The Hang Seng Index, the key index of the Main Board which tracks blue chips, lost about 0.24 percent, falling to 9,606.11 points on a Total Turnover of about \$HK6.93 billion.

The ratio of losers to gainers was 1.29:One.

As has become common for the Main Board, these days, trading in the scrip in the Issued Share Capital of HSBC Holdings plc (Code: 5) dominated the business of the day on the Main Board.

Investors switched about 11.43 million of this giant bank's shares, the dollar value of which was about \$HK1.07 billion, or about 15.44 percent of the Total Turnover of the day.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.06 percent to \$HK93.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.82 percent to \$HK18.20 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK47.10 per share
PetroChina Company Ltd (Code: 857)	Up 3.26 percent to \$HK2.375 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.30 percent to \$HK82.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.27 percent to \$HK39.80 per share
Yue Yuen Industrial (Holdings) Ltd (Code: 551)	Down 3.15 percent to \$HK20.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.49 percent to \$HK47.80 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Up 1.56 percent to \$HK1.30 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK1.88 per share

As for the double-double digit movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	24.59		0.38
Asia Standard Hotel Group Ltd	292	11.76		0.19
Benefun International Holdings Ltd	1130		10.96	0.065
CCT Technology Holdings Ltd	261	13.04		0.026
Chevalier Construction Holdings Ltd	579		45.00	0.055
China Star Entertainment Ltd	326	21.74		0.56
City e-Solution Ltd	557	17.57		0.87
Friedmann Pacific Greater China Investments Ltd	1226	30.56		0.235
Golden Dragon Group (Holdings) Ltd	329	10.00		0.33
GZITIC Hualing Holdings Ltd	382	26.90		0.25
Hang Ten Group Holdings Ltd	448	14.29		0.016
Hongkong Catering Management Ltd	668	11.11		0.50
Hop Hing Holdings Ltd	47		11.94	0.295
ING Beijing Investment Company Ltd	1062	18.18		0.13
KEL Holdings Ltd	681		27.55	0.071
Multifield International Holdings Ltd	898		20.97	0.098
Oriental Watch Holdings Ltd	398	13.13		1.12
Paladin Ltd	495		11.29	0.055
Poly Investments Holdings Ltd	263	10.48		0.137
Shang Hua Holdings Ltd	371		10.00	0.045
Shanghai Ming Yuan Holdings Ltd	233	12.68		0.24
Shanghai Real Estate Ltd	1207		10.23	0.395
Southeast Asia Properties and Finance Ltd	252	15.53		1.19
Universe International Holdings Ltd	1046		21.05	0.15
Victory Group Ltd	1139	12.20		0.046
VTech Holdings Ltd	303	16.38		6.75
Wah Nam International Holdings Ltd	159	16.96		0.20
Yoshiya International Corporation Ltd	193	27.27		0.014

Over on The GEM, The Growth Enterprise Index put on about 1.26 percent, running back to 1,110.11 points on a Total Turnover of about \$HK132.63 million.

In spite of the lone index, being ahead by about 1.26 percent, the number of losing counters weighed down the number of gaining ones by a wide margin, with the ratio, coming in at 1.62:One.

The 5, most-active counters, in terms of turnovers, only, were:

CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 6 percent to \$HK1.67 per share
tom.com Ltd (Code: 8001)	Unchanged at \$HK2.375 per share
Global Link Communications Holdings Ltd (Code: 8060)	Up 2 percent to \$HK1.54 per share
Innovis Holdings Ltd (Code: 8065) *	37.50 cents per share
Tiger Tech Holdings Ltd (Code: 8046)	Down 2 percent to \$HK1.40 per share

* This is a new listing, its shares, being traded for the first time

The biggest movers of the day, however, were the following counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Excel Technology International Holdings Ltd	8048		11.11	0.08
Linefan Technology Holdings Ltd	8166		19.35	0.025
Milkyway Image Holdings Ltd	8130	21.95		0.05
QUASAR Communication Technology Holdings Ltd	8171	12.50		0.63
WLS Holdings Ltd	8021		12.50	0.105

News wise:

- Mr Lee Cheuk Yan, classified as being a popular unionist in the HKSAR, called on the people of the territory to stage a **protest on the 6th Anniversary** of the transfer of sovereignty from Great British to the PRC of the 416 square miles that constitutes the HKSAR. The July 1, 2003 protest would be to demonstrate to the PRC Government of the disapproval that the people of the HKSAR feel toward the determinations of the Tung Chee Hwa Administration in respect of the modifications, being proposed to Article 23 of The Basic Law of the HKSAR. The new, PRC Premier, Mr Wen Jia Bao, will be visiting the HKSAR on that day and Mr Lee is hoping to have between 300,000 protestors and 400,000 protestors march throughout the HKSAR in a show of unity. Article 23 is widely accepted as being aimed at curtailing the freedoms of the human population of territory. The human population of the HKSAR has been enjoying the benefits of English Common Law since about 1841, along with those laws that the Government of Great Britain promulgated, from time to time. The PRC Government, however, wants its relatively new, reclaimed enclave to be brought into the PRC fold, with the HKSAR laws, falling into line with those laws that are enjoyed in the PRC, proper; and,
- The HKSAR's **Housing Department** will sack about 30 percent of its staff, equal to about 2,500 workers. The paring on this Government department will be executed before the 2006/2007 Fiscal Year.

In Japan, last Thursday, investors were of 2 minds as to the action to take in respect of trading in stocks and shares, listed on the country's 3 equity markets.

On the Premier bourse of the country, The Tokyo Stock Exchange, the Nikkei-225 Stock Average fell by 8 yen, equivalent to about 0.08 percent, coming to rest at 8,923.41 yen.

It was clear that The Fed's pronouncements were worrying many Japanese investors because, among other things, it boded not well for Japan.

News wise:

- **KDDI Corporation**, Japan's second-largest telecommunications company, has sold its 1.20-percent interest in **Singapore Telecommunications Ltd**, a company, which is controlled by the Government of that Lee Kuan Yew (company) Republic. The price of the SingTel share sale was said to be for about \$US200 million, or about \$S1.60 per share;
- **American International Group Incorporated (AIG)** has roughed out an agreement to purchase **GE Edison Life Insurance Company**, the Japanese, life-insurance unit of **General Electric**. The price has been set about \$US2.15 billion;
- The domestic production of motor cars, lorries and buses fell by about 2.10 percent in May, Year-on-Year, **The Japan Automobile Manufacturers Association** reported; and,

- Sales at major retailers of electrical home appliances fell by about 4.70 percent in May, Year-on-Year, to about 166.70 billion yen, **The Nippon Electric Big-Stores Association** announced. It was the 9th consecutive month of falls in sales of electrical home appliances at major retailers.

And this was how other Asian bourses ended their respective trading sessions, last Thursday:

HKSAR	Minus 0.24 percent to 9,606.11
Indonesia	Minus 0.49 percent to 497.81
Japan	Minus 0.08 percent to 8,923.41
Malaysia	Plus 0.06 percent to 682.72
The Philippines	Minus 0.79 percent to 1,221.91
Singapore	Minus 0.31 percent to 1,458.02
South Korea	Plus 0.26 percent to 675.75
Taiwan	Minus 0.81 percent to 4,894.01
Thailand	Plus 1.20 percent to 459.34

Friday

In an effort to try to catch any leaf in a hurricane, investors of the US became more aggressive on equity markets, last Thursday.

In point of fact, there had been little in the previous 24 hours to make one change one's opinion about the US economy, but a report that the first-time claims for unemployment insurance by US workers had fallen by about 22,000 claims, Week-on-Week, was sufficient for many people to disregard The Fed's pronouncements of the previous day, plus a new release from the Commerce Department. (Please see Thursday's report)

From the Commerce Department of the US Government came a report, which stated that the growth of the economy is lethargic.

The **Gross Domestic Product** (GDP) for the first quarter of Fiscal 2003 came in at about 1.40 percent, revised.

That figure was considerably less than the Commerce Department had forecast one month prior when its estimate for the GDP was about 1.90 percent.

On The New York Stock Exchange, the Dow Jones Industrial Average added 67.51 points, or about three quarters of a percentage point, coming to rest at 9,079.04 points.

As for the NASDAQ, its Composite Index rose by 31.35 points, equivalent to 1.96 percent, ending the day at 1,634.01 points.

The ratio of gainers to losers on both equity markets was about 2:One.

While the leaf-catchers were playing their games in the US, in Europe, it was announced that Mannheimer, a German life insurance company, faced the knackers' yard.

Mannheimer needs about 370 million euros to keep going – and there is nobody in sight to lend it that kind of money.

On European bourses, it was 3 major equity markets that gained ground, it was 2 major equity markets that lost ground, and one major equity market that stayed pat.

There was, really, very little to stimulate trading in stocks and shares in eurozone, where it is known that the economies of the various member countries of the European Union were far from being healthy.

This was how the 6 major equity markets of Europe fared, last Friday:

Amsterdam's AEX Index	Plus 1.78 percent
Great Britain's FTSE 100 Index	Plus 0.65 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.80 percent
France's CAC40 Index	Plus 0.18 percent
Switzerland's Swiss Market Index	Unchanged

In Asia, led by the 3 equity markets of Japan, indices of major stock markets rose, substantially.

Parochial considerations, however, weighed down trading in stocks and shares in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

At the Star Ferry Concourse, members of the Democratic Party had started a hunger strike in order to protest at the proposed modifications of Article 23 of The Basic Law. (Please see Thursday's report)

The fast is planned for 100 days and the Democrats are hoping to lure another 100,000 people to join them.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index, nevertheless, gained about 0.53 percent, ending the week at 9,657.21 points.

The Total Turnover was about \$HK7.68 billion, with advancing counters, outnumbering declining counters by the ratio of 1.84:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK93.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.92 percent to \$HK18.55 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK2.375 per share
Lianhua Supermarket Holdings Company Ltd (Code: 980)*	\$HK4.25 per share
Vedan International (Holdings) Ltd (Code: 2317)*	\$HK1.05 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.42 percent to \$HK47.60 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.64 percent to \$HK47.40 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.25 percent to \$HK39.90 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK82.75 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Up 3.08 percent to \$HK1.34 per share

* These are new listings, their shares, being traded for the first time

As for the double-digit movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	18.42		0.45
Berjaya Holdings (Hongkong) Ltd	288	11.11		0.09
Chevalier Construction Holdings Ltd	579	60.00		0.088
Chevalier iTech Holdings Ltd	508		13.89	0.62
China Bio-Medical Group Ltd	140		10.26	0.07
Chuang's China Investments Ltd	298	16.47		0.198
ECyberChina Holdings Ltd	254	16.67		0.014
Ezcom Holdings Ltd	312	10.42		0.265
FT Holdings International Ltd	559		20.00	0.044
Global Tech (Holdings) Ltd	143		22.88	0.091
Hang Ten Group (Holdings) Ltd	448			0.02
Heritage International Holdings Ltd	412	30.00		0.13
Hongkong Pharmaceutical Holdings Ltd	182		13.33	0.26
i100 Ltd	616		31.03	0.02
ING Beijing Investment Company Ltd	1062	13.85		0.148
KEL Holdings Ltd	681		14.08	0.061
Leaptek Ltd	336	18.18		0.013
Mansion House Group Ltd	376	25.00		0.20
Orient Overseas (International) Ltd	316	10.00		9.90
renren Holdings Ltd	59	17.65		0.02
Shanghai Real Estate Ltd	1207	10.13		0.435
Stelux Holdings International Ltd	84	17.65		0.20
Techwayson Holdings Ltd	2330		20.63	0.50
UBA Investments Ltd	768		11.86	0.104
Universal Holdings Ltd	419	12.50		0.027
Victory Group Ltd	1139		26.09	0.034
Vitop Bioenergy Holdings Ltd	1178		11.11	0.20

VST Holdings Ltd	856		15.83	0.101
Y.T. Realty Group Ltd	75	12.90		0.35
Yoshiya International Corporation Ltd	193		14.29	0.012

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, investors were not too happy to punt on the listings, quoted on this speculative market.

On a Total Turnover of about \$HK126.89 million, The Growth Enterprise Index fell by about 0.05 percent, ending the week at 1,109.54 points.

Gaining counters, however, outraced losing ones by the ratio of 1.25:One.

The 5, most-active counters, in terms of their respective turnovers, only, were:

Innovis Holdings Ltd (Code: 8065)	Up 4 percent to 39 cents per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1 percent to \$HK1.65 per share
Global Link Communications Holdings Ltd (Code: 8060)	Down 3 percent to \$HK1.49 per share
tom.com Ltd (Code: 8001)	Up 1 percent to \$HK2.40 per share
hongkong.com Corporation (Code: 8006)	Down 2 percent to 65 cents per share

The biggest movers of the day, however, were the following bunch:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AKuP International Holdings Ltd	8179	16.67		0.035
Cardlink Technology Group Ltd	8066		34.40	0.082
G.A. Holdings Ltd	8126		37.14	0.22
Golding Soft Ltd	8190		20.45	0.07
L.P. Lammas International Ltd	8029	28.57		0.018
Linefan Technology Holdings Ltd	8166	12.00		0.028
Medical China Ltd	8186	10.00		0.066
T.S. Telecom Technologies Ltd	8003	20.48		0.10
Universal Technologies Holdings Ltd	8091		10.94	0.114
WLS Holdings Ltd	8021	14.29		0.12

News wise:

- US beer maker, **Anhauser-Busch**, will increase its stake in **Tsingtao Brewery Company Ltd (Code: 168, Main Board, The Stock Exchange of Hongkong Ltd)** from 4.50 percent to 9.90 percent. Anhauser-Busch has a controlling stake in Budweiser Wuhan International Brewing Company, another PRC beer maker.

For the week, therefore, the tally for the 2, HKSAR equity markets was:

Hang Seng Index	Minus 2.75 percent
The Growth Enterprise Index	Minus 2.06 percent

In Japan, investors seemed to be in a great hurry to purchase stocks and shares, listed on The Tokyo Stock Exchange, where its key index, The Nikkei-225 Stock Average, gained 2.02 percent, to end the week on the high note of 9,104.06 yen.

The divergence of gainers to losers was very wide, at about 4:One.

There was nothing special happening in Japan, last Friday, with investors, in that part of the world, simply taking their cue from what had taken place on Wall Street, on Thursday.

If anything, there was good reason for a continued retreat in share prices in the country.

New wise:

- Retail sales in Japan fell by about 2.40 percent in May, Year-on-Year, **The Ministry of Economy, Trade and Industry (METI)** said. It was the 26th month of decreases in retail sales in The Land of The Rising Sun. An official of METI announced: *'The economy (of Japan) is weakening.'*

The tally for The Tokyo Stock Exchange, therefore, was:

The Nikkei-225 Stock Average Minus 0.18 percent

And, in other parts of Asia, this was how they ended the week of June 27, 2003:

HKSAR	Plus 0.53 percent to 9,657.21
Indonesia	Plus 1.80 percent to 506.78
Japan	Plus 2.02 percent to 9,104.06
Malaysia	Plus 1.28 percent to 691.45
The Philippines	Plus 1.20 percent to 1,236.60
Singapore	Plus 1.35 percent to 1,477.73
South Korea	Plus 0.23 percent to 677.28
Taiwan	Minus 0.33 percent to 4,877.90
Thailand	Minus 0.40 percent to 457.51

-- 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.