

**INTERNATIONAL PRESSURE FORCES OPEC TO CAPITULATE:
DOWN COME OIL PRICES**

Finance Ministers of the Group of Seven (G7) – the United States (US), Japan, Germany, the United Kingdom (UK), France, Canada and Italy – called for lower oil prices at their meeting in New York, during the weekend of May 22 and May 23.

Members lambasted The Organisation of Petroleum Exporting Countries (OPEC) for not releasing more oil onto the world's markets in order to help to bring down the price of the precious substance that, just about, controls a huge chunk of all of the major economies of the world.

The UK Chancellor of the Exchequer, Mr Gordon Brown, said, last Sunday-week, inter alia:

'It would be wrong if the oil producers prevented the world economy ... from strengthening in the years to come ...

'We call on all producers to take action to ensure world oil prices return to levels that are consistent with lasting economic prosperity and stability – especially the poorest nations ...'.

The pleas fell on deaf ears at OPEC, by and large.

But one OPEC member, Saudi Arabia, did break ranks with its OPEC members, however, and promised extra oil to the world.

Saudi Arabia had been threatening to do this for the previous fortnight, in any event.

Saudi Arabia pledged another 800,000 barrels of oil per day, taking its output to 9.10 million barrels per day.

And the head of the country said that Saudi Arabia would boost production as high as 10.50 million barrels of oil per day if needs be such.

The initial reaction to the Saudi Arabia statement was to bring down the price of oil by about \$US1 per barrel to below \$US40 per barrel.

Then, OPEC came out with a statement to the effect that it would not increase oil production, come what might, and that it would not be pressured by the actions of its rebel member, Saudi Arabia.

The price of oil did not stay below the \$US40-per-barrel mark for long, and, by late last Monday night, the price of sweet light crude oil was back to \$US41.72 per barrel for July delivery, while delivery for June was settled at \$US40.92, being the last transaction, last Monday, on the New York Mercantile Exchange (NYMEX).

The nagging suggestion, voiced in many quarters, was that Saudi Arabia's offer was too little too late.

Unless OPEC agreed, in unison, to raise the production of oil, substantially, and immediately, the near-record price of the black gold would continue, it was conjectured.

On The New York Stock Exchange, last Monday, the key index for the world's largest equity market, the Dow Jones Industrial Average, shed about 0.08 percent, ending the day at 9,958.43 points.

On the tech-laden NASDAQ, its Composite Index rose about 0.57 percent, running back to 1,922.98 points.

It was apparent that investors on Wall Street were continuing to be very nervous in the light of what was transpiring in the Middle East, where fighting continued to rage, and the stubbornness of OPEC in refusing to try to help to reduce the price of oil, internationally.

European investors were mixed in their collective opinion about the situation with regard to oil.

This was made only too clear by the fact that mostly fractional changes of indices marked the closures of Europe's major bourses.

This was how the indices of the largest bourses closed, last Monday:

Amsterdam's AEX Index	Plus 1.04 percent
Great Britain's FTSE 100 Index	Minus 0.06 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.94 percent
France's CAC40 Index	Minus 0.60 percent
Switzerland's Swiss Market Index	Plus 0.65 percent
Italy's MIBTEL Index	Minus 0.06 percent

In the US and Europe, last Monday, it was as though a dark cloud had descended over most equity markets and, until that cloud could be lifted, no matter which corporate '*darling*' made the sweetest corporate music, it mattered little to well-heeled investors.

In Asia, last Monday, the consensus was that, since Saudi Arabia had broken ranks with its OPEC members, the chink in this oil cartel could well grow to be a chasm.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets managed fractional improvements.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index improved by three quarters of a percentage point to 11,662.97 points.

The Total Turnover dipped to about \$HK10.81 billion though, suggesting that the market was unlikely to hold onto its gains for very long.

Last Wednesday was the Birthday of Buddha and, as such, equity markets were closed in the HKSAR and so, as is the wont of investors in this part of the world, the one-day, holiday atmosphere prevailed.

The ratio of gaining counters to losing ones was about 2.96:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK111.00 per share
China Telecom Corporation Ltd (Code: 728)	Up 3.26 percent to \$HK2.375 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.94 percent to \$HK52.50 per share
PetroChina Company Ltd (Code: 857)	Up 0.71 percent to \$HK3.55 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK62.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.33 percent to \$HK57.00 share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.85 percent to \$HK2.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.71 percent to \$HK21.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.80 percent to \$HK12.55 per share
Aluminum Corporation of China Ltd (Code: 2600)	Up 2.98 percent to \$HK4.325 per share

The Main Board's double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AviChina Industry and Technology Company Ltd	2357	10.00		0.99
Buildmore International Ltd	108		24.00	0.38
Capital Prosper Ltd	1003	19.44		0.043
Central China Enterprises Ltd	351	12.64		2.45
Century Legend (Holdings) Ltd	79	14.06		0.073
Chi Cheung Investment Company Ltd	112	10.00		0.88
China City Natural Gas Holdings Ltd	603		10.53	0.017
China HealthCare Holdings Ltd	673		11.48	2.70
China Oriental Group Company Ltd	581	10.07		1.53
China Rare Earth Holdings Ltd	769	11.58		1.06
China United International Holdings Ltd	273	11.67		0.67
Dickson Group Holdings Ltd	313	12.50		0.045
Guangdong Tannery Ltd	1058		33.15	0.121
Hualing Holdings Ltd	382	12.37		0.218
I-China Holdings Ltd	240	23.08		0.016
Interchina Holdings Company Ltd	202	10.38		0.202

Jinhui Holdings Company Ltd	137	12.42		18.55
Natural Beauty Bio-Technology Ltd	157	14.29		0.56
Neo-China Group (Holdings) Ltd	563		11.76	0.30
Pacific Plywood Holdings Ltd	767	64.29		0.046
Rontex International Holdings Ltd	1142	27.36		0.27
Solartech International Holdings Ltd	1166	12.28		0.32
Starbow Holdings Ltd	397	19.23		0.031
Start Technology Company Ltd	706	13.95		0.49
Sunny Global Holdings Ltd	1094	11.03		0.151
SW Kingsway Capital Holdings Ltd	188		12.00	0.33
V.S. International Group Ltd	1002	12.80		0.238
Vision Century Corporation Ltd	535	11.61		0.173
Sinopec Yizheng Chemical Fibre Company Ltd	1033	10.32		1.39
Zhong Hua International Holdings Ltd	1064		18.18	0.09

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index added about 0.72 percent, running back to 1,096.86 points.

The Total Turnover on this speculative market was about \$HK62.93 million.

The ratio of gaining counters to losing ones was about 1.37:One.

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

Nanjing Dahe Outdoor Media Company Ltd (Code: 8243)	Unchanged at 38.50 cents per share
TOM Group Ltd (Code: 8001)	Up 2 percent to \$HK1.64 per share
Panva Gas Holdings Ltd (Code: 8132)	Up 2 percent to \$HK3.075 per share
Kingdee International Software Group Company Ltd (Code: 8133)	Up 3 percent to \$HK2.55 per share
Xteam Software International Ltd (Code: 8178)	Up 10 percent to 20 cents per share

As for the biggest movers on this market, they were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061		15.00	0.17
Medical China Ltd	8186	13.98		0.106
Prosten Technology Holdings Ltd	8026	12.80		0.141
Rojam Entertainment Holdings Ltd	8075	12.50		0.09
Techpacific Capital Ltd	8088		10.71	0.025
Tradeeasy Holdings Ltd	8163	10.00		0.044
Xteam Software International Ltd	8178	10.50		0.20

Trading on Asia's largest equity markets, those of The Land of The Rising Sun, were constrained, in the extreme, last Monday.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average was up by just 31.39 yen, equivalent to about 0.28 percent, ending the relatively quiet trading day at 11,101.64 yen.

Gaining counters were ahead of losing ones by the ratio of about 1.84:One.

Jitters over the price of crude oil, last Monday, took its toll of this market.

As long as the international price of oil stayed high, it was reasoned, the country's major markets were at peril.

And that would rebound on Japan, to be sure, in the course of time.

News wise

- **Resona Holdings Incorporated** reported a Net Loss Attributable to Shareholders of about 1.66 trillion yen for its Financial Year, ended March 31, 2004. Resona is Japan's fifth-largest lender and comprises: Resona Bank, Saitama Resona Bank, Kinki Osaka Bank, Nara Bank, and Resona Trust and Banking Company.

This was how the indices of other Asian stock markets ended their respective trading days, last Monday:

The HKSAR	Plus 0.75 percent to 11,662.97
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Indonesia	Plus 1.05 percent to 732.58
Japan	Plus 0.28 percent to 11,101.64
Malaysia	Plus 0.36 percent to 794.39
The Philippines	Minus 0.21 percent to 1,481.91
Singapore	Plus 0.71 percent to 1,779.79
South Korea	Plus 1.69 percent to 799.64
Taiwan	Minus 0.38 percent to 5,942.08
Thailand	Minus 1.06 percent to 608.90

Tuesday

The first land auction in 20 months lifted the hopes of investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), last Tuesday, as the HKSAR Government's coffers were enriched by about \$HK2.95 billion.

All of the big boys of the HKSAR property industry turned up for the show, which was considered very much a success.

But, aside from this item of news, not much else took place in the HKSAR, last Tuesday, on the eve of the one-day holiday to mark the birth of Buddha.

On The New York Mercantile Exchange (NYMEX), the price of oil strengthened, yet again, as would-be pundits determined that the actions of Saudi Arabia, acting as it was, unilaterally, would not be sufficient to alleviate the international problems, confronting the world's economies. (Please see Monday's report)

The last trade on NYMEX, for June delivery, was above the \$US41-per-barrel mark.

From Seoul, South Korea, it was reported that Japan, the PRC, India, South Korea and the Philippines would band together in order to try to work out a common Asian policy in respect of energy requirements.

Another cartel in the making?

On The New York Stock Exchange, last Tuesday, the Dow Jones Industrial Average put on a clear 1.60 percent, coming to rest at 10,117.62 points.

On the NASDAQ, its Composite Index picked up another 2.17 percent, ending the day at 1,964.65 points.

Wall Street was banking on better things to come, now that the Organisation of Petroleum Exporting Countries (OPEC) was enjoying the rebellious acts of Saudi Arabia.

Europe was not as sure about the immediate effects that Saudi Arabia's unilateral actions would have on the world's markets, as was Wall Street, resulting in the major European bourses to suffer a decided downturn.

All of the major equity markets in this part of the world were in the red when dinner time rolled round:

Amsterdam's AEX Index	Minus 0.72 percent
Great Britain's FTSE 100 Index	Minus 0.25 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.03 percent
France's CAC40 Index	Minus 0.50 percent
Switzerland's Swiss Market Index	Minus 0.61 percent
Italy's MIBTEL Index	Minus 0.04 percent

In Asia, the number of equity market winners and losers was about equal.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index managed to make a gain of just one quarter of a percentage point, ending the trading day at 11,692.56 points.

The Total Turnover was about \$HK11.20 billion.

But in spite of the fractional gain, made on the key index of The Stock Exchange of Hongkong Ltd, losing counters outnumbered gaining ones by the ratio of about 1.13:One.

Had it not been for the successful land auction (see above), it appeared that this market, the second largest in Asia, would have fallen, once again.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK111.00 per share
PetroChina Company Ltd (Code: 857)	Up 1.41 percent to \$HK3.60 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.59 percent to \$HK63.75 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK52.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.71 percent to \$HK21.35 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.80 percent to \$HK12.65 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK2.375 per share
CNOOC Ltd (Code: 883)	Up 4.00 percent to \$HK3.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.44 percent to \$HK57.25 share
Aluminum Corporation of China Ltd (Code: 2600)	Down 2.89 percent to \$HK4.20 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Broad Intelligence International Pharmaceutical Holdings Ltd	1149	17.54		0.67
China Chengtong Development Group Ltd	217	29.87		0.30
China Nan Feng Group Ltd	979	11.54		0.058
Cosmos Machinery Enterprises Ltd	118	13.33		0.34
Grand Field Group Holdings Ltd	115	11.54		0.058
Guangdong Tannery Ltd	1058	57.02		0.19
I-China Holdings Ltd	240	31.25		0.021
MAXX Bioscience Holdings Ltd	512		14.29	0.18
Midland Realty (Holdings) Ltd	1200	11.18		1.79
SW Kingsway Capital Holdings Ltd	188	13.64		0.375
Theme International Holdings Ltd	990	12.90		0.035
Wah Nam International Holdings Ltd	159	14.29		0.16
Wanji Pharmaceutical Holdings Ltd	835		12.00	0.022

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a slightly different story to that, being told in the Main Board.

The Growth Enterprise Index lost about 0.11 percent of its value, falling back to 1,095.62 points.

The Total Turnover was about \$HK51.59 million, while the ratio of declining counters to advancing ones was 1.31:One.

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

Panva Gas Holdings Ltd (Code: 8132)	Unchanged at \$HK3.075 per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Up 6 percent to \$HK17.20 per share
TOM Group Ltd (Code: 8001)	Down 2 percent to \$HK1.60 per share
Wumart Stores Incorporated (Code: 8277)	Up 4 percent to \$HK14.50 per share
Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Up 1 percent to 40.50 cents per share

As for The GEM's double-digit movers of the day, they included just the 3 counters of:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Advance Holdings Ltd	8117		13.79	0.10
Golding Soft Ltd	8190		11.76	0.03
TeleEye Holdings Ltd	8051	15.09		0.122

In Japan, investors in this part of the world seemed to be oblivious as to what had transpired on Wall Street, the previous day – and selling activities went into high gear.

By the end of the session on The Tokyo Stock Exchange, the Nikkei-225 Stock Average was down by 138.71 yen, equivalent to about 1.24 percent, coming to rest at 10,962.93 yen.

The ratio of losing counters to gaining ones was 2.80:One.

The high price of oil continued to weigh heavily on investors in The Land of The Rising Sun.

News wise

- **Aozoro Bank** announced that it had recorded a Net Profit Attributable to Shareholders of about 31.90 billion yen for Fiscal 2003, up about 39.30 percent, Year-on-Year.

This was how other Asian equity markets closed their respective doors, last Tuesday night:

The HKSAR	Plus 0.25 percent to 11,692.56
Indonesia	Minus 2.10 percent to 717.14
Japan	Minus 1.24 percent to 11,962.93
Malaysia	Plus 0.26 percent to 796.48
The Philippines	Plus 0.8 percent to 1,493.9
Singapore	Minus 0.75 percent to 1,766.42
South Korea	Minus 1.94 percent to 784.06
Taiwan	Plus 0.27 percent to 5,958.38
Thailand	Minus 1.21 percent to 601.51

Wednesday

The equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) and South Korea were closed, last Wednesday, for Buddha's Birthday.

But all of the other Asian stock markets were booming, as were all of the European bourses, without exception, following a fall in the price of crude oil on international markets.

On the **New York Mercantile Exchange** (NYMEX), sweet light crude was being settled at \$US40.70 per barrel for July delivery, with the August delivery figure, being even lower, at \$US40.38 per barrel.

On The New York Stock Exchange, however, the Dow Jones Industrial Average ended down 7.73 points, or about 0.08 percent, to 10,109.89 points.

As for the Composite Index of NASDAQ, it ended its session at 1,976.15 points, a gain of about 0.58 percent.

Just before the markets in the US opened, last Wednesday, it was reported that the US Government had credible evidence to suggest that al Qaeda was planning another major attack on US soil in the summer.

That alert put the skids under many counters, across the length and breadth of the US.

There were other items of economic interest that were published by the US Government, last Wednesday, but few people paid much attention to them because there were only 2 things that were uppermost in most investors' minds: The price of crude oil; and, the US Government's warning of another terrorist attack on The Land of The Free and The Home of The Brave.

In Europe, however, there was no suggestion of a terrorist threat and, so, with the price of oil on the slippery slope down, up went indices on all bourses:

Amsterdam's AEX Index	Plus 0.90 percent
Great Britain's FTSE 100 Index	Plus 0.46 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.03 percent
France's CAC40 Index	Plus 1.37 percent
Switzerland's Swiss Market Index	Plus 0.44 percent
Italy's MIBTEL Index	Plus 1.00 percent

In Japan, there was a bit of a rally, brought about by the international softening of oil prices, in the main.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average put on 1.73 percent, running up to 11,152.09 yen.

This was how other Asian equity markets closed, last Wednesday:

The HKSAR	Closed
Indonesia	Plus 0.12 percent to 718.01
Japan	Plus 1.73 percent to 11,152.09
Malaysia	Plus 0.35 percent to 799.25
The Philippines	Plus 0.92 percent to 1,507.65
Singapore	Plus 0.58 percent to 1,776.70
South Korea	Closed
Taiwan	Plus 1.16 percent to 6,027.27
Thailand	Plus 1.34 percent to 609.60

Thursday

The price of oil was hammered on international markets, last Thursday, with noises, emanating from the offices of The Organisation of Petroleum Exporting Countries (OPEC), that it would, indeed, release more of the black ooze onto the marketplace, after all.

OPEC had little choice in the matter, actually, since Saudi Arabia, one of OPEC's members, had already made commitments to the world, commitments, which, in effect, meant that it had broken ranks with OPEC. (Please see Monday's report)

On The New York Mercantile Exchange (NYMEX), sweet light crude oil was being traded at \$US39.13 per barrel for July delivery, while August delivery was settled at \$US38.96 per barrel, at the close of NYMEX.

Wall Street warmed to the news.

On The New York Stock Exchange, the Dow Jones Industrial Average put on about 0.94 percent, running up to 10,205.20 points.

On the tech-laden NASDAQ, its Composite Index rose about 0.42 percent to 1,984.50 points, representing the fifth consecutive gains for this market.

Helping this market, also, was a report from the US Government in respect of the Gross Domestic Product (GDP) – the total value of goods and services, produced in a country over a period of time – which rose at a 4.40-percent annualised rate in the first quarter of this year, up from previous estimates of 4.20 percent.

Then, from the US Government's Labour Department came a report to the effect that Initial Unemployment Insurance Claims had fallen, Week-on-Week, by 3,000 Claims, to 344,000 Claims.

Good stuff!

Europe rallied on the news about the prospects of energy costs, and the seemingly bullish outlook for the US economy, in general.

What is good for the US must be doubly good for Europe, it was, correctly, reasoned.

Fueling the decided change in sentiment in Europe were numerous corporate reports, most of which were received with glee since they tended to indicate that things were, definitely, on the mend in this part of the world.

Every major bourse in Europe made material gains, last Thursday, as the following **TARGET** table illustrates:

Amsterdam's AEX Index	Plus 1.09 percent
Great Britain's FTSE 100 Index	Plus 0.34 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.18 percent
France's CAC40 Index	Plus 0.50 percent
Switzerland's Swiss Market Index	Plus 0.60 percent
Italy's MIBTEL Index	Plus 0.35 percent

In Asia, with the single exception of The Manila Stock Exchange, every index of every equity market rose, with the 2 stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), leading the way.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index delighted investors with a gain of about 2.49 percent, ending the booming session at 11,983.90 points.

The Total Turnover shot up to about \$HK17.81 billion, reminiscent of a bullish market.

The ratio of gaining counters to losing ones was about 4.67:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 2.70 percent to \$HK114.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 4.71 percent to \$HK66.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 3.28 percent to \$HK22.05 per share
PetroChina Company Ltd (Code: 857)	Up 4.17 percent to \$HK3.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 2.62 percent to \$HK58.75 share
Hutchison Whampoa Ltd (Code: 13)	Up 0.95 percent to \$HK53.00 per share
China Telecom Corporation Ltd (Code: 728)	Up 2.11 percent to \$HK2.425 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 3.16 percent to \$HK13.05 per share
China Life Insurance Company Ltd (Code: 2628)	Up 3.43 percent to \$HK4.525 per share
Henderson Land Development Company Ltd (Code: 12)	Up 0.60 percent to \$HK33.70 per share

As for the double-digit movers of the day, there were, in total, 42 counters, which qualified for that distinction, with 7 of their number, being losers of 10 percent or more of their respective market capitalisations.

Tse Sui Luen Jewellery (International) Ltd (Code: 417) was the biggest gainer of the day, as investors marked up its share price by 29.55 percent to 32 cents.

REXCAPITAL Financial Holdings Ltd (Code: 555) was the biggest loser of the day, with a fall of 28 percent, which saw its share price sink to 5.40 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover more than doubled that of Wednesday's, to about \$HK104.98 million.

The Growth Enterprise Index advanced about 2.25 percent, to end the day at 1,120.24 points.

The ratio of gaining counters to losing ones was about 1.92:One.

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

Wumart Stores Incorporated (Code: 8277)	Up 3 percent to \$HK15.00 per share
TOM Group Ltd (Code: 8001)	Up 3 percent to \$HK1.65 per share
TOM Online Incorporated (Code: 8282)	Up 8 percent to \$HK1.30 per share
Panva Gas Holdings Ltd (Code: 8132)	Up 7 percent to \$HK3.30 per share
Nanjing Dahe Outdoor Media Company Ltd (Code: 8243)	Unchanged at 39.00 cents per share

As for the biggest movers of the day on this speculative market, they were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061	17.65		0.20
B and B Natural Products Ltd	8156	16.07		0.65
FX Creations International Holdings Ltd	8136		10.00	0.135
Galileo Capital Holdings Ltd	8029	14.29		0.04
M21 Technology Ltd	8153	77.08		1.70
MediaNation Incorporated	8160	13.04		0.13
PINE Technology Holdings Ltd	8013	14.29		0.24
SYSCAN Technology Holdings Ltd	8083		10.67	0.335
Techpacific Capital Ltd	8088		12.00	0.022

In The Land of The Rising Sun, a fall in the statistics, relating to domestic spending, tended to unnerve more serious-minded economists.

Official Japanese Government figures, released during the trading session on The Tokyo Stock Exchange, last Thursday, showed that there had been a drop of about one percent in retail sales in the month of April, compared with March.

Compared with April 2003, the figures suggested a drop of about 0.80 percent.

Consumer spending is vital to Japan, with its 104-million human population, in order to consolidate its export earnings because, without such earnings, it would suggest that the average, man-in-the-street is, still, unconvinced as to the economic recovery of the country.

On The Tokyo Stock Exchange, last Thursday, the Nikkei-225 Stock Average gained just 13.94 yen, or about 0.12 percent, ending the day at 11,166.03 yen.

The ratio of advancing counters to declining ones was about 2.21:One.

By and large, trading was slow and light on Asia's largest equity market.

News wise

- **Softbank Corporation** announced that it had agreed to buy **Japan Telecom Company** for a total consideration, equivalent to about 340 billion yen. The purchase price includes the assumption of the company's debts. The vendor is **Ripplewood Holdings LLC** of the US. For Ripplewood, it means a gross profit of some 80 billion yen since this investment fund only purchased Japan Telecom about 6 months ago, after protracted negotiations with **Vodafone Group plc** of Great Britain. Japan Telecom is the country's third-largest, fixed-line carrier; and,
- **Nintendo Company** announced that its Net Profits Attributable to Shareholders were 33.19 billion yen for the Financial Year, ended March 31, 2004. The video game-maker produced a Bottom Line of about 67.27 billion for the comparable 2003-Year. The company blamed the drop in profits to the strengthening of the yen against the US dollar.

And this was how the indices of other Asian bourses closed their respective doors, last Thursday:

The HKSAR	Plus 2.49 percent to 11,983.90
Indonesia	Plus 1.44 percent to 728.31
Japan	Plus 0.12 percent to 11,166.03
Malaysia	Plus 1.56 percent to 811.74
The Philippines	Minus 0.57 percent to 1,499.12
Singapore	Plus 0.10 percent to 1,778.55
South Korea	Plus 2.35 percent to 802.46
Taiwan	Plus 0.10 percent to 6,033.05
Thailand	Plus 3.46 percent to 630.72

Friday

Wall Street investors tended to be nervous, last Friday, due to a number of factors, the most important of which, no doubt, was the upcoming meeting of The **Organisation of Petroleum Exporting Countries (OPEC)**, scheduled for this Thursday in Beirut, Lebanon.

At this meeting, it was well expected that OPEC would make a determination to advance the cause of the world and raise the amount of oil to be sold in the world's markets.

On The New York **Mercantile Exchange (NYMEX)**, last Friday, the price of sweet light crude for July delivery was settled at \$US39.88 per barrel, while August delivery was last traded at \$US39.71 per barrel.

On the Big Board of The New York Stock Exchange, the Dow Jones Industrial Average closed out the week at 10,188.45 points, a one-day fall of about 0.16 percent.

NASDAQ's Composite Index, however, added another 2.24 points, or about 0.11 percent, ending the trading day at 1,986.74 points.

Most US equity markets are closed for the Memorial Day holiday, today, and the previous Friday, many investors had, already, packed their bags for a bit of a break from the hustle and bustle of business.

In Europe, it was a very similar story to that, being told on US equity markets, because, aside from today, also, being a holiday in many parts of Europe, with equity markets, being shut for the day, the price of crude oil continued to dominate the trading activities of most markets, throughout the eurozone.

Markets hate uncertainty and, not knowing what the 3-day, weekend holiday would bring, many investors opted to take their profits to the bank, rather than risk the unknown.

This was how the indices of the major bourses ended their respective trading weeks, last Friday:

Amsterdam's AEX Index	Minus 0.36 percent
Great Britain's FTSE 100 Index	Minus 0.51 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.27 percent
France's CAC40 Index	Minus 0.74 percent
Switzerland's Swiss Market Index	Minus 1.38 percent
Italy's MIBTEL Index	Minus 0.05 percent

In Asia, the bullish trend continued on all but one equity market.

On the 2 stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors were treated to another booming day.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index regained 1.11 percent of its former value, ending the week above the 12,000-mark, to 12,126.87 points.

The Total Turnover was about \$HK19.04 billion, with the ratio of gaining counters to losing counters, being about 1.93:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 1.32 percent to \$HK115.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.13 percent to \$HK22.30 per share
China Telecom Corporation Ltd (Code: 728)	Up 1.03 percent to \$HK2.45 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.47 percent to \$HK52.75 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 3.45 percent to \$HK13.50 per share
PetroChina Company Ltd (Code: 857)	Down 1.33 percent to \$HK3.70 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.75 percent to \$HK66.25 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.21 percent to \$HK4.625 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 2.63 percent to \$HK2.925 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.43 percent to \$HK58.50 share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	11.43		0.234
Asia Commercial Holdings Ltd	104		17.31	0.43
Asia Logistics Technologies Ltd	862	15.79		0.022
China City Natural Gas Holdings Ltd	603	16.67		0.021
Credit Card DNA Security System (Holdings) Ltd	1051	16.92		0.076
Fortuna International Holdings Ltd	530	16.67		0.014
ITC Corporation Ltd	372	10.34		0.32
Jackin International Holdings Ltd	630	16.97		0.255
Kong Sun Holdings Ltd	295	33.33		0.024
Massive Resources International Corporation Ltd	70	17.65		0.02
Northern International Holdings Ltd	736	21.43		0.017
Paladin Ltd	495	17.62		0.247
Radford Capital Investment Ltd	901	14.29		0.032
Regent Pacific Group Ltd	575	12.16		0.415
Shun Ho Technology Holdings Ltd	219	11.29		0.345
SMI Corporation Ltd	198	10.87		0.051
SNP Leefung Holdings Ltd	623	11.11		1.20
Softbank Investment International (Strategic) Ltd	648	16.85		0.104
Starbow Holdings Ltd	2914	14.81		0.031
Theme International Holdings Ltd	990	15.15		0.038
Tse Sui Luen Jewellery (International) Ltd	417		17.19	0.265
Wai Yuen Tong Medicine Holdings Ltd	897	19.23		0.155
Winfair Investment Company Ltd	287	12.82		2.20
Zhong Hua International Holdings Ltd	1064	38.89		0.125

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover continued to be above the \$HK100-million, at about \$HK104.69 million.

The Growth Enterprise Index ended the week at 1,129.61 points, representing a one-day improvement of about 0.84 percent.

Advancing counters beat off declining ones by the ratio of about 1.18:One.

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

Golden Meditech Company Ltd (Code: 8180)	Up 1 percent to \$HK3.425 per share
TOM Group Ltd (Code: 8001)	Up 4 percent to \$HK1.71 per share
Panva Gas Holdings Ltd (Code: 8132)	Up 3 percent to \$HK3.40 per share
TOM Online Incorporated (Code: 8282)	Down 3 percent to \$HK1.26 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 2 percent to 99 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Advance Holdings Ltd	8117		13.13	0.086
CCID Consulting Company Ltd	8235	12.63		0.214
China Medical Science Ltd	8120	23.68		0.235
Golding Soft Ltd	8190	10.71		0.031
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	12.00		0.28
Launch Tech Company Ltd	8196	11.70		2.10
Medical China Ltd	8186	21.74		0.14
PINE Technology Holdings Ltd	8013		12.50	0.21
SYSCAN Technology Holdings Ltd	8083		11.94	0.295
Thiz Technology Group Ltd	8119	50.00		0.018
Town Health International Holdings Company Ltd	8138	10.87		0.051

The tally for the week, therefore, was:

The Hang Seng Index	Plus 4.67 percent
The Growth Enterprise Index	Plus 3.72 percent

In Japan, the premier equity market of the country, The Tokyo Stock Exchange, saw investors return in droves.

Up went the key index of Asia's largest bourse by 143.54 yen, or about 1.28 percent, ending the week at 11,309.57 yen.

Gaining counters outran losing ones by the ratio of 4.71:One.

Whereas Japanese investors had been undecided on Thursday, there was no question, last Friday, as to whether or not the second-largest economy of the world was on the mend, in spite of statistics, indicating a decided falling off of local consumer buying power.

News wise

- **Shinsei Bank** announced that its Net Profits Attributable to Shareholders for Fiscal 2003 rose to 66.40 billion yen, up about 25 percent, Year-on-Year;
- **Industrial production** in Japan rose a seasonally adjusted 3.30 percent in April, compared with March. It was the second consecutive month of increases in industrial production, the Government's Ministry of Economy, Trade and Industry announced; and,
- **The jobless rate** in Japan is, now, officially, at about 4.70 percent, according to figures, produced for the month of April by the Government's Public Management, Home Affairs, Posts and Telecommunications Ministry.

The tally for Asia's largest equity market was, therefore:

The Nikkei-225 Stock Average	Plus 2.16 percent
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And this was how other Asian equity markets ended their respective trading sessions, last Friday:

The HKSAR	Plus 1.11 percent to 12,116.87
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Indonesia	Plus 0.77 percent to 733.99
Japan	Plus 1.28 percent to 11,309.57
Malaysia	Minus 0.4 percent to 808.44
The Philippines	Plus 1.21 percent to 1,517.2
Singapore	Plus 0.48 percent to 1,787.18
South Korea	Plus 1.75 percent to 816.51
Taiwan	Plus 1.72 percent to 6,137.26
Thailand	Plus 1.24 percent to 638.59

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