

**OIL PRICE STARTS TO DROP,
BUT EQUITIES DO NOT RESPOND, POSITIVELY**

The bad news, last Monday, was that oil exports from Iraq had ground to a complete halt, following a spate of attacks on oil pipelines of the South Oil Company, the previous day.

The good news, last Monday, was that the price of crude oil on international markets had continued to fall, with light sweet crude oil, being settled on The New York Mercantile Exchange (NYMEX) at \$US42.28 per barrel for October delivery, down about 2.08 percent on the previous Friday's last settled price.

As for November delivery, the price of light sweet crude oil gave up another 2.02 percent, ending the trading day at \$US42.11 per barrel.

One of the reasons for the drop in the price of crude oil, internationally, was a statement from the President of OPEC (The Organisation of Petroleum Exporting Countries), Mr Purnomo Yusgiantoro, to the effect that the oil cartel would be increasing production.

Observers opined that it was a little late for OPEC to make such a statement because, if it had done so about 3 months earlier, the international situation would not be as grave as it is today, with many of the economies of the world, reeling from the near, record-high price of crude oil.

On The New York Stock Exchange, last Monday, the Dow Jones Industrial Average fell about 0.71 percent, ending the first day of trading, last week, at 10,122.52 points.

On The NASDAQ, its Composite Index surrendered about 1.37 percent of its value, dropping back to 1,836.49 points.

The volume of activity on The New York Stock Exchange, at about 856 million shares, was the lowest level of the year, according to the database of **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider).

The mild sell-off on the world's largest equity markets was, in part, due to a protest march in New York City, on Sunday, August 29, where about 250,000 people demonstrated, peacefully, against President George W. Bush's policies over Iraq.

Last Monday, at Madison Square Garden, the Republican National Convention opened its festivities, during which time, President George W. Bush was well expected to be crowned in an American-styled, coronation ceremony, as the outstanding Republican candidate for the new President of The Home of The Free and The Land of The Brave come this November.

President George W. Bush runs unopposed – of course.

While security was very tight in the Big Apple, as New York City is known, there is, always, the threat of terroristic attacks on key buildings in the city, as well as attacks on the many high-ranking US Government officials, attending the coronation ceremonies.

In Afghanistan, the Taliban warned that it would step up its deadly attacks, during the run-up to the first free elections in that country.

The elections are scheduled for October 9, 2004.

On European bourses, last Monday, trading was light and featureless, for the main part, as the following **TARGET** list indicates:

Amsterdam's AEX Index	Minus 0.17 percent
Great Britain's FTSE 100 Index	Plus 0.81 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.32 percent
France's CAC40 Index	Minus 0.34 percent

Switzerland's Swiss Market Index
Italy's MIBTEL Index

Minus 0.17 percent
Minus 0.23 percent

European investors appeared to be awaiting the outcome of the crowning of President George W. Bush, as the candidate for the next President of the US – which was a foregone conclusion, in any event – and whether or not the proceedings at Madison Square Garden would be interrupted by some other horror.

Asian equity markets were, generally, in retreat, last Monday.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gained about 0.46 percent, ending the session at 12,877.78 points on a Total Turnover of about \$HK9.53 billion.

Gaining counters were ahead of losing ones by the ratio of about 1.51:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK121.50 per share
China Life Insurance Company Ltd (Code: 2628)	Up 6.40 percent to \$HK4.575 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.10 percent to \$HK22.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.41 percent to \$HK61.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.13 percent to \$HK67.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.34 percent to \$HK72.75 per share
PetroChina Company Ltd (Code: 857)	Up 1.94 percent to \$HK3.95 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.72 percent to \$HK14.05 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.67 percent to \$HK3.05 per share
PCCW Ltd (Code: 8)	Unchanged at \$HK5.15 per share

The biggest Main Board gainers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Compass Pacific Holdings Ltd	1188	14.00		0.285
Dickson Group Holdings Ltd	313		20.88	0.072
eForce Holdings Ltd	943		12.50	0.07
Foundation Group Ltd	1182	16.67		0.07
Fujian Holdings Ltd	181	11.22		0.238
Keck Seng Investments (Hongkong) Ltd	184	10.17		1.30
MACRO-LINK International Holdings Ltd	472	11.11		0.30
MAXX Bioscience Holdings Ltd	512	12.50		0.18
Mei Ah Entertainment Group Ltd	391	14.29		0.28
Mexan Ltd	22	10.40		1.38
Morning Star Resources Ltd	542	13.21		0.06
REXCAPITAL Financial Holdings Ltd	555	15.38		0.045
Solartech International Holdings Ltd	1166		10.00	0.27
South East Group Ltd	726		29.23	0.184
U-Cyber Technology Holdings Ltd	91		11.97	0.103
Unity Investments Holdings Ltd	913		12.50	0.07
Wanji Pharmaceutical Holdings Ltd	835		10.34	0.026

Over on the speculative stock market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), The Growth Enterprise Market (The GEM), trading continued to be extremely light.

The Growth Enterprise Index gained one quarter of a percentage point, limping up to 1,004.70 points.

The Total Turnover on this market was about \$HK40.47 million.

The ratio of advancing counters to declining ones was about 1.30:One.

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

Golden Meditech Company Ltd (Code: 8180)	Unchanged at \$HK3.00 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Unchanged at 84 cents per share
Launch Tech Company Ltd (Code: 8196)	Unchanged at \$HK1.99 per share

MP Logistics International Holdings Ltd (Code: 8239)
Panva Gas Holdings Ltd (Code: 8132)

Down 2 percent to \$HK1.28 per share
Down 1 percent to \$HK3.30 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	86.67		0.028
Argos Enterprise (Holdings) Ltd	8022	37.78		0.124
China Advance Holdings Ltd	8117		10.71	0.075
Glory Future Group Ltd	8071		12.50	0.014
Milkyway Image Holdings Ltd	8130	16.00		0.029
Zhongyu Gas Holdings Ltd	8070	11.76		0.19

In Japan, it was another dull and uninspired session on The Tokyo Stock Exchange, which is the largest bourse in the most-populous region of the world.

A key index of The Tokyo Stock Exchange, The Nikkei-225 Stock Average, lost 25.06 yen, equivalent to about 0.22 percent, coming to rest at the end of the trading day at 11,184.53 yen.

The ratio of gaining counters to losing ones was close, at 1.05:One.

This was the way that indices of other Asian equity markets ended their respective trading days, last Monday:

The HKSAR	Plus 0.463 percent to 12,877.78
Indonesia	Plus 0.84 percent to 753.03
Japan	Minus 0.22 percent to 11,184.53
Malaysia	Plus 0.79 percent to 827.98
The Philippines	Minus 0.10 percent to 1,580.41
Singapore	Minus 0.55 percent to 1,905.45
South Korea	Minus 0.63 percent to 805.19
Taiwan	Minus 0.15 percent to 5,788.94
Thailand	Minus 1.24 percent to 612.45

Tuesday

The Republican National Convention was proceeding without a hitch, as the Americans would say, and with not a hint of any terroristic attack on US soil.

Up went stock and share prices on US equity markets, with share prices on The New York Stock Exchange, leading the charge for higher prices.

However, gains, by and large, were of a fractional nature.

On the Big Board of The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.51 percent, rising to 10,173.92 points.

Over on The NASDAQ, its Composite Index rose 0.09 points, ending the session at 1,838.10 points. .

Trading volumes continued to be on the low side.

The US Government's Department of The Bureau of Labour Statistics, a division of The Labour Department, announced its finding in respect of Mass Layoffs for July 2004.

The Bureau's release stated, inter alia:

'MASS LAYOFFS IN JULY 2004

'In July 2004, employers took 2,094 mass layoff actions, as measured by new filings for unemployment insurance benefits during the month ... Each action involved at least 50 persons from a single establishment, and the number of workers involved totalled 253,929. Both the number of events and initial claims were higher than a year ago, with the number of mass layoff events and the number of associated initial claims higher than any July since 2001. However, July 2004 contained 5 weeks for possible mass layoffs, compared with 4 weeks in each July of the prior 4 years. From January through July 2004, the total number of events, at 10,208, and of initial claims, at 1,049,541, were lower than in January-July 2003 (11,947 and 1,183,024, respectively).

Industry Distribution

'The 10 industries reporting the highest number of mass-layoff initial claims accounted for 82,562 initial claims in July, 33 percent of the total.

'The manufacturing sector had 42 percent of all mass layoff events and 57 percent of all initial claims filed in July. A year ago, manufacturing reported 45 percent of events and 60 percent of initial claims. Within manufacturing, the number of claimants was highest in transportation equipment (72,492, mainly automotive-related), followed by plastics and rubber products manufacturing (13,053) and primary metals (8,177).

'The administrative and waste services sector accounted for 12 percent of events and 9 percent of initial claims filed in July, with layoffs mainly in temporary help services. Temporary help services, with 13,227 initial claims, accounted for 5 percent of all initial claims in July. Five percent of all layoff events and 4 percent of initial claims filed during the month were in retail trade, primarily in general merchandise stores. Transportation and warehousing accounted for 5 percent of events and 4 percent of initial claims, mostly in school and employee bus transportation. Construction accounted for an additional 6 percent of events and 3 percent of initial claims during the month, primarily among specialty trade contractors.

'Government establishments accounted for 7 percent of events and 5 percent of initial claims filed during the month, mostly in elementary and secondary schools ...'.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for October delivery was settled at \$US42.12 per barrel, down about 0.38 percent, compared with Monday's last settlement price.

For November delivery, the price of light sweet crude oil was settled at \$US42.04 per barrel, a decline of about 0.17 percent on Monday's last price.

It was reported, authoritatively, that near full production at Iraqi oil installations had resumed, with an estimated daily output of about 1.70 million barrels.

In Europe, by and large, investors were in a selling mood.

Every index of every major European bourse was in negative territory by the close of the day:

Amsterdam's AEX Index	Minus 0.80 percent
Great Britain's FTSE 100 Index	Minus 0.68 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.39 percent
France's CAC40 Index	Minus 1.16 percent
Switzerland's Swiss Market Index	Minus 0.51 percent
Italy's MIBTEL Index	Minus 0.30 percent

Europeans were concerned that the second half of the year could well bring out some more corporate 'skeletons' from the closet, in addition to seeing lower profits from many of Wall Street's 'darlings'.

Asian markets were, generally, lower.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), volumes were light on both equity markets, while indices moved only fractionally.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.21 percent of its value, dropped back to 12,850.28 points.

The Total Turnover was about \$HK9.48 billion.

The ratio of losing counters to gaining ones was about 1.44:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.41 percent to \$HK121.00 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.64 percent to \$HK4.65 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK61.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.34 percent to \$HK72.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.66 percent to \$HK22.75 per share
New World Development Company Ltd (Code: 17)	Up 4.26 percent to \$HK7.35 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK3.05 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK67.25 per share
CNOOC Ltd (Code: 883)	Unchanged at \$HK3.65 per share
China Telecom Corporation Ltd (Code: 728)	Down 1.96 percent to \$HK2.50 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied International Holdings Ltd	519		18.89	0.073
CSMC Technologies Corporation	597	10.20		0.54
Dickson Group Holdings Ltd	313		11.11	0.064
eForce Holdings Ltd	943		11.43	0.062
Hua Lien International (Holding) Company Ltd	969		16.85	0.37
HyComm Wireless Ltd	499		18.18	0.045
Kamboat Group Company Ltd	318		15.56	0.38
Mei Ah Entertainment Group Ltd	391		12.50	0.245
New Island Printing Holdings Ltd	377	11.48		0.68
Pacific Plywood Holdings Ltd	767		11.43	0.031
Pricerite Group Ltd	996	12.33		0.82
South East Group Ltd	726		18.48	0.15
Tem Fat Hing Fung (Holdings) Ltd	661	12.82		0.44
Tomson Group Ltd	258		11.11	1.12
Wai Yuen Tong Medicine Holdings Ltd	897	24.56		0.142
YangtzeKiang Garment Manufacturing Company Ltd	294		10.45	1.97
Zhong Hua International Holdings Ltd	1064		12.12	0.116

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.08 percent, ending the day at 1,007.54 points.

The Total Turnover on this speculative market was about \$HK42.95 million.

In spite of The Growth Enterprise Index, being positive for the day, declining counters outran advancing ones by the ratio of about 1.43:One.

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

Wumart Stores Incorporated (Code: 8277)	Up 1 percent to \$HK12.65 per share
Golden Meditech Company Ltd (Code: 8180)	Unchanged at \$HK3.00 per share
Longlife Group Holdings Ltd (Code: 8037)	Up 5 percent to 48.50 cents per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Up 1 percent to 85 cents per share
MP Logistics International Holdings Ltd (Code: 8239)	Up 2 percent to \$HK1.30 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061	13.40		0.22
CCID Consulting Company Ltd	8235	11.01		0.242
Excel Technology International Holdings Ltd	8048	10.26		0.086
Leadership Publishing Group Ltd	8010	40.00		0.035
Prosten Technology Holdings Ltd	8026		12.31	0.057
Stockmartnet Holdings Ltd	8123		10.53	0.017

Vodatel Networks Holdings Ltd	8033		10.29	0.305
-------------------------------	------	--	-------	-------

Weak industrial output in Japan weighed heavily on investors of Japan and was responsible, in part, for a fall in key indices on the country's 3 equity markets.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average lost 102.74 yen, equivalent to about 0.92 percent, ending the day at 11,081.79 yen.

Losing counters outnumbered gaining ones by the ratio of about 3.19:One.

What was hurting equity prices in Japan was an official Government report, which stated that industrial production in the country had failed to expand for a second successive month.

Industrial output in July was almost unchanged from that of June's.

It appeared very clear that Japan's economy is in retreat, once more.

This was how indices of other Asian markets fared, last Tuesday:

The HKSAR	Minus 0.21 percent to 12,850.28
Indonesia	Plus 0.22 percent to 754.70
Japan	Minus 0.92 percent to 11,081.79
Malaysia	Closed
The Philippines	Minus 0.04 percent to 1,579.83
Singapore	Plus 0.68 percent to 1,918.34
South Korea	Minus 0.20 percent to 803.57
Taiwan	Minus 0.40 percent to 5,765.54
Thailand	Plus 1.98 percent to 624.59

Wednesday.

The price of a barrel of light sweet crude oil rose 4.46 percent on The New York Mercantile Exchange (NYMEX), last Wednesday, the last settled price, being \$US44.00 per barrel for October delivery.

Whereas, on Tuesday, things had been relatively quiet for crude-oil trades on The NYMEX, last Wednesday witnessed a completely new and different ball game, being played, especially when the price of light sweet crude oil for November delivery rose a full 4.57 percent, compared with Tuesday's last settled price, hitting \$US43.96 per barrel before proceedings came to an end.

Wall Street did not take kindly to the news.

On The New York Stock Exchange, last Wednesday, the Big Board's Dow Jones Industrial Average lost about 0.05 percent of its value, ending the session at 10,168.46 points.

On The NASDAQ, its Composite Index rose about 0.67 percent, hitting 1,850.41 points by the close of the day.

In addition to the rising price of crude oil on international markets, there were, also, a number of other reports, outside the US, to the effect that international terrorists were continuing to do their dirty work.

On the US home front, it was reported that both Ford Motor Company and General Motors Corporation had not enjoyed a very pleasant or productive August.

Ford announced that August sales of its motor vehicles had been off by about 22 percent, Year-on-Year, while General Motors announced a fall-off in sales of its vehicles, Year-on-Year, of about 7 percent.

Both giants of the US motor-vehicle industry said that they would cut production runs in the fourth quarter of this year.

General Motors is the largest, motor-vehicle producer in the US, with Ford, being in the Number Two position.

From the Institute of Supply Management (ISM), it was announced that manufacturing in the US had slowed down in August.

The ISM Index fell to 59 points, down from 62 points in July.

In Europe, all of the major bourses saw their respective key indices rise:

Amsterdam's AEX Index	Plus	0.66 percent
Great Britain's FTSE 100 Index	Plus	0.95 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.85 percent
France's CAC40 Index	Plus	0.52 percent
Switzerland's Swiss Market Index	Plus	0.77 percent
Italy's MIBTEL Index	Plus	0.78 percent

The amount of the gains, being fractional, by and large, made many a European investor feel that the equity markets of eurozone were, if anything, somewhat fragile; they could well reverse their direction on Thursday or Friday.

In Asia, it was a completely different story.

Without exception, every index of every equity market in the most-populous part of the world rose, some quite spectacularly.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors on the territory's 2 stock markets were treated to a welcome relief, considering the lethargy of the equity markets of late.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index, the index that tracks the direction of blue chips on the premier market of the HKSAR, rose about 1.35 percent, running up to 13,023.87 points.

The Total Turnover rose to about \$HK15.08 billion, while the ratio of gaining counters to losing ones was about 2.76:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.24 percent to \$HK122.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.63 percent to \$HK62.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.98 percent to \$HK23.20 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.12 percent to \$HK68.00 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 2.50 percent to \$HK14.35 per share
Techtronic Industries Company Ltd (Code: 669)	Up 14.23 percent to \$HK14.05 per share
China Telecom Corporation Ltd (Code: 728)	Up 4.00 percent to \$HK2.60 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.38 percent to \$HK73.50 per share
Huaneng Power International Incorporated (Code: 902)	Up 3.45 percent to \$HK6.00 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.82 percent to \$HK3.075 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Benefun International Holdings Ltd	1130	10.34		0.064
China Conservational Power Holdings Ltd	290		12.82	0.34
China Merchants DiChain (Asia) Ltd	632	29.03		0.08
Dan Form Holdings Company Ltd	271	12.86		0.395
Earnest Investments Holdings Ltd	339	12.50		0.027
eSun Holdings Ltd	571		10.71	0.25
Far East Hotels and Entertainment Ltd	37	10.00		0.33
HKC International Holdings Ltd	248	10.91		0.183
Magnificent Estates Ltd	201	17.65		0.06
Mei Ah Entertainment Group Ltd	391	10.20		0.27
Pacific Plywood Holdings Ltd	767	12.90		0.035
Ruili Holdings Ltd	491	10.00		0.011
Sunlink International Holdings Ltd	2336	20.97		0.075
Sunway International Holdings Ltd	58		10.71	0.25
Techtronic Industries Company Ltd	669	14.23		14.05
Tonic Industries Holdings Ltd	978	11.11		0.30
Vision Century Corporation Ltd	535	10.64		0.156

Wo Kee Hong (Holdings) Ltd	720	13.79		0.033
----------------------------	-----	-------	--	-------

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, many of the gains in the most-popular counters were only of a fractional nature.

The Growth Enterprise Index put on about 0.17 percent, ending the day at 1,009.22 points.

The Total Turnover continued to be very low, at about \$HK40.91 million.

Advancing counters beat off declining ones by the ratio of about 1.15:One.

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

Wumart Stores Incorporated (Code: 8277)	Up 1 percent to \$HK12.80 per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Up 2 percent to \$HK16.90 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Unchanged at 85 cents per share
TOM Online Incorporated (Code: 8282)	Unchanged at \$HK1.04 per share
MP Logistics International Holdings Ltd (Code: 8239)	Down 1 percent to \$HK1.29 per share

The GEM's biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	25.00		0.035
Grandy Corporation	8143		20.00	0.028
iMerchants Ltd	8009		16.36	0.092
Jiangsu Nandasoft Company Ltd	8045	11.27		0.395
KanHan Technologies Group Ltd	8175		22.08	0.06
Ko Yo Ecological Agrotech (Group) Ltd	8042		13.33	0.26
Milkyway Image Holdings Ltd	8130		13.79	0.025
New Chinese Medicine Holdings Ltd	8085	16.67		0.035
Proactive Technology Holdings Ltd	8089		10.77	0.058
Satellite Devices Corporation	8172	13.79		0.033
Vodatel Networks Holdings Ltd	8033	13.11		0.345

Japan struggled to put one of the key indices of The Tokyo Stock Exchange into positive territory, during last Wednesday's session, but, by the close of the day, The Nikkei-225 Stock Average stood at 11,127.35 yen, a one-day improvement of about 0.41 percent.

Although The Nikkei-225 only registered a fractional improvement, the ratio of gainers to losers told another story – 3:31:One.

There was very little special news, emanating from The Land of The Rising Sun, and investors, last Wednesday, had not been apprised, during trading hours, of the increase in the price of crude oil on international markets.

In other Asian markets, this was how their respective indices ended the day:

The HKSAR	Plus	1.35 percent to 13,023.87
Indonesia	Plus	2.70 percent to 775.10
Japan	Plus	0.41 percent to 11,127.35
Malaysia	Plus	0.05 percent to 828.38
The Philippines	Plus	0.82 percent to 1,592.74
Singapore	Plus	0.58 percent to 1,929.48
South Korea	Plus	1.72 percent to 817.36
Taiwan	Plus	1.61 percent to 5,858.14
Thailand	Plus	0.68 percent to 628.81

Thursday

While stock and share prices rose, materially, on the world's largest equity markets, last Thursday, news filter through that the price of crude oil, internationally, was, more than likely, ready to head in the direction of new highs.

This was due to the freezing of some of the bank accounts of the Russian, oil-giant producer, OAO Yukos Oil Company (YUKOS), by Russian courts.

YUKOS announced that it was unable to pay wages to many of its staff and that oil production was in imminent danger of being halted.

This followed a Russian court's determination to freeze bank accounts of certain subsidiary companies of YUKOS.

The Russian Government wants \$US3.40 billion in respect of back taxes for the year 2000 and another \$US3.30 billion in respect of taxes for the 2001-year.

If YUKOS is true to its word, it means that about 1.70 million barrels of crude oil per day will not hit international markets in the near future.

YUKOS produces about 2 percent of the total world's production of crude oil, equal to today's production from Iraq.

On The New York Mercantile Exchange (NYMEX), however, the price of light sweet crude oil, last Thursday, was stable, at \$US44.06 per barrel for October delivery, up about 6 cents (US) per barrel, compared with the last settlement price of Wednesday.

For November delivery, the price of light sweet crude oil was settled at \$US44.01 per barrel, a gain of about 5 cents (US), compared with the last trade on Wednesday.

With everything, being hunky-dory in New York, where, in Madison Square Garden, the Republicans were holding their '*coronation ceremony*' for President George W. Bush, the Republican Party's choice for the candidate to run against Senator John Kerry in November's Presidential Elections, Wall Street was bubbling.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 1.20 percent to hit 10,290.28 points by the close of the day, while, on The NASDAQ, its Composite Index rose 1.24 percent to 1,873.43 points.

Last Thursday was the final day of the Republican Party's bash and booze-up in New York City and, with the fanfare, about to draw to a close, that which was on many people's minds was the next bash and booze-up: The 3-day Labour Day Holiday over the weekend, ending Monday, September 6, 2004.

All equity markets in the US are closed, today.

In Europe, investors, generally, went along with the seeming, stock-market euphoria, prevalent on US equity markets.

With the lone exception of the Swiss equity markets, all of the indices of major European bourses rose:

Amsterdam's AEX Index	Plus	0.48 percent
Great Britain's FTSE 100 Index	Plus	0.36 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.41 percent
France's CAC40 Index	Plus	0.55 percent
Switzerland's Swiss Market Index	Minus	0.16 percent
Italy's MIBTEL Index	Plus	0.73 percent

Oil stocks led the charge in eurozone on news about YUKOS.

In Asia, there were 6 equity markets, whose indices gained ground, while the remaining 3 equity markets saw their indices decline.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets were in retreat.

On The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.19 percent of its value, ending the day at 12,999.07 points.

The Total Turnover was about \$HK14.62 billion.

Of that figure of \$HK14.62 billion, trades in the scrip of the counters of HSBC Holdings plc (Code: 5) and Hutchison Whampoa Ltd (Code: 13) represented about 18.60 percent.

The ratio of losers to gainers on the Main Board was 1.06:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.41 percent to \$HK122.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.80 percent to \$HK62.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.43 percent to \$HK23.30 per share
China Telecom Corporation Ltd (Code: 728)	Down 0.96 percent to \$HK2.575 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK68.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.34 percent to \$HK73.25 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Unchanged at \$HK14.35 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.17 percent to \$HK4.70 per share
New World Development Company Ltd (Code: 17)	Up 2.01 percent to \$HK7.60 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 2.59 percent to \$HK17.80 per share

The biggest Main Board movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Benefun International Holdings Ltd	1130	37.50		0.088
Capital Estate Ltd	193	13.33		0.017
Cheung Tai Hong Holdings Ltd	199	14.29		0.28
Daido Group Ltd	544		13.64	0.095
Dan Form Holdings Company Ltd	271		11.39	0.35
Everest International Investments Ltd	204		10.00	0.045
Guangnan (Holdings) Ltd	1203	11.5		0.126
HyComm Wireless Ltd	499	14.58		0.055
Jackin International Holdings Ltd	630		15.58	0.195
Kee Shing (Holdings) Ltd	174		15.49	0.60
South East Group Ltd	726		13.46	0.135
Start Technology Company Ltd	706	12.50		0.36
Sunway International Holdings Ltd	58		15.20	0.212
V.S. International Group Ltd	1002		15.00	0.17
Zhongda International Holdings Ltd	909		10.71	0.25

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the situation, as far as the bulls of this speculative market were concerned, was grave: The Growth Enterprise Index was shaved to the extent of about 0.73 percent, falling back to 1,001.85 points.

The Total Turnover on this market was about \$HK49.13 million, with the ratio of losing counters to gaining ones, being 1.88:One.

Trading in the scrip of just one counter, that of Wumart Stores Incorporated (Code: 8277), represented just short of 52 percent of the Total Turnover of the day.

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

Wumart Stores Incorporated (Code: 8277)	Unchanged at \$HK12.80 per share
Phoenix Satellite Television Holdings Ltd (8002)	Down 1 percent to \$HK1.38 per share
MP Logistics International Holdings Ltd (Code: 8239)	Down 2 percent to \$HK1.27 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 1 percent to 84 cents per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1 percent to \$HK1.35 per share

The biggest GEM movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025		42.86	0.02
FX Creations International Holdings Ltd	8136		10.00	0.09
Global Link Communications Holdings Ltd	8060		36.00	0.032

M Channel Corporation Ltd	8036	11.11		0.02
Milkyway Image Holdings Ltd	8130	16.00		0.029
New Universe International Group Ltd	8068	10.00		0.055
Shanghai Fudan Microelectronics Company Ltd	8102	12.96		0.61
Vodatel Networks Holdings Ltd	8033		21.74	0.27

Trading on The Tokyo Stock Exchange continued to be quiet, with The Nikkei-225 Stock Average, gaining just 25.40 yen, equivalent to about 0.23 percent as investors edged the index to 11,152.75 yen.

The ratio of gaining counters to losing ones was about 1.29:One.

And this was how the indices of other Asian equity markets ended their respective trading days, last Thursday:

The HKSAR	Minus 0.190 percent to 12,999.07
Indonesia	Plus 0.67 percent to 780.27
Japan	Plus 0.23 percent to 11,152.75
Malaysia	Plus 1.65 percent to 842.04
The Philippines	Plus 1.33 percent to 1,614.00
Singapore	Plus 0.59 percent to 1,940.86
South Korea	Plus 0.79 percent to 823.83
Taiwan	Minus 0.09 percent to 5,852.85
Thailand	Minus 0.01 percent to 628.78

Friday.

The acceptance speech by US President George W. Bush at Madison Square Garden, last Friday, when the Republican Party nominated him for their candidate for the November Presidential Elections, was inspiring, to be sure, but when The US Government's Department of Labour came out with its employment situation for August 2004, some people started to scratch their heads and ask: *'Can this man read?'*

The Bureau of Labour Statistics of the US Department of Labour reported:

'THE EMPLOYMENT SITUATION: AUGUST 2004

'Non-farm payroll employment rose by 144,000 in August, and the unemployment rate was little changed at 5.40 percent ...

Unemployment (Household Survey Data).

'Both the number of unemployed persons, 8.00 million, and the unemployment rate, 5.40 percent, were little changed from July to August. The jobless rate is down from its recent high of 6.30 percent in June 2003; most of this decline occurred in the second half of last year. In August, the unemployment rates for the major worker groups – adult men (5.00 percent), adult women (4.70 percent), teenagers (17.00 percent), whites (4.70 percent), blacks (10.40 percent), and Hispanics or Latinos (6.90 percent) – showed little change over the month. The unemployment rate for Asians was 3.60 percent in August, not seasonally adjusted.

Total Employment and the Labour Force (Household Survey Data).

'Total employment held at 139.70 million in August, and the unemployment-population ratio – the proportion of the population aged 16 (years) and over with jobs – was essentially unchanged at 62.40 percent. The civilian labour force was about unchanged over the month at 147.70 million. After rising in July, the labour force participation rate edged down to its June level of 66.00 percent.'

Seasoned analysts on Wall Street were disappointed with the latest batch of statistics from the US Government because any increase in the number of jobs, month-on-month, of less than 200,000 is a retrograde step in the employment situation in the US, all things considered.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.29 percent of its value, ending the week at 10,260.20 points, but, on The NASDAQ, its Composite Index shed about 1.55 percent, falling back to 1,844.48 points.

The tally for the week for the largest equity markets of the world was:

The Dow Jones Industrial Average	Plus 0.64 percent
The NASDAQ's Composite Index	Minus 0.95 percent

Wall Street was, also, hit by a report from Intel Corporation, the world's largest chip-maker, which reported that it expected lower revenues for the remainder of the year.

Also, in the news, last Friday, was the appalling hostage situation in Beslan, Russia, where Chechen separatists were holding more than 1,000 men, women and children in a school complex.

Late on Friday, it was reported that more than 200 people had been slaughtered, not less than 650 people had been wounded, with 93 people in critical condition, for the loss of 27 Chechen fighters killed and 3 Chechen hostage-takers in custody.

President George W. Bush made mention of this situation, during his speech to the Republican Convention, emphasising the importance of stamping out terrorism, internationally.

On The New York Mercantile Exchange (NYMEX), last Friday, the price of light sweet crude oil for October delivery was last settled at \$US43.99 per barrel, down 7 cents (US) per barrel.

As for November delivery, the price of light sweet crude oil fell back to \$US43.96 per barrel, also off 7 cents (US) per barrel, compared with Thursday's closing level.

On major European bourses, investors appeared to be in a vivacious mood and bought into stocks and shares, whose prices had fallen to what appeared to be unjustified low levels.

This was how the indices of major European bourses closed the week of September 3:

Amsterdam's AEX Index	Plus 0.58 percent
Great Britain's FTSE 100 Index	Plus 0.71 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.87 percent
France's CAC40 Index	Plus 0.89 percent
Switzerland's Swiss Market Index	Plus 0.68 percent
Italy's MIBTEL Index	Plus 0.89 percent

By and large, Asian equity markets were mixed, but the largest markets lost material ground.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index fell back by about 0.39 percent, ending the session at 12,948.10 points.

The Total Turnover on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was about \$HK13.64 billion.

While the Hang Seng Index was only off fractionally, the ratio of losing counters to gaining ones was wide, at about 2.27:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK122.00 per share
China Merchants Holdings (International) Company Ltd (Code: 144)	Up 0.41 percent to \$HK12.10 per share
Denway Motors Ltd (Code: 203)	Up 1.61 percent to \$HK3.15 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.20 percent to \$HK62.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.10 percent to \$HK67.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.34 percent to \$HK73.50 per share
China Telecom Corporation Ltd (Code: 728)	Down 1.94 percent to \$HK2.525 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.43 percent to \$HK23.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Unchanged at \$HK14.35 per share
Television Broadcasts Ltd (Code: 511)	Down 2.76 percent to \$HK31.70 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Capital Strategic Investment Ltd	2933		12.24	0.43
China Nan Feng Group Ltd	979		10.77	0.058
Climax International Company Ltd	439	12.00		0.028
eForce Holdings Ltd	943		14.75	0.052
Fortune Telecom Holdings Ltd	110		10.14	0.62
Foundation Group Ltd	1182		14.06	0.055
Fulbond Holdings Ltd	1041		10.00	0.018
Gorient (Holdings) Ltd	729		14.71	0.029
Harmony Asset Ltd	428	13.33		0.34
HSBC China Fund Ltd, The	504		16.36	0.92
Jackley Holdings Ltd	353	26.67		0.038
Magnificent Estates Ltd	201	15.79		0.066
Radford Capital Investment Ltd	901	10.00		0.022
Shang Hua Holdings Ltd	371		11.11	0.48
Sunway International Holdings Ltd	58	12.26		0.238
Takson Holdings Ltd	918		16.67	0.125
Tem Fat Hing Fung (Holdings) Ltd	661		12.50	0.35
Wai Yuen Tong Medicine Holdings Ltd	897		10.45	0.12
Wing On Travel (Holdings) Ltd	1189	14.29		0.016
Wonson International Holdings Ltd	651	21.43		0.017

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index fell back, once again, this time by 0.32 percent to 998.64 points.

The Total Turnover on this speculative market was about \$HK51.40 million.

Gaining counters, however, outran losing ones by the ratio of about 1.35:One.

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

Panva Gas Holdings Ltd (Code: 8132)	Unchanged at \$HK3.325 per share
Sau San Tong Holdings Ltd (Code: 8200)	Up 26 percent to 60 cents per share
Wumart Stores Incorporated (Code: 8277)	Up 3 percent to \$HK13.15 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Unchanged at 84 cents per share
Tong Ren Tang Technologies Company Ltd (Code; 8069)	Down 3 percent to \$HK16.45 per share

The biggest GEM movers of last Friday included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	20.00		0.024
Shenzhen EVOC Intelligent Technology Company Ltd	8285	12.07		0.65
Global Link Communications Holdings Ltd	8060	40.63		0.045
IIN International Ltd	8128	16.00		0.058
Info Communication Holdings Ltd	8082		13.85	0.056
iSteelAsia Holdings Ltd	8080		20.00	0.032
KanHan Technologies Group Ltd	8175		10.00	0.054
Kinetana International Biotech Pharma Ltd	8031	40.00		0.07
Leadership Publishing Group Ltd	8010		20.00	0.028
Sau San Tong Holdings Ltd	8200	26.32		0.60

The tally for the 2 equity markets of The Stock Exchange of Hongkong Ltd was:

The Hang Seng Index	Plus 1.01 percent
The Growth Enterprise Index	Minus 0.55 percent

In Japan, the Intel Corporation announcement dented sentiment, considerably.

On the Tokyo Stock Exchange, The Nikkei-225 Stock Average lost 130.26 yen, or about 1.17 percent, ending the week at 11,022.49 yen.

Losing counters swamped gaining ones by the ratio of about 2.96:One.

News wise

- **Household spending** in Japan rose about 1.10 percent in July, Year-on-Year, The Public Management, Home Affairs, Posts and Telecommunications Ministry announced.

The tally for the premier equity market of Japan for the week was:

The Nikkei-225 Stock Average Minus 1.67 percent

And this was how indices of other Asian equity markets fared, last Friday:

The HKSAR	Minus 0.392 percent to 12,948.10
Indonesia	Plus 0.80 percent to 786.49
Japan	Minus 1.17 percent to 11,022.49
Malaysia	Minus 0.02 percent to 841.90
The Philippines	Plus 0.87 percent to 1,627.96
Singapore	Minus 0.22 percent to 1,936.55
South Korea	Minus 0.38 percent to 820.69
Taiwan	Minus 1.57 percent to 5,761.14
Thailand	Plus 0.05 percent to 629.08

-- END --

***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.

 [Site Meter](#)