

**YUKOS TURNS OFF THE TAP TO CHINA ;
OIL PRICES RISE TO NEAR RECORD LEVELS; AND,
EQUITY MARKETS GO INTO REVERSE GEAR**

Investors in most parts of the Western World determined to wait out last Monday's trading sessions on equity markets because, among other things, The Federal Reserve Board was scheduled to hold its Open Market Committee Meeting, just one day later.

It was generally believed that The Fed would continue to push up interest rates, slowly; the hot money was on a 25 basis-point rise.

The matter of oil production, oil supplies and oil prices were among the other salient factors that inhibited trading in stocks and shares, last Monday.

This followed a steep rise in the price of light sweet crude oil on The New York Mercantile Exchange (NYMEX), following an earlier, rather frightening, unsubstantiated report from Moscow, Russia.

The report, later confirmed, stated that most of the crude oil shipments to the People's Republic of China (PRC) by AOA Yukos Oil Company (YUKOS) of Russia would be halted on September 28 – because YUKOS claims that it does not have sufficient money to pay for the transportation costs.

YUKOS owes the Russian Government more than \$US7 billion in back taxes and, because it cannot pay, bailiffs have injunctioned certain bank accounts of the company.

YUKOS accounts for about 20 percent of the total output of oil of the country.

The near stoppage of YUKOS's oil exports to the PRC, proper, is equal to about 100,000 barrels per day, or about 5 percent of the PRC's total daily requirements.

Fears were mounting that the PRC's problems could well become the world's problems, in short order, as the Middle Kingdom shops round for an alternate supplier of crude oil, thus, pushing up prices on international oil exchanges.

The October price of light sweet crude oil on The NYMEX, last Monday, was \$US46.35 per barrel, an increase of about 1.67 percent on the previous Friday's closing level.

In respect of the delivery of light sweet crude oil in November, the last settlement price was \$US46.19 per barrel, up 1.32 percent, compared with the previous Friday's last settlement price.

And, then, investors of the world's largest equity market, that of the Big Board of The New York Stock Exchange, got a rather rude awakening when Colgate-Palmolive Company, of toothpaste fame, issued a profits' warning.

It was the first such profits warning in about a decade from the giant company.

On The New York Stock Exchange, the Dow Jones Industrial Average dropped to 10,204.89 points, a fall of 79.57 points, equivalent to about 0.77 percent, compared with the previous close on Friday, September 17.

On The NASDAQ, its Composite Index shed just 2.02 points, or about 0.11 percent, falling back to 1,908.07 points.

European bourses were in retreat, also, last Monday.

There were just too many negative factors.

This was how indices of major European bourses ended, last Monday night:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.88 percent |
| Great Britain's FTSE 100 Index | Minus 0.25 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.26 percent |
| France's CAC40 Index | Minus 0.60 percent |

Switzerland's Swiss Market Index
Italy's MIBTEL Index

Unchanged
Minus 0.08 percent

Asia was generally quiet, with indices of the major markets moving higher, however, only fractionally so.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while the Total Turnover of the Main Board of The Stock Exchange of Hongkong Ltd was high, relative to the volume of activity of late, the key indices of this, the premier market of the HKSAR, hardly moved, during the entire day.

By the close of trading, the Hang Seng Index, which plots the course of trading in blue chips, stood at 13,221.33 points, down about 0.03 percent, compared with the close of trading, the previous Friday.

The Total Turnover was about \$HK18.02 billion, while the ratio of gaining counters to losing ones was about 1.07:One.

The Ten Most-Actives were:

| | |
|--|---|
| HSBC Holdings plc (Code: 5) | Down 0.40 percent to \$HK123.50 per share |
| PetroChina Company Ltd (Code: 857) | Up 1.24 percent to \$HK4.075 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Up 10.73 percent to \$HK4.90 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 1.26 percent to \$HK24.05 per share |
| Yanzhou Coal Mining Company Ltd (Code: 1171) | Up 9.14 percent to \$HK10.15 per share |
| China Telecom Corporation Ltd (Code: 728) | Up 1.94 percent to \$HK2.625 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 0.66 percent to \$HK75.75 per share |
| China Life Insurance Company Ltd (Code: 2628) | Up 0.99 percent to \$HK5.10 per share |
| Denway Motors Ltd (Code: 203) | Up 0.90 percent to \$HK2.80 per share |
| Huaneng Power International Incorporated | (Code: 902) Up 2.33 percent to \$HK6.60 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 | | 12.00 | 0.066 |
| Asia Standard Hotel Group Ltd | 292 | 11.76 | | 0.285 |
| Benefun International Holdings Ltd | 1130 | | 11.76 | 0.06 |
| C.P. Pokphand Company Ltd | 43 | 14.29 | | 0.16 |
| Aluminum Corporation of China Ltd | 2600 | 10.73 | | 4.90 |
| China Elegance (Holdings) Ltd | 476 | 16.28 | | 0.05 |
| China Rare Earth Holdings Ltd | 769 | 10.53 | | 1.26 |
| China Sci-Tech Holdings Ltd | 985 | 14.29 | | 0.016 |
| China Velocity Group Ltd | 149 | | 10.11 | 0.80 |
| Dan Form Holdings Company Ltd | 271 | | 10.14 | 0.31 |
| First Asia Capital Investment Ltd | 1227 | | 12.70 | 0.275 |
| Frankie Dominion International Ltd | 704 | 14.29 | | 0.28 |
| Fujian Holdings Ltd | 181 | 11.11 | | 0.25 |
| Global Bio-chem Technology Group Company Ltd | 809 | 10.71 | | 6.20 |
| Greater China Holdings Ltd | 431 | | 17.60 | 0.206 |
| Mei Ah Entertainment Group Ltd | 391 | 10.66 | | 0.27 |
| Northeast Electric Development Company Ltd | 42 | 14.93 | | 0.77 |
| ONFEM Holdings Ltd | 230 | 11.11 | | 0.55 |
| Prime Success International Group Ltd | 210 | 10.91 | | 0.61 |
| Same Time Holdings Ltd | 451 | | 10.27 | 1.66 |
| Shun Ho Resources Holdings Ltd | 253 | 10.81 | | 0.41 |
| Sinolink Worldwide Holdings Ltd | 1168 | | 11.00 | 0.89 |
| Sunny Global Holdings Ltd | 1094 | 11.96 | | 0.103 |
| Tem Fat Hing Fung (Holdings) Ltd | 661 | 12.86 | | 0.395 |
| Theme International Holdings Ltd | 990 | | 26.92 | 0.038 |
| World Houseware (Holdings) Ltd | 713 | | 12.86 | 0.244 |

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the situation was a little more positive than that which had transpired on the Main Board.

The Growth Enterprise Index gained about 0.95 percent, running back to 987.95 points.

The Total Turnover on this market was about \$HK52.69 million.

However, in spite of the lone index of this market, being in positive territory, losing counters outnumbered gaining ones by the ratio of about 1.06:One.

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

| | |
|--|--------------------------------------|
| Wumart Stores Incorporated (Code: 8277) | Up 1 percent to \$HK13.65 per share |
| hongkong.com Corporation (Code: 8006) | Down 4 percent to 50 cents per share |
| Phoenix Satellite Television Holdings Ltd (8002) | Up 2percent to \$HK1.27 per share |
| Yantai North Andre Juice Company Ltd (Code: 8259) | Up 2 percent to 88 cents per share |
| MP Logistics International Holdings Ltd (Code: 8239) | Unchanged at \$HK1.30 per share |

As for the biggest GEM movers of the day, they included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| Aptus Holdings Ltd | 8212 | 61.90 | | 0.136 |
| China Advance Holdings Ltd | 8117 | 25.00 | | 0.075 |
| Global Digital Creations Holdings Ltd | 8271 | | 15.28 | 0.122 |
| Golding Soft Ltd | 8190 | | 17.86 | 0.023 |
| Neolink Cyber Technology (Holding) Ltd | 8116 | 10.84 | | 0.092 |
| Prosperity International Holdings (Hongkong) Ltd | 8139 | 15.00 | | 0.023 |
| Prosten Technology Holdings Ltd | 8026 | 40.00 | | 0.084 |
| SYSCAN Technology Holdings Ltd | 8083 | | 15.00 | 0.255 |
| Thiz Technology Group Ltd | 8119 | 22.73 | | 0.027 |
| Timeless Software Ltd | 8028 | | 13.68 | 0.082 |
| WLS Holdings Ltd | 8021 | 11.43 | | 0.039 |

All Japanese equity markets were closed, last Monday, for a national holiday.

This was how indices of other Asian stock markets ended, last Monday:

| | |
|-----------------|----------------------------------|
| The HKSAR | Minus 0.027 percent to 13,221.33 |
| Indonesia | Closed |
| Japan | Closed |
| Malaysia | Plus 0.66 percent to 865.34 |
| The Philippines | Plus 1.24 percent to 1,702.21 |
| Singapore | Minus 0.77 percent to 1,988.11 |
| South Korea | Plus 1.03 percent to 856.87 |
| Taiwan | Plus 0.79 percent to 5,864.54 |
| Thailand | Minus 0.07 percent to 668.29 |

Tuesday

Dr Alan Greenspan, the Chairman of the US Federal Reserve, and the Board of Governors of The Fed determined to lift interests rates in the US by 25 basis points.

Which was, exactly, what the world had expected.

No great shocks.

This was the announcement from The Fed, last Tuesday:—

'The Federal Open Market Committee decided today to raise its target for the Federal Funds Rate by 25 basis points to 1-3/4 percent.

'The Committee believes that, even after this action, the stance of monetary policy remains accommodative and, coupled with robust underlying growth in productivity, is providing ongoing support to economic activity. After moderating earlier this year partly in response to the substantial rise in energy prices, output growth appears to

have regained some traction, and labor market conditions have improved modestly. Despite the rise in energy prices, inflation and inflation expectations have eased in recent months.

'The Committee perceives the upside and downside risks to the attainment of both sustainable growth and price stability for the next few quarters to be roughly equal. With underlying inflation expected to be relatively low, the Committee believes that policy accommodation can be removed at a pace that is likely to be measured. Nonetheless, the Committee will respond to changes in economic prospects as needed to fulfill its obligation to maintain price stability.

'In a related action, the Board of Governors unanimously approved a 25 basis point increase in the discount rate to 2-3/4 percent. In taking this action, the Board approved the requests submitted by the Boards of Directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco.'

It was the third time this year that The Fed had raised interest rates.

With the waiting over for Dr Alan Greenspan to do his '*thing*', so to speak, up went the prices of stocks and shares on US equity markets, last Tuesday.

On The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.39 percent, running up to 10,244.93 points.

On the technology-laden NASDAQ, its Composite Index rose 13.11 points, equivalent to about 0.69 percent, ending the session at 1,921.18 points.

Scanning the announcement from The Fed appeared to suggest to this medium, at least, that the increase in US interest rates of September 21 could well be all she wrote for the year.

The rationale for **TARGET** to make this determination was the following statement, taken from The Fed's announcement:

'... With underlying inflation expected to be relatively low, the Committee believes that policy accommodation can be removed at a pace that is likely to be measured ...'.

On The New York Mercantile Exchange (The NYMEX), the price of light sweet crude oil for October delivery continued to rise, hitting \$US47.10 per barrel by the close of the day.

That price represented a gain of about 1.82 percent, compared with Monday's closing level.

For November delivery, the price of a barrel of light sweet crude oil was settled at \$US46.76, up about 1.23 percent on Monday's last settlement price.

The Russian problem continued to dog the oil markets of the world. (Please see Monday's report)

In Europe, every index of every major bourse reversed their respective courses of Monday, shooting to higher ground.

This was how the indices of the largest equity markets of Europe closed, last Tuesday: _

| | | |
|-------------------------------------|------|--------------|
| Amsterdam's AEX Index | Plus | 0.64 percent |
| Great Britain's FTSE 100 Index | Plus | 0.63 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 0.33 percent |
| France's CAC40 Index | Plus | 0.74 percent |
| Switzerland's Swiss Market Index | Plus | 0.87 percent |
| Italy's MIBTEL Index | Plus | 0.58 percent |

At the times that bourses of eurozone were open for business, last Tuesday, the announcement from The Fed with regard to interest rates had not been known, but it was generally accepted that there would be only a 25 basis-point rise in any event.

Institutional investors in this part of the world, however, were looking beyond a one-quarter percent hike in interest rates in the US.

The questions, which were considered to be of much greater importance, was how well was the US economy progressing; and, how had the increased costs of fossil fuels been affecting, and would continue to affect, the largest single economy of the world.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), despite all of the gloom and doom in the world, both equity markets posted positive results.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index registered a gain of about 0.63 percent, rising to 13,304.48 points.

The Total Turnover continued to be relatively high, at about \$HK16.72 billion.

The ratio of gaining counters to losing ones was about 1.17:One.

The Ten Most Actives were:

| | |
|--|--|
| HSBC Holdings plc (Code: 5) | Unchanged at \$HK123.50 per share |
| PetroChina Company Ltd (Code: 857) | Unchanged at \$HK4.075 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 2.29 percent to \$HK24.60 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Down 1.02 percent to \$HK4.85 per share |
| China Life Insurance Company Ltd (Code: 2628) | Up 1.96 percent to \$HK5.20 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Down 1.03 percent to \$HK14.35 per share |
| CNOOC Ltd (Code: 883) | Up 4.05 percent to \$HK3.85 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 0.40 percent to \$HK62.75 per share |
| China Petroleum and Chemical Corporation (Code: 386) | Unchanged at \$HK3.15 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Up 0.99 percent to \$HK76.50 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| Asia Tele-Net and Technology Corporation Ltd | 679 | | 10.84 | 0.37 |
| Berjaya Holdings (Hongkong) Ltd | 288 | 14.75 | | 0.07 |
| China Sci-Tech Holdings Ltd | 985 | 12.50 | | 0.018 |
| eForce Holdings Ltd | 943 | 10.00 | | 0.055 |
| First Asia Capital Investment Ltd | 1227 | 18.18 | | 0.325 |
| Hang Ten Group Holdings Ltd | 448 | 10.00 | | 0.011 |
| Harmony Asset Ltd | 428 | 10.00 | | 0.33 |
| Haywood Investments Ltd | 905 | | 14.29 | 0.024 |
| INNOMAXX Biotechnology Group Ltd | 340 | 13.33 | | 0.17 |
| Joyce Boutique Holdings Ltd | 647 | 11.25 | | 0.445 |
| Lai Sun Development Company Ltd | 488 | 10.32 | | 0.139 |
| Massive Resources International Corporation Ltd | 70 | 23.08 | | 0.016 |
| Multifield International Holdings Ltd | 898 | 10.00 | | 0.11 |
| Perennial International Ltd | 725 | 12.50 | | 0.36 |
| Pyxis Group Ltd | 516 | | 16.67 | 0.04 |
| Ruili Holdings Ltd | 491 | 10.00 | | 0.011 |
| Stelux Holdings International Ltd | 84 | 19.19 | | 0.59 |
| Unity Investments Holdings Ltd | 913 | 22.22 | | 0.11 |
| Universe International Holdings Ltd | 1046 | | 17.86 | 0.046 |
| Wing On Travel (Holdings) Ltd | 1189 | 17.65 | | 0.02 |
| Wonson International Holdings Ltd | 651 | | 16.67 | 0.015 |

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index put on about 0.53 percent, ending the session at 993.23 points.

The Total Turnover on this speculative market was about \$HK51.34 million.

Declining issues outnumbered advancing ones despite The Growth Enterprise Index, being in positive territory by the slim ratio of 1.03:One.

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

| | |
|--|--------------------------------------|
| Launch Tech Company Ltd (Code: 8196) | Up 2 percent to \$HK2.15 per share |
| Phoenix Satellite Television Holdings Ltd (8002) | Up 2 percent to \$HK1.30 per share |
| SUNeVision Holdings Ltd (Code: 8008) | Up 2 percent to \$HK1.44 per share |
| TOM Online Incorporated (Code: 8282) | Down 1 percent to \$HK1.15 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| AKM Industrial Company Ltd | 8298 | | 11.25 | 0.355 |
| Excel Technology International Holdings Ltd | 8048 | 12.12 | | 0.074 |
| KanHan Technologies Group Ltd | 8175 | | 11.76 | 0.06 |
| ProSticks International Holdings Ltd | 8055 | | 17.65 | 0.028 |
| Tai Shing International (Holdings) Ltd | 8103 | | 12.50 | 0.35 |
| Ultra Group Holdings Ltd | 8203 | 10.20 | | 0.054 |
| WLS Holdings Ltd | 8021 | | 23.08 | 0.03 |

News wise

- The largest realtor of the HKSAR, **Midland Realty (Holdings) Ltd (Code: 1200)**, brought out its Interim Results for the period, ended June 30, 2004. This is that which the company announced:

Midland Realty (Holdings)Ltd
(Stock Code: 1200)

| | (Unaudited) Current Period from 01/01/2004 to 30/06/2004 (\$HK'000) | (Unaudited) Last Corresponding Period from 01/01/2003 to 30/06/2003 (\$HK'000) |
|---|--|--|
| Turnover | : 952,079 | 455,289 |
| Profit/(Loss) from Operations | : 195,466 | 38,025 |
| Finance cost | : (192) | (818) |
| Share of Profit/(Loss) of Jointly Controlled Entities | : 1,170 | 559 |
| Profit/(Loss) after Tax and Minority Interests | : 165,809 | 30,140 |
| Percentage Change over Last Period | : +450.13 | |
| Earnings Per Share-Basic (in Hongkong dollars) | : 0.2355 | 0.044 |
| Interim Dividend Per Share | : \$0.07 | \$0.015 |

In The Land of The Rising Sun, it was the first day of trading on the country's 3 equity markets, but investors would have done better, staying at home, considering the closing figures.

On The Tokyo Stock Exchange, the key index, The Nikkei-225 Stock Average, shed 1.62 yen, equal to about one hundredth of one percentage point, coming to rest at 11,080.87 yen.

The ratio of losing counters to gaining ones was about 1.83:One.

For the largest equity market of Asia, it was the fourth consecutive trading session of registered losses.

With The Federal Reserve Board's Open Market Committee Meeting only hours away when Japan was trading, last Tuesday (remember the time differential between Tokyo and Washington, D.C.), it was understandable that Japanese investors were a little less than cheery, last Tuesday in Tokyo.

The higher price of crude oil, also, did not help matters in the second-largest economy of the world.

This was how other indices on major equity markets in Asia fared, last Tuesday:

| | |
|-----------------|---------------------------------|
| The HKSAR | Plus 0.63 percent to 13,304.48 |
| Indonesia | Plus 1.13 percent to 823.86 |
| Japan | Minus 0.01 percent to 11,080.87 |
| Malaysia | Minus 0.02 percent to 865.13 |
| The Philippines | Plus 1.09 percent to 1,720.68 |

| | | |
|-------------|-------|--------------------------|
| Singapore | Plus | 0.69 percent to 2,001.87 |
| South Korea | Plus | 0.03 percent to 857.15 |
| Taiwan | Plus | 1.44 percent to 5,949.26 |
| Thailand | Minus | 1.10 percent to 660.92 |
| Thailand | Plus | 0.02 percent to 662.39 |

Wednesday

The United States has become more and more dependent on imported crude oil to keep the wheels of industry turning in The Land of The Free and The Home of The Brave.

It is a worrying situation for economists and investors, alike, both of whom are concerned as to the long-term consequences of such a situation, assuming that it persists, which appears to be more than likely.

This permits the US Government to be extremely vulnerable and could be held up to ransom by any and all tin-pot member(s) of the Organisation of Petroleum Exporting Countries (OPEC), or any other, large-scale producer of crude oil for that matter.

The Energy Department of the US Government, last Wednesday, released its findings about the US Government's growing dependency on oil imports.

The consensus, on studying the report, was one of shock in many quarters.

The Energy Department stated that total US crude oil reserves stood at about 21.89 billion barrel, as at December 2003.

That represented a 3.50-percent drop, Year-on-Year.

This means that the US is consuming much more oil than it is producing, domestically, the shortfall, being taken up by imports from south of the US border (about 25 percent) and OPEC, in the main.

The US is the largest consumer of oil in the world.

The Energy Department report sent prices falling on US equity markets – and rising on international oil markets.

On The New York Stock Exchange, the Big Board's Dow Jones Industrial Average gave up 1.33 percent of its value, falling back to 10,109.18 points.

On The NASDAQ, its Composite Index surrendered 1.85 percent of its value, ending the session at 1,885.71 points.

And, on The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for November delivery was settled at \$US48.35 per barrel, up 3.40 percent on the previous close.

But that was not all: The market was, then, hit by other shocks.

The Government of the People's Republic of China (PRC) sent a message to Russia, last Wednesday, albeit in very diplomatic terms, stating that the PRC Government hoped that OAO Yukos Oil Company (YUKOS) would honour its commitments to PRC companies in respect of promised oil supplies.

A spokesman for the Chinese Foreign Ministry, Mr Kong Quan, said:

'We hope that YUKOS can honour its agreements with Chinese companies and will delivery on its promise to export oil to China.'

Thus is the gravity of the situation as far as the PRC Government is concerned. (Please see Monday's report)

From General Motors Corporation, the world's largest, motor-vehicle manufacturer, came the news that the company is to sack 3,000 workers, throughout Europe.

In addition, it will be closing down 2 of its motor-vehicle assembly plants in Europe.

The announcement surprised many people because it was only about a fortnight previously that Ford Motor Company announced that it would be sacking some 1,150 workers at its Jaguar plant at Coventry, England.

In Europe, it was losers, all round on equity markets.

Investors were starting to get very jittery as it was noted that the price of crude oil was continuing to rise, despite OPEC, having previously agreed to hold down its target price, and despite of OPEC, having agreed to raise the output level of its members by one million barrels of crude oil per day.

Also, as US corporate giants, one by one, announced that they fully expected the worst to come in the coming months, leading up to Christmas, it was apparent that all was not well in the good ole U.S. of A.

And, in that respect, it is only about one month away that there will be a Presidential Election in the largest single economy of the world.

This was how indices of major bourses in eurozone fared, last Wednesday:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 1.38 percent |
| Great Britain's FTSE 100 Index | Minus 0.34 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 1.21 percent |
| France's CAC40 Index | Minus 1.04 percent |
| Switzerland's Swiss Market Index | Minus 0.51 percent |
| Italy's MIBTEL Index | Minus 0.33 percent |

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), following the statements of the Chairman of the US Federal Reserve, Dr Alan Greenspan, on Tuesday afternoon, Washington time, investors decided to continue to wait it out in order to see which way the winds of investment would be blowing in other parts of the world. (Please see Tuesday's report)

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index surrendered 0.24 percent of its value, slipping down to 13,272.23 points.

While the Hang Seng Index was only a fraction off Tuesday's closing level, the ratio of losing counters to gaining ones told a little different story – because the ratio was wide, at about 2.03:One.

The Total Turnover was about \$HK17.48 billion.

The Ten Most Actives were:

| | |
|--|---|
| PetroChina Company Ltd (Code: 857) | Unchanged at \$HK4.075 per share |
| HSBC Holdings plc (Code: 5) | Down 0.40 percent to \$HK123.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 0.41 percent to \$HK24.50 per share |
| CNOOC Ltd (Code: 883) | Up 2.60 percent to \$HK3.95 per share |
| China Telecom Corporation Ltd (Code: 728) | Down 0.96 percent to \$HK2.575 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Down 4.64 percent to \$HK4.625 per share |
| Denway Motors Ltd (Code: 203) | Up 0.89 percent to \$HK2.825 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Down 0.35 percent to \$HK14.30 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Unchanged at \$HK76.50 per share |
| China Life Insurance Company Ltd (Code: 2628) | Down 2.88 percent to \$HK5.05 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| A-Max Holdings Ltd | 959 | | 12.50 | 0.063 |
| Capital Estate Ltd | 193 | | 10.53 | 0.017 |
| China Elegance (Holdings) Ltd | 476 | 14.00 | | 0.057 |
| China Sci-Tech Holdings Ltd | 985 | | 11.11 | 0.016 |
| China United International Holdings Ltd | 273 | | 20.75 | 0.21 |
| Compass Pacific Holdings Ltd | 1188 | 13.46 | | 0.295 |
| Fulbond Holdings Ltd | 1041 | 10.00 | | 0.022 |
| Heritage International Holdings Ltd | 412 | 14.29 | | 0.016 |
| Kwang Sung Electronics Hongkong Company Ltd | 2310 | | 19.50 | 1.28 |
| Nam Tai Electronic and Electrical Products Ltd | 2633 | 11.63 | | 2.40 |
| New Spring Holdings Ltd | 690 | 11.43 | | 0.78 |

| | | | | |
|---|------|-------|-------|-------|
| Swank International Manufacturing Company Ltd | 663 | 12.50 | | 0.072 |
| Takson Holdings Ltd | 918 | | 10.40 | 0.112 |
| Technology Venture Holdings Ltd | 61 | | 12.21 | 0.151 |
| Wanji Pharmaceutical Holdings Ltd | 835 | 10.53 | | 0.021 |
| Wing On Travel (Holdings) Ltd | 1189 | | 10.00 | 0.018 |
| Yeebo (International Holdings) Ltd | 259 | 10.00 | | 0.33 |

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover rose to about \$HK61.88 million, but about one third of that volume of activity was due to trading in the scrip of just one counter, that of Mr Li Ka Shing's TOM Online Incorporated (Code: 8282) (Please see list below)

The Growth Enterprise Index gained about 0.09 percent, ending the session at 994.07 points.

Gaining counters outran losing ones by the ratio of about 1.30:One.

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

| | |
|---|--------------------------------------|
| TOM Online Incorporated (Code: 8282) | Up1 percent to \$HK1.16 per share |
| Wumart Stores Incorporated (Code: 8277) | Up 2 percent to \$HK14.20 per share |
| Phoenix Satellite Television Holdings Ltd (8002) | Unchanged at \$HK1.30 per share |
| MP Logistics International Holdings Ltd (Code: 8239) | Down 2 percent to \$HK1.26 per share |
| CK Life Sciences International (Holdings) Incorporated (Code: 8222) | Down 1 percent to \$HK1.38 per share |

The GEM's biggest movers of the day were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| B.A.L. Holdings Ltd | 8079 | | 20.00 | 0.02 |
| Capital Publications Ltd | 8155 | 11.34 | | 0.108 |
| Everpride Biopharmaceutical Company Ltd | 8019 | | 14.29 | 0.12 |
| First Mobile Group Holdings Ltd | 8110 | 10.73 | | 0.227 |
| IA International Holdings Ltd | 8047 | | 12.50 | 0.35 |
| Jiangsu Nandasoft Company Ltd | 8045 | 11.11 | | 0.35 |
| Mobile Telecom Network (Holdings) Ltd | 8266 | 10.00 | | 0.33 |
| Soluteck Holdings Ltd | 8111 | 16.18 | | 0.079 |

Trading on the premier equity market of Japan was marked by investors, noting that, for the fifth consecutive day, the key indices were continuing to fall to lower ground.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average shed another 61.46 yen, equivalent to about 0.55 percent, ending the session at 11,019.41 yen.

The ratio of losing counters to gaining ones was about 1.56:One.

The higher price of crude oil was said to have been the root cause for this market to continue to give up part of its value.

Also, last Thursday was another holiday for Japan, resulting in many investors, staying away from the market on Wednesday._

This was how other indices of other equity markets in Asia closed, last Wednesday night:

| | |
|-----------------|---------------------------------|
| The HKSAR | Minus 0.24 percent to 13,272.23 |
| Indonesia | Minus 0.68 percent to 818.23 |
| Japan | Minus 0.55 percent to 11,019.41 |
| Malaysia | Minus 1.02 percent to 856.30 |
| The Philippines | Plus 0.42 percent to 1,727.88 |
| Singapore | Minus 0.42 percent to 1,993.55 |
| South Korea | Minus 2.57 percent to 835.10 |
| Taiwan | Plus 0.35 percent to 5,970.18 |
| Thailand | Plus 0.39 percent to 663.51 |

Thursday

Share prices on the Big Board of The New York Stock Exchange fell, last Thursday, for a number of reasons.

Things in the largest economy of the world were not faring as well as had been expected.

Economic activity in the US is weakening, the Conference Board announced, late last Thursday.

For the third consecutive month, The Conference Board's indicators suggested a weakening of economic activity.

These findings would appear to have been contrary to the statements of Dr Alan Greenspan, the Chairman of the US Federal Reserve Board. (Please see Tuesday's report)

The Dow Jones Industrial Average, the key index of The New York Stock Exchange, gave up about 0.70 percent of its value, ending the day at 10,038.90 points.

The key index of the tech-laden NASDAQ, however, went in the reverse direction, with the Composite Index, hitting 1,886.43 points, a one-day gain of about 0.04 percent.

Investors on the world's largest equity markets were concerned about a number of matters, with the continuing high cost of fossil fuels, being high on their agenda.

Early in the trading session, last Thursday, The Labour Department, a branch of the US Government, brought out some statistics, relating to mass layoff incidents, during the month of August.

It was welcome news ... for a change.

These are the statistics, compiled by the US Department of Labour's Bureau of Labour Statistics:

' In August 2004, employers took 809 mass layoff actions, as measured by new filings for unemployment insurance benefits during the month, according to data ... Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 69,033. Both the number of events and initial claims were lower than a year ago. It should be noted that August 2004 contained 4 weeks for possible mass layoffs, compared with 5 weeks in each August of the prior 3 years From January through August 2004, the total number of events, at 11,017, and of initial claims, at 1,118,574, were lower than in January-August 2003 (13,205 and 1,316,863, respectively). '

On The New York Mercantile Exchange (NYMEX), the price of a barrel of light sweet crude oil for November delivery was being settled at \$US48.46, up about 0.23 percent on Wednesday's closing level.

For December delivery, the price of light sweet crude oil was settled down, at \$US47.73 per barrel._

The higher cost of steel was blamed for the world's largest producer of consumer electronics, Electrolux, to announce that its profits for the second half of its Current Financial Year would be affected, adversely.

The company said that it fully expected a drop of about \$US68 million in its Bottom Line for the second half, Year-on-Year.

European investors shuddered at the news, pulling down key indices of the major bourses:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.93 percent |
| Great Britain's FTSE 100 Index | Minus 0.52 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.93 percent |
| France's CAC40 Index | Minus 1.05 percent |
| Switzerland's Swiss Market Index | Minus 1.03 percent |
| Italy's MIBTEL Index | Minus 0.22 percent |

The seemingly ever-increasing price of crude oil was beginning to hurt, to be sure.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), noting what had taken place on US equity markets, the previous day, investors became especially cautious.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index moved up, but only to the extent of 0.06 percent, ending the session at 13,280.43 points.

Losing counters swamped gaining ones by the ratio of about 1.66:One.

There was every indication that the market was due for a major correction in the very near future.

The Total Turnover remained relatively high, at about \$HK15.20 billion.

The Ten Most Active counters included:

| | |
|--|--|
| HSBC Holdings plc (Code: 5) | Up 0.81 percent to \$HK124.00 per share |
| PetroChina Company Ltd (Code: 857) | Up 0.61 percent to \$HK4.10 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Up 4.86 percent to \$HK4.85 per share |
| Hutchison Whampoa Ltd (Code: 13) | Unchanged at \$HK62.50 per share |
| CNOOC Ltd (Code: 883) | Up 2.53 percent to \$HK4.05 per share |
| China Life Insurance Company Ltd (Code: 2628) | Unchanged at \$HK5.05 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 0.65 percent to \$HK76.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Unchanged at \$HK24.50 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Down 1.05 percent to \$HK14.15 per share |
| Huaneng Power International Incorporated (Code: 902) | Up 1.60 percent to \$HK6.35 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| Asia Commercial Holdings Ltd | 104 | 13.51 | | 0.42 |
| Benefun International Holdings Ltd | 1130 | | 15.00 | 0.051 |
| Cosmos Machinery Enterprises Ltd | 118 | 20.00 | | 0.42 |
| First Asia Capital Investment Ltd | 1227 | 10.00 | | 0.33 |
| Golden Harvest Entertainment (Holdings) Ltd | 1132 | | 14.81 | 0.23 |
| Goldigit Atom-Tech Holdings Ltd | 2362 | | 11.11 | 0.08 |
| Hua Lien International (Holding) Company Ltd | 969 | | 25.35 | 0.265 |
| K and P International Holdings Ltd | 675 | | 21.05 | 0.225 |
| MAXX Bioscience Holdings Ltd | 512 | | 14.84 | 0.109 |
| New World CyberBase Ltd | 276 | 16.92 | | 0.38 |
| Oriental Explorer Holdings Ltd | 430 | 14.89 | | 0.054 |
| Pricerite Group Ltd | 996 | 14.89 | | 0.54 |
| Sun Innovation Holdings Ltd | 547 | | 15.79 | 0.032 |
| Universe International Holdings Ltd | 1046 | | 10.87 | 0.041 |
| Vital BioTech Holdings Ltd | 1164 | 11.11 | | 0.35 |

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, there was little hesitation in many an investor's mind: They sold shares as soon as buyers could be located.

However, the volume of activity was low, at about \$HK36.41 million.

The ratio of losing counters to gaining ones on this speculative bourse was about 1.90:One.

The low volume of activity, all things considered, was an encouraging sign, suggesting that, even if a sell-off should take place on Friday, it would be a mild one, at best.

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

| | |
|--|--------------------------------------|
| Longlife Group Holdings Ltd (Code: 8037) | Up 2 percent to 47 cents per share |
| Kanstar Environmental Paper Products Holdings Ltd (Code: 8011) | Down 1 percent to 36 cents per share |
| MP Logistics International Holdings Ltd (Code: 8239) | Up 2 percent to \$HK1.29 per share |
| Espco Technology Holdings Ltd (Code: 8299) | 29.50 cents per share* |
| Yantai North Andre Juice Company Ltd (Code: 8259) | Unchanged at 86 cents per share |

* This was a new listing

The biggest movers of The GEM, last Thursday, included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| B.A.L. Holdings Ltd | 8079 | 25.00 | | 0.025 |
| Capital Publications Ltd | 8155 | 11.11 | | 0.12 |
| Excel Technology International Holdings Ltd | 8048 | 10.81 | | 0.082 |
| Jessica Publications Ltd | 8137 | | 11.11 | 0.40 |

| | | | | |
|--------------------------------------|------|-------|-------|-------|
| ProSticks International Holdings Ltd | 8055 | | 10.71 | 0.025 |
| Soluteck Holdings Ltd | 8111 | | 13.92 | 0.068 |
| WLS Holdings Ltd | 8021 | 33.33 | | 0.04 |

Japan was closed for another national holiday, last Thursday, the second holiday of the week.

This was how the other stock markets of Asia ended their respective sessions, last Thursday:

| | |
|-----------------|--------------------------------|
| The HKSAR | Plus 0.06 percent to 13,280.43 |
| Indonesia | Minus 0.18 percent to 816.76 |
| Japan | Closed |
| Malaysia | Minus 0.40 percent to 852.89 |
| The Philippines | Plus 0.85 percent to 1,742.56 |
| Singapore | Minus 0.25 percent to 1,988.64 |
| South Korea | Minus 0.65 percent to 829.68 |
| Taiwan | Minus 0.55 percent to 5,937.25 |
| Thailand | Minus 2.22 percent to 648.80 |

Friday

Orders for new durable goods fell by about 0.50 percent in August, the US Commerce Department announced, last Friday.

Excluding a 6.80-percent drop in orders for civilian aeroplanes and other transportation goods, August's statistics in respect of new durable goods orders rose by about 2.30 percent, however.

With the exception of transportation, it appeared that the US economy was, indeed, firing on all cylinders – which went along with the statements of Dr Alan Greenspan, the Chairman of the US Federal Reserve.

But against that statistic, it was reported that sales of homes in the US fell by about 2.70 percent in August, compared with July's figures.

The data came from The National Association of Realtors and was announced just before the luncheon break on The New York Stock Exchange.

But the August figures represented the second consecutive month of falls in the sales of homes in the US, on a seasonally adjusted basis: July saw a drop of about 2.90 percent, compared with June's figures.

On Wall Street, last Friday, as the price of crude oil hit a near-record high, investors were uncertain as to what action, if any, to take.

As a result, on The New York Stock Exchange, the Dow Jones Industrial Average ended up just 0.08 percent to 10,047.24 points.

On the tech-laden NASDAQ, its Composite Index shed about 0.37 percent, ending the week at 1,879.48 points.

On The New York Mercantile Exchange (NYMEX), the November price of light sweet crude oil rose to \$US48.88 per barrel, an increase of about 0.87 percent on Thursday's last settlement price.

December's price for a barrel of light sweet crude oil was settled at \$US48.08, up about 0.73 percent on Thursday's close.

The tally for the week for the world's biggest equity markets was:

| | |
|----------------------------------|--------------------|
| The Dow Jones Industrial Average | Minus 2.31 percent |
| The NASDAQ 's Composite Index | Minus 1.60 percent |

As for The NYMEX, the tally for the week with regard to the delivery of light sweet crude oil for November was:

Up \$US4.17 per barrel, equivalent to about 9.33 percent

Tracking Wall Street's close of Thursday, from the start of trading on major bourses in Europe, share prices came under pressure.

The start of trading suggested bad times were in the offing, just ahead of the weekend break.

The near-record cost of crude oil had taken its toll of the Japanese economy; it was clear that Japan would not be an '*orphan*' in that respect.

European equity markets managed to hold comparatively steady, last Friday, in spite of all the negative vibes, around the world.

Europe had not been apprised of certain situations in the US in respect of worrying economic data, which appeared to suggest a contrary opinion to that of the good doctor of the US Federal Reserve, Alan Greenspan.

This was how indices of major European bourses, ended their respective trading days, last Friday:

| | |
|--------------------------------------|--------------------|
| Amsterdam 's AEX Index | Minus 0.14 percent |
| Great Britain 's FTSE 100 Index | Plus 0.21 percent |
| Germany 's Frankfurt XETRA DAX Index | Plus 0.11 percent |
| France 's CAC40 Index | Plus 0.55 percent |
| Switzerland 's Swiss Market Index | Minus 0.42 percent |
| Italy 's MIBTEL Index | Plus 0.18 percent |

Equity markets of Asia got a bit of a jolt, last Friday, too.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gave up about 1.61 percent of its value, ending proceedings for the week at 13,066.84 points.

The Total Turnover was about \$HK16.82 billion.

The ratio of losing counters to gaining ones was wide, at 3.81:One, on the nose.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Down 0.40 percent to \$HK123.50 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 3.62 percent to \$HK73.25 per share |
| PetroChina Company Ltd (Code: 857) | Down 1.83 percent to \$HK4.025 per share |
| Hutchison Whampoa Ltd (Code: 13) | Down 2.40 percent to \$HK61.00 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Down 2.92 percent to \$HK66.50 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Down 2.06 percent to \$HK4.75 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 2.24 percent to \$HK23.95 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Down 1.06 percent to \$HK14.00 per share |
| China Life Insurance Company Ltd (Code: 2628) | Down 2.97 percent to \$HK4.90 per share |
| Henderson Land Development Company Ltd (Code: 12) | Down 1.84 percent to \$HK37.40 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) |
|--|------|--------------|--------------|----------------------|
| Climax International Company Ltd | 439 | 16.00 | | 0.029 |
| Hang Ten Group Holdings Ltd | 448 | 10.00 | | 0.011 |
| Haywood Investments Ltd | 905 | 12.00 | | 0.028 |
| INNOMAXX Biotechnology Group Ltd | 340 | 25.56 | | 0.226 |
| MACRO-LINK International Holdings Ltd | 472 | 24.53 | | 0.33 |
| MAXX Bioscience Holdings Ltd | 512 | 10.09 | | 0.12 |
| Pak Fah Yeow International Ltd | 239 | 11.11 | | 2.00 |
| Pyxis Group Ltd | 516 | 10.00 | | 0.044 |
| Sun Innovation Holdings Ltd | 547 | 18.75 | | 0.038 |
| Wisdom Venture Holdings Ltd | 554 | 12.50 | | 0.72 |
| YangtzeKiang Garment Manufacturing Company Ltd | 2938 | | 23.58 | 0.094 |
| Zhongda International Holdings Ltd | 909 | | 15.79 | 0.24 |

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the speculative equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), as had been well expected, prices came off.

But it was a relatively mild sell-off, with the Total Turnover, falling back to about \$HK33.78 million.

The Growth Enterprise Index gave up about 0.43 percent of its value, ending the week at 981.27 points.

The ratio of declining counters to gaining counters was about 1.70:One.

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

Wumart Stores Incorporated (Code: 8277) Up 2 percent to \$HK14.85 per share

MP Logistics International Holdings Ltd (Code: 8239) Up 1 percent to \$HK1.30 per share

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011) Unchanged at 36 cents per share

Yantai North Andre Juice Company Ltd (Code: 8259) Down 1 percent to 85 cents per share

TOM Online Incorporated (Code: 8282) Unchanged at \$HK1.13 per share

The GEM's biggest movers of the day were reserved for the following bunch:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---------------------------------------|------|--------------|--------------|----------------------|
| China Advance Holdings Ltd | 8117 | | 10.67 | 0.067 |
| Golding Soft Ltd | 8190 | 12.00 | | 0.028 |
| IA International Holdings Ltd | 8047 | | 14.29 | 0.30 |
| Info Communication Holdings Ltd | 8082 | | 10.00 | 0.054 |
| Leadership Publishing Group Ltd | 8010 | 15.38 | | 0.03 |
| Sino Stride Technology (Holdings) Ltd | 8177 | | 14.71 | 0.29 |

News wise

- The largest real-estate developer of the HKSAR, **Sun Hung Kai Properties Ltd (Code: 16)**, announced its results for its Financial Year, ended June 30, 2004. This is a précis of that report:

Sun Hung Kai Properties Ltd

| | (Audited) Current Period from 1/7/2003 to 30/6/2004 (In \$HK million) | (Restated) (Audited) Last Corresponding Period from 1/7/2002 to 30/6/2003 (In \$HK million) |
|---|--|--|
| Turnover | : 21,764 | 22,945 |
| Profit/(Loss) from Operations | : 7,585 | 6,031 |
| Finance Cost | : (172) | (225) |
| Profit on Disposal of Long-Term Investments less Impairment | : 100 | 96 |
| Share of Profit/(Loss) of Associates | : 438 | 509 |
| Share of Profit/(Loss) of Jointly Controlled Entities | : 534 | 1,078 |
| Profit/(Loss) after Tax and Minority Interests | : 6,923 | 6,370 |
| Percentage Change over Previous Period | : +8.7 | |
| Earnings Per Share - Basic (in Hongkong dollars) | : 2.88 | 2.65 |
| Final Dividend per share | : \$1.05 | \$1.00 |

The tally for the week for the 2 equity markets of the HKSAR was:

| | |
|------------------------------|--------------------|
| Hang Seng Index | Minus 1.17 percent |
| The Growth Enterprise Market | Minus 0.68 percent |

On The Tokyo Stock Exchange (Thursday had been the second national holiday of the week), prices went into full reverse gear.

As Wall Street falls, Asian markets tend to follow that market's lead.

The Nikkei-225 Stock Average gave up 124.25 yen, equivalent to about 1.13 percent, dropping back to 10,895.16 yen.

Losing counters were ahead of gaining ones by the ratio of about 3.29:One.

It was the sixth consecutive trading session of falling prices for Japanese investors on the premier stock market of Japan.

High-energy costs continued to dog this market, which is dependent on imports of oil for its very lifeblood.

Also, the Japanese Government let go of some rather disturbing economic news.

News wise

- For the first time of the past 14 months, Japan saw its **trade surplus** fall. According to The Finance Ministry of the Japanese Government, for the month of August, the trade surplus was about 576.10 billion yen, down about 26 percent, Year-on-Year. The higher costs of imported fossil fuels et al have come to mean that many Japanese-produced products are out of the reach of many consumers in the country's most-important single customer, the US. Some of the statistics, supplied by The Finance Ministry included:
 1. For the month of August, the cost of crude-oil imports, in value terms, jumped 33.70 percent, Year-on-Year;
 2. For the month of August, the cost of imported, oil-related products, including naphtha, in value terms, rose 49.50 percent, Year-on-Year; and,
 3. For the month of August, customs-cleared oil prices, in value terms, rose 32.40 percent, Year-on-Year, to \$US37.60 per barrel.

The tally for the 3-day trading week for Japan was:

The Nikkei-225 Stock Average Minus 1.69 percent

And this was how indices of the major equity markets of Asia ended the week of September 24, 2004:

| | |
|-----------------|----------------------------------|
| The HKSAR | Minus 1.608 percent to 13,066.84 |
| Indonesia | Plus 0.38 percent to 819.82 |
| Japan | Minus 1.13 percent to 10,895.16 |
| Malaysia | Plus 0.29 percent to 855.32 |
| The Philippines | Plus 1.19 percent to 1,763.30 |
| Singapore | Minus 0.76 percent to 1,973.46 |
| South Korea | Plus 0.29 percent to 832.10 |
| Taiwan | Minus 0.76 percent to 5,892.21 |
| Thailand | Plus 0.89 percent to 654.60 |

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