

**U.S. STATISTICS CONFIRM:
HIGH ENERGY PRICES TRANSLATE INTO INFLATION**

Dr Alan Greenspan Issues A Veiled Threat Of Things To Come

Much to the surprise of many people, Wall Street was an absolute dud, last Monday.

On The New York Stock Exchange, the Dow Jones Industrial Average, a key index to trading in blue chips on the Big Board, rose just 11.23 points, or about 0.11 percent, ending the session at 10,550.24 points.

The tech-laden NASDAQ only just managed to outdo The New York Stock Exchange, as its Composite Index put on 8.75 points, equivalent to about 0.42 percent, running up to 2,094.09 points.

There was no special news that could have, appreciably, influenced trading in equities on US stock markets, last Monday, other than, perhaps, some toing and froing of a handful of top jobs in the Administration of US President George W. Bush.

The US Secretary of State, Mr Colin Luther Powell, announced that he would not stay on for a second term and that he would be leaving at the pleasure of his boss, President George W. Bush.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for December delivery fell to \$US46.87 per barrel, down about 0.95 percent, compared with the last settlement price of Friday, November 12, 2004.

As for January 2005 delivery, the price of light sweet crude oil dropped back to \$US46.95 per barrel, a fall of about 0.97 percent, compared with the last quoted price of the previous Friday.

Oil prices continued to fall after a shaky start to trading on The NYMEX because of a threatened general strike in Nigeria, which was called off at the last minute. (Please see below, this report, on trading in Asia)

In Europe, trading was quiet, relative to the previous week's market.

The major bourses of eurozone only managed fractional movements, for the most part:

Amsterdam's AEX Index	Minus 0.32 percent
Great Britain's FTSE 100 Index	Plus 0.19 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.21 percent
France's CAC40 Index	Minus 0.36 percent
Switzerland's Swiss Market Index	Minus 0.40 percent
Italy's MIBTEL Index	Minus 0.20 percent

Of some concern in this region of the world, was the matter of the translation value of the US dollar to the euro.

Last Monday, the euro was being quoted at about \$US1.2948.

The news that oil prices in Asia were continuing to fall, last Monday, gave equity markets in the most-populous part of the world another push up the ladder, following on from the previous week's gains.

In Asia, electronic trading on The NYMEX saw the price of light sweet crude oil for December delivery fall back to \$US46.65 per barrel, down about 67 cents (US) per barrel, compared with the last settlement price on Friday, November 12, 2004.

The reduction in the price of light sweet crude oil was in spite of a threatened general strike in Nigeria where the Nigerian Labour Congress (NLC) had said that it would keep its promise of a general strike, set for midnight, Tuesday, November 16, 2004.

NLC's Deputy President said that the strike would go ahead as planned because the Nigerian Government had been intransigent in respect of lowering the price of fossil fuels, domestically.

However, at the 11th hour, so to speak, the Nigerian Government capitulated and lowered the prices of domestic fuels by about 10 percent, thus averting what the NLC had said would be the mother of all strikes.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity on the territory's 2 equity markets continued to be high, as certain key indices rose to their highest levels in more than 3 years.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained about 1.07 percent, reaching 13,936.21 points by the close of the day.

The Total Turnover was about \$HK22.81 billion.

The ratio of gaining counters to losing ones was 2.30:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 1.49 percent to \$HK136.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.86 percent to \$HK63.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.65 percent to \$HK77.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.09 percent to \$HK69.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.41 percent to \$HK24.25 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.88 percent to \$HK5.75 per share
Semiconductor Manufacturing International Corporation (Code: 981)	Up 2.29 percent to \$HK1.79 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 1.38 percent to \$HK14.70 per share
PetroChina Company Ltd (Code: 857)	Up 1.79 percent to \$HK4.275 per share
China Telecom Corporation Ltd (Code: 728)	Up 0.89 percent to \$HK2.825 per share

As for the Main Board's double-digit movers of the day, there were a total of 33 counters that qualified for that distinction.

Of the double-digit movers, only 8 of their number lost ground.

The biggest gainer of the day was Ruili Holdings Ltd (Code: 491) whose share price rose 63.64 percent to 1.80 cents per share.

Start Technology Company Ltd (Code: 706) was the biggest loser of the day, as investors pushed down its share price to 26 cents, off 14.75 percent on the day.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index shed about 0.08 percent of its value, dropping back to 1,009.16 points, but the Total Turnover continued to be very respectable, at least for this market, at about \$HK99.90 million.

On this speculative market, losing counters outran gaining ones by the ratio of 1.25:One.

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

TOM Online Incorporated (Code: 8282)	Up 7 percent to \$HK1.23 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 4 percent to \$HK1.01 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 2 percent to \$HK1.29 per share
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095)	Up 15 percent to 70 cents per share
Panva Gas Holdings Ltd (Code: 8132)	Up 2 percent to \$HK3.40 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061	12.00		0.28
Aptus Holdings Ltd	8212	35.57		0.202
Argos Enterprise (Holdings) Ltd	8022	35.00		0.108
B and B Natural Products Ltd	8156	13.41		0.93
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd	8095	14.75		0.70

Capinfo Company Ltd	8157		10.30	0.148
Excel Technology International Holdings Ltd	8048		11.39	0.07
FX Creations International Holdings Ltd	8136		11.11	0.08
Glory Future Group Ltd	8071	69.23		0.022
Grandy Corporation	8143	26.09		0.029
Xi'an Haitian Antenna Technologies Company Ltd	8227	10.00		0.22
M21 Technology Ltd	8153	11.11		1.00
Shaanxi Northwest New Technology Industry Company Ltd	8258	10.00		0.11
Prosten Technology Holdings Ltd	8026		28.57	0.05
Recruit Holdings Ltd	8073	11.11		0.50
Stockmartnet Holdings Ltd	8123	10.00		0.022
T S Telecom Technologies Ltd	8003		14.89	0.04
Timeless Software Ltd	8028		24.17	0.091
Zheda Lande Scitech Ltd	8106		11.76	0.30

In The Land of The Rising Sun, there was plenty about which to cheer investors.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average rose 207.59 yen, about 1.88 percent, hitting 11,227.57 yen by the end of the day.

Gaining counters swamped losing counters by the ratio of about 8.96:One.

The fall in the price of crude oil was one of the chief reasons for the continued push on Asia's largest equity market, but there was, also, evidence of renewed confidence in the Japanese economy, it appeared, according to some reports.

The theory was that as share prices on Wall Street continued to rise, it would rub off onto other major equity markets, of which The Tokyo Stock Exchange is but one.

This was how other Asian equity markets fared, last Monday:

The HKSAR	Plus 1.07 percent to 13,932.22
Indonesia	Closed
Japan	Plus 1.88 percent to 11,227.57
Malaysia	Closed
The Philippines	Closed
Singapore	Closed
South Korea	Plus 0.65 percent to 882.33
Taiwan	Minus 0.18 percent to 5,906.69
Thailand	Plus 1.22 percent to 647.56

Tuesday

Internationally, the news was that the US National Security Adviser, Ms Condoleezza Rice, would replace Mr Colin Luther Powell as the new Secretary of State.

When she takes office, she will be the first black female of the US to hold such a position of power.

But that was far from being everything because the wind was knocked out of stock-market sails, following a report from the US Labour Department in respect of the October statistics with regard to Producer Price Indices.

The gist of that report was that high-energy costs have been taking their toll of US industry, pushing prices higher and fanning inflationary embers, once again.

Which is, exactly, that which **TARGET** had been forecasting for the past few months.

The Bureau of Labour Statistics said, among other things:

'Producer Price Indexes -- October 2004

'The seasonally adjusted Producer Price Index for Finished Goods advanced 1.7 percent in October. This gain followed a 0.1-percent rise in September and a 0.1-percent decrease in August. At the earlier stages of processing, prices received by the manufacturers of intermediate goods went up 0.9 percent, after increasing 0.1 percent in the prior month. The index for crude materials turned up 4.3 percent in October, compared with a decline of 4.2 percent in September ...

Among finished goods, prices for energy goods turned up 6.8 percent in October, following a 0.9-percent decline in September. The finished consumer foods index rose 1.6 percent, compared with a 0.1-percent increase in the prior month. By contrast, prices for finished goods other than foods and energy advanced 0.3 percent in October, the same rate of increase as in September.

'Before seasonal adjustment, the Producer Price Index for Finished Goods increased 2.2 percent in October to 151.9 (1982=100). From October 2003 to October 2004, prices for finished goods advanced 4.4 percent. Over the same period, prices for finished energy goods went up 17.2 percent, the index for finished goods other than foods and energy climbed 1.8 percent, and the index for finished consumer foods rose 2.5 percent. Prices for intermediate goods moved up 9.0 percent during the 12-month period ended October 2004, and the crude goods index jumped 15.7 percent.'

On The New York Stock Exchange, the Dow Jones shed about 0.59 percent, falling back to 10,487.65 points, while, on The NASDAQ, its Composite Index surrendered about 0.74 percent, ending the day at 2,078.62 points.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for December delivery continued to fall, losing another 1.62 percent to hit \$US46.11 per barrel by the close of the trading day.

For January 2005 delivery, the last settlement price of light sweet crude oil was \$US46.20 per barrel, a drop of about 1.60 percent, compared with Monday's closing rate.

While last Tuesday's fall in the price of crude oil was good news for most people, there were some people who wondered whether or not the oil price would continue to fall because, between \$US46 per barrel and \$US28 per barrel, there is a rather large chasm of about 40 percent to bridge.

In Europe, every index of every major bourse lost ground:

Amsterdam's AEX Index	Minus 0.85 percent
Great Britain's FTSE 100 Index	Minus 0.68 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.41 percent
France's CAC40 Index	Minus 0.69 percent
Switzerland's Swiss Market Index	Minus 0.22 percent
Italy's MIBTEL Index	Minus 0.60 percent

The release of the US Labour Department's Producer Price Indices did the trick.

Europeans could not wait to unload stocks and shares as soon as the statistics were known.

The horrors of inflation were brought home to Europeans near the end of the World War II when a wheel barrow, full of bank notes, could not even purchase a loaf of bread in many capital cities of Europe.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 1.34 percent of its value, falling back to 13,746.087 points on profit taking, for the most part.

The Total Turnover stayed high, at about \$HK23.81 billion.

The ratio of losing counters to gaining ones was about 2.83:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.83 percent to \$HK134.00 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.79 percent to \$HK62.50 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK5.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.96 percent to \$HK77.00 per share
Denway Motors Ltd (Code: 203)	Up 2.61 percent to \$HK2.95 per share

China Mobile (Hongkong) Ltd (Code: 941)	Down 1.44 percent to \$HK23.90 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.44 percent to \$HK68.25 per share
CLP Holdings Ltd (Code: 2)	Down 0.45 percent to \$HK44.40 per share
China Telecom Corporation Ltd (Code: 728)	Down 3.54 percent to \$HK2.725 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 1.70 percent to \$HK14.45 per share

The Main Board's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Alliance Holdings Ltd	616	13.04		0.13
Benefun International Holdings Ltd	1130		15.87	0.053
Capital Strategic Investment Ltd	497	21.35		0.54
China Golden Development Holdings Ltd	162		11.24	0.395
Earnest Investments Holdings Ltd	339		14.29	0.03
eForce Holdings Ltd	943		12.86	0.061
Everest International Investments Ltd	204	24.00		0.062
Extrawell Pharmaceutical Holdings Ltd	858	14.80		0.225
G-Prop (Holdings) Ltd	286	13.40		0.22
Haywood Investments Ltd	905	11.11		0.03
HyComm Wireless Ltd	499		11.29	0.055
Lenovo Group Ltd	992		11.20	2.775
Northern International Holdings Ltd	736	20.00		0.018
Orient Resources Group Company Ltd	467		13.89	0.062
Polytec Asset Holdings Ltd	2942		20.51	0.031
REXCAPITAL Financial Holdings Ltd	555	13.51		0.042
Same Time Holdings Ltd	451		11.43	1.24
Shang Hua Holdings Ltd	371	70.40		0.38
Sinolink Worldwide Holdings Ltd	1168	14.29		1.04
Starbow Holdings Ltd	397	11.63		0.048
Sun Innovation Holdings Ltd	547		12.50	0.035
Tak Sing Alliance Holdings Ltd	126		11.27	0.315
Unity Investments Holdings Ltd	913		13.10	0.073
Universal Holdings Ltd	419	25.58		0.054
Victory Group Ltd	1139		29.69	0.045
Wing On Travel (Holdings) Ltd	1189	17.86		0.033

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover shot up to about \$HK248.79 million, a little more than 149 percent greater than Monday's volume of activity.

One counter, that of Panva Gas Holdings Ltd (Code: 8132), was responsible for about 71 percent of the Total Turnover. (Please see the 5, most-active counters below)

The activity on this counter was due to the controlling shareholder, selling a large chunk of his shares.

The Growth Enterprise Index lost about 0.15 percent of its value, falling back to 1,007.69 points.

The ratio of losing counters to gaining ones on this speculative marketplace was about 1.59:One.

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

Panva Gas Holdings Ltd (Code: 8132)	Up 4 percent to \$HK3.525 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 4 percent to \$HK1.34 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 2 percent to 99 cents per share
TOM Online Incorporated (Code: 8282)	Up 4 percent to \$HK1.28 per share
hongkong.com Corporation (Code: 8006)	Down 2 percent to 54 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
FX Creations International Holdings Ltd	8136		10.00	0.072
Grandy Corporation	8143	37.93		0.04
Kinetana International Biotech Pharma Ltd	8031		11.11	0.04
Ko Yo Ecological Agrotech (Group) Ltd	8042		11.76	0.30

Leadership Publishing Group Ltd	8010	11.11		0.03
M Channel Corporation Ltd	8036		10.00	0.018
New Chinese Medicine Holdings Ltd	8085	36.36		0.03
Neolink Cyber Technology (Holding) Ltd	8116	10.00		0.11
Northeast Tiger Pharmaceutical Company Ltd	8197		12.50	0.07
Prosten Technology Holdings Ltd	8026	16.00		0.058
Soluteck Holdings Ltd	8111		14.29	0.06
T S Telecom Technologies Ltd	8003	12.50		0.045
Value Convergence Holdings Ltd	8101		13.33	0.52

Trading on the premier stock market of Japan, last Tuesday, was in direct contrast to Monday's booming market.

The Nikkei-225 Stock Average, a key index of The Tokyo Stock Exchange, was off by about 65.82 yen, or about 0.59 percent, coming to rest at 11,161.75 yen.

Declining counters were ahead of advancing ones by the ratio of about 2.09:One.

As with the equity markets of the HKSAR, the losses on The Tokyo Stock Market were marked down to profit taking.

News wise

- **Sales at Tokyo departmental stores** in October fell by about 2.80 percent, Year-on-Year, The Japan Department Stores Association reported in its preliminary report. It was the 8th consecutive month of declines at Tokyo departmental stores; and,
- **Corporate bankruptcies** in Japan fell by about 23.30 percent in October, compared with the like month in 2003, to 1,064 incidences. It was the 22nd consecutive month of declines. The data of corporate bankruptcies refers to entities with debts of 10 million yen or more.

In other Asian equity markets, this was how they fared, last Tuesday:

The HKSAR	Minus 1.34 percent to 13,746.08
Indonesia	Closed
Japan	Minus 0.59 percent to 11,161.75
Malaysia	Closed
The Philippines	Plus 2.59 percent to 1,787.89
Singapore	Minus 0.10 percent to 2,036.42
South Korea	Minus 0.65 percent to 876.61
Taiwan	Plus 0.07 percent to 5,910.85
Thailand	Minus 0.76 percent to 642.65

Wednesday

US investors woke up, last Wednesday, to learn that Sears Roebuck and Company and Kmart Holdings Corporation, among the largest retailers in the world, are to merge in a \$US10.85-billion share exchange.

It was the 4th largest retail merger in the history of the world.

But questions were being raised as to whether or not it was a merger of necessity rather than one of choice because neither company was a patch of its former self in terms of profitability and/or market dominance.

At one point, not so very long ago, Kmart had had to file Chapter 11 of the US Bankruptcy Laws in order to protect itself from its many creditors.

Sears had not had that distinction, but its profits' lantern has been flickering of late.

From The Bureau of Labour Statistics of the US Department of Labour came more evidence of inflation in the US economy.

It was the second day in a row that such evidence had been forthcoming from this important branch of the US Government.

The Bureau of Labour Statistics released its Consumer Price Index for the month of October, which, among other things, tended to substantiate the determinations of the US Federal Reserve Board of Wednesday, November 10, 2004, when it raised the Fed Funds Rate by another 25 basis points to 2 percent.

This is part of the release of The Bureau of Labour Statistics, which had been embargoed until 0830 hours, last Wednesday:

'CONSUMER PRICE INDEX: OCTOBER 2004

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.5 percent in October, before seasonal adjustment. The October level of 190.9 (1982-84=100) was 3.2 percent higher than in October 2003.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.6 percent in October, prior to seasonal adjustment. The October level of 186.5 was 3.2 percent higher than in October 2003.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.5 percent in October on a not seasonally adjusted basis. The October level of 111.1 (December 1999=100) was 2.7 percent higher than in October 2003. Please note that the indexes for the post-2002 period are subject to revision.

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U increased 0.6 percent in October, following a 0.2 percent rise in September. Energy costs, which had declined in each of the preceding three months after advancing sharply in the first half of the year, increased 4.2 percent in October, accounting for over half of the advance in the overall CPI-U. Within energy, the index for petroleum-based energy increased 8.5 percent, while the index for energy services declined 0.9 percent. The index for food, which was unchanged in September, rose 0.6 percent in October. The index for food at home rose 0.8 percent, reflecting a 6.0 percent increase in the index for fruits and vegetables. The index for all items less food and energy advanced 0.2 percent in October, following a 0.3 percent rise in September. The indexes for lodging away from home and for used cars, which accounted for more than half of the September increase in the index for all items excluding food and energy, registered small increases in October. This moderation was largely offset by upturns in the indexes for household furnishings and operations, for new vehicles, and for apparel.'

Then, from the US Federal Reserve Board came its statistics, relating to industrial output in the US for the month of October.

This part of The Fed's release:

'INDUSTRIAL PRODUCTION AND CAPACITY UTILIZATION

'Industrial production rose 0.7 percent in October after having edged up 0.1 percent in September. At 117.6 percent of its 1997 average, the October index was 5.2 percent higher than its year-ago level. Manufacturing output increased 0.7 percent in October, and output gains were broadly based across industries. The indexes for mining and utilities also climbed 0.7 percent. Part of the increase in production appears to reflect a partial bounce-back from the restraining effects of the recent hurricanes, although the exact magnitude of the contribution is difficult to estimate. The rate of capacity utilization for total industry rose 0.4 percentage point, to 77.7 percent, a level 3.4 percentage points below its 1972-2003 average.'

From the above, it is clear that one will have to wait for the November statistics in order to reach a more definitive determination as to what is really happening in 'USA Incorporated'.

On Wall Street, last Wednesday, the Sears-Kmart news was greeted with some glee, while the US Labour Department's statistics appeared to have been somewhat overlooked.

On The New York Stock Exchange, the Dow Jones Industrial Average tacked on 61.92 points, or about 0.59 percent, ending the day at 10,549.57 points.

On the tech-laden NASDAQ, its Composite Index rose 21.06 points, equivalent to about 1.01 percent, running up to 2,099.68 points.

The price of crude oil rose, last Wednesday, much to many people's expectations.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for December delivery was settled at \$US46.84 per barrel, an increase on Wednesday's last settlement price of about 1.58 percent.

For delivery in January 2005, the price of light sweet crude oil closed the day at \$US47.12 per barrel, up about 1.99 percent on Wednesday's last trade.

In Europe, not knowing all of the facts in respect of the US economy, investors were somewhat mesmerised by the Sears-Kmart merger, which appeared to be a fillip for eurozone bourses, as the following **TARGET** list of indices indicates:

Amsterdam's AEX Index	Plus	0.78 percent
Great Britain's FTSE 100 Index	Plus	0.53 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.60 percent
France's CAC40 Index	Plus	1.31 percent
Switzerland's Swiss Market Index	Plus	0.34 percent
Italy's MIBTEL Index	Plus	1.28 percent

For many bourses, last Wednesday's close was the highest level in the previous 28 months.

But the gains of last Wednesday were akin to a drowning man, looking for a twig in the water to afford him some modicum of buoyancy.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the premier equity market, the Main Board of The Stock Exchange of Hongkong Ltd, saw its key indices rise while, on The Growth Enterprise Market (The GEM), the lone index lost ground.

The Main Board's Hang Seng rose about 0.57 percent to 13,824.98 points on a Total Turnover of about \$HK20.99 billion.

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

The Ten Most Actives were:

China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Unchanged at \$HK9.25 per share
HSBC Holdings plc (Code: 5)	Unchanged at \$HK134.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.60 percent to \$HK63.50 per share
China Telecom Corporation Ltd (Code: 728)	Up 2.75 percent to \$HK2.80 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.63 percent to \$HK24.05 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.87 percent to \$HK5.80 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.73 percent to \$HK68.75 per share
Lenovo Group Ltd (Code: 992)	Down 4.50 percent to \$HK2.65 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.30 percent to \$HK78.00 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.47 percent to \$HK107.00 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)
139 Holdings Ltd	139	58.82		0.027
Artel Solutions Group Holdings Ltd	931	16.19		0.244
Asia Commercial Holdings Ltd	104	10.26		0.43
Broad Intelligence International Pharmaceutical Holdings Ltd	1149	16.85		0.52
Buildmore International Ltd	108	17.53		0.57
Capital Strategic Investment Ltd	497	20.37		0.65
CCT Tech International Ltd	261	17.65		0.02
China Fair Land Holdings Ltd	169	14.29		0.48
China Strategic Holdings Ltd	235	19.30		0.68
Chinney Alliance Group Ltd	385	11.76		0.019
CIG-WH International (Holdings) Ltd	621	12.77		0.212
e-Kong Group Ltd	524	17.11		0.178
Emperor International Holdings Ltd	163	10.99		10.10
Guangdong Tannery Ltd	1058	13.33		0.221
Hop Hing Holdings Ltd	47	11.86		0.33
Keck Seng Investments (Hongkong) Ltd	184	11.25		2.225
Mirabell International Holdings Ltd	1179	11.61		3.125
Nam Fong International Holdings Ltd	1176	10.00		0.022
Northern International Holdings Ltd	736	11.11		0.02

Oriental Explorer Holdings Ltd	430	34.55		0.074
Peking Apparel International Group Ltd	761		10.00	0.171
Pico Far East Holdings Ltd	752	11.67		0.67
Plus Holdings Ltd	1013		16.67	0.05
Polytec Asset Holdings Ltd	2942		19.35	0.025
renren Holdings Ltd	59	71.43		0.024
Rising Development Holdings Ltd	1004	14.55		0.63
Sun Media Group Holdings Ltd	307	12.50		0.018
Theme International Holdings Ltd	990	21.21		0.04
Unity Investments Holdings Ltd	913	17.81		0.086
Universal Holdings Ltd	419	14.81		0.062
Wing On Travel (Holdings) Ltd	1189	24.24		0.041
Wonson International Holdings Ltd	651	37.50		0.022

Over on The GEM, The Growth Enterprise Index lost about 0.06 percent of its value, slipping back to 1,007.06 points.

The Total Turnover on this speculative market was about \$HK88.62 million.

While The Growth Enterprise Index was in negative territory by the close of trading, the number of gaining counters outnumbered the number of losing ones by the ratio of about 1.15:One.

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

Panva Gas Holdings Ltd (Code: 8132)	Up 2 percent to \$HK3.60 per share
TOM Online Incorporated (Code: 8282)	Up 3 percent to \$HK1.32 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Up 4 percent to \$HK1.03 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 1 percent to \$HK1.35 per share
Launch Tech Company Ltd (Code: 8196)	Up 1 percent to \$HK2.175 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
FX Creations International Holdings Ltd	8136		11.11	0.064
iSteelAsia Holdings Ltd	8080		21.88	0.025
KanHan Technologies Group Ltd	8175		16.67	0.05
Ko Yo Ecological Agrotech (Group) Ltd	8042	11.67		0.335
Leadership Publishing Group Ltd	8010		10.00	0.027
M Channel Corporation Ltd	8036	11.11		0.02
New Chinese Medicine Holdings Ltd	8085		16.67	0.025
Soluteck Holdings Ltd	8111	16.67		0.07
T S Telecom Technologies Ltd	8003	15.56		0.052

News wise

- **The Government of the PRC** has announced that, effective December 2004, Chinese nationals will be permitted to transfer assets out of the PRC, proper, freely. Also, foreign nationals, resident of the PRC, proper, will be permitted by law to transfer inheritances out of the PRC.

In Japan, it was another quiet trading session on the country's 3 stock markets.

On The Tokyo Stock Exchange, the premier equity market of Japan, The Nikkei-225 Stock Average lost 30.46 yen, equivalent to about 0.27 percent, ending the day at 11,131.29 yen.

Losing counters outpaced gaining ones by the ratio of 2.54:One.

In other Asian equity markets, this was how their respective indices fared, last Wednesday:

The HKSAR	Plus 0.57 percent to 13,824.98
Indonesia	Closed
Japan	Minus 0.27 percent to 11,131.29
Malaysia	Plus 2.20 percent to 901.66

The Philippines	Plus 0.36 percent to 1,794.36
Singapore	Plus 0.49 percent to 2,046.40
South Korea	Plus 1.01 percent to 885.42
Taiwan	Plus 1.99 percent to 6,028.68
Thailand	Plus 0.23 percent to 644.16

Thursday

The price of crude oil continued to lose ground on international exchanges, last Thursday, but it did not appear to make too much difference to many investors, whose confidence had been shaken in the past.

They appeared to be more than a little blasé about making any new commitments in equities, at least, at this juncture.

If trading on the world's largest stock markets is to be considered a reasonable gauge to investors' confidence, then, it was clear that something was causing there to be a bone in the throats of a number of very well-heeled investors.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in December fell 1.32 percent, compared with Wednesday's closing level, ending the day at \$US46.22 per barrel.

As for January 2005 delivery, the last settlement price of light sweet crude oil was \$US46.38 per barrel, down 1.57 percent on Wednesday's last settlement price.

In spite of the continued reduction in the price of crude oil on The New York Stock Exchange, the key index to trading in blue chips on the Big Board, the Dow Jones Industrial Average, hardly moved and, by the time that the hammer came down, signifying the end to trading for the day, The Dow was stuck at 10,572.55 points, up about 0.22 percent, compared with Wednesday's closing level.

Over on The NASDAQ, its Composite Index gained exactly the same amount as The Dow, 0.22 percent, edging its way back to 2,104.28 points.

Although oil prices, of late, have, dramatically, come off their historic highs, there is going concern that, at any time, and for the smallest reason, the cost of energy could rise again, back to the historic highs.

In Europe, investors seemed to be very shy about making investments, also.

Indices of many equity markets hardly moved throughout the trading day:

Amsterdam's AEX Index	Minus 0.15 percent
Great Britain's FTSE 100 Index	Plus 0.14 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.11 percent
France's CAC40 Index	Minus 0.35 percent
Switzerland's Swiss Market Index	Minus 0.05 percent
Italy's MIBTEL Index	Plus 0.19 percent

Trade statistics in Europe indicated that consumers were not in any great shape in the High Street, with purse strings, being kept tightly bound, for the most part.

Without consumer spending, no economy can go very far.

In Asia, it was a mixed bag, but most of the major equity markets just marked time.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up just 0.18 percent of its value, ending the session at 13,799.82 points.

The Total Turnover was about \$HK19.05 billion.

Although the Hang Seng Index ended on the negative side of the ledger, last Thursday, gaining counters outnumbered losing ones by the ratio of about 1.51:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.75 percent to \$HK133.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.79 percent to \$HK64.00 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Unchanged at \$HK9.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.73 percent to \$HK69.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK78.00 per share
Shun Tak Holdings Ltd (Code: 242)	Up 5.88 percent to \$HK7.20 per share
China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK24.05 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK2.80 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK5.80 per share
Semiconductor Manufacturing International Corporation (Code: 981)	Up 2.25 percent to \$HK1.82 per share

As for the Main Board's double-digit movers, there were a total of 39 counters that qualified for that nomenclature, with just 5 of their number, seeing their share prices drop by 10 percent or more.

The largest gainer of the day was Heritage International Holdings Ltd (Code: 412) whose share price rose 86.67 percent to 2.80 cents per share.

renren Holdings Ltd (Code: 59) was the biggest loser of the day, as investors pushed down its share price to 2 cents per share, off 16.67 percent on Wednesday's closing level.

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

On this speculative marketplace, The Growth Enterprise Index rose by about 0.90 percent, ending the active trading session at 1,016.11 points.

The Total Turnover was about \$HK146.34 million.

Advancing counters outran declining counters by the ratio of about 1.05:One.

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

Yantai North Andre Juice Company Ltd (Code: 8259)	Up 7 percent to \$HK1.10 per share
Panva Gas Holdings Ltd (Code: 8132)	Down 3 percent to \$HK3.50 per share
Wumart Stores Incorporated (Code: 8277)	Up 4 percent to \$HK15.00 per share
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095)	Up 7 percent to 74 cents per share
Golden Meditech Company Ltd (Code: 8180)	Down 1 percent to \$HK1.81 per share

The GEM's double-digit movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Armitage Technologies Holding Ltd	8213		31.03	0.06
B M Intelligence International Ltd	8158	12.50		0.045
Excel Technology International Holdings Ltd	8048	11.43		0.078
Grandy Corporation	8143	12.20		0.046
Info Communication Holdings Ltd	8082		13.79	0.05
KanHan Technologies Group Ltd	8175		14.00	0.043
Ko Yo Ecological Agrotech (Group) Ltd	8042		19.40	0.27
New Universe International Group Ltd	8068		10.00	0.045
T S Telecom Technologies Ltd	8003	13.46		0.059
Value Convergence Holdings Ltd	8101	19.61		0.61

In Japan, it was the 3rd consecutive day of fractional losses on The Tokyo Stock Exchange.

On Asia's largest equity market, The Nikkei-225 Stock Average lost another 48.87 yen, equivalent to about 0.44 percent, coming to rest at 11,082.42 yen.

Losing counters were ahead of gaining ones by the ratio of about 1.70:One.

News wise

- **Nippon Steel Corporation**, the largest steel producer in Japan, reported Net Profits Attributable to Shareholders for the 6-month period, ended September 30, 2004, of about 81.04 billion yen. This was a record level for Nippon Steel Corporation and represented a 220-percent rise, compared with the like period in 2003; and,
- **JFE Holdings Incorporated**, the second-largest steel producer in Japan, reported a Net Profit Attributable to Shareholders of about 34.16 billion yen for the first 6 months of its Financial Year, ended September 30, 2004. This represented a fall of about 24 percent, Year-on-Year.

In other parts of Asia, this was how the stock-market indices of those markets ended, last Thursday:

The HKSAR	Minus 0.18 percent to 13,799.82
Indonesia	Closed
Japan	Minus 0.44 percent to 11,082.42
Malaysia	Plus 0.31 percent to 904.48
The Philippines	Plus 1.30 percent to 1,817.64
Singapore	Minus 0.67 percent to 2,032.62
South Korea	Minus 1.08 percent to 875.84
Taiwan	Plus 0.35 percent to 6,049.49
Thailand	Plus 0.43 percent to 646.93

Friday

Prices fell fast and furiously on major US equity markets, last Friday, as the price of crude oil rose sharply and the Chairman of the US Federal Reserve Board warned of what was in store for the largest economy of the world.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 123.70 points, equivalent to about 1.17 percent, ending the day at 10,448.85 points.

And, on The (tech-laden) NASDAQ, its Composite Index gave up 31.23 points, or about 1.48 percent, falling back to 2,073.05 points.

The reasons for the fall in the prices of key indices on the world's largest equity markets was a combination of a number of factors.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in December rose to \$US48.44 per barrel, a one-day gain of \$US2.22 per barrel, or about 4.80 percent.

For delivery in January 2005, the price of light sweet crude oil hit \$US48.89 per barrel by the close of the day, representing a rise of \$US2.51 per barrel, equivalent to 5.41 percent on Thursday's last settlement price.

The hopes that crude oil prices were on the decline, permanently, were dashed, last Friday.

Speaking at a bankers' conference in Frankfurt, Germany, the Chairman of The Fed, Dr Alan Greenspan, told the conference that the world's appetite for the US dollar was quite likely to wane unless the Bush Administration started to rein in spending.

He, also, warned that the US dollar's translation value to other 'hard' currencies could well be hurt by the record-high US Budget deficit.

The innuendo behind his words was crystal clear: The US Federal Reserve Board would be raising interest rates at its December Open Market Committee Meeting, all things being equal.

On learning that Wall Street was in full retreat and that crude oil prices were on the rise, once more, key indices of European bourses followed Wall Street's lead – and the prices of stocks and shares tumbled, also:

Amsterdam's AEX Index	Minus 0.65 percent
Great Britain's FTSE 100 Index	Minus 0.87 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.04 percent

France's CAC40 Index	Minus 0.82 percent
Switzerland's Swiss Market Index	Minus 1.33 percent
Italy's MIBTEL Index	Minus 0.43 percent

The tally for the world's largest equity markets was:

The Dow Jones Industrial Average	Minus 0.86 percent
The NASDAQ's Composite Index	Minus 0.59 percent

Trading on the 2 equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), last Friday, was dull, as the volume of activity waned and indices fell, fractionally.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.09 percent of its value, ending the week at 13,787.68 points.

The Total Turnover dropped back to about \$HK16.47 billion.

The ratio of losing counters to gaining ones was about 1.45:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.38 percent to \$HK132.50 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.39 percent to \$HK63.75 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Up 1.62 percent to \$HK9.40 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK69.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.21 percent to \$HK24.10 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK78.00 per share
New World Development Company Ltd (Code: 17)	Up 3.68 percent to \$HK8.45 per share
Macau Success Ltd (Code: 487)	Up 7.55 percent to \$HK1.71 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.86 percent to \$HK5.75 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 1.52 percent to \$HK20.10 per share

There were exactly 40 double-digit movers of the day, of which 6 counters lost 10 percent or more of their market capitalisations.

The biggest gainer of the day was Emperor (China Concept) Investments Ltd (Code: 296), whose share price rose 176.28 percent to \$HK21.55 per share.

The biggest loser of the day was Unity Investments Holdings Ltd (Code: 913), the share price of which dropped 15.31 percent to 8.30 cents per share.

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover stayed relatively high, at about \$HK179.74 million, however, the higher volume of activity was on a falling market.

The Growth Enterprise Index gave up about 0.44 percent of its value, ending the day's trading at 1,011.60 points.

Gaining counters were ahead of losing ones by the ratio of about 1.11:One.

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

Sau San Tong Holdings Ltd (Code: 8200)	Up 16 percent to 87 cents per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Up 5 percent to \$HK1.16 per share
Panva Gas Holdings Ltd (Code: 8132)	Down 1 percent to \$HK3.45 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Unchanged at \$HK1.35 per share
TOM Online Incorporated (Code: 8282)	Up 1 percent at \$HK1.30 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	16.67		0.035
Grandy Corporation	8143	19.57		0.055
M Channel Corporation Ltd	8036	20.00		0.024

M Dream Inworld Ltd	8100	10.00		0.033
New Universe International Group Ltd	8068		11.11	0.04
Q9 Technology Holdings Ltd	8129		17.02	0.039
Sau San Tong Holdings Ltd	8200	16.00		0.87
Superdata Software Holdings Ltd	8263	11.32		1.18

News wise

- The HKSAR Government's Census and Statistics Department reported that the **unemployment rate** was 6.70 percent in October, seasonably adjusted, down about 0.10 percent, Month-on-Month.

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

The Hang Seng Index	Plus	0.02 percent
The Growth Enterprise Index	Plus	0.16 percent

In Japan, it was another dull day on the country's 3 equity markets.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average gained 0.42 percent, ending the week at 11,082.84 yen.

The ratio of losing counters to gaining ones was about 1.22:One.

News wise

- **Kajima Corporation**, Japan's leading general contractor, reported that its results for the 6-month period, ended September 30, 2004, was a Loss Attributable to Shareholders of about 2.61 billion yen.

The tally for Asia's largest bourse was:

The Nikkei-225 Stock Average	Plus	0.57 percent
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And this was how other Asian equity markets closed their respective doors, last Friday:

The HKSAR	Minus 0.088 percent to 13,787.68
Indonesia	Closed
Japan	Unchanged
Malaysia	Minus 0.82 percent to 897.03
The Philippines	Minus 1.21 percent to 1,795.59
Singapore	Plus 0.28 percent to 2,038.21
South Korea	Minus 1.01 percent to 867.03
Taiwan	Minus 0.38 percent to 6,026.55
Thailand	Plus 0.69 percent to 651.42

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