

**THE AMERICAN GREENBACK HITS A RECORD LOW AGAINST THE EURO
LET US GIVE THANKS TO THE PURITANS!**

Wall Street appeared to be a very fragile venue for the trading in stocks and shares, last Monday, and although key indices of major markets ended the day in the black, there were grave concerns that they could hold that line for very long.

There were far more negatives than positives, both domestically and internationally.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 32.51 points, or about 0.31 percent, ending the choppy session at 10,480.42 points.

The Composite Index of The NASDAQ rose 14.56 points, equivalent to about 0.70 percent, running up to 2,085.19 points.

The utterances of the Chairman of the US Federal Reserve, Dr Alan Greenspan, the previous Friday, at a conference, held in Frankfurt, Germany, was still doing the rounds and, for many people in Europe, especially, it put the skids under the prices of many of the stock-market '*darlings*'.

Please See Last Wednesday's **TARGET** Intelligence Report, Volume VI, Number 223, Second Article –
[**IS DR ALAN GREENSPAN CORRECT OR INCORRECT ?**](#) –
 For An Understanding Of The Statements Of The World's Most Celebrated Economist ...
 And Of **TARGET**'s Opinion Of This Speech.

On The New York Mercantile Exchange (NYMEX), with the closing of the books for December delivery of light sweet crude oil, all eyes turned to January 2005 delivery of the black ooze.

The January 2005 last settlement was at \$US48.64 per barrel, down about 0.51 percent on the previous Friday's last quote.

For February 2005 delivery, however, the last settlement was at a higher level, \$US48.81 per barrel.

In spite of the fact that oil prices did not continue their push of the previous Friday, European investors were very gun shy, last Monday.

Every index of every major bourse fell to sellers, as the following **TARGET** table illustrates:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.58 percent |
| Great Britain's FTSE 100 Index | Minus 0.58 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.26 percent |
| France's CAC40 Index | Minus 0.64 percent |
| Switzerland's Swiss Market Index | Minus 0.64 percent |
| Italy's MIBTEL Index | Minus 0.33 percent |

Concern over the translation level of the US dollar against other '*hard*' currencies, the fast run-up in the price of light sweet crude oil on Friday, November 19, 2004, and those warning statements, uttered by the US Federal Reserve Board Chairman at a conference in Germany, the previous Friday, all conspired to bring down prices of equities on Asian stock markets, last Monday.

Only 2 stock markets of the 9 stock markets in the region ended in the black.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading on the territory's 2 equity markets was at very respectable levels, but key indices, by the close of the day, were almost unchanged from the previous Friday's closing levels.

The fact that volumes of activity were high, however, boded well for the markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, after a sell-off in the morning session, which saw the key index of blue chips, The Hang Seng Index, fall to 13,707.38 points, a fall of about 0.58 percent, compared with the previous Friday's close, buyers stepped in, pushing up the Hang Seng Index to 13,800.60 points, a one-day improvement of about 0.09 percent.

The Total Turnover was about \$HK17.40 billion.

Losing counters were ahead of gaining ones by the ratio of about 1.31:One.

The Ten Most Active counters were:

| | |
|---|--|
| HSBC Holdings plc (Code: 5) | Unchanged at \$HK132.50 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 0.78 percent to \$HK64.25 per share |
| China Netcom Group Corporation (Hongkong) Ltd (Code: 906) | Down 0.53 percent to \$HK9.35 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Up 1.08 percent to \$HK70.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 0.21 percent to \$HK24.05 per share |
| Heritage International Holdings Ltd (Code: 412) | Up 88.64 percent to \$HK0.083 per share |
| Macau Success Ltd (Code: 487) | Up 8.19 percent to \$HK1.85 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 0.32 percent to \$HK77.75 per share |
| China Life Insurance Company Ltd (Code: 2628) | Unchanged at \$HK5.75 per share |
| PetroChina Company Ltd (Code: 857) | Up 1.18 percent to \$HK4.275 per share |

As for the Main Board's double-digit movers of the day, there were a total of 50 counters that fitted that bill.

Of that number, only 3 counters lost ground.

Emperor (China Concept) Investments Ltd (Code: 296) was the biggest gainer by far, as its share price rose 94.90 percent to \$HK42.00 per share.

Great China Holdings Ltd (Code: 141) was the biggest loser of the day as investors pushed down its share price by 13.33 percent to 39 cents per share.

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the speculative bourse of the HKSAR, the market never recovered from the drubbing that it received in the morning session.

The Growth Enterprise Index ended the session at 1,007.41 points, off about 0.41 percent compared with the previous close of Friday, November 19, 2004.

The Total Turnover was relatively high, at about \$HK92.79 million.

Declining counters outran advancing ones by the ratio of about 1.49:One.

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

| | |
|---|--------------------------------------|
| Sau San Tong Holdings Ltd (Code: 8200) | Up 18 percent to \$HK1.03 per share |
| Panva Gas Holdings Ltd (Code: 8132) | Unchanged at \$HK3.45 per share |
| Yantai North Andre Juice Company Ltd (Code: 8259) | Down 3 percent to \$HK1.13 per share |
| CK Life Sciences International (Holdings) Incorporated (Code: 8222) | Down 1 percent to \$HK1.34 per share |
| TOM Online Incorporated (Code: 8282) | Down 2 percent to \$HK1.28 per share |

The GEM's biggest movers of the day were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| Armitage Technologies Holding Ltd | 8213 | | 16.67 | 0.05 |
| B M Intelligence International Ltd | 8158 | 11.11 | | 0.05 |
| CASH Financial Services Group Ltd | 8122 | 16.67 | | 0.21 |
| FX Creations International Holdings Ltd | 8136 | | 25.00 | 0.048 |
| Global Digital Creations Holdings Ltd | 8271 | 13.91 | | 0.131 |

| | | | | |
|---|------|-------|--|-------|
| iSteelAsia Holdings Ltd | 8080 | 20.00 | | 0.03 |
| KanHan Technologies Group Ltd | 8175 | 25.00 | | 0.05 |
| Kinetana International Biotech Pharma Ltd | 8031 | 12.50 | | 0.045 |
| Ko Yo Ecological Agrotech (Group) Ltd | 8042 | 16.00 | | 0.29 |
| ProSticks International Holdings Ltd | 8055 | 30.43 | | 0.03 |
| Sau San Tong Holdings Ltd | 8200 | 18.39 | | 1.03 |

On Asia's largest equity market, The Tokyo Stock Exchange, a key index of that market, The Nikkei-225 Stock Average, shed 233.45 yen, equivalent to about 2.11 percent, as investors drove it down to 10,849.39 yen.

It was the steepest, one-day fall in more than 3 months.

Losing counters trounced gaining ones by the ratio of about 9.61:One.

Japan was concerned about the continuous falling value of the US dollar against other currencies, and the yen, in particular.

If it continued for too long a period of time, it was bound to hurt the export-orientated Japanese economy.

Last Monday, at one point, the US dollar was trading at a little below the 103-yen level, after having hit 102.76-yen, the previous Friday. It ended trading in Tokyo at 103.29 yen.

Also, the fast pace of the increase in the price of crude oil at the close of trading on The NYMEX, the previous Friday, did not help investor confidence.

News wise

- **TV Asahi Corporation** announced that its Group Net Profit Attributable to Shareholders was 3.47 billion yen for the first half of its Financial Year, ended September 30, 2004. That result represented an increase of about 216.30 percent, compared with the like period in 2003.

In other Asian equity markets, last Monday, this was how their key indices ended the day:

| | |
|-----------------|---------------------------------|
| The HKSAR | Plus 0.09 percent to 13,800.60 |
| Indonesia | Plus 0.64 percent to 939.99 |
| Japan | Minus 2.11 percent to 10,849.39 |
| Malaysia | Minus 0.22 percent to 895.04 |
| The Philippines | Minus 0.41 percent to 1,788.20 |
| Singapore | Minus 0.89 percent to 2,020.14 |
| South Korea | Minus 1.97 percent to 849.99 |
| Taiwan | Minus 3.12 percent to 5,838.42 |
| Thailand | Minus 0.99 percent to 644.95 |

Tuesday

Wall Street ended completely flat, last Tuesday.

Eyes appeared to be focused on the movements of The New York Mercantile Exchange (NYMEX) where the price of light sweet crude oil was slowly inching its way up again to the \$US50.00 per-barrel mark.

On The New York Stock Exchange, the Dow Jones Industrial Average ended the day at 10,492.60 points, up about 0.03 percent on Monday's closing level.

On The NASDAQ, its Composite Index fared only slightly better than The Dow, with a gain of about 0.04 percent, which pushed the Composite Index to 2,084.28 points.

To describe the world's largest equity markets as being lifeless was to utter an inane comment.

On The NYMEX, the price of light sweet crude oil for January 2005 delivery was settled at \$US48.94 per barrel, representing an increase of about 0.62 percent on the last settlement price of Monday.

As for February 2005 delivery, the price of light sweet crude oil ended the session at \$HK49.12 per barrel, up about 0.64 percent on Monday's close.

And it looked as though the price of crude oil would continue to rise in the coming days.

Europe was, also, flat, last Tuesday.

Slim early gains were erased, by and large, by the close of trading on major bourses, following the gyrations of the price of crude oil and the US dollar, hitting a record low against the euro.

As the euro strengthens against the US dollar, so the products and services, manufactured and/or created in eurozone, become more expensive in terms of the US dollar – which is not good for the European Union, of course.

At one point, last Tuesday, the US dollar was trading at \$US1.3105 against the euro before correcting to \$US1.3077.

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

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.08 percent |
| Great Britain's FTSE 100 Index | Plus 0.19 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.25 percent |
| France's CAC40 Index | Plus 0.15 percent |
| Switzerland's Swiss Market Index | Minus 0.53 percent |
| Italy's MIBTEL Index | Minus 0.05 percent |

In the world's most-populous region, every major index of every important stock market rose, some very substantially.

Suggestions were doing the rounds in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) that hot money was flooding into Asian equity markets due to the relative weakness of the US dollar vis-à-vis other 'hard' currencies.

The Hongkong dollar is linked to the US dollar so that Hongkong's exports, direct and indirect, will benefit from a 'weak' US dollar.

It was, also, being postulated that some HKSAR equities were good value, compared with their counterparts in the US and Europe.

Whether or not there was any justification for these allegations mattered little, it appeared – because indices of both equity markets in the territory went sky high on the suggestions.

And everybody loves a winner!

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained about 1.61 percent, running up to 14,023.29 points.

The Total Turnover shot up to about \$HK26.28 billion, while the ratio of gaining counters to losing ones was about 3.18:One.

The relatively high volume of activity is often indicative of the beginning of a bullish market.

The Ten Most Actives, all gainers by the way, were:

| | |
|--|---|
| HSBC Holdings plc (Code: 5) | Up 1.13 percent to \$HK134.00 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 2.72 percent to \$HK66.00 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Up 3.93 percent to \$HK72.75 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 2.29 percent to \$HK24.60 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Up 0.34 percent to \$HK14.60 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Up 1.29 percent to \$HK78.75 per share |
| Swire Pacific Ltd (Code: 19) | Up 4.13 percent to \$HK63.00 per share |
| PetroChina Company Ltd (Code: 857) | Up 1.17 percent to \$HK4.325 per share |
| Hang Seng Bank Ltd (Code: 11) | Up 0.93 percent to \$HK109.00 per share |

Regal Hotels International Holdings Ltd (Code: 78)

Up 18.99 percent to \$HK0.47 per share

As for the Main Board's double-digit movers, there were, in all, a total of 57 counters, whose share prices moved by 10 percent or more.

Of that number, 13 counters saw their share prices lose material amounts.

The biggest gainer of the day was UDL Holdings Ltd (Code: 620), whose share price rose 311.76 percent to end the session at 7 cents.

Haywood Investments Ltd (Code: 905) had the distinction of being the biggest loser of the day, as investors drove down its share price by exactly one third to 6.20 cents.

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index rose to 1,013.89 points, a one-day gain of about 0.64 percent.

The Total Turnover on this speculative market, however, stayed close to Monday's level: \$HK95.66 million.

Advancing counters outnumbered losing ones by the ratio of about 1.41:One.

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

Panva Gas Holdings Ltd (Code: 8132)

Up 2 percent to \$HK3.525 per share

Sau San Tong Holdings Ltd (Code: 8200)

Down 1 percent to \$HK1.02 per share

TOM Online Incorporated (Code: 8282)

Up 1 percent to \$HK1.29 per share

Universal Technologies Holdings Ltd (Code: 8091)

Up 4 percent to 9.80 cents per share

CK Life Sciences International (Holdings) Incorporated (Code: 8222)

Up 1 percent to \$HK1.35 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| Advanced Card Systems Holdings Ltd | 8210 | 11.00 | | 0.111 |
| Armitage Technologies Holding Ltd | 8213 | | 20.00 | 0.04 |
| Era Information and Entertainment Ltd | 8043 | | 22.86 | 0.027 |
| Essex Bio-Technology Ltd | 8151 | 12.15 | | 0.12 |
| G.A. Holdings Ltd | 8126 | | 10.00 | 0.09 |
| Grandy Corporation | 8143 | | 12.96 | 0.047 |
| iSteelAsia Holdings Ltd | 8080 | 10.00 | | 0.033 |
| Kinetana International Biotech Pharma Ltd | 8031 | 28.89 | | 0.058 |
| Medical China Ltd | 8186 | 29.87 | | 0.10 |
| New Chinese Medicine Holdings Ltd | 8085 | 40.00 | | 0.035 |
| Panorama International Holdings Ltd | 8173 | | 12.62 | 0.09 |
| Tai Shing International (Holdings) Ltd | 8103 | 14.29 | | 0.40 |
| Value Convergence Holdings Ltd | 8101 | 15.25 | | 0.68 |
| Vertex Communications and Technology Group Ltd | 8228 | 29.69 | | 0.166 |
| Vodatel Networks Holdings Ltd | 8033 | | 10.29 | 0.305 |

Japan was closed for a national holiday.

This was how other Asian equity markets ended their respective trading days, last Tuesday:

| | |
|-----------------|--------------------------------|
| The HKSAR | Plus 1.61 percent to 14,023.29 |
| Indonesia | Plus 2.02 percent to 959.02 |
| Japan | Closed |
| Malaysia | Plus 1.50 percent to 909.38 |
| The Philippines | Plus 1.29 percent to 1,811.23 |
| Singapore | Plus 0.48 percent to 2,029.86 |

| | | |
|-------------|------|--------------------------|
| South Korea | Plus | 1.22 percent to 860.40 |
| Taiwan | Plus | 0.22 percent to 5,851.10 |
| Thailand | Plus | 0.92 percent to 650.87 |

Wednesday

The price of light sweet crude oil for delivery in January 2005 hovered at the \$US50.00 per-barrel mark, last Wednesday, on The New York Mercantile Exchange (NYMEX), proving what many economists had expected: The crude-oil price retreat was only a knee-jerk reaction because existing supplies still cannot meet the ever-growing demand.

Also, in Iraq, a couple of oil wells were still burning, seemingly out of control.

Insurgency was still very much alive and shooting in the troubled oil-rich state and more trouble was sure to come in the build-up to the first free elections in the Arab State.

By the close of the day, The NYMEX price of light sweet crude oil for January 2005 delivery was standing at \$US49.44 per barrel, a one-day improvement in the price of about 1.02 percent.

As for delivery in February 2005, the last settlement price for light sweet crude oil was \$US49.45 per barrel, up 1.69 percent on Tuesday's closing level.

Wall Street appeared to singularly unperturbed by the gains in the price of crude oil because there were more-important things to consider: Last Thursday was the beginning of big, booze-up weekend when Americans take to the dinner table in order celebrate Thanksgiving Day with turkey and copious amounts of alcohol.

On The New York Stock Exchange, the Dow Jones Industrial Average closed the day at 10,520.31 points, up about 0.26 percent on Tuesday's market.

On The NASDAQ, its Composite Index rose about 0.88 percent, ending the session at 2,102.54 points.

News wise

- **Cingular Wireless**, the largest cellular telecommunications company in the US, announced that it would be sacking about 7,000 of its workers. That number of workers represents about 10 percent of the company's total establishment level

Major bourses in Europe were mixed.

The strength of the euro vis-à-vis the US dollar was beginning to cause real and imagined pain for European manufacturers and exporters, both of whom feared for the worst should the value of the American greenback continue to fall against the currency of eurozone.

The euro was being quoted at \$US1.317 by the close of last Wednesday's trading day on leading markets.

It was a record high.

If it is true that trend is an investor's friend, then, the value of the US dollar would continue to fall against other currencies of the world.

This was how indices of major European bourses closed, last Wednesday night:

| | | |
|-------------------------------------|-------|--------------|
| Amsterdam's AEX Index | Minus | 0.03 percent |
| Great Britain's FTSE 100 Index | Minus | 0.48 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 0.29 percent |
| France's CAC40 Index | Minus | 0.51 percent |
| Switzerland's Swiss Market Index | Minus | 0.65 percent |
| Italy's MIBTEL Index | Plus | 0.17 percent |

Investors, locked into the equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), banked their profits, last Wednesday, causing a mild sell-off on the territory's equity markets.

Key indices fell, fractionally.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.19 percent of its value, falling back to 13,997.02 points.

The Total Turnover, however, stayed very high, at about \$HK26.22 billion.

Even though the key index of the premier equity market of the territory was off, slightly, advancing counters led declining ones by the ratio of about 1.43:One.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Down 0.37 percent to \$HK132.50 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Up 0.69 percent to \$HK73.25 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 0.76 percent to \$HK66.50 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 2.24 percent to \$HK25.15 per share |
| China Life Insurance Company Ltd (Code: 2628) | Up 0.86 percent to \$HK5.85 per share |
| PetroChina Company Ltd (Code: 857) | Up 0.58 percent to \$HK4.35 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 0.32 percent to \$HK78.50 per share |
| China Netcom Group Corporation (Hongkong) Ltd (Code: 906) | Up 1.06 percent to \$HK9.55 per share |
| New World Development Company Ltd (Code: 17) | Up 3.41 percent to \$HK9.10 per share |
| China Telecom Corporation Ltd (Code: 728) | Up 2.68 percent to \$HK2.875 per share |

There were a total of 44 counters whose share prices moved by 10 percent or more, last Wednesday.

Of that number, 33 counters saw their share prices rise by double-digit amounts.

Mascotte Holdings Ltd (Code: 136) was the biggest gainer of the day, as investors pushed its share price up by about 138.10 percent to 50 cents.

UDL Holdings Ltd (Code: 620) had the distinction of being the biggest loser of the day. Its share price fell about 42.86 percent to hit 4 cents by the close of trading.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover rose to about \$HK127.03 million, as The Growth Enterprise Index registered a gain of about 0.61 percent, running up to 1,020.05 points.

The ratio of gaining counters to losing counters was 1.39:One.

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

| | |
|---|------------------------------------|
| TOM Online Incorporated (Code: 8282) | Up 7 percent to \$HK1.38 per share |
| Panva Gas Holdings Ltd (Code: 8132) | Up 2 percent to \$HK3.60 per share |
| CK Life Sciences International (Holdings) Incorporated (Code: 8222) | Up 1 percent to \$HK1.36 per share |
| Golden Meditech Company Ltd (Code: 8180) | Up 2 percent to \$HK1.77 per share |
| Yantai North Andre Juice Company Ltd (Code: 8259) | Unchanged at \$HK1.13 per share |

The GEM's biggest movers of the day included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| B.A.L. Holdings Ltd | 8079 | 16.13 | | 0.036 |
| Cyber On-Air Group Company Ltd | 8118 | 541.71 | | 12.00 |
| Emperor Entertainment Group Ltd | 8078 | 201.42 | | 4.25 |
| Everpride Biopharmaceutical Company Ltd | 8019 | 11.86 | | 0.132 |
| Xi'an Haitian Antenna Technologies Company Ltd | 8227 | 18.95 | | 0.295 |
| Innovis Holdings Ltd | 8065 | | 21.39 | 0.147 |
| Kinetana International Biotech Pharma Ltd | 8031 | | 13.79 | 0.05 |
| Leadership Publishing Group Ltd | 8010 | 12.00 | | 0.028 |
| M21 Technology Ltd | 8153 | 12.50 | | 1.35 |
| Medical China Ltd | 8186 | 10.00 | | 0.11 |
| Milkyway Image Holdings Ltd | 8130 | 29.63 | | 0.035 |
| SYSCAN Technology Holdings Ltd | 8083 | 11.25 | | 0.178 |
| Tai Shing International (Holdings) Ltd | 8103 | 12.50 | | 0.45 |
| Tianjin Tianlian Public Utilities Company Ltd | 8290 | 10.00 | | 0.55 |
| Value Convergence Holdings Ltd | 8101 | 20.59 | | 0.82 |

In Japan, following the resumption of trading after the one-day national holiday of last Tuesday, contrary to the expectations of many investors, the 3 equity markets of the country traded flat.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average added just 22.94 yen, or about 0.21 percent, ending the lifeless trading session at 10,872.33 yen.

Gaining counters outnumbered losing ones by the ratio of about 1.28:One.

News wise

- **Tokio Marine and Nichido Fire Insurance Company** announced that its Net Profits Attributable to Shareholders were about 3.12 billion yen for the 6 months, ended September 30, 2004. That result represented a fall, Year-on-Year, of about 95 percent;
- **Sompo Japan Insurance Incorporated**, reporting for the same 6-month period as Tokio Marine and Nichido Fire Insurance Company, told its shareholders that it had suffered a fall, Year-on-Year, of about 71 percent, the Bottom Line, coming in about 10.56 billion yen; and,
- **Mitsui Sumitomo Insurance Company**, also, brought out its half-Year results for the period, ended September 30, 2004, which were nearly as bad as its 2 main rivals. Mitsui Sumitomo Insurance announced that its Net Profits Attributable to Shareholders had fallen about 66 percent, Year-on-Year, to 26.93 billion yen.

Indices of other Asian stock markets closed, last Wednesday, somewhat restrained:

| | |
|-----------------|---------------------------------|
| The HKSAR | Minus 0.19 percent to 13,997.02 |
| Indonesia | Plus 0.24 percent to 961.32 |
| Japan | Plus 0.21 percent to 10,872.33 |
| Malaysia | Plus 0.16 percent to 910.86 |
| The Philippines | Plus 0.83 percent to 1,826.19 |
| Singapore | Plus 0.51 percent to 2,040.19 |
| South Korea | Plus 1.41 percent to 872.56 |
| Taiwan | Plus 1.03 percent to 5,911.31 |
| Thailand | Minus 1.20 percent to 643.06 |

Thursday

For the 3rd consecutive day, the value of the US dollar vis-à-vis the euro fell.

In Asia , last Thursday, the US dollar was trading at \$US1.3235 per euro.

Against the Japanese yen, it fell to a 54-month low of 102.41 yen.

On Asian markets, last Thursday, more out of fear than economic sense, the price of gold hit a 16-year high of \$US450 per troy ounce.

The theory, being bantered in some circles, was that gold will, always, be easily convertible on the world stage as a readily acceptable medium of exchange and within relatively narrow parametres due to its historical significance and the role that it has played in the affairs of man for the past 5,000 years, but the price of a US dollar may fluctuate, wildly, and to such an extent as to make it subject to too many imponderables as far as the international investor is concerned.

All this and Thanksgiving Day, too!

All US equity markets were closed, last Thursday, in order to allow US citizens to give thanks to the Pilgrim Fathers who, in 1620, landed at Plymouth , Massachusetts , having abandoned Episcopalian England, and there established the Puritanical roots of the New World, now known as the United States of America.

In Europe, last Thursday, while Americans were living it up, so to speak, investors of eurozone determined that the future did not look as bleak as had been suggested ... just one day prior.

But the euro continued to strengthen against the US dollar, hitting \$US1.3237 at one point before correcting back to \$US1.3220.

It was reported that international bankers were burning up telephone lines in dialogues, aimed at trying to establish a strategy in order to support the US dollar from speculators.

Intervention by various countries' central banks appeared to be on the cards.

And, while the US dollar's weakness was causing international waves, the price of gold rose to \$US452 per troy ounce.

That is its highest level since 1986.

This was how indices of major European bourses fared, last Thursday:

| | | |
|-------------------------------------|------|--------------|
| Amsterdam's AEX Index | Plus | 0.87 percent |
| Great Britain's FTSE 100 Index | Plus | 0.72 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 0.84 percent |
| France's CAC40 Index | Plus | 0.98 percent |
| Switzerland's Swiss Market Index | Plus | 0.94 percent |
| Italy's MIBTEL Index | Plus | 0.46 percent |

In Asian equity trading, only 2 markets of the 9 markets in the region booked gains – and those gains were only of a fractional nature.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market lost ground for the second day in a row.

The Hang Seng Index, a gauge to trading in blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, gave up another one half of a percentage point, ending the trading session at 13,926.61 points.

The Total Turnover dropped back to about \$HK20.96 billion, while the ratio of losing counters to gaining ones was about 2.71:One.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Down 1.13 percent to \$HK131.00 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Down 0.34 percent to \$HK73.00 per share |
| Hutchison Whampoa Ltd (Code: 13) | Down 1.13 percent to \$HK65.75 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 0.20 percent to \$HK25.10 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Down 0.96 percent to \$HK77.75 per share |
| Melco International Development Ltd (Code: 200) | Up 7.11 percent to \$HK10.55 per share |
| China Telecom Corporation Ltd (Code: 728) | Down 0.87 percent to \$HK2.85 per share |
| Wing On Travel (Holdings) Ltd (Code: 1189) | Down 28.21 percent to \$HK0.028 per share |
| Semiconductor Manufacturing International Corporation (Code: 981) | Up 1.63 percent to \$HK1.87 per share |
| China Unicom Ltd (Code: 762) | Up 3.42 percent to \$HK6.05 per share |

As for the Main Board's double-digit movers, a total of 46 counters qualified, with 38 of their number, seeing their respective share prices fall by 10 percent or more.

First Asia Capital Investment Ltd (Code: 1227) and Fujian Holdings Ltd (Code: 181) shared the honours as the biggest gainers of the day, as their share prices scooted up 25.00 percent, each, to 35 cents and 30 cents, respectively.

Ruili Holdings Ltd (Code: 491) was the biggest loser of the day, as investors drove down its share price to 1.90 cents, a one-day fall of 44.12 percent.

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the situation was very different to that of the Main Board.

The Growth Enterprise Index booked a gain of about 1.38 percent, running up to 1,034.08 points.

The Total Turnover was about \$HK111.55 million.

Losing counters still outran gaining ones, however, but only by the slim ratio of about 1.03:One.

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

CK Life Sciences International (Holdings) Incorporated (Code: 8222)
Panva Gas Holdings Ltd (Code: 8132)
Cyber On-Air Group Company Ltd (Code: 8118)
Yantai North Andre Juice Company Ltd (Code: 8259)
TOM Online Incorporated (Code: 8282)

Up 4 percent to \$HK1.42 per share
Unchanged at \$HK3.60 per share
Down 2 percent to \$HK11.75 per share
Down 1 percent to \$HK1.12 per share
Down 1 percent to \$HK1.36 per share

The GEM's biggest movers of the day were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| Aptus Holdings Ltd | 8212 | 13.18 | | 0.249 |
| Emperor Entertainment Group Ltd | 8078 | | 45.88 | 2.30 |
| ePRO Ltd | 8086 | 42.86 | | 0.02 |
| G.A. Holdings Ltd | 8126 | | 11.11 | 0.08 |
| Grandy Corporation | 8143 | | 19.57 | 0.037 |
| Milkyway Image Holdings Ltd | 8130 | | 17.14 | 0.029 |
| Prosten Technology Holdings Ltd | 8026 | 17.24 | | 0.068 |
| Q9 Technology Holdings Ltd | 8129 | | 15.79 | 0.032 |
| Zhejiang Yonglong Enterprises Company Ltd | 8211 | 11.11 | | 0.30 |

News wise

- **Cathay Pacific Airways Ltd** (Code: 293, Main Board, The Stock Exchange of Hongkong Ltd) announced that it would be raising the fuel surcharge by \$US2.20 per passenger for short-haul flights, bringing up the surcharge to \$US9.20 per passenger, and another \$US2 .00 per passenger for long-haul flights, raising the surcharge to \$US21 per passenger. The new surcharges will be effective from December 1, 2004.

In Japan, it was another lifeless day for traders in stocks and shares on the country's 3 equity markets.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average put on just 28.01 yen, or about 0.26 percent, rising to 10,900.34 yen.

Gaining counters were ahead of losing ones by the ratio of about 1.45:One.

Japan, of course, was concerned about the strengthening of the yen against the US dollar and its impact on its exports.

News wise

- For the 8th consecutive month, sales at Japan's **supermarkets and departmental stores** fell in October. Supermarket sales fell by about 4.10 percent to about 1.19 trillion yen, according to The Japan Chain Stores Association. Departmental-store sales shrank by about 3.50 percent to 650.79 billion yen, The Japan Department Stores Association reported;
- **Mitsubishi Tokyo Financial Group Incorporated** announced that its Group Net Profits had fallen about 43.10 percent, Year-on-Year, to 171.70 billion yen for the first half of its Fiscal Year, ended September 30, 2004;
- **UFJ Holdings Incorporated** announced a Net Loss Attributable to Shareholders for the same period as Mitsubishi Tokyo Financial Group Incorporated of about 674.30 billion yen. In the like period of 2003, UFJ Holdings announced a Net Profit Attributable to Shareholders of about 179.80 billion yen; and,
- **Sumitomo Trust and Banking Company** announced that its Group Net Profit Attributable to Shareholders had risen 19.10 percent, Year-on-Year, in the first half of its Financial Year, ended September 30, 2004, to 48.80 billion yen.

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

| | |
|-----------------|---------------------------------|
| The HKSAR | Minus 0.50 percent to 13,926.61 |
| Indonesia | Minus 0.59 percent to 955.68 |
| Japan | Plus 0.26 percent to 10,900.34 |
| Malaysia | Minus 0.62 percent to 905.22 |
| The Philippines | Minus 0.64 percent to 1,814.50 |
| Singapore | Minus 0.26 percent to 2,034.88 |

| | |
|-------------|--------------------------------|
| South Korea | Minus 0.01 percent to 872.49 |
| Taiwan | Minus 0.95 percent to 5,855.24 |
| Thailand | Plus 0.69 percent to 647.49 |

Friday

Wall Street only traded a half-day session, last Friday, so that, as one would expect, many institutions and traders did not bother to attend the shortened day.

In very light trading, the Dow Jones Industrial Average, the key index to trading in blue chips, listed on The New York Stock Exchange, ended the three and a half-day trading week at 10,522.23 points, which was just 0.02 percent higher than Wednesday's close.

On the tech-laden NASDAQ, its Composite Index went in the opposite direction, losing about 0.03 percent to 2,101.97 points.

In Europe, investors were net sellers, resulting in key indices of major bourses to lose ground:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Unchanged |
| Great Britain's FTSE 100 Index | Minus 0.25 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.14 percent |
| France's CAC 40 Index | Minus 0.40 percent |
| Switzerland's Swiss Market Index | Plus 0.08 percent |
| Italy's MIBTEL Index | Minus 0.15 percent |

With no Wall Street to give a clue as to which way to go, most eurozone bourses moved furtively lower.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.23 percent, ending the week at 13,895.03 points.

The Total Turnover was about \$HK19.07 billion, while the ratio of losing counters to gaining ones was about 1.12:One.

The market had shown some strength in the morning session, to 12:30 pm, but the afternoon session saw the re-emergence of the bears, who smartly reversed the morning trend.

The Ten Most Actives were:

| | |
|---|--|
| HSBC Holdings plc (Code: 5) | Unchanged at \$HK131.00 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 0.38 percent to \$HK66.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 0.40 percent to \$HK25.00 per share |
| CNOOC Ltd (Code: 883) | Down 3.91 percent to \$HK4.30 per share |
| Maanshan Iron and Steel Company Ltd (Code: 323) | Up 11.40 percent to \$HK3.175 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Unchanged at \$HK73.00 per share |
| China Telecom Corporation Ltd (Code: 728) | Up 1.75 percent to \$HK2.90 per share |
| Aluminum Corporation of China Ltd (Code: 2600) | Up 3.11 percent to \$HK4.975 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Up 0.96 percent to \$HK78.50 per share |
| Semiconductor Manufacturing International Corporation (Code: 981) | Up 2.14 percent to \$HK1.91 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| C.P. Pokphand Company Ltd | 43 | 16.59 | | 0.239 |
| China Conservational Power Holdings Ltd | 290 | 11.32 | | 0.59 |
| China National Resources Development Holdings Ltd | 661 | | 15.58 | 0.65 |
| China City Natural Gas Holdings Ltd | 603 | 11.11 | | 0.02 |
| China Elegance (Holdings) Ltd | 476 | | 10.00 | 0.09 |
| Chinney Alliance Group Ltd | 385 | | 13.04 | 0.02 |
| DVN (Holdings) Ltd | 500 | 14.08 | | 1.62 |
| First Asia Capital Investment Ltd | 1227 | | 11.43 | 0.31 |
| Goldwiz Holdings Ltd | 586 | 20.00 | | 0.51 |

| | | | | |
|---|------|-------|-------|-------|
| Heritage International Holdings Ltd | 412 | | 24.44 | 0.034 |
| K and P International Holdings Ltd | 675 | 11.36 | | 0.245 |
| Maanshan Iron and Steel Company Ltd | 323 | 11.40 | | 3.175 |
| Macau Success Ltd | 487 | | 16.15 | 1.35 |
| Mandarin Entertainment (Holdings) Ltd | 9 | 10.34 | | 0.96 |
| Massive Resources International Corporation Ltd | 70 | 66.67 | | 0.03 |
| Oriental Explorer Holdings Ltd | 430 | | 21.54 | 0.051 |
| Paladin Ltd | 495 | 21.82 | | 0.67 |
| Pyxis Group Ltd | 516 | | 10.64 | 0.042 |
| Shang Hua Holdings Ltd | 371 | 10.00 | | 0.44 |
| Sunlink International Holdings Ltd | 2336 | | 13.33 | 0.078 |
| Techwayson Holdings Ltd | 2330 | | 11.11 | 0.40 |
| United Power Investment Ltd | 674 | | 17.65 | 0.42 |
| Universe International Holdings Ltd | 1046 | 10.29 | | 0.075 |
| Wanji Pharmaceutical Holdings Ltd | 835 | | 19.23 | 0.021 |
| Yeebo (International Holdings) Ltd | 259 | 73.33 | | 0.52 |

Selling pressure, during the afternoon session on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, was much more pronounced than on the Main Board, as investors pushed down The Growth Enterprise Index to 1,026.28 points, a fall of about three quarters of a percentage point.

The Total Turnover on this market was about \$HK100.41 million.

Advancing counters beat off declining ones by the ratio of about 1.17:One.

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

| | |
|---|---------------------------------------|
| CK Life Sciences International (Holdings) Incorporated (Code: 8222) | Up 1 percent to \$HK1.43 per share |
| Panva Gas Holdings Ltd (Code: 8132) | Down 3 percent to \$HK3.50 per share |
| Tong Ren Tang Technologies Company Ltd (Code: 8069) | Down 1 percent to \$HK16.75 per share |
| Yantai North Andre Juice Company Ltd (Code: 8259) | Down 1 percent to \$HK1.11 per share |
| B and B Natural Products Ltd (Code: 8156) | Up 3 percent to 93 cents per share |

The GEM's biggest movers of the day included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| AcrossAsia Ltd | 8061 | | 10.71 | 0.25 |
| Argos Enterprise (Holdings) Ltd | 8022 | | 10.00 | 0.072 |
| Armitage Technologies Holding Ltd | 8213 | | 12.50 | 0.035 |
| G.A. Holdings Ltd | 8126 | 12.50 | | 0.09 |
| Grandy Corporation | 8143 | 21.62 | | 0.045 |
| iSteelAsia Holdings Ltd | 8080 | 12.90 | | 0.035 |
| KanHan Technologies Group Ltd | 8175 | | 11.76 | 0.045 |
| Leadership Publishing Group Ltd | 8010 | | 20.69 | 0.023 |
| Prosten Technology Holdings Ltd | 8026 | 14.71 | | 0.078 |
| Stockmartnet Holdings Ltd | 8123 | 16.00 | | 0.029 |
| Superdata Software Holdings Ltd | 8263 | 11.88 | | 1.13 |
| Tai Shing International (Holdings) Ltd | 8103 | 11.11 | | 0.50 |

The tally for the 2 equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was:

| | |
|-----------------------------|-------------------|
| The Hang Seng Index | Plus 0.78 percent |
| The Growth Enterprise Index | Plus 1.45 percent |

In Japan, it was yet a 3rd day of lifeless trading conditions for Asia's largest equity market.

The premier stock market of the country, The Tokyo Stock Exchange, recorded a fall of about 66.59 yen, equivalent to about 0.61 percent, ending trading for the week at 10,833.75 yen.

The ratio of falling counters to rising ones was about 1.81:One.

The tally for the 4-day trading week for The Nikkei-225 Stock Average was:

The Nikkei-225 Stock Average

Minus 2.25 percent

And this was how other Asian equity markets closed their respective doors, last Friday:

| | |
|-----------------|----------------------------------|
| The HKSAR | Minus 0.227 percent to 13,895.03 |
| Indonesia | Plus 1.00 percent to 965.22 |
| Japan | Minus 0.61 percent to 10,833.75 |
| Malaysia | Plus 0.39 percent to 908.78 |
| The Philippines | Minus 0.02 percent to 1,814.10 |
| Singapore | Minus 0.32 percent to 2,028.43 |
| South Korea | Minus 1.65 percent to 858.12 |
| Taiwan | Minus 1.31 percent to 5,778.65 |
| Thailand | Plus 0.20 percent to 648.12 |

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