

**OIL PRICES HEAD FOR ANOTHER RECORD LEVEL
MASS LAYOFFS HIT ONE-YEAR HIGH
EQUITY MARKET MOVE SIDEWAYS**

Equity markets in the US were closed, last Monday, for Washington's Birthday.

That meant, among other things, that European and Asian markets were left to their own devices and could not rely on the expected or actual movements of US stock markets to be a gauge to trading, internationally.

In Europe, last Monday, European oil prices hit a 3-week high of \$US46.85 per barrel on London's International Petroleum Exchange. The New York Mercantile Exchange was closed.

The fact that oil was headed back to the \$US50 per barrel mark tended to drag down some of the heavyweight counters, not engaged in energy related businesses.

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

Amsterdam's AEX Index	Minus 0.12 percent
Great Britain's FTSE 100 Index	Plus 0.07 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.14 percent
France's CAC 40 Index	Minus 0.15 percent
Switzerland's Swiss Market Index	Plus 0.64 percent
Italy's MIBTEL Index	Minus 1.35 percent

News wise

- Sweden's dominant wireless equipment producer, **Ericsson**, is to close its production and design facilities at Nynäshamn, Sweden, for a loss of some 393 jobs.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the 2 equity markets tacked on fractional gains on relatively low turnovers.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index ended the day at 14,111.65 points, an improvement of about 0.17 percent, compared with the previous Friday's closing level.

The Total Turnover was about \$HK14.09 billion.

Advancing counters outnumbered declining ones by the ratio of about 1.14:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.37 percent to \$HK133.00 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK71.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK74.75 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Unchanged at \$HK14.75 per share
CNOOC Ltd (Code: 883)	Up 1.17 percent to \$HK4.325 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK73.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK25.45 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK106.50 per share

China Unicom Ltd (Code: 762)
PetroChina Company Ltd (Code: 857)

Up 4.51 percent to \$HK6.95 per share
Up 1.08 percent to \$HK4.675 per share

The biggest Main Board gainers and losers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959		14.91	1.37
Bestway International Holdings Ltd	718	10.87		0.051
Chi Cheung Investment Company Ltd	112	16.30		5.35
China Electronics Corporation Holdings Company Ltd	85	11.36		0.245
Dan Form Holdings Company Ltd	271	22.92		0.59
Dickson Group Holdings Ltd	313	20.69		0.07
Fortuna International Holdings Ltd	530		11.63	0.038
Graneagle Holdings Ltd	147	12.82		0.44
Harbour Centre Development Ltd	51	11.68		11.95
Haywood Investments Ltd	905	16.67		0.049
Lai Sun Garment (International) Ltd	191	13.25		0.47
Long Far Pharmaceutical Holdings Ltd	2898		12.00	0.33
Nam Tai Electronic and Electrical Products Ltd	2633	11.36		2.45
New World China Land Ltd	917		14.38	3.425
Orient Resources Group Company Ltd	467	15.00		0.115
Pico Far East Holdings Ltd	752	13.64		1.00
renren Holdings Ltd	59	11.11		0.02
South China Holdings Ltd	265	23.08		0.40
South Sea Petroleum Holdings Ltd	76	15.91		0.51
Sun East Technology (Holdings) Ltd	365	13.89		0.82
Tack Hsin Holdings Ltd	611		14.71	0.435
Theme International Holdings Ltd	990	12.82		0.044

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index put on 0.41 percent, hitting 1,011.77 points by the time that the closing bell rang.

The Total Turnover on this speculative market was about \$HK63 million.

Gaining counters outpaced losing ones by the ratio of 1.50:One, exactly.

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

TOM Online Incorporated (Code: 8282)	Up 9 percent to \$HK1.34 per share
Kingdee International Software Group Company Ltd (Code: 8133)	Up 3 percent to \$HK1.89 per share
Wumart Stores Incorporated (Code: 8277)	Unchanged at \$HK12.25 per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Unchanged at \$HK1.61 per share
hongkong.com Corporation (Code: 8006)	Up 8 percent to 55 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B and S Entertainment Holdings Ltd	8167		13.56	0.051
Cardlink Technology Group Ltd	8066		18.37	0.08
First Mobile Group Holdings Ltd	8110	11.43		0.234
HK6 Holdings Ltd	8206		10.26	0.21
Linefan Technology Holdings Ltd	8166		24.00	0.019
New Universe International Group Ltd	8068	12.12		0.037
Northeast Tiger Pharmaceutical Company Ltd	8197		11.94	0.059

T S Telecom Technologies Ltd	8003		11.86	0.052
Vodatel Networks Holdings Ltd	8033		11.11	0.28

In Japan, the 3 equity markets of the country were very quiet, following on from the previous week's performance.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average lost 9.10 yen, equivalent to about 0.08 percent, ending the trading session at 11,651.02 yen.

News wise

- **Bridgestone Corporation** announced that the Group Net Profit for its Financial Year, ended December 31, 2004 , was 114.45 billion yen, a gain, Year-on-Year, of about 29 percent;
- **Kirin Brewery Company** said that its 2004-Year's Net Profit was about 49.10 billion yen, a gain of about 52 percent, compared with the 2003-Year's results;
- **Sapporo Holdings Ltd** reported a Pretax Profit of 18 billion yen for its 2004-Year, representing a record level for this beer maker; and,
- **Asahi Breweries Ltd**, the largest beer maker in Japan , announced record earnings for its 2004-Year. The company said that its Net Profit Attributable to Shareholders was 30.60 billion yen, an increase of about 32 percent, Year-on-Year.

In other Asian equity markets, this was how their respective key indices fared, last Monday night:

The HKSAR	Plus 0.17 percent to 14,111.65
Indonesia	Plus 0.12 percent to 1,093.78
Japan	Minus 0.08 percent to 11,651.02
Malaysia	Minus 0.33 percent to 904.72
The Philippines	Minus 3.03 percent to 2,022.66
Singapore	Minus 0.11 percent to 2,166.38
South Korea	Plus 0.47 percent to 988.71
Taiwan	Plus 0.45 percent to 6,142.78
Thailand	Minus 1.57 percent to 725.89

Tuesday.

The price of light sweet crude oil for delivery in March jumped more than 6 percent, last Tuesday, hitting \$US51.15 per barrel on The New York Mercantile Exchange (NYMEX) just before the close of the day.

For April delivery, the last settlement price for light sweet crude oil was \$US51.42 per barrel.

Last Tuesday's prices were at the highest levels since October 2004, according to the records of **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider).

The record for light sweet crude oil was set in the Autumn of 2004 at \$US55.67 per barrel.

To be sure, the high price of crude oil will stir up the embers of inflation, globally.

A late winter cold snap in the US and Canada as well as in certain parts of Europe was said to have been a contributory reason for the quick spurt in the price of oil.

Wall Street gurus and stock-market pundits were not amused.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 174.02 points, equivalent to about 1.61 percent, ending the first day of trading, last week, at 10,611.20 points.

On The NASDAQ, its Composite Index shed 28.30 points, or about 1.37 percent, falling back to 2,030.32 points.

Airlines, sensitive to high fuel prices, weighed heavily on equity markets in Europe, last Tuesday, bringing down key indices as the following TARGET list illustrates:

Amsterdam's AEX Index	Minus 0.49 percent
Great Britain's FTSE 100 Index	Minus 0.55 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.69 percent
France's CAC 40 Index	Minus 0.50 percent
Switzerland's Swiss Market Index	Minus 0.37 percent
Italy's MIBTEL Index	Minus 0.65 percent

In Asia, the most-important equity markets drifted lower.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both stock markets headed down.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index surrendered about 0.15 percent of its value, falling to 14,090.52 points.

The Total Turnover was about \$HK16.46 billion, while the ratio of losing counters to gaining ones was about 2.18:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK133.00 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.35 percent to \$HK70.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.68 percent to \$HK72.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.33 percent to \$HK74.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK25.45 per share
PetroChina Company Ltd (Code: 857)	Up 0.53 percent to \$HK4.70 per share
China Unicom Ltd (Code: 762)	Unchanged at \$HK6.95 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.34 percent to \$HK14.70 per share
A-Max Holdings Ltd (Code: 959)	Down 13.87 percent to \$HK1.18 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)
A-Max Holdings Ltd	959		13.87	1.18
China Fair Land Holdings Ltd	169	11.54		0.58
China Sci-Tech Holdings Ltd	985	13.04		0.026
Cosmopolitan International Holdings Ltd	120	12.00		0.28
Dickson Group Holdings Ltd	313		14.29	0.06
Everbest Century Holdings Ltd	578	15.63		0.37
Grandtop International Holdings Ltd	2309	10.26		0.43
Hon Po Group (Lobster King) Ltd	228	36.36		0.09
Kwong Hing International Holdings (Bermuda) Ltd	1131	10.53		0.42
Long Far Pharmaceutical Holdings Ltd	2898	15.15		0.38
Mei Ah Entertainment Group Ltd	391	13.33		0.34
Mexan Ltd	22	11.00		1.11
Multifield International Holdings Ltd	898	11.02		0.131
Paladin Ltd	495	14.55		0.63
South Sea Petroleum Holdings Ltd	76	13.73		0.58
Sunny Global Holdings Ltd	1094		10.26	0.07
Unity Investments Holdings Ltd	913	25.76		0.083

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, there was quite a large sell-off.

The Growth Enterprise Index gave up about 1.38 percent of its value, ending the trading day at 997.84 points.

The Total Turnover on this very speculative equity market was about \$HK59.03 million.

Declining counters outran advancing ones by the ratio of 2:One, exactly.

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

Kingdee International Software Group Company Ltd (Code: 8133)	Unchanged at \$HK1.89 per share
TOM Online Incorporated (Code: 8282)	Down 5 percent to \$HK1.27 per share
Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Unchanged at 33.50 cents per share
Sau San Tong Holdings Ltd (Code: 8200)	Up 4 percent to 74 cents per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Up 3 percent to 95 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Creative Energy Solutions Holdings Ltd	8109		10.00	0.072
Grandmass Enterprise Solution Ltd	8108		14.44	0.077
IIN International Ltd	8128		10.00	0.027
iSteelAsia Holdings Ltd	8080		13.33	0.026
Linefan Technology Holdings Ltd	8166	10.53		0.021
ProSticks International Holdings Ltd	8055		13.33	0.026
Thiz Technology Group Ltd	8119		12.50	0.014

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average lost another 53.31 yen, or about 0.46 percent, dropping back to 11,597.71 yen.

Losing counters beat off gaining ones by the ratio of about 2.02:One.

Japanese investors, who were, of course, trading long before Wall Street started its 4-day working week, were waiting to learn how investors on the world's largest equity markets would react to the high price of crude oil and what appeared to be a weakening of the US dollar vis-à-vis the euro and the yen.

And this was how indices of other Asian equity markets ended last Tuesday's trading session:

The HKSAR	Minus 0.15 percent to 14,090.52
Indonesia	Plus 0.56 percent to 1,099.91
Japan	Minus 0.46 percent to 11,597.71
Malaysia	Unchanged at 904.75
The Philippines	Minus 1.50 percent to 1,992.27
Singapore	Minus 0.91 percent to 2,146.73
South Korea	Minus 1.10 percent to 977.80
Taiwan	Minus 0.58 percent to 6,107.17
Thailand	Plus 0.64 percent to 730.56

Wednesday

International oil prices stayed above the \$US51 per barrel mark, last Wednesday, as the big freeze in parts of Europe and North America continued.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in April was settled at \$US51.17 per barrel, a reduction of nearly one half of a percentage point, compared with Tuesday's last quote.

For the new month of May, the price of light sweet crude oil was settled at \$US51.59 per barrel.

The higher prices of crude oil and their derivative products, which would, undoubtedly, lead to increases in the prices of heating fuels, etc, in due course, was extracting their toll on the economies of the world, with most airlines, complaining bitterly about their lot.

On Wall Street, however, investors seemed to be in a happier mood, following a report from the US Labour Department in respect of the latest data with regard to the Consumer Price Index (CPI) (Please see below).

This report, it was believed in some quarters, was ameliorating the fear of inflation in the world's largest single economy.

Huh!

On The New York Stock Exchange, the Dow Jones Industrial Average closed up 62.59 points, or about 0.59 percent, to 10,673.79 points.

On the tech-laden NASDAQ, its Composite Index rose only 0.93 points, equivalent to about 0.05 percent, ending the trading day at 2,031.25 points.

From the US Labour Department, its Bureau of Labour Statistics released the following data, early last Wednesday morning:

CONSUMER PRICE INDEX: JANUARY 2005

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent in January, before seasonal adjustment ... The January level of 190.7 (1982-84=100) was 3.0 percent higher than in January 2004.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.2 percent in January, prior to seasonal adjustment. The January level of 186.3 (1982-84=100) was 3.0 percent higher than in January 2004.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.2 percent in January on a not seasonally adjusted basis. The January level of 111.1 (December 1999=100) was 2.6 percent higher than in January 2004 ...

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U, which was unchanged in December, increased 0.1 percent in January.

The food index also increased 0.1 percent in January after registering no change in December. A 0.2 percent decrease in the index for food at home was more than offset by a 0.5 percent increase in the index for food away from home. Energy costs declined 1.1 percent, following a 1.3 percent drop in December. Within energy, the index for petroleum-based energy declined 2.2 percent while the index for energy services rose 0.1 percent. The index for all items less food and energy increased 0.2 percent in January, the same as in each of the preceding three months.'

The statistics, compiled by The Labour Department, of course, refer only to the month of January: This is the end of February – and the price of crude oil is on the rise, again.

How in the world the equity markets of the world could interpret the above data as being positive may boggle the imagination of some people, especially as reports continue to flood in as to the harmful effects of the higher prices for crude oil.

Inflation is bound to be the natural result of higher oil prices if they are maintained close to or higher than \$US50 per barrel since a constituent part of the formula for many industries of the industrialised world is the cost of energy.

The only questions are when and how quickly will inflation escalate.

Also from The Labour Department of the US Government came the following report in respect of real wages:

'REAL EARNINGS IN JANUARY 2005

'Real average weekly earnings fell by 0.2 percent from December 2004 to January 2005 after seasonal adjustment...

A 0.2 percent increase in average hourly earnings was more than offset by a 0.3 percent decline in average weekly hours and a 0.1 percent increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

'Data on average weekly earnings are collected from the payroll reports of private nonfarm establishments. Earnings

of both full-time and part-time workers holding production or nonsupervisory jobs are included. Real average weekly earnings are calculated by adjusting earnings in current dollars for changes in the CPI-W.

'Average weekly earnings rose by 2.3 percent, seasonally adjusted, from January 2004 to January 2005. After deflation by the CPI-W, average weekly earnings decreased by 0.7 percent. Before adjustment for seasonal change and

inflation, average weekly earnings were \$538.86 in January 2005, compared with \$517.82 a year earlier.'

In Europe, indices of key bourses fell for the 3rd consecutive day, as the following **TARGET** table illustrates:

Amsterdam's AEX Index	Minus 0.65 percent
Great Britain's FTSE 100 Index	Minus 1.09 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.50 percent
France's CAC 40 Index	Minus 0.77 percent
Switzerland's Swiss Market Index	Minus 0.72 percent
Italy's MIBTEL Index	Minus 0.40 percent

The higher price of crude oil was the bugbear in the eurozone in spite of the fact that many US investors appeared to be disregarding it largely.

From the largest economy of Europe, that of Germany, came news that consumer confidence had been, of late, badly dented.

According to the latest statistics, churned out by the Munich-based Ifo Institute, business confidence dropped to 95.50 points in February, compared with 96.40 points in January.

Indices of Asian equity markets were mixed, last Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), indices of the territory's 2 equity markets continued to spiral down.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up about 0.94 percent of its value, ending the day at 13,957.94 points on a Total Turnover of about \$HK16.73 billion.

Declining counters outweighed advancing ones by the ratio of about 2.59:One.

The Ten Most Actives were:

Hutchison Whampoa Ltd (Code: 13)	Down 1.41 percent to \$HK69.75 per share
HSBC Holdings plc (Code: 5)	Down 0.75 percent to \$HK132.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.68 percent to \$HK73.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.96 percent to \$HK25.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.69 percent to \$HK72.25 per share
PetroChina Company Ltd (Code: 857)	Down 1.06 percent to \$HK4.65 per share
Denway Motors Ltd (Code: 203)	Up 2.52 percent to \$HK3.05 per share
A-Max Holdings Ltd (Code: 959)	Down 4.24 percent to \$HK1.13 per share
CNOOC Ltd (Code: 883)	Down 0.58 percent to \$HK4.30 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.34 percent to \$HK14.65 per share

As for the Main Board's biggest movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Climax International Company Ltd	439		14.29	0.03
COL Capital Ltd	383	10.61		1.46
Crocodile Garments Ltd	122	16.33		0.57
Easyknit International Holdings Ltd	1218	35.66		0.194
Fortune Telecom Holdings Ltd	110	13.43		0.76
Foundation Group Ltd	1182	11.84		0.17
Geely Automobile Holdings Ltd	175	12.77		0.53
Get Nice Holdings Ltd	64		10.11	1.69
Haywood Investments Ltd	905	11.11		0.05
Huabao International Holdings Ltd	336	14.17		1.37
Jackley Holdings Ltd	353	16.00		0.058
Jiaoda Kunji High-Tech Company Ltd	300	12.30		1.37
MAXX Bioscience Holdings Ltd	512		16.30	0.113
Mei Ah Entertainment Group Ltd	391		11.76	0.30
Perennial International Ltd	725	11.90		0.47

SUNDAY Communications Ltd	866	11.54		0.58
Radford Capital Investment Ltd	901		10.53	0.017
Techwayson Holdings Ltd	2330		27.87	0.44
Tomson Group Ltd	258	11.11		2.25
UDL Holdings Ltd	620	14.58		0.055
Yunnan Enterprises Holdings Ltd	455		10.00	0.36
Zida Computer Technologies Ltd	859	12.00		0.28

Over on The (speculative) **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the losses were less than on the Main Board, as The Growth Enterprise Index surrendered 0.26 percent of its former self, ending the trading session at 995.25 points.

The Total Turnover on this market was about \$HK54.55 million, while the ratio of losing counters to gaining ones was about 1.29:One.

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

Golden Meditech Company Ltd (Code: 8180)	Up 3 percent to \$HK1.72 per share
TOM Online Incorporated (Code: 8282)	Unchanged at \$HK1.27 per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Down 1 percent to \$HK1.58 per share
China Fire Safety Enterprise Group Holdings Ltd (Code: 8201)	Down 3 percent to 73 cents per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Up 1 percent to \$HK18.10 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGL MediaTech Holdings Ltd	8192		39.19	0.045
G.A. Holdings Ltd	8126		14.29	0.066
Golding Soft Ltd	8190		12.50	0.014
Grandmass Enterprise Solution Ltd	8108		11.69	0.068
Grandy Corporation	8143		11.43	0.031
IIN International Ltd	8128	11.11		0.03
M Dream Inworld Ltd	8100	33.33		0.024
Ningbo Yidong Electronic Company Ltd	8249	10.91		0.61

In The Land of The Rising Sun, investors witnessed another day of falling prices on the country's 3 equity markets.

The Nikkei-225 Stock Average, a key index of The Tokyo Stock Exchange, gave up 97.53 yen, equivalent to 0.84 percent to end the day at 11,500.18 yen.

The ratio of losing counters to gaining ones was about 2.55:One.

News wise

- Discount purveyor of garments and what-have-you, **Don Quijote Company**, announced that, despite everything, it was still expecting double-digit growth in earnings and Turnover for the Financial Year, ending June 30, 2005 . Management put the figure of Net Profits at about 7.80 billion yen on a revenue base of about 232 billion yen. If the company achieves its target, it will represent a growth in earnings of about 12 percent, Year-on-Year, and a 20-percent growth in the volume of activity. The company had been beset by a spate of arson attacks in 2004.

This was how other Asian bourses fared, last Wednesday:

The HKSAR	Minus 0.94 percent to 13,957.94
Indonesia	Plus 0.27 percent to 1,102.93
Japan	Minus 0.84 percent to 11,500.18
Malaysia	Minus 0.56 percent to 899.68
The Philippines	Plus 2.54 percent to 2,042.78
Singapore	Minus 0.48 percent to 2,136.42
South Korea	Minus 0.96 percent to 968.43

Taiwan	Plus 0.23 percent to 6,121.52
Thailand	Closed

Thursday

Last Thursday, the US Government's Labour Department brought out, what could be considered, rather startling news with regard to mass layoffs in the month of January.

The number of layoff events, The Bureau of Labour Statistics found, was the highest number since January 2004.

This is that which The Labour Department announced, last Thursday morning before equity markets in the US had opened for business:

'MASS LAYOFFS IN JANUARY 2005

'In January 2005, employers took 1,457 mass layoff actions, seasonally adjusted, as measured by new filings for unemployment insurance benefits during the month ... Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 150,990, on a seasonally adjusted basis ... The number of layoff events rose by 246 from December and was the highest for any month since January 2004. The number of initial claims due to mass layoff actions grew by 31,341 over the month and was the highest for any month since October 2003. There were 379 mass layoff events in the manufacturing sector during January 2005, seasonally adjusted, resulting in 58,908 initial claims, both higher than a month earlier.

'The number of mass layoff events and initial claims reached their respective highs, on a seasonally adjusted basis, of 2,409 and 277,214 in September 2001. The numbers of seasonally adjusted events and initial claims were also highest for the private nonfarm sector in September 2001 (2,235 and 263,192). The seasonally adjusted number of manufacturing events reached its peak (944) in November 2001, while the seasonally adjusted number of initial claims for manufacturing reached its high point in June 1998, at 190,810.'

However, the statistics, compiled by The Labour Department, did not seem to faze investors, trading on the world's largest equity markets.

Even the continuing gains on the world's oil markets appeared to be overlooked.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 0.70 percent, running back to 10,748.79 points.

Over on The NASDAQ, its Composite Index rose 1.01 percent, hitting 2,051.70 points by the close of the day.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in April rose to \$US51.39 per barrel, after hitting a high of \$US51.46 per barrel.

The last settlement price was an increase of about 0.43 percent, compared with Wednesday's closing level.

For delivery in May, the price of a barrel of light sweet crude oil rose to \$US51.85, after touching \$US51.97 per barrel.

The last quote was an increase of exactly one half of a percentage point on Wednesday's last settlement price.

The price of crude oil is expected to range from between \$US40 per barrel and \$US50 per barrel for the remainder of this year and, within this range, The Organisation of Petroleum Exporting Countries (OPEC) would be happy.

This was the 'word', according to oil 'Apostle' Ali al-Naimi, who, also, happens to be the Oil Minister of Saudi Arabia.

This suggests, also, that OPEC has little to no intention to cool the oil markets of the world.

Europe, if anything, was phlegmatic with regard to the international situation although the increased price of crude oil was weighing on the minds of many people, it was reported.

Indices of major equity markets in Europe hardly moved, last Thursday:

Amsterdam's AEX Index	Minus 0.10 percent
Great Britain's FTSE 100 Index	Minus 0.11 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.06 percent
France's CAC 40 Index	Plus 0.15 percent

Switzerland's Swiss Market Index
Italy's MIBTEL Index

Plus 0.21 percent
Plus 0.33 percent

With the exception of one equity market in Asia, gains were the order of the day.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the premier equity market made a fractional gain while the speculative (secondary) stock market took it on the nose, shedding almost an equal amount as the Main Board gained.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index put on about 0.74 percent, rising to 14,060.91 points on a Total Turnover of about \$HK17.05 billion.

The gains on this market was all made in the 90-minute afternoon session because, as the luncheon bell sounded, the Hang Seng Index was registering a loss of one fifth of a percentage point, compared with the closing level on Wednesday.

Advancing counters outnumbered losing ones by the ratio of about 2.32:One by the end of the trading day.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.76 percent to \$HK133.00 per share
Esprit Holdings Ltd (Code: 330)	Up 17.55 percent to \$HK55.25 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.72 percent to \$HK70.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.35 percent to \$HK72.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.60 percent to \$HK25.10 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.68 percent to \$HK73.75 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK3.275 per share
PetroChina Company Ltd (Code: 857)	Up 0.54 percent to \$HK4.675 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.34 percent to \$HK14.70 per share
K. Wah Construction Materials Ltd (Code: 27)	Up 3.64 percent to \$HK8.55 per share

As for the Main Board's biggest movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723		13.64	0.095
China Assets (Holdings) Ltd	170	16.08		4.15
Crocodile Garments Ltd	122	17.54		0.67
Esprit Holdings Ltd	330	17.55		55.25
Fortune Telecom Holdings Ltd	110		11.84	0.67
Sing Tao News Corporation Ltd	1105	21.25		0.485
Great China Holdings Ltd	141	10.71		0.62
K. Wah International Holdings Ltd	173	14.85		2.90
KTP Holdings Ltd	645	12.73		0.62
Kwoon Chung Bus Holdings Ltd	306	10.23		1.94
MAXX Bioscience Holdings Ltd	512	10.62		0.125
Mei Ah Entertainment Group Ltd	391	10.00		0.33
Neo-China Group (Holdings) Ltd	563	20.78		0.465
New World CyberBase Ltd	276	10.00		0.275
Pearl River Tyre (Holdings) Ltd	1187	10.00		0.44
San Miguel Brewery Hongkong Ltd	236	13.64		2.25
Shang Hua Holdings Ltd	371	16.67		0.70
Shimao China Holdings Ltd	649	30.77		1.53
Stelux Holdings International Ltd	84	15.94		0.80
Sun Hung Kai and Company Ltd	86	11.36		2.45
Sunny Global Holdings Ltd	1094	12.68		0.08
Tack Fat Group International Ltd	928	13.98		1.06
Theme International Holdings Ltd	990	26.83		0.052
Tongda Group Holdings Ltd	698	10.49		0.179
Top Form International Ltd	333	11.49		2.425
Unity Investments Holdings Ltd	913		10.00	0.072

V.S. International Group Ltd	1002	13.51		0.21
Yunnan Enterprises Holdings Ltd	455	11.11		0.40

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the story, told by investors, was completely the opposite to that, being discussed on the Main Board.

The Growth Enterprise Index surrendered about 0.73 percent of its value, ending the day at 988.02 points.

The Total Turnover dipped to about \$HK47.09 million, while the ratio of declining counters to advancing counters was about 1.11:One.

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

Golden Meditech Company Ltd (Code: 8180)	Down 8 percent to \$HK1.59 per share
TOM Online Incorporated (Code: 8282)	Down 2 percent to \$HK1.24 per share
Kingdee International Software Group Company Ltd (Code: 8133)	Up 4 percent to \$HK1.95 per share
Wumart Stores Incorporated (Code: 8277)	Up 1 percent to \$HK12.25 per share
China Fire Safety Enterprise Group Holdings Ltd (Code: 8201)	Unchanged at 73 cents per share

As for The GEM's double-digit movers of the day, there were only 5 counters which qualified for this distinction:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Essex Bio-Technology Ltd	8151		10.71	0.10
Fast Systems Technology (Holdings) Ltd	8150	14.29		0.016
Kinetana International Biotech Pharma Ltd	8031	17.02		0.055
Recruit Holdings Ltd	8073		10.67	0.67
Stockmartnet Holdings Ltd	8123	18.52		0.032

In Japan, it was another quiet trading day on The Tokyo Stock Exchange, however last Thursday saw a key index of Asia's largest equity market switch sides, from the red to the black: It was the first gain for this market in 4 trading sessions.

The Nikkei-225 Stock Average managed to log in a gain of 30.97 yen, equivalent to about 0.27 percent, ending the session at 11,531.15 yen.

The ratio of losing counters to gaining ones was about 3.49:One.

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

The HKSAR	Plus 0.74 percent to 14,060.91
Indonesia	Minus 0.08 percent to 1,102.02
Japan	Plus 0.27 percent to 11,531.15
Malaysia	Plus 0.44 percent to 903.64
The Philippines	Plus 1.49 percent to 2,073.19
Singapore	Plus 0.76 percent to 2,152.59
South Korea	Plus 1.93 percent to 987.10
Taiwan	Plus 0.11 percent to 6,128.34
Thailand	Plus 0.87 percent to 736.89

Friday

US Airways is being forced to return 11 of its leased aeroplanes due to the higher costs of jet fuel and pressure from competition, the company announced, last Friday.

The leased aeroplanes are all Boeing 737s and their return will mean reduced services for one of the biggest carriers in the world.

That was the bad news.

The good news was that the US economy grew by about 3.80 percent in the final quarter of 2004, the Government's Commerce Department proclaimed.

The US Government had earlier estimated the growth of the **Gross Domestic Product (GDP)** at about 3.10 percent, but, by the final tally, the figure came in at plus 3.80 percent.

Business expansion, generally, coupled with spending on capital goods were said to have been the reason for the GDP's growth in the quarter, ended December 31, 2004.

On The New York Stock Exchange, the Dow Jones Industrial Average, a gauge to trading in blue chips, listed on the Big Board, gained about 0.86 percent, last Friday, to end the 4-day trading week at 10,841.60 points.

Over on The NASDAQ, its Composite Index rose 0.67 percent to 2,065.40 points.

Aside from the GDP figures for the largest single economy of the world, many of Wall Street's '*darlings*' were propelled to higher levels by news that some of the largest oil companies in the world, such as Exxon Mobile Corporation, were looking at bumper profits, their share prices, going through the proverbial roof.

Last Friday's gains on The New York Stock Exchange represented a recovery from Tuesday's sell-off.

But the higher prices of energy are bound, eventually, to take their toll of the US economy because it appears that there is little likelihood of an oil-price retreat in the coming months.

The tally for the biggest equity markets of the world was:

The Dow Jones Industrial Average	Plus 0.52 percent
The NASDAQ's Composite Index	Plus 0.33 percent

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in April rose to \$US51.49 per barrel, a gain on Thursday's last settlement price of about 0.19 percent.

As for delivery in May, the week's final price for a barrel of light sweet crude oil was \$US51.95, a one-day improvement of 0.19 percent.

The price of European stocks and shares recovered, dramatically, last Friday, with every index of every major bourse, recording material gains:

Amsterdam's AEX Index	Plus	0.67 percent
Great Britain's FTSE 100 Index	Plus	0.69 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.03 percent
France's CAC 40 Index	Plus	1.43 percent
Switzerland's Swiss Market Index	Plus	0.84 percent
Italy's MIBTEL Index	Plus	1.00 percent

Last Friday was the first session in 4 days of trading that eurozone equity markets had not drifted to lower levels.

Europe was somewhat upbeat, following the release of the GDP figures in the US for the last quarter of 2004: What affects the US economy, affects the European economies – in spades.

News wise

- **Mittal Steel**, the Netherlands-based producer of steel and steel products, being one of the largest such conglomerates in the world, is expected to slash its workforce by about 45,000 jobs over the next 5 years, according to Mr Lakshmi Mitall, the Chief Executive of the company. Mittal is in the process of acquiring International Steel Group of the US.

Asian equity markets were slightly stronger, last Friday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors on the premier stock market saw an end-of-the-week rally.

The Main Board's Hang Seng Index rose about 0.68 percent to hit 14,157.09 points by the time that the closing bell rang.

The Total Turnover shot up to \$HK22.43 billion.

The ratio of gaining counters to losing ones was about 2.04:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK133.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.36 percent to \$HK70.50 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 4.58 percent to \$HK3.425 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.80 percent to \$HK25.30 per share
PetroChina Company Ltd (Code: 857)	Up 2.67 percent to \$HK4.80 per share
Aluminum Corporation of China Ltd (Code: 2600)	Up 4.17 percent to \$HK5.00 per share
Esprit Holdings Ltd (Code: 330)	Up 0.91 percent to \$HK55.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.68 percent to \$HK74.25 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.68 percent to \$HK14.80 per share
CNOOC Ltd (Code: 883)	Up 2.31 percent to \$HK4.425 per share

As for the Main Board's biggest movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Chi Cheung Investment Company Ltd	112		18.50	4.075
Chia Tai Enterprises International Ltd	121		10.00	0.162
Credit Card DNA Security System (Holdings) Ltd	1051	17.65		0.08
Far East Hotels and Entertainment Ltd	37	11.86		0.66
First Sign International Holdings Ltd	933	13.73		0.29
Greater China Holdings Ltd	431	17.50		0.47
Hans Energy Company Ltd	554	11.32		1.18
Hon Po Group (Lobster King) Ltd	228		10.59	0.076
Jackley Holdings Ltd	353		12.70	0.055
Karce International Holdings Company Ltd	1159	23.46		0.30
Shimao China Holdings Ltd	649		14.38	1.31
South China Brokerage Company Ltd	619	12.59		0.152
Tongda Group Holdings Ltd	698	12.29		0.201
Universal Holdings Ltd	419		11.33	0.133
Wealthmark International (Holdings) Ltd	39		37.50	0.50
Wing On Travel (Holdings) Ltd	1189	13.64		0.025

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

The Growth Enterprise Index lost another 1.06 percent of its value, falling back to 977.58 points.

The Total Turnover, however, rose to about \$HK90.18 million.

In spite of The Growth Enterprise Index, losing steam, advancing counters outnumbered retreating ones by the ratio of 1.40:One.

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

Golden Meditech Company Ltd (Code: 8180)	Down 12 percent to \$HK1.40 per share
Shenzhen Mingwah Aohan High Technology Corporation Ltd (Code: 8301)	Unchanged at 29.50 cents per share
Shandong Weigao Group Medical Polymer Company Ltd (Code: 8199)	Unchanged at 87 cents per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Down 1 percent to \$HK17.80 per share
TOM Online Incorporated (Code: 8282)	Down 2 percent to \$HK1.22 per share

As for the largest movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061		21.43	0.22
AGL MediaTech Holdings Ltd	8192		26.67	0.033
Argos Enterprise (Holdings) Ltd	8022		18.52	0.11
Creative Energy Solutions Holdings Ltd	8109	11.43		0.078
G.A. Holdings Ltd	8126	13.85		0.074

Golden Meditech Company Ltd	8180		11.95	1.40
HK6 Holdings Ltd	8206	12.08		0.232
Q9 Technology Holdings Ltd	8129	12.90		0.035
Vertex Communications and Technology Group Ltd	8228	10.43		0.127

The tally for the week for the HKSAR's 2 equity markets was:

The Hang Seng Index	Plus 0.49 percent
The Growth Enterprise Index	Minus 2.98 percent

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average put on 127.10 yen, or 1.10 percent, to end the week's trading at 11,658.25 yen.

The ratio of gaining counters to losing ones was, exactly, 3:One.

For the largest stock market in Asia, the tally was:

The Nikkei-225 Stock Average	Minus 0.16 percent
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And, this was how the indices of other Asian equity markets ended the week of February 25, 2005:

The HKSAR	Plus 0.68 percent to 14,157.09
Indonesia	Minus 1.69 percent to 1,083.38
Japan	Plus 1.10 percent to 11,658.25
Malaysia	Minus 0.01 percent to 903.51
The Philippines	Closed
Singapore	Minus 0.81 percent to 2,135.08
South Korea	Plus 1.00 percent to 996.95
Taiwan	Plus 1.30 percent to 6,207.83
Thailand	Plus 0.43 percent to 740.04

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