

**HIGHER CRUDE OIL PRICES BRING DOWN INDICES**

Investors on Wall Street continued to have the jitters, last Monday, following the spate of terrorist attacks at London, England, and Sharm el-Sheikh, Egypt, attacks which, as at last Monday's count, had taken the lives of 120 people, with more than 800 people, having been injured and/or maimed – and all in the space of 16 days.

In addition, investors in The Land of The Free and The Home of The Brave were not particularly happy with some of the financial results of their favourite, publicly listed companies.

As a result, key indices on the world's largest equity markets were under pressure for most of last Monday's trading day.

On the Big Board of The New York Stock Exchange, the Dow Jones Industrial Average dropped 54.70 points, or about 0.51 percent, coming to rest at 10,596.48 points by the time that the hammer came down, signifying the end to trading for the day.

Over on The NASDAQ, its Composite Index shed 13 points, equivalent to about 0.60 percent, coming to rest at 2,166.74 points.

Meanwhile, on the world's largest commodity market, The New York Mercantile Exchange (NYMEX), the price of crude oil started rising, once again.

For delivery in September, the price of light sweet crude oil was settled at \$US59.00 per barrel, exactly. That represented a 0.60-percent increase on the last settlement of Friday, July 22, 2005.

As for October delivery, the price of light sweet crude oil was pushed up to \$US59.75 per barrel, up about 0.83 percent on the closing level of the previous Friday.

In Europe, key indices of the most-important bourses rose, but the gains, by and large, were very small.

The gains were the result, mainly, of the increase in the price of crude oil, with energy counters, pushing up the prices of select stocks and shares.

This was how the key indices of the largest equity markets in Europe closed, last Monday:

Amsterdam's AEX Index	Plus	0.06 percent
Great Britain's FTSE 100 Index	Plus	0.55 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.11 percent
France's CAC 40 Index	Plus	0.14 percent
Switzerland's Swiss Market Index	Plus	0.24 percent
Italy's MIBTEL Index	Unchanged	

In Asia, trading was spirited on major equity markets, with only 2 of the most-important ones, rising to higher levels.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading was active on both stock markets, but prices were held in a fairly narrow band.

By the close of the trading day, on the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index stood at 14,794.03 points, representing a gain of about 0.05 percent on the close of trading on Friday, July 22, 2005.

The Total Turnover on this market was about \$HK20.47 billion, while the ratio of losing counters to gaining ones was about 1.08:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.24 percent to \$HK127.00 per share
PetroChina Company Ltd (Code: 857)	Up 3.88 percent to \$HK6.70 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK3.25 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.64 percent to \$HK15.65 per share
CNOOC Ltd (Code: 883)	Up 3.16 percent to \$HK4.90 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.59 percent to \$HK75.65 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.47 percent to \$HK83.95 per share
Huaneng Power International Incorporated (Code: 902)	Up 2.65 percent to \$HK5.80 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.16 percent to \$HK30.90 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.89 percent to \$HK5.60 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Alliance Holdings Ltd	616		47.67	0.045
Asia Commercial Holdings Ltd	104		15.18	0.475
Asia TeleMedia Ltd	376	14.46		0.095
CCT Tech International Ltd	261	10.00		0.022
Celestial Asia Securities Holdings Ltd	1049	10.71		0.31
China Nan Feng Group Ltd	979		22.50	0.062
Culturecom Holdings Ltd	343		12.96	0.235
Daisho Microline Holdings Ltd	567		14.29	0.21
eForce Holdings Ltd	943		10.71	0.025
Jiuzhou Development Company Ltd	908	13.73		0.58
Man Yue International Holdings Ltd	894		10.43	1.03
Nippon Asia Investments Holdings Ltd	603	10.91		0.061
Pak Tak International Ltd	2668		16.67	0.20
Ruili Holdings Ltd	491		13.95	0.074
Wing Shing International Holdings Ltd	850	13.48		0.16
Wonderful World Holdings Ltd	109		16.67	0.10
Yardway Group Ltd	646	10.91		0.183
Zhong Hua International Holdings Ltd	1064		17.02	0.039

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, shed about 0.18 percent of its value, falling back to 883.38 points.

The Total Turnover on this speculative marketplace was about \$HK58.86 million.

Losing counters outpaced gaining ones by the ratio of about 1.23:One.

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

Golden Meditech Company Ltd (Code: 8180)	Unchanged at \$HK1.15 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 3 percent to 57 cents per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Unchanged at \$HK13.85 per share
Wumart Stores Incorporated (Code: 8277)	Unchanged at \$HK12.50 per share

Shandong Weigao Group Medical Polymer Company Ltd (Code: 8199) Up 7 percent to \$HK1.13 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061		18.18	0.18
B and S Entertainment Holdings Ltd	8167		11.76	0.03
China Advance Holdings Ltd	8117		11.11	0.40
G.A. Holdings Ltd	8126	16.67		0.07
IIN International Ltd	8128		12.50	0.021
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	15.83		0.139
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301		12.58	0.139
Ultra Group Holdings Ltd	8203	11.76		0.038

In The Land of The Rising Sun, business was brisk on the country's 3 equity markets, but, as with trading in stocks and shares in the HKSAR, key indices tended to stay within a rather narrow bandwidth.

The Nikkei-225 Stock Average, which tracks the rises and falls of blue chips, traded on the First Section of The Tokyo Stock Exchange, rose 67.60 yen, equivalent to about 0.58 percent, running up to 11,762.65 yen.

The ratio of advancing counters to declining ones was about 2.19:One.

#### News Wise

- **Sales** at supermarkets in Japan fell about 3.60 percent, Year-On-Year, during the first half of the current fiscal year, according to The Japan Chain Stores Association. Sales of foodstuffs, the biggest merchandise sector, was off by about 3.30 percent, Year-On-Year, to about 4.08 trillion yen.

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

The HKSAR	Plus 0.05 percent to 14,794.03
Indonesia	Minus 0.21 percent to 1,169.75
Japan	Plus 0.58 percent to 11,762.65
Malaysia	Plus 0.02 percent to 939.84
The Philippines	Closed
Singapore	Minus 0.42 percent to 2,309.61
South Korea	Plus 1.44 percent to 1,089.70
Taiwan	Plus 0.62 percent to 6,420.45
Thailand	Plus 1.65 percent to 659.64

#### Tuesday

Confidence in the immediate future of the US and its economy waned, considerably, during the month of July, it was discovered: Americans fretted about job prospects, pulling down The Conference Board's gauge of consumer sentiment from the June reading of 106.20 points to 103.20 points.

The Conference Board, in its continuing survey of consumer sentiment in the US, mentioned job and wage prospects as the largest concerns of consumers.

The continued high price of crude oil was another major concern of US consumers, The Conference Board noted.

And on The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in September continued to rise, settling at \$US59.20 per barrel by the close of the Open Outcry Trading session, last Tuesday.

The last settlement level represented an increase of about 0.34 percent on Monday's close.

As for delivery in October, the last settlement for a barrel of light sweet crude oil was \$US60.01 per barrel, up 0.44 percent on the day.

On the world's largest stock market, that of The New York Stock Exchange, the Dow Jones Industrial Average shed about 0.16 percent of its value, dropping back to 10,579.77 points.

On The NASDAQ, its Composite Index rose 9.25 points, equivalent to about 0.43 percent, ending the choppy trading session at 2,175.99 points.

In Europe, there was a slew of corporate news, some good and some bad, and investors had not digested most of it by the time that trading ended on major bourses.

BP plc, the world's second-largest oil company in terms of market capitalisation, announced that its Net Profit Attributable to Shareholders had risen sharply in the second quarter due to the higher price of crude oil.

The figures came in at \$US4.98 billion versus \$US3.87 billion for the like quarter in 2004.

However, there had been a material charge in respect of injuries at BP's Texas City refinery and this one-off charge had dented the second quarter's Bottom Line, the company said.

With the price of crude oil, continuing to rise, key indices of major European bourses continued to make gains, but those gains were very limited in most cases:

Amsterdam's AEX Index	Plus 0.33 percent
Great Britain's FTSE 100 Index	Minus 0.27 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.01 percent
France's CAC 40 Index	Minus 0.03 percent
Switzerland's Swiss Market Index	Plus 0.30 percent
Italy's MIBTEL Index	Unchanged

In Asia, gains and losses of the most-important equity markets were very small, too.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both stock markets saw their respective key indices head south.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index shed about 0.16 percent of its value, dropping to 14,769.93 points on a Total Turnover of about \$HK18.58 billion.

While the key index of this market was only fractionally lower, compared with Monday's closing level, losing counters outran gaining ones by the ratio of 1.61:One, exactly.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.24 percent to \$HK127.30 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.77 percent to \$HK3.275 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.12 percent to \$HK74.80 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK6.70 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.79 percent to \$HK5.70 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.89 percent to \$HK83.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.96 percent to \$HK15.50 per share

Swire Pacific Ltd (Code: 19)  
 Esprit Holdings Ltd (Code: 330)  
 Sun Hung Kai Properties Ltd (Code: 16)

Down 1.59 percent to \$HK74.35 per share  
 Up 2.58 percent to \$HK57.70 per share  
 Down 0.68 percent to \$HK79.90 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	40.00		0.014
China Nan Feng Group Ltd	979	29.03		0.08
Dynamic Holdings Ltd	29	10.00		1.32
Gorient (Holdings) Ltd	729		10.00	0.027
Hon Po Group (Lobster King) Ltd	228		11.11	0.88
Mei Ah Entertainment Group Ltd	391	18.52		0.32
Orient Power Holdings Ltd	615		10.98	0.219
REXCAPITAL Financial Holdings Ltd	555		16.00	0.021
United Pacific Industries Ltd	176	10.84		0.225

Over on The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, trading was very quiet during the entire trading session.

The Growth Enterprise Index ended the day at 883.34 points, representing a fall of about 0.005 percent, compared with Monday's closing level.

The Total Turnover, also, shrank, down to about \$HK37.15 million.

The ratio of losing counters to gaining ones was about 1.43:One.

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

Golden Meditech Company Ltd (Code: 8180)	Up 2 percent to \$HK1.17 per share
TOM Online Incorporated (Code: 8282)	Up 2 percent to \$HK1.30 per share
Lang Chao International Ltd (Code: 8141)	Up 4 percent to \$HK1.03 per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 5 percent to 54 cents per share
Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Up 7 percent to 30 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGL MediaTech Holdings Ltd	8192	45.45		0.016
Argos Enterprise (Holdings) Ltd	8022		24.71	0.128
Co-winner Enterprise Ltd	8108	27.66		0.06
Innovis Holdings Ltd	8065		16.67	0.02
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		13.67	0.12
Lee's Pharmaceutical Holdings Ltd	8221		14.17	0.103
M Dream Inworld Ltd	8100		23.08	0.01
PINE Technology Holdings Ltd	8013	15.08		0.145
Ultra Group Holdings Ltd	8203		13.16	0.033

Trading on Japan's 3 equity markets followed a similar pattern to that of the HKSAR's markets.

On The Tokyo Stock Exchange, a key index of this market, which is the largest in Asia, by the way, fell 24.69 yen, equivalent to a drop of about 0.21 percent, as The Nikkei-225 Stock Average ended the day at 11,737.96 yen.

Losing counters were ahead of gaining ones by the ratio of 1.04:One.

This was how key indices of other Asian equity markets ended, last Tuesday night:

The HKSAR	Minus 0.16 percent to 14,769.93
Indonesia	Plus 0.71 percent to 1,178.00
Japan	Minus 0.21 percent to 11,737.96
Malaysia	Minus 0.44 percent to 935.74
The Philippines	Plus 0.27 percent to 1,959.58
Singapore	Plus 0.53 percent to 2,321.77
South Korea	Plus 0.08 percent to 1,090.60
Taiwan	Minus 0.85 percent to 6,366.16
Thailand	Minus 0.41 percent to 656.91

### Wednesday

The price of crude oil hovered just under the \$US60 per-barrel mark, last Wednesday, while, on US equity markets, although gains were recorded, for the most part, those gains were only of a fractional nature.

On The New York Stock Exchange, the key index, measuring the gains and losses in respect of blue chips, traded on the Big Board, put on about 0.54 percent, as the Dow Jones Industrial Average edged up to 10,637.09 points.

On The (tech-laden) NASDAQ, its Composite Index advanced about 0.47 percent, coming to rest at 2,186.22 points by the close of the day.

From the US Government, there were more suggestions that the US economy was continuing to expand, regardless of suggestions to the contrary.

On The New York Mercantile Exchange (NYMEX), the price of light sweet crude oil for delivery in September rose by about 0.15 percent, compared with the last settlement on Tuesday, to \$US59.11 per barrel.

With regard to October delivery for a barrel of light sweet crude oil, it gained another 0.18 percent on the day to the last settlement of \$US60.12.

Major European bourses saw their key indices make gains, also, but, as with the equity markets of the US, the gains were very small, in the main, comprising just fractions:

Amsterdam's AEX Index	Minus 0.18 percent
Great Britain's FTSE 100 Index	Plus 0.14 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.24 percent
France's CAC 40 Index	Plus 0.27 percent
Switzerland's Swiss Market Index	Plus 0.61 percent
Italy's MIBTEL Index	Plus 0.21 percent

### News wise

- The largest computer manufacturer in the United Kingdom, Lancashire-based **Granville Technology Group**, is bust. About 1,500 people have lost their jobs. Some 80 shops, selling Tiny and Time personal computers, have shut their doors. Since January, this year, the company has been losing about £2 million (about \$US 3.45 million) per month.

In Asia, it was a similar story: Indices of the most-important equity markets moved either up or down by just fractions.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading was lethargic on the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index recorded a gain of just 0.22 percent, running up to 14,801.86 points on a Total Turnover of about \$HK18.96 billion.

The ratio of gaining counters to losing ones was about 1.66:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.24 percent to \$HK127.00 per share
China Telecom Corporation Ltd (Code: 728)	Up 3.48 percent to \$HK2.975 per share
PetroChina Company Ltd (Code: 857)	Up 1.49 percent to \$HK6.80 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.53 percent to \$HK75.20 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.53 percent to \$HK3.325 per share
CNOOC Ltd (Code: 883)	Up 3.09 percent to \$HK5.00 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.32 percent to \$HK15.55 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.32 percent to \$HK30.80 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.48 percent to \$HK83.60 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.50 percent to \$HK80.30 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		14.29	0.012
CEC International Holdings Ltd	759	10.53		0.168
Cheung Tai Hong Holdings Ltd	199	14.29		0.36
China Merchants DiChain (Asia) Ltd	632		23.73	0.045
Chitaly Holdings Ltd	1198		13.79	5.00
Culturecom Holdings Ltd	343		11.79	0.202
Everest International Investments Ltd	204		41.03	0.023
Golden Dragon Group (Holdings) Ltd	329	14.00		0.285
Heng Tai Consumables Group Ltd	197		10.07	1.34
KTP Holdings Ltd	645	11.63		0.48
Mei Ah Entertainment Group Ltd	391		12.50	0.28
Nam Hing Holdings Ltd	986		11.17	0.167
Omnicorp Ltd	94		13.48	0.77
Rontex International Holdings Ltd	1142		15.25	0.05
Softbank Investment International (Strategic) Ltd	648		13.70	0.063
Sunny Global Holdings Ltd	1094	16.25		0.093
Unity Investments Holdings Ltd	913		48.15	0.014
Wheelock Properties Ltd	49	11.88		5.65
Willie International Holdings Ltd	273	15.83		0.161
Wonderful World Holdings Ltd	109	10.00		0.11
Yue Da Holdings Ltd	629		13.33	0.52

Over on The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the lone index of this speculative market went in the reverse direction to that of the key index of the Main Board.

The Growth Enterprise Index gave up about 0.39 percent of its value, ending the trading session at 879.86 points.

The Total Turnover rose to about \$HK72.32 million, while the ratio of declining counters to advancing ones was about 1.48:One.

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

Lang Chao International Ltd (Code: 8141)

Up 3 percent to \$HK1.06 per share

WorldMetal Holdings Ltd (Code: 8161)  
Tong Ren Tang Technologies Company Ltd (Code: 8069)  
Yantai North Andre Juice Company Ltd (Code: 8259)  
TOM Online Incorporated (Code: 8282)

Up 3 percent to 94 cents per share  
Up 2 percent to \$HK14.30 per share  
Down 7 percent to 50 cents per share  
Unchanged at \$HK1.30 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158		11.76	0.03
G.A. Holdings Ltd	8126		11.76	0.06
iSteelAsia Holdings Ltd	8396		45.65	0.25
KanHan Technologies Group Ltd	8175	17.86		0.033
M Dream Inworld Ltd	8100	10.00		0.011
Medical China Ltd	8186		20.00	0.036
Recruit Holdings Ltd	8073		10.00	0.81
Satellite Devices Corporation	8172		21.74	0.018
Shanghai Qingpu Fire-Fighting Equipment Company Ltd	8115		33.11	0.495
Timeless Software Ltd	8028	15.38		0.09
Ultra Group Holdings Ltd	8203	12.12		0.037

In Japan, things were a little better than previous trading sessions on the country's 3 equity markets, following a de facto depreciation of the yen vis-à-vis the US dollar.

On The Tokyo Stock Exchange, a key index of this market, known as The Nikkei-225 Stock Average, rose 97.12 yen, equivalent to about 0.81 percent, coming to rest at 11,835.08 yen.

Advancing counters outran declining ones by the ratio of about 3.10:One.

#### News Wise

- **Honda Motor Company** announced that, Year-On-Year, its Net Profit Attributable to Shareholders fell by about 3.10 percent in the first quarter of the company's Current Financial Year to about 110.60 billion yen; and,
- The Longreach Group Ltd of the HKSAR has acquired 24.98 percent of **MacDonald's Holdings Company (Japan)**. The amount of the acquisition has not been divulged.

This was how key indices of other Asian equity markets fared, last Wednesday:

The HKSAR	Plus 0.22 percent to 14,801.86
Indonesia	Plus 0.01 percent to 1,178.11
Japan	Plus 0.83 percent to 11,835.08
Malaysia	Minus 0.40 percent to 931.97
The Philippines	Plus 0.76 percent to 1,974.54
Singapore	Plus 0.51 percent to 2,333.62
South Korea	Plus 0.22 percent to 1,093.03
Taiwan	Minus 0.61 percent to 6,327.25
Thailand	Plus 1.34 percent to 665.72



## **Thursday**

Key indices of The NASDAQ hit 4-year highs, last Thursday, on the back of some pretty strong earnings' reports from some of Wall Street's most-favoured counters.

An announcement from Exxon Mobile Corporation to the effect that this energy company had posted a 32-percent rise in its quarterly profit, due to the record-high price of crude oil, was the main cause for the beginning of the flurry of excitement, which permeated Wall Street.

After that, key indices rose, quickly: Up, up, up!

The Composite Index of The NASDAQ finished the trading session at 2,198.44 points, a one-day gain of only about 0.56 percent, but that closing figure had not been seen since the middle of 2001.

On The New York Stock Exchange, its Dow Jones Industrial Average posted a 0.64-percent gain, running up to 10,705.55 points.

It appeared that, in spite of the fact that the near-record high price of crude oil, internationally, was cutting deeply into the profits of many a company, due to the fact that it was boosting profits of most energy companies, it was having a mildly bullish effect on Wall Street.

Meanwhile, in Vancouver, Canada, lorry drivers continued their 5-week strike for more pay due to the higher price of fuel oil.

Some 1,000 lorry drivers from 49 different companies are, today, continuing to refuse to offload containers at Vancouver's quays unless they are compensated for the rising cost of fuel.

More than 25,000 containers are standing at the quayside, the value of which is not less than \$US410 million.

And, on The New York Mercantile Exchange (NYMEX), last Thursday, the price of crude oil continued to rise.

For delivery in September, a barrel of light sweet crude oil was fetching \$US59.94, an increase of about 1.40 percent on the last settlement of Wednesday.

As for October delivery, the last settlement was \$US60.98 per barrel, up 1.43 percent on the day.

In Europe, indices of the most-important bourses rose for the fourth consecutive day, some ending at 3-year highs.

As with Wall Street, gains, made by select European energy companies, were fueling the bullish sentiment.

This was how the indices of key bourses fared, last Thursday:

Amsterdam's AEX Index	Minus 0.03 percent
Great Britain's FTSE 100 Index	Plus 0.12 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.76 percent
France's CAC 40 Index	Plus 0.65 percent
Switzerland's Swiss Market Index	Plus 0.71 percent
Italy's MIBTEL Index	Plus 0.23 percent

In Asia, it appeared that investors were somewhat upbeat with regard to trading in stocks and shares on the region's 9 equity markets: All of the key indices rose, some quite substantially.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), indices of the territory's equity markets rose, but only fractionally.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index ended the trading session at 14,813.32 points, a one-day improvement of about 0.08 percent.

The Total Turnover returned to higher levels, at about \$HK23.56 billion, but losing counters outnumbered gaining ones by the ratio of about 1.02:One.

The Ten Most Active counters of the day were:

HSBC Holdings plc (Code: 5)	Down 0.63 percent to \$HK126.20 per share
PetroChina Company Ltd (Code: 857)	Down 0.74 percent to \$HK6.75 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK2.975 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK5.70 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK3.325 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.60 percent to \$HK75.65 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.97 percent to \$HK31.10 per share
China Shenhua Energy Company Ltd (Code: 1088)	Up 3.16 percent to \$HK8.15 per share
Bank of Communications Company Ltd (Code: 3328)	Up 2.61 percent to \$HK2.95 per share
CNOOC Ltd (Code: 883)	Unchanged at \$HK5.00 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)
Asia Commercial Holdings Ltd	104	10.00		0.55
AV Concept Holdings Ltd	595	15.05		1.07
EC-Founder (Holdings) Company Ltd	618		12.17	0.202
Everest International Investments Ltd	204	13.04		0.026
Golden Dragon Group (Holdings) Ltd	329	12.28		0.32
Graneagle Holdings Ltd	147		13.95	0.37
Lung Cheong International Holdings Ltd	348		14.61	0.38
People's Food Holdings Ltd	708	10.56		4.45
Rontex International Holdings Ltd	1142	10.00		0.055
Sino Prosper Holdings Ltd	766	30.00		0.26
Sunway International Holdings Ltd	58		11.54	0.23
Symphony Holdings Ltd	1223		14.55	1.41
Takson Holdings Ltd	918		20.00	0.104
Vantage International (Holdings) Ltd	15	11.76		0.285
Willie International Holdings Ltd	273	22.36		0.197
Zhong Hua International Holdings Ltd	1064	25.00		0.045

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, the lone index of this speculative market fared much better than that of the Hang Seng Index, which is the key index of blue chips, listed on the Main Board.

The Growth Enterprise Index rose about 0.80 percent to end the session at 886.89 points.

The Total Turnover was about \$HK64.65 million.

However, even though The Growth Enterprise Index was in positive territory, the number of losing counters outpaced the number of gaining counters by the ratio of about 1.26:One.

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

TOM Online Incorporated (Code: 8282)	Up 3 percent to \$HK1.34 per share
Lang Chao International Ltd (Code: 8141)	Up 7 percent to \$HK1.13 per share
Town Health International Holdings Company Ltd (Code: 8138)	Down 1 percent to 10.20 cents per share

WorldMetal Holdings Ltd (Code: 8161)  
Yantai North Andre Juice Company Ltd (Code: 8259)

Down 3 percent to 91 cents per share  
Up 2 percent to 51 cents per share

The biggest GEM movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGL MediaTech Holdings Ltd	8192		20.00	0.012
Byford International Ltd	8272		10.81	0.33
Cardlink Technology Group Ltd	8066	10.83		0.133
Grandy Corporation	8143	22.22		0.11
Lee's Pharmaceutical Holdings Ltd	8221	18.18		0.13
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301	13.67		0.158
Prosten Technology Holdings Ltd	8026		15.79	0.08
Q9 Technology Holdings Ltd	8129		18.18	0.018
Satellite Devices Corporation	8172		33.33	0.012
Shanghai Qingpu Fire-Fighting Equipment Company Ltd	8115	27.27		0.63

In The Land of The Rising Sun, it was another relatively quiet trading day on the country's 3 stock markets.

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average gained about 0.20 percent, rising to 11,858.31 yen.

Advancing counters were ahead of declining ones by the ratio of about 1.03:One.

#### News Wise

- Come this October, **Japanese power and gas companies** will raise their charges due to oil-price increases. Japan's 10 regional power companies and 3 of the 4 major gas companies will increase monthly charges for the October-December quarter by 54 yen to 201 yen. The increases are based on the higher cost of crude oil; and,
- **Retail sales** in Japan grew by about 3.10 percent in June, Year-On-Year, to 10.54 trillion yen, The Ministry of Economy, Trade and Industry announced. It was the fourth consecutive monthly gain.

In other Asian equity markets, this was how their key indices ended last Thursday's trading session:

The HKSAR	Plus 0.08 percent to 14,813.32
Indonesia	Plus 0.72 percent to 1,186.61
Japan	Plus 0.20 percent to 11,858.31
Malaysia	Plus 0.26 percent to 934.38
The Philippines	Plus 1.28 percent to 1,999.82
Singapore	Plus 0.54 percent to 2,346.19
South Korea	Plus 1.07 percent to 1,104.72
Taiwan	Plus 0.76 percent to 6,375.64
Thailand	Plus 0.66 percent to 670.09

#### Friday

Whereas, on Thursday, the financial results of select energy companies had been responsible, in large measure, for the gains on US equity markets, last Friday, as the price of crude oil shot through the \$US60 per-barrel

barrier as though it never existed, investors scampered for cover.

The fear of many investors, not just in the US but around the world – and rightly so, too – was that the high cost of energy, eventually, would impact most unfavourably on the largest economy of the world; and, that this would cascade down the line to other economies.

On The New York Mercantile Exchange (NYMEX), last Friday, the price of light sweet crude oil for delivery in September rose to \$US60.57 per barrel.

That level represented an increase of about 1.05 percent on Thursday's last settlement.

As for delivery in October, the last settlement was \$US61.65 per barrel, up about 1.10 percent on Thursday's last transaction.

The reason for the quick rise in the price of crude oil on international markets was said to be due to back-to-back fires at refineries in Texas and Louisiana, in addition to a North Sea oilfield fire.

All this and Heaven, too!

On the world's largest equity markets, key indices slipped, but not very much.

On The New York Stock Exchange, the Dow Jones Industrial Average shed about 0.60 percent, ending the week at 10,640.91 points.

Over on The NASDAQ, its Composite Index gave up about 0.62 percent, dropping back to 2,184.83 points.

The tally for the week for the world's biggest and most-influential equity markets was:

The Dow Jones Industrial Average	Minus 0.10 percent
The NASDAQ's Composite Index	Plus 0.23 percent

### News Wise

- **Morgan Stanley**, the US merchant banking group, is planning to sack about 1,000 retail US brokers, according to reliable sources. That number of brokers represents about one percent of the firm's US establishment level of this category of employee.

In Europe, concern over the potential for large-scale, non-performing loans at some of the biggest banks in the world, caused sellers to line up in order to offload financial services stocks and shares.

Major bankers in Europe had, of late, let it be known that they were concerned over the build-up of bad debts and non-performing loans.

But, by the close of the day, the indices of major bourses registered only fractional losses, in the main:

Amsterdam's AEX Index	Plus 0.20 percent
Great Britain's FTSE 100 Index	Plus 0.22 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.12 percent
France's CAC 40 Index	Minus 0.23 percent
Switzerland's Swiss Market Index	Minus 0.28 percent
Italy's MIBTEL Index	Minus 0.17 percent

The reason that the values of key European indices did not fall very much, last Friday, was due to the financial results of energy counters, most of which were continuing to report record profits and to announce bumper dividends.

Asian equity markets, for the most part, ended the week on a positive note.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 0.46 percent to end the week at 14,880.98 points.

The Total Turnover was about \$HK19.30 billion, while the ratio of advancing counters to declining ones was about 1.71:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.16 percent to \$HK126.40 per share
PetroChina Company Ltd (Code: 857)	Up 2.96 percent to \$HK6.95 per share
Bank of Communications Company Ltd (Code: 3328)	Up 3.39 percent to \$HK3.05 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.50 percent to \$HK3.375 per share
CNOOC Ltd (Code: 883)	Up 6.00 percent to \$HK5.30 per share
China Shenhua Energy Company Ltd (Code: 1088)	Up 1.23 percent to \$HK8.25 per share
China Telecom Corporation Ltd (Code: 728)	Up 0.84 percent to \$HK3.00 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.64 percent to \$HK15.70 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.40 percent to \$HK75.95 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.88 percent to \$HK5.75 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Artel Solutions Group Holdings Ltd	931		12.16	0.13
China Best Group Holding Ltd	370		12.09	0.08
China Velocity Group Ltd	149		21.43	0.55
CITIC 21CN Company Ltd	241		11.46	1.70
Compass Pacific Holdings Ltd	1188		28.13	0.115
Deson Development International Holdings Ltd	262	11.76		0.038
Easyknit International Holdings Ltd	1218		15.25	0.20
Elegance International Holdings Ltd	907		10.00	1.08
Grandtop International Holdings Ltd	2309		10.87	0.205
Graneagle Holdings Ltd	147	10.81		0.41
Hanny Holdings Ltd	275	11.48		3.40
Heritage International Holdings Ltd	412	22.89		0.102
Imagi International Holdings Ltd	585	20.00		1.20
Kwong Hing International Holdings (Bermuda) Ltd	1131		13.79	0.25
Mei Ah Entertainment Group Ltd	391	11.11		0.30
Pak Tak International Ltd	2668		20.00	0.16
Rontex International Holdings Ltd	1142		40.00	0.033
Same Time Holdings Ltd	451		10.20	2.20
Southeast Asia Properties and Finance Ltd	252	16.67		1.05
Sino Prosper Holdings Ltd	766	32.69		0.345
Vantage International (Holdings) Ltd	15		10.53	0.255
Wealthmark International (Holdings) Ltd	39		13.85	0.56
Wonson International Holdings Ltd	2993		10.45	0.12

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, there was a flurry of activity, which caused The Growth Enterprise Index to rise by 2.76 percent, exactly.

The closing figure for The Growth Enterprise Index was 911.37 points, a level that had not been seen for some time.

The Total Turnover, however, remained somewhat subdued, at about \$HK75.26 million.

In spite of The Growth Enterprise Index rising substantially, losing counters outnumbered gaining ones: The ratio was 1.41:One.

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

CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 11 percent to \$HK1.18 per share
HC International, Incorporated (Code: 8292)	Up 2 percent to \$HK1.65 per share
Lang Chao International Ltd (Code: 8141)	Unchanged at \$HK1.13 per share
Golden Meditech Company Ltd (Code: 8180)	Up 10 percent to \$HK1.31 per share
WorldMetal Holdings Ltd (Code: 8161)	Up 2 percent to 93 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CK Life Sciences International (Holdings) Incorporated	8222	11.32		1.18
Golden Meditech Company Ltd	8180	10.08		1.31
Innovis Holdings Ltd	8065		14.29	0.018
International Entertainment Corporation	8118	10.69		7.25
Prosten Technology Holdings Ltd	8026		10.00	0.072
Shanghai Qingpu Fire-Fighting Equipment Company Ltd	8115		20.63	0.50
Ultra Group Holdings Ltd	8203	17.65		0.04

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

The Hang Seng Index	Plus	0.64 percent
The Growth Enterprise Index	Plus	2.99 percent

Trading on Asia's largest equity market continued to be lacklustre, last Friday.

The Nikkei-225 Stock Average gained 41.29 yen, equivalent to about 0.35 percent, ending the day at 11,899.60 yen.

Losing counters outnumbered gaining ones by the ratio of about 1.10:One.

The tally for the week for The Tokyo Stock Exchange was:

The Nikkei-225 Stock Average	Plus	1.75 percent
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### News Wise

- The Ministry of Economy, Trade and Industry announced that **industrial production** had risen 1.50 percent in June, compared with May, seasonally adjusted;
- **Japan Airlines Corporation (JAL)** announced that it had incurred an Operating Loss of about 32 billion yen for the quarter, ended June 30, 2005. That result compared with an Operating Loss of about 30.20 billion yen for the like period in 2004. Rising oil prices, during the quarter, had cost the country's largest carrier about 21.90 billion yen, up about 33.40 percent, compared with oil prices in the like period in 2004;
- **All Nippon Airways Company (ANA)** reported an Operating Profit in its first quarter of about 11.70 billion yen, up 33 percent on the like period in 2004; and,
- **Japan's unemployment rate** was about 4.20 percent in June, seasonally adjusted, the Government's Internal Affairs and Communications Ministry announced. It was the lowest level of unemployment of the past 7 years. The number of Japanese nationals, roaming the streets, looking for work, now stands at about 2.80 million.

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

The HKSAR	Plus 0.46 percent to 14,880.98
Indonesia	Minus 0.36 percent to 1,182.30
Japan	Plus 0.35 percent to 11,899.60
Malaysia	Plus 0.32 percent to 937.39
The Philippines	Plus 0.02 percent to 2,000.25
Singapore	Plus 0.27 percent to 2,352.56
South Korea	Plus 0.60 percent to 1,111.29
Taiwan	Minus 1.00 percent to 6,311.98
Thailand	Plus 0.83 percent to 675.67

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