

**IT'S OIL PRICES, ONCE MORE FOLKS !
AND EQUITY MARKETS WILT AWAY UNDER THE PRESSURE**

While the price of crude oil slid, slightly, last Monday, compared with the previous Friday's last settlement, there were signs that it could start to climb again as the week wore on.

Venezuela had threatened to stop exporting some 1.30 million barrels of oil, daily, to the US, following tit-for-tat diplomatic brouhahas over the previous fortnight.

Venezuela's President Hugo Chavez said, in a speech at a youth festival in Caracas, the Capital City of Venezuela, that the country's oil *'instead of going to the United States, could go elsewhere ...'*

He accused the Government of President George W. Bush of being *'aggressive'* and, also, of its **Drug Enforcement Administration (DEA)**, of spying on the Government of Venezuela.

On Friday, August 12, 2005, the Venezuelan Government withdrew diplomatic immunity from DEA agents, working in the country.

This was in direct response to Washington, revoking the visas of 6 Venezuelan officials, previous based in Washington.

Venezuela is the world's fifth largest producer of oil.

On The New York Mercantile Exchange (NYMEX), last Monday, the last settlement for light sweet crude oil for delivery in September fell 59 cents per barrel, or about 0.88 percent, compared with the previous Friday's last quote, to \$US66.27 per barrel.

For October delivery, the last settlement was \$US67.07 per barrel, down about 0.45 percent on the day.

Wall Street appeared to be almost unperturbed by the prospects of Venezuela, stopping its oil exports to the US, with investors, appearing to concentrate on the fact that the price of crude oil had, after all, slid back from historic highs.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 34.07 points, equivalent to about 0.32 percent, ending the day at 10,634.38 points.

On The NASDAQ, its Composite Index rose 10.14 points, or about 0.47 percent, running back to 2,167.04 points.

News Wise

- **Delta Air Lines Incorporated**, the third-largest carrier in the US, announced that it would sell its Atlantic Southeast Airlines Incorporated for \$US425 million. Atlantic Southeast Airlines Incorporated is a regional airline. Delta said that its financial position was worsening. It did not discount the possibility of seeking protection of the Bankruptcy Courts of the US by the filing of Chapter 11.

For the third consecutive trading day, key indices of major European bourses fell, last Monday, but the losses were relatively small, compared with the losses of the previous week.

European investors were continuing to worry about the effects of near-record prices for crude oil on the fragile economies of some members of the European Union.

This was how the key indices of the most-important European stock markets fared, last Monday:

Amsterdam's AEX Index	Minus 0.10 percent
Great Britain's FTSE 100 Index	Minus 0.02 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.30 percent
France's CAC 40 Index	Minus 0.22 percent
Switzerland's Swiss Market Index	Minus 0.13 percent
Italy's MIBTEL Index	Minus 0.35 percent

In Asia, sellers dominated the trading conditions on all of the major equity markets.

With the lone exception of the premier stock market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), every key index of every Asian stock market went into reverse gear.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained one tenth of a percentage point, ending the day at 15,466.06 points.

The Hang Seng's 15.11-point gain was on the back of a Total Turnover of about \$HK21.49 billion.

However, the ratio of losers to gainers told a slightly different story because declining counters outnumbered advancing ones by about 1.17:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 0.08 percent to \$HK129.10 per share
China Life Insurance Company Ltd (Code: 2628)	Up 3.31 percent to \$HK6.25 per share
Bank of Communications Company Ltd (Code: 3328)	Up 3.76 percent to \$HK3.45 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.35 percent to \$HK3.75 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 1.51 percent to \$HK16.80 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.19 percent to \$HK79.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.72 percent to \$HK35.20 per share
PetroChina Company Ltd (Code: 857)	Up 0.70 percent to \$HK7.20 per share
Swire Pacific Ltd (Code: 19)	Down 1.00 percent to \$HK74.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.35 percent to \$HK86.65 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)
Capital Estate Ltd	193		21.43	0.011
China Motion Telecom International Ltd	989		15.92	0.132
Graneagle Holdings Ltd	147		13.64	0.38
HyComm Wireless Ltd	499	17.95		0.092
Landune International Ltd	245		11.82	0.097
Leeport (Holdings) Ltd	387	10.29		1.93
Ming Fung Jewellery Group Ltd	860	11.11		0.30
Morning Star Resources Ltd	542	16.36		0.064
Oriental Investment Corporation Ltd	735	47.29		0.19
Pricerite Group Ltd	996	35.71		0.76
Sino Gas Group Ltd	260	15.38		0.03
Sinopec Kantons Holdings Ltd	934	10.08		1.31
South Sea Petroleum Holdings Ltd	76	37.21		0.59
United Pacific Industries Ltd	176		14.98	0.193
Unity Investments Holdings Ltd	913	25.00		0.015
Wo Kee Hong (Holdings) Ltd	720	18.97		0.069

Wonderful World Holdings Ltd	109		16.67	0.10
Yunnan Enterprises Holdings Ltd	455	10.29		0.375

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, trading was dominated to the extent of about 35 percent by investors, cashing in on the fast-rising price of the scrip of the counter of WorldMetal Holdings Ltd (Code: 8161). (Please see 5, most-active counters, below).

Between August 1, 2005, and August 11, 2005, the price of the shares of this counter had risen by about 139 percent, according to the database of **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider).

Last Monday, a total of 34.13 million shares in WorldMetal Holdings Ltd changed hands, representing a value of about \$HK61.68 million.

The Growth Enterprise Index rose by 0.13 percent on a Total Turnover of about \$HK173.80 million.

The ratio of losing counters to gaining ones was about 1.10:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Down 10 percent to \$HK1.78 per share
TOM Online Incorporated (Code: 8282)	Up 5 percent to \$HK1.48 per share
China.com Incorporated (Code: 8006)	Up 11 percent to 50 cents per share
Golden Meditech Company Ltd (Code: 8180)	Down 2 percent to \$HK1.33 per share
Sunevision Holdings Ltd (Code: 8008)	Up 4 percent to \$HK1.48 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022		18.82	0.138
B M Intelligence International Ltd	8158	35.00		0.027
CCID Consulting Company Ltd	8235		29.08	0.10
China.com Incorporated	8006	11.11		0.50
Co-winner Enterprise Ltd	8108	16.98		0.062
Computech Holdings Ltd	8081	10.00		0.055
Fast Systems Technology (Holdings) Ltd	8150		23.08	0.02
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231		11.11	0.16
Grandy Corporation	8143	10.34		0.096
Innovis Holdings Ltd	8065	15.38		0.03
Jiangsu Nandasoft Company Ltd	8045	20.98		0.248
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301	19.50		0.239
Prosperity International Holdings (Hongkong) Ltd	8139	13.04		0.26
ProSticks International Holdings Ltd	8055	19.05		0.025
QUASAR Communication Technology Holdings Ltd	8171	11.11		0.10
Shanghai Fudan Microelectronics Company Ltd	8102		11.20	0.222
Shanghai Qingpu Fire-Fighting Equipment Company Ltd	8115		16.67	0.40
SYSCAN Technology Holdings Ltd	8083		19.00	0.081
Techpacific Capital Ltd	8088		11.76	0.30
Sanmenxia Tianyuan Aluminum Company Ltd	8253	13.64		0.15
Venturepharm Laboratories Ltd	8225		20.83	0.38
Xteam Software International Ltd	8178	10.59		0.094

- The **supply of petrol** in Shenzhen, the PRC, proper, has reached near crisis proportions. Shenzhen is at the border between the HKSAR and the PRC, proper. There is dire shortage of fuel in this area and about half of the 245 service stations and fuel depots has closed. In the PRC's key port city of Shanghai, a similar situation is starting to unfold.

Trading on Japan's 3 equity markets was quiet, last Monday, with key indices, moving only fractionally, during the entire trading day.

The TOPIX Average, the official index of The Tokyo Stock Exchange, gained 3.64 points, equivalent to about 0.29 percent, ending the day at 1,248.77 points.

The TOPIX Average is considered a more-accurate assessment of trading in blue chips, listed on the First Section of The Tokyo Stock Exchange.

The Nikkei-225 Stock Average, which is not linked to Asia's largest equity market, but plots the course of a number of its key blue chips, fell 5.13 yen, or about 0.42 percent, to end the trading day at 12,256.55 yen.

The ratio of gaining counters to losing ones was about 1.31:One.

News Wise

- **The National Personnel Authority** has submitted its recommendations to the Japanese Government's Cabinet Office and The Diet to cut the basic annual salary of Central Government workers by 0.10 percent, equivalent to about 4,000 yen per person per annum, for Fiscal 2005, ending March 31, 2006. This is the first time in the past 48 years that The Authority has made such a recommendation.

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

The HKSAR	Plus 0.10 percent to 15,466.06
Indonesia	Minus 3.09 percent to 1,118.27
Japan	Nikkei-225 Stock Average Minus 0.04 percent to 12,256.55
	TOPIX Average Plus 0.29 percent to 1,245.13
Malaysia	Minus 0.97 percent to 927.92
The Philippines	Minus 1.58 percent to 2,005.99
Singapore	Minus 1.02 percent to 2,279.76
South Korea	Closed
Taiwan	Minus 1.67 percent to 6,245.13
Thailand	Minus 0.94 percent to 675.52

Tuesday

Share prices started to collapse, last Tuesday, as more evidence came to light that the high price of energy, internationally, was hurting consumers, right down to their proverbial bootstraps.

From the Americas, to Europe, to Asia, key indices of major equity markets fell to sellers.

Meanwhile, on The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in September dropped back about 0.29 percent to \$US66.06.

As for October delivery, the last settlement for light sweet crude oil was \$US66.70 per barrel, down about 0.55 percent, compared with the last settlement of Monday.

On Wall Street, the bears had their way, causing prices to fall, some very heavily.

The chief reason: Wal-Mart Stores Incorporated, the world's largest retailer, confirmed that rising energy prices were hurting sales in the High Street; consumers had tightened purse-strings.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 120.93 points, equivalent to about 1.14 percent, ending the session at 10,513.45 points.

Over on The (tech-laden) NASDAQ, its Composite Index lost 29.98 points, or about 1.38 percent, retreating to 2,137.06 points.

Investors on the world's largest equity markets were not just concerned about the current high cost of energy, but the prospects that energy costs could rise even further.

The US Federal Reserve Board announced, early last Tuesday, its findings in respect of industrial production in the US for the month of July.

It appears, according to The Fed's statistics, that this important segment of the largest economy of the world is holding up, very nicely, in spite of record-high oil prices.

This is most of that which The Fed announced:

'Industrial production increased 0.1 percent in July after a gain of 0.8 percent in June. Manufacturing output increased 0.1 percent in July; excluding motor vehicles and parts, manufacturing production rose 0.4 percent. The output at utilities rose 0.7 percent, and production at mines declined 1.3 percent.

'At 119.4 percent of its 1997 average, industrial production in July was 3.0 percent above its year-earlier level. In July, capacity utilization for total industry declined 0.1 percentage point, to 79.7 percent, a rate 1.3 percentage points below its 1972-2004 average ...

'Market Groups

'The output of consumer goods declined 0.5 percent in July. The production of consumer durable goods fell 1.6 percent; a drop of 2.9 percent in the output of automotive products contributed heavily to the decrease. The index for appliances, furniture, and carpeting declined 0.6 percent, and the index for home electronics recorded a rise of about the same amount. The production of consumer nondurables was unchanged. A decline in the production of paper products offset a rise in the output of clothing, and the indexes for foods and tobacco and for chemical products were unchanged. The production of consumer energy products edged down 0.1 percent.

'The production of business equipment moved up 1.3 percent in July--the eighth consecutive month of increases. The index for transit equipment rose 0.2 percent; a rise in the output of medium and heavy trucks more than offset declines in the production of light motor vehicles and of civilian aircraft. The output of information processing equipment moved up 2.0 percent, and the index for industrial and other equipment rose 1.2 percent. The production of defense and space equipment moved up 1.5 percent and was 10.4 percent higher than its year-ago level. The index for construction supplies rose 0.7 percent in July, and the output of business supplies edged up 0.1 percent.

'The output of materials was unchanged in July. A rise of 0.2 percent in the production of non-energy materials counterbalanced a decline of 0.7 percent in energy materials. Continued gains in the output of semiconductors boosted the index for durable goods materials, which rose 0.4 percent; the output of nondurable materials slipped 0.1 percent, as the output of paper materials and of chemical materials decreased.

'Industry Groups

'Production in manufacturing increased 0.1 percent in July, as a gain in the output of durables more than offset a decline in the production of nondurables. Capacity utilization in manufacturing was unchanged at 78.3 percent, a rate 1.3 percentage points above its rate a year earlier but 1.5 percentage points below its 1972-2004 average. Within durable goods manufacturing, which rose 0.4 percent, the production of motor vehicles and parts fell 2.3 percent and reversed much of its June increase. The index for nonmetallic mineral products also registered a small decline, but production for all other major categories of durables remained unchanged or increased. The largest gains--2.3 percent each--were recorded in the index for computer and electronic products, which stood 16.4 percent higher than its level a year earlier, and the index for primary metals, which turned up after three consecutive months of decline. The output of nondurable manufacturers decreased 0.2 percent; the production of petroleum and coal products fell sharply, and the indexes for paper, printing and support, and chemicals registered smaller declines. The output of non-NAICS manufacturing industries (publishing and logging) declined 0.2 percent.

'Utilities output rose 0.7 percent in July as temperatures remained higher than average, and capacity utilization rose to 87.9 percent, its highest rate since February 2004. Mining output fell 1.3 percent, partly because of hurricane-related shutdowns of oil and gas platforms in the Gulf of Mexico; the operating rate declined 1.1 percentage points, to 87.5 percent. By stage of process, capacity utilization for industries in the crude stage stepped down 1.0 percentage point, to 85.6 percent. For industries in the primary and semifinished stages, the operating rate rose 0.2 percentage point, to 80.5 percent; for industries in the finished stage, utilization was unchanged at 77.9 percent.'

Then, just before equity markets opened for business, last Tuesday, The Bureau of Labour Statistics, an important division of The US Department of Labour, announced that the Consumer Price Index for July had increased by about one half of a percentage point.

Indications of increased inflationary pressures were studied, throughout this factual report.

Clearly, when the US Federal Reserve Board holds its Open Market Committee Meeting on September 20, 2005, all things, being equal, one may expect to discover interest rates, moving up another notch ... or more.

This is that which The Bureau had to say:

'CONSUMER PRICE INDEX: JULY 2005

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.5 percent in July, before seasonal adjustment ... The July level of 195.4 (1982-84=100) was 3.2 percent higher than in July 2004.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.5 percent in July, prior to seasonal adjustment. The July level of 191.0 was 3.3 percent higher than in July 2004.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.4 percent in July on a not seasonally adjusted basis. The July level of 113.4 (December 1999=100) was 2.6 percent higher than in July 2004.

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U, which was unchanged in June, increased 0.5 percent in July. Energy costs advanced sharply, increasing 3.8 percent in July after falling 0.5 percent in June. Within energy, the index for petroleum-based energy rose 6.1 percent in July, accounting for over one-half of the increase in the overall CPI. Energy services increased 1.1 percent. The index for food increased 0.2 percent in July. The index for fruits and vegetables, which fell 1.2 percent in June, increased 1.6 percent in July. The index for all items less food and energy increased 0.1 percent for the third consecutive month. A decline in new vehicle prices--down 1.0 percent in July--was more than offset by increases in the indexes for airline fares and for lodging away from home ...

'During the first seven months of 2005, the CPI-U rose at a 3.5 percent seasonally adjusted annual rate (SAAR). This compares with an increase of 3.3 percent for all of 2004. The index for energy, which increased 16.6 percent in 2004, increased at a 19.4 percent SAAR in the first seven months of 2005. Petroleum-based energy costs increased at a 29.8 percent annual rate, while charges for energy services rose at an 8.0 percent annual rate. The food index has increased at a 2.4 percent rate thus far in 2005, following a 2.7 percent rise for all of 2004. Excluding food and energy, the CPI-U advanced at a 2.2 percent SAAR in the first seven months of 2005, the same rate as for all of 2004.

'The food and beverages index increased 0.2 percent in July. The index for food at home, which fell 0.3 percent in June, increased 0.3 percent in July. The index for fruits and vegetables increased 1.6 percent in July, following a 1.2 percent drop in June. The index for fresh fruits increased 2.8 percent in July, following increases of 1.7 percent and 1.3 percent in May and June, respectively. The index for meats, poultry, fish, and eggs declined 0.4 percent in July, following a 0.2 percent drop in June. The indexes for beef and pork declined, more than offsetting increases for poultry and for fish and seafood. Egg prices rose 4.6 percent in July, but are still 11.9 percent lower than a year ago. After declining 0.4 percent in June, the index for dairy products rose 0.4 percent in July. Prices for milk, cheese, and ice cream each turned up in July. The index for cereals and bakery products fell 0.1 percent in July. Nonalcoholic beverages rose 0.3 percent in July after falling by the same magnitude in June. The index for other food at home rose 0.4 percent in July, the same as in June. Food away from home increased 0.2 percent in July, following increases of 0.3 percent in May and June, while the index for alcoholic beverages fell 0.1 percent.

'The index for housing rose 0.4 percent in July after increasing 0.1 percent in both May and June. Shelter costs rose 0.3 percent in July. The index for lodging away from home, which was unchanged in June, rose 1.2 percent in July. (Prior to seasonal adjustment, the index for lodging away from home rose 2.7 percent in July.) In July, the indexes for rent and owners' equivalent rent increased 0.3 and 0.2 percent, respectively.

'The index for fuels and utilities, which rose 0.1 percent in June, increased 1.3 percent in July. Fuel oil rose 8.4 percent in July, following a 4.4 percent increase in June. Natural gas, which fell 3.5 percent in June, increased 3.8 percent in July. Electricity turned down in July, falling 0.3 percent after increasing 1.5 percent in June. (Prior to seasonal adjustment, charges for electricity rose 0.4 percent in July.) The index for household furnishings and operations, which fell 0.6 percent in June, decreased 0.1 percent in July.

'The transportation index increased 1.5 percent in July. The index for gasoline -- which fell 4.4 and 1.2 percent in May and June, respectively -- rose 6.1 percent in July. The index for new vehicles fell 1.0 percent in July, due to increased incentive programs. (Prior to seasonal adjustment, new vehicle prices declined 1.3 percent.) The index for used cars and trucks increased 0.8 percent in July, the same as in June. The index for public transportation increased 1.0 percent in July, largely reflecting an increase in the index for airline fares. Airline fares registered their sixth consecutive advance, up 1.7 percent in July, and are 7.0 percent higher than a year ago.

'The index for apparel declined 0.9 percent in July after falling 0.7 percent in June. (Prior to seasonal adjustment, apparel prices were down 3.8 percent in June, reflecting seasonal discounting of spring-summer wear.)

'Medical care costs rose 0.4 percent in July to a level 4.2 percent higher than a year ago. The index for medical care commodities -- prescription drugs, nonprescription drugs, and medical supplies--increased 0.1 percent in July. The index for medical care services rose 0.4 percent in July, with the indexes for professional services and for hospital and related services up 0.2 and 0.6 percent, respectively.

'The index for recreation rose 0.1 percent in July, with increases in cable and satellite television and radio service more than offsetting declines in televisions and audio equipment.

'The index for education and communication rose 0.2 percent in July. The education index rose 0.6 percent while the index for communication costs decreased 0.2 percent. Within the latter group, the index for telephone services declined 0.2 percent for the second straight month, reflecting decreases in both long distance land-line telephone charges and wireless telephone services. The index for personal computers and peripheral equipment declined 1.5 percent in July--its third straight monthly drop of this magnitude--and has fallen 16.3 percent since July 2004.

'The index for other goods and services, which was unchanged in June, increased 0.6 percent in July. Cigarette prices rose 1.2 percent in July after falling 0.1 percent in June. The index for personal care rose 0.4 percent.

'CPI for Urban Wage Earners and Clerical Workers (CPI-W)

'On a seasonally adjusted basis, the CPI for Urban Wage Earners and Clerical Workers increased 0.6 percent in July.'

European equity markets followed Wall Street's lead, last Tuesday – down, down, down!

The prices of stocks and shares in Europe mirrored the images, seen on the largest stock markets of the world: _

Amsterdam's AEX Index	Minus 0.25 percent
Great Britain's FTSE 100 Index	Minus 0.40 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.78 percent
France's CAC 40 Index	Minus 0.49 percent
Switzerland's Swiss Market Index	Minus 0.22 percent
Italy's MIBTEL Index	Minus 0.34 percent

News Wise

- The high price of fuel oil drove consumer prices in the United Kingdom up by 2.30 percent in July, up again from 2 percent in June, according to statistics, compiled by The Office of National Statistics. The Consumer Price Index for July stood at its highest level since records were first introduced by this department of the United Kingdom Government in 1997. Record-high prices for crude oil were said to have been the main reason for the increases in the **Consumer Price Index**.

While there were a few gainers among the key indices of the 9, most-important equity markets of Asia, by and large, there was widespread consternation among investors of the most-populous part of the world.

Indices of both equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) lost ground, but the losses were of a fractional nature, only.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up about 0.15 percent of its value, ending the trading session at 15,443.62 points.

The Total Turnover was about \$HK21.41 billion, while the ratio of declining counters to advancing ones was about 1.23:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.15 percent to \$HK128.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.07 percent to \$HK80.10 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 1.33 percent to \$HK3.70 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.43 percent to \$HK35.35 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.80 percent to \$HK6.20 per share
Bank of Communications Company Ltd (Code: 3328)	Up 0.72 percent to \$HK3.475 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.12 percent to \$HK86.75 per share

China Telecom Corporation Ltd (Code: 728)
PetroChina Company Ltd (Code: 857)
BOC Hongkong (Holdings) Ltd (Code: 2388)

Up 0.78 percent to \$HK3.225 per share
Down 2.08 percent to \$HK7.05 per share
Down 0.89 percent to \$HK16.65 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	14.47		0.435
Applied International Holdings Ltd	519	14.04		0.26
Carry Wealth Holdings Ltd	643		11.11	0.56
Century Legend (Holdings) Ltd	79		16.98	0.132
China Elegance (Holdings) Ltd	476	13.21		0.06
China Golden Development Holdings Ltd	162		11.60	0.221
China Motion Telecom International Ltd	989	12.12		0.148
Fortuna International Holdings Ltd	530	18.18		0.013
Haywood Investments Ltd	905	19.63		0.128
Hi Sun Technology (China) Ltd	818	15.38		0.75
LifeTec Group Ltd	1180		12.77	0.123
MAE Holdings Ltd	851		13.04	0.10
Massive Resources International Corporation Ltd	70	10.53		0.021
Oriental Investment Corporation Ltd	735	23.16		0.234
Radford Capital Investment Ltd	901	20.00		0.012
renren Holdings Ltd	2997	20.97		0.375
SEEC Media Group Ltd	205	12.50		0.315
Shang Hua Holdings Ltd	371	16.67		0.28
Sino Gas Group Ltd	260		20.00	0.024
Victory Group Ltd	1139		18.18	0.036
VST Holdings Ltd	856		10.00	0.144
Zhongtian International Ltd	2379	12.86		0.79

Over on The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, surrendered about 0.58 percent of its value, dropping back to 932.32 points.

The ratio of losing counters to gaining ones on this market was about 1.24:One.

The volume of activity was about \$HK95.82 million.

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

TOM Online Incorporated (Code: 8282)	Down 1 percent to \$HK1.46 per share
WorldMetal Holdings Ltd (Code: 8161)	Up 2 percent to \$HK1.81 per share
China.com Incorporated (Code: 8006)	Down 3 percent to 48.50 cents per share
Panva Gas Holdings Ltd (Code: 8132)	Up 4 percent to \$HK3.525 per share
Sunevision Holdings Ltd (Code: 8008)	Down 2 percent to \$HK1.45 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CCID Consulting Company Ltd	8235	11.00		0.111
Co-winner Enterprise Ltd	8108		25.81	0.046
Era Information and Entertainment Ltd	8043		22.54	0.055
Inno-Tech Holdings Ltd	8202	14.58		0.055
iSteelAsia Holdings Ltd	8080		12.00	0.44
Jiangsu Nandasoft Company Ltd	8045		11.29	0.22
Neolink Cyber Technology (Holding) Ltd	8116	11.43		0.078
Prosperity International Holdings (Hongkong) Ltd	8139	11.54		0.29

QUASAR Communication Technology Holdings Ltd	8171		20.00	0.08
Tianjin Tianlian Public Utilities Company Ltd	8290	10.26		0.43
Timeless Software Ltd	8028		14.81	0.069

In Japan, prices rose on the country's 3 stock markets, but only just.

On The Tokyo Stock Exchange, the TOPIX Average, the official index of The Tokyo Stock Exchange, rose about 0.27 percent to end the day at 1,252.12 points.

The Nikkei-225 Stock Average followed the line of the TOPIX Average with a gain of about 0.48 percent as investors pushed this limited gauge of trading in select blue chips to 12,315.67 yen.

The ratio of advancing counters to declining ones was about 2.16:One.

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

The HKSAR	Minus 0.15 percent to 15,443.62
Indonesia	Minus 0.40 percent to 1,113.83
Japan	Nikkei-225 Stock Average Plus 0.48 percent to 12,315.67
	TOPIX Average Plus 0.27 percent to 1,252.12
Malaysia	Minus 0.15 percent to 926.49
The Philippines	Minus 0.62 percent to 1,993.58
Singapore	Plus 1.12 percent to 2,305.30
South Korea	Minus 1.18 percent to 1,116.93
Taiwan	Minus 0.04 percent to 6,242.40
Thailand	Minus 1.23 percent to 667.18

Wednesday

The record-breaking price of energy in the US is cutting a swath through the economy.

The Labour Department of the US Government confirmed this, last Wednesday, when it brought out its statistics with regard to producer prices in The Land of The Free and The Home of The Brave.

For the month of July, the US Producer Price Index rose one percent.

For finished energy goods, the Index rose a full 4.40 percent.

It was the higher cost of energy that had been responsible, in large part, for the increases, The Labour Department said.

But, on international oil markets, last Wednesday, there was a bit of a respite as prices started to drift back.

How long they would continue to retreat, however, was a matter for history to determine.

Investors were loath to make predictions as to the near-term price of crude oil in view of the recent past record of oil prices, which have risen about 55 percent since the beginning of the year.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil was \$US63.25, down 4.25 percent on Tuesday's last quote.

As for October delivery, the last settlement for a barrel of light sweet crude oil was \$US63.85, off about 4.27 percent on the day.

The decline in the price of crude oil, internationally, was put down to traders, taking their profits to the bank.

On Wall Street, last Wednesday, while key indices were in positive territory – only just, mind you – the ratio of losing counters to gaining ones was 1.20:One on the Big Board of The New York Stock Exchange and 1.06:One on The NASDAQ.

For a so-called rising market, such statistics are not promising, usually.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.35 percent to 10,550.71 points.

On The NASDAQ, its Composite Index rose about 0.38 percent to end the trading day at 2,145.15 points.

It was noted that the icing was, slowly, falling off the cake of energy stocks and shares.

News Wise

'TREASURY STATEMENT ON CIVIL PENALTY IMPOSED AGAINST THE NEW YORK BRANCH OF ARAB BANK, PLC

'The U.S. Department of the Treasury's Financial Crimes Enforcement Network and the Office of the Comptroller of the Currency today imposed a \$24 million civil penalty on the New York branch of Arab Bank, plc, for systemic Bank Secrecy Act failures.

'The Bank Secrecy Act requires financial institutions doing business in the United States to implement robust anti-money laundering systems and controls tailored to their operations and the risks associated with them. Such regimes are critical to protecting our financial system from the abuses of money laundering and terrorist financing.

'Financial institutions are critical partners in our efforts to ensure the integrity of the global financial system. Today's action reflects the Department of the Treasury's resolve to ensure that this partnership is effective.'

In Europe, investors continued to mull over the warnings from the world's largest retailer, Wal-Mart Stores Incorporated, and how higher energy prices were cutting into the retailer's business.

The company has forecast lower earnings for its third quarter.

There were, also, fears that higher oil prices, internationally, would, eventually, take their toll on the economies of eurozone.

Every index of every major bourse of Europe came under pressure: _

Amsterdam's AEX Index	Minus 0.28 percent
Great Britain's FTSE 100 Index	Minus 0.55 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.25 percent
France's CAC 40 Index	Minus 0.11 percent
Switzerland's Swiss Market Index	Minus 0.01 percent
Italy's MIBTEL Index	Minus 0.41 percent

News Wise

- The **unemployment rate** in the **United Kingdom (UK)** is, now, officially, 4.70 percent, according to The Office of National Statistics. The number of people, looking for work in the UK, today stands at about 866,000.

In Asia, it was a similar situation to that that had unfolded in Europe: Key indices fell to sellers.

On the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading was brisk, but losing counters outnumbered gaining ones by the ratio of about 1.06:One.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index ended the day at 15,449.58 points for a gain of about 0.04 percent.

The Total Turnover was about \$HK25.39 billion.

The Ten Most Active counters were:

Hutchison Whampoa Ltd (Code: 13)	Up 2.00 percent to \$HK81.70 per share
HSBC Holdings plc (Code: 5)	Up 0.23 percent to \$HK128.10 per share
PetroChina Company Ltd (Code: 857)	Down 2.84 percent to \$HK6.85 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.42 percent to \$HK6.35 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 2.25 percent to \$HK88.70 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 0.68 percent to \$HK3.675 per share
CNOOC Ltd (Code: 883)	Down 3.39 percent to \$HK5.70 per share
Bank of Communications Company Ltd (Code: 3328)	Up 1.44 percent to \$HK3.525 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.30 percent to \$HK16.60 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.42 percent to \$HK82.25 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Buildmore International Ltd	108		16.00	0.42
China Electronics Corporation Holdings Company Ltd	85		12.70	1.10
China Elegance (Holdings) Ltd	476	21.67		0.073
China Golden Development Holdings Ltd	162	10.86		0.245
China Rich Holdings Ltd	1191		14.67	0.128
Decca Holdings Ltd	997		14.68	0.50
Earnest Investments Holdings Ltd	339	14.81		0.031
EC-Founder (Holdings) Company Ltd	618	17.12		0.26
Hi Sun Technology (China) Ltd	818		10.67	0.67
HKC International Holdings Ltd	248	11.54		0.29
Premium Land Ltd	164	10.06		0.175
Wang On Group Ltd	1222	16.25		2.325
Wonderful World Holdings Ltd	109	16.00		0.116

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.45 percent of its value, dropping back to 928.10 points.

The Total Turnover of this speculative market was about \$HK112.14 million.

Declining counters outnumbered advancing ones by the ratio of about 1.42:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Up 8 percent to \$HK1.95 per share
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TOM Online Incorporated (Code: 8282)

Down 3 percent to \$HK1.41 per share

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

Up 2 percent to \$HK1.14 per share

Panva Gas Holdings Ltd (Code: 8132)

Up 1 percent to \$HK3.55 per share

Henderson Cyber Ltd (Code: 8023)

Up 60 percent to 41.50 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	40.00		0.14
Fast Systems Technology (Holdings) Ltd	8150		25.00	0.015
Henderson Cyber Ltd	8023	59.62		0.415
Linefan Technology Holdings Ltd	8166		12.50	0.07
Neolink Cyber Technology (Holding) Ltd	8116	92.31		0.15
PINE Technology Holdings Ltd	8013	11.54		0.145
ProSticks International Holdings Ltd	8055	12.00		0.028
Q9 Technology Holdings Ltd	8129	16.67		0.028

In The Land of The Rising Sun, trading was quiet on all of the country's 3 equity markets.

On The Tokyo Stock Exchange, The TOPIX Average, the official index of the premier equity market of Japan, surrendered 0.16 percent of its value, ending the trading day at 1,250.10 points.

The generally considered less-accurate gauge of trading on Asia's largest stock markets, The Nikkei-225 Stock Average, shed about 0.34 percent of its value, falling back to 12,273.12 yen.

The ratio of losers to gainers was about 1.74:One.

While there were still rumblings from a number of countries about the horrors, perpetrated by the Imperial Japanese Army, during its invasion of PRC and, thereafter, during World War II, with photographs of some of the surviving Emperor Hirohito's killers and torturers of that period, emblazoning pages of the popular Press, there was little news in the financial Press with regard to the second-largest economy of the world.

This was how other Asian equity markets closed their respective doors, last Wednesday:

The HKSAR	Plus 0.04 percent to 15,449.58
Indonesia	Closed
Japan	Nikkei-255 Stock Average Minus 0.34 percent to 12,273.12
	TOPIX Average Minus 0.16 percent to 1,250.10
Malaysia	Minus 0.01 percent to 926.38
The Philippines	Minus 0.42 percent to 1,985.10
Singapore	Minus 1.08 percent to 2,280.23
South Korea	Minus 0.32 percent to 1,113.25
Taiwan	Minus 0.01 percent to 6,241.92
Thailand	Plus 0.04 percent to 667.49

Thursday

At the opening of equity markets on Wall Street, last Thursday, The Bureau of Labour Statistics, a division of The Labour Department of the US Government, brought out its findings in respect of the labour situation in the country with regard to the fourth quarter of 2004.

There was good news; and, there was some disturbing news:—

‘BUSINESS EMPLOYMENT DYNAMICS: FOURTH QUARTER 2004

‘From September to December 2004, the number of job gains from opening and expanding private sector establishments was 8.1 million, and the number of job losses from closing and contracting establishments was 7.2 million ...Gross job gains exceeded gross job losses in all sectors, except manufacturing, utilities, and other services ...

Private Sector Gross Job Gains and Job Losses

‘Opening and expanding private sector business establishments gained 8.1 million jobs in the fourth quarter of 2004, an increase of 292,000 jobs from the previous quarter. This was the largest gross job gain since the first quarter of 2002. Over the quarter, expanding establishments added 6.4 million jobs and opening establishments added 1.7 million jobs from the third to the fourth quarter.

‘Gross job losses totaled 7.2 million, a smaller loss than the 7.6 million in the third quarter of 2004. In the fourth quarter of 2004, contracting establishments lost 5.7 million jobs and closing establishments lost 1.5 million jobs.

‘From September to December 2004, gross job gains represented 7.4 percent of private sector employment, which was the highest percent since the second quarter of 2002. Gross job losses were at 6.7 percent of private sector employment, a decrease of 0.3 percentage point from the previous quarter. These gross job gain and loss statistics demonstrate that sizable numbers of jobs appear and disappear in the relatively short time frame of one quarter....

Major Industry Sector Gross Job Gains and Gross Job Losses

‘Goods-producing: The fourth quarter of 2004 saw gross job losses in the goods-producing sector fall to a total of 1,637,000. This is a return to the downward trend in job losses in this sector following an increase in the previous quarter. Expanding and opening establishments gained 1,734,000 jobs, which led to a net gain of 97,000 jobs over the quarter among goods-producing industries.

‘Manufacturing: Gross job gains in the manufacturing sector totaled 590,000 jobs in the fourth quarter of 2004, down by 7,000 from the previous quarter. This decline, together with a small increase in gross job losses to 615,000, led to a net decrease of 25,000 factory jobs. This represents 18 quarters of net employment loss in manufacturing over the last 5 years.

‘Construction: In construction, gross job gains rose to 848,000 during the quarter, while gross job losses fell to 747,000, resulting in a net gain of 101,000 jobs. This is the largest net job gain in this sector since March 2001, and the sixth consecutive quarter of net job gains ...’

Investors, locked into stocks and shares, listed on US equity markets, seemed unimpressed by The Labour Department’s statistics: Prices started to drift lower.

The Dow Jones Industrial Average, a key index of blue chips, quoted on the Big Board of the world’s largest stock market, gained 4.22 points, or about 0.04 percent, ending the trading session at 10,554.93 points.

But, once again, for the second consecutive day, one noted that the ratio of losing counters to gaining ones was about 2:One.

In short, therefore, The Dow was not representative of very much, last Thursday, because the prices of constituent stocks of The Dow were, mostly, lower.

On The NASDAQ, its Composite Index shed 9.07 points, about 0.42 percent, easing back to 2,136.08 points, while the ratio of declining counters to advancing ones was, also, about 2:One.

US investors had a great deal about which to worry, with the cost of energy, being only one of their major concerns.

It seemed more than likely that the third quarter of 2005 would see profits of many of Wall Street *'darlings'* slump as profit margins contracted.

On The New York Mercantile Exchange (NYMEX), the last settlement of light sweet crude oil for September delivery was \$US63.27 per barrel, an increase of about 0.03 percent on the last quote of Wednesday.

As for delivery in October, the last settlement was \$US63.77 per barrel, representing an increase of about 0.13 percent on the day.

In Europe, it was losers, all round.

Every key index of every major bourse, for the fifth consecutive day, fell to sellers.

Amsterdam's AEX Index	Minus 0.54 percent
Great Britain's FTSE 100 Index	Minus 0.44 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.41 percent
France's CAC 40 Index	Minus 0.21 percent
Switzerland's Swiss Market Index	Minus 0.43 percent
Italy's MIBTEL Index	Minus 0.60 percent

European investors were worried that a slowdown in the US would impact on the economies of the European Union – which is, almost, a guarantee in view of the frailty of many of the economies of the region.

In Asia, there were widespread losses on some of the largest equity markets, led by the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index surrendered 301.49 points, equivalent to about 1.95 percent, coming to rest at 15,148.09 points.

The Total Turnover drove to about \$HK33.54 billion, the highest volume of activity of the year for any one trading day.

The ratio of losing counters to gaining ones was, also, a record for the year, at about 4.15:One.

The Ten Most Active counters, all of which were substantial losers, were:

HSBC Holdings plc (Code: 5)	Down 1.01 percent to \$HK126.80 per share
Hutchison Whampoa Ltd (Code: 13)	Down 3.37 percent to \$HK78.95 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 3.04 percent to \$HK86.00 per share
PetroChina Company Ltd (Code: 857)	Down 3.65 percent to \$HK6.60 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.15 percent to \$HK6.15 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 3.92 percent to \$HK15.95 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 3.81 percent to \$HK34.10 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 4.76 percent to \$HK3.50 per share
Bank of Communications Company Ltd (Code: 3328)	Down 3.55 percent to \$HK3.40 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.22 percent to \$HK81.25 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Resources Holdings Ltd	899		12.50	1.40
China Fair Land Holdings Ltd	169		13.16	0.33
Dah Sing Financial Holdings Ltd	440		10.39	50.90
E. Bon Holdings Ltd	599		10.19	0.238
Fushan International Energy Group Ltd	639		10.53	0.425
Haywood Investments Ltd	905		20.63	0.10
Mandarin Entertainment (Holdings) Ltd	9	10.47		0.95
Orient Resources Group Company Ltd	2999		12.70	0.55
Oriental Explorer Holdings Ltd	430	19.51		0.049
China Shineway Pharmaceutical Group Ltd	2877	11.43		2.925
South Sea Petroleum Holdings Ltd	76		15.25	0.50
Wanji Pharmaceutical Holdings Ltd	835		12.32	0.121

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the losses were nowhere near as large as those of the Main Board.

The Growth Enterprise Index gave up about 0.45 percent of its value, falling back to 923.95 points.

The Total Turnover was about \$HK102.08 million, while the ratio of losing counters to gaining ones was about 1.59:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Down 2 percent to \$HK1.91 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1 percent to \$HK1.13 per share
TOM Online Incorporated (Code: 8282)	Down 2 percent to \$HK1.38 per share
Panva Gas Holdings Ltd (Code: 8132)	Down 3 percent to \$HK3.45 per share
Century Sunshine Ecological Technology Holdings Ltd (Code: 8276)	Down 1 percent to \$HK1.69 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Photar Electronics Group Ltd	8220	25.00		0.20
Computech Holdings Ltd	8081		12.73	0.048
Grandy Corporation	8143	15.79		0.132
iSteelAsia Holdings Ltd	8080		11.63	0.38
Linefan Technology Holdings Ltd	8166	14.29		0.08
MP Logistics International Holdings Ltd	8239		25.00	0.09
Northeast Tiger Pharmaceutical Company Ltd	8197	27.42		0.079
PINE Technology Holdings Ltd	8013		11.03	0.129
ProSticks International Holdings Ltd	8055		14.29	0.024
QUASAR Communication Technology Holdings Ltd	8171	16.28		0.10
Sino Stride Technology (Holdings) Ltd	8177	10.00		0.33
Sys Solutions Holdings Ltd	8182		16.67	0.10
Techpacific Capital Ltd	8088	11.67		0.335

On The Tokyo Stock Exchange, while the key index of the First Section was up, fractionally, compared with Wednesday's closing figure, with gainers and losers, being almost neck-to-neck, so to speak, it was difficult to have much faith in what the index was supposed to represent.

The TOPIX Average, the official index of The Tokyo Stock Exchange, ended the day at 1,252.94 points, a one-day improvement of 2.84 points, or about 0.23 percent.

The Nikkei-225 Stock Average rose about 0.28 percent, ending the trading day at 12,307.37 yen.

The ratio of advancing counters to declining counters was about 1.01:One.

News Wise

- **Foreign nationals** spent about 721.90 billion yen on net buying of Japanese stocks and shares, during the week, ended August 12, 2005, according to data, compiled by The Finance Ministry.

On other Asian equity markets, this was how their respective key indices fared, last Thursday:

The HKSAR	Minus 1.95 percent to 15,148.09
Indonesia	Minus 1.21 percent to 1,100.30
Japan	Nikkei-255 Stock Average Plus 0.28 percent to 12,307.37
	TOPIX Average Plus 0.23 percent to 1,252.94
Malaysia	Minus 0.30 percent to 923.64
The Philippines	Minus 0.30 percent to 1,979.12
Singapore	Minus 0.11 percent to 2,282.70
South Korea	Minus 1.85 percent to 1,092.71
Taiwan	Minus 0.59 percent to 6,205.09
Thailand	Plus 0.68 percent to 672.02

Friday

Oil prices rebounded, last Friday, for no apparent reason except the old saws of yesterday: Concerns over the seemingly unquenchable thirst for the black ooze, internationally; the inability of most refineries to keep up with increasing demand; unrest in the Middle East, where the lion's share of crude oil is exported to the industrialised West; and, continued concern about the attacks – and the potential for even more attacks – by the international terrorist organisation, al-Qaeda.

On The New York Mercantile Exchange (NYMEX), the last settlement for light sweet crude oil for delivery in September (last Friday was the last day of trading for this month) was \$US65.35 per barrel, up 3.29 percent on the last settlement of Thursday.

As for October settlement, light sweet crude oil was fetching \$US65.79 per barrel, up 3.17 percent on Thursday's last trade.

Investors on Wall Street were, clearly, perplexed and they presented this mien in their pattern of trading on the world's largest stock markets.

There appeared to be no respite from the vagaries of higher oil prices: So, where does one go for honey?

The US economy was bound to suffer, adversely, from the higher cost of energy: It was only a matter of time; and, the more discerning investors were well aware of these prospects.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 0.04 percent, ending the week at 10,559.23 points after the choppy see-saw session left investors, scratching their heads, wondering which way was up and which way was down.

On the tech-laden NASDAQ, its Composite Index went in the reverse direction to The Dow, losing about 0.02 percent and ending the week's proceedings on the fragile figure of 2,135.56 points.

For the week, the tally for the largest equity markets of the world was:

The Dow Jones Industrial Average	Minus 0.39 percent
The NASDAQ's Composite Index	Minus 0.99 percent

In Europe, after 6 consecutive trading sessions of falling prices, last Friday saw a return of some of the bulls of eurozone.

Key indices gained on the back of higher oil and commodity prices, in the main, as investors disregarded long-term, economic considerations in favour of earning a quick euro by making intra-day trades.

This was how the indices of the major European bourses ended the week of August 19, 2005:

Amsterdam's AEX Index	Plus 0.66 percent
Great Britain's FTSE 100 Index	Plus 0.82 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.62 percent
France's CAC 40 Index	Plus 1.30 percent
Switzerland's Swiss Market Index	Plus 0.49 percent
Italy's MIBTEL Index	Plus 1.22 percent

In Asia, the biggest stock markets of the region had a difficult time of it as investors determined that the downside risk was just too much to fight.

On the 2 equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets continued to fall to selling pressure.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index fell about 0.72 percent to 15,038.61 points on a Total Turnover of about \$HK26.28 billion.

The ratio of losing counters to gaining ones was about 2.70:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.55 percent to \$HK126.10 per share
PetroChina Company Ltd (Code: 857)	Down 4.55 percent to \$HK6.30 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.01 percent to \$HK78.15 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK6.15 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 1.43 percent to \$HK3.45 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 1.57 percent to \$HK15.70 per share
Bank of Communications Company Ltd (Code: 3328)	Down 1.47 percent to \$HK3.35 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.63 percent to \$HK84.60 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.17 percent to \$HK33.70 per share
China Telecom Corporation Ltd (Code: 728)	Down 2.44 percent to \$HK3.00 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)
China Rich Holdings Ltd	1191	17.19		0.15
Cosmos Machinery Enterprises Ltd	118		10.00	0.36
GFT Holdings Ltd	1003	12.38		0.118
Oriental Explorer Holdings Ltd	430		14.29	0.042
Oriental Investment Corporation Ltd	735	35.80		0.33
renren Holdings Ltd	59		11.11	0.32
Vantage International (Holdings) Ltd	15	11.76		0.285

Over on The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar situation to that which had transpired on the Main Board, but microcosmically.

The Growth Enterprise Index shed about 0.39 percent of its value, falling back to 920.33 points, while the volume of activity reverted to less than \$HK100 million, at about \$HK97.97 million.

The ratio of declining counters to gaining ones was about 1.06:One.

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

Phoenix Satellite Television Holdings Ltd (Code: 8002)	Down 2 percent to \$HK1.27 per share
WorldMetal Holdings Ltd (Code: 8161)	Down 3 percent to \$HK1.86 per share
Panva Gas Holdings Ltd (Code: 8132)	Up 3 percent to \$HK3.55 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 2 percent to \$HK1.15 per share
Golden Meditech Company Ltd (Code: 8180)	Down 8 percent to \$HK1.17 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		50.00	0.07
China Advance Holdings Ltd	8117	11.11		0.45
Essex Bio-Technology Ltd	8151	11.11		0.12
FlexSystem Holdings Ltd	8050		12.50	0.035
Glory Mark Hi-Tech (Holdings) Ltd	8159	13.75		0.182
Grandy Corporation	8143	28.79		0.17
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	23.08		0.16
KanHan Technologies Group Ltd	8175	25.00		0.05
Lee's Pharmaceutical Holdings Ltd	8221	10.78		0.113
Q9 Technology Holdings Ltd	8129		10.71	0.025
Sys Solutions Holdings Ltd	8182		14.00	0.086

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

The Hang Seng Index	Minus 2.67 percent
The Growth Enterprise Index	Minus 1.73 percent

In Japan, trading was quiet, but, generally, sellers dominated the conditions on Asia's largest equity market.

The official index of The Tokyo Stock Exchange, The TOPIX Average, lost about 0.19 percent of its value, ending the week at 1,250.50 points.

The Nikkei-225 Stock Average, which tracks a select number of blue chips, quoted on the First Section of The Tokyo Stock Exchange, lost 0.13 percent to fall back to 12,291.73 yen.

The ratio of declining counters to gaining ones was about 1.98:One.

For the week, the tally for the largest equity market of Asia was:

The TOPIX Average	Plus 0.43 percent
The Nikkei-225 Stock Average	Plus 0.25 percent

- Supermarket chain operator, **Seiyu Ltd**, announced that its Net Loss Attributable to Shareholders for the 6 months, ended June 30, 2005, was 10.59 billion yen. That result compared with the like period in 2004 when the company reported a Net Loss Attributable to Shareholders of 2.88 billion yen. Seiyu is owned as to 43 percent by the world's largest retailer, **Wal-Mart Stores Incorporated** of the US.

And this was how the indices of other Asian equity markets ended their respective trading days, last Friday:

The HKSAR	Minus 0.72 percent to 15,038.61
Indonesia	Minus 1.12 percent to 1,087.95
Japan	Nikkei-255 Stock Average Minus 0.12 percent to 12,291.73
	TOPIX Average Minus 0.19 percent to 1,250.50
Malaysia	Plus 0.20 percent to 925.54
The Philippines	Minus 0.64 percent to 1,966.33
Singapore	Plus 0.16 percent to 2,286.36
South Korea	Minus 0.25 percent to 1,089.88
Taiwan	Minus 0.74 percent to 6,158.94
Thailand	Plus 1.31 percent to 680.83

-- E N D --

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