

**MARKETS AWAIT THE DETERMINATIONS OF
DR ALAN GREENSPAN AND HIS MERRY MEN
OF THE FEDERAL RESERVE**

... And OPEC's Promise To Increase Crude Oil Output

Oil prices continued to ease, last Monday, but Wall Street appeared to be singularly unimpressed by the situation, probably because logic dictated that the deterioration in the price of the black ooze was brought about completely by artificial means.

Which suggested, strongly, that the price of crude oil could well bounce, right back up to the \$US70 per-barrel level at any time soon.

On The New York Mercantile Exchange (NYMEX), last Monday, the last settlement for October delivery was \$US63.34 per barrel of light sweet crude oil, down 1.15 percent, compared with the last settlement of Friday, September 9, 2005.

As for November delivery, the last settlement for a barrel of light sweet crude oil was \$US64.01, off about 1.37 percent on the day.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 4.38 points, or about 0.04 percent, ending the moderately active trading day at 10,682.94 points.

Over on The NASDAQ, its Composite Index struggled, but ended the day with a gain of 7.32 points, equivalent to about 0.34 percent at 2,182.83 points.

News Wise

- **Delta Air Lines Incorporated** is said to be close to filing for protection from its creditors in the US Bankruptcy Court, known as Chapter 11. Since 2001, the airline has lost about \$US10 billion and it has, already, warned investors that financial liquidity would decline even further this year. Delta is the third-largest carrier in the US; and,
- Financially pressed **Ford Motor Company** announced that it would sell Hertz Corporation for about \$US5.60 billion in order to strengthen its finances. Hertz is a motor-vehicle, rental subsidiary of Ford. The debts of the Number Two motor-vehicle producer in the US are known to be about \$US15 billion. The prospective buyers for Hertz are: Clayton Dubilier and Rice, Carlyle Group and Merrill Lynch Global Private Equity.

In Europe, while key indices of certain bourses hit highs, not seen since 2001, the gains of last Tuesday were, for the most part of a fractional nature.

This could suggest that the market is ready for another material fall on the principle that a market that cannot rise, must fall.

Europe was watching the oil markets of the world and noting the deterioration in crude oil futures.

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

Amsterdam's AEX Index

Plus 0.20 percent

Great Britain's FTSE 100 Index	Plus 0.29 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.31 percent
France's CAC 40 Index	Unchanged
Switzerland's Swiss Market Index	Plus 0.30 percent
Italy's MIBTEL Index	Plus 0.33 percent

Investors in Asia were, generally, upbeat about the near-term prospects for the most-populous part of the world, with key indices of the largest stock markets of the region, registering very useful gains.

However, lurking in the background was the spectre of the potential for increased interest rates before the month was out.

Many investors, fearful of this eventuality, stayed on the sidelines.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets were in the black by the close of the day, but it was trading on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd that saw the big movements.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose just 0.22 percent to 15,199.79 points.

The Total Turnover on the premier market of the HKSAR was only about \$HK13.70 billion, however, with advancing counters, squeezing out declining counters by the ratio of about 1.27:One.

The Ten Most Active counters of the day were:

HSBC Holdings plc (Code: 5)	Down 0.24 percent to \$HK126.40 per share
PetroChina Company Ltd (Code: 857)	Up 0.81 percent to \$HK6.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.72 percent to \$HK35.00 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.26 percent to \$HK77.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.42 percent to \$HK82.85 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK6.20 per share
China Shenhua Energy Company Ltd (Code: 1088)	Down 2.22 percent to \$HK8.80 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Up 1.90 percent to \$HK13.40 per share
CNOOC Ltd (Code: 883)	Up 1.83 percent to \$HK5.55 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK2.85 per share

The Main Board's biggest movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723	25.88		0.107
Asia Standard Hotel Group Ltd	292		39.58	0.87
Chengdu PUTIAN Telecommunications Cable Company Ltd	1202		12.22	0.79
China Electronics Corporation Holdings Company Ltd	85	14.08		1.62
e-Kong Group Ltd	524	34.43		0.41
GeoMaxima Energy Holdings Ltd	702		18.29	0.067
Haywood Investments Ltd	905		10.00	0.063
Hua Yi Copper Holdings Ltd	559	13.43		0.38
IPE Group Ltd	929	10.25		1.56
Landune International Ltd	245	40.91		0.155
Linfair Holdings Ltd	462	16.67		0.70
Magician Industries (Holdings) Ltd	526	21.78		0.123
Nanjing Panda Electronics Company Ltd	553		26.98	0.92
Orient Industries Holdings Ltd	353	14.47		0.87

Perfectech International Holdings Ltd	765		12.31	0.57
Radford Capital Investment Ltd	901	14.00		0.114
REXCAPITAL Financial Holdings Ltd	555	23.33		0.037
UDL Holdings Ltd	620		26.56	0.047

On The GEM, its Growth Enterprise Index rose about 1.07 percent to 955.80 points.

The Total Turnover was about \$HK173.36 million.

In spite of The Growth Enterprise Index, making a substantial gain, losing counters outnumbered gaining ones by about 1.08:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Up 9 percent to \$HK2.375 per share
China.com Incorporated (Code: 8006)	Up 10 percent to 55 cents per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 1 percent to 13.80 cents per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Down 8 percent to 59 cents per share
Techpacific Capital Ltd (Code: 8088)	Up 9 percent to 62 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	25.93		0.17
China.com Incorporated	8006	10.00		0.55
Computech Holdings Ltd	8081	18.75		0.038
EVI Education Asia Ltd	8090		12.90	0.054
Finet Group Ltd	8317		11.76	0.30
Golding Soft Ltd	8190	10.53		0.021
Media Partners International Holdings Incorporated	8072	27.69		0.83
Medical China Ltd	8186	12.50		0.045
New Universe International Group Ltd	8068	18.42		0.045
Q9 Technology Holdings Ltd	8129		20.00	0.02
Recruit Holdings Ltd	8073		10.00	0.72
Shanghai Fudan Microelectronics Company Ltd	8102		10.34	0.26
T S Telecom Technologies Ltd	8003		14.00	0.043
Tai Shing International (Holdings) Ltd	8103		16.67	0.15
TeleEye Holdings Ltd	8051		12.22	0.079
Zhejiang Yonglong Enterprises Company Ltd	8211		28.81	0.084

Japan's 3 stock markets were the star performers of Asia, last Monday, eclipsing the gains of other equity markets in the region.

On The Tokyo Stock Exchange, The TOPIX Average, the official gauge of trading in blue chips on the largest stock market in Asia, rose 1.27 percent to 1,309.80 points.

The Nikkei-225 Stock Average, which plots the courses of a very limited number of counters, listed on The Tokyo Stock Exchange, recorded a gain of 1.61 percent, running up to 12,896.43 yen.

Gaining counters outpaced losing counters by the ratio of about 3.11:One.

The reason for the material gains on Japan's equity markets was the success of Prime Minister Junichiro Koizumi at the previous Sunday's General Elections, which resulted in a resounding success for the LDP Party, the political party to which the Prime Minister belongs.

News Wise

- **Japan's Current Account Surplus** swelled by 0.80 percent in July, Year-On-Year, to about 1.65 trillion yen, The Government's Finance Ministry announced. It was the first increase on the previous 3 months.

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

The HKSAR	Plus 0.22 percent to 15,199.79
Indonesia	Plus 0.66 percent to 1,105.66
Japan	Nikkei-255 Stock Average Plus 1.61 percent to 12,896.43 TOPIX Average Plus 1.27 percent to 1,309.80
Malaysia	Plus 0.13 percent to 919.07
The Philippines	Minus 0.84 percent to 1,866.91
Singapore	Plus 1.04 percent to 2,325.11
South Korea	Plus 0.51 percent to 1,158.36
Taiwan	Plus 0.75 percent to 6,164.98
Thailand	Plus 0.003 percent to 712.80

Tuesday

Just prior to the opening of the doors of the offices of Wall Street gurus, last Tuesday, The Bureau of Labour Statistics of the US Department of Labour reported its finding in respect of Producer Price Indices for August 2005.

In a nutshell, what these statistics appeared to indicate – and it could be said that the findings were shot to Hell, due to the devastation, left after the passage of Hurricane Katrina, devastation which changed everything in the short term as far as this department of the US Government was concerned – was that another steep climb in energy prices in the month of August detrimentally affected the US economy, forcing up Producer Price Indices.

This is most of that which The Bureau of Labour Statistics released, last Tuesday, Washington time (all tables have been omitted):

'Producer Price Indexes -- August 2005

'The Producer Price Index for Finished Goods rose 0.6 percent in August, seasonally adjusted ... This increase followed a 1.0-percent gain in July and no change in June. At the earlier stages of processing, prices received by manufacturers of intermediate goods advanced 0.7 percent, after moving up 1.0 percent in the preceding month. The crude goods index climbed 2.3 percent in August, following a 6.7-percent rise in July.

'Hurricane Katrina

'Hurricane Katrina struck Florida and the Gulf Coast after the Producer Price Index's August pricing date, and therefore did not affect the PPI in August. The PPI pricing date for September 2005 is Tuesday, September 13.

'Among finished goods, prices for goods other than foods and energy showed no change in August, after increasing 0.4 percent in the prior month. The finished energy goods index rose 3.7 percent, compared with a 4.4-percent gain in July. Finished consumer foods prices declined 0.3 percent in August, the same rate of decrease as in the preceding month.

'Before seasonal adjustment, the Producer Price Index for Finished Goods advanced 0.5 percent in August to 156.1 (1982=100). From August 2004 to August 2005, prices for finished goods rose 5.1 percent. Over the same period, the index for finished energy goods increased 19.2 percent, prices for finished goods other than foods and energy went up 2.4 percent, and the finished consumer foods index rose 1.2 percent. For the 12 months ended August 2005, intermediate goods prices moved up 6.1 percent, and the crude goods index increased 11.3 percent.

'Finished goods

'The index for finished consumer goods other than foods and energy edged down 0.1 percent in August, after rising 0.4 percent in the previous month. Accounting for about half of this downturn, prices for passenger cars declined 1.3 percent, following a 1.5-percent gain in July. The indexes for alcoholic beverages, tires, and periodical circulation also fell, after advancing in the preceding month. The rates of increase in prices for pharmaceutical preparations and light motor trucks slowed from July to August. By contrast, the cosmetics and other toilet preparations index inched up 0.1 percent in August, compared with a 0.4-percent decrease a month earlier. Prices for home electronic equipment and for women's, girls', and infants' apparel also turned up, while the sanitary paper products index rose more than it had in July. Prices for capital equipment decreased 0.1 percent in August, following a 0.5-percent rise in the preceding month. The civilian aircraft index showed no change, after increasing 1.0 percent in July. Prices for passenger cars, commercial furniture, and communication and related equipment turned down, following gains in the prior month. The indexes for light motor trucks and heavy motor trucks advanced less than they had in July. Alternatively, railroad equipment prices moved up 0.9 percent in August, after dropping 0.6 percent in the previous month. The indexes for agricultural machinery and equipment and for metal cutting machine tools also turned up, following declines a month earlier. Electronic computer prices fell less in August than in the prior month, while the index for pumps, compressors, and equipment went up, after showing no change in July.

'Subsequent to a 4.4-percent increase in July, prices for finished energy goods rose 3.7 percent in August. The residential natural gas index moved up 2.5 percent, compared with a 3.7-percent gain in the previous month. The rates of increase in the indexes for gasoline and residential electric power also slowed from July to August, and home heating oil prices fell, after climbing in the prior month. By contrast, the liquefied petroleum gas index jumped 10.7 percent in August, following a 5.6-percent rise in the preceding month. Prices for diesel fuel and kerosene also advanced more than they had in July, while the finished lubricants index turned up in August.

'Prices for finished consumer foods decreased 0.3 percent for the second consecutive month. In August, declining prices for beef and veal, eggs for fresh use, dairy products, fresh fruits and melons, and roasted coffee outweighed rising prices for pork, processed young chickens, fresh and dry vegetables, soft drinks, and finfish and shellfish.

'Intermediate goods

'The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 0.7 percent in August, following a 1.0-percent gain in July. Most of this slower rate of increase can be attributed to prices for intermediate energy goods, which rose less in August than they had a month earlier. The index for intermediate foods and feeds turned down, after moving up in July. By contrast, prices for materials and components for construction were unchanged in August, after falling in the previous month.

'The materials for nondurable manufacturing index increased slightly more than it had in July, while materials for durable manufacturing prices fell slightly less than

in the preceding month. In August, the index for intermediate goods excluding foods and energy decreased 0.1 percent, its fourth consecutive monthly decline.

'Prices for intermediate energy goods climbed 3.3 percent in August, following a 5.2-percent advance in July. The gasoline index rose 9.5 percent in August, compared with a 10.9-percent gain a month earlier. Prices for residual fuel and commercial natural gas also went up at slower rates than they had in July. The indexes for jet fuels, commercial electric power, and home heating oil turned down in August, after moving up in the prior month. Alternatively, diesel fuel prices increased 3.1 percent, following a 0.2-percent advance in July. The indexes for liquefied petroleum gas and natural gas to electric utilities also rose more in August than in the previous month.

'The index for intermediate foods and feeds declined 0.4 percent in August, after increasing 0.9 percent in July. Prices for prepared animal feeds fell 1.6 percent, subsequent to a 2.7-percent jump in the prior month. The dairy products index also turned down in August. Prices for beef and veal and for flour decreased at faster rates than in July, while the index for processed young chickens rose less than it had in the previous month. By contrast, pork prices advanced 4.8 percent in August, compared with a 0.6-percent drop a month earlier. The indexes for shortening and cooking oils, sausages and deli meats, and refined sugar and byproducts also moved up, following declines in July.

'The index for materials and components for construction was unchanged in August, after falling 0.2 percent in July. Prices for asphalt felts and coatings jumped 8.5 percent, following no change in the preceding month. The indexes for building paper and board and for steel mill products declined less in August than they had a month earlier. Prices for gypsum products, nonferrous wire and cable, and paving mixtures and blocks rose more than they had in July. Alternatively, prices for concrete products advanced 0.6 percent, following a 1.9-percent increase in July. The plastic construction products index decreased at a faster rate in August compared with the prior month, while prices for millwork moved down after rising in July.

'The materials for nondurable manufacturing index climbed 0.2 percent in August, following a 0.1-percent advance in the preceding month. In August, rising prices for primary basic organic chemicals, inedible fats and oils, phosphates, paint materials, and synthetic fibers outweighed falling prices for paperboard, intermediate basic organic chemicals, plastic resins and materials, and processed yarns and threads.

'The materials for durable manufacturing index declined 0.8 percent in August, after moving down 0.9 percent in July. In August, decreasing prices for both hot and cold rolled steel sheet and strip; cold finished steel bars; hot rolled steel bars, plates, and structural shapes; aluminum mill shapes; building paper and board; and plywood more than offset increasing prices for primary nonferrous metals, copper and brass mill shapes, semifinished steel mill products, and prepared paint.

'Crude goods

'The Producer Price Index for Crude Materials for Further Processing rose 2.3 percent in August, following a 6.7-percent advance in July. Prices for crude energy materials increased less in August than in the prior month. The index for crude foodstuffs and feedstuffs turned down, after remaining unchanged in July. By contrast, prices for basic industrial materials increased more than in the previous month.

'The index for crude energy materials gained 3.8 percent in August, after climbing 12.8 percent in July. Prices for natural gas rose 4.6 percent, following a 14.9-percent surge in the previous month. Crude petroleum prices went up 3.7 percent in August, after jumping 13.1 percent in July. The coal index moved down 0.8 percent, after edging up 0.3 percent a month earlier.

'The index for crude foodstuffs and feedstuffs declined 1.4 percent in August, after remaining unchanged in July. The fluid milk index decreased 3.5 percent in August, compared with a 6.2-percent increase in the prior month. Prices for corn and soybeans also turned down, following gains in July. The indexes for Irish potatoes for processing and unprocessed finfish advanced less in August than they had a month earlier. By contrast, the index for slaughter cattle fell 2.2 percent, following a 3.9-percent decline in July. Prices for wheat also declined less in August than they had a month earlier. The indexes for slaughter broilers and fryers and for fresh vegetables (except potatoes) turned up, following declines in July. Prices for slaughter hogs increased at more than they had in the previous month.'

'Prices for crude nonfood materials less energy advanced 4.6 percent in August, following a 3.1-percent gain in July. Most of this acceleration is attributable to the index for iron and steel scrap, which jumped 19.7 percent following a 2.7-percent advance in the prior month. The indexes for gold ores and for construction sand, gravel, and crushed stone also increased at faster rates in August, compared with July. Prices for pulpwood turned up, after falling a month earlier. Conversely, the index for copper ores decreased 3.6 percent, after climbing 20.7 percent in July. Prices for raw cotton and miscellaneous roundwood products also turned down, after rising in the previous month. The index for copper base scrap increased less in August than it had a month earlier, and prices for iron ore were unchanged, after advancing in July.'

'Net output price indexes for mining, manufacturing, and services industries

'Mining. The Producer Price Index for the Net Output of Total Mining Industries advanced 3.6 percent in August, after rising 10.4 percent in the preceding month. (Net output price indexes are not seasonally adjusted.) This slower rate of increase is mostly due to prices received by the crude petroleum and natural gas extraction industry, which moved up 5.3 percent, following a 13.3-percent gain in July. The industry indexes for natural gas liquid extraction and for oil and gas well drilling also rose less than they had in the prior month. Prices paid to miners of copper ore and nickel ore, underground bituminous coal, and phosphate rock fell in August, after rising a month earlier. By contrast, prices received by the gold ore mining industry advanced 5.0 percent, compared with a 0.2-percent gain in July. The industry indexes for oil and gas operations support activities and for crushed and broken granite mining and quarrying turned up, after falling a month earlier. In August, the Producer Price Index for Total Mining Industries was 201.1 (December 1984=100), 26.2 percent above its year-ago level.'

'Manufacturing. The Producer Price Index for the Net Output of Total Manufacturing Industries rose 0.5 percent in August, after climbing 0.9 percent in the prior month. Leading this deceleration, prices received by the petroleum and coal products manufacturing industry group advanced 5.1 percent, following an 8.4-percent gain in July. The industry group indexes for transportation equipment, food manufacturing, computer and electronic products, and furniture and related product manufacturing turned down in August, after rising in the preceding month. Conversely, prices received by the chemical manufacturing industry group turned up 0.3 percent, following a 0.1-percent decline in the previous month. The industry group index for machinery rose in August, after showing no change a month earlier. Prices received by manufacturers of beverages and tobacco turned up, following declines in July. In August, the Producer Price Index for Total Manufacturing Industries was 151.6 (December 1984=100), 5.5 percent above its year-ago level.'

'Services. Among services industries in August, higher prices were received by investment banking and securities dealers, lessors of nonresidential buildings (except mini warehouses), employee leasing services, direct property and casualty insurance carriers, and offices of certified public accountants. Alternatively, lower prices were paid to the industries for scheduled passenger air transportation, commercial banking, cellular and other wireless services, and hotels and motels (excluding casinos).'

Then, from the US Census Bureau and The US Bureau of Economic Analysis, it was announced that there had been a narrowing in the trade deficit for the month of July.

Again, factoring in the effects of Hurricane Katrina, it is more than likely that the July statistics will come to mean zero as soon as the August statistics are in the computers of The Bureaux and are properly analysed.

This is that which this department of the US Government released, early last Tuesday:

'U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES
July 2005

'Goods and Services

'... total July exports of \$106.2 billion and imports of \$164.2 billion resulted in a goods and services deficit of \$57.9 billion, \$1.6 billion less than the \$59.5 billion in June, revised. July exports were \$0.4 billion more than June exports of \$105.8 billion. July imports were \$1.1 billion less than June imports of \$165.3 billion.

'In July, the goods deficit decreased \$1.3 billion from June to \$62.6 billion, and the services surplus increased \$0.3 billion to \$4.6 billion. Exports of goods increased \$0.4 billion to \$74.9 billion, and imports of goods decreased \$0.9 billion to \$137.5 billion. Exports of services were virtually unchanged at \$31.3 billion, and imports of services decreased \$0.3 billion to \$26.7 billion.

'In July, the goods and services deficit was up \$6.6 billion from July 2004. Exports were up \$10.0 billion, or 10.4 percent, and imports were up \$16.7 billion, or 11.3 percent.

'Goods

'The June to July change in exports of goods reflected increases in industrial supplies and materials (\$0.3 billion); capital goods (\$0.2 billion); automotive vehicles, parts, and engines (\$0.1 billion); and consumer goods (\$0.1 billion).

'Decreases occurred in other goods (\$0.4 billion) and foods, feeds, and beverages (\$0.1 billion).

'The June to July change in imports of goods reflected decreases in consumer goods (\$0.8 billion) and capital goods (\$0.7 billion). Increases occurred in industrial supplies and materials (\$0.5 billion); automotive vehicles, parts, and engines (\$0.1 billion); and other goods (\$0.1 billion). Foods, feeds, and beverages were virtually unchanged.

'The July 2004 to July 2005 change in exports of goods reflected increases in industrial supplies and materials (\$2.5 billion); capital goods (\$2.3 billion); consumer goods (\$1.2 billion); automotive vehicles, parts, and engines (\$0.4 billion); foods, feeds, and beverages (\$0.4 billion); and other goods (\$0.4 billion).

'The July 2004 to July 2005 change in imports of goods reflected increases in industrial supplies and materials (\$7.9 billion); capital goods (\$2.8 billion); consumer goods (\$2.4 billion); automotive vehicles, parts, and engines (\$0.7 billion); other goods (\$0.6 billion); and foods, feeds, and beverages (\$0.4 billion).

'Services

'Services exports were virtually unchanged from June to July. A decrease in travel was offset by an increase in transfers under U.S. military sales contracts. Changes in the other categories of services exports were small.

'Services imports decreased \$0.3 billion from June to July. The decrease was more than accounted for by decreases in travel and passenger fares. Changes in the other categories of services imports were small. From July 2004 to July 2005, services exports increased \$2.9 billion. The largest increases were in royalties and license fees (\$0.8 billion) and travel (\$0.7 billion).

'From July 2004 to July 2005, services imports increased \$2.0 billion. The largest increases were in other private services, which includes items such as business, professional, and technical services, insurance services, and financial services (\$0.7 billion) and other transportation, which includes freight and port services (\$0.5 billion).

'Goods and Services Moving Average

'For the three months ending in July, exports of goods and services averaged \$105.9 billion, while imports of goods and services averaged \$163.8 billion, resulting in an average trade deficit of \$57.8 billion. For the three months ending in June, the average trade deficit was \$57.8 billion, reflecting average exports of \$105.8 billion and average imports of \$163.5 billion.

'Selected Not Seasonally Adjusted Goods Details

'The July figures showed surpluses, in billions of dollars, with Australia \$0.6 (for June \$0.7), Hong Kong \$0.5 (\$0.7), Singapore \$0.4 (\$0.5), and Egypt \$0.1 (\$0.2). Deficits were recorded, in billions of dollars, with China \$17.7 (\$17.6), Europe \$13.1 (\$12.8), the European Union \$11.2 (\$10.8), OPEC \$8.9 (\$7.7), Japan \$6.6 (\$6.9), Canada \$6.2 (\$5.4), Mexico \$3.5 (\$4.8), Taiwan \$1.1 (\$1.2), Korea \$1.0 (\$1.3), and Brazil \$0.8 (\$0.8).

'Advanced technology products (ATP) exports were \$17.3 billion in July and imports were \$21.5 billion, resulting in a deficit of \$4.2 billion. July exports were \$2.0 billion less than the \$19.3 billion in June, while imports were \$1.5 billion less than the \$22.9 billion in June

On interpolation and extrapolation of the US Government's statistics in respect of Producer Price Indices for the month of August plus the Trade Deficit for the month of July, it seems likely that the US Federal Reserve Board might be forced to push up interest rates in the US by another 25 basis points when it convenes its Open Market Committee Meeting on Tuesday, September 20, 2005, after all.

Certainly, Wall Street thought so, last Tuesday.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 85.50 points, equivalent to about 0.80 percent, falling back to 10,597.44 points.

It was the single biggest fall in more than a month for The Dow.

And more falls in key indices on The New York Stock Exchange looked very likely before the week was out.

On the tech-laden NASDAQ, its Composite Index gave up only 11.08 points, or about 0.51 percent, dropping back to 2,171.75 points.

News Wise

- **Northwest Airlines**, the fourth largest carrier in the US, is expected to file for protection from its creditors, known as Chapter 11 of the Bankruptcy Laws of the US. On Monday, the carrier defaulted on a payment of \$US18.70 million to Mesaba Aviation Incorporated. Its share price fell nearly 53 percent on the news. This is the second time in 2 days that 2 of the largest carriers in the US are said to be contemplating definitive and dramatic actions in order to stave off shutting down shop, completely.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil came in at \$US63.11 for delivery in October. That represented a further fall of about 0.36 percent, compared with the last settlement of Monday.

For November delivery, the last settlement for a barrel of light sweet crude oil was \$US63.78, also down 0.36 percent, compared with Monday's last quote.

In Europe, it was red ink on key indices of major bourses, as far as the eye could see.

Investors in this part of the world were gravely concerned that The Fed would raise interest rates when it meets on Tuesday, September 20, even though the White House was known to have applied pressure on Dr Alan Greenspan, the Chairman of The Fed, to go easy on the US economy.

This was how the situation looked in Europe at the close of the most-important equity markets of the region:

Amsterdam's AEX Index	Minus 0.60 percent
Great Britain's FTSE 100 Index	Minus 0.69 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.76 percent
France's CAC 40 Index	Minus 0.85 percent
Switzerland's Swiss Market Index	Minus 0.45 percent
Italy's MIBTEL Index	Minus 0.48 percent

News Wise

- The Office of National Statistics of the **United Kingdom (UK)** announced that increases in petrol prices in August drove up the **rate of inflation**. The UK Consumer Price Index rose about 2.40 percent in August, up from 2.30 percent in July. The August figure was the highest of the past 8 years; and,
- **Hewlett-Packard** is to sack 968 of its workers in the UK, during the next 12 months. The company said that, internationally, it was to pare its existing Establishment Level by about 5,900 workers. These sackings would take place in Europe, the Middle East and Africa.

Investors in Asia were concerned that there could be further, interest-rate increases in the US by the end of the following week: Asia follows the US when it comes to moving key interest rates up and down.

This is especially true of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) where, last Tuesday, sellers lined up to unload stocks and shares on the Main Board of The Stock Exchange of Hongkong Ltd, taking defensive action ... just in case.

The Hang Seng Index, the key gauge of the movements of blue chips, listed on the Main Board, shed 129.23 points, equivalent to about 0.85 percent, falling back to 15,070.56 points.

The Total Turnover was about \$HK14.46 billion, while the ratio of declining counters to advancing ones was about 2.75:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.24 percent to \$HK126.10 per share
PetroChina Company Ltd (Code: 857)	Down 0.80 percent to \$HK6.20 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 2.14 percent to \$HK3.425 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.84 percent to \$HK76.85 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.95 percent to \$HK15.60 per share
CNOOC Ltd (Code: 883)	Down 1.83 percent to \$HK5.35 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.43 percent to \$HK34.50 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK6.20 per share
Li and Fung Ltd (Code: 494)	Up 6.04 percent to \$HK17.55 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.33 percent to \$HK81.75 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied International Holdings Ltd	519	16.39		0.355
Asia Standard Hotel Group Ltd	292		19.54	0.70
BEP International Holdings Ltd	2326	12.16		0.166
Buildmore International Ltd	108		14.00	0.43
China Elegance (Holdings) Ltd	476		12.50	0.07
China Velocity Group Ltd	149		17.50	0.495
China Sciences Conservational Power Ltd	351		11.76	0.75
Four Seas Food Investment Holdings Ltd	60	11.11		1.10
Garron International Ltd	1226	15.87		0.073
Goldigit Atom-Tech Holdings Ltd	2362	62.50		0.195
HKC International Holdings Ltd	248	10.89		0.275
Landune International Ltd	245		17.42	0.128
Lei Shing Hong Ltd	238		18.46	2.65
Linfair Holdings Ltd	462	14.29		0.80
Orient Industries Holdings Ltd	353	20.69		1.05
Ports Design Ltd	589	11.39		8.80
Shang Hua Holdings Ltd	371	10.00		0.33
Shun Cheong Holdings Ltd	650	11.11		0.30
Sky Hawk Computer Group Holdings Ltd	1129	14.68		0.125
UDL Holdings Ltd	620	27.66		0.06
Xin Corporation Ltd	1141	12.28		0.32
Zhong Hua International Holdings Ltd	1064	20.00		0.042

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, while the lone index of this speculative market was in the black, losing counters outnumbered gaining ones by the ratio of about 1.19:One.

The Growth Enterprise Index rose about 0.86 percent to 963.99 points on a Total Turnover of about \$HK178.08 million.

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

WorldMetal Holdings Ltd (Code: 8161)	Down 6 percent to \$HK2.225 per share
TOM Online Incorporated (Code: 8282)	Up 8 percent to \$HK1.51 per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 7 percent to 14.80 cents per share
China.com Incorporated (Code: 8006)	Up 4 percent to 57 cents per share
Sunevision Holdings Ltd (Code: 8008)	Up 1 percent to \$HK1.54 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		26.09	0.017
CASH Financial Services Group Ltd	8122		25.00	0.375
CCID Consulting Company Ltd	8235		15.25	0.10
Excel Technology International Holdings Ltd	8048		15.38	0.055
G.A. Holdings Ltd	8126	11.27		0.079
Tradeeasy Holdings Ltd	8163	32.50		0.053

In Japan, post-election profit-taking shaved the gains, considerably, but the key index of The Tokyo Stock Exchange, known as The TOPIX Average, managed to squeeze out a gain of 0.46 percent, ending the trading session at 1,315.76 points.

The Nikkei-225 Stock Average, on the other hand, recorded a gain of 0.04 percent, rising to 12,896.43 yen.

The ratio of gainers to losers was about 1.66:One.

And, in other Asian equity markets, this was how their key indices ended, last Tuesday:

The HKSAR	Minus 0.85 percent to 15,070.56
Indonesia	Minus 1.80 percent to 1,085.74
Japan	Nikkei-255 Stock Average Plus 0.04 percent to 12,901.95 TOPIX Average Plus 0.46 percent to 1,315.76
Malaysia	Minus 0.36 percent to 915.72
The Philippines	Plus 1.49 percent to 1,894.67
Singapore	Minus 0.63 percent to 2,310.35
South Korea	Minus 0.02 percent to 1,158.12
Taiwan	Plus 0.07 percent to 6,169.08
Thailand	Minus 0.35 percent to 710.31

Wednesday

Early last Wednesday, the US Federal Reserve Board released its findings with regard to the statistics, relating to US Industrial Production and Capacity Utilization for the month of August.

It was not all good news, to be sure.

This is most of that which The Fed released, last Thursday (tables have been deleted):

'Industrial production rose 0.1 percent in August, and at 119.7 percent of its 1997 average, was 3.1 percent above its year-earlier level. Manufacturing output increased 0.3 percent; excluding motor vehicles and parts, manufacturing production was unchanged from July. The output at mines declined 0.6 percent, and the output at utilities decreased 0.5 percent. Hurricane Katrina severely curtailed output in the Gulf Coast region at the end of August; hurricane-related production declines were most evident in oil and gas extraction, industrial chemicals manufacturing, and petroleum refining. Overall, the rate of change in total industrial production in August was reduced by an estimated 0.3 percentage point because of disruptions related to the hurricane. Capacity utilization for total industry was 79.8 percent, a rate that is 1.5 percentage points above its year-earlier level but 1.2 percentage points below its 1972-2004 average...

'Market Groups

'The output of consumer goods rose 0.3 percent in August. The production of durable goods increased 2.8 percent, and all major categories posted gains. After falling 1.8 percent in July, the output of automotive products jumped 4.7 percent in August. The indexes for home electronics; appliances, furniture, and carpeting; and miscellaneous goods also rose in August. The production of nondurable consumer goods fell 0.6 percent; all major categories--foods and tobacco, clothing, chemical products, and paper products--registered declines. The index for non-energy nondurables decreased 0.6 percent. Hurricane-related shutdowns contributed to a drop of 0.7 percent in the output of consumer energy products.

'The index for business equipment slipped 0.2 percent, its first decline after eight consecutive months of increases. Still, the index remained 8.0 percent above its year-earlier level. The production of transit equipment and information processing equipment

rose substantially, but the output of industrial and other equipment dropped back 1.9 percent, reversing much of its surge in July. The production of defense and space equipment increased 1.4 percent and was 12.2 percent higher than its level in August 2004. The index for construction supplies rose 0.7 percent in August, but the output of business supplies slipped 0.1 percent.

'The output of materials edged up 0.1 percent; a gain of 0.4 percent in the output of non-energy materials slightly more than offset a decline of 0.7 percent in energy materials. Among non-energy materials, output rose in all major categories of durable goods materials, and output fell in all major categories of nondurable materials. Storm-related disruptions contributed to the declines in the output of energy materials and of chemical materials (a major category within nondurable materials).

Industry Groups

'Manufacturing output rose 0.3 percent in August. Gains in the production of durables were widespread. The production of motor vehicles and parts advanced 3.7 percent, and the following industries also registered gains of more than 1 percent: primary metals, computer and electronic products, aerospace and miscellaneous transportation equipment, and miscellaneous manufacturing. These gains were only slightly offset by decreases in the output of machinery and wood products; the drop of 2.6 percent in machinery production followed a large gain in July. In contrast to durables, most major categories of nondurables declined in August. Hurricane-related shutdowns in the Gulf Coast region contributed to a drop of 1.1 percent in the production of chemicals and a decrease of 0.9 percent in the output of petroleum and coal products. The output of non-NAICS manufacturing industries (publishing and logging) together declined 0.6 percent. Capacity utilization in manufacturing edged up to 78.4 percent, a level 1.2 percentage points above that of August 2004.

'The output at mines fell 0.6 percent in August; reductions in the extraction of oil and gas and in coal mining contributed heavily to the decline. Capacity utilization in mining declined to 87.4 percent. The output at utilities declined 0.5 percent, and the industry operating rate fell to 87.8 percent.

'For industries by stage of process, capacity utilization for the crude stage decreased 0.8 percentage point, to 85.2 percent; for the primary and semifinished stages, it rose 0.1 percentage point, to 80.6 percent; and for the finished stage, it rose 0.2 percentage point, to 78.0 percent.'

But the big news, last Wednesday, was that which nearly every well-heeled financial analyst and investor had been expecting: Delta Air Lines Incorporated and Northwest Airlines, the third and fourth-largest US carriers, respectively, filed for Chapter 11 – they, both, declared, in other words, that they could not pay their debts as they fell due and needed the Bankruptcy Court to protect them from their respective creditors.

The high cost of jet fuel was the bugbear.

Today, 4 major US airlines out of the 7 major US carriers are operating under Chapter 11, the other 2 airlines, being United Airlines and US Airways Group.

But that was not everything, last Wednesday, because the US Commerce Department came out with another bombshell: It announced that retail sales in the US had fallen by 2.10 percent in August, Year-On-Year.

It was the largest drop for any single month in the past 4 years.

On Wall Street, investors were hit, first by news of the filings of Delta and Northwest for Chapter 11 and, then, by the news in respect of US retail sales, and, then, to top everything off, by a material increase in the price of crude oil on international markets.

On The New York Mercantile Exchange (NYMEX), the last settlement for light sweet crude oil for delivery in October was \$US65.09 per barrel, an increase of about 3.14 percent on Tuesday's last settlement.

As for November delivery, the last settlement was \$US65.73 per barrel of light sweet crude oil, up 3.06 percent on the day.

On The New York Stock Exchange, it was hardly surprising that there was something of a rush for certain investors to sell scrip.

The Dow Jones Industrial Average, the gauge to the price direction of blue chips, listed on the world's largest equity market, fell 52.54 points, or one half of a percentage point, ending the day at 10,544.90 points.

Over on The NASDAQ, its Composite Index surrendered 22.42 points, equivalent to about 1.03 percent, sliding back to 2,149.33 points.

For US investors, last Wednesday could rightly be called a horror day because there were so many negative factors, all coming together.

In Europe, investors in this part of the world had not been fully conversant with what was about to take place in the US, during trading hours, and of the many economic releases from various US Government departments.

But the news that the price of crude oil was on its way up, again, caused there to be a flurry of activity on major bourses where major energy counters dominate a goodly part of trading activity.

At the same time, however, it was well accepted that higher oil prices would cut into the Bottom Lines of many a company – and there was still the matter of the aftermath of Hurricane Katrina in the US coastal Gulf States.

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

Amsterdam's AEX Index	Plus	0.15 percent
Great Britain's FTSE 100 Index	Plus	0.17 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.18 percent
France's CAC 40 Index	Plus	0.38 percent
Switzerland's Swiss Market Index	Plus	0.57 percent
Italy's MIBTEL Index	Plus	0.38 percent

In Asia, reaction of the US news of Tuesday in respect of Producer Price Indices and the narrowing US trade deficit was received with mixed feelings because it was clear that that which had not been factored into the US Government's statistics were the devastating destruction and deaths, caused by Hurricane Katrina.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there were only fractional movements on the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose by about 0.11 percent to 15,086.62 points on a Total Turnover of about \$HK17.05 billion.

The ratio of losing counters to gaining ones was about 1.56:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.16 percent to \$HK126.30 per share
PetroChina Company Ltd (Code: 857)	Down 0.81 percent to \$HK6.15 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 2.19 percent to \$HK3.35 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.26 percent to \$HK76.65 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.96 percent to \$HK15.45 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.61 percent to \$HK82.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.95 percent to \$HK85.30 per share
Esprit Holdings Ltd (Code: 330)	Down 2.34 percent to \$HK60.40 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.72 percent to \$HK34.75 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.81 percent to \$HK6.15 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Artfield Group Ltd	1229		18.18	0.315
Asia Alliance Holdings Ltd	2905	14.10		0.445
Asia Standard Hotel Group Ltd	292		12.86	0.61
Dream International Ltd	1126		30.38	0.55
Four Seas Food Investment Holdings Ltd	60		10.08	0.99
GeoMaxima Energy Holdings Ltd	702		11.76	0.86
Kantone Holdings Ltd	1059	15.63		0.74
Landune International Ltd	245	10.16		0.141
New Spring Holdings Ltd	690		37.89	0.59
Shougang Concord Century Holdings Ltd	103		10.71	0.50
UDL Holdings Ltd	620		20.00	0.048
Unity Investments Holdings Ltd	2907		13.68	0.164
Willie International Holdings Ltd	273		10.26	0.175

Over on The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the sentiment of investors was a little more positive than on the Main Board.

The Growth Enterprise Index rose about 0.87 percent to 972.35 points, while the Total Turnover scooted up to \$HK186.24 million.

Gaining counters outran losing ones by the ratio of about 1.09:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Down 10 percent to \$HK2.00 per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 20 percent to 17.80 cents per share
TOM Online Incorporated (Code: 8282)	Up 3 percent to \$HK1.55 per share
China.com Incorporated (Code: 8006)	Unchanged at 57 cents per share
Yantai North Andre Juice Company Ltd (Code: 8259)	Up 6 percent to 66 cents per share

The biggest GEM movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGL MediaTech Holdings Ltd	8192	100.00		0.034
B M Intelligence International Ltd	8158	73.33		0.052
CASH Financial Services Group Ltd	8122	25.33		0.47
Computech Holdings Ltd	8081	12.50		0.045
EVI Education Asia Ltd	8090	18.87		0.063
Fast Systems Technology (Holdings) Ltd	8150		22.22	0.014
G.A. Holdings Ltd	8126		13.92	0.068
Galileo Capital Group Ltd	8029		25.71	0.052
North Asia Strategic Holdings Ltd	8080		12.63	0.83
Q9 Technology Holdings Ltd	8129	10.00		0.022
Town Health International Holdings Company Ltd	8138	20.27		0.178
WorldMetal Holdings Ltd	8161		10.11	2.00

In Japan, higher oil prices scared off investors: They were well aware of the vagaries of this scenario.

Japan's 3 equity markets experienced much lower activity with falling prices.

On The Tokyo Stock Exchange, The TOPIX Average shed 0.26 percent, falling back to 1,312.35 points.

The Nikkei-225 Stock Average fell 0.52 percent to 12,834.25 yen.

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

And this was how the key indices of other Asian equity markets closed, last Wednesday:

The HKSAR	Plus 0.11 percent to 15,086.62
Indonesia	Minus 2.50 percent to 1,058.63
Japan	Nikkei-255 Stock Average Minus 0.52 percent to 12,834.25 TOPIX Average Minus 0.26 percent to 1,312.35
Malaysia	Minus 0.11 percent to 914.74
The Philippines	Plus 1.06 percent to 1,914.74
Singapore	Plus 0.13 percent to 2,313.35
South Korea	Plus 1.09 percent to 1,170.77
Taiwan	Minus 0.33 percent to 6,148.70
Thailand	Plus 1.05 percent to 717.77

Thursday

The world appeared to be awaiting the determination of the US Federal Reserve Board in respect of interest rates.

Last Thursday, in spite of crude oil prices, losing part of Wednesday's gains, investors, locked into the world's largest equity markets, preferred to wait for the Open Market Committee Meeting of The Fed, scheduled for the following Tuesday (tomorrow).

There was, also, of course, still the question of the devastating effects of Hurricane Katrina on the world's largest economy and the only super power: Washington D.C. was continuing to struggle to put the coastal Gulf States, back on the road to economic recovery, but it was a daunting task, which was estimated to cost more than \$US100 billion.

On The New York Stock Exchange, the Dow Jones Industrial Average ended the trading day at 10,558.75 points, a one-day gain of about 0.13 percent.

On The NASDAQ, its Composite Index followed the path of The Dow, but in the reverse direction, dropping back about 0.15 percent to 2,146.15 points.

News Wise

- The Federal Reserve Board announced that it had issued an **Order of Prohibition** against **Mr Hanspeter Walder**, a former officer of the New York Branch of **UBS AG** (of Zurich, Switzerland). Mr Hanspeter Walder had been found to have embezzled more than \$US70 million from 22 private client accounts at UBS AG, New York branch, those accounts, being under his control and being his responsibility. He pleaded guilty to 16 counts of embezzlement and misapplication by a bank officer and is, currently, spending 97 months in a US prison.

On The New York Mercantile Exchange (NYMEX), the last settlement for light sweet crude oil was \$US64.75 per barrel for delivery in October, representing a fall of about 0.52 percent, compared with the last settlement of Wednesday.

For delivery in November, the last settlement for a barrel of light sweet crude oil was \$US65.25, down 0.73 percent, exactly, compared with the last quote of Wednesday.

In Europe, the situation was very similar to that that had transpired on Wall Street.

Indices of major European bourses moved only fractionally, as the following TARGET list indicates:

Amsterdam's AEX Index	Plus 0.26 percent
Great Britain's FTSE 100 Index	Plus 0.68 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.11 percent
France's CAC 40 Index	Plus 0.20 percent
Switzerland's Swiss Market Index	Plus 0.32 percent
Italy's MIBTEL Index	Minus 0.11 percent

News Wise

- The **Do-It-Yourself** (DIY) chain-store group, **Kingfisher**, announced that it would be closing down 22 of its stores in a cost-cutting measure. The company said that it is facing its biggest challenge of many years. The company will be left with 16 stores at the end of the current restructuring exercise. Last month, the company sacked 400 of its office staff.

In Asia, only the 3 equity markets of The Land of The Rising Sun made any material gains.

All of the other markets tended to drift to lower levels or, simply, to mark time.

The coming Monday (September 19) was, for the ethnic Chinese population of the region, a public holiday, known as the Mid-Autumn Festival, and so many Chinese people were preparing for the long, 3-day holiday.

Business, for the most part, was tame on equity markets in Asia, last Thursday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets registered losses.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up 0.30 percent of its value, falling back to 15,041.02 points on a Total Turnover of about \$HK15.61 billion.

The ratio of losing counters to gaining ones was about 2.28:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.32 percent to \$HK125.90 per share
PetroChina Company Ltd (Code: 857)	Up 0.81 percent to \$HK6.20 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.91 percent to \$HK75.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.85 percent to \$HK81.55 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.41 percent to \$HK84.10 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 0.75 percent to \$HK3.325 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.32 percent to \$HK15.40 per share
China Life Insurance Company Ltd (Code: 2628)	Unchanged at \$HK6.15 per share
CNOOC Ltd (Code: 883)	Up 1.87 percent to \$HK5.45 per share
Foxconn International Holdings Ltd (Code: 2038)	Up 5.13 percent to \$HK8.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723		14.00	0.086
APT Satellite Holdings Ltd	1045		10.07	1.25
Asia Alliance Holdings Ltd	2905		11.24	0.395
China Golden Development Holdings Ltd	162		12.55	0.209
China Velocity Group Ltd	149		17.17	0.41

Everest International Investments Ltd	204		10.00	0.027
Golik Holdings Ltd	1118	19.57		0.275
Karce International Holdings Company Ltd	1159	10.00		0.33
New Smart Holdings Ltd	91	11.11		0.12
Orient Resources Group Company Ltd	467		10.00	0.18
South East Group Ltd	726		10.00	0.063
UDL Holdings Ltd	620	14.58		0.055
VTech Holdings Ltd	303	10.92		29.45
Wing Shan International Ltd	570		14.29	0.30
Wing Shing International Holdings Ltd	850	11.11		0.23
Zhongda International Holdings Ltd	909		10.34	0.26

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the losses were far greater than those of the Main Board.

The Growth Enterprise Index gave up about 0.97 percent of its value, falling back to 962.95 points.

The Total Turnover on this speculative market was about \$HK136.15 million.

Declining counters outperformed advancing ones by the ratio of about 1.55:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Up 5 percent to \$HK2.10 per share
Town Health International Holdings Company Ltd (Code: 8138)	Down 5 percent to 16.90 cents per share
TOM Online Incorporated (Code: 8282)	Down 5 percent to \$HK1.47 per share
China.com Incorporated (Code: 8006)	Down 2 percent to 56 cents per share
CASH Financial Services Group Ltd (Code: 8122)	Up 5 percent to 49.50 cents per share

The GEM's biggest movers, however, were reserved for the following counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGL MediaTech Holdings Ltd	8192		26.47	0.025
Armitage Technologies Holding Ltd	8213	20.00		0.042
Co-winner Enterprise Ltd	8108	13.33		0.068
Computech Holdings Ltd	8081	22.22		0.055
Era Information and Entertainment Ltd	8043	25.45		0.069
G.A. Holdings Ltd	8126	10.29		0.075
Glory Future Group Ltd	8071	50.00		0.03
IIN International Ltd	8128	14.29		0.024
MP Logistics International Holdings Ltd	8239		13.98	0.08
New Universe International Group Ltd	8068		15.56	0.038
QUASAR Communication Technology Holdings Ltd	8171		35.71	0.09
Shanghai Fudan Microelectronics Company Ltd	8102	15.38		0.30

In Japan, things were very much upbeat as investors disregarded, to a great extent, the prospects of higher interest rates before the month was out.

On The Tokyo Stock Exchange, The TOPIX Average rose about 1.14 percent to 1,327.29 points.

The Nikkei-225 Stock Average, a narrower gauge to trading in select blue chips, listed on Asia's largest equity market, gained 1.19 percent, ending the trading day at 12,986.78 yen.

The ratio of gainers to losers was about 2.47:One.

This was how the key indices of other Asian stock markets fared, last Thursday:

The HKSAR	Minus 0.30 percent to 15,041.02
Indonesia	Minus 0.73 percent to 1,050.91
Japan	Nikkei-255 Stock Average Plus 1.19 percent to 12,986.78 TOPIX Average Plus 1.14 percent to 1,327.29
Malaysia 5	Plus 0.54 percent to 919.6
The Philippines	Minus 0.61 percent to 1,903.09
Singapore	Plus 0.19 percent to 2,317.67
South Korea	Minus 0.10 percent to 1,169.59
Taiwan	Minus 1.08 percent to 6,082.56
Thailand	Minus 0.92 percent to 711.20

Friday

In a complete 180-turnabout, the European head office of The **Organisation of Petroleum Exporting Countries** (OPEC) said that it would recommend to its members to increase output of crude oil in order to quench the thirst of the industrialised countries of the world.

OPEC meets today in Vienna, Austria, in order to set new output limits for crude oil, among other things.

It was not more than 8 months ago that OPEC claimed that it could not release any more oil onto the market – because there was no more to be had.

And, in the middle of 2004, the President of OPEC said that releasing more oil onto the world markets would help nobody because the problem of the shortages of crude oil stemmed from the increased international demand for oil not from OPEC's control of the oil taps.

What a difference a year makes!

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in October gave up about 2.70 percent of Thursday's final quote, ending the week at \$US63, exactly.

For November delivery, the last settlement for a barrel of light sweet crude oil was \$US63.34, down about 2.92 percent on the last settlement of Thursday.

The fall in the price of crude oil tipped the scales on Wall Street – and key indices rose, again.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.79 percent, ending the week at 10,641.94 points.

On The NASDAQ, its Composite Index rose 0.66 percent to 1,160.35 points.

Energy counters were in strong demand, last Friday, following an upgrade of some of the oil counters by certain gurus of the industry.

For the week on the world's largest equity markets, the tally was:

The Dow Jones Industrial Average	Minus 0.34 percent
The NASDAQ's Composite Index	Minus 0.70 percent

In Europe, it was winner after winner, all round the region.

For the most part, it was the strength in the energy sector on European bourses that pulled up many key indices to their highest levels since 2001.

The fact that the US Federal Reserve Board may raise interest rates by another 25 basis points did not seem to worry Europe, at all.

This was how key indices of the largest bourses of the region ended the week of September 16, 2005:

Amsterdam's AEX Index	Plus	0.80 percent
Great Britain's FTSE 100 Index	Plus	0.45 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.64 percent
France's CAC 40 Index	Plus	0.67 percent
Switzerland's Swiss Market Index	Plus	0.71 percent
Italy's MIBTEL Index	Plus	0.70 percent

In Asia, there was the coming of the long, 3-day holiday for the ethnic Chinese population (the Mid-Autumn Festival) and that prompted many investors to start the weekend holiday early, last Friday.

And, of course, there was the confusing plethora of economic statistics which, on the one hand, suggested deep problems in the making for the US economy, while, on the other hand, the indices of key US equity markets appeared to be on the rise.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there were concerns that the US Federal Reserve Board would recommend another, 25 basis-point, interest-rate increase at Tuesday's Open Market Committee Meeting.

On The Stock Exchange of Hongkong Ltd, the Main Board's key index, The Hang Seng Index, fell by about 0.38 percent to 14,983.20 points on a Total Turnover of about \$HK14.53 billion.

Declining counters outnumbered advancing ones by the ratio of about 2.65:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK125.90 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.90 percent to \$HK80.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.49 percent to \$HK82.85 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.46 percent to \$HK75.60 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK6.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.32 percent to \$HK15.35 per share
CNOOC Ltd (Code: 883)	Down 1.83 percent to \$HK5.35 per share
China Shenhua Energy Company Ltd (Code: 1088)	Down 1.76 percent to \$HK8.35 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK2.825 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.75 percent to \$HK3.35 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AAC Acoustic Technologies Holdings Incorporated	2018	13.07		4.325
Anex International Holdings Ltd	723	16.28		0.10
Asia Standard Hotel Group Ltd	292		20.83	0.475
China Resources Land Ltd	1109	14.80		2.25
China Treasure (Greater China) Investments Ltd	810	14.29		0.12
CITIC Resources Holdings Ltd	1205	15.69		1.18
eForce Holdings Ltd	943		13.79	0.025
Garron International Ltd	1226	47.89		0.105

Interchina Holdings Company Ltd	202		16.67	0.04
Kantone Holdings Ltd	1059	12.06		0.79
Karl Thomson Holdings Ltd	7		10.00	0.54
MACRO-LINK International Holdings Ltd	472	10.39		0.17
MAXX Bioscience Holdings Ltd	512	17.89		0.112
New Capital International Investment Ltd	1062		13.42	0.129
Starbow Holdings Ltd	397		24.14	0.044
Takson Holdings Ltd	918	11.83		0.104
Techwayson Holdings Ltd	2330	12.50		0.45
Tidetime Sun (Group) Ltd	2909		37.00	0.315
UDL Holdings Ltd	620		12.73	0.048
Wong's International (Holdings) Ltd	99		10.00	0.63

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index gained one half of a percentage point, ending the week's proceedings at 967.79 points.

The Total Turnover on this market was about \$HK182.47 million.

Losing counters, however, eased out gaining ones by the ratio of about 1.03:One.

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

China.com Incorporated (Code: 8006)	Up 20 percent to 67 cents per share
WorldMetal Holdings Ltd (Code: 8161)	Up 2 percent to \$HK2.15 per share
TOM Online Incorporated (Code: 8282)	Up 2 percent to \$HK1.50 per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 1 percent to 17.10 cents per share
Techpacific Capital Ltd (Code: 8088)	Up 3 percent to 63 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	16.00		0.029
Argos Enterprise (Holdings) Ltd	8022	32.00		0.198
B M Intelligence International Ltd	8158		28.00	0.036
China.com Incorporated	8006	19.64		0.67
Co-winner Enterprise Ltd	8108		23.53	0.052
Computech Holdings Ltd	8081		32.73	0.037
Fast Systems Technology (Holdings) Ltd	8150	21.43		0.017
Golding Soft Ltd	8190		19.05	0.017
Innovis Holdings Ltd	8065	18.31		0.084
Lang Chao International Ltd	8141		11.50	1.00
New Chinese Medicine Holdings Ltd	8085		10.00	0.09
Shanghai Fudan Microelectronics Company Ltd	8102	10.00		0.33

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

The Hang Seng Index	Minus 1.20 percent
The Growth Enterprise Index	Plus 2.34 percent

In Japan, after a strong start to trading on the country's 3 equity markets, things became more than a little boring for investors.

By the close of the trading day, investors had a choice: Believe The TOPIX Average, which was in positive territory; or, go with The Nikkei-225 Stock Average, which was in negative territory.

The big money was on The TOPIX Average, which rose to 1,328.84 points, a one-day improvement of about 0.12 percent.

For this official gauge to trading in blue chips, listed on The Tokyo Stock Exchange, it represented a 4-year high.

The Nikkei-225 Stock Average, on the other hand, gave up about 0.22 percent of its value, ending the session at 12,958.68 yen.

The ratio of gaining counters to losing counters was about 1.15:One.

So, the tally for the week for the largest equity market in Asia was:

The TOPIX Average	Plus	2.74 percent
The Nikkei-225 Stock Average	Plus	2.10 percent

This was how the indices of other Asian equity markets ended the week:

The HKSAR	Minus 0.38 percent to 14,983.20
Indonesia	Plus 0.55 percent to 1,056.73
Japan	Nikkei-255 Stock Average Minus 0.22 percent to 12,958.68 TOPIX Average Plus 0.12 percent to 1,328.84
Malaysia	Plus 0.25 percent to 921.99
The Philippines	Plus 0.35 percent to 1909.80
Singapore	Minus 0.49 percent to 2,306.38
South Korea	Plus 0.39 percent to 1,174.13
Taiwan	Minus 0.84 percent to 6,031.24
Thailand	Minus 0.41 percent to 708.26

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