

C. P. I. LEAPS TO HIGHEST LEVEL SINCE MARCH 1980
EQUITY MARKETS BUCKLE UNDER THE STRAIN
INTEREST-RATE WORRIES TROUBLE INVESTORS

Attention in the largest economy of the world was focused on the question of whether or not General Motors Corporation would file for Chapter 11 of the Bankruptcy Laws of the United States, following the filing of Chapter 11 the previous Saturday of Delphi Corporation, one of the world's largest automotive parts' suppliers.

The share price of General Motors dropped 9.90 percent to \$US25.48, close to its lowest level of the past year.

Delphi Corporation, which was spun off from General Motors in 1999, saw its share price fall about 71 percent to 33 cents.

The actions of Delphi are expected to cost General Motors about \$US12 billion, according to Management.

The declines in the share prices of General Motors and Delphi set the stage for proceedings, generally, on Wall Street, last Monday.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 53.55 points, equivalent to about 0.52 percent, ending the trading session at 10,238.76 points.

Over on The NASDAQ, its Composite Index followed in the wake of The Dow, giving up 11.43 points, or about 0.55 percent, coming to rest at 2,078.92 points.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US61.80, off about 0.06 percent, compared with the last settlement of the previous Friday.

As for December delivery, the last settlement was \$US61.57 for a barrel of light sweet crude oil, representing a fall of about 0.08 percent on the last quotation of the previous session.

In Europe, it was a completely different kettle of fish, which dominated trading on leading bourses: It was decided that Germany would have its first female Chancellor.

She is Mrs Angela Merkel, aged 51 years, who is, today, the 34th Chancellor of Germany.

Germany's equity markets rose, fractionally, on the news that Chancellor Gerhard Schroeder was out and Chancellor Angela Merkel is in.

This was how indices of major eurozone equity markets fared, last Monday:

Amsterdam's AEX Index	Minus 0.09 percent
Great Britain's FTSE 100 Index	Plus 0.22 percent

Germany's Frankfurt XETRA DAX Index	Plus 0.29 percent
France's CAC 40 Index	Plus 0.16 percent
Switzerland's Swiss Market Index	Plus 0.13 percent
Italy's MIBTEL Index	Plus 0.01 percent

In Asia, last Monday, the largest equity market of the region, that of The Tokyo Stock Exchange, was closed for a public holiday – Health-Sports Day – whereas, in the People's Republic of China (PRC), equity markets opened for the first time in a week, following what has come to be known as '*Golden Week*'.

Further, many investors of the Hongkong Special Administrative Region (HKSAR) of the PRC were (unofficially) off on Monday, preparing to pay homage to ancestors since, last Tuesday, was the Chung Yeung Festival, which has been redubbed '*Seniors' Day*', in the PRC, proper, where it is, also, a public holiday.

In the HKSAR, there was a half-hearted improvement in the general demeanor of investors, locked into the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 0.34 percent to 14,898.77 points.

The Total Turnover, however, fell back to \$HK13.71 billion, about 26 percent lower than the volume of activity of the previous Friday.

The ratio of gaining counters to losing ones was about 1.03:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.16 percent to \$HK123.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.13 percent to \$HK77.20 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.71 percent to \$HK35.60 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.06 percent to \$HK83.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.45 percent to \$HK76.80 per share
CNOOC Ltd (Code: 883)	Up 2.00 percent to \$HK5.10 per share
PetroChina Company Ltd (Code: 857)	Up 0.81 percent to \$HK6.25 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 2.24 percent to \$HK3.425 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.33 percent to \$HK15.30 per share
Bank of Communications Company Ltd (Code: 3328)	Up 1.55 percent to \$HK3.275 per share

The biggest Main Board movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied International Holdings Ltd	519	13.58		0.46
Asia Alliance Holdings Ltd	616	13.51		0.42
Asia Commercial Holdings Ltd	104	11.11		0.50
Asia Resources Holdings Ltd	899		11.76	1.50
Daisho Microline Holdings Ltd	567	14.29		0.28
eForce Holdings Ltd	943	19.05		0.025
Frasers Property (China) Ltd	535		12.44	0.19
Heritage International Holdings Ltd	412		38.71	0.057

Hopson Development Holdings Ltd	754	10.50		11.05
New Island Printing Holdings Ltd	377		26.47	0.50
New World Mobile Holdings Ltd	862		14.41	2.525
Oriental Explorer Holdings Ltd	430		12.50	0.042
Shanghai Allied Cement Ltd	1060		12.50	0.21
Senyuan International Holdings Ltd	3333	10.75		1.03
Takson Holdings Ltd	918	15.38		0.135
Unity Investments Holdings Ltd	913		17.99	0.155
Victory Group Ltd	1139	10.34		0.032
Wah Ha Realty Company Ltd	278		14.29	1.20
Wonderful World Holdings Ltd	109		46.67	0.064
Wonson International Holdings Ltd	651		14.93	0.057

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover dropped back to about \$HK42.83 million, down about 60 percent, compared with the volume of activity of the previous Friday.

The Growth Enterprise Index rose about 0.51 percent to 980.17 million, while the ratio of gaining counters to losing ones was about 1.19:One.

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

Golden Meditech Company Ltd (Code: 8180)	Up 1 percent to \$HK1.39 per share
Sau San Tong Holdings Ltd (Code: 8200)	Up 1 percent to 50 cents per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 6 percent to 18.30 cents per share
TOM Online Incorporated (Code: 8282)	Unchanged at \$HK1.74 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 2 percent to \$HK1.07 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		20.00	0.08
B and S Entertainment Holdings Ltd	8167		31.03	0.02
CASH Financial Services Group Ltd	8122		13.64	0.285
Era Information and Entertainment Ltd	8043		33.33	0.05
Finet Group Ltd	8317		16.25	0.67
Glory Future Group Ltd	8071		25.00	0.015
Medical China Ltd	8186		26.00	0.037
Mobile Telecom Network (Holdings) Ltd	8266		14.05	0.159
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	13.16		0.43
Prosten Technology Holdings Ltd	8026	14.29		0.08
Rojam Entertainment Holdings Ltd	8075	11.54		0.435
Thiz Technology Group Ltd	8399		14.44	0.077

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

The HKSAR	Plus 0.34 percent to 14,898.77
Indonesia	Plus 0.74 percent to 1,102.78
Japan	TOPIX Average Closed Nikkei-255 Stock Average Closed
Malaysia	Plus 0.39 percent to 928.88

The Philippines	Minus 0.14 percent to 1,949.42
Singapore	Plus 1.65 percent to 2,343.39
South Korea	Plus 2.17 percent to 1,227.18
Taiwan	Closed
Thailand	Minus 0.27 percent to 707.05

Tuesday

The price of crude oil rose, again, on international markets, last Tuesday.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for November delivery was \$US63.53, up 2.80 percent on the last quote of Monday.

As for December delivery, the last settlement came in at \$US63.05 per barrel of light sweet crude oil, that price, representing an improvement of about 2.40 percent on the last settlement of Monday.

Rising oil prices in the present circumstances in the US is not good news, especially following the devastation of vast areas of a number of southern States in the wake of 2 major storms over the past few months, both of which hit the oil-refining heart of The Gulf of Mexico.

And a number of oil refineries in The Gulf States are, still, not up and running.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 14.40 points, or about 0.14 percent, ending the trading session at 10,253.17 points.

But, on The NASDAQ, its Composite Index went in the reverse direction to The Dow, losing 17.83 points, equivalent to about 0.86 percent, coming to rest at 2,016.09 points.

The NASDAQ's Composite Index, at 2,016.09 points, had registered its lowest level of the past quarter.

Had it not been for gains, made in select energy counters, some of which are constituents of The Dow, the Big Board's chief index of The New York Stock Exchange would have registered a negative value, also.

As with the US, Europe did not appreciate the fact that the price of oil was on the move upwards, again.

Key Indices of major European bourses headed south:

Amsterdam's AEX Index	Minus 0.09 percent
Great Britain's FTSE 100 Index	Plus 0.11 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.19 percent
France's CAC 40 Index	Plus 0.29 percent
Switzerland's Swiss Market Index	Plus 0.20 percent
Italy's MIBTEL Index	Minus 0.10 percent

The equity markets for the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were closed, last Tuesday, for a public holiday.

On The Tokyo Stock Exchange, its TOPIX Average scooted up to 1,405.99 points, a one-day gain of about 2.44 percent.

The Nikkei-225 Stock Average rose about 2.49 percent to 13,556.71 yen.

Trading was active on Asia's largest equity market as investors shrugged off concerns about inflationary tendencies in the US and the probability of further increases in interest rates, which are expected to be announced on Tuesday, November 1, 2005.

News Wise

- **Private-sector machinery** orders rose 8.20 percent in August, Month-On-Month, seasonally adjusted, to about 1.10 trillion yen, The Cabinet Office of the Japanese Government announced; and,
- The **average spending** of households in Japan fell in the month of August by about 0.60 percent, Year-On-Year, to 299,641 yen, The Internal Affairs and Communications Ministry released in its preliminary report.

In other Asian stock markets, this was how their respective key indices closed, last Tuesday:

The HKSAR	Closed
Indonesia	Plus 0.26 percent to 1,105.63
Japan	TOPIX Average Plus 2.44 percent to 1,405.99 Nikkei-255 Stock Average Plus 2.49 percent to 13,556.71
Malaysia	Minus 0.05 percent to 928.43
The Philippines	Plus 0.76 percent to 1,964.22
Singapore	Plus 0.50 percent to 2,355.02
South Korea	Plus 1.39 percent to 1,244.27
Taiwan	Minus 0.25 percent to 6,066.59
Thailand	Plus 0.29 percent to 709.13

Wednesday

Key indices of major equity markets, worldwide, slumped, last Wednesday, due to a combination of factors:

- Investor fears that interest rates would be raised another notch, at least, on Tuesday, November 1, 2005, when the US Federal Reserve Board convenes its Open Market Committee Meeting, once more;
- Another material increase in the price of crude oil on international commodity exchanges; and,
- Waning consumer confidence in the US, Europe, as well as in Japan.

On The New York Mercantile Exchange (NYMEX), the last settlement for light sweet crude oil for delivery in November was \$US64.12 per barrel, representing an increase of about 0.93 percent on the last trade of Tuesday.

For delivery in December, the last settlement was \$US63.61 for a barrel of light sweet crude oil, an increase of about 0.89 percent on the last settlement of Tuesday.

As black Americans are wont to say: Things were all shook up on Wall Street!

On The New York Stock Exchange, the key index of the largest equity market in the world, the Dow Jones Industrial Average, fell 36.26 points, equivalent to about 0.35 percent, falling back to 10,216.91 points.

On The NASDAQ, its Composite Index gave up 23.62 points, or about 1.15 percent, dropping to 2,037.47 points.

And the selling pressure was extreme, according to reports from trading floors.

In Europe, noting what was taking place on Wall Street, investors started to lighten up on their holdings of scrip, causing key indices of major bourses to fall to much lower levels, as the following **TARGET** list of major stock markets in the region indicates:

Amsterdam's AEX Index	Minus 1.05 percent
Great Britain's FTSE 100 Index	Minus 0.71 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.00 percent
France's CAC 40 Index	Minus 0.76 percent
Switzerland's Swiss Market Index	Minus 0.57 percent
Italy's MIBTEL Index	Minus 0.70 percent

With a little more than a fortnight to go before the US Fed meets to decide on interest rates, European investors determined that caution was the best course of action.

In Asia, it was a very similar situation: Key indices of major equity markets fell.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it was the day of the reading of the first policy address by the Chief Executive of the territory, Mr Donald Tsang Yam Kuen.

The policy address turned out to be 40 minutes of wishy-washy statements, most of which were of a completely benign character.

Nevertheless, investors of the HKSAR decided to play it safe ... just in case.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index fell about 2.17 percent to 14,575.02 points on a Total Turnover of about \$HK24.97 billion.

The volume of activity was considerably higher than usual: Not a good sign on a rapidly falling market.

The ratio of losing counters to gaining ones was about 4.37:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.45 percent to \$HK122.10 per share
Hutchison Whampoa Ltd (Code: 13)	Down 2.46 percent to \$HK75.30 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 4.21 percent to \$HK34.10 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.75 percent to \$HK81.20 per share
Bank of Communications Company Ltd (Code: 3328)	Up 0.76 percent to \$HK3.30 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.28 percent to \$HK75.05 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 1.96 percent to \$HK15.00 per share
CNOOC Ltd (Code: 883)	Down 1.96 percent to \$HK5.00 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 2.19 percent to \$HK3.35 per share
PetroChina Company Ltd (Code: 857)	Down 1.60 percent to \$HK6.15 per share

As for the Main Board's double-digit movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		13.04	0.10
Compass Pacific Holdings Ltd	1188		11.18	0.151
Cosmopolitan International Holdings Ltd	120		12.61	0.201
Daisho Microline Holdings Ltd	567		14.29	0.24
Dickson Group Holdings Ltd	313		10.20	0.22
Fortuna International Holdings Ltd	530		16.67	0.01
Garron International Ltd	1226		14.29	0.60
Global Flex Holdings Ltd	471	12.05		0.93
Haywood Investments Ltd	905		11.69	0.068
Hi Sun Technology (China) Ltd	818	12.00		1.40
Karce International Holdings Company Ltd	1159		13.79	0.25
Mascotte Holdings Ltd	136	10.05		0.23
Multifield International Holdings Ltd	898		20.86	0.11
Quam Ltd	952		10.26	0.70

Riche Multi-Media Holdings Ltd	764		20.90	0.265
Shang Hua Holdings Ltd	371		21.88	0.25
Shun Ho Resources Holdings Ltd	253		13.33	0.52
Takson Holdings Ltd	918		11.85	0.119
Tidetime Sun (Group) Ltd	2909		21.50	0.168
Unity Investments Holdings Ltd	913	19.35		0.185
Vantage International (Holdings) Ltd	15		13.33	0.221
Wai Yuen Tong Medicine Holdings Ltd	897		29.15	0.209
Winfair Investment Company Ltd	287		11.81	3.175
Wonderful World Holdings Ltd	109	71.88		0.11
Yanion International Holdings Ltd	82		15.09	0.45

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, investors pulled down the lone index, known as The Growth Enterprise Index, by about 1.19 percent to 968.48 points.

The Total Turnover was about \$HK64.80 million, while the ratio of losing counters to gaining ones was about 1.93:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Up 2 percent to \$HK2.30 per share
TOM Online Incorporated (Code: 8282)	Down 4 percent to \$HK1.67 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 2 percent to \$HK1.05 per share
Panva Gas Holdings Ltd (Code: 8132)	Up 2 percent to \$HK3.65 per share
Town Health International Holdings Company Ltd (Code: 8138)	Down 3 percent to 17.70 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B and S Entertainment Holdings Ltd	8167		25.00	0.015
B M Intelligence International Ltd	8158	25.00		0.035
Era Information and Entertainment Ltd	8043	16.00		0.058
FX Creations International Holdings Ltd	8136	15.00		0.023
Galileo Capital Group Ltd	8029		28.57	0.05
Glory Future Group Ltd	8071		13.33	0.013
Innovis Holdings Ltd	8065		10.26	0.07
KanHan Technologies Group Ltd	8175	25.00		0.05
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	37.21		0.59
Northeast Tiger Pharmaceutical Company Ltd	8197	12.24		0.055
QUASAR Communication Technology Holdings Ltd	8171		35.00	0.065
Rojam Entertainment Holdings Ltd	8075		10.34	0.39
T S Telecom Technologies Ltd	8003		36.73	0.031
Tradeeasy Holdings Ltd	8163	11.63		0.048
Ultra Group Holdings Ltd	8203		10.91	0.049
Vodatel Networks Holdings Ltd	8033		10.09	0.205

In Japan, investors went on a roller-coaster ride.

After an early morning gain on The Tokyo Stock Exchange, when key indices rose to their highest levels of the past 4 years, selling pressure hotted up, pulling down indices quite dramatically.

By the close of the day, The TOPIX Average was up 0.06 percent to 1,406.89 points.

But, The Nikkei-225 Stock Average registered a loss of about 0.69 percent at 13,463.74 yen.

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

What tipped the scales on Asia's largest equity market, last Wednesday, was a report from the Japanese Government, indicating that consumer confidence in the country was waning, the August Consumer Confidence Index, giving up about 6 percentile points, Month-On-Month, falling back to 45.50 points.

This was the situation on other Asian equity markets, last Wednesday:

The HKSAR	Minus 2.17 percent to 14,575.02
Indonesia	Minus 0.24 percent to 1,102.98
Japan	TOPIX Average Plus 0.06 percent to 1,406.89 Nikkei-255 Stock Average Minus 0.69 percent to 13,463.74
Malaysia	Plus 0.01 percent to 928.49
The Philippines	Minus 0.30 percent to 1,958.26
Singapore	Minus 1.46 percent to 2,320.53
South Korea	Minus 2.19 percent to 1,217.06
Taiwan	Minus 1.31 percent to 5,987.40
Thailand	Plus 0.01 percent to 709.20

Thursday

The US Government presented investors with more bad news, last Thursday, announcing that the higher cost of importing crude oil had swelled the trade deficit for the month of August to its third-highest, monthly level on record.

What should have shocked Wall Street gurus, however, appeared to be brushed aside, somewhat, with glib remarks, such as: *'What do you expect?'*

The US Government's report came from The Bureau of Economic Analysis and the US Census Bureau.

This is a précis of that announcement:

'Trade Gap Widens In August 2005

'The US monthly goods and services deficit widened in August 2005 ... The deficit increased from \$58.0 billion in July (revised) to \$59.0 billion in August, as imports increased more than exports.



'Exports

'Exports of goods and services increased \$1.8 billion in August to \$108.2 billion, mostly reflecting an increase in goods exports. Services exports also increased.

- *The increase in goods exports mostly reflected increases in capital goods and automotive vehicles, parts, and engines.*
- *The increase in services exports mostly reflected an increase in other private services.*

'Imports

'Imports of goods and services increased \$2.9 billion in August to \$167.2 billion, reflecting an increase in goods imports. Services imports were virtually unchanged.

- *The increase in goods imports mostly reflected increases in industrial supplies and materials and automotive vehicles, parts, and engines. Other goods and consumer goods decreased.*
- *The change in services imports reflected a decrease in travel, which was nearly offset by small increases in several other categories of services imports.*

'Goods by geographic area (not seasonally adjusted)

- *The goods deficit with China increased from \$17.7 billion in July to \$18.5 billion in August. Exports increased \$0.3 billion to \$3.9 billion, while imports increased \$1.1 billion to \$22.4 billion.*

- *The goods deficit with Canada increased from \$6.0 billion in July to \$6.7 billion in August. Exports increased \$3.7 billion to \$18.3 billion, while imports increased \$4.3 billion to \$24.9 billion.*
- *The goods deficit with Mexico increased from \$3.5 billion in July to \$4.2 billion in August. Exports increased \$1.4 billion to \$10.6 billion, while imports increased \$2.1 billion to \$14.8 billion.'*

Then, The Bureau of Labour Statistics, a branch of the US Department of Labour, announced, prior to the opening of business on Wall Street, that US exporters were on a roll, with export prices up 0.90 percent, during the month of September.

But there was some bad news from this department of the US Government, also, and it was apparent that the high prices of imported crude oil were the bugbear.

This is that which this US Government department announced:

'U.S. IMPORT AND EXPORT PRICE INDEXES - SEPTEMBER 2005 -

'US import prices increased 2.3 percent in September, the largest monthly advance since October 1990. Higher prices for both petroleum and nonpetroleum imports contributed to the increase. Export prices rose 0.9 percent in September following a modest 0.1 percent decline in August.

Gulf Coast Hurricanes

'Hurricanes Katrina and Rita had virtually no impact on data collection efforts or survey response rates and no changes in estimation procedures were necessary.

Import Goods

'September import prices rose 2.3 percent following three consecutive 1.2 percent increases. For the fourth month in a row, the price index for petroleum recorded its highest level since the index was first published in 1982, moving up a further 7.3 percent in September. Petroleum prices rose 48.9 percent over the past 12 months after increasing 53.5 percent for the September 2003-2004 period. In addition, nonpetroleum import prices increased 1.2 percent in September, the largest one-month rise for that index since monthly publication began in December 1988. Import prices excluding all fuels rose 0.4 percent for the month. Prices for nonpetroleum imports advanced 3.0 percent for the year ended in September, while overall import prices rose 9.9 percent over the same period.

'A 5.0 percent increase for nonpetroleum industrial supplies and materials prices drove the advance in nonpetroleum prices. The rise in nonpetroleum industrial supplies and materials prices was led by a jump in natural gas prices, although higher prices for chemicals, building materials, and some metals were also contributing factors. The price index for nonpetroleum industrial supplies and materials increased 11.3 percent over the past year.

'Prices for consumer goods and for foods, feeds, and beverages also rose in September, increasing 0.3 percent and 0.7 percent, respectively. The increase in consumer goods prices followed 0.2 percent declines in July and August. For the year ended in September, the index rose 1.4 percent. The price index for foods, feeds, and beverages increased for the second consecutive month and 5.6 percent over the past year. Prices for automotive vehicles ticked up 0.1 percent for the second month in a row, and rose 0.9 percent for the year ended in September.

'Capital goods prices were unchanged in September after recording no change in August. Led by lower computer prices, prices of capital goods fell 0.3 percent over the past 12 months.

'Export Goods

'Export prices rose 0.9 percent in September as higher nonagricultural prices more than offset a decline in agricultural prices. The September increase was the largest monthly gain since April 1995. Nonagricultural export prices rose 1.1 percent in September, the largest increase for that index since October 1990. For the year, the index rose 3.8 percent. In contrast, the price index for agricultural exports fell 1.4 percent in September after a 0.5 percent decrease in August. Despite the recent declines, agricultural prices increased 3.4 percent over the past 12 months. For the same period, overall export prices rose 3.8 percent.

'The price index for nonagricultural industrial supplies and materials increased 3.6 percent in September, led by an 18.1 percent jump in export fuel prices. Higher prices for plastics, other chemicals, and metals also contributed to the increase. Nonagricultural industrial supplies and materials prices rose 12.5 percent for the year ended in September.

'Each of the major finished goods categories increased in September. Consumer goods prices advanced 0.3 percent for the month and 0.9 percent over the past year. Prices for capital goods and for automotive vehicles each rose 0.1 percent in September. Despite the modest upturn, capital goods prices declined 0.1 percent over the past 12 months, while prices for automotive vehicles increased 1.2 percent.

'Imports by Locality of Origin

'Import prices from Canada rose 4.5 percent in September, the largest monthly gain for the index since January 2001. The increase was led by a 13.4 percent jump in nonmanufactured goods that resulted largely from higher fuel prices. Prices of imports from Canada rose 12.2 percent for the September 2004-2005 period.

'The price indexes of imports from the European Union and from Mexico were also impacted by rising fuel prices, increasing 1.4 percent and 1.0 percent, respectively, in September. The increase in import prices from Europe followed 0.1 percent declines in July and August, while the index rose 5.0 percent over the past 12 months. Import prices from Mexico increased 8.5 percent for the year ended in September.

'Prices for imports from Japan also advanced in September, rising 0.2 percent for the month and 0.8 percent over the past year. In contrast, import prices from China declined for the third time in the past four months, decreasing 0.2 percent in September. Prices of imports from China declined 1.2 percent over the past 12 months.

'Import and Export Services

'Import air passenger fares declined 5.3 percent in September, following a 0.8 percent decrease in August. Notwithstanding the recent declines, the index rose 2.5 percent for the year ended in September. The index for export air passenger fares also decreased in September, falling 9.9 percent. Export fares had increased in each of the previous two months, up 8.1 percent and 5.2 percent, respectively, and advanced 7.2 percent over the past year.

'Prices for import air freight increased 0.9 percent between June and September after a downturn of 0.2 percent the previous quarter. The index rose 7.9 percent over the past year. Export air freight prices advanced 3.1 percent in the third quarter of 2005. The price index for export air freight has increased each quarter since the June-September period of 2003, and rose 13.2 percent for the year ended in September.'

From Kansas City, Kansas, the President of the Federal Reserve Bank of Kansas City, Mr Thomas Hoenig, said that inflation in the US was a problem that had to be addressed and that The Fed would take appropriate steps to address it.

This statement was the third such pronouncement to come out of the mouths of Fed members within the past week or so.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US63.08, down about 1.62 percent on the last settlement of Wednesday.

As for delivery in December, the last settlement for a barrel of light sweet crude oil was \$HK62.61, down \$US1, exactly, representing a one-day fall of 1.57 percent.

The falls in the price of crude oil had an effect on key indices of The New York Stock Exchange, last Thursday, since energy counters came under pressure, dragging down prices, overall.

The Dow Jones Industrial Average eased 0.32 of a point to end the trading session at 10,216.59 points. The fall was too small to register as a percentage of The Dow, as recorded at the previous day's session.

Over on The NASDAQ, its Composite Index rose 9.75 points, equivalent to about 0.48 percent, to come to rest at 2,047.22 points.

In Europe, it was another bad day as every key index of every major bourse lost material ground:

Amsterdam's AEX Index	Minus 0.59 percent
Great Britain's FTSE 100 Index	Minus 1.44 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.63 percent
France's CAC 40 Index	Minus 0.99 percent
Switzerland's Swiss Market Index	Minus 0.77 percent
Italy's MIBTEL Index	Minus 1.23 percent

The news about the US trade deficit for the month of August, clearly, took its toll of European investors.

For many major bourses, last Thursday's closing levels were the lowest recorded in the previous 5 weeks.

In Asia, key indices of the most-important equity markets continued to remain under pressure, forcing down prices over a wide area.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading was relatively quiet.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained about 0.32 of a percentage point, rising to 14,621.83 points.

The Total Turnover was about \$HK16.26 billion, while the ratio of gaining counters to losing ones was close, at about 1.01:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.16 percent to \$HK122.30 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.17 percent to \$HK34.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.93 percent to \$HK76.00 per share
PetroChina Company Ltd (Code: 857)	Down 0.81 percent to \$HK6.10 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.25 percent to \$HK81.40 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.20 percent to \$HK75.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 0.33 percent to \$HK14.95 per share
CNOOC Ltd (Code: 883)	Unchanged at \$HK5.00 per share
Esprit Holdings Ltd (Code: 330)	Up 0.46 percent to \$HK54.50 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 0.76 percent to 13.00 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Climax International Company Ltd	439		11.11	0.024
Earnest Investments Holdings Ltd	339		55.56	0.012
ENM Holdings Ltd	128	12.12		0.37
Everest International Investments Ltd	204		16.67	0.025
Gay Giano International Group Ltd	686		15.92	0.206
GeoMaxima Energy Holdings Ltd	702		10.26	0.035
Golden Harvest Entertainment (Holdings) Ltd	1132	12.80		0.238
HKC International Holdings Ltd	248	16.67		0.28
Ngai Hing Hong Company Ltd	1047		10.00	0.45
New World Mobile Holdings Ltd	862	11.00		2.775
Sun Innovation Holdings Ltd	547		10.26	0.035
Sunlink International Holdings Ltd	2336		14.29	0.06
Tidetime Sun (Group) Ltd	307	11.11		0.19
Unity Investments Holdings Ltd	913		25.41	0.138
Wai Yuen Tong Medicine Holdings Ltd	897		13.40	0.181
Yanion International Holdings Ltd	82	10.00		0.495

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, it was another down day for investors, locked into this speculative market.

The Growth Enterprise Index fell about 0.93 percent to 959.44 points, while the Total Turnover rose to about \$HK82.09 million.

In spite of The Growth Enterprise Index, being in negative territory, gaining counters outnumbered losing ones by the ratio of about 1.03:One.

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

WorldMetal Holdings Ltd (Code: 8161)	Up 8 percent to \$HK2.475 per share
TOM Online Incorporated (Code: 8282)	Down 2 percent to \$HK1.63 per share
China Advance Holdings Ltd (Code: 8117)	Down 6 percent to 83 cents per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Unchanged at \$HK14.25 per share
JF Household Furnishings Ltd (Code: 8319)	Unchanged at 83 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158		25.71	0.026
Computech Holdings Ltd	8081	10.00		0.055
Fast Systems Technology (Holdings) Ltd	8150		11.76	0.015
Lee's Pharmaceutical Holdings Ltd	8221	32.59		0.179
Longlife Group Holdings Ltd	8037	11.67		0.335
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301	14.29		0.16
Neolink Cyber Technology (Holding) Ltd	8116		10.00	0.09
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	30.51		0.77
Northeast Tiger Pharmaceutical Company Ltd	8197	23.64		0.068
ProSticks International Holdings Ltd	8055		10.00	0.018
Q9 Technology Holdings Ltd	8129		13.04	0.02

In Japan, trading was quiet on the country's 3 equity markets.

The TOPIX Average, the official and most, up-to-date index of blue chips, listed on the First Section of The Tokyo Stock Exchange, rose 0.90 percent to end the session at 1,407.79 points.

The Nikkei-225 Stock Average, an index that was started in 1949, registered a loss of 14.50 yen, or about 0.11 percent, to 13,449.24 yen.

The ratio of declining counters to advancing ones was about 1.40:One.

News Wise

- The Finance Ministry of Japan's Government announced that, in the month of August, the **Current Account Surplus** fell 15.60 percent, compared with August 2004, to about 1.22 trillion yen.

In other Asian equity markets, this was how their respective key indices ended up when trading came to a halt, last Thursday night:

The HKSAR	Plus 0.32 percent to 14,621.83
Indonesia	Minus 1.13 percent to 1,090.54
Japan	TOPIX Average Plus 0.06 percent to 1,407.79 Nikkei-255 Stock Average Minus 0.11 percent to 13,449.24
Malaysia	Minus 0.15 percent to 927.12
The Philippines	Minus 0.17 percent to 1,955.01
Singapore	Plus 0.01 percent to 2,320.70
South Korea	Minus 1.94 percent to 1,193.44
Taiwan	Minus 0.46 percent to 5,960.11
Thailand	Minus 0.69 percent to 704.32

Friday

The Federal Reserve released, early last Friday, its findings with regard to industrial production and capacity utilisation for September 2005.

It was far from being good news.

This is that which The Fed announced:

'INDUSTRIAL PRODUCTION AND CAPACITY UTILIZATION

'Industrial production dropped 1.3 percent in September, as Hurricanes Katrina and Rita and a strike at a major aircraft producer significantly reduced output. At 118.0 percent of its 1997 average, output in September was 2.0 percent above its year-earlier level; for the third quarter as a whole, production rose 1.3 percent at an annual rate. For September, manufacturing output decreased 0.5 percent; for the quarter, it increased 2.3 percent at an annual rate. The output of mining, which includes many industries that were hit hard by storms, declined 9.1 percent in September and fell 16.5 percent at an annual rate for the third quarter. Production at utilities declined 0.9 percent in September, but output for the third quarter rose at an annual rate of 10.7 percent. Capacity utilization for total industry dropped 1.2

percentage points, to 78.6 percent, a rate that is 0.6 percentage point above its year-earlier level but 2.4 percentage points below its 1972-2004 average.

'In September, storm-related production declines are estimated to have held down the change in total industrial production about 1.7 percentage points; in August, storm-related losses reduced the change in total industrial production nearly 0.4 percentage point. Oil and gas extraction and petroleum refining suffered because of the storms, which contributed importantly to a decrease of 5 percent in production by the energy sector in September. The largest effect of the storms outside the energy sector was in the manufacture of industrial chemicals. The strike in the aircraft industry reduced the change in total industrial output almost 0.5 percentage point...

'Market Groups

'The output of consumer goods rose 0.2 percent in September; for the third quarter this index advanced at an annual rate of 3.4 percent. The production of durable goods increased 1.8 percent in September, and all major categories posted gains. The output of automotive products rose 2.4 percent, and for the third quarter, it increased at an annual rate of 18.6 percent. The indexes for home electronics; appliances, furniture, and carpeting; and miscellaneous goods also rose in September. The output of consumer nondurable goods decreased 0.4 percent, for its third consecutive monthly decline; however, this index increased at an annual rate of 0.6 percent in the third quarter. The production of non-energy nondurable consumer goods was unchanged in September. The output of foods and tobacco rose 0.1 percent, and the production of consumer chemical products increased 0.3 percent. However, the index for paper products declined for a fourth consecutive month. Hurricane-related shutdowns contributed to a drop of 2.2 percent in the output of consumer energy products in September.

'The index for business equipment declined 3.7 percent in September; the aircraft manufacturing strike was largely responsible for a drop of 24.3 percent in the production of transit equipment. The output of information processing equipment advanced 2.2 percent; for the third quarter, this index moved up at an annual rate of 23.4 percent. The production of industrial and other equipment rose 0.4 percent for the month and at an annual rate of 7.2 percent for the quarter. The production of defense and space equipment fell 3.4 percent in September, mainly as a result of storm-related effects on shipbuilding. The index for construction supplies increased 0.2 percent, but the output of business supplies declined 0.5 percent.

'The output of materials fell 2.1 percent in September; the output of non-energy materials slipped 0.2 percent, and the production of energy materials dropped 6.8 percent. Among non-energy materials, output rose for all major categories of durable goods materials, and output fell for all major categories of nondurable materials. Storm-related disruptions contributed to the decreases in the output of energy materials and the output of chemical materials (a major category within nondurable materials).

'Industry Groups

'Manufacturing output fell 0.5 percent in September. The production of durables edged down 0.1 percent but increased at an annual rate of 7.6 percent in the third quarter. Gains in durables were widespread in September, with the only notable exception being the strike-affected aerospace and miscellaneous transportation equipment category. The output of primary metals advanced 1.7 percent and increased at an annual rate of 3.6 percent in the third quarter after two quarters of decline. The production of computer and electronic products accelerated in the third quarter and was led by gains in the communications equipment industry. The production of motor vehicles and parts advanced 2.2 percent in September and rose

at an annual rate of 12.5 percent in the third quarter after having declined in the second quarter. Fabricated metal products; machinery; electrical equipment, appliances, and components; furniture and related products; and miscellaneous manufacturing also posted solid gains in output for the quarter. The production of nondurables decreased 1.2 percent in September. Hurricane-related shutdowns in the Gulf Coast region contributed to a drop of 3.3 percent in the production of chemicals and a decrease of 6.4 percent in the output of petroleum and coal products.

'Most other major nondurable goods industries posted small gains; however, the output of plastics and rubber products climbed 1.8 percent, and the production of paper declined for a third consecutive month. The output of non-NAICS manufacturing industries (publishing and logging) together declined 0.5 percent. Capacity utilization in manufacturing fell to 77.9 percent, a level 1.1 percentage points above that of September 2004.

'The output at mines dropped 9.1 percent in September, a decrease driven by curtailments in the extraction of oil and gas in the Gulf of Mexico. Capacity utilization in mining fell to 79.1 percent. The output at utilities declined 0.9 percent, and the industry operating rate declined to 86.3 percent.

'For industries by stage of process, capacity utilization at the crude stage sank 7.6 percentage points, to 77.6 percent; at the primary and semifinished stages, it declined 0.2 percentage point, to 80.2 percent; and at the finished stage, it fell 0.6 percentage point, to 77.6 percent.'

Then, The Bureau of Labour Statistics of the US Department of Labour followed The Fed's report with regard to the Consumer Price Index for the month of September.

It was, all things considered, a frightening report in spite of the fact that Wall Street seemed to be unaware, last Friday, of its implications, both short term and long term.

To begin with, the increase in the Consumer Price Index was the largest leap since March 1980.

One would have to be an utter fool not to be worried on reading this report.

This is most of the full report:

'CONSUMER PRICE INDEX: SEPTEMBER 2005

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 1.2 percent in September, before seasonal adjustment ... The September level of 198.8 (1982-84=100) was 4.7 percent higher than in September 2004.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 1.5 percent in September, prior to seasonal adjustment The September level of 195.0 was 5.2 percent higher than in September 2004.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.8 percent in September on a not seasonally adjusted basis. The September level of 114.7 (December 1999=100) was 3.5 percent higher than in September 2004. Please note that the indexes for the post-2003 period are subject to revision.

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U increased 1.2 percent in September. Energy costs increased sharply for the third consecutive month – up 12.0 percent in September – and accounted for over 90 percent of the advance in the September CPI-U. Within energy, the index for energy commodities (petroleum-based energy) increased 17.4 percent and the index for energy services rose 4.6 percent. The index

for food, which was unchanged in August, rose 0.3 percent in September, largely reflecting an upturn in the index for fruits and vegetables. The index for all items less food and energy registered a 0.1 percent increase for the fifth consecutive month. Shelter costs, which were virtually unchanged in August, declined 0.1 percent in September, largely as a result of a 2.5 percent decrease in the index for lodging away from home. The index for apparel, which increased 1.0 percent in August, declined 0.1 percent in September. These declines were more than offset by upturns in the indexes for new vehicles, for medical care services, and for communication ...

'Hurricanes Katrina and Rita had a very small effect on survey response rates in September. Response rates in those affected areas were lower than usual, but the missing prices accounted for less than 1 percent of the overall CPI sample.

'Consumer prices increased at a seasonally adjusted annual rate (SAAR) of 9.4 percent in the third quarter of 2005, following increases in the first and second quarters at annual rates of 4.3 and 1.9 percent, respectively. This brings the year-to-date annual rate to 5.1 percent and compares with an increase of 3.3 percent in all of 2004. The index for energy, which advanced at annual rates of 21.1 and 7.5 percent in the first two quarters, increased at a 122.1 percent rate in the third quarter of 2005. Thus far this year, energy costs have risen at a 42.5 percent SAAR after increasing 16.6 percent in all of 2004. In the first nine months of 2005, petroleum-based energy costs increased at a 67.9 percent rate and charges for energy services increased at a 14.6 percent rate. The food index rose at a 2.2 percent SAAR in the first nine months of 2005. The index for grocery store food prices increased at a 1.3 percent rate. Among the six major grocery store food groups, the index for nonalcoholic beverages registered the largest increase during this span – up at a 4.3 percent rate – while the index for fruits and vegetables recorded the only decline – down at a 1.7 percent annual rate.

'The CPI-U excluding food and energy advanced at a 1.4 percent SAAR in the third quarter, following increases at rates of 3.3 and 1.2 percent in the first two quarters of 2005. The advance at a 2.0 percent SAAR for the first nine months of 2005 compares with a 2.2 percent rise in all of 2004. Each of the major groups--including alcoholic beverages and the nonenergy portion of the housing and transportation groups — registered a rate of change in the first 9 months of 2005 within one percent of that for all of 2004. The annual rates for selected groups for the last seven and three-quarter years are shown below...

'The food and beverages index rose 0.2 percent in September. The index for food at home increased 0.3 percent, following a 0.2 percent decline in August. The index for fruits and vegetables, which fell 1.3 percent in August, advanced 1.5 percent in September. The indexes for fresh fruits and for fresh vegetables increased 1.1 and 1.8 percent, respectively, and the index for processed fruits and vegetables increased 1.8 percent. The index for meats, poultry, fish, and eggs increased 0.5 percent in September. The index for pork turned up in September, following declines in each of the four preceding months. Prices for beef and veal declined for the fourth consecutive month – down 0.5 percent in September. Poultry prices rose 1.1 percent. The index for eggs, which fell 4.2 percent in August, rose 9.7 percent. The index for nonalcoholic beverages, which was unchanged in August, rose 0.8 percent in September, reflecting an upturn in prices for carbonated drinks. The index for other food at home was unchanged. The other two major grocery store food groups, the indexes for dairy products and for cereals and bakery products, declined 1.2 and 0.4 percent, respectively. The other two components of the food and beverage index – food away from home and alcoholic beverages – increased 0.2 and 0.4 percent, respectively.

'The index for housing rose 0.4 percent in September, following an increase of 0.2 percent in July. A sharp increase in the index for fuels and utilities more than offset declines in the indexes for shelter and for household furnishings and operations. Shelter costs, which were virtually unchanged in August, declined 0.1 percent in

September. A 2.5 percent decline in the index for lodging away from home more than offset increases of 0.1 percent each in the indexes for rent and owners' equivalent rent. (Prior to seasonal adjustment, the index for lodging away from home declined 7.1 percent, while the indexes for rent and owners' equivalent rent increased 0.3 and 0.2 percent, respectively.)

'The index for fuels and utilities rose 4.2 percent in September. The index for fuel oil increased 12.7 percent in September and was 55.9 percent higher than a year ago. The index for natural gas also increased sharply for the third consecutive month – up 12.1 percent in September. During the last 12 months, charges for natural gas have risen 28.1 percent. The index for electricity rose 0.7 percent in September and was 6.4 percent higher than a year ago. The index for household furnishings and operations, which increased 0.2 percent in August, declined 0.2 percent in September.

'The transportation index increased 5.1 percent in September, reflecting a 17.8 percent increase in the index for motor fuels. (Prior to seasonal adjustment, gasoline prices rose 17.4 percent from their previous peak level registered in August.) The index for new and used motor vehicles increased 0.4 percent in September. The index for new vehicles rose 0.4 percent in September, following substantial declines in each of the preceding two months. (About 17 percent of the new car sample was represented by 2006 models.) The index for used cars and trucks declined 0.4 percent, while the indexes for leased cars and trucks and for car and truck rental increased 2.5 and 1.4 percent, respectively. Airline fares declined for the second consecutive month – down 1.4 percent in September – but were 9.0 percent higher than in September 2004.

'The index for apparel, which rose 1.0 percent in August, declined 0.1 percent in September. (Prior to seasonal adjustment, apparel prices rose 4.1 percent, reflecting seasonal price increases associated with the continued introduction of fall-winter wear.)

'Medical care costs rose 0.3 percent in September to a level 3.9 percent above a year ago. The index for medical care commodities – prescription drugs, nonprescription drugs, and medical supplies – rose 0.3 percent. The index for medical care services also rose 0.3 percent. Charges for professional services and for hospital and related services increased 0.4 and 0.3 percent, respectively.

'The index for recreation increased 0.4 percent in September. The indexes for video and audio and for club membership dues and fees for participant sports – up 0.5 and 1.4 percent, respectively – accounted for over 70 percent of the September advance in the recreation component.

'The index for education and communication increased 0.7 percent in September. Educational costs rose 0.8 percent, reflecting increases in the indexes for tuition and for educational books and supplies – up 0.7 and 1.8 percent, respectively. (Prior to seasonal adjustment, educational costs advanced 2.1 percent, reflecting in part a 2.4 percent rise in college tuition costs and a 2.1 percent increase in college textbooks. During the last 12 months, the cost of college tuition has risen 6.8 percent.) The index for communication costs, which declined 0.5 percent in August, rose 0.7 percent in September. Within the communication index, charges for telephone services increased 1.1 percent, reflecting a 3.4 percent rise in percent decline in the index for personal computers and peripheral equipment.

'The index for other goods and services rose 0.1 percent in September. A 0.7 percent increase in the index for tobacco and smoking products was partially offset by a decline in the index for personal care.

'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 1.4 percent in September...'

On Wall Street, contrary to what should have been a worrying situation, investors, actually, went on a bit of a buying spree in the afternoon session.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 70.75 points, or about 0.69 percent, to end the week at 10,287.34 points.

On The NASDAQ, its Composite Index gained 17.61 points, equivalent to about 0.86 percent, rising to 2,064.83 points.

The tally for the week for the largest equity markets of the world was:

The Dow Jones Industrial Average	Minus 0.05 percent
The NASDAQ's Composite Index	Minus 1.22 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US62.63, down about 0.71 percent, compared with the last quote of Thursday.

For December delivery, the last settlement was \$US61.99 per barrel for light sweet crude oil, off about 0.99 percent, compared with the last settlement on Thursday.

Europe, on learning about the situation in respect of inflation and noting that the price of crude oil was easing, slightly, determined that things, after all, were not that bad.

As a result, there was a bit of a push on major equity markets in the region:

Amsterdam's AEX Index	Plus 0.75 percent
Great Britain's FTSE 100 Index	Plus 0.18 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.51 percent
France's CAC 40 Index	Plus 0.26 percent
Switzerland's Swiss Market Index	Minus 0.12 percent
Italy's MIBTEL Index	Plus 0.42 percent

In Asia, key indices of major stock markets fell.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets finished the week on a decided weak note.

The Hang Seng Index, the key index of the Main Board of The Stock Exchange of Hongkong Ltd, ended the week off 0.93 percent at 14,485.88 points.

The Total Turnover was about \$HK21.86 billion.

The ratio of losing counters to gaining ones was about 4.02:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.41 percent to \$HK121.80 per share
PetroChina Company Ltd (Code: 857)	Down 3.28 percent to \$HK5.90 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.17 percent to \$HK80.45 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.88 percent to \$HK33.85 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.59 percent to \$HK75.55 per share
China Telecom Corporation Ltd (Code: 728)	Down 1.79 percent to \$HK2.75 per share
CNOOC Ltd (Code: 883)	Down 2.50 percent to \$HK4.875 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.13 percent to \$HK75.10 per share
China Paradise Electronics Retail Ltd (Code: 503)	Unchanged at \$HK2.375 per share

China Life Insurance Company Ltd (Code: 2628)

Down 0.87 percent to \$HK5.70 per share

The biggest movers of the Main Board, last Friday, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CCT Tech International Ltd	261	10.53		0.021
China Elegance (Holdings) Ltd	476		12.70	0.055
China Motion Telecom International Ltd	989		11.06	0.209
eForce Holdings Ltd	943		12.00	0.022
HKC International Holdings Ltd	248		14.64	0.239
Nippon Asia Investments Holdings Ltd	603		31.13	0.073
Pak Tak International Ltd	2668	21.21		0.16
Technology Venture Holdings Ltd	61		10.00	0.09
Wing Hong (Holdings) Ltd	745		34.38	0.042

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story to that, heard on the Main Board.

The Growth Enterprise Index fell about 0.61 percent to 953.61 points on a Total Turnover of about \$HK88.53 million.

The ratio of losing counters to gaining ones was about 2.83:One.

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

WorldMetal Holdings Ltd (Code: 8161)

Up 6 percent to \$HK2.625 per share

TOM Online Incorporated (Code: 8282)

Down 2 percent to \$HK1.60 per share

Town Health International Holdings Company Ltd (Code: 8138)

Up 7 percent to 19.40 cents per share

China.com Incorporated (Code: 8006)

Down 2 percent to 57 cents per share

Panva Gas Holdings Ltd (Code: 8132)

Down 2 percent to \$HK3.575 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		19.33	0.121
B and S Entertainment Holdings Ltd	8167		13.33	0.013
Galileo Capital Group Ltd	8029		36.00	0.032
Global Link Communications Holdings Ltd	8060		16.67	0.05
Grandy Corporation	8143	27.27		0.21
Jiangsu Nandasoft Company Ltd	8045		11.11	0.16
Ko Yo Ecological Agrotech (Group) Ltd	8042		11.43	0.31
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329		11.69	0.68
Northeast Tiger Pharmaceutical Company Ltd	8197		38.24	0.042
Soluteck Holdings Ltd	8111	25.00		0.075
Tradecasy Holdings Ltd	8163		10.42	0.043
Yusei Holdings Ltd	8319	15.79		1.54
Zheda Lande Scitech Ltd	8106		10.56	0.161

The tally for the week for Asia's second-largest equity markets was:

The Hang Seng Index

Minus 2.44 percent

The Growth Enterprise Index

Minus 2.22 percent

Japan had another quiet trading day on its 3 equity markets, but, by the close of trading, key indices were all written in red ink.

On The Tokyo Stock Exchange, The TOPIX Average was registering a loss of about 0.70 percent at 1,397.93 points, compared with Thursday's closing figure, with the ratio of declining counters to advancing ones, being 1.98:One, exactly.

The 1949 index of 225 blue chips, quoted on the First Section of The Tokyo Stock Exchange, known as The Nikkei-225 Stock Average, recorded a loss for the day of 0.21 percent to 13,420.54 yen.

And so the tally for Asia's biggest equity market was:

The TOPIX Average	Plus	1.85 percent
The Nikkei-225 Stock Average	Plus	1.46 percent

In other Asian equity markets, this was how their respective key indices ended the week of October 14, 2005:

The HKSAR	Minus 0.93 percent to 14,485.88
Indonesia	Plus 0.56 percent to 1,096.70
Japan	TOPIX Average Minus 0.70 percent to 1,397.93 Nikkei-255 Stock Average Minus 0.21 percent to 13,420.54
Malaysia	Minus 0.16 percent to 925.59
The Philippines	Minus 0.09 percent to 1,953.14
Singapore	Minus 0.75 percent to 2,303.24
South Korea	Minus 0.27 percent to 1,190.17
Taiwan	Plus 0.15 percent to 5,969.07
Thailand	Minus 0.61 percent to 700.02

-- E N D --

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

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