

**UP GO EVERY KEY INDEX ON ALL INTERNATIONAL EQUITY MARKETS:
THE FIRST TRADING WEEK OF 2006 IS A WINNER !**

While most of the world's markets were shut up tightly, last Monday (January 2, 2006), there were some equity markets that opened for business, both in Europe and in Asia.

All of the markets of the United States (US) and Canada were closed for business, last Monday, as the human inhabitants of the North American Continent settled down for a day of beer, Canadian Club, Jim Beam and other alcoholic beverages and watching television sets in order to drool at their football/hockey/basketball heroes in action.

For those markets that were open in Europe, this was how their key indices fared on the first day of trading in the new year:

Amsterdam's AEX Index Plus 0.85 percent

Great Britain's FTSE 100 Index Closed

Germany's Frankfurt XETRA DAX Index Plus 0.77 percent

France's CAC 40 Index Plus 0.84 percent

Switzerland's Swiss Market Index Plus 0.10 percent

Italy's MIBTEL Index Closed

In Asia, this was how those equity markets, which opened for business, ended their respective first day of trading:

The HKSAR	Closed
Indonesia	Plus 0.78 percent to 1,171.71
Japan	Closed

Malaysia	Closed
The Philippines	Closed
Singapore	Closed
South Korea	Plus 0.72 percent to 1,389.27
Taiwan	Minus 1.32 percent to 6,462.06
Thailand	Closed

Tuesday

There was certainly no shortage of news on the US and European equity markets, last Tuesday, as traders were presented with a row between Russia and Ukraine over the price of Russian-produced natural gas into Ukraine, while, on equity markets in the US, investors were treated to some of their biggest gains of key indices of the past few months.

In addition, the release of the Minute of the US Federal Reserve Board for the Open Market Committee Meeting of December 13, 2005, suggested to some gurus that the mini, interest-rate increases might well be coming to a halt.

On The **New York Mercantile Exchange** (NYMEX), the last settlement for light sweet crude oil for delivery in February rose about 3.44 percent, compared with the last trading day of 2005 (December 30, 2005), to hit \$US63.14 per barrel by the close of the day.

As for delivery in March, the last settlement for a barrel of light sweet crude oil was \$US63.99, up about 3.38 percent on the last settlement of Friday, December 30, 2005.

The reason for the gains in the price of crude oil was due to a spat between Russia and Ukraine.

Russia is determined to raise the price of its natural gas, produced by Gazprom, a State-operated natural gas producer, by more than 400 percent, but the former Soviet Republic of Ukraine balked at the demands.

Russia threatened to turn off the natural gas tap to Ukraine and, indeed, for a while, did just that.

It was simply a matter of money: If Ukraine did not cough up with the cash, the Russian gas taps would be turned off.

However, just before commodity markets opened for business, last Tuesday, Russia recanted and turned on the gas taps to Ukraine, once again.

Ukraine, for many years, has been receiving its natural gas from Russia at subsidised prices, an inheritance of the days when it was part of The **Union of Soviet Socialist Republics** (USSR).

While natural gas was flowing to Ukraine, last Tuesday, it was clear that the Government of Russia was determined to stop subsidising the Government of Ukraine.

Last Tuesday night, talks were being held in order to try to reach an agreement between the 2 governments.

Huge amounts of money flooded into commodity markets in both Europe and the US, last Tuesday, as speculators determined that the worst in respect of the dispute between Russia and the Ukraine might yet come to pass.

On Wall Street, key indices scooted up as soon as the equity markets opened for the first day of trading of 2006.

On The New York Stock Exchange, the Dow Jones Industrial Average made its biggest, one-day gain in about 60 days.

The Dow ended last Monday's trading session at 10,847.41 points, up 129.91 points, or about 1.21 percent, compared with the last trading day of 2005 (Friday, December 30).

On The NASDAQ, its Composite Index rose 38.42 points, equivalent to about 1.74 percent, ending the hectic trading day at 2,243.74 points.

As expected, many people watched energy counters, especially Exxon Mobil Corporation, whose share price rose on the back of the spat between Russia and Ukraine.

Exxon Mobil saw its share price make the biggest, single-day's gain in the previous 4 years on speculation that oil prices would continue to rise.

Then, in the middle of the afternoon session, the word on trading floors was that The Fed appeared to be finished, or nearly finished, with its mini, interest-rate increases.

The focus of trading on US equity markets shifted from oil to US interest rates, almost immediately on the release of The Fed's Minute.

The Fed's Minute of December 13, 2005, contained veiled suggestions, such as:

'Given the information now in hand, the number of additional firming steps required probably would not be large ...'.

In Europe, energy stocks rallied, pulling up key indices of major bourses, last Tuesday, as some indices hit new, 54-month highs.

Europe was concerned that the Russia-Ukraine situation might spill over into this part of the world – at the height of the big winter freeze.

For investors of Europe, they had not been apprised, during their respective trading sessions of major bourses, of the contents of The Fed's Minute of December 13, 2005.

This was how key indices of major bourses in Europe ended, last Tuesday:

Amsterdam's AEX Index	Plus	0.32 percent
Great Britain's FTSE 100 Index	Plus	1.11 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.19 percent
France's CAC 40 Index	Plus	0.46 percent
Switzerland's Swiss Market Index	Plus	0.15 percent
Italy's MIBTEL Index	Closed	

News Wise

- A British-based research group has determined that the **shopping week**, ended December 31, 2005, was a wet squid, after all. According to this research company, post-Christmas sales were off, Year-On-Year, by about 8 percent; and,
- The **Unemployment Rate in Germany** is 11.20 percent, according to that Government's December 2005 statistics. It was the lowest level in the previous 12 months. The number of people, pounding the streets of the largest economy in Europe, looking for work, is, now, about 4.64 million.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), after a rather slow start to the first trading day of 2006, trading in stocks and shares picked up, erasing the initial losses to a large extent.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index ended the day with a gain of about 0.46 percent, compared with the last day of trading in 2005, at 14,944.77 points.

The Total Turnover, however, was relatively low at about \$HK16.83 billion.

The ratio of gaining counters to losing ones was about 1.71:One.

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939) Up 3.70 percent to \$HK2.80 per share

HSBC Holdings plc (Code: 5) Up 0.32 percent to \$HK124.90 per share

CLP Holdings Ltd (Code: 2) Down 1.67 percent to \$HK44.25 per share

China Life Insurance Company Ltd (Code: 2628) Up 2.92 percent to HK7.05 per share

China Mobile (Hongkong) Ltd (Code: 941) Up 1.09 percent to \$HK37.10 per share

Bank of Communications Company Ltd (Code: 3328) Up 2.84 percent to \$HK3.625 per share

Hutchison Whampoa Ltd (Code: 13) Up 0.47 percent to \$HK74.20 per share

BOC Hongkong (Holdings) Ltd (Code: 2388) Up 0.67 percent to \$HK15.00 per share

Cheung Kong (Holdings) Ltd (Code: 1) Up 0.38 percent to \$HK79.85 per share

Hongkong Exchanges and Clearing Ltd (Code: 388) Up 5.60 percent to \$HK33.95 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Artel Solutions Group Holdings Ltd	931		11.67	0.106
Artfield Group Ltd	1229	11.11		0.35
Asia TeleMedia Ltd	376		24.29	0.053
Berjaya Holdings (Hongkong) Ltd	288		11.11	0.08
Carry Wealth Holdings Ltd	643	13.21		0.60
CATIC International Holdings Ltd	232	16.25		0.093
Chi Cheung Investment Company Ltd	112	12.86		1.58
China Best Group Holding Ltd	370		10.53	0.068
China Rich Holdings Ltd	1191		17.89	0.156
Comba Telecom Systems Holdings Ltd	2342	12.84		3.075
Crocodile Garments Ltd	122	10.00		0.55
Daisho Microline Holdings Ltd	567	23.08		0.64
Hua Lien International (Holding) Company Ltd	969		28.16	0.176
Huali Holdings (Group) Ltd	3366		10.00	1.98
Mei Ah Entertainment Group Ltd	391		20.34	0.235
Peking Apparel International Group Ltd	761	13.64		0.375
Pioneer Global Group Ltd	224	17.78		0.53
Proview International Holdings Ltd	334	14.29		0.96
Sino Union Petroleum and Chemical International Ltd	346	18.52		0.16
Yanion International Holdings Ltd	82		22.22	0.28
Zhongda International Holdings Ltd	909		16.25	0.201

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was a slightly different story because, after an opening that saw The Growth Enterprise Index come off 1.41 points, exactly, the lone index of this market continued to drift, slowly ... to even lower levels.

At the close of trading at 4:00 p.m., The Growth Enterprise Index was locked in at 1,005.47 points, down about 0.18 percent on the day.

The Total Turnover on this very speculative market was very low, at about \$HK37.11 million.

Losing counters outnumbered gaining ones by the ratio of about 1.05:One.

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

China LotSynergy Holdings Ltd (Code: 8161) Unchanged at \$HK2.875 per share

Town Health International Holdings Company Ltd (Code: 8138) Unchanged at 20.30 cents per share

B and B Group Holdings Ltd (Code: 8156) Up 4 percent to \$HK1.43 per share

Enric Energy Equipment Holdings Ltd (Code: 8289) Down 2 percent to \$HK2.55 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002) Down 1 percent to 92 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061	10.00		0.209
Innovis Holdings Ltd	8065	75.00		0.056
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	24.14		0.18
KanHan Technologies Group Ltd	8175	15.56		0.104
MP Logistics International Holdings Ltd	8239		30.77	0.09
SYSCAN Technology Holdings Ltd	8083	10.61		0.073
T S Telecom Technologies Ltd	8003	22.22		0.055
Vertex Communications and Technology Group Ltd	8228	30.77		0.34

Japan remained closed for a public holiday.

In other parts of Asia, this was how the key indices of the most-important equity markets of the region closed the first day of trading in the new year:

The HKSAR	Plus 0.46 percent to 14,944.77
Indonesia	Plus 1.11 percent to 1,184.69
Japan	Closed
Malaysia	Minus 0.77 percent to 892.85
The Philippines	Plus 0.85 percent to 2,109.79
Singapore	Plus 0.94 percent to 2,369.37
South Korea	Plus 0.40 percent to 1,394.87
Taiwan	Plus 2.01 percent to 6,591.77
Thailand	Plus 1.67 percent to 725.64

Wednesday

The Russian and Ukrainian heat was off the natural gas ‘cauldron’, the contents of which had been near the boil for the fortnight, during private bickering between senior officials of the 2, former Soviet-member countries.

The 2 countries came into an agreement whereby, retroactive January 1, 2005, Ukraine would bite the bullet to the extent of a 90-percent increase in its natural gas bill to Russia – from \$US50 per 1,000 cubic metres of natural gas to \$US95 per 1,000 cubic metres of natural gas.

Russia had been holding out for a 400-percent increase, but caved in at the last minute, it appeared.

The compromise agreement came just hours before the European Union (EU) was due to hold an emergency meeting on the matter of stable energy supplies to the EU.

For Europe, it was a welcome relief that Russia and Ukraine had come into this agreement because about 25 percent of Europe’s natural gas supplies comes from Russia: No disruptions, if you please.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US63.42, up about 0.44 percent on Tuesday’s last quote.

For delivery in March, the last settlement for a barrel of light sweet crude oil was \$US64.20, equivalent to an increase of about 0.33 percent on the Tuesday’s last settlement.

On The New York Stock Exchange, the bullish rally continued for the second consecutive day as the Dow Jones Industrial Average tacked on another 0.30 percent to hit 10,880.15 points by the close of the trading session.

The NASDAQ's Composite Index did even better than The Dow with a gain of about 0.88 percent, rising to 2,263.46 points.

Investors in the US were obviously elated at the wording of the Minute of the US Federal Reserve Board (Please see Tuesday's report) and the fact that Russia and Ukraine had sorted out their differences.

News Wise

- Sales of **The Big Three** motor vehicle manufacturers of the US faced severe problems, during the month of December, as the competition for the US consumer dollar hotted up – with Japan, being the winner. The following is that which these 3 US automotive behemoths announced for sales of their respective vehicles, during the month of December, Year-On-Year:

General Motors Corporation	Down 10.20 percent
Ford Motor Company	Down 8.70 percent
DaimlerChrysler AG	Down 2.00 percent
Chrysler Division of DaimlerChrysler	Down 5.00 percent

In Europe, indices of some of the largest bourses posted gains, pushing them to 54-month highs.

The talk on trading floors continued to be centred on the Russia-Ukraine compromise agreement, the US Federal Reserve's Minute of December 13, 2005, and the fact that Wall Street was continuing to power ahead with even more gains.

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

Amsterdam's AEX Index	Plus	0.69 percent
Great Britain's FTSE 100 Index	Plus	0.58 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.15 percent
France's CAC 40 Index	Plus	1.28 percent
Switzerland's Swiss Market Index	Plus	1.60 percent
Italy's MIBTEL Index	Closed	

In Asia, all equity markets followed the lead of Wall Street, with key indices of stock markets in the most-populous part of the world, making very useful gains.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), on confirmation as to the exact wording of the contents of the Minute of the US Federal Reserve Board in respect of the December 13, 2005, Open Market Committee Meeting, share prices rose sharply on both equity markets.

As far as the investors of the territory were concerned, the end was in sight for interest-rate increases.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 1.71 percent to hit 15,200.06 by the close of the day.

The Total Turnover rose a little more than 105 percent, compared with Tuesday's volume of activity, at about \$HK34.51 billion.

The ratio of gaining counters to losing ones was about 3.68:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5) Up 1.20 percent to \$HK126.40 per share

China Construction Bank Corporation (Code: 939) Up 3.57 percent to \$HK2.90 per share

PetroChina Company Ltd (Code: 857) Up 3.15 percent to \$HK6.55 per share

China Mobile (Hongkong) Ltd (Code: 941) Up 2.83 percent to \$HK38.15 per share

China Life Insurance Company Ltd (Code: 2628) Up 1.42 percent to \$HK7.15 per share

Sun Hung Kai Properties Ltd (Code: 16) Up 2.78 percent to \$HK77.60 per share

Hutchison Whampoa Ltd (Code: 13) Up 1.35 percent to \$HK75.20 per share

Bank of Communications Company Ltd (Code: 3328) Up 4.83 percent to \$HK3.80 per share

BOC Hongkong (Holdings) Ltd (Code: 2388) Up 2.00 percent to \$HK15.30 per share

Cheung Kong (Holdings) Ltd (Code: 1) Up 3.13 percent to \$HK82.35 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia TeleMedia Ltd	376	13.21		0.06
Chi Cheung Investment Company Ltd	112	25.32		1.98
China HealthCare Holdings Ltd	673	25.90		1.75
CNT Group Ltd	701	11.82		0.123
Daido Group Ltd	544		10.31	0.087
eForce Holdings Ltd	943	31.25		0.021
Fintronics Holdings Company Ltd	706	25.00		0.19

Huabao International Holdings Ltd	336	11.30		1.28
Huali Holdings (Group) Ltd	3366		10.10	1.78
Kenford Group Holdings Ltd	464	10.05		0.219
QPL International Holdings Ltd	243	28.33		0.77
Sino Union Petroleum and Chemical International Ltd	346	26.88		0.203
Star Cruises Ltd	678	10.47		2.375
Swank International Manufacturing Company Ltd	663	11.58		0.106
Technology Venture Holdings Ltd	61	16.00		0.116
Wonson International Holdings Ltd	651	15.63		0.037
Yanion International Holdings Ltd	82		11.79	0.247
Zhong Hua International Holdings Ltd	1064		10.00	0.018

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Composite Index followed the lead of the Main Board with an increase in its lone index of about 1.48 percent.

The Growth Enterprise Index ended the session at 1,020.38 points, a one-day gain of 14.91 points.

The Total Turnover on this speculative market was about \$HK63.77 million, a rise of about 72 percent, compared with Tuesdays' volume.

However, gaining counters only just managed to squeeze out losing ones by the ratio of about 1.05:One.

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

TOM Online Incorporated (Code: 8282) Up 5 percent to \$HK2.00 per share

China LotSynergy Holdings Ltd (Code: 8161) Unchanged at \$HK2.875 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002) Up 2 percent to 94 cents per share

Zhengzhou Gas Company Ltd (Code: 8099) Up 4 percent to 73 cents per share

China.com Incorporated (Code: 8006) Up 6 percent to 54 cents per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CyberM International (Holdings) Ltd	8017		13.41	0.355
Everpride Biopharmaceutical Company Ltd	8019	57.89		0.06
Global Link Communications Holdings Ltd	8060	22.22		0.055
IIN International Ltd	8128		10.00	0.018
Innovis Holdings Ltd	8065		17.86	0.046
MP Logistics International Holdings Ltd	8239	16.67		0.105
North Asia Strategic Holdings Ltd	8080		12.79	0.75
Plasmagene Biosciences Ltd	8250	16.88		0.09
Tiger Tech Holdings Ltd	8046	25.00		0.02
Wumart Stores Incorporated	8277	10.81		16.40
Xteam Software International Ltd	8178	11.67		0.067

In Japan, the first day of equity trading for 2006 (the markets of Japan were closed, last Monday and Tuesday, for national holidays) saw the key indices of The Tokyo Stock Exchange shoot up, quite spectacularly.

(The stock market of The Land of The Rising Sun was only open for half a day, last Wednesday)

The TOPIX Average, the official gauge of trading in blue chips, listed on the largest equity market of Asia, rose 1.41 percent to 1,673.07 points.

For this index, it was its highest point since May 2000.

The Nikkei-225 Stock Average logged in a gain of about 250.11 yen, equivalent to about 1.55 percent, ending the half-day session at 16,361.54 yen.

For The Nikkei-225 Stock Average, last Tuesday's closing level was the highest level since September 2000.

Gaining counters outpaced losing ones by the ratio of about 4.12:One.

The booming equity markets of Japan were put down to the news with regard to The Fed's wording of its Minute of the December 13, 2005, Open Market Committee Meeting plus the strengthening of the US dollar vis-à-vis the yen.

The US is Japan's largest single market for its products and services so that interest rates and foreign-exchange translation plays a large role in the determination of profits for the second-largest economy of the world.

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

The HKSAR	Plus 1.71 percent to 15,200.06
Indonesia	Plus 2.28 percent to 1,211.70
Japan	TOPIX Average Plus 1.41 percent to 1,673.07 Nikkei-255 Stock Average Plus 1.55 percent to 16,361.54
Malaysia	Plus 0.48 percent to 897.13
The Philippines	Plus 1.34 percent to 2,138.05
Singapore	Plus 0.62 percent to 2,384.14
South Korea	Plus 0.52 percent to 1,402.11
Taiwan	Plus 0.37 percent to 6,616.44
Thailand	Plus 2.42 percent to 743.20

Thursday

Investors on the largest equity markets of the world continued to push key indices ever higher, last Thursday.

With the Russian-Ukrainian, natural-gas compromise agreement in place (Please see Wednesday's and Thursday's reports), with oil prices, falling back, again, and with investors agog at the prospects that the unemployment rate in the US had fallen in the month of December 2005, it was all stops out for investors on US equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average edged up 2 points to 10,882.15 points, but, on The NASDAQ, its Composite Index shot up another 0.59 percent to 2,276.87 points.

Last Thursday's close of the Composite Index of The NASDAQ was its highest level since May 2001.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US62.79, down about 0.99 percent, compared with the final quote of Wednesday.

As for March delivery, a barrel of light sweet crude oil fetched \$US63.59 at the last settlement, representing a fall of about 0.95 percent, compared with the last settlement of Wednesday.

With the icing, falling off the gingerbread, so to speak, key indices of European bourses fell, last Thursday.

Big money started to leave commodity markets as soon as confirmation had been received that the Russian-Ukrainian compromise agreement was firm.

Also, Europe was not entirely convinced that the US jobless rate was falling: Many investors determined to wait it out for a day until the US Labour Department brought out its report.

This was how key indices of major European bourses ended their respective trading sessions, last Thursday:

Amsterdam's AEX Index	Minus 0.42 percent
Great Britain's FTSE 100 Index	Minus 0.40 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.12 percent
France's CAC 40 Index	Minus 0.07 percent
Switzerland's Swiss Market Index	Minus 0.22 percent
Italy's MIBTEL Index	Closed

News Wise

- **Corporate insolvencies** in the United Kingdom rose about 11 percent in 2005, compared with the number of corporate failures in 2004, according to usually reliable sources. The number of corporate failures was 18,122 incidents, representing the highest number since 2002.

In Asia, indices of major equity markets followed Wall Street's lead.

For the third consecutive day, share prices powered ahead on equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

However, it was, also, clear that day traders were in abundance, taking their profits lest the market come off again: Better safe than sorry.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained another 0.47 percent, rising to 15,271.13 points.

The Total Turnover continued to be on the high side, at about \$HK33.05 billion.

The ratio of gaining counters to losing ones was about 1.81:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.24 percent to \$HK126.70 per share
China Construction Bank Corporation (Code: 939)	Down 2.59 percent to \$HK2.825 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.20 percent to \$HK75.35 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.79 percent to \$HK38.45 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK6.55 per share

BOC Hongkong (Holdings) Ltd (Code: 2388) Up 0.65 percent to \$HK15.40 per share

China Petroleum and Chemical Corporation (Code: 386) Up 1.26 percent to \$HK4.025 per share

Sun Hung Kai Properties Ltd (Code: 16) Up 0.64 percent to \$HK78.10 per share

China Life Insurance Company Ltd (Code: 2628) Down 0.70 percent to \$HK7.10 per share

CLP Holdings Ltd (Code: 2) Down 1.71 percent to \$HK43.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		14.29	0.066
Bestway International Holdings Ltd	718	10.66		0.27
BYD Company Ltd	1211	20.00		14.70
China Water Affairs Group Ltd	855	24.05		0.49
E. Bon Holdings Ltd	599	11.67		0.335
Earnest Investments Holdings Ltd	339	11.11		0.02
Fintronics Holdings Company Ltd	706	10.00		0.209
IRICO Group Electronics Company Ltd	438	14.29		0.32
Oriental Explorer Holdings Ltd	430	14.63		0.047
Pacific Plywood Holdings Ltd	767		11.54	0.023
Proview International Holdings Ltd	334	12.77		1.06
Tomorrow International Holdings Ltd	760		11.76	0.60
Unity Investments Holdings Ltd	913	15.56		0.156
Universe International Holdings Ltd	1046		10.64	0.042
Yanion International Holdings Ltd	82	15.38		0.285

Yunnan Enterprises Holdings Ltd	455	13.33		0.34
Zhong Hua International Holdings Ltd	1064	11.11		0.02
ZZNode Holdings Company Ltd	2371	10.00		0.55

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.15 percent to 1,021.88 points on a Total Turnover of about \$HK124.18 million.

However, even though The Growth Enterprise Index was in positive territory, losing counters outbid gaining ones by the ratio of about 1.08:One.

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

Vertex Communications and Technology Group Ltd (Code: 8228) Up 82 percent to 62 cents per share

Phoenix Satellite Television Holdings Ltd (Code: 8002) Unchanged at 94 cents per share

TOM Online Incorporated (Code: 8282) Up 1 percent to \$HK2.025 per share

China LotSynergy Holdings Ltd (Code: 8161) Unchanged at \$HK2.875 per share

B and B Group Holdings Ltd (Code: 8156) Up 9 percent to \$HK1.56 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Everpride Biopharmaceutical Company Ltd	8019		10.00	0.054
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		23.08	0.10
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		10.11	0.16
Milkyway Image Holdings Ltd	8130	30.00		0.039
North Asia Strategic Holdings Ltd	8080		10.67	0.67
New Chinese Medicine Holdings Ltd	8085	12.50		0.09
ProSticks International Holdings Ltd	8055	19.05		0.025

Satellite Devices Corporation	8172		31.25	0.011
Sino Stride Technology (Holdings) Ltd	8177		13.85	0.28
T S Telecom Technologies Ltd	8003		24.00	0.038
Tiger Tech Holdings Ltd	8046		15.00	0.017
Vertex Communications and Technology Group Ltd	8228	82.35		0.62
Vodatel Networks Holdings Ltd	8033		21.43	0.11
Zhejiang Yonglong Enterprises Company Ltd	8211		12.73	0.096

In Japan, on the country's 3 equity markets, key indices continued to make gains, also.

An easing in the price of crude oil on international commodity exchanges helped to keep the investor kettle on the fire in The Land of The Rising Sun.

On The Tokyo Stock Exchange, which is the premier equity market of the country, The TOPIX Average rose 0.72 percent to 1,685.12 points.

The ratio of advancing counters to declining ones was about 1.96:One.

The Nikkei-225 Stock Average went along with The TOPIX Average, putting on another 0.39 percent to hit 16,425.37 yen by the close of the day.

News Wise

- For the first 2 shopping days of 2006, Japanese housewives went on a **buying spree** at their favourite departmental stores, according to usually reliable reports from Tokyo. Increases in sales at key departmental stores ranged between 7 percent and 11 percent, Year-On-Year. Drawing the attention of the ladies of Japan was the opportunity to buy '*Fukubukuro*' (lucky bags), which contain a mixture of sale items and luxury goods.

This was how indices of other Asian equity markets ended, last Thursday:

The HKSAR	Plus 0.47 percent to 15,271.13
Indonesia	Minus 0.06 percent to 1,211.00
Japan	TOPIX Average Plus 0.72 percent to 1,685.15 Nikkei-255 Stock Average Plus 0.39 percent to 16,425.37
Malaysia	Plus 1.06 percent to 906.66

The Philippines	Plus 0.60 percent to 2,150.93
Singapore	Plus 0.82 percent to 2,403.75
South Korea	Minus 0.47 percent to 1,395.51
Taiwan	Plus 1.41 percent to 6,709.87
Thailand	Minus 0.26 percent to 741.28

Friday

Just before Wall Street opened for business, last Friday, Ms Kathleen P. Utgoff, The Commissioner of The Bureau of Labour Statistics, issued her report in respect of the employment situation for the month of December 2005.

It was not, exactly, that which most Wall Street promoters had been hoping to receive because, among other things, the increase in non-farm payroll employment increased by only 108,000 jobs in December 2005, equivalent to about 35 percent of the increase in the number of non-farm payroll jobs, created during the month of November 2005.

This is the full text of Ms Kathleen P. Utgoff's statement on the state of employment in The Land of The Free and The Home of The Brave, for the month of December 2005:

'Nonfarm payroll employment increased by 108,000 in December, and the unemployment rate, at 4.9 percent, was little changed. In November, payroll employment rose by 305,000, and October employment was about unchanged (+25,000), as revised. Over the year, payroll employment increased by 2.0 million. Over the month, employment increased in manufacturing, food services, professional and business services, and health care. Construction employment was little changed in December.'

'Manufacturing added 18,000 jobs over the month. There were noteworthy gains in wood products and in computer and electronic products. The factory workweek declined by 0.1 hour to 40.7 hours, and overtime was unchanged at 4.5 hours.'

'Construction employment was little changed over the month, following a gain of 42,000 in November. In 2005, construction employment rose by 246,000. In December, employment in residential building construction continued to increase. Employment in heavy construction declined in December, following a large gain in November.'

'Within the service-providing sector, health care added 21,000 jobs in December and 271,000 jobs in 2005. Over the month, employment continued to trend up in hospitals and in doctors' offices.'

'Employment was up by 33,000 in professional and business services in December, following a much larger increase in November (+76,000, as revised). Over the year, this industry added 486,000 jobs. In December, employment continued to trend up in architectural and engineering services, management and consulting services, and accounting services. Employment in temporary help services was little changed over the month; over the year, the industry added 156,000 jobs.'

'In December, employment increased by 36,000 in food services and drinking places; over the year, the industry added 220,000 jobs. Employment growth continued in financial activities over the month; in 2005, the industry added 188,000 jobs. Strength in the housing market contributed to job growth in credit intermediation (up by 84,000 over the year), and in real estate (up by 56,000 over the year).

'Retail trade employment was little changed in December. After seasonal adjustment, employment declined in general merchandise stores, as seasonal hiring was less than usual. Building material and garden supply stores employment increased over the month.

'Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose by 5 cents in December to \$16.34, following a 1-cent gain in November (as revised). Over the year, average hourly earnings were up by 3.1 percent.

'Turning now to our survey of households, I would remind data users that, with the release of December's data, we revise seasonally adjusted estimates. Data going back 5 years – to January 2001 – are subject to revision. All of the seasonally adjusted household data released today reflect the revisions.

'The unemployment rate was little changed in December at 4.9 percent; a year earlier the jobless rate was 5.4 percent. The number of unemployed persons, at 7.4 million in December, was down from 8.0 million a year earlier. The employment-population ratio was unchanged over the month at 62.8 percent. After trending up earlier in the year, the ratio has been 62.8 percent for 5 of the past 6 months. The labor force participation rate, at 66.0 percent in December, was unchanged from a year earlier.

'With today's release, we have the third month of data derived from a special series of questions that were included in the household survey to identify and solicit information from survey respondents who had evacuated from their homes due to Hurricane Katrina. It is important to note that the estimates do not account for all evacuees. We do not gather information on those evacuees who remain outside the scope of the survey, such as those currently living in hotels or shelters.

'The December data indicate that there were about 1.1 million persons age 16 and over who evacuated from their August residence due to Hurricane Katrina. By December, about 600,000 persons, or a little more than half, had returned to the home from which they had evacuated; the remainder had not returned.

'Of the estimated 1.1 million evacuees identified in December, 58.2 percent were in the labor force, and their unemployment rate was 12.4 percent. Those evacuees who returned home had a lower unemployment rate in December (5.6 percent) than those evacuees who had not returned to the residence they occupied in August (20.7 percent). The proportion of evacuees participating in the labor force in December was similar for both groups--58.4 percent for those who had returned to their homes, and 58.0 percent for those who had not returned.

'To summarize December's labor market data, payroll employment increased by 108,000, and the unemployment rate was little changed at 4.9 percent. Over the year, payroll employment rose by 2 million, and the Nation's jobless rate was down by half a percentage point.'

While the employment situation in the US for the month of December could hardly be considered good, by any measure, it suggested to many people that it may prompt the US Federal Reserve Board, which will convene its next Open Market Committee Meeting on Tuesday, January 31, to hold fast rather than consider raising interest rates another 25 basis points.

On Wall Street, the New Year rally continued, with key indices, hitting new highs.

On The New York Stock Exchange, the Dow Jones Industrial Average rose another 0.71 percent to end the week's trading at 10,959.31 points.

For The Dow, it was its highest point of the past 54 months.

For the tech-laden NASDAQ, the gains of its Composite Index outstripped those of The Dow, with a rise of another 1.26 percent, ending the day at 2,305.62 points.

For the first 4 days of trading of 2006, the tally for the world's largest equity markets was:

The Dow Jones Industrial Average	Plus	2.26 percent
The NASDAQ's Composite Index	Plus	4.55 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US64.21, up 2.26 percent on the last settlement of Thursday.

As for March delivery, the last settlement for a barrel of light sweet crude oil was \$US64.97, an increase of about 2.17 on Thursday's last quote.

Speculators on this commodity market were betting that the cold winter would result in higher consumption, leading to a perceived, if not real, shortage of the black ooze.

In Europe, key indices of major bourses recorded black figures as investors in this part of the world seemed to take the line that the US labour situation would, most likely, result in The Fed, keeping interest rates unchanged, at least for another month or so.

For many of the key indices of European bourses, last Friday's close was a fresh 54-month high.

Negative news was being viewed in a rather positive manner, it seemed.

This was how the most-important indices of the largest European bourses fared, last Friday:

Amsterdam's AEX Index	Plus	0.67 percent
Great Britain's FTSE 100 Index	Plus	0.71 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.35 percent
France's CAC 40 Index	Plus	0.66 percent
Switzerland's Swiss Market Index	Minus	0.05 percent
Italy's MIBTEL Index	Closed	

News Wise

- The Society of Motor Manufacturers and Traders [of the **United Kingdom (UK)**] reported that high interest-rate levels and uncertainty in the economy of the UK had punctured sales of **motor cars** in 2005. Fewer than 2.50 million units were sold in the UK, The Society said.

In Asia, the bulls continued to control equity markets in spite of heavy profit taking, half-way through trading sessions.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets saw investors continue to trade heavily.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose another 0.48 percent to hit 15,344.44 points by the close of the day.

The Total Turnover was about \$HK27.58 billion, while the ratio of gaining counters to losing ones was about 1.89:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.79 percent to \$HK127.70 per share
China Construction Bank Corporation (Code: 939)	Up 2.65 percent to \$HK2.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.73 percent to \$HK76.65 per share
China Life Insurance Company Ltd (Code: 2628)	Up 4.23 percent to \$HK7.40 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.65 percent to \$HK38.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.65 percent to \$HK15.50 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK6.55 per share
Bank of Communications Company Ltd (Code: 3328)	Up 3.25 percent to \$HK3.975 per share
Esprit Holdings Ltd (Code: 330)	Up 3.49 percent to \$HK59.30 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.70 percent to \$HK78.65 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AviChina Industry and Technology Company Ltd	2357	17.07		0.48
BEP International Holdings Ltd	2326	35.14		0.20
Capital Estate Ltd	2928		13.58	0.70
China Star Entertainment Ltd	326	10.42		0.265
China Velocity Group Ltd	149		12.50	0.70

China Wireless Technologies Ltd	2369	11.89		1.60
Culturecom Holdings Ltd	343	20.55		0.176
Daisho Microline Holdings Ltd	567	15.52		0.67
Dawnrays Pharmaceutical (Holdings) Ltd	2348		10.17	0.53
Everest International Investments Ltd	204	24.00		0.031
G-Prop (Holdings) Ltd	286	12.02		0.205
GeoMaxima Energy Holdings Ltd	702	10.87		0.051
Hop Hing Holdings Ltd	47		13.04	0.20
New Smart Holdings Ltd	91	10.71		0.155
renren Holdings Ltd	59	11.59		0.385
Rontex International Holdings Ltd	1142	26.09		0.029
Shanghai Allied Cement Ltd	1060	34.46		0.238
Signal Media and Communications Holdings Ltd	2362		10.71	0.25
Softbank Investment International (Strategic) Ltd	648	16.67		0.056
SunCorp Technologies Ltd	1063	10.13		1.74
Tidetime Sun (Group) Ltd	307	18.85		0.145

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was another good day for bulls as The Growth Enterprise Index rose 0.84 percent to 1,030.47 points.

The Total Turnover on this speculative market was about \$HK91.03 million.

Advancing counters outran declining ones by the ratio of about 1.10:One.

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

China LotSynergy Holdings Ltd (Code: 8161)

Up 8 percent to \$HK3.10 per share

Vertex Communications and Technology Group Ltd (Code: 8228)

Down 18 percent to 51 cents per share

B and B Group Holdings Ltd (Code: 8156)

Up 8 percent to \$HK1.68 per share

Town Health International Holdings Company Ltd (Code: 8138)

Down 8 percent to 18.40 cents per share

Enric Energy Equipment Holdings Ltd (Code: 8289)

Down 1 percent to \$HK2.50 per share

The biggest GEM movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
FlexSystem Holdings Ltd	8050	18.18		0.065
Golding Soft Ltd	8190		11.76	0.015
Xi'an Haitian Antenna Technologies Company Ltd	8227	10.00		0.33
Innovis Holdings Ltd	8065	22.45		0.06
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205	40.00		0.14
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	11.88		0.179
Milkyway Image Holdings Ltd	8130		10.26	0.035
North Asia Strategic Holdings Ltd	8080		13.43	0.58
Northeast Tiger Pharmaceutical Company Ltd	8197		14.04	0.049
Panorama International Holdings Ltd	8173	10.13		0.087
Tiger Tech Holdings Ltd	8046	11.76		0.019
Vertex Communications and Technology Group Ltd	8228		17.74	0.51
Zhejiang Prospect Company Ltd	8273	25.00		0.85

For the 4-day trading week, the tally for the 2 HKSAR equity markets was:

The Hang Seng Index	Plus	3.15 percent
The Growth Enterprise Index	Plus	2.30 percent

On the 3 equity markets of Japan, trading was constrained, but key indices continued to rise, albeit only fractionally.

On The Tokyo Stock Exchange, The TOPIX Average rose only one quarter of a percentage point to end the 3-day trading week at 1,684.90 points.

The ratio of advancing counters to declining ones was about 1.52:One.

The Nikkei-225 Stock Average advanced about 0.02 percent to close the day at 16,428.21 yen.

The tally for the shortened trading week, ended Friday, January 6, 2006, was:

The TOPIX Average	Plus	2.13 percent
The Nikkei-225 Stock Average	Plus	1.97 percent

And, on other Asian stock markets, this was how the key indices of these markets closed the first week of 2006:

The HKSAR	Plus 0.48 percent to 15,344.44
Indonesia	Plus 0.92 percent to 1,222.25
Japan	TOPIX Average Minus 0.01 percent to 1,684.90 Nikkei-255 Stock Average Plus 0.01 percent to 16,428.21
Malaysia	Plus 0.55 percent to 911.67
The Philippines	Minus 0.79 percent to 2,133.79
Singapore	Plus 0.70 percent to 2,420.74
South Korea	Plus 1.23 percent to 1,412.78
Taiwan	Minus 0.22 percent to 6,694.82
Thailand	Plus 0.81 percent to 747.34

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