

KUNG HEI FAT CHOY !
WOOF ! WOOF !

The big news of last Monday was that Ford Motor Company, the Number Two motor-vehicle producer in the US, announced that it would be sacking up to 30,000 of its workers in the US and closing 14 of its manufacturing plants.

The mass layoffs represent about 25 percent of the company's Establishment Level.

The aim of Ford, the company announced, is to cut annual motor-vehicle production by about 1.20 million vehicles, equivalent to about 26 percent of today's production level, by the year 2008.

The Chairman and Chief Executive Officer of Ford, Mr Bill Ford, took the opportunity of telling the world that, in the final quarter of 2005, the company recorded Net Income of about \$US124 million, which compared favourably with the like period in 2004 when the company turned in Net Income of about \$US104 million.

However, what Mr Bill Ford did not state was that the Net Income for the 3 months, ended December 31, 2005, was boosted by the sale of the company's Hertz Rental Car.

From strictly the sales of motor vehicles, Ford booked a Pre-Tax Loss of about \$US12 million.

Looking at the entire 2005-Year, Net Income was about \$US2 billion, down from \$US3.50 billion, recorded in the 2004-Year.

That was bad enough, but it appeared that Wall Street considered it to be good news (!).

On The New York Stock Exchange, the Dow Jones Industrial Average rose 21.38 points, or about 0.20 percent, ending the day at 10,688.77 points.

On The NASDAQ, its Composite Index rose 0.77 of a point, or about 0.03 percent, to limp up to 2,248.47 points.

It was just as well that most American investors do not know how to analyse earnings' reports, otherwise, the largest equity markets of the world might well have added to the losses of the previous Friday.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in March (February was closed out the previous Friday) was \$US68.10, down about 0.55 percent, compared with the last settlement of Friday, January 20.

For the new month of April, the last settlement for a barrel of light sweet crude oil was \$US68.67.

In Europe, every key index of every major European bourse lost ground.

It appeared that European investors are a little more savvy than their American counterparts.

What worried European investors, in addition to Ford's announcement, was that, during the trading day, the price of a barrel of light sweet crude oil touched \$US69 per barrel.

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

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.07 percent |
| Great Britain's FTSE 100 Index | Minus 0.20 percent |
| Germany's Frankfurt XETRA DAX Index | Unchanged |
| France's CAC 40 Index | Minus 0.45 percent |
| Switzerland's Swiss Market Index | Minus 0.12 percent |
| Italy's MIBTEL Index | Minus 0.10 percent |

News Wise

- From Frankfurt, Germany, it was reported that **Ford Motor Company** is expected to announce, in due course, that about 1,700 of its worldwide suppliers will be dropped, leaving the Number Two motor-vehicle manufacturer in the US with 800 international suppliers. Ford spends about \$US70 billion, annually, on purchasing spare parts and what-have-you from its suppliers.

Following on from the losses on Wall Street, during the trading session of Friday, January 20, 2006, Asia responded, last Monday, with its own, large-scale falls of key indices of major equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), losses were widespread, with banks and financial institutions, taking it on the nose, so to speak.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index, the key index of the premier equity market of the territory, lost 197.31 points, equivalent to about 1.26 percent, ending the trading session at 15,464.77 points.

The Total Turnover was about \$HK29 billion, with the ratio of losing counters to gaining ones, being about 2.66:One.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Down 1.00 percent to \$HK128.60 per share |
| China Resources Land Ltd (Code: 1109) | Down 1.23 percent to \$HK4.00 per share |
| Henderson Land Development Company Ltd (Code: 12) | Down 1.15 percent to \$HK38.65 per share |
| China Construction Bank Corporation (Code: 939) | Down 0.83 percent to \$HK3.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 2.23 percent to \$HK37.25 per share |
| Hutchison Whampoa Ltd (Code: 13) | Down 0.64 percent to \$HK78.10 per share |
| PetroChina Company Ltd (Code: 857) | Unchanged at \$HK7.50 per share |

China Life Insurance Company Ltd (Code: 2628) Up 1.32 percent to \$HK7.70 per share

BOC Hongkong (Holdings) Ltd (Code: 2388) Down 1.29 percent to \$HK15.25 per share

Sun Hung Kai Properties Ltd (Code: 16) Down 1.06 percent to \$HK79.40 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|-------------|---------------------|---------------------|-----------------------------|
| Asia TeleMedia Ltd | 376 | | 13.46 | 0.045 |
| China Financial Industry Investment Fund Ltd | 1227 | | 15.00 | 0.102 |
| China Green (Holdings) Ltd | 904 | 11.76 | | 2.375 |
| China Motion Telecom International Ltd | 989 | 10.68 | | 0.114 |
| China Strategic Holdings Ltd | 235 | 11.90 | | 0.94 |
| Fortuna International Holdings Ltd | 530 | 10.00 | | 0.011 |
| Good Fellow Group Ltd | 910 | 24.18 | | 0.19 |
| Henderson Investment Ltd | 97 | | 16.61 | 12.80 |
| Luoyang Glass Company Ltd | 1108 | 10.81 | | 0.82 |
| MACRO-LINK International Holdings Ltd | 472 | | 12.04 | 0.19 |
| One Media Group Ltd | 426 | | 10.00 | 0.63 |
| Radford Capital Investment Ltd | 901 | 11.43 | | 0.117 |
| REXCAPITAL Financial Holdings Ltd | 555 | | 14.00 | 0.043 |
| Sino Gas Group Ltd | 260 | 16.28 | | 0.25 |
| South East Group Ltd | 726 | | 11.43 | 0.062 |
| Sunlink International Holdings Ltd | 2336 | | 20.59 | 0.054 |
| Tidetime Sun (Group) Ltd | 307 | 10.40 | | 0.138 |

| | | | | |
|--------------------|-----|--|-------|------|
| Tysan Holdings Ltd | 687 | | 15.63 | 0.27 |
| UDL Holdings Ltd | 620 | | 14.29 | 0.03 |

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 2.17 percent of its value as the 24.74-point loss brought down the market's lone index to 1,117.86 points.

The Total Turnover on this market was about \$HK167.85 million.

The ratio of losing counters to gaining ones was about 1.36:One.

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

China LotSynergy Holdings Ltd (Code: 8161)

Down 7 percent to \$HK3.475 per share

CASH Financial Services Group Ltd (Code: 8122)

Up 24 percent to 41 cents per share

Shandong Weigao Group Medical Polymer Company Ltd (Code: 8199)

Down 7 percent to \$HK2.275 per share

TOM Online Incorporated (Code: 8282)

Down 3 percent to \$HK2.10 per share

China Fire Safety Enterprise Group Holdings Ltd (Code: 8201)

Unchanged at 75 cents per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| CASH Financial Services Group Ltd | 8122 | 24.24 | | 0.41 |
| China Photar Electronics Group Ltd | 8220 | 12.50 | | 0.45 |
| Excel Technology International Holdings Ltd | 8048 | | 16.67 | 0.05 |
| FlexSystem Holdings Ltd | 8050 | | 19.05 | 0.051 |
| FX Creations International Holdings Ltd | 8136 | 18.18 | | 0.13 |
| Galileo Capital Group Ltd | 8029 | 20.69 | | 0.035 |
| Xi'an Haitian Antenna Technologies Company Ltd | 8227 | 11.90 | | 0.47 |
| Longlife Group Holdings Ltd | 8037 | | 10.00 | 0.27 |

| | | | | |
|---|------|-------|-------|-------|
| Medical China Ltd | 8186 | 35.48 | | 0.042 |
| Neolink Cyber Technology (Holding) Ltd | 8116 | 11.94 | | 0.075 |
| Shenzhen Neptunus Interlong Bio-technique Company Ltd | 8329 | | 18.92 | 0.60 |
| Thiz Technology Group Ltd | 8119 | | 33.33 | 0.04 |
| Sanmenxia Tianyuan Aluminum Company Ltd | 8253 | 13.64 | | 0.125 |

On the biggest equity market of Asia, that of The Tokyo Stock Exchange, the talk on the trading floor was that Livedoor Company Ltd, the scandal-tainted, Internet company, might be delisted from The Tokyo Stock Exchange.

It was confirmed that Mr Takafumi Horie, the Chairman of Livedoor, had been arrested along with 3 other senior executives of the company.

More than \$US4 billion of the market capitalisation of this company had, prior to the opening of The Tokyo Stock Exchange, last Monday, been wiped out in a rout which had seen about 65 percent of the value of Livedoor, wiped out in just 3 trading days to Friday, January 20.

Last Monday, another 24 percent of the market capitalisation of this company was erased as investors pushed down the share price to 256 yen.

Livedoor's Management is being accused of accounting fraud, breaches of stock-market rules and disseminating misleading information to shareholders.

The allegations have, all, been denied.

But, due to the confirmed and unconfirmed reports about Livedoor, many other Japanese Internet companies, whose shares are listed on one or more of the stock markets of Japan, fell to selling pressure: One dog barks; 100 dogs bark.

On The Tokyo Stock Exchange, because of the continuing situation at Livedoor and the falls in prices on US equity markets, the previous Friday, investors unleashed a barrage of sell orders.

The result:

| | |
|------------------------------|---------------------------------------|
| The TOPIX Average | Down 2.25 percent to 1,587.90 points |
| The Nikkei-225 Stock Average | Down 2.14 percent to 15,360.65 points |

Losing counters outnumbered gaining ones by the ratio of 11.58:One.

On other Asian equity markets, this was how their key indices ended up, last Monday night:

| | |
|-----------|--|
| The HKSAR | Minus 1.26 percent to 15,464.77 |
| Indonesia | Minus 1.86 percent to 1,200.13 |
| Japan | TOPIX Average Minus 2.25 percent to 1,587.90 Nikkei-255 Stock Average Minus 2.14 percent to 15,360.65 |

| | |
|-----------------|--------------------------------|
| Malaysia | Minus 0.32 percent to 902.51 |
| The Philippines | Minus 0.41 percent to 2,099.51 |
| Singapore | Minus 1.00 percent to 2,364.97 |
| South Korea | Minus 2.06 percent to 1,297.43 |
| Taiwan | Minus 1.61 percent to 6,381.97 |
| Thailand | Plus 0.35 percent to 750.28 |

Tuesday

Crude oil prices retreated on international commodity exchanges, last Tuesday, as the Iranian and Nigerian situations fell quiet.

It was not that these 2 international '*fireworks*' had fizzled out, far from it, it was just that there were no hair-raising reports, being circulated about either country:

1. Iran's Ruling Council was endorsing its decision to continue with the country's nuclear research and uranium-enrichment programme, regardless of the consequences; and,
2. In Nigeria, The Movement for the Emancipation of the Niger Delta was continuing its activities of attacking foreign-manned/owned, oil platforms and pumping stations and, from time to time, taking hostages as a future bargaining chip.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for March delivery was \$US67.06, down about 1.53 percent on Monday's closing rate.

As for April delivery, the last settlement for a barrel of light sweet crude oil was \$US67.65, equivalent to a fall of about 1.49 percent, compared with the last settlement on Monday.

While there were a few Wall Street's '*darlings*', making noises about their earnings for the last quarter, but, by and large, little of any great merit was taking place in the world's biggest economy, which also sports the world's largest equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.22 percent, ending the trading session at 10,712.22 points.

As for the tech-laden NASDAQ, its Composite Index rose about three quarters of a percentage point, jumping to 2,265.25 points.

Merger and takeover talk was said to have been a factor in causing key indices on US equity markets to make moderate gains, last Tuesday.

News Wise

- **Lexmark International Incorporated** announced that it would be sacking 825 of its workers and shutting its Rosyth, Scotland, plant. The Scottish plant produces ink cartridges for the company's printers. Profits for this Lexington, Kentucky, printer manufacturer dropped about 47 percent in the fourth quarter of 2005, Year-On-Year, to about \$US82.30 million.

In Europe, key indices on all of the most-important bourses came under pressure, for the second consecutive

day:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.08 percent |
| Great Britain's FTSE 100 Index | Minus 0.47 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 0.26 percent |
| France's CAC 40 Index | Minus 0.07 percent |
| Switzerland's Swiss Market Index | Minus 0.27 percent |
| Italy's MIBTEL Index | Minus 0.19 percent |

Telecommunications counters in Europe were hit, last Tuesday, as it had been made only too clear that they are unlikely to record large gains, during this year.

News Wise

- **DaimlerChrysler A.G.** announced that it would be sacking about 6,000 of its managerial staff, during the next 3 years, in order to save about \$US1.80 billion per year. The mass layoffs will be worldwide and will centre on staff, employed in the following fields: Accounting; auditing; personnel; and, strategic planning.

In Asia, with the exception of the Thai stock market, all of the key indices of other Asian equity markets made decent gains, led by the South Korean stock market, whose key index gained 2.27 percent.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), noting that Wall Street was a little calmer on the first day of its trading week, investors gingerly came back to the equity markets of the territory.

But it was noted that the volume of activity continued to fall.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained about 0.43 percent, rising to 15,530.57 points.

The Total Turnover was about \$HK23.92 billion, while the ratio of advancing counters to declining ones was about 1.83:One.

The Ten Most Actives were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Unchanged at \$HK128.60 per share |
| China Construction Bank Corporation (Code: 939) | Unchanged at \$HK3.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 0.13 percent to \$HK37.30 per share |
| PetroChina Company Ltd (Code: 857) | Up 0.67 percent to \$HK7.55 per share |
| China Life Insurance Company Ltd (Code: 2628) | Down 0.65 percent to \$HK7.65 per share |

Hutchison Whampoa Ltd (Code: 13)

Up 0.58 percent to \$HK78.55 per share

CNOOC Ltd (Code: 883)

Up 1.59 percent to \$HK6.40 per share

Bank of Communications Company Ltd (Code: 3328) Up 1.16 percent to \$HK4.375 per share

Henderson Land Development Company Ltd (Code: 12)

Up 1.81 percent to \$HK39.35 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 0.38 percent to \$HK79.70 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|-------------|---------------------|---------------------|-----------------------------|
| Asia Financial Holdings Ltd | 662 | 13.56 | | 3.35 |
| Asia TeleMedia Ltd | 376 | 33.33 | | 0.06 |
| Chaoda Modern Agriculture (Holdings) Ltd | 682 | 13.55 | | 4.40 |
| China Credit Holdings Ltd | 185 | 18.75 | | 0.133 |
| China Merchants DiChain (Asia) Ltd | 632 | | 10.26 | 0.035 |
| China Rare Earth Holdings Ltd | 769 | 11.11 | | 0.90 |
| Earnest Investments Holdings Ltd | 339 | 12.50 | | 0.018 |
| Fintronics Holdings Company Ltd | 706 | | 13.82 | 0.187 |
| Garron International Ltd | 1226 | 25.00 | | 0.30 |
| Haywood Investments Ltd | 905 | 13.79 | | 0.066 |
| KTP Holdings Ltd | 645 | | 10.00 | 0.54 |
| Pioneer Global Group Ltd | 224 | 11.76 | | 0.57 |
| Premium Land Ltd | 164 | 39.24 | | 0.33 |
| REXCAPITAL Financial Holdings Ltd | 555 | | 11.63 | 0.038 |
| Sino Gas Group Ltd | 260 | 18.00 | | 0.295 |

| | | | | |
|--------------------------------------|------|-------|-------|-------|
| Sunway International Holdings Ltd | 58 | | 10.00 | 0.234 |
| Takson Holdings Ltd | 918 | | 16.67 | 0.09 |
| Techwayson Holdings Ltd | 2330 | 17.65 | | 0.40 |
| Xinyu Hengdeli Holdings Ltd | 3389 | 10.20 | | 2.70 |
| Zhong Hua International Holdings Ltd | 1064 | | 10.00 | 0.018 |
| ZZNode Holdings Company Ltd | 2371 | | 15.63 | 0.405 |

On The (very speculative) **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.89 percent to 1,127.85 points.

The Total Turnover was about \$HK150.75 million.

Gaining counters outnumbered losing ones by the ratio of about 2.21:One.

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

China LotSynergy Holdings Ltd (Code: 8161) Up 3 percent to \$HK3.575 per share

TOM Online Incorporated (Code: 8282) Down 1 percent to \$HK2.075 per share

Techpacific Capital Ltd (Code: 8088) Up 1 percent to 78 cents per share

B and B Group Holdings Ltd (Code: 8156) Up 3 percent to \$HK2.65 per share

Wumart Stores Incorporated (Code: 8277) Unchanged at \$HK16.15 per share

The GEM's double-digit movers of last Tuesday included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| Everpride Biopharmaceutical Company Ltd | 8019 | 22.45 | | 0.06 |
| Shenzhen EVOC Intelligent Technology Company Ltd | 8285 | 10.77 | | 0.36 |
| MegaInfo Holdings Ltd | 8279 | | 33.33 | 0.04 |
| North Asia Strategic Holdings Ltd | 8080 | | 12.00 | 0.66 |
| Shenzhen Neptunus Interlong Bio-technique Company Ltd | 8329 | 10.00 | | 0.66 |

| | | | | |
|--------------------------------------|------|-------|-------|-------|
| New Universe International Group Ltd | 8068 | 21.05 | | 0.023 |
| Plasmagene Biosciences Ltd | 8250 | | 22.22 | 0.07 |
| Proactive Technology Holdings Ltd | 8089 | 19.61 | | 0.061 |
| Q9 Technology Holdings Ltd | 8129 | | 15.00 | 0.017 |
| Thiz Technology Group Ltd | 8119 | 75.00 | | 0.07 |
| Vodatel Networks Holdings Ltd | 8033 | 13.75 | | 0.091 |

With the worst fears in respect of Livedoor Company Ltd, having been realised (Please see Monday's report), investors in Japan put the matter on their back burner, for the time being, and determined to live for the day.

On The Tokyo Stock Exchange, the premier equity market of The Land of The Rising Sun, its key index, The TOPIX Average, rose about 1.54 percent to 1,612.43 points.

The ratio of gaining counters to losing ones was about 7.19:One.

The Nikkei-225 Stock Average followed The TOPIX Average, rising to 15,648.89 yen, a one-day gain of about 1.88 percent.

In other Asian equity markets, this was how their respective key indices came to rest, last Tuesday night:

| | |
|-----------------|--|
| The HKSAR | Plus 0.43 percent to 15,530.57 |
| Indonesia | Plus 0.59 percent to 1,207.22 |
| Japan | TOPIX Average Plus 1.55 percent to 1,612.43 Nikkei-255 Stock Average Plus 1.88 percent to 15,648.89 |
| Malaysia 906.98 | Plus 0.50 percent to |
| The Philippines | Plus 0.18 percent to 2,103.37 |
| Singapore | Plus 0.14 percent to 2,368.32 |
| South Korea | Plus 2.27 percent to 1,326.83 |
| Taiwan | Plus 1.10 percent to 6,451.94 |

| | |
|----------|------------------------------|
| Thailand | Minus 0.58 percent to 745.95 |
|----------|------------------------------|

Wednesday

Tensions between Iran and the 35-member, **I**nternational **A**tom**E**n**E**rgy **A**gency (IAEA), which is the nuclear watchdog of the United Nations, flared up again, last Wednesday, with Iran, stating that it would speed up its nuclear programme if the country were to be referred to the UN's Security Council by the IAEA.

Great Britain, the People's Republic of China (PRC), France, Russia, Germany and the US are trying to reach a consensus, prior to the meeting of the IAEA on Thursday, February 2, 2006.

Iran has gone on record as stating that, should the country be referred to The Security Council for the earnest consideration of imposing sanctions on the Islamic nation, it would sever relations with the IAEA, which means that the IAEA would not be permitted to inspect Iran's nuclear facilities, among other things.

The Iranian statements are considered, by most Western diplomats, to be anything but bravado: The Government of Iran, unlike the Government of North Korea, cannot be bought off by a couple of fossil-fuel, power stations and some container loads of food, or, for that matter, be frightened off by the military might of the West.

The Iranian Government's statements, however, did little to influence crude oil prices on international commodity exchanges, last Wednesday.

On The **N**ew **Y**ork **M**ercantile **E**xchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in March was \$US65.85, down about 1.80 percent on the last settlement of Tuesday.

For delivery in April, the last settlement for a barrel of light sweet crude oil was \$US66.48, equivalent to a fall of about 1.73 percent, compared with the final NYMEX transaction on Tuesday.

On Wall Street, lacklustre trading conditions prevailed for most of the entire trading session.

The Dow Jones Industrial Average, the key index of the Big Board of The New York Stock Exchange, dipped 2.48 points, equivalent to about 0.02 percent, falling back to 10,709.74 points.

Over on The NASDAQ, its Composite Index followed The Dow with a drop of 4.60 points, or about 0.20 percent, ending the relatively quiet trading session at 2,260.65 points.

The announcement by The National Association of Realtors (Please see below, under News Wise) took some people by surprise.

News Wise

- **Sales** of used homes in the US fell by about 5.70 percent in December 2005, compared with sales in November 2005, according to The National Association of Realtors. It was the third consecutive month of declines for what is known (politely) in the US as sales of '*existing homes*'.

In Europe, it was a completely different story to the one, being told on Wall Street, last Wednesday.

It was reported that business confidence in Germany had vaulted to a 6-year high.

In addition, precious metals' price were rising and, since many European bourses sport mining counters, the increases in metals' prices, such as silver and platinum, tended to pull up key indices, generally.

Lastly, the falls in the price of crude oil was helpful, as far as European business tycoons were concerned.

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

| | | |
|-------------------------------------|-------|--------------|
| Amsterdam's AEX Index | Plus | 1.14 percent |
| Great Britain's FTSE 100 Index | Plus | 1.25 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 1.73 percent |
| France's CAC 40 Index | Plus | 0.89 percent |
| Switzerland's Swiss Market Index | Minus | 0.02 percent |
| Italy's MIBTEL Index | Plus | 0.65 percent |

In Asia, the Chinese New Year festivities were fast approaching, with only 2 more working days left in the Lunar Year: The Year of The Rooster.

The important thing for most Asians, last Wednesday, was not buying and selling stocks and shares, but purchasing a new suit of clothes to welcome in The Year of The Dog; and, the making of arrangements for a 4-day, eating and drinking binge.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, the premier equity market of the territory was relatively quiet, with prices, drifting south, while, on the second-tier equity market, its lone index rose, fractionally.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 0.07 percent to 15,520.39 points on a Total Turnover of about \$HK22.45 billion.

The ratio of losing counters to gaining ones was about 1.21:One.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Down 0.23 percent to \$HK128.30 per share |
| PetroChina Company Ltd (Code: 857) | Down 0.66 percent to \$HK7.50 per share |
| Hutchison Whampoa Ltd (Code: 13) | Down 0.70 percent to \$HK78.00 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Down 0.27 percent to \$HK37.20 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Down 0.73 percent to \$HK82.10 per share |
| China Construction Bank Corporation (Code: 939) | Unchanged at \$HK3.00 per share |
| China Life Insurance Company Ltd (Code: 2628) | Unchanged at \$HK7.65 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Down 0.98 percent to \$HK15.20 per share |
| Hongkong Exchanges and Clearing Ltd (Code: 388) | Up 1.80 percent to \$HK36.70 per share |

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|-------------|---------------------|---------------------|-----------------------------|
| Asia Alliance Holdings Ltd | 616 | 11.36 | | 0.49 |
| AviChina Industry and Technology Company Ltd | 2357 | 13.73 | | 0.58 |
| Celestial Asia Securities Holdings Ltd | 1049 | 25.76 | | 0.415 |
| e-Kong Group Ltd | 524 | 11.25 | | 0.445 |
| Founder Holdings Ltd | 418 | 22.92 | | 0.59 |
| Geely Automobile Holdings Ltd | 175 | 26.09 | | 0.58 |
| Golden Harvest Entertainment (Holdings) Ltd | 1132 | | 12.00 | 0.176 |
| IDT International Ltd | 167 | 14.75 | | 0.70 |
| Macau Success Ltd | 487 | 10.67 | | 0.83 |
| Mei Ah Entertainment Group Ltd | 391 | 16.33 | | 0.285 |
| Multifield International Holdings Ltd | 898 | 14.29 | | 0.136 |
| Pacific Plywood Holdings Ltd | 767 | 16.67 | | 0.028 |
| Pioneer Global Group Ltd | 224 | 19.30 | | 0.68 |
| REXCAPITAL Financial Holdings Ltd | 555 | 10.53 | | 0.042 |
| Rontex International Holdings Ltd | 1142 | 10.00 | | 0.022 |
| Shougang Concord Century Holdings Ltd | 103 | 10.00 | | 0.55 |
| South China Holdings Ltd | 265 | | 12.00 | 0.22 |
| South East Group Ltd | 726 | 21.67 | | 0.073 |
| Weichai Power Company Ltd | 2338 | 11.16 | | 12.45 |

| | | | | |
|-----------------------------|------|-------|--|------|
| ZZNode Holdings Company Ltd | 2371 | 16.05 | | 0.47 |
|-----------------------------|------|-------|--|------|

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index rose about 0.82 percent to 1,137.07 points.

The Total Turnover on this highly speculative market was about \$HK127.16 million.

Advancing counters outnumbered declining ones by the ratio of about 1.37:One.

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

CASH Financial Services Group Ltd (Code: 8122) Up 2 percent to 42 cents per share

China LotSynergy Holdings Ltd (Code: 8161) Down 3 percent to \$HK3.475 per share

Zhengzhou Gas Company Ltd (Code: 8099) Up 6 percent to 87 cents per share

Phoenix Satellite Television Holdings Ltd (Code: 8022) Up 1 percent to \$HK1.10 per share

TOM Online Incorporated (Code: 8282) Up 2 percent to \$HK2.125 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| Excel Technology International Holdings Ltd | 8048 | 10.00 | | 0.055 |
| IIN International Ltd | 8128 | 11.11 | | 0.02 |
| Innovis Holdings Ltd | 8065 | | 25.53 | 0.035 |
| KanHan Technologies Group Ltd | 8175 | | 24.07 | 0.082 |
| Ko Yo Ecological Agrotech (Group) Ltd | 8042 | 23.53 | | 0.42 |
| Linefan Technology Holdings Ltd | 8166 | 12.00 | | 0.056 |
| Mobile Telecom Network (Holdings) Ltd | 8266 | 11.11 | | 0.15 |
| North Asia Strategic Holdings Ltd | 8080 | 13.64 | | 0.75 |
| Satellite Devices Corporation | 8172 | 21.43 | | 0.017 |
| Tiger Tech Holdings Ltd | 8046 | 12.50 | | 0.027 |

| | | | | |
|------------------------|------|-------|--|------|
| Tradeeasy Holdings Ltd | 8163 | 11.11 | | 0.04 |
|------------------------|------|-------|--|------|

In Japan, trading was very quiet on all 3 equity markets.

On The Tokyo Stock Exchange, The TOPIX Average rose 6.03 points, equivalent to about 0.37 percent, ending the quiet trading session at 1,618.46 points.

The ratio of gainers to losers was 1.70:One, exactly.

The Nikkei-225 Stock Average rose 2.11 yen, or about 0.01 percent, ending the day at 15,651.00 yen.

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

| | |
|-----------------|--|
| The HKSAR | Minus 0.07 percent to 15,520.39 |
| Indonesia | Plus 1.90 percent to 1,230.12 |
| Japan | TOPIX Average Plus 0.37 percent to 1,618.46 Nikkei-255 Stock Average Plus 0.01 percent to 15,651.00 |
| Malaysia | Plus 0.31 percent to 909.77 |
| The Philippines | Plus 0.43 percent to 2,112.49 |
| Singapore | Plus 0.44 percent to 2,378.64 |
| South Korea | Plus 1.19 percent to 1,342.59 |
| Taiwan | Plus 1.24 percent to 6,532.18 |
| Thailand | Plus 2.25 percent to 762.70 |

This stock market review covers only 3 trading days
because of the Chinese New Year holidays,
the first day of which commences Saturday, January 28, 2006.

Most of Hongkong's businesses and all equity markets will be closed for the Lunar New Year celebrations and will not reopen until, Wednesday, February 1, 2006.

The next stock-market review will be on Subscribers' desks on Monday, February 6, 2006.

TARGET takes this opportunity to wish all of our friends:

Happy and Prosperous New Year !
Kung Hei Fat Choy!

-- 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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