

**INVESTORS GET COLD FEET –  
CRUDE OIL PRICES RISE AS IRAN STANDS FAST:  
WE SHALL NOT RELENT !**

**United Nations International Atomic Energy Agency Meets Today**

Oil prices retreated on a broad front, last Monday, as investors and speculators of the world's largest commodity markets were able to confirm, positively, that the forces of al-Qaeda had stubbed their grubby toes in Saudi Arabia in attempts to blow up the important Abqaiq oil installation, the previous Friday.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US61.00, exactly, down about 3.04 percent, compared with the final quote of the previous Friday.

As for delivery in May, the last settlement came in at \$US62.35 per barrel of light sweet crude oil, that price, representing a fall of about 2.79 percent on the last settlement of Friday, February 24.

Wall Street seemed to like the idea of lower crude-oil prices because it should, in time, translate into higher profits for corporate America.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 35.70 points, equivalent to about 0.32 percent on the previous Friday's closing level, coming to rest at 11,097.55 points.

Over on The NASDAQ, its Composite Index ended the trading session at 2,307.18 points, an improvement of about 20.14 points, or about 0.88 percent on the last trade of the previous Friday.

Europe was, also, bullish, last Monday, with most of the key indices of the largest bourses, rising.

In Europe, however, the talk was mergers and acquisitions and how many other major deals were in the wings, waiting to be announced.

The falling price of crude oil was considered good news for companies, not engaged in energy and energy related businesses, but oil counters suffered as investors bailed out in favour of banks and utilities.

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

Amsterdam's AEX Index	Plus	0.63 percent
Great Britain's FTSE 100 Index	Plus	0.26 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.75 percent
France's CAC 40 Index	Plus	0.12 percent
Switzerland's Swiss Market Index	Minus	0.40 percent



Italy's MIBTEL Index

Plus 0.65 percent

In Asia, key indices of all of the major equity markets rose as the price of crude oil in electronic trading on The NYMEX had the near month of April, down about 82 cents (US) per barrel, compared with the previous Friday's last settlement, to about \$US62.09.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), key indices of both equity markets made useful gains.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 0.59 percent to 15,949.89 points on a Total Turnover of about \$HK35.98 billion.

Advancing counters outpaced declining ones by the ratio of about 1.09:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.91 percent to \$HK133.00 per share
China Construction Bank Corporation (Code: 939)	Down 1.34 percent to \$HK3.675 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 2.17 percent to \$HK4.70 per share
China Life Insurance Company Ltd (Code: 2628)	Down 1.10 percent to \$HK9.00 per share
TPV Technology Ltd (Code: 903)	Down 7.77 percent to \$HK8.90 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.26 percent to \$HK38.05 per share
PetroChina Company Ltd (Code: 857)	Up 0.66 percent to \$HK7.65 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.20 percent to \$HK74.50 per share
CNOOC Ltd (Code: 883)	Up 0.76 percent to \$HK6.60 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.56 percent to \$HK81.35 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Artfield Group Ltd	1229	14.08		0.81
Beijing Development (Hongkong) Ltd	154	14.67		0.86
China Rare Earth Holdings Ltd	769	14.14		1.13



Climax International Company Ltd	439	36.84		0.026
Computer and Technologies Holdings Ltd	46	10.34		0.96
eForce Holdings Ltd	943		14.81	0.023
Mexan Ltd	22	10.91		0.61
Morning Star Resources Ltd	542	14.81		0.062
Neo-China Group (Holdings) Ltd	563	13.58		0.92
Qualipak International Holdings Ltd	1224	11.54		0.116
REXCAPITAL Financial Holdings Ltd	555	31.43		0.138
Sewco International Holdings Ltd	209		10.64	0.21
Sun Innovation Holdings Ltd	547		12.50	2.80
Sunny Global Holdings Ltd	1094		12.28	0.10
Tack Hsin Holdings Ltd	611	12.00		0.28
Tak Sing Alliance Holdings Ltd	126	12.99		0.435
TCL Communication Technology Holdings Ltd	2618		11.59	0.305
Yardway Group Ltd	646		10.00	0.176
Yorkey Optical International (Cayman) Ltd	2788	13.82		3.50

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 1.46 percent to 1,188.15 points.

However, in spite of the lone index of this market, being in positive territory, losing counters outnumbered gaining ones by the ratio of about 1.03:One.

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

China LotSynergy Holdings Ltd (Code: 8161)                      Down 2 percent to \$HK2.15 per share

Wumart Stores Incorporated (Code: 8277)                      Up 3 percent to \$HK24.80 per share

Biosino Bio-Technology and Science Incorporation (Code: 8247)                      Unchanged at \$HK2.725 per share



Phoenix Satellite Television Holdings Ltd (Code: 8002) Up 6 percent to \$HK1.24 per share

Golden Meditech Company Ltd (Code: 8180) Up 17 percent to \$HK2.45 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	13.64		0.15
Chinainfo Holdings Ltd	8206	28.21		0.50
Golden Meditech Company Ltd	8180	16.67		2.45
Golding Soft Ltd	8190	12.50		0.018
Innovis Holdings Ltd	8065	14.29		0.04
Launch Tech Company Ltd	8196		14.00	1.72
ProSticks International Holdings Ltd	8055	62.50		0.026
Recruit Holdings Ltd	8073	11.69		0.86
Sungreen International Holdings Ltd	8306		14.00	2.15
T S Telecom Technologies Ltd	8003		14.63	0.035
Tianjin TEDA Biomedical Engineering Company Ltd	8189	26.67		0.114
Thiz Technology Group Ltd	8119	25.71		0.088

In Japan, trading was somewhat restrained in the absence of any wildly exciting news, but the key indices of the country's 3 equity markets rose in sympathy to most of the key indices of other Asian stock markets.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Average put on about 0.55 percent, rising to 1,656.82 points.

Even though the TOPIX Average had registered a positive figure by the close of the day, losing counters outnumbered gaining ones by the ratio of about 1.16:One.

As for The Nikkei-225 Stock Average, which is a much-narrower gauge of trading in blue chips, listed on the First Section of The Tokyo Stock Exchange, it ended the trading day at 16,192.95 yen, up about 0.57 percent, compared with the close of Friday, February 24, 2006.

News Wise



- **The Japan Department Stores Association** reported that sales at Japanese supermarkets and departmental stores fell during the month of January 2006, compared with January 2005. For supermarkets, sales were off about 2.50 percent, Year-On-Year, while sales at departmental stores fell by about 0.04 percent.

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

The HKSAR	Plus 0.59 percent to 15,949.89
Indonesia	Plus 1.59 percent to 1,235.42
Japan	TOPIX Average Plus 0.55 percent to 1,656.82 Nikkei-255 Stock Average Plus 0.57 percent to 16,192.95
Malaysia	Plus 0.41 percent to 928.66
The Philippines	Plus 0.94 percent to 2,089.36
Singapore	Plus 0.97 percent to 2,477.37
South Korea	Plus 0.66 percent to 1,374.88
Taiwan	Plus 0.36 percent to 6,561.63
Thailand	Plus 1.52 percent to 753.10

## **Tuesday**

Disappointing financial results from certain bellwether companies, listed on The New York Stock Exchange and The NASDAQ, and signs that the economy of the US was softening, appreciably, caused US investors to scurry for cover, last Tuesday.

Add to this the fact that crude-oil prices were on the rise, once again, and one had a scenario, bordering on panic selling on the world's largest equity markets.

On The New York Stock Exchange, last Tuesday, the Dow Jones Industrial Average lost 104.14 points, equivalent to about 0.94 percent, as investors pushed it down to 10,993.41 points.

On The NASDAQ, its Composite Index gave up 25.79 points, or about 1.12 percent, falling back to 2,281.39 points.

On The New York Mercantile Exchange (NYMEX), the last settlement for delivery in April for a barrel of light sweet crude oil was \$US61.41. That last quote represented a gain of about 0.67 percent on Monday's



last settlement.

For delivery in May, the last settlement for a barrel of light sweet crude oil was \$US63.01, up 1.06 percent on Monday's closing level.

In Europe, every key index of every major bourse was in negative territory by the close of the day, with some of the losses, being big time:

Amsterdam's AEX Index	Minus 0.62 percent
Great Britain's FTSE 100 Index	Minus 0.43 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.43 percent
France's CAC 40 Index	Minus 0.48 percent
Switzerland's Swiss Market Index	Minus 1.24 percent
Italy's MIBTEL Index	Minus 1.53 percent

For many bourses, last Tuesday's losses on key indices were the biggest falls since October 2005.

With the knowledge that US consumer confidence was on the wane and with housing starts falling, investors in Europe were concerned as to the near-term prospects in trading in stocks and shares.

#### News Wise

- **Cable and Wireless plc** announced that it would be sacking up to 3,000 of its present Establishment Level, during the coming years. The company aims to halve the number of workers on its payroll, from about 5,000 workers to about 2,500 workers by the year 2011.

In Asia, trading was relatively quiet on equity markets, with only a few exceptions.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), on the territory's 2 equity markets, after an early moderate sell-off, there was a bit of a recovery, but, by the close of the day, both markets recorded only fractional changes, compared with Monday's closing levels.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index suffered a loss of about 0.20 percent, falling back to 15,918.48 points.

The Total Turnover, however, continued to be relatively high, at about \$HK34.54 billion.

The ratio of losing counters to gaining ones was about 1.92:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.45 percent to \$HK133.60 per share
China Construction Bank Corporation (Code: 939)	Down 1.36 percent to \$HK3.625 per share
China Life Insurance Company Ltd (Code: 2628)	Down 1.67 percent to \$HK8.85 per share



PetroChina Company Ltd (Code: 857)

Down 0.65 percent to \$HK7.60 per share

Bank of Communications Company Ltd (Code: 3328)

Down 3.09 percent to \$HK4.70 per share

China Petroleum and Chemical Corporation (Code: 386)

Down 0.53 percent to \$HK4.675 per share

Hutchison Whampoa Ltd (Code: 13)

Down 0.67 percent to \$HK74.00 per share

China Mobile (Hongkong) Ltd (Code: 941)

Down 0.39 percent to \$HK37.90 per share

Cheung Kong (Holdings) Ltd (Code: 1)

Down 0.85 percent to \$HK81.90 per share

CNOOC Ltd (Code: 883)

Down 0.76 percent to \$HK6.55 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CATIC International Holdings Ltd	232	17.35		0.115
Computer and Technologies Holdings Ltd	46	11.46		1.07
Fintronics Holdings Company Ltd	706	17.11		0.178
Foundation Group Ltd	1182	14.29		0.032
Heritage International Holdings Ltd	412	26.67		0.019
Mei Ah Entertainment Group Ltd	391	19.92		0.295
Oriental Explorer Holdings Ltd	430		16.36	0.046
Paladin Ltd	495	11.39		0.44
Polytec Asset Holdings Ltd	208	12.82		2.20
REXCAPITAL International Holdings Ltd	155	14.93		0.385
Rontex International Holdings Ltd	1142		10.64	0.042
Zida Computer Technologies Ltd	859	14.08		0.81



On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story to that, being told on the Main Board – but in reverse.

The Growth Enterprise Index, after losing moderately during the morning session to 12:30 pm, recovered all of the earlier losses and, by the close of the afternoon session, it was standing at 1,191.29 points, representing a gain of about 0.26 percent on Monday's close.

The Total Turnover on this speculative market was about \$HK202.66 million.

Declining counters outnumbered advancing ones by the ratio of 1.10:One, exactly.

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

Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280)	\$HK1.55 per share*
Wumart Stores Incorporated (Code: 8277)	Up 6 percent to \$HK26.20 per share
TOM Online Incorporated (Code: 8282)	Up 2 percent to \$HK2.175 per share
Techpacific Capital Ltd (Code: 8088)	Down 1 percent to 72 cents per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Down 3 percent to \$HK1.20 per share

\* First day of trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061	10.00		0.22
Chinainfo Holdings Ltd	8206	16.00		0.58
Everpride Biopharmaceutical Company Ltd	8019		16.67	0.04
Shenzhen EVOC Intelligent Technology Company Ltd	8285	12.50		0.45
Global Solution Engineering Ltd	8192	22.22		0.022
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		16.67	0.15
PINE Technology Holdings Ltd	8013		14.89	0.20
Sungreen International Holdings Ltd	8306	20.93		2.60



Tianjin TEDA Biomedical Engineering Company Ltd	8189		12.28	0.10
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Trading on Asia's largest equity market, that of The Tokyo Stock Exchange, was restrained, last Tuesday, due in part to investors' drubbing of energy and commodity counters.

The TOPIX Average managed a gain of about 0.22 percent, limping up to 1,660.42 points.

The ratio of losers to gainers was about 1.37:One.

The Nikkei-225 Stock Average rose about 0.08 percent, struggling to hit 16,192.95 yen by the closing bell.

This was how key indices of other Asian equity markets ended up, last Tuesday:

The HKSAR	Minus 0.20 percent to 15,918.48
Indonesia	Minus 0.39 percent to 1,230.66
Japan	TOPIX Average Plus 0.22 percent to 1,660.42 Nikkei-255 Stock Average Plus 0.08 percent to 16,205.43
Malaysia	Plus 0.03 percent to 928.94
The Philippines	Plus 1.61 percent to 2,122.96
Singapore	Plus 0.19 percent to 2,481.96
South Korea	Minus 0.24 percent to 1,371.59
Taiwan	Closed
Thailand	Minus 1.20 percent to 744.05

### **Wednesday**

It was confirmed by the **I**nternational **A**tomic **E**nergy **A**gency (IAEA), an organ of the **U**nited **N**ations (UN): Iran was continuing apace with its plans to enrich uranium.

The IAEA said that Iran was '*feeding*' uranium gas into centrifuges, a step that would allow the country to produce nuclear fuel, leading to the creation of weapons of mass destruction.

Iran continues to claim that its actions are for the peaceful purposes, but Mr Mohamed El Baradei, the head of the IAEA, said that he could not be certain that that was Iran's ultimate intention.



The Board of Governors of the IAEA is meeting today and, at the conclusion of this meeting, the UN's Security Council will make a determination as to what action to take against Iran, if any.

In the US, The Commerce Department brought out its report with regard to consumer spending, during the month of January.

On the one hand, it was clear that retail spending rose by about one percent in January 2006, compared with December 2005, but, on the other hand, it was apparent that the spending spree had been funded, at least in part, either by the assumption of more debt or by consumers, tapping into their savings.

Not since July 2005 had there been such a spending spree and it suggested, strongly, that the Personal Savings Rate continues to be negative in the US – as it has been since March 2005.

The result of such spending was that prices in the US for consumables rose by about 0.20 percent, excluding energy and food costs, during January.

And that scenario spells inflation.

On Wall Street, key indices on equity markets rose, smartly.

On The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.55 percent, running up to 11,053.53 points.

Over on The NASDAQ, its Composite Index shot up about 1.46 percent, hitting 2,314.64 points by the close of the day.

One of the reasons for the mildly bullish trend on Wall Street was that, as crude-oil prices continue to rise, so energy counters became the objects of one-day adoration by speculators.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US61.97, up about 0.91 percent, compared with Tuesday's last quote.

As for May delivery for a barrel of light sweet crude oil, it was \$US63.62 at the last settlement, a gain of about 0.97 percent on the last settlement on Tuesday.

#### News Wise

- **Ford Motor Company** announced that it expected a loss from its motor-vehicle division for the 2006-Year.

In Europe, half of the largest bourses ended last Wednesday's sessions higher, helped by higher crude-oil prices on international commodity exchanges.

Trading floors were inundated with talk of new mergers and acquisitions. That kind of excitement, coupled with higher oil prices, tended to propel the scrip of certain counters to higher levels.

This was how the key indices of the major bourses closed their respective trading days, last Wednesday:

Amsterdam's AEX Index	Minus 0.62 percent
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Great Britain's FTSE 100 Index	Minus 0.10 percent
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Germany's Frankfurt XETRA DAX Index	Minus 0.38 percent
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France's CAC 40 Index	Plus 0.03 percent
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Switzerland's Swiss Market Index	Plus 0.97 percent
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Italy's MIBTEL Index

Plus 0.55 percent

In Asia, it was a case of follow the leader: The direction of key indices of US equity markets of Tuesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both stock markets suffered fractional losses on reduced volumes of activity.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up about 0.63 percent, dropping back to 15,818.09 points.

The Total Turnover was about \$HK29.91 billion.

Declining counters outpaced advancing ones by the ratio of about 1.65:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)

Down 0.67 percent to \$HK132.70 per share

China Construction Bank Corporation (Code: 939)

Down 0.69 percent to \$HK3.60 per share

China Life Insurance Company Ltd (Code: 2628) e

Unchanged at \$HK8.85 per shar

Bank of Communications Company Ltd (Code: 3328)

Down 2.66 percent to \$HK4.575 per share

PetroChina Company Ltd (Code: 857)

Unchanged at \$HK7.60 per share

Cheung Kong (Holdings) Ltd (Code: 1)

Down 0.92 percent to \$HK81.15 per share

Hutchison Whampoa Ltd (Code: 13)

Down 0.54 percent to \$HK73.60 per share

Sun Hung Kai Properties Ltd (Code: 16)

Unchanged at \$HK81.00 per share

China Mobile (Hongkong) Ltd (Code: 941)

Down 1.58 percent to \$HK37.30 per share

Henderson Land Development Company Ltd (Code: 12)

Up 2.89 percent to \$HK42.75 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)
Benefun International Holdings Ltd	1130		14.93	0.057
Bestway International Holdings Ltd	718		11.89	0.20
Celestial Asia Securities Holdings Ltd	1049	13.33		0.425



China Best Group Holding Ltd	370	17.65		0.10
China Financial Industry Investment Fund Ltd	1227		10.00	0.09
China Golden Development Holdings Ltd	162	14.46		0.475
City Telecom (Hongkong) Ltd	1137	10.00		0.66
Climax International Company Ltd	439		11.54	0.023
Earnest Investments Holdings Ltd	2933	10.00		0.22
G-Prop (Holdings) Ltd	286	15.12		0.198
G-Vision International (Holdings) Ltd	657	11.11		0.10
Heritage International Holdings Ltd	412		10.53	0.017
Honesty Treasure International Holdings Ltd	600	14.77		0.202
Jade Dynasty Group Ltd	970	15.69		0.59
New World CyberBase Ltd	276	11.63		0.192
Orient Industries Holdings Ltd	353		15.00	0.34
Pacific Plywood Holdings Ltd	767		10.71	0.025
REXCAPITAL Financial Holdings Ltd	555		14.81	0.115
Sewco International Holdings Ltd	209	14.29		0.24
Shanghai Zendai Property Ltd	755	11.00		0.232
Signal Media and Communications Holdings Ltd	2362	16.92		0.152
Sino Prosper Holdings Ltd	766	11.82		1.23
South China Brokerage Company Ltd	619	12.87		0.114
Vital BioTech Holdings Ltd	1164	15.63		0.185

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar scenario to that of the Main Board as The Growth Enterprise Index shed about 0.51 percent, falling back to 1,185.20 points.



The Total Turnover was about \$HK136.56 million.

The ratio of losing counters to gaining ones was about 1.02:One.

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

Launch Tech Company Ltd (Code: 8196) Unchanged at \$HK1.80 per share

Xinjiang Tianye Water Saving Irrigation System Company Ltd  
(Code: 8280) Up 1 percent to \$HK1.56 per share

Wumart Stores Incorporated (Code: 8277) Down 2 percent to \$HK25.60 per share

Techpacific Capital Ltd (Code: 8088) Unchanged at 72 cents per share

Yantai North Andre Juice Company Ltd (Code: 8259) Up 3 percent to 75 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Advanced Card Systems Holdings Ltd	8210	14.29		0.08
Angels Technology Company Ltd	8112	23.97		0.15
China Advance Holdings Ltd	8117	10.29		0.75
Chinainfo Holdings Ltd	8206	20.69		0.70
Everpride Biopharmaceutical Company Ltd	8019	20.00		0.048
G.A. Holdings Ltd	8126		17.81	0.06
Galileo Capital Group Ltd	8029		25.00	0.03
Innovis Holdings Ltd	8065		10.00	0.036
Prosten Technology Holdings Ltd	8026	30.67		0.098
ProSticks International Holdings Ltd	8055		25.93	0.02
Satellite Devices Corporation	8172		24.14	0.022
SYSCAN Technology Holdings Ltd	8083		21.92	0.057



Vodatel Networks Holdings Ltd	8033	11.11		0.09
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Internet-related counters and exporters were among the biggest losers on Asia's largest equity market, last Wednesday, as Japanese investors followed the path, carved out by US investors on Tuesday on Wall Street.

On The Tokyo Stock Exchange, its TOPIX Average surrendered about 1.49 percent of its value as investors gladly sold scrip as soon as buyers could be located, causing the key index of this market to fall to 1,635.60 points.

Losing counters ran ahead of gaining ones by the ratio of about 5.28:One.

The Nikkei-225 Stock Average ended the day at 15,964.46 yen, representing a one-day loss of about 1.49 percent.

#### News Wise

- Seasonally adjusted, **industrial production** in Japan rose by about 0.30 percent in January, compared with December 2005, according to a report, prepared by The Ministry of Economy, Trade and Industry.

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

The HKSAR	Minus 0.63 percent to 15,818.09
Indonesia	Plus 0.70 percent to 1,239.27
Japan	TOPIX Average Minus 1.49 percent to 1,635.60 Nikkei-255 Stock Average Minus 1.49 percent to 15,964.46
Malaysia	Minus 0.79 percent to 921.56
The Philippines	Plus 0.58 percent to 2,135.27
Singapore	Plus 0.03 percent to 2,482.67
South Korea	Closed
Taiwan	Plus 0.79 percent to 6,613.39
Thailand	Plus 0.57 percent to 748.28

#### Thursday



Crude-oil prices continued to rise on international commodity exchanges, last Thursday, and that situation, coupled with The **E**uropean **C**entral **B**ank (ECB), raising key interest rates, tended to put the skids under stocks and shares, from London, England, to New York, to Alaska.

On The New York Stock Exchange, the Dow Jones Industrial Average lost one quarter of a percentage point, coming to rest at 11,025.51 points by the close of the day.

On The NASDAQ, its Composite Index lost about 0.15 percent of its value, falling back to 2,311.11 points.

Wall Street investors had been apprised of the determination of the ECB to raise key interest rates by 25 basis points to 2.50 percent: It was the second, interest-rate increase in the previous 4 months.

It led to the gurus of Wall Street, reaffirming their previous opinion that, when the US Federal Reserve convenes its Open Market Committee Meeting on Tuesday, March 28, 2006, the likelihood was that interest rates would be raised by at least 25 basis points, also ... if not more.

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 April was \$US63.36, up about 2.24 percent on the last quote of Wednesday.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US65.07, an increase of about 2.78 percent on Wednesday's last settlement.

In Europe, in spite of the fact that the ECB had, earlier, threatened to raise interest rates at its March meeting, it was still a bit of a shock to many a fund manager.

As a result, every key index of every major bourse was hit hard by investors, who pushed them down with a thud.

This was how the situation looked on European bourses, last Thursday night:

Amsterdam's AEX Index	Minus 0.96 percent
Great Britain's FTSE 100 Index	Minus 0.18 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.41 percent
France's CAC 40 Index	Minus 0.95 percent
Switzerland's Swiss Market Index	Minus 0.24 percent
Italy's MIBTEL Index	Minus 0.92 percent

In Asia, trading was mixed on the 9, most-important equity markets of the region, with about half of their number, making gains, while the remainder, lost ground.

Trading slowed on the 2 equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), last Thursday: There was little to stimulate the markets.

The Hang Seng Index, the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.41 percent to 15,882.45 points on a Total Turnover of about \$HK26.89 billion.

Gaining counters outnumbered losing ones by the ratio of about 1.27:One.

The Ten Most Actives were:



HSBC Holdings plc (Code: 5)

Up 0.15 percent to \$HK132.90 per share

China Construction Bank Corporation (Code: 939)

Down 0.69 percent to \$HK3.575 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.57 percent to \$HK8.90 per share

Bank of Communications Company Ltd (Code: 3328)

Down 2.19 percent to \$HK4.475 per share

China Mobile (Hongkong) Ltd (Code: 941)

Up 0.67 percent to \$HK37.55 per share

Hutchison Whampoa Ltd (Code: 13)

Down 0.14 percent to \$HK73.50 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 0.49 percent to \$HK81.40 per share

PetroChina Company Ltd (Code: 857)

Up 0.66 percent to \$HK7.65 per share

Swire Pacific Ltd (Code: 19)

Up 0.20 percent to \$HK75.05 per share

Henderson Land Development Company Ltd (Code: 12)

Up 1.87 percent to \$HK43.55 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Aluminum Holdings Ltd	930	12.63		1.07
Bestway International Holdings Ltd	718		10.00	0.18
China Best Group Holding Ltd	370	17.00		0.117
China Golden Development Holdings Ltd	162	13.68		0.54
China Water Affairs Group Ltd	855	11.88		1.13
Earnest Investments Holdings Ltd	339		22.73	0.17
Heng Tai Consumables Group Ltd	197		15.38	1.21
Heritage International Holdings Ltd	412	29.41		0.022
Huabao International Holdings Ltd	336	11.67		1.34



Jiaoda Kunji High-Tech Company Ltd	300	10.22		2.05
Lai Sun Development Company Ltd	488	30.63		0.29
Riche Multi-Media Holdings Ltd	764		12.50	0.21
Sandmartin International Holdings Ltd	482	16.38		1.35
Sino Union Petroleum and Chemical International Ltd	346	19.23		0.186
Sunny Global Holdings Ltd	1094	11.76		0.114
Takson Holdings Ltd	918		14.29	0.09
Vision Grande Group Holdings Ltd	2300	12.68		8.00
Wonson International Holdings Ltd	651	16.67		0.021
Yardway Group Ltd	646	17.28		0.19

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 0.09 percent of its value, ending the trading day at 1,184.18 points.

The Total Turnover on this speculative market was about \$HK114.16 million.

Advancing counters outpaced declining ones by the ratio of about 1.26: One.

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

Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280) Up 9 percent to \$HK1.70 per share

Wumart Stores Incorporated (Code: 8277) Unchanged at \$HK25.55 per share

Yantai North Andre Juice Company Ltd (Code: 8259) Up 1 percent to 76 cents per share

China LotSynergy Holdings Ltd (Code: 8161) Down 1 percent to \$HK2.05 per share

TOM Online Incorporated (Code: 8282) Down 2 percent to \$HK2.10 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Everpride Biopharmaceutical Company Ltd	8019	14.58		0.055



Excel Technology International Holdings Ltd	8048	16.00		0.058
Finet Group Ltd	8317		12.66	0.69
Golding Soft Ltd	8190		11.76	0.015
Innovis Holdings Ltd	8065	16.67		0.042
KanHan Technologies Group Ltd	8395	23.29		0.90
North Asia Strategic Holdings Ltd	8080		13.33	0.52

Trading was sluggish, also, on the 3 equity markets of Japan, last Thursday.

On The Tokyo Stock Exchange, The TOPIX Average shed about 0.21 percent to end the day at 1,632.24 points.

The ratio of declining counters to advancing ones was about 1.93:One.

The Nikkei-225 Stock Average gave up about 0.34 percent of its value, falling back to 15,909.76 yen.

This was the way that investors in the most-populous part of the world saw the situation, reflected in the closing levels of key indices of other Asian equity markets, last Thursday night:

The HKSAR	Plus 0.41 percent to 15,882.45
Indonesia	Plus 0.84 percent to 1,249.68
Japan	TOPIX Average Minus 0.21 percent to 1,632.24 Nikkei-255 Stock Average Minus 0.34 percent to 15,909.76
Malaysia	Minus 0.19 percent to 919.78
The Philippines	Plus 0.11 percent to 2,137.61
Singapore	Minus 0.10 percent to 2,480.30
South Korea	Minus 0.28 percent to 1,367.70
Taiwan	Plus 0.45 percent to 6,642.96



Thailand	Plus 0.57 percent to 752.52
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## **Friday**

Weaker-than-expected demand for electronic chips is going to mean that Intel Corporation's first quarter results will be lower than had, earlier, been forecast.

Intel's official profit warning came just before Wall Street opened for business, last Friday, and it appeared to set the stage for a lacklustre performance on the world's largest equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average dipped about 3.92 points, equivalent to about 0.04 percent, coming to rest at 11,021.59 points.

On The (tech-laden) NASDAQ, its Composite Index dropped about 8.51 points to 2,302.60 points.

The tally for the week for the world's largest equity markets was, therefore:

The Dow Jones Industrial Average	Minus 0.36 percent
The Composite Index of The NASDAQ	Plus 0.68 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US63.67, up about 0.49 percent on Thursday's closing quote.

For May delivery, the last settlement for a barrel of light sweet crude oil was \$US65.36, representing an increase of about 0.45 percent on the last settlement of Thursday.

In Europe, the key indices of major European bourses ended the week flat.

The Intel Corporation announcement appeared to dampen the ardour of investors, around the world.

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

Amsterdam's AEX Index	Minus 0.43percent
Great Britain's FTSE 100 Index	Plus 0.44 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.07 percent
France's CAC 40 Index	Minus 0.39 percent
Switzerland's Swiss Market Index	Minus 0.26 percent
Italy's MIBTEL Index	Plus 0.25 percent

Higher oil prices in electronic trading on The NYMEX continued to grease the skids under key indices of major equity markets of Asia, last Friday.

Following a meeting between Iran and 3 prominent members of the European Union – The United Kingdom, France and Germany – a meeting, aimed at trying to convince Iran to cease and desist with its plans to become another nuclear power in the world, a meeting, by the way, which did not bear any fruit, the price of light sweet crude oil for delivery in April in Asia rose another 27 cents (US) per barrel to \$US63.63.



Iran has vowed that, should the United Nations (UN) invoke its powers to impose sanctions on the fundamentalistic Muslim country, it would consider retaliating, pushing crude oil prices to record-high levels.

Asia started to fret, last Friday, because the UN's Security Council is scheduled to meet this week.

About half of the key indices of major equity markets of Asia was written in red ink.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while there was concern in respect of the international situation, investors continued to trade heavily on the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.51 percent, falling back to 15,802.00 points.

The Total Turnover was about \$HK37.74 billion, while the ratio of gaining counters to losing ones was about 1.05:One.

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939)	Up 0.35 percent to \$HK3.70 per share
HSBC Holdings plc (Code: 5)	Down 0.60 percent to \$HK132.10 per share
Nine Dragons Paper (Holdings) Ltd (Code: 2689)	*\$HK4.75 per share
Bank of Communications Company Ltd (Code: 3328)	Up 1.12 percent to \$HK4.525 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK7.65 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Up 2.14 percent to \$HK14.30 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.12 percent to \$HK81.30 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.25 percent to \$HK9.10 per share
Chinese Estates Holdings Ltd (Code: 127)	Up 8.72 percent to \$HK9.35 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.07 percent to \$HK37.15 per share

\*This is a new listing.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Benefun International Holdings Ltd	1130	13.21		0.06
Bestway International Holdings Ltd	718	15.00		0.207
China Elegance (Holdings) Ltd	476	10.00		0.055
China Financial Industry Investment Fund Ltd	1227	50.54		0.14
China Flavors and Fragrances Company Ltd	3318	10.20		2.70
China Motion Telecom International Ltd	989	19.05		0.15
Climax International Company Ltd	439		30.43	0.016
Earnest Investments Holdings Ltd	339	35.29		0.23
EC-Founder (Holdings) Company Ltd	618	22.92		0.295
Fulbond Holdings Ltd	1041	15.38		0.015
Harmony Asset Ltd	428	14.55		0.63
Heritage International Holdings Ltd	412	13.64		0.025
Lam Soon (Hongkong) Ltd	411	14.39		3.775
Massive Resources International Corporation Ltd	70	11.76		0.019
Mirabell International Holdings Ltd	1179	29.41		2.75
Northern International Holdings Ltd	736	11.11		0.30
O2Micro International Ltd	457	12.64		2.45
Qualipak International Holdings Ltd	1224	28.00		0.16
REXCAPITAL International Holdings Ltd	155	12.82		0.44
Takson Holdings Ltd	918	13.33		0.102
Tongda Group Holdings Ltd	698	10.30		0.182
Willie International Holdings Ltd	273	10.39		0.425

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth



Enterprise Index rose about 0.17 percent to end the week at 1,186.22 points.

The Total Turnover on this market was about \$HK179.97 million.

Gaining counters outnumbered losing ones by the ratio of about 1.27:One.

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

Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280)	Up 17 percent to \$HK1.99 per share
Zhengzhou Gas Company Ltd (Code: 8099)	Up 2 percent to 89 cents per share
Techpacific Capital Ltd (Code: 8088)	Up 3 percent to 75 cents per share
Biosino Bio-Technology and Science Incorporation (Code: 8247)	Up 3 percent to \$HK2.65 per share
Convenience Retail Asia Ltd (Code: 8052)	Down 1 percent to \$HK2.925 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Everpride Biopharmaceutical Company Ltd	8019		12.73	0.048
EVI Education Asia Ltd	8090		15.25	0.05
Finet Group Ltd	8317	10.14		0.76
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	10.39		0.17
KanHan Technologies Group Ltd	8395	79.10		0.48
Northeast Tiger Pharmaceutical Company Ltd	8197	11.48		0.068
Prosperity International Holdings (Hongkong) Ltd	8139	14.08		0.405
Shanghai Fudan Microelectronics Company Ltd	8102	13.21		0.30
Soluteck Holdings Ltd	8111	16.95		0.069
SYSCAN Technology Holdings Ltd	8083	14.04		0.065
Xinjiang Tianye Water Saving Irrigation System Company Ltd	8280	17.06		1.99



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

The Hang Seng Index	Minus 0.34 percent
The Growth Enterprise Index	Plus 1.29 percent

In Japan, it was another negative day for investors, who had been banking on a bullish trend on the country's 3 equity markets.

On The Tokyo Stock Exchange, which is the premier stock market of the country, its TOPIX Average lost about 1.18 percent of its value, dropping back to 1,612.96 points.

Declining counters outnumbered advancing ones by the ratio of about 3.68:One.

The Nikkei-225 Stock Average lost about 1.55 percent, falling to 15,663.34 yen.

The tally for the largest and most-important equity market of Asia was:

The TOPIX Average	Minus 2.11 percent
The Nikkei-225 Stock Average	Minus 2.72 percent

In other Asia equity markets, this was how their key indices ended the week of March 3, 2006:

The HKSAR	Minus 0.51 percent to 15,802.00
Indonesia	Plus 0.92 percent to 1,261.27
Japan	TOPIX Average Minus 1.18 percent to 1,612.96 Nikkei-255 Stock Average Minus 1.54 percent to 15,663.34
Malaysia	Minus 0.31 percent to 916.93
The Philippines	Minus 0.33 percent to 2,130.37
Singapore	Plus 0.52 percent to 2,493.43
South Korea	Minus 2.83 percent to 1,328.95
Taiwan	Minus 1.34 percent to 6,553.66
Thailand	Plus 0.11 percent to 753.39



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