

THE WAR CLOUDS GATHER: CRUDE OIL PRICES HIT RECORD HIGHS

Crude-oil prices tapped on the door of record-high levels, last Monday (Easter Monday), as investors and speculators worried that the US might consider using military force in order to bring Iran to heel in that country's avowed attempts to become a member of the international nuclear '*club*'.

The United Nations (UN) has given Iran just another fortnight to cease and desist in its uranium-enrichment programme ... or suffer the consequences.

Most members of the UN are fearful that Iran will, as soon as it possesses sufficient stocks of weapons-grade nuclear fuel, start to produce weapons of mass destruction.

Iran, for its part, makes no bones about its intentions: The peaceful use of nuclear energy, first; and, then, nuclear weaponry as it deems fit and proper.

On The New York Mercantile Exchange (NYMEX), last Monday, the last settlement for a barrel of light sweet crude oil for delivery in May – the month of May was known as a the '*front month*' – was \$US70.40 per barrel, up \$US1.08 per barrel, equivalent to an increase of about 1.56 percent on the last quote of Thursday, April 13, 2006, the day before Good Friday.

As for delivery in June, the last settlement, last Monday, was \$US71.98 per barrel of light sweet crude oil, an increase of about 1.64 percent on the final quote of Good Friday.

The record-high level for crude-oil prices was on August 30, 2005, when it reached \$US70.85 per barrel of light sweet crude oil, following Hurricane Katrina, flattening part of The Gulf Coast of the US, putting oil refineries out of business for more than a month.

The international situation looked ominous to many people, last Monday, since, in addition to the escalating situation between Iran and the UN, there was, also, the situation in The West Bank where the HAMAS-led Government of the Palestinian people was advocating violence and refusing to recognise the State of Israel – while Iran pledged to give \$US50 million to HAMAS in order to allow it to pay the wages of its workers and to import food for its people.

(Both the US and the European Union have ceased all aid payments to the HAMAS Government due to its political determination to maintain and to encourage its violent past)

And, then, there was Nigeria, where militants continue to disrupt oil exports from the country: More than 500,000 barrels of crude oil are no longer leaving Nigerian shores.

On The New York Stock Exchange, the Dow Jones Industrial Average fell 63.87 points, equivalent to about 0.57 percent, as investors pushed down this key index of the largest equity market of the world to 11,073.78 points.

Over on The NASDAQ, its Composite Index dropped 14.95 points, or about 0.64 percent, ending the trading session at 2,311.16 points.

The near, record-high price of crude oil was taking its toll of investors' nerves because such high prices were bound to affect corporation America: It was just a matter of time.

In Europe, all equity markets were closed for Easter Monday.

In Asia, all equity markets were open with the lone exception of the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

In Japan, the premier equity market of the country, The Tokyo Stock Exchange, saw investors line up to unload stocks and shares in the wake of uncertainty, internationally, as well as apprehension with regard to corporate profits of some of the country's *'darlings'*.

By the close of the day, The TOPIX Index, which is the key index of Asia's largest equity market, was standing at 1,719.05 points, down 25.02 points, or about 1.43 percent, compared with the previous close of Friday, April 14, 2006.

As for The Nikkei-225 Stock Average, it ended the day at 17,000.36 yen, down 233.46 yen, equivalent to a fall of about 1.35 percent.

News Wise

- **Consumer confidence** waned in the month of March for the first time in 3 months, The Cabinet Office announced; and,
- **Industrial production** fell a seasonally adjusted 1.20 percent in February, Month-On-Month, according to a report, prepared by The Ministry of Economy, Trade and Industry.

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

The HKSAR	Closed
Indonesia	Plus 0.34 percent to 1,386.79
Japan	TOPIX Index Minus 1.43 percent to 1,719.05 Nikkei-255 Stock Average Minus 1.35 percent to 17,000.36
Malaysia	Plus 0.15 percent to 939.74
The Philippines	Plus 0.24 percent to 2,229.36
Singapore	Plus 0.23 percent to 2,550.34
South Korea	Minus 0.70 percent to 1,422.63

Taiwan	Plus 0.68 percent to 7,000.09
Thailand	Plus 0.53 percent to 759.42

Tuesday

The price of crude oil hit a record level, last Tuesday, fueled by the growing fear that the US might well be considering military action against Iran.

Responding to vitriolic statements of the President of Iran, Mahmoud Ahmadinejad, US President George W. Bush went on record as stating from the White House that the US was keeping *'all options ... on the table'*.

He went on to state that he hoped for *'a united effort with countries who (sic) recognise the danger of Iran, having a nuclear weapon ...'*.

In Tehran, President Mahmoud Ahmadinejad, at a parade to commemorate Army Day, said that he wanted peace and security in the Middle East, but he added, categorically, that the army of Iran should be equipped with the latest technology in order to deter aggression.

He said:

'Iran has created a powerful army that can powerfully defend the political borders and the integrity of the Iranian nation and cut off the hand of any aggressor and place the sign of disgrace on their forehead.'

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in May came in at \$US71.35, up 1.35 percent on Monday's closing level.

As for June delivery, the last settlement for a barrel of light sweet crude oil was \$US73.09, representing an increase of about 1.54 percent on the last settlement of Monday.

On Wall Street, investors scrambled to buy into energy counters, sending key indices, rising sharply.

In addition, on reading the release of the Minutes of the last Open Market Committee Meeting of the US Federal Reserve Board, held in March, some gurus were interpreting the wording as indicating that The Fed was softening its approach to mini interest-rate rises.

For the previous 15 months, The Fed had boosted interest rates to 4.75 percent, a level which was the highest point since April 2001.

But the report of the March Minute was based on the situation that existed in February and March: Things had changed, appreciably, since then ... in the US and throughout the world.

Prior to the opening of Wall Street, last Tuesday, The Bureau of Labour Statistics, which is a branch of the US Department of Labour, brought out its findings in respect of the Producer Price Indices for the month of March 2006.

The following are the findings of The Bureau:

'Producer Price Indexes - March 2006

'The Producer Price Index for Finished Goods rose 0.5 percent in

March, seasonally adjusted ... This increase followed a 1.4-percent decline in February and a 0.3-percent advance in January. At the earlier stages of processing, prices received by manufacturers of intermediate goods decreased 0.1 percent in March, after moving down 0.3 percent in February, and the crude goods index fell 2.7 percent, following a 9.2-percent drop in the prior month ...

'The March upturn in finished goods prices was led by the index for finished energy goods, which climbed 1.8 percent following a 4.7-percent decline in February. Prices for finished consumer foods also turned up – increasing 0.5 percent after falling 2.7 percent in the preceding month. By contrast, the index for finished goods less foods and energy rose 0.1 percent in March, following a 0.3-percent advance in February.

'During the first quarter of 2006, the finished goods index decreased at a 2.5-percent seasonally adjusted annual rate (SAAR), after moving up at a 4.1-percent SAAR during the fourth quarter of 2005. For the 3 months ended March 2006, prices for finished energy goods fell at an 11.6-percent SAAR, after increasing at a 15.1-percent SAAR for the 3 months ended December 2005. The index for finished consumer foods went down at a 7.6-percent SAAR during the first quarter of 2006, after rising at a 5.0-percent SAAR during the fourth quarter of 2005. By contrast, prices for finished goods other than foods and energy, which were unchanged for the 3 months ended in December, advanced at a 3.1-percent SAAR for the 3 months ended in March. At earlier stages of process, the intermediate goods index moved up a 3.0-percent SAAR during the first quarter of 2006, after increasing at a 7.0-percent SAAR during the fourth quarter of 2005, and prices for crude goods dropped at a 40.3-percent SAAR for the 3 months ended in March, after climbing a 5.9-percent SAAR for the 3 months ended in December ...

'Before seasonal adjustment, the Producer Price Index for Finished Goods rose 0.8 percent in March to 159.0 (1982 = 100). From March 2005 to March 2006, prices for finished goods increased 3.5 percent. Over the same period, the index for finished energy goods advanced 15.6 percent, prices for finished goods other than foods and energy moved up 1.7 percent, and the index for finished consumer foods declined 1.4 percent. At the earlier stages of processing, prices received by manufacturers of intermediate goods rose 7.0 percent, and the crude goods index increased 4.9 percent.

'Finished goods

'The index for finished energy goods increased 1.8 percent in March, following a 4.7-percent drop a month earlier. Most of this upturn may be traced to gasoline prices, which jumped 9.1 percent, after falling 11.0 percent in February. The indexes for residential natural gas, liquefied petroleum gas, and diesel fuel declined at slower rates in March than they had in the previous month. Kerosene prices moved up, following decreases in the prior month. By contrast, the index for residential electric power, which was unchanged in February, fell 0.7 percent in March. Prices for home heating oil declined more than they had in the preceding month

'The index for finished consumer foods advanced 0.5 percent in March, following a 2.7-percent decrease in the prior month. Prices for fresh and dry vegetables rose 3.7 percent, after dropping 27.1 percent in February. Also turning up in March were the indexes for eggs for fresh use, pork, finfish and shellfish, fresh fruits and melons, and confectionery end products. Prices for beef and veal and for processed young chickens fell less than they had in February. Conversely, the

dairy products index moved down 3.1 percent in March, compared with a 1.8-percent decline a month earlier. Soft drink prices decreased, after rising in February.

'The index for finished goods less foods and energy increased 0.1 percent in March, following a 0.3-percent advance in the preceding month.

'Prices for light motor trucks inched up 0.1 percent, after rising 0.5 percent in February. The indexes for pharmaceutical preparations, periodical circulation, construction machinery and equipment, and civilian aircraft also moved up at slower rates in March than they had a month earlier. Prices for cigarettes, metal cutting machine tools, and floor coverings turned down, after increasing in February. Alternatively, the passenger car index climbed 0.4 percent in March, following a 0.8-percent decline in the previous month. Commercial furniture prices also rose, after falling in February, while the index for sanitary papers and health products advanced more in March than it had in the prior month.

'Intermediate goods

'The Producer Price Index for Intermediate Materials, Supplies, and Components edged down 0.1 percent in March, following a 0.3-percent decline in the prior month. Prices for intermediate energy goods and the index for intermediate foods and feeds fell at slower rates than they had in February. The index for materials and components for construction advanced more than in the prior month. By contrast, prices for materials for nondurable manufacturing turned down in March, and the index for materials for durable manufacturing rose less than it had in the preceding month. Prices for intermediate materials less foods and energy edged up 0.1 percent, after advancing 0.5 percent in February ...

'The intermediate energy goods index decreased 0.9 percent in March, subsequent to a 3.1-percent decline in the prior month. Prices for liquefied petroleum gas edged down 0.1 percent, after falling 14.3 percent in February. The indexes for commercial and industrial natural gas, commercial electric power, and diesel fuel also decreased less than they had a month earlier. Gasoline prices turned up in March. Alternatively, the jet fuels index inched up 0.2 percent in March, following a 3.0-percent increase in the preceding month. The indexes for industrial electric power and home heating oil fell more than they had a month earlier, and prices for residual fuel turned down in March. The intermediate energy goods index declined at an 8.4-percent SAAR from December 2005 to March 2006, after rising at a 4.7-percent SAAR during the final quarter of 2005.

'The intermediate foods and feeds index moved down 0.3 percent in March, following a 1.2-percent decrease in the prior month. Prices for beef and veal declined 1.2 percent, after falling 4.2 percent in February. The indexes for processed young chickens and natural, processed, and imitation cheese also decreased less than they had a month earlier. Prices for pork, prepared animal feeds, and shortening and cooking oils turned up in March. Conversely, prices for flour fell 1.1 percent in March, subsequent to a 3.5-percent gain in February. The index for fluid milk products declined more than it had in the preceding month, while prices for refined sugar and byproducts rose less than in February. The index for intermediate foods and feeds decreased at a 2.4-percent SAAR in the first quarter of 2006, after rising at a 1.8-percent SAAR in the final quarter of 2005.

'Prices for materials and components for construction gained 0.4percent in March, after increasing 0.3 percent in the prior month. In March, rising prices for

concrete products, fabricated structural metal products, paving mixtures and blocks, architectural coatings, wiring devices, and for air conditioning and refrigeration equipment outweighed falling prices for both hardwood and softwood lumber. The index for materials and components for construction advanced at a 7.4-percent SAAR in the first quarter of 2006, after moving up at a 12.3-percent SAAR in the prior quarter.

‘Prices for materials for nondurable manufacturing declined 0.6 percent in March, after increasing 1.6 percent a month earlier. The index for basic organic chemicals went down 2.4 percent, following a 1.0-percent rise in February. Prices for plastic resins and materials, gray fabrics, synthetic rubber, and medicinal and botanical chemicals also decreased in March, after moving up in the prior month. The paperboard index rose less than it had in February. Alternatively, the index for inedible fats and oils increased 3.8 percent, after falling 2.8 percent in February. Prices for phosphates and rock salt also turned up in March. The indexes for paper and leather advanced more than they had a month earlier. From December 2005 to March 2006, prices for materials for nondurable manufacturing increased at a 12.1-percent SAAR, after rising at a 4.6-percent SAAR in the prior quarter.

‘The rate of increase in the index for materials for durable manufacturing slowed from 1.6 percent in February to 0.3 percent in March. Prices for aluminum mill shapes rose 0.9 percent, after advancing 2.4 percent a month earlier. The indexes for copper and brass mill shapes, cold rolled steel sheet and strip, and cement also rose less than they had in February. Prices for titanium mill shapes, primary aluminum, softwood lumber, and thermoplastic resins turned down in March. By contrast, the hot rolled steel sheet and strip index edged up 0.1 percent in March, compared with a 1.4-percent decrease in the preceding month. The index for prepared paint increased more than it had in February. The index for materials for durable manufacturing advanced at a 12.4-percent SAAR for the 3 months ended March 2006, after moving up at a 22.0-percent SAAR in the preceding quarter.

‘Crude goods

‘The Producer Price Index for Crude Materials for Further Processing declined 2.7 percent in March, after falling 9.2 percent in the previous month. Prices for crude energy materials and for crude foodstuffs and feedstuffs decreased less than they had in February. By contrast, the basic industrial materials index increased at a slower rate in March than it had in the preceding month ...

‘Prices for crude energy materials moved down 4.5 percent in March, after dropping 16.2 percent in the preceding month. Accounting for the majority of this slower rate of decline, the natural gas index went down 11.5 percent, compared with a 24.0-percent decrease in February. Prices for crude petroleum rose 5.2 percent, after declining at the same rate in the previous month, while the coal index increased 0.8 percent in March, after moving up 0.3 percent a month earlier. During the first quarter of 2006, prices for crude energy materials fell at a 57.9-percent SAAR, after inching up at a 1.2-percent SAAR in the prior quarter.

‘The crude foodstuffs and feedstuffs index fell 2.2 percent in March, after moving down 3.0 percent in the previous month. The rate of decrease in prices for fresh vegetables (except potatoes) slowed from 33.1 percent in February to 0.8 percent in March. The indexes for slaughter hogs and slaughter cattle also fell less than they had in the previous month, while prices for unprocessed finfish, slaughter

turkeys, and unprocessed shellfish turned up in March. Alternatively, the fluid milk index decreased 7.8 percent, following a 4.1-percent decline in February. Prices for slaughter broilers and fryers also fell more in March than they had in the previous month. The index for alfalfa hay turned down, and wheat prices rose less than they had a month earlier. The index for crude foodstuffs and feedstuffs fell at a 28.2-percent SAAR in the first quarter of 2006, after rising at a 13.9-percent SAAR in the last quarter of 2005. Prices for crude nonfood materials less energy advanced 0.8 percent in March, after gaining 3.3 percent in the preceding month. Leading this deceleration, the iron and steel scrap index rose 1.5 percent, after jumping 7.1 percent in February. Prices for copper base scrap also rose less than they had in the previous month. The indexes for aluminum base scrap and gold ores turned down in March, while prices for iron ore were unchanged, after rising a month earlier. By contrast, the wastepaper index fell 0.5 percent, after decreasing 3.6 percent in the prior month. Prices for raw cotton and phosphates turned up, following declines in February. The index for basic industrial materials increased at a 16.9-percent SAAR during the first quarter of 2006, after rising at a 9.8-percent SAAR during the fourth quarter of 2005.

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

'Mining. The Producer Price Index for the Net Output of Total Mining Industries fell 3.0 percent in March, following a 12.8-percent drop in February. (Net output price indexes are not seasonally adjusted.) Contributing to this slower rate of decline, prices received by the crude petroleum and natural gas extraction industry decreased 4.8 percent, after falling 15.8 percent in February. The industry index for natural gas liquid extraction also moved down at a slower rate in March than it had a month earlier. Prices received by the industry for oil and gas operations support activities turned up, following decreases in the prior month. Conversely, the industry index for gold ore mining moved down 3.4 percent in March, compared with a 3.6-percent climb in February. Prices received by the industries for oil and gas well drilling and for bituminous coal and lignite surface mining rose less in March than they had in the previous month. The industry index for bituminous coal underground mining turned down, after increasing in February, while prices received by the iron ore mining industry were unchanged in March, following gains in the preceding month. For the 3 months ended in March 2006, the Producer Price Index for the Net Output of Total Mining Industries declined at a 49.2-percent annualized rate, compared with an 8.9-percent annualized rate of increase in the final quarter of 2005. In March, the Producer Price Index for Total Mining Industries was 201.0 (December 1984 = 100), 14.2 percent above its year-ago level.

'Manufacturing. The Producer Price Index for the Net Output of Total Manufacturing Industries advanced 0.9 percent in March, following a 0.4-percent decline in February. The majority of this upturn may be attributed to prices received by the petroleum and coal products manufacturing industry group, which climbed 7.9 percent in March after falling 4.3 percent in February. Prices received by the transportation equipment and the medical equipment and supplies industry groups also turned up, after moving down in February. The industry group index for food manufacturing decreased at a slower rate in March than in the previous month. The paper manufacturing industry group index increased more in March than it had a month earlier. By contrast, prices received by chemical manufacturers declined 0.6 percent, after rising 1.1 percent in the previous month. The industry group indexes for beverage and tobacco manufacturing and for plastics and rubber products manufacturing also turned down in March. Prices received by the primary metals industry group rose less

than they had in February. For the first quarter of 2006, the Producer Price Index for the Net Output of Total Manufacturing Industries advanced at an annualized rate of 5.6 percent, compared with a 3.6-percent annualized rate of decline in the prior quarter. In March, the Producer Price Index for Total Manufacturing Industries was 154.9 (December 1984 = 100), 4.0 percent above its year-ago level.

‘Services. Among services industries in March, prices received by commercial bankers decreased 8.9 percent, after declining 0.8 percent in February. Prices received by savings institutions and software publishers also fell more in March than they had a month earlier. The industry indexes for investment banking and securities dealing, engineering services, and offices of certified public accountants turned down, following increases in the preceding month. The index for the general medical and surgical hospitals industry group was unchanged in March, after increasing a month earlier. Alternatively, prices received by the scheduled passenger air transportation industry rose 4.7 percent, after gaining 0.1 percent in February. Prices received by the industries for casino hotels and wired telecommunications carriers turned up in March, after falling a month earlier. The industry index for offices of physicians (excluding mental health) advanced more than it had in February ...’.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 194.99 points, equivalent to an increase of about 1.76 percent, ending the hectic trading session at 11,268.77 points.

On The NASDAQ, its Composite Index shot up 44.98 points, or about 1.95 percent, rushing up to 2,356.14 points.

In Europe, it was a completely different story to that, being told in the US.

Investors were getting very cold feet as the rhetoric between Iran and the US hotted up.

The idea that crude-oil prices were rising sharply might have been good for energy counters on European bourses, but it, certainly, was not good for business, generally.

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

Amsterdam’s AEX Index	Unchanged
Great Britain’s FTSE 100 Index	Plus 0.24 percent
Germany’s Frankfurt XETRA DAX Index	Minus 0.27 percent
France’s CAC 40 Index	Minus 0.13 percent
Switzerland’s Swiss Market Index	Minus 0.66 percent
Italy’s MIBTEL Index	Minus 0.18 percent

- The French, motor-vehicle giant, **Peugeot Citroen**, will close its motor-car factory at Ryton, near Coventry, England, sacking some 2,300 of its workers along the way. Last year, MG Rover sacked 6,000 workers at its plant at Longbridge, Birmingham.

In Asia, most of the important equity markets of the region saw their key indices head for much higher ground, all for different reasons.

It was obvious that the economies of the most-populous part of the world had yet to realise the inherent dangers of record-high oil prices.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it was only the premier equity market that benefitted from the mildly bullish stance of investors, locked into stocks and shares, listed on the second-largest stock market of Asia.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained about 1.27 percent, rising to 16,637.53 points.

The Total Turnover was about \$HK35.48 billion.

The ratio of gaining counters to losing ones was about 2.24:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.61 percent to \$HK132.30 per share
PetroChina Company Ltd (Code: 857)	Up 3.55 percent to \$HK8.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.82 percent to \$HK45.60 per share
China Construction Bank Corporation (Code: 939)	Up 0.73 percent to \$HK3.45 per share
CNOOC Ltd (Code: 883)	Up 3.15 percent to \$HK6.55 per share
Huaneng Power International Incorporated (Code: 902)	Up 11.43 percent to \$HK5.85 per share
China Life Insurance Company Ltd (Code: 2628)	Up 4.00 percent to \$HK10.40 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 4.26 percent to \$HK4.90 per share
Jiangxi Copper Company Ltd (Code: 358)	Up 12.23 percent to \$HK7.80 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.55 percent to \$HK73.15 per share

As for the biggest, Main Board movers of the day, there were a total of 38 counters, all of which registered double-digit movements, last Tuesday.

Of those 38 counters, 30 counters saw their respective share prices rise by 10 percent or more, while 8 of

their number suffered losses of 10 percent or more.

Morning Star Resources Ltd (Code: 542) had the distinction of being the biggest gainer of the day as its share price rose 50 percent to 7.50 cents per share.

GFT Holdings Ltd (Code: 1003) was the biggest loser of the day as investors shot down its share price to 7.30 cents, a one-day fall of about 21.51 percent.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, HKSAR investors seemed to be neglecting this speculative market to a great extent, obviously preferring to play on the Main Board where there was a great deal of action.

The Growth Enterprise Index, which is the lone index of this market, lost about 0.12 percent of its value, falling back to 1,309.53 points on a Total Turnover of about \$HK204.79 million.

Gaining counters outnumbered losing ones by the ratio of about 1.40:One.

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

Wumart Stores Incorporated (Code: 8277) Down 4 percent to \$HK27.50 per share

Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280) Down 4 percent to \$HK2.675 per share

Lang Chao International Ltd (Code: 8141) Down 3 percent to \$HK1.21 per share

Golden Meditech Company Ltd (Code: 8180) Up 2 percent to \$HK2.55 per share

China LotSynergy Holdings Ltd (Code: 8161) Up 2 percent to \$HK2.175 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		10.07	0.125
China Photar Electronics Group Ltd	8220		11.90	0.37
CIG Yangtze Ports PLC	8233	14.29		0.64
Co-winner Enterprise Ltd	8108	22.64		0.13
Computech Holdings Ltd	8081		10.67	0.067
FX Creations International Holdings Ltd	8136	80.45		0.24
G.A. Holdings Ltd	8126	13.98		0.212

Galileo Capital Group Ltd	8029	22.58		0.038
Golding Soft Ltd	8190		16.67	0.02
Sino Haijing Holdings Ltd	8065	19.64		0.067
Ko Yo Ecological Agrotech (Group) Ltd	8042	10.53		0.84
Panorama International Holdings Ltd	8173	11.63		0.096
Shanghai Fudan Microelectronics Company Ltd	8102	13.43		0.38
Shine Software (Holdings) Ltd	8270	31.03		0.152
Tai Shing International (Holdings) Ltd	8103	61.54		0.84
Tiger Tech Holdings Ltd	8046		20.00	0.024
Vodatel Networks Holdings Ltd	8033		23.08	0.10

On The Tokyo Stock Exchange, things were popping, last Tuesday, in sharp contrast to last Monday's trading conditions.

The TOPIX Index rose 1.32 percent to 1,741.75 points.

The gap between gainers and losers was wide, at about 4.84:One.

The Nikkei-225 Stock Average ended the trading day at 17,232.86 yen, up 1.37 percent on Monday's closing level.

News Wise

- **Industrial production** in Japan fell in February by the seasonally adjusted rate of about 1.20 percent, Month-On-Month, according to the **Ministry of Economy, Trade and Industry (METI)**; and,
- METI will be conducting an **urgent survey** in order to ascertain the impact of higher oil prices on Japanese companies, it was announced. The survey will cover about 1,500 Japanese companies and the results will be announced in June.

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

The HKSAR	Plus 1.27 percent to 16,637.53
Indonesia	Plus 2.21 percent to 1,417.38
Japan	TOPIX Index Plus 1.32 percent to 1,741.75 Nikkei-255 Stock Average

	Plus 1.37 percent to 17,232.86
Malaysia	Plus 0.09 percent to 940.57
The Philippines	Minus 0.16 percent to 2,225.72
Singapore	Plus 0.35 percent to 2,559.25
South Korea	Plus 0.31 percent to 1,427.00
Taiwan	Minus 0.15 percent to 6,989.46
Thailand	Plus 0.63 percent to 764.17

Wednesday

It was another day of record prices for crude oil, internationally, last Wednesday.

And red flags, warning of the economic repercussions, were flying high.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in May was \$US72.17, representing an increase of about 1.15 percent, compared with the closing level of Tuesday.

As for June delivery, the last settlement for a barrel of light sweet crude oil was \$US74.12, up about 1.41 percent on Tuesday's last settlement.

Fears that Iran would continue with its intransigent stance with regard to its uranium-enrichment programme, which is very likely to lead to the creation of nuclear weaponry, fanned the flames of international concern and, thus, of heightening concern that crude-oil deliveries could well be interrupted.

In addition, it was announced that petrol stocks in the US had fallen by more than 5 million barrels for the week, ended Friday, April 14, 2006.

Since January 2002, the price of crude oil had risen, by last Tuesday's reckoning, by about 300 percent.

The International Monetary Fund announced that the impact of the higher, crude-oil prices was of concern since it was bound to affect economies, around the world.

On Wall Street, trading was somewhat subdued, compared with Tuesday's booming markets.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 10 points, or about 0.09 percent, ending the trading session at 11,278.77 points.

On The NASDAQ, its Composite Index rose 14.74 points, equivalent to about 0.63 percent, to 2,370.88 points.

While Wall Street gurus appeared to be content, studying reports of some of the blue chips, such as the

exceptional gains, made by United Technologies Incorporated, which is one of the 3 largest manufacturers of jet engines in the world, as well as being a huge, multi-layered defense contractor of armaments, from an important department of the US Government, it was announced that inflation was biting the arse of the US economy – and biting it very hard.

For the second consecutive day, The Bureau of Labour Statistics, a branch of the US Department of Labour, released key information in respect of the health (or otherwise) of the largest economy of the world.

The Bureau released its findings, just prior to the opening of US equity markets, in respect of the Consumer Price Index for the month of March 2006.

The statistics smelled, very much, of heightened inflationary tendencies:

'CONSUMER PRICE INDEX: MARCH 2006

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.6 percent in March, before seasonal adjustment... The March level of 199.8 (1982-84=100) was 3.4 percent higher than in March 2005.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.6 percent in March, prior to seasonal adjustment. The March level of 195.3 (1982-84=100) was 3.6 percent higher than in March 2005.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.5 percent in March on a not seasonally adjusted basis. The March level of 116. (December 1999=100) was 3.0 percent higher than in March 2005 ...

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U advanced 0.4 percent in March, following a 0.1 percent rise in February. Energy costs, which declined 1.2 percent in February, increased 1.3 percent in March. Within energy, the index for motor fuels increased 3.6 percent, while the index for household fuels fell 1.0 percent. The food index rose 0.1 percent in March, the same as in February. The index for food at home declined 0.1 percent, reflecting a 1.7 percent decrease in the index for fruits and vegetables. The index for all items less food and energy rose 0.3 percent in March, following a 0.1 percent increase in February; the indexes for apparel and for shelter accounted for about 70 percent of the March increase

'For the first three months of 2006, consumer prices increased at a seasonally adjusted annual rate (SAAR) of 4.3 percent. This compares with an increase of 3.4 percent for all of 2005. The index for energy, which rose 17.1 percent in 2005, advanced at a 21.8 percent SAAR in the first quarter of 2006 and accounted for about 42 percent of the first quarter advance in the overall CPI-U. Petroleum-based energy costs increased at a 36.9 percent annual rate and charges for energy services rose at a 7.0 percent annual rate. The food index rose at a 2.5 percent SAAR in the first quarter of 2006. The index for grocery store food prices increased at a 1.7 percent annual rate, reflecting increases in each of the six major groups ranging from annual rates of 0.4 percent in the index for meats, poultry, fish, and eggs to 3.0 percent in the index for nonalcoholic beverages.

'Excluding food and energy, the CPI-U advanced at a 2.8 percent SAAR in the first quarter, following a 2.2 percent rise in all of 2005. While most categories advanced at a faster rate in the first quarter of 2006 than in all of 2005, about two-thirds of the acceleration was accounted for by a larger increase in the index for shelter – up at a

3.6 percent SAAR in the first quarter after increasing 2.6 percent in all of 2005. An upturn in the index for apparel and a larger increase in the index for education and communication also contributed to the acceleration in the first quarter of 2006 ...

'The food and beverages index rose 0.1 percent in March. The index for food at home declined 0.1 percent, the same as in February. A 1.7 percent decline in the index for fruits and vegetables more than offset small to moderate increases in each of the other six major grocery store food groups. The indexes for fresh fruits and for fresh vegetables, decreased 1.2 and 3.4 percent, respectively, more than offsetting a 0.3 percent increase in the index for processed fruits and vegetables. Each of the other five major grocery store food groups turned up in March. The index for nonalcoholic beverages registered the largest increase – up 0.7 percent – reflecting a 2.0 percent increase in coffee prices. The indexes for cereal and bakery products and for meats, poultry, fish, and eggs each increased 0.3 percent in March, following a decline of the same magnitude in February. Within the latter group, prices for beef rose 0.5 percent; poultry, 0.4 percent; and pork, 0.2 percent. The indexes for dairy products and for other food at home each increased 0.1 percent. Within the latter group, a 2.6 percent increase in prices for candy and gum more than offset a 1.8 percent decrease in prices for butter and margarine. The other two components of the food and beverages index – food away from home and alcoholic beverages – increased 0.2 and 0.3 percent, respectively.

'The index for housing, which rose 0.1 percent in February, increased 0.2 percent in March. The index for shelter increased 0.4 percent in March, the same as in February. Within shelter, the indexes for rent and owners' equivalent rent each increased 0.4 percent and the index for lodging away from home rose 0.8 percent. (Prior to seasonal adjustment, the index for lodging away from home increased 5.2 percent.) The index for fuels and utilities declined 0.9 percent, following a 1.1 percent drop in February. Declines in the indexes for natural gas and for fuel oil more than offset a small increase in charges for electricity. The index for natural gas, which declined 4.5 percent in February, fell 4.3 percent in March. The index for fuel oil declined for the sixth consecutive month - down 0.3 percent in March. The index for electricity rose 0.5 percent. During the last 12 months, charges for natural gas and for electricity have increased 21.9 and 14.9 percent, respectively, and fuel oil prices have risen 18.5 percent. The index for household furnishings and operations, which was unchanged in February, increased 0.1 percent in March.

'The transportation index increased 0.9 percent in March after declining 0.2 percent in February, reflecting an upturn in gasoline prices. The index for gasoline, which declined 1.0 percent in February, advanced 3.6 percent in March and accounted for virtually all of the transportation increase in March. The index for new vehicles declined 0.1 percent in March and was 0.2 percent lower than in March 2005. The index for used cars and trucks increased 0.4 percent in March. The index for public transportation declined 0.3 percent in March. (Prior to seasonal adjustment, the index for public transportation rose 0.6 percent as an increase in airline fares more than offset declines in the index for other intercity transportation.) Airline fares increased 1.1 percent in March, following increases of 1.2 percent in each of the first two months of the year.

'The index for apparel rose 1.0 percent in March, following a 1.0 percent decrease in February. (Prior to seasonal adjustment, apparel prices rose 4.6 percent, reflecting the continued introduction of spring- summer wear. Prices for women's apparel registered the largest advance — up 9.1 percent.)

‘Medical care costs rose 0.4 percent in March and are 4.1 percent higher than a year ago. The index for medical care commodities – prescription drugs, nonprescription drugs, and medical supplies – increased 0.4 percent. The index for medical care services also rose 0.4 percent in March. The indexes for professional services and for hospital and related services increased 0.4 and 0.6 percent, respectively.

‘The index for recreation, which rose 0.1 percent in February, increased 0.4 percent in March. Two-thirds of the March advance was accounted for by a 1.3 percent increase in charges for cable and satellite television and radio service. The index for newspapers and magazines rose 1.5 percent.

‘The index for education and communication rose 0.2 percent in March. Educational costs increased 0.5 percent, reflecting in part an increase in educational books and supplies. Communication costs declined 0.1 percent, reflecting a decrease in telephone service charges. A 0.1 percent increase in local land-line telephone charges was more than offset by a 0.7 percent decrease in long distance land-line telephone charges. The index for information technology, hardware and services was unchanged as a 1.4 percent increase in the index for internet services and electronic information providers was offset by declines in the indexes for personal computers and peripheral equipment, for computer software and accessories, and for telephone hardware.

‘The index for other goods and services rose 0.2 percent in March; increases in the indexes for tobacco and smoking products and for financial services accounted for over 90 percent of the advance. Prices for tobacco and smoking products rose 0.6 percent. The index for financial services increased 1.6 percent, largely as a result of a 2.4 percent increase in charges for tax return preparation and other accounting fees.

‘CPI for Urban Wage Earners and Clerical Workers (CPI-W)

‘On a seasonally adjusted basis, the CPI for Urban Wage Earners and Clerical Workers rose 0.5 percent in March ...’.

In Europe, key indices of all of the major bourses in the region rose, dramatically, as the following **TARGET** list illustrates:

Amsterdam’s AEX Index	Plus	1.32 percent
Great Britain’s FTSE 100 Index	Plus	0.75 percent
Germany’s Frankfurt XETRA DAX Index	Plus	1.54 percent
France’s CAC 40 Index	Plus	1.21 percent
Switzerland’s Swiss Market Index	Plus	1.02 percent
Italy’s MIBTEL Index	Plus	1.24 percent

The main reason for the rapid gains on European bourses was due to investors, lapping up energy stocks in anticipation of even higher price levels for the black ooze.

In Asia, all of the major equity markets put on strong performances, mirroring, to some extent, the gains of Wall Street on Tuesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity was especially high on the premier equity market.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.16 percent to 16,830.44 points on a Total Turnover about \$HK47.69 billion.

The volume of activity was the highest level of the past 8 years.

Advancing counters outnumbered losing ones by the ratio of about 1.56:One.

The Ten Most Actives were:

Henderson Investment Ltd (Code: 97) Down 4.11 percent to \$HK14.00 per share

HSBC Holdings plc (Code: 5) Up 0.60 percent to \$HK133.10 per share

Sun Hung Kai Properties Ltd (Code: 16) Up 4.22 percent to \$HK85.30 per share

Cheung Kong (Holdings) Ltd (Code: 1) Up 1.62 percent to \$HK84.85 per share

China Life Insurance Company Ltd (Code: 2628) Up 0.48 percent to \$HK10.45 per share

Hutchison Whampoa Ltd (Code: 13) Up 0.89 percent to \$HK73.80 per share

PetroChina Company Ltd (Code: 857) Up 3.43 percent to \$HK9.05 per share

China Mobile (Hongkong) Ltd (Code: 941) Up 1.97 percent to \$HK46.50 per share

CNOOC Ltd (Code: 883) Up 2.29 percent to \$HK6.70 per share

China Petroleum and Chemical Corporation (Code: 386) Up 4.08 percent to \$HK5.10 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)
Artel Solutions Group Holdings Ltd	931	12.16		0.166
Asia Alliance Holdings Ltd	616	21.25		2.425
Advanced Semiconductor Manufacturing	3355	11.43		1.95

Corporation Ltd				
Berjaya Holdings (Hongkong) Ltd	288	17.39		0.108
Century City International Holdings Ltd	355		11.92	0.133
China National Resources Development Holdings Ltd	661		10.83	0.107
China Nan Feng Group Ltd	979	30.43		0.15
Continental Holdings Ltd	513	10.84		0.92
eForce Holdings Ltd	943		15.60	0.092
Everbest Century Holdings Ltd	578	34.15		0.55
Fortuna International Holdings Ltd	2941		11.11	0.032
Garron International Ltd	1226	19.30		0.34
Global Flex Holdings Ltd	471	22.43		1.31
Greater China Holdings Ltd	431		12.77	0.41
Hop Hing Holdings Ltd	47		11.11	0.40
Interchina Holdings Company Ltd	202		11.67	0.053
Kingmaker Footwear Holdings Ltd	1170		10.10	0.89
Lianhua Supermarket Holdings Company Ltd	980		12.04	8.40
Lingbao Gold Company Ltd	3330	21.37		7.10
Magnificent Estates Ltd	201	13.18		0.249
Mayer Holdings Ltd	1116		10.53	0.425
Midland Holdings Ltd	1200	13.10		4.75
Omnicorp Ltd	94		11.43	0.62
Shanghai Zendai Property Ltd	755	10.00		0.385
Shenyin Wanguo (Hongkong) Ltd	218		11.30	1.02

Sun Innovation Holdings Ltd	547		11.88	3.525
Takson Holdings Ltd	918		12.75	0.13
Tern Properties Company Ltd	277	10.19		2.975
Tomorrow International Holdings Ltd	760	22.22		0.77
Tongda Group Holdings Ltd	698	12.24		0.275
Water Oasis Group Ltd	1161		12.22	0.395

Over on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.32 percent to 1,313.63 points.

The Total Turnover on this market was about \$HK252.03 million.

Losing counters outnumbered gaining ones by the ratio of about 1.23:One.

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

Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280) Down 8 percent to \$HK2.45 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002) Up 3 percent to \$HK1.48 per share

Wumart Stores Incorporated (Code: 8277) Up 2 percent to \$HK28.05 per share

Tong Ren Tang Technologies Company Ltd (Code: 8069) Up 4 percent to \$HK17.30 per share

CK Life Sciences International (Holdings) Incorporated (Code: 8222) Down 8 percent to 79 cents per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	14.40		0.143
BIG Media Group Ltd	8167	13.81		0.239
CIG Yangtze Ports PLC	8233	15.63		0.74
Excel Technology International Holdings Ltd	8048	18.75		0.095
FlexSystem Holdings Ltd	8050	29.41		0.088

FX Creations International Holdings Ltd	8136		10.83	0.214
G.A. Holdings Ltd	8126		20.75	0.168
Innovis Holdings Ltd	8065		14.93	0.057
KanHan Technologies Group Ltd	8175		10.53	0.255
Launch Tech Company Ltd	8196	16.05		2.35
Milkyway Image Holdings Ltd	8130	11.54		0.029
Panorama International Holdings Ltd	8173		16.67	0.08
Prosten Technology Holdings Ltd	8026		20.00	0.14
Q9 Technology Holdings Ltd	8129		12.50	0.021
Satellite Devices Corporation	8172	34.62		0.035
Sys Solutions Holdings Ltd	8182	129.63		0.062
SYSCAN Technology Holdings Ltd	8083		12.07	0.051
Venturepharm Laboratories Ltd	8225		11.11	0.40
Vertex Communications and Technology Group Ltd	8228	10.00		0.55
Zheda Lande Scitech Ltd	8106		14.44	0.16

Tracking Wall Street's gains of Tuesday, key indices of the 3 equity markets of Japan continued to rise, last Wednesday.

On The Tokyo Stock Exchange, which is the premier equity market of The Land of The Rising Sun, its TOPIX Index put on 5.57 points, or about 0.32 percent, rising to 1,747.32 points.

The ratio of declining counters to advancing ones was about 1.05:One.

The Nikkei-225 Stock Average, on the other hand, rose about 0.68 percent as investors pushed it to 17,350.12 yen.

News Wise

- **Japan's trade surplus** shrank by about 12 percent in March, Year-On-Year, The Ministry of Finance announced.

On other Asian equity markets, this was how the key indices of those markets ended, last Wednesday:

The HKSAR	Plus 1.16 percent to 16,830.44
Indonesia	Plus 2.53 percent to 1,453.22
Japan	TOPIX Index Plus 0.32 percent to 1,747.32 Nikkei-255 Stock Average Plus 0.68 percent to 17,350.12
Malaysia	Plus 0.57 percent to 945.97
The Philippines	Minus 0.09 percent to 2,223.73
Singapore	Plus 1.04 percent to 2,585.84
South Korea	Plus 0.76 percent to 1,437.84
Taiwan	Plus 0.71 percent to 7,038.78
Thailand	Closed

Thursday

Completely disregarding the war clouds, forming over Washington, D.C. and Tehran, Iran, investors went on a buying spree on the world's largest equity markets, last Thursday.

Even the price of crude oil came down a notch.

On The New York Stock Exchange, the Dow Jones Industrial Average rose within shooting distance of its record high, attained on January 14, 2000, of 11,750.28 points.

The Dow ended last Thursday's trading session at 11,342.89 points, up about 0.57 percent, compared with Wednesday's closing level.

But, over on The NASDAQ, its Composite Index fell about 0.35 percent to 2,362.55 points.

Investors on Wall Street appeared to be enamoured by some of the high-flyers, which were reporting, in some cases, impressive quarterly results.

With Wall Street on a roll, so to speak, there appeared to be nothing to hold back investors from buying into stocks and shares, during the reporting season, come what may.

News Wise

- **General Motors Corporation** announced that, for the quarter, ended March 31, 2006, it had recorded

a Loss Attributable to Shareholders of about \$US323 million;

- **Intel Corporation**, the world's largest chipmaker, reported a Net Profit Attributable to Shareholders of about \$US1.35 billion for its first quarter. That result compared with the like quarter of 2005 when the Net Profit Attributable to Shareholders came in at \$US2.18 billion. Sales, during the first quarter of 2006, fell by about 5.20 percent, compared with the first quarter of 2005; and,
- **JP Morgan Chase and Company** has agreed to pay \$US425 million in order to settle one of the cases, brought against the third-largest, US bank in terms of assets under its control, in respect of the Internet stock boom of the 1990s.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in May was \$US71.95. That price represented a fall of about 0.30 percent, compared with Wednesday's final quote.

(Last Thursday was the final day for May as the front month.)

As for June delivery, the last settlement for a barrel of light sweet crude oil was \$US73.69, down exactly 0.58 percent on the last settlement of Wednesday.

In Europe, with the exception of Great Britain, all of the key indices of major bourses continued to make gains, but the gains were somewhat restrained by the fall in the price of crude oil.

Reports from some of the favourites of eurozone to the effect that things were humming along tended to boost prices of the blue chips.

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

Amsterdam's AEX Index	Plus 0.80 percent
Great Britain's FTSE 100 Index	Minus 0.13 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.15 percent
France's CAC 40 Index	Plus 0.94 percent
Switzerland's Swiss Market Index	Plus 0.17 percent
Italy's MIBTEL Index	Plus 0.67 percent

In Asia, the key indices of 7 of the major equity markets of the region made useful gains, while 2 stock markets saw their key indices fall.

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

On the Main Board of the Stock Exchange of Hongkong Ltd, its Hang Seng Index rose about 0.68 percent to 16,944 points on a Total Turnover of about \$HK39.43 billion.

Most of the gains came in during the 90-minute afternoon session.

The ratio of advancing counters to declining counters was about 1.45:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.68 percent to \$HK134.00 per share
PetroChina Company Ltd (Code: 857)	Up 3.31 percent to \$HK9.35 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.87 percent to \$HK10.75 per share
Hunan Nonferrous Metals Corporation Ltd (Code: 2626)	Up 20.97 percent to \$HK3.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.93 percent to \$HK88.65 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.89 percent to \$HK86.45 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.88 percent to \$HK74.45 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 3.92 percent to \$HK5.30 per share
CNOOC Ltd (Code: 883)	Up 2.24 percent to \$HK6.85 per share
China Construction Bank Corporation (Code: 939)	Unchanged at \$HK3.45 per share

With regard to the biggest, Main Board movers of the day, there was a total of 34 counters that qualified for that distinction, with 20 counters, gaining 10 percent or more of their respective market capitalisations, while the remaining 14 counters saw their respective market capitalisations fall by 10 percent or more.

China Elegance (Holdings) Ltd (Code: 476) was the biggest gainer of the day as investors pushed up its share price by 72.73 percent to 9.50 cents.

eForce Holdings Ltd (Code: 943) was the biggest loser of the day as its share price fell by about 20.65 percent to 7.30 cents.

As for The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the volume of activity waned as its lone index vacillated through positive and negative territory, throughout the entire trading day.

By the close of the session, The Growth Enterprise Index was standing at 1,316.18 points, up about 0.19 percent on Wednesday's closing level.

The Total Turnover was about \$HK196.22 million, while the ratio of losing counters to gaining ones was 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 7 percent to \$HK2.625 per share

Wumart Stores Incorporated (Code: 8277)

Down 2 percent to \$HK27.50 per share

TOM Online Incorporated (Code: 8282)

Up 4 percent to \$HK2.75 per share

Golden Meditech Company Ltd (Code: 8180)

Up 1 percent to \$HK2.50 per share

Phoenix Satellite Television Holdings Ltd (Code:
8002)

Down 4 percent to \$HK1.42 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		27.27	0.104
Co-winner Enterprise Ltd	8108	23.44		0.158
Excel Technology International Holdings Ltd	8048	15.79		0.11
FX Creations International Holdings Ltd	8136		25.23	0.16
G.A. Holdings Ltd	8126	13.10		0.19
North Asia Strategic Holdings Ltd	8080		11.94	0.59
New Universe International Group Ltd	8068		15.38	0.022
Prosperity International Holdings (Hongkong) Ltd	8139	13.33		0.68
Prosten Technology Holdings Ltd	8026	20.71		0.169
Satellite Devices Corporation	8172	34.29		0.047
Shine Software (Holdings) Ltd	8270		15.54	0.125

In Japan, the country's 3 equity markets enjoyed a relatively quiet trading day.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index rose about 0.03 percent, limping up to 1,747.86 points, while The Nikkei-225 Stock Average fell by about 0.19 percent, dropping back to 17,317.53 yen.

While the key index of Asia's largest equity market was only slightly higher, compared with Wednesday's

closing level, the ratio of losing counters to gaining ones was more than telling, at about 1.81:One.

News Wise

- Mr Fumiaki Watari, President of **The Petroleum Association of Japan**, has warned that if crude-oil prices remained high, wholesale oil prices would have to be increased by about 4 yen per litre; and,
- **Yahoo Japan Corporation** announced that its Net Profit Attributable to Shareholders for the quarter, ended March 31, 2006, was 12.99 billion yen, up about 26.12 percent, Year-On-Year.

In other Asian equity markets, this was how their respective key indices ended, last Thursday night:

The HKSAR	Plus 0.68 percent to 16,944.34
Indonesia	Plus 0.78 percent to 1,464.53
Japan	TOPIX Index Plus 0.03 percent to 1,747.86 Nikkei-255 Stock Average Minus 0.19 percent to 17,317.53
Malaysia	Plus 0.07 percent to 946.62
The Philippines	Plus 0.86 percent to 2,242.76
Singapore	Minus 0.08 percent to 2,583.73
South Korea	Minus 0.26 percent to 1,434.15
Taiwan	Plus 0.91 percent to 7,102.74
Thailand	Plus 1.36 percent to 774.57

Friday

Crude-oil prices hit another record level on The New York Mercantile Exchange (NYMEX), last Friday: The last settlement was recorded at \$US75.17 per barrel of light sweet crude oil for the new front month of June.

However, during the height of trading, last Friday, the price of light sweet crude oil rose to \$US75.35 per barrel.

For the new month of July, the last settlement was \$US76.07 per barrel of light sweet crude oil.

The reasons for the gains in the price of the black ooze were continued concerns with regard to oil shipments from Iran and Nigeria and the prospects of more international trouble in respect of Iran's nuclear ambitions.

Iran, the world's fourth-largest oil producer, continues to be intransigent in respect of its avowed determination to be a full member of the world's nuclear '*club*'; and, the chances appeared to be high that sanctions would be applied on this fundamentalist Muslim nation by the United Nations.

In Nigeria, the militant faction, The Movement for The Emancipation of The Niger Delta, continued to play havoc in the country as it rejected a Nigerian Government plan to increase development in The Niger Delta where, for decades, the indigenous native population has been almost excluded from sharing in the country's oil wealth.

About 500,000 barrels of crude oil are prevented from being exported from Nigeria by this faction.

On Wall Street, the fact that crude-oil prices were going through another record-high level appeared to go almost unnoticed as investors concentrated on the financial results of some of the blue chips and hi-tech '*darlings*'.

But crunch time was coming, to be sure.

On The New York Stock Exchange, the Dow Jones Industrial Average ended the week at 11,347.45 points, up about 0.04 percent on Thursday's closing figures.

On The NASDAQ, its Composite Index fell about 0.83 percent to 2,342.86 points.

News Wise

- **Ford Motor Company** announced that it had registered a Loss Attributable to Shareholders of about \$US1.19 billion for the quarter, ended March 31, 2006.

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

The Dow Jones Industrial Average	Up 1.88 percent
The NASDAQ's Composite Index	Up 0.72 percent

In Europe, investors were very cognisant of the fact that oil prices were going through the proverbial roof.

Energy stocks were chased by investors in this part of the world as though there could be a shortage of scrip.

At the same time, there was a number of investors, who were taking their profits to the bank lest the icing fell off the crude-oil '*cake*' in a hurry.

Key indices of major European bourses rose, last Friday, as **TARGET**'s list illustrates:

Amsterdam's AEX Index	Plus	0.89 percent
Great Britain's FTSE 100 Index	Plus	0.75 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.63 percent
France's CAC 40 Index	Plus	0.68 percent

Switzerland's Swiss Market Index Plus 0.47 percent

Italy's MIBTEL Index Plus 0.57 percent

In Asia, it was somewhat of a mixed bag as investors in the most-populous part of the world worried that the record-high level of crude oil would start to weigh heavily on the largest economies of the world.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up 0.19 percent of its value, exactly, ending the week at 16,912.15 points.

The Total Turnover was about \$HK40.86 billion.

Losing counters outnumbered gaining ones by the ratio of 1.24:One, exactly.

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939)	Down 2.17 percent to \$HK3.375 per share
PetroChina Company Ltd (Code: 857)	Down 2.14 percent to \$HK9.15 per share
HSBC Holdings plc (Code: 5)	Down 0.22 percent to \$HK133.70 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK75.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.37 percent to \$HK90.75 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 3.77 percent to \$HK5.50 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.93 percent to \$HK10.85 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.85 percent to \$HK88.05 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.28 percent to \$HK46.15 per share
CNOOC Ltd (Code: 883)	Down 2.19 percent to \$HK6.70 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)
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Applied International Holdings Ltd	519	23.08		0.56
Asia Alliance Holdings Ltd	616	14.81		3.10
Asia Commercial Holdings Ltd	104	23.81		0.78
Asia Tele-Net and Technology Corporation Ltd	679	11.94		0.375
China National Resources Development Holdings Ltd	661		20.00	0.084
China Treasure (Greater China) Investments Ltd	810	18.52		0.16
EC-Founder (Holdings) Company Ltd	618	22.88		0.29
Hi Sun Technology (China) Ltd	818	15.00		2.875
Hongkong Construction (Holdings) Ltd	190	15.79		1.10
Hop Hing Holdings Ltd	47	11.11		0.40
Hopefluent Group Holdings Ltd	733	12.26		2.975
Lingbao Gold Company Ltd	3330		12.10	6.90
Luks Industrial (Group) Ltd	366		10.29	1.22
Mei Ah Entertainment Group Ltd	391		18.37	0.40
Oriental Explorer Holdings Ltd	430	11.54		0.058
Paliburg Holdings Ltd	617	14.71		0.39
Prosperity Investment Holdings Ltd	310		17.74	0.102
Shang Hua Holdings Ltd	371	28.77		0.47
Sino-i Technology Ltd	250	11.11		0.12
SiS International Holdings Ltd	529	15.63		1.85
Swank International Manufacturing Company Ltd	663	11.00		0.111
Takson Holdings Ltd	918		13.08	0.113
United Power Investment Ltd	674	10.61		0.365

Wonderful World Holdings Ltd	109	27.27		0.112
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On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was similar situation to that that existed on the Main Board.

The Growth Enterprise Index lost, exactly, 0.44 percent of its value, dropping back to 1,310.39 points.

The Total Turnover on this speculative market was about \$HK199.90 million.

Losing counters outnumbered gaining ones by the ratio of about 1.11: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 2 percent to \$HK2.675 per share
Chinasoft International Ltd (Code: 8216)	Up 18 percent to \$HK1.35 per share
Lang Chao International Ltd (Code: 8141)	Up 11 percent to \$HK1.28 per share
China LotSynergy Holdings Ltd (Code: 8161)	Down 2 percent to \$HK2.05 per share
Wumart Stores Incorporated (Code: 8277)	Unchanged at \$HK27.40 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	23.08		0.128
Armitage Technologies Holding Ltd	8213	30.00		0.039
Chinasoft International Ltd	8216	18.42		1.35
Computech Holdings Ltd	8081	13.33		0.085
FX Creations International Holdings Ltd	8136	84.38		0.295
KanHan Technologies Group Ltd	8175	15.22		0.265
Kanstar Environmental Paper Products Holdings Ltd	8011		12.31	0.285
Lang Chao International Ltd	8141	11.30		1.28
Medical China Ltd	8186		21.82	0.043

Panorama International Holdings Ltd	8173	10.00		0.088
ProSticks International Holdings Ltd	8055	22.22		0.022
Shandong Molong Petroleum Machinery Company Ltd	8261	11.11		2.50
Tai Shing International (Holdings) Ltd	8103		18.07	0.68

The tally for the second-largest equity market of Asia for the 4-day trading week was:

The Hang Seng Index	Plus	2.94 percent
The Growth Enterprise Index	Minus	0.06 percent

In Japan, investors continued to chase counters on the country's 3 equity markets in expectation of higher earnings, disregarding, to a great extent, the looming grey economic clouds, slowly enveloping the economies of the West.

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.49 percent to 1,756.40 points.

The ratio of advancing counters to declining ones was about 1.26:One.

The Nikkei-225 Stock Average rose one quarter of a percentage point to end the week's trading at 17,403.96 yen.

The tally for the week for Asia's largest equity market was:

The TOPIX Index	Plus	0.71 percent
The Nikkei-225 Stock Average	Plus	0.99 percent

And this was how other Asian equity markets fared for the week, ended April 21, 2006:

The HKSAR	Minus 0.19 percent to 16,912.15
Indonesia	Minus 0.35 percent to 1,459.29
Japan	TOPIX Index Plus 0.49 percent to 1,756.40 Nikkei-255 Stock Average Plus 0.49 percent to 17,403.96
Malaysia	Plus 0.16 percent to 948.19
The Philippines	Plus 0.90 percent to 2,262.97
Singapore	Plus 0.76 percent to 2,603.45

South Korea	Plus 1.19 percent to 1,451.31
Taiwan	Minus 0.13 percent to 7,093.05
Thailand	Minus 0.19 percent to 773.06

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