

**INDICES OF THE WORLD'S MOST-IMPORTANT EQUITY MARKETS
HEAD DECIDEDLY SOUTH**

All North American equity markets were closed last Monday for the holiday of Labour Day (an excuse for a booze-up in The Land of The Free and The Home of The Brave, no doubt) and, as such, many investors, from Tokyo, Japan, to London, England, were somewhat hesitant to commit until North American markets re-opened on Tuesday.

In Europe, the volume of activity on the major stock markets was remarkably low, but in spite of this phenomenon, upward, albeit fractional, improvements predominated as the following **TARGET** () list of key indices illustrates:

Amsterdam's AEX Index	Plus	0.56 percent
France's CAC 40 Index	Plus	0.38 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.56 percent
Great Britain's FTSE 100 Index	Plus	0.63 percent
Italy's MIBTEL Index	Plus	0.30 percent
Switzerland's Swiss Market Index	Plus	0.36 percent

In Asia, there was no such investor apprehension as was obvious in Europe, with speculators in the most-populous part of the world, charging in order to buying select stocks and shares in a bit of buying frenzy on the most-important equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while the volume of activity was very respectable, key indices recorded only small gains on the Main Board of The Stock Exchange of Hongkong Ltd.

The Hang Seng Index rose about 0.52 percent to 17,513.88 points, with gaining counters outnumbering losing ones by the ratio of about 2.30:One.

The Total Turnover was about \$HK28.62 billion.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.64 percent to \$HK141.90 per share
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China Mobile Ltd (Code: 941)	Up 2.24 percent to \$HK53.00 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 4.25 percent to \$HK4.91 per share
China Construction Bank Corporation (Code: 939)	Up 0.89 percent to \$HK3.40 per share
PetroChina Company Ltd (Code: 857)	Up 1.37 percent to \$HK8.85 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.45 percent to \$HK13.98 per share
Bank of China Ltd (Code: 3988)	Up 0.60 percent to \$HK3.38 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 1.31 percent to \$HK54.30 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 1.52 percent to \$HK16.88 per share
Bank of Communications Company Ltd (Code: 3328)	Up 2.85 percent to \$HK5.05 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Benefun International Holdings Ltd	1130	13.92		0.09
Berjaya Holdings (Hongkong) Ltd	288	14.29		0.08
Bestway International Holdings Ltd	718		17.14	0.058
China Elegance (Holdings) Ltd	476	30.00		0.078
China Solar Energy Holdings Ltd	155	18.00		0.59
Hembly International Holdings Ltd	3989	15.13		2.74
Hopefluent Group Holdings Ltd	733	12.12		2.96
INNOMAXX Biotechnology Group Ltd	340	15.96		1.09
IPE Group Ltd	929	10.00		1.32

K.P.I. Company Ltd	605		11.50	0.20
Luk Fook Holdings (International) Ltd	590	11.45		1.46
Neo-China Group (Holdings) Ltd	563	11.11		0.70
Ngai Hing Hong Company Ltd	1047	16.22		0.43
Oriental Explorer Holdings Ltd	430		10.64	0.042
Same Time Holdings Ltd	451	35.71		1.90
Shanghai Zendai Property Ltd	755	11.76		0.285
South China Industries Ltd	413	14.44		1.03
Sunway International Holdings Ltd	58		12.16	0.224
Tak Sing Alliance Holdings Ltd	126	22.92		0.59
Unity Investments Holdings Ltd	913		11.76	0.06
Wing Shan International Ltd	570	11.54		0.29

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 0.37 percent of its value, slipping back to 1,153.70 points.

The Total Turnover on this speculative market was about \$HK125.48 million, while the ratio of losing counters to gaining ones was about 1.16: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 5.11 percent to \$HK1.85 per share
Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Down 11.94 percent to \$HK0.59 per share
TOM Online Incorporated (Code: 8282)	Up 3.91 percent to \$HK1.33 per share
Town Health International Holdings Company Ltd (Code: 8138)	Up 0.86 percent to \$HK0.235 per share
SUNeVision Holdings Ltd (Code: 8008)	Up 4.64 percent to \$HK1.58 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	12.50		0.09
Argos Enterprise (Holdings) Ltd	8022	11.11		0.11
Easyknit International Holdings Ltd	1218		12.96	0.047
GreaterChina Technology Group Ltd	8032		13.33	0.026
Kanstar Environmental Paper Products Holdings Ltd	8011		11.94	0.59
Sanmenxia Tianyuan Aluminum Company Ltd	8253	12.00		0.168
Venturepharm Laboratories Ltd	8225	16.67		0.35
Ningbo Yidong Electronic Company Ltd	8249		11.50	0.20
Zhejiang Prospect Company Ltd	8273	25.00		1.10

In The Land of The Rising Sun, investors were out in force, picking up stocks and shares on the country's 3 stock markets as though they might be going out of style.

On The Tokyo Stock Exchange, its TOPIX Index rose 15.97 points, equivalent to about 0.98 percent, ending the very active trading day at 1,649.32 points.

Advancing counters outraced declining ones by the ratio of about 4.54:One.

The Nikkei-225 Stock Average, which is a much-narrower gauge to trading in select blue chips, listed on The First Section of The Tokyo Stock Exchange, than is the TOPIX Index, put on 223.82 yen, or about 1.39 percent, rising to 16,358.07 yen.

News Wise

Fast Retailing Company Ltd released the following announcement:

'FAST RETAILING CO., LTD.
(Incorporated in Japan with limited liability)

ANNOUNCEMENT

'This statement is made pursuant to the requirements under Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the Takeovers Code).

'FAST RETAILING CO., LTD. (FAST RETAILING) refers to its announcement dated 8 August 2006 concerning an approach made to

Giordano International Limited (Giordano) to discuss the possibility of a combination of the companies' businesses. Having first contacted Giordano's management on 6 June 2006 and subsequently at two separate meetings on 21 June and 25 July, Giordano's management have been reluctant to enter into any meaningful dialogue with FAST RETAILING.

'In light of the recent interim results announced by Giordano on 24 August 2006, which show a decline in operating profit of 25.2% over the same period for the prior year, the Board of Directors of FAST RETAILING believes that Giordano's current share price is not truly reflective of the operational state and thus the inherent value of the company. Accordingly, the Board has decided not to make an offer for Giordano.

'For the purposes of Rule 31.1(c) of the Takeovers Code, FAST RETAILING reserves the right to set aside the statement above and to make or participate in an offer for Giordano within six months of the date of this statement if there is any material change in circumstances.

*By Order of the Board of
FAST RETAILING CO., LTD.
Tadashi Yanai
Chairman, President & CEO'*

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

The HKSAR	Hang Seng Index Plus 0.52 percent to 17,513.88 The Growth Enterprise Index Minus 0.37 percent to 1,153.70
Indonesia	Plus 1.74 percent to 1,469.56
Japan	TOPIX Index Plus 0.98 percent to 1,649.32 Nikkei-255 Stock Average Plus 1.39 percent to 16,358.07
Malaysia	Plus 0.78 percent to 968.22
The Philippines	Plus 1.79 percent to 2,371.10
Singapore	Plus 1.16 percent to 2,520.45
South Korea	Plus 0.18 percent to 1,359.06
Taiwan	Plus 1.49 percent to 6,750.78
Thailand	Plus 1.02 percent to 703.53

Tuesday

It might have been that American investors were suffering from hangovers, last Tuesday, following the long, Labour-Day (booze-up) weekend holidays, but other than that probability, it was difficult to find a reason for the lacklustre performance on equity markets of North America.

The daily average volume of the number of shares, traded on The New York Stock Exchange, dropped by about 2.70 billion, Year-On-Year, equivalent to a fall of about 17 percent.

The Dow Jones Industrial Average, the key index of the world's largest equity market, gained 5.13 points, or about 0.04 percent, ending the first day's trading of the week at 11,469.28 points.

On The NASDAQ, its Composite Index did a little better than The Dow, rising 12.54 points, or about 0.57 percent, to 2,205.70 points.

It looked, very much, as though Wall Street was about to come off, once again, with key indices, heading for much lower ground.

News Wise

- **Intel Corporation**, the world's largest producer of microchips, said that it would be culling its workforce by about 10,500 workers. In July, Intel sacked 1,000 managers. It was Intel's largest culling of workers of the past 21 years;
- **Chevron Corporation** announced that it had tapped into a commercial oil find in The Gulf of Mexico; and,
- Mr Bill Ford has stepped down as Chief Executive Officer of **Ford Motor Company**, replaced by Mr Alan Mulally, formerly of **Boeing Company**. Mr Bill Ford will stay on at Ford as Executive Chairman, however.

On commodity exchanges, worldwide, the price of crude oil fell after it was announced that Iran was willing, after all, to negotiate with the United Nations in order to find a diplomatic solution to the impasse between the West and Iran's fundamentalist Muslim Government in respect of Iran's intransigence with regard to its determination to join the world's nuclear '*club*'.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in October was \$US68.60, down about 0.85 percent on the last quote of Friday, September 1, 2006.

As for November delivery, the last settlement was \$US69.77 per barrel of light sweet crude oil, representing a fall from the previous Friday's close of 0.86 percent, exactly.

Europe was decidedly negative, last Tuesday, with every key index of the most-important bourses in the red, as the following **TARGET** list illustrates:

Amsterdam's AEX Index	Minus 0.38 percent
France's CAC 40 Index	Minus 0.58 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.43 percent
Great Britain's FTSE 100 Index	Minus 0.08 percent
Italy's MIBTEL Index	Minus 0.20 percent

Switzerland's Swiss Market Index

Minus 0.14 percent

With crude-oil prices dropping, European bourses, studded as they are with energy counters, had to contend with a bit of a run on these counters as speculators unloaded part of their holdings in these counters, the prices of which are known to be extremely volatile.

In Asia, there were more losers than gainers on the region's 9 major equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), turnovers shrank on the territory's 2 equity markets as key indices tended to head south.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.43 percent of its value, edging back to 17,438.80 points.

Declining counters outnumbered advancing ones by the ratio of about 1.27:One.

The Total Turnover was about \$HK24.93 billion.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK141.90 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.29 percent to \$HK14.02 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.20 percent to \$HK4.92 per share
PetroChina Company Ltd (Code: 857)	Down 0.68 percent to \$HK8.79 per share
China Mobile Ltd (Code: 941)	Down 0.66 percent to \$HK52.65 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.78 percent to \$HK70.20 per share
China Construction Bank Corporation (Code: 939)	Down 0.59 percent to \$HK3.38 per share
Bank of China Ltd (Code: 3988)	Unchanged at \$HK3.38 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.12 percent to \$HK16.90 per share
CNOOC Ltd (Code: 883)	Down 0.59 percent to \$HK6.73 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia TeleMedia Ltd	376		21.35	0.07

Beiren Printing Machinery Holdings Ltd	187	12.28		1.92
Bestway International Holdings Ltd	718		20.69	0.046
Chengdu PUTIAN Telecommunications Cable Company Ltd	1202	15.48		0.97
China Elegance (Holdings) Ltd	476		12.82	0.068
Chinese People Gas Holdings Company Ltd	681	12.50		0.36
China Solar Energy Holdings Ltd	155	11.86		0.66
Ching Hing (Holdings) Ltd	692		32.47	0.052
Dan Form Holdings Company Ltd	271	17.17		0.58
DBA Telecommunication (Asia) Holdings Ltd	3335	24.21		1.18
EC-Founder (Holdings) Company Ltd	618	13.53		0.235
Fulbond Holdings Ltd	1041	11.76		0.019
Giordano International Ltd	709		11.23	4.03
HKC International Holdings Ltd	248	10.18		0.249
Hop Hing Holdings Ltd	47	10.14		0.38
Hua Yi Copper Holdings Ltd	559	10.20		0.54
Kantone Holdings Ltd	1059	11.49		0.485
Luoyang Glass Company Ltd	1108	13.89		0.82
MAXX Bioscience Holdings Ltd	512		15.66	0.07
Morning Star Resources Ltd	542		11.39	0.07
Omnicorp Ltd	94		11.82	0.485

REXCAPITAL Financial Holdings Ltd	555	11.11		0.40
Sing Tao News Corporation Ltd	1105	11.34		1.08
Sino Technology Investments Company Ltd	1217	13.51		0.042
United Pacific Industries Ltd	176		12.66	0.20
Unity Investments Holdings Ltd	913		16.67	0.05
Winsor Industrial Corporation Ltd	98	44.32		5.34

On The **G**rowth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar situation as had taken place on the Main Board.

The Growth Enterprise Index fell by about 0.39 percent to end the trading day at 1,149.24 points on a Total Turnover of about \$HK100.43 million.

The ratio of losing counters to gaining ones was about 1.12:One.

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

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Down 16.10 percent to \$HK0.495 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1.20 percent to \$HK0.82 per share
TOM Online Incorporated (Code: 8282)	Up 4.51 percent to \$HK1.39 per share
Xinjiang Tianye Water Saving Irrigation System Company Ltd (Code: 8280)	Up 2.70 percent to \$HK1.90 per share
SUNeVision Holdings Ltd (Code: 8008)	Unchanged at \$HK1.58 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	10.00		0.099
B M Intelligence International Ltd	8158		26.47	0.05
China Leason Investment Group Company Ltd	8270		18.18	0.09

China Photar Electronics Group Ltd	8220		31.11	0.155
Kanstar Environmental Paper Products Holdings Ltd	8011		16.10	0.495
Mobile Telecom Network (Holdings) Ltd	8266	13.21		0.06
New Chinese Medicine Holdings Ltd	8085		21.43	0.055
New Universe International Group Ltd	8068		10.00	0.027
PINE Technology Holdings Ltd	8013	10.82		0.215
Proactive Technology Holdings Ltd	8089		26.47	0.05
Nanjing Sample Technology Company Ltd	8287		11.63	11.40
Sys Solutions Holdings Ltd	8182	12.50		0.045
SYSCAN Technology Holdings Ltd	8083	15.25		0.068
Ningbo Yidong Electronic Company Ltd	8249	12.50		0.225

Quiet trading conditions prevailed on Japan's equity markets, last Tuesday.

The TOPIX Index, the key index of The Tokyo Stock Exchange, rose by about 0.12 percent to 1,651.35 points.

The ratio of gaining counters to losing ones was about 1.44:One.

The Nikkei-225 Stock Average gained 0.17 percent, exactly, to limp to 16,385.96 yen.

Again, it looked very much as though Asia's largest and most-important equity market was gearing up for a major sell-off.

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

The HKSAR	Hang Seng Index Minus 0.43 percent to 17,438.80 The Growth Enterprise Index Minus 0.39 percent to 1,149.24
Indonesia	Minus 0.09 percent to 1,468.24
Japan	TOPIX Index Plus 0.12 percent to 1,651.35 Nikkei-255 Stock Average

	Plus 0.17 percent to 16,385.96
Malaysia	Minus 0.45 percent to 963.84
The Philippines	Plus 0.91 percent to 2,392.56
Singapore	Minus 0.03 percent to 2,519.72
South Korea	Plus 0.16 percent to 1,361.24
Taiwan	Minus 0.24 percent to 6,734.73
Thailand	Minus 0.35 percent to 701.10

Wednesday

Stock and share prices fell fast and furiously on US equity markets, last Wednesday, due mainly to:

- (a) A continued pounding by investors of energy counters as crude-oil prices fell materially for the third consecutive trading session;
- (b) Concern that the slowdown in new housing starts and sales of previously owned houses would have a dramatic and very detrimental affect on the entire US economy in due course; and,
- (c) Renewed concern that the US Federal Reserve might be forced to raise interest rates at its next Open Market Committee Meeting, scheduled for September 20, 2006.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 63.08 points, equivalent to about 0.55 percent, ending the trading day at 11,406.20 points.

The NASDAQ saw its Composite Index shed 37.86 points, or about 1.72 percent, falling back to 2,167.84 points.

The situation did not look too promising for investors, locked into equities on the world's largest stock markets.

The counters of builders and contractors were hit hard, throughout the trading session, as were the counters of energy companies.

In addition, the announcement from Intel Corporation (please see Tuesday's report) did not help matters, at all.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in October was \$US67.50, down about 1.63 percent on the last settlement of Tuesday.

As for November delivery, the last settlement for a barrel of light sweet crude oil came in at \$US68.70, down about 1.53 percent on Tuesday's last quote.

In Europe, there was a bit of a bloodbath on major bourses as investors worried about the prospects of more interest-rate increases and, of course, the pounding that energy counters were forced to take as crude-oil prices fell out of bed.

The following **TARGET** list of the key indices of the most-important European bourses tells the tale:

Amsterdam's AEX Index	Minus 1.05 percent
France's CAC 40 Index	Minus 1.10 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.20 percent
Great Britain's FTSE 100 Index	Minus 0.87 percent
Italy's MIBTEL Index	Minus 0.64 percent
Switzerland's Swiss Market Index	Minus 0.57 percent

Key indices of Asian equity markets were mixed, for the most part, last Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity rose to one of its highest levels of the year, but the key index of the Main Board of The Stock Exchange of Hongkong Ltd fell materially.

Which, more often than not, indicates that the market is in retreat.

The Hang Seng Index gave up about 1.03 percent of its value, falling back to 17,258.51 points.

The Total Turnover rose to about \$HK31.40 billion, an increase, Day-On-Day, of nearly 26 percent.

The ratio of losing counters to gaining ones was about 1.66:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.92 percent to \$HK140.60 per share
PetroChina Company Ltd (Code: 857)	Down 0.83 percent to \$HK8.52 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.71 percent to \$HK14.26 per share
Win Hanverky Holdings Ltd (Code: 3322)	\$HK3.04 per share*
China Mobile Ltd (Code: 941)	Down 1.90 percent to \$HK51.65 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.71 percent to \$HK69.70 per share
Bank of China Ltd (Code: 3988)	Up 0.30 percent to \$HK3.39 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 1.63 percent to \$HK4.84 per share

BOC Hongkong (Holdings) Ltd (Code: 2388)

Up 0.83 percent to \$HK17.04 per share

CNOOC Ltd (Code: 883)

Down 1.49 percent to \$HK6.63 per share

* First day of trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Commercial Holdings Ltd	104	40.68		0.83
Asia TeleMedia Ltd	376	14.29		0.08
Capital Estate Ltd	193	51.72		0.132
China Rich Holdings Ltd	1191	17.60		0.147
Ching Hing (Holdings) Ltd	692	34.62		0.07
Compass Pacific Holdings Ltd	1188	12.38		0.118
Easyknit International Holdings Ltd	1218	11.11		0.05
Foundation Group Ltd	1182	13.21		0.60
Fujian Holdings Ltd	181	15.00		0.23
INNOMAXX Biotechnology Group Ltd	340	12.61		1.34
Magnum International Holdings Ltd	305		10.34	0.052
MAXX Bioscience Holdings Ltd	512	12.86		0.079
New Capital International Investment Ltd	1062		11.76	0.15
Northern International Holdings Ltd	736	28.49		0.239
Oriental Explorer Holdings Ltd	430	14.29		0.048

Radford Capital Investment Ltd	901		10.94	0.114
Rivera (Holdings) Ltd	281	10.11		0.207
Same Time Holdings Ltd	451		10.42	1.72
Sino Prosper Holdings Ltd	766	14.08		0.81
Sun Innovation Holdings Ltd	547	13.82		2.80

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, the trading pattern was slightly different from that of the Main Board.

The Growth Enterprise Index – which is the only index of this speculative market – rose about 0.48 percent to 1,154.73 points on a Total Turnover of about \$HK152.34 million.

Gainers and losers were, exactly, equal, at One:One.

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

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)	Down 18.18 percent to \$HK0.405 per share
Q9 Technology Holdings Ltd (Code: 8129)	Up 100.00 percent to \$HK0.80 per share
SUNeVision Holdings Ltd (Code: 8008)	Up 4.43 percent to \$HK1.65 per share
TOM Online Incorporated (Code: 8282)	Up 5.04 percent to \$HK1.46 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 2.44 percent to \$HK0.80 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Photar Electronics Group Ltd	8220	48.39		0.23
Finet Group Ltd	8317	11.27		0.79
ITE (Holdings) Ltd	8092	19.05		0.05
Kanstar Environmental Paper Products Holdings Ltd	8011		18.18	0.405

New Universe International Group Ltd	8068	14.81		0.031
Panorama International Holdings Ltd	8173	40.00		0.063
Q9 Technology Holdings Ltd	8129	100.00		0.08
Universal Technologies Holdings Ltd	8091	12.86		0.158
Value Convergence Holdings Ltd	8101	40.91		1.55
Zhejiang Prospect Company Ltd	8273		14.00	0.86

In Japan, despite widespread jubilation among the royalists of the country over the fact that Princess Kiko had given birth to a baby boy, thus guaranteeing a male heir to succeed as the next emperor on the Chrysanthemum Throne, key indices on the country's 3 equity markets went into reverse gear.

On The Tokyo Stock Exchange, its TOPIX Index shed about 0.52 percent of its value, falling back to 1,642.82 points.

The ratio of losing counters to gaining ones was about 2.06:One.

The Nikkei-225 Stock Average shed about 0.62 percent, ending the trading day at 16,284.09 yen.

Signs pointed to more losses in the offing in the near term, at least.

And, on other Asian equity markets, this was how their respective key indices ended, last Wednesday night:

The HKSAR	Hang Seng Index Minus 1.03 percent to 17,258.51 The Growth Enterprise Index Plus 0.48 percent to 1,154.73
Indonesia	Plus 0.29 percent to 1,472.56
Japan	TOPIX Index Minus 0.52 percent to 1,642.82 Nikkei-255 Stock Average Minus 0.62 percent to 16,284.09
Malaysia	Minus 0.77 percent to 956.39
The Philippines	Plus 0.15 percent to 2,396.20
Singapore	Plus 0.27 percent to 2,526.53
South Korea	Minus 0.31 percent to 1,357.01

Taiwan	Minus 0.69 percent to 6,688.4
Thailand	Plus 0.12 percent to 701.96

Thursday

Share prices continued to fall on the world's largest equity markets, last Thursday, as more and more home builders painted a very negative picture of the US economy.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 74.76 points, or about 0.66 percent, falling to 11,331.44 points.

Over on The NASDAQ, its Composite Index gave up 12.55 points, equivalent to about 0.58 percent, ending the trading session at 2,155.29 points.

What spooked the market, to a great extent, was a plethora of news from home builders which let the world know that their Bottom Lines for 2006 would be reflecting the poor state of the US housing market.

Beazer Homes USA Incorporated, for instance, announced that it had cut its forecast for earning of its Current Financial, following higher-than-expected contract cancellations.

Beazer's share price fell to a one-year low of \$US37.33.

KB Home, another major US house builder, made a similar announcement to that of Beazer.

The volume of activity on both The New York Stock Exchange and The NASDAQ continued to decline, with the ratio of losers to gainers on The New York Stock Exchange, being about 2:One, while, in The NASDAQ, losers outpaced gainers by the ratio of about 1.80:One.

On The New York Mercantile Exchange (NYMEX), the retreat in the price of light sweet crude oil continued, albeit at a somewhat slower pace.

For October delivery, the last settlement for a barrel of light sweet crude oil was \$US67.32, down about 0.27 percent on the last settlement of Wednesday.

The last settlement for a barrel of light sweet crude oil for delivery in November came in at \$US68.50, representing a fall of about 0.29 percent on Wednesday's final quote of the day.

European investors continued to have the jitters, last Thursday, resulting in every key index of every major European bourse, falling to much lower levels:

Amsterdam's AEX Index	Minus 0.70 percent
France's CAC 40 Index	Minus 1.08 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.67 percent
Great Britain's FTSE 100 Index	Minus 1.20 percent
Italy's MIBTEL Index	Minus 0.62 percent
Switzerland's Swiss Market Index	Minus 0.59 percent

Once again, one heard strong suggestions that the spate of interest-rate increases in Europe and the US was far from being over.

Higher interest rates, invariably, mean lower profits for industrials, especially.

In addition, the falling price of crude oil, while being good news for most companies because it will, eventually, come to mean lower operating costs, at the same time, energy companies' profits will, sooner than later, be somewhat dented.

All but one of the key indices of Asian equity markets was written in red ink, last Thursday, with the losses on Japan's equity markets, leading the losers.

Asia follows Wall Street's antics, very closely.

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

The Hang Seng Index, which is the key index of The Stock Exchange of Hongkong Ltd, shed about 0.94 percent of its value, dropping to 17,096.44 points.

The Total Turnover was about \$HK29.73 billion, while the ratio of losing counters to gaining ones was about 1.94:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.85 percent to \$HK139.40 per share
PetroChina Company Ltd (Code: 857)	Down 1.41 percent to \$HK8.40 per share
China Mobile Ltd (Code: 941)	Down 1.06 percent to \$HK51.10 per share
CNOOC Ltd (Code: 883)	Down 2.87 percent to \$HK6.44 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.14 percent to \$HK14.28 per share
China Construction Bank Corporation (Code: 939)	Up 0.30 percent to \$HK3.40 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 1.03 percent to \$HK4.79 per share
Bank of China Ltd (Code: 3988)	Unchanged at \$HK3.39 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.14 percent to \$HK69.60 per share
INNOMAXX Biotechnology Group Ltd (Code: 340)	Down 10.45 percent to \$HK1.20 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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139 Holdings Ltd	139		12.86	0.305
Bright International Group Ltd	1163	11.11		0.80
Capital Estate Ltd	193		13.64	0.114
Carico Holdings Ltd	729	12.12		0.148
China Rich Holdings Ltd	1191		14.29	0.126
Fulbond Holdings Ltd	1041		10.00	0.018
HyComm Wireless Ltd	499	17.31		0.061
INNOMAXX Biotechnology Group Ltd	340		10.45	1.20
Jolimark Holdings Ltd	2028		10.34	1.04
Lo's Enviro-Pro Holdings Ltd	309	18.18		0.39
Magnum International Holdings Ltd	305	15.38		0.06
Mei Ah Entertainment Group Ltd	391	10.81		0.41
Nan Hai Corporation Ltd	680	12.50		0.054
New Island Printing Holdings Ltd	377	10.81		0.41
Quam Ltd	952	14.96		1.03
Rontex International Holdings Ltd	1142	14.29		0.024
Sky Hawk Computer Group Holdings Ltd	1129		18.75	0.065
Wing Shing International Holdings Ltd	850	14.81		0.465

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, there was very little movement in the lone index, during the entire trading day.

The Growth Enterprise Index ended the day at 1,154.21 points, down about 0.05 percent on Wednesday's closing level.

Losing counters outnumbered gaining ones by the ratio of about 1.51:One.

The Total Turnover on this speculative market was about \$HK164.26 million.

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

SUNeVision Holdings Ltd (Code: 8008) Up 20.61 percent to \$HK1.99 per share

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011) Up 4.94 percent to \$HK0.425 per share

TOM Online Incorporated (Code: 8282) Unchanged at \$HK1.46 per share

Galileo Capital Group Ltd (Code: 8029) Up 35.90 percent to \$HK0.265 per share

Golden Meditech Company Ltd (Code: 8180) Unchanged at \$HK1.89 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158		10.00	0.045
Everpride Biopharmaceutical Company Ltd	8019		26.67	0.022
Galileo Capital Group Ltd	8029	35.90		0.265
Global Link Communications Holdings Ltd	8060	20.00		0.06
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	11.67		0.67
Panorama International Holdings Ltd	8173		15.87	0.053
Proactive Technology Holdings Ltd	8089		20.00	0.04
Q9 Technology Holdings Ltd	8129		11.25	0.071
SUNeVision Holdings Ltd	8008	20.61		1.99
Sys Solutions Holdings Ltd	8182	11.11		0.05
SYSCAN Technology Holdings Ltd	8083	44.93		0.10

TeleEye Holdings Ltd	8051		21.43	0.066
Value Convergence Holdings Ltd	8101	12.90		1.75
Zhejiang Prospect Company Ltd	8273		15.12	0.73

In The Land of The Rising Sun, there was a major sell-off on the country's 3 equity markets.

On the premier stock market, The Tokyo Stock Exchange, its TOPIX Index shed about 1.79 percent of its value, dropping back to 1,613.46 points.

The ratio of losing counters to gaining ones was wide, at about 7.92:One.

The Nikkei-225 Stock Average followed suit with a fall of about 1.67 percent, ending the trading day at 16,012.41 yen.

The birth of the male heir to the Chrysanthemum Throne did not result in key indices on the country's equity markets to rise, contrary to previous expectations.

And this was how the key indices of other Asian equity markets fared, last Thursday:

The HKSAR	Hang Seng Index Minus 0.94 percent to 17,096.44 The Growth Enterprise Index Minus 0.05 percent to 1,154.21
Indonesia	Minus 0.14 percent to 1,470.47
Japan	TOPIX Index Minus 1.79 percent to 1,613.46 Nikkei-255 Stock Average Minus 1.67 percent to 16,012.41
Malaysia	Minus 0.06 percent to 955.85
The Philippines	Plus 0.38 percent to 2,405.25
Singapore	Minus 0.84 percent to 2,505.39
South Korea	Minus 0.43 percent to 1,351.17
Taiwan	Minus 0.05 percent to 6,685.23
Thailand	Minus 1.34 percent to 692.56

Friday

The US Federal Reserve confirmed that which everybody and his cat had suspected: Consumers are getting afraid to incur too much additional debt and are tightening their purse strings.

According to the latest statistics of The Fed for the month of July, consumer borrowing in The Land of The Free and The Home of The Brave slowed appreciably and, in fact, it stood at its slowest pace, going back to March, this year.

The Fed had expected consumer borrowing to rise to about \$US7.50 billion, but it came in at just \$US5.50 billion.

In June, consumer borrowing was about \$US14.11 billion.

On a happier note for the US economy, the price of crude oil continued to fall on international markets.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in October was \$US66.25, representing a fall of about 1.59 percent on Thursday's closing level.

For November delivery, the last settlement for a barrel of light sweet crude oil was \$US67.38, a fall of about 1.64 percent, compared with the last quote of Thursday.

For the black ooze, last Friday's rates were the lowest of the previous 5 months.

Ample inventories and the end of the US driving season, as the Americans call it, was the cause for the drop in the price of crude oil.

On the world's largest equity markets, last Friday saw a bit of a bounce-back, but it was relatively small and did little to wipe out the aggregate deficit of the week.

Also, trading was light, suggesting that the coming week could well see more losses.

The Dow Jones Industrial Average, the key index of The New York Stock Exchange, recorded a gain of about 0.54 percent to end the week at 11,392.11 points.

As for the NASDAQ, its Composite Index rose about 0.49 percent to 2,165.79 points.

For the 4-day working week, the tally for the world's biggest equity markets was:

The Dow Jones Industrial Average	Minus 0.63 percent
The NASDAQ's Composite Index	Minus 1.25 percent

In Europe, key indices of major bourses put on a small show of strength, but it, as with the US equity markets mild gains, was not suggestive of the tide, being turned.

The gains in Europe were of a fractional nature, only:

Amsterdam's AEX Index	Plus 0.21 percent
France's CAC 40 Index	Plus 0.26 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.37 percent
Great Britain's FTSE 100 Index	Plus 0.36 percent
Italy's MIBTEL Index	Plus 0.47 percent

Switzerland's Swiss Market Index Plus 0.55 percent

In Asia, generally, things looked a little bit more positive for the most-important stock markets, but, for the most part, the gains were totally unconvincing.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), once again one saw the volume of activity on the premier equity market rise, but the key index hardly moved throughout the entire trading day.

This is not indicative of a rising market.

On the Main Board of The Stock Exchange of Hongkong Ltd, its Hang Seng Index rose about 0.29 percent to 17,145.76 points.

The Total Turnover was about \$HK30.83 billion.

Even though the key index was in the black by the close of the day, losing counters outnumbered gaining ones by the ratio of about 1.17:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.50 percent to \$HK138.70 per share
China Construction Bank Corporation (Code: 939)	Up 0.59 percent to \$HK3.42 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 2.04 percent to \$HK54.95 per share
Foxconn International Holdings Ltd (Code: 2038)	Up 2.22 percent to \$HK23.05 per share
PetroChina Company Ltd (Code: 857)	Up 0.24 percent to \$HK8.42 per share
China Mobile Ltd (Code: 941)	Up 1.37 percent to \$HK51.80 per share
Bank of China Ltd (Code: 3988)	Up 0.30 percent to \$HK3.40 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.14 percent to \$HK14.30 per share
CNOOC Ltd (Code: 883)	Up 0.93 percent to \$HK6.50 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 0.63 percent to \$HK4.76 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Berjaya Holdings (Hongkong) Ltd	288		12.50	0.07

Build King Holdings Ltd	240	22.09		0.21
China Fair Land Holdings Ltd	169	25.81		0.39
China Ting Group Holdings Ltd	3398	10.71		1.86
Co-Prosperity Holdings Ltd	707	13.11		0.69
Datronix Holdings Ltd	889	31.06		1.73
Fortune Sun (China) Holdings Ltd	352		10.00	0.72
Fulbond Holdings Ltd	1041	11.11		0.02
IDT International Ltd	167	10.13		0.435
Magnum International Holdings Ltd	305		21.67	0.047
Peaktop International Holdings Ltd	925		11.63	0.076
Regent Pacific Group Ltd	575	31.15		0.40
Sky Hawk Computer Group Holdings Ltd	1129	32.31		0.086
Suga International Holdings Ltd	912	11.11		0.50
V.S. International Group Ltd	1002	10.29		0.375
Wing Hong (Holdings) Ltd	745		12.50	0.028

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

The Growth Enterprise Index plunged about 1.70 percent to 1,134.56 points on a Total Turnover of about \$HK133.51 million.

Losing counters were ahead of gaining ones by the ratio of about 1.29:One.

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

TOM Online Incorporated (Code: 8282)

Down 8.22 percent to
\$HK1.34 per share

SUNeVision Holdings Ltd (Code: 8008)

Down 4.02 percent to
\$HK1.91 per share

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)

Down 7.06 percent to
\$HK0.395 per share

Century Sunshine Ecological Technology Holdings Ltd (Code: 8276)

Down 0.22 percent to
\$HK4.52 per share

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

Up 1.63 percent to \$HK5.00
per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Armitage Technologies Holding Ltd	8213		15.38	0.033
Everpride Biopharmaceutical Company Ltd	8019	13.64		0.025
Galileo Capital Group Ltd	8029	11.32		0.295
IIN International Ltd	8128		15.15	0.028
iMerchants Ltd	8009	10.00		1.10
Soluteck Holdings Ltd	8111	16.28		0.05
SYSCAN Technology Holdings Ltd	8083		11.00	0.089
TeleEye Holdings Ltd	8051	54.55		0.102
Thiz Technology Group Ltd	8119	61.76		0.055
Value Convergence Holdings Ltd	8101		10.86	1.56

For the week, ended September 8, 2006, the tally for the 2 equity markets of the HKSAR was:

The Hang Seng Index	Minus 1.60 percent
The Growth Enterprise Index	Minus 2.02 percent

In Japan, The Bank of Japan determined to leave interest rates unchanged at 0.25 percent.

But it did little to allay the fears of Japanese investors that the US economy would continue to contract and that, somewhere in the near future, Japan's economy would feel the back-lash.

Trading was light on the country's 3 equity markets.

On The Tokyo Stock Exchange, its TOPIX Index gained about 0.40 percent, limping to 1,619.92 points.

Advancing counters outnumbered declining ones by the ratio of about 1.73:One.

The Nikkei-225 Stock Average rose about 0.42 percent to 16,080.46 yen.

The tally for Asia's largest and most-important equity markets was:

The TOPIX Index	Minus 0.82 percent
The Nikkei-225 Stock Average	Minus 0.33 percent

And this was how the situation looked on other Asian equity markets, last Friday:

The HKSAR	Hang Seng Index Plus 0.29 percent to 17,145.76 The Growth Enterprise Index Minus 1.70 percent to 1,134.56
Indonesia	Minus 0.26 percent to 1,466.58
Japan	TOPIX Index Plus 0.40 percent to 1,619.92 Nikkei-255 Stock Average Plus 0.42 percent to 16,080.46
Malaysia	Plus 0.09 percent to 956.70
The Philippines	Minus 1.13 percent to 2,378.04
Singapore	Plus 0.19 percent to 2,510.14
South Korea	Plus 0.28 percent to 1,354.89
Taiwan	Plus 0.12 percent to 6,693.11
Thailand	Minus 0.01 percent to 692.46

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