

**U.S. EQUITY MARKETS' KEY INDICES HEAD INTO
THE STRATOSPHERE AS CRUDE-OIL PRICES FALL WITH A THUD**

Trading on the world's largest equity and commodity markets started off quietly, last Monday.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 25.48 points, or about 0.21 percent, ending the trading day at 12,423.49 points.

On The NASDAQ, its Composite Index managed a gain of 3.95 points, equivalent to about 0.16 percent, rising to 2,438.20 points.

There, really, was little to stimulate trading on the world's largest equity market ... and so key indices just drifted.

The President of the United States, Mr George W. Bush, was scheduled to explain his new strategy for the deployment of US troops in both Afghanistan and Iraq on the coming Thursday (January 11, 2006) and so there was some apprehension as to the content of the President's speech.

The US Congress has threatened to be tough on funding should the President argue that more troops are needed in the troubled areas of the world where the US is, presently, engaged in military conflicts.

On the world's commodity markets, eyes were, once again, focused on crude oil, but movements in the price of that strategic commodity was, also, muted.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US56.09, down 0.39 percent, exactly, compared with the last settlement of Friday, January 5, 2006.

As for delivery in March, the last settlement was \$US57.36 per barrel of light sweet crude oil, representing a fall of about 0.05 percent on the last quote of the previous Friday.

Fractional movements of the key indices of the most-important bourses in Europe were the norm, last Monday, as investors waited to see which way the investment winds would blow when Wall Street got into its stride, later in the week.

The following is how the key indices of Europe's biggest bourses fared, last Monday:

Amsterdam's AEX Index	Minus 0.25 percent
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France's CAC 40 Index	Plus 0.02 percent
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Germany's Frankfurt XETRA DAX Index	Plus 0.21 percent
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Great Britain's FTSE 100 Index	Minus 0.41 percent
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Italy's MIBTEL Index Minus 0.15 percent

Switzerland's Swiss Market Index Minus 0.56 percent

With the exception of the Thai equity market, all Asian stock markets saw widespread selling, resulting in key indices falling, some materially.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 stocks markets lost ground on relatively high volumes of activity.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, shed about 0.90 percent of its value, dropping back to 20,029.66 points.

The Total Turnover was about \$HK60.58 billion; and, the ratio of declining counters to advancing ones was 1.59:One, exactly.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628) Up 2.87 percent to \$HK26.85 per share

HSBC Holdings plc (Code: 5) Down 0.84 percent to \$HK142.20 per share

Industrial and Commercial Bank of China Ltd (Code: 1398) Down 3.43 percent to \$HK4.78 per share

China Construction Bank Corporation (Code: 939) Down 3.36 percent to \$HK4.89 per share

Bank of China Ltd (Code: 3988) Down 3.01 percent to \$HK4.19 per share

Sun Hung Kai Properties Ltd (Code: 16) Down 0.31 percent to \$HK95.90 per share

China Communications Construction Company Ltd (Code: 1800) Up 3.09 percent to \$HK8.34 per share

Ping An Insurance (Group) Company of China Ltd (Code: 2318) Up 4.53 percent to \$HK41.50 per share

Cheung Kong (Holdings) Ltd (Code: 1) Up 3.30 percent to \$HK103.30 per share

PetroChina Company Ltd (Code: 857) Down 2.49 percent to \$HK10.20 per share

Of the 38, double-digit movers of the Main Board, last Monday, 29 of their number witnessed their share prices gain 10 percent or more while the remaining 9, double-digit movers saw their share prices retreat by 10 percent or more.

Compass Pacific Holdings Ltd (Code: 1188) was the biggest gainer of the Main Board as investors pushed up its share price by 32.53 percent to 11 cents.

Asia Resources Holdings Ltd (Code: 899) was the biggest, Main Board loser of the day as its share price fell

to 32.50 cents, down about 19.75 percent on the previous Friday's closing level.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, the situation was similar to that which had taken place on the Main Board.

The Growth Enterprise Index gave up about 0.94 percent of its value, falling to 1,215.89 points on a Total Turnover of about \$HK138.39 million.

Losing counters outnumbered gaining ones by the ratio of 1.39:One, exactly.

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

Golden Meditech Company Ltd (Code: 8180) Down 2.85 percent to \$HK3.07 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Up 4.45 percent to \$HK3.99 per share

China LotSynergy Holdings Ltd (Code: 8161) Down 1.16 percent to \$HK1.71 per share

Tong Ren Tang Technologies Company Ltd (Code: 8069) Up 4.17 percent to \$HK13.50 per share

Town Health International Holdings Company Ltd (Code: 8138) Down 1.48 percent to \$HK0.20 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	33.33		0.10
Capinfo Company Ltd	8157	17.14		0.123
Changmao Biochemical Engineering Company Ltd	8208	11.63		2.40
Everpride Biopharmaceutical Company Ltd	8019	16.67		0.07
Global Digital Creations Holdings Ltd	8271	17.65		0.26
Golife Concepts Holdings Ltd	8172	13.21		0.06
International Entertainment Corporation	8118	14.06		4.30
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		12.50	0.14
Long Success International (Holdings) Ltd	8017		12.00	0.44

Recruit Holdings Ltd	8073	10.53	1.02
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The equity markets of Japan were closed for a national holiday, last Monday.

This was how investors, locked into other Asian equity markets, saw the situation, last Monday night:

The HKSAR	Hang Seng Index Minus 0.90 percent to 20,029.66 The Growth Enterprise Index Minus 0.94 percent to 1,215.89
Indonesia	Minus 1.05 percent to 1,813.39
Japan	TOPIX Index Closed Nikkei-225 Stock Average Closed
Malaysia	Minus 0.66 percent to 1,113.02
The Philippines	Minus 1.47 percent to 2,952.32
Singapore	Minus 0.96 percent to 3,000.00
South Korea	Minus 1.08 percent to 1,370.81
Taiwan	Minus 1.26 percent to 7,736.71
Thailand	Plus 0.90 percent to 633.82

Tuesday

To the delight, no doubt, of corporate America, the price of crude oil on international commodity exchanges fell to their lowest levels in the past 18 months.

Warmer weather in many parts of the US and high inventory levels of both crude oil and petroleum products were given as reasons for the fall off in the price of the black ooze.

On the New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US55.64, down 0.80 percent, exactly, on Monday's last quote.

As for delivery in March, the last settlement came in at \$US56.74 per barrel of light sweet crude oil, representing a one-day fall of 1.08 percent, exactly.

On The New York Stock Exchange, the situation was little changed from Monday's lacklustre market.

The Dow Jones Industrial Average fell 6.89 points, or about 0.06 percent, ending the trading day at 12,416.60 points.

Over on The NASDAQ, its Composite Index ended the day at 2,443.83 points, representing an advance on Monday's close of about 0.23 percent.

Weighing hard on the largest equity markets of the world was the selling of energy counters in line with the fall-off in the international price of crude oil.

While most of the key indices of the major bourses of Europe were written in black ink, last Tuesday, the gains were all of small fractions.

This is indicative of an equity market on the verge of a major correction.

The following is **TARGET**'s list of the major European bourses and how their respective key indices fared, last Tuesday:

Amsterdam's AEX Index	Plus	0.62 percent
France's CAC 40 Index	Plus	0.26 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.10 percent
Great Britain's FTSE 100 Index	Plus	0.03 percent
Italy's MIBTEL Index	Plus	0.16 percent
Switzerland's Swiss Market Index	Plus	0.26 percent

Once again, it was seen that energy stocks, listed on major European equity markets, were under extreme pressure as the price of crude oil continued to fall on world markets.

In Asia, Thailand, Indonesia and the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) saw their key indices tumble, for one reason or another.

The other equity markets' key indices were all in the black, but only just.

On the Main Board of The Stock Exchange of Hongkong Ltd, its Hang Seng Index gave up about 0.66 percent of its value, falling to 19,898.08 points on a Total Turnover of about \$HK62.71 billion.

The ratio of losing counters to gaining ones was about 1.72:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628)	Down 4.66 percent to \$HK25.60 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 2.09 percent to \$HK4.68 per share
HSBC Holdings plc (Code: 5)	Down 0.49 percent to \$HK141.50 per share
China Construction Bank Corporation (Code: 939)	Down 3.48 percent to \$HK4.72 per share

Bank of China Ltd (Code: 3988) Down 2.39 percent to \$HK4.09 per share

China Mobile Ltd (Code: 941) Down 2.06 percent to \$HK66.45 per share

China Communications Construction Company Ltd
(Code: 1800) Down 3.24 percent to \$HK8.07 per share

China Petroleum and Chemical Corporation (Code:
386) Up 1.68 percent to \$HK7.25 per share

Sun Hung Kai Properties Ltd (Code: 16) Down 1.88 percent to \$HK94.10 per share

Ping An Insurance (Group) Company of China Ltd
(Code: 2318) Down 4.34 percent to \$HK39.70 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)
Air China Ltd	753	12.04		5.49
Asia Resources Holdings Ltd	899	12.31		0.365
Beijing Development (Hongkong) Ltd	154		11.74	2.03
Benefun International Holdings Ltd	1130	16.42		0.078
China Rich Holdings Ltd	1191	11.54		0.145
Ching Hing (Holdings) Ltd	692	12.50		0.09
Chongqing Iron and Steel Company Ltd	1053	17.51		2.55
Chuang's China Investments Ltd	298	11.49		0.485
Everest International Investments Ltd	204	10.00		0.055
Fountain Set (Holdings) Ltd	420	19.55		2.63
Golden Dragon Group (Holdings) Ltd	329	12.59		1.52
Grand Field Group Holdings Ltd	115	18.28		0.11
Guangnan (Holdings) Ltd	1203	11.85		1.51

The Hongkong Building and Loan Agency Ltd	145	16.98		1.24
Kwong Hing International Holdings (Bermuda) Ltd	1131	14.52		0.213
MACRO-LINK International Holdings Ltd	472	10.26		0.43
Midas International Holdings Ltd	1172	10.77		0.36
Omnicorp Ltd	94	10.00		0.33
Orient Resources Group Company Ltd	467	42.31		0.74
Qin Jia Yuan Media Services Company Ltd	2366	11.58		2.10
Signal Media and Communications Holdings Ltd	2362		10.13	0.142
Sunlink International Holdings Ltd	2336	26.09		0.29
Sunway International Holdings Ltd	58	24.19		0.385
Tack Hsin Holdings Ltd	611		19.74	0.305
Venture International Investment Holdings Ltd	61	10.56		0.157
Wang Sing International Holdings Group Ltd	2389		10.00	0.18
Yanion International Holdings Ltd	82	18.32		2.26
ZZNode Technologies Company Ltd	2371	12.36		0.50

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.18 percent to 1,218.04 points on a Total Turnover of about \$HK163.45 million.

Declining counters outnumbered advancing ones by the ratio of about 1.22:One.

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

Golden Meditech Company Ltd (Code: 8180) Down 2.28 percent to \$HK3.00 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Up 6.52 percent to \$HK4.25 per share

Proactive Technology Holdings Ltd (Code: 8089) Up 16.00 percent to \$HK1.16 per share

China.com Incorporated (Code: 8006) Up 3.03 percent to \$HK0.51 per share

Tong Ren Tang Technologies Company Ltd (Code: 8069)

Unchanged at \$HK13.50 per share

The biggest GEM movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Armitage Technologies Holding Ltd	8213		10.00	0.09
China Leason Investment Group Company Ltd	8270	13.33		0.136
DIGITALHONGKONG.COM	8007		15.15	0.14
First Mobile Group Holdings Ltd	8110	14.68		0.125
Galileo Capital Group Ltd	8029	12.50		0.315
Global Digital Creations Holdings Ltd	8271		10.77	0.232
Medical China Ltd	8186		11.25	0.071
New Universe International Group Ltd	8068		20.00	0.16
Proactive Technology Holdings Ltd	8089	16.00		1.16
Tiger Tech Holdings Ltd	8046		10.00	0.036
Yuxing InfoTech Holdings Ltd	8005	17.65		2.00
Zheda Lande Scitech Ltd	8106		10.53	0.17

In Japan, it was the first trading day of the week, Monday, having been a national holiday.

On The Tokyo Stock Exchange, its TOPIX Index rose one percent, exactly, to end the day at 1,692.12 points in moderate activity.

Advancing counters outnumbered declining ones by the ratio of about 3.43:One.

The Nikkei-225 Stock Average managed a gain of about 0.86 percent, rising to 17,237.77 yen.

News Wise

- **Citibank** has announced that it would be closing 270 finance branches and 100 loan machines in Japan;
- **Japan Airlines Corporation** is planning to cull its workforce by about 5 percent, that figure, representing about 3,000 of its existing workers, which number some 56,000 employees, today; and,
- The **Financial Services Agency (FSA)** has hit **Nikko Cordial Corporation** with an historically high

fine of 500 million yen. The FSA confirmed that the company, a major brokerage firm in Japan, had been padding its profits. Nikko Cordial has applied to **Mizuho Corporate Bank** and other financial institutions for bridge financing.

In other Asian stock markets, this was how the situation looked, last Tuesday night:

The HKSAR	Hang Seng Index Minus 0.66 percent to 19,898.08 The Growth Enterprise Index Plus 0.18 percent to 1,218.04
Indonesia	Minus 1.79 percent to 1,780.88
Japan	TOPIX Index Plus 1.00 percent to 1,692.12 Nikkei-225 Stock Average Plus 0.86 percent to 17,237.77
Malaysia	Plus 0.53 percent to 1,118.96
The Philippines	Plus 0.68 percent to 2,972.32
Singapore	Plus 0.28 percent to 3,008.35
South Korea	Plus 0.26 percent to 1,374.34
Taiwan	Plus 0.69 percent to 7,790.01
Thailand	Minus 2.69 percent to 616.75

Wednesday

Energy counters continued to be bombarded with selling orders on the world's equity markets, last Wednesday, as the price of crude oil hit a level that had not seen since June 10, 2005.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US54.02, down about 2.91 percent on Tuesday's closing price.

As for delivery in March, the last settlement was \$US54.96 per barrel of light sweet crude oil, representing a one-day drop of about 3.14 percent.

Many energy companies announced that they fully expected their profits to be hit hard by the reduced price of crude oil on international markets.

On The New York Stock Exchange, its Dow Jones Industrial Average rose about 0.21 percent to end the trading session at 12,442.16 points.

The NASDAQ's Composite Index was up 15.50 points, or about 0.63 percent, running up to 2,459.33

points.

Gaining counters outnumbered losing ones by the slim ratio of 1.06:One on The New York Stock Exchange and by about 1.07:One on The NASDAQ.

President George W. Bush was scheduled to give a televised address to the American people, explaining his new programme to win the war in Iraq.

It was generally expected that this address would include the redeployment of at least another 20,000, US combat-ready troops to join the existing 132,000 combat-weary troops, already in the Middle Eastern country where death and destruction was a daily occurrence.

In Europe, as had been expected, there was a bit of a concerted sell-off on major bourses as the following **TARGET** () list illustrates:

Amsterdam's AEX Index	Minus 0.68 percent
France's CAC 40 Index	Minus 0.56 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.72 percent
Great Britain's FTSE 100 Index	Minus 0.57 percent
Italy's MIBTEL Index	Minus 0.42 percent
Switzerland's Swiss Market Index	Minus 0.13 percent

With crude-oil prices, standing at 19-month lows, it was hardly any wonder that the key indices of major European bourses would come under pressure because Europe's most-important equity markets are studded with energy counters.

In Asia, with the lone exception of the Thai equity markets, it was sellers who dominated stock markets, causing many of them to lose very material amounts of their values.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors were given a bit of a shock as both of the equity markets of the territory suffered major losses.

On the Main Board of The Stock Exchange of Hongkong Ltd, its Hang Seng Index was forced to surrender about 1.66 percent of its value, falling back to 19,568.34 points.

The Total Turnover was about \$HK64.03 billion.

Losing counters outpaced gaining ones by the ratio of about 3.24:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Down 6.84 percent to \$HK23.85 per share
HSBC Holdings plc (Code: 5)	Down 0.99 percent to \$HK140.10 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.07 percent to \$HK4.63 per share

China Construction Bank Corporation (Code: 939) Down 0.85 percent to \$HK4.68 per share

PetroChina Company Ltd (Code: 857) Down 2.83 percent to \$HK9.95 per share

Bank of China Ltd (Code: 3988) Down 2.45 percent to \$HK3.99 per share

China Mobile Ltd (Code: 941) Down 1.50 percent to \$HK65.45 per share

China Petroleum and Chemical Corporation (Code: 386) Down 5.52 percent to \$HK6.85 per share

China Merchants Bank Company Ltd (Code: 3968) Up 2.83 percent to \$HK16.70 per share

Hutchison Whampoa Ltd (Code: 13) Down 0.88 percent to \$HK78.60 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Merchants China Direct Investments Ltd	133		13.60	16.90
China Rich Holdings Ltd	1191	20.69		0.175
Chinney Alliance Group Ltd	385	11.36		0.245
Hi Sun Technology (China) Ltd	818	10.34		2.56
Hongkong Parkview Group Ltd, The	207	16.67		0.105
Hongkong Pharmaceutical Holdings Ltd	182	10.73		0.227
Hop Hing Holdings Ltd	47		10.00	0.315
Hualing Holdings Ltd	382	10.14		0.38
Magnum International Holdings Ltd	305	15.91		1.02
New Times Group Holdings Ltd	166		11.36	0.39
ONFEM Holdings Ltd	230	10.64		0.52
Oriental Explorer Holdings Ltd	430		14.81	0.046

Rising Development Holdings Ltd	1004	20.63		0.38
Sino Union Petroleum and Chemical International Ltd	346	36.67		0.41
Takson Holdings Ltd	918		15.38	0.33
Theme International Holdings Ltd	990		10.34	0.026
Tongda Group Holdings Ltd	698	12.28		0.64
Yanion International Holdings Ltd	82		10.62	2.02
Yunnan Enterprises Holdings Ltd	455		10.53	0.425

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index shed about 0.67 percent of its value, falling to 1,209.83 points on a Total Turnover of about \$HK200.87 million.

The ratio of losing counters to gaining ones was about 2.13:One.

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

Golden Meditech Company Ltd (Code: 8180) Up 0.33 percent to \$HK3.01 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Up 5.65 percent to \$HK4.49 per share

Shandong Weigao Group Medical Polymer Company Ltd (Code: 8199) Down 1.51 percent to \$HK8.48 per share

MegaInfo Holdings Ltd (Code: 8279) Up 4.17 percent to \$HK1.75 per share

Proactive Technology Holdings Ltd (Code: 8089) Up 4.31 percent to \$HK1.21 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	16.67		0.07
Armitage Technologies Holding Ltd	8213		20.00	0.072
CCID Consulting Company Ltd	8235		15.00	0.085
China Primary Resources Holdings Ltd	8117	11.27		0.395

CMA Logistics Company Ltd	8217	12.18		3.50
Era Information and Entertainment Ltd	8043		36.67	0.038
Glory Future Group Ltd	8071	33.33		0.16
Long Success International (Holdings) Ltd	8017		10.23	0.395
North Asia Strategic Holdings Ltd	8080		12.24	0.43
New Universe International Group Ltd	8068		14.38	0.137
Prosten Technology Holdings Ltd	8026		25.00	0.30
Sino Haijing Holdings Ltd	8065	13.33		0.068
Yuxing InfoTech Holdings Ltd	8005		10.00	1.80

In Japan, investors bailed out of stocks and shares – in a hurry.

On The Tokyo Stock Exchange, it TOPIX Index lost 29.12 points, equivalent to about 1.72 percent, ending the day at 1,663.00 points.

Losing counters outnumbered gaining ones by the wide margin of about 7.83:One.

The Nikkei-225 Stock Average shed 295.37 yen, or about 1.71 percent, falling back to 16,942.40 yen.

News Wise

- **McDonald's Holdings Company (Japan)** has announced that sales in calendar 2006 hit a record high of 441.50 billion yen. The company operates 3,828 restaurants in Japan and these outlets are open 24 hours per day; and,
- **Mizuho Securities Company** and **Shinko Securities Company** will merge their operations in order to form Japan's third-largest brokerage house. The merger will become effective on January 1, 2008, it was announced.

In other parts of Asia, this was how the situation looked on major equity markets at the close of their respective trading days:

The HKSAR	Hang Seng Index Minus 1.66 percent to 19,568.34 The Growth Enterprise Index Minus 0.67 percent to 1,209.83
Indonesia	Minus 3.96 percent to 1,710.37
Japan	TOPIX Index Minus 1.72 percent to 1,663.00 Nikkei-225 Stock Average Minus 1.71 percent to 16,942.40

Malaysia	Minus 0.52 percent to 1,113.19
The Philippines	Minus 0.71 percent to 2,951.08
Singapore	Minus 1.57 percent to 2,961.15
South Korea	Minus 1.35 percent to 1,355.79
Taiwan	Minus 1.17 percent to 7,698.52
Thailand	Plus 0.90 percent to 622.27

Thursday

The cat was among the pigeons, last Thursday.

US President George W. Bush announced that he intends to send another contingent of 21,500 US troops to Iraq.

Congress was up in arms (excuse the pun).

Democrats want a phased withdrawal of all US troops from Iraq and so, without hesitation, they attacked the President's plan, en masse.

Peace activists in the US threatened definitive action, immediately.

In Iraq, US forces stormed the representative offices of the Iran Government and took 5 employees as prisoners.

The employees included diplomats and staff, it was reported.

The idea of this raid was to halt the flow of assistance to Iraqi-based insurgents.

Wall Street had been prepared for the President's call to arms and shrugged off the political turmoil on Capitol Hill, which was sure to follow the President's determination to send more troops to the troubled area of the Middle East in order to bolster the 132,000 US troops, already there, troops who are losing the battle for peace in Iraq.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 72.82 points, or about 0.59 percent, to end the day's trading session at 12,514.98 points.

For The Dow, it was a record high.

Over on The NASDAQ, its Composite Index followed The Dow's lead, putting on 25.52 points, equivalent to about 1.04 percent as investors pushed it to 2,484.85 points.

Advancing counters were way ahead of declining ones by the ratio of about 2.40:One on The New York Stock Exchange and by about 2:One on The NASDAQ.

Pumping up share prices on the world's largest equity markets was news of another decided fall in the price of crude oil on international commodity exchanges.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US51.88, down about 3.96 percent on Wednesday's closing level.

For delivery in March, the last settlement was about \$US52.84 per barrel of light sweet crude oil, representing a one-day fall of about 3.86 percent on the last settlement of Wednesday.

As at last Thursday night, the price of a barrel of light sweet crude oil for the front month (February) had dropped by nearly 8 percent in a period of 4 trading days.

In Europe, The European Central Bank (ECB) decided to leave interest rates unchanged, but The Bank of England, the Central Bank of the United Kingdom, determined to raise interest rates.

The Bank of England raised its key interest rate by 25 basis points to 5.25 percent in an effort to control inflation in the country.

The Bank of England's Monetary Policy Committee said that it expected consumer inflation to rise even further in the near future.

The ECB, in contrast to The Bank of England, put out the following statement:

'At today's meeting, the Governing Council of the ECB decided that the minimum bid rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 3.50%, 4.50% and 2.50%, respectively.'

For European investors, it was good news and bad news because the United Kingdom is, still, a major economic force in the European Union.

What is quite likely to happen in the United Kingdom in the near future is that the price for houses will come off, perhaps sharply, due to the higher cost of money and mortgage costs, with higher lending costs on the cards.

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

Amsterdam's AEX Index	Plus	1.55 percent
France's CAC 40 Index	Plus	1.96 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.83 percent
Great Britain's FTSE 100 Index	Plus	1.12 percent
Italy's MIBTEL Index	Plus	1.27 percent
Switzerland's Swiss Market Index	Plus	1.42 percent

In Asia, the key indices of 6 of the major equity markets in the region lost appreciable amounts of their respective values as investors, obviously, started to be extremely apprehensive as to the near-term future of equities.

This followed a strengthening of the renminbi vis-à-vis the Hongkong dollar: It stood at about One:One, last Thursday night.

The stronger renminbi will mean that exports of goods from the People's Republic of China (PRC) will, in terms of the US dollar, which is linked to the Hongkong dollar, become more expensive.

This will, of course, have an impact on the economy of the Hongkong Special Administrative Region (HKSAR) of the PRC, as well as the Macau Special Administrative Region (MSAR) of the PRC.

Further, it is highly likely that the renminbi will strengthen further against the Hongkong dollar and the US dollar in the coming months.

In the HKSAR, investors sold scrip on the news, uncertain as to what the appreciating value of the renminbi would have on the overall economy of the territory.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost about 0.94 percent, falling back to 19,385.37 points on a Total Turnover of about \$HK55.92 billion.

The ratio of losing counters to gaining ones was about 2.23:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Down 3.56 percent to \$HK23.00 per share
HSBC Holdings plc (Code: 5)	Down 0.79 percent to \$HK139.00 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.51 percent to \$HK4.56 per share
China Construction Bank Corporation (Code: 939)	Down 0.21 percent to \$HK4.67 per share
Bank of China Ltd (Code: 3988)	Down 0.75 percent to \$HK3.96 per share
PetroChina Company Ltd (Code: 857)	Down 1.61 percent to \$HK9.79 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 4.82 percent to \$HK6.52 per share
China Mobile Ltd (Code: 941)	Down 1.15 percent to \$HK64.70 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.15 percent to \$HK77.70 per share
Ping An Insurance (Group) Company of China Ltd (Code: 2318)	Down 2.89 percent to \$HK36.90 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Seven Star Shopping Ltd	245	16.41		0.227
China Velocity Group Ltd	149		16.84	0.79

City Telecom (Hongkong) Ltd	1137	17.89		1.12
Compass Pacific Holdings Ltd	1188		18.18	0.09
Grand Field Group Holdings Ltd	115	13.79		0.132
Hi Sun Technology (China) Ltd	818	12.11		2.87
The Hongkong Parkview Group Ltd	207	566.67		0.70
Hua Han Bio-Pharmaceutical Holdings Ltd	587	11.37		2.35
Jinhui Holdings Company Ltd	137	13.52		3.19
Magician Industries (Holdings) Ltd	526	10.74		0.134
Ming Pao Enterprise Corporation Ltd	685	14.81		1.55
Oriental Explorer Holdings Ltd	430	17.39		0.054
Radford Capital Investment Ltd	901	13.21		0.06
Sino Technology Investments Company Ltd	1217		18.67	0.061
Sino Union Petroleum and Chemical International Ltd	346	58.54		0.65
Sun East Technology (Holdings) Ltd	365	27.07		0.23
Sunlink International Holdings Ltd	2336	33.33		0.40
Takson Holdings Ltd	918	12.12		0.37
Tidetime Sun (Group) Ltd	307	10.40		0.138
Universe International Holdings Ltd	1046	15.12		0.099
Van Shung Chong Holdings Ltd	1001	14.29		1.12
Vitop Bioenergy Holdings Ltd	1178		12.12	0.087
Wing Shing International Holdings Ltd	850	16.00		0.58

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, known as The Growth Enterprise Index, rose by 0.008 percent to 1,209.93 points.

The volume of activity on this highly speculative market was about \$HK157.50 million.

Gaining counters outnumbered losing ones by the ratio of about 1.39:One.

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

Proactive Technology Holdings Ltd (Code: 8089) Up 42.15 percent to \$HK1.72 per share

Golden Meditech Company Ltd (Code: 8180) Up 1.33 percent to \$HK3.05 per share

Yuxing InfoTech Holdings Ltd (Code: 8005) Up 16.11 percent to \$HK2.09 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Down 1.34 percent to \$HK4.43 per share

Century Sunshine Ecological Technology Holdings Ltd (Code: 8276) Down 1.44 percent to \$HK1.37 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	30.00		0.091
Aptus Holdings Ltd	8212	10.34		1.60
Argos Enterprise (Holdings) Ltd	8022		10.53	0.17
BIG Media Group Ltd	8167		10.20	0.176
CCID Consulting Company Ltd	8235	16.47		0.099
China Leason Investment Group Company Ltd	8270	12.86		0.158
DeTeam Company Ltd	8112	15.00		0.92
Era Information and Entertainment Ltd	8043	23.68		0.047
EVI Education Asia Ltd	8090	12.50		0.045
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231	18.00		0.295
Glory Future Group Ltd	8071	31.25		0.21
Jessica Publications Ltd	8137		10.00	0.09

Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	10.34		0.16
Long Success International (Holdings) Ltd	8017	12.66		0.445
North Asia Strategic Holdings Ltd	8080	10.47		0.475
Proactive Technology Holdings Ltd	8089	42.15		1.72
Prosten Technology Holdings Ltd	8026	16.67		0.35
Qianlong Technology International Holdings Ltd	8015	25.00		0.25
Tai Shing International (Holdings) Ltd	8103		12.09	0.80
Yuxing InfoTech Holdings Ltd	8005	16.11		2.09
Zheda Lande Scitech Ltd	8106	12.50		0.18

In Japan, it was losers, all round, on the country's 3 equity markets.

The TOPIX Index, which is the key index of The Tokyo Stock Exchange, lost about 0.38 percent of its value, dropping back to 1,656.72 points.

Declining counters outpaced advancing ones by the ratio of about 1.19:One.

As for The Nikkei-225 Stock Average, it gave up about 0.62 percent of its value, ending the trading day at 16,838.17 yen.

This was how things looked on other Asian equity markets, last Thursday night:

The HKSAR	Hang Seng Index Minus 0.94 percent to 19,385.37 The Growth Enterprise Index Plus 0.01 percent to 1,209.93
Indonesia	Minus 0.38 percent to 1,703.84
Japan	TOPIX Index Minus 0.38 percent to 1,656.72 Nikkei-225 Stock Average Minus 0.62 percent to 16,838.17
Malaysia	Minus 0.64 percent to 1,106.06
The Philippines	Minus 0.37 percent to 2,940.16

Singapore	Plus 0.29 percent to 2,969.69
South Korea	Plus 0.70 percent to 1,365.31
Taiwan	Minus 1.04 percent to 7,618.55
Thailand	Plus 2.47 percent to 637.63

Friday

The volume of activity on US equity markets was restrained, last Friday, nevertheless, for NASDAQ's Composite Index, it hit a new, 6-year high, while the key index of The New York Stock Exchange hit an all-time high.

Investors in the US appeared to be backing technology counters to the detriment of industrials and bread-and-butter stocks.

On The New York Stock Exchange, the Dow Jones Industrial Average rose one third of a percentage point, exactly, ending the week at 12,556.08 points.

It was the highest level for The Dow – ever.

As for The NASDAQ's Composite Index, it rose about 0.72 percent to end the week at 2,502.82 points, a 6-year high.

It is, possible, of course, that since today (January 15, 2007) is a public holiday in the US – it is known as Martin Luther King Junior Day – US investors were taking a flyer on what might happen over the long, weekend holiday.

Whatever might have been the reason, or reasons, investors appeared to be happy to learn that the tally for the week was:

The Dow Jones Industrial Average	Plus 1.28 percent
The NASDAQ's Composite Index	Plus 2.82 percent

On the world's oil markets, the price of crude oil rebounded, somewhat.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February came in at \$US52.99, up about 2.14 percent on the final quote of Thursday.

As for delivery in March, the last settlement was \$US53.87 per barrel of light sweet crude oil, representing a one-day improvement in the price of the black ooze of about 1.95 percent.

In Europe, the key indices of the most-important bourses were only fractionally stronger and investors in this part of the world decided not to follow the path of The Dow or The NASDAQ's Composite Index.

A mixed bag of earnings from some of Europe's '*darlings*' and fears that interest rates could rise in February tended to cool the ardour of many an investor.

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

Amsterdam's AEX Index	Plus 0.53 percent
France's CAC 40 Index	Plus 0.13 percent

Germany's Frankfurt XETRA DAX Index Plus 0.26 percent

Great Britain's FTSE 100 Index Plus 0.14 percent

Italy's MIBTEL Index Plus 0.34 percent

Switzerland's Swiss Market Index Plus 0.49 percent

In Asia, the key indices of the most-important equity markets enjoyed a bullish day.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets made material gains.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.18 percent to end the week at 19,613.41 points.

The Total Turnover was about \$HK56.14 billion while the ratio of advancing counters to declining ones was about 2.11:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628) Up 4.57 percent to \$HK24.05 per share

HSBC Holdings plc (Code: 5) Up 0.29 percent to \$HK139.40 per share

Industrial and Commercial Bank of China Ltd (Code: 1398) Up 1.32 percent to \$HK4.62 per share

China Construction Bank Corporation (Code: 939) Up 1.07 percent to \$HK4.72 per share

China Petroleum and Chemical Corporation (Code: 386) Down 1.99 percent to \$HK6.39 per share

PetroChina Company Ltd (Code: 857) Down 0.20 percent to \$HK9.77 per share

China Mobile Ltd (Code: 941) Up 1.93 percent to \$HK65.95 per share

Esprit Holdings Ltd (Code: 330) Down 0.18 percent to \$HK81.35 per share

Bank of China Ltd (Code: 3988) Up 1.77 percent to \$HK4.03 per share

Hongkong Exchanges and Clearing Ltd (Code: 388) Up 2.22 percent to \$HK82.95 per share

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

Name of Company	Code	Increase	Decrease	Closing Price
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		(%)	(%)	(\$HK)
Aurora Global Investment Holdings Ltd	353	10.00		0.44
Beijing Development (Hongkong) Ltd	154	20.56		2.58
China Pharmaceutical Group Ltd	1093	11.29		1.38
China Velocity Group Ltd	149	20.25		0.95
City Telecom (Hongkong) Ltd	1137	37.50		1.54
Compass Pacific Holdings Ltd	1188	11.11		0.10
Earnest Investments Holdings Ltd	339	15.27		0.151
Easyknit Enterprises Holdings Ltd	616	31.90		1.53
Fortune Telecom Holdings Ltd	110	10.53		0.63
Fulbond Holdings Ltd	1041	12.50		0.063
The Hongkong Parkview Group Ltd	207		22.86	0.54
Liu Chong Hing Investment Ltd	194	12.17		11.98
Ming Pao Enterprise Corporation Ltd	685	16.13		1.80
Pico Far East Holdings Ltd	752		11.43	1.55
Radford Capital Investment Ltd	2995	40.00		0.014
Rontex International Holdings Ltd	1142	10.00		0.033
Shun Cheong Holdings Ltd	650		11.76	0.60
Sino Technology Investments Company Ltd	1217	13.11		0.069
Sino Union Petroleum and Chemical International Ltd	346		23.85	0.495
Sky Hawk Computer Group Holdings Ltd	1129	18.03		0.36
Universe International Holdings Ltd	1046	17.17		0.116

Vitop Bioenergy Holdings Ltd	1178	13.79		0.099
Wang Sing International Holdings Group Ltd	2389		10.00	0.18
Wing Shing International Holdings Ltd	850	12.07		0.65
Yardway Group Ltd	646	14.29		0.40
Zhongda International Holdings Ltd	909	11.73		0.20
Zhongtian International Ltd	2379		10.00	0.18

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index improved by about 1.05 percent to end the trading session at 1,222.62 points.

The volume of activity on this speculative equity market was about \$HK194.09 million.

Gaining counters outnumbered losing ones by the ratio of about 1.28:One.

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

Golden Meditech Company Ltd (Code: 8180) Up 4.59 percent to \$HK3.19 per share

Proactive Technology Holdings Ltd (Code: 8089) Up 14.53 percent to \$HK1.97 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276) Up 6.57 percent to \$HK1.46 per share

Shandong Weigao Group Medical Polymer Company Ltd
(Code: 8199) Up 5.10 percent to \$HK8.86 per share

Yuxing InfoTech Holdings Ltd (Code: 8005) Up 15.31 percent to \$HK2.41 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	27.27		0.07
Asian Information Resources (Holdings) Ltd	8025		14.29	0.078
Argos Enterprise (Holdings) Ltd	8022	11.18		0.189
Capital Publications Ltd	8155	53.33		0.115
China Medical Science Ltd	8120	21.21		0.20

Everpride Biopharmaceutical Company Ltd	8019		25.00	0.048
EVI Education Asia Ltd	8090	11.11		0.05
Info Communication Holdings Ltd	8082	13.16		0.086
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		13.04	0.12
Shandong Luoxin Pharmacy Stock Company Ltd	8058		12.41	1.20
Medical China Ltd	8186	10.00		0.077
Mobile Telecom Network (Holdings) Ltd	8266		11.76	0.075
Proactive Technology Holdings Ltd	8089	14.53		1.97
Tai Shing International (Holdings) Ltd	8103		15.00	0.68
Xteam Software International Ltd	8178	13.04		0.052
Yuxing InfoTech Holdings Ltd	8005	15.31		2.41

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

The Hang Seng Index	Minus 2.96 percent
The Growth Enterprise Index	Minus 0.40 percent

In Japan, there was a bit of a rally on the country's 3 stock markets.

On The Tokyo Stock Exchange, The TOPIX Index gained about 1.72 percent, rising to 1,685.27 points.

Advancing counters outnumbered declining ones by the ratio of about 7.06:One.

The Nikkei-225 Stock Average rose about 1.30 percent to 17,057.01 yen.

For the week, ended January 12, 2007, the tally for the equity market of the second-largest economy of the world, was:

The TOPIX Index	Plus 0.59 percent
The Nikkei-225 Stock Average	Minus 0.20 percent

In other areas of Asia, this was how the key indices of their equity markets ended, last Friday:

The HKSAR	Hang Seng Index Plus 1.18 percent to 19,613.41 The Growth Enterprise Index Plus 1.05 percent to 1,222.62
Indonesia	Minus 1.51 percent to 1,678.04

Japan	TOPIX Index Plus 1.72 percent to 1,685.27 Nikkei-225 Stock Average Plus 1.30 percent to 17,057.01
Malaysia	Plus 1.20 percent to 1,119.33
The Philippines	Plus 1.77 percent to 2,992.33
Singapore	Plus 1.33 percent to 3,009.09
South Korea	Plus 1.69 percent to 1,388.37
Taiwan	Plus 1.88 percent to 7,761.71
Thailand	Plus 1.27 percent to 645.71

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