

**THE DREAM IS SHATTERED:
DISAPPOINTING HI-TECH FINANCIALS
WEIGH HEAVILY ON U.S. EQUITY MARKETS**

The Oil Minister of Kuwait, Sheikh Ali al-Jarrah al-Sabah, has warned that should the price of crude oil continue to fall, The Organisation of Petroleum Exporting Countries (OPEC) may have to convene an emergency meeting after February 1.

OPEC has vowed to cut crude-oil output by 500,000 barrels per day, effective February 1.

All US equity and commodity markets (floor trading) were closed, last Monday, for Martin Luther King Junior Day, but on European commodity exchanges, the price of light sweet crude oil was traded below \$US53 per barrel.

In Europe, the comments by the Kuwaiti Oil Minister did wonders for energy counters on major bourses as investors went back into oil and oil-related issues in the expectation that, in fact, OPEC would counter the recent drop in the price of the black ooze by reducing exports.

With all US equity and commodity markets closed, however, trading in this essential commodity was very much restrained.

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

Amsterdam's AEX Index	Plus	0.50 percent
France's CAC 40 Index	Plus	0.23 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.39 percent
Great Britain's FTSE 100 Index	Plus	0.39 percent
Italy's MIBTEL Index	Plus	0.55 percent
Switzerland's Swiss Market Index	Plus	0.76 percent

In Asia, every equity market in region experienced bullish trading, led by Indonesia's stock market, whose key index rose by about 3.12 percent.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors appeared to have an insatiable appetite for publicly quoted scrip, resulting in key indices, scooting up, very materially.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose 455.15 points,

equivalent to about 2.32 percent, ending the hectic trading session at 20,068.56 points.

The Total Turnover was about \$HK56.15 billion.

Gaining counters outnumbered losing ones by the ratio of about 3.25:One.

The Ten Most Active counters, all gainers, by the way, were:

China Life Insurance Company Ltd (Code: 2628)	Up 5.20 percent to \$HK25.30 per share
HSBC Holdings plc (Code: 5)	Up 0.50 percent to \$HK140.10 per share
China Mobile Ltd (Code: 941)	Up 3.64 percent to \$HK68.35 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 2.16 percent to \$HK4.72 per share
China Construction Bank Corporation (Code: 939)	Up 3.60 percent to \$HK4.89 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 2.03 percent to \$HK6.52 per share
Hang Seng Bank Ltd (Code: 11)	Up 1.55 percent to \$HK111.30 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.77 percent to \$HK80.35 per share
PetroChina Company Ltd (Code: 857)	Up 1.94 percent to \$HK9.96 per share
CNOOC Ltd (Code: 883)	Up 2.38 percent to \$HK6.88 per share

Only 8 of the Main Board's 41, double-digit movers were not in the black by the close of the day.

The biggest gainer was Zhongda International Holdings Ltd (Code: 909), whose share price rose 50 percent, exactly, to end the trading day at 30 cents.

The Hongkong Parkview Group Ltd (Code: 207) was the biggest loser of the day as investors pulled down its share price to 40 cents, a one-day fall of about 25.93 percent.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index bounced up about 1.50 percent to 1,240.92 points on a Total Turnover of about \$HK227.84 million.

The ratio of gainers to losers was about 1.29:One.

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

Chinainfo Holdings Ltd (Code: 8206)	Up 2.08 percent to \$HK2.95 per share
Proactive Technology Holdings Ltd (Code: 8089)	Up 42.64 percent to \$HK2.81 per share

Town Health International Holdings Company Ltd (Code: 8138) Up 6.53 percent to \$HK0.212 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Up 15.28 percent to \$HK5.13 per share

Tong Ren Tang Technologies Company Ltd (Code: 8069) Up 15.99 percent to \$HK16.10 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Capinfo Company Ltd	8157	10.09		0.12
Capital Publications Ltd	8155	91.30		0.22
China Chief Cable TV Group Ltd	8153	16.67		0.28
China Medical Science Ltd	8120		17.50	0.165
Core Healthcare Investment Holdings Ltd	8250	12.60		0.143
Essex Bio-Technology Ltd	8151	10.48		0.137
Everpride Biopharmaceutical Company Ltd	8019	45.83		0.07
GreaterChina Technology Group Ltd	8032		10.81	0.033
New Universe International Group Ltd	8068	40.80		0.176
Proactive Technology Holdings Ltd	8089	42.64		2.81
Shanghai Fudan Microelectronics Company Ltd	8102	10.84		0.46
Sino Haijing Holdings Ltd	8065	12.31		0.073
Anhui Tianda Oil Pipe Company Ltd	8241	15.28		5.13
Tong Ren Tang Technologies Company Ltd	8069	15.99		16.10
Venturepharm Laboratories Ltd	8225	14.00		0.57
Xteam Software International Ltd	8178	36.54		0.071

In Japan, the country's 3 equity markets were abuzz with the news about the improving economy, with

industry, spending more on capital equipment. (Please see News Wise, below)

On The Tokyo Stock Exchange, the TOPIX Index rose 19.31 points, equivalent to about 1.15 percent, ending the trading session at 1,704.58 points.

Advancing counters outnumbered declining ones by the ratio of about 6.89:One.

As for the narrower gauge to trading on this market, known as The Nikkei-225 Stock Average, it rose 152.91 yen, or about 0.90 percent, climbing up to 17,209.92 yen.

News Wise

- The Cabinet Office of the Government of Japan announced that **private-sector machinery orders** rose a seasonally adjusted 3.80 percent in November 2006, compared with October 2006. Emphasis was on chemical machinery and generator turbines. The value of core machinery orders for November was about 1.064 trillion yen, representing an increase, Year-On-Year, of about 0.70 percent.

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

The HKSAR	Hang Seng Index Plus 2.32 percent to 20,068.56 The Growth Enterprise Index Plus 1.50 percent to 1,240.92
Indonesia	Plus 3.12 percent to 1,730.48
Japan	TOPIX Index Plus 1.15 percent to 1,704.58 Nikkei-225 Stock Average Plus 0.90 percent to 17,209.92
Malaysia	Plus 0.72 percent to 1,127.41
The Philippines	Plus 0.89 percent to 3,019.06
Singapore	Plus 0.88 percent to 3,035.58
South Korea	Plus 0.19 percent to 1,390.96
Taiwan	Plus 0.28 percent to 7,783.50
Thailand	Plus 1.64 percent to 656.31

Tuesday

Crude-oil prices continued their retreat on international commodity exchanges, last Tuesday, raising the very real probability that The **Organisation of Petroleum Exporting Countries** (OPEC) will keep its word and reduce oil exports even more than the 500,000 barrels per day, effective February 1.

On The New York Mercantile Exchange (NYMEX), last Tuesday, which was the first day of trading, last week, the last settlement for a barrel of light sweet crude oil for delivery in February was \$US51.21, representing a fall of about 3.36 percent, compared with the last settlement of Friday, January 12.

As for March delivery, the last settlement came in at \$US51.96 per barrel of light sweet crude oil, a drop of about 3.55 percent, compared with the final quote of the previous week.

On The New York Stock Exchange, trading conditions were described as being moderate to soft after the 3-day, week-end break (last Monday was a national holiday in the US).

The Dow Jones Industrial Average gained 26.51 points, equivalent to about 0.21 percent, edging up to 12,582.59 points.

On The NASDAQ, its Composite Index stood at 2,497.78 points by the close of the day, an increase of about 5.04 points, or about 0.20 percent on the previous Friday's closing level.

Gaining counters and losing ones were exactly even, at One:One on The New York Stock Exchange, but losing counters nudged out gaining ones on The NASDAQ by the ratio of about 1.14:One.

In Europe, the key indices of major bourses were written in red ink:

Amsterdam's AEX Index	Minus 0.11 percent
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France's CAC 40 Index	Minus 0.70 percent
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Germany's Frankfurt XETRA DAX Index	Minus 0.22 percent
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Great Britain's FTSE 100 Index	Minus 0.76 percent
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Italy's MIBTEL Index	Minus 0.45 percent
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Switzerland's Swiss Market Index	Minus 0.31 percent
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With the prices of oil and other commodities, losing ground, investors in this part of the world pounded energy counters with sell orders.

In Asia, many investors took profits, following the booming equity markets of Monday.

However, there were, also, concerns that US, publicly listed companies might not make investors happy when they report their financial results for the previous quarter.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity declined, compared with Monday's.

The Hang Seng Index, which is the key gauge of trading on the Main Board of The Stock Exchange of Hongkong Ltd, lost 0.20 percent, falling back to 20,027.95 points.

The Total Turnover was about \$HK50.39 billion.

Gaining counters, however, outnumbered losing ones by the ratio of about 1.43:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Up 0.99 percent to \$HK25.55 per share
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China Mobile Ltd (Code: 941)

Down 0.51 percent to \$HK68.00 per share

PetroChina Company Ltd (Code: 857)

Down 1.41 percent to \$HK9.82 per share

Industrial and Commercial Bank of China Ltd (Code: 1398)

Up 0.42 percent to \$HK4.74 per share

China Construction Bank Corporation (Code: 939)

Up 0.61 percent to \$HK4.92 per share

HSBC Holdings plc (Code: 5)

Up 0.36 percent to \$HK140.60 per share

China Petroleum and Chemical Corporation (Code: 386)

Up 0.15 percent to \$HK6.53 per share

Bank of China Ltd (Code: 3988)

Up 0.24 percent to \$HK4.11 per share

China Telecom Corporation Ltd (Code: 728)

Up 3.68 percent to \$HK3.94 per share

CNOOC Ltd (Code: 883)

Down 1.74 percent to \$HK6.76 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Benefun International Holdings Ltd	1130	37.18		0.107
BEP International Holdings Ltd	2326	44.44		0.13
CATIC Shenzhen Holdings Ltd	161	13.10		1.64
China Seven Star Shopping Ltd	245	14.81		0.31
China Special Steel Holdings Company Ltd	2889	18.37		1.74
City Telecom (Hongkong) Ltd	1137	13.68		1.33
Computer and Technologies Holdings Ltd	46	10.59		0.94
e-Kong Group Ltd	524	15.48		0.97
Fortuna International Holdings Ltd	530	11.36		0.245
Guangnan (Holdings) Ltd	1203	10.14		1.63

Haitian International Holdings Ltd	1882	10.31		4.28
Incutech Investments Ltd	356		22.22	0.70
J.I.C. Technology Company Ltd	987	15.91		0.51
Jingwei Textile Machinery Company Ltd	350	18.75		2.85
K and P International Holdings Ltd	675	19.79		0.23
Lianhua Supermarket Holdings Company Ltd	980	14.98		13.20
Macau Success Ltd	487	10.34		0.64
MACRO-LINK International Holdings Ltd	472	25.00		0.425
Man Sang International Ltd	938		14.29	0.30
Mandarin Entertainment (Holdings) Ltd	9		10.43	1.03
Massive Resources International Corporation Ltd	70	15.79		0.022
Orient Resources Group Company Ltd	467	20.27		0.89
Poly Investments Holdings Ltd	263	10.34		0.096
Radford Capital Investment Ltd	901	16.22		0.086
Seapower Resources International Ltd	269	26.37		0.115
Shenzhen High-Tech Holdings Ltd	106	12.00		0.028
South China Industries Ltd	413	10.00		1.32
South East Group Ltd	726	20.00		0.09
Venture International Investment Holdings Ltd	61	32.85		0.275
Wing Hong (Holdings) Ltd	745	10.81		0.041
Zhongtian International Ltd	2379	11.11		0.20

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.44 percent, rising to 1,246.32 points.

The Total Turnover on this speculative market was about \$HK191.52 million.

Declining counters edged out advancing ones by the ratio of about 1.06:One.

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

Proactive Technology Holdings Ltd (Code: 8089) Up 11.03 percent to \$HK3.12 per share

Town Health International Holdings Company Ltd
(Code: 8138) Up 4.25 percent to \$HK0.221 per share

Neolink Cyber Technology (Holding) Ltd (Code: 8116) Up 73.08 percent to \$HK0.225 per share

China LotSynergy Holdings Ltd (Coe: 8161) Up 0.53 percent to \$HK1.89 per share

Anhui Tianda Oil Pipe Company Ltd (Code: 8241) Up 3.31 percent to \$HK5.30 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Capital Publications Ltd	8155		27.27	0.16
China Leason Investment Group Company Ltd	8270		12.80	0.218
EVI Education Asia Ltd	8090		14.00	0.043
Global Link Communications Holdings Ltd	8060		26.98	0.046
GreaterChina Technology Group Ltd	8032	15.15		0.038
Hua Xia Healthcare Holdings Ltd	8143	20.48		0.30
IIN International Ltd	8128		12.00	0.022
Launch Tech Company Ltd	8196	10.47		1.90
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301		10.00	0.18
Mobile Telecom Network (Holdings) Ltd	8266	12.68		0.08
New Chinese Medicine Holdings Ltd	8085	15.38		0.15
Neolink Cyber Technology (Holding) Ltd	8116	73.08		0.225

Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	18.00		0.59
New Universe International Group Ltd	8395	11.54		0.145
Proactive Technology Holdings Ltd	8089	11.03		3.12
Q9 Technology Holdings Ltd	8129	13.33		0.136
Sing Lee Software (Group) Ltd	8076		21.67	0.047
SJTU Sunway Software Industry Ltd	8148		22.22	0.14
Soluteck Holdings Ltd	8111	13.33		0.051
Thiz Technology Group Ltd	8119		18.46	0.053

The trading situation on the 3 equity markets of Japan was akin to the disappearance of Raphus Cucullatus – The dodo: Dead.

On The Tokyo Stock Exchange, its TOPIX Index shed 1.04 points, or about 0.06 percent, ending the trading session at 1,703.54 points.

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

The Nikkei-225 Stock Average was off by about 0.04 percent to 17,202.46 yen.

In other parts of Asia, the key indices of the major equity markets were mixed as the following **TARGET** () list illustrates:

The HKSAR	Hang Seng Index Minus 0.20 percent to 20,027.95 The Growth Enterprise Index Plus 0.44 percent to 1,246.32
Indonesia	Plus 1.38 percent to 1,754.29
Japan	TOPIX Index Minus 0.06 percent to 1,703.54 Nikkei-225 Stock Average Minus 0.04 percent to 17,202.46
Malaysia	Plus 0.46 percent to 1,132.61
The Philippines	Plus 1.70 percent to 3,070.29
Singapore	Plus 0.09 percent to 3,038.21

South Korea	Minus 0.09 percent to 1,389.71
Taiwan	Plus 0.11 percent to 7,792.08
Thailand	Minus 0.06 percent to 655.90

Wednesday

Prior to the opening of Wall Street, last Wednesday, The Bureau of Labour Statistics, a branch of the US Government's Labour Department, unleashed its finding in respect of Producer Price Indices for December 2006.

The findings, definitely, had an inflationary flavour, but the growth in respect of the Producer Price Index for Finished Goods was about 55 percent of that for the month of November 2006.

No doubt, the statistics have been studied by the US Federal Reserve to be used as ammunition for this US Government department's determinations of January 31 when it will convene its Open Market Committee Meeting to consider the direction of interest rates.

The following is the full text of The Bureau's findings:

'Producer Price Indexes - December 2006

'The Producer Price Index for Finished Goods increased 0.9 percent in December, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This rise followed a 2.0-percent advance in November and a 1.6-percent decline in October. At the earlier stages of processing, prices received by manufacturers of intermediate goods moved up 0.5 percent in December after climbing 0.7 percent a month earlier, and the crude goods index increased 2.9 percent following a 15.7-percent gain in November ...

'Among prices for finished goods, the index for energy goods rose 2.5 percent in December compared with a 6.1-percent advance in the prior month. Price increases for finished goods other than foods and energy also slowed in December, gaining 0.2 percent following a 1.3-percent November advance. By contrast, the index for finished consumer foods moved up 1.7 percent after rising 0.1 percent in the previous month.

'Before seasonal adjustment, the Producer Price Index for Finished Goods advanced 0.5 percent in December to 160.5 (1982 = 100). In 2006, finished goods prices increased 1.1 percent following a 5.4-percent rise in 2005. This slower rate of advance is attributable to the index for finished energy goods, which fell 2.0 percent in 2006 after climbing 23.9 percent a year earlier. By contrast, prices for finished goods other than foods and energy moved up 2.0 percent in 2006 following a 1.4-percent gain in 2005, and the index for finished consumer foods rose slightly more than it had a year earlier-1.8 percent and 1.7 percent, respectively. At the earlier stages of processing, prices received by intermediate goods producers increased 2.8 percent in 2006 compared with an 8.6-percent advance in the preceding year, while the crude goods index declined 2.4 percent after moving up 21.1 percent in 2005 ...

'Finished goods

'The index for finished energy goods rose 2.5 percent in December following a 6.1-percent jump in the prior month. Leading this deceleration, gasoline prices

increased 7.1 percent after surging 17.9 percent in November. The indexes for residential natural gas, home heating oil, and diesel fuel also moved up less in December than they had a month earlier. Prices for finished lubricants were unchanged following gains in November. By contrast, the index for liquefied petroleum gas advanced 4.0 percent in December after decreasing 2.8 percent in the previous month. Prices for residential electric power also turned up after declining in November.

‘The index for finished goods other than foods and energy advanced 0.2 percent in December following a 1.3-percent jump in the preceding month. Price increases for light motor trucks slowed to 0.7 percent after climbing 13.7 percent in November. The indexes for passenger cars, alcoholic beverages, cosmetics and other toilet preparations, semiconductor manufacturing equipment, agricultural machinery and equipment, and commercial furniture turned down in December. Civilian aircraft prices were unchanged compared with advances in November, while the index for heavy motor trucks rose less in December than it had a month earlier. By contrast, prices for pharmaceutical preparations moved up 0.6 percent following a 0.4-percent decline in November. The indexes for integrating and measuring instruments, railroad equipment, and sanitary paper products also turned up in December. Prices for mobile homes fell less than they had in November ...

‘The index for finished consumer foods increased 1.7 percent in December after inching up 0.1 percent in the previous month. Prices for fresh and dry vegetables jumped 21.7 percent following a 14.2-percent drop in November. The indexes for fresh fruits and melons, finfish and shellfish, and processed turkeys also turned up in December. Prices for processed young chickens and processed fruits and vegetables rose more than they had in November. By contrast, the soft drinks index decreased 0.5 percent in December after advancing 2.1 percent a month earlier. Prices for beef and veal and for bakery products also moved down following gains in November. The index for dairy products increased less in December than it had in the prior month.

‘Intermediate goods

‘The Producer Price Index for Intermediate Materials, Supplies, and Components increased 0.5 percent in December following a 0.7-percent advance in November. Prices for intermediate energy goods and for intermediate foods and feeds rose less than they had in the previous month. The index for materials for nondurable manufacturing fell more in December than in the preceding month. Conversely, the indexes for construction materials, as well as materials for durable manufacturing, declined less in December than they had in the prior month. Prices for intermediate goods less foods and energy fell 0.1 percent after decreasing 0.3 percent a month earlier.

‘The index for intermediate energy goods increased 2.3 percent in December compared with a 4.2-percent gain in November. Diesel fuel prices moved up 10.2 percent after advancing 14.6 percent in the preceding month. The indexes for gasoline, industrial natural gas, and residual fuels also rose less than they had in November. Prices for natural gas to electric utilities and commercial electric power turned down in December after increasing in the prior month. Alternatively, the jet fuels index advanced 12.6 percent following a 5.4-percent decline in November. Prices for liquefied petroleum gas also turned up in December after falling in November. In 2006, prices for intermediate energy goods declined 4.4 percent after advancing 26.2 percent in 2005.

‘The rate of increase in the intermediate foods and feeds index slowed from 3.4 percent in November to 1.5 percent in December. Prices for prepared animal feeds rose 4.0 percent in December compared with a 7.4-percent gain a month earlier. The indexes for natural, processed, and imitation cheese and for shortening and cooking oils also advanced less than they had in November. Beef and veal prices turned down in December after rising in the preceding month. The indexes for flour and for refined sugar and byproducts fell more in December than they had a month earlier. By contrast, prices for processed

young chickens jumped 10.4 percent in December following a 1.5-percent gain in the prior month. In 2006, the index for intermediate foods and feeds advanced 5.7 percent following a 2.4-percent increase in 2005.

‘Prices for materials for nondurable manufacturing declined 0.5 percent in December after falling 0.4 percent in November. The indexes for plastic resins and materials, finished fabrics, primary basic organic chemicals, synthetic rubber, and gray fabrics moved down in December. These decreases outweighed rising prices for ethanol, paper, inedible fats and oils, fertilizer materials, intermediate basic organic chemicals, and basic inorganic chemicals. The index for materials for nondurable manufacturing advanced 2.1 percent in 2006 following an 8.9-percent gain in 2005.

‘The index for materials and components for construction moved down 0.1 percent in December after declining 0.5 percent in November. Prices for steel mill products fell 0.4 percent compared with a 4.4-percent drop in the prior month. The indexes for plastic construction products and softwood lumber also decreased at slower rates than they had a month earlier. Prices for asphalt felts and coatings, wiring devices, and mineral wool for structural insulation turned up after declining in November. By contrast, the index for nonferrous wire and cable moved down 2.6 percent following a 1.1-percent decline in November. Prices for concrete products rose less in December than in the prior month. During 2006, prices for materials and components for construction advanced 4.3 percent after climbing 6.1 percent in the previous year.

‘The index for materials for durable manufacturing declined 0.2 percent in December following a 0.5-percent decrease in November. Falling prices for semifinished steel mill products; hot rolled steel bars, plates, and structural shapes; thermoplastic resins; copper and brass mill shapes; and building paper and board outweighed price increases for cold rolled steel sheet and strip, hot rolled steel sheet and strip, and primary aluminum (except extrusion billet). In 2006, the index for materials for durable manufacturing jumped 13.1 percent following a 5.9-percent advance in 2005.

‘Crude goods

‘The Producer Price Index for Crude Materials for Further Processing rose 2.9 percent in December after climbing 15.7 percent in November. Prices for crude energy materials and for foodstuffs and feedstuffs advanced less than they had a month earlier. Conversely, the index for basic industrial materials rose more than it had in the preceding month.

‘Price increases for crude energy materials slowed to 5.5 percent in December from 35.8 percent a month earlier. The index for natural gas advanced 6.8 percent following a 92.8-percent jump in the previous month. The coal index decreased 0.6 percent after edging down 0.2 percent in the prior month. By contrast, crude petroleum prices turned up 5.0 percent following a 1.2-percent decline in November. In 2006, the crude energy materials index fell 11.4 percent after climbing 42.2 percent in 2005.

‘The index for crude foodstuffs and feedstuffs inched up 0.2 percent after increasing 2.8 percent in the preceding month. In December, rising prices for fluid milk, fresh and dry vegetables, fresh fruits and melons, unprocessed finfish, and alfalfa hay more than offset declining prices for slaughter turkeys, wheat, and slaughter cattle. In 2006, crude foodstuffs and feedstuffs prices rose 2.9 percent following a 1.6-percent increase in 2005.

‘The basic industrial materials index moved up 1.0 percent after rising 0.5 percent a month earlier. Iron and steel scrap prices turned up 6.8 percent in December following a 5.6-percent decrease in November. The index for softwood logs, bolts, and timber also increased following a decline in the previous month. Prices for wastepaper rose more than they had in November. By contrast, the advance in the gold ores index slowed to 1.2 percent in December after rising 12.0 percent a month earlier. Prices for aluminum base

scrap also increased less in December than a month earlier. The indexes for copper base scrap and for construction sand, gravel, and crushed stone turned down after rising in the prior month. Prices for iron ore fell after no change in November. The basic industrial materials index climbed 16.7 percent in 2006 following a 5.2-percent gain in 2005.

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

***‘Mining.** The Producer Price Index for the Net Output of Total Mining Industries increased 3.4 percent in December following a 22.8-percent advance in the previous month. (Net output price indexes are not seasonally adjusted.) Prices received by the oil and gas extraction industry group gained 5.6 percent after surging 37.8 percent in November. The industry indexes for gold ore mining and for oil and gas well drilling also rose less than they had in the preceding month. Prices received by the iron ore mining industry declined following no change in November. The industry index for bituminous coal and lignite surface mining decreased more than it had a month earlier. Prices received by the bituminous coal underground mining industry turned down in December, and the industry index for crushed and broken limestone mining and quarrying was unchanged after rising in November. Conversely, prices paid to the anthracite mining industry moved up 0.6 percent in December after falling 3.2 percent in the prior month. In December, the Producer Price Index for the Net Output of Total Mining Industries was 219.0 (December 1984 = 100). In 2006, prices received by the mining sector fell 6.6 percent after rising 38.7 percent in 2005.*

***‘Manufacturing.** The Producer Price Index for the Net Output of Total Manufacturing Industries edged up 0.3 percent in December after increasing 0.4 percent in the previous month. In December, higher prices received by the manufacturers of petroleum and coal products, food, computer and electronic products, machinery, and fabricated metal products outweighed lower prices paid to the manufacturers of transportation equipment, chemicals, and beverage and tobacco products. In December, the Producer Price Index for the Net Output of Total Manufacturing Industries was 157.0 (December 1984 = 100). In 2006, prices received by the manufacturing sector increased 2.7 percent compared with a 5.4-percent rise in 2005.*

***‘Services.** Among services industries in December, the industry index for commercial banking decreased 3.9 percent after a 0.8-percent gain in November. Prices paid to securities brokerages and savings institutions also turned down in December after rising in the prior month. The industry index for scheduled passenger air transportation declined after no change in November. Alternatively, prices received by non-casino hotels and motels increased 3.6 percent following a 0.6-percent decrease in November. The industry indexes for general medical and surgical hospitals, investment banking and securities dealing, and wired telecommunications carriers also turned up in December after declining a month earlier.’*

Following this release, the US Federal Reserve produced its findings with regard to industrial output and capacity utilisation for the month of December 2006.

What these statistics appeared to indicate was that there had been a bit more growth in the US economy in December 2006, following a fall in industrial production, during the month of November 2006.

The following is a verbatim transcript of that release, minus the tables:

‘INDUSTRIAL PRODUCTION AND CAPACITY UTILIZATION

‘Industrial production rose 0.4 percent in December after a decrease of 0.1 percent in November. Output in November was previously estimated to have advanced; weaker data for a number of industries, particularly steel, led to the downward revision. For the fourth quarter as a whole, industrial production decreased 0.5 percent (annual rate). In the manufacturing sector, output increased 0.7 percent in December, and most major industry groups registered gains. The output of utilities fell 2.6 percent, the result of relatively mild

temperatures during the month, while the output of mines moved up 0.8 percent. Over the twelve months ending in December, total industrial production increased 3.0 percent, to a level that was 112.4 percent of its 2002 average, and total industrial capacity expanded 2.4 percent. The rate of capacity utilization in December, at 81.8 percent, was 0.5 percentage point above its year-earlier level and 0.8 percentage point above its 1972-2005 average ...

'Market Groups

'The output of consumer goods edged up 0.2 percent in December; a gain of 1.5 percent in consumer durables more than offset a small decrease in consumer nondurables. For the fourth quarter as a whole, consumer goods fell 0.8 percent (annual rate). The gains in consumer durables were widespread in December; automotive products advanced 2.3 percent, home electronics gained 1.9 percent, and smaller increases were recorded elsewhere.

'The output of consumer nondurables, pulled down by a decrease in the index for residential energy sales, declined 0.2 percent. The output of non-energy nondurables in December was unchanged; a decline of 0.3 percent in the production of foods and tobacco offset gains in the production of clothing, of chemical products, and of paper products.

'Broad-based advances lifted the output of business equipment 1.6 percent in December; for the fourth quarter as a whole, this index rose at an annual rate of 5.4 percent. Strength in commercial aircraft production continued to support gains in the index for transit equipment. The output of information processing equipment picked up 1.2 percent in December, the fourth consecutive month of gains around 1 percent. Industrial and other equipment production advanced 1.3 percent in December but was little changed for the quarter as a whole. For December, the production of defense and space equipment increased 0.8 percent.

'Construction supplies output edged up 0.2 percent in December after four consecutive months of declines; for the fourth quarter as a whole, this index fell at an annual rate of more than 9 percent. The index for materials also edged up in December after several months of declines; the gains were broadly based except for energy materials, which declined.

'Industry Groups

'Manufacturing production increased 0.7 percent in December; however, output for the fourth quarter as a whole was down 1.4 percent (annual rate) from the third quarter. In December, the factory operating rate moved up 0.4 percentage point, to 80.4 percent, 0.6 percentage point above its 1972-2005 average. The production of durable goods increased 1.1 percent in December; the largest gains were in motor vehicles and parts and in computer and electronic product manufacturing. Most other major durable goods industries also showed gains; the exceptions were nonmetallic mineral products, fabricated metal products, and furniture and related products, all of which continued their recent monthly declines. Among the selected high-technology industries, gains in computer and peripheral equipment and in semiconductors and related electronic components more than offset a decrease in the output of communications equipment. After five months of declines, primary metal production, supported by an increase of 1.6 percent in iron and steel production, turned up in December. Likewise, machinery manufacturing advanced 1.2 percent after several months of declines. The production of nondurable goods, which increased 0.3 percent, included sizable gains for apparel and leather and for petroleum and coal products; smaller increases were posted in paper, in printing and support, and in chemicals. In contrast, the production indexes for food, beverage, and tobacco products, for textile and product mills, and for plastics and rubber products all declined. Production in the non-NAICS manufacturing industries (logging and publishing) edged up.

'In December, the output of natural gas utilities dropped 8.9 percent, and the output of electric utilities decreased 1.4 percent. The gain in mining output was primarily due to increases in crude oil extraction and in nonmetallic mineral mining. Capacity utilization for industries in the crude stage of processing increased 0.2 percentage point, to 89.1 percent, a rate that is 2.7 percentage points above its 1972-2005 average. Capacity utilization for industries in the primary and semifinished stages edged down 0.2 percentage point, to 82.5 percent, and the capacity utilization for finished goods producers increased 0.5 percentage point, to 78.6 percent.'

On Wall Street, as expected, disappointing news from some of the favourites of hi-tech punters put the willies in the hearts of many investors.

As a result, key indices on the world's largest equity markets fell.

On The New York Stock Exchange, the Dow Jones Industrial Average dropped back 5.44 points, or about 0.04 percent, ending the trading session at 12,577.15 points.

As for The NASDAQ, its Composite Index shed 18.36 points, equivalent to about 0.74 percent, as investors pushed it down to 2,479.42 points.

What really scared investors was a report from Intel Corporation, the largest manufacturer of microchips in the world, to the effect that its previous quarter had seen a fall of about 40 percent in profits – and that margins of profit were unlikely to improve in the foreseeable future.

Crude oil futures hardened on commodity markets, around the world, last Wednesday.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US52.24, up about 2.01 percent on the closing level of Tuesday.

For March delivery, the last settlement for a barrel of light sweet crude oil came in at \$US53.13, an increase of about 2.25 percent on the last settlement of Tuesday night.

In Europe, the key indices of the major bourses hardly moved, last Wednesday, as investors determined to sit on their hands:

Amsterdam's AEX Index	Plus 0.08 percent
France's CAC 40 Index	Minus 0.53 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.22 percent
Great Britain's FTSE 100 Index	Minus 0.18 percent
Italy's MIBTEL Index	Minus 0.70 percent
Switzerland's Swiss Market Index	Plus 0.34 percent

Oils and miners were a drag on most European equity markets.

In Asia, for the most part, lacklustre trading conditions prevailed on equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets made gains, but they were of a small fractional nature, only.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index tacked on a 0.18-percent improvement, moving up to 20,064.57 points on a Total Turnover of about \$HK58.72 billion.

Losing counters outnumbered gaining ones by the ratio of about 1.43:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628)	Up 0.39 percent to \$HK25.65 per share
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PetroChina Company Ltd (Code: 857)

Down 4.38 percent to \$HK9.39 per share

China Mobile Ltd (Code: 941)

Up 0.88 percent to \$HK68.60 per share

HSBC Holdings plc (Code: 5)

Down 0.21 percent to \$HK140.30 per share

China Petroleum and Chemical Corporation (Code:
386)

Down 3.52 percent to \$HK6.30 per share

Industrial and Commercial Bank of China Ltd (Code:
1398)

Down 1.69 percent to \$HK4.66 per share

Hutchison Whampoa Ltd (Code: 13)

Up 0.63 percent to \$HK79.90 per share

Huabao International Holdings Ltd (Code: 336)

Down 6.35 percent to \$HK4.60 per share

China Construction Bank Corporation (Code: 939)

Down 0.41 percent to \$HK4.90 per share

Bank of China Ltd (Code: 3988)

Down 0.73 percent to \$HK4.08 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)
Berjaya Holdings (Hongkong) Ltd	288	53.85		0.20
Bestway International Holdings Ltd	2994		10.00	0.225
C.P. Pokphand Company Ltd	43	10.19		0.238
CATIC International Holdings Ltd	232	11.11		0.16
China Eastern Airlines Corporation Ltd	670	13.54		2.60
China Fair Land Holdings Ltd	169	10.71		0.31
Compass Pacific Holdings Ltd	1188		10.53	0.085
Daisho Microline Holdings Ltd	567	12.00		1.96
Grand Field Group Holdings Ltd	115		11.11	0.12
Hembly International Holdings Ltd	3989	12.56		2.42

Kenford Group Holdings Ltd	464	30.61		0.32
LERADO Group (Holding) Company Ltd	1225	13.68		1.08
Lo's Enviro-Pro Holdings Ltd	309	16.15		2.23
Magnum International Holdings Ltd	305	14.29		1.20
Mandarin Entertainment (Holdings) Ltd	9		11.65	0.91
New Times Group Holdings Ltd	166	12.82		0.44
Orient Resources Group Company Ltd	467	19.10		1.06
Paladin Ltd	495	14.00		0.285
PME Group Ltd	379	16.42		0.078
Radford Capital Investment Ltd	901		11.63	0.076
Rontex International Holdings Ltd	1142	27.03		0.047
Seapower Resources International Ltd	269		12.17	0.101
Shanghai Merchants Holdings Ltd	1104	15.63		0.37
South East Group Ltd	726		11.11	0.08
Sunlink International Holdings Ltd	2336		14.21	0.163
Universe International Holdings Ltd	1046	20.54		0.135
Win Hanverky Holdings Ltd	3322	11.14		4.79
Yardway Group Ltd	646	11.11		0.50

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index managed a gain of about 0.38 percent, ending the trading session at 1,251.03 points.

The Total Turnover on this speculative market was about \$HK196.65 million.

Gaining counters outpaced losing ones by the ratio of about 1.25:One.

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

Proactive Technology Holdings Ltd (Code: 8089) Down 2.24 percent to \$HK3.05 per share

Beijing Jingkelong Company Ltd (Code: 8245) Up 1.28 percent to \$HK6.35 per share

China LotSynergy Holdings Ltd (Code: 8161) Up 3.17 percent to \$HK1.95 per share

Town Health International Holdings Company Ltd (Code: 8138) Up 4.98 percent to \$HK0.232 per share

Neolink Cyber Technology (Holding) Ltd (Code: 8116) Down 12.00 percent to \$HK0.198 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025		10.00	0.072
Argos Enterprise (Holdings) Ltd	8022		20.11	0.143
China Leason Investment Group Company Ltd	8270		17.89	0.179
Chinainfo Holdings Ltd	8206	15.74		3.53
Everpride Biopharmaceutical Company Ltd	8019	12.86		0.079
Shenzhen EVOC Intelligent Technology Company Ltd	8285	16.84		1.11
Finet Group Ltd	8317		10.29	0.61
Global Digital Creations Holdings Ltd	8271	10.86		0.245
GreaterChina Technology Group Ltd	8032	44.74		0.055
Info Communication Holdings Ltd	8082		12.79	0.075
ITE (Holdings) Ltd	8092		13.33	0.039
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		13.33	0.17
Neolink Cyber Technology (Holding) Ltd	8116		12.00	0.198
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329		10.17	0.53
New Universe International Group Ltd	8068		22.86	0.135

QUASAR Communication Technology Holdings Ltd	8171	15.70		0.14
Tiger Tech Holdings Ltd	8046	12.82		0.044
Union Bridge Holdings Ltd	8047	20.00		0.30
Xteam Software International Ltd	8178	12.33		0.082

Trading on Japan's 3 equity markets was, also, quiet, last Wednesday.

The key index of The Tokyo Stock Exchange, known as The TOPIX Index, rose 0.19 percent to 1,706.76 points.

Advancing counters outnumbered declining ones by the ratio of about 1.02:One.

As for The Nikkei-225 Stock Average, it ended the trading session at 17,261.35 yen, up about 0.34 percent.

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

The HKSAR	Hang Seng Index Plus 0.18 percent to 20,064.57 The Growth Enterprise Index Plus 0.38 percent to 1,251.03
Indonesia	Plus 0.24 percent to 1,758.48
Japan	TOPIX Index Plus 0.19 percent to 1,706.76 Nikkei-225 Stock Average Plus 0.34 percent to 17,261.35
Malaysia	Plus 0.63 percent to 1,139.71
The Philippines	Minus 0.94 percent to 3,041.56
Singapore	Minus 0.02 percent to 3,037.66
South Korea	Minus 0.74 percent to 1,379.48
Taiwan	Plus 0.54 percent to 7,833.98
Thailand	Minus 0.68 percent to 651.47

Thursday

The US Government's Bureau of Labour Statistics released its findings with regard to the Consumer Price Index for December 2006, indicating, Year-On-Year, a rather pronounced increase – which is, of course, inflationary.

This is the full text of the release, minus the tables:

'CONSUMER PRICE INDEX: DECEMBER 2006

'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent in December, before seasonal adjustment, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The December level of 201.8 (1982-84=100) was 2.5 percent higher than in December 2005.

'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.2 percent in December, prior to seasonal adjustment. The December level of 197.2 (1982-84=100) was 2.4 percent higher than in December 2005.

'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.1 percent in December on a not seasonally adjusted basis. The December level of 117.1 (December 1999=100) was 2.4 percent higher than in December 2005.

'CPI for All Urban Consumers (CPI-U)

'On a seasonally adjusted basis, the CPI-U increased 0.5 percent in December, the first advance since August. Energy prices, which had declined in each of the preceding three months, rose 4.6 percent in December. Within energy, the index for petroleum-based energy increased 7.7 percent and the index for energy services increased 1.2 percent. The food index was unchanged in December. The index for all items less food and energy, which was virtually unchanged in November, increased 0.2 percent in December. Upturns in the indexes for apparel and for tobacco and smoking products were largely responsible for the acceleration. Shelter costs rose less than in November, but still accounted for about 80 percent of the December advance in the index for all items less food and energy.

'Consumer prices advanced at a seasonally adjusted annual rate (SAAR) of 0.2 percent in the fourth quarter of 2006. This followed increases in the first three quarters at annual rates of 4.3, 5.1, and 0.8 percent, respectively. For the 12 month period ended in December, the CPI rose 2.5 percent. This compares with an increase of 3.4 percent in 2005. Energy costs, which rose sharply in both 2004 and 2005, advanced at a 22.8 percent annual rate in the first half of 2006 before declining at a 13.4 percent annual rate in the second half of the year. Overall energy costs rose 2.9 percent in all of 2006 with the index for petroleum based energy advancing 6.1 percent, while the index for energy services declined 0.6 percent. The food index, which rose 2.3 percent in 2005, increased 2.1 percent in 2006. Food at home prices rose 1.4 percent in 2006; the index for dairy products declined 1.2 percent, while the other five major grocery store food groups registered increases of between 0.7 and 3.1 percent.

'Excluding food and energy, the CPI-U advanced at a 1.4 percent SAAR in the fourth quarter, following increases at rates of 2.8, 3.6, and 2.7 percent in the first three quarters of 2006. The 2.6 percent advance for all of 2006 compares with increases of 2.2 percent in each of the preceding two years. The index for shelter, which increased 2.6 percent in all of 2005, rose 4.2 percent in 2006 and was largely responsible for the acceleration in the index for all items less food and energy. An upturn in the index for apparel also contributed to this acceleration. The annual rates for selected groups for the last eight years are shown below...

'The food and beverages index was unchanged in December. The index for food at home declined 0.3 percent, reflecting a 1.5 percent decrease in the index for fruits and vegetables. The indexes for fresh vegetables and for fresh fruits declined 3.8 and 0.6 percent, respectively, while the index for processed fruits and vegetables

rose 0.8 percent. The indexes for nonalcoholic beverages and for other food at home also contributed to the December decline in grocery store food prices, decreasing 0.3 and 0.2 percent, respectively. Partially offsetting these declines were increases in the indexes for cereal and bakery products, for dairy products, and for meats, poultry, fish, and eggs. The index for cereal and bakery products rose 0.4 percent in December and 3.1 percent in the last 12 months. The index for dairy products rose 0.1 percent in December, but declined 1.2 percent in the last 12 months, reflecting a 4.3 percent drop in fresh whole milk prices. The index for meats, poultry, fish, and eggs advanced 0.1 percent. Increases in the indexes for eggs, for poultry, and for pork – up 6.9, 0.4, and 0.5 percent, respectively – more than offset price declines for beef, for other meats, and for fish and seafood. During the 12 month period ended in December 2006, prices for beef and pork increased 0.5 and 0.7 percent, respectively, while poultry prices declined 0.7 percent. The other two components of the food and beverages index – food away from home and alcoholic beverages – increased 0.3 and declined 0.2 percent, respectively, in December and rose 3.2 and 2.4 percent in 2006.

‘The index for housing increased 0.4 percent in December, the same as in November. The index for fuels and utilities increased 1.1 percent in December, following a 1.0 percent rise in November. The index for natural gas rose substantially for the second consecutive month – up 3.9 percent in December – but has declined 14.2 percent over the last 12 months. The index for fuel oil increased 4.3 percent in December and was 2.3 percent higher than a year ago. The index for electricity was unchanged in December, but has increased 7.5 percent during the last 12 months. The index for shelter rose 0.3 percent in December. Within shelter, the indexes for rent and owners' equivalent rent rose 0.5 and 0.3 percent, respectively, and the index for lodging away from home rose 0.4 percent. (Prior to seasonal adjustment, the index for lodging away from home declined 2.3 percent.) During the 12 month period ended in December, the indexes for rent and for owners' equivalent rent each rose 4.3 percent and the index for lodging away from home increased 4.0 percent. The index for household furnishings and operations rose 0.1 percent in December and 0.5 percent during the last 12 months.

‘The transportation index increased 1.8 percent in December, following three consecutive declines. The index for gasoline, which had declined in each of the preceding three months, rose 8.0 percent in December. For the 12 months ended in December, gasoline prices increased 6.4 percent, declining significantly in the second half of the year after advancing sharply in the first six months of 2006. The index for new vehicles declined for the fifth consecutive month – down 0.2 percent in December. (As of December, about 71 percent of the new vehicle sample consisted of 2007 models. The 2007 models will continue to be phased in, with appropriate adjustments for quality change, over the next several months as they replace old models at dealerships... New vehicle prices were 0.9 percent lower than in December 2005. The index for used cars and trucks decreased for the fourth consecutive month – down 0.8 percent in December – and was 2.2 percent lower than in December 2005. The index for public transportation declined 0.2 percent, reflecting a 2.4 percent drop in airline fares. Airline fares fell 1.0 percent in 2006, advancing sharply in the first seven months of the year before declining 12.1 percent in the last five months of the year.

‘The index for apparel increased 0.6 percent in December. (Prior to seasonal adjustment, apparel prices fell 2.5 percent, largely as a result of pre-holiday discounting.) During the 12 month period ended in December, apparel prices advanced 0.9 percent, their first annual increase since 1997. Prices for women's clothing rose 1.7 percent in 2006, more than offsetting price declines for men's, for boys', and for girls' apparel. A 5.2 percent increase in jewelry prices also contributed to the upturn in the apparel index.

‘Medical care costs rose 0.1 percent in December. The index for medical care commodities --prescription drugs, nonprescription drugs, and medical supplies – decreased 0.2 percent, reflecting a 0.5 percent decline in prescription drug prices. The index for medical care services rose 0.2 percent in December. The indexes for professional services and for hospital and related services increased 0.3 and 0.1 percent, respectively. (Prior to seasonal adjustment, the index for hospital and

related services decreased 0.1 percent.) For the 12 months ended in December 2006, the index for medical care rose 3.6 percent after increasing 4.3 percent in 2005. The index for prescription drugs rose 1.9 percent during the 12 months ended in December, following an increase of 4.4 percent in 2005. Charges for hospital and related services increased 6.1 percent in the 12 month period ended in December 2006, following a 5.1 percent rise in 2005.

'The index for recreation declined 0.3 percent in December. Price decreases were recorded for video and audio products and services, for pets, pet products and services, for sporting goods, for photography, and for toys. Partially offsetting these decreases was a 0.7 percent increase in the index for admissions to movies, theaters, concerts, and sporting events. During the 12 months ended in December the index for recreation rose 1.0 percent. Increases in the indexes for admissions, for pets, pet products and services, and for cable and satellite television and radio services--up 5.2, 3.5, and 2.6 percent, respectively -- more than offset declines in the indexes for televisions, for toys, and for photography -- down 22.6, 4.8, and 4.8 percent, respectively.

'The index for education and communication rose 0.2 percent in December. Educational costs increased 0.5 percent, while communication costs declined 0.2 percent. During the 12 months ended in December, educational costs rose 6.3 percent, largely as a result of a 7.0 percent rise in the index for college tuition and fees. The index for communication declined 1.4 percent during the last 12 months, reflecting declines in prices for personal computers and peripheral equipment, for computer software and accessories, and for internet services and electronic information providers -- down 12.0, 7.4, and 18.3 percent, respectively. Partially offsetting these declines was a 1.7 percent increase in the index for telephone services.

'The index for other goods and services increased 0.8 percent in December to a level 3.0 percent higher than in December 2005. The index for tobacco and smoking products rose 1.5 percent in December and 2.8 percent during the last 12 months.

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

'On a seasonally adjusted basis, the CPI for Urban Wage Earners and Clerical Workers increased 0.6 percent in December.'

Wall Street did not appear to be paying too much attention to the statistics, revealed by The Bureau, with some of the gurus of The Street, claiming that it was all expected.

On The New York Stock Exchange, the Dow Jones Industrial Average fell back about 0.07 percent to 12,567.93 points.

On The NASDAQ, its Composite Index gave up about 1.46 percent of its value, dropping to 2,443.12 points.

On The New York Mercantile Exchange (NYMEX), the price of crude oil dipped below \$US50 per barrel.

It was the first time since May 2005 that the price of the black ooze had touched this level.

A rise in crude-oil inventories in the US was said to have been the reason for the fall in the price of oil.

The last settlement for a barrel of light sweet crude oil for delivery in February was \$US50.48 (after touching a low of \$US49.90), down about 3.41 percent, compared with Wednesday's last settlement.

As for March delivery, the last settlement for a barrel of light sweet crude oil was \$US51.81, off about 2.48 percent, compared with the final quote of Wednesday.

In Europe, trading on the major equity markets vacillated between dying and dead.

This was how the key indices of major equity markets of the region ended their respective trading days, last

Thursday:

Amsterdam's AEX Index	Plus 0.05 percent
France's CAC 40 Index	Minus 0.12 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.18 percent
Great Britain's FTSE 100 Index	Plus 0.09 percent
Italy's MIBTEL Index	Minus 0.02 percent
Switzerland's Swiss Market Index	Minus 0.05 percent

In Asia, it was a completely different story, altogether, compared with Europe.

Every key index of every major stock market chalked up gains, with the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), leading the charge.

The Hang Seng Index, which is the key gauge of trading on the Main Board of The Stock Exchange of Hongkong Ltd, gained about 1.06 percent, running up to 20,277.51 points.

The Total Turnover was about \$HK64.24 billion.

However, the ratio of advancing counters to declining ones was tight, at about 1.006:One.

The Ten Most Active counters were:

Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.07 percent to \$HK4.61 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.78 percent to \$HK25.45 per share
HSBC Holdings plc (Code: 5)	Up 0.86 percent to \$HK141.50 per share
China Construction Bank Corporation (Code: 939)	Down 2.24 percent to \$HK4.79 per share
China Communications Construction Company Ltd (Code: 1800)	Up 5.95 percent to \$HK8.73 per share
China Mobile Ltd (Code: 941)	Up 2.84 percent to \$HK70.55 per share
PetroChina Company Ltd (Code: 857)	Up 2.02 percent to \$HK9.58 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.27 percent to \$HK6.38 per share

Bank of China Ltd (Code: 3988)

Down 1.23 percent to \$HK4.03 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.00 percent to \$HK80.70 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)
AMVIG Holdings Ltd	2300	12.76		5.39
Benefun International Holdings Ltd	1130		19.23	0.084
Berjaya Holdings (Hongkong) Ltd	288		21.50	0.157
CATIC Shenzhen Holdings Ltd	161	10.12		1.85
China Elegance (Holdings) Ltd	476	25.00		0.08
China Financial Industry Investment Fund Ltd	1227	19.05		0.25
China Oriental Group Company Ltd	581	13.20		2.23
China Travel International Investment Hongkong Ltd	308	10.89		2.85
Ching Hing (Holdings) Ltd	692		16.67	0.075
Daisho Microline Holdings Ltd	567	13.78		2.23
Everbest Century Holdings Ltd	578	18.97		0.69
Fortune Telecom Holdings Ltd	110		11.11	0.56
Hongkong Chinese Ltd	655	18.64		1.40
Junefield Department Store Group Ltd	758		12.50	0.07
K.P.I. Company Ltd	605	15.38		0.15
Keck Seng Investments (Hongkong) Ltd	184	18.97		3.70
Kenford Group Holdings Ltd	464	12.50		0.36
Lippo Ltd	226	10.67		2.80

Lippo China Resources Ltd	156	14.42		0.246
Luen Thai Holdings Ltd	311	10.66		1.35
Oriental Investment Corporation Ltd	735	17.72		0.465
PME Group Ltd	379		11.54	0.069
Rontex International Holdings Ltd	1142		19.15	0.038
Sino Technology Investments Company Ltd	1217		18.76	0.061
Sunlink International Holdings Ltd	2336	19.63		0.195
Takson Holdings Ltd	918	14.93		0.385
Tomorrow International Holdings Ltd	760	10.00		2.20
Tongda Group Holdings Ltd	698	10.00		0.66
Wo Kee Hong (Holdings) Ltd	720	12.82		0.44

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index put on about 0.54 percent, rising to 1,257.82 points.

The Total Turnover on this speculative market was about \$HK289.01 million.

Gainers outnumbered losers by the ratio of about 1.30:One.

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

Proactive Technology Holdings Ltd (Code: 8089) Up 23.28 percent to \$HK3.76 per share

Beijing Jingkelong Company Ltd (Code: 8245) Up 9.29 percent to \$HK6.94 per share

China LotSynergy Holdings Ltd (Code: 8161) Down 3.08 percent to \$HK1.89 per share

Golden Meditech Company Ltd (Code: 8180) Up 0.32 percent to \$HK3.17 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276) Up 3.97 percent to \$HK1.57 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Asian Information Resources (Holdings) Ltd	8025	16.67		0.084
Argos Enterprise (Holdings) Ltd	8022	23.78		0.177
EVI Education Asia Ltd	8090	16.28		0.05
Golding Soft Ltd	8190	21.43		0.034
Golife Concepts Holdings Ltd	8172	24.00		0.062
International Financial Network Holdings Ltd	8123		10.20	0.044
IIN International Ltd	8128	26.09		0.029
Info Communication Holdings Ltd	8082	14.67		0.086
ITE (Holdings) Ltd	8092	10.26		0.043
North Asia Strategic Holdings Ltd	8080		10.53	0.425
Neolink Cyber Technology (Holding) Ltd	8116		10.10	0.178
New Universe International Group Ltd	8068		21.48	0.106
Proactive Technology Holdings Ltd	8089	23.28		3.76
Sing Lee Software (Group) Ltd	8076	19.15		0.056
Vodatel Networks Holdings Ltd	8033	11.54		0.145

In Japan, it was announced that the country's Central Bank had decided not to raise interest rates.

The Board Members of The Bank of Japan voted 6:3 to leave well-enough alone.

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.49 percent to end the session at 1,715.17 points.

Advancing counters outran declining counters by the ratio of about 1.77:One.

The Nikkei-225 Stock Average ended the trading day at 17,370.93 yen, representing a gain of about 0.63 percent.

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

The HKSAR	Hang Seng Index Plus 1.06 percent to 20,277.51 The Growth Enterprise Index Plus 0.54 percent to 1,257.82
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Indonesia	Plus 1.09 percent to 1,777.71
Japan	TOPIX Index Plus 0.49 percent to 1,715.17 Nikkei-225 Stock Average Plus 0.63 percent to 17,370.93
Malaysia	Plus 0.70 percent to 1,147.66
The Philippines	Plus 1.32 percent to 3,081.73
Singapore	Plus 0.79 percent to 3,061.65
South Korea	Plus 0.27 percent to 1,383.21
Taiwan	Plus 0.78 percent to 7,895.18
Thailand	Plus 0.52 percent to 654.89

Friday

Disappointed news from hi-tech counters pulled down the prices of stocks and shares on US equity markets, last Friday.

Adding to the gloom was an increase in the price of crude oil on international commodity exchanges.

What touched off a bit of a run on hi-tech counters, last Friday, was an announcement from the world's second-largest producer of cellular telephones, Motorola Incorporated, which announced that it would be sacking 3,500 of its workers in order to try to stem falling profits.

The company, also, announced that, for the 3 months to December 31, 2006, profits were almost halved, Year-On-Year – from \$US1.20 billion to \$US624 million.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.02 percent of its value, ending the 4-day trading week at 12,565.53 points.

As for The NASDAQ, its Composite Index rose one third of a percentage point to 2,451.31 points.

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

The Dow Jones Industrial Average	Plus 0.08 percent
The NASDAQ's Composite Index	Minus 1.66 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in February was \$US51.99, an increase of about 2.99 percent on Thursday's closing level.

As for delivery in March, the last settlement for a barrel of light sweet crude oil was \$US53.40, off about 3.07 percent on Thursday's last settlement.

In Europe, share prices bounced back on the prospects of higher crude-oil prices, following reports of even colder weather for parts of Europe where ice storms were creating havoc.

For some indices of major equity markets in the region, their closing levels, last Friday, were at 6-year highs:

Amsterdam's AEX Index	Plus	0.31 percent
France's CAC 40 Index	Plus	1.07 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.86 percent
Great Britain's FTSE 100 Index	Plus	0.43 percent
Italy's MIBTEL Index	Plus	0.93 percent
Switzerland's Swiss Market Index	Plus	0.61 percent

The key indices of major stock markets in Asia were mixed, last Friday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets experienced a mildly satisfying end to the week's proceedings, all things considered.

The Hang Seng Index, which is the key gauge to trading in blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.25 percent to 20,327.72 points on a reduced Total Turnover of about \$HK59.78 billion.

But declining counters edged out advancing ones by the slim ratio of about 1.02:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.06 percent to \$HK143.00 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.93 percent to \$HK24.45 per share
China Mobile Ltd (Code: 941)	Up 0.35 percent to \$HK70.80 per share
PetroChina Company Ltd (Code: 857)	Down 0.10 percent to \$HK9.57 per share
China Merchants Bank Company Ltd (Code: 3968)	Up 4.70 percent to \$HK17.38 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.22 percent to \$HK4.60 per share
China Communications Construction Company Ltd (Code: 1800)	Down 0.80 percent to \$HK8.66 per share

China Construction Bank Corporation (Code: 939) Down 0.21 percent to \$HK4.78 per share

TPV Technology Ltd (Code: 903) Down 10.98 percent to \$HK5.11 per share

China Petroleum and Chemical Corporation (Code: 386) Up 2.51 percent to \$HK6.54 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)
China Best Group Holding Ltd	370	50.00		0.099
China Financial Industry Investment Fund Ltd	1227	12.00		0.28
China Seven Star Shopping Ltd	245	28.36		0.43
Dynasty Fine Wines Group Ltd	828	11.18		3.78
GFT Holdings Ltd	1003	20.69		0.07
Grand Field Group Holdings Ltd	115	15.38		0.15
IPE Group Ltd	929	10.32		1.39
Keck Seng Investments (Hongkong) Ltd	184	16.22		4.30
MAXX Bioscience Holdings Ltd	512	15.56		0.104
ONFEM Holdings Ltd	230	13.73		0.58
Pyxis Group Ltd	516	25.98		0.16
REXCAPITAL Financial Holdings Ltd	555	11.11		0.55
Rising Development Holdings Ltd	1004		10.29	0.305
Rontex International Holdings Ltd	1142	15.79		0.044
Shougang Concord Grand (Group) Ltd	730	13.89		0.41
Sun Innovation Holdings Ltd	547		12.70	1.65
TPV Technology Ltd	903		10.98	5.11

Universe International Holdings Ltd	1046	15.38		0.15
Vedan International (Holdings) Ltd	2317	10.26		1.29

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index ended the week with a gain of about 0.95 percent, coming to rest at 1,269.82 points.

The volume of activity on this speculative market was about \$HK273.56 million.

Gainers outnumbered losers by the ratio of 1.56:One, exactly.

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

Beijing Jingkelong Company Ltd (Code: 8245) Up 4.03 percent to \$HK7.22 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276) Up 1.27 percent to \$HK1.59 per share

Shandong Weigao Group Medical Polymer Company Ltd
(Code: 8199) Up 8.25 percent to \$HK10.50 per share

Proactive Technology Holdings Ltd (Code: 8089) Down 4.52 percent to \$HK3.59 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002) Up 7.63 percent to \$HK1.41 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Capinfo Company Ltd	8157	15.93		0.131
China Leason Investment Group Company Ltd	8270	30.36		0.219
China Vanguard Group Ltd	8156	10.87		0.51
Dahe Media Company Ltd	8243	11.11		1.00
Era Information and Entertainment Ltd	8043	16.28		0.05
Everpride Biopharmaceutical Company Ltd	8019		18.99	0.064
EVI Education Asia Ltd	8090	28.00		0.064
Excel Technology International Holdings Ltd	8048	13.95		0.098
FlexSystem Holdings Ltd	8050	23.53		0.063

Global Digital Creations Holdings Ltd	8271	16.47		0.29
Golding Soft Ltd	8190	23.53		0.042
Golife Concepts Holdings Ltd	8172		14.52	0.053
Hua Xia Healthcare Holdings Ltd	8143	12.50		0.27
Shandong Luoxin Pharmacy Stock Company Ltd	8058	16.39		1.42
Mobile Telecom Network (Holdings) Ltd	8266	12.50		0.09
North Asia Strategic Holdings Ltd	8080	17.65		0.50
New Chinese Medicine Holdings Ltd	8085	68.87		0.255
Neolink Cyber Technology (Holding) Ltd	8116		10.11	0.16
Soluteck Holdings Ltd	8111		11.11	0.048
Sys Solutions Holdings Ltd	8182	95.65		0.45
Tradeeasy Holdings Ltd	8163	14.81		0.062

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

The Hang Seng Index	Plus	3.64 percent
The Growth Enterprise Index	Plus	3.86 percent

Dull trading conditions prevailed on equity markets of The Land of The Rising Sun, last Friday.

On The Tokyo Stock Exchange, The TOPIX Index shed about 0.06 percent of its value, edging back to 1,714.21 points.

Advancing counters outnumbered declining ones by the ratio of about 1.31:One.

The Nikkei-225 Stock Average lost about 0.34 percent, ending the week at 17,310.44 yen.

For the week, the tally for the largest equity market in Asia was:

The TOPIX Index	Plus	1.72 percent
The Nikkei-225 Stock Average	Plus	1.49 percent

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

The HKSAR	Hang Seng Index Plus 0.25 percent to 20,327.72 The Growth Enterprise Index Plus 0.95 percent to 1,269.82
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Indonesia	Plus 1.00 percent to 1,795.56
Japan	TOPIX Index Minus 0.06 percent to 1,714.21 Nikkei-225 Stock Average Minus 0.35 percent to 17,310.44
Malaysia	Plus 0.01 percent to 1,147.76
The Philippines	Plus 0.11 percent to 3,085.18
Singapore	Plus 0.37 percent to 3,072.88
South Korea	Minus 1.64 percent to 1,360.56
Taiwan	Minus 0.70 percent to 7,840.08
Thailand	Plus 0.50 percent to 658.17

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