

**CHINA, DEFINITELY, RULES THE WAVES ...  
AS FAR AS THE WORLD'S EQUITY MARKETS ARE CONCERNED**

As the United Nations went into a huddle over Iran and its intransigence with regard to its nuclear programme, investors on the world's largest equity markets started to fret.

Earnest considerations were being given by the superpowers of the world to impose tougher sanctions on Iran in order to bring it to heel: Iran's nuclear ambitions must be curbed, The Security Council of the United Nations maintained.

Adding to the concerns in respect of Iran and that fundamentalistic country's determination to press ahead with nuclear technology, contrary to previous signed agreements with the United Nations, the price of crude oil continued to rise – and the red flag of inflation was flying once again in the US.

On The New York Mercantile Exchange (NYMEX), last Monday, the last settlement for a barrel of light sweet crude oil for delivery in April was \$US61.39, up 25 cents, equivalent to about 0.41 percent, compared with the closing level of Friday, February 23, 2007.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US62.53, an increase of 18 cents, or about 0.29 percent, compared with the last settlement of the previous Friday.

On The New York Stock Exchange, the concern that higher energy costs would fan inflationary embers in The Land of The Free and The Home of The Brave caused many an investor to run for cover.

The Dow Jones Industrial Average, which is the key index of the world's largest equity market, gained 15.22 points, or about 0.12 percent, ending the first day of trading for the week at 12,632.26 points.

Over on The NASDAQ, however, its Composite Index shed 10.58 points, or about 0.42 percent, coming to rest at 2,504.52 points by the close of the trading day.

In Europe, ironically, the increase in the price of crude oil on international commodity exchanges caused the key indices of the most-important bourses to rise as any investors went back into energy counters.

For some of these key indices, they hit 6-year highs.

This was how major European bourses fared, last Monday night:

Amsterdam's AEX Index	Plus	0.10 percent
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France's CAC 40 Index	Plus	0.80 percent
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Germany's Frankfurt XETRA DAX Index	Plus	0.50 percent
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Great Britain's FTSE 100 Index	Plus 0.50 percent
Italy's MIBTEL Index	Plus 0.76 percent
Switzerland's Swiss Market Index	Minus 0.24 percent

In Asia, only 3 equity markets of the 9 major equity markets of the region wrote their respective key indices in black ink.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors, locked into the stocks and shares, quoted on the premier equity market of the territory, sold part of their holdings as soon as buyers could be located.

As a result, the Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, lost about 0.98 percent of its value, falling back to 20,507.95 points.

The ratio of declining counters to advancing ones was about 1.91:One.

The Total Turnover was about \$HK43.99 billion.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Down 2.65 percent to \$HK77.15 per share
HSBC Holdings plc (Code: 5)	Unchanged at \$HK138.20 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.88 percent to \$HK4.52 per share
China Life Insurance Company Ltd (Code: 2628)	Down 1.96 percent to \$HK22.50 per share
China Construction Bank Corporation (Code: 939)	Down 1.69 percent to \$HK4.66 per share
China Huiyuan Juice Group Ltd (Code: 1886)	Up 7.41 percent to \$HK10.72 per share
Jiangxi Copper Company Ltd (Code: 358)	Up 8.32 percent to \$HK9.63 per share
China Coal Energy Company Ltd (Code: 1898)	Up 9.22 percent to \$HK7.58 per share
PetroChina Company Ltd (Code: 857)	Up 0.21 percent to \$HK9.49 per share

857)

China Communications Construction  
Company Ltd (Code: 1800)

Up 1.82 percent to \$HK10.08 per share

With regard to the biggest, Main Board movers of the day, there was a total of 52 counters which qualified for that honour, with the share prices of only 3 of their number, falling 10 percent or more.

The biggest gainer of the day was Rontex International Holdings Ltd (Code: 1142) whose share price rose 67.96 percent to 17.30 cents.

Yardway Group Ltd (Code: 646) was the biggest loser of the day as its share price dropped 13.64 percent to 47.50 cents.

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index – which is the only index of this speculative equity market – rose about 0.17 percent, ending the trading day at 1,356.33 points.

The Total Turnover of this market was about \$HK352.84 million, while the ratio of gaining counters to losing ones was about 1.13:One.

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

Kanstar Environmental Paper Products Holdings Ltd (Code:  
8011)

Up 10.39 percent to \$HK0.425 per share

Ko Yo Ecological Agrotech (Group) Ltd (Code: 8042)

Up 19.40 percent to \$HK0.80 per share

China Fire Safety Enterprise Group Holdings Ltd (Code:  
8201)

Up 9.23 percent to \$HK0.71 per share

Golife Concepts Holdings Ltd (Code: 8172)

Up 62.96 percent to \$HK0.132 per share

CK Life Sciences International (Holdings) Incorporated  
(Code: 8222)

Up 6.17 percent to \$HK0.86 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		18.46	0.106
Asian Information Resources (Holdings) Ltd	8025	40.63		0.135

China Chief Cable TV Group Ltd	8153	24.00	0.31
China Leason Investment Group Company Ltd	8270	13.21	0.23
DIGITALHONGKONG.COM	8007	10.13	0.25
Era Information and Entertainment Ltd	8043	15.38	0.075
FAVA International Holdings Ltd	8398	10.60	1.35
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231	16.05	0.47
G.A. Holdings Ltd	8126	11.41	0.205
Galileo Capital Group Ltd	8029	26.79	0.355
Golife Concepts Holdings Ltd	8172	62.96	0.132
IIN International Ltd	8128	28.26	0.059
ITE (Holdings) Ltd	8092	18.62	0.118
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	16.67	0.25
Kanstar Environmental Paper Products Holdings Ltd	8011	10.39	0.425
Ko Yo Ecological Agrotech (Group) Ltd	8042	19.40	0.80
Medical China Ltd	8186	15.38	0.15
Neolink Cyber Technology (Holding) Ltd	8116	16.13	0.36

In Japan, trading was quiet on the country's 3 equity markets.

On The Tokyo Stock Exchange, The TOPIX Index rose 2.01 points, or 0.11 percent, exactly, limping up to 1,816.97 points.

Advancing counters outnumbered declining ones by the ratio of about 1.03:One.

The Nikkei-225 Stock Average, which is a narrow gauge of trading in select blue chips, listed on The First Section of The Tokyo Stock Exchange, managed a gain of 26.93 yen, equivalent to about 0.15 percent, ending the trading day at 18,215.35 yen.

In other Asian equity markets, this was how their respective key indices ended the first day of trading, last week:

The HKSAR	Hang Seng Index Minus 0.98 percent to 20,507.95 The Growth Enterprise Index Plus 0.17 percent to 1,356.33
Indonesia	Minus 0.42 percent to 1,783.95
Japan	TOPIX Index Plus 0.11 percent to 1,816.97 Nikkei-225 Stock Average Plus 0.15 percent to 18,215.35
Malaysia	Minus 0.83 percent to 1,272.87
The Philippines	Minus 0.28 percent to 3,380.00
Singapore	Minus 0.08 percent to 3,307.92
South Korea	Plus 0.01 percent to 1,470.03
Taiwan	Plus 1.16 percent to 7,900.20
Thailand	Minus 0.30 percent to 688.70

## **Tuesday**

It was not that which the Government of the People's Republic of China (PRC) had done to try to cool down its economy and to apply the brakes to its fast-galloping stock-markets' indices, but investors' fears that the PRC Government was primed to do something drastic.

The uncertainty of the situation was the main reason for that which transpired, last Tuesday.

On news that the key index of The Shanghai Stock Market, The Shanghai Composite Index, had fallen by about 8.40 percent by the close of trading, last Tuesday, the key indices of equity markets, around the world, fell – and fell hard.

No equity market and no investor was spared.

On The New York Stock Exchange, its Dow Jones Industrial Average lost 416.02 points, equivalent to about 3.29 percent, ending the volatile day's trading at 12,216.24 points.

The ratio of losing counters to gaining ones was about 6:One.

All of The Dow's 30 constituent stocks ended up in the red.

On The NASDAQ, its Composite Index shed 96.65 points, or about 3.86 percent, ending the trading day at 2,407.87 points.

The ratio of losing counters to gaining ones on this stock market, which is loaded with hi-tech counters, was about 10:One.

For the largest equity markets of the world, last Tuesday's falls were the largest in the previous 4 years.

Any counter, remotely involved with PRC businesses, was fair game for investors to sell.

Making matters worse was the fact that the volume of activity on the world's largest equity markets rose spectacularly, suggesting, very strongly, that the selling spree was far from being over.

In Europe, the situation was even worse than in the US as investors sold, sold and sold some more equities.

This was how the situation looked, last Tuesday night at the conclusion of proceedings on major European bourses:

Amsterdam's AEX Index	Minus 2.12 percent
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France's CAC 40 Index	Minus 3.02 percent
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Germany's Frankfurt XETRA DAX Index	Minus 2.95 percent
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Great Britain's FTSE 100 Index	Minus 2.15 percent
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Italy's MIBTEL Index	Minus 3.20 percent
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Switzerland's Swiss Market Index	Minus 3.39 percent
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On the world's major commodity markets, it was a similar story to that, being told on the world's equity markets: High-priced commodities were felled as investors sold part of their holdings.

On the oil markets of the world, however, the price of crude oil edged up, fractionally.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US61.46, up about 0.11 percent on the final quote of Monday.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US62.62, representing a one-day improvement of about 0.14 percent.

In Asia, only the stock market of Taiwan did not sink beneath the avalanche of sell orders.

On the premier equity market of The Stock Exchange of Hongkong Ltd, the Hongkong Special Administrative Region (HKSAR) of the PRC, being the second, most-important money market in Asia, investors rushed to sell stocks and shares, driving down the key index in the 90-minute afternoon as though there would not be another chance to sell.

By the time that the dust had settled for the trading day, the Main Board's Hang Seng Index was standing at 20,147.87 points, representing a fall of 360.08 points, equivalent to about 1.76 percent.

The Total Turnover rose to about \$HK64.78 billion.

The ratio of losing counters to gaining ones was about 4.11:One.

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

China Life Insurance Company Ltd (Code: 2628)	Down 3.78 percent to \$HK21.65 per share
Beijing Capital International Airport Company Ltd (Code: 694)	Down 9.40 percent to \$HK7.52 per share
China Construction Bank Corporation (Code: 939)	Down 2.79 percent to \$HK4.53 per share
HSBC Holdings plc (Code: 5)	Down 0.29 percent to \$HK137.80 per share
China Mobile Ltd (Code: 941)	Down 2.92 percent to \$HK74.90 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.77 percent to \$HK4.44 per share
Hutchison Whampoa Ltd (Code: 13)	Down 2.18 percent to \$HK76.20 per share
Bank of China Ltd (Code: 3988)	Down 1.04 percent to \$HK3.80 per share
China Coal Energy Company Ltd (Code: 1898)	Down 1.32 percent to \$HK7.48 per share
PetroChina Company Ltd (Code: 857)	Down 1.37 percent to \$HK9.36 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723		12.73	0.192

China Eastern Airlines Corporation Ltd	670	10.11	2.40
Ching Hing (Holdings) Ltd	692	23.57	0.12
Chinney Alliance Group Ltd	385	12.00	0.28
City e-Solutions Ltd	557	17.65	1.20
Compass Pacific Holdings Ltd	1188	10.61	0.16
Cosmopolitan International Holdings Ltd	120	10.34	0.26
Dynamic Holdings Ltd	29	14.00	2.85
eForce Holdings Ltd	943	11.18	0.169
Fujian Holdings Ltd	181	12.64	0.38
Gay Giano International Group Ltd	686	35.68	0.27
GFT Holdings Ltd	1003	35.94	0.087
Guangdong Tannery Ltd	1058	13.04	0.52
Hongkong Pharmaceutical Holdings Ltd	182	12.16	0.415
MAE Holdings Ltd	851	11.54	0.46
Massive Resources International Corporation Ltd	70	12.86	0.079
Mei Ah Entertainment Group Ltd	391	10.23	0.395
Poly Investments Holdings Ltd	263	51.69	1.79



Prosperity Investment Holdings Ltd	310	12.33	0.41
Rontex International Holdings Ltd	1142	10.40	0.155
Shanghai International Shanghai Growth Investment Ltd	770	10.64	2.60
Shun Cheong Holdings Ltd	650	10.96	0.65
Simsen International Corporation Ltd	993	18.48	0.15
Sino Technology Investments Company Ltd	1217	13.61	0.165
South East Group Ltd	726	12.00	0.132
Wealthmark International (Holdings) Ltd	39	11.43	0.31
Zhejiang Glass Company Ltd	739	15.58	2.30

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.91 percent of its value, dropping back to 1,344.05 points.

Losing counters outnumbered gaining ones by the ratio of about 1.58:One.

The Total Turnover was about \$HK344.35 million.

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

Century Sunshine Ecological Technology Holdings Ltd  
(Code: 8276)

Down 7.11 percent to \$HK1.83 per share

Kanstar Environmental Paper Products Holdings Ltd  
(Code: 8011)

Down 4.71 percent to \$HK0.405 per share

CK Life Sciences International (Holdings) Incorporated  
(Code: 8222)

Down 4.65 percent to \$HK0.82 per share

Golden Meditech Company Ltd (Code: 8180)

Up 0.92 percent to \$HK3.30 per share

China Fire Safety Enterprise Group Holdings Ltd (Code:  
8201)

Unchanged at \$HK0.71 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061		11.76	0.15
Capinfo Company Ltd	8157		10.61	0.295
Cardlink Technology Group Ltd	8066	27.27		0.126
China Chief Cable TV Group Ltd	8153	22.58		0.38
Core Healthcare Investment Holdings Ltd	8250	11.42		0.244
DIGITALHONGKONG.COM	8007	32.00		0.33
FlexSystem Holdings Ltd	8050	11.11		0.09
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231		14.89	0.40
G.A. Holdings Ltd	8126	21.95		0.25
Galileo Capital Group Ltd	8029	14.08		0.405
Global Link Communications Holdings Ltd	8060	15.79		0.11
Golding Soft Ltd	8190		10.45	0.06
Jiangsu Nandasoft Company Ltd	8045		10.29	0.305
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	16.00		0.29
Launch Tech Company Ltd	8196	10.00		2.20

Linefan Technology Holdings Ltd	8166	12.82	0.088
Sau San Tong Holdings Ltd	8200	20.00	0.168
TeleEye Holdings Ltd	8051	15.03	0.13
Thiz Technology Group Ltd	8119	22.22	0.088
Ningbo Yidong Electronic Company Ltd	8249	17.95	0.32
Zheda Lande Scitech Ltd	8106	12.90	0.27

In Japan, the country's 3 equity markets were not spared.

On The Tokyo Stock Exchange, its TOPIX Index shed 5.64 points, about 0.31 percent, falling back to 1,811.33 points.

Declining counters outpaced advancing ones by the ratio of 1.81:One, exactly.

The Nikkei-225 Stock Average lost 95.43 yen, equivalent to about 0.52 percent, coming to rest at 18,119.92 yen by the close of the day.

#### News Wise

- **Toyota Motor Corporation** will spend about 200 billion yen in order to establish a new manufacturing plant in Mississippi, the US. The company announced that the new plant is expected to be up and running by the end of 2009. It will be the 8<sup>th</sup> such plant in the US.

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

The HKSAR	Hang Seng Index Minus 1.76 percent to 20,147.87 The Growth Enterprise Index Minus 0.91 percent to 1,344.05
Indonesia	Minus 1.12 percent to 1,764.01
Japan	TOPIX Index Minus 0.31 percent to 1,811.33 Nikkei-225 Stock Average Minus 0.52 percent to 18,119.92
Malaysia	Minus 2.81 percent to 1,237.08

The Philippines	Minus 1.44 percent to 3,331.29
Singapore	Minus 2.29 percent to 3,232.02
South Korea	Minus 1.05 percent to 1,454.60
Taiwan	Plus 0.02 percent to 7,901.96
Thailand	Minus 0.69 percent to 683.95

### **Wednesday**

The US Government's Bureau of Economic Analysis, a division of The Department of Commerce, brought out its preliminary findings with regard to the economic situation in the US, during the fourth quarter of 2006.

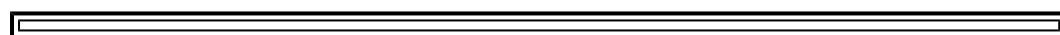
The statistics suggested what The Bureau described as a '*small acceleration*'.

The following is a précis of The Bureau's preliminary estimates:

*'Real gross domestic product increased 2.2 percent in the fourth quarter of 2006 after increasing 2.0 percent in the third quarter, according to the "preliminary" estimates released by the Bureau of Economic Analysis. The fourth-quarter growth rate was revised down 1.3 percentage points from the "advance" estimates released in January. Annual growth in 2006 was 3.3 percent, 0.1 percentage point lower than the January estimate.'*

#### ***'Gross Domestic Product (GDP)***

*'The small acceleration in fourth-quarter GDP growth reflected accelerations in consumer spending, exports, and Federal government spending and a downturn in imports. In contrast, inventory investment, equipment and software investment, and nonresidential structures investment turned down.'*



#### ***'Prices***

*'Inflation, measured by the price index for gross domestic purchases, increased 0.2 percent, 0.1 percentage point higher than in the advance estimate. In the third quarter, it increased 2.2 percent.'*

*'Excluding food and energy, prices increased 2.4 percent in the fourth quarter following an increase of 2.2 percent in the third quarter.'*

#### ***'Real Disposable Personal Income (DPI)***

*'Real DPI increased 5.3 percent in the fourth quarter, 0.1 percentage point less than in the advance estimate. In the third quarter, real DPI increased 3.2 percent (revised).'*

#### ***'Revisions***

*‘This month’s GDP revision was relatively large. The average revision (without regard to sign) between the "advance" and "preliminary" estimates is 0.5 percentage point. Revisions equal to or larger than this month’s revision have occurred only 7 times in 30 years. This month, most of the major components of GDP were revised down. Typically, revisions to the components tend to offset each other.’*

Many investors were not too pleased with The Bureau’s findings, but the major equity markets of the US bounced back, last Wednesday, nevertheless, with some of their number, considering that the rout of Tuesday had been overdone.

However, the fractional gains of the key indices of the equity markets of US stood out among the crowd of losers, around the world.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 52.39 points, or about 0.43 percent, rising to 12,268.63 points.

The NASDAQ’s Composite Index added 8.27 points, equivalent to about 0.34 percent, ending the day’s trading activities at 2,416.13 points.

The volume of activity on the world’s largest equity markets continued to be greater than usual for this time of the year, with advancing counters, beating off declining ones by the ratio of about 1.80:One on The New York Stock Exchange and by about 1.14:One on The NASDAQ.

In Europe, it was a completely different story to that, being told in Wall Street, with the key indices of every major bourse, suffering material losses as the following TARGET list illustrates:

Amsterdam’s AEX Index	Minus 2.02 percent
France’s CAC 40 Index	Minus 1.28 percent
Germany’s Frankfurt XETRA DAX Index	Minus 1.52 percent
Great Britain’s FTSE 100 Index	Minus 1.28 percent
Italy’s MIBTEL Index	Minus 0.94 percent
Switzerland’s Swiss Market Index	Minus 1.34 percent

Europe continued to be completely and utterly unconvinced that the ripple effect of the dramatic falls in the key indices of the stock exchanges of the PRC was a thing of the past.

On The **New York Mercantile Exchange** (NYMEX), the price of crude oil continued to rise.

For delivery in April, the last settlement for a barrel of light sweet crude oil was \$US61.79, representing an increase of about 0.54 percent, compared with Tuesday’s final quote.

The price of a barrel of light sweet crude oil for delivery in May came in at \$US63.06, an increase of about 0.70 percent on the last settlement of Tuesday.

In Asia, all of the key indices of every equity market was written in bold letters and in red ink.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 stock markets suffered very material losses.

On the Main Board of The Stock Exchange of Hongkong Ltd, its Hang Seng Index shed about 2.46 percent of its previous value, ending the trading day at 19,651.51 points.

The Total Turnover rose about 24 percent, compared with the volume of activity on Tuesday, to hit about \$HK80.49 billion.

The ratio of losers to gainers was about 5.37:One.

The Ten Most Active counters were:

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

Down 2.93 percent to \$HK4.31 per share

China Life Insurance Company Ltd (Code: 2628)

Down 3.23 percent to \$HK20.95 per share

China Mobile Ltd (Code: 941)

Down 3.07 percent to \$HK72.60 per share

HSBC Holdings plc (Code: 5)

Down 0.80 percent to \$HK136.70 per share

China Construction Bank Corporation (Code: 939)

Down 2.87 percent to \$HK4.40 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Down 6.02 percent to \$HK80.45 per share

PetroChina Company Ltd (Code: 857)

Down 2.67 percent to \$HK9.11 per share

China Communications Construction Company Ltd (Code: 1800)

Down 2.62 percent to \$HK9.66 per share

Bank of China Ltd (Code: 3988)

Down 1.58 percent to \$HK3.74 per share

Hutchison Whampoa Ltd (Code: 13)

Down 2.43 percent to \$HK74.35 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)
Chengdu PUTIAN Telecommunications Cable Company Ltd	1202		10.62	2.02
China Electronics Corporation Holdings Company Ltd	85	33.64		1.47

China Sci-Tech Holdings Ltd	985	11.48	0.108
China Treasure (Greater China) Investments Ltd	810	12.75	13.00
Compass Pacific Holdings Ltd	1188	12.50	0.18
EC-Founder (Holdings) Company Ltd	618	10.00	0.54
Everbest Century Holdings Ltd	578	10.08	1.16
Fintronics Holdings Company Ltd	706	11.84	0.67
HyComm Wireless Ltd	499	12.20	0.072
K.P.I. Company Ltd	605	10.00	0.165
LeRoi Holdings Ltd	221	10.53	0.102
MAE Holdings Ltd	851	13.04	0.52
Magnificent Estates Ltd	201	11.29	0.275
Poly Investments Holdings Ltd	263	11.73	1.58
Prosperity Investment Holdings Ltd	310	17.07	0.34
Pyxis Group Ltd	516	10.73	0.183
Riche Multi-Media Holdings Ltd	764	17.12	0.092
Rontex International Holdings Ltd	1142	18.71	0.126
Seapower Resources International Ltd	269	22.56	0.163

Solartech International Holdings Ltd	1166	10.59	0.76
South Sea Petroleum Holdings Ltd	76	15.38	0.30
Theme International Holdings Ltd	990	12.12	0.058
Tidetime Sun (Group) Ltd	307	11.19	0.127
UDL Holdings Ltd	620	11.96	0.081
United Pacific Industries Ltd	176	10.77	0.29
Vital BioTech Holdings Ltd	1164	10.73	0.158
Yeebo (International Holdings) Ltd	259	11.48	0.54

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index gave up about 1.24 percent of its value, falling back to 1,327.43 points.

The Total Turnover on this market was about \$HK364.79 million.

The ratio of losing counters to gaining ones was wide, at about 4.07:One.

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

Century Sunshine Ecological Technology Holdings Ltd  
(Code: 8276)

Up 2.19 percent to \$HK1.87 per share

China LotSynergy Holdings Ltd (Code: 8161)

Down 7.63 percent to \$HK2.18 per share

Beijing Jingkelong Company Ltd (Code: 8245)

Down 2.83 percent to \$HK8.25 per share

Tong Ren Tang Technologies Company Ltd (Code:  
8069)

Down 4.67 percent to \$HK14.30 per share

Kanstar Environmental Paper Products Holdings Ltd  
(Code: 8011)

Down 2.47 percent to \$HK0.395 per share

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



Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061	13.33		0.17
Armitage Technologies Holding Ltd	8213		16.33	0.082
B.A.L. Holdings Ltd	8079	13.89		0.41
BIG Media Group Ltd	8167		20.69	0.23
China Chief Cable TV Group Ltd	8153		13.16	0.33
Era Information and Entertainment Ltd	8043		14.63	0.07
Essex Bio-Technology Ltd	8151		12.00	0.132
EVI Education Asia Ltd	8090		12.20	0.108
First Mobile Group Holdings Ltd	8110		10.34	0.13
FlexSystem Holdings Ltd	8050	22.22		0.11
G.A. Holdings Ltd	8126		10.00	0.225
Golding Soft Ltd	8190		11.67	0.053
Info Communication Holdings Ltd	8082		10.53	0.17
ITE (Holdings) Ltd	8092		14.66	0.099
Jessica Publications Ltd	8137		12.73	0.096
Qianlong Technology International Holdings Ltd	8015		12.50	0.28

SJTU Sunway Software Industry Ltd	8148	89.19	0.35
T S Telecom Technologies Ltd	8003	13.33	0.187
Tiger Tech Holdings Ltd	8046	12.70	0.055
Zhejiang Shibao Company Ltd	8331	11.76	0.75

In The Land of The Rising Sun, investors were caught on the hop as the key indices of the country's 3 stock markets took a terrible pounding.

Japanese investors, it appeared, were playing catch-up with the rest of the world because, on Tuesday, the key indices of Japan's stock markets were not mauled very much, compared with the key indices of other equity markets in other parts of the world.

On The Tokyo Stock Exchange, last Wednesday, its key index, known as The TOPIX Index, gave up about 3.23 percent of its value, ending the trading session at 1,752.74 points.

Losing counters outran gaining counters by the very wide margin of about 50.79:One.

(Only 33 counters on The First Section of The Tokyo Stock Exchange managed to beat off the bears)

As for The Nikkei-225 Stock Average, it shed about 2.85 percent of its value, dropping to 17,604.12 yen.

The bulls of Japan were, truly, pounded into submission, last Wednesday.

And this was the situation on other major equity markets of Asia:

The HKSAR	Hang Seng Index Minus 2.46 percent to 19,651.51 The Growth Enterprise Index Minus 1.24 percent to 1,327.43
Indonesia	Minus 1.31 percent to 1,740.97
Japan	TOPIX Index Minus 3.23 percent to 1,752.74 Nikkei-225 Stock Average Minus 2.85 percent to 17,604.12
Malaysia	Minus 3.28 percent to 1,196.45
The Philippines	Minus 7.92 percent to 3,067.45
Singapore	Minus 3.72 percent to 3,111.94

South Korea	Minus 2.56 percent to 1,417.34
Taiwan	Closed
Thailand	Minus 1.00 percent to 677.13

### Thursday

Tuesday's fallout from the massive sell-off on equity markets of the People's Republic of China (PRC) continued apace, last Thursday: Few investors from anywhere in the world were left off the hook, so to speak.

Wall Street, where the key indices of its stock markets had managed to record fractional gains on Wednesday, was hit hard, last Thursday, with the key indices of the world's largest equity markets, vacillating throughout the entire trading session.

On The New York Stock Exchange, the Dow Jones Industrial Average ended the day with a loss of about 0.28 percent as investors pushed down this key index to 12,234.34 points.

The choppy trading day saw The Dow slip in and out of the red, the swing, being as much as 235 points.

Over on The NASDAQ, its Composite Index suffered a similar fate to that of The Dow as investors drove it down to 2,404.21 points, a one-day fall of about 0.49 percent.

The international sell-off of equities had visited itself on the largest equity markets of the world.

Not one of the major bourses of Europe was spared, last Thursday, as investors bailed out of stocks and shares as quickly as it was possible.

The result: The third day of material losses.

This was how the situation looked, last Thursday night, on the most-important equity markets of Europe:

Amsterdam's AEX Index	Minus 1.68 percent
France's CAC 40 Index	Minus 1.04 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.11 percent
Great Britain's FTSE 100 Index	Minus 0.89 percent
Italy's MIBTEL Index	Minus 1.26 percent
Switzerland's Swiss Market Index	Minus 0.08 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US62.00, exactly, representing an increase of about 0.34 percent on Wednesday's closing level.

As for May delivery, the last settlement for a barrel of light sweet crude oil came in at \$USS63.18, an increase of about 0.33 percent, compared with the last settlement for Wednesday.

In Asia, it was another horror day for the bulls of the region.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, investors continued the purge of prices of stocks and shares on the premier equity market of the territory.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, lost about 1.55 percent of its value, dropping back to 19,346.60 points.

The Total Turnover was about \$HK55.47 billion, while the ratio of declining counters to advancing ones was about 2.75:One.

The Ten Most Actives – all in negative territory, by the way – were:

China Mobile Ltd (Code: 941)	Down 1.86 percent to \$HK71.25 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.58 percent to \$HK20.20 per share
China Construction Bank Corporation (Code: 939)	Down 3.41 percent to \$HK4.25 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 2.78 percent to \$HK4.19 per share
HSBC Holdings plc (Code: 5)	Down 0.29 percent to \$HK136.30 per share
PetroChina Company Ltd (Code: 857)	Down 1.98 percent to \$HK8.93 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 3.60 percent to \$HK77.55 per share
Bank of China Ltd (Code: 3988)	Down 1.34 percent to \$HK3.69 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 2.88 percent to \$HK6.07 per share
Bank of Communications Company Ltd (Code: 3328)	Down 5.34 percent to \$HK7.45 per share

Of the Main Board's 39, double-digit movers of the day, only 7 of their number ended up in the red. All of the others managed to make material gains.

Theme International Holdings Ltd (Code: 990) was the biggest gainer of the day as investors pushed up its

share price to 9 cents, a gain of about 55.17 percent.

China Financial Industry Investment Fund Ltd (Code: 1227) had the distinction of being the biggest loser of the day with a fall of about 15.38 percent as investors drove down its share price to 33 cents.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, gained about 0.19 percent, rising to 1,329.94 points.

The Total Turnover on this speculative equity market was about \$HK350.09 million, while the ratio of gainers to losers was about 1.56:One.

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

Town Health International Holdings Company Ltd (Code: 8138)

Up 17.14 percent to \$HK0.41 per share

Xteam Software International Ltd (Code: 8178)

Up 21.89 percent to \$HK0.206 per share

Century Sunshine Ecological Technology Holdings Ltd (Code: 8276)

Down 1.60 percent to \$HK1.84 per share

Kanstar Environmental Paper Products Holdings Ltd (Code: 8011)

Up 1.27 percent to \$HK0.40 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002)

Down 2.14 percent to \$HK1.37 per share

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

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
AcrossAsia Ltd	8061		11.18	0.151
Asian Information Resources (Holdings) Ltd	8025	10.17		0.13
Armitage Technologies Holding Ltd	8213	37.80		0.113
BIG Media Group Ltd	8167	15.22		0.265
Cardlink Technology Group Ltd	8066	21.32		0.165
Shanxi Changcheng Microlight Equipment Company Ltd	8286		13.16	0.33

China Medical Science Ltd	8120	12.50	0.90
DIGITALHONGKONG.COM	8007	14.29	0.40
EVI Education Asia Ltd	8090	18.52	0.128
Excel Technology International Holdings Ltd	8048	10.71	0.10
FlexSystem Holdings Ltd	8050	36.36	0.15
G.A. Holdings Ltd	8126	24.44	0.28
Intelli-Media Group (Holdings) Ltd	8173	41.30	0.13
Launch Tech Company Ltd	8196	13.64	2.50
Lee's Pharmaceutical Holdings Ltd	8221	16.67	0.25
Prosperity International Holdings (Hongkong) Ltd	8139	14.29	0.80
Qianlong Technology International Holdings Ltd	8015	17.86	0.33
SJTU Sunway Software Industry Ltd	8148	62.86	0.57
T S Telecom Technologies Ltd	8003	41.71	0.265
Thiz Technology Group Ltd	8119	10.00	0.081
Tiger Tech Holdings Ltd	8046	16.36	0.064
Town Health International Holdings Company Ltd	8138	17.14	0.41
Xteam Software International Ltd	8178	21.89	0.206

On The Tokyo Stock Exchange, its TOPIX Index shed about 0.72 percent of its value, falling back to

1,740.11 points.

Losing counters were ahead of gaining ones by the ratio of about 1.79:One.

The Nikkei-225 Stock Average gave up about 0.86 percent of its value, ending up at 17,453.51 yen by the close of the trading day.

And, in other Asian equity markets, this was how their respective key indices fared, last Thursday night:

The HKSAR	Hang Seng Index Minus 1.55 percent to 19,346.60 The Growth Enterprise Index Plus 0.19 percent to 1,329.94
Indonesia	Plus 1.06 percent to 1,759.49
Japan	TOPIX Index Minus 0.72 percent to 1,740.11 Nikkei-225 Stock Average Minus 0.86 percent to 17,453.51
Malaysia	Minus 1.30 percent to 1,180.91
The Philippines	Plus 4.00 percent to 3,190.12
Singapore	Minus 0.37 percent to 3,092.58
South Korea	Closed
Taiwan	Minus 2.83 percent to 7,678.67
Thailand	Plus 0.51 percent to 680.60

### **Friday**

It was more of the same medicine, last Friday, as key indices of equity markets, around the world, were hit with one selling wave after another.

Very few major stock markets were saved from the avalanche of sell orders as investors continued to be concerned about the short-term prospects for equities.

On The New York Stock Exchange, the Dow Jones Industrial Average was forced to give up another 120.24 points, equivalent to about 0.98 percent, as determined investors crushed this key index which ended the trading day at 12,114.10 points.

As for The NASDAQ, its Composite Index fell 36.21 points, or about 1.51 percent, ending up on the floor at 2,368.00, exactly.

For The Dow, it was the worst week since March 2003 and, for The Composite Index of The NASDAQ, it was the worst week since August 2004.

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

The Dow Jones Industrial Average	Minus 3.99 percent
The NASDAQ's Composite Index	Minus 5.85 percent

In Europe, the situation mirrored that of Wall Street.

Investors feared that the coming weeks could well be trying times and, with this thought, foremost in their thinking, they took defensive postures.

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

Amsterdam's AEX Index	Minus 0.36 percent
France's CAC 40 Index	Minus 0.61 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.55 percent
Great Britain's FTSE 100 Index	Unchanged
Italy's MIBTEL Index	Minus 0.05 percent
Switzerland's Swiss Market Index	Plus 0.19 percent

On The New York Mercantile Exchange (NYMEX), there was some respite as crude-oil rose, fractionally.

The last settlement for a barrel of light sweet crude oil for delivery in April was \$US61.64, representing a one-day improvement in its price of about 0.58 percent.

For delivery in May, the last settlement for a barrel of light sweet crude oil was \$US62.77, equivalent to an increase of about 0.65 percent, compared with the last settlement of Thursday.

In Asia, only 2 equity markets managed to make gains while the remainder continued to suffer.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while the key index of the premier equity market of the territory rose, the lone index of the speculative equity market, known as The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, took quite a beating.

The Hang Seng Index, which is considered the key index of the Main Board of The Stock Exchange of Hongkong Ltd, regained about 0.49 percent of its value, ending the trading day at 19,442.01 points.

The Total Turnover was about \$HK53.11 billion.



In spite of The Hang Seng Index, being in the black by the close of the day, declining counters outpaced advancing ones by the ratio of about 2.75:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.07 percent to \$HK136.40 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.74 percent to \$HK20.05 per share
China Mobile Ltd (Code: 941)	Up 0.49 percent to \$HK71.60 per share
PetroChina Company Ltd (Code: 857)	Up 0.78 percent to \$HK9.00 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 1.87 percent to \$HK76.10 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Unchanged at \$HK4.19 per share
China Construction Bank Corporation (Code: 939)	Unchanged at \$HK4.25 per share
China Communications Construction Company Ltd (Code: 1800)	Down 2.34 percent to \$HK9.18 per share
CNOOC Ltd (Code: 883)	Up 1.93 percent to \$HK6.33 per share
Bank of China Ltd (Code: 3988)	Down 0.54 percent to \$HK3.67 per share

There was a total of 84, double-digit movers on the Main Board, last Friday.

Of that number, 78 counters suffered losses of 10 percent or more. The other 6 counters gained 10 percent or more of their market capitalisations.

Pacific Century Insurance Holdings Ltd (Code: 65) was the biggest gainer of the day as investors pushed up its share price to \$HK7.83, a gain of about 35.47 percent.

CATIC International Holdings Ltd (Code: 232) had the distinction of being the biggest loser of the day with a fall of about 30.93 percent as investors drove down its share price to 33.50 cents.

On The GEM, The Growth Enterprise Index was forced to surrender about 2.50 percent of its value, ending the day at 1,296.74 points on a Total Turnover of about \$HK583.72 million.

Losing counters were ahead of gaining ones by the ratio of about 3.03:One.

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

Zhongyu Gas Holdings Ltd (Code: 8070)	Up 7.84 percent to \$HK0.55 per share
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Neolink Cyber Technology (Holding) Ltd (Code: 8116)

Down 15.28 percent to \$HK0.305 per share

B.A.L. Holdings Ltd (Code: 8079)

Up 26.83 percent to \$HK0.52 per share

Town Health International Holdings Company Ltd  
(Code: 8138)

Down 7.32 percent to \$HK0.38 per share

Kanstar Environmental Paper Products Holdings Ltd  
(Code: 8011)

Down 6.25 percent to \$HK0.375 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	19.05		0.15
B.A.L. Holdings Ltd	8079	26.83		0.52
BIG Media Group Ltd	8167		23.40	0.203
Byford International Ltd	8272		15.22	0.39
China Chief Cable TV Group Ltd	8153	15.15		0.38
EVI Education Asia Ltd	8090		10.16	0.115
Excel Technology International Holdings Ltd	8048	45.00		0.145
FAVA International Holdings Ltd	8398		11.11	1.20
FlexSystem Holdings Ltd	8050		14.00	0.129
G.A. Holdings Ltd	8126		19.29	0.226
Galileo Capital Group Ltd	8029		18.42	0.31
Golding Soft Ltd	8190		13.79	0.05

Golife Concepts Holdings Ltd	8172	17.99	0.114
GreaterChina Technology Group Ltd	8032	12.12	0.058
IIN International Ltd	8128	15.69	0.043
Info Communication Holdings Ltd	8082	13.29	0.15
Intelli-Media Group (Holdings) Ltd	8173	63.08	0.212
ITE (Holdings) Ltd	8092	17.00	0.117
Linefan Technology Holdings Ltd	8166	10.00	0.088
Medical China Ltd	8186	16.11	0.125
Milkyway Image Holdings Ltd	8130	12.00	0.28
Neolink Cyber Technology (Holding) Ltd	8116	15.28	0.305
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	13.85	0.74
Northeast Tiger Pharmaceutical Company Ltd	8197	10.45	0.12
Q9 Technology Holdings Ltd	8129	13.33	0.325
SJTU Sunway Software Industry Ltd	8148	34.21	0.375
TeleEye Holdings Ltd	8051	13.85	0.112
Wafer Systems Ltd	8198	18.18	0.156
Xteam Software International Ltd	8178	16.50	0.172

The tally for the second-largest equity market of Asia was:

The Hang Seng Index          Minus 6.13 percent

The Growth Enterprise Index      Minus 4.23 percent

On Asia's largest and most-important equity market, that of The Tokyo Stock Exchange, its TOPIX Index gave up about 1.06 percent of its value, ending the week at 1,721.59 points.

Losing counters trounced gaining ones by the ratio of about 3:One.

The Nikkei-225 Stock Average shed about 1.35 percent of its value, ending the decidedly down day at 17,217.93 yen.

The tally for The Tokyo Stock Exchange for the week, ended March 2, 2007, was:

The TOPIX Index                      Minus 5.14 percent  
The Nikkei-225 Stock Average      Minus 5.34 percent

On other Asian equity markets, this was how the situation looked on the last day of trading, last week:

The HKSAR	Hang Seng Index Plus 0.49 percent to 19,442.01 The Growth Enterprise Index Minus 2.50 percent to 1,296.74
Indonesia	Plus 0.03 percent to 1,760.02
Japan	TOPIX Index Minus 1.06 percent to 1,721.59 Nikkei-225 Stock Average Minus 1.35 percent to 17,217.93
Malaysia	Minus 1.37 percent to 1,164.68
The Philippines	Minus 1.56 percent to 3,140.34
Singapore	Minus 0.45 percent to 3,078.74
South Korea	Minus 0.20 percent to 1,414.47
Taiwan	Minus 0.10 percent to 7,670.77
Thailand	Minus 0.23 percent to 679.02

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