

A WEEK OF FEAR AND MISGIVINGS IN THE U.S.:
\$US2,000 MILLION-PLUS WIPED OFF VALUES OF STOCKS AND SHARES

Investors went into the second week of trading on international equity markets with mixed feelings, last Monday, but those mixed feelings quickly turned to grave fears as trading moved to their ultimate conclusions.

Nearly every key index of nearly every major equity market, from New Zealand, to Tokyo, to New York, and on to London, England, ended up in the red – some very deeply in the red, too.

On The New York Stock Exchange, which is the biggest equity market of the world, for most of last Monday's trading day, key indices tended to stay in positive territory, at least fractionally so, but toward the close of the trading day, things took a decided turn for the worst.

When trading ended for the session, the Dow Jones Industrial Average, the key index of this market, was standing at 12,050.41 points, representing a one-day fall of about 0.53 percent, compared with the close of trading on Friday, March 2, 2007.

As for The NASDAQ's Composite Index, it lost about 1.15 percent of its value, falling back to 2,340.68 points.

Losing counters outpaced gaining ones by about 4:One on both markets.

On Tuesday, February 27, 2007, The Composite Index of The Shanghai Stock Exchange lost the best part of 9 percent of its value: It was the largest, single-day's fall on this equity market of the People's Republic of China (PRC) in a decade.

That was the catalyst which drove down key indices of equity markets, around the world, during the week, ended March 2, 2007.

Last Monday, one saw the continued presence of international investors, fleeing to safer ground, out of stocks and shares and into bonds, warrants ... and cash.

In addition, investors in the US continued to be concerned about (a) the probability that the largest economy of the world could retract before the year was out and/or (b) the likelihood that there would be a ripple effect due to the measures, being planned by the Government of the PRC to cool down that country's boiling hot property market and its equity markets, which had been spinning out of control.

In Europe, last Monday, for the fifth consecutive day, key indices of the most-important bourses fell to selling pressure.

On The London Stock Exchange, alone, its key index, known as the FTSE 100 Index, recorded a loss of close to one percent.

This brought the sum total of losses in 5 trading sessions to about £111 billion (about \$HK1,665 billion).

As with the situation on US equity markets, there were growing fears in Europe that many investors would not be able to support margin calls when asked so to do.

Adding to the problems in Europe, last Monday, there was a sharp decline in the price of crude oil so that speculators and/or investors, involved in commodity markets as well as in equity markets, were hit with a double whammy.

This was the extent of the falls on major European bourses, last Monday:

Amsterdam's AEX Index	Minus 0.96 percent
France's CAC 40 Index	Minus 0.73 percent
Germany's Frankfurt XETRA DAX Index	Minus 1.04 percent
Great Britain's FTSE 100 Index	Minus 0.94 percent
Italy's MIBTEL Index	Minus 1.14 percent
Switzerland's Swiss Market Index	Minus 1.38 percent

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 \$US60.07, a fall of about 2.55 percent, compared with the last settlement of Friday, March 2, 2007.

As for May delivery, the last settlement for a barrel of light sweet crude oil was \$US61.30, representing a fall of about 2.34 percent, compared with the final quote of the previous Friday.

In Asia, the blood of investors stained trading floors – all of them, without exception.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, losses were widespread on both of the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, its Hang Seng Index shed about 4 percent to end up at 18,664.88 points by the close of the trading day.

The losses, last Monday, represented the biggest, single-day's fall since the winter of 2003.

The Total Turnover was about \$HK72.44 billion, which was the fifth, largest Turnover in a single day in the history of this market.

Losing counters outnumbered gaining ones by the ratio of about 6.40:One.

The Ten Most Active counters, all of which were material losers, were:

HSBC Holdings plc (Code: 5)	Down 2.49 percent to \$HK133.00 per share
China Mobile Ltd (Code: 941)	Down 5.94 percent to \$HK67.35 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.94 percent to \$HK19.26 per share
China Construction Bank Corporation (Code: 939)	Down 4.94 percent to \$HK4.04 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 4.77 percent to \$HK3.99 per share

PetroChina Company Ltd (Code: 857)

Down 4.11 percent to \$HK8.63 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Down 8.54 percent to \$HK69.60 per share

China Communications Construction Company Ltd
(Code: 1800)

Down 7.84 percent to \$HK8.46 per share

Bank of China Ltd (Code: 3988)

Down 2.18 percent to \$HK3.59 per share

Hutchison Whampoa Ltd (Code: 13)

Down 2.95 percent to \$HK72.40 per share

Of the 204, double-digit movers of the day, only 3 of their number were written in black ink.

The biggest gainer of the day was G-Prop (Holdings) Ltd (Code: 286), the share price of which rose 36.99 percent to 50 cents, exactly.

The biggest loser of the day was Garron International Ltd (Code: 1226) as investors drove down its share price by 40 percent to 24 cents.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it had been many, many moons since investors had seen The Growth Enterprise Index shed as much as 5.59 percent in a trading day.

On a Total Turnover of about \$HK323.13 million, The Growth Enterprise Index fell back to 1,224.24 points as investors scampered around, looking to find a safe haven.

But there was none.

The ratio of losing counters to gaining ones was about 7.24:One.

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

Beijing Jingkelong Company Ltd (Code: 8245)

Down 14.25 percent to \$HK6.80 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276)

Down 10.56 percent to \$HK1.61 per share

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

Down 6.87 percent to \$HK10.30 per share

Town Health International Holdings Company Ltd (Code:
8138)

Unchanged at \$HK0.38 per share

China LotSynergy Holdings Ltd (Code: 8161)

Down 12.96 percent to \$HK1.88 per share

In respect of The GEM's double-digit movers of the day, there were no winners – only losers.

TARGET () cannot recall this ever happening in the past.

The biggest loser of the day was Asian Information Resources (Holdings) Ltd (Code: 8025), the share price of which was felled to 7.60 cents, a drop of about 36.67 percent in a single day.

In Japan, investors were shocked at the fact that, by the close of their trading day on the premier equity market of the country – The Tokyo Stock Exchange – the ratio of declining counters to advancing ones was about 62.74:One.

This was something of a record, too.

The TOPIX Index, the key gauge of trading on blue chips on The First Section of this equity market, gave up 58.88 points, equivalent to about 3.42 percent, coming to rest at 1,662.71 points.

As for The Nikkei-225 Stock Average, a narrow index of select blue chips, quoted on The First Section of The Tokyo Stock Exchange, which is not part of The Tokyo Stock Exchange but is still used by some people as a type of '*thermometer*' of trading on this market, it was off by 575.68 yen, or about 3.34 percent, ending the trading day at 16,642.25 yen.

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

The HKSAR	Hang Seng Index Minus 4.00 percent to 18,664.88 The Growth Enterprise Index Minus 5.59 percent to 1,224.24
Indonesia	Minus 3.48 percent to 1,698.82
Japan	TOPIX Index Minus 3.42 percent to 1,662.71 Nikkei-225 Stock Average Minus 3.34 percent to 16,642.25
Malaysia	Minus 4.64 percent to 1,110.69
The Philippines	Minus 4.54 percent to 2,997.88
Singapore	Minus 3.13 percent to 2,982.29
South Korea	Minus 2.71 percent to 1,376.15
Taiwan	Minus 3.74 percent to 7,344.56
Thailand	Closed

Tuesday

The key indices of major, international equity markets bounced back, last Tuesday, putting on the brakes to nearly one week of material losses.

Whether or not a substantial part of last Tuesday's gains was short-covering, it was difficult to conjecture, definitively, but it stands to reason that some of the gains must have been just that: Investors, covering short positions.

At that same time, however, the price of many stocks had fallen very dramatically, over the previous 4 days of equity trading, so that bargain hunting must have played a part in the recovery.

The questions were, of course: Would the recovery continue? Or, as the saying goes, was it little more than a flash in the pan?

On The New York Stock Exchange, the Dow Jones Industrial Average rose 157.18 points, equivalent to about 1.30 percent, ending the trading day at 12,207.59 points.

The key index of The NASDAQ, The Composite Index, ended the trading session at 2,385.14 points, representing a gain on the day of about 1.90 percent, compared with Monday's closing level.

For Wall Street, last Tuesday's run was the first positive day in 4 sessions.

But it was not all good news of investors on the world's largest equity market.

Prior to Wall Street, opening for business, last Tuesday, The Bureau of Labour Statistics, a division of the US Department of Labour, brought out its revised data in respect of productivity and costs for the fourth quarter of 2006.

It was not good news, at all.

This is a goodly part of that which The Bureau announced:

'PRODUCTIVITY AND COSTS
(Fourth Quarter and Annual Averages, 2006 Revised)

'The Bureau of Labor Statistics of the U.S. Department of Labor today reported revised fourth-quarter seasonally-adjusted annual rates of productivity change — as measured by output per hour of all persons —and revised changes for calendar year 2006. Percent changes in business and nonfarm business productivity were:

	<i>Fourth quarter</i>	<i>Annual averages 2005-2006</i>
<i>Business sector.....</i>	<i>1.0</i>	<i>1.7</i>
<i>Nonfarm business sector.....</i>	<i>1.6</i>	<i>1.6</i>

'In both the business and nonfarm business sectors, productivity growth for the fourth quarter of 2006 was revised down by 1.4 percentage points from the estimates published February 7, due solely to downward revisions to output. Productivity growth during calendar year 2006 also was less than previously reported in both sectors, but the revisions to annual data were almost entirely explained by upward revisions to hours worked.

'In the manufacturing sector, increases in productivity were:

	<i>Fourth quarter</i>	<i>Annual averages 2005-2006</i>
<i>Manufacturing.....</i>	<i>2.2</i>	<i>4.0</i>
<i>Durable goods manufacturing.....</i>	<i>3.4</i>	<i>6.2</i>
<i>Nondurable goods manufacturing..</i>	<i>0.8</i>	<i>1.7</i>

'Productivity in total manufacturing grew at a 2.2 percent annual rate in the fourth quarter of 2006, the same as the preliminary estimate. In total manufacturing and in both subsectors, the reported increases in productivity resulted when hours fell faster than output. When revised annual averages for 2005 and 2006 were compared, productivity increased slightly more in total manufacturing and in nondurable manufacturing than reported Feb. 7 and the increase in durable manufacturing was not revised. Output and hours in manufacturing, which includes about 12 percent of U.S. business-sector employment, tend to vary more from quarter to quarter than data for the aggregate business and nonfarm business sectors ...

'THIRD-TO-FOURTH QUARTER CHANGES, 2006

'Business

‘Labor productivity in the business sector increased 1.0 percent in the fourth quarter of 2006, as output increased 2.5 percent and hours of all persons engaged in the sector increased 1.5 percent (seasonally adjusted annual rates). Revised estimates show that output per hour declined 0.3 percent in the third quarter when output increased 1.9 percent but hours increased more, 2.2 percent.

‘Hourly compensation grew at a 7.5-percent annual rate in the fourth quarter after rising 0.9 percent in the third quarter of 2006, as revised. This measure includes wages and salaries, supplements, employer contributions to employee-benefit plans, and taxes. Real hourly compensation, which takes into account changes in consumer prices, increased more than hourly compensation in the fourth quarter, 9.8 percent, because consumer prices fell 2.1 percent.

‘Unit labor costs, which reflect changes in hourly compensation and productivity, increased 6.5 percent during the fourth quarter of 2006, after rising 1.2 percent in the third quarter. The implicit price deflator for business output, which reflects changes in unit labor costs and unit nonlabor payments, increased 1.0 percent in the fourth quarter and 1.2 percent in the third quarter.

‘Nonfarm business

‘In the nonfarm business sector, productivity increased at an annual rate of 1.6 percent in the fourth quarter of 2006, as output increased 2.5 percent and hours of all persons—employees, proprietors, and unpaid family workers—rose 0.9 percent. Nonfarm business productivity declined 0.5 percent in the third quarter of 2006, as output and hours grew 1.9 percent and 2.4 percent, respectively

‘Hourly compensation grew 8.2 percent in the fourth quarter, and when the decrease in consumer prices was taken into account, real hourly compensation grew even faster, 10.5 percent. Real hourly compensation had fallen in the second and third quarters of 2006, following an 11.0-percent gain in the first quarter.

‘Unit labor costs increased at a 6.6-percent annual rate in the fourth quarter after rising 1.1 percent in the third quarter, as revised. The implicit price deflator for nonfarm business increased 0.5 percent in the fourth quarter, and 0.8 percent in the third quarter, of 2006.

‘Manufacturing

‘Manufacturing productivity increased 2.2 percent in the fourth quarter of 2006, as output decreased 2.1 percent and hours fell 4.2 percent (seasonally adjusted annual rates). The productivity increase was the smallest since the first quarter of 2004, when output per hour declined 1.7 percent. In durable goods industries, productivity increased 3.4 percent as both output and hours decreased, 0.9 percent and 4.2 percent, respectively. In nondurable goods industries, output per hour rose 0.8 percent, reflecting decreases of 3.5 percent in output and 4.2 percent in hours. In the third quarter of 2006, productivity increased 5.9 percent in total manufacturing, 8.1 percent in durable goods industries, and 2.7 percent in nondurable goods industries.

‘Manufacturing hourly compensation grew at a 7.1 percent annual rate during the fourth quarter of 2006. Durable and nondurable goods manufacturing posted increases in hourly compensation of 7.4 percent and 6.4 percent, respectively. Consumer prices decreased slightly in the fourth quarter of 2006, contributing to real hourly compensation gains of 9.3 percent in total manufacturing, 9.7 percent in durable manufacturing, and 8.7 percent in nondurables.

‘Unit labor costs in manufacturing increased 4.7 percent in the fourth quarter of 2006 after falling 5.8 percent in the third quarter. These costs increased 3.9 percent in durable goods industries and 5.6 percent in nondurable goods industries during the fourth quarter of 2006.

‘ANNUAL AVERAGE CHANGES, 2005-2006

‘Business and Nonfarm business

‘Business sector productivity increased 1.7 percent when the revised annual average for 2006 was compared with the revised annual average for 2005 (table B). This was the smallest annual productivity gain since 1995, when business sector output per hour edged up 0.1 percent. Productivity increased 2.1 percent from 2004 to 2005 (as revised), and at an average annual rate of 3.4 percent per year from 2000 to 2004. Nonfarm business productivity increased less during 2006 than in any year since 1997, when it grew at the same 1.6-percent rate. In both sectors, the modest productivity improvement reflected output growth of 3.8 percent combined with significant increases in hours worked: business sector hours increased 2.1 percent, the most since 1997 (3.4 percent), and the 2.2-percent increase in nonfarm business hours was the largest since a similar increase in 1999.

‘Hourly compensation increased 4.8 percent and real hourly compensation increased 1.5 percent during 2006 in both the business and nonfarm business sectors. Unit labor costs increased 3.1 percent in the business sector and 3.2 percent in the nonfarm business sector in 2006, faster than in any year since 2000, when unit labor costs grew 4.1 percent and 4.2 percent in the business and nonfarm business sectors, respectively.

‘Manufacturing

‘Manufacturing productivity grew 4.0 percent in 2006, reflecting increases in output and hours of 5.0 percent and 1.0 percent, respectively. In 2005, output per hour had increased 4.8 percent, as output grew 3.6 percent and hours declined 1.1 percent. Labor productivity increased 6.2 percent in durable goods manufacturing during 2006, as output jumped 7.6 percent and hours rose 1.3 percent. Productivity in nondurable goods manufacturing rose 1.7 percent in 2006—the smallest annual increase in this sector since 1999 (1.0 percent)—as output increased 2.1 percent and hours edged up 0.4 percent.

‘Hourly compensation of manufacturing workers increased 3.8 percent in 2006, compared to a 4.7-percent increase one year earlier. Hourly compensation increased 4.3 percent in durable manufacturing and 2.8 percent in nondurable goods industries. Real hourly compensation in the manufacturing sector edged up 0.5 percent in 2006 and increased 1.3 percent in 2005.

‘From 2005 to 2006 unit labor costs fell 0.2 percent in manufacturing. During the same time period, unit labor costs fell 1.8 percent in durable manufacturing and increased 1.0 percent in nondurable manufacturing...’.

In Europe, it was a similar situation to that which had taken place on Wall Street.

However, the gains in the key indices of European bourses were comparatively small, when weighed against the losses of the previous 6 trading sessions.

This was how the situation looked on the most-important European equity markets, last Tuesday:

Amsterdam’s AEX Index	Plus	0.54 percent
France’s CAC 40 Index	Plus	0.96 percent
Germany’s Frankfurt XETRA DAX Index	Plus	0.92 percent
Great Britain’s FTSE 100 Index	Plus	1.31 percent
Italy’s MIBTEL Index	Plus	0.69 percent
Switzerland’s Swiss Market Index	Plus	1.13 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US60.69. That settlement represented a 1.03-percent gain on the last quote of Monday.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US62.06, equivalent to an improvement of about 1.24 percent, compared with Monday's last settlement.

In Asia, the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) led the winners.

The Hang Seng Index, which is the key gauge of trading in blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, gained about 2.11 percent, rushing up to 19,058.56 points.

The volume of activity, in Hongkong dollar terms, was about \$HK61.03 billion.

Advancing counters outran declining ones by the ratio of about 3.92:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 2.63 percent to \$HK136.50 per share
China Life Insurance Company Ltd (Code: 2628)	Up 6.70 percent to \$HK20.55 per share
China Mobile Ltd (Code: 941)	Up 2.08 percent to \$HK68.75 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 5.26 percent to \$HK4.20 per share
China Construction Bank Corporation (Code: 939)	Up 3.96 percent to \$HK4.20 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 4.02 percent to \$HK72.40 per share
Bank of China Ltd (Code: 3988)	Up 1.95 percent to \$HK3.66 per share
China Communications Construction Company Ltd (Code: 1800)	Up 3.31 percent to \$HK8.74 per share
PetroChina Company Ltd (Code: 857)	Up 2.09 percent to \$HK8.81 per share
Bank of Communications Company Ltd (Code: 3328)	Up 6.12 percent to \$HK7.46 per share

There was a total of 91, Main Board, double-digit movers of the day, of which number, 8 counters saw their share prices eroded by 10 percent or more, while Management of the 83, double-digit movers enjoyed, no doubt, seeing their share prices rise by 10 percent or more.

Capital Estate Ltd (Code: 193) was the biggest gainer of the day as its share price was pushed up by 131.11 percent to 10.40 cents.

Pak Tak International Ltd (Code: 2668) had the distinction of being the biggest loser of the day as investors drove down its share price to 31 cents, a one-day fall of about 21.52 percent.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth

Enterprise Index rose about 0.80 percent to 1,234.00 points on a Total Turnover of about \$HK259.60 million.

The ratio of gainers to losers was about 3.10:One.

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

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

Down 4.27 percent to \$HK9.86 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276)

Up 2.48 percent to \$HK1.65 per share

Beijing Jingkelong Company Ltd (Code: 8245)

Up 4.41 percent to \$HK7.10 per share

Town Health International Holdings Company Ltd (Code:
8138)

Up 3.95 percent to \$HK0.395 per share

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

Up 24.71 percent to \$HK0.53 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	31.58		0.10
Argos Enterprise (Holdings) Ltd	8022	10.47		0.19
B.A.L. Holdings Ltd	8079	24.71		0.53
B M Intelligence International Ltd	8158	14.29		0.32
Cardlink Technology Group Ltd	8066		17.72	0.13
CIG Yangtze Ports PLC	8233	12.73		0.62
Shenzhen Dongjiang Environmental Company Ltd	8230	12.84		2.90
Era Information and Entertainment Ltd	8043	15.38		0.075
Everpride Biopharmaceutical Company Ltd	8019	23.46		0.10
Excel Technology International Holdings Ltd	8048		23.08	0.10
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231		13.89	0.31

Galileo Capital Group Ltd	8029	10.00		0.275
GreaterChina Technology Group Ltd	8032	16.00		0.058
Hua Xia Healthcare Holdings Ltd	8143	24.62		0.405
International Financial Network Holdings Ltd	8123	32.76		0.077
IIN International Ltd	8128	18.75		0.038
Intelli-Media Group (Holdings) Ltd	8173	17.50		0.235
ITE (Holdings) Ltd	8092	19.57		0.11
New Chinese Medicine Holdings Ltd	8085	17.39		0.27
Neolink Cyber Technology (Holding) Ltd	8116	21.90		0.295
Northeast Tiger Pharmaceutical Company Ltd	8197	17.65		0.12
Proactive Technology Holdings Ltd	8089	17.11		4.45
Q9 Technology Holdings Ltd	8129	10.34		0.32
T S Telecom Technologies Ltd	8003	17.50		0.235
Value Convergence Holdings Ltd	8101	12.50		1.35
Zheda Lande Scitech Ltd	8106	25.57		0.275

On The Tokyo Stock Exchange, its TOPIX Index shot up 29.83 points, or about 1.79 percent, ending the trading day at 1,692.54 points.

Gaining counters outnumbered losing ones by the ratio of about 6.61:One.

The Nikkei-225 Stock Average ended the day at 16,884.50 yen, representing a gain of 202.25 yen, equivalent to about 1.22 percent.

News Wise

- **Softbank Corporation** announced that it was planning to launch a lawsuit against the Financial Times of London, England, for libel in respect of that newspaper's report, dated February 27, 2007;
- **Orient Corporation**, a consumer finance company of Japan, said that it would have to announce a Net Loss Attributable to Shareholders of about 457.90 billion yen for Financial 2006.

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

The HKSAR	Hang Seng Index Plus 2.11 percent to 19,058.56 The Growth Enterprise Index Plus 0.80 percent to 1,234.00
Indonesia	Plus 1.98 percent to 1,732.44
Japan	TOPIX Index Plus 1.79 percent to 1,692.54 Nikkei-225 Stock Average Plus 1.22 percent to 16,844.50
Malaysia	Plus 1.82 percent to 1,130.96
The Philippines	Minus 0.82 percent to 2,973.27
Singapore	Plus 1.82 percent to 3,036.52
South Korea	Plus 1.95 percent to 1,402.93
Taiwan	Plus 1.45 percent to 7,451.06
Thailand	Minus 0.70 percent to 674.24

Wednesday

It was confirmed: The US economy has slowed down, appreciably.

The US Federal Reserve's Beige Book, which is an indicator of economic activity in the world's largest, single economy, confirmed that which most people had, already, speculated and noted: Several regions of the US have witnessed retractions in economic growth.

And Mr Michael Moskow, the President of The Federal Reserve at Chicago, Illinois, went on record to state that inflation was still plaguing the US economy and, as such, he could not rule out that another, interest-rate hike was not on the cards in the months to come.

That was not all, however, because the Chief Executive Officer of D.R. Horton Incorporated, a company which is listed on The New York Stock Exchange, told a packed audience of financial analysts that Financial 2007 was '*going to suck*' – meaning that this large producer of homes in the US was facing a bleak future for the remainder of the year, at least.

On Wall Street, the negative assessment of the US housing market by the head of a major, publicly listed company, engaged in the building of new homes, and confirmation with regard to the weakness in the US economy conspired to turn key indices from positive to negative by the close of the day.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 15.14 points, equivalent to about 0.12 percent, dropping back to 12,192.45 points.

The NASDAQ's Composite Index gave up 10.50 points, or 0.44 percent, exactly, ending the trading session

at 2,374.64 points.

A bright spot on the world's biggest equity markets was trading in energy counters.

This was due to the fact that the price of crude oil, internationally, rose quite materially, last Wednesday.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US61.82, representing an increase of about 1.86 percent, compared with the closing quote of Tuesday.

As for delivery in May, the last settlement for a barrel of light sweet crude oil came in at \$US63.28, equivalent to an increase of about 1.97 percent on the Tuesday's last settlement.

Major European bourses saw their respective key indices rise, last Tuesday, for the second time in 8 trading sessions.

Last Wednesday's gains went some way to redress the balance of the previous losses, but there was, still, a long road to traverse before a full recovery could be attained.

This was how the key indices of the most-important bourses in Europe closed, last Wednesday:

Amsterdam's AEX Index	Plus 0.78 percent
France's CAC 40 Index	Plus 0.32 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.34 percent
Great Britain's FTSE 100 Index	Plus 0.29 percent
Italy's MIBTEL Index	Plus 0.21 percent
Switzerland's Swiss Market Index	Plus 1.17 percent

In Asia, the key indices of 6 equity markets registered gains by the close of trading, last Wednesday; the remaining 3 equity markets suffered losses as their respective key indices retreated.

The Hang Seng Index, which is the key index of the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), had the distinction of being the biggest loser in Asia.

This Index, the most-important gauge to trading on the Main Board of The Stock Exchange of Hongkong Ltd, recorded a loss of about 0.73 percent, falling back to 18,918.64 points on a Total Turnover of about \$HK57.90 billion.

However, regardless of the Hang Seng Index, being in the red by the close of the trading day, advancing counters outnumbered declining ones by the ratio of about 1.36:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)	Down 2.55 percent to \$HK67.00 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.24 percent to \$HK20.60 per share

HSBC Holdings plc (Code: 5)

Down 0.66 percent to \$HK135.60 per share

Samling Global Ltd (Code: 3938)

\$HK2.40 per share*

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

Up 1.19 percent to \$HK4.25 per share

China Construction Bank Corporation (Code: 939)

Up 0.71 percent to \$HK4.23 per share

PetroChina Company Ltd (Code: 857)

Down 1.48 percent to \$HK8.68 per share

Bank of China Ltd (Code: 3988)

Up 0.55 percent to \$HK3.68 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Up 2.35 percent to \$HK74.10 per share

CNOOC Ltd (Code: 883)

Up 0.16 percent to \$HK6.30 per share

* First Day of Trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia TeleMedia Ltd	376	11.11		0.35
China Credit Holdings Ltd	185	25.54		0.29
China Investments Holdings Ltd	132	13.64		0.375
Ching Hing (Holdings) Ltd	692		13.85	0.112
Compass Pacific Holdings Ltd	1188	20.00		0.168
EC-Founder (Holdings) Company Ltd	618	16.67		0.455
Fortune Sun (China) Holdings Ltd	352	23.75		0.99
G-Prop (Holdings) Ltd	286	57.89		0.90
Good Friend International Holdings Incorporated	2398	12.67		3.38
Heng Tai Consumables Group Ltd	197	10.43		1.27

The Hongkong Parkview Group Ltd	207	123.88		0.75
Hop Hing Holdings Ltd	47	10.14		0.38
Neo-Neon Holdings Ltd	1868	10.29		9.54
Pak Tak International Ltd	2668	12.90		0.35
Prosperity Investment Holdings Ltd	310	25.00		0.275
Riche Multi-Media Holdings Ltd	764		15.07	0.062
Smart Rich Energy Finance (Holdings) Ltd	1051	10.71		0.217
Sun East Technology (Holdings) Ltd	365	10.29		0.375
Vitop Bioenergy Holdings Ltd	1178	36.67		0.123
China Water Industry Group Ltd	1129	17.65		1.00
Zhong Hua International Holdings Ltd	1064	10.71		0.155

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index recovered some of its previous losses, rising about 1.25 percent to 1,249.39 points.

The Total Turnover on this speculative market was about \$HK286.14 million, while the ratio of gaining counters to losing ones was about 1.17:One.

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

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

Up 9.33 percent to \$HK10.78 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276)

Down 0.61 percent to \$HK1.64 per share

Proactive Technology Holdings Ltd (Code: 8089)

Up 11.69 percent to \$HK4.97 per share

Beijing Jingkelong Company Ltd (Code: 8245)

Up 4.23 percent to \$HK7.40 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002)

Up 3.08 percent to \$HK1.34 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Asian Information Resources (Holdings) Ltd	8025	13.00		0.113
BIG Media Group Ltd	8167	22.50		0.245
China Chief Cable TV Group Ltd	8153		11.11	0.32
China Leason Investment Group Company Ltd	8270	14.36		0.215
DeTeam Company Ltd	8112	11.67		0.67
Everpride Biopharmaceutical Company Ltd	8019		19.00	0.081
Finet Group Ltd	8317	11.11		0.50
FlexSystem Holdings Ltd	8050		15.97	0.10
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231	41.94		0.44
FX Creations International Holdings Ltd	8136	15.52		0.335
Global Digital Creations Holdings Ltd	8271	14.81		0.62
Global Link Communications Holdings Ltd	8060		11.11	0.088
Golife Concepts Holdings Ltd	8172		11.00	0.089
GreaterChina Technology Group Ltd	8032	17.24		0.068
Inno-Tech Holdings Ltd	8202	11.65		0.23
Intelli-Media Group (Holdings) Ltd	8173	14.89		0.27
Proactive Technology Holdings Ltd	8089	11.69		4.97
Vodatel Networks Holdings Ltd	8033		16.85	0.153
Wafer Systems Ltd	8198		10.26	0.14

Trading on Asia's largest equity market was comparatively quiet, last Wednesday, but by the close of the day, the key indices of this market were, firmly, in negative territory.

On The Tokyo Stock Exchange, The TOPIX Index recorded a loss of about 0.17 percent, falling back to 1,689.60 points.

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

The Nikkei-225 Stock Average gave up about 0.47 percent of its value, ending the trading day at 16,764.62 yen.

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

The HKSAR	Hang Seng Index Minus 0.73 percent to 18,918.64 The Growth Enterprise Index Plus 1.25 percent to 1,249.39
Indonesia	Plus 0.62 percent to 1,743.19
Japan	TOPIX Index Minus 0.17 percent to 1,689.60 Nikkei-225 Stock Average Minus 0.47 percent to 16,764.62
Malaysia	Plus 2.27 percent to 1,156.58
The Philippines	Plus 3.03 percent to 3,063.26
Singapore	Plus 0.75 percent to 3,059.15
South Korea	Plus 0.57 percent to 1,410.95
Taiwan	Plus 0.40 percent to 7,480.89
Thailand	Minus 0.57 percent to 670.37

Thursday

Share prices rebounded around the world, last Thursday: The recovery continued for another day.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 68.25 points, equivalent to about 0.56 percent, ending the trading session at 12,260.70 points.

On The NASDAQ, its Composite Index put on 13.09 points, or about 0.55 percent, running up to 2,387.73 points.

In view of that which had transpired on Wednesday, logically Wall Street should have seen its key indices fall, but investors were in a mood to buy – and buy they did.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US61.64, down about 0.29 percent on Wednesday's closing level.

As for delivery in May, a barrel of light sweet crude oil fetched \$US63.22 at the last settlement, that price, being a decrease of about 0.09 percent, compared with Wednesday's last settlement.

In Europe, as expected, the **European Central Bank** (ECB) raised interest rates.

Investors, however, appeared to be unperturbed by the move and, on seeing Wall Street stride away to higher level, and noting that Asian markets had been strong, they got stuck into equities in a big way.

While the ECB raised interest rates, The Bank of England determined to leave well-enough alone.

The following are the statements from the ECB and The Bank of England:

The ECB Statement

‘At today’s meeting the Governing Council of the ECB took the following monetary policy decisions:

‘The minimum bid rate on the main refinancing operations of the Eurosystem will be increased by 25 basis points to 3.75%, starting from the operation to be settled on 14 March 2007.

‘The interest rate on the marginal lending facility will be increased by 25 basis points to 4.75%, with effect from 14 March 2007.

‘The interest rate on the deposit facility will be increased by 25 basis points to 2.75%, with effect from 14 March 2007.’

The Bank of England Statement

‘The Bank of England’s Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 5.25%.’

And this was how the key indices of the most-important European bourses fared, last Thursday:

Amsterdam’s AEX Index	Plus	1.47 percent
France’s CAC 40 Index	Plus	1.26 percent
Germany’s Frankfurt XETRA DAX Index	Plus	1.44 percent
Great Britain’s FTSE 100 Index t	Plus	1.15 percen
Italy’s MIBTEL Index	Plus	1.30 percent
Switzerland’s Swiss Market Index	Plus	0.87 percent

In Asia, only the key index of the equity market of The Philippines did not rise, last Thursday.

All of the other equity markets made very material gains.

In the Hongkong Special Administrative Region (HKSAR) of the People’s Republic of China (PRC), both stock markets notched up gains of about 1.35 percent, each.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.36 percent, rising to 19,175.17 points.

The Total Turnover was about \$HK49.87 billion, while the ratio of advancing counters to declining ones

was about 3.17:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 1.72 percent to \$HK68.15 per share
China Life Insurance Company Ltd (Code: 2628)	Up 3.88 percent to \$HK21.40 per share
HSBC Holdings plc (Code: 5)	Up 0.74 percent to \$HK136.60 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 3.29 percent to \$HK4.39 per share
China Construction Bank Corporation (Code: 939)	Up 2.60 percent to \$HK4.34 per share
Bank of China Ltd (Code: 3988)	Up 1.90 percent to \$HK3.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.75 percent to \$HK87.10 per share
PetroChina Company Ltd (Code: 857)	Up 2.53 percent to \$HK8.90 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 3.64 percent to \$HK76.80 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 3.07 percent to \$HK6.04 per share

The biggest movers of the Main Board of The Stock Exchange of Hongkong Ltd included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia TeleMedia Ltd	376	12.86		0.395
Century Legend (Holdings) Ltd	79		10.14	0.62
China Chengtong Development Group Ltd	217	14.02		1.22
China Financial Industry Investment Fund Ltd	1227	15.00		0.345
China Overseas Land and Investment Ltd	688	12.57		8.51
China Rich Holdings Ltd	1191	23.19		0.255
China Treasure (Greater China) Investments Ltd	810	20.51		18.80
Fortune Telecom Holdings Ltd	110	11.67		0.67

Gay Giano International Group Ltd	686	19.68		0.225
The Hongkong Parkview Group Ltd	207		34.67	0.49
Hongkong Pharmaceutical Holdings Ltd	182	12.90		0.35
Junefield Department Store Group Ltd	758	45.76		0.172
MACRO-LINK International Holdings Ltd	472	17.86		0.33
Meadville Holdings Ltd	3313	10.78		1.85
Minth Group Ltd	425	10.87		7.55
Multifield International Holdings Ltd	898	11.11		0.14
Northern International Holdings Ltd	736	12.16		0.415
Oriental Explorer Holdings Ltd	430	12.90		0.07
PME Group Ltd	379	11.02		0.141
Rontex International Holdings Ltd	1142	11.32		0.118
Simsen International Corporation Ltd	993	29.86		0.187
Tidetime Sun (Group) Ltd	307	12.31		0.146

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index rose about 1.35 percent to end the trading day at 1,266.31 points.

The Total Turnover on this market was about \$HK233.10 million.

Gaining counters outnumbered losing counters by the ratio of about 1.74:One.

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

Proactive Technology Holdings Ltd (Code: 8089)

Up 26.36 percent to \$HK6.28 per share

Century Sunshine Ecological Technology Holdings Ltd
(Code: 8276)

Up 1.22 percent to \$HK1.66 per share

Tong Ren Tang Technologies Company Ltd (Code:
8069)

Up 0.62 percent to \$HK12.94 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 3.90 percent to \$HK2.13 per share

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

Up 7.61 percent to \$HK11.60 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Advanced Card Systems Holdings Ltd	8210	89.29		0.265
B M Intelligence International Ltd	8158	19.70		0.395
Core Healthcare Investment Holdings Ltd	8250		15.68	0.156
DIGITALHONGKONG.COM	8007	15.66		0.48
Global Digital Creations Holdings Ltd	8271	12.90		0.70
Global Link Communications Holdings Ltd	8060		10.23	0.079
Golding Soft Ltd	8190	11.90		0.047
IIN International Ltd	8128	13.51		0.042
Intelli-Media Group (Holdings) Ltd	8173	20.37		0.325
Proactive Technology Holdings Ltd	8089	26.36		6.28
Prosperity International Holdings (Hongkong) Ltd	8139	11.11		0.80

In Japan, investors bought heavily into stocks and shares, listed on the country's 3 equity markets.

On The Tokyo Stock Exchange, The TOPIX Index gained 1.86 percent, rising to 1,720.96 points.

The ratio of advancing counters to declining ones was about 9.21:One.

The Nikkei-225 Stock Average rose about 1.94 percent to 17,090.31 yen.

News Wise

- **3M Company** of the US has issued Legal Proceedings against **Sony Corporation, Matsushita Electric Industrial Company, Hitachi Ltd** and some other Japanese entities for alleged infringement of patents in respect of 3M's lithium-ion batteries, designed for use in laptop computers. The Legal Proceedings have been lodged in the US District Court of Minnesota and 3M has, also, lodged a complaint with the US International Trade Commission in Washington, D.C.

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

The HKSAR	Hang Seng Index Plus 1.36 percent to 19,175.17 The Growth Enterprise Index Plus 1.35 percent to 1,266.31
Indonesia	Plus 1.63 percent to 1,771.56
Japan	TOPIX Index Plus 1.86 percent to 1,720.96 Nikkei-225 Stock Average Plus 1.94 percent to 17,090.31
Malaysia	Plus 2.64 percent to 1,187.06
The Philippines	Minus 1.14 percent to 3,028.37
Singapore	Plus 2.07 percent to 3,122.49
South Korea	Plus 0.92 percent to 1,423.89
Taiwan	Plus 1.24 percent to 7,573.87
Thailand	Plus 0.24 percent to 671.98

Friday

Prior to Wall Street, opening its doors for business, last Friday, The Bureau of Labour Statistics announced its findings for February with regard to the employment situation in The Land of The Free and The Home of The Brave.

Mr Philip L. Rones, Deputy Commissioner of The Bureau, put the situation very succinctly as follows:

'Nonfarm payroll employment continued to trend up in February, and the unemployment rate, at 4.5 percent, was essentially unchanged from January. Payroll employment was up by 97,000 over the month, following gains of 226,000 in December and 146,000 in January, as revised. Over the year ending in February, payroll employment grew by 2 million. Average hourly earnings rose by 6 cents, or 0.4 percent, over the month.'

'In the service-providing sector, health care employment continued to expand, increasing by 33,000 in February. Health care accounted for about one in six jobs added to payrolls in the past 12 months. Food services employment also continued its upward trend, rising by 21,000 in February. Employment in the information industry, which includes publishing, broadcasting, motion pictures, and telecommunications, increased by 13,000. Employment continued to trend up in professional and business services (+29,000); there were job gains in several areas, including building services, computer systems design, and management and technical consulting. Temporary help services employment was little changed over the month and over the year.'

'In the goods-producing sector, mining employment rose by 4,000 in February. Over the

year, mining employment has increased by 49,000.

'Construction employment fell by 62,000 in February. Adverse weather conditions in many parts of the country likely contributed to the job declines throughout the industry. Employment in the residential component of specialty trades has been declining for the past year.'

'Manufacturing employment continued to trend down (-14,000) in February. Average weekly hours in the manufacturing sector were unchanged over the month, but factory overtime edged up by one-tenth of an hour.'

'Average hourly earnings for private sector production and nonsupervisory workers rose by 6 cents to \$17.16 in February. Over the year, average hourly earnings increased by 4.1 percent.'

'In February, most labor market measures from the household survey showed little or no change. The unemployment rate, at 4.5 percent, was essentially unchanged. The jobless rate has ranged from 4.4 to 4.6 percent for the last 6 months. The labor force participation rate was 66.2 percent in February, little different from a year earlier.'

'In summary, nonfarm payroll employment was up by 97,000 over the month, and the unemployment rate was little changed at 4.5 percent.'

While some Wall Street pundits proclaimed that The Bureau's statistics were in line with expectations, some people, it appeared, forgot to factor in the number of people, entering the labour pool in the US, monthly.

To **TARGET's** thinking, the above is, definitely, not an indication of bullishness at 'USA Incorporated', especially when one notes that job creation in the US was at its lowest levels in the previous 2 years.

No sooner had The Labour Department released its findings than The Bureau of Economic Analysis, a division of The Department of Commerce, announced January's balance of payments.

This is the full text of that announcement:

***'U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES
January 2007***

'Goods and Services

'The U.S. Census Bureau and the U.S. Bureau of Economic Analysis, through the Department of Commerce, announced today that total January exports of \$126.7 billion and imports of \$185.8 billion resulted in a goods and services deficit of \$59.1 billion, compared with \$61.5 billion in December, revised. January exports were \$1.4 billion more than December exports of \$125.3 billion. January imports were \$1.0 billion less than December imports of \$186.7 billion.'

'In January, the goods deficit decreased \$2.6 billion from December to \$65.4 billion, and the services surplus decreased \$0.3 billion to \$6.3 billion. Exports of goods increased \$1.5 billion to \$90.9 billion, and imports of goods decreased \$1.1 billion to \$156.3 billion. Exports of services decreased \$0.1 billion to \$35.8 billion, and imports of services increased \$0.2 billion to \$29.5 billion.'

'In January, the goods and services deficit was down \$7.4 billion from January 2006. Exports were up \$12.3 billion, or 10.7 percent, and imports were up \$4.9 billion, or 2.7 percent.'

'Goods

'The December to January change in exports of goods reflected increases in capital goods (\$1.0 billion); consumer goods (\$0.5 billion); foods, feeds, and beverages (\$0.3 billion); and industrial supplies and materials (\$0.3 billion). Decreases occurred in automotive vehicles, parts, and engines (\$0.7 billion) and other goods (\$0.2 billion).'

'The December to January change in imports of goods reflected decreases in automotive

vehicles, parts, and engines (\$1.5 billion); consumer goods (\$1.4 billion); and other goods (\$0.1 billion). Increases occurred in capital goods (\$1.3 billion); industrial supplies and materials (\$0.4 billion); and foods, feeds, and beverages (\$0.1 billion).

'The January 2006 to January 2007 change in exports of goods reflected increases in capital goods (\$4.0 billion); industrial supplies and materials (\$2.9 billion); consumer goods (\$1.6 billion); foods, feeds, and beverages (\$0.9 billion); other goods (\$0.7 billion); and automotive vehicles, parts, and engines (\$0.1 billion).

'The January 2006 to January 2007 change in imports of goods reflected increases in consumer goods (\$3.2 billion); capital goods (\$2.6 billion); and foods, feeds, and beverages (\$0.4 billion). Decreases occurred in industrial supplies and materials (\$2.3 billion) and automotive vehicles, parts, and engines (\$1.0 billion). Other goods were virtually unchanged.

'Services

'Services exports decreased \$0.1 billion from December to January. Decreases in transfers under U.S. military sales contracts and other transportation (which includes freight and port services) were partly offset by an increase in other private services (which includes items such as business, professional, and technical services, insurance services, and financial services). Changes in other categories of services exports were small.

'Services imports increased \$0.2 billion from December to January. The increase was mostly accounted for by an increase in other private services. Changes in other categories of services imports were small.

'From January 2006 to January 2007, services exports increased \$2.6 billion. The largest increases were in other private services (\$1.7 billion) and travel (\$0.4 billion).

'From January 2006 to January 2007, services imports increased \$2.1 billion. The largest increases were in other private services (\$1.4 billion) and travel (\$0.4 billion).

'Goods and Services Moving Average

For the three months ending in January, exports of goods and services averaged \$125.6 billion, while imports of goods and services averaged \$185.2 billion, resulting in an average trade deficit of \$59.6 billion. For the three months ending in December, the average trade deficit was \$59.5 billion, reflecting average exports of \$124.5 billion and average imports of \$184.0 billion.

'Selected Not Seasonally Adjusted Goods Details

'The January figures showed surpluses, in billions of dollars, with Hong Kong \$1.1 (\$1.1 for December), Australia \$0.7 (\$0.8), Singapore \$0.5 (\$1.7), Egypt \$0.2 (\$0.1), Argentina \$0.1 (\$0.1), and Brazil \$0.1 (\$0.1). Deficits were recorded, in billions of dollars, with China \$21.3 (\$19.0), OPEC \$9.3 (\$6.9), Europe \$7.7 (\$10.1), Canada \$6.9 (\$5.6), Japan \$6.5 (\$7.5), the European Union \$6.5 (\$9.0), Mexico \$4.6 (\$5.0), Korea \$1.6 (\$0.7), and Taiwan \$1.4 (\$1.1).

'Advanced technology products (ATP) exports were \$20.8 billion in January and imports were \$25.5 billion, resulting in a deficit of \$4.7 billion. January exports were \$2.2 billion less than the \$23.0 billion in December, while imports were \$0.3 billion more than the \$25.2 billion in December.

'Revisions

'Goods carry-over in January was \$0.3 billion (0.3 percent) for exports and \$1.2 billion (0.8 percent) for imports. For December, revised export carry-over was \$0.1 billion (0.1 percent), revised down from \$0.2 billion (0.3 percent). For December, revised import carry-over was \$0.2 billion (0.1 percent), revised down from \$1.2 billion (0.8 percent).

'Goods and services exports and imports for all months in 2006 were revised in order to align the seasonally adjusted monthly data with the annual totals.

‘Services exports and imports for July through December 2006 reflect the incorporation of more comprehensive and revised quarterly and monthly data. For services exports, the largest revisions over the entire period were in other private services and passenger fares. For services imports, the largest revisions over the entire period were in royalties and license fees and travel.

‘Services exports for December were revised down \$0.2 billion to \$35.9 billion; the revision was more than accounted for by downward revisions in other private services and transfers under U.S. military sales contracts. Services imports for December were revised up \$0.2 billion to \$29.3 billion; the revision was more than accounted for by upward revisions in royalties and license fees and travel.’

One could hardly call the above as being indicative of a booming economy, but, once again, it was hailed as another indication that all is well at the world’s largest, single economy of the world.

On The New York Stock Exchange, the Dow Jones Industrial Average ended the week with a gain of about 0.13 percent, with investors, edging this key index to 12,276.32 points.

The NASDAQ’s Composite Index, however, ended down about 0.01 percent to 2,387.55 points.

Trading was comparatively light on both markets, suggesting that investors were unsure as to the direction of the largest equity markets of the world.

According to one estimate, the losses in terms of investors’ fair value of quoted US stocks and shares, over the week, had been in excess of \$US2,000 million.

The tally for the week for the most-important equity markets in the world was:

The Dow Jones Industrial Average	Plus	1.34 percent
The NASDAQ’s Composite Index	Plus	0.84 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US60.05, a fall of about 2.58 percent, compared with Thursday’s closing level.

As for May delivery, the last settlement for a barrel of light sweet crude oil came in at \$US61.77, representing a fall of about 2.29 percent on Thursday’s last settlement.

In Europe, for the most part, the key indices of the most-important bourses ended the week, mildly bullish.

The fall in the price of crude oil, however, dampened the enthusiasm for stocks and shares, somewhat, as energy counters are a force in many European equity markets.

This was how the key indices of major bourses fared, last Friday:

Amsterdam’s AEX Index	Plus	0.26 percent
France’s CAC 40 Index	Plus	0.24 percent
Germany’s Frankfurt XETRA DAX Index	Plus	0.04 percent
Great Britain’s FTSE 100 Index	Plus	0.34 percent
Italy’s MIBTEL Index	Minus	0.08 percent
Switzerland’s Swiss Market Index	Minus	0.24 percent

In Asia, the situation was somewhat mixed, with some equity markets, seeing their key indices squeeze out small gains, while other lost footings.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost fractions of their respective indices.

The Main Board's Hang Seng Index, which is the key index of the premier equity market of The Stock Exchange of Hongkong Ltd, shed 0.21 percent of its value, slipping back to 19,134.88 points.

The Total Turnover on this market was about \$HK62.96 billion.

The ratio of gainers to losers was about 1.36:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)	Down 1.69 percent to \$HK67.00 per share
HSBC Holdings plc (Code: 5)	Up 0.07 percent to \$HK136.70 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.47 percent to \$HK21.50 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.23 percent to \$HK4.40 per share
China Construction Bank Corporation (Code: 939)	Up 1.38 percent to \$HK4.40 per share
Bank of China Ltd (Code: 3988)	Up 1.60 percent to \$HK3.81 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 2.32 percent to \$HK6.18 per share
PetroChina Company Ltd (Code: 857)	Up 0.56 percent to \$HK8.95 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 1.63 percent to \$HK78.05 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.36 percent to \$HK110.90 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)
Buildmore International Ltd	108	34.78		0.62
China Grand Forestry Resources Group Ltd	910	13.92		0.90
China Rich Holdings Ltd	1191	15.69		0.295

Ching Hing (Holdings) Ltd	692	33.93		0.15
China Infrastructure Machinery Holdings Ltd	3339	10.33		14.10
Gay Giano International Group Ltd	686	15.56		0.26
Goldbond Group Holdings Ltd	172	59.79		0.31
Golden Harvest Entertainment (Holdings) Ltd	1132		10.00	0.315
Junefield Department Store Group Ltd	758	65.70		0.285
Leeport (Holdings) Ltd	387		15.38	1.32
LifeTec Group Ltd	1180	21.05		0.138
MAE Holdings Ltd	851		13.46	0.45
Pacific Plywood Holdings Ltd	767	10.77		0.144
Paladin Ltd	495	10.53		0.315
Riche Multi-Media Holdings Ltd	764		14.06	0.055
Sino Union Petroleum and Chemical International Ltd	346	11.11		0.70
Sun East Technology (Holdings) Ltd	365	11.54		0.435
Venture International Investment Holdings Ltd	61	19.61		0.305
Wing Hong (Holdings) Ltd	745	12.28		0.064
Vodone Ltd	82	10.92		1.93

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was a very similar story to that, being told on the Main Board, as The Growth Enterprise Index gave up about 0.21 percent of its value, falling back to 1,263.71 points.

The Total Turnover on this market was about \$HK221.36 million.

Advancing counters outpaced declining ones by the ratio of about 1.20:One.

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

Proactive Technology Holdings Ltd (Code: 8089)

Up 4.30 percent to \$HK6.55 per share

B M Intelligence International Ltd (Code: 8158)

Up 15.19 percent to \$HK0.455 per share

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

Down 1.38 percent to \$HK11.44 per share

China LotSynergy Holdings Ltd (Code: 8161)

Down 2.35 percent to \$HK2.08 per share

Universal Technologies Holdings Ltd (Code: 8091)

Up 0.57 percent to \$HK0.176 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		10.34	0.13
AcrossAsia Ltd	8061		11.76	0.135
Advanced Card Systems Holdings Ltd	8210		13.21	0.23
B M Intelligence International Ltd	8158	15.19		0.455
Cardlink Technology Group Ltd	8066	11.11		0.15
China Chief Cable TV Group Ltd	8153		18.75	0.26
DIGITALHONGKONG.COM	8007	104.17		0.98
Everpride Biopharmaceutical Company Ltd	8019	12.50		0.099
FlexSystem Holdings Ltd	8050	21.43		0.119
FX Creations International Holdings Ltd	8136	10.61		0.365
Galileo Capital Group Ltd	8029	12.90		0.35
Global Link Communications Holdings Ltd	8060	10.13		0.087
Info Communication Holdings Ltd	8082	10.34		0.16
Intelli-Media Group (Holdings) Ltd	8173	13.85		0.37
Milkyway Image Holdings Ltd	8130	32.00		0.33

Sing Lee Software (Group) Ltd	8076	25.86		0.073
SJTU Sunway Software Industry Ltd	8148	30.00		0.39
Soluteck Holdings Ltd	8111		10.00	0.072
Xteam Software International Ltd	8178	10.39		0.17

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

The Hang Seng Index	Minus 1.58 percent
The Growth Enterprise Index	Minus 2.55 percent

On The Tokyo Stock Exchange, The TOPIX Index rose about 0.54 percent to 1,730.31 points.

Gainers outran losers by the ratio of about 1.40:One.

The Nikkei-225 Stock Average advanced about 0.43 percent to 17,164.04 yen.

For Japanese investors, they were a little apprehensive about the employment and unemployment situation in the US and, as such, determined to wait in order to assess the situation over the weekend.

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

The TOPIX Index	Plus	0.51 percent
The Nikkei-225 Stock Average	Minus	0.31 percent

In other Asian equity markets, this was how the situation looked for the week, ended March 9, 2007:

The HKSAR	Hang Seng Index Minus 0.21 percent to 19,134.88 The Growth Enterprise Index Minus 0.21 percent to 1,263.711
Indonesia	Minus 0.39 percent to 1,764.58
Japan	TOPIX Index Plus 0.54 percent to 1,730.31 Nikkei-225 Stock Average Plus 0.43 percent to 17,164.04
Malaysia	Plus 0.15 percent to 1,188.83
The Philippines	Plus 2.36 percent to 3,099.82
Singapore	Plus 0.68 percent to 3,143.71

South Korea	Minus 0.02 percent to 1,423.58
Taiwan	Minus 0.07 percent to 7,568.20
Thailand	Minus 0.12 percent to 671.17

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