

**THE FIFTH-LARGEST U.S. INVESTMENT BANK STUMBLES ...
AND KEY INDICES OF EQUITY MARKETS FALL**

Crude-oil prices rose on international commodity exchanges, last Monday, touching off a mild bearish run on equity markets in North America and in Europe.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in July was \$US69.09, an increase of about 1.60 percent, compared with the final quote of Friday, June 15, 2007.

For delivery in August, the last settlement was \$US69.62 for a barrel of light sweet crude oil, representing an increase of about 1.58 percent on the last settlement of the previous Friday.

For crude oil, last Monday's levels were the highest points of the previous 10 months.

The root cause of the increase in the price of crude oil was a threatened general strike in Nigeria due to oil revenues, allegedly going into the pockets of certain Nigerian Government Ministers, local Nigerian moguls, and international oil companies, leaving precious little for the peoples of the country.

And a great number of Nigerian workers is living on barely, subsistent-level incomes, while starvation is rampant in the oil-rich, Niger Delta Region.

Oil revenues represent about 90 percent of the country's revenues; the country is the world's eighth-largest, crude-oil exporter.

On Wall Street, there was some concern that oil prices might go even higher.

Such an eventuality would cut into the profits of many a company, listed on equity markets in the US.

On The New York Stock Exchange, last Monday, the Dow Jones Industrial Average fell back by 23.81 points, equivalent to about 0.17 percent, ending the trading day at 13,615.67 points.

On The NASDAQ, its Composite Index dropped 0.11 of a point to 2,626.60 points.

Trading was relatively light on both equity markets, with the ratio of losers to gainers, being about 1.13:One.

Wall Street extracted a great deal of investor confidence from Europe where the key indices of major bourses lost material ground as the following **TARGET** () table illustrates:

Amsterdam's AEX Index	Minus 0.12 percent
-----------------------	--------------------

France's CAC 40 Index	Minus 0.30 percent
-----------------------	--------------------

Germany's Frankfurt XETRA DAX IndexPlus	0.07 percent
---	--------------

Great Britain's FTSE 100 Index	Minus 0.43 percent
--------------------------------	--------------------

Italy's MIBTEL Index Minus 0.69 percent

Switzerland's Swiss Market Index Minus 0.32 percent

In Asia, all of the key indices of the major equity markets of the region made substantial gains.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity markets scored a hefty gain, but the secondary market, known as The **G**rowth **E**nterprise **M**arket, or The GEM, lost a great deal of its former value.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose 565.84 points, equivalent to about 2.69 percent, ending the very heavy trading day at 21,582.89 points.

The Total Turnover was about \$HK100.07 billion – a record-high level.

The ratio of gaining counters to losing ones was about 1.83:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 6.00 percent to \$HK80.35 per share
China Life Insurance Company Ltd (Code: 2628)	Up 4.66 percent to \$HK26.95 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 4.47 percent to \$HK4.44 per share
China Construction Bank Corporation (Code: 939)	Up 6.92 percent to \$HK5.25 per share
Bank of China Ltd (Code: 3988)	Up 3.64 percent to \$HK3.99 per share
PetroChina Company Ltd (Code: 857)	Up 3.33 percent to \$HK11.16 per share
HSBC Holdings plc (Code: 5)	Up 0.49 percent to \$HK144.00 per share
China Telecom Corporation Ltd (Code: 728)	Up 5.99 percent to \$HK4.78 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.61 percent to \$HK8.83 per share
PICC Property and Casualty Company Ltd (Code: 2328)	Up 8.61 percent to \$HK5.55 per share

As for the Main Board's double-digit movers of the day, there was a total of 63 counters that qualified for that honour, with 6 of their number, rising, while the remainder of 57 counters lost 10 percent or more of their market capitalisations.

Wang On Group Ltd (Code: 1222) was the biggest gainer of the day, its share price, rising 18.42 percent to end the day at 90 cents.

Sewco International Holdings Ltd (Code: 209) turned out to be the biggest loser of the day as investors drove down its share price by 20 percent to 56 cents.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index shed 37.12 points, or about 2.21 percent, falling back to 1,642.05 points.

The Total Turnover on this market was about \$HK887.59 million.

Gaining counters swamped losing ones by the ratio of about 3.70:One.

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

Proactive Technology Holdings Ltd (Code:
8089)

Down 1.48 percent to \$HK17.26 per share

China Primary Resources Holdings Ltd (Code:
8117)

Down 12.50 percent to \$HK0.49 per share

Kanstar Environmental Paper Products Holdings
Ltd (Code: 8011)

Down 11.11 percent to \$HK0.40 per share

Xteam Software International Ltd (Code: 8178)

Up 1.54 percent to \$HK0.66 per share

Town Health International Holdings Company
Ltd (Code: 8138)

Down 14.49 percent to \$HK0.59 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Advanced Card Systems Holdings Ltd	8210		10.29	0.305
BIG Media Group Ltd	8167		12.50	0.35
China Primary Resources Holdings Ltd	8117		12.50	0.49
Computech Holdings Ltd	8081		13.46	0.45
Golife Concepts Holdings Ltd	8172		12.08	0.211
Jessica Publications Ltd	8137		11.90	0.37
Kanstar Environmental Paper Products Holdings Ltd	8011		11.11	0.40

Lee's Pharmaceutical Holdings Ltd	8221		13.85	0.56
Medical China Ltd	8186		11.76	0.45
Mobile Telecom Network (Holdings) Ltd	8266		10.53	0.255
New Chinese Medicine Holdings Ltd	8085		20.31	1.02
Shenzhen Neptunus Interlong Bio- technique Company Ltd	8329		11.39	2.10
Netel Technology (Holdings) Ltd	8256		20.37	0.43
Northeast Tiger Pharmaceutical Company Ltd	8197		12.86	0.305
New Universe International Group Ltd	8068		16.43	0.234
PINE Technology Holdings Ltd	8013	10.94		0.71
South China Land Ltd	8155		11.11	0.40
TeleEye Holdings Ltd	8051	13.33		0.26
ThinSoft (Holdings) Incorporated	8096	13.70		0.415
Town Health International Holdings Company Ltd	8138		14.49	0.59
Tradeeasy Holdings Ltd	8163		11.63	0.19
Ultra Group Holdings Ltd	8203		10.00	0.36
Vodatel Networks Holdings Ltd	8033		22.73	0.34
Wafer Systems Ltd	8198		12.94	0.37
Zhejiang Yonglong Enterprises Company Ltd	8211	15.94		0.40

In Japan, the country's 3 equity markets made useful gains.

On The Tokyo Stock Exchange, The TOPIX Index gained 15.45 points, equivalent to about 0.87 percent,

ending the trading day at 1,788.39 points.

Advancing counters outnumbered declining ones by the ratio of about 3.42:One.

As for The Nikkei-225 Stock Average, it advanced 178.03 yen, or 0.99 percent, exactly, ending the day at 18,149.52 yen.

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

The HKSAR	Hang Seng Index Plus 2.69 percent to 21,582.89 The Growth Enterprise Index Minus 2.21 percent to 1,642.05
Indonesia	Plus 0.28 percent to 2,126.49
Japan	TOPIX Index Plus 0.87 percent to 1,788.39 Nikkei-225 Stock Average Plus 0.99 percent to 18,149.52
Malaysia	Plus 0.85 percent to 1,372.28
The Philippines	Plus 0.25 percent to 3,680.55
Singapore	Plus 1.19 percent to 3,623.79
South Korea	Plus 1.95 percent to 1,806.88
Taiwan	Closed
Thailand	Plus 2.95 percent to 766.20

Tuesday

The Commerce Department of the US Government brought out its findings with regard to new residential construction for the month of May: It was not good news.

Wall Street investors, however, seemed to be nonchalant about the latest statistics with regard to the US housing situation.

The following is a verbatim copy of the release of The Commerce Department's Department of Housing and Urban Development:

'NEW RESIDENTIAL CONSTRUCTION IN MAY 2007

'The U.S. Census Bureau and the Department of Housing and Urban Development jointly announced the following new residential construction statistics for May 2007:

‘BUILDING PERMITS

‘Privately-owned housing units authorized by building permits in May were at a seasonally adjusted annual rate of 1,501,000. This is 3.0 percent ($\pm 1.3\%$) above the revised April rate of 1,457,000, but is 21.7 percent ($\pm 1.3\%$) below the revised May 2006 estimate of 1,918,000.

‘Single-family authorizations in May were at a rate of 1,056,000; this is 1.8 percent ($\pm 1.3\%$) below the April figure of 1,075,000. Authorizations of units in buildings with five units or more were at a rate of 379,000 in May.

‘HOUSING STARTS

‘Privately-owned housing starts in May were at a seasonally adjusted annual rate of 1,474,000. This is 2.1 percent ($\pm 8.1\%$) below the revised April estimate of 1,506,000 and is 24.2 percent ($\pm 5.1\%$) below the revised May 2006 rate of 1,944,000.*

‘Single-family housing starts in May were at a rate of 1,170,000; this is 3.4 percent ($\pm 8.0\%$) below the April figure of 1,211,000. The May rate for units in buildings with five units or more was 271,000.*

‘HOUSING COMPLETIONS

‘Privately-owned housing completions in May were at a seasonally adjusted annual rate of 1,534,000. This is 0.5 percent ($\pm 8.5\%$) below the revised April estimate of 1,542,000 and is 19.3 percent ($\pm 5.4\%$) below the revised May 2006 rate of 1,901,000.*

‘Single-family housing completions in May were at a rate of 1,302,000; this is 1.5 percent ($\pm 9.7\%$) above the April figure of 1,283,000. The May rate for units in buildings with five units or more was 196,000.’*

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.16 percent to 13,635.42 points.

As for The NASDAQ, its Composite Index gained only 0.01 percent, ending the trading day at 2,626.76 points.

On The New York Mercantile Exchange (NYMEX), for a change in pace, there was little difference in the price of the black ooze from the previous day’s close.

The last settlement for a barrel of light sweet crude oil for delivery in July was \$US69.10, an increase of one cent per barrel on Monday’s closing level.

As for August delivery, the last settlement for a barrel of light sweet crude oil was \$US69.54, down 8 cents per barrel on Monday’s last settlement.

On European bourses, last Tuesday, stocks and shares tended to skid to their lows of the day.

There was a number of factors, contributing to the falls on European equity markets: (a) A report that German investor confidence was waning; (b) Slower growth by a retailer in the United Kingdom; and, (c) The gyrations of key indices of US equity markets.

This was how the situation looked on the 6, most-important European bourses, last Tuesday:

Amsterdam’s AEX Index	Minus 0.09 percent
-----------------------	--------------------

France’s CAC 40 Index	Minus 0.20 percent
-----------------------	--------------------

Germany’s Frankfurt XETRA DAX Index	Minus 0.08 percent
-------------------------------------	--------------------

Great Britain's FTSE 100 Index Minus 0.58 percent

Italy's MIBTEL Index Minus 0.91 percent

Switzerland's Swiss Market Index Minus 0.34 percent

News Wise

- **Cadbury Schweppes plc** has announced that it would be sacking about 15 percent of its workforce by the year 2011. The company, based in the United Kingdom, said it wanted to peel back the number of staff by about 7,500 bodies in order to reduce costs. Cadbury Schweppes employs about 50,000 people, worldwide.

In Asia, the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) and Taiwan were closed for public holidays.

In the other Asian equity markets, the situation was mixed, with about half of their number, losing ground.

In Japan, however, investors must have been a little nonplussed because the official index of Asia's largest and most-important equity market, The TOPIX Index of The Tokyo Stock Exchange, went into reverse while The Nikkei-225 Stock Average, a much-narrower '*barometer*' of trading in blue chips, listed on the First Section of this equity market, made a fractional gain.

The TOPIX Index finished the day at 1,780.49 points, representing a 0.44-percent fall, compared with Monday's closing level.

The Nikkei-225 Stock Average moved up to 18,163.61 yen, a one-day gain of about 0.08 percent.

The ratio of declining counters to advancing ones was about 2.46:One.

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

The HKSAR	Hang Seng Index Closed The Growth Enterprise Index Closed
Indonesia	Plus 0.74 percent to 2,142.19
Japan	TOPIX Index Minus 0.44 percent to 1,780.49 Nikkei-225 Stock Average Plus 0.08 percent to 18,163.61
Malaysia	Plus 0.33 percent to 1,376.79
The Philippines	Minus 0.36 percent to 3,667.14
Singapore	Plus 0.16 percent to 3,629.55

South Korea	Plus 0.05 percent to 1,807.85
Taiwan	Closed
Thailand	Minus 0.32 percent to 763.78

Wednesday

There was a sudden and very unexpected turn of events on US equity markets, last Wednesday, and, by the end of the trading day, losses were high for speculators who had expected another bullish trading session; they got a rude awakening.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 1.07 percent of its former value, dropping back to 13,489.42 points.

On The NASDAQ, its Composite Index shed about 1.02 percent, ending the day at 2,599.96 points.

The reason for the sharp drop in the value of key indices of the world's largest and most-important equity markets was put down to a reversal in the direction of crude oil prices on international commodity exchanges.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil was \$US68.19 for delivery in July, that closing level, being a fall of about 1.32 percent, compared with Tuesday's last settlement.

As for August delivery, the last settlement for a barrel of light sweet crude oil came in at \$US68.86, down about 0.98 percent on the final quote of Tuesday.

In Europe, however, the price of crude oil fell back by more than \$US2 per barrel, at one point.

The reason for the fall in the price of crude oil was due to a report by the US Energy Information Administration, which stated that stocks of crude oil were standing at about 6.90 million barrels for the week, ended Friday, June 15, 2007.

As for stocks of petrol, they stood at 1.80 million barrels, as at the close of the day of previous Friday, that stockpile, being almost double previous estimates.

By the time that European equity markets were due to close, last Wednesday, trading on The New York Stock Exchange was '*flat*' – the sell-off had not yet begun.

With no definitive direction, coming from the world's largest equity market, the key indices of most European bourses followed the lead of Wall Street and ended with subliminal movements:

Amsterdam's AEX Index Plus 0.32 percent

France's CAC 40 Index Plus 0.35 percent

Germany's Frankfurt XETRA DAX Index Plus 0.70 percent

Great Britain's FTSE 100 Index Minus 0.01 percent

Italy's MIBTEL Index Minus 0.13 percent

Switzerland's Swiss Market Index Plus 0.14 percent

Asian equity markets, for the most part, ended their respective trading sessions in the black.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index chalked up a gain of about 0.47 percent, ending the day at 21,684.67 points.

The Total Turnover rose to another record level of about \$HK121.45 billion.

The ratio of advancing counters to declining ones was about 1.17:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)

Up 1.25 percent to \$HK145.80 per share

PetroChina Company Ltd (Code: 857)

Up 5.20 percent to \$HK11.74 per share

China Mobile Ltd (Code: 941)

Up 0.06 percent to \$HK80.40 per share

China Life Insurance Company Ltd (Code: 2628)

Down 0.56 percent to \$HK26.80 per share

China Construction Bank Corporation (Code:
939)

Down 0.95 percent to \$HK5.20 per share

Bank of China Ltd (Code: 3988)

Down 0.75 percent to \$HK3.96 per share

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

Down 0.45 percent to \$HK4.42 per share

CNOOC Ltd (Code: 883)

Up 2.70 percent to \$HK9.13 per share

China Petroleum and Chemical Corporation
(Code: 386)

Up 0.79 percent to \$HK8.90 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Up 3.84 percent to \$HK102.80 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
-----------------	------	-----------------	-----------------	-------------------------

Asia Resources Holdings Ltd	899	10.53		0.63
Berjaya Holdings (Hongkong) Ltd	288	10.34		0.32
Bestway International Holdings Ltd	718	10.00		0.55
Buildmore International Ltd	108	26.33		3.79
Capital Estate Ltd	193	13.51		0.168
CATIC International Holdings Ltd	232	14.04		0.65
CCT Tech International Ltd	261	15.00		0.069
China Electronics Corporation Holdings Company Ltd	85	12.94		2.88
China Energy Development Holdings Ltd	228	10.32		1.39
China Seven Star Shopping Ltd	245	12.79		0.97
China Wireless Technologies Ltd	2369	10.56		3.56
Co-Prosperity Holdings Ltd	707		10.27	1.31
Datang International Power Generation Company Ltd	991	13.55		12.74
Extrawell Pharmaceutical Holdings Ltd	858	20.18		2.74
Freeman Corporation Ltd	279	19.00		0.238
The Hongkong Parkview Group Ltd	207	184.40		1.65
Honesty Treasure International Holdings Ltd	600		15.48	0.355
IRICO Group Electronics Company Ltd	438	10.43		1.27
Karce International Holdings Company Ltd	1159	25.00		0.50

LeRoi Holdings Ltd	221	19.67		0.365
Lung Cheong International Holdings Ltd	348	18.75		1.14
Hainan Meilan International Airport Company Ltd	357	22.97		8.19
Mexan Ltd	22	12.99		0.435
Moiselle International Holdings Ltd	130	13.46		2.95
New Island Printing Holdings Ltd	377		10.00	0.72
Sam Woo Holdings Ltd	2322	27.45		6.50
Sewco International Holdings Ltd	209	19.64		0.67
Star Cruises Ltd	678	13.27		2.39
UDL Holdings Ltd	620	12.22		0.248
Water Oasis Group Ltd	1161	16.05		0.94
Wing Hing International (Holdings) Ltd	621		10.16	2.30

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index rose about 1.18 percent to 1,661.36 points.

The Total Turnover on this speculative equity market was about \$HK811.20 million.

Gainers outran losers by the ratio of about 1.06:One.

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

Proactive Technology Holdings Ltd (Code: 8089)

Up 3.24 percent to \$HK17.82 per share

Golden Meditech Company Ltd (Code: 8180)

Up 5.26 percent to \$HK4.80 per share

Century Sunshine Ecological Technology Holdings Ltd (Code: 8276)

Down 1.49 percent to \$HK1.99 per share

Tong Ren Tang Technologies Company Ltd (Code: 8069)

Down 0.10 percent to \$HK19.98 per share

Kanstar Environmental Paper Products Holdings
Ltd (Code: 8011)

Up 3.75 percent to \$HK0.415 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Resources (Holdings) Ltd	8025	10.26		0.35
BIG Media Group Ltd	8167		10.00	0.315
China Leason Investment Group Company Ltd	8270	14.15		1.21
China Photar Electronics Group Ltd	8220		18.00	0.41
G.A. Holdings Ltd	8126	11.39		0.44
Global Solution Engineering Ltd	8192		13.46	0.45
Longlife Group Holdings Ltd	8037	48.32		0.445
Medical China Ltd	8186	10.00		0.495
North Asia Strategic Holdings Ltd	8080	11.36		2.45
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	10.00		2.31
New Universe International Group Ltd	8068	11.11		0.26
TeleEye Holdings Ltd	8051	15.38		0.30
Tradeeasy Holdings Ltd	8163	11.05		0.211
Zhejiang Yonglong Enterprises Company Ltd	8211	10.00		0.44
Zhejiang Prospect Company Ltd	8273	21.18		3.09
Zhengzhou Gas Company Ltd	8099	10.24		1.83

Trading on Asia's largest and most-important equity market reverted to being quiet, once again.

On The Tokyo Stock Exchange, its TOPIX Index ended the day at 1,783.72 points, representing a gain of about 0.18 percent, compared with Tuesday's closing level.

The ratio of advancing counters to losing ones was about 1.10:One.

As for The Nikkei-225 Stock Average, it rose about 0.26 percent to 18,211.68 yen.

As for other Asian equity markets, last Wednesday, this was how their respective key indices fared:

The HKSAR	Hang Seng Index Plus 0.47 percent to 21,684.67 The Growth Enterprise Index Plus 1.18 percent to 1,661.36
Indonesia	Plus 0.88 percent to 2,161.07
Japan	TOPIX Index Plus 0.18 percent to 1,783.72 Nikkei-225 Stock Average Plus 0.26 percent to 18,211.68
Malaysia	Plus 0.69 percent to 1,386.27
The Philippines	Plus 1.41 percent to 3,718.88
Singapore	Minus 0.02 percent to 3,628.67
South Korea	Minus 1.33 percent to 1,783.79
Taiwan	Plus 2.13 percent to 8,755.88
Thailand	Plus 1.74 percent to 777.10

Thursday

While the General Strike in Nigeria, the world's eighth-largest exporter of crude oil, entered its 4th day, on international commodity exchanges, trading in crude-oil, future contracts was relatively quiet although, throughout the day, there were some short-lived, violent movements.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August – the new near month – came in at \$US68.65, down about 0.30 percent, compared with Wednesday's closing level.

(Last Wednesday was the last day of trading in July crude-oil, futures contracts)

For the new month of September, the last settlement for a barrel of light sweet crude oil was \$US69.20.

On The New York Stock Exchange, after a very choppy start to trading, the market seemed to settle down, shaking off much of the very material falls of Wednesday.

The Dow Jones Industrial Average rose 56.42 points, equivalent to about 0.42 percent, ending the trading day at 13,545.84 points.

As for the (tech-laden) NASDAQ, its Composite Index gained 17 points, exactly, rising to 2,616.96 points.

Trading was described as being moderate with gainers and losers, being about 1.20:One on The New York Stock Exchange and about 1.11:One on The NASDAQ.

European bourses, however, took scant notice of the partial recovery of key indices of US equity markets: Investors were still smarting from Wednesday's large percentage falls of indices on US equity markets.

Europe was, also, becoming a little apprehensive over the prospects of higher interest rates, or no respite from the current levels of US interest rates, coming at the forthcoming 2-day, Open Market Committee Meeting of the US Federal Reserve, scheduled for the following Wednesday and Thursday, June 27-28.

The key indices of every major European bourse fell, some very materially:

Amsterdam's AEX Index	Minus 0.28 percent
-----------------------	--------------------

France's CAC 40 Index	Minus 1.04 percent
-----------------------	--------------------

Germany's Frankfurt XETRA DAX Index	Minus 1.55 percent
-------------------------------------	--------------------

Great Britain's FTSE 100 Index	Minus 0.80 percent
--------------------------------	--------------------

Italy's MIBTEL Index	Minus 0.70 percent
----------------------	--------------------

Switzerland's Swiss Market Index	Minus 1.25 percent
----------------------------------	--------------------

In Asia, 3 equity markets of the 9, major equity markets of the region witnessed their respective key indices under some selling pressure, but the preponderance of the stock markets of the most-populous part of the world recorded fractional gains for the day.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market continued to make gains while the speculative equity market suffered a small, fractional loss.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose 1.25 percent, rising to a new, record-high level of 21,954.67 points.

The Total Turnover was about \$HK95.92 billion, while the ratio of advancing counters to declining ones was about 1.92:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)
--

Up 6.34 percent to \$HK28.50 per share
--

China Mobile Ltd (Code: 941)

Up 2.43 percent to \$HK82.35 per share
--

PetroChina Company Ltd (Code: 857)

Up 1.36 percent to \$HK11.90 per share

HSBC Holdings plc (Code: 5)

Down 0.27 percent to \$HK145.40 per share

China Construction Bank Corporation (Code: 939)

Up 3.65 percent to \$HK5.39 per share

China Petroleum and Chemical Corporation
(Code: 386)

Up 3.15 percent to \$HK9.18 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Up 7.20 percent to \$HK110.20 per share

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

Down 0.68 percent to \$HK4.39 per share

China Telecom Corporation Ltd (Code: 728)

Up 2.34 percent to \$HK4.82 per share

CNOOC Ltd (Code: 883)

Down 0.11 percent to \$HK9.12 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Brilliance China Automotive Holdings Ltd	1114	10.11		2.07
Buildmore International Ltd	108	17.41		4.45
Chia Hsin Cement Greater China Holding Corporation	699	11.81		2.65
Concepta Investments Ltd	1140	11.86		0.66
Dongfang Electrical Machinery Company Ltd	1072	13.76		43.00
First Shanghai Investments Ltd	227	13.87		2.71
Grandtop International Holdings Ltd	2309	26.76		0.90
Guangnan (Holdings) Ltd	1203	11.16		2.39

Kwang Sung Electronics Hongkong Company Ltd	2310	11.76		1.90
Long Far Pharmaceutical Holdings Ltd	2898	42.35		1.21
Midas International Holdings Ltd	1172	25.00		0.95
Ming Hing Holdings Ltd	2933	11.68		1.53
PICC Property and Casualty Company Ltd	2328	10.22		6.47
PME Group Ltd	379	31.82		1.16
Shenyin Wanguo (Hongkong) Ltd	218	19.05		7.50
Sinotrans Ltd	598	12.97		4.18
Stelux Holdings International Ltd	84	20.00		1.08
SW Kingsway Capital Holdings Ltd	188	10.26		0.43
Taifook Securities Group Ltd	665	10.80		4.00
Termbray Industries International (Holdings) Ltd	93	27.06		1.08

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index shed about 0.32 percent, falling back to 1,656.03 points.

The Total Turnover on this speculative market was about \$HK689.85 million.

The ratio of losing counters to gaining ones was about 1.13:One.

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

Phoenix Satellite Television Holdings Ltd (Code:
8002)

Up 9.14 percent to \$HK2.03 per share

Century Sunshine Ecological
Technology Holdings Ltd (Code: 8276)

Up 8.04 percent to \$HK2.15 per share

Kanstar Environmental Paper Products Holdings
Ltd (Code: 8011)

Down 3.61 percent to \$HK0.40 per share

Xteam Software International Ltd (Code: 8178)

Down 4.35 percent to \$HK0.66 per share

China Primary Resources Holdings Ltd (Code:
8117)

Down 3.77 percent to \$HK0.51 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Cardlink Technology Group Ltd	8066	18.75		0.38
China Vanguard Group Ltd	8156		10.53	0.68
Eco-Tek Holdings Ltd	8169	10.00		0.44
Emperor Entertainment Group Ltd	8078	20.39		1.24
Era Information and Entertainment Ltd	8043	26.03		0.46
Global Solution Engineering Ltd	8192	42.22		0.64
HC International Incorporated	8292	12.28		1.28
International Entertainment Corporation	8118	41.60		7.25
Jessica Publications Ltd	8137	17.50		0.47
Northeast Tiger Pharmaceutical Company Ltd	8197	14.06		0.365
Qianlong Technology International Holdings Ltd	8015	14.29		0.80
Sing Lee Software (Group) Ltd	8076		10.00	0.36

Trading on Japan's 3 equity markets continued to be quiet, last Thursday.

On The Tokyo Stock Exchange, its TOPIX Index, which is the key index of this equity market, rose about 0.32 percent to 1,789.38 points.

The ratio of gainers to losers was about 1.50:One.

The Nikkei-225 Stock Average rose about 0.16 percent to end the trading day at 18,240.30 yen.

News Wise

- **Business confidence** in large Japanese companies waned, during the quarter, ended June 30, 2007, according to the findings of The Finance Ministry. It was the first time that business confidence in large Japanese companies had waned since the quarterly poll was conducted in 2004.

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

The HKSAR	Hang Seng Index Plus 1.25 percent to 21,954.67 The Growth Enterprise Index Minus 0.32 percent to 1,656.03
Indonesia	Minus 0.40 percent to 2,152.34
Japan	TOPIX Index Plus 0.32 percent to 1,789.38 Nikkei-225 Stock Average Plus 0.16 percent to 18,240.30
Malaysia	Plus 0.12 percent to 1,387.96
The Philippines	Minus 0.12 percent to 3,714.59
Singapore	Plus 0.30 percent to 3,639.49
South Korea	Plus 0.59 percent to 1,794.24
Taiwan	Plus 1.10 percent to 8,851.99
Thailand	Minus 0.12 percent to 776.20

Friday

The big story of the day was that Bear Sterns and Company Incorporated had been forced to throw in about \$US3.20 billion in order to bail out one of its hedge funds which is struggling to come to terms with its creditors.

Bear Sterns is the fifth-largest investment bank in the US.

If this could happen to a fund, managed by the might of Bear Sterns, so the logic went, it could happen to anybody.

The news spooked Wall Street.

On The New York Stock Exchange, the Dow Jones Industrial Average dropped 183.31 points, equivalent to

about 1.35 percent.

As for the NASDAQ, its Composite Index gave up 28 points, or about 1.07 percent, falling back to 2,588.96 points.

The ratio of losing counters to gaining ones was about 3:One on The New York Stock Exchange and about 2:One on The NASDAQ.

The tally for the week for the largest and most-important equity markets of the world was:

The Dow Jones Industrial Average Minus 2.03 percent

The NASDAQ's Composite Index Minus 1.43 percent

In Europe, the key indices of the most-important bourses lost ground, mainly due to the rapid falls on Wall Street and the fact that, if Bear Sterns could run into trouble in respect of one of its hedge funds, so could any other such fund in Europe.

Every key index of every major bourse fell to sellers:

Amsterdam's AEX Index Minus 0.32 percent

France's CAC 40 Index Minus 0.10 percent

Germany's Frankfurt XETRA DAX Index Minus 0.18 percent

Great Britain's FTSE 100 Index Minus 0.43 percent

Italy's MIBTEL Index Minus 0.54 percent

Switzerland's Swiss Market Index Minus 0.69 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August came in at \$US69.14, representing an increase of about 0.71 percent on the closing level of Thursday.

As for delivery in September, the last settlement was \$US69.80 per barrel of light sweet crude oil, an increase of about 0.87 percent on the day.

In Asia, the majority of the equity markets saw their respective key indices fall, fractionally.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 0.21 percent to 21,999.91 points on a Total Turnover of about \$HK95.81 billion.

While the key index of this market was in positive territory at the close of the day, nevertheless, losing counters outpaced gaining ones by the ratio of about 1.19:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)

Up 1.58 percent to \$HK28.95 per share

China Mobile Ltd (Code: 941)	Up 2.79 percent to \$HK84.65 per share
HSBC Holdings plc (Code: 5)	Up 0.07 percent to \$HK145.50 per share
PetroChina Company Ltd (Code: 857)	Down 1.51 percent to \$HK11.72 per share
China Construction Bank Corporation (Code: 939)	Down 1.30 percent to \$HK5.32 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 1.42 percent to \$HK9.05 per share
CNOOC Ltd (Code: 883)	Down 1.75 percent to \$HK8.96 per share
Ping An Insurance (Group) Company of China Ltd (Code: 2318)	Up 6.02 percent to \$HK57.25 per share
Bank of China Ltd (Code: 3988)	Down 1.75 percent to \$HK3.94 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.46 percent to \$HK4.37 per share

As for the Main Board's double-digit movers of the day, there was a total of 35 counters that qualified with only 5 of their number, losing ground.

China Financial Industry Investment Fund Ltd (Code: 1227) was the biggest gainer of the day as investors pushed up its share price by 167.74 percent to \$HK1.66.

Hans Energy Company Ltd (Code: 554) turned out to be the biggest loser of the day, falling 17.81 percent to \$HK1.20 per share.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index gained about 0.59 percent, ending the week at 1,665.82 points.

The Total Turnover was about \$HK854.97 million.

As with the Main Board, in spite of the key index, being in positive territory by the close of the trading day, losing counters outnumbered gaining ones by the ratio of about 1.08:One.

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

Proactive Technology Holdings Ltd (Code: 8089)	Up 4.43 percent to \$HK18.40 per share
MP Logistics International Holdings Ltd (Code: 8239)	Up 20.97 percent to \$HK0.75 per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Unchanged at \$HK2.03 per share

Century Sunshine Ecological Technology Holdings
Ltd (Code: 8276)

Up 3.72 percent to \$HK2.23 per share

Maxitech International Holdings Ltd (Code: 8136)

Unchanged at \$HK0.79 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158	10.45		1.48
China Chief Cable TV Group Ltd	8153	20.62		1.17
Shanxi Changcheng Microlight Equipment Company Ltd	8286	10.77		0.72
Enviro Energy International Holdings Ltd	8182	10.08		2.73
Era Information and Entertainment Ltd	8043	13.04		0.52
Global Solution Engineering Ltd	8192	20.31		0.77
Longlife Group Holdings Ltd	8037		13.64	0.38
MP Logistics International Holdings Ltd	8239	20.97		0.75
Yuxing InfoTech Holdings Ltd	8005	11.11		1.10
Tiger Tech Holdings Ltd	8046	25.61		1.03
Ultra Group Holdings Ltd	8203		12.66	0.345
Yuxing InfoTech Holdings Ltd	8005	14.29		4.80

The tally for the 4-day working week of the equity markets of the HKSAR was:

The Hang Seng Index Plus 4.68 percent
The Growth Enterprise Index Minus 0.80 percent

On Japan's 3 equity markets, all of the key indices headed south, last Friday.

A problem, now faced by the second-largest economy of the world, is the fact that the yen vis-à-vis the US dollar continues to strengthen and, as at last Friday, the exchange rate had hit a 54-month high of about

123.97 yen = \$US1.00.

This may prompt The Bank of Japan, which is the country's Central Bank, to raise interest rates in order to quieten down the foreign-exchange markets of the world with regard to the yen.

While a weaker yen may be good for Japan's exporters, short term, since Japan is a net importer, it means, de facto, that imports will become more costly in due course.

And that is inflationary.

On The Tokyo Stock Exchange, last Friday, its TOPIX Index lost about 0.64 percent of its former value, ending the day at 1,777.99 points.

The ratio of losers to gainers was about 1.89:One.

As for The Nikkei-225 Stock Average, it shed 51.67 yen, equivalent to about 0.28 percent, falling back to 18,188.63 yen.

The tally for Asia's largest and most-important equity market for the week, ended June 22, 2007, was:

The TOPIX Index	Plus	0.28 percent
The Nikkei-225 Stock Average	Plus	0.22 percent

News Wise

- Japan's **trade surplus** for the month of May rose by about 9.30 percent, Year-On-Year, to 389.50 billion yen. It was the seventh, consecutive monthly increase, according to The Finance Ministry.

On other Asian equity markets, last Friday night, this was how their respective key indices closed for the week:

The HKSAR	Hang Seng Index Plus 0.21 percent to 21,999.91 The Growth Enterprise Index Plus 0.59 percent to 1,665.82
Indonesia	Unchanged at percent to 2,152.32
Japan	TOPIX Index Minus 0.64 percent to 1,777.99 Nikkei-225 Stock Average Minus 0.28 percent to 18,188.63
Malaysia	Plus 0.26 percent to 1,391.57
The Philippines	Minus 0.36 percent to 3,701.16
Singapore	Minus 0.66 percent to 3,615.38
South Korea	Minus 1.30 percent to 1,770.98

Taiwan	Minus 0.06 percent to 8,846.39
Thailand	Minus 0.53 percent to 772.05

-- E N D --

***While TARGET makes every attempt to ensure accuracy of all data published,
TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which
they have read in **TARGET**, please feel free to e-mail your views to
editor@targetnewspapers.com. **TARGET** does not guarantee to publish
readers' views, but reserves the right so to do subject to the laws of libel.*