

**ASIAN EQUITY INVESTORS GO ON A ROLLER-COASTER RIDE
– WALL STREET REBOUNDS AFTER A FRETFUL WEEK**

Despite horrendous losses by some of the largest banks in the world and despite signs that the US economy continues to weaken, appreciably, Wall Street charged ahead, its key indices, hitting record highs, last Monday.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 191.92 points, equivalent to about 1.38 percent, hitting 14,087.55 points by the close of the trading session.

Over on The NASDAQ, its Composite Index closed at 2,740.99 points, a gain of 39.49 points, or about 1.46 percent, compared with the previous Friday's closing level.

For the Composite Index of The NASDAQ, last Monday's close was its highest level of the past 78 months.

But it was not all beer and skittles for investors on the world's largest and most-important equity markets, last Monday.

UBS AG, which claims to be the largest, wealth-management bank, among other things, reported that it had been forced to write off losses of about \$US3.42 billion in its fixed-income portfolios.

The bank, also, stated that its third-quarter results would be a loss of between 600 million Swiss francs and 800 million Swiss francs (between \$US700 million and \$US933 million).

In addition, the bank had sharpened its Swiss axe, stating that it was culling its staff by about 1,500 workers in its investment bank.

Then, from the largest bank in the US by market capitalisation, Citigroup Incorporated reported that its quarterly results would be a fall of about 60 percent, Year-On-Year, following losses and write-offs from subprime, mortgage-lending operations and leveraged loans of about \$US5.90 billion.

That was not all of the bad news, however, because the US Institute for Supply Management announced that its September Index of National Factory Activity fell to 52.00 points, down from 52.90 points for the month of August.

What this means is, simply put, that the growth of the US economy continues to shrink.

Unperturbed by the negative news, some from the US and some from Europe, investors on the largest and most-important bourses in Europe joined their counterparts in America and bought stocks and shares as though the bakery may run out of flour, resulting in a shortage of bread.

As a result, all of the key indices on major bourses of the region rose as the following **TARGET** () table illustrates:

Amsterdam's AEX Index	Plus	0.84 percent
France's CAC 40 Index	Plus	1.00 percent

Germany's Frankfurt XETRA DAX IndexPlus 0.77 percent

Great Britain's FTSE 100 Index Plus 0.60 percent

Italy's MIBTEL Index Plus 1.13 percent

Switzerland's Swiss Market Index Plus 0.99 percent

News Wise

- **Northern Rock plc** is for sale. Its share price dropped another 17 percent, last Monday, as investors determined that any force-majeure, selling price that anybody/company would be willing to pay for this cash-tight bank would be much lower than the current market price of the Issued and Fully Paid-Up Share Capital, whatever that might be. It was reported, unofficially, that a couple of US hedge funds were sniffing around with a view to consider, making an offer for the bank.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US80.24, down about 1.74 percent, compared with the final quote of Friday, September 28, 2007.

As for December delivery, the last settlement for a barrel of light sweet crude oil came in at \$US79.28, representing a fall of about 1.49 percent, compared with the final quotation of the previous Friday.

In Asia, the equity markets of the People's Republic of China (PRC) and the Hongkong Special Administrative Region (HKSAR) of the PRC were closed for National Day.

In fact, the equity markets of the PRC, proper, being distinct from the HKSAR, were closed for the entire week, ended October 5, for what is, today, termed '*Golden Week*'.

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

On The Tokyo Stock Exchange, its TOPIX Index fell back 0.73 points, equivalent to about 0.05 percent, ending the trading day at 1,615.89 points.

The ratio of declining counters to advancing ones was about 1.33:One.

The Nikkei-225 Stock Average, which is a much-narrower gauge of trading of blue chips, listed on the First Section of The Tokyo Stock Exchange, than is The TOPIX Index, rose 60.27 yen, or about 0.36 percent, to end the day at 16,845.96 yen.

News Wise

- **Sales of new motor vehicles** in Japan fell to a 33-year low, during the 6 months, ended September 30, 2007, according to The Japan Automobile Dealers Association. The number of new motor vehicles that were reported as having been sold, during those 6 months, was 1.59 million units, down about 8.80 percent, Year-On-Year.

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

The HKSAR	Hang Seng Index Closed The Growth Enterprise Index Closed
Indonesia	Plus 1.71 percent to 2,399.46

Japan	TOPIX Index Minus 0.05 percent to 1,615.89 Nikkei-225 Stock Average Plus 0.36 percent to 16,845.96
Malaysia	Plus 0.80 percent to 1,347.05
The Philippines	Plus 0.70 percent to 3,597.92
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Plus 1.32 percent to 3,755.22
South Korea	Plus 0.83 percent to 1,962.67
Taiwan	Plus 0.13 percent to 9,488.50
Thailand	Plus 0.82 percent to 852.47

Tuesday

As the price of crude oil on international commodity exchanges fell back, fractionally, last Tuesday, so investors on the world's largest equity markets reasoned that it was time to book profits, following the rapid gains of key indices, due to Monday's bullishness.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 40.24 points, equivalent to about 0.29 percent, drifting back to 14,047.31 points.

The NASDAQ's Composite Index, on the other hand, continued to enjoy gains as investors pushed up the key index of this tech-laden equity market by 6.12 points, or about 0.22 percent, to 2,747.11 points.

The ratio of gainers to losers was about 1.29:One on The New York Stock Exchange and about 1.50:One on The NASDAQ.

On The **New York Mercantile Exchange** (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US80.05, representing a fall of about 0.24 percent on Monday's closing level.

As for December delivery, the last settlement for a barrel of light sweet crude oil came in at \$US79.04, a one-day drop of about 0.30 percent.

Share prices in Europe were mixed, for the most part, but all of the gains and losses were of tiny fractions.

The key indices of the most-important bourses of the region appeared to be directionless, as the following **TARGET** list illustrates:

Amsterdam's AEX Index

Minus 0.48 percent

France's CAC 40 Index	Plus	0.45 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.30 percent
Great Britain's FTSE 100 Index	Minus	0.08 percent
Italy's MIBTEL Index	Plus	0.02 percent
Switzerland's Swiss Market Index	Plus	0.57 percent

In Asia, there was no holding back as investors heard but one word: Buy!

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market of the territory hit a new record high.

And the volume of activity on the Main Board of The Stock Exchange of Hongkong Ltd was, also, at the record level of \$HK163.13 billion.

The Hang Seng Index, which is the key index of the Main Board, gained 1,057.28 points, or about 3.90 percent, ending the trading day at 28,199.75 points.

Gaining counters outpaced losing ones by the ratio of about 3.73:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Up 8.40 percent to \$HK48.40 per share
Bank of China Ltd (Code: 3988)	Up 5.29 percent to \$HK4.38 per share
PetroChina Company Ltd (Code: 857)	Up 1.36 percent to \$HK14.94 per share
China Mobile Ltd (Code: 941)	Up 6.36 percent to \$HK135.40 per share
HSBC Holdings plc (Code: 5)	Up 1.27 percent to \$HK144.00 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 4.59 percent to \$HK5.70 per share
China Telecom Corporation Ltd (Code: 728)	Up 10.92 percent to \$HK6.50 per share
Aluminum Corporation of China Ltd (Code: 2600)	Up 6.49 percent to \$HK23.80 per share
China Construction Bank Corporation (Code: 939)	Up 2.26 percent to \$HK7.25 per share
China Communications Construction Company Ltd (Code: 1800)	Up 6.71 percent to \$HK19.72 per share

As for the Main Board's double-digit movers of the day, there was a total of 45 such counters, of which number, the share prices of 32 counters rose by 10 percent or more while the managements of the remaining 13, double-digit movers noted their respective share prices fall by 10 percent or more.

The biggest gainer of the day was Quam Ltd (Code: 952), its share price, rising 48.28 percent to \$HK1.29.

Xin Corporation Ltd (Code: 1141) was the biggest loser as investors marked down its share price by 23.29 percent to 56 cents.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, known as The Growth Enterprise Index, shed about 0.17 percent, falling back to 1,511.98 points.

The Total Turnover on this speculative market was about \$HK810.06 million.

Declining counters outnumbered advancing ones by the ratio of about 1.21:One.

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

Wumart Stores Incorporated (Code: 8277)

Up 2.56 percent to \$HK8.00 per share

Trasy Gold Ex Ltd (Code: 8063)

Down 10.40 percent to \$HK0.112 per share

Galileo Holdings Ltd (Code: 8029)

Up 1.83 percent to \$HK1.67 per share

China Railway Logistics Ltd (Code: 8089)

Down 3.66 percent to \$HK7.90 per share

Xteam Software International Ltd (Code: 8178)

Down 5.19 percent to \$HK0.73 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Armitage Technologies Holding Ltd	8213		11.76	0.105
B M Intelligence International Ltd	8158	20.79		0.215
China Primary Resources Holdings Ltd	8117	15.28		0.415
Eco-Tek Holdings Ltd	8169		11.86	0.26
Golding Soft Ltd	8190	14.69		0.203
Global Solution Engineering Ltd	8192		12.14	1.81
International Financial Network Holdings Ltd	8123	26.00		0.315
ITE (Holdings) Ltd	8092		16.00	0.084

New Chinese Medicine Holdings Ltd	8085		13.22	1.05
Neolink Cyber Technology (Holding) Ltd	8116		11.27	0.315
Netel Technology (Holdings) Ltd	8256	10.29		0.375
Powerleader Science and Technology Company Ltd	8236	17.28		0.475
Qianlong Technology International Holdings Ltd	8015	10.00		0.99
SYSCAN Technology Holdings Ltd	8083		16.67	0.325
Thiz Technology Group Ltd	8119		16.00	0.105
Anhui Tianda Oil Pipe Company Ltd	8241	12.79		6.79
Tradeeasy Holdings Ltd	8163	13.33		0.17
Trasy Gold Ex Ltd	8063		10.40	0.112

In The Land of The Rising Sun, it was a similar story to that, being told in the HKSAR, except that the key indices of the country's 3 equity markets did not have as much of a run-up as did the key index of the HKSAR's premier equity market.

On The Tokyo Stock Exchange, its TOPIX Index gained 23.90 points, equivalent to about 1.48 percent, as investors drove it to 1,639.79 points.

The ratio of gainers to losers was about 3.90:One.

As for The Nikkei-225 Stock Average, it gained 200.82 yen, or about 1.19 percent, rising to 17,046.78 yen.

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

The HKSAR	Hang Seng Index Plus 3.90 percent to 28,199.75 The Growth Enterprise Index Minus 0.17 percent to 1,511.98
Indonesia	Plus 2.73 percent to 2,464.94
Japan	TOPIX Index Plus 1.48 percent to 1,639.79 Nikkei-225 Stock Average Plus 1.19 percent to 17,046.78
Malaysia	Plus 1.61 percent to 1,368.72

The Philippines	Plus 2.20 percent to 3,677.19
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Plus 1.03 percent to 3,793.83
South Korea	Plus 2.62 percent to 2,014.09
Taiwan	Plus 1.42 percent to 9,623.25
Thailand	Plus 0.11 percent to 853.43

Wednesday

Share prices drifted lower on Wall Street, last Wednesday, as investors started to have second thoughts about the near-term future of trading in stocks and shares on the world's largest equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average fell back 79.26 points, equivalent to about 0.56 percent, ending the trading session at 13,968.05 points.

Over on The NASDAQ, its Composite Index shed 17.68 points, or about 0.64 percent, dropping to 2,729.43 points.

Losing counters outnumbered gaining ones by the ratio of about 1.75:One on The New York Stock Exchange and by about 1.50:One on The NASDAQ.

Investors on Wall Street, apparently, were concerned over the potential for further losses at major banks, both domestic and international, and the probability that credit squeezes could well impact on quite a number of companies.

All of which is quite logical – for a change.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November came in at \$US79.94, representing a fall of about 0.14 percent, compared with Tuesday's closing level.

As for December delivery, the last settlement for a barrel of light sweet crude oil was \$US79.02, down about 0.03 percent on the final figure on Tuesday.

In Europe, investors, locked into the major bourses of the region, witnessed a repeat performance of Tuesday's equity market movements.

The key indices of the most-important bourses moved ahead for the most part, but only by small fractions as the following **TARGET** list illustrates:

Amsterdam's AEX Index Minus 0.44 percent

France's CAC 40 Index Plus 0.11 percent

Germany's Frankfurt XETRA DAX IndexPlus 0.10 percent

Great Britain's FTSE 100 Index Plus 0.53 percent

Italy's MIBTEL Index Unchanged

Switzerland's Swiss Market Index Plus 0.16 percent

In Asia, it was a mixed bag on equity markets, with declining key indices – representing about half of the total number – being led by the very substantial losses on the premier stock market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, shed about 2.55 percent, falling back to 27,479.94 points.

The Total Turnover was about \$HK209.81 billion – which was yet another record volume of activity on the premier equity market of the territory.

The ratio of declining counters to advancing ones was about 2.05:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 2.57 percent to \$HK147.70 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.93 percent to \$HK46.50 per share
China Mobile Ltd (Code: 941)	Down 4.14 percent to \$HK129.80 per share
PetroChina Company Ltd (Code: 857)	Down 6.29 percent to \$HK14.00 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.70 percent to \$HK5.74 per share
Bank of China Ltd (Code: 3988)	Down 2.05 percent to \$HK4.29 per share
China Telecom Corporation Ltd (Code: 728)	Down 2.00 percent to \$HK6.37 per share
China Communications Construction Company Ltd (Code: 1800)	Up 3.96 percent to \$HK20.50 per share
China Construction Bank Corporation (Code: 939)	Down 0.28 percent to \$HK7.23 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 4.79 percent to \$HK234.80 per share

There was a total of 49, double-digit movers on the Main Board, last Wednesday, with 10 of their number, rising by 10 percent or more, while the remaining 39, double-digit movers lost 10 percent or more of their market capitalisations, respectively.

The biggest gainer of the day was Sino Technology Investments Company Ltd (Code: 1217) as investors pushed up its share price by 258.02 percent to 58 cents.

LeRoi Holdings Ltd (Code: 221) was the biggest loser, its share price, falling back to 29 cents, a one-day drop of about 36.26 percent.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index dropped about 3.06 percent as investors on this speculative equity market pushed down The Growth Enterprise Index to 1,465.68 points.

The Total Turnover on this market was about \$HK697.23 million.

The ratio of losing counters to gaining ones was about 3.86:One.

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

China Railway Logistics Ltd (Code: 8089)

Down 1.39 percent to \$HK7.79 per share

Phoenix Satellite Television Holdings Ltd (Code: 8002)

Up 7.82 percent to \$HK1.93 per share

Wumart Stores Incorporated (Code: 8277)

Up 1.25 percent to \$HK8.10 per share

Town Health International Holdings Company Ltd (Code:
8138)

Down 5.83 percent to \$HK0.113 per share

Enviro Energy International Holdings Ltd (Code: 8182)

Down 2.50 percent to \$HK2.73 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		11.11	0.40
Bio Cassava Technology Holdings Ltd	8129		10.20	0.088
B M Intelligence International Ltd	8158		11.16	0.191
China Cyber Port (International) Company Ltd	8206		11.76	2.40
China Photar Electronics Group Ltd	8220		12.90	0.27
China Primary Resources Holdings Ltd	8117		13.25	0.36
ePRO Ltd	8086		17.19	0.265
Golife Concepts Holdings Ltd	8172		13.60	0.108

Inno-Tech Holdings Ltd	8202		11.11	0.64
ITE (Holdings) Ltd	8092	15.48		0.097
JF Household Furnishings Ltd	8310		20.00	0.80
Rojam Entertainment Holdings Ltd	8075		13.04	0.12
Shanghai Tonva Petrochemical Company Ltd	8251		10.43	1.46
Tradeeasy Holdings Ltd	8163	12.94		0.192
Zhejiang Yonglong Enterprises Company Ltd	8211		10.71	2.00

In Japan, investors continued to buy up the daily ‘*darlings*’, driving key indices to substantially higher levels.

On The Tokyo Stock Exchange, its TOPIX Index rose 24.22 points, or about 1.48 percent, ending the hectic trading day at 1,664.01 points.

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

The Nikkei-225 Stock Average rose 153.11 yen, equivalent to a one-day gain of about 0.90 percent, ending the trading session at 17,199.89 yen.

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

The HKSAR	Hang Seng Index Minus 2.55 percent to 27,479.94 The Growth Enterprise Index Minus 3.06 percent to 1,465.68
Indonesia	Minus 0.54 percent to 2,451.59
Japan	TOPIX Index Plus 1.48 percent to 1,664.01 Nikkei-225 Stock Average Plus 0.90 percent to 17,199.89
Malaysia	Minus 0.13 percent to 1,366.96
The Philippines	Plus 2.52 percent to 3,769.82
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Minus 1.03 percent to 3,754.62

South Korea	Closed
Taiwan	Plus 0.80 percent to 9,700.07
Thailand	Minus 0.33 percent to 850.58

Thursday

Investors sat on their hands on Wall Street, last Thursday.

Investors' watchword was '*beware!*' ... lest the US Government's Labour Department brings out another horror report on Friday, October 5, 2007, Washington DC time.

If The Labour Department announces that the number of jobs, created in the previous week, indicates an insufficient number, relative to the number of people, entering the workforce for the first time – school leavers, immigrants, etc – then, pencils to the fore with the big question, being: Has the US economy entered the first gate that leads to an economic recession?

On The New York Stock Exchange, the Dow Jones Industrial Average rose 6.26 points, equivalent to about 0.04 percent, as investors nudged it up to 13,974.31 points.

The Composite Index of The NASDAQ gained 4.14 points, or about 0.15 percent, ending the trading day at 2,733.57 points.

The ratio of gainers to losers was about 1.67:One on The New York Stock Exchange and about 1.33:One on The NASDAQ.

But the statistics with regard to the ratio of gainers to losers can belie the true situation.

On The New York Mercantile Exchange (NYMEX), the price of crude oil rose substantially, last Thursday.

The last settlement for a barrel of light sweet crude oil for delivery in November was \$US81.44, an increase of about 1.88 percent, compared with Wednesday's last settlement.

As for delivery in December, the last settlement for a barrel of light sweet crude oil was \$US80.64, representing a gain of about 2.05 percent on the final quote of Wednesday.

Europe followed the lead of Wall Street, but on the most-important bourses of this region, there was the added question as to whether or not interest rates would be raised, first by The European Central Bank (ECB) and, then, by The Bank of England.

On Monday, The Organisation for Economic Cooperation Development (OECD) had come out, openly, declaring that The Bank of England may well need to raise interest rates in order to boost its economy.

The OECD stated that the international problems, relating to credit, could well cut swaths through the economy of the United Kingdom.

The OECD represents 33 of the most-advanced economies of the industrialised world.

However, The Bank of England did not pay heed to the sage words of the OECD and made the following 22-word statement, last Thursday:

'The Bank of England's Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 5.75%.'

The European Central Bank (ECB), following the lead of The Bank of England, announced:

‘At today’s meeting, which was held in Vienna, the Governing Council of the ECB decided that the minimum bid rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 4.00%, 5.00% and 3.00% respectively.’

And so the key indices of the major European bourses went nowhere, last Thursday:

Amsterdam’s AEX Index	Minus 0.44 percent
France’s CAC 40 Index	Plus 0.11 percent
Germany’s Frankfurt XETRA DAX Index	Plus 0.10 percent
Great Britain’s FTSE 100 Index	Plus 0.53 percent
Italy’s MIBTEL Index	Unchanged
Switzerland’s Swiss Market Index	Plus 0.16 percent

In Asia, the key indices of the major equity markets fell to lower ground, led by more very material losses, incurred on the premier market of the Hongkong Special Administrative Region (HKSAR) of the People’s Republic of China (PRC).

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index shed about 1.84 percent, falling back to 26,973.98 points.

The ratio of losers to gainers was about 2.13:One.

The Total Turnover remained high, however, at about \$HK147.54 billion.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Down 1.83 percent to \$HK45.65 per share
HSBC Holdings plc (Code: 5)	Up 0.88 percent to \$HK149.00 per share
China Mobile Ltd (Code: 941)	Down 2.47 percent to \$HK126.60 per share
PetroChina Company Ltd (Code: 857)	Down 3.86 percent to \$HK13.46 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 2.73 percent to \$HK228.40 per share
China Shenhua Energy Company Ltd (Code: 1088)	Down 9.69 percent to \$HK43.80 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.35 percent to \$HK5.72 per share

China Telecom Corporation Ltd (Code: 728)

Down 4.40 percent to \$HK6.09 per share

China Construction Bank Corporation (Code: 939)

Down 3.18 percent to \$HK7.00 per share

China Communications Construction Company Ltd
(Code: 1800)

Up 4.15 percent to \$HK21.35 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
APAC Resources Ltd	1104	25.60		1.57
APT Satellite Holdings Ltd	1045	10.42		2.12
Artfield Group Ltd	1229	11.93		1.22
Benefun International Holdings Ltd	1130		10.91	0.098
Berjaya Holdings (Hongkong) Ltd	288	13.04		0.39
China Pharmaceutical Group Ltd	1093		13.40	4.20
China Properties Group Ltd	1838	17.33		5.89
China National Building Material Company Ltd	3323		10.00	24.30
Daido Group Ltd	544	12.12		0.074
Forefront Group Ltd	885		10.00	0.54
Genesis Energy Holdings Ltd	702	16.98		0.31
Global Sweeteners Holdings Ltd	3889		10.78	2.07
Graneagle Holdings Ltd	147		14.91	0.97
HKC International Holdings Ltd	248	16.36		0.32
Jolimark Holdings Ltd	2028		11.83	0.82
Le Saunda Holdings Ltd	738	14.52		1.42
LeRoi Holdings Ltd	221	22.41		0.355

Lung Cheong International Holdings Ltd	348	11.11		0.90
MACRO-LINK International Holdings Ltd	472	17.37		1.96
New Focus Auto Tech Holdings Ltd	360		10.09	2.05
New Island Printing Holdings Ltd	377		13.10	0.73
One Media Group Ltd	426		12.26	0.465
Opes Asia Development Ltd	810	50.00		1.50
Paladin Ltd	495	13.85		0.37
Regent Pacific Group Ltd	575	10.00		1.10
Shougang Concord International Enterprises Company Ltd	697		12.23	3.23
Sino Technology Investments Company Ltd	1217		12.07	0.51
Vantage International (Holdings) Ltd	15	14.52		0.71
Xin Corporation Ltd	1141		11.61	0.495

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, known as The Growth Enterprise Index, gave up 0.63 percent of its value, dropping to 1,456.52 points.

The Total Turnover on this market was about \$HK590.67 million.

Declining counters outpaced advancing ones by the ratio of about 1.26:One.

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

Golden Meditech Company Ltd (Code: 8180)

Up 2.94 percent to \$HK3.50 per share

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

Down 6.52 percent to \$HK17.48 per share

Town Health International Holdings Company Ltd (Code:
8138)

Down 7.08 percent to \$HK0.105 per share

Value Convergence Holdings Ltd (Code: 8101)

Down 9.82 percent to \$HK4.04 per share

EMER International Group Ltd (Code: 8149)

Down 1.60 percent to \$HK4.92 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Byford International Ltd	8272	15.00		23.00
China Photar Electronics Group Ltd	8220	11.11		0.30
GreaterChina Technology Group Ltd	8032	29.87		0.10
Global Solution Engineering Ltd	8192	17.37		1.96
North Asia Strategic Holdings Ltd	8080	13.33		1.70
QUASAR Communication Technology Holdings Ltd	8171		11.67	0.265
SYSCAN Technology Holdings Ltd	8083	14.29		0.40
Techpacific Capital Ltd	8088	10.17		0.26
Zhejiang Yonglong Enterprises Company Ltd	8211		10.00	1.80
Zheda Lande Scitech Ltd	8106		13.33	0.325

In Japan, the country's equity markets suffered fractional losses.

On The Tokyo Stock Exchange, its TOPIX Index gave up about 0.51 percent, falling back to 1,655.60 points.

Declining counters outnumbered advancing ones by the ratio of about 2.06:One.

The Nikkei-225 Stock Average lost about 0.62 percent, ending the day at 17,092.49 yen.

News Wise

- **Aeon Company**, the second-largest retailer of Japan, announced that its Net Profit Attributable to Shareholders for the 3 months, ended August 20, 2007, was ¥15.80 billion. That figure represented an increase of about 55 percent, Year-On-Year; and,
- Mr Kazumasa Iwata, the Deputy Governor of The Bank of Japan, said, inter alia, that a slowdown in the economic growth of either the US or Europe would be **damaging for Japan**. He said: *'If the stock slump and the yen's gain continue, that would have a negative effect on Japan's economic growth'* ...and the situation could be further exacerbated *'if the US economic slowdown deepens and European economies suffer a deceleration ...'*.

And this was how the situation panned out on other Asian equity markets, last Thursday:

The HKSAR	Hang Seng Index Minus 1.84 percent to 26,973.98 The Growth Enterprise Index Minus 0.63 percent to 1,456.52
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Indonesia	Plus 0.88 percent to 2,473.16
Japan	TOPIX Index Minus 0.51 percent to 1,655.60 Nikkei-225 Stock Average Minus 0.62 percent to 17,092.49
Malaysia	Plus 0.21 percent to 1,369.84
The Philippines	Plus 0.15 percent to 3,775.46
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Plus 0.78 percent to 3,783.81
South Korea	Minus 0.52 percent to 2,003.60
Taiwan	Minus 0.75 percent to 9,627.39
Thailand	Minus 0.19 percent to 848.95

Friday

Wall Street was set afire, last Friday, following the release of statistics in respect of the employment rate in the US for the month of September.

The statistics, released by The Department of Labour, were made just prior to Wall Street, opening its doors for business.

The US Government's Bureau of Labour Statistics brought out its September findings, which were interpreted by the bulk of investors, locked into the largest equity markets of the world, as being positive.

TARGET takes this opportunity to disagree with the consensus, however, due to a number of factors, which include:

1. Much of the growth of jobs was due to a Government faux pas, specifically in respect of more jobs, having been created in August for teachers in the US;
2. There had been a net loss in jobs in the construction and manufacturing industries; and,
3. The report does not indicate that the US economy is strong, not by a long shot.

The following is a slightly shortened, **TARGET** version of the statement, made by the Acting Commissioner of The Bureau of Labour Statistics, Mr Philip L. Rones, in respect of his Bureau's findings:

'Nonfarm payroll employment increased by 110,000 in September, and the unemployment rate was essentially unchanged at 4.7 percent. Health care, food services, and professional

and technical services all continued to add jobs, while employment in manufacturing, construction, and employment services remained on a downward trend. Average hourly earnings rose by 7 cents over the month.

'The estimates of payroll employment change for July and August were revised upward. The July change rose from +68,000 to +93,000 and the August change from -4,000 to +89,000. After incorporating these revisions, average monthly job growth for June through September is 90,000, compared with an average of 147,000 for the first 5 months of the year.

'Nearly all of the August revision reflected an upward adjustment to government employment, particularly local education. As noted last month, employment estimates for local government education can be volatile, particularly during the summer months. Initial estimates of employment in local education typically are based upon a smaller percentage of survey responses than in other sectors. This lower initial response can make estimation more problematic in months when school sessions begin and end.

'In September, health care employment continued to grow, rising by 33,000. The food services industry also continued to add jobs, with a gain of 25,000 over the month. Together, these two industries have accounted for about one-half of all nonfarm employment growth in 2007. Over the month, employment rose by 37,000 in professional and technical services; notable job gains occurred in management consulting and in accounting services. Social assistance employment increased by 12,000.

'Elsewhere in the service-providing sector, employment in the credit intermediation industry, which includes mortgage lending and related activities, continued to decline. Since February, employment in the industry has fallen by 46,000. Employment services lost 35,000 jobs in September; employment in this industry has fallen by 203,000 since peaking last December. Within retail trade, building supply stores lost 17,000 jobs in September.

'In the goods-producing sector, manufacturing employment was down by 18,000, with small declines scattered across the industry. Over the year, manufacturing has shed 223,000 jobs. Over the month, factory hours and overtime were unchanged at 41.4 and 4.1 hours, respectively.

'Employment in the construction industry continued to trend down in September; since peaking a year earlier, employment has declined by 112,000. Over the year, job losses occurred in residential building and among residential specialty trade contractors. In contrast, employment in nonresidential and heavy construction industries has been relatively flat.

'Average hourly earnings for private sector production and nonsupervisory workers were up by 7 cents, or 0.4 percent, in September. Over the year, average hourly earnings have increased by 4.1 percent.

'Turning to measures from the survey of households, the unemployment rate was 4.7 percent in September, essentially unchanged from the previous month and over the year. Unemployment rates for the major worker groups showed little or no change in September.

'Total employment and the civilian labor force both rose over the month, after edging down in August. Both the August and September changes reflected large movements in the highly seasonal teen labor force. In September, the overall labor force participation rate was 66.0 percent and the proportion of the population that was employed was 62.9 percent. Both measures remained below their recent peaks reached in December 2006 ...

'In summary, nonfarm payroll employment increased by 110,000 in September, and the unemployment rate was essentially unchanged at 4.7 percent.'

On The New York Stock Exchange, the Dow Jones Industrial Average hit a record high on the back of the release by The Bureau.

The Dow ended the trading session at 14,066.01 points, a one-day gain of about 0.66 percent.

On The NASDAQ, its Composite Index gained about 1.71 percent, rising to 2,780.32 points.

The ratio of gainers to losers was about 3:One on both markets.

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

The Dow Jones Industrial Average	Plus 1.23 percent
The NASDAQ's Composite Index	Plus 2.92 percent

News Wise

- **Merrill Lynch and Company** has announced that it will write down about \$US5.50 billion in respect of its holdings in US subprime mortgages. The investment bank said that it would post a third-quarter loss. It was the first quarterly loss for Merrill Lynch in more than 6 years.

On European equity markets, noting what was taking place on Wall Street, investors jumped in, boots and all.

As a result, all of the key indices on the most important bourses recorded gains on the last trading day of the week:

Amsterdam's AEX Index	Plus 0.89 percent
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France's CAC 40 Index	Plus 0.66 percent
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Germany's Frankfurt XETRA DAX Index	Plus 0.71 percent
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Great Britain's FTSE 100 Index	Plus 0.73 percent
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Italy's MIBTEL Index	Plus 0.58 percent
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Switzerland's Swiss Market Index	Plus 0.24 percent
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On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US81.22, a drop of about 0.27 percent, compared with Thursday's final quote.

As for December delivery, the last settlement for a barrel of light sweet crude oil was \$US80.62, representing a fall of about 0.02 percent on Thursday's last settlement.

In Asia, it was another day of mixed emotions on the biggest and most-important stock markets of the region.

The equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) led the list of gainers, however.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 3.18 percent to end the week at 27,831.52 points.

The Total Turnover was about \$HK139.76 billion.

The ratio of gaining counters to losing ones was about 4.62:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628)	Up 5.91 percent to \$HK48.35 per share
China Resources Power Holdings Company Ltd (Code: 836)	Up 6.44 percent to \$HK28.10 per share
HSBC Holdings plc (Code: 5)	Up 1.21 percent to \$HK150.80 per share
PetroChina Company Ltd (Code: 857)	Up 8.47 percent to \$HK14.60 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 6.92 percent to \$HK244.20 per share
China Mobile Ltd (Code: 941)	Up 2.61 percent to \$HK129.90 per share
China Shenhua Energy Company Ltd (Code: 1088)	Up 2.74 percent to \$HK45.00 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 4.72 percent to \$HK5.99 per share
China Communications Construction Company Ltd (Code: 1800)	Up 3.04 percent to \$HK22.00 per share
China Construction Bank Corporation (Code: 939)	Up 1.71 percent to \$HK7.12 per share

There was a total of 68, double-digit movers of the day, of which number, only one counter suffered a loss of 10 percent or more in its market capitalisation. All of the other, 67 double-digit movers gained 10 percent or more of their respective market capitalisations.

The lone loser was Paladin Ltd (Code: 495), the share price of which dropped 10.81 percent to 33 cents.

The biggest gainer of the day was APT Satellite Holdings Ltd (Code: 1045) as investors pushed up its share price by 46.23 percent to \$HK3.10.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 2.56 percent to 1,493.74 points.

The Total Turnover on this market, however, remained on the low side, at about \$HK510.84 million.

Advancing counters outran declining ones by the ratio of about 3.03:One.

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

Town Health International Holdings Company Ltd (Code: 8138)	Up 5.71 percent to \$HK0.111 per share
China Railway Logistics Ltd (Code: 8089)	Up 7.94 percent to \$HK8.29 per share
Phoenix Satellite Television Holdings Ltd (Code: 8002)	Up 4.21 percent to \$HK1.98 per share
Core Healthcare Investment Holdings Ltd (Code: 8250)	Down 1.79 percent to \$HK0.55 per share

Xteam Software International Ltd (Code: 8178)

Up 5.56 percent to \$HK0.76 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Resources (Holdings) Ltd	8025	15.38		0.30
AKM Industrial Company Ltd	8298	30.00		0.39
BIG Media Group Ltd	8167	32.18		1.15
China Vanguard Group Ltd	8156	14.04		0.65
Espco Technology Holdings Ltd	8299	10.14		1.63
Everpride Biopharmaceutical Company Ltd	8019	13.30		0.23
Golding Soft Ltd	8190	33.66		0.27
Jessica Publications Ltd	8137	10.39		0.85
Neolink Cyber Technology (Holding) Ltd	8116	14.81		0.31
Netel Technology (Holdings) Ltd	8256		12.68	0.31
Powerleader Science and Technology Company Ltd	8236	13.33		0.51
SYSCAN Technology Holdings Ltd	8083		11.25	0.355
TeleEye Holdings Ltd	8051	24.07		0.335
Tiger Tech Holdings Ltd	8046	10.61		0.73
Wafer Systems Ltd	8198	10.00		1.65
Ningbo Yidong Electronic Company Ltd	8249	20.00		0.36

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

The Hang Seng Index Plus 2.54 percent
The Growth Enterprise IndexMinus 1.37 percent

Trading in stocks and shares in Japan was relatively quiet, last Friday.

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.08 percent to 1,656.91 points.

Advancing counters narrowly squeezed out declining counters by the ratio of about 1.04:One.

The Nikkei-225 Stock Average went in the opposite direction to The TOPIX Index, losing about 0.16 percent as investors pushed it down to 17,065.04 yen.

The tally for the week for the most-important equity market of Asia was:

The TOPIX Index	Plus	2.54 percent
The Nikkei-225 Stock Average	Plus	1.66 percent

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

The HKSAR	Hang Seng Index Plus 3.18 percent to 27,831.52 The Growth Enterprise Index Plus 2.56 percent to 1,493.74
Indonesia	Plus 1.11 percent to 2,500.58
Japan	TOPIX Index Plus 0.08 percent to 1,656.91 Nikkei-225 Stock Average Minus 0.16 percent to 17,065.04
Malaysia	Plus 0.19 percent to 1,372.39
The Philippines	Plus 0.01 percent to 3,775.91
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Plus 1.03 percent to 3,822.62
South Korea	Minus 0.38 percent to 1,996.03
Taiwan	Minus 0.11 percent to 9,617.26
Thailand	Plus 0.40 percent to 852.33

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