

**DOWN AND DOWN SHE GOES AND  
WHERE SHE STOPS, NOBODY KNOWS**

Tens of billions of US dollars were wiped off the market capitalisations of companies, listed on The New York Stock Exchange and The NASDAQ, last Monday.

For the third, consecutive trading session, share prices fell on the world's largest equity markets on continued suggestions that the worst is yet to come in respect of the US economy.

The sell-off was touched off by the report from The Labour Department of the US Government of the previous Friday (March 7, 2008), a report which stated, inter alia, that 101,000 jobs had been lost in February, alone.

Making matters worse was that the price of crude oil on international commodity exchanges hit another record high.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US107.90, representing an increase over the previous Friday's closing level of about 2.62 percent.

During the height of last Monday's trading session, the price of a barrel of light sweet crude oil hit the record, intra-day level of \$US108.21.

As for delivery in May, the last settlement for a barrel of light sweet crude oil came in at \$US106.74, equivalent to an increase of about 2.36 percent, compared with the last settlement of Friday, March 7, 2008.

As the US dollar loses ground against other 'hard' currencies, many speculators are buying oil futures as a type of hedge against any further erosion in the translation value of the US dollar vis-à-vis other currencies.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 153.54 points, or about 1.29 percent, dropping back to 11,740.15 points.

On The NASDAQ, its Composite Index shed 43.15 points, equivalent to about 1.95 percent, ending the day at 2,169.34 points.

Declining counters outnumbered advancing ones by about 5:One on The New York Stock Exchange and by about 3:One on The NASDAQ.

In Europe, the situation on the most-important bourses mirrored that of Wall Street.

Every key index of every major equity market came in for a thumping as the following **TARGET** () list illustrates:

Amsterdam's AEX Index	Minus 1.63 percent
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France's CAC 40 Index	Minus 1.12 percent
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Germany's Frankfurt XETRA DAX Index	Minus 1.01 percent
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Great Britain's FTSE 100 Index      Minus 1.24 percent

Italy's MIBTEL Index	Minus 1.26 percent
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Switzerland's Swiss Market Index      Minus 1.66 percent

For a number of bourses, the closing values of the key indices of last Monday were standing at their lowest levels since the middle of 2006.

In Asia, every key index of every bourse, save that of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), lost substantial ground.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.91 percent to 22,705.05 points on a Total Turnover of about \$HK86.97 billion.

The ratio of losing counters to gaining ones was about 2.33:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 0.91 percent to \$HK111.10 per share

HSBC Holdings plc (Code: 5)

Up 2.90 percent to \$HK120.80 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.18 percent to \$HK28.40 per share

PetroChina Company Ltd (Code: 857)

Up 0.19 percent to \$HK10.54 per share

Sun Hung Kai Properties Ltd (Code: 16)

Down 3.17 percent to \$HK122.00 per share

China Construction Bank Corporation (Code: 939)

Down 0.18 percent to \$HK5.55 per share

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

Down 0.39 percent to \$HK5.08 per share

CNOOC Ltd (Code: 883)

Up 2.79 percent to \$HK12.54 per share

China Communications Construction Company  
Ltd (Code: 1800)

Down 3.37 percent to \$HK18.92 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Up 1.02 percent to \$HK138.10 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)
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Chuang's China Investments Ltd	298		14.47	0.65
Four Seas Food Investment Holdings Ltd	60		11.02	1.05
Grandtop International Holdings Ltd	2309	11.54		0.29
Honghua Group Ltd	196		10.00	3.15
JLF Investment Company Ltd	472	12.00		1.12
Kwang Sung Electronics Hongkong Company Ltd	2310	15.91		2.55
Long Far Pharmaceutical Holdings Ltd	2898	12.99		2.00
MAE Holdings Ltd	851		11.76	0.60
Mobicon Group Ltd	1213	12.90		0.70
Nam Hing Holdings Ltd	986	10.00		0.22
New World Mobile Holdings Ltd	862	10.19		5.95
Overseas Chinese Town (Asia) Holdings Ltd	3366		11.11	2.48
Samson Holding Ltd	531	11.11		1.90
Smart Rich Energy Finance (Holdings) Ltd	1051		14.15	0.182
Takson Holdings Ltd	918		10.96	0.195
UBA Investments Ltd	768		12.20	0.108
Vision Tech International Holdings Ltd	922		22.47	0.345
Weichai Power Company Ltd	2338		10.88	31.95
Wing Hong (Holdings) Ltd	745		17.50	0.99
Xiamen International Port Company Ltd	3378	10.29		2.68
Yun Sky Chemical (International) Holdings Ltd	663	10.34		0.32
Yunnan Enterprises Holdings Ltd	455		10.23	0.79
ZZNode Technologies Company Ltd	2371		13.04	3.20

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 1.40 percent of its value, dropping back to 967.81 points.

The Total Turnover on this market was about \$HK490.46 million, while the ratio of losers to gainers was about 2.53:One.

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

Town Health International Holdings Company Ltd  
(Code: 8138)

Up 5.26 percent to \$HK0.14 per share

TSC Offshore Group Ltd (Code: 8149)

Down 9.09 percent to \$HK2.80 per share

China Railway Logistics Ltd (Code: 8089)

Down 3.18 percent to \$HK2.13 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173)

Down 12.86 percent to \$HK0.61 per share

Global Solution Engineering Ltd (Code: 8192)

Down 27.91 percent to \$HK0.31 per share

The GEM's biggest movers of the day included:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
China Medical and Bio Science Ltd	8120	12.67		0.169
CIG Yangtze Ports PLC	8233		23.08	0.50
Enviro Energy International Holdings Ltd	8182		13.25	0.72
Galileo Capital Group Ltd	8029		12.79	0.75
IIN International Ltd	8128	14.50		0.229
Intelli-Media Group (Holdings) Ltd	8173		12.86	0.61
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		12.31	0.228
Jinheng Automotive Safety Technology Holdings Ltd	8293		10.08	1.07
Ko Yo Ecological Agrotech (Group) Ltd	8042		12.44	0.183
Launch Tech Company Ltd	8196		21.09	1.01

Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301		12.00	0.22
New Universe International Group Ltd	8068	12.35		0.182
Northeast Tiger Pharmaceutical Company Ltd	8197		10.61	0.16
SunGreen International Holdings Ltd	8306		10.00	9.00
Yuxing InfoTech Holdings Ltd	8005		10.00	0.54

The key indices of Japan's 3 equity markets all fell to sellers.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index surrendered 23.38 points, equivalent to about 1.87 percent, ending the trading day at 1,224.39 points.

Declining counters outdistanced advancing ones by the ratio of about 4.69:One.

The Nikkei-225 Stock Average, which is a much-narrower gauge of trading in select blue chips, listed on the First Section of The Tokyo Stock Exchange, than the official TOPIX Index, fell back by 250.67 yen, or exactly 1.96 percent, ending the day at 12,532.13 yen.

#### News Wise

- The Cabinet Office of the Japanese Government announced that January's private-sector **machinery orders** rose 19.60 percent, Month-On-Month, seasonally adjusted. January's figures were the highest level in 11 years.

Elsewhere in Asia, this was how the key indices of those equity markets finished, last Monday night:

The HKSAR	Hang Seng Index Plus 0.91 percent to 22,705.05 The Growth Enterprise Index Minus 1.40 percent to 967.81
Indonesia	Minus 4.84 percent to 2,527.87
Japan	TOPIX Index Minus 1.87 percent to 1,224.39 Nikkei-225 Stock Average Minus 1.96 percent to 12,532.13
Malaysia	Minus 9.50 percent to 1,173.22
The Philippines	Minus 3.96 percent to 2,908.88
The PRC	Shanghai Composite Index Minus 3.59 percent to 4,146.30 Shenzhen Composite Index Minus 3.71 percent to 1,319.01

Singapore	Minus 1.04 percent to 2,836.59
South Korea	Minus 2.33 percent to 1,625.17
Taiwan	Minus 2.72 percent to 8,299.37
Thailand	Minus 1.82 percent to 806.65

## **Tuesday**

In what is likely to become a precedent-setting move, the US Federal Reserve announced that it, in conjunction with the G-10 central banks, had arrived at what it termed, '*specific measures*', aimed at ameliorating the present situation on world's financial markets.

The Fed will lend \$US200 billion for a term of 28 days rather than just overnight.

The following is the exact text of the announcement by The Fed:

*'Since the coordinated actions taken in December 2007, the G-10 central banks have continued to work together closely and to consult regularly on liquidity pressures in funding markets. Pressures in some of these markets have recently increased again. We all continue to work together and will take appropriate steps to address those liquidity pressures.'*

*'To that end, today the Bank of Canada, the Bank of England, the European Central Bank, the Federal Reserve, and the Swiss National Bank are announcing specific measures.'*

### ***'Federal Reserve Actions***

*'The Federal Reserve announced today an expansion of its securities lending program. Under this new Term Securities Lending Facility (TSLF), the Federal Reserve will lend up to \$200 billion of Treasury securities to primary dealers secured for a term of 28 days (rather than overnight, as in the existing program) by a pledge of other securities, including federal agency debt, federal agency residential-mortgage-backed securities (MBS), and non-agency AAA/Aaa-rated private-label residential MBS. The TSLF is intended to promote liquidity in the financing markets for Treasury and other collateral and thus to foster the functioning of financial markets more generally. As is the case with the current securities lending program, securities will be made available through an auction process. Auctions will be held on a weekly basis, beginning on March 27, 2008. The Federal Reserve will consult with primary dealers on technical design features of the TSLF.'*

*'In addition, the Federal Open Market Committee has authorized increases in its existing temporary reciprocal currency arrangements (swap lines) with the European Central Bank (ECB) and the Swiss National Bank (SNB). These arrangements will now provide dollars in amounts of up to \$30 billion and \$6 billion to the ECB and the SNB, respectively, representing increases of \$10 billion and \$2 billion. The FOMC extended the term of these swap lines through September 30, 2008.'*

*'The actions announced today supplement the measures announced by the Federal Reserve on Friday to boost the size of the Term Auction Facility to \$100 billion and to undertake a series of term repurchase transactions that will cumulate to \$100 billion.'*

Wall Street investors warmed to the news.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 47.28 points, or about 3.55 percent, ending the trading day at 12,156.81 points.

The Composite Index of The NASDAQ gained 86.42 points, equivalent to about 3.98 percent, running up to 2,255.76 points.

Gainers outpaced losers by about 5:One on The New York Stock Exchange and by about 3:One on The NASDAQ.

On both of the world's equity markets, the gains of last Tuesday capped the record for a one-day gain in the key indices, last recorded in March 2003.

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 \$US108.75, equivalent to a one-day increase of about 0.79 percent.

It was another record-setting day for punters of the black ooze.

However, during the height of the day, the intra-day price was quoted at \$US109.72 per barrel of light sweet crude oil.

As for May delivery, the last settlement for a barrel of light sweet crude oil was \$US107.52, up about 0.73 percent, compared with Monday's closing level.

In Europe, investors followed the lead of Wall Street: All of the key indices of the region's bourses rose material amounts:

Amsterdam's AEX Index	Plus	1.32 percent
France's CAC 40 Index	Plus	1.32 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.18 percent
Great Britain's FTSE 100 Index	Plus	1.08 percent
Italy's MIBTEL Index	Plus	1.83 percent
Switzerland's Swiss Market Index	Plus	1.24 percent

In Asia, investors had no inkling as to The Fed's intentions, but, nevertheless, the key indices of all but one equity market recorded useful gains.

For the most part, the gains in Asia were merely either short-covering and/or pure speculation.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market rose while the lone index of the speculative market, known as The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, slipped back another couple of notches.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index put on about 1.28 percent to 22,995.35 points.

The Total Turnover was about \$HK89 billion.

The ratio of gaining counters to losing ones was about 1.11:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Up 1.74 percent to \$HK122.90 per share

China Mobile Ltd (Code: 941)

Down 0.45 percent to \$HK110.60 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.35 percent to \$HK28.50 per share

PetroChina Company Ltd (Code: 857)

Up 0.95 percent to \$HK10.64 per share

Sun Hung Kai Properties Ltd (Code: 16)

Down 1.80 percent to \$HK119.80 per share

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

Up 1.18 percent to \$HK5.14 per share

CNOOC Ltd (Code: 883)

Up 2.07 percent to \$HK12.80 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Up 2.24 percent to \$HK141.20 per share

China Construction Bank Corporation (Code:  
939)

Up 1.26 percent to \$HK5.62 per share

China Communications Construction Company  
Ltd (Code: 1800)

Down 1.48 percent to \$HK18.64 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Pipe Group Ltd	380	30.00		0.104
Emperor International Holdings Ltd	163	11.82		3.69
Four Seas Food Investment Holdings Ltd	60	14.29		1.20
Fushan International Energy Group Ltd	639	11.60		4.33
J.I.C. Technology Company Ltd	987	25.60		2.11
Lung Cheong International Holdings Ltd	348		12.12	0.435
Moiselle International Holdings Ltd	130	11.18		1.89
Rontex International Holdings Ltd	1142	41.07		0.237



Samson Holding Ltd	531		11.05	1.69
Takson Holdings Ltd	918	11.28		0.217
Tidetime Sun (Group) Ltd	307		10.05	0.17
Tonic Industries Holdings Ltd	978	17.39		0.54
Vision Tech International Holdings Ltd	2912		19.44	0.29
V.S. International Group Ltd	1002	10.00		0.275
Wealthmark International (Holdings) Ltd	39		11.83	0.82
Wing Hong (Holdings) Ltd	745		18.18	0.81
ZZNode Technologies Company Ltd	2371		12.81	2.79

Over on The GEM, its Growth Enterprise Index shed 0.70 percent, exactly, falling back to 961.04 points.

The Total Turnover on this market was about \$HK573.37 million.

Declining counters outpaced advancing ones by the ratio of about 1.29:One.

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

China Railway Logistics Ltd (Code: 8089)

Up 21.13 percent to \$HK2.58 per share

Town Health International Holdings Company Ltd  
(Code: 8138)

Up 5.00 percent to \$HK0.147 per share

China Leason Investment Group Company Ltd  
(Code: 8270)

Down 0.83 percent to \$HK1.19 per share

BIG Media Group Ltd (Code: 8167)

Down 13.71 percent to \$HK4.53 per share

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

Down 0.21 percent to \$HK9.60 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
BIG Media Group Ltd	8167		13.71	4.53
Byford International Ltd	8272		11.49	1.31

China Railway Logistics Ltd	8089	21.13		2.58
CIG Yangtze Ports PLC	8233	20.00		0.60
Espco Technology Holdings Ltd	8299	10.91		0.305
Everpride Biopharmaceutical Company Ltd	8019		10.42	0.43
First Mobile Group Holdings Ltd	8110	10.34		0.16
G.A. Holdings Ltd	8126	11.48		0.34
Galileo Holdings Ltd	8029	13.33		0.85
Launch Tech Company Ltd	8196	27.72		1.29
Shaanxi Northwest New Technology Industry Company Ltd	8258	13.18		0.249
QUASAR Communication Technology Holdings Ltd	8171		11.63	0.38
T S Telecom Technologies Ltd	8003	22.41		0.355
Tiger Tech Holdings Ltd	8046		11.76	0.75
WLS Holdings Ltd	8021		11.86	0.26
Ningbo Yidong Electronic Company Ltd	8249		20.63	0.25

In Japan, the key indices of the country's 3 equity markets all rose.

On The Tokyo Stock Exchange, its TOPIX Index recorded a gain of about 0.88 percent as investors pushed it up to 1,235.15 points.

Advancing counters outnumbered declining ones by the ratio of about 1.68:One.

The Nikkei-225 Stock Average gained about 1.01 percent, rising to 12,658.28 yen.

On other Asian stock markets, this was how their key indices performed, last Tuesday:

The HKSAR	Hang Seng Index Plus 1.28 percent to 22,995.35 The Growth Enterprise Index Minus 0.70 percent to 961.04
Indonesia	Minus 0.17 percent to 2,523.53

Japan	TOPIX Index Plus 0.88 percent to 1,235.15 Nikkei-225 Stock Average Plus 1.01 percent to 12,658.28
Malaysia	Plus 2.84 percent to 1,206.54
The Philippines	Unchanged at 2,909.00
The PRC	Shanghai Composite Index Plus 0.47 percent to 4,165.88 Shenzhen Composite Index Plus 0.41 percent to 1,324.38
Singapore	Plus 0.86 percent to 2,860.85
South Korea	Plus 1.00 percent to 1,641.48
Taiwan	Plus 0.99 percent to 8,381.60
Thailand	Plus 1.63 percent to 819.83

### Wednesday

As the words of that song go: *'What a difference a day makes!'*

As the price of crude oil on international commodity exchanges rose to another record high, share prices slipped back on the world's largest equity markets as investors began to ponder whether or not the US Federal Reserve's actions would stop the financial bleeding in the world's largest single economy. (Please see Tuesday's report)

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 \$US109.92, equivalent to a gain of about 1.08 percent on Tuesday's closing level.

That was another record level for the price of crude oil for any close for any trading day in history.

During the height of the trading session, last Wednesday, however, the price of crude oil rose to the record, intra-day level of \$US110.20 per barrel.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US108.57, an increase of about 0.98 percent on Tuesday's final quote.

There was a number of reasons for people to continue to buy into crude-oil futures:

- The translation value of the US dollar vis-à-vis the euro fell to a record low of \$US1.5559;
- Speculation was rife that The United Arab Emirates might abandon the dollar peg;
- Members states of The Organisation of Petroleum Exporting Countries (OPEC) might table a motion, very soon, to accept only euros as the currency of international acceptance for a barrel of

crude oil instead of the US dollar (Brazil had made that determination, months ago); and,

- d. The move by The Fed on Tuesday was considered akin to putting a band-aid over a gushing wound of the carotid artery.

On The New York Stock Exchange, the euphoria of Tuesday was almost forgotten and, in its place, there was widespread investor concern.

The Dow Jones Industrial Average shed 46.57 points, or about 0.38 percent, dropping back to 12,110.24 points.

The Composite Index of The NASDAQ fell 11.89 points, equivalent to about 0.53 percent, ending the trading day at 2,243.87 points.

Declining counters outran advancing ones by the ratio of about 1.67:One on The New York Stock Exchange and by about 1.33:One on The NASDAQ.

Whereas, on Tuesday, banking counters were among the biggest recipients of investors' buying frenzy, it was almost a complete reverse situation, last Wednesday.

In Europe, however, investors continued to pile into stocks and shares.

Ironically, the continued gains in the price of crude oil on international commodity exchanges fueled the second day of the gains on major bourses of the region.

The following is **TARGET**'s list of the key indices of the most-important equity markets of Europe at their respective closes of last Wednesday:

Amsterdam's AEX Index	Plus	1.42 percent
France's CAC 40 Index	Plus	1.49 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.14 percent
Great Britain's FTSE 100 Index	Plus	1.51 percent
Italy's MIBTEL Index	Plus	0.06 percent
Switzerland's Swiss Market Index	Plus	1.42 percent

In Asia, all of the key indices of all of the equity markets, save those of The Shanghai Stock Exchange and The Shenzhen Stock Exchange, made substantial gains.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets made gains of more than one percent, each.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose by about 1.86 percent to 23,422.76 points on a Total Turnover of about \$HK89.91 billion.

The ratio of advancing counters to declining ones was 2:One, exactly.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Up 3.51 percent to \$HK29.50 per share
HSBC Holdings plc (Code: 5)	Up 1.87 percent to \$HK125.20 per share
China Mobile Ltd (Code: 941)	Up 1.99 percent to \$HK112.80 per share
CNOOC Ltd (Code: 883)	Up 3.59 percent to \$HK13.26 per share
PetroChina Company Ltd (Code: 857)	Up 2.82 percent to \$HK10.94 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 4.01 percent to \$HK124.60 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 2.33 percent to \$HK5.26 per share
China Construction Bank Corporation (Code: 939)	Up 1.96 percent to \$HK5.73 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 1.63 percent to \$HK143.50 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.60 percent to \$HK7.64 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	10.81		0.082
China Motion Telecom International Ltd	989	12.82		0.44
DBA Telecommunication (Asia) Holdings Ltd	3335	10.45		1.48
Grandtop International Holdings Ltd	2309	12.50		0.315
The Hongkong Parkview Group Ltd	207	14.49		1.58
Incutech Investments Ltd	356		10.96	0.65
J.I.C. Technology Company Ltd	987		10.43	1.89
JLF Investment Company Ltd	472		12.17	1.01
Kwang Sung Electronics Hongkong Company Ltd	2310	17.39		2.70

LeRoi Holdings Ltd	221	15.56		0.52
Lo's Enviro-Pro Holdings Ltd	309		10.10	0.89
Ngai Hing Hong Company Ltd	1047	12.50		0.90
Paladin Ltd	495	13.21		0.30
PYI Corporation Ltd	498		10.31	2.00
The Quaypoint Corporation Ltd	2330	15.71		0.81
Samson Holding Ltd	531	10.65		1.87
Unity Investments Holdings Ltd	913	11.11		0.05
Vision Tech International Holdings Ltd	922	39.68		0.44
Wah Yuen Holdings Ltd	2349		16.67	0.80

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 1.04 percent to 971.01 points.

The ratio of gainers to losers was about 1.48:One.

The Total Turnover was about \$HK517.40 million.

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

China Railway Logistics Ltd (Code: 8089)

Down 4.65 percent to \$HK2.46 per share

Town Health International Holdings Company Ltd  
(Code: 8138)

Up 2.72 percent to \$HK0.151 per share

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

Up 1.25 percent to \$HK9.72 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173)

Up 1.82 percent to \$HK0.56 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 2.04 percent to \$HK0.50 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
BIG Media Group Ltd	8167		11.70	4.00

HC International Incorporated	8292		10.81	0.66
Inno-Tech Holdings Ltd	8202	26.03		0.46
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		13.24	0.295
Launch Tech Company Ltd	8196		16.28	1.08
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301		14.47	0.201
Netel Technology (Holdings) Ltd	8256	14.49		0.158

In Japan, the key indices of the country's equity markets continued to make gains.

The TOPIX Index, the official gauge of trading on this, Asia's largest and most-important equity market, rose 1.62 percent to 1,255.13 points.

The ratio of gaining counters to losing ones was about 2.95:One.

The Nikkei-225 Stock Average put on about 1.60 percent to end the trading day at 12,861.13 yen.

#### News Wise

- The Finance Ministry announced that the **Current Account Surplus** for January stood at ¥1.236 trillion, up about 8.10 percent, Year-On-Year. It was the first rise of the previous 2 months;
- **Corporate failures** in Japan, during the month of February, rose about 8.34 percent, compared with the like month in 2007. The number of insolvent corporate entities was 1,194. These entities left behind debts of about ¥365.22 billion; and,
- **The economy** of Japan grew at the annualised rate of about 3.50 percent, during the final quarter of 2007, The Finance Ministry reported.

In other areas of Asia, last Wednesday, the key indices of their respective equity markets fared as follows:

The HKSAR	Hang Seng Index Plus 1.86 percent to 23,422.76 The Growth Enterprise Index Plus 1.04 percent to 971.01
Indonesia	Plus 1.30 percent to 2,556.24
Japan	TOPIX Index Plus 1.62 percent to 1,255.13 Nikkei-225 Stock Average Plus 1.60 percent to 12,861.13
Malaysia	Plus 2.16 percent to 1,232.59

The Philippines	Plus 1.53 percent to 2,953.39
The PRC	Shanghai Composite Index Minus 2.30 percent to 4,070.12 Shenzhen Composite Index Minus 2.54 percent to 1,290.75
Singapore	Plus 2.00 percent to 2,917.94
South Korea	Plus 1.06 percent to 1,658.83
Taiwan	Plus 0.64 percent to 8,435.30
Thailand	Plus 0.87 percent to 827.00

### **Thursday**

Stock and share prices advanced on Wall Street, last Thursday, but the rally was a weak one.

However, any rally is better than none at all, it could be argued.

On The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.29 percent to 12,145.74 points while, on The NASDAQ, its Composite Index put on about 0.88 percent, rising to 2,263.61 points.

The ratio of gainers to losers was about 1.38:One on The New York Stock Exchange and about 1.50:One on The NASDAQ.

The mild rally was the result, it was stated, by the comments of a well-known, US rating agency whose management said that it thought that the worst was behind the US economy.

That said, tell it to Management of The Carlyle Group.

Because its top management said that Carlyle Capital Corporation, a fund, listed in Amsterdam, The Netherlands, had been unable to reach a consensus with its creditors and, as a result, seizure by creditors of its remaining assets appeared to be on the cards.

Then, from The US Bureau of Labour Statistics, in came the US Import and Export Price Indices for February.

The bottom Line: Prices were on the rise, during the month which is equivalent to inflation.

The following are the findings of The Bureau, minus the table:

### ***‘U.S. IMPORT AND EXPORT PRICE INDEXES – FEBRUARY 2008 –***

*‘The U.S. Import Price Index advanced 0.2 percent in February, the Bureau of Labor Statistics of the U.S. Department of Labor reported today, as a 0.6 percent increase in nonpetroleum prices more than offset a 1.5 percent downturn in petroleum prices. Prices for U.S. exports rose 0.9 percent in February after increasing 1.2 percent the previous month ...*

#### **‘Import Goods**



*'Import prices ticked up 0.2 percent in February following a 1.6 percent increase in January. The index advanced 13.6 percent over the past year. Petroleum prices fell for the second time in three months in February, declining 1.5 percent after rising 4.8 percent in January. Prices increased 60.9 percent for the year ended in February. Nonpetroleum prices advanced 0.6 percent in February after a 0.7 percent increase the previous month. The price index for nonpetroleum prices was up 4.5 percent over the past 12 months.*

*'A 2.5 percent increase in nonpetroleum industrial supplies and materials prices was the largest contributor to the overall February rise in nonpetroleum prices. That advance was led by higher prices for natural gas, metals, and fertilizers. Prices for nonpetroleum industrial supplies and materials rose 12.5 percent over the past year.*

*'The price indexes for consumer goods, automotive vehicles, and capital goods all ticked up in February, rising 0.3 percent, 0.2 percent, and 0.1 percent, respectively. The February increase in consumer prices was led by an advance in jewelry prices and came after a 0.5 percent rise in January. The increase for capital goods followed a 0.3 percent downturn the previous month.*

*'In contrast, foods, feeds, and beverages prices edged down 0.1 percent, the first decline for the index since a 0.2 percent decrease in March of last year. Despite the downturn, prices for foods, feeds, and beverages rose 11.0 percent over the past year.*

#### *'Export Goods*

*'The 0.9 percent increase in export prices in February followed a 1.2 percent advance in January which was the largest monthly rise for the index since January 1989. The index rose 6.8 percent for the year ended in February. The price indexes for agricultural exports and nonagricultural exports each contributed to the overall increase last month. Agricultural prices rose 4.4 percent in February following a 5.0 percent increase the previous month and the index advanced 30.8 percent for the year ended in February, the largest 12-month rise since September 1988. Higher prices for wheat, corn, and soybeans all factored into both the February and year-over-year increases. Nonagricultural prices increased 0.5 percent in February after rising 0.8 percent in January, and rose 4.6 percent over the past year.*

*'The increase in nonagricultural exports was led by a 1.1 percent rise in the price index for nonagricultural industrial supplies and materials. Prices for nonagricultural industrial supplies and materials had advanced 1.9 percent in January and rose 10.7 percent over the past 12 months. The February increase was primarily driven by higher metals prices which more than offset lower prices for fuel.*

*'Each of the major finished goods price indexes advanced in February as well. Capital goods prices increased 0.4 percent, the largest monthly rise for the index since a similar 0.4 percent advance in January 2006. Higher prices for transportation equipment, industrial service machinery, and computers all factored into the February increase. Consumer goods prices and prices for automotive vehicles also advanced in February, rising 0.4 percent and 0.1 percent, respectively.*

#### *'Imports by Locality of Origin*

*'The price index for imports from China ticked up 0.1 percent in February following a 0.8 percent jump in January. Import prices from China last recorded a monthly decline in January 2007 and rose 3.4 percent for the year ended in February after dropping 0.9 percent for the previous 12-month period. Prices of imports from Japan also continued to trend upward in February, advancing 0.3 percent for the second time in the past three months. The index was up 0.7 percent for the February 2007-2008 period.*

*'Import prices from the European Union and from Canada rose 0.6 percent and 0.1 percent, respectively, in February. The price index for imports from the European Union had risen 1.6 percent in January and advanced 5.0 percent over the past year. Import prices from Canada were up 2.4 percent in January and 13.7 percent for the year ended in February.*

*'In contrast, prices for imports from Mexico declined 1.2 percent in February, the first monthly decrease for the index since January 2007. Despite the February drop, the index advanced 17.3 percent over the past 12 months.*

*‘Import and Export Services Import air passenger fares declined 1.1 percent in February, the fifth decrease in the past six months. Despite the recent downward trend, the index rose 6.7 percent for the year ended in February. The price index for export air passenger fares fell 7.1 percent in February, but increased 8.8 percent over the past year. Lower fares for Asia, the Latin America-Caribbean region, and Europe all contributed to the February decline.*

*‘The price index for import air freight advanced 0.6 percent in February after edging down 0.1 percent in January. Import air freight prices increased 9.0 percent over the past 12 months. Export air freight prices ticked up 0.1 percent in February following a 3.0 percent rise the previous month. The index rose 13.0 percent for the year ended in February.’*

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US110.33, representing an increase of only about 0.37 percent on the last settlement of Wednesday, but, still, another record level.

The last settlement for a barrel of light sweet crude oil for delivery in May came in at \$US109.17, an increase of about 0.55 percent on Wednesday’s close.

In Europe, European investors were not as keen as their US counterparts, resulting in the key indices of the most-important equity markets to lose ground with the lone exception of the Swiss Market Index:

Amsterdam’s AEX Index	Minus 1.19 percent
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France’s CAC 40 Index	Minus 1.42 percent
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Germany’s Frankfurt XETRA DAX Index	Minus 1.49 percent
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Great Britain’s FTSE 100 Index	Minus 1.45 percent
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Italy’s MIBTEL Index	Minus 1.53 percent
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Switzerland’s Swiss Market Index	Plus 0.09 percent
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Banking counters were hit among the hardest as investors pondered the prospects of more subprime, mortgage-related losses.

In Asia, last Thursday, there were massive losses, recorded on the most-important equity markets, headed by the falls of the key index of the premier equity 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 1,121.12 points, equivalent to about 4.79 percent, crashing to 22,301.64 points.

The Total Turnover rose to \$HK106.84 billion, with losing counters, outnumbering gaining ones by the ratio of about 4.75:One.

The Ten Most Active counters were:

China Railway Construction Corporation Ltd  
(Code: 1186)

\$HK12.00 per share\*

China Mobile Ltd (Code: 941)

Down 5.67 percent to \$HK106.40 per share

HSBC Holdings plc (Code: 5)

Down 2.16 percent to \$HK122.50 per share

China Life Insurance Company Ltd (Code: 2628)

Down 6.27 percent to \$HK27.65 per share

PetroChina Company Ltd (Code: 857)

Down 7.50 percent to \$HK10.12 per share

China Petroleum and Chemical  
Corporation (Code: 386)

Down 8.38 percent to \$HK7.00 per share

CNOOC Ltd (Code: 883)

Down 6.64 percent to \$HK12.38 per share

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

Down 5.51 percent to \$HK4.97 per share

China Construction Bank Corporation (Code:  
939)

Down 6.11 percent to \$HK5.38 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 5.64 percent to \$HK135.40 per share

\*First Day of Trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Best Group Holding Ltd	370		12.16	0.13
China Merchants Holdings (International) Company Ltd	144		10.85	33.70
Climax International Company Ltd	439		24.39	0.31
Easyknit Enterprises Holdings Ltd	616		11.11	0.032
EC-Founder (Holdings) Company Ltd	618		12.50	0.21
Green Energy Group Ltd	979	12.36		1.00
Hi Sun Technology (China) Ltd	818		10.23	1.58
The Hongkong Parkview Group Ltd	207	13.92		1.80
Jackin International Holdings Ltd	630	12.90		0.35

Kenford Group Holdings Ltd	464		10.34	0.26
LeRoi Holdings Ltd	221		14.42	0.445
Lung Cheong International Holdings Ltd	348		10.34	0.39
Mei Ah Entertainment Group Ltd	391		13.04	0.40
Ngai Hing Hong Company Ltd	1047		10.00	0.81
One Media Group Ltd	426		12.70	0.55
Oriental Ginza Holdings Ltd	996		17.74	0.255
PME Group Ltd	379		34.78	0.60
SIM Technology Group Ltd	2000		11.76	1.20
Sino Katalytics Investment Corporation	2324		10.34	0.078
Sino Land Company Ltd	83		10.00	17.46
Sun Innovation Holdings Ltd	547	12.61		0.125
Tack Hsin Holdings Ltd	611		10.47	0.385
Anhui Tianda Oil Pipe Company Ltd	839		10.47	2.65
Times Ltd	1832		13.12	2.45
Vision Tech International Holdings Ltd	922		11.36	0.39
Walker Group Holdings Ltd	1386		11.41	1.63
Wasion Meters Group Ltd	3393	12.10		3.15
Zhejiang Glass Company Ltd	739		13.21	5.32

On The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 3.32 percent, ending the trading day at 938.78 points.

The Total Turnover on this market was about \$HK404.96 million.

Losing counters outpaced gaining ones by the ratio of about 4.95:One.

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

Town Health International Holdings Company Ltd  
(Code: 8138)

Up 0.66 percent to \$HK0.152 per share

China Railway Logistics Ltd (Code: 8089)

Down 6.10 percent to \$HK2.31 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173)

Down 17.86 percent to \$HK0.46 per share

BIG Media Group Ltd (Code: 8167)

Down 1.50 percent to \$HK3.94 per share

Global Solution Engineering Ltd (Code: 8192)

Down 6.06 percent to \$HK0.31 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Armitage Technologies Holding Ltd	8213		11.83	0.082
Byford International Ltd	8272		11.11	1.20
CCID Consulting Company Ltd	8235		10.71	0.25
G.A. Holdings Ltd	8126		10.29	0.305
HC International Incorporated	8292		25.76	0.49
iMerchants Ltd	8009	52.94		3.90
Intelli-Media Group (Holdings) Ltd	8173		17.86	0.46
North Asia Strategic Holdings Ltd	8080	13.86		1.15
Netel Technology (Holdings) Ltd	8256		18.35	0.129
Sau San Tong Holdings Ltd	8200		23.33	0.092
SYSCAN Technology Holdings Ltd	8083		13.64	0.076
Tianjin TEDA Biomedical Engineering Company Ltd	8189		10.00	0.27
China Information Technology Development Ltd	8178		15.22	0.39

In Japan, there was only red ink, used to fill in the final figures in respect of the key indices of the country's 3 equity markets.

On The Tokyo Stock Exchange, which is the premier equity market of The Land of The Rising Sun, its TOPIX Index surrendered 3.13 percent, falling to 1,215.87 points.

Declining counters outnumbered advancing ones by the ratio of about 8.53:One.

The Nikkei-225 Stock Average lost about 3.33 percent, ending the day at 12,433.44 yen.

In addition to the key indices of The Tokyo Stock Exchange, falling to a 30-month low, there was, also, that added problem of the translation value of the yen vis-à-vis the US dollar.

The yen has been slowly strengthening against the greenback of late and, last Thursday, it broke the ¥100-barrier.

That represented a one-day gain of about one percent.

For exporters in Japan, this was very bad news because it means a shaving down of profit margins.

And exporters were caught with their trousers, down around their ankles, last Thursday.

#### News Wise

- **Shinsei Bank** has sold its head office in Tokyo for ¥118 billion. The sale resulted in a book profit of about ¥56 billion yen.

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

The HKSAR	Hang Seng Index Minus 4.79 percent to 22,301.64 The Growth Enterprise Index Minus 3.32 percent to 938.78
Indonesia	Minus 4.52 percent to 2,440.59
Japan	TOPIX Index Minus 3.13 percent to 1,215.87 Nikkei-225 Stock Average Minus 3.33 percent to 12,433.44
Malaysia	Minus 2.53 percent to 1,201.35
The Philippines	Minus 0.44 percent to 2,940.47
The PRC	Shanghai Composite Index Minus 2.43 percent to 3,971.26 Shenzhen Composite Index Minus 3.30 percent to 1,248.19
Singapore	Minus 3.85 percent to 2,805.55
South Korea	Minus 2.60 percent to 1,615.62

Taiwan	Minus 2.66 percent to 8,210.99
Thailand	Minus 1.53 percent to 814.31

## **Friday**

If investors thought, early last Friday, that they had seen everything, they had to have a complete rethink by the time that Wall Street closed its doors at supper-time.

Because, inter alia:

- a. The fifth largest investment bank in the US had had to admit that it was facing a cash-crunch;
- b. The translation value of the US dollar hit record lows against the euro and sank to multi-year lows against a number of other 'hard' currencies; and,
- c. Inflation is alive in kicking in The Land of The Free and The Home of The Brave.

On The New York Stock Exchange, the Dow Jones Industrial Average sank 194.65 points, equivalent to about 1.60 percent, ending the hectic (and, perhaps, tragic) trading day at 11,951.09 points.

The Composite Index of The NASDAQ followed the lead of The Dow, shedding about 51.12 points, or about 2.26 percent, ending the week at 2,212.49 points.

The ratio of losers to gainers was about 5:One on The New York Stock Exchange and about 3:One on The NASDAQ.

The main reason for the big sell-off on Wall Street, last Friday, was an admission by Management of Bear Sterns Company Incorporated that it was (or had, already) running out of cash.

JPMorgan Chase and Company announced that it would step up to the plate with short-term financing for the fifth-largest, investment bank in the nation.

The US Federal Reserve said that it would back up JPMorgan Chase and Company in its endeavour to save Bear Sterns Company Incorporated from bankruptcy.

The share price of Bear Sterns Company Incorporated sank 45.90 percent to \$US30.85.

One of the mighty had fallen!

Which bank would follow in the wake of Bear Sterns Company Incorporated?

For the week, however, the tally of the world's largest and most-important equity markets did not reflect that which, clearly, was a crisis situation:

The Dow Jones Industrial Average    Plus    0.48 percent  
The Composite Index of The NASDAQ    Unchanged

Just prior to Wall Street gurus and high-priced, investment analysts, sipping their first cups of coffee for the day, The Bureau of Labour Statistics, a branch of the US Government's Labour Department, brought out its finding with regard to The Consumer Price Index for February.

Wall Street did not appear to take much notice of it because of the crisis at Bear Sterns Company Incorporated and the losses on the world's largest equity markets, but, perhaps, more attention should have been paid to The Bureau's findings because it smelt of inflation.

The following is a verbatim copy of The Bureau's findings, minus the tables:

### **'CONSUMER PRICE INDEX: FEBRUARY 2008**

*'The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in February before seasonal adjustment, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The February level of 211.693 (1982-84=100) was 4.0 percent higher than in February 2007.*

*'The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 0.2 percent in February prior to seasonal adjustment. The February level of 207.254 (1982-84=100) was 4.4 percent higher than in February 2007.*

*'The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 0.3 percent in February on a not seasonally adjusted basis. The February level of 122.251 (December 1999=100) was 3.7 percent higher than in February 2007. Please note that the indexes for the post-2006 period are subject to revision.*

#### **'CPI for All Urban Consumers (CPI-U)**

*'On a seasonally adjusted basis, the CPI-U was virtually unchanged in February, following a 0.4 percent rise in January. Each of the three groups--food, energy, and all items less food and energy -- contributed to the deceleration. The index for food at home, which rose 0.9 percent in January, increased 0.3 percent. The moderation reflected a downturn in the indexes for fruits and vegetables, for meats, poultry, fish, and eggs, and for nonalcoholic beverages. The index for energy turned down in February as a 1.9 percent decline in the index for energy commodities more than offset a 1.7 percent increase in the index for energy services. The index for all items less food and energy was virtually unchanged after increasing 0.3 percent in January. The deceleration reflects smaller increases in the indexes for shelter, for medical care, for recreation, for education and communication, and for other goods and services, and a in the index for apparel.*

*'The food and beverages index rose 0.4 percent in February. The index for food at home, which advanced 0.9 percent in January, increased 0.3 percent in February. Downturns in the indexes for fruits and vegetables, for meats, poultry, fish, and eggs, and for nonalcoholic beverages were responsible for the moderation. The index for fruits and vegetables declined 1.3 percent, following a 2.2 percent rise in January. The indexes for fresh vegetables and for fresh fruits declined 4.0 and 0.4 percent, respectively, while the index for processed fruits and vegetables increased 1.7 percent. The index for meats, poultry, fish, and eggs, which advanced 0.8 percent in January, declined 0.1 percent in February. Price decreases for pork and for poultry -- down 1.4 and 0.6 percent, respectively--more than offset a 0.5 percent increase in beef prices. The index for nonalcoholic beverages, which rose 1.6 percent in January, declined 0.1 percent in February, reflecting a decline in prices for coffee. On the other hand, the other three grocery store food groups advanced more in February than in January. The index for cereal and bakery products rose 1.8 percent, its largest monthly advance since January 1975. The index for dairy products, which rose 0.2 percent in January, increased 0.8 percent in February. The index for other food at home increased 1.0 percent, following a 0.4 percent rise in January. The other two components of the food and beverages index- food away from home and alcoholic beverages--each increased 0.4 percent, the same as in January.*

*'The index for housing increased 0.2 percent in February. The index for shelter was virtually unchanged in February, following a 0.3 percent increase in January. Within shelter, the indexes for rent and for owners' equivalent rent increased 0.2 and 0.1 percent, respectively, while the index for lodging away from home fell 1.2 percent. (Prior to seasonal adjustment, the index for lodging away from home increased 2.8 percent.) The index for household fuels, which declined 0.1 percent in January, increased 1.5 percent as a 7.2 percent increase in the index for natural gas more than offset decreases in the indexes for fuel oil and for electricity--down 1.5 and 0.3 percent, respectively. The index for household furnishings and operations was virtually unchanged in February.*

*'The transportation index decreased 0.7 percent in February. The index for gasoline declined 2.0 percent, accounting for about 95 percent of the overall transportation decrease. As of*



February, gasoline prices were 2.6 percent below their peak level recorded in May 2007. The index for new vehicles declined 0.3 percent in February. (As of February, about 84 percent of the new car sample consisted of 2008 models. The 2008 models will continue to be phased in, with adjustments for quality change, over the next several months as they replace old models at dealerships. For a report on quality changes for the 2008 vehicles represented in the Producer Price Index sample, see news release USDL-07-1787 dated November 14, 2007.) The index for used cars was virtually unchanged. During the last 12 months, new vehicle prices declined 0.8 percent, while prices for used cars and trucks rose 2.0 percent. The index for public transportation decreased 0.1 percent in February, reflecting in part a 0.3 percent decrease in the index for airline fares. (Prior to seasonal adjustment airline fares rose 1.2 percent in February and are 7.6 percent higher than in February 2007.)

‘The index for apparel declined 0.3 percent in February, following increases in each of the preceding five months. (Prior to seasonal adjustment, apparel prices increased 1.8 percent, reflecting the introduction of spring-summer wear.)

‘Medical care costs rose 0.1 percent in February. The index for medical care commodities – prescription drugs, nonprescription drugs, and medical supplies--rose 0.1 percent. The index for medical care services also rose 0.1 percent. The index for professional services was virtually unchanged, while the index for hospital and related services advanced 0.3 percent.

‘The index for recreation increased 0.1 percent in February. Increases in the indexes for pets, pet products and services, for recreational books, and for toys were partially offset by declines in the indexes for video and audio and for sporting goods.

‘The index for education and communication increased 0.1 percent in February. Educational costs rose 0.3 percent, while communication costs were virtually unchanged. Within the communication group, declines in the indexes for telephone services and for personal computers and peripheral equipment--down 0.1 and 0.5 percent, respectively -- were offset by increases in the indexes for computer software and accessories and for internet services and electronic information providers--each up 0.6 percent.

‘The index for other goods and services increased 0.2 percent in February. The index for tobacco and smoking products rose 0.4 percent accounting for about 42 percent of the monthly increase in this major group. The advance in the index for miscellaneous personal services, reflecting increases in laundry and dry cleaning, other apparel services, and financial services, was partially offset by declines in prices for personal care products.

#### **‘CPI for Urban Wage Earners and Clerical Workers (CPI-W)**

‘On a seasonally adjusted basis, the CPI for Urban Wage Earners and Clerical Workers was virtually unchanged in February ...’.

In international, foreign-exchange currency markets, as one would expect, people wanted out of the greenback.

The translation value of the US dollar vis-à-vis the Japanese yen fell to below ¥100 for the first time since 1995, at ¥99.58.

Against the yen, the US dollar had lost about 3 percent in just 5 trading days.

Against the euro, the US dollar sank to an historic low of \$US1.5688 and, against sterling, the rate was about \$US2.037.

And so it went on: One international currency after another, being sought as a refuge from the beleaguered greenback.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April was \$US110.21, representing a fall of about 0.11 percent, compared with Thursday’s last quote.

For May delivery, the last settlement for a barrel of light sweet crude oil came in at \$US108.74, off about 0.39 percent, compared with Thursday’s final figure.

In Europe, every key index of every major bourse was marked down by the close of the day.

The question on most investors' lips was, simply (and understandably): Which bank will be next in line to admit its problems.

Naturally, in such an atmosphere, banking stocks were fair game for investors:

Barclays Bank plc	Down 3.90 percent
BNP Parisbas	Down 2.50 percent
HSBC Holdings plc	Down 1.90 percent
UBS AG	Down 7 percent

The following is **TARGET**'s list of major European bourses and how their respective key indices closed the week of March 14, 2008:

Amsterdam's AEX Index	Minus 0.51 percent
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France's CAC 40 Index	Minus 0.82 percent
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Germany's Frankfurt XETRA DAX Index	Minus 0.74 percent
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Great Britain's FTSE 100 Index	Minus 1.06 percent
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Italy's MIBTEL Index	Minus 0.91 percent
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Switzerland's Swiss Market Index	Minus 1.65 percent
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In Asia, last Friday, the key indices of the most-important equity markets lost traction – again.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets lost ground, but only by small fractions.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 0.29 percent, slipping back to 22,237.11 points.

The Total Turnover was about \$HK88.28 billion, while the ratio of declining counters to advancing ones was about 3.15:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 0.94 percent to \$HK107.40 per share
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China Railway Construction Corporation Ltd (Code: 1186)	Down 6.67 percent to \$HK11.20 per share
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China Life Insurance Company Ltd (Code: 2628)	Up 0.36 percent to \$HK27.75 per share
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PetroChina Company Ltd (Code: 857)	Down 0.40 percent to \$HK10.08 per share
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China Petroleum and Chemical  
Corporation (Code: 386)

Down 4.57 percent to \$HK6.68 per share

CNOOC Ltd (Code: 883)

Down 0.32 percent to \$HK12.34 per share

HSBC Holdings plc (Code: 5)

Up 0.33 percent to \$HK122.90 per share

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

Down 1.01 percent to \$HK4.92 per share

China Construction Bank Corporation (Code: 939)

Down 0.19 percent to \$HK5.37 per share

China Communications Construction Company  
Ltd (Code: 1800)

Down 2.80 percent to \$HK17.38 per share

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

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
China Everbright Ltd	165		11.32	14.10
China HealthCare Holdings Ltd	673		12.00	0.44
China Resources Microelectronics Ltd	597		12.12	0.29
Climax International Company Ltd	439		11.29	0.275
Four Seas Food Investment Holdings Ltd	60		15.00	1.02
Grand Investment International Ltd	1160		20.00	0.60
Kingdom Holdings Ltd	528	10.29		0.75
Le Saunda Holdings Ltd	738		11.02	1.05
Linmark Group Ltd	915		12.22	0.395
New Media Group Holdings Ltd	708		10.29	0.61
Overseas Chinese Town (Asia) Holdings Ltd	3366	12.30		2.74
OP Financial Investments Ltd	1140		16.52	0.96
PME Group Ltd	379		16.67	0.50

Shenzhou International Group Holdings Ltd	2313		10.74	2.41
Sunny Global Holdings Ltd	1094		14.77	0.375
Sunway International Holdings Ltd	58	11.29		0.345
Tak Sing Alliance Holdings Ltd	126		12.20	1.08
Anhui Tianda Oil Pipe Company Ltd	839		11.32	2.35
Tiande Chemical Holdings Ltd	609		15.00	0.51
Tianjin Capital Environmental Protection Company Ltd	1065	15.79		3.52
Vision Tech International Holdings Ltd	922		10.26	0.35
Vitop Bioenergy Holdings Ltd	1178		27.69	0.235
Vodone Ltd	82		11.39	0.70
Water Oasis Group Ltd	1161	11.68		2.20
Wealthmark International (Holdings) Ltd	39	13.25		0.94
Wing Shan International Ltd	570	10.81		0.41
ZZNode Technologies Company Ltd	2371		17.36	2.19

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.27 percent to 936.25 points on a Total Turnover of about \$HK543.61 million.

The ratio of losing counters to gaining ones was about 1.76:One.

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

Town Health International Holdings Company Ltd  
(Code: 8138)

Up 9.21 percent to \$HK0.166 per share

China Railway Logistics Ltd (Code: 8089)

Down 5.63 percent to \$HK2.18 per share

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

Up 5.81 percent to \$HK9.65 per share

Golden Meditech Company Ltd (Code: 8180)

Up 10.41 percent to \$HK2.97 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173)

Down 7.61 percent to \$HK0.425 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		16.39	0.255
China Vanguard Group Ltd	8156	10.98		0.91
Enviro Energy International Holdings Ltd	8182		32.09	0.455
Era Information and Entertainment Ltd	8043	11.59		0.385
Golden Meditech Company Ltd	8180	10.41		2.97
Goldmond Holdings Ltd	8190	19.53		0.153
HC International Incorporated	8292	53.06		0.75
ITE (Holdings) Ltd	8092	10.00		0.11
M Dream Inworld Ltd	8100		11.36	0.195
Ming Kei Energy Holdings Ltd	8239		12.31	0.57
Prosten Technology Holdings Ltd	8026		10.00	0.45
Nanjing Sample Technology Company Ltd	8287		12.12	2.90
Soluteck Holdings Ltd	8111		11.48	0.27
SYSCAN Technology Holdings Ltd	8083		15.79	0.064
Techpacific Capital Ltd	8088		10.45	0.18
Tiger Tech Holdings Ltd	8046		10.53	0.68

For the week, the tally for Asia's second, most-important equity market was:

The Hang Seng Index Minus 1.17 percent

The Growth Enterprise Index Minus 4.61 percent

In Japan, there were only losers, for the most part, on the country's equity markets.

On The Tokyo Stock Exchange, its TOPIX Index surrendered another 1.86 percent of its value, dropping back to 1,193.23 points.

Losing counters outnumbered gaining ones by the ratio of about 5.86:One.

The Nikkei-225 Stock Average shed about 1.54 percent, ending the trading day at 12,241.60 yen.

For the week, the tally for Asia's largest and most-important equity market was:

The TOPIX Index          Minus 4.37 percent  
The Nikkei-225 Stock Average Minus 4.23 percent

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

The HKSAR	Hang Seng Index Minus 0.29 percent to 22,237.11 The Growth Enterprise Index Minus 0.27 percent to 936.25
Indonesia	Minus 2.34 percent to 2,383.42
Japan	TOPIX Index Minus 1.86 percent to 1,193.23 Nikkei-225 Stock Average Minus 1.54 percent to 12,241.60
Malaysia	Minus 0.54 percent to 1,194.84
The Philippines	Minus 1.15 percent to 2,906.53
The PRC	Shanghai Composite Index Minus 0.22 percent to 3,962.67 Shenzhen Composite Index Minus 0.87 percent to 1,237.30
Singapore	Plus 1.19 percent to 2,839.01
South Korea	Minus 0.95 percent to 1,600.26
Taiwan	Minus 0.60 percent to 8,161.39
Thailand	Plus 0.46 percent to 818.04

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