

**THE FED DOES ITS *'THING'*,
REDUCING INTEREST RATES, AGAIN;
EQUITY-MARKETS' INDICES RISE**

With The Federal Reserve Board, scheduled to convene its Open Market Committee Meeting within 24 hours, it was hardly any wonder that trading on the world's largest and most-important equity markets was muted.

Everybody and his cat had opinions as to the action that The Fed was likely to take at its 2-day meeting of last Tuesday and Wednesday, with the odds-on favourite, being another cut in interest rates, this time of about 25 basis points.

On Wall Street, despite an announcement of a potential, \$US23-billion takeover of The Wm. Wrigley Jr Company – the maker of chewing gum – by Mars Incorporated – a chocolate candy producer – trading in equities was slow.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 20.11 points, or about 0.16 percent, ending the trading session at 12,871.75 points.

Over on The NASDAQ, its Composite Index rose 1.40 points, equivalent to about 0.06 percent, as investors nudged it up to 2,424.40 points.

Advancing counters outpaced declining ones by about 1.33:One on The New York Stock Exchange and by about 1.20: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 June was \$US118.75, up about 0.19 percent on the previous Friday's last settlement (April 25, 2008).

However, during the height of trading, investors/speculators bid up the price of a barrel of light sweet crude oil to a new, record high of \$US119.93.

For delivery in July, the last settlement for a barrel of light sweet crude oil came in at \$US117.82, up about one quarter of a percentage point on the final quote of the previous Friday.

News Wise

- The President of The Organisation of Petroleum Exporting Countries (OPEC), Mr Chakib Khelil, remarked last Monday that the reason for the rise in the price of **crude oil** was the weakness of the US dollar vis-à-vis other '*hard*' currencies. Mr Chakib Khelil said that the price of crude oil could reach \$US200 per barrel.

In Europe, trading was quiet for the most part on the most-important bourses of the region:

Amsterdam's AEX Index	Plus	0.93 percent
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France's CAC 40 Index	Plus	0.69 percent
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Germany's Frankfurt XETRA DAX IndexPlus 0.41 percent

Great Britain's FTSE 100 Index Minus 0.01 percent

Italy's MIBTEL Index Minus 0.13 percent

Switzerland's Swiss Market Index Plus 0.54 percent

As with Europe's counterparts in the stockbrokerage fraternity of Wall Street, it appeared that investors were more than willing to sit on their hands in order to see which way the investment winds would blow, following a determination of interest rates by The Fed.

In Asia, the principal equity markets made gains, but, as with US and European equity markets, investors were awaiting the outcome of the Open Market Committee Meeting of The Fed.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets managed to score fractional gains in their respective key indices.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.59 percent to 25,666.29 points on a Total Turnover of about \$HK73.74 billion.

The ratio of losing counters to gaining ones was about 1.15:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)

Down 1.63 percent to \$HK33.25 per share

HSBC Holdings plc (Code: 5)

Up 0.98 percent to \$HK133.30 per share

CNOOC Ltd (Code: 883)

Up 4.98 percent to \$HK13.92 per share

China Construction Bank Corporation (Code: 939)

Up 2.22 percent to \$HK6.91 per share

PetroChina Company Ltd (Code: 857)

Down 0.51 percent to \$HK11.60 per share

China Mobile Ltd (Code: 941)

Up 0.59 percent to \$HK135.70 per share

China Petroleum and Chemical
Corporation (Code: 386)

Down 2.66 percent to \$HK8.06 per share

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

Up 0.81 percent to \$HK6.20 per share

Bank of China Ltd (Code: 3988)

Up 0.52 percent to \$HK3.89 per share

Ping An Insurance (Group) Company of China Ltd
(Code: 2318)

Down 1.53 percent to \$HK70.70 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)
ABC Communications (Holdings) Ltd	30	11.29		0.69
China Power New Energy Development Company Ltd	735	13.16		0.86
China Mining Resources Group Ltd	340	12.36		1.00
Ching Hing (Holdings) Ltd	692	21.21		0.60
Daiwa Associate Holdings Ltd	1037	10.00		0.55
Dore Holdings Ltd	628	14.29		0.64
EPI (Holdings) Ltd	689	19.30		0.34
Fortuna International Holdings Ltd	530	13.24		0.154
Fubon Bank (Hongkong) Ltd	636	15.63		9.10
Fujian Holdings Ltd	181	38.46		0.90
G-Vision International (Holdings) Ltd	657	10.17		0.65
Greenfield Chemical Holdings Ltd	582	17.00		2.34
Hantec Investment Holdings Ltd	111	16.92		1.52
Henderson Investment Ltd	97	12.50		0.90
The Hongkong Parkview Group Ltd	207	21.33		1.82
Karl Thomson Holdings Ltd	7	15.03		1.76
Kingsoft Corporation Ltd	3888	11.61		3.46
Min Xin Holdings Ltd	222	16.67		4.55
Pyxis Group Ltd	516	22.22		0.385
Riche Multi-Media Holdings Ltd	764	18.37		0.116

Sewco International Holdings Ltd	209	15.38		0.30
Shandong Molong Petroleum Machinery Company Ltd	568	11.83		1.04
Sino Union Petroleum and Chemical International Ltd	346		10.40	1.81
Solargiga Energy Holdings Ltd	757	13.04		3.64
South Sea Petroleum Holdings Ltd	76	12.09		0.102
TCC International Holdings Ltd	1136	19.21		7.26
Zhongda International Holdings Ltd	909	16.36		0.64

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.41 percent to 865.01 points on a Total Turnover of about \$HK449.14 million.

Losing counters and gaining ones was exactly even, at One:One.

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

China Railway Logistics Ltd (Code: 8089)

Down 15.35 percent to \$HK1.82 per share

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

Up 11.27 percent to \$HK0.79 per share

Global Solution Engineering Ltd (Code: 8192)

Up 8.06 percent to \$HK0.335 per share

Town Health International Holdings Company Ltd (Code: 8138)

Unchanged at \$HK0.139 per share

NetDragon Websoft Incorporated (Code: 8288)

Up 10.75 percent to \$HK10.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Railway Logistics Ltd	8089		15.35	1.82
Cardlink Technology Group Ltd	8066		11.89	1.26

Intcera High Tech Group Ltd	8041	12.28		0.064
Intelli-Media Group (Holdings) Ltd	8173	11.27		0.79
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301		10.53	0.17
NetDragon Websoft Incorporated	8288	10.75		10.20
Vertex Group Ltd	8228	10.65		0.187

In Japan, the country's 3 equity markets managed to record gains in their respective key indices, but it was on the premier equity market, The Tokyo Stock Exchange, where the real action took place.

On The Tokyo Stock Exchange, its TOPIX Index rose 21.84 points, equivalent to about 1.63 percent, as investors drove it up to 1,361.75 points.

The ratio of advancing counters to declining ones was about 2.41:One.

As for The Nikkei-225 Stock Average, which is a much-narrower gauge of trading on select blue chips, listed on The First Section of The Tokyo Stock Exchange, than is The TOPIX Index, it managed a gain of only 30.90 yen, or about 0.22 percent, ending the trading session at 13,894.37 yen.

News Wise

- **Matsushita Electric Industrial Company** announced that its Net Profit Attributable to Shareholders for its Financial Year, ended March 31, 2008, was ¥281.88 billion, up 29.78 percent, Year-On-Year; and,
- Management of **Mitsubishi Heavy Industries Ltd** said that the company's Group Net Profit for its Financial Year, ended March 31, 2008, came in at ¥61.30 billion, up about 26 percent, Year-On-Year.

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

The HKSAR	Hang Seng Index Plus 0.59 percent to 25,666.29 The Growth Enterprise Index Plus 0.41 percent to 865.01
Indonesia	Plus 0.61 percent to 2,254.31
Japan	TOPIX Index Plus 1.63 percent to 1,361.75 Nikkei-225 Stock Average Plus 0.22 percent to 13,894.37
Malaysia	Plus 0.56 percent to 1,295.31
The Philippines	Minus 1.39 percent to 2,739.44

The PRC	Shanghai Composite Index Minus 2.33 percent to 3,474.72 Shenzhen Composite Index Minus 1.27 percent to 1,045.03
Singapore	Plus 0.39 percent to 3,201.63
South Korea	Minus 0.08 percent to 1,823.17
Taiwan	Plus 1.47 percent to 9,079.60
Thailand	Plus 0.51 percent to 836.42

Tuesday

Last Tuesday, the waiting game continued for investors, locked into equity markets around the world, as The (US) Federal Reserve started its 2-day Open Market Committee Meeting when the major topic for discussion was, undoubtedly, the matter of the direction of future interest rates in the country.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 0.31 percent to 12,831.94 points while, on The NASDAQ, its Composite Index rose about 0.07 percent to end the trading session at 2,426.10 points.

Trading was very restrained.

During the session, a number of negative factors came to light:

- The price of houses in the US fell by about 12.70 percent in February, compared with the like month in 2007;
- Foreclosures of US homes rose by about 23 percent in the first quarter of calendar 2008, compared with the like period in 2007;
- US consumer confidence has slumped to a 5-year low, according to The Conference Board's Index of Consumer Confidence; and,
- Citigroup Incorporated is planning to sell scrip, worth about \$US3 billion, in order to bolster its balance sheet. The largest US bank suffered a Net Loss Attributable to Shareholders of about \$US15 billion over the past 2 quarters, ended March 31, 2008, and, since June 30, 2007, it has written off more than \$US45 billion in credit losses.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in June came in at \$US115.63, down about 2.63 percent on Monday's closing level.

As for delivery in July, the last settlement for a barrel of light sweet crude oil was \$US114.82, a one-day fall of about 2.55 percent.

In Europe, for the most part, investors determined that the best course of action on equity markets in the region was no course of action ... until The Fed had made up its collective mind as to the direction of interest rates in The Land of The Free and The Home of The Brave:

Amsterdam's AEX Index Minus 0.20 percent

France's CAC 40 Index Minus 0.71 percent

Germany's Frankfurt XETRA DAX Index Minus 0.57 percent

Great Britain's FTSE 100 Index Minus 0.01 percent

Italy's MIBTEL Index Minus 0.33 percent

Switzerland's Swiss Market Index Minus 1.16 percent

News Wise

- **Deutsche Bank AG** has written down about €2.70 billion in respect of its exposure to the US subprime, mortgage-lending industry. The bank, which is Germany's largest, also said that it had incurred a Pre-Tax Loss of about €254 million for the first quarter of 2008. It was its first quarterly loss in the past 5 years.

In Asia, Japan was on holiday so that the largest equity market in the most-populous part of the world was a non-starter, as far as investors, who tend to monitor the direction of Japan's premier equity market's key index, were concerned.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the Main Board of The Stock Exchange of Hongkong Ltd made a material gain while the lone index of the speculative equity market of The Stock Exchange of Hongkong Ltd, known as The Growth Enterprise Index (The GEM), suffered a fractional loss.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.97 percent to 25,914.15 points on a Total Turnover of about \$HK88.68 billion.

The ratio of advancing counters to declining ones was about 1.37:One.

The Ten Most Active counters were:

China Shenhua Energy Company Ltd (Code: 1088)

Down 4.11 percent to \$HK36.15 per share

China Life Insurance Company Ltd (Code: 2628)

Up 1.50 percent to \$HK33.75 per share

China Mobile Ltd (Code: 941)

Up 0.22 percent to \$HK136.00 per share

HSBC Holdings plc (Code: 5)

Up 0.83 percent to \$HK134.40 per share

China Construction Bank Corporation (Code: 939)

Up 2.03 percent to \$HK7.05 per share

Bank of China Ltd (Code: 3988)

Up 1.29 percent to \$HK3.94 per share

PetroChina Company Ltd (Code: 857)

Up 0.86 percent to \$HK11.70 per share

CNOOC Ltd (Code: 883)

Up 2.01 percent to \$HK14.20 per share

Industrial and Commercial Bank of China Ltd

Down 0.32 percent to \$HK6.18 per share

(Code: 1398)

Sun Hung Kai Properties Ltd (Code: 16)

Up 0.88 percent to \$HK137.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	18.84		0.82
Berjaya Holdings (Hongkong) Ltd	288	18.75		0.38
China Chengtong Development Group Ltd	217	18.18		1.04
Daiwa Associate Holdings Ltd	1037		16.36	0.46
eCyberChina Holdings Ltd	254	12.45		0.28
Fujian Holdings Ltd	181	14.44		1.03
Global Green Tech Group Ltd	274	26.15		1.64
Greater China Holdings Ltd	431	12.68		0.40
Guangdong Tannery Ltd	1058		10.91	0.49
J.I.C. Technology Company Ltd	987	10.53		1.68
Peaktop International Holdings Ltd	925	16.22		0.215
Shun Cheong Holdings Ltd	650	10.29		0.75
Sunny Global Holdings Ltd	1094	10.29		0.75
Sunway International Holdings Ltd	58	18.03		0.36
Topsearch International (Holdings) Ltd	2323		10.14	0.31
Zhong Hua International Holdings Ltd	1064	18.75		0.285
Zhongda International Holdings Ltd	909	10.94		0.71
Zhongtian International Ltd	2379		13.56	0.255

On The GEM, its Growth Enterprise Index shed about 0.12 percent of its value, ending the trading day at 863.98 points.

The Total Turnover on this market was about \$HK362.49 million.

Declining counters outran advancing ones by the ratio of about 1.18:One.

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

China Railway Logistics Ltd (Code: 8089)

Up 6.04 percent to \$HK1.93 per share

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

Up 6.33 percent to \$HK0.84 per share

NetDragon Websoft Incorporated (Code: 8288)

Up 11.96 percent to \$HK11.42 per share

Town Health International Holdings Company Ltd
(Code: 8138)

Up 0.72 percent to \$HK0.14 per share

Global Solution Engineering Ltd (Code: 8192)

Down 4.48 percent to \$HK0.32 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	15.63		0.074
Cardlink Technology Group Ltd	8066	12.70		1.42
Shanxi Changcheng Microlight Equipment Company Ltd	8286		22.73	0.68
HC International Incorporated	8292	10.11		0.49
Shanghai Jiada Withub Information Industrial Company Ltd	8205	10.17		0.65
Linefan Technology Holdings Ltd	8166		13.68	0.82
Shenzhen Neptunus Interlong Bio-technique Company Ltd	8329	12.66		0.89
NetDragon Websoft Incorporated	8288	11.96		11.42
Soluteck Holdings Ltd	8111		11.67	0.265
Tianjin TEDA Biomedical Engineering Company	8189	19.05		0.25

Ltd				
TeleEye Holdings Ltd	8051	11.11		0.20
Tradeeasy Holdings Ltd	8163	12.50		0.315

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

The HKSAR	Hang Seng Index Plus 0.97 percent to 25,914.15 The Growth Enterprise Index Minus 0.12 percent to 863.98
Indonesia	Plus 2.18 percent to 2,303.53
Japan	TOPIX Index Closed Nikkei-225 Stock Average Closed
Malaysia	Minus 0.90 percent to 1,283.65
The Philippines	Plus 0.54 percent to 2,754.29
The PRC	Shanghai Composite Index Plus 1.40 percent to 3,523.41 Shenzhen Composite Index Plus 1.03 percent to 1,055.80
Singapore	Minus 0.91 percent to 3,172.36
South Korea	Minus 0.64 percent to 1,811.51
Taiwan	Minus 2.07 percent to 8,891.74
Thailand	Minus 0.33 percent to 833.63

Wednesday

The US Federal Reserve, on cue, cut interest rates by one quarter of a percentage point, last Wednesday.

But Wall Street was far from being enamoured by the interest-rate reduction due to the statement from The Fed that accompanied the announcement.

Down came the key indices on The New York Stock Exchange and The NASDAQ.

The following is a verbatim transcript of The Fed's statement:

'The Federal Open Market Committee decided today to lower its target for the federal funds rate 25 basis points to 2 percent.

'Recent information indicates that economic activity remains weak. Household and business spending has been subdued and labor markets have softened further. Financial markets remain under considerable stress, and tight credit conditions and the deepening housing contraction are likely to weigh on economic growth over the next few quarters.

'Although readings on core inflation have improved somewhat, energy and other commodity prices have increased, and some indicators of inflation expectations have risen in recent months. The Committee expects inflation to moderate in coming quarters, reflecting a projected leveling-out of energy and other commodity prices and an easing of pressures on resource utilization. Still, uncertainty about the inflation outlook remains high. It will be necessary to continue to monitor inflation developments carefully.

'The substantial easing of monetary policy to date, combined with ongoing measures to foster market liquidity, should help to promote moderate growth over time and to mitigate risks to economic activity. The Committee will continue to monitor economic and financial developments and will act as needed to promote sustainable economic growth and price stability.

'Voting for the FOMC monetary policy action were: Ben S. Bernanke, Chairman; Timothy F. Geithner, Vice Chairman; Donald L. Kohn; Randall S. Kroszner; Frederic S. Mishkin; Sandra Pianalto; Gary H. Stern; and Kevin M. Warsh. Voting against were Richard W. Fisher and Charles I. Plosser, who preferred no change in the target for the federal funds rate at this meeting.

'In a related action, the Board of Governors unanimously approved a 25-basis-point decrease in the discount rate to 2-1/4 percent. In taking this action, the Board approved the requests submitted by the Boards of Directors of the Federal Reserve Banks of New York, Cleveland, Atlanta, and San Francisco.'

On The New York Stock Exchange, The Dow Jones Industrial Average closed off about 0.09 percent to 12,820.13 points.

On The NASDAQ, its Composite Index shed about 0.55 percent, ending the choppy trading session at 2,412.80 points.

The ratio of gainers to losers was about 1.14:One on The New York Stock Exchange, but, on The NASDAQ, losing counters just nudged out gainers by a fraction.

Prior to the announcement by The Fed, the key indices of the world's largest and most-influential equity markets made substantial gains, but the statement by The Fed greased the wheels, leading to the key indices, sliding back, losing all of their earlier advances.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in June was \$US113.46, down about 1.88 percent on Tuesday's final quote.

As for delivery in July, the last settlement for a barrel of light sweet crude oil was \$US112.73, representing a fall of about 1.82 percent on the Tuesday's last settlement.

In Europe, investors had not been made privy to the determinations of The Fed so that it was generally expected that the US Central Bank would take definitive action in order to stimulate the largest economy of the world.

Things did not turn out, exactly, as expected, however.

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

Amsterdam's AEX Index	Plus	0.92 percent
France's CAC 40 Index	Plus	0.39 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.92 percent
Great Britain's FTSE 100 Index	Minus	0.03 percent
Italy's MIBTEL Index	Plus	0.55 percent
Switzerland's Swiss Market Index	Plus	0.89 percent

In Asia, on the eve of the one-day holiday, known as Labour Day, which is celebrated, widely in this part of the world and most of Europe (on the assumption that the United Kingdom is to be considered part of Europe), the key indices of the most-important equity markets finished the day in the red.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the Main Board of The Stock Exchange of Hongkong Ltd, known as The Hang Seng Index, shed about 0.61 percent to 25,755.35 points, while, on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, known as The Growth Enterprise Index, rose 2.33 percent to end the trading session at 884.08 points.

On the Main Board, the ratio of declining counters to advancing ones was about 1.93:One on a Total Turnover of about \$HK82.61 billion.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.52 percent to \$HK135.10 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.15 percent to \$HK33.80 per share
China Mobile Ltd (Code: 941)	Down 1.40 percent to \$HK134.10 per share
Bank of China Ltd (Code: 3988)	Up 1.02 percent to \$HK3.98 per share
Ping An Insurance (Group) Company of China Ltd (Code: 1088)	Up 2.00 percent to \$HK73.95 per share
PetroChina Company Ltd (Code: 857)	Down 0.85 percent to \$HK11.60 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.16 percent to \$HK6.17 per share
CNOOC Ltd (Code: 883)	Down 3.10 percent to \$HK13.76 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.51 percent to \$HK136.50 per share

China Construction Bank Corporation (Code:
939)

Down 0.14 percent to \$HK7.04 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
APAC Resources Ltd	1104	10.14		0.76
Daiwa Associate Holdings Ltd	1037	13.04		0.52
Dore Holdings Ltd	628	12.86		0.79
Dynamic Energy Holdings Ltd	578		13.04	1.20
Frasers Property (China) Ltd	535	10.95		0.233
G-Prop (Holdings) Ltd	286	62.16		0.60
Global Green Tech Group Ltd	274		10.37	1.47
Golden Harvest Entertainment (Holdings) Ltd	1132	14.75		3.50
Grand Field Group Holdings Ltd	115	11.63		0.24
Imagi International Holdings Ltd	585	10.20		1.08
ITC Properties Group Ltd	199	10.17		0.26
Magnesium Resources Corporation of China Ltd	723	16.57		0.197
Midas International Holdings Ltd	1172		11.25	0.355
Oriental Ginza Holdings Ltd	996	14.35		0.239
Poly Investments Holdings Ltd	263	18.75		0.475
Shanghai Zendai Property Ltd	755	23.32		0.275
Skyfame Realty (Holdings) Ltd	59	15.11		1.60
SRE Group Ltd	1207	12.08		1.67
Sunway International Holdings Ltd	58		11.11	0.32

Takson Holdings Ltd	918		13.04	0.20
TCL Multimedia Technology Holdings Ltd	1070	24.62		0.405
Top Form International Ltd	333	10.91		0.61
United Power Investment Ltd	674	20.75		0.32
Vodone Ltd	82	18.33		0.71
Wang Sing International Holdings Group Ltd	2389		10.29	0.305
Wing Shan International Ltd	570	13.46		0.59
Zhongtian International Ltd	2379	19.61		0.305

Over on The GEM, The Total Turnover was about \$HK483.25 million, while the ratio of gainers to losers was about 1.42:One.

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

Town Health International Holdings Company Ltd
(Code: 8138)

Up 4.29 percent to \$HK0.146 per share

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

Up 4.76 percent to \$HK0.88 per share

China Railway Logistics Ltd (Code: 8089)

Up 0.52 percent to \$HK1.94 per share

Global Solution Engineering Ltd (Code: 8192)

Up 18.75 percent to \$HK0.38 per share

NetDragon Websoft Incorporated (Code: 8288)

Up 2.63 percent to \$HK11.72 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Byford International Ltd	8272	10.00		1.10
Shanxi Changcheng Microlight Equipment Company Ltd	8286	10.29		0.75
DeTeam Company Ltd	8112	14.46		0.95
Global Solution Engineering Ltd	8192	18.75		0.38

International Entertainment Corporation	8118	10.19		1.73
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205	10.77		0.72
Lee's Pharmaceutical Holdings Ltd	8221	15.38		0.45
Melco LottVentures Ltd	8198		10.08	1.07
ProSticks International Holdings Ltd	8055	16.92		0.76
Tai Shing International (Holdings) Ltd	8103		10.71	0.50
ThinSoft (Holdings) Incorporated	8096	10.00		0.22
Vertex Group Ltd	8228	12.57		0.215
Zhejiang Yonglong Enterprises Company Ltd	8211	11.48		0.68
Zheda Lande Scitech Ltd	8106	10.00		0.275

On The Tokyo Stock Exchange, its TOPIX Index gave up about 0.23 percent as investors pulled it back to 1,358.65 points.

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

The Nikkei-225 Stock Average lost about 0.32 percent of its value, ending the trading day at 13,849.99 yen.

News Wise

- **Mizuho Securities Company** announced that it would cut its workforce by about 15 percent. That is about 300 workers will receive their pink slips;
- **Unemployment** in Japan averaged about 3.80 percent for the Fiscal Year, ended March 31, 2008, The Internal Affairs and Communication Ministry announced in its preliminary report. In the Fiscal Year, ended March 31, 2007, the average unemployment rate was about 4.10 percent;
- **All Nippon Airways Company** announced that its Group Net Profit Attributable to Shareholders rose about 96.40 percent to ¥64.14 billion for the Financial Year, ended March 31, 2008;
- Japan's Ministry of Economy, Trade and Industry announced that **industrial production** fell 3.10 percent in March, seasonally adjusted. It was the largest monthly fall since January of 2003;
- The average **household expenditure** fell a real 1.60 percent in March, Year-On-Year, The Internal Affairs and Communication Ministry said; and,
- **Kawasaki Heavy Industries Ltd** reported that, for its Financial Year, ended March 31, 2008, the Net Profit Attributable to Shareholders was about ¥35.10 billion. That result was an 18-percent rise on the Bottom Line for the previous Year.

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

The HKSAR	Hang Seng Index Minus 0.61 percent to 25,755.35 The Growth Enterprise Index Plus 2.33 percent to 884.08
Indonesia	Plus 0.04 percent to 2,304.52
Japan	TOPIX Index Minus 0.23 percent to 1,358.65 Nikkei-225 Stock Average Minus 0.32 percent to 13,849.99
Malaysia	Minus 0.30 percent to 1,279.86
The Philippines	Minus 0.16 percent to 2,749.77
The PRC	Shanghai Composite Index Plus 4.82 percent to 3,693.11 Shenzhen Composite Index Plus 3.97 percent to 1,097.76
Singapore	Minus 0.77 percent to 3,147.79
South Korea	Plus 0.77 percent to 1,825.47
Taiwan	Plus 0.32 percent to 8,919.92
Thailand	Minus 0.14 percent to 832.45

Thursday

Most of the world's equity markets were closed, last Thursday, as workers took to the streets for the one-day holiday, known as Labour Day.

On Wall Street, however, it was business as usual.

The Dow Jones Industrial Average, which is the key index of The New York Stock Exchange, powered up by about 1.48 percent to end the trading session at 13,010.00 points.

On The NASDAQ, its Composite Index gained about 2.81 percent, rising to 2,480.71 points.

The sudden gains were due to 2 independent events: Gains in the value of the US dollar vis-à-vis other 'hard' currencies; and, another fall in the price of crude oil on international commodity exchanges.

News Wise

- The Big Three **motor-vehicle manufacturers** of the US all reported lower sales for the month of April, compared with April 2007, due in part to weak consumer sentiment and the high price of petrol. Asian motor vehicles, sold in the US, also, suffered.

The sales' results were:

General Motors Corporation	Down 23 percent
Ford Motor Company	Down 19 percent
Chrysler LLC	Down 30 percent
Toyota Motor Corporation	Down 5 percent
Nissan Motor Company	Down 2 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in June was \$US112.52, down about 0.83 percent on Wednesday's closing quote.

As for delivery in July, the last settlement was \$US111.80, off about 0.82 percent, compared with the last settlement on Wednesday.

In Europe, only the equity market of Great Britain was open for business – and its key index hardly moved, during the entire trading day:

Amsterdam's AEX Index	Closed
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France's CAC 40 Index	Closed
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Germany's Frankfurt XETRA DAX Index	Closed
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Great Britain's FTSE 100 Index	Unchanged
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Italy's MIBTEL Index	Closed
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Switzerland's Swiss Market Index	Closed
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In Asia, only Japan's equity markets were open for business.

On The Tokyo Stock Exchange, its TOPIX index gave up about 0.92 percent, falling back to 1,346.10 points.

The ratio of losing counters to gaining ones was 2.67:One, exactly.

The Nikkei-225 Stock Average shed exactly 0.60 percent, dropping back to 13,766.86 yen.

This was how the situation looked on Asian equity markets, last Thursday:

The HKSAR	Hang Seng Index Closed The Growth Enterprise Index Closed
Indonesia	Closed
Japan	TOPIX Index Minus 0.92 percent to 1,346.10 Nikkei-225 Stock Average Minus 0.60 percent to 13,766.86

Malaysia	Closed
The Philippines	Closed
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Closed
South Korea	Closed
Taiwan	Closed
Thailand	Closed

Friday

Prior to Wall Street, opening its doors for business, Commissioner Keith Hall, Bureau of Labour Statistics, released his statement in respect of the April employment and unemployment in the United States for the month of April.

Before the Joint Economic Committee of The Congress of the US, Commissioner Keith Hall testified as follows:

‘Nonfarm payroll employment changed little in April (-20,000), following job losses in the first quarter that averaged 80,000 per month. In April, employment continued to decline in construction, manufacturing, and retail trade, while jobs were added in health care and in professional and technical services. The unemployment rate, at 5.0 percent, was little changed.

‘Within the goods-producing sector, employment in construction declined by 61,000. Since its peak in September 2006, construction employment has fallen by 457,000. Over the last 6 months, job losses averaged 50,000 per month, compared with an average loss of 12,000 per month from September 2006 to October 2007.

‘Manufacturing employment continued to decline in April. Job losses totaled 46,000 and were concentrated in durable goods manufacturing. Manufacturing hours fell from 41.2 to 40.9 hours over the month, with reductions widespread across both durable and nondurable industries. Factory overtime was down by one-tenth of an hour.

‘In the service-providing sector, retail trade employment continued to trend down. Since a peak in March 2007, the industry has shed 137,000 jobs. In April, job declines occurred in building and garden supply stores and in department stores.

‘Elsewhere in the service-providing sector, health care employment expanded by 37,000, with continued growth in hospitals, home health care, and doctors’ offices. Professional and technical services added 27,000 jobs in April, following 3 months in which employment was about unchanged. Employment in food services continued to trend up over the month, although the pace of job growth has slowed in recent months.

'Average hourly earnings for production and nonsupervisory workers in the private sector were up by 1 cent, or 0.1 percent, in April and by 3.4 percent over the past 12 months. From March 2007 to March 2008, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) rose by 4.3 percent.

'Turning to data from the household survey, both the number of unemployed persons (7.6 million) and the unemployment rate (5.0 percent) were little changed in April. Over the past 12 months, the jobless rate has risen by 0.5 percentage point and the number of unemployed individuals has risen by 797,000. Although the number of unemployed persons who had been searching for work for 27 weeks or more increased by 160,000, their share of total unemployment changed little. Over the month, the number of persons who were unemployed due to job loss was little changed, at 4.0 million, but was up by 698,000 from a year earlier. These job losers accounted for 53 percent of all unemployed persons in April, up from 49 percent 12 months earlier. (Other groups of unemployed persons include those entering the labor market for the first time, those reentering after an absence, and those who voluntarily leave jobs.)

'The number of persons in the labor force was about unchanged over the month, and the labor force participation rate held at 66.0 percent. In April, 62.7 percent of the population was employed, essentially unchanged from the prior month but down from a recent peak of 63.4 percent at the end of 2006. The number of persons working part time who prefer full-time employment rose by 306,000 in April to 5.2 million. Over the past 12 months, involuntary part-time employment has increased by 849,000.

'To summarize April's labor market developments, payroll employment was little changed at 137.8 million, as was the unemployment rate, at 5.0 percent...'

Wall Street interpreted the testimony of Commissioner Keith Hall as being positive, or at least, the labour situation in The Land of The Free and The Home of The Brave was not as bad as had been anticipated, earlier.

As a result, the key index of The New York Stock Exchange managed to record a fractional gain.

The Dow Jones Industrial Average finished the week at 13,058.20 points, up about 0.37 percent on Thursday's close.

The Composite Index of The NASDAQ, however, recorded a drop of about 0.15 percent, edging down to 2,476.99 points.

For the week, ended May 2, 2008, the tally for the largest and most-important equity markets of the world was:

The Dow Jones Industrial Average	Plus	1.29 percent
The Composite Index of The NASDAQ	Plus	2.23 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in June was \$US116.32, up about 3.38 percent on Thursday's last settlement.

As for delivery in July, the last settlement for a barrel of light sweet crude oil came in at \$US115.79, up about 3.57 percent on the final quote on Thursday.

In Europe, there was nothing but good news for investors with long positions: Every key index of every major bourse in the region registered material gains.

As is the norm, Europe followed the cue of Wall Street and, seeing that the unemployment situation was not as bad as had, previously, been expected, determined that short-term profits were there for the taking.

The following is **TARGET**'s list of the key indices of the most-important bourses of this region of the world:

Amsterdam's AEX Index	Plus	1.18 percent
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France's CAC 40 Index	Plus	1.46 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.35 percent
Great Britain's FTSE 100 Index	Plus	2.10 percent
Italy's MIBTEL Index	Plus	1.60 percent
Switzerland's Swiss Market Index	Plus	1.81 percent

Asian investors were generally bullish, also, last Friday.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index put on about 1.89 percent, running up to 26,241.02 points.

The Total Turnover was about \$HK89.06 billion, while the ratio of gainers to losers was about 2.78:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628)	Up 3.99 percent to \$HK35.15 per share
PetroChina Company Ltd (Code: 857)	Up 4.14 percent to \$HK12.08 per share
China Mobile Ltd (Code: 941)	Up 2.39 percent to \$HK136.10 per share
Bank of China Ltd (Code: 3988)	Up 2.01 percent to \$HK4.06 per share
CNOOC Ltd (Code: 883)	Down 2.91 percent to \$HK13.36 per share
China Construction Bank Corporation (Code: 939)	Up 2.13 percent to \$HK7.19 per share
HSBC Holdings plc (Code: 5)	Up 0.89 percent to \$HK136.30 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.94 percent to \$HK6.29 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.93 percent to \$HK140.50 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 4.59 percent to \$HK166.50 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)
Alibaba.com Ltd	1688	12.50		16.20
Chi Cheung Investment Company Ltd	112	15.19		1.82
China Eastern Airlines Corporation Ltd	670	11.04		3.72
China Fair Land Holdings Ltd	169	13.51		0.42
Daido Group Ltd	544	10.00		0.044
eCyberChina Holdings Ltd	254	37.70		0.42
Forefront Group Ltd	885	10.88		0.214
Freeman Corporation Ltd	279	19.35		0.037
G-Prop (Holdings) Ltd	286		10.00	0.54
Genesis Energy Holdings Ltd	702	10.48		0.232
Golden Harvest Entertainment (Holdings) Ltd	1132	11.43		3.90
GR Vietnam Holdings Ltd	139	18.33		0.355
Guangzhou Shipyard International Company Ltd	317	10.19		29.75
HKC International Holdings Ltd	248	12.00		0.28
Midland Holdings Ltd	1200	11.11		9.00
New World Department Store China Ltd	825	10.22		9.38
O2Micro International Ltd	457	30.51		1.54
Premium Land Ltd	164		12.00	0.66
Radford Capital Investment Ltd	901	21.62		0.27
See Corporation Ltd	491	39.22		0.071
Sino Katalytics Investment Corporation	2324	10.77		0.072

Skyfame Realty (Holdings) Ltd	59		10.00	1.44
Takson Holdings Ltd	918	11.00		0.222
Temujin International Investments Ltd	204	16.83		1.18
Wah Yuen Holdings Ltd	2349	11.76		0.57
Water Oasis Group Ltd	1161	11.21		2.48

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on 0.80 percent, exactly, ending the week at 891.15 points.

The Total Turnover on this market was about \$HK320.67 million.

Advancing counters outnumbered declining ones by the ratio of about 1.27:One.

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

Town Health International Holdings Company Ltd
(Code: 8138)

Down 0.68 percent to \$HK0.145 per share

Espco Technology Holdings Ltd (Code: 8299)

Up 20.00 percent to \$HK0.33 per share

China Railway Logistics Ltd (Code: 8089)

Unchanged at \$HK1.94 per share

Enviro Energy International Holdings Ltd (Code:
8182)

Up 16.36 percent to \$HK0.32 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 1.41 percent to \$HK0.36 per share

The GEM's biggest movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Byford International Ltd	8272	12.73		1.24
Enviro Energy International Holdings Ltd	8182	16.36		0.32
Espco Technology Holdings Ltd	8299	20.00		0.33
Goldmond Holdings Ltd	8190		10.00	0.09
Golife Concepts Holdings Ltd	8172	13.79		0.033
Jilin Province Huinan Changlong Bio-pharmacy	8049	14.00		0.285

Company Ltd				
Long Success International (Holdings) Ltd	8017	11.63		0.048
Sing Lee Software (Group) Ltd	8076		10.00	0.225
Sino Haijing Holdings Ltd	8065		15.79	0.64
Sonavox International Holdings Ltd	8226	33.96		0.355
South China Land Ltd	8155	16.42		0.78
Tianjin TEDA Biomedical Engineering Company Ltd	8189		21.48	0.212
Value Convergence Holdings Ltd	8101	11.43		1.56
Zhejiang Yonglong Enterprises Company Ltd	8211	11.76		0.76

For the 4-day week, ended Friday, May 2, 2008, the tally for the second, most-important equity market of Asia was:

The Hang Seng Index Plus 2.84 percent
The Growth Enterprise Index Plus 3.45 percent

On The Tokyo Stock Exchange, its TOPIX Index registered a gain of about 2.32 percent as investors pushed it up to 1,377.39 points.

The ratio of gaining counters to losing ones was about 7.07:One.

The Nikkei-225 Stock Average rose about 2.05 percent to 14,049.26 yen.

For the 4-day working week, the tally for the largest equity market of Asia was:

The TOPIX Index Plus 2.84 percent
The Nikkei-225 Stock Average Plus 1.34 percent

This was how the situation looked on other Asian equity markets, last Friday:

The HKSAR	Hang Seng Index Plus 1.89 percent to 26,241.02 The Growth Enterprise Index Plus 0.80 percent to 891.15
Indonesia	Plus 1.66 percent to 2,342.76
Japan	TOPIX Index Plus 2.32 percent to 1,377.39 Nikkei-225 Stock Average Plus 2.05 percent to 14,049.26

Malaysia	Minus 0.65 percent to 1,271.48
The Philippines	Minus 0.98 percent to 2,722.95
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Plus 2.81 percent to 3,236.10
South Korea	Plus 1.25 percent to 1,848.27
Taiwan	Plus 0.49 percent to 8,963.63
Thailand	Plus 1.29 percent to 843.15

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