

**EUROPEANS GO ON STRIKE OVER HIGH CRUDE-OIL PRICES –  
INVESTORS BRACE THEMSELVES FOR THE WEEK AHEAD**

Equity markets in the US were closed, last Monday, for a public holiday.

In Europe, with no guidance from Wall Street and with Great Britain, also on holiday, investors, by and large, sat on their hands in this part of the world, resulting in the key indices of all but the Swiss Market Index to mark time.

There was talk that Switzerland's largest banking group, UBS AG, might announce more Provisions against subprime, mortgage-lending activities of the past few years.

Investors in Switzerland got the willies on hearing the scuttlebutt – and down fell the Swiss Market Index with a thud.

The following is **TARGET**'s list of the most-important equity markets of this part of the world:

Amsterdam's AEX Index	Minus 0.02 percent
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France's CAC 40 Index	Plus 0.08 percent
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Germany's Frankfurt XETRA DAX Index	Plus 0.14 percent
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Great Britain's FTSE 100 Index	Closed
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Italy's MIBTEL Index	Minus 0.24 percent
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Switzerland's Swiss Market Index	Minus 1.28 percent
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In Asia, it was losers all the way on the equity markets of this part of the world.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of the territory's 2 equity markets lost materially.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 2.37 percent, falling back to 24,127.31 points.

The Total Turnover on this market was about \$HK76.69 billion, while the ratio of losers to gainers was 3.77:One, exactly.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Down 8.15 percent to \$HK114.90 per share

China Life Insurance Company Ltd (Code: 2628)

Down 3.80 percent to \$HK30.35 per share

CNOOC Ltd (Code: 883)

Down 2.30 percent to \$HK14.42 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 1.78 percent to \$HK125.70 per share

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

Down 2.06 percent to \$HK5.70 per share

HSBC Holdings plc (Code: 5)

Down 0.68 percent to \$HK130.90 per share

PetroChina Company Ltd (Code: 857)

Down 3.10 percent to \$HK10.62 per share

China Construction Bank Corporation (Code:  
939)

Down 2.65 percent to \$HK6.60 per share

China Merchants Bank Company Ltd (Code:  
3968)

Down 3.94 percent to \$HK27.65 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 1.98 percent to \$HK138.70 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)
APT Satellite Holdings Ltd	1045	15.33		1.73
Benefun International Holdings Ltd	1130	23.60		0.11
China Starch Holdings Ltd	3838		13.45	1.03
China Strategic Holdings Ltd	235	14.00		0.57
Comba Telecom Systems Holdings Ltd	2342	19.25		2.85
Dynamic Energy Holdings Ltd	578		11.51	1.23
Imagi International Holdings Ltd	585		21.62	0.58
Long Far Pharmaceutical Holdings Ltd	2898		21.57	1.20

Midas International Holdings Ltd	1172	12.12		0.37
China Shineway Pharmaceutical Group Ltd	2877		10.66	6.20
Skyfame Realty (Holdings) Ltd	59		12.22	0.79
SunCorp Technologies Ltd	1063	57.02		0.19
Sunny Global Holdings Ltd	1094		13.10	0.73
Wai Yuen Tong Medicine Holdings Ltd	897		11.11	0.28
Yun Sky Chemical (International) Holdings Ltd	663	26.83		0.208

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed 0.97 percent, dropping back to 884.11 points.

The Total Turnover on this speculative market fell to about \$HK184.34 million.

Losing counters outpaced gaining ones by the ratio of about 1.95:One.

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

Intelli-Media Group (Holdings) Ltd (Code: 8173)  
Down 4.44 percent to \$HK0.86 per share

NetDragon Websoft Incorporated (Code: 8288)  
Up 7.20 percent to \$HK11.02 per share

Town Health International Holdings Company Ltd  
(Code: 8138)  
Down 2.70 percent to \$HK0.144 per share

China LotSynergy Holdings Ltd (Code: 8161)  
Down 4.11 percent to \$HK0.35 per share

Tradeeasy Holdings Ltd (Code: 8163)  
Down 1.52 percent to \$HK0.325 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>
G.A. Holdings Ltd	8126	14.75		0.35
Xi'an Haitian Antenna Technologies Company Ltd	8227	12.73		0.31
North Asia Strategic Holdings Ltd	8080		10.92	1.06
Powerleader Science and Technology Company Ltd	8236	10.42		0.265

Prosten Technology Holdings Ltd	8026	14.29		0.40
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In Japan, the key indices of the country's equity markets shed considerable *'fat'*.

On The Tokyo Stock Exchange, which is the premier equity market of Japan, its TOPIX Index gave up 32.51 points, equivalent to about 2.36 percent, dropping back to 1,344.18 points.

Declining counters outpaced advancing ones by the ratio of about 7.41:One.

The Nikkei-225 Stock Average, which is a much-narrower gauge to trading on select blue chips, listed on The First Section of The Tokyo Stock Exchange, than is The TOPIX Index, shed 322.01 yen, or about 2.30 percent, ending the trading day at 13,690.19 yen.

#### News Wise

- **Mitsubishi Motors Corporation (MMC)** has announced that it will be sacking about 105 workers from its Illinois plant. The culling of the workers will take effect from August, this year. The number of workers to be let go is equivalent to about 6 percent of the plant's total workforce.

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

The HKSAR	Hang Seng Index Minus 2.37 percent to 24,127.31 The Growth Enterprise Index Minus 0.97 percent to 884.11
Indonesia	Minus 1.87 percent to 2,419.73
Japan	TOPIX Index Minus 2.36 percent to 1,344.18 Nikkei-225 Stock Average Minus 2.30 percent to 13,690.19
Malaysia	Minus 0.11 percent to 1,273.37
The Philippines	Minus 0.31 percent to 2,840.52
The PRC	Shanghai Composite Index Minus 3.13 percent to 3,364.54 Shenzhen Composite Index Minus 2.90 percent to 1,021.57
Singapore	Minus 0.60 percent to 3,103.30
South Korea	Minus 1.50 percent to 1,800.58
Taiwan	Minus 1.44 percent to 8,707.83

Thailand	Minus 2.15 percent to 856.80
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## Tuesday

On the first day of trading on US equity markets, the key indices rose somewhat spectacularly, considering the grey economic news that clouded the US economic scenario.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 68.72 points, equivalent to about 0.55 percent, as investors pushed it up to 12,548.35 points.

Over on The NASDAQ, its Composite Index gained 36.57 points, or about 1.50 percent, ending the trading day at 2,481.24 points.

Gaining counters outnumbered losing ones by about 1.75:One on The New York Stock Exchange and by about 1.80:One on The NASDAQ.

The gurus of Wall Street were at it again, fanning the flames of investors' optimism, making the usual claims that the worst in respect of the US economy was in the past.

Nothing could have been further from the truth.

From Washington D.C., it was announced that, for the month of March, the price of a single-family home fell on average by about 14.40 percent, Year-On-Year.

At the same time, consumer confidence in the US had fallen to a 16-year low in the month of May.

And, from the US Commerce Department came the news that sales of newly constructed, single-family homes rose in April for the first time since October 2007.

Then, from The Conference Board came its prognostications that inflation in the US was on the road to about 7.70 percent, up from April's figure of about 6.80 percent.

In such a scenario, it would suggest that the US Federal Reserve Board may well consider raising interest rates by at least one notch at its next Open Market Committee Meeting.

Good news came from international commodity exchanges, however, as the price of crude oil came off the boil.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in July came in at \$US128.85, representing a fall of about 2.53 percent, compared with the final quote of Friday, May 23, 2008.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US128.94, equivalent to a drop of about 2.50 percent, compared with the previous Friday's closing level.

In Europe, it was not all beer and skittles.

The latest data, compiled by The European Central Bank, indicated that business confidence in France had fallen to a 30-month low.

Also, business confidence in Germany was on the wane.

Also, there was concern that inflation in this part of the world was running at a too high a level for the financial health of eurozone economies.

The price of crude oil from the start of the month had risen by about 15 percent – and such a fast gain can never be considered positive, anywhere in the world.

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

Amsterdam's AEX Index	Minus	0.93 percent
France's CAC 40 Index	Minus	0.63 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.06 percent
Great Britain's FTSE 100 Index	Minus	0.47 percent
Italy's MIBTEL Index	Minus	0.33 percent
Switzerland's Swiss Market Index	Plus	0.73 percent

In Asia, mild bullishness prevailed, for the most part.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose 154.73 points, or about 0.64 percent, as investors nudged it to 24,282.04 points.

The Total Turnover fell to about \$HK54.49 billion, down about 29 percent, compared with the volume of activity on Monday.

With such a relatively low volume of activity, there was no way that anybody could suggest that this was a bullish market.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Down 0.17 percent to \$HK114.70 per share
CNOOC Ltd (Code: 883)	Up 3.74 percent to \$HK14.96 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.81 percent to \$HK30.90 per share
HSBC Holdings plc (Code: 5)	Up 0.31 percent to \$HK131.30 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.88 percent to \$HK126.80 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 1.44 percent to \$HK136.70 per share
China Construction Bank Corporation (Code: 939)	Up 0.76 percent to \$HK6.65 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.88 percent to \$HK5.75 per share

China Petroleum and Chemical  
Corporation (Code: 386)

Up 0.71 percent to \$HK7.10 per share

PetroChina Company Ltd (Code: 857)

Up 0.19 percent to \$HK10.64 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Benefun International Holdings Ltd	1130		11.82	0.097
Beijing Enterprises Water Group Ltd	371	23.26		3.55
China HealthCare Holdings Ltd	673	11.11		0.45
Climax International Company Ltd	439	11.79		0.218
G-Vision International (Holdings) Ltd	657	12.73		0.62
Kwong Hing International Holdings (Bermuda) Ltd	1131	20.69		0.70
LeRoi Holdings Ltd	221	10.94		0.355
Nubrand Group Holdings Ltd	835	13.89		0.41
Peaktop International Holdings Ltd	925	36.36		0.60
RBI Holdings Ltd	566	50.00		0.90
Sincere Watch (Hongkong) Ltd	444		16.26	1.03
Sino Katalytics Investment Corporation	2324	11.11		0.07
SunCorp Technologies Ltd	1063		10.00	0.171
United Metals Holdings Ltd	2302	48.20		4.12
Wealthmark International (Holdings) Ltd	39		12.16	0.65
Yun Sky Chemical (International) Holdings Ltd	663		11.06	0.185

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose 5.54 points, equivalent to about 0.63 percent, ending the trading day at 889.65 points.

The Total Turnover on this speculative market was about \$HK406 million, while the ratio of gainers to

losers was about 1.17:One.

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

Ko Yo Ecological Agrotech (Group) Ltd (Code:  
8042)

Unchanged at \$HK0.196 per share

BIG Media Group Ltd (Code: 8167)

Up 8.33 percent to \$HK0.455 per share

Century Sunshine Ecological Technology Holdings  
Ltd (Code: 8276)

Up 15.09 percent to \$HK0.305 per share

A and K Educational Software Holdings Ltd (Code:  
8053)

Up 2.58 percent to \$HK1.99 per share

Town Health International Holdings Company Ltd  
(Code: 8138)

Unchanged at \$HK0.144 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>
A-S China Plumbing Products Ltd	8262		10.34	2.60
AKM Industrial Company Ltd	8298		11.20	0.222
China Chief Cable TV Group Ltd	8153		10.67	0.67
Century Sunshine Ecological Technology Holdings Ltd	8276	15.09		0.305
China Medical and Bio Science Ltd	8120	16.67		0.14
Era Information and Entertainment Ltd	8043	18.57		0.415
M Dream Inworld Ltd	8100		11.11	0.20
Techpacific Capital Ltd	8088		10.00	0.90
Timeless Software Ltd	8028	15.79		0.11
Venturepharm Laboratories Ltd	8225	10.59		1.88

In Japan, there were only gainers on the country's 3 equity markets.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index put on



24.07 points, equivalent to about 1.79 percent, rising to 1,368.25 points.

The ratio of gaining counters to losing ones was about 2.92:One.

The Nikkei-225 Stock Average rose 203.12 yen, or about 1.48 percent, ending the day at 13,893.31 yen.

#### News Wise

- **Norinchukin Bank** announced that it had made a Loss Attributable to Shareholders of about ¥186.90 billion for its 2007 Fiscal Year.

In other Asian equity markets, this was how their respective key indices ended last Tuesday's trading day:

The HKSAR	Hang Seng Index Plus 0.64 percent to 24,282.04 The Growth Enterprise Index Plus 0.63 percent to 889.65
Indonesia	Minus 0.94 percent to 2,397.00
Japan	TOPIX Index Plus 1.79 percent to 1,368.25 Nikkei-225 Stock Average Plus 1.48 percent to 13,893.31
Malaysia	Plus 0.07 percent to 1,274.24
The Philippines	Plus 0.54 percent to 2,855.98
The PRC	Shanghai Composite Index Plus 0.32 percent to 3,375.41 Shenzhen Composite Index Plus 0.93 percent to 1,031.04
Singapore	Plus 0.39 percent to 3,115.35
South Korea	Plus 1.37 percent to 1,825.23
Taiwan	Plus 0.81 percent to 8,778.39
Thailand	Minus 0.14 percent to 855.60

#### Wednesday

The key indices of US equity markets ended last Wednesday's trading session flat.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.36 percent to 12,594.03 points, while, on The NASDAQ, its Composite Index ended the trading day at 2,486.70 points, up about

0.22 percent on Tuesday's closing number.

The ratio of gainers to losers on the world's largest equity markets was, on The New York Stock Exchange, 1.33:One, and, on The NASDAQ, about One:One.

Trading was extremely quiet, about 37 percent lower than the average daily turnover for 2007.

Such a situation is the ground-swell for a material fall.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in July was \$US131.03, representing an increase of about 1.69 percent, compared with Tuesday's close.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US130.99, an increase on the last settlement of Tuesday of about 1.59 percent.

In Europe, every key index of every major bourse chalked up gains, led by investors from The Netherlands, who appeared to be going all out to load up on select stocks and shares.

Investors in this part of the world were on a buying spree in the mistaken belief that the crude-oil price had peaked.

Nothing could have been further from the truth as the closing price of crude oil on The NYMEX, last Wednesday, made it only too clear.

This was how the situation looked at the close of trading on Europe's most important equity markets, last Wednesday night:

Amsterdam's AEX Index	Plus	1.65 percent
France's CAC 40 Index	Plus	1.31 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.08 percent
Great Britain's FTSE 100 Index	Plus	0.14 percent
Italy's MIBTEL Index	Plus	0.18 percent
Switzerland's Swiss Market Index	Plus	0.76 percent

In Asia, the tally was 7:3 – That is to say that the key indices of 7 equity markets lost ground while the key indices of 3 equity markets gained some ground.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market lost a fraction, while the lone index of the speculative market rose about one quarter of a percentage point.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 0.13 percent to 24,249.51 points on a Total Turnover of about \$HK60.21 billion.

The ratio of losing counters to gaining ones was exactly 1.53:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Down 1.57 percent to \$HK112.90 per share

CNOOC Ltd (Code: 883)

Down 5.08 percent to \$HK14.20 per share

China Petroleum and Chemical  
Corporation (Code: 386)

Up 0.70 percent to \$HK7.15 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.16 percent to \$HK30.95 per share

HSBC Holdings plc (Code: 5)

Down 0.30 percent to \$HK130.90 per share

China Construction Bank Corporation (Code:  
939)

Up 0.75 percent to \$HK6.70 per share

PetroChina Company Ltd (Code: 857)

Up 0.19 percent to \$HK10.66 per share

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

Up 1.34 percent to \$HK64.50 per share

Bank of China Ltd (Code: 3988)

Unchanged at \$HK3.87 per share

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

Down 0.17 percent to \$HK5.74 per share

As for the Main Board's double-digit 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>
Asia Tele-Net and Technology Corporation Ltd	679	21.95		0.50
Chengdu PUTIAN Telecommunications Cable Company Ltd	1202	11.45		1.85
China HealthCare Holdings Ltd	673	26.67		0.57
China Starch Holdings Ltd	3838		10.89	0.90
eForce Holdings Ltd	943	13.92		0.45
First Sign International Holdings Ltd	933	13.79		1.98
Garron International Ltd	1226	15.25		0.68
GFT Holdings Ltd	1003	11.11		0.04

Grandtop International Holdings Ltd	2309	10.53		0.315
Henry Group Holdings Ltd	859	12.36		1.00
Honghua Group Ltd	196	13.71		3.98
Incutech Investments Ltd	356	29.79		0.61
Kai Yuan Holdings Ltd	1215	10.92		0.193
MAE Holdings Ltd	851	25.49		0.64
Oriental Explorer Holdings Ltd	430		12.15	0.094
Peaktop International Holdings Ltd	925		13.33	0.52
RBI Holdings Ltd	566	26.67		1.14
Skyfame Realty (Holdings) Ltd	59	16.05		0.94
Solargiga Energy Holdings Ltd	757		10.68	5.10
Tianneng Power International Ltd	819	10.32		1.71
Vision Tech International Holdings Ltd	922	12.96		0.305
ZZNode Technologies Company Ltd	2371		13.60	1.97

On the speculative **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.25 percent to end the day at 891.90 points.

The Total Turnover on this market was about \$HK165.80 million, while the ratio of losers to gainers was about 1.36:One.

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

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

Unchanged at \$HK0.84 per share

Town Health International Holdings Company Ltd  
(Code: 8138)

Down 1.39 percent to \$HK0.142 per share

BIG Media Group Ltd (Code: 8167)

Up 5.49 percent to \$HK0.48 per share

Espco Technology Holdings Ltd (Code: 8299)

Unchanged at \$HK0.305 per share

China Railway Logistics Ltd (Code: 8089)

Up 0.54 percent to \$HK1.86 per share

There were only 4, double-digit movers on The GEM, last Wednesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A and K Educational Software Holdings Ltd	8053	13.07		2.25
China Information Technology Development Ltd	8178	15.85		0.285
Era Information and Entertainment Ltd	8043		12.05	0.365
Techpacific Capital Ltd	8088		11.11	0.80

In Japan, the key indices of the country's equity markets shed material ground.

On The Tokyo Stock Exchange, its TOPIX Index gave up about 1.43 percent, falling back to 1,348.69 points.

The ratio of declining counters to advancing ones was nearly equal.

The Nikkei-225 Stock Average retreated about 1.32 percent to 13,709.44 yen.

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

The HKSAR	Hang Seng Index Minus 0.13 percent to 24,249.51 The Growth Enterprise Index Plus 0.25 percent to 891.90
Indonesia	Plus 1.53 percent to 2,433.77
Japan	TOPIX Index Minus 1.43 percent to 1,348.69 Nikkei-225 Stock Average Minus 1.32 percent to 13,709.44
Malaysia	Minus 1.07 percent to 1,260.58
The Philippines	Minus 0.80 percent to 2,833.27
The PRC	Shanghai Composite Index Plus 2.48 percent to 3,459.03 Shenzhen Composite Index Plus 2.47 percent to 1,056.54
Singapore	Plus 0.56 percent to 3,132.78

South Korea	Minus 1.07 percent to 1,805.64
Taiwan	Minus 1.28 percent to 8,665.73
Thailand	Minus 2.64 percent to 832.99

### **Thursday**

Once again, on light volume, the key indices of the world's largest equity markets managed to squeeze out fractional gains.

On The New York Stock Exchange, the Dow Jones Industrial Average ended last Thursday's trading day at 12,646.22 points, representing a gain of about 0.41 percent on Wednesday's close.

As for The NASDAQ's Composite Index, it gained about 0.87 percent as investors nudged it to 2,508.32 points.

Investors on Wall Street appeared to be biding their time with the volume of activity, being extremely low.

Helping Wall Street to end the day in the black was news that the price of crude oil on international commodity exchanges had fallen off, again.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in July came in at \$US126.62, down about 3.67 percent, compared with Wednesday's final quote.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US126.81, equivalent to a one-day gain of about 3.19 percent.

In Europe, the decline in the price of crude oil was considered a plus for investors because, inter alia, it meant that the continuing threat of higher inflation figures may be ameliorated if the price of crude oil continues to fall.

Against that, however, banks were a decided drag on most of the major bourses of the region, following reports that property prices were continuing to drop in line with the pessimism that exists in the housing markets of the US.

Many banks in Eurozone are indirect holders of some of the loans, afforded to would-be, home-owners of the US of a few years ago, loans that were, eventually, dubbed as being subprime when push came to shove.

These loans were packaged by Wall Street into derivatives and other financial instruments and, then, sold as high-yielding, AAA investments, with anticipated guaranteed, recurrent incomes due to existence of mortgages, supporting the cash advances, made to US home-owners at the entry point of the mortgage applications.

Today, many of these financial instruments are devoid of any significant value with the market worth of the collateral, supposedly the basis for the cash loans, in the first place, continuously dropping to lower and lower levels as the days go by.

As for the original applicants for loans to buy their homes in the US, they, for the most part, are long gone ... and the banks and finances houses are holding onto what appears, at this juncture, to be worthless pieces of paper.

For the first 5 months of this year, the market price of shares of Eurozone banks, on average, has fallen by about 20 percent.

And their prices continue to fall.

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

Amsterdam's AEX Index	Plus	0.44 percent
France's CAC 40 Index	Plus	0.09 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.30 percent
Great Britain's FTSE 100 Index	Plus	0.01 percent
Italy's MIBTEL Index	Plus	0.11 percent
Switzerland's Swiss Market Index	Plus	0.89 percent

#### News Wise

- **House prices** in the United Kingdom continue to fall, according to The Nationwide Building Society. In May, alone, house prices fell by about 2.50 percent, the largest monthly fall since 1991. Year-On-Year, May's house prices were off about 4.40 percent.

In Asia, the key indices of major equity markets were firmly in the black, although the key indices of the 2 stock markets of the People's Republic of China (PRC) were stuck, strongly, in the red.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, the territory's 2 equity markets made gains, but, once again, the gains were of a fractional nature.

The Hang Seng Index, which is a key gauge of trading on select blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.56 percent to 24,383.99 points on a Total Turnover of about \$HK64.09 billion.

The ratio of advancing counters to declining ones was about 1.41:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)	Up 1.51 percent to \$HK114.60 per share
CNOOC Ltd (Code: 883)	Down 3.24 percent to \$HK13.74 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 1.62 percent to \$HK134.00 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 4.20 percent to \$HK7.45 per share
HSBC Holdings plc (Code: 5)	Up 0.23 percent to \$HK131.20 per share
PetroChina Company Ltd (Code: 857)	Up 0.75 percent to \$HK10.74 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.48 percent to \$HK31.10 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.01 percent to \$HK85.00 per share

China Construction Bank Corporation (Code:  
939)

Up 0.75 percent to \$HK6.75 per share

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

Up 1.05 percent to \$HK5.80 per share

As for the Main Board's double-digit 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>
Asia Tele-Net and Technology Corporation Ltd	679	18.00		0.59
China HealthCare Holdings Ltd	673	54.39		0.88
Dah Sing Financial Holdings Ltd	440	10.07		65.60
GCL-Poly Energy Holdings Ltd	3800	10.16		1.41
Haier Electronics Group Company Ltd	1169	23.33		1.48
KTP Holdings Ltd	645	10.53		0.84
Kwong Hing International Holdings (Bermuda) Ltd	1131		11.27	0.63
Pearl River Tyre (Holdings) Ltd	1187	20.00		1.50
Stella International Holdings Ltd	1836	10.48		13.70
Times Ltd	1832		14.86	2.98
United Metals Holdings Ltd	2302	11.25		4.45
United Pacific Industries Ltd	176	19.44		0.43
Wang Sing International Holdings Group Ltd	2389	15.79		0.44
Wealthmark International (Holdings) Ltd	39		10.29	0.61
Wonderful World Holdings Ltd	109	10.57		0.136



Sinopec Yizheng Chemical Fibre Company Ltd	1033	10.98		1.82
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On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index struggled up to 893.47 points, a one-day improvement of about 0.18 percent.

The volume of activity on this speculative market was about \$HK236.16 million, while the ratio of losing counters to gaining ones was about 1.02:One.

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

Wumart Stores Incorporated (Code: 8277)

Up 0.92 percent to \$HK6.60 per share

BIG Media Group Ltd (Code: 8167)

Up 12.50 percent to \$HK0.54 per share

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

Down 0.76 percent to \$HK13.00 per share

China Information Technology Development Ltd  
(Code: 8178)

Up 1.75 percent to \$HK0.29 per share

Intcera High Tech Group Ltd (Code: 8041)

Up 15.00 percent to \$HK0.092 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	12.50		0.54
China Medical and Bio Science Ltd	8120		10.07	0.125
Era Information and Entertainment Ltd	8043		13.70	0.315
Excel Technology International Holdings Ltd	8048	22.35		0.104
Intcera High Tech Group Ltd	8041	15.00		0.092
ITE (Holdings) Ltd8092	8092	11.36		0.098
SYSCAN Technology Holdings Ltd	8083	11.11		0.07

The key index of the premier equity market of Japan, The TOPIX Index of The Tokyo Stock Exchange, led the winners of Asia, last Thursday.

The TOPIX Index ended the trading day at 1,380.63 points, an increase of about 2.37 percent, compared with Wednesday's closing level.

Advancing counters outnumbered declining ones by the ratio of about 8.65:One.

The Nikkei-225 Stock Average rose about 3.03 percent to 14,124.47 yen.

#### News Wise

- Monthly **household spending** in Japan fell in April by about 2.70 percent, Year-On-Year, according to The Ministry of Internal Affairs and Communications;
- **Unemployment** in Japan stood at about 4 percent in April, up from about 3.80 percent in March, The Labour Ministry announced; and,
- The Economy, Trade and Industry Ministry announced that April's **retail sales** rose at the slowest pace of the previous 9 months. Sales improved by about 0.10 percent in April, Year-On-Year. Meanwhile, consumer confidence stands at a 6-year low.

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

The HKSAR	Hang Seng Index Plus 0.56 percent to 24,383.99 The Growth Enterprise Index Plus 0.18 percent to 893.47
Indonesia	Plus 0.54 percent to 2,446.95
Japan	TOPIX Index Plus 2.37 percent to 1,380.63 Nikkei-225 Stock Average Plus 3.03 percent to 14,124.47
Malaysia	Plus 0.10 percent to 1,261.82
The Philippines	Minus 1.10 percent to 2,802.22
The PRC	Shanghai Composite Index Minus 1.66 percent to 3,401.44 Shenzhen Composite Index Minus 2.16 percent to 1,033.69
Singapore	Plus 0.89 percent to 3,160.78
South Korea	Plus 1.97 percent to 1,841.22
Taiwan	Plus 0.22 percent to 8,684.92
Thailand	Minus 0.29 percent to 830.61

#### Friday

Wall Street was another dud, last Friday.

On The New York Stock Exchange, the volume of activity continued to be on the very low side, suggesting, strongly, that there could be a major sell-off on the cards, at any time.

The Dow Jones Industrial Average lost about 0.06 percent, ending the week at 12,638.32 points.

The Composite Index of The NASDAQ, however, managed a gain of about 0.57 percent as investors drove it back to 2,522.66 points.

The rapid increase in the prices of fossil fuels, low consumer confidence in the US economy and fears that inflation would result in increased interest rates all conspired against investor sentiment, thus dragging down the volume of trading on the world's largest and most-influential equity markets.

For the 4-day trading week, the tally for Wall Street was:

The Dow Jones Industrial Average	Plus	1.27 percent
The Composite Index of The NASDAQ	Plus	3.19 percent

In Europe, there was widespread unrest among workers and consumers alike over high fuel prices.

Tens of thousands of fishermen had gone on strike.

In Spain, which is Europe's largest producer of fish, thousands demonstrated in the country's capital city of Madrid.

In the United Kingdom and The Netherlands, lorry drivers held protests over the high price of fuel.

The record-high price of fossil fuels is, now, affecting every corner of every economy of the West – and it is hurting.

In Eurozone, inflation is running at a 16-year high, mostly as the result of high oil prices.

The European Commission reported that May saw consumer confidence fall to a 3-year low.

On European equity markets, however, the key indices, for the most part, ran to higher levels, probably in anticipation that the governments of this part of the world would get together in order to nut out a solution to the problems, plaguing the European economies.

This was how the key indices of the major European bourses ended the week of May 30, 2008:

Amsterdam's AEX Index	Plus	0.35 percent
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France's CAC 40 Index	Plus	0.77 percent
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Germany's Frankfurt XETRA DAX Index	Plus	0.59 percent
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Great Britain's FTSE 100 Index	Minus	0.24 percent
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Italy's MIBTEL Index	Plus	1.17 percent
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Switzerland's Swiss Market Index	Minus	0.40 percent
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On The New York Mercantile Exchange (NYMEX), which is the world's largest commodity exchange, the

last settlement for a barrel of light sweet crude oil for delivery in July was \$US127.35, an increase of about 0.58 percent on Thursday's closing level.

As for delivery in August, the last settlement for a barrel of light sweet crude oil came in at \$US127.50, representing an increase of about 0.24 percent on the day.

In Asia, the mood of investors was generally improved, resulting in gains in the key indices of the major equity markets of the region.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets managed to eke out small gains.

The Hang Seng Index, which is a key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.61 percent to 24,533.12 points on a Total Turnover of about \$HK85.51 billion.

The ratio of gainers to losers was about 1.76:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 0.09 percent to \$HK114.70 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 5.50 percent to \$HK7.86 per share
Tencent Holdings Ltd (Code: 700)	Down 3.52 percent to \$HK65.70 per share
Mongolia Energy Corporation Ltd (Code: 276)	Up 14.19 percent to \$HK17.70 per share
PetroChina Company Ltd (Code: 857)	Up 4.47 percent to \$HK11.22 per share
China Construction Bank Corporation (Code: 939)	Up 2.96 percent to \$HK6.95 per share
CNOOC Ltd (Code: 883)	Down 1.02 percent to \$HK13.60 per share
CLP Holdings Ltd (Code: 2)	Up 9.85 percent to \$HK70.50 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Unchanged at \$HK134.00 per share
HSBC Holdings plc (Code: 5)	Up 0.38 percent to \$HK131.70 per share

There was a total of 36, Main Board, double-digit movers, last Friday.

The biggest gainer of the day was Synergis Holdings Ltd (Code: 2340), the share price of which rose 28.41 percent to \$HK1.13.

The biggest loser of the day was New Focus Auto Tech Holdings Ltd (Code: 360) as investors dragged down its share price by 11.95 percent to \$HK1.40.

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose exactly 0.31 percent, ending the trading day at 896.24 points.

The Total Turnover on this market was about \$HK289.30 million.

However, on this speculative marketplace, losers outnumbered gainers by the ratio of about 1.21:One.

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

Info Communication Holdings Ltd (Code: 8082)

Down 8.57 percent to \$HK0.32 per share

BIG Media Group Ltd (Code: 8167)

Down 3.70 percent to \$HK0.52 per share

NetDragon Websoft Incorporated (Code: 8288)

Down 6.64 percent to \$HK10.40 per share

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

Down 4.82 percent to \$HK0.79 per share

Golden Meditech Company Ltd (Code: 8180)

Up 4.00 percent to \$HK3.12 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
HC International Incorporated	8292		11.69	0.68
M Dream Inworld Ltd	8100	21.05		0.23
Prosten Technology Holdings Ltd	8026	11.25		0.445
ProSticks International Holdings Ltd	8055	19.05		0.75
Qianlong Technology International Holdings Ltd	8015	17.65		0.80
Rojam Entertainment Holdings Ltd	8075	73.68		0.099

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

The Hang Seng Index Minus 0.73 percent

The Growth Enterprise Index Plus 0.39 percent

The key indices of Japan continued to be winners in this part of the world.

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.99 percent to 1,408.14 points.

The ratio of gaining counters to losing ones was about 3.83:One.

The Nikkei-225 Stock Average rose about 1.52 percent to end the week at 14,338.54 yen.

The tally for the week for Asia's largest and most-important stock market was:

The TOPIX Index Plus 2.28 percent

The Nikkei-225 Stock Average Plus 2.33 percent

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

The HKSAR	Hang Seng Index Plus 0.61 percent to 24,533.12 The Growth Enterprise Index Plus 0.31 percent to 896.24
Indonesia	Minus 0.11 percent to 2,444.35
Japan	TOPIX Index Plus 1.99 percent to 1,408.14 Nikkei-225 Stock Average Plus 1.52 percent to 14,338.54
Malaysia	Plus 1.13 percent to 1,276.10
The Philippines	Plus 0.90 percent to 2,827.44
The PRC	Shanghai Composite Index Plus 0.94 percent to 3,433.35 Shenzhen Composite Index Plus 0.32 percent to 1,036.99
Singapore	Plus 1.01 percent to 3,192.62
South Korea	Plus 0.59 percent to 1,852.02
Taiwan	Minus 0.76 percent to 8,619.08
Thailand	Plus 0.37 percent to 833.65

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