

**CRUDE OIL HITS ANOTHER HISTORIC HIGH;  
UNEMPLOYMENT IN THE U.S. HITS 5.50 PERCENT;  
BLOOD SPILLS ON WALL STREET'S FLOORS**

Bradford and Bingley plc, one of the United Kingdom's largest mortgage lenders with an estimated 2.90-percent share of total mortgage balances outstanding, making it the tenth-largest, residential mortgage lender in the United Kingdom, put the cat in the chicken house, last Monday – and the commotion among the chickens could be heard from Threadneedle Street to Wall Street.

B and B, as it is commonly known in the UK, caused such an international stir that it helped to drag down the key indices of major equity markets, around the Western World.

B and B's Senior Management said, inter alia, that the state of the UK economy was deteriorating at a very fast pace.

The share price of B and B fell by about 25 percent during trading on The London Stock Exchange.

On Wall Street, the news about B and B started somewhat of a mild panic among a number of institutional investors.

On The New York Stock Exchange, the Dow Jones Industrial Average fell 134.50 points, equivalent to about 1.06 percent, ending the trading day at 12,503.82 points.

As for The NASDAQ, its Composite Index gave up 31.13 points, or about 1.23 percent, as investors pulled it back to 2,491.53 points.

Losing counters outnumbered gaining ones by the ratio of about 2:One on both of the world's largest equity markets.

As one would expect, following the statements of senior management of B and B, banking counters took it on the nose on The New York Stock Exchange.

Here are just some of the large losers:

Lehman Brothers Holdings Incorporated Down 8.10 percent to \$US33.83 per share

Morgan Stanley                      Down 2.50 percent to \$US43.10 per share

Merrill Lynch and Company Incorporated Down 3.00 percent to \$US42.62 per share

On The New York Mercantile Exchange (NYMEX), the price of crude oil continued its relentless rise.

For delivery in July, the last settlement for a barrel of light sweet crude oil came in at \$US127.76, representing an increase of about 0.32 percent on the final quote of the previous Friday, May 30, 2008.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US128.05, up about

0.43 percent on the final quote of the previous Friday.

On European bourses, the B and B announcement hurt investors' confidence and, as a direct result, the key indices came off substantially:

Amsterdam's AEX Index	Minus 1.31 percent
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France's CAC 40 Index	Minus 1.57 percent
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Germany's Frankfurt XETRA DAX Index	Minus 1.24 percent
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Great Britain's FTSE 100 Index	Minus 0.75 percent
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Italy's MIBTEL Index	Minus 1.37 percent
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Switzerland's Swiss Market Index	Plus 0.59 percent
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The share prices of banks were among the biggest casualties.

In addition, the currency markets came in for a wallop, too, with the yen's translation value, rising against the US dollar, as did the euro.

Sterling lost a great deal of its shine.

In Asia, it was a mixed bag, with the key indices of half of the equity markets, losing material ground, with the remaining markets, seeing their key indices struggle to make headway against strong gusts of investor selling pressure.

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, rose about 1.22 percent to 24,831.36 points on a Total Turnover of about \$HK74.28 billion.

The ratio of advancing counters to declining ones was about 2.11:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 2.53 percent to \$HK117.60 per share
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PetroChina Company Ltd (Code: 857)	Up 2.14 percent to \$HK11.46 per share
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CNOOC Ltd (Code: 883)	Up 3.53 percent to \$HK14.08 per share
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HSBC Holdings plc (Code: 5)	Down 0.23 percent to \$HK131.40 per share
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China Life Insurance Company Ltd (Code: 2628)	Up 3.03 percent to \$HK32.30 per share
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China Petroleum and Chemical Corporation (Code: 386)	Up 3.69 percent to \$HK8.15 per share
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Industrial and Commercial Bank of China Ltd  
(Code: 1398)

Up 1.54 percent to \$HK5.92 per share

Mongolia Energy Corporation Ltd (Code: 276)

Down 0.11 percent to \$HK17.68 per share

China Construction Bank Corporation (Code:  
939)

Down 0.43 percent to \$HK6.92 per share

CLP Holdings Ltd (Code: 2)

Down 8.23 percent to \$HK64.70 per share

The Main Board's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	21.95		1.00
Bright International Group Ltd	1163	11.11		0.60
Build King Holdings Ltd	240	16.23		0.265
C C Land Holdings Ltd	1224		16.46	6.70
Chi Cheung Investment Company Ltd	112	11.45		1.85
China HealthCare Holdings Ltd	673		12.66	0.69
China Wireless Technologies Ltd	2369	12.68		0.80
First Sign International Holdings Ltd	933	18.01		2.49
Fosun International Ltd	656	11.07		6.62
Hidili Industry International Development Ltd	1393		10.53	13.60
Imagi International Holdings Ltd	585		11.11	0.72
Kasen International Holdings Ltd	496	18.95		1.82
Long Far Pharmaceutical Holdings Ltd	2898		10.00	0.99
Macau Investment Holdings Ltd	2362		15.75	1.07
Mascotte Holdings Ltd	136		19.30	0.46

New Focus Auto Tech Holdings Ltd	360	10.71		1.55
New Times Group Holdings Ltd	166	19.66		1.40
Overseas Chinese Town (Asia) Holdings Ltd	3366	13.64		2.50
Pacific Andes International Holdings Ltd	1174	11.49		1.65
Pearl River Tyre (Holdings) Ltd	1187		18.79	1.21
Shangri-La Asia Ltd	69		15.02	22.35
Sunny Global Holdings Ltd	1094	11.69		0.86
Tern Properties Company Ltd	277		14.57	3.93
Wang Sing International Holdings Group Ltd	2389	11.11		0.50
Wo Kee Hong (Holdings) Ltd	720		10.77	0.58

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, it was a completely different story to that, being told in the Main Board.

The Growth Enterprise Index, which is the lone index of this speculative market, shed about 0.09 percent, dropping back to 895.41 points.

The Total Turnover on this market was about \$HK208.85 million, while the ratio of losing counters to gaining ones was about 1.07:One.

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

Intcera High Tech Group Ltd (Code: 8041) Up 25.00 percent to \$HK0.115 per share

China Fire Safety Enterprise Group Holdings Ltd  
(Code: 8201) Up 1.72 percent to \$HK0.59 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173) Up 5.06 percent to \$HK0.83 per share

Espco Technology Holdings Ltd (Code: 8299) Down 1.67 percent to \$HK0.295 per share

BIG Media Group Ltd (Code: 8167) Unchanged at \$HK0.52 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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B M Intelligence International Ltd	8158	11.32		0.295
China Medical and Bio Science Ltd	8120	14.17		0.137
Computech Holdings Ltd	8081		11.67	0.53
iMerchants Ltd	8009	11.11		3.50
Intcera High Tech Group Ltd	8041	25.00		0.115
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		10.71	0.25
Rojam Entertainment Holdings Ltd	8075		33.33	0.066

In Japan, the 3 equity markets of the country managed to make material gains.

On the premier equity market – The Tokyo Stock Exchange – its TOPIX Index rose 16.96 points, equivalent to about 1.20 percent, running up to 1,425.10 points.

The ratio of gaining counters to losing ones was about 1.74:One.

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 The TOPIX Index, rose 101.60 yen, or about 0.71 percent, ending the trading day at 14,440.14 yen.

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

The HKSAR	Hang Seng Index Plus 1.22 percent to 24,831.36 The Growth Enterprise Index Minus 0.09 percent to 895.41
Indonesia	Minus 0.68 percent to 2,427.77
Japan	TOPIX Index Plus 1.20 percent to 1,425.10 Nikkei-225 Stock Average Plus 0.71 percent to 14,440.14
Malaysia	Minus 1.07 percent to 1,262.49
The Philippines	Minus 0.05 percent to 2,825.89
The PRC	Shanghai Composite Index Plus 0.75 percent to 3,459.04 Shenzhen Composite Index Plus 0.25 percent to 1,039.61

Singapore	Minus 0.14 percent to 3,188.05
South Korea	Minus 0.24 percent to 1,847.53
Taiwan	Plus 1.22 percent to 8,724.47
Thailand	Minus 2.81 percent to 810.22

## **Tuesday**

Fears that Lehman Brothers Holdings Incorporated may have to raise more money, one way or another, were said to have been the reason for the second day of losses on the world's largest equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average fell another 0.81 percent to 12,402.85 points, while, over on The NASDAQ, its Composite Index gave up about 0.44 percent to end the trading session at 2,480.48 points.

The ratio of losing counters to gaining ones was about 1.50:One on The New York Stock Exchange and about 1.33:One on The NASDAQ.

In addition to suggestions that Lehman Brothers Holdings Incorporated was running almost dry on cash, there was more news about the poor state of the US motor- vehicle industry.

In the month of May, motor-vehicle sales in the US plunged.

The biggest losers were:

General Motors Corporation Down 30 percent, Year-On-Year

Ford Motor Company Down 19 percent, Year-On-Year

General Motors Corporation announced, also, that it would be closing 4, motor-vehicle plants in the US, Canada and Mexico.

On what may be considered a negative for US industry, Dr Ben Bernanke, the Chairman of The Federal Reserve Board, said, inter alia, at the International Monetary Conference, in Barcelona, Spain:

### ***'The Outlook*** (For The US Economy)

*'With this broader perspective as background, I turn now to a brief discussion of the current situation and outlook. Broadly speaking, the functioning of financial markets has improved of late, but conditions remain strained and some key funding and securitization markets have shown only tentative signs of recovery. Some borrowers, such as highly-rated corporations, retain good access to credit, but credit conditions generally remain restrictive in areas related to residential or commercial real e Residential construction continues to contract, and the overhang of unsold new homes remains large, although it has declined some in absolute terms. Consumer spending has thus far held up a bit better than expected, but households continue to face significant headwinds, including falling house prices, a softer job market, tighter credit, and higher energy prices, and consumer sentiment has declined sharply since the fall. Businesses are also facing challenges, including rapidly escalating costs of raw materials and weaker domestic demand. However, the strength of foreign demand for U.S. goods and services has offset, to some extent, the slowing of domestic sales.*

*‘Overall economic growth was quite slow but apparently positive in both the fourth quarter of 2007 and the first quarter of this year. Activity during the current quarter is also likely to be relatively weak. We may see somewhat better economic conditions during the second half of 2008, reflecting the effects of monetary and fiscal stimulus, reduced drag from residential construction, further progress in the repair of financial and credit markets, and still solid demand from abroad. This baseline forecast is consistent with our recently released projections, which also see growth picking up further in 2009. However, until the housing market, and particularly house prices, shows clearer signs of stabilization, growth risks will remain to the downside. Recent increases in oil prices pose additional downside risks to growth.*

*‘Inflation has remained high, largely reflecting continued sharp increases in the prices of globally traded commodities. Thus far, the pass-through of high raw materials costs to domestic labor costs and the prices of most other products has been limited, in part because of softening domestic demand. However, the continuation of this pattern is not guaranteed and will bear close attention. Futures markets continue to predict – albeit with a great range of uncertainty – that commodity prices will level out, a forecast consistent with our expectation of some overall slowing in the global economy and thus in the demand for raw materials. A rough stabilization of commodity prices, even at high levels, would result in a relatively rapid moderation of inflation, consistent with the projections of Federal Reserve governors and Reserve Bank presidents for 2009 and 2010. Unfortunately, the prices of a number of commodities, most notably oil, have continued upward recently, even as expectations of future policy rates and the foreign exchange value of the dollar have remained generally stable in the past few months. The possibility that commodity prices will continue to rise is an important risk to the inflation forecast. Another significant upside risk to inflation is that high headline inflation, if sustained, might lead the public to expect higher long-term inflation rates, an expectation that could ultimately become self-confirming ...’.*

**Translation:** Don’t hold your breath, waiting for another, interest-rate reduction when The Fed meets, later this month.

On a positive note, the price of crude oil fell on international commodity exchanges, last Tuesday.

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 \$US124.31, down exactly 2.70 percent on Monday’s closing level.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US124.70, representing a fall of about 2.62 percent on Monday’s last settlement.

In Europe, the key indices of the most-important bourses managed to post gains as the following **TARGET** () list illustrates:

Amsterdam’s AEX Index	Plus	0.99 percent
France’s CAC 40 Index	Plus	0.98 percent
Germany’s Frankfurt XETRA DAX Index	Plus	0.14 percent
Great Britain’s FTSE 100 Index	Plus	0.83 percent
Italy’s MIBTEL Index	Plus	0.42 percent
Switzerland’s Swiss Market Index	Plus	0.45 percent

Europe took heart from the utterances of Dr Ben Bernanke, but, more importantly, the fall-off in the price of crude oil was considered a fillip for equity markets in this part of the world.

In Asia, the mood of investors was, most definitely, negative: Every key index of every equity market of the region was written in red ink.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost ground, with the premier stock market, losing the most ground.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 1.84 percent, dropping back to 24,375.76 points.

The Total Turnover on this market was about \$HK83.86 billion.

Declining counters outpaced advancing ones by the ratio of 3.63:One, exactly.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)	Down 2.21 percent to \$HK115.00 per share
China Telecom Corporation Ltd (Code: 728)	Down 12.70 percent to \$HK4.95 per share
China Unicom Ltd (Code: 762)	Down 14.07 percent to \$HK15.88 per share
China Construction Bank Corporation (Code: 939)	Down 1.16 percent to \$HK6.84 per share
China Life Insurance Company Ltd (Code: 2628)	Down 3.10 percent to \$HK31.30 per share
China Merchants Bank Company Ltd (Code: 3968)	Up 1.07 percent to \$HK28.25 per share
PetroChina Company Ltd (Code: 857)	Down 4.01 percent to \$HK11.00 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Down 12.75 percent to \$HK23.60 per share
HSBC Holdings plc (Code: 5)	Down 0.76 percent to \$HK130.40 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 3.44 percent to \$HK7.87 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)
Addchance Holdings Ltd	3344	10.00		1.10



China HealthCare Holdings Ltd	673		11.59	0.61
China Netcom Group Corporation (Hongkong) Ltd	906		12.75	23.60
China Telecom Corporation Ltd	728		12.70	4.95
China Unicom Ltd	762		14.07	15.88
City e-Solutions Ltd	557	12.15		1.20
First Sign International Holdings Ltd	933	12.85		2.81
Frankie Dominion International Ltd	704	12.82		0.88
Grand Field Group Holdings Ltd	115	12.09		0.241
Incutech Investments Ltd	356		20.34	0.47
JLF Investment Company Ltd	472		13.10	0.73
Kwong Hing International Holdings (Bermuda) Ltd	1131	17.74		0.73
Long Far Pharmaceutical Holdings Ltd	2898		11.11	0.88
See Corporation Ltd	491		11.25	0.071
Temujin International Investments Ltd	204	17.12		1.30
Times Ltd	1832	11.11		3.40
Unity Investments Holdings Ltd	913		38.99	0.133

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index shed exactly 0.65 percent, falling back to 889.59 points.

The Total Turnover on this speculative market was about \$HK280.29 million, while the ratio of losers to gainers was about 2.68:One.

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

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

Up 2.61 percent to \$HK13.36 per share

Intcera High Tech Group Ltd (Code: 8041)

Up 15.65 percent to \$HK0.133 per share

BIG Media Group Ltd (Code: 8167)

Up 11.54 percent to \$HK0.58 per share

Wumart Stores Incorporated (Code: 8277)

Unchanged at \$HK6.70 per share

B M Intelligence International Ltd (Code: 8158) Down 1.69 percent to \$HK0.29 per share

There were only 5 big movers on The GEM, last Tuesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Ltd	8061		16.95	0.245
BIG Media Group Ltd	8167	11.54		0.58
Emcom International Ltd	8220		15.25	0.05
Intcera High Tech Group Ltd	8041	15.65		0.133
Long Success International (Holdings) Ltd	8017		14.29	0.036

On The Tokyo Stock Exchange, its TOPIX Index surrendered about 1.24 percent of its value, ending the trading day at 1,407.44 points.

Losing counters outnumbered gaining ones by the ratio of about 6.21:One.

The Nikkei-225 Stock Average lost about 1.60 percent of its value, ending the day at 14,209.17 yen.

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

The HKSAR	Hang Seng Index Minus 1.84 percent to 24,375.76 The Growth Enterprise Index Minus 0.65 percent to 889.59
Indonesia	Minus 0.99 percent to 2,403.81
Japan	TOPIX Index Minus 1.24 percent to 1,407.44 Nikkei-225 Stock Average Minus 1.60 percent to 14,209.17
Malaysia	Minus 0.39 percent to 1,257.57
The Philippines	Minus 1.52 percent to 2,782.80
The PRC	Shanghai Composite Index Minus 0.65 percent to 3,436.40

	Shenzhen Composite Index Minus 0.48 percent to 1,034.59
Singapore	Minus 1.07 percent to 3,153.94
South Korea	Minus 1.52 percent to 1,819.39
Taiwan	Minus 1.66 percent to 8,579.43
Thailand	Minus 0.41 percent to 806.86

### **Wednesday**

Share prices continued their retreat on the Big Board of The New York Stock Exchange, last Wednesday, despite the price of crude oil, slipping off its hitherto high perch.

On The New York Stock Exchange, the Dow Jones Industrial Average gave up about one tenth of a percentage point, dropping back to 12,390.48 points.

The (tech-laden) NASDAQ, however, had a relatively good day, compared with situation that existed on the Big Board of The New York Stock Exchange: Its Composite Index rose about 0.91 percent to 2,503.14 points.

The ratio of losing counters to gaining ones on The New York Stock Exchange was about 1.14:One, while, on The NASDAQ, gaining counters outdistanced losing ones by the ratio of about 1.33:One.

Investors, in the main, appeared concerned about the level of inflation in the US and the fact that the Federal Reserve Board appeared determined not to lower interest rates, at least, in the short term.

Just prior to the opening of Wall Street, last Wednesday, The Bureau of Labour Statistics, which is a division of The Department of Labour, brought out its revised findings for the first quarter of the year with regard to productivity and costs.

**Bottom Line:** Manufacturing productivity growth slowed in the first quarter.

The following is a verbatim transcript of the release of The Bureau, minus tables and descriptive notes:

#### ***‘PRODUCTIVITY AND COSTS First Quarter 2008, Revised***

*‘The Bureau of Labor Statistics of the U.S. Department of Labor today reported revised productivity data — as measured by output per hour of all persons — for the first quarter of 2008. The revised seasonally adjusted annual rates of productivity change in the first quarter were:*

*2.4 percent in the business sector and  
2.6 percent in the nonfarm business sector.*

*‘In both sectors, the first-quarter productivity gains were greater than the preliminary estimates reported on May 7, due primarily to upward revisions to output growth.*

*‘In manufacturing, the revised productivity changes in the first quarter were:*

*3.6 percent in manufacturing,*

2.6 percent in durable goods manufacturing, and  
5.7 percent in nondurable goods manufacturing.

*‘Manufacturing productivity growth was slower in the first quarter of 2008 than reported on May 7 as output was revised down by more than hours. Output and hours in manufacturing, which includes about 12 percent of U.S. business-sector employment, tend to vary more from quarter to quarter than data for the aggregate business and nonfarm business sectors. First quarter measures are summarized in table A and appear in detail in tables 1 through 5.*

*‘The data sources and methods used in the preparation of the manufacturing series differ from those used in preparing the business and nonfarm business series, and these measures are not directly comparable. Output measures for business and nonfarm business are based on measures of gross domestic product prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce. Quarterly output measures for manufacturing reflect indexes of industrial production prepared by the Board of Governors of the Federal Reserve System. See Technical Notes for further information on data sources ...*

### ***‘Business***

*‘Business sector productivity grew 2.4 percent in the first quarter of 2008 as output increased 0.6 percent and hours worked by all persons — employees, proprietors, and unpaid family workers — declined 1.7 percent (seasonally adjusted annual rates). When the first quarter of 2008 is compared with the first quarter of 2007, output per hour in the business sector increased 3.4 percent — the largest four-quarter gain since a 3.4 percent increase from the second quarter of 2003 to the second quarter of 2004 ...*

*‘Hourly compensation increased at a 4.8 percent annual rate in the first quarter of 2008. This measure of compensation includes wages and salaries, supplements, employer contributions to employee benefit plans, and taxes. Real hourly compensation, which takes into account changes in consumer prices, rose 0.4 percent in the first quarter of 2008 following a 0.6 percent gain in the previous quarter.*

*‘The change in unit labor costs approximates the change in hourly compensation less the change in productivity. In the first quarter of 2008 these costs grew at a 2.3 percent annual rate, but from the first quarter of 2007 to the first quarter of 2008 unit labor costs rose just 0.7 percent. The implicit price deflator for business output, which reflects changes in both unit labor costs and unit nonlabor payments, grew 2.0 percent in the first quarter of 2008.*

### ***‘Nonfarm business***

*‘During the first quarter of 2008, productivity rose 2.6 percent in the nonfarm business sector; output increased 0.7 percent and hours of all persons fell 1.8 percent (seasonally-adjusted annual rates). From the first quarter of 2007 to the first quarter of 2008, output per hour in the nonfarm business sector increased 3.3 percent, the largest four-quarter change since a 3.8 percent increase from the second quarter of 2003 to the second quarter of 2004. Nonfarm business productivity had increased at an average annual rate of 2.7 percent from 2000 through 2006.*

*‘Hourly compensation increased 4.9 percent in the nonfarm business sector in the first quarter of 2008. The measure increased 6.6 percent in the fourth quarter, as revised. When hourly compensation is adjusted for the rise in consumer prices, real hourly compensation grew 1.5 percent in the fourth quarter of 2007 and 0.6 percent in the first quarter of 2008.*

*‘Unit labor costs rose 2.2 percent in the first quarter of 2008. As in the business sector, the percent change from the same quarter a year ago was 0.7 percent. The implicit price deflator for nonfarm business output increased by 2.3 percent in the first quarter of 2008 ...*

### ***‘Manufacturing***

*‘Productivity grew at a 3.6 percent annual rate in the manufacturing sector during the first quarter of 2008, reflecting a 1.2 percent decrease in output and a 4.7 percent decrease in hours ... This was the largest decline in hours since a 6.3 percent drop in the third quarter of 2003. Output per hour rose at the highest rate in three years, 5.7 percent, in nondurable goods industries during the first quarter; hours fell by 6.9 percent and output declined 1.6*

percent (tables 3, 4, and 5). Total manufacturing productivity grew 4.0 percent from the first quarter of 2007 to the first quarter of 2008, similar to the 3.8 percent average annual increase from 2000 to 2006.

*‘Hourly compensation in manufacturing grew 7.9 percent during the first quarter of 2008. Real hourly compensation, which takes into account changes in consumer prices, increased 3.5 percent for all manufacturing workers, as a 3.1 percent rise in durable manufacturing real hourly compensation combined with a 4.0 percent rise in the nondurable goods industries.*

*‘Unit labor costs rose 4.2 percent in manufacturing during the first quarter of 2008, as hourly compensation increased faster than productivity in both subsectors. However, over the past four quarters total manufacturing unit labor costs edged down 0.2 percent, as durable goods unit labor costs declined 1.8 percent and nondurable goods unit labor costs rose 1.6 percent ...*

### ***‘Nonfinancial corporations***

*‘Preliminary first-quarter 2008 measures of productivity and costs for nonfinancial corporations also were announced today (tables B and 6). Productivity rose 4.6 percent in the first quarter as output rose 3.2 percent and employee-hours declined 1.4 percent (seasonally adjusted annual rates). From the first quarter of 2007 to the first quarter of 2008 productivity grew 3.0 percent; it had grown 2.6 percent per year from 2000 to 2006. The nonfinancial corporate sector includes all corporations doing business in the United States, except those classified as depository institutions, nondepository institutions, security and commodity brokers, insurance carriers, regulated investment offices, small business investment offices, and real estate investment trusts. ...*

*‘Hourly compensation increased 5.9 percent during the first quarter of 2008, the same as the revised fourth quarter 2007 increase. Taking the 4.3 percent rise in consumer prices into account, real hourly compensation increased 1.5 percent in the first quarter of 2008, more than the 0.8 percent increase one quarter earlier. Unit labor costs in nonfinancial corporations rose 1.2 percent in the first quarter of 2008, and 1.1 percent over the last four quarters.’*

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in July was \$US122.30, a fall of about 1.62 percent, compared with Tuesday’s closing level.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US122.68, down about 1.62 percent on the day.

In Europe, the colour of the ink, used to fill in the closing figures with regard to the key indices of the most-important bourses, was decidedly red.

The pull-back in the price of crude oil on international commodity exchanges was a contributory reason for the losses on equity markets in this part of the world as investors unloaded energy and energy related scrip lest there be more falls in the coming trading days.

This was how the situation looked on major European bourses, last Wednesday night:

Amsterdam’s AEX Index	Minus 1.10 percent
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France’s CAC 40 Index	Minus 1.37 percent
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Germany’s Frankfurt XETRA DAX Index	Minus 0.76 percent
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Great Britain’s FTSE 100 Index	Minus 1.44 percent
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Italy's MIBTEL Index                      Minus 1.02 percent

Switzerland's Swiss Market Index      Minus 1.00 percent

In Asia, it was something of a mixed bag, with the key indices of the equity markets of Japan, rising materially, while the key indices of some of the other, Asian high-rollers, losing substantial ground.

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 shed a bit more *'fat'*, adding to the woes of investors in this, the most-populous part of the world.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index finished the day at 24,123.25 points, down about 1.04 percent on Tuesday's close.

The Total Turnover was about \$HK78.92 billion, while the ratio of declining counters to gaining ones was about 2.65:One.

The Ten Most Active counters – all of which were losers, by the way – were:

China Mobile Ltd (Code: 941)	Down 1.22 percent to \$HK113.60 per share
China Unicom Ltd (Code: 762)	Down 4.28 percent to \$HK15.20 per share
China Telecom Corporation Ltd (Code: 728)	Down 0.81 percent to \$HK4.91 per share
CNOOC Ltd (Code: 883)	Down 4.05 percent to \$HK13.26 per share
China Life Insurance Company Ltd (Code: 2628)	Down 1.71 percent to \$HK30.30 per share
China Shenhua Energy Company Ltd (Code: 1088)	Down 4.91 percent to \$HK33.90 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 0.76 percent to \$HK7.81 per share
PetroChina Company Ltd (Code: 857)	Down 1.45 percent to \$HK10.84 per share
China Netcom Group Corporation (Hongkong) Ltd (Code: 906)	Down 3.39 percent to \$HK22.80 per share
Yanzhou Coal Mining Company Ltd (Code: 1171)	Down 8.91 percent to \$HK15.54 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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Berjaya Holdings (Hongkong) Ltd	288		19.40	0.27
China HealthCare Holdings Ltd	673	29.51		0.79
E. Bon Holdings Ltd	599		10.24	1.14
Fortuna International Holdings Ltd	530	13.25		0.171
GCL-Poly Energy Holdings Ltd	3800	13.38		1.61
Goldbond Group Holdings Ltd	172	14.49		0.79
Grand Field Group Holdings Ltd	115	14.11		0.275
Long Far Pharmaceutical Holdings Ltd	2898	17.05		1.03
Macau Investment Holdings Ltd	2362	16.83		1.18
New Smart Energy Group Ltd	91	12.93		0.166
Pearl River Tyre (Holdings) Ltd	1187	22.95		1.50
Perfectech International Holdings Ltd	765	14.52		0.71
Sino Katalytics Investment Corporation	2324		17.39	0.057
Temujin International Investments Ltd	204		14.62	1.11
Tern Properties Company Ltd	277	12.47		4.42
Unity Investments Holdings Ltd	913		16.54	0.111
VXL Capital Ltd	727	11.82		1.23
Zhong Hua International Holdings Ltd	1064		11.79	0.247

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.03 percent, falling back to 880.40 points on a Total Turnover of about \$HK248.60 million.

The ratio of losers to gainers was about 1.70:One.

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

Intcera High Tech Group Ltd (Code: 8041)      Down 3.01 percent to \$HK0.129 per share

Wumart Stores Incorporated (Code: 8277) Up 13.88 percent to \$HK7.63 per share

BIG Media Group Ltd (Code: 8167) Up 1.72 percent to \$HK0.59 per share

Golden Meditech Company Ltd (Code: 8180) Down 1.97 percent to \$HK2.99 per share

B M Intelligence International Ltd (Code: 8158) Down 3.45 percent to \$HK0.28 per share

There were only 3, double-digit movers of The GEM, last Wednesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Long Success International (Holdings) Ltd	8017	19.44		0.043
Wumart Stores Incorporated	8277	13.88		7.63
Zhejiang Yonglong Enterprises Company Ltd	8211		10.77	0.58

On The Tokyo Stock Exchange, its TOPIX Index rose 1.64 percent to 1,430.47 points as advancing counters beat off declining ones by the ratio of about 4.93:One.

The Nikkei-225 Stock Average went along with the mood of investors on Asia's largest and most-important equity market with a gain of about 1.59 percent, ending the day's proceedings at 14,435.57 yen.

#### News Wise

- The Finance Ministry announced that **Japanese companies' pretax profits** slumped by about 17.50 percent on average, during the first quarter of Fiscal 2008, compared with the like period in 2007. It was the biggest drop in pretax profits in any one quarter for Japanese corporate entities in the previous 6 years.

This was how other Asian equity markets fared, last Wednesday:

The HKSAR	Hang Seng Index Minus 1.04 percent to 24,123.25 The Growth Enterprise Index Minus 1.03 percent to 880.40
Indonesia	Minus 1.72 percent to 2,362.59
Japan	TOPIX Index Plus 1.64 percent to 1,430.47 Nikkei-225 Stock Average Plus 1.59 percent to 14,435.57
Malaysia	Minus 0.35 percent to 1,253.12



The Philippines	Minus 0.35 percent to 2,773.12
The PRC	Shanghai Composite Index Minus 1.93 percent to 3,369.91 Shenzhen Composite Index Minus 1.28 percent to 1,021.36
Singapore	Minus 0.61 percent to 3,134.80
South Korea	Plus 0.79 percent to 1,833.81
Taiwan	Plus 0.56 percent to 8,627.80
Thailand	Plus 0.26 percent to 808.92

### Thursday

As the translation value of the US dollar weakened against other ‘hard’ currencies on international, foreign-currency exchanges, last Thursday, speculators rushed back into oil and oil-related equities and this, in turn, helped to boost the price of crude oil, rather spectacularly, as well as the key indices on US stock markets.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 1.73 percent to 12,604.45 points.

The Composite Index of The NASDAQ gained about 1.87 percent to end the spirited trading day at 2,549.94 points.

The ratio of gaining counters to losing ones was about 4:One on The New York Stock Exchange and about 3:One on The NASDAQ.

As expected, the top oil counters led the gainers on the world’s largest equity market:

ExxonMobile Corporation Up 4.20 percent to \$US89.31 per share

Chevron Corporation Up 4.10 percent to \$US99.99 per share

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 \$US127.79, up about 4.49 percent on the day.

As for delivery in August, the last settlement for a barrel of light sweet crude oil was \$US128.18, an increase of about 4.48 percent, compared with the final quote of Wednesday.

In Europe, for most of the trading day, investors were awaiting the pleasure of The European Central Bank (ECB) and The Bank of England (BoE), both of which had scheduled interest-rate meetings, last Thursday.

Most investors had assumed the both Central Banks would leave interest rates unchanged: They were correct, as history records.

This is that which both Central Banks announced:

The BoE:

*The Bank of England's Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 5.00%.*

The ECB:

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

Due to the uncertainty – and equity markets, by and large, hate any uncertainty or even the 'smell' of it – the key indices of the most-important bourses moved sideways:

Amsterdam's AEX Index                      Plus    0.77 percent

France's CAC 40 Index                      Minus 0.16 percent

Germany's Frankfurt XETRA DAX Index Minus 0.33 percent

Great Britain's FTSE 100 Index           Plus    0.42 percent

Italy's MIBTEL Index                      Plus    0.33 percent

Switzerland's Swiss Market Index       Plus    0.70 percent

### News Wise

- Year-On-Year, **the price of homes** in the United Kingdom fell about 2.40 percent in May, according to the statistics, compiled by The Halifax, which is the largest, mortgage-lending organisation in the UK. (The Halifax is a registered business name of Bank of Scotland (Ireland) Limited.)

In Asia, for the most part, the largest and most-important equity markets witnessed an erosion of their key indices.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index to trading on the Main Board of The Stock Exchange of Hongkong Ltd rose, fractionally, while, on the speculative equity market of The Stock Exchange of Hongkong Ltd, known as The **Growth Enterprise Market** (The GEM), its lone index shed fractions.

The Hang Seng Index, which is the key index of the Main Board, rose about 0.55 percent to 24,255.29 points to end the rather dull trading session on a Total Turnover of about \$HK6.69 billion.

In spite of the key index, being in positive territory by the close of the trading day, the ratio of losing counters to gaining ones was about 1.89:One.

The Ten Most Actives were:

China Petroleum and Chemical Corporation  
(Code: 386)

Up 4.41 percent to \$HK8.02 per share

China Mobile Ltd (Code: 941)

Up 0.62 percent to \$HK114.30 per share

CNOOC Ltd (Code: 883)

Down 2.11 percent to \$HK12.98 per share

PetroChina Company Ltd (Code: 857)

Up 0.18 percent to \$HK10.86 per share

HSBC Holdings plc (Code: 5)

Up 0.92 percent to \$HK131.30 per share

China Unicom Ltd (Code: 762)

Down 0.26 percent to \$HK15.16 per share

China Coal Energy Company Ltd (Code: 1898)

Down 3.44 percent to \$HK15.74 per share

China Shenhua Energy Company Ltd (Code:  
1088)

Down 2.06 percent to \$HK33.20 per share

China Construction Bank Corporation (Code: 939)

Up 0.59 percent to \$HK6.82 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.50 percent to \$HK30.45 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Deson Development International Holdings Ltd	262	11.29		0.345
Fulbond Holdings Ltd	1041		10.67	0.067
Pearl River Tyre (Holdings) Ltd	1187		10.00	1.35
Pyxis Group Ltd	516		10.00	0.27
Temujin International Investments Ltd	204	26.13		1.40
Vision Tech International Holdings Ltd	922	22.95		0.375

On The GEM, its Growth Enterprise Index gave up about 0.65 percent to end the day at 874.67 points.

The Total Turnover on this speculative market shrank to about \$HK196.57 million, while the ratio of losers to gainers was about 1.39:One.

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

BIG Media Group Ltd (Code: 8167)

Down 1.69 percent to \$HK0.58 per share

Intelli-Media Group (Holdings) Ltd (Code: 8173) Down 3.85 percent to \$HK0.75 per share

Intcera High Tech Group Ltd (Code: 8041) Down 8.53 percent to \$HK0.118 per share

Inno-Tech Holdings Ltd (Code: 8202) Up 4.48 percent to \$HK0.35 per share

Golife Concepts Holdings Ltd (Code: 8172) Up 51.61 percent to \$HK0.047 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
G.A. Holdings Ltd	8126		12.86	0.305
Golife Concepts Holdings Ltd	8172	51.61		0.047
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	10.42		0.265
M Dream Inworld Ltd	8100	19.05		0.25
South China Land Ltd	8155		17.72	0.65
SYSCAN Technology Holdings Ltd	8083	15.00		0.069
ThinSoft (Holdings) Incorporated	8096	265.48		0.72

On The Tokyo Stock Exchange, its TOPIX Index lost about 0.42 percent to 1,424.45 points.

However, even though the key index of Asia's largest and most-important equity market was in the red, so to speak, by the close of the trading day, advancing counters outran declining counters by the ratio of about 1.72:One.

The Nikkei-225 Stock Average shed about 0.65 percent, dropping back to 14,341.12 yen.

#### News Wise

- The 8 largest banks in Japan lost, on aggregate, about **¥1,038 trillion** up to March 31, 2008, due to the US subprime, mortgage-lending industry's chaotic situation, over the past few years, according to The Financial Services Agency.

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

The HKSAR	Hang Seng Index Plus 0.55 percent to 24,255.29 The Growth Enterprise Index Minus 0.651 percent to 874.67
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Indonesia	Plus 1.57 percent to 2,399.68
Japan	TOPIX Index Minus 0.42 percent to 1,424.45 Nikkei-225 Stock Average Minus 0.65 percent to 14,341.12
Malaysia	Minus 2.36 percent to 1,223.56
The Philippines	Minus 1.97 percent to 2,718.42
The PRC	Shanghai Composite Index Minus 0.54 percent to 3,351.65 Shenzhen Composite Index Minus 0.95 percent to 1,011.62
Singapore	Plus 0.29 percent to 3,143.89
South Korea	Minus 0.08 percent to 1,832.31
Taiwan	Plus 1.28 percent to 8,738.46
Thailand	Plus 0.11 percent to 809.82

## **Friday**

It was a day like no other:

1. The price of crude oil on international commodity exchanges made its largest, one-day rise in history;
2. Wall Street fell out of bed; and,
3. Unemployment in the US logged its sharpest increase since October 2004.

Starting with the price of crude oil, the last settlement for a barrel of light sweet crude oil for delivery in July came in a \$US138.54 on The New York Mercantile Exchange (NYMEX).

This was an increase of about 8.41 percent, compared with Thursday's last settlement.

During the height of trading, however, the price of a barrel of light sweet crude oil for delivery in July hit \$US139.12.

As for August delivery, the last settlement for a barrel of light sweet crude oil was \$HK138.70, representing an increase on Thursday's final quote of about 8.21 percent.

On Wall Street, trading floors ran red with the blood of investors.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 3.13 percent, dropping back to 12,209.81 points.

As for The NASDAQ, its Composite Index gave up about 2.96 percent, falling to 2,474.56 points.

The ratio of losers to gainers was about 5:One on The New York Stock Exchange and about 4:One on The NASDAQ.

The list the losers of Wall Street would require reams of paper; suffice it to state, few 'darlings' of the world's largest equity markets were left unscathed.

Many airlines and banking counters lost anywhere from 10 percent of their market capitalisations to 15 percent.

It was a day that many people would want to forget.

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

The Dow Jones Industrial Average    Minus 3.39 percent

The Composite Index of The NASDAQ    Minus 1.91 percent

That which touched off the rout on Wall Street was knowledge that unemployment in the US had hit the level of about 5.50 percent in the month of May.

It was the quickest rate of increase in the level of unemployment in the US in the previous 22 years.

Just prior to Wall Street, opening its doors for business, The Bureau of Labour Statistics, a division of The Department of Labour, released its findings with regard to the unemployment situation in the US for the month of May.

The following is the verbatim statement, made by Mr Philip L. Rones, Deputy Commissioner of The Bureau of Labour Statistics, as he testified to the Joint Economic Committee of the United States Congress:

*'The labor market continued to weaken in May. The unemployment rate increased by half a percentage point to 5.5 percent, and jobless rates rose for most major demographic groups. Over the month, nonfarm payroll employment continued to trend down (-49,000). Thus far in 2008, job losses have totaled 324,000. In May, employment declined in construction, manufacturing, retail trade, and temporary help services. Health care continued to add jobs.'*

*'Within the goods-producing sector, employment in construction declined by 34,000. Job losses in the industry continued to be widespread. Since its peak in September 2006, construction employment has fallen by 475,000; two-thirds of that decrease (-320,000), however, has occurred in just the past 7 months.'*

*'Manufacturing employment also continued to decline in May (-26,000). Thus far this year, monthly job losses have averaged 41,000, about twice the average monthly decline of 2007 and three times that of 2006. Over the month, job declines continued in two construction-related manufacturing industries--wood products and nonmetallic mineral products.'*

*'Within the service-providing sector, retail trade employment declined by 27,000 in May. Since peaking in March 2007, the industry has lost 184,000 jobs. Over the month, job declines continued in department stores.'*

*'Temporary help services shed 30,000 jobs in May. Job losses have totaled 110,000 over the past 4 months and 193,000 since the industry's most recent employment peak in December 2006.'*

*'Health care employment expanded by 34,000 in May, with continued growth throughout the'*

industry. Employment in food services continued to edge up over the month; since last fall, job growth has slowed markedly.

*'Average hourly earnings for production and nonsupervisory workers in the private sector rose by 5 cents, or 0.3 percent, in May and by 3.5 percent over the past 12 months. From April 2007 to April 2008, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) rose by 4.2 percent.*

*'Turning now to data from our survey of households, the jobless rate rose sharply in May to 5.5 percent. Unemployment rates increased for adult men, adult women, teens, whites, and blacks. The number of unemployed persons grew by 861,000 to 8.5 million, with the increase disproportionately large among 16- to 24-year olds. The over-the-month jump in unemployment reflected additional workers who had lost their jobs as well as an upsurge in new and returning jobseekers.*

*'In May, the number of newly-unemployed persons (those jobless less than 5 weeks) increased substantially (760,000), and the number of long-term unemployed continued to rise. The number of persons that had been unemployed for 27 weeks or more totaled 1.6 million in May, up from 1.1 million a year earlier.*

*'Over the month, the number of persons in the labor force increased by 577,000, primarily among youth, and the labor force participation rate edged up to 66.2 percent. In May, 62.6 percent of the population was employed, down four-tenths of a percentage point from a year earlier. Since May of last year, the employment-population ratio for adult men has declined by a full percentage point to 71.9 percent, while the rate for adult women has been about unchanged at 58.1 percent. The number of persons working part time who prefer full-time employment was essentially unchanged in May at 5.2 million but has increased by 764,000 over the last 12 months.*

*'I would note that large over-the-month changes in the seasonally adjusted estimates from the household survey can occur between April and July. There is a substantial flow of workers, particularly young workers, into the labor force during these months. The interaction of several factors--including the underlying state of the economy, the timing of the survey reference week each month, and school schedules--can impact the month-to-month movement in our various labor market measures. While we always caution against reading too much into a single month's data, that is particularly the case at this time of year.*

*'To summarize May's labor market developments, the jobless rate rose to 5.5 percent, the highest since October 2004, and nonfarm payroll employment continued to trend down.'*

The situation in the US looked ominous and investors in The Land of The Free and The Home of The Brave were rightly fretting about the level of inflation because the record-high price of crude oil had, already, taken its toll of corporate America – and higher oil prices will, without question, exacerbate the situation, even further.

What was unhelpful, also, was a statement, made by The Transport Ministry of Israel, Mr Shaul Mofaz, in an interview with a daily newspaper:

*'If Iran continues its nuclear weapons programme, we will attack it.'*

In Europe, the 'word' was out: Watch out for the knock-on effect from Wall Street!

And the knock-on effect was immediate as the key indices of equity markets, from one corner of Eurozone to another, losing oodles.

This was how the situation looked on the major bourses in this region of the world, last Friday night:

Amsterdam's AEX Index	Minus 2.28 percent
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France's CAC 40 Index	Minus 2.27 percent
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Germany's Frankfurt XETRA DAX Index Minus 1.98 percent

Great Britain's FTSE 100 Index Minus 1.47 percent

Italy's MIBTEL Index Minus 2.16 percent

Switzerland's Swiss Market Index Minus 2.38 percent

### News Wise

- **Aviva plc**, Great Britain's largest insurance company, announced that it would be sacking 1,800 of its workers as it restructures its insurance operations.

In Asia, investors, having not been apprised of the situation in respect of the record-setting price of crude oil and the unemployment level the US, went its merry way, last Friday, with gains, being recorded on major equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of the premier equity market recorded a useful gain and, on the secondary market, known as The **Growth Enterprise Market** (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index recorded an equally fractional rise.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.61 percent to 24,402.18 points on a Total Turnover of about \$HK58.62 billion.

The ratio of gainers to losers was about 1.65:One.

The Ten Most Active counters were:

China Petroleum and Chemical Corporation  
(Code: 386)

Up 2.87 percent to \$HK8.25 per share

CNOOC Ltd (Code: 883)

Up 3.08 percent to \$HK13.38 per share

China Mobile Ltd (Code: 941)

Up 0.52 percent to \$HK114.90 per share

Tencent Holdings Ltd (Code: 700)

Down 3.66 percent to \$HK68.40 per share

PetroChina Company Ltd (Code: 857)

Up 1.29 percent to \$HK11.00 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.99 percent to \$HK30.75 per share

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

Up 1.38 percent to \$HK5.87 per share

Aluminum Corporation of China Ltd (Code: 2600)

Up 1.41 percent to \$HK12.92 per share

HSBC Holdings plc (Code: 5)

Unchanged at \$HK131.30 per share



China Construction Bank Corporation (Code: 939)

Up 1.03 percent to \$HK6.89 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>
Fortuna International Holdings Ltd	530	10.90		0.173
Franshion Properties (China) Ltd	817	10.39		3.93
G-Prop (Holdings) Ltd	286	23.08		0.64
Grand Field Group Holdings Ltd	115		11.54	0.23
Greater China Holdings Ltd	431		10.26	0.35
Green Global Resources Ltd	61		15.91	0.185
Galaxy Semi-Conductor Holdings Ltd	527	26.88		0.59
Peaktop International Holdings Ltd	925	16.33		0.57
Regent Pacific Group Ltd	575	10.45		0.74
Ruyan Group (Holdings) Ltd	329	12.90		0.70
The Sincere Company Ltd	244	11.90		0.47
Sincere Watch (Hongkong) Ltd	444	14.66		1.33
Tak Sing Alliance Holdings Ltd	126	11.64		1.63
United Pacific Industries Ltd	176		16.87	0.345
Wai Chun Mining Industry Group Company Ltd	660	12.30		2.83

The GEM's Growth Enterprise Index added about 0.60 percent, ending the relatively quiet trading day at 879.95 points.

The Total Turnover on this market was about \$HK268.04 million, with advancing counters, beating off declining ones by the ratio of about 1.18:One.

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

Intelli-Media Group (Holdings) Ltd (Code:      Down 1.33 percent to \$HK0.74 per share

8173)

Core Healthcare Investment Holdings  
Ltd (Code: 8250)

Up 2.00 percent to \$HK0.153 per share

Tiger Tech Holdings Ltd (Code: 8046)

Up 13.10 percent to \$HK0.95 per share

BIG Media Group Ltd (Code: 8167)

Up 1.72 percent to \$HK0.59 per share

Town Health International Holdings Company  
Ltd (Code: 8138)

Up 2.24 percent to \$HK0.137 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A and K Educational Software Holdings Ltd	8053		13.85	1.68
China Medical and Bio Science Ltd	8120	17.50		0.141
FlexSystem Holdings Ltd	8050	11.11		0.30
Crosby Capital Ltd	8088	26.25		1.01
Tiger Tech Holdings Ltd	8046	13.10		0.95

For the equity market of the HKSAR, which is the second, most-important in Asia, the tally for the week was:

The Hang Seng Index     Minus   0.53 percent

The Growth Enterprise Index Minus   1.82 percent

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.26 percent to 1,428.11 points.

Declining counters outdistanced advancing counters by the ratio of about 1.84:One.

As for The Nikkei-225 Stock Average, it rose about 1.03 percent to 14,489.44 yen.

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

The TOPIX Index     Plus     1.42 percent

The Nikkei-225 Stock Average Plus     1.05 percent

On other Asian equity markets, this was how the key indices ended up, last Friday night:

The HKSAR	Hang Seng Index Plus 0.61 percent to 24,402.18 The Growth Enterprise Index Plus 0.60 percent to 879.95
Indonesia	Plus 0.11 percent to 2,402.24
Japan	TOPIX Index Plus 0.26 percent to 1,428.11 Nikkei-225 Stock Average Plus 1.03 percent to 14,489.44
Malaysia	Plus 2.04 percent to 1,248.57
The Philippines	Plus 0.78 percent to 2,739.70
The PRC	Shanghai Composite Index Minus 0.66 percent to 3,329.67 Shenzhen Composite Index Minus 0.25 percent to 1,009.11
Singapore	Plus 0.09 percent to 3,146.73
South Korea	Closed
Taiwan	Plus 0.08 percent to 8,745.35
Thailand	Plus 0.93 percent to 817.33

-- **END** --

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