

**CRUDE-OIL PRICES HIT ANOTHER RECORD HIGH –
GLOBAL EQUITY MARKETS RECOIL –
INVESTORS SCRAMBLE IN A MAD DASH FOR SAFETY**

Investors, around the world, were beset, last Monday, firstly, by another material increase in the price of crude oil on international commodity exchanges, secondly, by fears that the US Federal Reserve would increase interest rates at its Open Market Committee Meeting, due to convene on Tuesday and Wednesday, and, thirdly, by concern that Iran might consider taking an aggressive stance toward the West as it continues its plan to enrich uranium, a plan which is considered by most countries as being the preparatory step to producing weapons of mass destruction.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August (which was the new, near month) came in at \$US136.74, up about 1.02 percent, compared with the closing rate of Friday, July 20, 2008.

For delivery in September, the last settlement for a barrel of light sweet crude oil was \$US137.14.

The increase in the price of crude oil was in spite of Saudi Arabia, stating over the weekend, that it would lift crude-oil production by another 200,000 barrels per day, effective, immediately.

This was in addition to the world's largest producer of crude oil, having promised to increase its daily production by 500,000 barrels of crude oil.

Fishermen, lorry drivers, land, sea and air transportation companies and consumers, around the world, have been protesting about the high price of fossils fuels, which has been cutting profit margins to the bone, and, in many cases, causing widespread losses.

Since the start of 2008, the price of crude oil has risen by about 40 percent; and, since the start of 2000, the price of crude oil has gone up by about 500 percent.

On The New York Stock Exchange, it was uncertain as to what caused investors to fret as badly (or well) as they did: The high cost of petrol at the pumps; and/or, the prospect that The Fed would increase interest rates at its Open Market Committee Meeting.

It was an odds-on favourite that The Fed would target inflation in the US, but, at the same time, the economy is facing chronic problems.

The Dow Jones Industrial Average, a key index of The New York Stock Exchange, lost about one third of a percentage point, coming to rest at the end of the trading day at 11,842.36 points.

Over on The NASDAQ, its Composite Index shed about 20.35 points, equivalent to about 0.85 percent, dropping back to 2,385.74 points.

The ratio of losing counters to gaining ones was about 2:One on The New York Stock Exchange and about 2.50:One on The NASDAQ.

Trading was described as being especially light.

News Wise

- **UAL Corporation**, the parent company of United Airlines, will sack 950 of its pilots. In addition, it will cut back some domestic routes in order to try to save money on jet fuel. The culling of pilots represents about 15 percent of the number of pilots, presently employed by the airline.

On European equity markets, there was, also, a great deal of consternation among investors – but for entirely different reasons to those concerns, seemingly worrying US investors.

The **European Union (EU)** had agreed to impose new sanctions on Iran in order to step up pressure on the country with a view to persuading the fundamentalist Islamic country to halt its programme of enriching uranium.

Over the weekend of July 20-22, the Israeli Airforce had been practising manoeuvres over sectors of the Middle East with a massive number of fighter planes and helicopter gunships.

The manoeuvres were widely thought to have been a precursor to an invasion of Iran.

Iran has gone on record as stating that Israel should be completely obliterated from the face of the earth.

Israel has gone on record as stating that, if Iran persisted with its avowed intent in respect of enriching uranium, it would attack the country.

If a war does break out with Iran, regardless as to which country initiates it, it is quite likely to result in a new world conflict: Muslims against Christians/Jews.

The EU's new financial sanctions against Iran, effectively, freeze all of the assets of Bank Melli Iran, Iran's biggest bank, in the EU.

In addition to this thorny issue, European investors, naturally, were concerned as to the actions the US Federal Reserve would take at its Open Market Committee Meeting.

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

Amsterdam's AEX Index	Plus	0.02 percent
-----------------------	------	--------------

France's CAC 40 Index	Plus	0.04 percent
-----------------------	------	--------------

Germany's Frankfurt XETRA DAX Index	Plus	0.16 percent
-------------------------------------	------	--------------

Great Britain's FTSE 100 Index	Plus	0.82 percent
--------------------------------	------	--------------

Italy's MIBTEL Index	Minus	0.29 percent
----------------------	-------	--------------

Switzerland's Swiss Market Index	Minus	0.60 percent
----------------------------------	-------	--------------

On Asian equity markets, there were only losers.

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 ground, but it was on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd that the larger fall was witnessed.

The Hang Seng Index, which is a key index of the Main Board of The Stock Exchange of Hongkong Ltd, shed about 0.14 percent, ending the trading day at 22,714.96 points.

The Total Turnover on this market was about \$HK59.68 billion.

The ratio of declining counters to advancing ones was wide, at about 3.07:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 1.03 percent to \$HK107.60 per share

HSBC Holdings plc (Code: 5)

Down 0.56 percent to \$HK123.70 per share

China Life Insurance Company Ltd (Code: 2628)

Unchanged at \$HK28.30 per share

China Construction Bank Corporation (Code:
939)

Up 0.79 percent to \$HK6.37 per share

CNOOC Ltd (Code: 883)

Up 1.58 percent to \$HK12.82 per share

China Petroleum and Chemical Corporation
(Code: 386)

Down 2.35 percent to \$HK7.89 per share

PetroChina Company Ltd (Code: 857)

Down 0.19 percent to \$HK10.44 per share

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

Up 0.37 percent to \$HK5.45 per share

Hutchison Whampoa Ltd (Code: 13)

Down 2.61 percent to \$HK78.30 per share

Bank of China Ltd (Code: 3988)

Down 1.10 percent to \$HK3.58 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)
Asia Resources Holdings Ltd	899	20.48		0.50
Burwill Holdings Ltd	24		19.70	0.265

China Electronics Corporation Holdings Company Ltd	85	10.31		2.14
China Pipe Group Ltd	380	12.50		0.063
China Starch Holdings Ltd	3838	18.18		0.91
Earnest Investments Holdings Ltd	339		17.24	0.48
GR Vietnam Holdings Ltd	139	10.66		0.218
Grand Field Group Holdings Ltd	115		15.52	0.245
Hantec Investment Holdings Ltd	111	13.08		1.21
Lippo Ltd	226	20.00		4.80
Lo's Enviro-Pro Holdings Ltd	309		13.00	0.239
Pak Tak International Ltd	2668		12.12	0.29
Quam Ltd	952		12.00	0.66
Sun East Technology (Holdings) Ltd	365		12.14	0.246
United Energy Group Ltd	467		17.12	1.21
Vitop Bioenergy Holdings Ltd	1178	11.11		0.20
Willie International Holdings Ltd	273		14.29	0.048
Wo Kee Hong (Holdings) Ltd	720	11.32		0.59

On The GEM, its Growth Enterprise Index gave up about 1.53 percent, falling back to 815.39 points.

The Total Turnover on this (highly) speculative market fell to about \$HK143.17 million.

Losing counters outnumbered gaining ones by the ratio of about 1.92:One.

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

Wumart Stores Incorporated (Code: 8277)

Up 5.12 percent to \$HK7.39 per share

Espco Technology Holdings Ltd (Code: 8299)

Down 15.22 percent to \$HK0.195 per share

Sungreen International Holdings Ltd (Code:

Down 0.54 percent to \$HK1.83 per share

8306)

Challenger Group Holdings Ltd (Code: 8203)

Up 6.58 percent to \$HK0.81 per share

China LotSynergy Holdings Ltd (Code: 8161)

Unchanged at \$HK0.33 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Medical and Bio Science Ltd	8120		13.71	0.107
Espco Technology Holdings Ltd	8299		15.22	0.195
Excel Technology International Holdings Ltd	8048	15.00		0.092
HC International Incorporated	8292		13.64	0.475
Hua Xia Healthcare Holdings Ltd	8143		17.22	0.149
M Dream Inworld Ltd	8100		12.09	0.40
Netel Technology (Holdings) Ltd	8256		16.67	0.10
Prosten Technology Holdings Ltd	8026	10.00		0.55
Rojam Entertainment Holdings Ltd	8075	10.14		0.076
Vodatel Networks Holdings Ltd	8033		12.00	0.11

On The Tokyo Stock Exchange, which is the largest and most-important equity market of Asia, its TOPIX Index lost 8.81 points, or about 0.65 percent, ending the day at 1,347.93 points.

The ratio of losers to gainers was about 2.02: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 The TOPIX Index, shed 84.61 yen, or about 0.61 percent, falling back to 13,857.47 yen.

On other Asian equity markets, this was how their respective key indices ended the first day of trading in equities:

The HKSAR	Hang Seng Index Minus 0.14 percent to 22,714.96 The Growth Enterprise Index
-----------	---

	Minus 1.53 percent to 815.39
Indonesia	Minus 0.38 percent to 2,362.74
Japan	TOPIX Index Minus 0.65 percent to 1,347.93 Nikkei-225 Stock Average Minus 0.61 percent to 13,857.47
Malaysia	Minus 0.93 percent to 1,195.41
The Philippines	Minus 3.07 percent to 2,499.38
The PRC	Shanghai Composite Index Minus 2.52 percent to 2,760.42 Shenzhen Composite Index Minus 1.86 percent to 779.94
Singapore	Minus 0.75 percent to 2,979.15
South Korea	Minus 0.89 percent to 1,715.59
Taiwan	Minus 0.33 percent to 7,876.49
Thailand	Unchanged at 768.90

Tuesday

Share prices continued their decline on the world's largest equity markets, last Tuesday, on the eve, so to speak, of the Federal Reserve Board, the de facto, Central Bank of the United States of America, preparing to convene its Open Market Committee Meeting.

The Fed, scuttlebutt had it, was unlikely to move interest rates, one way or another, but scuttlebutt, by its very nature, is not sacrosanct.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 0.29 percent to 11,807.43 points on very light trading.

The NASDAQ Composite Index was off by about 0.73 percent to 2,368.28 points.

Declining counters were ahead of advancing ones by the ratio of about 2:One on The New York Stock Exchange and by about 3:One on The NASDAQ.

Financials were hit very hard because, among other things, investors and consumers alike continued to be unable to see the beginning of the end to the current downturn in the US economy.

News Wise

- The Conference Board's Consumer Confidence Index for the month of June fell to 50.40 points, its lowest level since February 2002. The rising price of energy and food and the US property slump were said to have been among the principal factors, causing the fall in US **consumer confidence**. Consumer spending accounts for about 66 percent of the US economic activity.

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

For the month of August, the last settlement for a barrel of light sweet crude oil was exactly \$US137, up 0.19 percent on Monday's closing level.

For delivery in September, the last settlement of a barrel of light sweet crude oil came in at \$US137.52, an increase of about 0.28 percent on Monday's last settlement.

In Europe, red ink was used, exclusively, to pen in the closing figures of the key indices of the most-important bourses of the region.

As with Wall Street, banking counters were the targets of European investors' ire, with most of the banks, seeing their market capitalisations, culled, some quite dramatically.

European investors were concerned as to the actions that The Fed might take at its (interest-rate) Open Market Committee Meeting of Tuesday and Wednesday.

The following are the closing figures of the key indices of the most-important equity markets of this region of the world:

Amsterdam's AEX Index	Minus 0.01 percent
-----------------------	--------------------

France's CAC 40 Index	Minus 0.83 percent
-----------------------	--------------------

Germany's Frankfurt XETRA DAX Index	Minus 0.81 percent
-------------------------------------	--------------------

Great Britain's FTSE 100 Index	Minus 0.57 percent
--------------------------------	--------------------

Italy's MIBTEL Index	Minus 0.81 percent
----------------------	--------------------

Switzerland's Swiss Market Index	Minus 0.01 percent
----------------------------------	--------------------

In Asia, it was certainly no bed of roses for equity investors, for the most part.

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 material amounts.

It was the fourth, consecutive day of falling prices for investors, locked into this market, which is the second, most-important equity market in Asia.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed 1.14 percent, dropping back to 22,456.02 points.

The Total Turnover on this market, which is the premier equity market of the HKSAR, continued to be on the light side, at about \$HK59.17 billion.

The ratio of losers to gainers was about 2.78:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)	Down 0.74 percent to \$HK106.80 per share
CNOOC Ltd (Code: 883)	Up 1.40 percent to \$HK13.00 per share
HSBC Holdings plc (Code: 5)	Down 0.57 percent to \$HK123.00 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 4.31 percent to \$HK117.70 per share
China Construction Bank Corporation (Code: 939)	Down 1.57 percent to \$HK6.27 per share
China Life Insurance Company Ltd (Code: 2628)	Down 1.77 percent to \$HK27.80 per share
Bank of China Ltd (Code: 3988)	Down 2.23 percent to \$HK3.50 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.18 percent to \$HK5.44 per share
PetroChina Company Ltd (Code: 857)	Down 1.53 percent to \$HK10.28 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 3.30 percent to \$HK7.63 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Apex Capital Ltd	905	34.54		0.335
Chevalier Pacific Holdings Ltd	508		10.69	1.42
China Best Group Holding Ltd	370		11.01	0.097
China Financial Leasing Group Ltd	2312		10.00	0.09

Dynamic Energy Holdings Ltd	578		10.00	0.90
The Hongkong Building and Loan Agency Ltd	145	25.71		2.20
MAXX Bioscience Holdings Ltd	512		10.34	0.26
Midland Holdings Ltd	1200		11.50	5.31
Morning Star Resources Ltd	542		10.34	0.052
Ngai Hing Hong Company Ltd	1047	11.54		0.58
PacMOS Technologies Holdings Ltd	1010	21.62		0.45
Peaktop International Holdings Ltd	925		16.39	0.51
Pearl River Tyre (Holdings) Ltd	1187		10.37	1.21
Ruyan Group (Holdings) Ltd	329		10.91	0.49
Sino Gas Group Ltd	260	10.00		0.187
Vitop Bioenergy Holdings Ltd	1178		10.00	0.18
Wing On Travel (Holdings) Ltd	1189	19.12		0.081
Zhongtian International Ltd	2379		14.75	0.26

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, gave up about 1.76 points to fall back to 801.03 points.

The Total Turnover on this market was about \$HK140.20 million.

Declining counters outpaced advancing ones by the ratio of about 2.73:One.

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

B M Intelligence International Ltd (Code: 8158)

Up 10.71 percent to \$HK0.31 per share

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

Unchanged at \$HK0.69 per share

Sungreen International Holdings Ltd (Code:
8306)

Up 2.19 percent to \$HK1.87 per share

Espco Technology Holdings Ltd (Code: 8299)

Down 15.38 percent to \$HK0.165 per share

China Railway Logistics Ltd (Code: 8089)

Down 10.18 percent to \$HK1.50 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158	10.71		0.31
China Railway Logistics Ltd	8089		10.18	1.50
ePRO Ltd	8086	10.53		0.21
Era Information and Entertainment Ltd	8043		11.11	0.40
Espco Technology Holdings Ltd	8299		15.38	0.165
Xi'an Haitian Antenna Technologies Company Ltd	8227		10.71	0.25
Linefan Technology Holdings Ltd	8166		14.29	0.72
Prosten Technology Holdings Ltd	8026	10.91		0.61
Tradeeasy Holdings Ltd	8163		11.11	0.24

On The Tokyo Stock Exchange, trading was dull, as it was on the other 2 equity markets of Japan, due, in the main, to investors, awaiting the outcome of The Fed's interest-rate determinations.

The TOPIX Index moved up about 0.09 percent to 1,349.19 points, with advancing counters, beating off declining counters by the ratio of about 1.29:One.

The Nikkei-225 Stock Average ended the trading day at 13,849.56 yen, representing a fall of about 0.06 percent on the trading session.

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

The HKSAR	Hang Seng Index Minus 1.14 percent to 22,456.02 The Growth Enterprise Index Minus 1.76 percent to 801.03
Indonesia	Plus 0.11 percent to 2,365.38
Japan	TOPIX Index Plus 0.09 percent to 1,349.19 Nikkei-225 Stock Average Minus 0.06 percent to 13,849.56

Malaysia	Plus 0.41 percent to 1,200.28
The Philippines	Minus 0.98 percent to 2,474.87
The PRC	Shanghai Composite Index Plus 1.54 percent to 2,803.02 Shenzhen Composite Index Plus 2.76 percent to 801.50
Singapore	Minus 0.57 percent to 2,962.16
South Korea	Minus 0.28 percent to 1,710.84
Taiwan	Minus 1.76 percent to 7,738.12
Thailand	Minus 0.67 percent to 763.75

Wednesday

The US Federal Reserve determined to leave interest rates untouched at 2 percent.

The Fed released the following statement, last Wednesday:

‘The Federal Open Market Committee decided today to keep its target for the federal funds rate at 2 percent.

‘Recent information indicates that overall economic activity continues to expand, partly reflecting some firming in household spending. However, labor markets have softened further and financial markets remain under considerable stress. Tight credit conditions, the ongoing housing contraction, and the rise in energy prices are likely to weigh on economic growth over the next few quarters.

‘The Committee expects inflation to moderate later this year and next year. However, in light of the continued increases in the prices of energy and some other commodities and the elevated state of some indicators of inflation expectations, uncertainty about the inflation outlook remains high.

‘The substantial easing of monetary policy to date, combined with ongoing measures to foster market liquidity, should help to promote moderate growth over time. Although downside risks to growth remain, they appear to have diminished somewhat, and the upside risks to inflation and inflation expectations have increased. The Committee will continue to monitor economic and financial developments and will act as needed to promote sustainable economic growth and price stability.

‘Voting for the FOMC monetary policy action were: Ben S. Bernanke, Chairman; Timothy F. Geithner, Vice Chairman; Donald L. Kohn; Randall S. Kroszner; Frederic S. Mishkin; Sandra

Pianalto; Charles I. Plosser; Gary H. Stern; and Kevin M. Warsh. Voting against was Richard W. Fisher, who preferred an increase in the target for the federal funds rate at this meeting.'

Clearly, the US Federal Reserve sees the potential for grave problems in the near future, but wants to wait for at least another month before taking definitive action.

The next Open Market Committee Meeting is scheduled for August 5, 2008: Things and The Fed's thinking may well be different by that date.

Wall Street, outwardly, appeared to be somewhat nonchalant about The Fed's determination.

On The New York Stock Exchange, the Dow Jones Industrial Average edged up about 0.04 percent to 11,811.83 points, while, over on The NASDAQ, its Composite Index gained about 1.39 percent to end the light trading day at 2,401.26 points.

The ratio of gainers to losers was about 2:One on The New York Stock Exchange and about 1.80:One on The NASDAQ.

On The New York Mercantile Exchange (NYMEX), the price of crude oil came off the boil, somewhat.

For delivery in August, the last settlement for a barrel of light sweet crude oil was \$US134.55, down about 1.79 percent on the day.

The last settlement for a barrel of light sweet crude oil for delivery in September came in at \$US135.08, representing a fall of about 1.77 percent, compared with Tuesday's closing quote.

In Europe, investors did not know of the determination of The Fed with regard to interest rates (it was announced after all equity markets in Eurozone had closed for the day), but the proliferators of scuttlebutt proclaimed that interest rates would stay unchanged.

For a change, the proliferators of scuttlebutt were on target.

This was how the key indices of the most-important bourses ended their respective trading days:

Amsterdam's AEX Index	Plus	0.49 percent
France's CAC 40 Index	Plus	1.39 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.25 percent
Great Britain's FTSE 100 Index	Plus	0.55 percent
Italy's MIBTEL Index	Plus	1.35 percent
Switzerland's Swiss Market Index	Plus	0.78 percent

News Wise

- **Barclays Bank plc** announced that it would be trying to raise £4.50 billion (about \$US8.80 billion) in

order *'to strengthen its capital base'*. Which is another way of saying that it needs more cash in the kitty.

In Asia, things appeared to be a little more upbeat in spite of flooding and severe tropical storms, hitting various parts of the Far East, including the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

In the HKSAR, both equity markets managed to record useful gains, but nothing very extraordinary.

All markets were closed for last Wednesday morning's trading session because of severe, inclement weather.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.80 percent to 22,456.02 points.

The Total Turnover shrank to about \$HK37.90 billion (afternoon trading session, only).

Advancing counters just managed to beat off declining counters by the ratio of about 1.08:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 0.66 percent to \$HK107.50 per share

China Life Insurance Company Ltd (Code: 2628)

Up 1.80 percent to \$HK28.30 per share

China Construction Bank Corporation (Code:
939)

Up 2.55 percent to \$HK6.43 per share

CNOOC Ltd (Code: 883)

Up 3.38 percent to \$HK13.44 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Down 2.29 percent to \$HK115.00 per share

Bank of China Ltd (Code: 3988)

Up 0.57 percent to \$HK3.52 per share

PetroChina Company Ltd (Code: 857)

Up 1.56 percent to \$HK10.44 per share

China Petroleum and Chemical Corporation
(Code: 386)

Unchanged at \$HK7.63 per share

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

Up 1.65 percent to \$HK5.53 per share

HSBC Holdings plc (Code: 5)

Up 0.81 percent to \$HK124.00 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AviChina Industry and Technology Company Ltd	2357		10.63	1.43
Beijing Development (Hongkong) Ltd	154	10.00		2.09
Carry Wealth Holdings Ltd	643	11.11		0.50
Golik Holdings Ltd	1118		10.00	0.27
Greater China Holdings Ltd	431	10.00		0.33
Karce International Holdings Company Ltd	1159	12.07		0.325
Kenfair International (Holdings) Ltd	223		14.29	0.96
Mascotte Holdings Ltd	136	12.00		0.28
Pan Asia Environmental Protection Group Ltd	556		12.50	2.45
Shaw Brothers (Hongkong) Ltd	80	12.14		23.10
Zhengzhou Gas Company Ltd	3928	10.10		1.09

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.95 percent, running up to 808.67 points.

The Total Turnover on this market for the half-day session was about \$HK91.32 million.

The ratio of advancing counters to declining ones was about 1.15:One.

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

BIG Media Group Ltd (Code: 8167)

Up 2.04 percent to \$HK0.50 per share

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

Up 4.52 percent to \$HK0.185 per share

Golden Meditech Company Ltd (Code: 8180)

Up 0.38 percent to \$HK2.65 per share

Sungreen International Holdings Ltd (Code: 8306)

Unchanged at \$HK1.87 per share

Town Health International Holdings Company Ltd
(Code: 8138)

Up 1.79 percent to \$HK0.114 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Resources (Holdings) Ltd	8025	18.34		0.20
FlexSystem Holdings Ltd	8050	20.00		0.30
Global Digital Creations Holdings Ltd	8271	11.11		0.40
Golife Concepts Holdings Ltd	8172	17.65		0.06
Mobile Telecom Network (Holdings) Ltd	8266	20.00		0.18
Prosten Technology Holdings Ltd	8026	22.95		0.75
Qianlong Technology International Holdings Ltd	8015		11.11	0.56
Tai Shing International (Holdings) Ltd	8103		16.22	0.31
Vertex Group Ltd	8228	11.25		0.178

In Japan, investors sat on their hands, awaiting the outcome of the deliberations of The Fed.

On The Tokyo Stock Exchange, its TOPIX Index gave up about 0.23 percent to end the trading day at 1,346.08 points.

Advancing counters outnumbered declining ones by the ratio of about 1.15:One.

The Nikkei-225 Stock Average shed about 0.14 percent to end the day at 13,829.92 yen.

News Wise

- **Sumitomo Mitsui Banking Corporation** announced that it would acquire 2 percent of the Issued and Fully Paid-Up Share Capital of Barclays Bank plc for £500 million.

In other Asian equity markets, this was how their respective key indices ended their trading days:

The HKSAR	Hang Seng Index Plus 0.80 percent to 22,635.16 The Growth Enterprise Index Plus 0.95 percent to 808.67
-----------	---

Indonesia	Minus 1.02 percent to 2,341.36
Japan	TOPIX Index Minus 0.23 percent to 1,346.08 Nikkei-225 Stock Average Minus 0.14 percent to 13,829.92
Malaysia	Plus 0.74 percent to 1,209.11
The Philippines	Plus 1.45 percent to 2,510.80
The PRC	Shanghai Composite Index Plus 3.64 percent to 2,905.01 Shenzhen Composite Index Plus 4.77 percent to 839.70
Singapore	Plus 0.83 percent to 2,986.62
South Korea	Plus 0.41 percent to 1,717.79
Taiwan	Plus 1.51 percent to 7,855.06
Thailand	Plus 1.92 percent to 778.42

Thursday

Investors, locked into US equity markets, got a rude awakening, last Thursday:

1. The price of crude oil on international commodity exchanges hit another new, record-high level;
2. Key Wall Street indices fell out of bed;
3. Bank of America Corporation announced that it would be culling about 3 percent of its workforce; and,
4. Banking and finance counters as well as motors shed tens of billions of dollars of their market capitalisations.

On The New York Stock Exchange, The Dow Jones Industrial Average surrendered about 3.03 percent, falling back to 11,453.42 points.

For The Dow, it was its lowest level in the previous 21 months.

All of the constituent stocks, which comprise The Dow, lost ground: There were no exceptions.

The Composite Index of The NASDAQ shed about 3.33 of its former glory, ending the trading session at 2,321.37 points.

The ratio of losing counters to gaining ones was about 5:One on The New York Stock Exchange and about 4:One on The NASDAQ.

Management of General Motors Corporation, generally considered the Grand Old Man of Detroit, saw its share price fall to a 53-year low of \$US11.43.

For the day, General Motors's share price gave up 10.80 percent of its market capitalisation.

The fall in the share price of General Motors helped bring down the share prices of Ford Motor Company and Chrysler LLC.

In financials, the share price of Citigroup Incorporated dropped about 6.30 percent to \$US17.67, its lowest level since October 1998, nearly one decade ago.

Bank of America Corporation gave up 6.80 percent of its market capitalisation, ending the day at \$US24.81.

The share price of Merrill Lynch and Company Incorporated dropped 6.80 percent to \$US33.05.

And so it went on, one company's share price after another, falling to much lower depths.

News Wise

- **Bank of America Corporation** announced that it would be sacking 7,500 of its workers. That number of workers represents about 3 percent of the bank's total Establishment Level. Bank of America is the second-largest bank in the US.

On The New York Mercantile Exchange (NYMEX), the price of crude oil hit another record high, during intra-day trading.

The last settlement for a barrel of light sweet crude oil for delivery in August was \$US139.64, up about 3.76 percent, compared with Wednesday's closing level.

During the height of the trading session, however, the price of a barrel of light sweet crude oil for August delivery rose to the record-breaking level of \$US140.39.

For delivery in September, the last settlement for a barrel of light sweet crude oil came in at \$US140.16, also up about 3.76 percent on Wednesday's closing level.

All kinds of excuses and reasons were being given for the rapid gains in the price of fossil fuels, but, as in any bullish market, when the bulls are running, head for the safety barrier.

That is, if one can be found.

In Europe, investors' blood stained trading floors of the most-important bourses of the region.

The key indices of these major equity markets all fell more than one percent, as the following **TARGET ()** list makes only too apparent:

Amsterdam's AEX Index	Minus 3.07 percent
-----------------------	--------------------

France's CAC 40 Index	Minus 2.42 percent
-----------------------	--------------------

Germany's Frankfurt XETRA DAX Index	Minus 2.39 percent
-------------------------------------	--------------------

Down 1.06 percent to \$HK28.00 per share

Down 1.06 percent to \$HK28.00 per share

CNOOC Ltd (Code: 883)

Down 1.93 percent to \$HK13.18 per share

Bank of China Ltd (Code: 3988)

Down 0.28 percent to \$HK3.51 per share

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

Up 0.60 percent to \$HK58.35 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.77 percent to \$HK77.80 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Apex Capital Ltd	905		10.45	0.30
APT Satellite Holdings Ltd	1045		10.34	1.30
Carry Wealth Holdings Ltd	643		14.00	0.43
China Financial Leasing Group Ltd	2312		11.11	0.08
China Glass Holdings Ltd	3300		10.16	2.30
Climax International Company Ltd	439	10.27		0.204
Enric Energy Equipment Holdings Ltd	3899	10.00		5.50
Fujian Holdings Ltd	181	26.79		0.71
Fushan International Energy Group Ltd	639	15.18		6.07
Gold Peak Industries (Holdings) Ltd	40	10.91		1.22
Green Energy Group Ltd	979	10.00		1.10
Hi Sun Technology (China) Ltd	818	10.66		1.35
Jiwa Bio-Pharm Holdings Ltd	2327	12.72		0.195
Lee and Man Holding Ltd	746		12.90	1.35
Magician Industries (Holdings) Ltd	526	12.82		0.44

Man Sang International Ltd	938	13.51		0.84
Pan Asia Environmental Protection Group Ltd	556	12.24		2.75
Peaktop International Holdings Ltd	925		11.82	0.485
Solargiga Energy Holdings Ltd	757		13.26	4.71
Synergis Holdings Ltd	2340	14.62		1.49
Titan Petrochemicals Group Ltd	1192	30.51		0.385
United Energy Group Ltd	467		15.38	0.99
United Metals Holdings Ltd	2302		10.55	3.90
United Pacific Industries Ltd	176		13.16	0.33

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.68 percent, falling back to 803.15 points.

The Total Turnover on this market was about \$HK133.46 million, while the ratio declining counters to advancing ones was about 1.26:One.

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

Golden Meditech Company Ltd (Code: 8180)

Down 0.38 percent to \$HK2.64 per share

China Railway Logistics Ltd (Code: 8089)

Up 8.39 percent to \$HK1.55 per share

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

Down 5.97 percent to \$HK0.63 per share

China Fire Safety Enterprise Group Holdings Ltd
(Code: 8201)

Up 1.10 percent to \$HK0.46 per share

Town Health International Holdings Company Ltd
(Code: 8138)

Down 2.63 percent to \$HK0.111 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Era Information and Entertainment Ltd	8043		14.29	0.36

FlexSystem Holdings Ltd	8050		13.33	0.26
Global Digital Creations Holdings Ltd	8271		10.00	0.36
Xi'an Haitian Antenna Technologies Company Ltd	8227	12.00		0.28
HC International Incorporated	8292	40.00		0.70
Intcera High Tech Group Ltd	8041		15.45	0.093
ITE (Holdings) Ltd	8092		12.00	0.088
Launch Tech Company Ltd	8196	25.86		0.73
Lee's Pharmaceutical Holdings Ltd	8221	11.63		0.48
Mobile Telecom Network (Holdings) Ltd	8266	21.67		0.141
Richfield Group Holdings Ltd	8136	15.49		0.082

Trading was very quiet on the 3 equity markets of Japan, last Thursday.

On The Tokyo Stock Exchange, its TOPIX Index lost about one tenth of a percentage point, ending the day at 1,344.79 points.

Losing counters outnumbered gaining ones by the ratio of about 1.36:One.

The Nikkei-225 Stock Average lost about 0.05 percent as investors pushed it back to 13,822.32 yen.

News Wise

- The **fishing industry** of Japan will go on strike in July as a protest against the high price of fuel. The strike is tentatively scheduled for July15 and 16, it has been suggested. The Japanese fishing industry comprises some 200,000 fishermen; and,
- Year-On-Year, **consumer prices** in Japan rose about 1.50 percent in May, the fastest rise in a decade, the Government announced.

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

The HKSAR	Hang Seng Index Minus 0.79 percent to 22,455.67 The Growth Enterprise Index Minus 0.68 percent to 803.15
Indonesia	Plus 0.41 percent to 2,350.89
Japan	TOPIX Index Minus 0.10 percent to 1,344.79 Nikkei-225 Stock Average

	Minus 0.05 percent to 13,822.32
Malaysia	Minus 0.43 percent to 1,203.89
The Philippines	Plus 0.43 percent to 2,521.61
The PRC	Shanghai Composite Index Minus 0.11 percent to 2,901.85 Shenzhen Composite Index Plus 0.85 percent to 846.83
Singapore	Minus 0.19 percent to 2,980.95
South Korea	Minus 0.01 percent to 1,717.66
Taiwan	Minus 0.55 percent to 7,811.80
Thailand	Minus 0.52 percent to 774.39

Friday

The price of crude oil hit another new record high on international commodity exchanges, last Friday, and, in the words of Elvis (The Pelvis) Presley: *'We're all shook up, ah-ha!'*

On The **New York Mercantile Exchange** (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August was \$US140.21, up about 0.41 percent on Thursday's final quote.

Once again, during the height of the Open Outcry Trading Session for August delivery, the price hit a record-setting price: This time, it was \$US142.99.

As for delivery in September, the last settlement for a barrel of light sweet crude oil came in at \$US140.75, up about 0.42 percent on the day.

And, once again, during the height of the Open Outcry Trading Session for September delivery, the price hit a record-setting price: This time at \$US143.54.

And Wall Street was all shook up.

On The New York Stock Exchange, the Dow Jones Industrial Average gave up about 0.93 percent to end the trading day at 11,346.51 points.

Over on The NASDAQ, its Composite Index shed about one quarter of a percentage point, dropping back to 2,315.63 points.

Trading was active on the world's largest equity markets with the ratio of losing counters to gaining ones, being about 2:One on The New York Stock Exchange and about 1.50:One on The NASDAQ.

As one would expect, financials took it on the nose, but the big losers were far too numerous to record in

this **TARGET** report.

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

The Dow Jones Industrial Average Minus 4.19 percent
The Composite Index of The NASDAQ Minus 3.76 percent

On European equity markets, there were few winners as investors sought the higher ground ... and, perhaps, safety.

Banks and financials, once again, were the targets of traders and investors alike as they sought to try to save whatever they could on equity markets, the key indices of which were rapidly deteriorating on a daily basis.

This was the extent on the carnage on major European bourses, last Friday night:

Amsterdam's AEX Index	Minus 0.02 percent
-----------------------	--------------------

France's CAC 40 Index Minus 0.65 percent

Germany's Frankfurt XETRA DAX IndexMinus 0.58 percent

Great Britain's FTSE 100 Index Plus 0.21 percent

Italy's MIBTEL Index	Minus 0.45 percent
----------------------	--------------------

Switzerland's Swiss Market Index Minus 1.26 percent

News Wise

- **Siemens AG** announced that it plans to sack about 17,200 of its workers, worldwide. It is the largest culling of staff in this company's history.

In Asia, there were only losers.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost very material ground.

The Hang Seng Index, the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, surrendered about 1.84 percent of its value, dropping back to 22,042.35 points.

The Total Turnover on this, the premier equity market of the territory, was about \$HK65.03 billion.

The ratio of losing counters to gaining ones was about 3.51:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Down 1.69 percent to \$HK104.40 per share

HSBC Holdings plc (Code: 5)

Down 1.69 percent to \$HK121.90 per share

China Life Insurance Company Ltd (Code: 2628)

Down 2.86 percent to \$HK27.20 per share

China Construction Bank Corporation (Code:
939)

Down 2.35 percent to \$HK6.22 per share

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

Down 1.83 percent to \$HK5.36 per share

CNOOC Ltd (Code: 883)

Down 0.61 percent to \$HK13.10 per share

PetroChina Company Ltd (Code: 857)

Down 2.52 percent to \$HK10.04 per share

China Petroleum and Chemical Corporation
(Code: 386)

Down 3.16 percent to \$HK7.35 per share

Sun Hung Kai Properties Ltd (Code: 16)

Down 3.07 percent to \$HK107.40 per share

Cheung Kong (Holdings) Ltd (Code: 1)

Down 2.72 percent to \$HK107.40 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Beijing Development (Hongkong) Ltd	154	14.36		2.31
China Financial Leasing Group Ltd	2312		15.00	0.068
Ching Hing (Holdings) Ltd	692	10.00		0.55
Fulbond Holdings Ltd	1041		11.11	0.04
Hua Han Bio-Pharmaceutical Holdings Ltd	587		11.73	1.58
Imagi International Holdings Ltd	585	12.50		0.63
Jiwa Bio-Pharm Holdings Ltd	2327	13.33		0.221
Karce International Holdings Company Ltd	1159		12.31	0.285
Oriental Explorer Holdings Ltd	430	12.50		0.09
Radford Capital Investment Ltd	901		15.91	0.37

Shandong Molong Petroleum Machinery Company Ltd	568		12.63	0.83
Shun Ho Resources Holdings Ltd	253	12.12		1.48
Sun Innovation Holdings Ltd	547	23.00		0.123
UDL Holdings Ltd	620		11.36	0.039
Universe International Holdings Ltd	1046		10.65	0.151
XPress Group Ltd	185	12.86		0.158
Zhongda International Holdings Ltd	909	17.89		0.29

On The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 1.96 percent, ending the day at the record low of 787.38 points.

The Total Turnover on this (speculative) market was about \$HK261.71 million, while the ratio of declining counters to advancing ones was about 3.04:One.

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

China LotSynergy Holdings Ltd (Code: 8161)

Down 9.68 percent to \$HK0.28 per share

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

Down 4.14 percent to \$HK11.12 per share

Wumart Stores Incorporated (Code: 8277)

Down 3.74 percent to \$HK6.95 per share

Zhongyu Gas Holdings Ltd (Code: 8070)

Up 1.59 percent to \$HK0.64 per share

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

Up 1.59 percent to \$HK0.64 per share

The biggest GEM movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Byford International Ltd	8272	10.98		0.91
Shanxi Changcheng Microlight Equipment Company Ltd	8286		15.00	0.51
ePRO Ltd	8086		14.29	0.18

Golife Concepts Holdings Ltd	8172	10.00		0.054
International Financial Network Holdings Ltd	8123		10.38	0.475
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		12.50	0.56
New Chinese Medicine Holdings Ltd	8085	12.50		0.90
Northeast Tiger Pharmaceutical Company Ltd	8197		10.43	0.103
Richfield Group Holdings Ltd	8136	12.20		0.092

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

The Hang Seng Index Minus 3.09 percent
The Growth Enterprise Market Minus 4.91 percent

In Japan, investors got a very rude awakening as the key indices of all of the country's equity markets came off – big time!

On The Tokyo Stock Exchange, The TOPIX Index fell back about 1.79 percent to 1,320.68 points.

Declining counters outnumbered advancing ones by the ratio of about 4.05:One.

The Nikkei-225 Stock Average improved on the losses on The TOPIX Index, with a fall of about 2.01 percent, dropping back to 13,544.36 yen.

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

The TOPIX Index Minus 2.66 percent
The Nikkei-225 Stock Average Minus 2.85 percent

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

The HKSAR	Hang Seng Index Minus 1.84 percent to 22,042.35 The Growth Enterprise Index Minus 1.96 percent to 787.38
Indonesia	Minus 0.80 percent to 2,332.12
Japan	TOPIX Index Minus 1.79 percent to 1,320.68 Nikkei-225 Stock Average Minus 2.01 percent to 13,544.36
Malaysia	Minus 1.11 percent to 1,190.54
The Philippines	Minus 2.19 percent to 2,466.28

The PRC	Shanghai Composite Index Minus 5.29 percent to 2,748.43 Shenzhen Composite Index Minus 6.02 percent to 795.86
Singapore	Minus 0.84 percent to 2,955.91
South Korea	Minus 1.93 percent to 1,684.45
Taiwan	Minus 3.37 percent to 7,548.76
Thailand	Plus 0.17 percent to 775.73

-- E N D --

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*