

**THE U.S. UNEMPLOYMENT RATE JUMPS TO 5.70 PERCENT –
GENERAL MOTORS REPORTS RECORD-SETTING LOSSES –
AND WALL STREET RESPONDS, ACCORDINGLY**

Gloom hung over equity markets on the North American Continent, last Monday, with the key indices of the world's largest stock markets, dropping back by more than 2 percent.

On The New York Stock Exchange, the Dow Jones Industrial Average shed 239.61 points, equivalent to about 2.11 percent, ending the trading session at 11,131.08 points.

Over on The NASDAQ, its Composite Index shed 46.31 points, or 2 percent, exactly, as investors drove it down to 2,264.22 points.

The volume of activity on these 2 markets was comparatively light.

Declining counters were about 2:One on The New York Stock Exchange and about 3:One on The NASDAQ.

What touched off the bearish mood on the world's largest equity markets was confirmation that the US Government had taken over 2 more US banks, one in Nevada and one in California.

Following the takeover of IndyMac Bancorp Incorporated, about a fortnight earlier, The Office of The Comptroller of The Currency announced that it had shut down First National Bank of Nevada and First Heritage Bank N.A. of California.

That put the cat among the pigeons.

And, when Merrill Lynch and Company Incorporated, (previously?) the third-largest, Wall Street investment bank, announced that it fully expected to suffer a loss of about \$US5.70 billion in its third quarter because of acknowledged losses on the sales of mortgage assets, necessitating material write-downs, it was just too much for investors to stomach.

It was recalled that, over the previous 4, consecutive quarters, not less than \$US40 billion had been written off the books of Merrill Lynch and Company Incorporated.

In short, the company is in a mess, today, and has been in a mess for the past year or so, at least.

It was hardly a surprise for hardened investors to see the share prices of financial counters fall, and fall with a thud that could be heard in just about every corner of the world's most-important financial centre.

The following is just a sampling of some of the major Wall Street losers:

Merrill Lynch and Company Incorporated Down 11.60 percent to \$US24.33 per share

Citigroup Incorporated Down 7.50 percent to \$US17.43 per share

Bank of America Corporation Down 5.10 percent to \$US28.06 per share

Lehman Brothers Holdings Incorporated Down 10.40 percent to \$US15.27 per share

Fannie Mae Down 10.70 percent to \$US10.31 per share

Freddie Mac Down 6.70 percent to \$US7.72 per share

News Wise

- The **International Monetary Fund (IMF)**, in its latest global stability report, has claimed that the **international credit problems** show no signs of abating. The IMF warned that continued falling home prices and slowing economic growth are inhibiting banks to loosen their purse strings. Further cutbacks in bank lending could exacerbate the already difficult situation.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement for a barrel of light sweet crude oil for delivery in September was \$US124.73, representing an increase of about 1.19 percent on the final quote of Friday, July 24, 2008.

As for delivery in October, the last settlement for a barrel of light sweet crude oil came in at \$US125.29, up about 1.19 percent on the last settlement of the previous Friday.

Europe followed Wall Street, with the key indices of all of the major bourses, falling rapidly:

Amsterdam's AEX Index Minus 0.70 percent

France's CAC 40 Index Minus 1.20 percent

Germany's Frankfurt XETRA DAX Index Minus 1.32 percent

Great Britain's FTSE 100 Index Minus 0.74 percent

Italy's MIBTEL Index Minus 0.91 percent

Switzerland's Swiss Market Index Minus 0.65 percent

In Europe, news that one airline after another was suffering major losses caused investors to be extremely cautious in making any new financial commitments.

Banking counters were the targets of selling, following the '*bath*' that many financial counters had taken on Wall Street.

On Asian equity markets, only the key indices of 2 of the major, Asian equity markets ended up in the red, last Monday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading was exceedingly light with the key indices of the 2 equity markets, drifting to lower levels.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 0.24 percent to 22,687.21 points on a Total Turnover of about \$HK41.47 billion.

The Turnover was the lowest since about March of 2007.

The ratio of losing counters to gaining ones was about 1.48:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 0.39 percent to \$HK127.80 per share
China Mobile Ltd (Code: 941)	Down 0.37 percent to \$HK106.90 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.34 percent to \$HK29.65 per share
CNOOC Ltd (Code: 883)	Up 0.36 percent to \$HK11.28 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.35 percent to \$HK5.76 per share
PetroChina Company Ltd (Code: 857)	Up 0.59 percent to \$HK10.24 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.25 percent to \$HK7.99 per share
China Merchants Bank Company Ltd (Code: 3968)	Down 0.71 percent to \$HK27.95 per share
China Construction Bank Corporation (Code: 939)	Down 0.58 percent to \$HK6.81 per share
China COSCO Holdings Company Ltd (Code: 1919)	Down 5.64 percent to \$HK18.40 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Orient Holdings Ltd	214	13.04		1.30
China Electronics Corporation Holdings Company Ltd	85	10.47		1.90

China HealthCare Holdings Ltd	673	11.90		0.47
Dickson Group Holdings Ltd	313	80.00		0.189
Global Tech (Holdings) Ltd	143	18.42		0.045
Green Energy Group Ltd	979		15.49	0.60
Henry Group Holdings Ltd	859		15.91	0.74
HKC International Holdings Ltd	248	11.61		0.25
Hongkong Economic Times Holdings Ltd	423	10.37		2.98
HyComm Wireless Ltd	499		11.11	0.016
Interchina Holdings Company Ltd	202		12.77	0.041
ITC Properties Group Ltd	199		23.19	0.106
MAE Holdings Ltd	851		15.79	0.48
MAXX Bioscience Holdings Ltd	512	13.79		0.33
Moiselle International Holdings Ltd	130		11.89	1.26
National Investments Fund Ltd	1227		12.22	0.079
Radford Capital Investment Ltd	901		16.33	0.41
Same Time Holdings Ltd	451		11.11	2.00
Shinhint Acoustic Link Holdings Ltd	2728		17.72	0.65
Sino Katalytics Investment Corporation	2324		10.34	0.052
SunCorp Technologies Ltd	1063	17.99		0.164
Tack Fat Group International Ltd	928		13.04	0.40
Vitop Bioenergy Holdings Ltd	1178	31.03		0.19
Willie International Holdings Ltd	273	18.18		0.052
Wing On Travel (Holdings) Ltd	1189		24.07	0.082

Wonson International Holdings Ltd	651	17.89		0.112
Zhongda International Holdings Ltd	909	18.14		0.28

On The **G**rowth **E**nterprise **M**arket (The **GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.21 percent to 763.16 points.

The Total Turnover on this market was, also, exceedingly low, at about \$HK160.62 million.

The ratio of declining counters to advancing ones was about 1.24:One.

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

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

Up 3.57 percent to \$HK1.16 per share

BIG Media Group Ltd (Code: 8167)

Down 9.38 percent to \$HK0.435 per share

Wumart Stores Incorporated (Code: 8277)

Up 1.12 percent to \$HK7.25 per share

China Railway Logistics Ltd (Code: 8089)

Down 5.93 percent to \$HK1.27 per share

Century Sunshine Ecological
Technology Holdings Ltd (Code: 8276)

Up 1.79 percent to \$HK0.285 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Blu Spa Holdings Ltd	8176	26.76		0.90
DIGITALHONGKONG.COM	8007		11.11	0.40
Golife Concepts Holdings Ltd	8172	17.50		0.047
Inno-Tech Holdings Ltd	8202		15.83	0.202
Long Success International (Holdings) Ltd	8017	13.73		0.058
Rojam Entertainment Holdings Ltd	8075		18.46	0.053
Sing Lee Software (Group) Ltd	8076		26.82	0.161
Thiz Technology Group Ltd	8119		16.42	0.056

Zhejiang Prospect Company Ltd	8273	11.76		1.90
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In Japan, trading was relatively quiet on the country's 3 equity markets, also.

On The Tokyo Stock Exchange, its TOPIX Index rose 2.51 points, or about 0.19 percent, limping up to 1,300.79 points.

Declining counters led advancing ones by the ratio of about 1.15: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, put on 19.02 yen, equivalent to about 0.14 percent, ending the trading day at 13,353.78 yen.

News Wise

- **Nippon Oil Corporation** is planning to increase prices of its products by about 28 percent on average; and,
- **Mitsubishi Electric Corporation** announced that its Group Net Profit Attributable to Shareholders for the quarter, ended June 30, 2008, was ¥55.28 billion, representing a 19-percent increase, Year-On-Year.

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

The HKSAR	<p>Hang Seng Index Minus 0.24 percent to 22,687.21 The Growth Enterprise Index Minus 0.21 percent to 763.16</p>
Indonesia	<p>Plus 1.35 percent to 2,275.68</p>
Japan	<p>TOPIX Index Plus 0.19 percent to 1,300.79 Nikkei-225 Stock Average Plus 0.14 percent to 13,353.78</p>
Malaysia	<p>Plus 1.08 percent to 1,154.09</p>
The Philippines	<p>Plus 1.12 percent to 2,540.81</p>
The PRC	<p>Shanghai Composite Index Plus 1.32 percent to 2,903.01 Shenzhen Composite Index Plus 0.98 percent to 869.12</p>
Singapore	<p>Minus 0.43 percent to 2,910.36</p>

South Korea	Plus 0.02 percent to 1,598.29
Taiwan	Closed
Thailand	Plus 0.01 percent to 685.53

Tuesday

As the price of crude oil slipped on the world's commodity markets, investors in the US took heart – and up went the key indices on major American equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average reversed Monday's downward trend, picking up 266.48 points, or about 2.39 percent, as investors pushed it to 11,397.56 points.

Over on The NASDAQ, its Composite Index went along for the ride with a gain of 55.40 points, equivalent to about 2.45 percent, ending the trading day at 2,319.62 points.

Trading remained on the light side, however, indicating that Tuesday's gains did not constitute a turning round in market sentiment.

The ratio of gainers to losers was about 3:One on The New York Stock Exchange and about 2:One on The NASDAQ.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in September was \$US122.19, down about 2.04 percent on Monday's close.

As for October delivery, the last settlement for a barrel of light sweet crude oil came in at \$US122.74, representing a one-day fall of about 2.04 percent, also.

While equity investors in Europe, normally, follow Wall Street's lead, last Tuesday, it was not very apparent.

The key indices of the most-important bourses moved either up or down by fractions as investors determined to adopt a wait-and-see attitude in the main.

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

Amsterdam's AEX Index Plus 0.53 percent

France's CAC 40 Index Minus 0.09 percent

Germany's Frankfurt XETRA DAX Index Plus 0.75 percent

Great Britain's FTSE 100 Index Plus 0.12 percent

Italy's MIBTEL Index Minus 0.23 percent

Switzerland's Swiss Market Index Plus 0.34 percent

In Asia, there were only losers on the biggest equity markets of the region.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of both equity markets lost quite material doses of their former glory.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 1.89 percent, falling to 22,258.00 points on a Total Turnover of about \$HK47.55 billion.

The ratio of declining counters to advancing ones was about 3.38:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)
Down 1.33 percent to \$HK126.10 per share

China Mobile Ltd (Code: 941)
Down 2.71 percent to \$HK104.00 per share

CNOOC Ltd (Code: 883)
Up 0.35 percent to \$HK11.32 per share

China Life Insurance Company Ltd (Code: 2628)
Down 2.02 percent to \$HK29.05 per share

China Construction Bank Corporation (Code:
939)
Down 1.76 percent to \$HK6.69 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)
Down 4.04 percent to \$HK114.00 per share

PetroChina Company Ltd (Code: 857)
Down 1.76 percent to \$HK10.06 per share

Industrial and Commercial Bank of China Ltd
(Code: 1398)
Down 1.74 percent to \$HK5.66 per share

China Petroleum and Chemical Corporation
(Code: 386)
Down 1.13 percent to \$HK7.90 per share

China Merchants Bank Company Ltd (Code:
3968)
Down 3.40 percent to \$HK27.00 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Solar Energy Holdings Ltd	155		12.63	0.173

China Water Affairs Group Ltd	855	15.26		2.19
Cosmopolitan International Holdings Ltd	120		10.53	0.425
Dickson Group Holdings Ltd	313		15.34	0.16
Global Tech (Holdings) Ltd	143		17.78	0.037
Grandtop International Holdings Ltd	2309		21.43	0.22
Green Energy Group Ltd	979		17.50	0.495
Hanny Holdings Ltd	275		11.40	0.101
HyComm Wireless Ltd	499	12.50		0.018
ITC Corporation Ltd	372		10.53	0.255
ITC Properties Group Ltd	199		22.64	0.082
Junefield Department Store Group Ltd	758	11.36		0.196
Macau Investment Holdings Ltd	2362		11.34	0.43
National Investments Fund Ltd	1227	11.39		0.088
Sino Katalytics Investment Corporation	2324	28.85		0.067
Smart Union Group (Holdings) Ltd	2700	14.06		0.365
Universe International Holdings Ltd	1046	43.62		0.135
Wing On Travel (Holdings) Ltd	1189		24.39	0.062

Over on The **G**rowth **E**nterprise **M**arket (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.18 percent, dropping back to 754.14 points.

The Total Turnover on this market was about \$HK148.63 million, while the ratio of losing counters to gaining ones was about 1.43:One.

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

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

Up 0.86 percent to \$HK1.17 per share

Town Health International Holdings Company

Down 2.65 percent to \$HK0.11 per share

Ltd (Code: 8138)

China Information Technology Development Ltd
(Code: 8178)

Down 17.79 percent to \$HK0.171 per share

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

Up 0.19 percent to \$HK10.28 per share

Phoenix Satellite Television Holdings Ltd (Code:
8002)

Unchanged at \$HK1.05 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Information Technology Development Ltd	8178		17.79	0.171
Emcom International Ltd	8220	12.90		0.035
G.A. Holdings Ltd	8126	10.61		0.365
Glory Mark Hi-Tech (Holdings) Ltd	8159	19.05		0.25
HC International Incorporated	8292	18.18		0.65
Lee's Pharmaceutical Holdings Ltd	8221	11.24		0.495
Prosten Technology Holdings Ltd	8026	14.71		0.78
Sing Lee Software (Group) Ltd	8076	21.12		0.195
Thiz Technology Group Ltd	8119	42.86		0.08
Timeless Software Ltd	8028		11.11	0.08
Tradeeasy Holdings Ltd	8163	11.59		0.26

In Japan, it was losers all the way on the country's equity markets.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index surrendered about 1.47 percent as investors drove it down to 1,281.64 points.

Declining counters outdistanced advancing ones by the ratio of about 4.28:One.

The Nikkei-225 Stock Average gave up about 1.46 percent, ending the day at 13,159.45 yen.

- **Sumitomo Corporation** announced a 51.95-percent rise in first-quarter profits, Year-On-Year. The Net Profit Attributable to Shareholders came in at ¥78.10 billion, up from about ¥51.40 billion for the like period in 2007;
- **Nomura Holdings Incorporated**, the largest stockbrokerage house in Japan, announced a loss in its first quarter to June 30, 2008. The stockbroker announced a Loss Attributable to Shareholders of about ¥76.60 billion. That result compared with a Net Profit Attributable to Shareholders of about ¥75.90 billion for the like quarter in 2007;
- The **average spending** by households in Japan fell by about 1.80 percent in June, Year-On-Year, according to statistics, compiled by The Internal Affairs and Communications Ministry;
- **Matsushita Electric Industrial Company** reported that, for the quarter, ended June 30, 2008, its Net Profit Attributable to Shareholders was ¥73 billion, up 85.75 percent on the like quarter in 2007; and,
- Japan's **unemployment rate** for June stood at 4.10 percent, seasonally adjusted, The Internal Affairs and Communications Ministry reported. That was an increase, Month-On-Month, of about 0.10 percent. This means that about 2.65 million people are pounding the streets of the country, looking for work.

In other parts of Asia, this was how the key indices of those equity markets ended, last Tuesday:

The HKSAR	Hang Seng Index Minus 1.89 percent to 22,258.00 The Growth Enterprise Index Minus 1.18 percent to 754.14
Indonesia	Plus 0.13 percent to 2,278.68
Japan	TOPIX Index Minus 1.47 percent to 1,281.64 Nikkei-225 Stock Average Minus 1.46 percent to 13,159.45
Malaysia	Minus 0.29 percent to 1,150.80
The Philippines	Minus 0.58 percent to 2,526.04
The PRC	Shanghai Composite Index Minus 1.82 percent to 2,850.31 Shenzhen Composite Index Minus 1.53 percent to 855.84
Singapore	Minus 0.82 percent to 2,886.56

South Korea	Minus 1.95 percent to 1,567.20
Taiwan	Minus 3.03 percent to 7,014.47
Thailand	Minus 1.28 percent to 676.73

Wednesday

The price of crude oil rose on international commodity exchanges, last Wednesday, following a report from the US Government's Energy Information Administration, a report which stated that supplies of petrol in the US had shrunk by about 3.50 million barrels for the week, ended July 24, 2008.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in September came in at \$US126.77, representing an increase of about 3.75 percent, compared with Tuesday's closing level.

As for delivery in October, the last settlement for a barrel of light sweet crude oil was \$US127.20, up about 3.63 percent on the final quote of Tuesday.

On Wall Street, in the final 30 minutes of trading, speculators covered shorts, pulling up the key indices for the day.

Without the short covering, well ...

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 1.63 percent to 11,583.69 points in light trading.

Over on The NASDAQ, its Composite Index gained about 0.44 percent, ending the trading day at 2,329.72 points.

The ratio of advancing counters to declining ones was about 2:One on The New York Stock Exchange and about 1.33:One on The NASDAQ.

In view of a number of urgent matters, hanging over the US economy, it appears that the light trading conditions might well bode ill for equity trading in The Land of The Free and The Home of The Brave.

News Wise

- **Starbucks Corporation** reported that it had experienced its first quarterly loss in 15 years. For the 3 months, ended June 29, 2008, the coffee company reported a Loss Attributable to Shareholders of about \$US6.70 million. That compared with a Net Profit Attributable to Shareholders of about \$US158.30 million for the like period in 2007.

On European equity markets, investors jumped in, feet first, in order to catch what they saw as an opportunity to do some quick day trades and turn a profit.

Wall Street had experienced 2 trading days of gains, erasing, completely, the losses of Monday.

While on Tuesday, there were questions as to whether or not it was time to make fresh financial commitments on equity markets, on Wednesday, there appeared to be no question in many investors' minds.

As a result, every key index of every major bourse rose, materially:

Amsterdam's AEX Index	Plus	2.35 percent
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France's CAC 40 Index	Plus	1.85 percent
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Germany's Frankfurt XETRA DAX Index	Plus	0.95 percent
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Great Britain's FTSE 100 Index	Plus	1.90 percent
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Italy's MIBTEL Index	Plus	0.62 percent
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Switzerland's Swiss Market Index	Plus	1.65 percent
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While some brokers in Europe pointed to such parochial considerations as this European company or that European company, performing slightly better than had been expected, it was Wall Street that continues to pull the strings in this part of the world.

In Asia, the general mood of investors was upbeat, which was reflected in the gains in the key indices of the biggest equity markets.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 1.94 percent to 22,690.60 points on a Total Turnover of about \$HK53.32 billion.

The ratio of gainers to losers was about 2.17:One.

The Ten Most Active counters were:

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

Up 4.06 percent to \$HK5.89 per share

China Mobile Ltd (Code: 941)

Up 1.54 percent to \$HK105.60 per share

China Petroleum and Chemical Corporation (Code:
386)

Up 4.94 percent to \$HK8.29 per share

China Life Insurance Company Ltd (Code: 2628)

Up 2.24 percent to \$HK29.70 per share

HSBC Holdings plc (Code: 5)

Up 1.90 percent to \$HK128.50 per share

China Construction Bank Corporation (Code: 939)

Up 3.44 percent to \$HK6.92 per share

CNOOC Ltd (Code: 883)

Unchanged at \$HK11.32 per share

PetroChina Company Ltd (Code: 857)

Up 2.39 percent to \$HK10.30 per share

Hongkong Exchanges and Clearing Ltd (Code: 388)

Up 2.19 percent to \$HK116.50 per share

China Merchants Bank Company Ltd (Code: 3968)

Up 4.63 percent to \$HK28.25 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)
CEC International Holdings Ltd	759	10.60		0.24
Century Legend (Holdings) Ltd	79	10.61		0.365
China Solar Energy Holdings Ltd	155		11.56	0.153
China Wireless Technologies Ltd	2369		11.34	0.43
Cosmopolitan International Holdings Ltd	120	14.12		0.485
Dickson Group Holdings Ltd	313		25.63	0.119
Grandtop International Holdings Ltd	2309		19.09	0.178
Greater China Holdings Ltd	431	13.33		0.34
Junefield Department Store Group Ltd	758		14.80	0.167
Karce International Holdings Company Ltd	1159	16.67		0.28
Magnesium Resources Corporation of China Ltd	723	10.77		0.144
Royale Furniture Holdings Ltd	1198	11.36		0.98
Shun Ho Resources Holdings Ltd	253	10.29		1.50
Sino Katalytics Investment Corporation	2324	11.94		0.075
South East Group Ltd	726	10.61		0.73
Sunny Global Holdings Ltd	1094	11.11		0.70

SW Kingsway Capital Holdings Ltd	188	10.81		0.164
Universe International Holdings Ltd	1046		15.56	0.114

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 1.57 percent to end the trading day at 766.01 points.

The Total Turnover on this market was about \$HK143.46 million, while the ratio of advancing counters to declining ones was about 1.53:One.

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

Intelli-Media Group (Holdings) Ltd (Code: 8173)
Down 3.42 percent to \$HK1.13 per share

Town Health International Holdings Company Ltd
(Code: 8138)
Unchanged at \$HK0.11 per share

Wumart Stores Incorporated (Code: 8277)
Up 1.39 percent to \$HK7.32 per share

China Information Technology Development Ltd
(Code: 8178)
Up 1.75 percent to \$HK0.174 per share

Golden Meditech Company Ltd (Code: 8180)
Up 3.04 percent to \$HK2.37 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	29.79		0.61
BIG Media Group Ltd	8167	22.50		0.49
Lee's Pharmaceutical Holdings Ltd	8221		10.10	0.445
Netel Technology (Holdings) Ltd	8256	11.49		0.097
Shanghai Tonva Petrochemical Company Ltd	8251		10.00	0.63
Tradeeasy Holdings Ltd	8163	11.54		0.29
Trasy Gold Ex Ltd	8063	11.11		0.02

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.67 percent to 1,302.99 points.

Advancing counters outpaced declining ones by the ratio of about 6.52:One.

The Nikkei-225 Stock Average advanced about 1.58 percent to 13,367.79 yen.

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- **Daiwa Securities Group Incorporated** reported a first-quarter Net Profit Attributable to Shareholders of about ¥5.89 billion. That result was a decline of 78.42 percent, compared with the like quarter of 2007;
- **NTT DoCoMo Incorporated** announced that, for the 3 months, ended June 30, 2008, it had logged in a Net Profit Attributable to Shareholders of about ¥173.50 billion, up about 41.29 percent, Year-On-Year; and,
- The Japanese Government's Ministry of Economy, Trade and Industry reported that **industrial production** in the country had slipped about 2 percent, seasonally adjusted, during the month of June, compared with the situation that existed in May.

On other Asian equity markets, this was how the situation looked, last Wednesday night:

The HKSAR	Hang Seng Index Plus 1.94 percent to 22,690.60 The Growth Enterprise Index Plus 1.57 percent to 766.01
Indonesia	Closed
Japan	TOPIX Index Plus 1.67 percent to 1,302.99 Nikkei-225 Stock Average Plus 1.58 percent to 13,367.79
Malaysia	Plus 0.79 percent to 1,159.94
The Philippines	Plus 2.29 percent to 2,583.83
The PRC	Shanghai Composite Index Minus 0.48 percent to 2,836.67 Shenzhen Composite Index Minus 0.39 percent to 852.52
Singapore	Plus 1.35 percent to 2,925.50
South Korea	Plus 0.67 percent to 1,577.70

Taiwan	Plus 0.80 percent to 7,070.35
Thailand	Minus 1.01 percent to 669.90

Thursday

Investors, locked into stocks and shares, listed on The New York Stock Exchange, suffered, once again, last Thursday, as the weight of bad news dulled any chance of a continued upward push on the world's largest equity market.

As **TARGET** () had, rightly, anticipated, the lack of a sufficiency in the volume of activity on an equity market is a telltale sign that investors were not committed to staying the course and were, in the main, day traders.

Last Thursday, on The New York Stock Exchange, the Dow Jones Industrial Average shed about 1.78 percent, dropping back to 11,378.02 points.

Over on The NASDAQ, its Composite Index gave up about 0.18 percent, falling to 2,325.55 points.

Trading was described as being moderate while the ratio of losers to gainers was about 1.50:One on The New York Stock Exchange and by about 1.15:One on The NASDAQ.

News Wise

- **General Motors Corporation** is in discussions to sell its Hummer Division. The company did not disclose the name(s) of the potential buyer(s); and,
- **GMAC LLC**, a 49-percent-owned associated company of **General Motors Corporation**, announced a Net Loss Attributable to Shareholders of about \$US2.48 billion for its second quarter. In the like quarter of 2007, the company reported a Net Profit Attributable to Shareholders of about \$US293 million.

On The New York Mercantile Exchange (**NYMEX**), the last settlement for a barrel of light sweet crude oil for delivery in September was \$US124.08, down about 2.12 percent on the last quote of Wednesday.

As for October delivery, the last settlement for a barrel of light sweet crude oil came in at \$US124.51, representing a fall of about 2.11 percent on Wednesday's closing level.

On European bourses, trading was relatively flat.

Corporate news was mixed, some companies, reporting that things were on the mend, while others reported that business was middling to poor.

Quiet trading conditions prevailed, for the most part.

This was how the key indices of the largest and most-important equity markets fared, last Thursday:

Amsterdam's AEX Index Minus 1.09 percent

France's CAC 40 Index Minus 0.18 percent

Germany's Frankfurt XETRA DAX IndexPlus 0.30 percent

Great Britain's FTSE 100 Index Minus 0.16 percent

Italy's MIBTEL Index Minus 0.37 percent

Switzerland's Swiss Market Index Plus 0.45 percent

News Wise

- **Deutsche Bank AG** reported that it had made further write-offs in respect of the subprime, mortgage-lending industry. The write-offs were about \$US2.70 billion for the quarter, ended June 30, 2008.

In Asia, selective buying patterns were noted on most of the equity markets of the region, but the volume of activity was decidedly muted.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), a small, fractional gain was recorded in the key index of the premier equity market while, on the speculative equity market, its lone index lost a fraction.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.18 percent to 22,731.10 points on a Total Turnover of about \$HK56.47 billion.

The ratio of declining counters to advancing ones was about 1.32:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)
Down 0.66 percent to \$HK104.90 per share

HSBC Holdings plc (Code: 5)
Up 0.31 percent to \$HK128.90 per share

CNOOC Ltd (Code: 883)
Up 3.71 percent to \$HK11.74 per share

Industrial and Commercial Bank of China Ltd
(Code: 1398)
Up 0.17 percent to \$HK5.90 per share

China Life Insurance Company Ltd (Code:
2628)
Up 0.17 percent to \$HK29.75 per share

China Petroleum and Chemical Corporation
(Code: 386)
Down 1.81 percent to \$HK8.14 per share

PetroChina Company Ltd (Code: 857)
Up 1.17 percent to \$HK10.42 per share

China Construction Bank Corporation (Code:
Down 0.58 percent to \$HK6.88 per share

939)

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

Up 1.49 percent to \$HK54.55 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Down 0.17 percent to \$HK116.30 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)
Aupu Group Holding Company Ltd	477	12.50		0.99
China Fortune Holdings Ltd	110		11.63	0.38
China Outdoor Media Group Ltd	254	10.53		0.42
Deson Development International Holdings Ltd	262	13.79		0.33
Emperor International Holdings Ltd	163	13.50		2.69
GFT Holdings Ltd	1003	10.00		0.099
Grandtop International Holdings Ltd	2309		12.92	0.155
Greater China Holdings Ltd	431		14.71	0.29
Hua Han Bio-Pharmaceutical Holdings Ltd	587	12.24		1.65
Huafeng Group Holdings Ltd	364	10.00		0.33
Lippo Ltd	226	20.27		4.45
Mandarin Entertainment (Holdings) Ltd	9		15.79	0.192
Modern Beauty Salon Holdings Ltd	919	11.57		2.70
Opes Asia Development Ltd	810		11.03	0.121
Orient Overseas (International) Ltd	316		11.17	34.20
Pacific Plywood Holdings Ltd	767		13.56	0.051

PacMOS Technologies Holdings Ltd	1010		19.15	0.38
Shun Ho Resources Holdings Ltd	253	12.00		1.68
Sino-Tech International Holdings Ltd	724	13.68		0.216
Skyfame Realty (Holdings) Ltd	59	13.04		0.78
Sun Innovation Holdings Ltd	547	16.67		0.119
Tai-I International Holdings Ltd	1808	16.67		0.70
United Pacific Industries Ltd	176	18.18		0.52
Vitop Bioenergy Holdings Ltd	1178		11.11	0.16
VST Holdings Ltd	856	12.15		1.20
Wo Kee Hong (Holdings) Ltd	720	12.24		0.55
Zhongtian International Ltd	2379	20.00		0.30

On The **G**rowth **E**nterprise **M**arket (The **GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.08 percent, ending the very light trading day at 765.40 points.

The Total Turnover was about \$HK129.86 million.

Losing counters outnumbered gaining ones by the ratio of about 1.13:One.

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

Intelli-Media Group (Holdings) Ltd (Code: 8173)
Down 2.65 percent to \$HK1.10 per share

Town Health International Holdings Company Ltd
(Code: 8138)
Down 3.64 percent to \$HK0.106 per share

Espco Technology Holdings Ltd (Code: 8299)
Up 3.92 percent to \$HK0.106 per share

Century Sunshine Ecological
Technology Holdings Ltd (Code: 8276)
Down 1.72 percent to \$HK0.285 per share

Golden Meditech Company Ltd (Code: 8180)
Up 5.49 percent to \$HK2.50 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
BIG Media Group Ltd	8167		13.27	0.425
China Primary Resources Holdings Ltd	8117	27.62		0.134
Inno-Tech Holdings Ltd	8202	16.10		0.238
Netel Technology (Holdings) Ltd	8256		13.40	0.084
Powerleader Science and Technology Company Ltd	8236	10.00		0.198
Rojam Entertainment Holdings Ltd	8075	11.11		0.06
Sing Lee Software (Group) Ltd	8076	12.20		0.23
Trasy Gold Ex Ltd	8063		10.00	0.018

On The Tokyo Stock Exchange, trading was especially quiet.

The TOPIX Index edged up about 0.05 percent to 1,303.62 points while The Nikkei-225 Stock Average managed a gain of about 0.07 percent.

Advancing counters outran declining ones by the ratio of 1.48:One, exactly.

News Wise

- **All Nippon Airways Company Ltd (ANA)** announced that its Net Loss Attributable to Shareholders was about ¥6.65 billion for the quarter, ended June 30, 2008. For the like period in 2007, ANA reported a Net Profit Attributable to Shareholders of about ¥87.30 billion;
- **Mizuho Financial Group Incorporated** reported a Net Profit Attributable to Shareholders of about ¥133 billion for the quarter, ended June 30, 2008. In the like period of 2007, the bank reported a Net Profit Attributable to Shareholders of about ¥116.50 billion; and,
- Management of **Nissan North America Incorporated**, a subsidiary of **Nissan Motor Company**, said it would offer to buy out about 6,000 of its employees at its Tennessee, motor-vehicle plants.

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

The HKSAR	Hang Seng Index Plus 0.18 percent to 22,731.10 The Growth Enterprise Index Minus 0.08 percent to 765.40
Indonesia	Plus 1.13 percent to 2,304.51

Japan	TOPIX Index Plus 0.05 percent to 1,303.62 Nikkei-225 Stock Average Plus 0.07 percent to 13,376.81
Malaysia	Plus 0.27 percent to 1,163.09
The Philippines	Minus 0.26 percent to 2,577.10
The PRC	Shanghai Composite Index Minus 2.15 percent to 2,775.72 Shenzhen Composite Index Minus 2.92 percent to 827.59
Singapore	Plus 0.14 percent to 2,929.65
South Korea	Plus 1.08 percent to 1,594.67
Taiwan	Minus 0.65 percent to 7,024.06
Thailand	Plus 0.96 percent to 676.32

Friday

In a statement to the Joint Economic Committee of the United States Congress, last Friday, the Commissioner of The Bureau of Labour Statistics delivered the news: The unemployment rate in the US had risen to 5.70 percent.

That is a 4-year high.

The following is a verbatim transcript of Commissioner Keith Hall's statement:

'Nonfarm payroll employment continued to trend down in July (-51,000), and the unemployment rate rose from 5.5 to 5.7 percent. Thus far in 2008, payroll employment has fallen by 463,000, or an average of 66,000 per month. In July, job losses continued in several industries, including construction, manufacturing, and employment services. Health care and mining continued to add.'

'Employment in construction declined by 22,000 in July. Since its September 2006 peak, construction employment has decreased by 557,000. Nearly three-fourths of the decline (-402,000) has occurred since October 2007.'

'Manufacturing employment fell by 35,000 in July. Job losses have averaged 39,000 per month thus far in 2008 compared with an average loss of 22,000 per month during 2007.'

'Employment services lost 34,000 jobs over the month, with nearly all of the decline in

temporary help. Temporary help employment has declined by 268,000 since a peak in December 2006, with more than two-thirds of the loss (-185,000) occurring since January.

'In July, employment in health care rose by 33,000, in line with the prior 12-month average. Mining added 10,000 jobs in July, the third consecutive gain of this magnitude.

'Average hourly earnings for production and nonsupervisory in the private sector rose by 6 cents, or 0.3 percent, in July. Over the past 12 months, average hourly earnings rose by 3.4 percent. From June 2007 to June 2008, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) rose by 5.4 percent.

'Turning now to some of our measures from the household survey, both the number of unemployed persons, at 8.8 million, and the unemployment rate, at 5.7 percent, increased in July.

'Over the last 3 months, there has been a notable increase in unemployment of youth (16 to 24 years). Each summer, millions of young people move into the labor market. This year, the summertime influx of youth into the labor market was about the same as last year; however, fewer young people were able to find jobs. For the 3-month period, May through July, the unemployment rate for 16- to 19-year-olds averaged 19.0 percent, compared with an average of 15.7 percent for those same 3 months in 2007. Similarly, the May-through-July average jobless rate for 20- to 24-year-olds was 10.2 percent this year, compared with 8.0 percent over the same period last year. Not all of the increase in unemployment in the last 3 months was among youth; joblessness also rose among those 25 years and older.

'The employment-population ratio for all persons 16 years and older was unchanged in July, at 62.4 percent, but has declined from 63.0 percent a year earlier. Among the employed, the number of part-time workers who would prefer to work full time continued to rise in July. The number of such workers has increased by 1.4 million over the past 12 months to 5.7 million.

'To summarize July's labor market developments, payroll employment continued to trend down, and the unemployment rate rose to 5.7 percent.'

On The New York Stock Exchange, there were large-scale losses in select equities, but trading remained on the light side.

The Dow Jones Industrial Average lost about 0.45 percent, ending the trading day at 11,326.32 points.

The Composite Index of The NASDAQ shed about 0.63 percent to 2,310.96 points.

The ratio of declining counters to advancing ones was about One:One on both of the world's largest equity markets.

During the trading day, General Motors Corporation announced that it had lost about \$US15.50 billion in its second quarter.

The Number One, motor-vehicle manufacturer in the US said that sales of motor vehicles in the country had fallen by about 27 percent in the month of July.

Other motor-vehicle manufacturers, also, were known to have suffered declines in their sales, during the month of July, in some cases, to a 16-year low.

Ford Motor Company reported a 15-percent drop in sales in July and even the Japanese giant, Honda Motor Company Ltd, reported a 1.60-percent fall in sales of its vehicles.

The share price of General Motors fell by about 7.60 percent, ending the day at \$US10.23.

The tally for the week for the largest and most-important equity markets of the world was:

The Dow Jones Industrial Average Minus 0.39 percent
The Composite Index of The NASDAQ Minus 0.02 percent

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in September came in at \$US125.10, representing an increase of about 0.82 percent on Thursday's closing quote.

As for October delivery, the last settlement for a barrel of light sweet crude oil was \$US125.50, up about 0.80 percent of Thursday's final price.

On major European bourses, there were only losses, recorded on the key indices, as the following **TARGET** list illustrates:

Amsterdam's AEX Index Minus 1.35 percent

France's CAC 40 Index Minus 1.77 percent

Germany's Frankfurt XETRA DAX Index Minus 1.28 percent

Great Britain's FTSE 100 Index Minus 1.05 percent

Italy's MIBTEL Index Minus 0.86 percent

Switzerland's Swiss Market Index Closed

The announcement by General Motors Corporation about its second-quarter losses took its toll of European manufacturers of motor vehicles and this was most telling when [Bayerische Motoren Werke AG \(BMW\)](#) made a profits-warning announcement.

The share price of BMW shed about 5.40 percent.

Other motors followed suit as investors unloaded scrip in these companies, too.

In Asia, it was half-half: The key indices of 50 percent of the equity markets lost ground; the other 50 percent gained some ground.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets managed to record fractional improvements.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index put on about 0.58 percent, ending the week at 22,862.60 points.

The Total Turnover was about \$HK60.69 billion, while the ratio of advancing counters to declining ones was about 1.09:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 0.86 percent to \$HK105.80 per share

HSBC Holdings plc (Code: 5)

Up 0.39 percent to \$HK129.40 per share

China Life Insurance Company Ltd (Code: 2628)

Up 1.34 percent to \$HK30.15 per share

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

Unchanged at \$HK5.90 per share

China Construction Bank Corporation (Code:
939)

Up 1.45 percent to \$HK6.98 per share

PetroChina Company Ltd (Code: 857)

Up 0.96 percent to \$HK10.52 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Down 0.69 percent to \$HK115.50 per share

China Petroleum and Chemical Corporation
(Code: 386)

Up 1.84 percent to \$HK8.29 per share

CNOOC Ltd (Code: 883)

Down 0.85 percent to \$HK11.64 per share

Hutchison Whampoa Ltd (Code: 13)

Up 0.88 percent to \$HK74.10 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Advanced Semiconductor Manufacturing Corporation Ltd	3355		10.87	0.205
C Y Foundation Group Ltd	1182	11.67		0.335
China Electronics Corporation Holdings Company Ltd	85	11.43		1.95
Global Tech (Holdings) Ltd	143		10.26	0.035
Grandtop International Holdings Ltd	2309		12.90	0.135
Henry Group Holdings Ltd	859		13.25	0.72
Hongkong Energy (Holdings) Ltd	987		12.50	0.91

ITC Properties Group Ltd	199		14.44	0.077
Karce International Holdings Company Ltd	1159		10.71	0.25
Lippo Ltd	226		11.24	3.95
Long Far Pharmaceutical Holdings Ltd	2898		12.50	0.77
Magnesium Resources Corporation of China Ltd	723	11.43		0.156
Mandarin Entertainment (Holdings) Ltd	9	12.88		0.149
Takson Holdings Ltd	918	13.33		0.17

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.17 percent, limping up to 766.69 points on a Total Turnover of about \$HK167.04 million.

On this speculative market, however, declining counters outnumbered advancing ones by the ratio of about 1.22:One.

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

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

Down 8.18 percent to \$HK1.01 per share

Global Solution Engineering Ltd (Code: 8192)

Up 18.18 percent to \$HK0.65 per share

Town Health International Holdings Company Ltd
(Code: 8138)

Down 1.89 percent to \$HK0.104 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 11.59 percent to \$HK0.385 per share

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

Up 1.71 percent to \$HK10.70 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China LotSynergy Holdings Ltd	8161	11.59		0.385
Computech Holdings Ltd	8081	16.00		0.58
Global Solution Engineering Ltd	8192	18.18		0.65

Long Success International (Holdings) Ltd	8017	14.29		0.064
Shenzhen Mingwah Aohan High Technology Corporation Ltd	8301	11.43		0.195
Trasy Gold Ex Ltd	8063	11.11		0.02
Value Convergence Holdings Ltd	8101	12.00		1.12
Vertex Group Ltd	8228	10.94		0.142
Vodatel Networks Holdings Ltd	8033	17.39		0.135
Zheda Lande Scitech Ltd	8106	11.25		0.178

The tally for the week for Asia's second-largest equity market was:

The Hang Seng Index Plus 0.54 percent
The Growth Enterprise Index Plus 0.25 percent

In Japan, the country's equity markets lost a great deal of traction as the key indices on the 3 markets lost big time.

On The Tokyo Stock Exchange, its TOPIX Index was forced to surrender about 2.35 percent of its former value, ending the week at 1,272.93 points.

Declining counters outdistanced advancing ones by the ratio of about 6.97:One.

The Nikkei-225 Stock Average followed The TOPIX Index, shedding about 2.11 percent, falling to 13,094.59 yen.

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

The TOPIX Index Minus 1.84 percent
The Nikkei-225 Stock Average Minus 1.80 percent

This was how the key indices on other Asian equity markets ended the week of August 1, 2008:

The HKSAR	<p>Hang Seng Index Plus 0.58 percent to 22,862.60 The Growth Enterprise Index Plus 0.17 percent to 766.69</p>
Indonesia	<p>Minus 2.42 percent to 2,248.75</p>
Japan	<p>TOPIX Index Minus 2.35 percent to 1,272.93 Nikkei-225 Stock Average Minus 2.11 percent to 13,094.59</p>

Malaysia	Minus 0.34 percent to 1,159.10
The Philippines	Plus 0.28 percent to 2,584.21
The PRC	Shanghai Composite Index Plus 0.94 percent to 2,801.82 Shenzhen Composite Index Plus 0.98 percent to 835.68
Singapore	Minus 0.80 percent to 2,906.07
South Korea	Minus 1.31 percent to 1,573.77
Taiwan	Minus 0.31 percent to 7,002.54
Thailand	Plus 0.35 percent to 678.66

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