

**AND THE BLOOD FLOWED ON EQUITY MARKETS,  
AROUND THE WORLD ...**

The Chairman of the US Federal Reserve, Dr Ben S. Bernanke, told the US House of Representatives Budget Committee to get off their butts and pass laws to boost Government spending, as required.

Dr Ben S. Bernanke said, among other things:

*‘With the (US) economy likely to be weak for several quarters and with some risk of a protracted slowdown, consideration of a fiscal package by the Congress at this juncture seems appropriate...*

*‘We are in a very serious slowdown in the economy which has very serious consequences for the public. Whether it’s called a recession or not is of no consequence ...*

*‘If the Congress proceeds with a fiscal package, it should consider including measures to help improve access to credit by consumers, home buyers, businesses and other borrowers ...’.*

Dr Ben S. Bernanke’s testimony to the Congress was endorsed by most economists as well as many Governors of The Fed.

Wall Street, certainly, warmed to the words of the good doctor.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 413.21 points, equivalent to about 4.67 percent, as investors drove up this key index to 9,265.43 points.

On The NASDAQ, its Composite Index gained 58.74 points, or about 3.43 percent, rising to 1,770.03 points.

Trading, however, was thin, suggesting that the gains were, probably, not sustainable.

The ratio of advancing counters to declining ones was about 5:One on The New York Stock Exchange and about 3:One on The NASDAQ.

Investors in Europe took heart from the words of The Fed’s Chairman and the fact that Wall Street’s key indices were rising at a very fast pace.

They jumped in, boots and all.

This was how the key indices of the most-important European bourses fared, last Monday:

Amsterdam’s AEX Index                      Plus    6.79 percent

France’s CAC 40 Index                      Plus    3.56 percent

Germany's Frankfurt XETRA DAX IndexPlus 1.12 percent

Great Britain's FTSE 100 Index Plus 5.40 percent

Italy's MIBTEL Index Plus 2.65 percent

Switzerland's Swiss Market Index Plus 1.91 percent

European investors appeared to be much more inclined to take new positions in equities than their US counterparts, noting, among other things, that European governments and their Central Banks were standing behind banks and insurance companies, pumping trillions of US dollars into the credit markets.

Also, the gains in the price of crude oil on international commodity exchanges, on expectations that the cartel, known as The Organisation of Petroleum Exporting Countries (OPEC), would reduce exports of crude oil, helped boost the price of this strategic commodity.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in November was \$US74.25, a gain of 3.40 percent, exactly, compared with the final quote of Friday, October 17, 2008.

As for delivery in December, the last settlement for a barrel of light sweet crude oil came in at \$US74.39, up about 3.13 percent on the last settlement of the previous Friday.

In Asia, only the key indices of 2 equity markets out of the 10, major equity markets of the region were unable to be in the black at the close of trading, last Monday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity was exceedingly light on the territory's equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 5.28 percent to 15,323.01 points on a Total Turnover of about \$HK53.75 billion.

Declining counters, however, were just able to outrun advancing ones by the ratio of about 1.01:One.

This would suggest, strongly, that there was only select buying by a limited number of investors and only of certain counters.

The Ten Most Active counters of the day were:

HSBC Holdings plc (Code: 5)  
Up 1.71 percent to \$HK107.00 per share

China Mobile Ltd (Code: 941)  
Up 7.56 percent to \$HK71.10 per share

China Life Insurance Company Ltd (Code: 2628)  
Up 7.32 percent to \$HK24.20 per share

Industrial and Commercial Bank of China Ltd  
(Code: 1398)  
Up 7.48 percent to \$HK3.88 per share

PetroChina Company Ltd (Code: 857)

Up 8.28 percent to \$HK6.41 per share

China Construction Bank Corporation (Code: 939)

Up 4.86 percent to \$HK3.67 per share

China Petroleum and Chemical Corporation (Code:  
386)

Up 10.56 percent to \$HK5.76 per share

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

Up 3.10 percent to \$HK36.60 per share

CNOOC Ltd (Code: 883)

Up 4.53 percent to \$HK6.00 per share

China Merchants Bank Company Ltd (Code: 3968)

Up 3.31 percent to \$HK15.00 per share

Of the 113 Main Board, double-digit movers of the day, the share prices of 65 counters fell while the share prices of 48 counters rose.

The biggest gainer of the day was Midland Holdings Ltd (Code: 1200), its share price, rising 28.68 percent to \$HK3.50.

AV Concept Holdings Ltd (Code: 595) was the biggest loser as investors marked down its share price by 44.44 percent to 15 cents.

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, it was a completely different story to that, being told on the Main Board.

The Growth Enterprise Index shed about 1.27 percent of its value, falling back to 451.37 points.

The Total Turnover on this market was about \$HK48.77 million, while the ratio of losing counters to gaining ones was about 1.31:One.

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

Wumart Stores Incorporated (Code: 8277)

Down 12.32 percent to \$HK6.05 per share

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

Up 1.35 percent to \$HK0.375 per share

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

Down 5.66 percent to \$HK0.50 per share

Fast Systems Technology (Holdings) Ltd (Code:  
8150)

Down 4.55 percent to \$HK0.21 per share

Inno-Tech Holdings Ltd (Code: 8202)

Down 7.19 percent to \$HK0.129 per share

As for The GEM's biggest 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>
Asian Capital Resources (Holdings) Ltd	8025	10.00		0.11
AGTech Holdings Ltd	8279		14.38	0.137
BIG Media Group Ltd	8167	18.29		0.207
China Chief Cable TV Group Ltd	8153		11.70	0.234
China Bio Cassava Holdings Ltd	8129		14.71	0.029
China Information Technology Development Ltd	8178		10.53	0.068
China Metal Resources Holdings Ltd	8071	12.90		0.07
China Vanguard Group Ltd	8156		15.79	0.40
Core Healthcare Investment Holdings Ltd	8250	20.00		0.084
Crosby Capital Ltd	8088	24.50		0.31
DIGITALHONGKONG.COM	8007		27.27	0.24
Era Information and Entertainment Ltd	8043	17.71		0.113
Global Link Communications Holdings Ltd	8060		30.11	0.065
Jiangsu Nandasoft Company Ltd	8045	27.50		0.255
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	14.29		0.20
Lee's Pharmaceutical Holdings Ltd	8221		13.46	0.45
Netel Technology (Holdings) Ltd	8256		12.82	0.034
QUASAR Communication Technology Holdings Ltd	8171	20.00		0.09
Rojam Entertainment Holdings Ltd	8075	12.90		0.035
Shen Nong China (Group) Ltd	8175		10.00	0.054
SYSCAN Technology Holdings Ltd	8083	53.33		0.046

Wumart Stores Incorporated	8277		12.32	6.05
Zhejiang Prospect Company Ltd	8273	18.42		0.45

### News Wise

- **CITIC Pacific Ltd** (Code: 267, Main Board, The Stock Exchange of Hongkong Ltd) announced that it may incur a Loss Attributable to Shareholders of about \$HK15.50 billion for the Current Fiscal Year. The company admitted that it had gambled on the foreign-exchange markets – and lost. Management said that the forex positions of certain currency(ies) were unauthorised. The Finance Director was held to blame.

In The Land of The Rising Sun, it was a bullish day on the country's 3 equity markets.

On the premier market, The Tokyo Stock Exchange, its TOPIX Index gained 33.08 points, or about 3.70 percent, ending the active trading day at 927.37 points.

The ratio of advancing counters to declining ones was 5.83:One, exactly.

The Nikkei-225 Stock Average, which is a much-narrower gauge of trading in select blue chips, listed on the First Section of The Tokyo Stock Exchange, than The TOPIX Index, gained 311.77 yen, about 3.59 percent, ending the trading day at 9,005.59 yen.

### News Wise

- Major **Japanese supermarkets** are engaged in wooing customers back to their shops by offering a number of incentives, including material discounts on items, ranging between 20 percent and 50 percent.

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

The HKSAR	Hang Seng Index Plus 5.28 percent to 15,323.01 The Growth Enterprise Index Minus 1.27 percent to 451.37
Indonesia	Plus 1.97 percent to 1,426.94
Japan	TOPIX Index Plus 3.70 percent to 927.37 Nikkei-225 Stock Average Plus 3.59 percent to 9,005.59
Malaysia	Plus 0.47 percent to 909.51
The Philippines	Minus 1.69 percent to 2,062.88
The PRC	Shanghai Composite Index Plus 2.25 percent to 1,974.01 Shenzhen Composite Index

	Plus 3.14 percent to 520.38
Singapore	Plus 3.23 percent to 1,939.22
South Korea	Plus 2.28 percent to 1,207.63
Taiwan	Minus 0.58 percent to 4,931.84
Thailand	Plus 1.20 percent to 476.95

## **Tuesday**

Share prices retreated on the world's largest equity markets, last Monday, following poor corporate news and continued fears that a global recession was more than likely.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 2.50 percent to 9,033.66 points while, over on The NASDAQ, its Composite Index gave up about 4.14 percent of its value, dropping back to 1,696.68 points.

The ratio of losing counters to gaining ones was about 2:One on The New York Stock Exchange and about 3:One on The NASDAQ.

Hurting sentiment on Wall Street were 2, unrelated announcements, one from Wal-Mart Stores Incorporated and one from Yahoo! Incorporated:

**Wal-Mart Stores Incorporated** went on record, stating that many of its US customers were waiting until they got their pay cheques before buying most necessities. Mr Eduardo Castro-Wright, President and Chief Executive of US Operations, said that US customers were very concerned about their financial security and, therefore, were leaving, until the last minute, to purchase basic necessities; and,

**Yahoo! Incorporated** announced that it would be sacking about 1,500 workers, worldwide, that number of workers, representing about 10 percent of its total workforce. The company announced that, for the 3 months, ended September 30, 2008, the Net Profit Attributable to Shareholders came in at \$US54.30 million, down about 64 percent, compared with the like period in 2007.

In Europe, it was a down day on the major equity markets of the region, to be sure:

Amsterdam's AEX Index                      Minus 0.01 percent

France's CAC 40 Index                      Plus 0.77 percent

Germany's Frankfurt XETRA DAX Index Minus 1.04 percent

Great Britain's FTSE 100 Index           Minus 1.23 percent

Italy's MIBTEL Index                      Minus 0.94 percent

Switzerland's Swiss Market Index      Minus 0.49 percent

Aside from the fact that the price of crude oil went into reverse gear, investors in Europe were concerned about a number of factors, one of which was a report, emanating from The **International Monetary Fund (IMF)**.

The IMF published its 6-month study which showed, among other things, that

- (a) More European banks were likely to fail
- (b) Private funding was '*virtually unavailable*' and
- (c) The growth of the economy of the Eurozone would almost grind to a halt in 2009.

On international commodity exchanges, the price of crude oil fell back, again.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement for a barrel of light sweet crude oil for delivery in November was \$US70.89, down about 4.53 percent, compared with Monday's closing level.

As for delivery in December, the last settlement for a barrel of light sweet crude oil was \$US72.18, representing a fall of 2.97 percent, exactly, on Monday's close.

In Asia, things looked a little better on the majority of the equity markets, although the equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) came unstuck and led the losers of this region of the world.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index dropped about 1.84 percent to 15,041.17 points on a Total Turnover of about \$HK50.67 billion.

Declining counters outpaced advancing ones by the ratio of about 1.52:One.

The Ten Most Actives were:

China Mobile Ltd (Code: 941)  
Down 4.99 percent to \$HK67.55 per share

HSBC Holdings plc (Code: 5)  
Down 0.09 percent to \$HK106.90 per share

China Life Insurance Company Ltd (Code: 2628)  
Down 3.72 percent to \$HK23.30 per share

Industrial and Commercial Bank of China Ltd  
(Code: 1398)  
Down 3.35 percent to \$HK3.75 per share

CITIC Pacific Ltd (Code: 267)  
Down 55.10 percent to \$HK6.52 per share

China Construction Bank Corporation (Code:  
939)  
Down 3.54 percent to \$HK3.54 per share

PetroChina Company Ltd (Code: 857)

Up 0.62 percent to \$HK6.45 per share

CNOOC Ltd (Code: 883)

Up 3.33 percent to \$HK6.20 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Down 1.04 percent to \$HK5.70 per share

China Shenhua Energy Company Ltd (Code:  
1088)

Up 5.33 percent to \$HK15.80 per share

Of the 88, largest movers of the day, 63 counters lost ground and 25 counters gained ground.

The biggest loser was CITIC Pacific Ltd (Code: 267), its share price, falling 55.10 percent to \$HK6.52. It was a 17-year low for this counter. (Please see Monday's report, under [News Wise](#))

As for the biggest gainer of the day, it was Ming Hing Waterworks Holdings Ltd (Code: 402) as investors pushed up its share price to 19 cents, a one-day improvement of about 65.22 percent.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 2.72 percent, dropping back to 439.09 points.

The Total Turnover on this speculative market was about \$HK34.64 million, while the ratio of losers to gainers was 2.31:One, exactly.

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

Wumart Stores Incorporated (Code: 8277)

Down 2.48 percent to \$HK5.90 per share

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

Down 8.00 percent to \$HK0.345 per share

Phoenix Satellite Television Holdings Ltd (Code:  
8002)

Down 5.33 percent to \$HK0.71 per share

Long Success International (Holdings) Ltd (Code:  
8017)

Up 7.69 percent to \$HK0.042 per share

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

Unchanged at \$HK0.50 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGTech Holdings Ltd	8279		18.25	0.112

Armitage Technologies Holding Ltd	8213		14.81	0.023
Cardlink Technology Group Ltd	8066		10.00	0.90
China Bio Cassava Holdings Ltd	8129		10.34	0.026
CIG Yangtze Ports PLC	8233		34.78	0.15
Changan Minsheng APLL Logistics Company Ltd	8217		10.56	1.44
Fast Systems Technology (Holdings) Ltd	8150	88.10		0.395
Global Link Communications Holdings Ltd	8060	15.38		0.075
Global Solution Engineering Ltd	8192		19.78	0.146
Mobile Telecom Network (Holdings) Ltd	8266		17.50	0.066
Rojam Entertainment Holdings Ltd	8075		20.00	0.028
Soluteck Holdings Ltd	8111	10.00		0.11
Sungreen International Holdings Ltd	8306	10.26		0.43

On The Tokyo Stock Exchange, its TOPIX Index rose about 3.16 percent to 956.64 points.

Advancing counters outnumbered declining ones by the ratio of about 3.20:One.

The Nikkei-225 Stock Average rose about 3.34 percent to 9,306.25 points.

#### News Wise

- **The Bank of Japan**, which is the Central Bank of the country, has downgraded the economies of all of the 9 regions of the country, citing as the reasons for its revised assessment, being the negative impact of high energy costs as well as the higher cost of raw materials and decreasing exports, caused by the international economic slowdown; and,
- **NEC Electronics Corporation** announced that it now forecasts a Group Net Loss Attributable to Shareholders of about ¥8 billion for Fiscal 2008, ending March 31, 2009.

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

The HKSAR	Hang Seng Index Minus 1.84 percent to 15,041.17 The Growth Enterprise Index Minus 2.72 percent to 439.09
Indonesia	Plus 0.93 percent to 1,440.15

Japan	TOPIX Index Plus 3.16 percent to 956.64 Nikkei-225 Stock Average Plus 3.34 percent to 9,306.25
Malaysia	Plus 0.95 percent to 918.16
The Philippines	Plus 2.61 percent to 2,116.74
The PRC	Shanghai Composite Index Minus 0.78 percent to 1,958.53 Shenzhen Composite Index Minus 0.24 percent to 519.13
Singapore	Minus 0.95 percent to 1,920.79
South Korea	Minus 0.95 percent to 1,196.10
Taiwan	Plus 0.22 percent to 4,942.72
Thailand	Plus 0.39 percent to 478.79

### **Wednesday**

Stock and share prices collapsed on nearly every equity market, around the world, last Wednesday.

The fear of a global recession loomed large and very real.

Investors were in panic mode.

On the world's largest equity markets, The New York Stock Exchange and The NASDAQ, there was absolute carnage.

On The New York Stock Exchange, the Dow Jones Industrial Average shed about 5.69 percent of its value, dropping back to 8,519.21 points, while, over on The NASDAQ, its Composite Index surrendered about 4.77 percent, coming to rest at 1,615.75 points.

For The Dow and the Composite Index of The NASDAQ, last Wednesday's closes were at their respective lowest levels since April and June 2003.

The ratio of losing counters to gaining ones was about 5:One on The New York Stock Exchange and about 6:One on The NASDAQ.

The phrase, '*worldwide recession*', was echoed throughout trading floors from New York to Tokyo.

While equity trading was a one-way street – down – on international, foreign-exchange markets, there was chaos.

The British pound dropped about 3 percent against the US dollar, at one point, only to recover fractionally as the day wore on.

At its weakest point of \$US1.62, it represented the lowest level for sterling vis-à-vis the US dollar since September 2003.

Against the euro, the US dollar slid back to \$US1.2736 in early morning trades in Europe, but recovered somewhat to \$US1.2873 – which is still down from Tuesday's closing level in New York on Tuesday when it was quoted at \$US1.3003.

However, against the Japanese yen, the US dollar fell to ¥99.29, down about 0.94 percent on late Tuesday's trades.

Hurting investment sentiment was one negative piece of news after another, from official US Government sources and from private enterprise.

#### News Wise

- **Wachovia Corporation** announced a \$US23.90-billion Loss Attributable to Shareholders for its third quarter. That loss was in addition to the second-quarter Loss Attributable to Shareholders of about \$US9.11 billion. Wachovia Corporation is being taken over by Wells Fargo and Company at a price of about \$US15.10 billion; and,
- **The Bureau of Labour Statistics**, a division of The US Government's Department of Labour, announced, inter alia:

*September mass layoff events, at 2,269 seasonally adjusted, and associated initial claims, at 235,681, rose sharply over the month. January through September 2008 layoff events, at 14,811, were the highest since 2003; related initial claims, at 1,510,446, were the highest since 2002.'*

In Europe, there was only blood, staining the trading floors of the most-important bourses as the following **TARGET ()** list illustrates:

Amsterdam's AEX Index	Minus 5.30 percent
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France's CAC 40 Index	Minus 5.09 percent
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Germany's Frankfurt XETRA DAX Index	Minus 4.45 percent
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Great Britain's FTSE 100 Index	Minus 4.46 percent
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Italy's MIBTEL Index	Minus 3.47 percent
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Switzerland's Swiss Market Index	Minus 4.20 percent
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In this part of the world, taking note of the announcement from Wachovia Corporation and Wall Street's carnage, investors dumped banking and finance counters as soon as buyers could be located.

Some of the big losers included:

The Royal Bank of Scotland plc Down 14.00 percent

ING Groep N.V Down 11.00 percent

Axa SA Down 8.20 percent

Grupo Santander Down 9.90 percent

On international commodity exchanges, the price of crude oil came off with a bang.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in December was \$US66.75, down about 7.52 percent on the day.

(Last Tuesday was the last day in trading in November oil futures, with the month of December, becoming the near month.)

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil was \$US67.16.

On Asian equity markets, the key index of every major equity market was deep in negative territory.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), falls in the price of the majority of shares were very material on both equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 5.15 percent, dropping back to 14,266.60 points on a Total Turnover of about \$HK54.09 billion.

The ratio of losing counters to gaining ones was about 1.93:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 2.90 percent to \$HK103.80 per share
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China Life Insurance Company Ltd (Code: 2628)	Down 4.29 percent to \$HK22.30 per share
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China Mobile Ltd (Code: 941)	Down 5.33 percent to \$HK63.95 per share
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Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 5.60 percent to \$HK3.54 per share
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China Construction Bank Corporation (Code: 939)	Down 9.95 percent to \$HK3.71 per share
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PetroChina Company Ltd (Code: 857)	Down 8.22 percent to \$HK5.92 per share
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China Petroleum and Chemical Corporation (Code: 386)	Down 7.19 percent to \$HK5.29 per share
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Ping An Insurance (Group) Company of China  
Ltd (Code: 2318)

Down 10.98 percent to \$HK30.80 per share

China Merchants Bank Company Ltd (Code:  
3968)

Down 8.58 percent to \$HK13.00 per share

Bank of China Ltd (Code: 3988)

Down 5.79 percent to \$HK2.28 per share

There was a total of 168, double-digit movers on the Main Board, last Wednesday, of which number, only 11 counters managed to beat against the strong, selling headwind, with gains of 10 percent or more added to their share prices.

The managements of the remaining 157 counters witnessed their respective share prices drop by 10 percent or more.

Dah Chong Hong Holdings Ltd (Code: 1828) was the biggest gainer of the day, its share price, rising 48.28 percent to \$HK1.29.

Shun Ho Resources Holdings Ltd (Code: 253) had the dubious distinction of being the largest loser of the day, its share price, giving up 41.49 percent as investors pulled it back to 55 cents.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index surrendered about 2.29 percent of its value, dropping back to 429.04 points.

The Total Turnover on this market was about \$HK41.70 million, while the ratio of losers to gainers was about 4.75:One.

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

Wumart Stores Incorporated (Code: 8277)

Up 5.08 percent to \$HK6.20 per share

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

Down 18.84 percent to \$HK0.28 per share

China Information Technology Development Ltd  
(Code: 8178)

Unchanged at \$HK0.07 per share

Phoenix Satellite Television Holdings Ltd (Code:  
8002)

Down 2.82 percent to \$HK0.69 per share

Tong Ren Tang Technologies Company  
Ltd (Code: 8069)

Down 0.98 percent to \$HK5.05 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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AcrossAsia Ltd	8061	12.90		0.035
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd	8095		20.00	0.176
B M Intelligence International Ltd	8158	12.22		0.101
Cardlink Technology Group Ltd	8066		22.22	0.70
China Chief Cable TV Group Ltd	8153		11.89	0.20
China Asean Resources Ltd	8186		20.00	0.072
China LotSynergy Holdings Ltd	8161		13.48	0.122
CIG Yangtze Ports PLC	8233	13.33		0.17
Essex Bio-Technology Ltd	8151		10.31	0.174
Fast Systems Technology (Holdings) Ltd	8150	26.58		0.50
Global Digital Creations Holdings Ltd	8271		18.58	0.149
Global Link Communications Holdings Ltd	8060	26.67		0.095
Info Communication Holdings Ltd	8082		11.67	0.053
Intcera High Tech Group Ltd	8041		15.38	0.022
Intelli-Media Group (Holdings) Ltd	8173		18.84	0.28
Jinheng Automotive Safety Technology Holdings Ltd	8293		15.25	0.50
Mobile Telecom Network (Holdings) Ltd	8266		10.61	0.059
Northeast Tiger Pharmaceutical Company Ltd	8197		16.88	0.064
Polyard Petroleum International Group Ltd	8011		11.43	0.031
Prosperity International Holdings (Hongkong) Ltd	8139		11.59	0.145
Sau San Tong Holdings Ltd	8200		27.59	0.042
Soluteck Holdings Ltd	8111		15.45	0.093
Timeless Software Ltd	8028		22.00	0.039

Zhejiang Yonglong Enterprises Company Ltd	8211		15.66	0.07
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### News Wise

- Various divisions of HKSAR Government Authorities are investigating the affairs of **CITIC Pacific Ltd** (Code: 267, Main Board, The Stock Exchange of Hongkong Ltd) in order to determine whether or not there had been any wrongdoing, by accident or design, in the conglomerate. (Please refer to Monday's report)

On The Tokyo Stock Exchange, investors found themselves, being the lead losers of Asia.

The TOPIX Index gave up about 7.05 percent, falling to 889.23 points as retreating counters outpaced advancing ones by the ratio of about 21.36:One.

The Nikkei-225 Stock Average shed about 6.79 percent, ending the trading day at 8,674.69 yen.

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

The HKSAR	Hang Seng Index Minus 5.15 percent to 14,266.60 The Growth Enterprise Index Minus 2.29 percent to 429.04
Indonesia	Minus 4.19 percent to 1,379.74
Japan	TOPIX Index Minus 7.05 percent to 889.23 Nikkei-225 Stock Average Minus 6.79 percent to 8,674.69
Malaysia	Minus 1.51 percent to 904.28
The Philippines	Minus 1.12 percent to 2,093.01
The PRC	Shanghai Composite Index Minus 3.20 percent to 1,895.82 Shenzhen Composite Index Minus 1.63 percent to 510.66
Singapore	Minus 5.19 percent to 1,821.13
South Korea	Minus 5.14 percent to 1,134.59
Taiwan	Minus 1.62 percent to 4,862.59
Thailand	Minus 2.83 percent to 465.24

## Thursday

In the final 30 minutes of trading on The New York Stock Exchange and The NASDAQ, there was a complete reversal of the direction of key indices as buyers stepped into the fray in order to pick up what they considered stocks and shares, the prices of which had appeared to have fallen too low too quickly.

As a result, the benchmark of The New York Stock Exchange, known as the Dow Jones Industrial Average, ended the unusual trading session with a gain of about 2.02 percent to 8,691.25 points.

Prior to the final half an hour of trading, however, The Dow was touching a 5-year low.

As for the Composite Index of The NASDAQ, the final push was insufficient for it to recover completely from earlier, extreme bearishness, and the end result was a fall of about 0.73 percent to 1,603.91 points.

On The New York Stock Exchange and on The NASDAQ, however, the number of losing counters far exceeded the number of gaining ones, being 1.67:One and 2.50:One, respectively.

## News Wise

- **The Goldman Sachs Group Incorporated** confirmed that it would be sacking upward of 3,200 of its employees, representing about 10 percent of its global staff.

On major European equity markets, trading was somewhat directionless although the key indices of some bourses chalked up useful gains as **TARGET**'s list illustrates:

Amsterdam's AEX Index	Plus	1.08 percent
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France's CAC 40 Index	Plus	0.38 percent
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Germany's Frankfurt XETRA DAX Index	Minus	1.12 percent
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Great Britain's FTSE 100 Index	Plus	1.16 percent
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Italy's MIBTEL Index	Minus	0.20 percent
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Switzerland's Swiss Market Index	Minus	0.53 percent
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Banks and finance houses came in for a great deal of stick, following one after another, telling their tales of woe.

The price of crude oil rose on international commodity exchanges on the eve, so to speak, of The **Organisation of Petroleum Exporting Countries (OPEC)** meeting in Vienna, Austria.

A number of OPEC Ministers have gone on record, stating that they would like to see the exports of OPEC crude oil cut by about 2 million barrels per day.

The idea of the export cut, of course, is to boost the price of this strategic commodity on the world's markets so that OPEC members will be able to earn even more money.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement for a barrel of light sweet crude oil

for delivery in December was \$US67.84, representing an improvement of about 1.63 percent on Wednesday's close.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil came in at \$US68.24, a gain of about 1.61 percent, compared with the last settlement of Wednesday.

On Asian equity markets, there continued to be gloom and doom.

The matter of the confirmed investigation into the affairs of CITIC Pacific Ltd was weighing heavily on investors and, because of it, there was a great deal of distrust of quite a number of the managements of publicly listed entities.

Not without good reason, **TARGET** hastens to add.

If CITIC Pacific Ltd can lose \$HK15.50 billion due to numerous, alleged '*unauthorised*', foreign-exchange transactions, what else may one expect from the managements of some other banks and publicly listed companies?

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost more than 3 percent of their respective values.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index fell back to 13,760.49 points on a Total Turnover of about \$HK56.46 billion.

The ratio of losers to gainers was about 1.54:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Down 4.04 percent to \$HK21.40 per share
HSBC Holdings plc (Code: 5)	Down 3.08 percent to \$HK100.60 per share
China Mobile Ltd (Code: 941)	Down 3.83 percent to \$HK61.50 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 3.95 percent to \$HK3.40 per share
China Construction Bank Corporation (Code: 939)	Down 3.05 percent to \$HK3.18 per share
PetroChina Company Ltd (Code: 857)	Down 5.07 percent to \$HK5.62 per share
China Overseas Land and Investment Ltd (Code: 688)	Up 8.11 percent to \$HK9.20 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 4.73 percent to \$HK5.04 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 4.26 percent to \$HK77.50 per share

Bank of China Ltd (Code: 3988)

Down 2.63 percent to \$HK2.22 per share

There was a total of 148, double-digit movers on the Main Board, with 27 gainers and 121 losers.

The biggest gainer of the day was The Hongkong Building and Loan Agency Ltd (Code: 145), its share price, rising 58.18 percent to \$HK1.74.

As for the biggest loser of the day, it was Guangdong Tannery Ltd (Code: 1058), off 38 percent, exactly, as investors pushed it down to 18.60 cents.

Over on The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 3.53 percent, dropping back to 413.90 points.

The Total Turnover on this market was about \$HK58.48 million.

Losers outpaced gainers by the ratio of about 2.61:One.

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

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

Down 10.89 percent to \$HK9.00 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Up 63.16 percent to \$HK0.031 per share

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

Up 8.93 percent to \$HK0.305 per share

Yantai North Andre Juice Company Ltd (Code:  
8259)

Down 5.26 percent to \$HK0.27 per share

Golden Meditech Company Ltd (Code: 8180)

Down 0.67 percent to \$HK1.49 per share

The GEM's biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022		19.19	0.40
Cardlink Technology Group Ltd	8066	28.57		0.90
China LotSynergy Holdings Ltd	8161		18.03	0.10
Crosby Capital Ltd	8088		27.00	0.219

FAVA International Holdings Ltd	8108		26.67	0.132
Global Digital Creations Holdings Ltd	8271		33.56	0.099
Grand T G Gold Holdings Ltd	8299	63.16		0.031
GreaterChina Technology Group Ltd	8032		23.33	0.023
ITE (Holdings) Ltd	8092	11.11		0.05
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		21.05	0.15
Long Success International (Holdings) Ltd	8017		10.00	0.036
M Dream Inworld Ltd	8100		12.28	0.20
Ming Kei Energy Holdings Ltd	8239		10.31	0.20
Mobile Telecom Network (Holdings) Ltd	8266	10.17		0.065
PINE Technology Holdings Ltd	8013		10.71	0.125
ProSticks International Holdings Ltd	8055		17.65	0.28
Rojam Entertainment Holdings Ltd	8075	10.71		0.031
Sau San Tong Holdings Ltd	8200	40.48		0.059
SYSCAN Technology Holdings Ltd	8083		21.74	0.036
ThinSoft (Holdings) Incorporated	8096	15.38		0.75
Thiz Technology Group Ltd	8119		19.23	0.021
Tianjin Tianlian Public Utilities Company Ltd	8290		10.00	0.90
Trasy Gold Ex Ltd	8063		15.25	0.25
Shandong Weigao Group Medical Polymer Company Ltd	8199		10.89	9.00
Zhejiang Yonglong Enterprises Company Ltd	8211	10.00		0.077

Japanese equity investors got it in the neck, once again, last Thursday.

On The Tokyo Stock Exchange, its TOPIX Index shed 1.97 percent to 871.70 points, with the ratio of losing counters to gaining ones, being about 2.45:One.

The Nikkei-225 Stock Average lost about 2.46 percent of its value, ending the trading day at 8,460.98 yen.

#### News Wise

- **Japan's trade surplus** fell about 85.60 percent for the 6 months, ended September 30, 2008, compared with the like period in 2007, according to the statistics, supplied by The Finance Ministry. At ¥802.00 billion yen, it was the lowest level in more than 26 years.

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

The HKSAR	Hang Seng Index Minus 3.55 percent to 13,760.49 The Growth Enterprise Index Minus 3.53 percent to 413.90
Indonesia	Minus 3.08 percent to 1,337.20
Japan	TOPIX Index Minus 1.97 percent to 871.70 Nikkei-225 Stock Average Minus 2.46 percent to 8,460.98
Malaysia	Minus 1.43 percent to 891.32
The Philippines	Minus 4.64 percent to 1,995.92
The PRC	Shanghai Composite Index Minus 1.07 percent to 1,875.56 Shenzhen Composite Index Plus 0.77 percent to 514.56
Singapore	Minus 4.14 percent to 1,745.67
South Korea	Minus 7.48 percent to 1,049.71
Taiwan	Minus 2.72 percent to 4,730.51
Thailand	Closed

#### Friday

Equity markets went into free fall, last Friday.

Investors could hardly believe that which they witnessed: Some of the largest losses in a single day's trading on Asian and European markets.

Wall Street was not spared, also.

Fear gripped the hearts of investors from one part of the globe to another.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 3.59 percent, falling back to 8,378.95 points.

Over on The NASDAQ, its Composite Index shed about 3.23 percent to end the week at 1,552.03 points.

The ratio of losing counters to gaining ones was about 5:One on The New York Stock Exchange and about 3:One on The NASDAQ.

Prior to Wall Street, opening its doors for business, last Friday, investors from New York to California drank their morning coffee – while reading that there had been a massive, worldwide fall in the prices of equities.

Forced liquidations of hedge funds and mutual funds in order to try to meet large-scale redemptions were but one of the problems that caused the massive sell off, internationally, of stocks and shares.

Investors on US equity markets looked on and wondered when the carnage would cease.

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

The Dow Jones Industrial Average   Minus 5.35 percent  
The Composite Index of The NASDAQ   Minus 9.31 percent

In Vienna, Austria, at an emergency meeting of The Organisation of Petroleum Exporting Countries (OPEC), it was determined that there would be a reduction in OPEC's crude-oil exports of 1.50 million barrels per day, effective November 1, 2008.

At the next scheduled meeting of OPEC, its President, Mr Chakib Khelil, said that there were likely to be further export cuts.

The next OPEC meeting is in December.

But, on the world's commodity exchanges, the OPEC move – which had well been expected – made no impact on the prices and, in fact, the price of crude oil fell even further.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in December came in at \$US64.15, down about 5.44 percent on the day.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil was \$US64.58, representing a one-day fall of about 5.36 percent.

On European equity markets, every key index of every bourse was written in red ink.

Seeing what had taken place in Asia, last Friday, investors in Europe ran for cover.

And that was all it took: Fear did the rest.

This was how much just some of the indices of the major bourses took hits, last Friday:

Amsterdam's AEX Index                   Minus 4.62 percent

France's CAC 40 Index                   Minus 3.53 percent

Germany's Frankfurt XETRA DAX Index Minus 4.95 percent

Great Britain's FTSE 100 Index Minus 5.00 percent

Italy's MIBTEL Index Minus 4.96 percent

Switzerland's Swiss Market Index Minus 3.70 percent

In Asia, it was almost unbelievable as tens of trillions of US dollars were wiped off the market capitalisations of companies in this part of the world.

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

On The Stock Exchange of Hongkong Ltd, The Hang Seng Index, which is the benchmark of the Main Board, lost exactly 8.30 percent of its value, falling back to 12,618.38 points.

The Total Turnover was about \$HK56.14 billion, while the ratio of losing counters to gaining ones was about 1.66:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 12.52 percent to \$HK88.00 per share

China Life Insurance Company Ltd (Code: 2628)

Down 9.35 percent to \$HK19.40 per share

China Mobile Ltd (Code: 941)

Down 6.50 percent to \$HK57.50 per share

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

Down 7.35 percent to \$HK3.15 per share

China Construction Bank Corporation (Code:  
939)

Down 8.49 percent to \$HK2.91 per share

PetroChina Company Ltd (Code: 857)

Down 11.03 percent to \$HK5.00 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 7.10 percent to \$HK72.00 per share

China Merchants Bank Company Ltd (Code:  
3968)

Down 9.57 percent to \$HK11.34 per share

Sun Hung Kai Properties Ltd (Code: 16)

Down 2.76 percent to \$HK61.55 per share

Bank of China Ltd (Code: 3988)

Down 9.46 percent to \$HK2.01 per share

There was a total of 260, double-digit movers on the Main Board, with 14 winners and 246 losers.

The biggest gainer of the day was Symphony Holdings Ltd (Code: 1223), its share price, falling 23.36 percent to 16.90 cents.

The biggest loser of the day was K.P.I. Company Ltd (Code: 605) as investors marked down its share price to 12.60 cents, off 42.73 percent on the day.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index surrendered about 7.83 percent to 381.51 points on a Total Turnover of about \$HK80.33 million.

The ratio of losers to gainers was about 5.80:One.

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

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

Down 24.44 percent to \$HK6.80 per share

Wumart Stores Incorporated (Code: 8277)

Unchanged at \$HK6.45 per share

China Information Technology Development Ltd  
(Code: 8178)

Down 5.80 percent to \$HK0.065 per share

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

Down 13.11 percent to \$HK0.265 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Down 25.81 percent to \$HK0.023 per share

On The GEM, there was a total of 35, double-digit movers, of which number, there were only 2 gainers.

The biggest winner of the day was Neolink Cyber Technology (Holding) Ltd, its share prices, rising 16.67 percent to 3.50 cents.

The biggest loser was First China Financial Holdings Ltd (Code: 8123), as investors marked down its share price to 8.60 cents, a one-day fall of about 38.57 percent.

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

The Hang Seng Index     Minus 13.30 percent  
The Growth Enterprise Index Minus 16.55 percent

On The Tokyo Stock Exchange, which is the largest equity market in Asia, its TOPIX Index gave up about 7.52 percent of its value, dropping back to 806.11 points.

Losing counters outpaced gaining ones by the ratio of 12.65:One, exactly.

The Nikkei-225 Stock Average fell about 9.60 percent to 7,649.08 yen.

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

The TOPIX Index          Minus 16.28 percent  
The Nikkei-225 Stock Average Minus 12.02 percent

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

The HKSAR	Hang Seng Index Minus 8.30 percent to 12,618.38 The Growth Enterprise Index Minus 7.83 percent to 381.51
Indonesia	Minus 6.91 percent to 1,244.86
Japan	TOPIX Index Minus 7.52 percent to 806.11 Nikkei-225 Stock Average Minus 9.60 percent to 7,649.08
Malaysia	Minus 3.61 percent to 859.11
The Philippines	Minus 2.13 percent to 1,953.49
The PRC	Shanghai Composite Index Minus 1.92 percent to 1,839.62 Shenzhen Composite Index Minus 1.70 percent to 505.82
Singapore	Minus 8.33 percent to 1,600.28
South Korea	Minus 10.57 percent to 938.75
Taiwan	Minus 3.19 percent to 4,579.62
Thailand	Minus 6.96 percent to 432.87

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