

**THE QUESTION: CAN CITIGROUP RIDE OUT THIS STORM ?**  
**EQUITY MARKETS' KEY INDICES, AROUND THE WORLD, HEAD SOUTH**

After trying to rally for most of the trading day, investors, locked into stocks and shares, listed on Wall Street, were forced to give up the ghost as key indices slipped into negative territory.

Last Monday's trading day on the world's largest equity markets was marked with a number of historical events, which included:

- Citigroup Incorporated, the second-largest bank in the US, announced that it would be sacking about 75,000 of its employees in total, that figure, representing about 15 percent of its total workforce, worldwide;
- Japan, the second-largest economy of the world, announced, officially, that its economy was, now, in recession; and,
- The largest bank in Europe, HSBC Holdings plc, which is listed on the Main Board of The Stock Exchange of Hongkong Ltd, also, said that it would be sacking about 450 of its staff members, most of these workers, being stationed in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

On The New York Stock Exchange, the Dow Jones Industrial Average shed 223.73 points, equivalent to about 2.63 percent, ending the trading day at 8,273.58 points.

Over on The NASDAQ, its Composite Index gave up 34.80 points, or about 2.29 percent, coming to rest at 1,482.05 points.

For The NASDAQ's Composite Index, last Monday's close was the lowest level of the previous 66 months.

The ratio of losing counters to gaining ones was about 3.11:One on The New York Stock Exchange and about 2.23:One on The NASDAQ.

The main reason for the fall-off in US investor confidence was the usual story: The world's economies are in rapid economic decline with little chance of halting the process in the short term.

Europe followed the Wall Street line, with the key indices of the most-important bourses, losing substantial ground:

Amsterdam's AEX Index	Minus 2.43 percent
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France's CAC 40 Index	Minus 3.32 percent
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Germany's Frankfurt XETRA DAX Index	Minus 3.24 percent
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Great Britain's FTSE 100 Index      Minus 2.38 percent

Italy's MIBTEL Index      Minus 2.96 percent

Switzerland's Swiss Market Index      Minus 3.22 percent

European banking counters got mauled, last Monday, as investors bailed out for fear that more bad news was in the offing.

This appears to be a reasonable assumption, in **TARGET**'s opinion, in view of what is happening, around the world.

Three of the big banking losers were:

HBOS plc      Down 13.87 percent to 74.50 pence

The Royal Bank of Scotland plc Down 12.35 percent to 44.70 pence

Barclays plc      Down 3.14 percent to 154.10 pence

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

On The New York Mercantile Exchange (**NYMEX**), the last settlement for a barrel of light sweet crude oil for delivery in December was \$US54.95, down about 3.66 percent, compared with the final quote of Friday, November 14, 2008.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil came in at \$US55.49, representing a drop of about 3.66 percent on the final quote of the previous Friday.

In Asia, the trend on the most-important equity markets was definitely negative.

In the HKSAR, the key indices of the territory's 2 equity markets were in the red at the close of the trading day.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index eased back about one tenth of a percentage point to 13,529.53 points on a Total Turnover of about \$HK39.84 billion.

The ratio of declining counters to advancing ones was exactly 1.58:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)      Up 1.32 percent to \$HK68.95 per share

China Life Insurance Company Ltd (Code: 2628)      Down 1.83 percent to \$HK21.45 per share

China Construction Bank Corporation (Code: 939)      Down 0.72 percent to \$HK4.11 per share

Sun Hung Kai Properties Ltd (Code: 16)	Down 0.68 percent to \$HK58.40 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.33 percent to \$HK3.70 per share
HSBC Holdings plc (Code: 5)	Down 0.43 percent to \$HK81.95 per share
China Merchants Bank Company Ltd (Code: 3968)	Down 4.08 percent to \$HK13.16 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 7.56 percent to \$HK60.55 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 0.66 percent to \$HK4.55 per share
PetroChina Company Ltd (Code: 857)	Down 0.34 percent to \$HK5.81 per share

There was a total of 87, double-digit movers on the Main Board, last Monday, with losers and gainers, being almost equal at about 1.02:One.

Northeast Electric Development Company Ltd (Code: 42) was the biggest gainer of the day, its share price, rising 67.50 percent to 67 cents.

QPL International Holdings Ltd (Code: 243) was the biggest loser as investors marked down its share price by 37.00 percent to 12.60 cents.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.58 percent, dropping back to 368.78 points.

The Total Turnover on this market was about \$HK58.56 million, while the ratio of losing counters to gaining ones was about 1.22:One.

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

Wumart Stores Incorporated (Code: 8277)	Down 6.04 percent to \$HK5.76 per share
Shandong Weigao Group Medical Polymer Company Ltd (Code: 8199)	Unchanged at \$HK9.10 per share
Core Healthcare Investment Holdings Ltd (Code: 8250)	Down 9.09 percent to \$HK0.09 per share
BIG Media Group Ltd (Code: 8167)	Down 7.50 percent to \$HK0.148 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Down 4.88 percent to \$HK0.039 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>
Byford International Ltd	8272	20.00		0.30
CCID Consulting Company Ltd	8235	19.05		0.125
China Asean Resources Ltd	8186	11.43		0.078
China Bio Cassava Holdings Ltd	8129	19.05		0.025
Excel Technology International Holdings Ltd	8048		20.00	0.024
FAVA International Holdings Ltd	8108		14.29	0.066
Goldmond Holdings Ltd	8190	14.29		0.024
Golife Concepts Holdings Ltd	8172		20.00	0.072
GreaterChina Technology Group Ltd	8032		13.33	0.026
Honbridge Holdings Ltd	8137		10.13	0.355
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	20.56		0.217
Richfield Group Holdings Ltd	8136	23.64		0.068
Sanmenxia Tianyuan Aluminum Company Ltd	8253	12.00		0.28
Shaanxi Northwest New Technology Industry Company Ltd	8258	30.00		0.13
Sing Lee Software (Group) Ltd	8076		10.53	0.17
Soluteck Holdings Ltd	8111	16.67		0.07
Sun International Group Ltd	8029		14.14	0.85
Tianjin TEDA Biomedical Engineering Company Ltd	8189	35.79		0.129
Xi'an Haitian Antenna Technologies Company Ltd	8227	38.33		0.083

Yantai North Andre Juice Company Ltd	8259	10.61	0.295
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On Japan's 3 equity markets, trading was relatively quiet as investors pondered how deep would be the recession into which the second-largest economy of the world had slipped.

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.42 percent to 850.49 points in quiet trading.

The ratio of gaining counters to losing ones was 1.23: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, rose 60.19 yen, equivalent to about 0.71 percent, ending the trading day at 8,522.58 yen.

#### News Wise

- The Cabinet Office of the Government of Japan announced that weak domestic demand and a rise in the value of imports had led to the country's Gross Domestic Product contracting for the second, consecutive quarter. This is, also, known as **recession**; and,
- **General Motor Corporation** (of the US) said that it would try to raise about ¥22.40 billion by selling its 3-percent stake in **Suzuki Motor Corporation**. This is, also, known as selling the family jewels.

This was how the key indices of other Asian equity markets fared, last Monday night:

The HKSAR	Hang Seng Index Minus 0.10 percent to 13,529.53 The Growth Enterprise Index Minus 1.58 percent to 368.78
Indonesia	Minus 2.17 percent to 1,236.93
Japan	TOPIX Index Plus 0.42 percent to 850.49 Nikkei-225 Stock Average Plus 0.71 percent to 8,522.58
Malaysia	Plus 0.27 percent to 884.06
The Philippines	Minus 1.92 percent to 1,940.00
The PRC	Shanghai Composite Index Plus 2.22 percent to 2,030.49 Shenzhen Composite Index Plus 3.35 percent to 563.61
Singapore	Minus 0.54 percent to 1,749.67
South Korea	Minus 0.91 percent to 1,078.32

Taiwan	Minus 0.29 percent to 4,439.80
Thailand	Minus 0.99 percent to 434.21

## Tuesday

Share prices on Wall Street zigzagged for most of last Tuesday's trading session; the wild swings unnerved many an investor.

It was only in the closing half an hour of trading that there was a determined swing from the red to the black.

On The New York Stock Exchange, the Dow Jones ended the session at 8,424.75 points, a one-day gain of about 1.83 percent in moderate trading conditions.

Over on The NASDAQ, however, it was a different situation as its Composite Index only managed to put on a gain of about 0.08 percent, limping up to 1,483.27 points.

Earlier in the day, The Dow was off as much as 3.30 percent, compared with Monday's close, and The Composite Index of The NASDAQ touched a low of 1,429.92 points, off about 3.52 percent on Monday's final figure.

The ratio of declining stocks to advancing ones was about 1.67:One on The New York Stock Exchange and about 1.60:One on The NASDAQ.

US investors were watching, anxiously, the proceedings in Washington D.C. where the senior executives of The Big Three – General Motors Corporation, Ford Motor Company and Chrysler LLP – were begging the US Government for at least \$US25 billion in order to save the industry from insolvency.

In the event that the US Senate determines not to recommend a cash bailout for the US, motor-vehicle industry, it is likely to mean that another 2.50 million people could be walking the streets of the US, looking for alternate employment.

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

Amsterdam's AEX Index      Plus    1.74 percent

France's CAC 40 Index      Plus    1.11 percent

Germany's Frankfurt XETRA DAX Index Plus    0.48 percent

Great Britain's FTSE 100 Index      Plus    1.84 percent

Italy's MIBTEL Index      Plus    0.24 percent

Switzerland's Swiss Market Index      Plus    0.51 percent

European banks, however, continued to wilt under selling pressure, especially HBOS plc, which lost another 15.44 percent of its market capitalisation, dropping back to 63 pence.

On Monday, HBOS plc had shed about 13.87 percent of its market capitalisation, ending that trading day at 74.50 pence.

Allied Irish Banks plc was another major loser on The London Stock Exchange, its share price, falling about 16.35 percent to €2.20.

On international commodity exchanges, the price of crude oil continued its retreat.

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 \$US54.39, down another 1.02 percent on Monday's final quote.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil was \$US54.76, down about 1.32 percent on the day.

In Asia, there were only losers on all equity markets, from east to west.

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 heavily.

On the premier equity market, known as the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 4.54 percent, ending the lean trading day at 12,915.89 points.

The Total Turnover was about \$HK44.84 billion, while the ratio of losing counters to gaining ones was about 1.81:One.

The Ten Most Actives were:

China Life Insurance Company Ltd (Code: 2628)

Down 6.76 percent to \$HK20.00 per share

China Construction Bank Corporation (Code: 939)

Down 5.60 percent to \$HK3.88 per share

China Mobile Ltd (Code: 941)

Down 3.84 percent to \$HK66.30 per share

HSBC Holdings plc (Code: 5)

Down 3.60 percent to \$HK79.00 per share

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

Down 2.70 percent to \$HK3.60 per share

PetroChina Company Ltd (Code: 857)

Down 3.61 percent to \$HK5.60 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 7.51 percent to \$HK56.00 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Down 5.71 percent to \$HK4.29 per share

China Merchants Bank Company Ltd (Code:  
3968)

Down 8.05 percent to \$HK12.10 per share

China Shenhua Energy Company Ltd (Code:  
1088)

Down 6.92 percent to \$HK12.10 per share

Of the 106, double-digit movers of the Main Board, only 20 counters managed to buck the downward trend with gains of 10 percent or more in their respective market capitalisations.

The biggest gainer of the day was Eagle Nice (International) Holdings Ltd (Code: 2368), its share price, rising 40.70 percent to \$HK1.21.

Ju Teng International Holdings Ltd (Code: 3336) was the biggest loser of the day as investors pulled down its share price by 27.41 percent to \$HK1.43.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 2.91 percent, dropping back to 358.06 points.

The Total Turnover on this market was about \$HK60.27 million, while the ratio of declining counters to advancing ones was about 3.25:One.

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

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

Up 2.20 percent to \$HK9.30 per share

Wumart Stores Incorporated (Code: 8277)

Down 1.04 percent to \$HK5.70 per share

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Unchanged at \$HK0.09 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Down 10.26 percent to \$HK0.035 per share

South China Land Ltd (Code: 8155)

Unchanged at \$HK0.32 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A and K Educational Software Holdings Ltd	8053	19.61		0.61
CCID Consulting Company Ltd	8235		28.00	0.09
China Asean Resources Ltd	8186		20.51	0.062



China Bio Cassava Holdings Ltd	8129		20.00	0.02
China Leason Investment Group Company Ltd	8270		14.29	0.24
DeTeam Company Ltd	8112		10.45	0.30
Era Information and Entertainment Ltd	8043		19.46	0.12
Essex Bio-Technology Ltd	8151		10.71	0.125
Excel Technology International Holdings Ltd	8048		12.50	0.021
Global Solution Engineering Ltd	8192		14.29	0.18
Grand T G Gold Holdings Ltd	8299		10.26	0.035
Honbridge Holdings Ltd	8137		15.49	0.30
Intcera High Tech Group Ltd	8041		10.00	0.018
Netel Technology (Holdings) Ltd	8256		14.29	0.03
Ningbo Yidong Electronic Company Ltd	8249		23.26	0.033
PINE Technology Holdings Ltd	8013		11.29	0.11
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		33.33	0.20
Xi'an Haitian Antenna Technologies Company Ltd	8227		15.66	0.07

On The Tokyo Stock Exchange, The TOPIX Index lost about 1.77 percent, falling to 835.44 points.

Losing counters outpaced gaining ones by the ratio of about 1.14:One.

The Nikkei-225 Stock Average surrendered about 2.28 percent of its value, ending the trading session at 8,328.41 yen.

#### News Wise

- **Sales** at Japanese departmental stores declined by about 6.80 percent, during the month of October, compared with the like month in 2007, according to The Japan Department Stores Association. It was the eighth, consecutive month of falls;
- **Mitsubishi UFJ Financial Group Incorporated** reported a Consolidated Net Income of ¥92 billion for the 6 months, ended September 30, 2008. That result was a drop of about 64.10 percent, Year-On-Year;
- **Mizuho Financial Group Incorporated** announced that its Consolidated Net Income came in at ¥94.50 billion for the 6-month period, ended September 30, 2008; and,

- **Sumitomo Mitsui Financial Group Incorporated** reported a Consolidated Net Profit Attributable to Shareholders of about ¥83.30 billion for the first half of its Fiscal Year, ended September 30, 2008. That result was a drop, Year-On-Year, of about 51.20 percent.

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

The HKSAR	Hang Seng Index Minus 4.54 percent to 12,915.89 The Growth Enterprise Index Minus 2.91 percent to 358.06
Indonesia	Minus 3.81 percent to 1,189.86
Japan	TOPIX Index Minus 1.77 percent to 835.44 Nikkei-225 Stock Average Minus 2.28 percent to 8,328.41
Malaysia	Minus 0.11 percent to 883.09
The Philippines	Minus 3.42 percent to 1,873.60
The PRC	Shanghai Composite Index Minus 6.31 percent to 1,902.43 Shenzhen Composite Index Minus 6.85 percent to 524.98
Singapore	Minus 3.26 percent to 1,692.55
South Korea	Minus 3.91 percent to 1,036.16
Taiwan	Minus 3.03 percent to 4,305.18
Thailand	Minus 3.28 percent to 419.97

### Wednesday

Investors on the world's largest equity markets were dealt one blow after another, last Wednesday.

The result:

- On The New York Stock Exchange, the Dow Jones Industrial Average lost about 5.07 percent, dropping back to 7,997.28 points; and,
- The Composite Index of The NASDAQ surrendered about 6.53 percent, ending the trading session at 1,386.42 points.

On Capitol Hill, the senior executives of The Big Three – General Motors Corporation, Ford Motor Company and Chrysler LLP – continued to make their concerted pitch to the US Government for a \$US25-billion, bailout package, but legislators appeared to be hesitant to loosen the Government's purse strings in a hurry.

It was the second day of the pleadings and time is fast running out.

Investors, locked into stocks and shares on Wall Street, were gravely concerned over the procrastination on the part of the US lawmakers since, in the event that one or more of The Big Three should go belly up, it could well result in some 2.50 million more people, walking the streets of the US, looking for work.

The share price of General Motors Corporation came off 9.71 percent to \$US2.79 and the share price of Ford Motor Company dropped 25 percent to \$US1.26.

For General Motors Corporation, its closing share price, last Wednesday, was at the lowest level of the past 66 years.

The fast erosion of certain share prices was unprecedented: Investors were nonplussed.

That situation was bad enough, but, then, late in the trading day, the US Federal Reserve announced that it had re-appraised the US economic position and had come to the conclusion that the worst is yet to come.

The Fed said, inter alia, that the US economy could shrink by about 0.20 percent in 2009.

That put the fox in the henhouse and down came the price of financials:

- Bank of America Corporation, down 14.02 percent to \$US13.06 per share;
- Citigroup Incorporation, down 23.44 percent to \$US6.40 per share;
- JP Morgan Chase and Company, down 11.42 percent to \$US28.47 per share;
- Merrill Lynch and Company Incorporated, down 15.79 percent to \$US9.60 per share;
- US Bancorp, down 8.20 percent to \$US23.62 per share;
- Wachovia Corporation, down 13.12 percent to \$US4.57 per share; and,
- Wells Fargo and Company, down 10.29 percent to \$US24.40 per share.

The ratio of declining stocks to advancing ones on The New York Stock Exchange, last Wednesday, was about 16:One, while, over on The NASDAQ, the ratio of losing counters to gaining ones was about 8:One.

In Europe, investors, noting what was taking place on Wall Street, ran for cover.

This was the end result:

Amsterdam's AEX Index	Minus 4.98 percent
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France's CAC 40 Index	Minus 4.02 percent
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Germany's Frankfurt XETRA DAX Index	Minus 4.92 percent
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Great Britain's FTSE 100 Index	Minus 4.82 percent
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Italy's MIBTEL Index	Minus 2.60 percent
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Switzerland's Swiss Market Index     Minus 2.66 percent

For many counters, last Wednesday's closing levels represented a 66-month nadir.

As with Wall Street, European banks were among the hardest hit.

Investors were, clearly, shaken, not knowing which financial house(s) would be next for the knacker's yard.

With a clear and definitive prognostication that the largest and most-important economy of the world was well on its way to trying to compete with The Great Depression of 1929, it was obvious that the demand for crude oil would continue to wane.

And, so, the price of this strategic commodity continued to fall.

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 \$US53.62, off about 1.42 percent, compared with Tuesday's final quote.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil was \$US54.10, representing a fall of about 1.21 percent on the day.

In Asia, with the lone exception of the 2 equity markets of the People's Republic of China (PRC), the key indices of all of the other markets dropped out of bed.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, the key indices of both of its equity markets lost traction.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, gave up about 0.78 percent, falling back to 12,815.80 points.

The Total Turnover on this market was about \$HK38.91 billion, the lowest volume of activity for any single day's trading, this year.

The ratio of declining counters to advancing ones was about 1.07:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 0.30 percent to \$HK66.50 per share

China Life Insurance Company Ltd (Code: 2628)

Down 0.40 percent to \$HK19.92 per share

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

Down 3.06 percent to \$HK3.49 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Up 2.80 percent to \$HK4.41 per share

HSBC Holdings plc (Code: 5)

Up 2.07 percent to \$HK79.20 per share

PetroChina Company Ltd (Code: 857)

Up 0.89 percent to \$HK5.65 per share

China Construction Bank Corporation (Code: 939)

Down 3.35 percent to \$HK3.75 per share

CNOOC Ltd (Code: 883)

Down 2.81 percent to \$HK5.54 per share

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

Down 0.69 percent to \$HK28.90 per share

Sun Hung Kai Properties Ltd (Code: 16)

Down 3.00 percent to \$HK53.35 per share

Of the 73, double-digit movers of the Main Board, the share prices of 39 counters lost 10 percent or more of their respective market capitalisations, while the share prices of 34 counters recorded gains of 10 percent or more.

Galaxy Semi-Conductor Holdings Ltd (Code: 527) was the biggest gainer of the day, its share price, rising 23.08 percent to 32 cents.

Ching Hing (Holdings) Ltd (Code: 692) was the biggest loser of the day, its share price, dropping 25.00 percent, exactly, to end the day at 10.50 cents.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.57 percent, falling back to 356.03 points.

The volume of activity on this market was about \$HK61.86 million, while ratio of losers to gainers was about 1.22:One.

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

ThinSoft (Holdings) Incorporated (Code: 8096)

Up 2.00 percent to \$HK0.51 per share

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Down 7.78 percent to \$HK0.083 per share

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

Up 5.05 percent to \$HK9.77 per share

BIG Media Group Ltd (Code: 8167)

Down 8.67 percent to \$HK0.137 per share

Wumart Stores Incorporated (Code: 8277)

Up 4.39 percent to \$HK5.95 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A and K Educational Software Holdings Ltd	8053	14.75		0.70

Byford International Ltd	8272		15.25	0.25
CCID Consulting Company Ltd	8235	33.33		0.12
China Asean Resources Ltd	8186	12.90		0.07
China Vanguard Group Ltd	8156		11.25	0.355
Dahe Media Company Ltd	8243		13.33	0.26
Finet Group Ltd	8317		10.00	0.09
Global Link Communications Holdings Ltd	8060		21.43	0.055
GreaterChina Technology Group Ltd	8032		12.00	0.022
HC International Incorporated	8292	20.00		0.30
Info Communication Holdings Ltd	8082	24.19		0.077
M Dream Inworld Ltd	8100	11.00		0.111
Neolink Cyber Technology (Holding) Ltd	8116		13.89	0.031
Netel Technology (Holdings) Ltd	8256	33.33		0.04
Northeast Tiger Pharmaceutical Company Ltd	8197	23.75		0.099
Powerleader Science and Technology Group Ltd	8236		16.67	0.10
Richfield Group Holdings Ltd	8136		15.15	0.056
Rojam Entertainment Holdings Ltd	8075		12.00	0.022
Sanmenxia Tianyuan Aluminum Company Ltd	8253		10.71	0.25
Shaanxi Northwest New Technology Industry Company Ltd	8258		25.00	0.09
T S Telecom Technologies Ltd	8003	11.54		0.29
Tianjin Tianlian Public Utilities Company Ltd	8290	16.67		0.35
Trasy Gold Ex Ltd	8063		13.33	0.26
Vinco Financial Group Ltd	8340		41.09	0.162

Ningbo Yidong Electronic Company Ltd	8249	39.39		0.046
Zhejiang Prospect Company Ltd	8273		27.27	0.32
Zmay Holdings Ltd	8085		14.29	0.18

On The Tokyo Stock Exchange, its TOPIX Index gave up about 0.96 percent, dropping to 827.43 points.

Declining counters outpaced advancing ones by the ratio of 1.18:One, exactly.

The Nikkei-225 Stock Average gave up about 55.19 yen, equivalent to about 0.66 percent, as investors pulled it down to 8,273.22 yen.

#### News Wise

- **Nissan Motor Company** announced that it fully expected no profit for the second half of its Fiscal Year;
- **Toyota Motor Corporation** said that it would cut production in the North America due to a slump in sales of all motor vehicles. Assembly work at its plants in the US and Canada will be suspended from December 22, 2008;
- **Tokio Marine Holdings Incorporated** announced a Loss Attributable to Shareholders of about ¥18.05 billion for the 6 months, ended September 30, 2008;
- **Mitsui Sumitomo Insurance Group Holdings Incorporated** announced that its Net Profit Attributable to Shareholders was about ¥12.40 billion for the 6 months to September 30, 2008.

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

The HKSAR	Hang Seng Index Minus 0.78 percent to 12,815.80 The Growth Enterprise Index Minus 0.57 percent to 356.03
Indonesia	Minus 0.80 percent to 1,180.36
Japan	TOPIX Index Minus 0.96 percent to 827.43 Nikkei-225 Stock Average Minus 0.66 percent to 8,273.22
Malaysia	Minus 0.62 percent to 877.65
The Philippines	Minus 1.85 percent to 1,908.18
The PRC	Shanghai Composite Index Plus 6.05 percent to 2,017.47 Shenzhen Composite Index Plus 6.16 percent to 557.31

Singapore	Minus 1.59 percent to 1,665.59
South Korea	Minus 1.87 percent to 1,016.82
Taiwan	Minus 0.49 percent to 4,284.09
Thailand	Minus 2.73 percent to 408.51

### **Thursday**

No plan; no money.

That was the message that the Speaker of the House, Ms Nancy Pelosi, sent to the senior executives of The Big Three – General Motors Corporation, Ford Motor Company and Chrysler LLC – all of whom had been testifying for 3 days before the US Congress, trying to implore lawmakers to lend (or gift?) money to the industry, which is one of the biggest employers in the country.

The executives were trying to give valid reasons that \$US25 billion should be awarded to the industry in order to rescue it.

At risk: Some 2.50 million workers; and, the death of the largest, motor-vehicle industry in the world.

The Congress has given the US, motor-vehicle industry until December 2, 2008, to draft a viable plan.

The clear message: No free luncheons.

Ms Nancy Pelosi said, among other things:

*‘Until they (the senior executives of The Big Three) show us the plan, we cannot show them the money ...’.*

Wall Street did not like the tone of the US Government toward the US, motor-vehicle industry because it meant yet another uncertainty.

And so, down came the key indices on the world’s largest equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average lost another 5.56 percent, dropping back to 7,552.29 points.

On The NASDAQ, its Composite Index shed 5.07 percent, dropping back to 1,316.12 points.

The ratio of losing counters to gaining ones was about 13:One on The New York Stock Exchange and about 7:One on The NASDAQ.

Financial counters, again, took a pounding, led by sales of large blocks of shares in the Issued and Fully Paid-Up Share Capital of Citigroup Incorporated.

Citigroup’s share price fell back to \$US4.71, down 26.41 percent on the day.

The fear of many investors was that the second-largest US bank may buckle under the pressure and end up,



having to file for Chapter 11 of the US Bankruptcy Laws.

Questions were being asked as to whether or not Citigroup Incorporated had a sufficiency of cash to meet all of its commitments with regard to tens of billions of dollars of loan losses.

Citigroup's market capitalisation, as at the close of trading, last Thursday, was about \$US25.70 billion, down from about \$US270 billion, which was the market capitalisation before all Hell broke loose some 13 months ago.

For the past 13 months, equities in the US have been struggling with one problem after another, and, now that the US motor-vehicle industry is in trouble and making it known, publicly, many people were asking the obvious question: Who will be next in line for the knacker's yard?

Other financials to get hurt, materially, in last Thursday's bearish market, included:

Bank of America Corporation	Down 13.86 percent to \$US11.25 per share
JP Morgan Chase and Company	Down 17.88 percent to \$US23.38 per share
Merrill Lynch and Company Incorporated	Down 17.08 percent to \$US7.96 per share
Wachovia Corporation	Down 10.28 percent to \$US4.10 per share
Wells Fargo and Company	Down 7.66 percent to \$US22.53 per share
US Bancorp	Down 6.35 percent to \$US22.12 per share

In Europe, investors followed the lead of Wall Street:

Amsterdam's AEX Index	Minus 4.32 percent
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France's CAC 40 Index	Minus 3.48 percent
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Germany's Frankfurt XETRA DAX Index	Minus 3.07 percent
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Great Britain's FTSE 100 Index	Minus 3.26 percent
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Italy's MIBTEL Index	Minus 2.29 percent
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Switzerland's Swiss Market Index	Minus 3.94 percent
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Many share prices hit levels, not seen for the past 6 years.

Since the beginning of the year, for most bourses, their key indices have shed about 48 percent of their respective values.

On the world's commodity markets, the price of crude oil slumped below the \$US50 per-barrel mark.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in December ended the trading day at \$US49.62, off about 7.46 percent, compared with Wednesday's final quote.

As for delivery in January 2009, the last settlement for a barrel of light sweet crude oil came in at \$US49.42, representing a one-day fall of about 8.65 percent.

In Asia, it was a bloodbath on every major equity market: No market was spared.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while the volumes of activity on both stock markets were relatively low, the losses were material.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 4.04 percent, dropping to 12,298.56 points on a Total Turnover of about \$HK44.62 billion.

The ratio of declining counters to advancing ones was 1.65:One, exactly.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Down 1.50 percent to \$HK65.50 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 6.02 percent to \$HK3.28 per share
HSBC Holdings plc (Code: 5)	Down 4.55 percent to \$HK75.60 per share
China Life Insurance Company Ltd (Code: 2628)	Down 4.62 percent to \$HK19.00 per share
China Construction Bank Corporation (Code: 939)	Down 4.27 percent to \$HK3.59 per share
PetroChina Company Ltd (Code: 857)	Down 4.25 percent to \$HK5.41 per share
China Petroleum and Chemical Corporation (Code: 386)	Down 3.63 percent to \$HK4.25 per share
Bank of China Ltd (Code: 3988)	Down 2.42 percent to \$HK2.02 per share
CNOOC Ltd (Code: 883)	Down 6.32 percent to \$HK5.19 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 6.19 percent to \$HK53.00 per share

There was a total of 89, double-digit movers on the Main Board, with 72 losers and 17 gainers.

China Best Group Holding Ltd (Code: 370) was the biggest gainer of the day, its share price, rising 23.08 percent to 3.20 cents.

Van Shung Chong Holdings Ltd (Code: 1001) was the biggest loser of the day as investors marked down its share price by 32.00 percent, exactly, to 34 cents.

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 2.63 percent of its value, ending the trading day at 346.66 points.

The Total Turnover on this market was about \$HK37.24 million, while the ratio of losing counters to

gaining ones was about 2.68:One.

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

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Down 3.61 percent to \$HK0.08 per share

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

Down 0.72 percent to \$HK9.70 per share

China Vanguard Group Ltd (Code: 8156)

Up 12.68 percent to \$HK0.40 per share

Wumart Stores Incorporated (Code: 8277)

Down 2.35 percent to \$HK5.81 per share

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

Up 2.56 percent to \$HK0.40 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		13.75	0.345
China Chief Cable TV Group Ltd	8153		10.71	0.15
CCID Consulting Company Ltd	8235		26.67	0.088
China Asean Resources Ltd	8186		10.00	0.063
China LotSynergy Holdings Ltd	8161		17.22	0.125
China Vanguard Group Ltd	8156	12.68		0.40
Crosby Capital Ltd	8088		10.00	0.18
Everpride Biopharmaceutical Company Ltd	8019	20.00		0.066
Hua Xia Healthcare Holdings Ltd	8143	14.00		0.057
Info Communication Holdings Ltd	8082		24.68	0.058
Long Success International (Holdings) Ltd	8017		12.00	0.022
Neolink Cyber Technology (Holding) Ltd	8116	25.81		0.039

Netel Technology (Holdings) Ltd	8256		12.50	0.035
Powerleader Science and Technology Group Ltd	8236		20.00	0.08
Rojam Entertainment Holdings Ltd	8075		13.64	0.025
Sau San Tong Holdings Ltd	8200		27.03	0.027
Tianjin Tianlian Public Utilities Company Ltd	8290	10.00		0.385
Timeless Software Ltd	8028		12.50	0.035
Trasy Gold Ex Ltd	8063	11.54		0.29
TSC Offshore Group Ltd	8149		34.07	0.60
Venturepharm Laboratories Ltd	8225		17.50	0.33
Vertex Group Ltd	8228		15.00	0.085
Yuxing InfoTech Holdings Ltd	8005		10.20	0.22

On The Tokyo Stock Exchange, its TOPIX Index surrendered 5.46 percent of its value, ending the session at 782.28 points.

The ratio of losing counters to gaining ones was about 11.85:One.

The Nikkei-225 Stock Average lost about 6.89 percent, dropping back to 7,703.04 yen.

#### News Wise

- **Mazda Motor Corporation** announced that it would cease employing 1,300 temporary workers in Japan, effective immediately; and,
- **Isuzu Motors Ltd** took the same track as Mazda Motor Corporation and announced that it, too, would terminate employment in respect of 1,400 temporary and seasonal workers at its Japanese plants by the end of 2008.

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

The HKSAR	Hang Seng Index Minus 4.04 percent to 12,298.56 The Growth Enterprise Index Minus 2.63 percent to 346.66
Indonesia	Minus 2.15 percent to 1,154.97
Japan	TOPIX Index Minus 5.46 percent to 782.28 Nikkei-225 Stock Average

	Minus 6.89 percent to 7,703.04
Malaysia	Minus 1.40 percent to 865.32
The Philippines	Minus 3.45 percent to 1,842.33
The PRC	Shanghai Composite Index Minus 1.67 percent to 1,983.76 Shenzhen Composite Index Minus 0.10 percent to 556.73
Singapore	Minus 3.10 percent to 1,613.95
South Korea	Minus 6.70 percent to 948.69
Taiwan	Minus 4.53 percent to 4,089.93
Thailand	Minus 3.59 percent to 393.85

### **Friday**

The share price of Citigroup Incorporated, the second-largest bank in the US, fell another 94 cents, equivalent to 19.96 percent, to \$US3.77, last Friday, as investors fretted that this major financial institution might not be able to ride out the international financial storm – which threatens to worsen.

The future of this bank was being questioned: Investors wanted out ... just in case.

On Monday, Citigroup announced that it would be sacking, in total, 75,000 of its workers, an unheard of culling, representing about 15 percent of the bank's total Establishment, worldwide.

In the past year, Citigroup has lost about \$US20 billion due to the global financial crisis and has suffered 4 quarters of consecutive losses.

Investors were in panic mode.

However, on Wall Street, aside from the selloff of Citigroup's stock, there was widespread short-covering, among other things, as many investors determined to square books while others took speculative positions on stocks and shares, where prices were seen to have fallen to what they considered unreasonable lows.

In addition, it was reported, unofficially, during trading hours, that President-elect Barack Obama had chosen Mr Timothy Geithner, President of The Federal Reserve Bank of New York, to be the new US Treasury Secretary.

To many investors, this was a good choice.

On The New York Stock Exchange, the Dow Jones Industrial Average shot up about 6.55 percent to 8,046.66 points.

Over on The NASDAQ, its Composite Index gained about 5.18 percent, ending the trading day at 1,384.35 points.

Clearly, the gains of last Friday were not sustainable and the consensus was that, in the coming week, the key indices of the largest equity markets of the world would fall back, once again.

The tally for the week for the world's largest equity markets was:

The Dow Jones Industrial Average   Minus 5.30 percent  
The Composite Index of The NASDAQ   Minus 8.74 percent

On European equity markets, however, there was no joy, at all.

Every key index of every equity markets fell, some very hard as the following **TARGET** () list illustrates:

Amsterdam's AEX Index           Minus 2.14 percent

France's CAC 40 Index           Minus 3.32 percent

Germany's Frankfurt XETRA DAX Index   Minus 2.19 percent

Great Britain's FTSE 100 Index   Minus 2.42 percent

Italy's MIBTEL Index           Minus 3.04 percent

Switzerland's Swiss Market Index   Minus 3.05 percent

What worried the pants off many a European investor was the Citigroup situation since the failure of this huge bank could well be catastrophic.

There was widespread selling of shares of banks and financial institutions, based in Europe, as investors pondered the US situation: If it could happen in the US, it could happen in Europe.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement for a barrel of light sweet crude oil for delivery in January 2009 – which became the new, near month, last Friday – came in at \$US49.93, up about 1.03 percent on Thursday's closing level.

For delivery in February 2009, the last settlement for a barrel of light sweet crude oil was \$US50.96.

In Asia, last Friday, it was a completely different story to those, being told in the US and in Europe.

There was speculation that the Government of the People's Republic of China (PRC) would come to the aid of the country by lowering interest rates by a full 100 basis points and lowering the reserve ratios of its banks.

This took many an equity market in the most-populous part of the world by surprise, resulting in share prices, rising smartly, after a start to the day, which saw numerous selling orders.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, the premier equity market's benchmark index rose, but, on the speculative equity market, known as The **Growth Equity Market** (**The**

**GEM**) of The Stock Exchange of Hongkong Ltd, there was little movement.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 2.93 percent to 12,659.20 points on a Total Turnover of about \$HK50.44 billion.

The ratio of gainers to losers was about 1.10:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 3.05 percent to \$HK67.50 per share
HSBC Holdings plc (Code: 5)	Up 1.92 percent to \$HK77.05 per share
China Life Insurance Company Ltd (Code: 2628)	Up 3.37 percent to \$HK19.64 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 2.13 percent to \$HK3.35 per share
China Construction Bank Corporation (Code: 939)	Up 6.13 percent to \$HK3.81 per share
PetroChina Company Ltd (Code: 857)	Up 2.96 percent to \$HK5.57 per share
Bank of China Ltd (Code: 3988)	Up 5.94 percent to \$HK2.14 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 3.29 percent to \$HK4.39 per share
CNOOC Ltd (Code: 883)	Down 2.50 percent to \$HK5.06 per share
China Merchants Bank Company Ltd (Code: 3968)	Up 5.03 percent to \$HK11.70 per share

There was a total of 72, double-digit movers on the Main Board, with 22 losers and 50 gainers.

Ching Hing (Holdings) Ltd (Code: 692) was the biggest gainer of the day, its share price, rising 57.14 percent to 16.50 cents.

Sino Resources Group Ltd (Code: 223) was the biggest loser as investors marked down its share price by 25.52 percent to 17.80 cents.

Over on The GEM, The Growth Enterprise Index lost about 0.09 percent, easing back to 346.34 points on a Total Turnover of about \$HK45.78 million.

Advancing counters outnumbered declining ones by the ratio of about 1.20:One

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

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Down 6.25 percent to \$HK0.075 per share

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

Up 1.03 percent to \$HK9.80 per share

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

Up 15.71 percent to \$HK0.162 per share

BIG Media Group Ltd (Code: 8167)

Down 1.44 percent to \$HK0.137 per share

Wumart Stores Incorporated (Code: 8277)

Down 3.27 percent to \$HK5.62 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		14.49	0.295
CCID Consulting Company Ltd	8235	22.73		0.108
CCT Resources Holdings Ltd	8163	23.81		0.13
Dahe Media Company Ltd	8243		11.54	0.23
Global Link Communications Holdings Ltd	8060	18.18		0.065
Grand T G Gold Holdings Ltd	8299		12.12	0.029
Intelli-Media Group (Holdings) Ltd	8173	15.71		0.162
M Dream Inworld Ltd	8100	18.02		0.131
Powerleader Science and Technology Group Ltd	8236	23.75		0.099
Richfield Group Holdings Ltd	8136	18.52		0.064
Sau San Tong Holdings Ltd	8200	22.22		0.033
Thiz Technology Group Ltd	8119	33.33		0.04
Timeless Software Ltd	8028	14.29		0.04
TSC Offshore Group Ltd	8149		11.67	0.53



Venturepharm Laboratories Ltd	8225	50.00		0.495
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For the week, the tally for Asia's second-largest equity market was:

The Hang Seng Index Minus 6.52 percent  
The Growth Enterprise Index Minus 7.57 percent

On The Tokyo Stock Exchange, The TOPIX Index rose about 2.61 percent to 802.69 points, mainly due to short covering.

The ratio of gaining counters to losing ones was about 2.96:One.

The Nikkei-225 Stock Average put on about 2.70 percent, ending the trading day at 7,910.79 yen.

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

The TOPIX Index Minus 5.22 percent  
The Nikkei-225 Stock Average Minus 6.52 percent

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

The HKSAR	Hang Seng Index Plus 2.93 percent to 12,659.20 The Growth Enterprise Index Minus 0.09 percent to 346.34
Indonesia	Minus 0.75 percent to 1,146.28
Japan	TOPIX Index Plus 2.61 percent to 802.69 Nikkei-225 Stock Average Plus 2.70 percent to 7,910.79
Malaysia	Plus 0.18 percent to 866.88
The Philippines	Minus 4.15 percent to 1,765.90
The PRC	Shanghai Composite Index Minus 0.72 percent to 1,969.39 Shenzhen Composite Index Minus 0.77 percent to 552.46
Singapore 1,662.10	Plus 2.98 percent to
South Korea	Plus 5.80 percent to 1,003.73
Taiwan	Plus 1.98 percent to 4,171.10

Thailand	Plus 0.93 percent to 397.51
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