

**INVESTORS TOLD TO STAND BY FOR 2 YEARS OF HORRORS –  
DOWN FALL THE KEY INDICES ON WALL STREET**

**Citigroup Incorporated Is ‘Nationalised’**

There was carnage on Wall Street, last Monday.

Investors appeared to have lost faith in the Administration of President Barack Hussein Obama and its financial rescue package – after the President’s term of office was, still, only about one month and 3 days old.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 250.73 points, equivalent to about 3.40 percent, dropping back to 7,114.94 points.

Over on The NASDAQ, its Composite Index gave up 53.51 points, or about 3.71 percent, ending the active trading day at 1,387.72 points.

The ratio of losing counters to gaining ones was about 6:One on The New York Stock Exchange and about 4:One on The NASDAQ.

The problem, as far as many investors saw the situation, was that the Obama Administration had yet to demonstrate that it could stabilise the situation in the US.

Repairing some of the damage to the US economy may be considered unlikely in such a short space of time as 33 days, but it had been expected, in many quarters, that the economic stimulus package would have the desired effect of bringing some normalcy to the economy if only psychological.

Well, it had not panned out as expected.

Hence, down came the key indices on US equity markets.

In addition, there was, once again, talk that some of the biggest banks in the US would be nationalised, one way or another, whether or not the ‘n’ word was used.

On European equity markets, many investors, noting what was taking place on Wall Street, bailed out of equities, bringing down the key indices of the most-important bourses in the region:

Amsterdam’s AEX Index	Minus 2.24 percent
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France’s CAC 40 Index	Minus 0.82 percent
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Germany’s Frankfurt XETRA DAX Index	Minus 1.94 percent
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Great Britain's FTSE 100 Index      Minus 0.98 percent

Italy's MIBTEL Index              Minus 1.29 percent

Switzerland's Swiss Market Index      Minus 1.11 percent

Banking counters took more than just a '*hit*' on the largest bourses, with some of their market capitalisations, shedding double-digit figures.

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 April came in at \$US38.44, down about 3.97 percent on the final quote of Friday, February 20, 2009.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US41.27.

Asia was bullish, last Monday, but, of course, investors in this part of the world did not know what was about to happen in Europe and the US at the opening of equity markets in these parts of the world.

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 put on material gains.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 3.75 percent to 13,175.10 points on a Total Turnover of about \$HK39.58 billion.

The ratio of advancing counters to declining ones was about 1.30:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.91 percent to \$HK55.30 per share
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China Mobile Ltd (Code: 941)	Up 5.06 percent to \$HK71.65 per share
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China Life Insurance Company Ltd (Code: 2628)	Up 5.22 percent to \$HK23.20 per share
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Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 2.45 percent to \$HK3.34 per share
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China Construction Bank Corporation (Code: 939)	Up 5.31 percent to \$HK3.97 per share
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Real Gold Mining Ltd (Code: 246)	\$HK6.25 per share*
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PetroChina Company Ltd (Code: 857)	Up 3.31 percent to \$HK5.93 per share
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CNOOC Ltd (Code: 883)	Up 4.31 percent to \$HK7.02 per share
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Sun Hung Kai Properties Ltd (Code: 16)

Up 3.65 percent to \$HK62.40 per share

Bank of China Ltd (Code: 3988)

Up 1.90 percent to \$HK2.15 per share

\* First Day of Trading

The biggest, Main Board movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CEC International Holdings Ltd	759	20.00		0.12
China Agri-Products Exchange Ltd	149	28.70		0.242
China Fortune Holdings Ltd	110	23.20		0.25
China Resources Microelectronics Ltd	597	59.60		0.265
Computime Group Ltd	320	24.00		0.62
Continental Holdings Ltd	513		23.10	0.50
Greater China Holdings Ltd	431		29.20	0.17
PetroAsian Energy Holdings Ltd	850	27.10		0.239
SunCorp Technologies Ltd	1063	25.40		0.089
UDL Holdings Ltd	620	45.00		0.029
Wing Shan International Ltd	570	16.70		0.49

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 1.15 percent as investors pushed it to 374.37 points.

The Total Turnover on this market was about \$HK53.44 million, while the ratio of advancing counters to declining ones was about 1.33:One.

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

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

Up 3.24 percent to \$HK13.40 per share

Fast Systems Technology (Holdings) Ltd (Code:

Up 4.62 percent to \$HK0.68 per share

8150)

BIG Media Group Ltd (Code: 8167)

Unchanged at \$HK0.11 per share

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

Down 3.17 percent to \$HK0.061 per share

SUNeVision Holdings Ltd (Code: 8008)

Up 3.70 percent to \$HK0.56 per share

The GEM's double-digit movers 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	18.80		0.095
CCID Consulting Company Ltd	8235		16.70	0.10
China Bio Cassava Holdings Ltd	8129	12.50		0.045
FAVA International Holdings Ltd	8108		15.20	0.056
G.A. Holdings Ltd	8126		16.70	0.25
Shaanxi Northwest New Technology Industry Company Ltd	8258	20.00		0.12
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Ltd	8231		12.50	0.28
Sing Lee Software (Group) Ltd	8076	15.40		0.15
Soluteck Holdings Ltd	8111	15.90		0.102
Timeless Software Ltd	8028	25.00		0.05
TSC Offshore Group Ltd	8149	10.00		0.55
Vertex Group Ltd	8228	18.50		0.109
Vinco Financial Group Ltd	8340		14.10	0.085

Trading on the 3 equity markets of Japan saw many investors scamper out of stocks and shares, following a report that SFCG Company, a Tokyo-based finance company, had hit the wall, leaving liabilities in its wake of about ¥338 billion. (Please see [News Wise](#), below)

The failure of this finance company, which used to specialise in lending to small businesses, caused something of a commotion on Japanese equity markets.

On The Tokyo Stock Exchange, the premier equity market of the country, its TOPIX Index shed 4.25 points, equivalent to about 0.57 percent, dropping back to 735.28 points.

Declining counters outnumbered advancing ones by the ratio of about 1.67:One.

The Nikkei-225 Stock Average, which is a much-narrower gauge of trading on select blue chips, listed on The First Section of The Tokyo Stock Exchange, than the TOPIX Index, shed ¥40.22, or about 0.54 percent, falling back to ¥7,376.16.

#### News Wise

- **SFCG Company** has filed for bankruptcy protection. The finance company, which is 31 years old, has about 1,500 employees and has 109 branches in Japan. It is the tenth-largest, publicly listed failure this year. SFCG Company owes **Citigroup Incorporated** about ¥71 billion; and,
- **Supermarket sales** in January fell about 2.70 percent, Year-On-Year, according to the Japan Chain Stores Association.

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

The HKSAR	Hang Seng Index Plus 3.75 percent to 13,175.10 The Growth Enterprise Index Plus 1.15 percent to 374.37
Indonesia	Plus 1.19 percent to 1,312.44
Japan	TOPIX Index Minus 0.57 percent to 735.28 Nikkei-225 Stock Average Minus 0.54 percent to 7,376.16
Malaysia	Minus 0.21 percent to 887.83
The Philippines	Plus 0.51 percent to 1,891.04
The PRC	Shanghai Composite Index Plus 1.96 percent to 2,305.78 Shenzhen Composite Index Plus 3.14 percent to 767.44
Singapore	Plus 2.24 percent to 1,630.69
South Korea	Plus 3.15 percent to 1,099.55

Taiwan	Plus 0.92 percent to 4,477.78
Thailand	Plus 0.07 percent to 434.99

## **Tuesday**

Share prices rebounded on US equity markets, last Tuesday, following statements from the Chairman of the US Federal Reserve, who was testifying before the Senate.

The Chairman of the US Federal Reserve, Dr Ben S. Bernanke, testifying before the Committee on Banking, Housing and Urban Affairs of the US Senate in Washington, D.C., last Tuesday, said, among other things:

### ***'Recent Economic and Financial Developments and the Policy Responses***

*'As you are aware, the U.S. economy is undergoing a severe contraction. Employment has fallen steeply since last autumn, and the unemployment rate has moved up to 7.6 percent. The deteriorating job market, considerable losses of equity and housing wealth, and tight lending conditions have weighed down consumer sentiment and spending. In addition, businesses have cut back capital outlays in response to the softening outlook for sales as well as the difficulty of obtaining credit. In contrast to the first half of last year, when robust foreign demand for U.S. goods and services provided some offset to weakness in domestic spending, exports slumped in the second half as our major trading partners fell into recession and some measures of global growth turned negative for the first time in more than 25 years. In all, U.S. real gross domestic product (GDP) declined slightly in the third quarter of 2008, and that decline steepened considerably in the fourth quarter. The sharp contraction in economic activity appears to have continued into the first quarter of 2009 ...*

### ***'The Economic Outlook and the FOMC's Quarterly Projections***

*'This outlook for economic activity is subject to considerable uncertainty, and I believe that, overall, the downside risks probably outweigh those on the upside. One risk arises from the global nature of the slowdown, which could adversely affect U.S. exports and financial conditions to an even greater degree than currently expected. Another risk derives from the destructive power of the so-called adverse feedback loop, in which weakening economic and financial conditions become mutually reinforcing. To break the adverse feedback loop, it is essential that we continue to complement fiscal stimulus with strong government action to stabilize financial institutions and financial markets. If actions taken by the Administration, the Congress, and the Federal Reserve are successful in restoring some measure of financial stability--and only if that is the case, in my view--there is a reasonable prospect that the current recession will end in 2009 and that 2010 will be a year of recovery. If financial conditions improve, the economy will be increasingly supported by fiscal and monetary stimulus, the salutary effects of the steep decline in energy prices since last summer, and the better alignment of business inventories and final sales, as well as the increased availability of credit... '.*

Wall Street responded positively, recovering nearly all of Monday's losses.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 3.31 percent to 7,350.54 points and, over on The NASDAQ, its Composite Index tagged on about 3.90 percent as investors pushed it to 1,441.83 points.

The ratio of gainers to losers was about 6:One on The New York Stock Exchange and about 3:One on The NASDAQ.

In Europe, however, investors were not as upbeat as their US counterparts.

The key indices of every major bourse fell for the second day of the week as the following **TARGET** () list illustrates:

France's CAC 40 Index                      Minus 0.72 percent

France's CAC 40 Index                      Minus 0.72 percent

Germany's Frankfurt XETRA DAX IndexMinus 1.03 percent

Great Britain's FTSE 100 Index      Minus 0.89 percent

Italy's MIBTEL Index	Minus 0.20 percent
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Switzerland's Swiss Market Index      Minus 1.54 percent

The gains of Tuesday on US equity markets, as far as many European investors were concerned, were a matter of just a flash in the pan.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US39.96, representing an increase of about 3.95 percent, compared with Monday's close.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US42.76, up about 3.61 percent on Monday's last settlement.

In Asia, every key index of every major equity market, with the lone exception of the Malaysia equity market, dropped, with very material losses, being recorded in the key indices of the 2 stock markets of the People's Republic of China (PRC).

In the Hongkong Special Administrative Region (HKSAR) of the PRC, losses in the market capitalisations of many a counter were widespread on the territory's 2 equity markets.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, shed about 2.86 percent to 12,798.52 points on a Total Turnover of about \$HK36.97 billion.

The ratio of declining counters to advancing ones was about 1.82:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5) Down 2.98 percent to \$HK53.65 per share

China Life Insurance Company Ltd (Code: 2628) Down 3.23 percent to \$HK22.45 per share

China Mobile Ltd (Code: 941) Down 2.86 percent to \$HK69.60 per share

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

Down 2.99 percent to \$HK3.24 per share

Bank of China Ltd (Code: 3988) Down 2.79 percent to \$HK2.09 per share

China Construction Bank Corporation (Code: 939)

Down 2.77 percent to \$HK3.86 per share

PetroChina Company Ltd (Code: 857)

Down 3.71 percent to \$HK5.71 per share

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

Up 0.68 percent to \$HK36.90 per share

Hutchison Whampoa Ltd (Code: 13)

Down 3.88 percent to \$HK42.10 per share

China Shenhua Energy Company Ltd (Code:  
1088)

Down 4.60 percent to \$HK16.16 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bloomage BioTechnology Corporation Ltd	963	31.90		0.95
Fortuna International Holdings Ltd	530	20.00		0.048
Greater China Holdings Ltd	431	16.5		0.198
Hengli Properties Development (Group) Ltd	169		33.30	0.10
Midas International Holdings Ltd	1172	16.40		0.128
Nam Tai Electronic and Electrical Products Ltd	2633	124.60		1.28
Overseas Chinese Town (Asia) Holdings Ltd	3366		18.20	0.72
Pacific Plywood Holdings Ltd	767	15.40		0.045
See Corporation Ltd	491		15.20	0.028
United Pacific Industries Ltd	176		31.60	0.195
Wong's Kong King International (Holdings) Ltd	532	16.70		0.70
Zhong Hua International Holdings Ltd	1064	17.60		0.60

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index surrendered about 1.57 percent to 368.48 points on a Total Turnover of about \$HK51.32

million.

The ratio of losers to gainers was about 1.66:One.

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

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

Up 7.35 percent to \$HK0.73 per share

SUNeVision Holdings Ltd (Code: 8008)

Up 10.71 percent to \$HK0.62 per share

BIG Media Group Ltd (Code: 8167)

Down 0.91 percent to \$HK0.109 per share

Golden Meditech Company Ltd (Code: 8180)

Up 2.35 percent to \$HK0.87 per share

EVOC Intelligent Technology Company  
Ltd (Code: 8285)

Down 3.68 percent to \$HK1.57 per share

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

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
Challenger Group Holdings Ltd	8203	11.70		0.335
China Electric Power Technology Holdings Ltd	8053		25.80	0.164
Emcom International Ltd	8220	20.00		0.036
Era Information and Entertainment Ltd	8043	12.20		0.11
Excel Technology International Holdings Ltd	8048		15.20	0.028
Hua Xia Healthcare Holdings Ltd	8143		10.30	0.026
Ningbo Yidong Electronic Company Ltd	8249		10.00	0.036
Sing Lee Software (Group) Ltd	8076	13.30		0.17
SUNeVision Holdings Ltd	8008	10.70		0.62
TeleEye Holdings Ltd	8051		12.50	0.14
Timeless Software Ltd	8028	56.00		0.078

TSC Offshore Group Ltd	8149		12.70	0.48
Vinco Financial Group Ltd	8340	17.60		0.10

On The Tokyo Stock Exchange, its TOPIX Index gave up about 0.68 percent, dropping back to 730.28 points.

Declining counters outran advancing ones by the ratio of about 1.77:One.

The Nikkei-225 Stock Average lost about 1.46 percent as investors pushed it down to ¥7,268.56.

#### News Wise

- The value of exports from Japan, during the month of January, fell by about 45 percent, Year-On-Year, The Finance Ministry released. **January's trade deficit** was ¥952.60 billion, the lowest figure ever recorded.

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

The HKSAR	Hang Seng Index Minus 2.86 percent to 12,798.52 The Growth Enterprise Index Minus 1.57 percent to 368.48
Indonesia	Minus 1.26 percent to 1,295.87
Japan	TOPIX Index Minus 0.68 percent to 730.28 Nikkei-225 Stock Average Minus 1.46 percent to 7,268.56
Malaysia	Plus 0.70 percent to 894.07
The Philippines	Minus 1.13 percent to 1,869.59
The PRC	Shanghai Composite Index Minus 4.56 percent to 2,200.65 Shenzhen Composite Index Minus 3.85 percent to 737.93
Singapore	Minus 1.00 percent to 1,614.44
South Korea	Minus 3.24 percent to 1,063.88
Taiwan	Minus 1.06 percent to 4,430.18

Thailand	Minus 0.84 percent to 431.32
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### Wednesday

Wall Street investors were clearly concerned, last Wednesday, following statements by President Barack Hussein Obama that serious US Government supervision might be necessary in respect of certain financial institutions.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 1.09 percent, falling back to 7,270.89 points, while, over on The NASDAQ, its Composite Index gave up about 1.14 percent, dropping to 1,425.43 points.

The ratio of losing counters to gaining ones was about 1.50:One on The New York Stock Exchange and about 2.33:One on The NASDAQ.

What President Barack Hussein Obama said, just about one hour before the close of trading on Wall Street, last Wednesday, was that there had to be comprehensive changes to the way in which Wall Street operated.

He said, among other things, that 20<sup>th</sup> Century regulations could not guide 21<sup>st</sup> Century markets.

It looks as though Wall Street is about to have a new broom, coming to sweep the place clean of prior year's dirt.

European investors did not know of the contents of President Barack Hussein Obama's talk to the American public over television broadcasts due to the time differential and so, seeing nothing special on the horizon, selling seemed to be the order of the day.

This was how the key indices of major bourses fared, last Wednesday night:

Amsterdam's AEX Index	Minus 0.83 percent
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France's CAC 40 Index	Minus 0.41 percent
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Germany's Frankfurt XETRA DAX Index	Minus 1.27 percent
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Great Britain's FTSE 100 Index	Plus 0.85 percent
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Italy's MIBTEL Index	Minus 0.95 percent
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Switzerland's Swiss Market Index	Minus 0.43 percent
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For some shares, their closing prices, last Wednesday, represented 6-year lows.

On commodity exchanges, the price of crude oil rose smartly.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US42.50, representing a one-day improvement of about 6.36 percent.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US44.66, up about 4.44 percent on the final quote of Tuesday.

In Asia, it appeared that investors were going against the grain, for the most part.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity on the territory's 2 equity markets continued to be on the low side, but the benchmark index of the Main Board logged in useful gains.

The Hang Seng Index, which is the key index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.61 percent to 13,005.08 points on a Total Turnover of about \$HK37.28 billion.

The ratio of advancing counters to declining ones was about 1.10:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)	Up 1.22 percent to \$HK70.45 per share
HSBC Holdings plc (Code: 5)	Up 2.70 percent to \$HK55.10 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.56 percent to \$HK22.80 per share
China Construction Bank Corporation (Code: 939)	Up 3.11 percent to \$HK3.98 per share
Ping An Insurance (Group) Company of China Ltd (Code: 2318)	Up 5.56 percent to \$HK38.95 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.54 percent to \$HK3.29 per share
Bank of China Ltd (Code: 3988)	Up 1.91 percent to \$HK2.13 per share
PetroChina Company Ltd (Code: 857)	Up 1.23 percent to \$HK5.78 per share
CNOOC Ltd (Code: 883)	Up 0.44 percent to \$HK6.81 per share
China Merchants Bank Company Ltd (Code: 3968)	Up 1.87 percent to \$HK12.00 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bright Prosperous Holdings Ltd	723	129.50		0.14

Buildmore International Ltd	108		16.70	1.00
China Fortune Group Ltd	290	31.00		0.275
China Sci-Tech Holdings Ltd	985		26.20	0.031
China Star Entertainment Ltd	326		19.40	0.025
China Yunnan Tin Minerals Group Company Ltd	263	25.2		0.159
Continental Holdings Ltd	513	32.00		0.66
CVM Minerals Ltd	705	17.10		0.82
Global Flex Holdings Ltd	471	17.60		0.04
Ngai Lik Industrial Holdings Ltd	332		34.60	0.083
Quam Ltd	952	25.00		0.40
Sino Prosper Holdings Ltd	766		16.90	0.049
Sun Innovation Holdings Ltd	547	33.30		0.048

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index did not move, at all, staying at Tuesday's close of 368.48 points.

The Total Turnover on this market was about \$HK66.68 million, while the ratio of losers to gainers was about 1.05:One.

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

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

Down 1.38 percent to \$HK12.90 per share

Neolink Cyber Technology (Holding) Ltd (Code:  
8116)

Up 2.08 percent to \$HK0.098 per share

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

Down 1.37 percent to \$HK0.72 per share

Golden Meditech Company Ltd (Code: 8180)

Up 2.30 percent to \$HK0.89 per share

Tong Ren Tang Technologies Company  
Ltd (Code: 8069)

Down 0.70 percent to \$HK7.05 per share

The GEM's biggest movers of the day included:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
Armitage Technologies Holding Ltd	8213	10.00		0.033
Biosino Bio-Technology and Science Incorporation	8247	11.30		1.87
Changan Minsheng APLL Logistics Company Ltd	8217	13.20		1.80
China Digital Licensing (Group) Ltd	8175		20.50	0.07
China Electric Power Technology Holdings Ltd	8053		11.00	0.146
China.com Incorporated	8006	14.30		3.20
Emcom International Ltd	8220	25.00		0.045
Era Information and Entertainment Ltd	8043		12.70	0.096
Everpride Biopharmaceutical Company Ltd	8019	17.30		0.088
G.A. Holdings Ltd	8126	20.00		0.30
Rojam Entertainment Holdings Ltd	8075		12.50	0.035
Sing Lee Software (Group) Ltd	8076	11.80		0.19
South China Land Ltd	8155		20.00	0.24
SYSCAN Technology Holdings Ltd	8083	37.10		0.048
Tianjin Binhai Teda Logistics (Group) Corporation Ltd	8348	22.10		0.83
Timeless Software Ltd	8028		37.20	0.049
TSC Offshore Group Ltd	8149	14.60		0.55
Vertex Group Ltd	8228	27.30		0.14

On The Tokyo Stock Exchange, its TOPIX Index rose about 2.10 percent to 745.62 points.

Gainers outnumbered losers by the ratio of about 2.41:One.

The Nikkei-225 Stock Average put on exactly 2.65 percent, rising to ¥7,461.22.

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

The HKSAR	Hang Seng Index Plus 1.61 percent to 13,005.08 The Growth Enterprise Index Unchanged at 368.48
Indonesia	Plus 0.33 percent to 1,300.11
Japan	TOPIX Index Plus 2.10 percent to 745.62 Nikkei-225 Stock Average Plus 2.65 percent to 7,461.22
Malaysia	Plus 0.27 percent to 896.51
The Philippines	Plus 0.94 percent to 1,887.10
The PRC	Shanghai Composite Index Plus 0.27 percent to 2,206.57 Shenzhen Composite Index Minus 0.41 percent to 734.88
Singapore	Plus 0.15 percent to 1,616.79
South Korea	Plus 0.30 percent to 1,067.08
Taiwan	Plus 1.43 percent to 4,493.74
Thailand	Plus 0.68 percent to 434.24

### **Thursday**

It was another bad day for bulls on US equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average lost another 1.22 percent, dropping back to 7,182.08 points.

The Composite Index of The NASDAQ gave up about 2.38 percent, ending the moderately heavy trading day at 1,391.47 points.

The ratio of losing counters to gaining ones was about 1.11:One for The New York Stock Exchange and

about 1.67:One for The NASDAQ.

There was not just one reason for last Thursday's falls on the world's largest equity markets, but a whole raft of them.

US President Barack Hussein Obama unveiled a \$US3.60-trillion Budget for Fiscal 2010; and, he predicted a deficit of about \$US1.75 trillion for the Current Fiscal Year.

Even before the President announced his intended Budget for 2010 and his prognostications for the Current Fiscal Year, investors were nervous – and this was reflected on Wall Street, from one corner to another.

During the trading session, the US Government announced that new orders for durable goods – those goods, destined to have a life expectancy of 3 years or more – fell by about 5.20 percent in January, compared with like month in 2008.

It was the sixth consecutive month of falls in new orders for durables.

The worst-affected products were motor vehicles, machinery, metal products and household appliances.

And the negative news kept coming.

#### News Wise

- **JPMorgan Chase and Company**, the second-largest bank in the US, plans to sack about 14,000 staff members, Management announced; and,
- **General Motors Corporation** announced that it had lost about \$US30.90 billion in Fiscal 2008. For the Fourth Quarter, alone, the company said that it had lost about \$US9.60 billion.

In Europe, there was a great deal of negative news, also, but observers of the major equity markets of the region, those markets, having been pounded for the first 3 days of the week, saw short-covering prop up key indices:

Amsterdam's AEX Index	Plus	1.35 percent
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France's CAC 40 Index	Plus	1.77 percent
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Germany's Frankfurt XETRA DAX Index	Plus	2.50 percent
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Great Britain's FTSE 100 Index	Plus	1.73 percent
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Italy's MIBTEL Index	Plus	2.24 percent
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Switzerland's Swiss Market Index	Plus	1.45 percent
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The closing figures of the key indices of the most-important bourses of this region of the world were in spite of an announcement from The Royal Bank of Scotland plc with regard to its losses for Fiscal 2008. (Please see News Wise, below)

Banking counters were the flavour of the day in the assumption that the worst had, already, been announced.

Tell that to the marines.

#### News Wise

- **The Royal Bank of Scotland plc** announced that it had lost about £24.10 billion (about \$US34.20 billion), during the 2008 Financial Year. Those results were the largest of any corporate entity of any year in the history of the **United Kingdom (UK)**. The UK Government will inject about £13 billion into The Royal Bank of Scotland plc – in cash. The UK Government plans to do a little forensic accounting at this bank.

On international commodity exchanges, the price of crude oil continued to rise.

On The New York Mercantile Exchange (**NYMEX**), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US45.22, up about 6.40 percent on Wednesday's close.

For delivery in May, the last settlement for a barrel of light sweet crude oil was \$US47.47, representing a one-day gain of about 6.29 percent on the final quote of the previous day.

Asian investors were generally bearish, last Thursday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity continued to be on the light side, with the losses on the premier equity market of the territory, being very apparent.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, gave up about 0.85 percent, dropping back to 12,894.94 points.

The Total Turnover was about \$HK39.49 billion, with the ratio of declining counters to advancing ones, being about 1.95:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Up 4.26 percent to \$HK57.45 per share

China Mobile Ltd (Code: 941)

Down 2.77 percent to \$HK68.50 per share

China Life Insurance Company Ltd (Code: 2628)

Down 1.97 percent to \$HK22.35 per share

China Construction Bank Corporation (Code: 939)

Down 2.01 percent to \$HK3.90 per share

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

Down 1.22 percent to \$HK3.25 per share

PetroChina Company Ltd (Code: 857)

Down 3.11 percent to \$HK5.60 per share

Bank of China Ltd (Code: 3988)

Down 0.47 percent to \$HK2.12 per share

CNOOC Ltd (Code: 883)

Down 0.15 percent to \$HK6.80 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 0.66 percent to \$HK61.30 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Down 3.99 percent to \$HK4.09 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Star Entertainment Ltd	326		16.00	0.021
China Timber Resources Group Ltd	269	16.40		0.064
CNT Group Ltd	701		15.70	0.097
Eyang Holdings (Group) Company Ltd	117	17.20		0.68
Global Tech (Holdings) Ltd	143	54.50		0.034
Kong Sun Holdings Ltd	295	33.30		0.024
L.K. Technology Holdings Ltd	558		16.10	0.26
Ngai Lik Industrial Holdings Ltd	332		22.90	0.064
Poly Development Holdings Ltd	1141		18.50	0.075
RCG Holdings Ltd	802		15.40	8.80
Shun Ho Resources Holdings Ltd	253	16.30		1.14
Sun Innovation Holdings Ltd	547		18.80	0.039
Sunway International Holdings Ltd	58		18.80	0.13
Tiande Chemical Holdings Ltd	609		17.60	0.305
Tidetime Sun (Group) Ltd	307		17.90	0.055
Zhongtian International Ltd	2379		17.40	0.09

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index managed a gain of about 0.29 percent, edging up to 369.56 points.

However, declining counters outnumbered advancing ones by the ratio of about 1.30:One.

The Total Turnover on this market was about \$HK42.96 million.

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

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

Up 0.78 percent to \$HK13.00 per share

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

Up 2.78 percent to \$HK0.74 per share

Golden Meditech Company Ltd (Code: 8180)

Down 1.12 percent to \$HK0.88 per share

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

Down 5.08 percent to \$HK0.056 per share

EVOC Intelligent Technology Company  
Ltd (Code: 8285)

Down 1.91 percent to \$HK1.54 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Changan Minsheng APLL Logistics Company Ltd	8217		19.40	1.45
China Asean Resources Ltd	8186	10.90		0.112
China Digital Licensing (Group) Ltd	8175		21.40	0.055
China Electric Power Technology Holdings Ltd	8053	15.80		0.169
China Ground Source Energy Ltd	8128	21.70		0.073
China Nonferrous Metals Company Ltd	8306	10.20		0.65
China Vanguard Group Ltd	8156	11.90		0.235
Core Healthcare Investment Holdings Ltd	8250		14.10	0.055
DeTeam Company Ltd	8112	12.60		0.49
Emcom International Ltd	8220	13.30		0.051

Qianlong Technology International Holdings Ltd	8015	18.40		0.45
Shaanxi Northwest New Technology Industry Company Ltd	8258	12.50		0.135
SYSCAN Technology Holdings Ltd	8083	20.80		0.058
TeleEye Holdings Ltd	8051	13.60		0.159

On The Tokyo Stock Exchange, its TOPIX Index shed about 0.41 percent as investors pulled it back to 742.53 points.

Advancing counters outnumbered declining ones by the ratio of about 1.05:One.

The Nikkei-225 Stock Average lost about 0.04 percent, ending the day at ¥7,457.93.

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

The HKSAR	Hang Seng Index Minus 0.85 percent to 12,894.94 The Growth Enterprise Index Plus 0.29 percent to 369.56
Indonesia	Minus 0.75 percent to 1,290.32
Japan	TOPIX Index Minus 0.41 percent to 742.53   Nikkei-225 Stock Average Minus 0.04 percent to 7,457.93
Malaysia	Minus 0.34 percent to 893.42
The Philippines	Minus 0.36 percent to 1,880.38
The PRC	Shanghai Composite Index Minus 3.87 percent to 2,121.25 Shenzhen Composite Index Minus 6.12 percent to 689.92
Singapore	Plus 0.04 percent to 1,617.44
South Korea	Minus 1.15 percent to 1,054.79
Taiwan	Plus 0.55 percent to 4,518.56

Thailand	Minus 0.53 percent to 431.94
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## **Friday**

The world's biggest equity markets ended the week of February 27, 2009, as it started: With the huge selloff of stocks and shares.

On The New York Stock Exchange, the Dow Jones Industrial Average dropped about 1.66 percent to 7,062.93 points while the Composite Index of The NASDAQ gave up about 0.98 percent as investors pulled it down to 1,377.84 points.

The ratio of declining counters to advancing ones was 2:One on The New York Stock Exchange and about 1.50:One on The NASDAQ.

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

The Dow Jones Industrial Average   Minus 4.11 percent  
The Composite Index of The NASDAQ   Minus 4.40 percent

The reason for the big selloff, last Friday, was a combination of a number of events, the 2, most-important of which were:

- a. The US Government announced that, in the final quarter of 2008, the US economy contracted by 6.20 percent, up from the Government's previous estimate of 3.80 percent. Consumer spending, during the final quarter of 2008, fell by about 4.30 percent, Year-On-Year – the biggest fall since the second quarter of 1980; and,
- b. The US Government's Treasury Department increased its interest in Citigroup Incorporated, approaching 40 percent. That makes the US Government the largest, single shareholder of the bank, which used to be the world's biggest and most-powerful. The US Government's move dilutes existing shareholdings by about 74 percent. Officials of the US Government, now, call the tune in this bank. The 'n' word – nationalisation – was not used. For Fiscal 2008, Citigroup Incorporated reported a Loss Attributable to Shareholders of about \$US27.70 billion. The share price of Citigroup Incorporated dropped by 39 percent to \$US1.50. The share prices of other banks fell in sympathy with Citigroup Incorporated:

Bank of America Corporation   Down 17 percent  
Wells Fargo and Company   Down 12 percent  
JPMorgan Chase and Company   Down 3.80 percent

In Europe, investors caught the willies from Wall Street, resulting in huge losses in the value of the key indices of the most-important bourses:

Amsterdam's AEX Index           Minus 1.72 percent

France's CAC 40 Index           Minus 1.54 percent

Germany's Frankfurt XETRA DAX Index   Minus 2.50 percent

Great Britain's FTSE 100 Index       Minus 2.18 percent

Italy's MIBTEL Index                      Minus 1.94 percent

Switzerland's Swiss Market Index      Minus 1.67 percent

As with the actions, taken by the US Government, in Europe, investors pondered whether or not some more of its banks would, also, be '*nationalised*'.

#### News Wise

- **Unemployment** in eurozone reached 8.20 percent in January, European Union data indicated.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in April came in at \$US44.76, down about 1.02 percent on the closing level of Thursday.

As for delivery in May, the last settlement for a barrel of light sweet crude oil was \$US46.89, representing a one-day fall in the price of this strategic commodity of about 1.22 percent.

On Asian equity markets, there was a mix of negative and positive sentiment among investors.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity continued to contract as more and more investors determined to sit on their hands rather than take unnecessary risks on equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 0.65 percent, dropping back to 12,811.57 points on a Total Turnover of about \$HK38.04 billion.

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

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939)	Up 1.28 percent to \$HK3.95 per share
HSBC Holdings plc (Code: 5)	Down 0.87 percent to \$HK56.95 per share
Bank of China Ltd (Code: 3988)	Up 2.36 percent to \$HK2.17 per share
China Mobile Ltd (Code: 941)	Down 0.73 percent to \$HK68.00 per share
China Life Insurance Company Ltd (Code: 2628)	Down 2.46 percent to \$HK21.80 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 2.15 percent to \$HK3.18 per share
PetroChina Company Ltd (Code: 857)	Down 1.25 percent to \$HK5.53 per share
CNOOC Ltd (Code: 883)	Unchanged at \$HK6.80 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Down 0.98 percent to \$HK4.05 per share

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

Down 1.84 percent to \$HK37.30 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Railsmedia Corporation Ltd	745	23.90		0.109
China Strategic Holdings Ltd	235		15.60	0.081
Chinese People Holdings Company Ltd	681	23.50		0.147
Hengli Properties Development (Group) Ltd	169	15.40		0.12
HyComm Wireless Ltd	499	23.30		0.185
Linmark Group Ltd	915		20.00	0.16
Ngai Lik Industrial Holdings Ltd	332	65.60		0.106
Nubrand Group Holdings Ltd	835	15.40		0.232
Poly Development Holdings Ltd	1141	24.00		0.093
Suga International Holdings Ltd	912	16.20		0.43
Sunway International Holdings Ltd	58	23.10		0.16
Tiande Chemical Holdings Ltd	609	18.00		0.36
Tidetime Sun (Group) Ltd	307	20.00		0.066
UDL Holdings Ltd	620	20.00		0.03
Wai Chun Mining Industry Group Company Ltd	660	41.00		0.43

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, gained about 0.95 percent, running up to 373.06 points.

The Total Turnover on this market was about \$HK45.63 million.

The ratio of losing counters to gaining ones was about 1.24:One.

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

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

Up 0.46 percent to \$HK13.06 per share

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

Down 2.70 percent to \$HK0.72 per share

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

Up 10.71 percent to \$HK0.062 per share

EVOC Intelligent Technology Company  
Ltd (Code: 8285)

Up 0.65 percent to \$HK1.55 per share

Inno-Tech Holdings Ltd (Code: 8202)

Down 11.11 percent to \$HK0.08 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
BIG Media Group Ltd	8167	10.00		0.121
Changan Minsheng APLL Logistics Company Ltd	8217	16.60		1.69
China Electric Power Technology Holdings Ltd	8053	62.70		0.275
China Leason Investment Group Company Ltd	8270		10.30	0.35
China Vanguard Group Ltd	8156	27.70		0.30
Emcom International Ltd	8220		17.60	0.042
Goldmond Holdings Ltd	8190	11.10		0.03
Golife Concepts Holdings Ltd	8172		13.30	0.026
GreaterChina Technology Group Ltd	8032	16.70		0.042
HC International Incorporated	8292	34.00		0.335

Inno-Tech Holdings Ltd	8202		11.10	0.08
Long Success International (Holdings) Ltd	8017	10.70		0.062
M Dream Inworld Ltd	8100	15.20		0.19
MelcoLot Ltd	8198		28.30	0.165
Ming Kei Energy Holdings Ltd	8239		11.10	0.184
Netel Technology (Holdings) Ltd	8256	26.70		0.038
Shaanxi Northwest New Technology Industry Company Ltd	8258		25.90	0.10
SYSCAN Technology Holdings Ltd	8083		12.10	0.051
TeleEye Holdings Ltd	8051	13.20		0.18
Zhejiang Prospect Company Ltd	8273	18.50		0.32

For Asia's second, most-important equity market, the tally for the week, ended February 27, 2009, was:

The Hang Seng Index Plus 0.89 percent  
The Growth Enterprise Index Plus 0.79 percent

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.91 percent to end the trading week at 756.71 points.

Advancing counters outpaced declining ones by the ratio of about 2.26:One.

The Nikkei-225 Stock Average put on about 1.48 percent, rising to ¥7,568.42.

The tally for Asia's largest equity market was:

The TOPIX Index Plus 2.32 percent  
The Nikkei-225 Stock Average Plus 2.05 percent

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

The HKSAR	Hang Seng Index Minus 0.65 percent to 12,811.57 The Growth Enterprise Index Plus 0.95 percent to 373.06
Indonesia	Minus 0.38 percent to 1,285.48
Japan	TOPIX Index Plus 1.91 percent to 756.71 Nikkei-225 Stock Average

	Plus 1.48 percent to 7,568.42
Malaysia	Minus 0.31 percent to 890.67
The Philippines	Minus 0.43 percent to 1,872.22
The PRC	Shanghai Composite Index Minus 1.81 percent to 2,082.85 Shenzhen Composite Index Minus 4.47 percent to 659.07
Singapore	Minus 1.40 percent to 1,594.87
South Korea	Plus 0.78 percent to 1,063.03
Taiwan	Plus 0.85 percent to 4,557.15
Thailand	Minus 0.10 percent to 431.52

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