

**U.S. UNEMPLOYMENT HITS 26-YEAR HIGH AT 9.50 PERCENT:  
EQUITY MARKETS BUCKLE AS INVESTORS BAIL OUT**

The price of crude oil rose on international commodity markets, last Monday, following reports of further troubles in Nigeria.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August came in at \$US71.49, representing an increase of about 3.37 percent, compared with the final quote of Friday, June 26, 2009.

As for delivery in September, the last settlement for a barrel of light sweet crude oil was \$US72.38, up about 3.37 percent on the previous Friday's last settlement.

A reason for the rapid gains in the price of crude oil was confirmation that a militant group in Nigeria had successfully attacked a Royal Dutch Shell oil facility in The Niger Delta.

Responsibility for the attack was confirmed to have been The Movement for the Emancipation of The Niger Delta.

Parts of the oil facility were on fire, it was reported, last Monday, Hongkong time.

Nigeria is not the largest exporter of crude oil in the world, by a long shot, but it is one of the biggest suppliers of a very high-grade of crude oil.

On international equity markets, the news of the successful attack on the Nigerian oil facility was treated with some glee in some quarters: Speculators and short-term investors charged into oil and oil-related counters.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 90.99 points, or about 1.08 percent, rising to 8,529.38 points.

The Composite Index of The NASDAQ edged up 5.84 points, equivalent to about 0.32 percent, as investors nudged it to 1,844.06 points.

The ratio of gaining counters to losing ones was about 1.50:One on The New York Stock Exchange, but, on The NASDAQ, losers outran gainers by the ratio of about 1.25:One.

News Wise

- **Bank of New York Mellon Corporation** announced that it would have to write down between \$US3 billion and \$US4 billion in respect of its holdings in securitised mortgages.

On the major equity markets of Europe, it was gainers, all the way:

Amsterdam's AEX Index

Plus 1.49 percent



China Shenhua Energy Company Ltd (Code:  
1088)

Up 1.97 percent to \$HK28.50 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Down 1.18 percent to \$HK125.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	42.70		3.14
China Jin Hui Mining Corporation Ltd	462	25.00		0.95
CNNC International Ltd	2302	17.00		11.70
Enerchina Holdings Ltd	622	22.20		0.187
Far East Golden Resources Group Ltd	1188	39.20		0.199
Global Tech (Holdings) Ltd	143	18.60		0.083
Omnicorp Ltd	94	20.40		1.36
OP Financial Investments Ltd	1140	18.30		0.97
Oriental Explorer Holdings Ltd	430	31.40		0.138
Premium Land Ltd	164	15.40		0.45
Prosperity International Holdings (Hongkong) Ltd	803	18.90		0.63
RBI Holdings Ltd	566	24.10		0.72
Sino Prosper Holdings Ltd	766	16.50		0.247
United Energy Group Ltd	467	20.80		0.64
Zhongda International Holdings Ltd	909	16.20		1.15

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.64 percent, rising to 590.49 points.

The Total Turnover on this market was about \$HK369.50 million.

Advancing counters just squeezed out declining ones by the ratio of about 1.06:One.

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

China Metal Resources Holdings Ltd (Code: 8071)  
Up 2.11 percent to \$HK0.242 per share

Wumart Stores Incorporated (Code: 8277)  
Up 6.37 percent to \$HK10.18 per share

Core Healthcare Investment Holdings Ltd (Code:  
8250)  
Up 3.03 percent to \$HK0.034 per share

Global Resources Development (Holding) Ltd (Code:  
8116)  
Up 0.49 percent to \$HK0.205 per share

Cardlink Technology Group Ltd (Code: 8066)  
Unchanged at \$HK1.49 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>
China Primary Resources Holdings Ltd	8117	20.00		0.06
Essex Bio-Technology Ltd	8151	17.30		0.305
Fast Systems Technology (Holdings) Ltd	8150		10.40	0.69
Glory Mark Hi-Tech (Holdings) Ltd	8159	22.40		0.246
Nanjing Sample Technology Company Ltd	8287	11.50		4.84
Prosten Technology Holdings Ltd	8026		10.00	0.27
Sau San Tong Holdings Ltd	8200	12.90		0.07
Sun International Group Ltd	8029	10.30		0.75
TeleEye Holdings Ltd	8051	16.10		0.245
Zmay Holdings Ltd	8085	13.20		0.385

On the equity markets of Japan, the key indices were considerably down, compared with the closing levels of the previous Friday.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index shed

about 1.24 percent, dropping back to 915.32 points.

The ratio of losers to gainers was about 2.02: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, gave up ¥93.92 yen, equivalent to about 0.95 percent, as investors pulled it down to ¥9,783.47.

On other Asian equity markets, this was how things looked, last Monday night:

The HKSAR	Hang Seng Index Minus 0.39 percent to 18,528.51 The Growth Enterprise Index Plus 0.64 percent to 590.49
Indonesia	Minus 0.32 percent to 2,033.72
Japan	TOPIX Index Minus 1.24 percent to 915.32 Nikkei-225 Stock Average Minus 0.95 percent to 9,783.47
Malaysia	Plus 0.01 percent to 1,075.84
The Philippines	Minus 0.38 percent to 2,468.05
The PRC	Shanghai Composite Index Plus 1.61 percent to 2,975.31 Shenzhen Composite Index Plus 1.03 percent to 968.54
Singapore	Minus 0.03 percent to 2,317.17
South Korea	Minus 0.44 percent to 1,388.45
Taiwan	Minus 1.12 percent to 6,391.15
Thailand	Plus 0.97 percent to 601.60

## **Tuesday**

Things seemed to quieten down considerably in Nigerian, last Tuesday: The price of crude oil fell back. (Please see Monday's report)

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

for delivery in August came down to \$US69.89, off about 2.24 percent on Monday's closing level.

As for delivery in September, the last settlement for a barrel of light sweet crude oil came in at \$US70.84, representing a one-day decline of about 2.13 percent.

On Wall Street, investors had other fish to fry, however.

The problem of last Tuesday was confirmation that consumer confidence in The Land of The Free and The Home of The Brave continued to wane.

The US economy, therefore, is not improving as had, erroneously, been strongly suggested over the past few months.

Wall Street gurus had got it, all, wrong!

On The New York Stock Exchange, the Dow Jones Industrial Average slipped back 0.97 percent to 8,447.00 points, exactly.

The Composite Index of The NASDAQ gave up about 0.49 percent, ending the trading session at 1,835.04 points.

Losing counters outpaced gaining counters by the ratio of about 1.25:One on both of the world's largest equity markets.

Energy counters took a bit of a beating due to the decline in the price of crude oil on international commodity exchanges.

On the major equity markets of Europe, the key indices were hit quite hard as investors determined to bail out ... while they could.

This was how the situation looked on major bourses of this region of the world, last Tuesday:

Amsterdam's AEX Index	Minus 1.36 percent
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France's CAC 40 Index	Minus 1.66 percent
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Germany's Frankfurt XETRA DAX Index	Minus 1.56 percent
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Great Britain's FTSE 100 Index	Minus 0.97 percent
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Italy's FTSE Italia All-Share	Minus 0.18 percent
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Switzerland's Swiss Market Index	Minus 0.72 percent
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#### News Wise

- **Lloyds Banking Group plc** announced another cut to its Establishment level: About 2,100 employees will be axed over the next 3 years; and,
- **The economy** of the United Kingdom contracted by about 2.40 percent, during the first quarter of

2009. It was the biggest decline in a single quarter of the past 51 years, according to The Office of National Statistics.

In Asia, it was very much a mixed bag.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of both equity markets lost materially.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 0.81 percent, dropping back to 18,378.73 points on a Total Turnover of about \$HK65.13 billion.

The ratio of losing counters to gaining ones was about 2.12:One.

The Ten Most Actives were:

China Petroleum and Chemical Corporation  
(Code: 386)

Up 3.32 percent to \$HK5.91 per share

China Construction Bank Corporation (Code: 939)

Down 0.50 percent to \$HK6.01 per share

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

Up 0.56 percent to \$HK5.40 per share

China Mobile Ltd (Code: 941)

Down 1.77 percent to \$HK77.60 per share

Bank of China Ltd (Code: 3988)

Up 0.27 percent to \$HK3.69 per share

HSBC Holdings plc (Code: 5)

Up 0.61 percent to \$HK65.65 per share

China Life Insurance Company Ltd (Code: 2628)

Down 0.87 percent to \$HK28.50 per share

361 Degrees International Ltd (Code: 1361)

\$HK3.90 per share\*

PetroChina Company Ltd (Code: 857)

Down 0.35 percent to \$HK8.60 per share

China Yurun Food Group Ltd (Code: 1068)

Down 6.40 percent to \$HK11.70 per share

\* The first day of trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China HealthCare Holdings Ltd	673		20.20	0.19

China Properties Investment Holdings Ltd	736		15.50	0.109
Dragon Hill Wuling Automobile Holdings Ltd	305	21.10		1.09
G-Resources Group Ltd	1051		65.80	0.54
Junefield Department Store Group Ltd	758	37.90		0.20
Omnicon Ltd	94		17.60	1.12
Oriental Explorer Holdings Ltd	430		19.60	0.111
RBI Holdings Ltd	566		18.10	0.59
S.A.S. Dragon Holdings Ltd	1184	21.30		0.91
Sun Innovation Holdings Ltd	547	17.00		0.165
TC Interconnect Holdings Ltd	515	26.00		0.92

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 2.59 percent, dropping back to 575.20 points.

The Total Turnover was about \$HK460.63 million while the ratio of losing counters to gaining ones was about 3.35:One.

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

Core Healthcare Investment Holdings Ltd (Code: 8250)

Down 23.53 percent to \$HK0.026 per share

China Metal Resources Holdings Ltd (Code: 8071)

Down 6.61 percent to \$HK0.226 per share

Wumart Stores Incorporated (Code: 8277)

Down 5.11 percent to \$HK9.66 per share

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

Down 1.00 percent to \$HK19.90 per share

Intcera High Tech Group Ltd (Code: 8041)

Unchanged at \$HK0.40 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Asian Capital Resources (Holdings) Ltd	8025	11.30		0.167
CCT Resources Holdings Ltd	8163		14.30	0.156
Core Healthcare Investment Holdings Ltd	8250		23.50	0.026
Goldmond Holdings Ltd	8190	20.00		0.09
Golife Concepts Holdings Ltd	8172		18.30	0.098
Hua Xia Healthcare Holdings Ltd	8143		14.30	0.054
Inno-Tech Holdings Ltd	8202		11.90	0.089
Long Success International (Holdings) Ltd	8017		11.50	0.054
M Dream Inworld Ltd	8100	29.40		0.22
MelcoLot Ltd	8198	19.40		0.40
Netel Technology (Holdings) Ltd	8256		16.70	0.07
Richfield Group Holdings Ltd	8136		11.40	0.203
Rojam Entertainment Holdings Ltd	8075		10.90	0.122
Sau San Tong Holdings Ltd	8200		12.90	0.061
Sun International Group Ltd	8029		13.30	0.65
Tai Shing International (Holdings) Ltd	8103	61.20		0.44
Vertex Group Ltd	8228		21.90	0.10

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.58 percent, running up to 929.76 points.

Advancing counters led declining ones by the ratio of about 3.74:One.

The Nikkei-225 Stock Average gained ¥174.97, equivalent to about 1.79 percent, ending the trading day at ¥9,958.44.

On other Asian equity markets, their respective key indices fared as follows:

The HKSAR	Hang Seng Index Minus 0.81 percent to 18,378.73 The Growth Enterprise Index Minus 2.59 percent to 575.20
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Indonesia	Minus 0.34 percent to 2,026.78
Japan	TOPIX Index Plus 1.58 percent to 929.76 Nikkei-225 Stock Average Plus 1.79 percent to 9,958.44
Malaysia	Minus 0.06 percent to 1,075.24
The Philippines	Minus 1.22 percent to 2,437.99
The PRC	Shanghai Composite Index Minus 0.54 percent to 2,959.36 Shenzhen Composite Index Minus 0.65 percent to 962.27
Singapore	Plus 0.69 percent to 2,333.14
South Korea	Plus 0.12 percent to 1,390.07
Taiwan	Plus 0.64 percent to 6,432.16
Thailand	Minus 0.68 percent to 597.48

### **Wednesday**

The price of crude oil continued to fall on international commodity exchanges, last Wednesday.

It appeared that the Nigerian situation was not as bad as had, originally, been anticipated.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August came in at \$US69.31, down another 0.83 percent, compared with the close of Tuesday.

As for delivery in September, the last settlement for a barrel of light sweet crude oil was \$US70.27, representing a one-day drop of about 0.80 percent.

On The New York Stock Exchange, which is the largest equity market of the world, there were fractional improvements, only, in the key indices, for the most part.

The Dow Jones Industrial Average ended the trading day at 8,504.06 points, up about 0.68 percent on Tuesday's closing level.

As for The NASDAQ, its Composite Index moved up about 0.58 percent to 1,845.72 points.

The volume of activity was very low, relative to the normal volume of activity for this time of the year.

The ratio of gaining counters to losing ones was about 3.00:One on The New York Stock Exchange and about 2.00:One on The NASDAQ.

#### News Wise

- Sales of **motor vehicles** in the US, during the month of June, continued to fall, and fall heavily, according to official statistics:

General Motors Corporation	Down 33.60 percent, Year-On-Year
Chrysler LLP	Down 42.00 percent, Year-On-Year
Ford Motor Company	Down 10.70 percent, Year-On-Year
Toyota Motor Sales USA Incorporated	Down 31.90 percent, Year-On-Year
American Honda Motor Company Incorporated	Down 29.50 percent, Year-On-Year

- **Lear Corporation**, a manufacturer of seating for the motor-vehicle industry, has filed for Chapter 11 of the US Bankruptcy Laws.

The squaring of books, for the most part, boosted equity prices on European bourses, last Wednesday.

The falls in the price of crude oil seemed to have little bearing on the prices of energy and energy-related counters.

Tuesday's sell-off had been relegated to history as brokers and speculators took a slightly different view of the equity markets of Europe.

This was how the situation looked on major bourses, last Wednesday night:

Amsterdam's AEX Index	Plus	2.19 percent
France's CAC 40 Index	Plus	2.43 percent
Germany's Frankfurt XETRA DAX Index	Plus	2.01 percent
Great Britain's FTSE 100 Index	Plus	2.08 percent
Italy's FTSE Italia All-Share	Plus	1.92 percent
Switzerland's Swiss Market Index	Plus	1.27 percent

In Asia, those equity markets that were open, last Wednesday, saw investors charge in, buying up downtrodden scrip.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), all markets were closed for the annual walkabout, also known as the anniversary of the handover of Colonial Hongkong to the Government of the PRC.

Every July 1, people, who are perpetual grumblers, angry, adventurous, playful or just plain naughty, or, alternatively, just determined to get some exercise, take to the streets of the territory in order to voice their discontent over this or that, chanting slogans, most of which are vocalised discordant cacophony.

The Filipina and Filipinos, all of whom are temporary residents of the territory and do not pay any taxes, join in the fun although they have little knowledge as to the reason that they are walking around the streets of the HKSAR, but the alternative to joining in the annual walkabout is sitting in the heat of the day, munching on chicken bones, gambling, pruning themselves, or cuddling up to their loved ones, many of whom are of the same sex.

It was estimated that more than 100,000 people joined in the walkabout, although the Government of the HKSAR put the number at about 28,000 walkabout participants.

Whatever was the correct number, the walkers were well behaved and the entire atmosphere was more of a street carnival than anything else.

The Chief Executive of The HKSAR, Mr Donald Duck, in a formal address to some 40,000, Beijing loyalists, toasted the residents of the 416 square miles, over which he is the Chief of the Hottentots, and praised the Government of the PRC for its perspicacity in assisting the territory in its hours of need, during the past year.

In Japan, the situation was quiet on the country's 3 equity markets.

On The Tokyo Stock Exchange, its TOPIX Index shed about 0.16 percent, falling back to 2,059.88 points.

Declining counters outnumbered advancing ones by the ratio of about 1.18:One.

The Nikkei-225 Stock Average gave up about 0.19 percent, ending the trading day at ¥9,939.93.

#### News Wise

- **Japan's unemployment level** hit 5.20 percent for the month of May, seasonally adjusted, The Internal Affairs and Communications Ministry announced. The April figure was about 5 percent.

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

The HKSAR	Hang Seng Index Closed The Growth Enterprise Index Closed
Indonesia	Plus 1.63 percent to 2,059.88
Japan	TOPIX Index Minus 0.16 percent to 928.30 Nikkei-225 Stock Average Minus 0.19 percent to 9,939.93
Malaysia	Plus 0.39 percent to 1,079.40
The Philippines	Minus 0.21 percent to 2,432.89
The PRC	Shanghai Composite Index Plus 1.65 percent to 3,008.15 Shenzhen Composite Index Plus 1.58 percent to 977.46

Singapore	Plus 0.83 percent to 2,352.55
South Korea	Plus 1.55 percent to 1,411.66
Taiwan	Plus 2.28 percent to 6,578.97
Thailand	Closed

### Thursday

Stock and share prices collapsed on US equity markets, following what was described in some quarters as a shocking report from The US Labour Department.

The Bureau of Labour Statistics reported that, in brief, unemployment in the US had jumped to 9.50 percent, a 26-year high.

Since the start of the US recession in December 2007, not less than 7.20 million US residents have been left without a weekly pay cheque.

The following is a verbatim transcript of the statement of Mr Keith Hall, Commissioner, The Bureau of Labour Statistics, a division of The Labour Department, last Thursday, Washington time:

*'Nonfarm payroll employment continued to fall in June (-467,000), and the unemployment rate was little changed at 9.5 percent. Since the recession began in December 2007, payroll employment has dropped by 6.5 million, and the unemployment rate has increased by 4.6 percentage points.*

*'Payroll employment declines continued to be widespread among the major industries. In June, there were large decreases in manufacturing, construction, and professional and business services. Together, these three sectors have accounted for nearly three-quarters of the jobs lost since the recession began.*

*'Manufacturing employment fell by 136,000 in June, bringing job loss in this industry to 1.9 million since the start of the recession. Motor vehicle and parts employment declined by 27,000 over the month; since the start of the recession, the industry has lost 335,000 jobs, about one-third of its total.*

*'Construction employment decreased by 79,000 in June. Job losses in the industry have totaled 1.3 million during this recession.*

*'Employment in professional and business services dropped by 118,000 in June. Job losses occurred throughout the industry, including temporary help services (-38,000), services to buildings and dwellings (-17,000), and architectural and engineering services (-14,000). Since the start of the recession, professional and business services has lost 1.5 million jobs; temporary help services accounted for over half of this decline.*

*'Federal government employment fell by 49,000 in June, largely reflecting the layoff of workers temporarily hired to prepare for Census 2010. Elsewhere in the service-providing sector, job losses continued in financial activities (-27,000), information (-21,000), and wholesale trade (-16,000). Retail trade employment edged down over the month (-21,000); losses continued among auto dealerships (-9,000).*

*'The health care industry added 21,000 jobs over the month, in line with its average monthly gain for the first 5 months of this year, but below the average gain of 30,000 jobs per month*

in 2008.

*'Average hourly earnings for production and nonsupervisory workers in the private sector were unchanged in June at \$18.53. Over the past 12 months, average hourly earnings have risen by 2.7 percent. From May 2008 to May 2009, the Consumer Price Index for Urban Wage Earners and Clerical Workers declined by 1.5 percent.'*

*'Turning to measures from the household survey, the unemployment rate was little changed at 9.5 percent in June. The rate had increased by 0.4 or 0.5 percentage points in each of the prior 6 months. Since the onset of the recession in December 2007, the unemployment rate has risen by 4.6 percentage points. There were 14.7 million unemployed persons in June, little changed from the prior month. Since December 2007, unemployment has risen by 7.2 million.'*

*'The number of persons unemployed for 27 weeks or longer continued to increase in June. The 4.4 million long-term jobless individuals accounted for 3 in 10 unemployed persons.'*

*'The employment-population ratio edged down to 59.5 percent in June. The ratio has fallen by 3.2 percentage points since the recession began.'*

*'Among the employed, there were 9.0 million persons working part time in June who would have preferred full-time work. After rising sharply last fall and winter, this measure has been little changed since March.'*

*'In summary, nonfarm payroll employment continued to fall in June (-467,000), with job losses totaling 6.5 million since the recession began. The unemployment rate, at 9.5 percent, was little changed over the month.'*

One of the immediate effects of the statements from the US Government in respect of the unemployment situation in The Land of The Free and The Home of The Brave was that the key indices of US equity markets fell out of bed.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 223.32 points, or about 2.63 percent, dropping to 8,280.74 points.

Over on The NASDAQ, its Composite Index shed 49.20 points, equivalent to about 2.67 percent, ending the trading day at 1,796.52 points.

The volume of activity was very low, with about 733.60 million shares, changing hands.

The daily average in 2008 was about 1.49 billion shares.

The ratio of losing counters to gaining ones was about 4.00:One on The New York Stock Exchange and about 5.00:One on The NASDAQ.

Also, during the trading day, it was announced that North Korea had test-fired, 4, short-range missiles.

No great shakes, there.

On The New York Mercantile Exchange (NYMEX), the last settlement for a barrel of light sweet crude oil for delivery in August came in at \$US66.73, down about 3.72 percent on Wednesday's closing level.

As for delivery in September, the last settlement for a barrel of light sweet crude oil was \$US67.74, off about 3.60 percent on the final quote of Wednesday.

On European equity markets, there was pandemonium.

Investors were almost in a state of panic, at one stage in the trading day, on learning of the worse-than-expected labour situation in the US.

It was only too obvious that the recession in the US was deep ... very deep ... and could be getting deeper.

Every key index of every major bourse fell to sellers:

Amsterdam's AEX Index                      Minus 2.91 percent

France's CAC 40 Index                      Minus 3.12 percent

Germany's Frankfurt XETRA DAX Index      Minus 3.81 percent

Great Britain's FTSE 100 Index              Minus 2.45 percent

Italy's FTSE Italia All-Share              Minus 2.41 percent

Switzerland's Swiss Market Index          Minus 2.15 percent

Banking counters were among the biggest losers, the prices of some bank shares, dropping by as much as 6.50 percent.

In Asia, the biggest equity markets of the most-populous part of the world lost traction, but not as much as in North America and Europe.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the benchmark index of the premier equity market surrendered a little more than one percent, while, over on The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its lone index managed to score a fractional gain.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, gave up about 1.09 percent, dropping back to 18,178.05 points on a Total Turnover of about \$HK68.38 billion.

The ratio of declining counters to advancing ones was about 1.84:One.

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939)

Up 0.17 percent to \$HK6.02 per share

HSBC Holdings plc (Code: 5)

Down 2.59 percent to \$HK63.95 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.35 percent to \$HK28.60 per share

China Mobile Ltd (Code: 941)

Down 1.87 percent to \$HK76.15 per share

KWG Property Holding Ltd (Code: 1813)

Down 6.45 percent to \$HK5.22 per share

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

Down 0.74 percent to \$HK5.36 per share

Bank of China Ltd (Code: 3988)

Up 0.81 percent to \$HK3.72 per share

China Petroleum and Chemical Corporation  
(Code: 386)

Down 0.68 percent to \$HK5.87 per share

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

Up 3.34 percent to \$HK54.20 per share

CNOOC Ltd (Code: 883)

Down 1.77 percent to \$HK9.44 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Artel Solutions Group Holdings Ltd	931		21.30	0.425
Bestway International Holdings Ltd	718	17.60		0.40
China Energy Development Holdings Ltd	228		18.70	0.61
China Infrastructure Investment Ltd	600	40.00		0.238
Dynamic Energy Holdings Ltd	578	18.70		1.27
Garron International Ltd	1226		24.10	0.33
Grandtop International Holdings Ltd	2309		18.50	0.44
G-Resources Group Ltd	1051		19.40	0.435
iOne Holdings Ltd	982		23.90	1.50
L.K. Technology Holdings Ltd	558	25.40		0.79
Nam Fong International Holdings Ltd	1176	27.50		1.02
Oriental Explorer Holdings Ltd	430	15.30		0.128
Prosperity International Holdings (Hongkong) Ltd	803	15.00		0.69
Winfoong International Ltd	63	16.30		0.15



Zhongtian International Ltd	2379	15.40		0.30
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On The GEM, its Growth Enterprise Index managed a gain of about 0.45 percent, rising to 577.78 points.

The Total Turnover on this market was about \$HK497.12 million, while the ratio of declining counters to advancing ones was about 1.34:One.

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

Kaisun Energy Group Ltd (Code: 8203)

Up 1.24 percent to \$HK0.82 per share

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Down 3.85 percent to \$HK0.025 per share

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

Up 5.53 percent to \$HK21.00 per share

Wumart Stores Incorporated (Code: 8277)

Up 0.725 percent to \$HK9.73 per share

Global Resources Development (Holding) Ltd  
(Code: 8116)

Up 4.00 percent to \$HK0.208 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	18.00		0.295
Aptus Holdings Ltd	8212		10.30	0.26
Asian Capital Resources (Holdings) Ltd	8025	16.20		0.194
Global Link Communications Holdings Ltd	8060	10.20		0.13
Golife Concepts Holdings Ltd	8172		12.20	0.086
GreaterChina Technology Group Ltd	8032	40.70		0.166
Hua Xia Healthcare Holdings Ltd	8143	11.10		0.06
Intelli-Media Group (Holdings) Ltd	8173		24.40	0.09
Jian ePayment Systems Ltd	8165		16.70	0.20

Long Success International (Holdings) Ltd	8017		13.00	0.047
PINE Technology Holdings Ltd	8013	10.00		0.165
Sau San Tong Holdings Ltd	8200	11.50		0.068
Vertex Group Ltd	8228	19.00		0.119
Xi'an Haitian Antenna Technologies Company Ltd	8227	15.50		0.335

On The Tokyo Stock Exchange, its TOPIX Index lost about 0.46 percent, dropping back to 924.02 points.

The ratio of losers to gainers was about 1.43:One.

The Nikkei-225 Stock Average lost about 0.64 percent, dropping to ¥9,876.15.

#### News Wise

- **Seven and I Holdings Company** announced that its Net Profit Attributable to Shareholders fell by about 28 percent for the quarter, ended May 31, 2009. The Net Income was about ¥23.70 billion, down from ¥33.10 billion, compared with the like period in 2008. Seven and I Holdings Company is Japan's largest retailer.

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

The HKSAR	Hang Seng Index Minus 1.09 percent to 18,178.05 The Growth Enterprise Index Plus 0.45 percent to 577.78
Indonesia	Plus 0.28 percent to 2,065.75
Japan	TOPIX Index Minus 0.46 percent to 924.02 Nikkei-225 Stock Average Minus 0.64 percent to 9,876.15
Malaysia	Minus 0.06 percent to 1,078.71
The Philippines	Plus 0.21 percent to 2,438.04
The PRC	Shanghai Composite Index Plus 1.73 percent to 3,060.25 Shenzhen Composite Index Plus 0.98 percent to 987.02
Singapore	Minus 1.35 percent to 2,320.82

South Korea	Minus 0.01 percent to 1,411.48
Taiwan	Plus 1.35 percent to 6,667.53
Thailand	Minus 1.85 percent to 586.42

## **Friday**

All US equity and commodity markets were closed for a national holiday, last Friday.

The tally for the 4-day trading week, ended July 2, 2009, in respect of the largest and most-influential equity markets of the world was:

The Dow Jones Industrial Average   Minus 1.87 percent  
The Composite Index of The NASDAQ   Minus 2.27 percent

On European equity markets, thin trading conditions prevailed as investors determined to sit on their hands in view of the shocking news from the US Labour Department with regard to the unemployment situation in the largest and most-important economy of the world. (Please see Thursday's report)

The fall in the price of crude oil took its toll of the value of energy and energy related counters on the largest bourses of Europe.

Banking counters rebounded from their thrashing of Thursday, but, with volumes, being on the low side, price gains were very limited, for the most part.

This was how the situation looked on major equity markets of Europe, last Friday:

Amsterdam's AEX Index           Plus 0.39 percent

France's CAC 40 Index           Plus 0.09 percent

Germany's Frankfurt XETRA DAX Index   Minus 0.21 percent

Great Britain's FTSE 100 Index       Plus 0.04 percent

Italy's FTSE Italia All-Share       Minus 0.05 percent

Switzerland's Swiss Market Index   Minus 0.31 percent

In Asia, bearishness was the word of the day on most equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity dropped on both equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gained about 0.14 percent, ending the week at 18,203.40 points.

The Total Turnover was about \$HK54.29 billion.

The ratio of declining counters to advancing ones was about 1.31:One.

The Ten Most Active counters were:

BaWang International (Group) Holding Ltd (Code: 1338)	\$HK3.03 per share*
China Construction Bank Corporation (Code: 939)	Down 1.16 percent to \$HK5.95 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.75 percent to \$HK29.10 per share
China Mobile Ltd (Code: 941)	Up 0.39 percent to \$HK76.45 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.37 percent to \$HK5.34 per share
Ping An Insurance (Group) Company of China Ltd (Code: 2318)	Up 4.52 percent to \$HK56.65 per share
HSBC Holdings plc (Code: 5)	Up 0.08 percent to \$HK64.00 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 1.53 percent to \$HK5.96 per share
Bank of China Ltd (Code: 3988)	Down 0.54 percent to \$HK3.70 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 0.08 percent to \$HK120.50 per share

\*The first day of trading

As for the biggest movers on the Main Board, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Beijing North Star Company Ltd	588	15.00		3.14

Bestway International Holdings Ltd	718		15.00	0.34
Centron Telecom International Holding Ltd	1155	15.80		2.13
China Infrastructure Investment Ltd	600	23.90		0.295
China Strategic Holdings Ltd	235	18.00		0.295
Chinney Alliance Group Ltd	385	16.70		0.35
Fong's Industries Company Ltd	641	15.40		2.25
Fountain Set (Holdings) Ltd	420	17.40		0.81
Northeast Electric Development Company Ltd	42	18.40		1.93

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.55 percent, running up to 580.95 points.

The Total Turnover was about \$HK337.85 million, while the ratio of losers to gainers was about 1.11:One.

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

Wumart Stores Incorporated (Code: 8277)

Down 2.98 percent to \$HK9.44 per share

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

Down 2.14 percent to \$HK20.55 per share

Global Resources Development (Holding) Ltd  
(Code: 8116)

Up 8.17 percent to \$HK0.225 per share

Core Healthcare Investment Holdings Ltd (Code:  
8250)

Down 8.00 percent to \$HK0.023 per share

China Metal Resources Holdings Ltd (Code: 8071)

Down 8.70 percent to \$HK0.21 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	10.20		0.325
Asian Capital Resources (Holdings) Ltd	8025	17.50		0.228

China LotSynergy Holdings Ltd	8161	28.80		0.38
Goldmond Holdings Ltd	8190	14.30		0.112
GreaterChina Technology Group Ltd	8032	11.40		0.185
Kaisun Energy Group Ltd	8203		11.00	0.73
Linefan Technology Holdings Ltd	8166	10.00		2.32
M Dream Inworld Ltd	8100	25.00		0.20
New Universe International Group Ltd	8068		10.10	0.107
Xi'an Haitian Antenna Technologies Company Ltd	8227		14.90	0.285
Zheda Lande Scitech Ltd	8106	14.60		0.235
Zmay Holdings Ltd	8085		13.20	0.33

The tally for the second-largest equity market of Asia was:

The Hang Seng Index Minus 2.13 percent

The Growth Enterprise Index Minus 0.99 percent

On The Tokyo Stock Exchange, its TOPIX Index lost about 0.37 percent, dropping back to 920.62 points.

Declining counters beat off advancing ones by the ratio of about 1.97:One.

The Nikkei-225 Stock Average lost 0.61 percent, ending the week at ¥9,816.07.

The tally for the week, ended July 3, 2009, was:

The TOPIX Index Minus 0.67 percent

The Nikkei-225 Stock Average Minus 0.62 percent

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

The HKSAR	Hang Seng Index Plus 0.14 percent to 18,203.40 The Growth Enterprise Index Plus 0.5 percent to 580.95
Indonesia	Plus 0.46 percent to 2,075.30
Japan	TOPIX Index Minus 0.37 percent to 920.62 Nikkei-225 Stock Average Minus 0.61 percent to 9,816.07

Malaysia	Minus 0.56 percent to 1,072.69
The Philippines	Minus 0.27 percent to 2,431.34
The PRC	Shanghai Composite Index Plus 0.92 percent to 3,088.37 Shenzhen Composite Index Plus 1.38 percent to 1,000.68
Singapore	Minus 0.91 percent to 2,299.75
South Korea	Plus 0.61 percent to 1,420.04
Taiwan	Minus 0.03 percent to 6,665.40
Thailand	Minus 0.50 percent to 583.48

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