

**BEWARE THE GREEKS, BEARING GIFTS ...
OR BEGGING FOR MONEY !
WORLD'S EQUITY MARKETS REEL AT EUROPE'S FRIGHT**

The big news, last Monday, was the merger of UAL Corporation, the parent company of United Air Lines Incorporated, with Continental Airlines Incorporated, thus forming the world's largest airline.

After about 3 weeks of haggling, the deal was done – but not for cash.

The \$US3.17-million deal was based on United Air Lines Incorporated, issuing shares to shareholders of Continental Airlines Incorporated on the basis of 1.05:One.

Wall Street investors appeared to be happy with the news of the merger, resulting in the key indices of the world's largest equity markets, rising smartly from the opening.

On The New York Stock Exchange, the Dow Jones Industrial Average put on 162.34 points, equivalent to about 1.47 percent, ending the buoyant market at 11,170.95 points.

The Composite Index of The NASDAQ rose 40.69 points, or about 1.65 percent, as investors pushed it to 2,501.88 points.

In addition to the news of the merger of UAL Corporation and Continental Airlines Incorporated, investors on Wall Street came to learn that eurozone members and the International Monetary Fund (IMF) had agreed to a 3-year, bail-out package for cash-strapped Greece.

The IMF and eurozone members will fund Greece up to €110 billion (about \$US146.70 billion; about \$HK1,130.91 billion), with the lion's share of this funding arrangement, coming from the eurozone members (€80 billion).

However, the arrangement is subject to the 15 nations of eurozone, ratifying it at Parliament level.

On European bourses, the news of the bail-out of Greece was viewed with some trepidation.

Would Greece have the courage to invoke tough austerity measures at home? And, if so, would social unrest follow in the wake of the austerity measures?

While the key indices of major bourses rose only fractionally, investors appeared to be somewhat bullish on learning of the news of the merger of the 2 US airlines and the gains, made on Wall Street with regard to the key indices of The New York Stock Exchange and The NASDAQ.

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

Amsterdam's AEX Index	Plus 0.29 percent
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France's CAC 40 Index	Plus 0.30 percent
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Germany's Frankfurt XETRA DAX Index Plus 0.50 percent

Great Britain's FTSE 100 Index Closed

Italy's MIBTEL Index Plus 0.30 percent

Switzerland's Swiss Market Index Minus 0.13 percent

On The **New York Mercantile Exchange (NYMEX)**, which is the world's largest commodity market, the price of crude oil made gains, but they were only of a fractional nature.

For delivery in June, the last settlement of a barrel of light sweet crude oil came in at \$US86.19, representing an increase of about 0.05 percent on the closing level of the previous Friday, April 30, 2010.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US89.15, an increase of about 0.89 percent on the last settlement of the previous Friday.

In Asia, 4 equity markets were closed, last Monday, for national holidays, although the Thai market was closed, due to civil unrest.

Only one of the markets that was open managed to score positively, however.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets suffered at the hands of the bears.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, lost about 1.41 percent, dropping back to 20,811.36 points.

The Total Turnover dropped, also, back to about \$HK49.29 billion.

Declining counters outpaced advancing ones by the ratio of about 2.67:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 2.41 percent to \$HK79.00 per share

China Construction Bank Corporation (Code: 939)

Down 1.56 percent to \$HK6.32 per share

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

Down 1.56 percent to \$HK5.68 per share

China Mobile Ltd (Code: 941)

Down 0.78 percent to \$HK76.65 per share

Bank of China Ltd (Code: 3988)

Down 1.72 percent to \$HK4.01 per share

China Life Insurance Company Ltd (Code: 2628)

Down 1.82 percent to \$HK35.10 per share

Tencent Holdings Ltd (Code: 700)

Up 0.61 percent to \$HK164.40 per share

Yanzhou Coal Mining Company Ltd (Code: 1171)

Down 6.28 percent to \$HK20.90 per share

CNOOC Ltd (Code: 883)

Unchanged at \$HK13.84 per share

Jia Sheng Holdings Ltd (Code: 729)

Up 3.63 percent to \$HK2.57 per share

The biggest movers of the Main Board were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Investments Holdings Ltd	132	22.50		0.305
HyComm Wireless Ltd	499	17.40		2.83
Jilin Qifeng Chemical Fiber Company Ltd	549		16.10	0.94
Pacific Century Premium Developments Ltd	432		15.80	1.54
PME Group Ltd	379	21.70		0.84
Yardway Group Ltd	646	21.40		0.51

Over on The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.50 percent as investors pushed it back to 886.46 points.

The Total Turnover on this (speculative) equity market was about \$HK459.36 million.

Losing counters outnumbered gaining ones by the ratio of exactly 2.10:One.

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

Xing Lin Medical Information
Technology Company Ltd (Code: 8130)

Down 14.05 percent to \$HK0.104 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 2.86 percent to \$HK0.72 per share

Neo Telemedia Ltd (Code: 8167)

Down 5.03 percent to \$HK0.189 per share

ePRO Ltd (Code: 8086)

Up 64.95 percent to \$HK0.80 per share

China Cyber Port (International) Company Ltd

Up 5.94 percent to \$HK2.32 per share

(Code: 8206)

The GEM's double-digit movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China AU Group Holdings Ltd	8176	18.50		0.64
ePRO Ltd	8086	64.90		0.80
Global Digital Creations Holdings Ltd	8271	11.30		0.395
Powerleader Science and Technology Group Ltd	8236	10.30		0.32
Sino Haijing Holdings Ltd	8065	12.50		0.90
Venturepharm Laboratories Ltd	8225		10.80	0.91
Xing Lin Medical Information Technology Company Ltd	8130		14.00	0.104

All of the equity markets in Japan were closed for a national holiday, last Monday.

Nevertheless, for publicly listed companies, it was business as usual.

News Wise

- **Takefuji Corporation** has sued **Merrill Lynch Japan Securities Company**, seeking ¥29 billion in Damages. Takefuji Corporation alleges, inter alia, that Merrill Lynch Japan Securities Company failed to explain, sufficiently, a 2007 financial transaction, aimed at removing a ¥30 billion bond from its balance sheet;
- **Mitsubishi Electric Corporation** announced a Group Net Profit Attributable to Shareholders of ¥28.28 billion in respect of Fiscal 2009, ended March 31, 2010;
- **Fujitsu Ltd** said that it had logged in a Net Profit Attributable to Shareholders of about ¥93.09 billion with regard to its 2009 Financial Year, ended March 31, 2010;
- **Housing starts** in Japan in respect of Fiscal 2009, ended March 31, 2010, fell back about 25.40 percent, Year-On-Year, to 775,277 units, according to The Infrastructure Ministry. This was the first time since 1964 that housing starts for any one year dropped below 800,000 units; and,
- **Toyota Motor Corporation** is facing not fewer than 320 lawsuits in US Federal and State Courts with regard to alleged sudden acceleration problems in vehicles, produced by the company, due to sticky pedals. Estimates of costs, involved in these cases are known to be in excess of \$US3 billion.

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

The HKSAR	Hang Seng Index Minus 1.41 percent to 20,811.36 The Growth Enterprise Index Minus 0.50 percent to 886.46
Indonesia	Minus 0.35 percent to 2,960.90
Japan	TOPIX Index Closed Nikkei-225 Stock Average Closed
Malaysia	Plus 0.04 percent to 1,346.89
The Philippines	Closed
The PRC	Shanghai Composite Index Closed Shenzhen Composite Index Closed
Singapore	Minus 1.02 percent to 2,944.22
South Korea	Minus 1.17 percent to 1,721.21
Taiwan	Minus 0.65 percent to 7,952.17
Thailand	Closed

Tuesday

The situation in Greece took a turn for the worse, last Tuesday, as civil servants took the streets in a 48-hour strike.

On Monday, it was reported that eurozone members and the **I**nternational **M**onetary **F**und (**IMF**) had agreed to a 3-year, bail-out package for cash-strapped Greece.

The amount of the bail-out was €110 billion. (Please see Monday's report)

However, the money that was promised came with strings attached, which included:

- Bonus payments to public sector workers would be axed;
- No increases in salaries and wages for public sector workers for at least 3 years;
- Annual holiday payments would be limited and, for high earners, no annual holiday payment, at all;
- Value Added Tax would be increased by 9.52 percentile points to 23 percent;
- Petrol, alcohol and tobacco taxes would be increased by 10 percent; and,
- Illegal construction would be subject to taxation.

In addition to the Greek civil servants' action, a general strike throughout the country had been scheduled to start on Wednesday.

Greece's troubles are, generally, expected to creep across eurozone, with Spain and Portugal, both being viewed as having suspect economies.

The investment world trembled at the likelihood that Greece's problems could thwart the economic gains of this year, gains which are only, now, starting to show substantial indications of a return to normality.

On major equity markets of the world, only red ink was used to fill in the final figures of key indices.

Wall Street investors were shocked when, after Monday's bullishness, the tide turned, with losses in the value of key indices not seen since the beginning of the year.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 2.02 percent, dropping back to 10,926.77 points.

The Composite Index of The NASDAQ gave up about 2.98 percent, ending the high-volume, trading day at 2,424.25 points.

Declining counters outnumbered advancing ones by the ratio of about 6.00:One on The New York Stock Exchange and by about 5.80:One on The NASDAQ.

News Wise

- Some shareholders of **The Goldman Sachs Group Incorporated** have sued their bank for '*a breach of fiduciary duty, corporate waste, abuse of control, mismanagement and unjust enrichment.*' The shareholders are demanding compensation and have called for corporate governance reforms.

On European bourses, it was a similar story as that, being told on Wall Street.

The difference, here, was that the losses of the key indices of major bourses were considerably higher than those of US equity markets:

Amsterdam's AEX Index	Minus 3.19 percent
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France's CAC 40 Index	Minus 3.63 percent
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Germany's Frankfurt XETRA DAX Index	Minus 2.59 percent
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Great Britain's FTSE 100 Index	Minus 2.56 percent
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Italy's MIBTEL Index	Minus 4.47 percent
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Switzerland's Swiss Market Index	Minus 1.74 percent
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As the translation value of the euro fell against other '*hard*' currencies – it hit a 13-month low against the US dollar, touching \$US1.3004 – so the price of crude oil was hit, too.

On the world's largest commodity exchange, The New York Mercantile Exchange (NYMEX), the last

settlement of a barrel of light sweet crude oil for delivery in June came in at \$US82.74, off exactly 4 percent, compared with Monday's final quote.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US85.76, representing a one-day price fall of about 3.80 percent.

In Asia, the mood on major equity markets was bearish.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity continued to wane on the premier equity market as investors lopped off fractions from many of the *'darlings'*.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, lost about 0.23 percent, ending the relatively quiet trading day at 20,763.05 points.

The Total Turnover was about \$HK55.53 billion, while the ratio of losing counters to gaining ones was about 1.83:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)	Down 0.85 percent to \$HK34.80 per share
China Mobile Ltd (Code: 941)	Down 0.07 percent to \$HK76.60 per share
HSBC Holdings plc (Code: 5)	Up 0.06 percent to \$HK79.05 per share
China Construction Bank Corporation (Code: 939)	Down 0.47 percent to \$HK6.29 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.18 percent to \$HK5.69 per share
Bank of China Ltd (Code: 3988)	Unchanged at \$HK4.01 per share
CNOOC Ltd (Code: 883)	Up 0.29 percent to \$HK13.88 per share
Tencent Holdings Ltd (Code: 700)	Up 0.67 percent to \$HK165.50 per share
PetroChina Company Ltd (Code: 857)	Up 0.11 percent to \$HK8.99 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.93 percent to \$HK106.90 per share

The biggest, Main Board movers of last Tuesday included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 Holdings Ltd	1003	17.70		0.153
Arnhold Holdings Ltd	102	15.80		1.98
China Grand Pharmaceutical and Healthcare Holdings Ltd	512	15.00		0.92
Hybrid Kinetic Group Ltd	1188	16.90		0.415
Solartech International Holdings Ltd	1166	36.30		0.139
Theme International Holdings Ltd	990	15.50		1.27

Over on The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.99 percent, ending the trading day at 895.26 points.

The Total Turnover on this market was about \$HK784.32 million.

Losing counters outpaced gaining ones by the ratio of about 1.20:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 13.89 percent to \$HK0.82 per share

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

Up 3.68 percent to \$HK38.00 per share

Xing Lin Medical Information
Technology Company Ltd (Code: 8130)

Down 2.89 percent to \$HK0.101 per share

Asian Capital Resources (Holdings) Ltd (Code:
8025)

Down 8.74 percent to \$HK1.67 per share

Neo Telemedia Ltd (Code: 8167)

Up 1.06 percent to \$HK0.191 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	27.30		0.56
Changmao Biochemical Engineering Company Ltd	8208		10.00	0.90

China E-Learning Group Ltd	8055		18.70	0.39
China Trends Holdings Ltd	8171	16.10		0.36
Global Digital Creations Holdings Ltd	8271	26.60		0.50
Heng Xin China Holdings Ltd	8046	13.90		0.82
Jian ePayment Systems Ltd	8165	12.40		0.209
Ming Kei Holdings Ltd	8239	22.40		2.68
Sonavox International Holdings Ltd	8226	23.80		0.52
Venturepharm Laboratories Ltd	8225	13.20		1.03

The Japanese stock markets remained closed for a national holiday, last Tuesday.

This was how the key indices of other Asian equity markets fared at the close of the trading day, last Tuesday:

The HKSAR	Hang Seng Index Minus 0.23 percent to 20,763.05 The Growth Enterprise Index Plus 0.99 percent to 895.26
Indonesia	Minus 0.06 percent to 2,959.02
Japan	TOPIX Index Closed Nikkei-225 Stock Average Closed
Malaysia	Minus 0.30 percent to 1,342.89
The Philippines	Plus 0.02 percent to 3,290.68
The PRC	Shanghai Composite Index Minus 1.23 percent to 2,835.28 Shenzhen Composite Index Minus 0.70 percent to 1,104.86
Singapore	Minus 1.46 percent to 2,901.18
South Korea	Minus 0.14 percent to 1,718.75

Taiwan	Minus 0.27 percent to 7,930.77
Thailand	Plus 4.37 percent to 796.86

Wednesday

Things could have been worse, of course, but it was hard to imagine a worse scenario as thugs, the disadvantaged and some of the criminal elements of Greece rioted through the streets of Athens, the Capital City of the country.

A petrol bomb was thrown into the Marfin Bank Branch, setting fire to the bank, which is located in the middle of the city.

Three bank employees were killed, one of whom was a pregnant woman.

The riots were the direct result of the proposed austerity measures that the Greece Government is forced to impose as a requirement of the €110-billion, bailout package. (Please see earlier reports)

The President of Greece, Mr Karolos Papoullas, went on record, stating, inter alia:

‘We are all responsible so that it does not take the step into the void ...’.

The President, also, presaged that the country was *‘on the brink of an abyss.’*

The problems of Greece were felt right round the world with investors, extremely jittery as to the likely outcome.

The financial chaos of Greece had graduated to such an extent with the general strike of last Wednesday, that Chancellor Angela Merkel of Germany felt that she could not sit still and made the comment that it was not the matter of just saving Greece:

‘Quite simply, Europe’s future is at stake ...’.

And, if that were not enough, The European Commission is, now, forecasting that the Greek economy will contract by about 3 percent this year.

As soon as investors learned of this forecast, material selling of the euro resulted in its translation value, falling to the one-year low of \$US1.2815.

The question, being posed, in just about every bank and finance house in Europe, last Wednesday, was, simply put:

‘Which eurozone economy will be next in line to scream: ‘Uncle!!!’

On Wall Street, the mood was most definitely bearishness.

On The New York Stock Exchange, the Dow Jones Industrial Average gave up another 0.54 percent, dropping back to 10,868.12 points.

The Composite Index of The NASDAQ surrendered about 0.91 percent, falling back to 2,402.29 points.

On The New York Stock Exchange and The NASDAQ, the ratio of losers to gainers was about 4.00:One and 3.00:One, respectively.

The volume of activity was the largest of the year – which was not a good sign, considering that the world's largest equity markets had just fallen out of bed.

On European equity markets, it was a sea of red ink as the final tally of the key indices told the tale:

Amsterdam's AEX Index	Minus 1.51 percent
France's CAC 40 Index	Minus 1.44 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.80 percent
Great Britain's FTSE 100 Index	Minus 1.27 percent
Italy's MIBTEL Index	Minus 1.28 percent
Switzerland's Swiss Market Index	Minus 0.62 percent

With the potential of a looming debt crisis, throughout many parts of Europe, such a matter is of grave concern to any and all right-minded people.

Will there be bank runs to follow?

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US79.97, down about 3.35 percent, on Tuesday's final quote.

For delivery in July, the last settlement of a barrel of light sweet crude was \$US82.99, off about 3.23 percent, compared with Tuesday's last settlement.

In Asia, it was, just about, the same story as that being told on Wall Street and in European capital cities.

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 dropped buckets.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 2.10 percent to 20,327.54 points.

The Total Turnover was about \$HK76.43 billion.

Declining counters outpaced advancing ones by the ratio of about 3.55:One.

The Ten Most Active counters – all of which were big losers – were:

HSBC Holdings plc (Code: 5)	Down 1.90 percent to \$HK77.55 per share
China Construction Bank Corporation (Code: 939)	Down 1.59 percent to \$HK6.19 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 2.28 percent to \$HK5.56 per share

China Life Insurance Company Ltd (Code: 2628)

Down 2.01 percent to \$HK34.10 per share

Bank of China Ltd (Code: 3988)

Down 2.00 percent to \$HK3.93 per share

China Mobile Ltd (Code: 941)

Down 1.24 percent to \$HK75.65 per share

CNOOC Ltd (Code: 883)

Down 4.61 percent to \$HK13.24 per share

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

Down 3.73 percent to \$HK63.15 per share

PetroChina Company Ltd (Code: 857)

Down 3.00 percent to \$HK8.72 per share

Yanzhou Coal Mining Company Ltd (Code: 1171)

Down 2.56 percent to \$HK19.78 per share

The largest movers of the Main Board – all of which were, also, losers – included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Brilliance China Automotive Holdings Ltd	1114		10.10	2.57
C Y Foundation Group Ltd	1182		10.80	0.14
Dynamic Energy Holdings Ltd	578		12.30	0.32
Fujian Holdings Ltd	181		12.70	0.62
Jia Sheng Holdings Ltd	729		14.50	1.95
Lung Cheong International Holdings Ltd	348		10.10	0.31
Sino Prosper State Gold Resources Holdings Ltd	766		11.80	0.194
Titan Petrochemicals Group Ltd	1192		13.90	0.62

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 3.27 percent, ending the trading session at 866.03 points.

The Total Turnover on this market was about \$HK837.57 million.

Losing counters far exceeded gaining ones by the ratio of about 4.27:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 8.54 percent to \$HK0.89 per share

North Asia Strategic Holdings Ltd (Code: 8080)

Down 16.03 percent to \$HK0.199 per share

Xing Lin Medical Information
Technology Company Ltd (Code: 8130)

Down 8.91 percent to \$HK0.092 per share

China Cyber Port (International) Company Ltd
(Code: 8206)

Down 8.75 percent to \$HK2.19 per share

Asian Capital Resources (Holdings) Ltd (Code:
8025)

Down 17.37 percent to \$HK1.38 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	10.70		0.62
Asian Capital Resources (Holdings) Ltd	8025		17.40	1.38
China Vanguard Group Ltd	8156		10.30	0.26
Jian ePayment Systems Ltd	8165	14.40		0.239
North Asia Strategic Holdings Ltd	8080		16.00	0.199
Prosten Technology Holdings Ltd	8026	12.50		0.45
Venturepharm Laboratories Ltd	8225		11.70	0.91

The equity markets of Japan remained closed for a national holiday.

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

The HKSAR	Hang Seng Index Minus 2.10 percent to 20,327.54 The Growth Enterprise Index Minus 3.27 percent to 866.03
Indonesia	Minus 3.81 percent to 2,846.24
Japan	TOPIX Index Closed Nikkei-225 Stock Average

	Closed
Malaysia	Minus 0.54 percent to 1,335.65
The Philippines	Minus 3.46 percent to 3,176.85
The PRC	Shanghai Composite Index Plus 0.77 percent to 2,857.15 Shenzhen Composite Index Plus 2.23 percent to 1,129.50
Singapore	Minus 1.41 percent to 2,860.31
South Korea	Closed
Taiwan	Minus 2.95 percent to 7,696.90
Thailand	Closed

Thursday

A great number of people lost a great deal of money, last Thursday, following the worldwide crush of people, all wanting to offload part of their equity holdings, due almost entirely to what was transpiring in Europe and, especially in Greece.

The Greeks continued to take to the streets in protest at the way in which their government was managing the economy.

However, their numbers, last Thursday, were not as great as on Wednesday.

With austerity measures, having been agreed last Thursday by the Greek Government, thus fulfilling the demands of the lenders of €110 billion as a precondition to the 3-year, bail-out package, the people of Greece were not only unhappy, but were violently opposed to their fate for which they had no defence.

And they expressed their discontent as they roamed the streets of major cities of Greece, yelling and screaming and, on occasions, throwing bricks and what-have-you at members of the police force.

The general strike continued into its second day.

Around the world, stock and share price tumbled as investors worried that the European financial crisis would, sooner than later, cascade to other parts of the world.

The price of crude oil dropped markedly; the price of gold shot up to a near record level; and, on Wall Street, the biggest, intra-day fall in the benchmark indices of both The New York Stock Exchange and The NASDAQ in the history of equity trading in The Big Apple shocked investors down to their bootstraps.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 3.20 percent, ending the high-volume trading day at 10,520.32 points.

Over on The NASDAQ, its Composite Index shed about 3.44 percent, falling back to 2,319.64 points.

During last Thursday's trading session, The Dow was seen, falling about 1,000 points – which is a record-breaking, intra-day drop for the world's largest equity market.

As **TARGET** () was writing this report, last Thursday, it was reported that the Executive of both The New York Stock Exchange and The NASDAQ was investigating whether or not a mistake, or mistakes, had been made by one or more of the traders.

At one point, the share price of Proctor and Gamble Company fell nearly 37 percent to \$US39.37 – for no rational reason, a spokesperson for the company remarked.

The share price of Bank of America Corporation was forced to surrender about 7.10 percent as investors pulled it back to \$US16.28.

Every constituent stock of The Dow was a loser.

The ratio of losing counters to gaining ones was about 17:One on The New York Stock Exchange and about 7:00:One on The NASDAQ.

The price of gold, internationally, hit a near record price per troy ounce of about \$US1,200, a one-day, price improvement of about 3 percent.

Gold is, usually, seen as a hedge when paper money appears to be of questionable value as a medium of exchange.

And, with Greece's admitted monetary problems, that country's *'paper'* is very questionable.

On commodity exchanges, the price of crude oil was down materially.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US77.11, down about 3.58 percent on Wednesday's final quote.

At one point, during the trading day, the price of this strategic commodity dropped to a low of \$US74.58, representing an intra-day fall of about 6.74 percent on Wednesday's last settlement.

For delivery in July, the last settlement of a barrel of light sweet crude oil was \$US80.18, off about 3.50 percent on the day.

On major European equity markets, it was the third consecutive day of falls of the key indices of the major bourses.

This was how that situation looked, last Thursday night:

Amsterdam's AEX Index	Minus 1.39 percent
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France's CAC 40 Index	Minus 2.20 percent
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Germany's Frankfurt XETRA DAX Index	Minus 0.84 percent
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Great Britain's FTSE 100 Index	Minus 1.52 percent
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Italy's MIBTEL Index Minus 4.03 percent

Switzerland's Swiss Market Index Minus 0.95 percent

Banks were hit very hard, throughout eurozone, as investors were fearful that Greece's situation might well hit banks, exposed to Greek debt.

In Asia, not one equity market in this part of the world escaped the worldwide sell-off as the values of the key indices shed very material amounts.

Hundreds of billions of dollars were knocked off the former values of stocks and shares.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory's 2 equity markets lost traction, but it was on the secondary market that most of the damage was done.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 0.96 percent, dropping back to 20,133.41 points.

The Total Turnover was about \$HK81.50 billion.

Declining counters outnumbered advancing ones by the ratio of about 2.51:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)
Up 1.29 percent to \$HK75.15 per share

HSBC Holdings plc (Code: 5)
Down 0.90 percent to \$HK76.85 per share

China Life Insurance Company Ltd (Code: 2628)
Down 0.15 percent to \$HK34.05 per share

China Construction Bank Corporation (Code:
939)
Up 0.48 percent to \$HK6.22 per share

Industrial and Commercial Bank of China Ltd
(Code: 1398)
Up 0.18 percent to \$HK5.57 per share

Bank of China Ltd (Code: 3988)
Up 0.25 percent to \$HK3.94 per share

CNOOC Ltd (Code: 883)
Down 2.42 percent to \$HK12.92 per share

Jia Sheng Holdings Ltd (Code: 729)
Down 20.00 percent to \$HK1.56 per share

Tencent Holdings Ltd (Code: 700)
Down 3.42 percent to \$HK155.10 per share

PetroChina Company Ltd (Code: 857)
Down 0.34 percent to \$HK8.69 per share

The biggest movers of the Main Board were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Jia Sheng Holdings Ltd	729		20.00	1.56
Prosperity Investment Holdings Ltd	310		16.00	2.83
Richly Field China Development Ltd	313		23.30	0.23

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index surrendered about 4.36 percent, dropping back to 828.29 points.

The Total Turnover was about \$HK748.97 million.

Losing counters outpaced gaining ones by the ratio of 5.70:One, exactly.

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

Heng Xin China Holdings Ltd (Code: 8046)

Down 5.62 percent to \$HK0.84 per share

Neo Telemedia Ltd (Code: 8167)

Up 2.15 percent to \$HK0.19 per share

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

Down 7.32 percent to \$HK33.55 per share

Kaisun Energy Group Ltd (Code: 8203)

Down 4.39 percent to \$HK1.09 per share

Xing Lin Medical Information
Technology Company Ltd (Code: 8130)

Down 5.44 percent to \$HK0.087 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		17.70	0.51
Asian Capital Resources (Holdings) Ltd	8025	16.70		1.61
B.A.L. Holdings Ltd	8079		25.00	0.075
China Eco-Farming Ltd	8166		11.50	0.54
China Ground Source Energy Ltd	8128		14.10	0.61

Global Link Communications Holdings Ltd	8060		10.80	0.29
Honbridge Holdings Ltd	8137		11.30	2.13
Lee's Pharmaceutical Holdings Ltd	8221		11.00	3.64
Palmpay China (Holdings) Ltd	8047		10.00	0.234
Powerleader Science and Technology Group Ltd	8236	16.10		0.325
Prosten Technology Holdings Ltd	8026		15.60	0.38
Shaanxi Northwest New Technology Industry Company Ltd	8258		10.40	0.172
Shanghai Jiaoda Withub Information Industrial Company Ltd	8205		12.90	0.405
Venturepharm Laboratories Ltd	8225		12.10	0.80

After 5 days of enjoying Golden Week, as the holiday is known in Japan, investors in The Land of The Rising Sun returned to equity trading – but, probably, they wished that Golden Week could have lasted for another week, at least.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index shed about 3.07 percent, dropping back to 956.72 points.

Losers outran gainers by the ratio of about 11.28: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, fell back ¥361.71, dropping to ¥10,695.69.

News Wise

- **Commercial RE Company**, a company engaged, primarily, in property management, has filed for bankruptcy protection in The Tokyo District Court. It estimates its liabilities at about ¥15 billion. This company is listed on the JASDAQ Securities Exchange. It will be delisted on June 7, 2010.

This is the way that things looked on other Asian equity markets, last Thursday night:

The HKSAR	Hang Seng Index Minus 0.96 percent to 20,133.41 The Growth Enterprise Index Minus 4.36 percent to 828.29
Indonesia	Minus 1.25 percent to 2,810.62
Japan	TOPIX Index Minus 3.07 percent to 956.72 Nikkei-225 Stock Average

	Minus 3.27 percent to 10,695.69
Malaysia	Minus 0.28 percent to 1,331.87
The Philippines	Minus 0.28 percent to 3,167.83
The PRC	Shanghai Composite Index Minus 4.11 percent to 2,739.70 Shenzhen Composite Index Minus 3.65 percent to 1,088.31
Singapore	Minus 0.72 percent to 2,839.65
South Korea	Minus 1.98 percent to 1,684.71
Taiwan	Minus 1.53 percent to 7,579.48
Thailand	Minus 1.46 percent to 785.25
Thailand	Closed

Friday

The key indices of nearly every equity market, around the world, suffered, last Friday: The rout, continued.

On The New York Stock Exchange, which is the largest equity market in the world, The Dow Jones Industrial Average lost another 1.33 percent, dropping back to 10,380.43 points.

The Composite Index of The NASDAQ shed another 2.33 percent, ending the trading week at 2,265.64 points.

The volume of activity was nearly double that of the daily average of 2009, at about 17.60 billion shares.

Whenever there is a high volume of activity on a falling market, it is, usually, indicative of more selling pressure about to hit that market.

The ratio of losing counters to gaining ones was about 2.44:One on The New York Stock Exchange and about 4.00:One on The NASDAQ.

The tally for the trading week, ended May 7, 2010, was:

The Dow Jones Industrial Average	Minus 5.71 percent
The Composite Index of The NASDAQ	Minus 7.95 percent

The week's losses for The Dow were the steepest since March 2009 and, for The Composite Index of The NASDAQ, the steepest since November 2008.

Meanwhile, in Europe, the government heads of every country were asking: What can we do to stop the rout?

As the key indices of major bourses tumbled, Chancellor Angela Merkel (of Germany) and President Nicolas Sarkozy (of France) went on a kind of ad hoc road show, indicating that the 2 former enemies of World War II had united in a bond of friendship in an effort to try to find solutions to what ails Europe.

Photo sessions, however, showing the 2 leaders of 2 of the economic powerhouses of Europe, did little to allay the fears of the possibility that the Greece's financial dilemma could spread to other countries of eurozone, Spain and Portugal, seen as the most vulnerable recipients of the current problems, facing Greece.

This was how the situation looked on the major 6 equity markets of Europe, last Friday night:

Amsterdam's AEX Index	Minus 4.24 percent
France's CAC 40 Index	Minus 4.59 percent
Germany's Frankfurt XETRA DAX Index	Minus 3.26 percent
Great Britain's FTSE 100 Index	Minus 2.62 percent
Italy's MIBTEL Index	Minus 3.16 percent
Switzerland's Swiss Market Index	Minus 2.56 percent

For many shares, listed on European bourses, last Friday's closing levels represented 7-month lows.

Literally, tens of billions of euros had been shaved off the market capitalisations of many a European company by the close of last week's trading session.

On the world's commodity exchanges, the price of crude oil lost, and lost big time.

On The **New York Mercantile Exchange (NYMEX)**, the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US75.11, down about 2.59 percent on Thursday's final quote.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US80.18, off about 2.08 percent on Thursday's last settlement.

On foreign-exchange markets, there was turbulence, also.

Sterling fell against the US dollar and the euro, following the General Election in the United Kingdom.

Against the US dollar, the pound shed about 2.10 percent to \$US1.4633.

Against the euro, it fell about 2.60 percent to 1.1478 euros.

In Asia, there was another sea of red ink as the final figures of the key indices of the major equity markets were tallied.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the

key indices of both equity markets lost material amounts.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index shed about 1.06 percent, dropping back to 19,920.29 points.

The volume of activity picked up, once again, reaching \$HK90.36 billion by the close of the day.

The ratio of declining counters to gaining ones was about 1.09:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 4.29 percent to \$HK73.55 per share
China Construction Bank Corporation (Code: 939)	Up 0.96 percent to \$HK6.28 per share
L'Occitane International S.A. (Code: 973)	\$HK14.40 per share*
China Mobile Ltd (Code: 941)	Down 1.06 percent to \$HK74.35 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 0.18 percent to \$HK5.56 per share
China Life Insurance Company Ltd (Code: 2628)	Down 0.44 percent to \$HK33.90 per share
Bank of China Ltd (Code: 3988)	Down 0.76 percent to \$HK3.91 per share
Tencent Holdings Ltd (Code: 700)	Down 2.00 percent to \$HK152.00 per share
PetroChina Company Ltd (Code: 857)	Down 0.23 percent to \$HK8.67 per share
CNOOC Ltd (Code: 883)	Down 1.55 percent to \$HK12.72 per share

* First Day of Trading

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
The Grande Holdings Ltd	186	16.20		0.79
G-Vision International (Holdings) Ltd	657	17.30		0.44

Jia Sheng Holdings Ltd	729	24.40		1.94
Kwang Sung Electronics Hongkong Company Ltd	2310	15.50		0.67

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 2.05 percent, dropping back to 811.35 points.

The Total Turnover on this market was about \$HK708.71 million.

The ratio of losers to gainers was about 2.23:One.

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

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

Down 3.13 percent to \$HK32.50 per share

Xing Lin Medical Information
Technology Company Ltd (Code: 8130)

Up 3.45 percent to \$HK0.09 per share

Kaisun Energy Group Ltd (Code: 8203)

Down 2.75 percent to \$HK1.06 per share

Neo Telemedia Ltd (Code: 8167)

Down 2.11 percent to \$HK0.186 per share

Honbridge Holdings Ltd (Code: 8137)

Down 8.92 percent to \$HK1.94 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGTech Holdings Ltd	8279	10.60		0.365
China Trends Holdings Ltd	8171		11.40	0.31
Dahe Media Company Ltd	8243	15.70		0.59
Heng Xin China Holdings Ltd	8046	13.10		0.95
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		10.50	0.51
New Universe International Group Ltd	8068		10.90	0.155
Shenzhen Dongjiang Environmental Company Ltd	8230		10.30	2.45
Venturepharm Laboratories Ltd	8225	11.20		0.89

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

The Hang Seng Index	Minus 5.63 percent
The Growth Enterprise Index	Minus 8.93 percent

On The Tokyo Stock Exchange, its TOPIX Index gave up another 2.61 percent of its former value as investors pushed it down to 931.74 points.

The ratio of losing counters to gaining ones was about 17.23:One.

The Nikkei-225 Stock Average lost about 3.10 percent, dropping back to ¥10,364.59.

The tally for the 2-day trading week for the premier equity market of Japan was:

The TOPIX Average	Minus 6.67 percent
The Nikkei-225 Average	Minus 6.27 percent

And this was how things looked on other Asian equity markets, last Friday at the close of the trading day:

The HKSAR	Hang Seng Index Minus 1.06 percent to 19,920.29 The Growth Enterprise Index Minus 2.05 percent to 811.35
Indonesia	Minus 2.54 percent to 2,739.33
Japan	TOPIX Index Minus 2.61 percent to 931.74 Nikkei-225 Stock Average Minus 3.10 percent to 10,364.59
Malaysia	Plus 0.08 percent to 1,332.89
The Philippines	Minus 0.31 percent to 3,142.06
The PRC	Shanghai Composite Index Minus 1.87 percent to 2,688.38 Shenzhen Composite Index Minus 2.22 percent to 1,064.17
Singapore	Minus 0.65 percent to 2,821.11
South Korea	Minus 2.21 percent to 1,647.50
Taiwan	Minus 0.16 percent to 7,567.10

Thailand	Minus 2.13 percent to 768.55
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