

FOCUS ON EUROPE:
WILL THE GREEK ‘FUNGUS’ AFFECT THE WORLD ?
THE WORLD’S EQUITY MARKETS GO ON A ROLLER-COASTER RIDE

The European Union (EU) and the International Monetary Fund (IMF) concurred, last Monday: Eurozone is facing a potential financial crisis, possibly the worst since the EU was established by The Treaty of Maastricht on November 1, 1993, bringing together 27 countries of Europe under a single flag.

EU Ministers and the Executive of The IMF agreed on emergency measures, amounting placing up to €500 billion (about \$HK5 trillion) in the hands of the EU in order to bring financial stability to the region.

The 16 member states of the EU, using the single currency, the euro, will have access to €440 billion in loan guarantees and €60 billion of emergency European Commission funding.

The IMF will contribute €220 billion.

Mr Olli Rehn, Economic Affairs Commissioner of the EU, went on record, stating that the agreement *‘proves we shall defend the euro whatever it takes ...’*.

Market intervention in support of the euro will start before the end of the month, it was made very apparent.

The news was treated with glee by investors, from one end of the world to another.

On Wall Street, the prices of stocks and shares rallied, causing the biggest, one-day gains in more than a year.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 404.71 points, equivalent to 3.90 percent, as investors pushed it up to 10,785.14 points.

Over on The NASDAQ, its Composite Index gained 109.03 points, or about 4.81 percent, rushing up to 2,374.67 points.

Trading was heavy.

The ratio of gaining counters to losing ones was about 19.00:One on The New York Stock Exchange and about 7.00:One on The NASDAQ.

Greece and its financial crisis became a distant memory, as far as many excited European investors were concerned, because all that they saw was what amounted to an injection of cash into the EU monetary system, amounting to about \$US1 trillion.

And that should, it was conjectured, be good for business.

It was determined that this huge amount of money, to be let loose on international foreign exchange markets in order to support the euro, was similar, in many regards, to the Obama Administration’s \$US700-billion Troubled Assets Relief Programme of 2008.

But, as with the 2008 rescue programme of the US Government, it did not attack the root causes of the problems, facing the US economy, the effects of which are still being felt, today, and will be felt for some years to come.

And so it will be in the case of the EU, in spite of the emergency funding, now in place.

News Wise

- **Fannie Mae** has asked the US Government for an additional \$US8.40 billion after it announced that it has lost about \$US13.10 billion, during the first quarter of 2010.

On European equity markets, there was a rush to buy up stocks and shares as the key indices of the biggest bourses rose smartly on learning of the details of the determinations of the EU and the IMF.

One would have suspected that there was likely to be a shortage of scrip, with investors, afraid that they could be last in the line.

‘*We’re saved!*’ That appeared to be the rallying call of European investors, last Monday.

This was how the key indices of the most-important bourses ended the first day of trading of the week:

Amsterdam’s AEX Index	Plus	7.32 percent
France’s CAC 40 Index	Plus	9.65 percent
Germany’s Frankfurt XETRA DAX Index	Plus	5.29 percent
Great Britain’s FTSE 100 Index	Plus	5.16 percent
Italy’s MIBTEL Index	Plus	10.50 percent
Switzerland’s Swiss Market Index	Plus	4.45 percent

News Wise

- **The Bank of England**, which is the Central Bank of the United Kingdom, made the following statement, last Monday:

‘The Bank of England’s Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 0.5%. The Committee also voted to maintain the stock of asset purchases financed by the issuance of central bank reserves at £200 billion ...’.

On The **New York Mercantile Exchange (NYMEX)**, the price of crude oil made a bit of a comeback.

For delivery in June, the last settlement of a barrel of light sweet crude oil came in at \$US76.80, up about 2.25 percent, compared with the close of trading, the previous Friday (April 7, 2010).

For delivery in July, the last settlement of a barrel of light sweet crude oil was \$US80.52, up about 0.41 percent on the last settlement of the previous week.

In Asia, it was a similar story to that, heard on equity markets in North America and Europe.

Just about every key index of every equity market made material gains.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of both equity markets were right up there with the biggest of the big boys.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gained 2.54 percent, rising to 20,426.64 points.

The Total Turnover was about \$HK70.95 billion.

The ratio of gaining counters to losing ones was about 3.05:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 5.64 percent to \$HK77.70 per share
China Mobile Ltd (Code: 941)	Up 2.35 percent to \$HK76.10 per share
China Construction Bank Corporation (Code: 939)	Up 1.75 percent to \$HK6.39 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 2.16 percent to \$HK5.68 per share
Bank of China Ltd (Code: 3988)	Up 2.05 percent to \$HK3.99 per share
L'Occitane International S.A. (Code: 973)	Up 8.47 percent to \$HK15.62 per share
PetroChina Company Ltd (Code: 857)	Up 2.88 percent to \$HK8.92 per share
CNOOC Ltd (Code: 883)	Up 3.30 percent to \$HK13.14 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.51 percent to \$HK34.75 per share
Jia Sheng Holdings Ltd (Code: 729)	Up 5.15 percent to \$HK2.04 per share

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Capxon International Electronic Company Ltd	469	16.70		0.315
China Agri-Products Exchange Ltd	149	15.50		0.112

Dynamic Energy Holdings Ltd	578	15.60		0.37
Imagi International Holdings Ltd	585		15.90	0.69
Kam Hing International Holdings Ltd	2307	36.10		2.00
Kwong Hing International Holdings (Bermuda) Ltd	1131	15.10		1.22
Same Time Holdings Ltd	451	47.80		5.60
Shun Cheong Holdings Ltd	650	21.90		0.78
Vitop Bioenergy Holdings Ltd	1178	17.50		0.275

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 2.27 percent, having been pushed up to 829.79 points.

The Total Turnover was about \$HK680.63 million.

Advancing counters outran declining ones by the ratio of about 3.35:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 5.26 percent to \$HK1.00 per share

Coolpoint Energy Ltd (Code: 8032)

Up 17.33 percent to \$HK0.44 per share

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

Up 14.44 percent to \$HK0.103 per share

Wumart Stores Incorporated (Code: 8277)

Down 1.17 percent to \$HK15.20 per share

China Communication Telecom
Services Company Ltd (Code: 8206)

Up 6.50 percent to \$HK2.13 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Ground Source Energy Ltd	8128	14.50		0.71
Coolpoint Energy Ltd	8032	17.30		0.44
FAVA International Holdings Ltd	8108	11.80		0.199

Global Digital Creations Holdings Ltd	8271	11.10		0.50
Hao Wen Holdings Ltd	8019	10.00		0.176
Mobile Telecom Network (Holdings) Ltd	8266	20.00		0.36
Shaanxi Northwest New Technology Industry Company Ltd	8258	13.50		0.185
Shenzhen Dongjiang Environmental Company Ltd	8230	12.20		2.75
Xing Lin Medical Information Technology Company Ltd	8130	14.40		0.103
Yusei Holdings Ltd	8319	10.00		1.57

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.38 percent, ending the trading day at 944.64 points.

Gainers outdistanced losers by the ratio of about 4.75: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, put on ¥166.11, or about 1.60 percent, rising to ¥10,530.70.

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

The HKSAR	Hang Seng Index Plus 2.54 percent to 20,426.64 The Growth Enterprise Index Plus 2.27 percent to 829.79
Indonesia	Plus 4.06 percent to 2,850.43
Japan	TOPIX Index Plus 1.38 percent to 944.64 Nikkei-225 Stock Average Plus 1.60 percent to 10,530.70
Malaysia	Plus 0.08 percent to 1,333.97
The Philippines	Closed
The PRC	Shanghai Composite Index Plus 0.39 percent to 2,698.76 Shenzhen Composite Index Minus 1.33 percent to 1,049.99

Singapore	Plus 2.10 percent to 2,880.48
South Korea	Plus 1.83 percent to 1,677.63
Taiwan	Plus 1.29 percent to 7,664.73
Thailand	Plus 1.37 percent to 779.06

Tuesday

After a 24-hour, cooling-off period in order to weigh up what had transpired on Monday, investors, worldwide, pondered the chances of a successful outcome of the European Union's plan to stand in foreign-exchange markets with oodles of cash in support of the threatened euro.

The icing appeared to have fallen off that financial '*cake*'.

Whereas, on Monday, on learning of the details of the plan to support the euro, the key indices of equity markets, from one end of the world to another, shot up dramatically, by Tuesday morning, it was a completely different story.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.34 percent, ending the moderately active trading day at 10,748.26 points.

Over on The NASDAQ, its Composite Index edged up about 0.03 percent to 2,375.31 points.

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

An indication as to investors' grave concerns over the place of the euro in the world as a safe '*hard*' currency was the fact that the price of gold rose to the record-high level of about \$US1,233.65 per troy ounce, during last Tuesday's trading day.

Also, the translation value of the euro vis-à-vis the US dollar fell below \$US1.27, a one-day erosion of a little more than 3 percent.

Against the British pound, the translation value of the euro was about 85.05 pence, a fall of about 1.20 percent on Monday's final quote.

News Wise

- Mr Andrew Cuomo, the Attorney General of New York, has sued Ivy Asset Management LLC, a subsidiary of **Bank of New York Mellon Corporation**, along with 2 former senior officers of the subsidiary. The Attorney General alleges that the Bank of New York Mellon unit did not explain to its clients about some of the pitfalls in investing with Bernard Madoff, who is serving a life sentence in prison for fraud and theft.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in June was \$US76.37, off about 0.56 percent on Monday's final quote.

As for delivery in July, the last settlement of a barrel of light sweet crude oil came in at \$US80.22, down

about 0.37 percent, compared with Monday's last settlement.

On European bourses, the key indices of the most-important ones dropped in sympathy to Wall Street's sentiments:

Amsterdam's AEX Index	Minus 0.52 percent
France's CAC 40 Index	Minus 0.72 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.32 percent
Great Britain's FTSE 100 Index	Minus 0.98 percent
Italy's MIBTEL Index	Minus 0.47 percent
Switzerland's Swiss Market Index	Plus 0.41 percent

News Wise

- Great Britain has a new **Prime Minister** in the person of Mr David Cameron, who has the distinction of being the youngest Prime Minister since 1812.

In Asia, it was mainly sellers that had the upper hand on nearly all of the equity markets of the region, during the entire trading day.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost a great deal of Monday's gains.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, gave up about 1.37 percent of its value, dropping back to 20,146.51 points.

The Total Turnover was about \$HK70.65 billion, while the ratio of losing counters to gaining ones was about 2.08:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 1.87 percent to \$HK76.25 per share
China Construction Bank Corporation (Code: 939)	Down 1.56 percent to \$HK6.29 per share
China Life Insurance Company Ltd (Code: 2628)	Down 2.01 percent to \$HK34.05 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Down 1.41 percent to \$HK5.60 per share
China Mobile Ltd (Code: 941)	Down 0.72 percent to \$HK75.55 per share

CNOOC Ltd (Code: 883)

Up 1.24 percent to \$HK13.10 per share

Bank of China Ltd (Code: 3988)

Down 1.25 percent to \$HK3.94 per share

Tencent Holdings Ltd (Code: 700)

Unchanged at \$HK154.20 per share

PetroChina Company Ltd (Code: 857)

Down 1.68 percent to \$HK8.77 per share

China Shenhua Energy Company Ltd (Code:
1088)

Down 3.55 percent to \$HK31.20 per share

There were only 3 counters whose share prices moved 15 percent or more, last Tuesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Motion Telecom International Ltd	989	26.30		0.24
Imagi International Holdings Ltd	585		18.80	0.56
Value Convergence Holdings Ltd	821	15.20		3.64

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.32 percent, dropping back to 818.85 points.

The Total Turnover on this market was about \$HK679.96 million.

The ratio of losers to gainers was about 1.95:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 2.00 percent to \$HK1.02 per share

Aptus Holdings Ltd (Code: 8212)

Down 6.90 percent to \$HK0.27 per share

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

Down 7.77 percent to \$HK0.095 per share

Coolpoint Energy Ltd (Code: 8032)

Down 3.41 percent to \$HK0.425 per share

Wumart Stores Incorporated (Code: 8277)

Down 7.76 percent to \$HK14.02 per share

On this (speculative) equity market, there were only 2, double-digit movers of the trading day:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CCT Resources Holdings Ltd	8163	12.40		0.208
DIGITALHONGKONG.COM	8007		15.10	1.85

On The Tokyo Stock Exchange, its TOPIX Index gave up about 1.33 percent, falling back to 932.10 points.

Declining counters outnumbered advancing ones by the ratio of about 2.07:One.

The Nikkei-225 Stock Average registered a fall of about 1.14 percent as investors pulled it back to ¥10,411.10.

News Wise

- **Toyota Motor Corporation** announced that it had recorded a Net Profit Attributable to Shareholders of about ¥209.50 billion in respect of the 2009 Financial Year, ended March 31, 2010 (2008 Financial Year, ended March 31, 2009: Net Loss Attributable to Shareholders of ¥436.90 billion).

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

The HKSAR	Hang Seng Index Minus 1.37 percent to 20,146.51 The Growth Enterprise Index Minus 1.32 percent to 818.85
Indonesia	Minus 1.32 percent to 2,812.89
Japan	TOPIX Index Minus 1.33 percent to 932.10 Nikkei-225 Stock Average Minus 1.14 percent to 10,411.10
Malaysia	Plus 0.51 percent to 1,340.72
The Philippines	Plus 3.85 percent to 3,262.93
The PRC	Shanghai Composite Index Minus 1.90 percent to 2,647.57 Shenzhen Composite Index Minus 2.41 percent to 1,024.65
Singapore	Minus 0.79 percent to 2,857.67
South Korea	Minus 0.44 percent to 1,670.24

Taiwan	Minus 0.73 percent to 7,608.44
Thailand	Minus 0.89 percent to 772.09

Wednesday

Oh! How short are memories!

Last Wednesday, equity investors in North America and Europe put aside concerns about the financial health of Europe and focused, instead, on the publicised results of some of the '*darlings*' of the markets for the previous quarter or the past financial year.

The fact that many countries in Europe are in tsuris, financially, seemed to have been almost entirely forgotten.

On Wall Street, the call went out: '*Now is the time to buy!*'

On The New York Stock Exchange, the Dow Jones Industrial Average rose 1.38 percent to 10,896.91 points while, over on The NASDAQ, its Composite Index put on about 2.09 percent, ending the hectic trading session at 2,425.02 points.

The volume of trading, however, was slightly below the daily average of 2009.

The ratio of advancing counters to declining ones was about 6.00:One on The New York Stock Exchange and about 4.00:One on The NASDAQ.

Over in Europe, as is the wont of investors in this part of the world, in spite of massive financial problems, facing Greece, Portugal and Spain, investors determined that following the line of Wall Street would, most likely, be more profitable in the short term than being overly concerned about future problems, facing certain countries in eurozone.

But nothing had changed, actually, and the financial problems of Europe remained whether or not people chose to ignore them.

This was how the key indices of the most-important equity markets fared in Europe, last Wednesday:

Amsterdam's AEX Index	Plus	1.02 percent
France's CAC 40 Index	Plus	1.10 percent
Germany's Frankfurt XETRA DAX Index	Plus	2.41 percent
Great Britain's FTSE 100 Index	Plus	0.92 percent
Italy's MIBTEL Index	Plus	0.84 percent
Switzerland's Swiss Market Index	Plus	1.01 percent

News Wise

- **Unemployment** in the **United Kingdom (UK)** in respect of the first quarter of 2010 rose to about 2.51 million workers, following an increase of about 53,000 workers, filing for unemployment benefits. Unemployment is at its highest level since 1994 at about 8 percent, The Office of National Statistics announced; and,
- **Spain** has announced that it would cut civil service pay and make reductions in the numbers of civil servants in a belt-tightening manoeuvre as demanded by the European Commission.

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 \$US75.65, down about 0.94 percent, compared with Tuesday's close.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US80.15, representing a one-day fall of about 0.09 percent.

In Asia, investors appeared to be undecided as to what action to take (if any), with key indices, zigzagging for most of last Wednesday's trading day.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, the Total Turnover was about \$HK57.96 billion, about 18 percent lower than Tuesday's volume.

The Hang Seng Index rose by about one third of a percentage point, limping up to 20,212.49 points.

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

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 1.70 percent to \$HK77.55 per share
China Mobile Ltd (Code: 941)	Up 0.13 percent to \$HK75.65 per share
China Construction Bank Corporation (Code: 939)	Up 0.32 percent to \$HK6.31 per share
Tencent Holdings Ltd (Code: 700)	Down 1.88 percent to \$HK151.30 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.71 percent to \$HK5.64 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.59 percent to \$HK34.25 per share
BYD Company Ltd (Code: 1211)	Down 3.79 percent to \$HK64.70 per share
CNOOC Ltd (Code: 883)	Down 0.31 percent to \$HK13.06 per share

Bank of China Ltd (Code: 3988)

Unchanged at \$HK3.94 per share

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

Up 0.49 percent to \$HK61.65 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
HKC International Holdings Ltd	248	20.60		0.41
The Hongkong Parkview Group Ltd	207	18.20		0.65
Same Time Holdings Ltd	451		16.00	4.20

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 1.30 percent, rising to 829.46 points.

The Total Turnover dropped to about \$HK424.21 million, off about 38 percent, compared with the volume of activity on Tuesday.

Declining counters outnumbered advancing ones by the ratio of about 1.19:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Down 2.94 percent to \$HK0.99 per share

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

Up 2.11 percent to \$HK0.097 per share

Shandong Luoxin Pharmacy Stock Company Ltd
(Code: 8058)

Up 16.88 percent to \$HK10.94 per share

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

Up 2.13 percent to \$HK33.50 per share

Wumart Stores Incorporated (Code: 8277)

Up 6.71 percent to \$HK14.96 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Vanguard Group Ltd	8156	12.00		0.28

G.A. Holdings Ltd	8126	36.00		0.34
Ningbo Yidong Electronic Company Ltd	8249		15.00	0.187
Qianlong Technology International Holdings Ltd	8015		17.00	0.88
Shandong Luoxin Pharmacy Stock Company Ltd	8058	16.90		10.94
Shanghai Tonva Petrochemical Company Ltd	8251	12.50		0.405

On The Tokyo Stock Exchange, which is the premier equity market of Japan, its TOPIX Index rose about 0.08 percent to 932.83 points.

Losers outpaced gainers by the ratio of about 1.09:One.

The Nikkei-225 Stock Average gave up about 0.16 percent, dropping back to ¥10,394.03.

News Wise

- **NEC Corporation** reported that it had logged in a Net Profit Attributable to Shareholders in respect of the 2009 Financial Year, ended March 31, 2010, of ¥11.40 billion (2008-Year: Net Loss Attributable to Shareholders – ¥296.60 billion).

On other Asian equity markets, this was how their respective key indices fared, last Wednesday:

The HKSAR	Hang Seng Index Plus 0.33 percent to 20,212.49 The Growth Enterprise Index Plus 1.30 percent to 829.46
Indonesia	Plus 1.23 percent to 2,847.62
Japan	TOPIX Index Plus 0.08 percent to 932.83 Nikkei-225 Stock Average Minus 0.16 percent to 10,394.03
Malaysia	Plus 0.25 percent to 1,344.10
The Philippines	Plus 0.20 percent to 3,269.41
The PRC	Shanghai Composite Index Plus 0.31 percent to 2,655.71 Shenzhen Composite Index Minus 1.21 percent to 1,012.24
Singapore	Plus 0.79 percent to 2,880.33

South Korea	Minus 0.43 percent to 1,663.03
Taiwan	Minus 0.08 percent to 7,602.70
Thailand	Plus 0.21 percent to 773.72

Thursday

Unconfirmed reports suggest, strongly, that The (US) Securities and Exchange Commission (SEC) is conducting an investigation into the previous actions of 6 major Wall Street banks, suspected of misleading clients in respect of the subprime mortgage debacle.

The banks, under the SEC's microscope, are said to be:

Citigroup Incorporated;
Deutsche Bank AG;
JPMorgan Chase and Company;
Morgan Stanley;
The Goldman Sachs Group Incorporated; and,
UBS AG.

In a separate development, reports have suggested, also, that The New York Attorney General has served subpoenas on 4 US banks and 4 European banks in an effort to determine whether or not these banks may have misled rating agencies in respect of mortgage-derivative contracts.

Those banks are:

Bank of America Merrill Lynch;
Citigroup Incorporated;
Credit Agricole S.A.;
Credit Suisse Group AG;
Deutsche Bank AG;
The Goldman Sachs Group Incorporated;
Morgan Stanley;
UBS AG; and.

Whether or not the reports of the investigations sent shivers down the spines of US investors, one may never know, but it is fact that the key indices of Wall Street equity markets fell out of bed, once again.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 1.05 percent, dropping back to 10,782.95 points.

The Composite Index of The NASDAQ lost about 1.26 percent, coming to rest at 2,394.36 points by the close of the trading day.

Trading was described as having been especially light.

The ratio of losing counters to gaining ones was about 2.00:One on The New York Stock Exchange and about 1.60:One on The NASDAQ.

News Wise

- The number of **US homes**, repossessed, during the month of April, hit 333,837, according to US

Government statistics. US banks repossessed 92,432 homes in April, up about one percent, compared with March repossessions, but a 45-percent rise, Year-On-Year.

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 \$US74.40, down about 1.65 percent, compared with Wednesday's closing level.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US78.99, representing a 1.45-percent drop, compared with the final quote of Wednesday.

On European equity markets, investors were treated to the news that both Portugal and Spain plan to slice through their respective budgetary deficits.

This news was said to have given some solace to investors that, perhaps, the Greek '*fungus*' could not be spread to other countries of eurozone.

But there will be decided side-effects to the moves by the Governments of both Portugal and Spain: Economic growth in both countries would be hit; and, that means that companies, doing business in these regions of eurozone, would suffer a reduced volume of activity, accordingly.

This intelligence gave rise to many banking counters' scrip, coming under selling pressure.

In addition, lower, crude-oil prices meant lower profit for energy companies.

And, in the meantime, the translation value of the euro vis-à-vis most other '*hard*' currencies fell, materially, for the third consecutive day.

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

Amsterdam's AEX Index	Plus	0.26 percent
France's CAC 40 Index	Minus	0.06 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.10 percent
Great Britain's FTSE 100 Index	Plus	0.93 percent
Italy's MIBTEL Index	Minus	0.66 percent
Switzerland's Swiss Market Index	Closed	

On Asian equity markets, the above news was not known, of course, due to the time differential, so that, for the most part, investors in the most-populous part of the world following the path, cut by Wall Street on Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets recorded useful gains.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index put on about 1.04 percent, rising to 20,422.46 points on a Total Turnover of about \$HK62.43 billion.

The ratio of advancing counters to declining ones was about 2.02:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.03 percent to \$HK76.75 per share
Tencent Holdings Ltd (Code: 700)	Up 5.02 percent to \$HK158.90 per share
China Construction Bank Corporation (Code: 939)	Up 0.79 percent to \$HK6.36 per share
China Life Insurance Company Ltd (Code: 2628)	Up 2.04 percent to \$HK34.95 per share
China Mobile Ltd (Code: 941)	Up 0.13 percent to \$HK75.75 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.60 percent to \$HK5.73 per share
Bank of China Ltd (Code: 3988)	Up 1.52 percent to \$HK4.00 per share
Ping An Insurance (Group) Company of China Ltd (Code: 2318)	Up 3.00 percent to \$HK63.50 per share
CNOOC Ltd (Code: 883)	Up 0.77 percent to \$HK13.16 per share
PetroChina Company Ltd (Code: 857)	Up 1.37 percent to \$HK8.89 per share

There were only 2 counters whose share prices moved by 15 percent or more, last Thursday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bonjour Holdings Ltd	653	27.80		3.25
Daido Group Ltd	544	25.00		0.325

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 2.25 percent, running up to 848.09 points.

The Total Turnover on this market was about \$HK638.43 million, while the ratio of gaining counters to losing ones was about 1.57:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 10.10 percent to \$HK1.09 per share

Neo Telemedia Ltd (Code: 8167)

Up 2.06 percent to \$HK0.198 per share

Coolpoint Energy Ltd (Code: 8032)

Up 3.53 percent to \$HK0.44 per share

Aptus Holdings Ltd (Code: 8212)

Up 7.84 percent to \$HK0.275 per share

Shandong Luoxin Pharmacy Stock Company Ltd
(Code: 8058)

Up 2.38 percent to \$HK11.20 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd	8095	13.50		0.59
Biosino Bio-Technology and Science Incorporation	8247		10.60	3.70
DIGITALHONGKONG.COM	8007		16.70	1.50
G.A. Holdings Ltd	8126		11.80	0.30
Heng Xin China Holdings Ltd	8046	10.10		1.09
Palmpay China (Holdings) Ltd	8047	14.30		0.255

Net On The Tokyo Stock Exchange, its TOPIX Index moved up about 1.62 percent, hitting 947.90 points by the close of the trading day.

Advancing counters outnumbered declining ones by the ratio of about 3.62:One.

The Nikkei-225 Stock Average rose about 2.18 percent to ¥10,620.55.

News Wise

- **Isetan Mitsukoshi Holdings Ltd** announced that it had suffered a Net Loss Attributable to Shareholders in respect of its 2009 Financial Year, ended March 31, 2010, of about ¥63.52 billion;
- **Japan's Current Account Surplus** for March was about ¥2.53 trillion, up about 65.10 percent, Year-On-Year, The Finance Ministry announced; and,
- **Sony Corporation** reported that it had suffered a Net Loss Attributable to Shareholders of about ¥40.80 billion for its 2009 Financial Year, ended March 31, 2010 (2008-Year: Net Loss Attributable to Shareholders – ¥98.90 billion).

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

The HKSAR	Hang Seng Index Plus 1.04 percent to 20,422.46 The Growth Enterprise Index Plus 2.25 percent to 848.09
Indonesia	Closed
Japan	TOPIX Index Plus 1.62 percent to 947.90 Nikkei-225 Stock Average Plus 2.18 percent to 10,620.55
Malaysia	Plus 0.21 percent to 1,346.92
The Philippines	Plus 1.78 percent to 3,327.69
The PRC	Shanghai Composite Index Plus 2.06 percent to 2,710.51 Shenzhen Composite Index Plus 2.57 percent to 1,038.24
Singapore	Minus 0.43 percent to 2,867.92
South Korea	Plus 1.90 percent to 1,694.58
Taiwan	Plus 2.21 percent to 7,770.57
Thailand	Minus 0.93 percent to 766.55

Friday

There was another massive sell-off on European equity markets, last Friday, as investors in this part of the world revisited their fears of a eurozone, unable to claw out of its economic and financial problems.

Wall Street, this time around, followed the lead of European bourses, resulting in material falls in the prices of stocks and shares on the world's largest and most-influential equity markets.

On The New York Stock Exchange, the Dow Industrial Average lost about 1.51 percent, falling back to 10,620.16 points.

The Composite Index of The NASDAQ shed about 1.98 percent, ending the week at 2,346.85 points.

The volume of activity was high.

When this transpires on a falling market, it is usually a telltale indication of more selling pressure, piling up.

The ratio of losing counters to gaining ones was about 5.50:One on both equity markets.

The tally for the week for the largest equity markets in the world was:

The Dow Jones Industrial Average	Plus	2.31 percent
The Composite Index of The NASDAQ	Plus	3.58 percent

On the world's commodity exchanges, the price of crude oil continued to drop.

For delivery in June, the last settlement of a barrel of light sweet crude oil, as quoted on The New York Mercantile Exchange (NYMEX), came in at \$US71.61. That final quote represented a fall of about 3.75 percent on Thursday's last settlement.

For delivery in July, the last settlement of a barrel of light sweet crude oil on The NYMEX was \$US75.43, down about 4.51 percent on the day.

In Europe, investors were shocked to see the key indices of the most-important bourses drop, and drop hard, almost as soon as the markets open.

By the close of the day, losses were widespread.

Investors, who speculated at the beginning of the week that the aid package of the European Union, backed by the International Monetary fund, would be the '*medicine*' for what ails the weaken nations of eurozone, got a rude awakening, last Friday.

Every key index of every major bourse lost almost complete traction.

This was how the situation looked, last Friday night, on the Big 6 equity markets of this region of the world:

Amsterdam's AEX Index	Minus	3.12 percent
France's CAC 40 Index	Minus	4.58 percent
Germany's Frankfurt XETRA DAX Index	Minus	3.12 percent
Great Britain's FTSE 100 Index	Minus	3.14 percent
Italy's MIBTEL Index	Minus	5.05 percent
Switzerland's Swiss Market Index	Minus	2.22 percent

On foreign-exchange markets, the euro took quite a pounding as people switched from the 16-nation, paper currency into gold or the US dollar, looking frantically for a safe haven.

The euro fell to \$US1.2358 in electronic trading, down about 1.30 percent on Thursday's quote.

On Asian equity markets, the trend was generally bearish.

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

territory's 2 equity markets were inundated with investors, looking to get shot of scrip.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 1.36 percent as investors pushed it down to 20,145.43 points.

The Total Turnover was about \$HK67.18 billion, while the ratio of losers to gainers was about 2.11:One.

The Ten Most-Active counters were:

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

Down 1.97 percent to \$HK62.25 per share

HSBC Holdings plc (Code: 5)

Down 2.80 percent to \$HK74.60 per share

China Construction Bank Corporation (Code: 939)

Down 0.63 percent to \$HK6.32 per share

China Life Insurance Company Ltd (Code: 2628)

Down 1.86 percent to \$HK34.30 per share

Tencent Holdings Ltd (Code: 700)

Up 1.57 percent to \$HK161.40 per share

China Mobile Ltd (Code: 941)

Down 1.72 percent to \$HK74.45 per share

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

Down 0.17 percent to \$HK5.72 per share

Bank of China Ltd (Code: 3988)

Unchanged at \$HK4.00 per share

CNOOC Ltd (Code: 883)

Down 2.13 percent to \$HK12.88 per share

Esprit Holdings Ltd (Code: 330)

Down 6.50 percent to \$HK48.90 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Imagi International Holdings Ltd	585		27.50	0.33
Sino Biopharmaceutical Ltd	1177	22.70		3.94

Over on The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.30 percent, falling back to 837.09 points.

The Total Turnover on this market was about \$HK687.83 million, with losing counters, outnumbering gaining ones by the ratio of about 1.55:One.

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

Neo Telemedia Ltd (Code: 8167)

Unchanged at \$HK0.198 per share

Aptus Holdings Ltd (Code: 8212)

Down 9.09 percent to \$HK0.25 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 1.84 percent to \$HK1.07 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Up 4.04 percent to \$HK0.103 per share

Tong Ren Tang Technologies Company
Ltd (Code: 8069)

Down 0.12 percent to \$HK16.06 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 10.10 percent to \$HK1.09 per share

Neo Telemedia Ltd (Code: 8167)

Up 2.06 percent to \$HK0.198 per share

Coolpoint Energy Ltd (Code: 8032)

Up 3.53 percent to \$HK0.44 per share

Aptus Holdings Ltd (Code: 8212)

Up 7.84 percent to \$HK0.275 per share

Shandong Luoxin Pharmacy Stock Company Ltd
(Code: 8058)

Up 2.38 percent to \$HK11.20 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		11.30	0.47
Capinfo Company Ltd	8157	11.40		0.49
DIGITALHONGKONG.COM	8007		10.00	1.35
Essex Bio-Technology Ltd	8151	11.10		0.50
G.A. Holdings Ltd	8126		11.70	0.265
Jian ePayment Systems Ltd	8165		10.20	0.202
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	27.80		0.69

Ningbo Yidong Electronic Company Ltd	8249		14.50	0.165
Shandong Luoxin Pharmacy Stock Company Ltd	8058	15.20		12.90
Yusei Holdings Ltd	8319	10.80		1.74

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

The Hang Seng Index	Plus	1.13 percent
The Growth Enterprise Index	Plus	3.17 percent

On The Tokyo Stock Exchange, its TOPIX Index gave up about 1.21 percent as investors determined to pull it back to 936.45 points.

The ratio of losers to gainers was about 2.57:One.

The Nikkei-225 Stock Average lost ¥158.04, or about 1.49 percent, coming to rest at about ¥10,462.51.

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

The TOPIX Index	Plus	0.51 percent
The Nikkei-225 Stock Average	Plus	0.94 percent

And this was how things looked on other Asian equity markets at the close of the trading week of May 15, 2010:

The HKSAR	Hang Seng Index Minus 1.36 percent to 20,145.43 The Growth Enterprise Index Minus 1.30 percent to 837.09
Indonesia	Plus 0.38 percent to 2,858.38
Japan	TOPIX Index Minus 1.21 percent to 936.45 Nikkei-225 Stock Average Minus 1.49 percent to 10,462.51
Malaysia	Minus 0.57 percent to 1,339.30
The Philippines	Plus 0.08 percent to 3,330.42
The PRC	Shanghai Composite Index Minus 0.51 percent to 2,696.63 Shenzhen Composite Index Plus 0.14 percent to 1,039.65
Singapore	Minus 0.44 percent to 2,855.21

South Korea	Plus 0.06 percent to 1,695.63
Taiwan	Plus 0.02 percent to 7,772.13
Thailand	Plus 0.29 percent to 768.79

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