

**THE U.S. LABOUR DEPARTMENT ANNOUNCES MORE BAD NEWS –
THE U.S. DOLLAR COMES UNDER PRESSURE, INTERNATIONALLY –
IT AIN'T GOOD NEWS, FOLKS !**

The key indices of most of the major equity markets of the world rose materially, last Monday, on confirmation that pressure was mounting, internationally, on the translation value of the US dollar vis-à-vis other 'hard' currencies.

Against the Canadian dollar, the once-mighty greenback shed about 0.57 percent to \$C1.0233, against the euro, it fell about 0.95 percent to €0.7588, against the Australian dollar, it fell about 1.05 percent to \$A1.0942, against the Japanese yen, it dropped about 0.03 percent to ¥86.4350, against sterling, it fell about 1.29 percent to £0.6293 ... and so and so on it went.

Concern about the strength of the US economy (or lack of it) was the root cause of the sell-off of the currency of the largest, single economy of the world.

Many investors, internationally, forsook the US dollar, searching for a safe haven for their cash.

On international commodity exchanges, the price of strategic materials, especially crude oil, rode the tide of the falling US dollar as traders and speculators quickly rushed into oil futures because the price of crude oil is denominated in US dollar terms, for the most part.

On The New York Mercantile Exchange (NYMEX), which is the largest commodity exchange in the world, the last settlement of a barrel of light sweet crude oil for delivery in September came in at \$US81.34, an increase of about 3.03 percent, compared with the final quote of Friday, July 30, 2010.

For delivery in October, the last settlement of a barrel of light sweet crude oil was \$US81.76, representing an increase of 2.99 percent on the previous Friday's closing level.

On Wall Street, the gurus went to work on investors and speculators:

'I told you, last week, to buy, buy, buy! ... Now you're too late! ... The worst is over for this economy ...'

And so Wall Street gurus had graduated to the rank of soothsayers.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 208.44 points, or about 1.99 percent, rising to 10,674.38 points.

On The NASDAQ, its Composite Index put on 40.66 points, equivalent to about 1.80 percent, rising to 2,295.36 points.

Trading was extremely light, however, which is not, exactly, that which one would expect from a bullish equity market.

The ratio of gainers to losers on the world's largest and most-influential equity markets was 5.50:One on The New York Stock Exchange and about 2.50:One on The NASDAQ.

The key indices of these 2 equity markets stood at their respective highest levels since the end of May.

News Wise

- The Chairman of the US Federal Reserve, Dr Ben S. Bernanke, said in Charleston, South Carolina, last Monday, that the **US economy** is improving, but it has yet to recover, fully. He cited high unemployment levels and the weak housing market as being among the many challenges, facing the economy, leaving consumers, pondering what to do about the situation. Dr Ben S. Bernanke said that the country's monetary policy must continue to support the economy in order to make certain that it is on the path to a full recovery.

In Europe, the key indices of the most-important bourses, all rose, smartly, as investors climbed aboard the fast-moving, international '*bus*', driving away from the US dollar and looking, desperately, for safe havens, during the present chaotic times.

When a couple of major European banks came out with what was considered impressive, second-quarter results, investors quickly snapped up the scrip of those banks.

For many banks, having shaved their balance sheets, aggressively, during the past few years, biting their proverbial bullets, so to speak, they were set to report that things looked better, their toxic assets, having been written down, considerably, or written off, completely.

This was how the key indices of the largest equity markets of Europe fared, last Monday:

| | | |
|-------------------------------------|------|--------------|
| Amsterdam's AEX Index | Plus | 2.72 percent |
| France's CAC 40 Index | Plus | 2.98 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 2.34 percent |
| Great Britain's FTSE 100 Index | Plus | 2.64 percent |
| Italy's MIBTEL Index | Plus | 2.39 percent |
| Switzerland's Swiss Market Index | Plus | 1.94 percent |

In Asia, investors climbed back into stocks and shares on the back of the ever-eroding, translation value of the US dollar to most of the world's major currencies.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index, which is the benchmark index of this, the premier equity market of the territory, rose about 1.82 percent to close the day at 21,412.79 points.

The Total Turnover was about \$HK62.94 billion.

The ratio of gaining counters to losing ones was about 3.03:One.

The Ten Most Active counters were:

| | |
|---|---|
| HSBC Holdings plc (Code: 5) | Up 1.63 percent to \$HK81.05 per share |
| China Construction Bank Corporation (Code: 939) | Up 2.12 percent to \$HK6.73 per share |
| Industrial and Commercial Bank of China Ltd (Code: 1398) | Up 1.69 percent to \$HK6.03 per share |
| China Life Insurance Company Ltd (Code: 2628) | Up 2.03 percent to \$HK35.20 per share |
| Bank of China Ltd (Code: 3988) | Up 2.44 percent to \$HK4.20 per share |
| China Mobile Ltd (Code: 941) | Up 1.15 percent to \$HK79.45 per share |
| Hongkong Exchanges and Clearing Ltd (Code: 388) | Up 2.82 percent to \$HK131.30 per share |
| Agricultural Bank of China Ltd (Code: 1288) | Up 0.29 percent to \$HK3.51 per share |
| PetroChina Company Ltd (Code: 857) | Up 2.61 percent to \$HK9.04 per share |
| CNOOC Ltd (Code: 883) | Up 2.29 percent to \$HK13.38 per share |

The biggest movers of the Main Board were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|-------------------------------------|------|--------------|--------------|----------------------|
| China Fortune Group Ltd | 290 | 24.20 | | 0.41 |
| China Gogreen Assets Investment Ltd | 397 | 17.00 | | 0.275 |
| China HealthCare Holdings Ltd | 673 | 17.40 | | 0.54 |
| Ngai Lik Industrial Holdings Ltd | 332 | 51.10 | | 0.133 |

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 1.92 percent, ending the trading day at 800.29 points.

The Total Turnover on this market was about \$HK403.80 million.

Advancing counters outran declining ones by the ratio of about 1.75:One.

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

Yantai North Andre Juice Company Ltd (Code: 8259)

Up 13.92 percent to \$HK0.45 per share

Wumart Stores Incorporated (Code: 8277)

Up 3.30 percent to \$HK17.54 per share

Kaisun Energy Group Ltd (Code: 8203)

Down 8.57 percent to \$HK0.64 per share

Info Communication Holdings Ltd (Code: 8082)

Up 19.31 percent to \$HK0.173 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 1.32 percent to \$HK 0.77 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| Creative Energy Solutions Holdings Ltd | 8109 | | 25.00 | 1.80 |
| Global Link Communications Holdings Ltd | 8060 | 10.00 | | 0.33 |
| Info Communication Holdings Ltd | 8082 | 19.30 | | 0.173 |
| National Arts Holdings Ltd | 8228 | 13.60 | | 0.05 |
| SYSCAN Technology Holdings Ltd | 8083 | 10.90 | | 0.275 |
| Xi'an Haitian Antenna Technologies Company Ltd | 8227 | | 10.30 | 0.26 |
| Yantai North Andre Juice Company Ltd | 8259 | 13.90 | | 0.45 |

On The Tokyo Stock Exchange, which is the largest equity market of Asia, its TOPIX Index gained about 0.14 percent, rising to 850.69 points.

Declining counters outnumbered advancing ones by the ratio of 1.33:One, exactly.

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, gained ¥33.01, or about 0.35 percent, ending the trading day at ¥9,570.31.

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

| | |
|-----------|---|
| The HKSAR | Hang Seng Index Plus 1.82 percent to 21,412.79 |
|-----------|---|

| | |
|-----------------|--|
| | The Growth Enterprise Index Plus 1.93 percent to 800.29 |
| Indonesia | Minus 0.34 percent to 3,058.98 |
| Japan | TOPIX Index Plus 0.14 percent to 850.69 Nikkei-225 Stock Average Plus 0.35 percent to 9,570.31 |
| Malaysia | Plus 0.20 percent to 1,363.60 |
| The Philippines | Plus 0.83 percent to 3,455.24 |
| The PRC | Shanghai Composite Index Plus 1.33 percent to 2,672.52 Shenzhen Composite Index Plus 2.01 percent to 1,097.03 |
| Singapore | Plus 1.25 percent to 3,025.04 |
| South Korea | Plus 1.30 percent to 1,782.27 |
| Taiwan | Plus 1.95 percent to 7,911.68 |
| Thailand | Plus 0.86 percent to 863.18 |

Tuesday

The translation value of the US dollar vis-à-vis other *'hard'* currencies continued to be under pressure, last Tuesday, while the price of crude oil, internationally, rose on the back of the falling US dollar translation rates, and the key indices of many of the largest equity markets of the world buckled under the pressure, being exerted by the *'run'* on the greenback.

On foreign-exchange markets, the US dollar was quoted against the Canadian dollar at about \$C1.02, against the euro, it was quoted at about €0.7588, against the Australian dollar, it was about \$A1.10, against the Japanese yen, it was about ¥85.44, and, against sterling, it was quoted at about £0.6268.

Down and down she goes and where she stops, nobody knows.

The reason for the run on the US dollar was due, almost entirely, to uncertainty as to the correct direction of the economy of the US.

On international commodity exchanges, for the fourth, consecutive trading day, the price of crude oil rose.

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

for delivery in September came in at \$US82.55, up about 1.49 percent on Monday's closing level.

As for delivery in October, the last settlement of a barrel of light sweet crude oil was \$US82.99, representing a one-day gain of about 1.51 percent.

The rise in the price of crude oil on international commodity exchanges was due, for the most part, to the deteriorating translation value of the US dollar against other *'hard'* currencies.

On Wall Street, there was little joy, also.

The gurus of Monday were caused to squirm, more than just a little on Tuesday, considering what they had pontificated to their loyal followers and clients on the previous day.

On The New York Stock Exchange, the Dow Jones Industrial Average gave up about 0.36 percent, dropping back to 10,636.38 points.

On The NASDAQ, its Composite Index shed about 0.52 percent, falling to 2,283.52 points.

Trading remained very light, a worrying factor for professionals, to be sure.

The ratio of declining counters to advancing ones was about 1.50:One on The New York Stock Exchange and about 2.00:One on The NASDAQ.

On European bourses, it was something of a mixed bag, but, even so, the key indices only moved either up or down by small fractions, as the following **TARGET** () list illustrates:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.19 percent |
| France's CAC 40 Index | Minus 0.12 percent |
| Germany's Frankfurt XETRA DAX Index | Plus 0.25 percent |
| Great Britain's FTSE 100 Index | Minus 0.01 percent |
| Italy's MIBTEL Index | Minus 0.21 percent |
| Switzerland's Swiss Market Index | Plus 0.25 percent |

The share prices of energy counters were relatively strong, with, of course, the exception of BP plc due to its problems in The Gulf of Mexico and an expected bill from the US Government of more than \$US20 billion for the clean up of an estimated 5 millions of barrels of crude oil that have gushed up from the company's well for a period of some 16 weeks.

Banking counters, also, came under pressure as investors, having made profits on Monday, determined to take those profits to the bank for safekeeping.

In Asia, a material fall in the key indices of both The Shenzhen Stock Exchange and The Shanghai Stock Exchange set the tone for the rest of the most-populous part of the world.

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

key indices of the 2 equity markets went in opposite directions, but only by small fractions.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gained exactly 0.21 percent, nudged up by investors to 21,457.66 points.

The Total Turnover was about \$HK68.32 billion, while declining counters outpaced advancing ones by the ratio of about 1.19:One.

The Ten Most Active counters were:

| | |
|--|---|
| HSBC Holdings plc (Code: 5) | Up 1.79 percent to \$HK82.50 per share |
| China Construction Bank Corporation (Code: 939) | Up 0.15 percent to \$HK6.74 per share |
| Hongkong Exchanges and Clearing Ltd (Code: 388) | Up 1.68 percent to \$HK133.50 per share |
| China Life Insurance Company Ltd (Code: 2628) | Down 1.42 percent to \$HK34.70 per share |
| China Mobile Ltd (Code: 941) | Down 0.44 percent to \$HK79.10 per share |
| Industrial and Commercial Bank of China Ltd (Code: 1398) | Down 0.50 percent to \$HK6.00 per share |
| CNOOC Ltd (Code: 883) | Up 0.75 percent to \$HK13.48 per share |
| Sun Hung Kai Properties Ltd (Code: 16) | Up 1.37 percent to \$HK118.00 per share |
| Bank of China Ltd (Code: 3988) | Down 0.24 percent to \$HK4.19 per share |
| Tencent Holdings Ltd (Code: 700) | Down 0.20 percent to \$HK151.00 per share |

The biggest movers of the Main Board included:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| Bio-Dynamic Group Ltd | 39 | 17.90 | | 0.66 |
| Celestial Asia Securities Holdings Ltd | 1049 | 15.50 | | 3.28 |
| Ching Hing (Holdings) Ltd | 692 | | 15.40 | 0.011 |

| | | | | |
|------------------------|-----|-------|--|------|
| CITIC 21CN Company Ltd | 241 | 22.90 | | 1.29 |
|------------------------|-----|-------|--|------|

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.25 percent, dropping back to 798.33 points.

The Total Turnover on this (speculative) market was about \$HK325.54 million, while the ratio of losing counters to gaining ones was about 1.21:One.

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

Kaisun Energy Group Ltd (Code: 8203)

Up 14.06 percent to \$HK0.73 per share

Heng Xin China Holdings Ltd (Code: 8046)

Unchanged at \$HK0.77 per share

Tai Shing International (Holdings) Ltd (Code:
8103)

Down 1.75 percent to \$HK0.28 per share

Shandong Luoxin Pharmacy Stock Company Ltd
(Code: 8058)

Up 1.77 percent to \$HK11.52 per share

Honbridge Holdings Ltd (Code: 8137)

Up 3.49 percent to \$HK2.37 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|--|------|--------------|--------------|----------------------|
| China Trends Holdings Ltd | 8171 | | 10.60 | 0.042 |
| Combest Holdings Ltd | 8190 | 11.10 | | 0.30 |
| Creative Energy Solutions Holdings Ltd | 8109 | | 14.40 | 1.54 |
| Kaisun Energy Group Ltd | 8203 | 14.10 | | 0.73 |
| Prosten Technology Holdings Ltd | 8026 | | 11.10 | 0.32 |
| ZMAY Holdings Ltd | 8085 | 11.20 | | 0.178 |

On Asia's largest and most-important equity market, The Tokyo Stock Exchange, its TOPIX Index put on exactly one percent, rising to 859.18 points.

The ratio of gainers to losers was about 2.98:One.

The Nikkei-225 Stock Average rose about 1.29 percent to close the day at ¥9,694.01.

News Wise

- **Suzuki Motor Corporation** announced that its Net Profit Attributable to Shareholders in respect of the quarter, ended June 30, 2010, came in at ¥15.16 billion. That result compared with a Net Profit Attributable to Shareholders in respect of the like quarter of 2009 of ¥2.14 billion; and,
- **Mitsui and Company** announced that its Net Profit Attributable to Shareholders with regard to the 3 months, ended June 30, 2010, was ¥102.50 billion, up about 78.88 percent, Year-On-Year.

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

| | |
|-----------------|--|
| The HKSAR | Hang Seng Index Plus 0.21 percent to 21,457.66 The Growth Enterprise Index Minus 0.25 percent to 798.33 |
| Indonesia | Minus 2.79 percent to 2,973.66 |
| Japan | TOPIX Index Plus 1.00 percent to 859.18 Nikkei-225 Stock Average Plus 1.29 percent to 9,694.01 |
| Malaysia | Plus 0.02 percent to 1,363.83 |
| The Philippines | Plus 0.83 percent to 3,484.08 |
| The PRC | Shanghai Composite Index Minus 1.70 percent to 2,627.00 Shenzhen Composite Index Minus 1.65 percent to 1,078.98 |
| Singapore | Minus 0.34 percent to 3,014.77 |
| South Korea | Plus 0.47 percent to 1,790.60 |
| Taiwan | Plus 0.58 percent to 7,957.53 |
| Thailand | Plus 0.15 percent to 864.48 |

Wednesday

Quiet trading conditions marked the world's largest equity markets, last Wednesday.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.41 percent to 10,680.43

points while, over on The NASDAQ, its Composite Index gained about 0.88 percent, ending the trading session at 2,303.57 points.

The volume of activity on the world's 2 largest equity markets was off about 24 percent, last Wednesday, compared with the daily average of 2009.

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.

Even on the world's largest commodity exchange, the situation was unexpectedly quiet.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in September was \$US82.47, off about one tenth of a percentage point, compared with Tuesday's closing quote.

As for delivery in October, the last settlement of a barrel of light sweet crude oil came in at \$US82.91, representing a fall of about one tenth of a percentage point, also, compared with final quote of the previous day.

It was a similar story in Europe where, for the most part, investors sat on their hands rather than make any fresh commitments, awaiting news that could be seen to push the major equity markets in some discernable direction.

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

| | | |
|-------------------------------------|-------|--------------|
| Amsterdam's AEX Index | Plus | 0.05 percent |
| France's CAC 40 Index | Plus | 0.35 percent |
| Germany's Frankfurt XETRA DAX Index | Plus | 0.37 percent |
| Great Britain's FTSE 100 Index | Minus | 0.19 percent |
| Italy's MIBTEL Index | Minus | 0.07 percent |
| Switzerland's Swiss Market Index | Plus | 0.67 percent |

With the exception of the premier equity market of Japan, the key indices of the other markets all moved sideways.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of the territory's 2 stock markets rose, fractionally.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose 0.43 percent, exactly, ending the trading day at 21,549.88 points.

The Total Turnover was about \$HK62.48 billion, while the ratio of declining counters to advancing ones was about 1.14:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 2.65 percent to \$HK81.20 per share

HSBC Holdings plc (Code: 5)

Down 0.24 percent to \$HK82.30 per share

China Construction Bank Corporation (Code:
939)

Up 0.45 percent to \$HK6.77 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 1.27 percent to \$HK119.50 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.14 percent to \$HK34.75 per share

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

Unchanged at \$HK6.00 per share

Bank of China Ltd (Code: 3988)

Up 0.24 percent to \$HK4.20 per share

China Overseas Land and Investment Ltd (Code:
688)

Down 2.74 percent to \$HK17.04 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Down 0.97 percent to \$HK132.20 per share

Agricultural Bank of China Ltd (Code: 1288)

Down 1.14 percent to \$HK3.47 per share

The biggest movers of the Main Board were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|-----------------------|------|--------------|--------------|----------------------|
| Bio-Dynamic Group Ltd | 39 | 16.70 | | 0.77 |
| KTP Holdings Ltd | 645 | 21.40 | | 1.02 |
| Mascotte Holdings Ltd | 136 | | 36.20 | 0.415 |
| Midland IC and I Ltd | 459 | 16.70 | | 0.056 |

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 0.73 percent, ending the trading day at 804.15 points.

The Total Turnover was about \$HK358.54 million with declining counters, outpacing advancing ones by the ratio of about 1.12:One.

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

Coolpoint Energy Ltd (Code: 8032)

Up 4.35 percent to \$HK0.72 per share

Kaisun Energy Group Ltd (Code: 8203)

Unchanged at \$HK0.73 per share

Info Communication Holdings Ltd (Code: 8082)

Up 15.66 percent to \$HK0.192 per share

Wumart Stores Incorporated (Code: 8277)

Up 2.72 percent to \$HK17.40 per share

Honbridge Holdings Ltd (Code: 8137)

Up 6.75 percent to \$HK2.53 per share

As for the double-digit movers of The GEM, they were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| abc Multiactive Ltd | 8131 | 48.30 | | 0.43 |
| Computech Holdings Ltd | 8081 | 10.10 | | 0.25 |
| Creative Energy Solutions Holdings Ltd | 8109 | | 13.00 | 1.34 |
| Info Communication Holdings Ltd | 8082 | 15.70 | | 0.192 |
| Jian ePayment Systems Ltd | 8165 | 32.30 | | 0.172 |
| Oriental City Group Holdings Ltd | 8325 | | 11.10 | 0.40 |
| Shaanxi Northwest New Technology Industry Company Ltd | 8258 | 13.20 | | 0.172 |
| Zhejiang Prospect Company Ltd | 8273 | 19.20 | | 1.24 |

On The Tokyo Stock Exchange, its TOPIX Index lost 1.54 percent, dropping back to 845.93 points.

The ratio of losing counters to gaining ones was about 10.22:One.

The Nikkei-225 Stock Average shed about 2.11 percent as investors pulled it back to ¥9,489.34.

News Wise

- **Toyota Motor Corporation** announced that its Net Profit Attributable to Shareholders with regard to quarter, ended June 30, 2010, came in at ¥190.47 billion. In the like quarter of 2009, the motor-vehicle producer reported a Net Loss Attributable to Shareholders of about ¥77.82 billion; and,
- **McDonald's Holdings Company (Japan) Ltd** announced that its Net Profit Attributable to Shareholders for the first half of the Current Financial Year, ended June 30, 2010, was ¥2.07 billion, down 58.70 percent, compared with the first half of the 2009-Year.

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

| | |
|-----------------|--|
| The HKSAR | Hang Seng Index Plus 0.43 percent to 21,549.88 The Growth Enterprise Index Plus 0.73 percent to 804.15 |
| Indonesia | Plus 0.32 percent to 2,983.25 |
| Japan | TOPIX Index Minus 1.54 percent to 845.93 Nikkei-225 Stock Average Minus 2.11 percent to 9,489.34 |
| Malaysia | Minus 0.08 percent to 1,362.74 |
| The Philippines | Plus 0.56 percent to 3,503.49 |
| The PRC | Shanghai Composite Index Plus 0.44 percent to 2,638.52 Shenzhen Composite Index Plus 0.74 percent to 1,086.99 |
| Singapore | Minus 0.43 percent to 3,001.87 |
| South Korea | Minus 0.07 percent to 1,789.26 |
| Taiwan | Plus 0.19 percent to 7,972.66 |
| Thailand | Plus 0.33 percent to 867.34 |

Thursday

Stock and share prices went into retreat on the world's largest equity markets, last Thursday, as the Initial Claims for Unemployment Insurance rose, materially, and consumer spending in the US was seen to be continuing to wane.

On The New York Stock Exchange, the Dow Jones Industrial Average eased back to 10,674.98 points, down about 0.05 percent, compared with Wednesday's closing level.

On The NASDAQ, its Composite Index gave up about 0.46 percent, falling back to 2,293.06 points.

The volume of activity of the day was off by about 33 percent, compared with daily average for 2009.

The trading volume was the third lowest of 2010, according to the statistics of **TOLFIN** () (The

Computerised, Online Financial Intelligence Report and Credit-Checking Provider).

The ratio of losing counters to rising ones was about 1.31:One on The New York Stock Exchange and about 2.00:One on The NASDAQ.

News Wise

- The US Government's Department of Labour announced that **Initial Claims for Unemployment Insurance** stood at 479,000 Claims, seasonally adjusted, in respect of the week, ended July 30, 2010. That was an increase, Week-On-Week, of about 19,000 Claims. For the week, ended July 30, 2010, the Initial Claims for Unemployment Insurance was at the highest level since April, this year.

On international foreign exchange markets, the translation value of the US dollar vis-à-vis other 'hard' currencies came under pressure, once again.

Against the Japanese yen, it slipped back to ¥85.75, down about 0.60 percent on the day.

Against sterling, it was, at one time, during the trading day, down to \$US1.5881, after hitting a high of \$US1.59.

Against the euro, the US dollar was traded at \$US1.3174.

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

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in September came in at \$US82.01, representing a one-day fall of about 0.56 percent.

As for delivery in October, the last settlement of a barrel of light sweet crude oil was \$US82.45, off about 0.55 percent, compared with Wednesday's final quote.

On European bourses, the key indices of the major ones lost traction.

During the trading day, both the European Central Bank (ECB) and The Bank of England announced that interest rates would remain unchanged.

The following was the announcement from the ECB:

'At today's meeting the Governing Council of the ECB decided that the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 1.00%, 1.75% and 0.25% respectively.'

From The Bank of England, which is the Central Bank of The United Kingdom, it announced:

'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.'

This was how things looked on **TARGET**'s list of the most-important equity market of this part of Europe:

| | |
|-----------------------|--------------------|
| Amsterdam's AEX Index | Minus 0.77 percent |
| France's CAC 40 Index | Plus 0.09 percent |

Germany's Frankfurt XETRA DAX Index Plus 0.03 percent

Great Britain's FTSE 100 Index Minus 0.37 percent

Italy's MIBTEL Index Minus 0.69 percent

Switzerland's Swiss Market Index Minus 0.08 percent

In Asia, with the exception of the key indices of the equity markets of Japan, trading was rather dull, with key indices of most of the other equity markets, moving sideways.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices recorded only fractional gains.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose just 0.009 percent, limping up to 21,551.72 points.

The Total Turnover was about \$HK60.90 billion, while the ratio of declining counters to advancing ones was about 1.44:One.

The Ten Most Active counters were:

Poly (Hongkong) Investments Ltd (Code: 119) Down 6.15 percent to \$HK8.85 per share

China Mobile Ltd (Code: 941) Up 0.99 percent to \$HK82.00 per share

HSBC Holdings plc (Code: 5) Up 0.43 percent to \$HK82.65 per share

China Construction Bank Corporation (Code: 939) Up 0.30 percent to \$HK6.79 per share

China Overseas Land and Investment Ltd (Code: 688) Down 3.40 percent to \$HK16.46 per share

Industrial and Commercial Bank of China Ltd (Code: 1398) Down 0.33 percent to \$HK5.98 per share

China Life Insurance Company Ltd (Code: 2628) Up 0.43 percent to \$HK34.90 per share

Bank of China Ltd (Code: 3988) Up 0.24 percent to \$HK4.21 per share

Hongkong Exchanges and Clearing Ltd (Code: 388) Down 0.15 percent to \$HK132.00 per share

BYD Company Ltd (Code: 1211)

Down 5.02 percent to \$HK53.00 per share

There were only 3, larger movers on the Main Board, last Thursday:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|-----------------------------|------|--------------|--------------|----------------------|
| Dragonite International Ltd | 329 | 30.20 | | 0.082 |
| Kong Sun Holdings Ltd | 295 | 16.70 | | 0.56 |
| Vongroup Ltd | 318 | 26.90 | | 0.118 |

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index moved up to 807.83 points, representing a one-day gain of about 0.46 percent.

The Total Turnover on this market was about \$HK363.99 million.

The ratio of advancing counters to declining ones was about 1.24:One.

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

Coolpoint Energy Ltd (Code: 8032)

Up 1.39 percent to \$HK0.73 per share

Honbridge Holdings Ltd (Code: 8137)

Up 7.91 percent to \$HK2.73 per share

SYSCAN Technology Holdings Ltd (Code: 8083)

Up 18.97 percent to \$HK0.345 per share

Info Communication Holdings Ltd (Code: 8082)

Up 3.65 percent to \$HK0.199 per share

First China Financial Network Holdings Ltd (Code:
8123)

Up 1.16 percent to \$HK0.435 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| SYSCAN Technology Holdings Ltd | 8083 | 19.00 | | 0.345 |
| WLS Holdings Ltd | 8021 | 13.30 | | 0.119 |
| Xing Lin Medical Information Technology Company Ltd | 8130 | | 11.40 | 0.031 |

On the equity markets of Japan, the translation strength of the yen vis-à-vis the US dollar was creating havoc with exporters, many losing part or all of their profit margins while some were benefitting from the situation.

On The Tokyo Stock Exchange, its TOPIX Index rose about 1.32 percent, ending the trading session at 857.09 points.

The ratio of gainers to losers was about 4.48:One.

The Nikkei-225 Stock Average gained about 1.73 percent, rising to ¥9,653.92.

News Wise

- **Rakuten Incorporated**, an Internet shopping mall and travel agent, reported that its Consolidated Net Profit Attributable to Shareholders dropped by about 55 percent, Year-On-Year, to ¥17.15 billion in respect of the first 6 months of its Financial Year, ended June 30, 2010.

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

| | |
|-----------------|--|
| The HKSAR | Hang Seng Index Plus 0.009 percent to 21,551.72 The Growth Enterprise Index Plus 0.46 percent to 807.83 |
| Indonesia | Plus 2.07 percent to 3,044.94 |
| Japan | TOPIX Index Plus 1.32 percent to 857.09 Nikkei-225 Stock Average Plus 1.73 percent to 9,653.92 |
| Malaysia | Minus 0.05 percent to 1,362.08 |
| The Philippines | Plus 0.50 percent to 3,521.10 |
| The PRC | Shanghai Composite Index Minus 0.67 percent to 2,620.76 Shenzhen Composite Index Minus 0.06 percent to 1,086.33 |
| Singapore | Plus 0.16 percent to 3,006.76 |
| South Korea | Minus 0.30 percent to 1,783.86 |
| Taiwan | Minus 0.45 percent to 7,936.85 |

| | |
|----------|-----------------------------|
| Thailand | Plus 0.87 percent to 874.92 |
|----------|-----------------------------|

Friday

At the start of trading on Wall Street, last Friday, Mr Keith Hall, Commissioner, The Bureau of Labour Statistics, delivered yet another bombshell to members of The Joint Economic Committee of The Congress of The United States of America.

Giving testimony to The Congress, Commissioner Keith Hall said:

'Thank you for the opportunity to discuss the employment and unemployment data we released this morning.

'Nonfarm payroll employment declined by 131,000 in July, and the unemployment rate remained at 9.5 percent. The decrease in employment largely reflects continued cuts in the number of temporary workers previously hired for Census 2010. Private sector employment edged up (+71,000) over the month. Thus far in 2010, private sector employment has risen by 630,000, although nearly two-thirds of that gain occurred in March and April.

'In July, employment in the Federal government fell for the second month in a row. The number of temporary Census 2010 workers decreased by 143,000, following a decline of 225,000 in June. This leaves 196,000 temporary decennial census workers on the payroll.

'Within the private sector, employment gains continued in manufacturing, health care, and mining. Manufacturing employment rose by 36,000. Most of the gain occurred in motor vehicles and parts manufacturing (+21,000), as some plants deviated from their normal practice of shutting down in July for retooling. Motor vehicles had added 32,000 jobs during the first half of the year. Employment in fabricated metals increased by 9,000 over the month. The manufacturing workweek rose by one-tenth of an hour in July, after falling by half an hour in June.

'Health care employment grew by 27,000 over the month. Since the recession began in December 2007, health care has added 665,000 jobs. Employment in mining rose by 7,000 in July, largely in support activities.

'Employment in temporary help services was nearly unchanged for the second month in a row. Job gains had averaged 45,000 per month from October 2009 through May.

'Construction employment was little changed in July (-11,000). A strike in the industry reduced payrolls by 10,000. Financial sector employment continued to trend down over the month (-17,000), though the pace of job loss has been slower this year. Thus far in 2010, monthly job declines have averaged 12,000, compared with 29,000 in 2009. Employment in most other private sector industries was little changed in July.

'Average hourly earnings of all employees on private nonfarm payrolls rose by 4 cents in July to \$22.59. Over the past 12 months, average hourly earnings have risen by 1.8 percent. From June 2009 to June 2010, the Consumer Price Index for All Urban Consumers (CPI-U) rose by 1.1 percent.

'Turning now to data from our survey of households, most key labor force measures were essentially unchanged in July. The jobless rate remained at 9.5 percent, and the number of unemployed held at 14.6 million. The rate has declined from 9.9 percent in April, reflecting decreasing labor force participation. The participation rate had risen during the first 4

months of this year, to 65.2 percent in April, but has now returned to 64.6 percent, its December 2009 level.

'Among the employed, the number of individuals working part time who preferred full-time work was nearly unchanged over the month at 8.5 million. Since April, the number of such workers has declined by 623,000. However, the level remains 3.9 million above that of December 2007 when the recession began.

'In summary, payroll employment declined by 131,000 in July, largely reflecting a decrease in the number of temporary census workers (-143,000). Small job gains continued in the private sector. The unemployment rate held at 9.5 percent ... '.

In a nutshell, high unemployment in the US is bound to undermine a determined recovery in the economy.

Simply put, if people have no money to spend, they cannot spend it.

On international foreign exchange markets, the US dollar came under even further pressure.

The translation value of the euro vis-a-vis the US dollar rose, as did sterling, the Australian dollar, etc, etc, etc.

In respect of the Japanese yen, the US dollar hit a near, 15-year low.

Japanese manufacturers, no doubt, were squirming.

On Wall Street, the key indices fell.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.20 percent, ending the trading session at 10,653.56 points.

The Composite Index of The NASDAQ shed, also, about 0.20 percent, skidding back to 2,288.47 points.

The volume of activity continued to contract, equivalent to about 26 percent of the daily average of 2009.

Declining counters outstripped advancing ones by the ratio of about 1.14:One on The New York Stock Exchange and by about 1.50:One on The NASDAQ.

The tally for the week for the world's largest and most-influential equity markets was:

| | | |
|-----------------------------------|------|--------------|
| The Dow Jones Industrial Average | Plus | 1.79 percent |
| The Composite Index of The NASDAQ | Plus | 1.50 percent |

On The **New York Mercantile Exchange (NYMEX)**, the last settlement of a barrel of light sweet crude oil for delivery in September was \$US80.70, down about 1.60 percent, compared with Thursday's final quote.

As for delivery in October, the last settlement of a barrel of light sweet crude oil came in at \$US81.18, representing a one-day drop of about 1.50 percent.

On European equity markets, all of the key indices of the major ones were written in red ink.

The US labour statistics was having a frightening effect on investors in this part of the world – and rightly so, too.

Some of the scrip losses on bourses were extraordinarily high by any standards as investors determined to take defensive action.

This was how the key indices of **TARGET's** 6 tracked bourses and their respective indices fared, last

Friday:

| | |
|-------------------------------------|--------------------|
| Amsterdam's AEX Index | Minus 1.59 percent |
| France's CAC 40 Index | Minus 1.27 percent |
| Germany's Frankfurt XETRA DAX Index | Minus 1.16 percent |
| Great Britain's FTSE 100 Index | Minus 0.62 percent |
| Italy's MIBTEL Index | Minus 0.90 percent |
| Switzerland's Swiss Market Index | Minus 0.83 percent |

In Asia, it was a completely different story to that, being told in North America and Europe, because investors, in the most-populous part of the world, were awaiting the Friday statistics from the US Labour Department, statistics that were released after Asia had gone to bed, literally.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key index of the premier equity market rose a fraction while, over on the speculative equity market, its lone index shed a tiny fraction.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose, exactly, 0.59 percent, finishing off the week at 21,678.80 points.

The Total Turnover was about \$HK62.90 billion.

The ratio of advancing counters to declining ones was about 1.14:One.

The Ten Most Active counters were:

| | |
|--|--|
| Hutchison Whampoa Ltd (Code: 13) | Up 9.71 percent to \$HK58.20 per share |
| China Construction Bank Corporation (Code: 939) | Up 1.03 percent to \$HK6.86 per share |
| China Mobile Ltd (Code: 941) | Up 0.30 percent to \$HK82.25 per share |
| HSBC Holdings plc (Code: 5) | Up 0.06 percent to \$HK82.70 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Up 3.93 percent to \$HK100.40 per share |
| GOME Electrical Appliances Holding Ltd (Code: 493) | Down 12.09 percent to \$HK2.40 per share |

China Life Insurance Company Ltd (Code: 2628)

Down 0.57 percent to \$HK34.70 per share

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

Unchanged at \$HK5.98 per share

Bank of China Ltd (Code: 3988)

Up 0.48 percent to \$HK4.23 per share

Agricultural Bank of China Ltd (Code: 1288)

Down 0.58 percent to \$HK3.43 per share

The biggest movers of the Main Board were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|---|------|--------------|--------------|----------------------|
| China Yunnan Tin Minerals Group Company Ltd | 263 | 18.00 | | 0.118 |
| Culturecom Holdings Ltd | 343 | 18.20 | | 0.65 |
| Ko Yo Ecological Agrotech (Group) Ltd | 827 | 20.40 | | 0.165 |

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 0.02 percent, slipping to 807.69 points.

The Total Turnover on this market was about \$HK348.76 million, while losers and gainers were equal, at One:One.

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

Coolpoint Energy Ltd (Code: 8032)

Down 5.48 percent to \$HK0.69 per share

Honbridge Holdings Ltd (Code: 8137)

Up 2.56 percent to \$HK2.80 per share

Wumart Stores Incorporated (Code: 8277)

Down 0.47 percent to \$HK17.02 per share

SYSCAN Technology Holdings Ltd (Code: 8083)

Up 2.90 percent to \$HK0.355 per share

Grand T G Gold Holdings Ltd (Code: 8299)

Up 7.32 percent to \$HK0.088 per share

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

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|----------------------|------|--------------|--------------|----------------------|
| Combest Holdings Ltd | 8190 | 12.90 | | 0.35 |

| | | | | |
|----------------------------------|------|-------|--|-------|
| iMerchants Ltd | 8009 | 23.80 | | 0.255 |
| Oriental City Group Holdings Ltd | 8325 | 12.50 | | 0.45 |
| Sing Lee Software (Group) Ltd | 8076 | 13.40 | | 0.76 |
| Yuxing InfoTech Holdings Ltd | 8005 | 10.30 | | 0.375 |

For the week, the tally in respect of Asia's second-largest equity market was:

| | | |
|-----------------------------|------|--------------|
| The Hang Seng Index | Plus | 3.09 percent |
| The Growth Enterprise Index | Plus | 2.87 percent |

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.48 percent to 861.17 points.

Gaining counters outnumbered losing ones by the ratio of about 1.68:One.

The Nikkei-225 Stock Average lost about 0.12 percent, ending the week at ¥9,642.12.

For the week, ended August 6, 2010, the tally for Asia's largest equity market was:

| | | |
|------------------------------|------|--------------|
| The TOPIX Index | Plus | 1.37 percent |
| The Nikkei-225 Stock Average | Plus | 1.10 percent |

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

| | |
|-----------------|--|
| The HKSAR | Hang Seng Index Plus 0.59 percent to 21,678.80 The Growth Enterprise Index Minus 0.02 percent to 807.69 |
| Indonesia | Plus 0.51 percent to 3,060.59 |
| Japan | TOPIX Index Plus 0.48 percent to 861.17 Nikkei-225 Stock Average Minus 0.12 percent to 9,642.12 |
| Malaysia | Minus 0.12 percent to 1,360.45 |
| The Philippines | Minus 0.14 percent to 3,516.28 |
| The PRC | Shanghai Composite Index Plus 1.44 percent to 2,658.39 Shenzhen Composite Index Plus 1.94 percent to 1,107.44 |
| Singapore | Minus 0.39 percent to 2,995.06 |

| | |
|-------------|---------------------------------|
| South Korea | Minus 0.002 percent to 1,783.83 |
| Taiwan | Minus 0.33 percent to 7,963.30 |
| Thailand | Plus 0.02 percent to 875.07 |

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While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

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