

**THE CENTRAL BANK OF CHINA
IMPOSES MEASURES TO COOL CHINA'S ECONOMY;
INFLATION IN EUROPE ROSE 2.20 PERCENT IN DECEMBER;
BUT WALL STREET MARCHES ON !**

Stock and share prices fell on the world's equity markets, last Monday, with the euro, touching a 4-month low, and with strong suggestions that Portugal would be the next nation to ask for a handout from the International Monetary Fund (IMF) and the European Union (EU).

On The New York Stock Exchange, which is the largest equity market in the world, the Dow Jones Industrial Average gave up 37.31 points, equivalent to about 0.33 percent, dropping back to 11,637.45 points.

The Composite Index of The NASDAQ rose 4.63 points, or about 0.17 percent, ending the light trading day at 2,707.80 points.

Compared with the daily average volume of share trades, last year, last Monday's volume of shares traded was off by about 9 percent, at 7.40 billion shares, having changed hands.

The ratio of gaining counters to losing ones was about 1.06:One on The New York Stock Exchange and about 1.25:One on The NASDAQ.

On international, foreign-exchange markets, there was widespread uncertainty as strong suggestions abounded that Portugal would be knocking at the doors of the EU and the IMF, looking in desperation for emergency funding.

At one point, during last Monday's trading day in New York, the euro fell to \$US1.2860 and, then, recovered to \$US1.2949. Nevertheless, regardless of the gyrations of the euro, it had had to give up about 0.26 percent of its translation value against the US dollar.

As expected, on major European equity markets, selling pressure built up, during the day, resulting in only red ink, being used to fill in the final figures with regard to key stock-market indices:

Amsterdam's AEX Index	Minus 0.62 percent
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France's CAC 40 Index	Minus 1.64 percent
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Germany's Frankfurt XETRA DAX Index	Minus 1.30 percent
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Great Britain's FTSE 100 Index	Minus 0.46 percent
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Italy's MIBTEL Index	Minus 2.21 percent
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Switzerland's Swiss Market Index Minus 0.80 percent

On commodity exchanges, investors ran to oil futures for succour.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in February came in at \$US89.35, up about 0.34 percent on the previous close of Friday, January 7, 2011.

As for delivery in March, the last settlement of a barrel of light sweet crude oil was \$US90.70, up about 1.37 percent on the final quote of the previous Friday.

On Asian equity markets, it was very much a bloodbath for all but Taiwan's premier stock market.

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

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index, which is the benchmark index of this market, gave up about 0.67 percent, dropping to 23,527.26 points.

The Total Turnover rose to \$HK81.27 billion, while the ratio of declining counters to advancing ones was about 2.53:One.

It is rarely a positive element when, on an equity market, the key index of which is in decline, the turnover rises, materially; if anything, it is a sign of more losses to follow.

The Ten Most Active counters of last Monday were:

China Pacific Insurance (Group) Company Ltd
(Code: 2601)

Down 2.39 percent to \$HK32.65 per share

HSBC Holdings plc (Code: 5)

Down 1.27 percent to \$HK81.70 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.19 percent to \$HK89.00 per share

China Life Insurance Company Ltd (Code: 2628)

Down 1.69 percent to \$HK32.00 per share

China Mobile Ltd (Code: 941)

Down 0.71 percent to \$HK76.45 per share

China Construction Bank Corporation (Code: 939)

Down 0.28 percent to \$HK7.04 per share

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

Down 1.02 percent to \$HK5.81 per share

AIA Group Ltd (Code: 1299)

Down 2.24 percent to \$HK21.80 per share

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

Down 0.72 percent to \$HK83.30 per share

CNOOC Ltd (Code: 883)

Up 1.31 percent to \$HK18.62 per share

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 Holdings Ltd	1003		24.70	0.32
China Glass Holdings Ltd	3300	23.00		7.75
China-Hongkong Photo Products Holdings Ltd	1123	16.70		1.05
Datronix Holdings Ltd	889		15.40	2.19
eSun Holdings Ltd	571	45.70		1.85
iOne Holdings Ltd	982	15.30		0.241
Sino Dragon New Energy Holdings Ltd	395	20.40		1.18
Tiande Chemical Holdings Ltd	609	20.80		3.95

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 0.99 percent as investors marked it down to 809.41 points.

The Total Turnover on this market was about \$HK323.90 million, with losing counters, outnumbering gaining ones by the ratio of about 1.50:One.

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

Credit China Holdings Ltd (Code: 8207)

Down 4.61 percent to \$HK1.45 per share

Viva China Holdings Ltd (Code: 8032)

Down 1.43 percent to \$HK0.345 per share

Sun International Group Ltd (Code: 8029)

Unchanged at \$HK1.95 per share

China AU Group Holdings Ltd (Code: 8176)

Down 2.60 percent to \$HK0.375 per share

Phoenitron Holdings Ltd (Code: 8066)

Up 4.66 percent to \$HK3.37 per share

There were only 2, double-digit movers on The GEM, last Monday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)

China Leason Investment Group Company Ltd	8270	21.10		0.23
Netel Technology (Holdings) Ltd	8256	12.00		0.196

The equity markets of Japan were closed for a national holiday, last Monday.

This was how things looked on other Asian equity markets:

The HKSAR	Hang Seng Index Minus 0.67 percent to 23,527.26 The Growth Enterprise Index Minus 0.99 percent to 809.41
Indonesia	Minus 4.21 percent to 3,478.55
Japan	TOPIX Index Closed Nikkei-225 Stock Average Closed
Malaysia	Minus 0.55 percent to 1,563.52
The Philippines	Minus 2.14 percent to 4,112.58
The PRC	Shanghai Composite Index Minus 1.66 percent to 2,791.81 Shenzhen Composite Index Minus 2.57 percent to 1,258.86
Singapore	Minus 0.98 percent to 3,229.27
South Korea	Minus 0.26 percent to 2,080.81
Taiwan	Plus 0.40 percent to 8,817.88
Thailand	Minus 1.78 percent to 1,018.03

Tuesday

Portugal's Prime Minister Jose Socrates has gone on record to state that his country had no plans to seek a bailout from anybody or any entity.

The statement of Mr Jose Socrates helped stabilise, at least to some extent, investors' fears, around the world.

Then, Japan went on record to state that it would consider buying more than 20 percent of the amount of **EFSF** (**E**uropean **F**inancial **S**tability **F**acility) bonds.

That statement came from Japan's Finance Minister Yoshihiko Noda who, also, said that Japan had a duty to help boost confidence in the bonds to be issued by the EFSF.

The placating statements by the high-powered ministers of both Japan and Portugal did wonders for the key indices of many global equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average gained about 0.30 percent, rising to 11,671.88 points.

The Composite Index of The NASDAQ put on about one third of a percentage point as investors pushed it up to 2,716.83 points.

Trading continued on the light side, however, far below last year's average daily volume of activity.

Advancing counters outnumbered declining ones by the ratio of about 1.45:One on The New York Stock Exchange and by about 1.67:One on The NASDAQ.

Major European equity markets went along with the flow, so to speak, with the key indices of the major markets, making material gains as the following **TARGET** () list illustrates:

Amsterdam's AEX Index	Plus	1.15 percent
France's CAC 40 Index	Plus	1.57 percent
Germany's Frankfurt XETRA DAX Index	Plus	1.23 percent
Great Britain's FTSE 100 Index	Plus	0.96 percent
Italy's MIBTEL Index	Plus	1.35 percent
Switzerland's Swiss Market Index	Plus	1.39 percent

On commodity exchanges, the price of crude oil rose.

On The **New York Mercantile Exchange (NYMEX)**, which is the biggest commodity exchange in the world, the last settlement of a barrel of light sweet crude oil for delivery in February was \$US91.23, up about 2.10 percent on Monday's close.

As for delivery in February, the last settlement of a barrel of light sweet crude oil came in at \$US91.20, representing a one-day, price improvement of about 0.55 percent.

In Asia, it was something of a mixed bag on the 10 major equity markets of this region of the world, with equity trading, being somewhat listless and with no discernable direction indicated.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the benchmark index of the premier equity market rose by nearly one percent while, on the secondary speculative equity market, its lone index lost about 0.45 percent.

The Hang Seng Index, which is the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.99 percent to 23,760.34 points on a Total Turnover of about \$HK71.71 billion.

The ratio of advancing counters to declining ones was about 1.63:One.

The Ten Most Active counters were:

Hutchison Whampoa Ltd (Code: 13)	Up 4.49 percent to \$HK93.00 per share
HSBC Holdings plc (Code: 5)	Up 0.86 percent to \$HK82.40 per share
China Mobile Ltd (Code: 941)	Up 0.59 percent to \$HK76.90 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.38 percent to \$HK5.89 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.16 percent to \$HK32.05 per share
China Construction Bank Corporation (Code: 939)	Up 0.85 percent to \$HK7.10 per share
Trinity Ltd (Code: 891)	Down 5.03 percent to \$HK7.55 per share
CNOOC Ltd (Code: 883)	Up 2.26 percent to \$HK19.04 per share
AIA Group Ltd (Code: 1299)	Down 0.46 percent to \$HK21.70 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 0.33 percent to \$HK182.80 per share

As for the biggest movers on this market, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 Holdings Ltd	1003		24.10	0.243
ABC Communications (Holdings) Ltd	30		15.50	0.82
eSun Holdings Ltd	571		15.10	1.57
Success Universe Group Ltd	487	30.80		0.425

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth

Enterprise Index lost about 0.45 percent, dropping back to 805.80 points.

The Total Turnover on this market fell to about \$HK316.47 million, while the ratio of losing counters to gaining ones was about 1.43:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Down 1.33 percent to \$HK1.48 per share

Sun International Group Ltd (Code: 8029)

Down 4.10 percent to \$HK1.87 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Down 2.90 percent to \$HK0.335 per share

Credit China Holdings Ltd (Code: 8207)

Unchanged at \$HK1.45 per share

iMerchants Ltd (Code: 8009)

Down 1.92 percent to \$HK0.051 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
DIGITALHONGKONG.COM	8007	22.60		1.30
Inno-Tech Holdings Ltd	8202		20.30	0.137
Qianlong Technology International Holdings Ltd	8015	15.70		1.33
Tianjin TEDA Biomedical Engineering Company Ltd	8189	28.10		0.41

Japan's 3 stock markets opened their doors for the first time, last Tuesday, after the Monday, one-day holiday in The Land of the Rising Sun.

On The Tokyo Stock Exchange, which is the premier equity market of the country, its TOPIX Index rose 0.52 points, equivalent to about 0.06 percent, limping up to 926.94 points.

The Nikkei-225 Stock Average, which is a much-narrower gauge of trading on select blue chips, listed on The First Section of The Tokyo Stock Exchange, than the TOPIX Index, shed ¥30.36, or about 0.29 percent, ending the trading day at ¥10,510.68, compared with the closing level of Friday, January 7, 2011.

The ratio of gaining counters to losing ones was about 2.31:One.

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

The HKSAR	Hang Seng Index Plus 0.99 percent to 23,760.34 The Growth Enterprise Index Minus 0.45 percent to 805.80
Indonesia	Minus 0.67 percent to 3,455.13
Japan	TOPIX Index Plus 0.06 percent to 926.94 Nikkei-225 Stock Average Minus 0.29 percent to 10,510.68
Malaysia	Minus 0.04 percent to 1,562.94
The Philippines	Minus 1.95 percent to 4,032.37
The PRC	Shanghai Composite Index Plus 0.44 percent to 2,804.05 Shenzhen Composite Index Minus 0.57 percent to 1,251.68
Singapore	Plus 0.38 percent to 3,241.49
South Korea	Plus 0.36 percent to 2,088.32
Taiwan	Plus 1.29 percent to 8,931.36
Thailand	Minus 0.46 percent to 1,013.39

Wednesday

There was some very good news, last Wednesday, and there was, potentially, some very bad news, last Wednesday.

The very good news was that the Government of Portugal had raised €1,249,000,000 in a bond auction, thus placating the fears of many investors that this eurozone country would be forced to go, cap in hand, to the European Union and the International Monetary Fund for a handout.

The potentially, very bad news was that price of crude oil on international commodity exchanges was edging closer to the \$US100 per-barrel mark, following a series of unrelated events.

If the price of crude oil continues to gallop up, it could well cause disruptions to many of the economies of the world; inflation could well become a major problem in due course.

Wall Street, however, seemed completely oblivious of the potentially bad news, with investors, charging in, buying up their '*darlings*'.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 83.48 points, or about 0.72 percent, hitting 11,755.36 points by the close of the trading day.

Over on The NASDAQ, its Composite Index put on 20.50 points, equivalent to about 0.75 percent, jumping to 2,737.33 points.

Banking counters appeared very much the day's most-favoured stocks and shares, rightly or wrongly.

News Wise

- **The US Federal Reserve**, on the release of its latest Beige Book, had recorded that the weak housing market of the US continues to inhibit the largest, single economy of the world. The latest economic data, released last Wednesday, showed that the economy had grown by about 2.60 percent between July and September 2010. Such gains, The Fed remarked, was far too little, considering the high unemployment rate in the country.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in February was \$US92.10, up about 0.95 percent on Tuesday's last settlement.

As for delivery in March, the last settlement of a barrel of light sweet crude oil came in at \$US92.93, representing a one-day gain of about 1.90 percent.

The reason for the gains in the price of this strategic commodity was due to fears, in the main.

The US Government's Energy Information Administration released its findings on oil inventories for the previous week, ended January 7, 2011, showing that, for the sixth consecutive week, oil inventories had fallen back to about 27 million barrels.

There have been disruptions from Alaska and Norway in respect of crude-oil supplies and this is rattling many speculators and end users of crude oil.

On European equity markets, the key indices of the 5, most-important bourses rose, very materially:

Amsterdam's AEX Index	Plus	1.14 percent
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France's CAC 40 Index	Plus	2.15 percent
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Germany's Frankfurt XETRA DAX Index	Plus	1.83 percent
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Great Britain's FTSE 100 Index	Plus	0.61 percent
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Italy's MIBTEL Index	Plus	3.38 percent
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Switzerland's Swiss Market Index	Plus	1.20 percent
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The chief reason for the gains in the price of equities in this part of the world was due to the successful auction of 4, 10-year bonds, issued by the Government of Portugal. The interest rate on these bonds is an average of about 6.719 percent per annum.

These bond issues raised about €1.25 billion, thus allaying the fears that the struggling economy of Portugal

would have to seek emergency funding from the European Union and/or the International Monetary Fund.

But this amount of money is hardly sufficient for Portugal to bolster its economy and more cash-raising exercises must be coming, it seems to **TARGET** ().

Next in line to raise some much-needed money is Spain, one of the largest economies of the European Union.

As the colloquialism goes: *'It ain't over 'til the fat lady sings.'*

New Wise

- The **German economy** grew by about 3.60 percent in 2010, The Federal Bureau of Statistics announced. In the previous year, the German economy contracted by about 4.70 percent.

In Asia, the key indices of every equity market rose, last Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors charged in, buying up stocks and shares on the premier equity market, forsaking, very materially, the counters of the (speculative) secondary market.

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.54 percent, hitting 24,125.61 points by the close of the trading session.

The Total Turnover rose to about \$HK90.26 billion, while the ratio of advancing counters to declining ones was about 2.18:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 3.70 percent to \$HK85.45 per share
China Mobile Ltd (Code: 941)	Up 1.82 percent to \$HK78.30 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.43 percent to \$HK92.60 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.68 percent to \$HK5.93 per share
China Construction Bank Corporation (Code: 939)	Up 1.41 percent to \$HK7.20 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Up 3.28 percent to \$HK188.80 per share
China Life Insurance Company Ltd (Code: 2628)	Up 1.87 percent to \$HK32.65 per share
Tencent Holdings Ltd (Code: 700)	Up 3.78 percent to \$HK186.50 per share
China COSCO Holdings Company Ltd (Code:	Up 7.59 percent to \$HK9.36 per share

1919)

PetroChina Company Ltd (Code: 857)

Up 1.94 percent to \$HK10.52 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 Holdings Ltd	1003		24.70	0.183
Jiahua Stores Holdings Ltd	602	18.30		0.71
One Media Group Ltd	426	19.00		0.47

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.90 percent, dropping back to 798.52 points.

The Total Turnover on this market was about \$HK358.76 million.

The ratio of declining counters to advancing ones was about 1.02:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Down 3.38 percent to \$HK1.43 per share

China Netcom Technology Holdings Ltd (Code: 8071)

Down 5.97 percent to \$HK0.315 per share

Credit China Holdings Ltd (Code: 8207)

Up 3.45 percent to \$HK1.50 per share

Netel Technology (Holdings) Ltd (Code: 8256)

Down 3.33 percent to \$HK0.203 per share

Inno-Tech Holdings Ltd (Code: 8202)

Down 18.25 percent to \$HK0.112 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Electric Power Technology Holdings Ltd	8053	18.10		0.215
DIGITALHONGKONG.COM	8007	27.70		1.66
Inno-Tech Holdings Ltd	8202		18.20	0.112

On The Tokyo Stock Exchange, its TOPIX Index gained about 0.29 percent, rising to 929.64 points.

The Nikkei-225 Stock Average rose only 0.02 percent, exactly, to ¥10,512.80.

Losing counters outnumbered gaining ones by the ratio of about 1.53:One.

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

The HKSAR	Hang Seng Index Plus 1.54 percent to 24,125.61 The Growth Enterprise Index Minus 0.90 percent to 798.52
Indonesia	Plus 2.88 percent to 3,554.77
Japan	TOPIX Index Plus 0.29 percent to 929.64 Nikkei-225 Stock Average Plus 0.02 percent to 10,512.80
Malaysia	Plus 0.23 percent to 1,566.49
The Philippines	Plus 0.12 percent to 4,037.23
The PRC	Shanghai Composite Index Plus 0.62 percent to 2,821.31 Shenzhen Composite Index Plus 0.44 percent to 1,257.17
Singapore	Plus 0.11 percent to 3,244.94
South Korea	Plus 0.32 percent to 2,094.95
Taiwan	Plus 0.38 percent to 8,965.00
Thailand	Plus 0.60 percent to 1,019.51

Thursday

The World Bank has forecast that economic growth, worldwide, would contract this year.

Gross Domestic Product (GDP), the World Bank prognosticated, would be about 3.30 percent, down about 15.38 percentile points, Year-On-Year.

The GDP of emerging markets would be about 6 percent, it suggested.

On Wall Street, there was a bit of a correction as the key indices of the 2, major equity markets fell back from Wednesday's closes.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 0.20 percent to 11,731.90 points while, over on The NASDAQ, its Composite Index shed about 0.07 percent to 2,735.29 points.

Trading continued to be very much on the light side.

Declining counters outnumbered advancing ones by about 1.19:One on The New York Stock Exchange and by about 1.25:One on The NASDAQ.

News Wise

- The US Government announced that **wholesale prices** in the country in respect of the month of December 2010 saw their biggest increase in the previous 11 months, going back to January 2010. The Producer Price Index rose about 1.10 percent in December, compared with an increase of about 0.80 percent in November.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in February was \$US91.57, representing a fall of about 0.58 percent on Wednesday's final quote.

As for delivery in March, the last settlement of a barrel of light sweet crude oil came in at \$US93.05, up about 0.13 percent on the last settlement of Wednesday.

In Europe, the European Central Bank (ECB) announced that it would leave interest rates unchanged for the time being.

The ECB put out the following Press Release:

'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.'

The Bank of England, which is the Central Bank of the United Kingdom, left interest rates, unchanged, also. Its Press Release stated, only:

'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 major European equity markets, there appeared to be no definitive direction for the key indices, with about half of them, falling fractionally, while the other half managed fractional gains:

Amsterdam's AEX Index Minus 0.44 percent

France's CAC 40 Index Plus 0.75 percent

Germany's Frankfurt XETRA DAX Index Plus 0.08 percent

Great Britain's FTSE 100 Index Minus 0.44 percent

Italy's MIBTEL Index Plus 0.87 percent

Switzerland's Swiss Market Index Minus 0.77 percent

On Asian equity markets, there was a slew of fractional gains in the key indices, with the lone exception, being the fractional fall in the key index on the South Korean equity market.

On the 2 equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), their respective key indices both made gains, albeit fractional ones.

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, rose exactly 0.47 percent to 24,238.98 points.

The Total Turnover rose to about \$HK94.71 billion, while the ratio of advancing counters to declining ones was about 1.12:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5) Up 1.35 percent to \$HK86.60 per share

Industrial and Commercial Bank of China Ltd
(Code: 1398) Up 1.52 percent to \$HK6.02 per share

China Construction Bank Corporation (Code: 939) Up 1.39 percent to \$HK7.30 per share

China Mobile Ltd (Code: 941) Down 0.26 percent to \$HK78.10 per share

Bank of China Ltd (Code: 3988) Up 1.18 percent to \$HK4.28 per share

PetroChina Company Ltd (Code: 857) Up 2.09 percent to \$HK10.74 per share

Tencent Holdings Ltd (Code: 700) Up 4.08 percent to \$HK194.10 per share

China Life Insurance Company Ltd (Code: 2628) Down 0.61 percent to \$HK32.45 per share

Hongkong Exchanges and Clearing Ltd (Code:
388) Up 0.16 percent to \$HK189.10 per share

Hutchison Whampoa Ltd (Code: 13) Down 0.70 percent to \$HK91.95 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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A8 Digital Music Holdings Ltd	800	17.40		2.97
China Zenith Chemical Group Ltd	362		15.80	0.223
The Hongkong Parkview Group Ltd	207	16.40		1.63
Ngai Lik Industrial Holdings Ltd	332	18.30		0.129

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.53 percent, rising to 802.77 points.

The Total Turnover on this market was about \$HK436.74 million.

The ratio of losing counters to gaining ones was about 1.39:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 5.59 percent to \$HK1.51 per share

Era Holdings Global Ltd (Code: 8043)

Up 8.14 percent to \$HK0.93 per share

Credit China Holdings Ltd (Code: 8207)

Up 1.33 percent to \$HK1.52 per share

Inno-Tech Holdings Ltd (Code: 8202)

Down 29.46 percent to \$HK0.079 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Down 1.59 percent to \$HK0.31 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Digital Licensing (Group) Ltd	8175	13.10		0.56
China Electric Power Technology Holdings Ltd	8053		10.70	0.192
DIGITALHONGKONG.COM	8007	74.10		2.89
Inno-Tech Holdings Ltd	8202		29.50	0.079
Kaisun Energy Group Ltd	8203		11.60	0.38
Venturepharm Laboratories Ltd	8225	11.10		0.80

News Wise

- The Central Bank of South Korea raised interest rates, last Thursday, from 2.50 percent to 2.75 percent. It was the second time in the past 3 months that interest rates had been raised in South Korea.

On The Tokyo Stock Exchange, its TOPIX Index gained about 0.87 percent to 937.74 points.

The Nikkei-225 Stock Average rose about 0.73 percent to ¥10,589.76.

The ratio of gainers to losers was about 2.58:One.

On other Asian equity markets, this was how they fared, last Thursday:

The HKSAR	Hang Seng Index Plus 0.47 percent to 24,238.98 The Growth Enterprise Index Plus 0.53 percent to 802.77
Indonesia	Plus 0.29 percent to 3,564.94
Japan	TOPIX Index Plus 0.87 percent to 937.74 Nikkei-225 Stock Average Plus 0.73 percent to 10,589.76
Malaysia	Plus 0.32 percent to 1,571.56
The Philippines	Plus 0.81 percent to 4,070.11
The PRC	Shanghai Composite Index Plus 0.23 percent to 2,827.71 Shenzhen Composite Index Plus 0.01 percent to 1,257.32
Singapore	Plus 0.34 percent to 3,255.87
South Korea	Minus 0.26 percent to 2,089.48
Taiwan	Plus 0.12 percent to 8,975.58
Thailand	Plus 1.53 percent to 1,035.08

Friday

Statistically, for the seventh consecutive week, the key indices of the world's largest and most-influential equity markets rose, fractionally perhaps, but, nevertheless, they rose.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 0.47 percent to 11,787.38 points while, over on The NASDAQ, its Composite Index managed an increase of about 0.73 percent, ending the trading week at 2,755.30 points.

Trading continued, very much, on the light side, however.

The ratio of gaining counters to losing ones was about 1.33:One on The New York Stock Exchange and about 1.75:One on The NASDAQ.

Good news from the largest economy of the world, there was little; bad news from the largest economy of the world was plentiful.

All kinds of theories about the reasons for the gains on these 2 equity markets were making the rounds, last Friday, but, with the total debts of the US, being in excess of 85 percent of the Gross Domestic Product, these theories paled to insignificance.

The tally for the week in respect of the world's largest equity markets was:

The Dow Jones Industrial Average	Plus	0.96 percent
Composite Index of The NASDAQ	Plus	1.93 percent

On The New York Mercantile Exchange (**NYMEX**), the last settlement of a barrel of light sweet crude oil for delivery in February came in at \$US91.60, an increase of about 0.03 percent on Thursday's final quote.

As for delivery in March, the last settlement of a barrel of light sweet crude oil was \$US92.65, representing a one-day drop of about 0.43 percent.

On European equity markets, some of the key indices of a handful of stock markets managed to record gains, last Friday, but the gains were, for the most part, tiny.

The following are how the key indices of **TARGET**'s list of the most-important stock markets ended the week of January 14, 2011:

Amsterdam's AEX Index	Plus	0.14 percent
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France's CAC 40 Index	Plus	0.21 percent
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Germany's Frankfurt XETRA DAX Index	Unchanged
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Great Britain's FTSE 100 Index	Minus	0.59 percent
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Italy's MIBTEL Index	Plus	0.61 percent
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Switzerland's Swiss Market Index	Minus	0.09 percent
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News Wise

- **Inflation** in eurozone for the month of December 2010 was about 2.20 percent, according to the statistics, compiled by Eurostat. The December figure compared with an inflation rate of about 1.90 percent for the month of November 2010. Reasons for the increase in the inflation rate included the

higher cost of fuel prices in this region of the world.

In Asia, confirmation that the Government of the People's Republic of China (PRC) had imposed more measures to try to cool the economy frightened many investors.

The big question: Will more draconian measures come later?

The latest move is that the People's Bank of China, which is the Central Bank of the country, had raised the reserve requirement ratio of major lenders in the country by 50 basis points to 19 percent.

The new policy will come into effect from Thursday, January 20, 2011.

This is the seventh such increase since 2009.

On The Stock Exchange of Hongkong Ltd, trading turn lethargic, last Friday, as investors started to ponder as to the likely after-effects of the actions by the Government of the PRC in raising the reserve requirement ratio of banks in the country.

On the Main Board, The Hang Seng Index rose about 0.18 percent to 24,283.23 points on a Total Turnover of about \$HK77.24 billion.

The ratio of declining counters to advancing ones was about 1.45:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.17 percent to \$HK86.75 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.00 percent to \$HK6.08 per share
Tencent Holdings Ltd (Code: 700)	Up 3.55 percent to \$HK201.00 per share
China Construction Bank Corporation (Code: 939)	Up 0.27 percent to \$HK7.32 per share
China Mobile Ltd (Code: 941)	Down 0.32 percent to \$HK77.85 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.74 percent to \$HK93.55 per share
Bank of China Ltd (Code: 3988)	Up 0.47 percent to \$HK4.30 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 2.94 percent to \$HK28.05 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 0.95 percent to \$HK187.30 per share
PetroChina Company Ltd (Code: 857)	Down 0.37 percent to \$HK10.70 per share

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
IRC Ltd	1029	17.10		1.85
Jiahua Stores Holdings Ltd	602	15.40		0.90
Temujin International Investments Ltd	204	19.10		1.87

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.06 percent, limping up to 803.28 points.

The Total Turnover on this market was about \$HK361.52 million, while the ratio of declining counters to advancing ones was about 1.42:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 3.31 percent to \$HK1.56 per share

Inno-Tech Holdings Ltd (Code: 8202)

Up 21.52 percent to \$HK0.096 per share

China Netcom Technology Holdings Ltd (Code: 8071)

Up 6.45 percent to \$HK0.33 per share

Era Holdings Global Ltd (Code: 8043)

Down 2.15 percent to \$HK0.91 per share

China LotSynergy Holdings Ltd (Code: 8161)

Down 1.41 percent to \$HK0.35 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
DIGITALHONGKONG.COM	8007		24.90	2.17
Inno-Tech Holdings Ltd	8202	21.50		0.096
Jiangsu Nandasoft Technology Company Ltd	8045	22.40		0.60
Oriental City Group Holdings Ltd	8325	90.20		0.97
Palmpay China (Holdings) Ltd	8047	21.30		0.091

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

The Hang Seng Index	Plus	2.52 percent
The Growth Enterprise Index	Minus	1.74 percent

On The Tokyo Stock Exchange, the final figures for the 4-day working week were written in red ink.

The TOPIX Index recorded a fall of about 0.79 percent, dropping back to 930.31 points.

The Nikkei-225 Stock Average lost about 0.86 percent of its former value, ending the week at ¥10,499.04.

Losing counters outnumbered gaining ones by the ratio of about 1.61:One.

For the shortened working week, the tally for the largest and most-important equity market of Asia was:

The TOPIX Index	Plus	0.42 percent
The Nikkei-225 Stock Average	Plus	0.40 percent

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

The HKSAR	Hang Seng Index Plus 0.18 percent to 24,283.23 The Growth Enterprise Index Plus 0.06 percent to 803.28
Indonesia	Plus 0.12 percent to 3,569.14
Japan	TOPIX Index Minus 0.79 percent to 930.31 Nikkei-225 Stock Average Minus 0.86 percent to 10,499.04
Malaysia	Minus 0.11 percent to 1,569.89
The Philippines	Plus 1.52 percent to 4,132.04
The PRC	Shanghai Composite Index Minus 1.29 percent to 2,791.34 Shenzhen Composite Index Minus 1.96 percent to 1,232.73
Singapore	Minus 0.30 percent to 3,245.96
South Korea	Plus 0.89 percent to 2,108.17
Taiwan	Minus 0.03 percent to 8,972.51

Thailand	Minus 0.27 percent to 1,032.26
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