

**FIGHTING ESCALATES IN LIBYA !
COLONEL GADDAFI'S FORCES GO ON THE OFFENSIVE:
INTERNATIONAL INVESTORS STRUGGLE TO KNOW WHAT TO DO**

It was very obvious, last Monday, that Colonel Muammar Gaddafi of Libya had fallen, completely, off his trolley.

'All my people love me,' he is said to have told a reporter of the **British Broadcasting Corporation (BBC)**.

Meanwhile, air force fighter planes, piloted by Libyan officers, said to be loyal to Colonel Muammar Gaddafi, were attacking protestors in the eastern towns of Ajdabiya and Rajima.

Helicopter gunships were said to have attacked Misrata, but were beaten back by the city's defences, according to some sources.

What is happening in Libya was, still, not exactly clear, last Monday, but it was bad enough as tens of thousands of people were struggling at border crossing with Libya and neighbouring countries in order to escape what had been described in some circles as pure carnage.

The US Government has gone on record as saying that it is repositioning its forces in the Libyan region, an almost certain indication that the West, or the US Government, unilaterally, is ready to intervene in Libya, militarily.

Over the weekend of February 26-27, the United Nations had imposed sanctions on Libya and Colonel Muammar Gaddafi and his family members, but it was having little effect as the fighting continued and appeared to be escalating – as did the killing of innocents.

On Wall Street, US investors seemed unperturbed by the problems in Libya and a large part of the Middle East where the natives of a number of Arab countries were demanding this and that.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 95.89 points, equivalent to about 0.79 percent, rising to 12,226.34 points.

Over on The NASDAQ, however, its Composite Index rose just 1.22 points, or about 0.04 percent, to 2,782.27 points, suggesting that the gains were far from being widespread.

News Wise

- **General Motors Company** announced that it is recalling 232,931 motor cars in the People's Republic of China (PRC) over faulty fuel lines that could cause the vehicles to catch fire. The motor cars were built by the company's joint-venture in Shanghai with The Shanghai Automotive Industry Corporation; and,
- **Consumer spending** in January was flat, the US Government's Commerce Department announced. It rose about 0.20 percent over December's figure, the smallest increase in 7 consecutive months.

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

for delivery in April fell about 0.93 percent, compared with the closing level of Friday, February 25, 2011, to \$US96.97.

As for delivery in May, the last settlement of a barrel of light sweet crude oil came in at \$US98.64, down about 0.72 percent on the final quote of the previous Friday.

On European bourses, the key indices of the largest and most-important ones made useful gains, following on from Wall Street's price improvements of the previous Friday.

Reports that Saudi Arabia would come to the party, so to speak, if Libya turned off its oil tap, helped boost the prices of stocks and shares on major equity markets of this region of the world.

Other nebulous reasons were given for European investors to pick up the '*darlings*' of the day, but nothing that was, really, concrete, especially against the backdrop of potentially frightening situations, throughout much of the Middle East.

Please refer to **TARGET** Intelligence Report, Volume XIII, Number 41,
published on March 2, 2011, headlined:
'AS TEMPTING AS IT MIGHT SEEM: DON'T DO IT !'

This was how the key indices of **TARGET**'s list of the major bourses fared, last Monday night:

Amsterdam's AEX Index Plus 0.64 percent

France's CAC 40 Index Plus 0.98 percent

Germany's Frankfurt XETRA DAX Index Plus 1.21 percent

Great Britain's FTSE 100 Index Minus 0.11 percent

Italy's MIBTEL Index Plus 0.62 percent

Switzerland's Swiss Market Index Plus 1.25 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3814	1.3825	1.3805	+0.07%	1.3814	1.3819
GBP/USD	1.6265	1.6279	1.6260	+0.07%	1.6265	1.6269
USD/JPY	81.880	81.910	81.760	+0.15%	81.880	81.940
USD/CHF	0.92900	0.92940	0.92860	+0.05%	0.92900	0.92950

USD/CAD	0.97130	0.97220	0.97100	-0.01%	0.97130	0.97180
AUD/USD	1.0181	1.0190	1.0179	-0.01%	1.0181	1.0187

In Asia, the general feeling of investors was mildly bullish, but with reservations.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, both equity markets made gains of more than one percent, each.

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 1.42 percent to 23,338.02 points.

The Total Turnover of this market was about \$HK81.72 billion.

The ratio of gaining counters to losing ones was about 2.39:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Up 1.52 percent to \$HK90.40 per share

China Construction Bank Corporation (Code: 939)

Up 1.64 percent to \$HK6.81 per share

China Mobile Ltd (Code: 941)

Up 0.21 percent to \$HK73.05 per share

Li and Fung Ltd (Code: 494)

Unchanged at \$HK47.40 per share

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

Up 1.87 percent to \$HK5.98 per share

AIA Group Ltd (Code: 1299)

Up 1.79 percent to \$HK22.70 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.89 percent to \$HK91.70 per share

Changsha Zoomlion Heavy Industry Science and
Technology Development Company Ltd (Code:
1157)

Down 0.33 percent to \$HK17.88 per share

China Life Insurance Company Ltd (Code: 2628)

Up 2.42 percent to \$HK29.65 per share

Bank of China Ltd (Code: 3988)

Up 2.24 percent to \$HK4.11 per share

There was only one counter of the Main Board, whose share price moved 15 percent or more, last Monday:

Name of Company	Code	Increase	Decrease	Closing Price
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		(%)	(%)	(\$HK)
Neo-Neon Holdings Ltd	1868		17.20	3.18

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 1.48 percent to 738.23 points on a Total Turnover of about \$HK404.16 million.

The ratio of advancing counters to declining ones was about 1.13:One.

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

China 33 Media Group Ltd (Code: 8087)

\$HK1.80 per share*

China Nonferrous Metals Company Ltd (Code:
8306)

Down 1.83 percent to \$HK0.215 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 3.32 percent to \$HK1.87 per share

iMerchants Ltd (Code: 8009)

Down 14.29 percent to \$HK0.03 per share

Honbridge Holdings Ltd (Code: 8137)

Up 0.70 percent to \$HK2.86 per share

* First Day of Trading

As for The GEM's double-digit movers of the day, they numbered just 2 counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Global Link Communications Holdings Ltd	8060	15.40		0.45
iMerchants Ltd	8009		14.30	0.03

On The Tokyo Stock Exchange, which is the premier equity market of Japan, its TOPIX Index gained about 0.99 percent, rising to 951.27 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, rose ¥97.33, or about 0.92 percent, ending the trading day at ¥10,624.09, compared with the closing level of Friday, February 25, 2011.

The ratio of gainers to losers on this market was about 6.20:One.

News Wise

- **Industrial production** in Japan rose for the third consecutive month in January, The Ministry of Economy, Trade and Industry announced, officially, last Monday. Factory output rose about 2.40

percent in January 2011, compared with December 2010.

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

The HKSAR	Hang Seng Index Plus 1.42 percent to 23,338.02 The Growth Enterprise Index Plus 1.48 percent to 738.23
Indonesia	Plus 0.78 percent to 3,470.35
Japan	TOPIX Index Plus 0.99 percent to 951.27 Nikkei-225 Stock Average Plus 0.92 percent to 10,624.09
Malaysia	Plus 0.13 percent to 1,491.25
The Philippines	Plus 0.79 percent to 3,766.73
The PRC	Shanghai Composite Index Plus 0.92 percent to 2,905.05 Shenzhen Composite Index Plus 1.21 percent to 1,295.81
Singapore	Minus 0.48 percent to 3,010.51
South Korea	Minus 1.23 percent to 1,939.30
Taiwan	Closed
Thailand	Plus 0.20 percent to 987.91

Tuesday

The chaotic situations in the Middle East and North Africa took centre stage, last Tuesday, as large bands of citizens of Oman, Iran, Yemen, Tunisia, Libya, Algeria and Saudi Arabia took to the streets, making demands of their respective governments of the 7, oil-producing nations.

The price of crude oil spurted up as a direct result ... and the Western World watched, agog.

London Brent Crude Oil futures rose to \$US115.42 per barrel, an increase of about 3.24 percent on Monday's last quote. That high price had not been seen since August 27, 2008.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery April came in at \$US99.63, up about 2.74 percent on Monday's closing level.

As for delivery in May, the last settlement of a barrel of light sweet crude oil was \$US101.40, representing a one-day, price improvement of about 2.80 percent.

Concerns over a material cut in crude-oil supplies to the developed nations of the West, mixed with strong suggestions that, if the price of crude oil maintained at its present highs, it could carve a swath through many an economy were just 2 of the fears of many au-fait investors.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 1.39 percent to 12,056.96 points.

The Composite Index of The NASDAQ shed about 1.61 percent, dropping back to 2,737.41 points.

Trading was brisk on the world's largest equity markets, with the volume of activity, being greater than the average daily turnover of 2010.

The ratio of losing counters to gaining ones on The New York Stock Exchange and The NASDAQ was about 3.00:One and 3.33:One, respectively.

On major European bourses, it was, pretty much, a similar situation to that experienced by investors on Wall Street and for, generally, very similar reasons.

Investors had the jitters, to be sure, fearing the worst in the Middle East and North Africa, with Libya, very much the greatest of the immediate concerns.

This was how the key indices of the major European equity markets fared, last Tuesday night:

Amsterdam's AEX Index Minus 0.06 percent

France's CAC 40 Index Minus 1.01 percent

Germany's Frankfurt XETRA DAX Index Minus 0.67 percent

Great Britain's FTSE 100 Index Minus 0.96 percent

Italy's MIBTEL Index Minus 0.92 percent

Switzerland's Swiss Market Index Minus 0.06 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3774	1.3786	1.3767	-0.01%	1.3774	1.3779
GBP/USD	1.6256	1.6274	1.6248	-0.05%	1.6256	1.6260

USD/JPY	81.880	81.950	81.860	+0.06%	81.880	81.940
USD/CHF	0.92800	0.92890	0.92790	-0.03%	0.92800	0.92850
USD/CAD	0.97450	0.97490	0.97400	+0.03%	0.97450	0.97500
AUD/USD	1.0114	1.0152	1.0119	-0.17%	1.0114	1.0119

In Asia, investors appeared to throw caution to the wind.

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 continued to rise, but only by fractions.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index put on exactly one quarter of a percentage point, ending the trading day at 23,396.42 points.

The Total Turnover was about \$HK82.89 billion, with the ratio of advancing counters to declining ones, being 2.02:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 5.14 percent to \$HK85.75 per share

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

Up 1.51 percent to \$HK6.07 per share

China Mobile Ltd (Code: 941)

Up 2.33 percent to \$HK74.75 per share

China Construction Bank Corporation (Code: 939)

Up 1.03 percent to \$HK6.88 per share

Hutchison Whampoa Ltd (Code: 13)

Unchanged at \$HK92.50 per share

Tencent Holdings Ltd (Code: 700)

Up 2.52 percent to \$HK211.20 per share

AIA Group Ltd (Code: 1299)

Down 0.22 percent to \$HK22.65 per share

Li and Fung Ltd (Code: 494)

Down 3.38 percent to \$HK45.80 per share

CNOOC Ltd (Code: 883)

Up 1.81 percent to \$HK18.00 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Up 0.71 percent to \$HK169.70 per share

There was only one counter, whose share price moved by 15 percent or more:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Tonic Industries Holdings Ltd	978	16.70		1.19

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.66 percent to 743.09 points.

The Total Turnover on this (speculative) market was about \$HK383.68 million, with the ratio of advancing counters to declining ones, being about 1.16:One.

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

Sau San Tong Holdings Ltd (Code: 8200)

Up 11.11 percent to \$HK0.70 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 3.21 percent to \$HK1.81 per share

Wumart Stores Incorporated (Code: 8277)

Up 3.69 percent to \$HK16.86 per share

iMerchants Ltd (Code: 8009)

Up 3.33 percent to \$HK0.031 per share

China 33 Media Group Ltd (Code: 8087)

Down 6.11 percent to \$HK1.69 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Longlife Group Holdings Ltd	8037	10.40		0.275
Ningbo Yidong Electronic Company Ltd	8249	12.30		0.174
Rojam Entertainment Holdings Ltd	8075	12.70		0.31
Sau San Tong Holdings Ltd	8200	11.10		0.70

In Japan, the key indices of the country's 3 equity markets all managed to chalk up material gains.

On The Tokyo Stock Exchange, its TOPIX Index added about 1.31 percent, ending the trading day at 963.70 points.

The Nikkei-225 Stock Average put on about 1.22 percent to ¥10,754.03.

The ratio of advancing counters to declining ones was about 4.15:One.

News Wise

- **Toyota Motor Corporation** announced that it is recalling 145,000 Corolla compact motor cars in Brazil due to oil leaks. The previous week, the company had been forced to recall some 2.17 million vehicles in the United States with regard to accelerator pedals that could become trapped in floor mats or jammed in carpeting.

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

The HKSAR	Hang Seng Index Plus 0.25 percent to 23,396.42 The Growth Enterprise Index Plus 0.66 percent to 743.09
Indonesia	Plus 1.22 percent to 3,512.62
Japan	TOPIX Index Plus 1.31 percent to 963.70 Nikkei-225 Stock Average Plus 1.22 percent to 10,754.03
Malaysia	Plus 0.74 percent to 1,502.24
The Philippines	Plus 0.46 percent to 3,784.23
The PRC	Shanghai Composite Index Plus 0.48 percent to 2,918.92 Shenzhen Composite Index Plus 0.24 percent to 1,298.87
Singapore	Plus 1.90 percent to 3,067.60
South Korea	Closed
Taiwan	Plus 1.49 percent to 8,727.56
Thailand	Plus 0.67 percent to 994.48

Wednesday

The situation in Libya heated up, last Wednesday, as the military forces, loyal to Colonel Muammar Gaddafi, attacked Brega, a town, located about 1.20 miles from a Libyan oil terminal.

Initially, Gaddafi's forces took most of the town, but a counter-attack by anti-Gaddafi insurgents drove the attackers out of the town for a loss of some 14 dead and untold numbers of wounded on both sides.

It was only too apparent that Colonel Muammar Gaddafi was not giving up the fight for control of Libya and

had given instructions to the heads of his military machine to go on the offensive.

The trouble was, however, that, inter alia, the Libyan Government's air-force pilots seemed to have been poorly trained, being unable to attack, successfully, a huge arms cache – which was not moving, by the way – on the outskirts of Ajdabiya, another town, located about 30 miles from Brega; and, the ragtag army of the anti-Gaddafi forces were, clearly, better fighters, or more determined fighters, than Gaddafi's troops – in spite of having little training as soldiers and having only a limited amount of modern weaponry.

The West waited ... and watched in horror.

As one would expect, the price of crude oil on international commodity exchanges spurted up, once again.

The futures price of a barrel of London Brent Crude Oil rose to \$US118 before dropping back to \$US116.50 – the highest level since August 21, 2008.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in April came in at \$US102.23, up about 2.61 percent on Tuesday's final quote.

As for delivery in May, the last settlement of a barrel of light sweet crude oil was \$US103.48, up about 2.05 percent, compared with the last settlement of Tuesday.

It was confirmed, last Wednesday, that Libya's crude oil output per day had fallen from the usual 1.60 million barrels to less than 750,000 barrels.

News Wise

- Canada has ordered the 4,750-tonne Frigate, HMCS Charlottetown, to leave Halifax, Canada, for the Mediterranean Sea off the coast of Libya. Canada's Defence Minister Peter MacKay said that the frigate was being deployed to enforce any **naval blockade** that might be forthcoming should NATO (The North Atlantic Treaty Organisation) or the United Nations determine that it was either desirable or very necessary; and,
- **The US Congress** was, last Wednesday, pondering what definitive action should be taken against Libya as US Defence Secretary Robert Gates testified as to the likely effects of a military offensive against the forces of Colonel Gaddafi.

On Wall Street, investors seemed to shrug off the situation in North Africa and the Middle East in spite of the situation, deteriorating, daily.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.07 percent to 12,066.80 points while the Composite Index of The NASDAQ gained about 0.39 percent to end the quiet trading day at 2,748.07 points.

While the self-proclaimed gurus of Wall Street were trying to churn portfolios, in Europe, equity investors were, clearly, concerned over the situation that was developing in the Middle East and North Africa.

The key indices of every major bourse were felled by the bearish sentiments, emanating from institutional investors and banks.

This was how the situation looked with regard to **TARGET**'s select list of the largest and most-important equity markets of this part of the world:

Amsterdam's AEX Index

Minus 1.09 percent

France's CAC 40 Index Minus 0.84 percent

Germany's Frankfurt XETRA DAX Index Minus 0.58 percent

Great Britain's FTSE 100 Index Minus 0.36 percent

Italy's MIBTEL Index Plus 0.01 percent

Switzerland's Swiss Market Index Minus 0.34 percent

News Wise

- Standard and Poor's has announced that it fully expects **Portugal's economy** to shrink by about 2 percent in 2011.

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3855	1.3869	1.3856	-0.06%	1.3855	1.3861
GBP/USD	1.6316	1.6331	1.6317	-0.04%	1.6316	1.6320
USD/JPY	81.850	81.880	81.810	+0.00%	81.850	81.900
USD/CHF	0.92360	0.92410	0.92360	+0.02%	0.92360	0.92410
USD/CAD	0.97320	0.97340	0.97270	+0.03%	0.97320	0.97370
AUD/USD	1.0153	1.0167	1.0153	-0.14%	1.0153	1.0158

In Asia, the closing levels of every key index of every equity market were written in red ink.

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

The Hang Seng Index gave up about 1.49 percent, dropping back to 23,048.66 points on a Total Turnover of about \$HK69.96 billion.

The ratio of losing counters to gaining ones was about 2.57:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 2.16 percent to \$HK83.90 per share

China Mobile Ltd (Code: 941)

Down 1.34 percent to \$HK73.75 per share

China Petroleum and Chemical
Corporation (Code: 386)

Down 3.97 percent to \$HK7.74 per share

China Construction Bank Corporation (Code:
939)

Down 0.87 percent to \$HK6.82 per share

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

Down 0.99 percent to \$HK6.01 per share

Hongkong Exchanges and Clearing Ltd (Code:
388)

Down 1.53 percent to \$HK167.10 per share

Hutchison Whampoa Ltd (Code: 13)

Down 2.05 percent to \$HK90.60 per share

CNOOC Ltd (Code: 883)

Down 0.89 percent to \$HK17.84 per share

PetroChina Company Ltd (Code: 857)

Up 0.19 percent to \$HK10.70 per share

Bank of China Ltd (Code: 3988)

Down 0.49 percent to \$HK4.10 per share

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bao Yuan Holdings Ltd	692	19.00		0.025
China Strategic Holdings Ltd	235	24.40		0.255
Tidetime Sun (Group) Ltd	307	15.50		0.194

Over on the **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 0.92 percent, falling back to 736.26 points.

The Total Turnover on this market was about \$HK323.94 million, with the ratio of losers to gainers, being about 1.11:One.

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

iMerchants Ltd (Code: 8009)

Up 9.68 percent to \$HK0.034 per share

Honbridge Holdings Ltd (Code: 8137)

Down 0.35 percent to \$HK2.84 per share

Wumart Stores Incorporated (Code: 8277)

Down 7.12 percent to \$HK15.66 per share

Neo Telemedia Ltd (Code: 8167)

Up 13.33 percent to \$HK0.119 per share

China 33 Media Group Ltd (Code: 8087)

Up 4.73 percent to \$HK1.77 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China 3D Digital Entertainment Ltd	8078	18.00		0.21
China Primary Resources Holdings Ltd	8117	10.10		0.152
Creative Energy Solutions Holdings Ltd	8109	11.20		2.68
Dahe Media Company Ltd	8243	10.00		0.33
Essex Bio-Technology Ltd	8151	12.10		0.74
Neo Telemedia Ltd	8167	13.30		0.119
North Asia Strategic Holdings Ltd	8080	17.90		0.066
Timeless Software Ltd	8028		10.50	0.085
Tsun Yip Holdings Ltd	8356	18.40		0.29
Xing Lin Medical Information Technology Company Ltd	8130	10.70		0.031

On Japan's equity markets, there was something akin to a bloodbath on trading floors.

The TOPIX Index, which is the key index of The Tokyo Stock Exchange, lost about 2.16 percent of its value, ending the trading day at 942.87 points.

The Nikkei-225 Stock Average gave up about 2.43 percent as investors pushed it down to ¥10,492.38.

The ratio of declining counters to advancing ones was about 20.43:One.

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

The HKSAR	Hang Seng Index Minus 1.49 percent to 23,048.66 The Growth Enterprise Index Minus 0.92 percent to 736.26
Indonesia	Minus 0.75 percent to 3,486.20

Japan	TOPIX Index Minus 2.16 percent to 942.87 Nikkei-225 Stock Average Minus 2.43 percent to 10,492.38
Malaysia	Minus 0.20 percent to 1,499.28
The Philippines	Minus 0.28 percent to 3,773.71
The PRC	Shanghai Composite Index Minus 0.18 percent to 2,913.81 Shenzhen Composite Index Minus 0.45 percent to 1,292.99
Singapore	Minus 1.31 percent to 3,027.51
South Korea	Minus 0.57 percent to 1,928.24
Taiwan	Minus 1.23 percent to 8,619.90
Thailand	Minus 0.69 percent to 987.59

Thursday

Attention shifted to Saudi Arabia, last Thursday, as 2 towns in the Eastern Province were the centres of street protests.

The protestors were demanding the release of political prisoners, said to be held in prison for extended periods of time without trial.

They were, also, calling for better job prospects and to be treated as equals.

Saudi Arabia is ruled by a monarchy, the head of which is King Abdullah, a Sunni Muslim.

Most of the protestors were Shi'ite Muslims, who live in the east of the country.

There was no suggestion, last Thursday, that there was a demand for a change in the government of the country ... at least, not yet.

In Libya, Colonel Muammar Gaddafi's forces continued to bombard rebel-held areas of the country by air, but, other than that, the situation in the country was unchanged from that of Wednesday.

On the commodity exchanges of the world, the price of crude oil tended to weaken, but only slightly.

London Brent Crude Oil futures came off the boil by about 1.34 percent, settling back to \$US114.79 per barrel.

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

for delivery in April came in at \$US101.91, representing a one-day, price fall of about 0.31 percent.

For delivery in May, the last settlement of a barrel of light sweet crude oil was \$HK103.09, down about 0.38 percent on the day.

On Wall Street, investors charged in, pushing prices higher in spite of the widespread political unrest in the Middle East.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 1.59 percent to 12,258.20 points.

The Composite Index of The NASDAQ gained about 1.84 percent, ending the very quiet trading session at 2,798.74 points.

The ratio of gaining counters to losing ones was about 5.00:One on The New York Stock Exchange and about 3.33:One on The NASDAQ.

On European equity markets, investors were talking about the possibility of the **European Central Bank (ECB)**, raising interest rates in order to control inflation in the 27-nations, representing the **European Union (EU)**.

Should the ECB take such action, it is quite likely that the euro, the official currency of 17 nations of the EU, would strengthen even further against the US dollar and other '*hard*' currencies, and that, in effect, it could well cause exports from many EU countries to find it increasing difficult to compete with like products, manufactured outside the EU.

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

Amsterdam's AEX Index Plus 0.75 percent

France's CAC 40 Index Plus 0.65 percent

Germany's Frankfurt XETRA DAX Index Plus 0.62 percent

Great Britain's FTSE 100 Index Plus 1.52 percent

Italy's MIBTEL Index Minus 0.37 percent

Switzerland's Swiss Market Index Plus 0.10 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3954	1.3968	1.3956	-0.10%	1.3954	1.3959
GBP/USD	1.6280	1.6285	1.6274	+0.02%	1.6280	1.6284

USD/JPY	82.320	82.450	82.320	-0.12%	82.320	82.380
USD/CHF	0.93220	0.93240	0.93170	+0.09%	0.93220	0.93270
USD/CAD	0.97320	0.97360	0.97210	+0.14%	0.97320	0.97370
AUD/USD	1.0117	1.0145	1.0117	-0.26%	1.0117	1.0122

In Asia, aside from the key indices of the equity markets of the People's Republic of China (PRC), proper, being separate and distinct from the Hongkong Special Administrative Region (HKSAR) of the PRC, all of the other stock markets saw their respective key indices rise.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.32 percent to 23,122.42 points.

The Total Turnover was about \$HK74.43 billion, while the ratio of advancing counters to declining ones was exactly 1.54:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.36 percent to \$HK84.20 per share
China Construction Bank Corporation (Code: 939)	Up 1.03 percent to \$HK6.89 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 1.00 percent to \$HK6.07 per share
Bank of China Ltd (Code: 3988)	Up 0.73 percent to \$HK4.13 per share
PetroChina Company Ltd (Code: 857)	Up 0.75 percent to \$HK10.78 per share
China Mobile Ltd (Code: 941)	Down 0.07 percent to \$HK73.70 per share
China Petroleum and Chemical Corporation (Code: 386)	Up 0.26 percent to \$HK7.76 per share
China Life Insurance Company Ltd (Code: 2628)	Up 0.34 percent to \$HK29.40 per share
CNOOC Ltd (Code: 883)	Down 1.35 percent to \$HK17.60 per share
China Merchants Bank Company Ltd (Code: 3968)	Up 2.28 percent to \$HK19.76 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Wireless Technologies Ltd	2369	15.00		3.29
CITIC 21CN Company Ltd	241	17.60		1.00
Nam Hing Holdings Ltd	986	50.00		0.033

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained about 1.54 percent, ending the trading day at 747.60 points.

The Total Turnover on this market was about \$HK348.83 million, with gaining counters, outnumbering losing ones by the ratio of about 1.52:One.

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

China Netcom Technology Holdings Ltd (Code: 8071)

Up 12.07 percent to \$HK0.325 per share

iMerchants Ltd (Code: 8009)

Unchanged at \$HK0.034 per share

Honbridge Holdings Ltd (Code: 8137)

Up 3.17 percent to \$HK2.93 per share

Neo Telemedia Ltd (Code: 8167)

Up 3.36 percent to \$HK0.123 per share

Rojam Entertainment Holdings Ltd (Code: 8075)

Up 6.35 percent to \$HK0.335 per share

The GEM's double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Best Miracle International Ltd	8272	28.60		0.126
China Asean Resources Ltd	8186		13.80	0.375
China Netcom Technology Holdings Ltd	8071	12.10		0.325
China Public Healthcare (Holding) Ltd	8116	15.30		0.068
Great World Company Holdings Ltd	8003	11.10		0.30
KH Investment Holdings Ltd	8172		12.10	0.255

Phoenitron Holdings Ltd	8066	13.00		0.61
Vodatel Networks Holdings Ltd	8033	10.30		0.32
WLS Holdings Ltd	8021	10.10		0.152

On The Tokyo Stock Exchange, which is the premier equity market of Japan, its TOPIX Index gained about 0.62 percent, rising to 948.69 points.

The Nikkei-225 Stock Average put on about 0.89 percent, ending the trading session at ¥10,586.02.

The ratio of gainers to losers was about 4.84:One.

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

The HKSAR	Hang Seng Index Plus 0.32 percent to 23,122.42 The Growth Enterprise Index Plus 1.54 percent to 747.60
Indonesia	Plus 0.24 percent to 3,494.54
Japan	TOPIX Index Plus 0.62 percent to 948.69 Nikkei-225 Stock Average Plus 0.89 percent to 10,586.02
Malaysia	Plus 0.51 percent to 1,506.88
The Philippines	Plus 1.60 percent to 3,834.05
The PRC	Shanghai Composite Index Minus 0.37 percent to 2,902.98 Shenzhen Composite Index Minus 1.62 percent to 1,272.00
Singapore	Plus 0.33 percent to 3,037.35
South Korea	Plus 2.20 percent to 1,970.66
Taiwan	Plus 1.37 percent to 8,738.37
Thailand	Plus 0.25 percent to 990.08

Friday

Some 192,000 private-sector jobs were added to the tally in the US for the month of February, The Bureau of Labour Statistics, a branch of the US Government's The Labour Department, announced last Friday.

The Commissioner of The Bureau, Mr Keith Hall, issued the following statement:

'In February, nonfarm payroll employment rose by 192,000, and private-sector employment increased by 222,000. The unemployment rate was little changed at 8.9 percent, following large declines in December and January. From its recent low point in February 2010, payroll employment has increased by 1.3 million, or an average of 106,000 per month. Over the same period, private-sector employment rose by 1.5 million, or an average of 127,000 per month. In February, job growth occurred in manufacturing, construction, professional and business services, health care, and transportation and warehousing.

'Manufacturing employment continued to rise (+33,000) in February. Since its recent low in December 2009, manufacturing has added 195,000 jobs. Almost all of the February gain was in durable goods, most notably in fabricated metal products (+7,000) and machinery (+9,000). Over the month, the factory workweek rose by 0.1 hour and overtime by 0.2 hour.

'Construction employment rose by 33,000 in February, following a job loss of 22,000 in January that may have been related to severe winter weather. Over the month, employment increased among both residential and nonresidential specialty trade contractors.

'In the service-providing sector, professional and business services employment expanded by 47,000 over the month and has increased by 601,000 since a recent low point in September 2009. Much of the February gain was in employment services (+29,000) and in management and technical consulting services (+7,000). Within employment services, the number of jobs in temporary help services edged up over the month.

'Employment in health care rose by 34,000 in February, mostly in ambulatory health care services (+17,000) and in nursing and residential care facilities (+15,000).

'Employment in transportation and warehousing grew by 22,000 in February. Over the past 12 months, this industry has added 103,000 jobs. Half of the increase in February was due to a gain in truck transportation.

'Employment in both state and local governments edged down over the month. Local government employment has declined by 377,000 since its peak in September 2008.

'Average hourly earnings of all employees on private nonfarm payrolls rose by 1 cent in February to \$22.87. Over the past 12 months, average hourly earnings have risen by 1.7 percent. From January 2010 to January 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.7 percent.

'Most measures from the survey of households showed little movement in February. At 8.9 percent, the unemployment rate changed little over the month but is down from 9.8 percent in November. Of the 13.7 million unemployed in February, 43.9 percent had been jobless for 27 weeks or more, essentially the same as in the prior month. In February, the labor force participation rate was unchanged at 64.2 percent.

'In summary, nonfarm payroll employment rose by 192,000 over the month, and the unemployment rate was little changed at 8.9 percent.'

But the news of the fractional drop in the US unemployment rate had little to no effect on the world's largest equity markets – because, in North Africa, bitter fighting was taking place between pro-Gaddafi forces and anti-Gaddafi forces.

Heavy casualties were reported in and around the city of Zawiya, located about 30 miles from Tripoli, as Colonel Muammar Gaddafi's troops stormed the city, leaving numerous dead bodies in their wake.

Fierce fighting was, also, taking place at the oil port of Ras Lanuf and, in the Capital City of Tripoli, reports suggested that there had been protests after Friday prayers.

Accurate reporting from Libya is difficult to obtain with most of the reports of the battles, coming by way of fleeing insurgents or by refugees.

One report suggested that an oil facility at Zueitina, located in the south of Benghazi, the second-largest city of Libya, had been badly damaged and was burning fiercely, last Friday night.

In the Middle East, protests in a number of important, oil-producing countries continued: The situation seemed to be worsening by the day, it seemed.

The price of crude oil on international commodity exchanges rose, materially, last Friday, on the news of the forces of Colonel Muammar Gaddafi had gone on the offensive, killing the insurgents whenever they came in the soldiers' crosshairs.

London Brent Crude Oil futures rose about \$US1.18 per barrel to \$US115.97.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in April came in at \$HK104.42, up about 2.46 percent on the day.

For delivery in May, the last settlement of a barrel of light sweet crude oil was \$US105.61, up about 2.44 percent, compared with the last settlement of Thursday.

On Wall Street, the gains of earlier in the week were shaved down, considerably.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.72 percent of its value, ending the week at 12,169.88 points.

The Composite Index of The NASDAQ shed about one half of a percentage point, coming to rest at 2,784.67 points by the close of the trading day.

Trading was on the light side.

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

The Dow Jones Industrial Average	Minus 0.33 percent
The Composite Index of The NASDAQ	Plus 0.13 percent

In Europe, all of the key indices of nearly every major bourse lost traction as investors fled from their erratic gyrations: It was nearly impossible to know what action to take in the fast-moving situation in the oil-producing countries of the Middle East and North Africa.

The currency markets of the world, also, indicated the fears of many investors: Where to find a safe haven for cash?

This was how Europe viewed the situation on the most-important equity markets of this part of the world, last Friday:

Amsterdam's AEX Index Plus 0.09 percent

France's CAC 40 Index Minus 0.99 percent

Germany's Frankfurt XETRA DAX Index Minus 0.65 percent

Great Britain's FTSE 100 Index Minus 0.24 percent

Italy's MIBTEL Index Minus 0.11 percent

Switzerland's Swiss Market Index Minus 1.06 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3985	1.4006	1.3944	+0.12%	1.3985	1.3990
GBP/USD	1.6267	1.6305	1.6237	-0.06%	1.6267	1.6271
USD/JPY	82.290	83.010	82.240	-0.16%	82.290	82.350
USD/CHF	0.92450	0.93290	0.92270	-0.74%	0.92450	0.92500
USD/CAD	0.97320	0.97430	0.97020	+0.14%	0.97320	0.97370
AUD/USD	1.0137	1.0148	1.0078	-0.06%	1.0137	1.0142

On Asian equity markets, the situation was completely different from that of North America or Europe since Asian investors did not know, during their trading day, of the deteriorating situation in the Middle East and North Africa.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of the territory's 2 equity markets chalked up gains.

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 1.24 percent to 23,408.86 points on a Total Turnover of about \$HK74.55 billion.

The ratio of advancing counters to declining ones was about 2.61:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Up 0.36 percent to \$HK83.90 per share

Industrial and Commercial Bank of China Ltd

Up 1.65 percent to \$HK6.17 per share

(Code: 1398)

China Construction Bank Corporation (Code: 939)

Up 1.16 percent to \$HK6.97 per share

China Life Insurance Company Ltd (Code: 2628)

Up 2.55 percent to \$HK30.15 per share

Tencent Holdings Ltd (Code: 700)

Up 4.44 percent to \$HK221.00 per share

Li and Fung Ltd (Code: 494)

Up 4.35 percent to \$HK45.55 per share

China Mobile Ltd (Code: 941)

Up 1.22 percent to \$HK74.60 per share

Bank of China Ltd (Code: 3988)

Up 1.21 percent to \$HK4.18 per share

Hutchison Whampoa Ltd (Code: 13)

Up 1.33 percent to \$HK91.30 per share

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

Up 2.41 percent to \$HK82.75 per share

The biggest movers of this market were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Investment Fund Company Ltd	612	15.00		0.23
China Properties Investment Holdings Ltd	736	15.50		0.335
JF Household Furnishings Ltd	776	34.30		2.70
KTP Holdings Ltd	645	18.70		1.59
Mongolia Investment Group Ltd	402	20.00		0.084
Nam Hing Holdings Ltd	986	100.00		0.066
Vital Group Holdings Ltd	1164	20.00		0.36

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained only about 0.06 percent, limping up to 748.05 points.

The Total Turnover on this market was about \$HK355.28 million, with the ratio of declining counters to advancing ones, being about 1.16:One.

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

iMerchants Ltd (Code: 8009)

Down 8.82 percent to \$HK0.031 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Up 7.69 percent to \$HK0.35 per share

Honbridge Holdings Ltd (Code: 8137)

Unchanged at \$HK2.93 per share

Rojam Entertainment Holdings Ltd (Code: 8075)

Down 1.49 percent to \$HK0.33 per share

Wumart Stores Incorporated (Code: 8277)

Down 2.06 percent to \$HK15.22 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Best Miracle International Ltd	8272	11.10		0.14
Computech Holdings Ltd	8081		13.30	0.144
Directel Holdings Ltd	8337	14.90		0.224
FlexSystem Holdings Ltd	8050	10.00		0.495
Seamless Green China (Holdings) Ltd	8150	11.70		0.86
Xi'an Haitian Antenna Technologies Company Ltd	8227	13.70		0.29
ZMAY Holdings Ltd	8085	10.60		0.177

The tally for the week, ended March 4, 2011, for the second-largest equity market of Asia was:

The Hang Seng Index	Plus	1.72 percent
The Growth Enterprise Index	Plus	2.83 percent

On The Tokyo Stock Exchange, its TOPIX Index put on about 0.73 percent, rising to 955.59 points.

The Nikkei-225 Stock Average rose about 1.02 percent to ¥10,693.66.

The ratio of gainers to losers on this market, which is the premier equity market of The Land of The Rising Sun, was about 1.87:One.

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

The TOPIX Index	Plus	1.45percent
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The Nikkei-225 Stock Average Plus 1.59 percent

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

The HKSAR	Hang Seng Index Plus 1.24 percent to 23,408.86 The Growth Enterprise Index Plus 0.06 percent to 748.05
Indonesia	Plus 1.38 percent to 3,542.90
Japan	TOPIX Index Plus 0.73 percent to 955.59 Nikkei-225 Stock Average Plus 1.02 percent to 10,693.66
Malaysia	Plus 1.04 percent to 1,522.61
The Philippines	Plus 1.27 percent to 3,882.71
The PRC	Shanghai Composite Index Plus 1.35 percent to 2,942.31 Shenzhen Composite Index Plus 1.12 percent to 1,286.22
Singapore	Plus 0.79 percent to 3,061.31
South Korea	Plus 1.73 percent to 2,004.68
Taiwan	Plus 0.53 percent to 8,784.40
Thailand	Plus 0.59 percent to 995.91

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