

**THE KEY INDICES OF EQUITY MARKETS GO INTO REVERSE GEAR –
WILL GREECE RENEGE ON ITS FINANCIAL OBLIGATIONS ?**

Fitch Incorporated Lowers Greece's Credit Rating

Tongues were wagging, around the world, last Monday, at the opening of nearly every equity market, with some of Wall Street's gurus, not being loath to suggest that the falls in the key indices of US equity markets were a direct result of the accusations, levelled against Mr Dominique Strauss-Kahn, the man who, as at last Monday, was the Managing Director of the **International Monetary Fund (IMF)**.

Mr Dominique Strauss-Kahn is accused, in New York, of 2 counts of criminal sexual acts in the first degree, one count of attempted rape in the first degree, one count of sexual abuse in the first degree, one count of unlawful imprisonment, one count of forcible touching, and one count of sexual abuse in the third degree.

The head of the IMF was, as at last Monday, New York time, being held without bail in a New York prison.

It is alleged that the criminal acts, for which Mr Dominique Strauss-Kahn stands accused, took place in a Manhattan hotel where he was staying; and, it is said that he had attacked a maid at his suite.

On Wall Street, the key indices fell in light trading conditions.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 47.38 points, equivalent to about 0.38 percent, dropping back to 12,548.37 points.

On The NASDAQ, its Composite Index shed 46.16 points, or about 1.63 percent, ending the trading day at 2,782.31 points.

The ratio of losing counters to gaining ones was about 2.00:One on The New York Stock Exchange and about 4.00:One on The NASDAQ.

According to certain bankers, with whom **TARGET** () spoke, last Monday, the falls in the key indices of US equity markets were due to fears that the economy of the world's largest, single economy was slowly receding, with a suggestion that another recession was in the offing unless something could be done to reverse the present economic trend in the country.

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

On The New York Mercantile Exchange (**NYMEX**), the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US97.37, down about 2.29 percent on the previous Friday's last settlement.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US97.85, representing a fall of about 2.27 percent of the final quote of Friday, May 13, 2011.

On European equity markets, every key index of every major bourse fell to sellers due, in large part, to concerns of eurozone's debt crises, with eyes, turned in the direction of Greece which, it appeared to many observers, was primed to ask the **European Union (EU)** for another emergency handout.

As it was, last Monday, the EU/IMF agreed to a cash bailout for Portugal.

This was how things looked on **TARGET**'s select list of the most-important bourses of Europe, last Monday night:

Amsterdam's AEX Index Minus 0.72 percent

France's CAC 40 Index Minus 0.72 percent

Germany's Frankfurt XETRA DAX Index Minus 0.21 percent

Great Britain's FTSE 100 Index Minus 0.03 percent

Italy's MIBTEL Index Minus 0.38 percent

Switzerland's Swiss Market Index Plus 0.01 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4169	1.4174	1.4146	+0.11%	1.4169	1.4174
GBP/USD	1.6209	1.6210	1.6190	+0.12%	1.6209	1.6213
USD/JPY	80.910	80.940	80.770	+0.16%	80.910	80.960
USD/CHF	0.88400	0.88520	0.88410	-0.05%	0.88400	0.88450
USD/CAD	0.97450	0.97580	0.97440	-0.11%	0.97450	0.97500
AUD/USD	1.0581	1.0585	1.0556	+0.29%	1.0581	1.0586

In Asia, only the key index of the equity market of Malaysia managed stay in the black, last Monday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of the territory's equity markets were hard in reverse gear.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index, which is the benchmark of this, the premier equity market of the territory, lost about 1.36 percent, drifting back to 22,960.63 points.

The Total Turnover was about \$HK59.80 billion, while the ratio of losing counters to gaining ones was about 3.38:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 1.51 percent to \$HK81.80 per share

China Mobile Ltd (Code: 941)

Down 1.48 percent to \$HK69.80 per share

Intime Department Store (Group) Company Ltd
(Code: 1833)

Down 4.73 percent to \$HK12.08 per share

CNOOC Ltd (Code: 883)

Down 2.17 percent to \$HK18.02 per share

China Construction Bank Corporation (Code: 939)

Down 1.25 percent to \$HK7.12 per share

Tracker Fund of Hongkong (Code: 2800)

Down 1.49 percent to \$HK23.20 per share

Tencent Holdings Ltd (Code: 700)

Up 0.09 percent to \$HK219.20 per share

Semiconductor Manufacturing International
Corporation (Code: 981)

Up 1.14 percent to \$HK0.89 per share

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

Down 1.56 percent to \$HK6.30 per share

PetroChina Company Ltd (Code: 857)

Down 2.06 percent to \$HK10.48 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China HealthCare Holdings Ltd	673		23.80	0.495
Tai-I International Holdings Ltd	1808	27.90		0.78

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 1.93 percent, dropping back to 755.77 points.

The Total Turnover on this (speculative) market was about \$HK379.72 million.

Declining counters outpaced advancing ones by the ratio of about 3.19:One.

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

China LotSynergy Holdings Ltd (Code: 8161)

Up 27.32 percent to \$HK0.275 per share

Honbridge Holdings Ltd (Code: 8137)

Down 2.59 percent to \$HK3.01 per share

Eternite International Company Ltd (Code: 8351)

Down 4.97 percent to \$HK1.72 per share

Credit China Holdings Ltd (Code: 8207)

Down 6.04 percent to \$HK1.71 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 2.92 percent to \$HK1.33 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Eco-Farming Ltd	8166		11.30	0.126
China Electric Power Technology Holdings Ltd	8053		16.60	0.136
China LotSynergy Holdings Ltd	8161	27.30		0.275
China Public Healthcare (Holding) Ltd	8116		15.90	0.069
Hongkong Life Group Holdings Ltd	8212		12.00	0.073
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	16.70		0.98
Qianlong Technology International Holdings Ltd	8015		10.10	1.07
Zhongyu Gas Holdings Ltd	8070		10.50	0.68

On The Tokyo Stock Exchange, which is the largest and most-important equity market in Asia and the second-largest equity market in the world, its TOPIX Index surrendered about 1.24 percent of its former value, dropping back to 829.55 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 ¥90.47, or about 0.94 percent, ending the trading day at ¥9,558.30, compared with the closing level of Friday, 13, 2011.

The ratio of losing counters to gaining ones was about 4.06:One.

News Wise

- **Consumer confidence** in Japan waned at the fastest pace in the history of the country due, mainly, to the March 11, 2011 earthquake and the tsunami that followed in its wake, according to The Cabinet Office of the Japanese Government.

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

The HKSAR	Hang Seng Index Minus 1.36 percent to 22,960.63 The Growth Enterprise Index Minus 1.93 percent to 755.77
Indonesia	Minus 0.86 percent to 3,799.23
Japan	TOPIX Index Minus 1.24 percent to 829.55 Nikkei-225 Stock Average Minus 0.94 percent to 9,558.30
Malaysia	Minus 0.29 percent to 1,536.27
The Philippines	Plus 0.20 percent to 4,300.81
The PRC	Shanghai Composite Index Minus 0.77 percent to 2,849.07 Shenzhen Composite Index Minus 0.22 percent to 1,198.72
Singapore	Minus 0.86 percent to 3,136.48
South Korea	Minus 0.75 percent to 2,104.18
Taiwan	Minus 1.05 percent to 8,911.71
Thailand	Closed

Tuesday

For the third, consecutive day, stock and share prices retreated on the world's largest equity markets.

Disappointing earnings' reports, indications of tough times ahead from some of the '*darlings*' of Wall Street, plus news from the US Government that the economy was only just ticking over, were among the main reasons for the losses of last Tuesday.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.55 percent to 12,479.58 points.

Over on The NASDAQ, its Composite Index rose about 0.03 percent to 2,783.21 points.

News Wise

- **Production** at US factories slumped in the April, according to The US Federal Reserve. Inter alia, The Fed put down the fall in production to a drop in the manufacture of motor vehicles due to

shortages of spare parts. April was the first month since June 2010 that production in the US had fallen; and,

- The US Commerce Department announced that the construction of **new homes**, during the month of April, was off about 10.60 percent, Month-On-Month. Seasonally adjusted, the construction of new homes came in at about 523,000 units, down about 25 percent, Year-On-Year.

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 June was \$US96.91, off about 0.47 percent on Monday's closing level.

As for delivery in July, the last settlement of a barrel of light sweet crude oil came in at \$US97.43, representing a one-day, price-fall of about 0.43 percent.

On European bourses, the key indices of the majors were all written in red ink.

Disappointing economic news, both in the eurozone and in the US hurt investor confidence, very materially.

With a number of the nations of the eurozone, known to be in financial tsuris, it was hardly any wonder that investors were not hot to trot to make many new financial commitments.

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

Amsterdam's AEX Index Minus 1.30 percent

France's CAC 40 Index Minus 1.20 percent

Germany's Frankfurt XETRA DAX Index Minus 1.77 percent

Great Britain's FTSE 100 Index Minus 1.05 percent

Italy's MIBTEL Index Minus 1.14 percent

Switzerland's Swiss Market Index Minus 1.02 percent

News Wise

- **The rate of inflation** in the United Kingdom for the month of April was about 4.50 percent, up about 12.50 percentile points, compared with March's figure of 4.00 percent, according to The Office for National Statistics. The gain in the rate of inflation was put down to air fares and sea fares, which rose about 29 percent and 22.30 percent in April, respectively.

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4255	1.4278	1.4236	+0.15%	1.4255	1.4260

GBP/USD	1.6246	1.6251	1.6241	-0.02%	1.6246	1.625
USD/JPY	81.380	81.540	81.360	+0.00%	81.380	81.430
USD/CHF	0.88030	0.88100	0.87880	+0.03%	0.88030	0.88080
USD/CAD	0.97160	0.97300	0.97190	-0.04%	0.97160	0.97210
AUD/USD	1.0622	1.0638	1.0610	-0.03%	1.0622	1.0627

Trading was relatively quiet on the equity markets of Asia, last Tuesday, and the closure of 4 equity markets for various reasons went a long way to cause investors to sit on their hands.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the benchmark index of the premier equity market lost ground, but only fractionally, while the lone index of the speculative equity market gained a tiny fraction.

The Hang Seng Index, the key index of the Main Board of The Stock Exchange of Hongkong Ltd, shed about 0.26 percent, dropping back to 22,901.08 points.

The Total Turnover on this market was about \$HK63.39 billion, while the ratio of declining counters to advancing ones was about 1.60:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Down 0.67 percent to \$HK81.25 per share

GCL-Poly Energy Holdings Ltd (Code: 3800)

Down 7.91 percent to \$HK4.66 per share

CNOOC Ltd (Code: 883)

Down 0.78 percent to \$HK17.88 per share

Tencent Holdings Ltd (Code: 700)

Down 2.74 percent to \$HK213.20 per share

China Mobile Ltd (Code: 941)

Down 0.21 percent to \$HK69.65 per share

AIA Group Ltd (Code: 1299)

Unchanged at \$HK26.50 per share

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

Unchanged at \$HK6.30 per share

Semiconductor Manufacturing International
Corporation (Code: 981)

Down 7.87 percent to \$HK0.82 per share

China Construction Bank Corporation (Code:
939)

Unchanged at \$HK7.12 per share

China Life Insurance Company Ltd (Code: 2628)

Up 1.14 percent to \$HK26.55 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CNNC International Ltd	2302	17.80		5.30
Shanghai International Shanghai Growth Investment Ltd	770		21.10	1.80

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its lone index, The Growth Enterprise Index, put on 0.06 percent, limping up to 756.21 points.

The Total Turnover on this market was about \$HK288.41 million.

Declining counters outpaced advancing ones by the ratio of about 2.28:One.

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

China LotSynergy Holdings Ltd (Code: 8161)

Down 7.27 percent to \$HK0.255 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 4.51 percent to \$HK1.27 per share

Honbridge Holdings Ltd (Code: 8137)

Up 1.33 percent to \$HK3.05 per share

Tsun Yip Holdings Ltd (Code: 8356)

Down 6.25 percent to \$HK0.30 per share

Credit China Holdings Ltd (Code: 8207)

Down 2.34 percent to \$HK1.67 per share

The GEM's double-digit movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Leason Investment Group Company Ltd	8270	11.20		0.495
Dahe Media Company Ltd	8243	15.40		0.30
Hongkong Life Group Holdings Ltd	8212		11.00	0.065
Jian ePayment Systems Ltd	8165		13.20	0.184

On The Tokyo Stock Exchange, its TOPIX Index fell about 0.08 percent to 828.85 points.

The Nikkei-225 Stock Average gained about 0.09 percent, ending the trading day at ¥9,567.02.

Losing counters outnumbered gaining ones by the ratio of about 1.48:One.

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

The HKSAR	Hang Seng Index Minus 0.26 percent to 22,901.08 The Growth Enterprise Index Plus 0.06 percent to 756.21
Indonesia	Closed
Japan	TOPIX Index Minus 0.08 percent to 828.85 Nikkei-225 Stock Average Plus 0.09 percent to 9,567.02
Malaysia	Closed
The Philippines	Minus 0.91 percent to 4,261.60
The PRC	Shanghai Composite Index Plus 0.13 percent to 2,852.77 Shenzhen Composite Index Minus 0.14 percent to 1,197.04
Singapore	Closed
South Korea	Minus 0.08 percent to 2,102.41
Taiwan	Minus 0.31 percent to 8,884.09
Thailand	Closed

Wednesday

While the volume of activity was down about 33 percent, compared with the average daily turnover of 2010, stock and share prices rallied to the call from investors and speculators and, as a result, the key indices of Wall Street headed for the high ground.

In addition, the unexpected gains in the price of crude oil on the world's commodity exchanges helped the cause of the bulls of the world's largest and most-influential equity market.

On The New York Stock Exchange, the Dow Jones Industrial Average put on about 0.65 percent, ending the

light trading day at 12,560.18 points.

The Composite Index of The NASDAQ gained about 1.14 percent as investors pulled it up to 2,815.00 points.

The ratio of gaining counters to losing ones on The New York Stock Exchange and The NASDAQ was about 4.00:One and 3.00:One, respectively.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US100.10, representing a one-day, price-improvement of about 3.29 percent.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US100.56, up about 3.21 percent on the day.

Stock and shares in Europe, also, rose, probably following the line, having been taken by Wall Street.

The gains on the major equity market of this part of the world, however, were, for the most part, about nothing to write home to mom.

Still dogging the institutional investors of this part of the world was the matter of Greece's financial problems, how the problems would, eventually, be resolved and, perhaps, just as important, was how long would it take.

Clearly, creditors of the birthplace of democracy were going to have to take a '*haircut*' so that the only real question was: How short would creditors' hair be cut?

Also, the gains in the price of crude oil helped drive energy and energy related counters to higher levels.

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

Amsterdam's AEX Index	Plus	0.39 percent
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France's CAC 40 Index	Plus	0.92 percent
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Germany's Frankfurt XETRA DAX Index	Plus	0.64 percent
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Great Britain's FTSE 100 Index	Plus	1.06 percent
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Italy's MIBTEL Index	Plus	0.18 percent
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Switzerland's Swiss Market Index	Plus	0.57 percent
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News Wise

- Quarter-On-Quarter, for the 3 months, ended March 31, 2011, **unemployment** in the **United Kingdom (UK)** fell by about 1.44 percent to 2.46 million people, pounding the streets of the Kingdom, looking for employment, according to The Office of National Statistics. The unemployment level of the UK stood at about 7.70 percent as at the end of the March quarter.

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4259	1.4269	1.4246	+0.08%	1.4259	1.4264
GBP/USD	1.6162	1.6168	1.6158	-0.02%	1.6162	1.6166
USD/JPY	81.75	81.790	81.660	+0.11%	81.75	81.800
USD/CHF	0.88060	0.88150	0.88070	-0.02%	0.88060	0.88110
USD/CAD	0.96910	0.97070	0.96930	-0.09%	0.96910	0.96960
AUD/USD	1.0634	1.0642	1.0624	+0.09%	1.0634	1.0640

On Asian equity markets, investors appeared to be a little upbeat, last Wednesday.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the key indices of both equity markets chalked up gains, but those gains were fractional.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.48 percent to 23,011.14 points on a Total Turnover of about \$HK60.41 billion.

The ratio of gaining counters to losing ones was about 1.65:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Down 0.65 percent to \$HK69.20 per share

HSBC Holdings plc (Code: 5)

Up 0.31 percent to \$HK80.80 per share

GCL-Poly Energy Holdings Ltd (Code: 3800)

Down 2.15 percent to \$HK4.56 per share

China Construction Bank Corporation (Code: 939)

Up 0.98 percent to \$HK7.19 per share

CNOOC Ltd (Code: 883)

Up 1.53 percent to \$HK17.90 per share

Tencent Holdings Ltd (Code: 700)

Up 2.44 percent to \$HK218.40 per share

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

Up 1.27 percent to \$HK6.38 per share

Galaxy Entertainment Group Ltd (Code: 27)

Up 8.28 percent to \$HK14.90 per share

SJM Holdings Ltd (Code: 880)

Up 7.53 percent to \$HK18.00 per share

PetroChina Company Ltd (Code: 857)

Up 0.95 percent to \$HK10.58 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bao Yuan Holdings Ltd	692	46.70		0.44
Carry Wealth Holdings Ltd	643	60.30		0.93
International Elite Ltd	1328	34.00		1.30
New Island Printing Holdings Ltd	377	19.10		0.56
Pacific Plywood Holdings Ltd	767	83.30		0.55

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index limped up about 0.02 percent to 756.33 points.

The Total Turnover of this (speculative) market was about \$HK431.54 million, but the composition of the volume of activity included the fact that about 27 percent of the Total Turnover was the result of trading in the shares of Fairson Holdings Ltd () (Code: 8132), dealing in the shares of this manufacturer and vendor of power and data cords, having commenced for the first time, last Wednesday.

For More About Fairson Holdings Ltd, Please Refer To:
[TARGET Intelligence Service, Volume XIII, Number 91,](#)
Published on Wednesday, May 18, 2011.

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

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

Fairson Holdings Ltd (Code: 8132)

\$HK0.51 per share*

Heng Xin China Holdings Ltd (Code: 8046)

Down 0.79 percent to \$HK1.26 per share

Credit China Holdings Ltd (Code: 8207)

Up 5.39 percent to \$HK1.76 per share

Honbridge Holdings Ltd (Code: 8137)

Unchanged at \$HK3.05 per share

Rojam Entertainment Holdings Ltd (Code: 8075)

Up 7.02 percent to \$HK0.305 per share

* First Day of Trading

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AGTech Holdings Ltd	8279	12.00		0.465
Asian Capital Holdings Ltd	8295	14.80		0.14

On The Tokyo Stock Exchange, which is the largest equity market of Asia, its TOPIX Index rose about 1.10 percent to 837.96 points in spirited trading conditions – for a change.

The Nikkei-225 Stock Average put on about 0.99 percent, coming to rest at ¥9,662.08.

Advancing counters outran declining ones by the ratio of about 5.97:One.

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

The HKSAR	Hang Seng Index Plus 0.48 percent to 23,011.14 The Growth Enterprise Index Plus 0.02 percent to 756.33
Indonesia	Plus 1.08 percent to 3,840.21
Japan	TOPIX Index Plus 1.10 percent to 837.96 Nikkei-225 Stock Average Plus 0.99 percent to 9,662.08
Malaysia	Plus 0.33 percent to 1,541.27
The Philippines	Plus 0.98 percent to 4,303.31
The PRC	Shanghai Composite Index Plus 0.70 percent to 2,872.77 Shenzhen Composite Index Plus 0.47 percent to 1,202.70
Singapore	Plus 0.15 percent to 3,141.21

South Korea	Plus 1.59 percent to 2,135.78
Taiwan	Plus 0.68 percent to 8,944.84
Thailand	Minus 0.83 percent to 1,075.91

Thursday

Stock and share prices rose on Wall Street, last Thursday, for no particular reason other than the excited investor reception on the first day of trading in the shares of LinkedIn Corporation.

Other than this fact, there appeared to be little to no reason for the key indices to rise to the extent that they did.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.36 percent to 12,605.32 points.

Over on The NASDAQ, its Composite Index put on about 0.30 percent, closing out the trading day at 2,823.31 points.

Trading was very much on the light side, being about 37 percent lower than the average daily turnover of 2010.

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

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in June came in at \$US98.44, down about 1.66 percent on the final quote of Wednesday.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US98.93, representing a one-day, price-retreat of about 1.62 percent.

On European bourses, the key indices rose, for the most part, but, once again, there was a great deal of hesitation on the part of many investors, it was reported.

The bugbear, as far as European investors were concerned, were grave questions as to the strength of the US economy.

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

Amsterdam's AEX Index Plus 0.49 percent

France's CAC 40 Index Plus 1.25 percent

Germany's Frankfurt XETRA DAX Index Plus 0.74 percent

Great Britain's FTSE 100 Index Plus 0.54 percent

Italy's MIBTEL Index Plus 0.54 percent

Switzerland's Swiss Market Index Plus 0.37 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4308	1.4335	1.4297	-0.01%	1.4308	1.4313
GBP/USD	1.6228	1.6236	1.6216	-0.05%	1.6228	1.6232
USD/JPY	81.660	81.760	81.620	+0.07%	81.660	81.710
USD/CHF	0.88250	0.88280	0.88060	+0.24%	0.88250	0.88300
USD/CAD	0.96700	0.96800	0.96690	-0.05%	0.96700	0.96750
AUD/USD	1.0665	1.0676	1.0661	-0.01%	1.0665	1.0671

In Asia, it was noted that the volume of activity on the 10, most-important equity markets of the most-populous region of the world was starting to fall off, materially.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the slowdown on both stock markets was very noticeable.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index, which is the benchmark of this market, gained about 0.66 percent, rising to 23,163.38 points.

The Total Turnover was about \$HK63.15 billion, while the ratio of advancing counters to declining ones was about 1.27:One.

The Ten Most Active counters were:

GCL-Poly Energy Holdings Ltd (Code: 3800)

Down 10.31 percent to \$HK4.09 per share

HSBC Holdings plc (Code: 5)

Down 0.31 percent to \$HK80.55 per share

China Mobile Ltd (Code: 941)

Down 0.29 percent to \$HK69.00 per share

CNOOC Ltd (Code: 883)

Up 1.45 percent to \$HK18.16 per share

China Construction Bank Corporation (Code: 939)

Up 0.28 percent to \$HK7.21 per share

Cheung Kong (Holdings) Ltd (Code: 1)

Up 2.68 percent to \$HK118.80 per share

Tencent Holdings Ltd (Code: 700)

Up 1.01 percent to \$HK220.60 per share

Sun Hung Kai Properties Ltd (Code: 16)

Up 2.02 percent to \$HK121.20 per share

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

Up 0.31 percent to \$HK6.40 per share

China Overseas Land and Investment Ltd (Code:
688)

Up 3.89 percent to \$HK16.02 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Advanced Semiconductor Manufacturing Corporation Ltd	3355		16.70	0.55
Bao Yuan Holdings Ltd	692		20.50	0.35
Carry Wealth Holdings Ltd	643	17.20		1.09
China Wireless Technologies Ltd	2369		28.90	1.99
City e-Solutions Ltd	557	17.80		1.06
Midas International Holdings Ltd	1172		23.50	0.14
Pacific Plywood Holdings Ltd	767		59.60	0.222
Paul Y. Engineering Group Ltd	577	40.00		0.77

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd,

its Growth Enterprise Index shed about 0.88 percent, dropping back to 749.71 points.

The Total Turnover was about \$HK293.04 million, while the ratio of declining counters to advancing ones was about 1.63:One.

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

Fairson Holdings Ltd (Code: 8132)

Down 4.90 percent to \$HK0.485 per share

Credit China Holdings Ltd (Code: 8207)

Down 3.41 percent to \$HK1.70 per share

Honbridge Holdings Ltd (Code: 8137)

Up 1.64 percent to \$HK3.10 per share

Wumart Stores Incorporated (Code: 8277)

Down 4.45 percent to \$HK17.18 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 2.91 percent to \$HK0.248 per share

There were just 2, double-digit movers of **The GEM**, last Thursday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Public Healthcare (Holding) Ltd	8116	14.30		0.08
Hongkong Life Group Holdings Ltd	8212		14.10	0.055

On the equity markets of Japan, their key indices fell back, some very materially.

The TOPIX Index, which is the key index of The Tokyo Stock Exchange, the premier equity market of the country, gave up about 0.72 percent, ending the trading session at 831.89 points.

The Nikkei-225 Stock Average lost about 0.43 percent, coming to rest at ¥9,620.82.

Declining counters outnumbered advancing ones by the ratio of about 2.92:One.

News Wise

- The Empire of Japan is in **recession**. It is official. The March 11, 2011 earthquake and the accompanying tsunami have been blamed for the present situation that is quite likely to have wide-ranging consequences to what was, only a couple of months ago, the second-largest economy of the world. The Gross Domestic Product of Japan shrank by about 0.90 percent in the first quarter of 2011, following a contraction in the final quarter of 2010. The Cabinet Office announced that the annualised rate of economic contraction was about 3.70 percent; and,
- **Foreign tourists**, visiting Japan in April, fell by about 62.50 percent, Year-On-Year, The Japan National Tourism Organisation released, last Thursday. The number of foreign visitors, entering The Land of The Rising Sun in April, was down to about 295,800.

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

The HKSAR	Hang Seng Index Plus 0.66 percent to 23,163.38 The Growth Enterprise Index Minus 0.88 percent to 749.71
Indonesia	Plus 0.51 percent to 3,859.81
Japan	TOPIX Index Minus 0.72 percent to 831.89 Nikkei-225 Stock Average Minus 0.43 percent to 9,620.82

Malaysia	Plus 0.18 percent to 1,544.02
The Philippines	Minus 0.13 percent to 4,297.93
The PRC	Shanghai Composite Index Minus 0.46 percent to 2,859.57 Shenzhen Composite Index Minus 0.45 percent to 1,197.31
Singapore	Plus 1.00 percent to 3,172.56
South Korea	Minus 1.89 percent to 2,095.51
Taiwan	Minus 0.58 percent to 8,892.88
Thailand	Plus 0.15 percent to 1,077.50

Friday

Wall Street gurus had egg all over their little faces, last Friday.

Having predicted on Thursday, New York time, that the key indices of the world's largest and most-influential equity markets would rise at the opening on Friday and, then, continue to climb for most of the trading session, in fact, the opposite took place.

With serious concerns over the probability that Greece would default on its international obligations to creditors and with the chaotic situations in Syria and Libya, growing more deadly on a daily basis, investors in The Land of The Free and The Home of The Brave took fright and forsook trading in stocks and shares.

By the close of last Friday's trading session, the key indices of both The New York Stock Exchange and The NASDAQ were considerably lower.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.74 percent, falling back to 12,512.04 points while, over on The NASDAQ, its Composite Index was off about 0.71 percent to 2,803.32 points.

Once again, the volume of activity was down more than 20 percent, compared with the average volume of activity in the 2010 calendar year.

Declining counters outnumbered advancing ones by the ratio of about 2.00:One on both equity markets.

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

The Dow Jones Industrial Average	Minus 0.66 percent
The Composite Index of The NASDAQ	Minus 0.89 percent

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

for delivery in June came in at \$US99.49, up about 1.07 percent on Thursday's closing level.

As for delivery in July, the last settlement of a barrel of light sweet crude oil was \$US100.10, representing a one-day, price-gain of about 1.18 percent.

On European bourses, the key indices of every one of the majors fell as investors in this part of the world appeared to be running for cover.

The growing prospects that Greece would default on its international financial obligations was intensified when Fitch Incorporated, an international rating agency, cut Greece's debt rating by 3 notches to B⁺.

Fitch Incorporated, also, warned that further downgrades were likely if The European Union and The International Monetary Fund do not front up with a credible rescue plan for Greece.

A B⁺ rating is 8 notches about above the default level and about 4 notches below investment grade.

It is difficult, one could state, to fart against thunder.

This was how things looked on **TARGET**'s list of the most-important equity markets of Europe, last Friday night:

Amsterdam's AEX Index Minus 0.74 percent

France's CAC 40 Index Minus 0.91 percent

Germany's Frankfurt XETRA DAX Index Minus 1.24 percent

Great Britain's FTSE 100 Index Minus 0.12 percent

Italy's MIBTEL Index Minus 1.36 percent

Switzerland's Swiss Market Index Minus 0.34 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4158	1.4344	1.4137	-1.06%	1.4158	1.4163
GBP/USD	1.6228	1.6302	1.6171	-0.05%	1.6228	1.6232
USD/JPY	81.710	81.850	81.510	+0.13%	81.710	81.770
USD/CHF	0.87740	0.88550	0.87510	-0.34%	0.87740	0.87780
USD/CAD	0.97380	0.97710	0.96430	+0.65%	0.97380	0.97430

AUD/USD	1.0657	1.0709	1.0613	-0.08%	1.0657	1.0662
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In Asia, the volume of activity on major equity markets continued to wane, indicating that things are not all promising in this part of the world, also.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the benchmark index of the premier equity market chalked up a tiny fractional gain while the lone index of the speculative equity market took a hefty hit.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.16 percent to 23,199.39 points, but declining counters outpaced advancing ones by the ratio of about 1.52:One.

The Total Turnover on this market was about \$HK57.75 billion.

The Ten Most Active counters were:

Shanghai Pharmaceuticals Holding Company Ltd
(Code: 2607)

\$HK23.00 per share*

Xinyi Glass Holdings Ltd (Code: 868)

Down 6.78 percent to \$HK8.39 per share

GCL-Poly Energy Holdings Ltd (Code: 3800)

Up 6.11 percent to \$HK4.34 per share

China Unicom (Hongkong) Ltd (Code: 762)

Up 4.66 percent to \$HK16.62 per share

China Mobile Ltd (Code: 941)

Up 0.36 percent to \$HK69.25 per share

HSBC Holdings plc (Code: 5)

Up 0.56 percent to \$HK81.00 per share

China Construction Bank Corporation (Code: 939)

Up 0.28 percent to \$HK7.23 per share

Winsway Coking Coal Holdings Ltd (Code: 1733)

Down 4.60 percent to \$HK3.94 per share

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

Unchanged at \$HK6.40 per share

China Lumena New Materials Corporation (Code:
67)

Down 8.53 percent to \$HK3.54 per share

* First Day of Trading

The biggest mover of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Pacific Plywood Holdings Ltd	767		45.00	0.122
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Over on The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed about 1.12 percent, dropping back to 741.34 points.

The Total Turnover on this market was about \$HK386.10 million, with the ratio of losing counters to gaining ones, being about 1.93:One.

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

Credit China Holdings Ltd (Code: 8207)

Down 4.71 percent to \$HK1.62 per share

Fairson Holdings Ltd (Code: 8132)

Up 9.28 percent to \$HK0.53 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 10.40 percent to \$HK1.12 per share

Honbridge Holdings Ltd (Code: 8137)

Down 3.23 percent to \$HK3.00 per share

China LotSynergy Holdings Ltd (Code: 8161)

Up 4.84 percent to \$HK0.26 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 Eco-Farming Ltd	8166		12.00	0.11
Heng Xin China Holdings Ltd	8046		10.40	1.12
Ningbo Yidong Electronic Company Ltd	8249	10.40		0.201
Tsun Yip Holdings Ltd	8356		10.30	0.26

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

The Hang Seng Index

Minus 0.33 percent

The Growth Enterprise Market

Minus 3.80 percent

On The Tokyo Stock Exchange, its TOPIX Index lost exactly one half of a percentage point, ending the trading session at 827.77 points.

The Nikkei-225 Stock Average gave up about 0.14 percent, dropping to ¥9,607.08.

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

For Asia's largest and most-important equity market, the tally for the week, ended May 20, 2011, was:

The TOPIX Index

Minus 1.45 percent

The Nikkei-225 Stock Average Minus 0.43 percent

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

The HKSAR	Hang Seng Index Plus 0.16 percent to 23,199.39 The Growth Enterprise Index Minus 1.12 percent to 741.34
Indonesia	Plus 0.34 percent to 3,872.95
Japan	TOPIX Index Minus 0.50 percent to 827.77 Nikkei-225 Stock Average Minus 0.14 percent to 9,607.08
Malaysia	Minus 0.19 percent to 1,541.03
The Philippines	Minus 0.30 percent to 4,285.16
The PRC	Shanghai Composite Index Minus 0.04 percent to 2,858.46 Shenzhen Composite Index Minus 0.39 percent to 1,192.66
Singapore	Minus 0.13 percent to 3,168.54
South Korea	Plus 0.76 percent to 2,111.50
Taiwan	Minus 0.63 percent to 8,837.03
Thailand	Minus 0.42 percent to 1,072.94

-- **END** --

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