

**INVESTORS LEARNED THEIR LESSON, ONCE AGAIN:  
BELIEVE NOTHING THAT YOU HEAR,  
AND ONLY 50 PERCENT THAT YOU READ**

All equity markets and commodity exchanges in the US were closed, last Monday, for a public holiday.

On European bourses, with the lone exception of Amsterdam's AEX Index, movements of the key indices of the other 5, large equity markets were muted in the extreme.

There were too many ifs and buts to allow investors in this part of the world to make a determination of any note and, with Wall Street, shut up tightly, European investors were left to their own devices.

And so investors in this part of the world, for the most part, sat on their hands, awaiting Tuesday's opening of the largest equity markets of the world.

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

Amsterdam's AEX Index	Plus 2.04 percent
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France's CAC 40 Index	Minus 0.10 percent
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Germany's Frankfurt XETRA DAX Index	Plus 0.31 percent
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Great Britain's FTSE 100 Index	Plus 0.46 percent
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Italy's MIBTEL Index	Minus 0.20 percent
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Switzerland's Swiss Market Index	Plus 0.18 percent
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#### News Wise

- **The manufacturing sector** of eurozone did not fare very well, during the month of June, according to the Markit's Manufacturing **Purchasing Managers' Index (PMI)**. Growth fell to an 18-month low. The PMI fell to 52 points in June, down about 4.76 percentile points, compared with a reading of 54.60 points for the month of May; and,
- Standard's and Poor's has delivered a warning to the extent that the present plans to restructure **Greece's debts** would, effectively, constitute a default. In June, the US rating agency downgraded Greece's credit rating from B to CCC – junk status.

#### Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4509	1.4552	1.4509	-0.19%	1.4509	1.4514
GBP/USD	1.6062	1.6097	1.6064	-0.13%	1.6062	1.6066
USD/JPY	80.990	81.040	80.760	+0.27%	80.990	81.050
USD/CHF	0.84940	0.84960	0.84730	+0.20%	0.84940	0.84990
USD/CAD	0.96050	0.96100	0.95960	-0.04%	0.96050	0.96100
AUD/USD	1.0714	1.0745	1.0716	-0.16%	1.0714	1.0719

In Asia, investors were bullish about the near-term future of the direction of stocks and shares.

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 rose, but it was on the premier market that things were really happening.

On the Main Board of The Stock Exchange of Hongkong Ltd, its benchmark index, known as The Hang Seng Index, rose about 1.66 percent to 22,770.47 points.

The Total Turnover was about \$HK78.97 billion, with gaining counters, outnumbering losing ones by the ratio of about 3.34:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)

Up 4.51 percent to \$HK27.80 per share

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

Up 0.85 percent to \$HK5.96 per share

HSBC Holdings plc (Code: 5)

Up 1.62 percent to \$HK78.30 per share

China Mobile Ltd (Code: 941)

Up 1.11 percent to \$HK72.80 per share

China Construction Bank Corporation (Code: 939)

Up 1.71 percent to \$HK6.56 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Up 3.00 percent to \$HK168.00 per share

CNOOC Ltd (Code: 883)

Up 1.87 percent to \$HK18.50 per share

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

Up 2.18 percent to \$HK82.10 per share

Bank of China Ltd (Code: 3988)

Up 2.11 percent to \$HK3.87 per share

China Yurun Food Group Ltd (Code: 1068)

Down 1.83 percent to \$HK21.50 per share

The biggest movers of the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Cassava Resources Holdings Ltd	841		15.30	1.66
China Resources Microelectronics Ltd	597	29.90		0.435
eForce Holdings Ltd	943		17.10	0.034
Pearl River Tyre (Holdings) Ltd	1187	18.90		2.26
Schramm Holding AG	955	118.60		65.35
Waytung Global Group Ltd	21	20.00		0.51

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index managed a gain of about 0.09 percent, edging up to 696.19 points.

The Total Turnover was about \$HK229.02 million, with advancing counters, outnumbering declining ones by the ratio of about 1.11:One.

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

Honbridge Holdings Ltd (Code: 8137)

Down 3.08 percent to \$HK2.52 per share

Heng Xin China Holdings Ltd (Code: 8046)

Unchanged at \$HK1.32 per share

Credit China Holdings Ltd (Code: 8207)

Down 3.21 percent to \$HK1.51 per share

Fairson Holdings Ltd (Code: 8132)

Unchanged at \$HK0.395 per share

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

Up 10.56 percent to \$HK0.157 per share

The GEM's double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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abc Multiactive Ltd	8131		11.10	0.48
China Eco-Farming Ltd	8166	16.70		0.098
CIG Yangtze Ports PLC	8233	12.00		0.131
Great World Company Holdings Ltd	8003	12.20		0.175
Rojam Entertainment Holdings Ltd	8075	13.00		0.235
Sau San Tong Holdings Ltd	8200	20.90		0.52
Tai Shing International (Holdings) Ltd	8103	10.60		0.157
Tianjin TEDA Biomedical Engineering Company Ltd	8189	10.00		0.495
Unlimited Creativity Holdings Ltd	8079		18.30	0.094

On Asia's largest equity market, The Tokyo Stock Exchange, investors appeared to be upbeat about the short-term direction of stocks and shares.

On The Tokyo Stock Exchange, which is the premier equity market of Japan, its TOPIX Index rose about 1.20 percent to 864.11 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, moved up ¥97.20, or about 0.98 percent, ending the trading day at ¥9,965.09, compared with the closing level of Friday, July 1, 2011.

Advancing counters outpaced declining ones by the ratio of about 3.99:One.

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

The HKSAR	Hang Seng Index Plus 1.66 percent to 22,770.47 The Growth Enterprise Index Plus 0.09 percent to 696.19
Indonesia	Plus 0.67 percent to 3,953.52
Japan	TOPIX Index Plus 1.20 percent to 864.11 Nikkei-225 Stock Average Plus 0.98 percent to 9,965.09
Malaysia	Minus 0.04 percent to 1,582.35
The Philippines	Plus 1.61 percent to 4,421.56

The PRC	Shanghai Composite Index Plus 1.94 percent to 2,812.82 Shenzhen Composite Index Plus 2.31 percent to 1,188.92
Singapore	Plus 0.46 percent to 3,153.44
South Korea	Plus 0.92 percent to 2,145.30
Taiwan	Plus 0.40 percent to 8,774.72
Thailand	Plus 4.69 percent to 1,090.28

## **Tuesday**

Both US equity markets and most of the major European bourses enjoyed very light volumes of activity, last Tuesday.

On Wall Street, the light trading conditions were very noticeable (about 71 percent of the average daily turnover of 2010) as the key indices of the world's largest and most-influential equity markets struggled to move from the red to the black.

On The New York Stock Exchange, the Dow Jones Industrial Average finished the first day of trading at 12,569.87 points, down 12.90 points, or about one tenth of one percent, compared with close of trading on Friday, July 1, 2011.

Over on The NASDAQ, its Composite Index managed a gain of 9.74 points, equivalent to about 0.35 percent, coming to rest at 2,825.77 points by the close of the trading session.

US investors continue to show concern over the financial situation in Greece, with reports, filtering through that the €12 billion, emergency loan, made available by the **International Monetary Fund (IMF)** and the **European Union (EU)**, might not, at the end of the day, do the trick for the impoverished member state of the EU.

Suggestions abound that Greece might still not be able to meet its international obligations to creditors even with the recent bailout money.

On European equity markets, it was a similar story to that, being told on Wall Street, but, with regard to investors on the most-important bourses in Europe, there was the added fact that Moody's Investors Service had downgraded Portugal's debts to junk status (Please see New Wise, below).

This was how the situation looked on the largest and most-important bourses of Europe, last Tuesday night:

Amsterdam's AEX Index                      Minus 0.11 percent

France's CAC 40 Index                      Minus 0.60 percent

Germany's Frankfurt XETRA DAX Index Minus 0.04 percent

Great Britain's FTSE 100 Index Plus 0.10 percent

Italy's MIBTEL Index Minus 0.95 percent

Switzerland's Swiss Market Index Minus 0.04 percent

### News Wise

- Moody's Investors Service had downgraded **Portugal's debt** to the level of junk, saying, inter alia, that there is a growing risk that the country would require a second cash bailout.

### Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4443	1.4446	1.4419	+0.11%	1.4443	1.4448
GBP/USD	1.6071	1.6079	1.6050	+0.07%	1.6071	1.6075
USD/JPY	80.830	81.110	80.840	-0.27%	80.830	80.890
USD/CHF	0.84040	0.84130	0.84020	+0.01%	0.84040	0.84090
USD/CAD	0.96210	0.96370	0.96240	-0.09%	0.96210	0.96260
AUD/USD	1.0702	1.0706	1.0684	+0.10%	1.0702	1.0707

On The New York Mercantile Exchange (NYMEX), which is the world's largest commodity market, the last settlement of a barrel of light sweet crude oil for delivery in August came in at \$US96.89, representing a price-increase of about 2.05 percent, compared with the closing level of Friday, July 1, 2011.

For delivery in September, the last settlement of a barrel of light sweet crude oil was \$US97.38, up about 1.96 percent on the final quote for the trading week, ended July 1, 2011.

In Asia, last Tuesday, there was no clear direction for the key indices of equity markets in this area of the world.

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 lost ground.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index finished the trading day at 22,747.95 points on a Total Turnover of about \$HK60.90 billion.

The ratio of declining counters to advancing ones was about 1.22:One.

The Ten Most Active counters were:

China Construction Bank Corporation (Code: 939)

Down 1.22 percent to \$HK6.48 per share

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

Down 0.50 percent to \$HK5.93 per share

Hutchison Whampoa Ltd (Code: 13)

Up 0.88 percent to \$HK85.75 per share

China Life Insurance Company Ltd (Code: 2628)

Down 0.18 percent to \$HK27.75 per share

China Mobile Ltd (Code: 941)

Down 0.14 percent to \$HK72.70 per share

CNOOC Ltd (Code: 883)

Down 0.54 percent to \$HK18.40 per share

HSBC Holdings plc (Code: 5)

Down 0.06 percent to \$HK78.25 per share

GOME Electrical Appliances Holding Ltd (Code:  
493)

Up 2.76 percent to \$HK3.35 per share

Huabao International Holdings Ltd (Code: 336)

Up 7.51 percent to \$HK6.73 per share

Hongkong Exchanges and Clearing Ltd (Code:  
388)

Unchanged at \$HK168.00 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Greenheart Group Ltd	94	18.60		1.34
Mongolia Energy Corporation Ltd	276	30.60		1.11
Tonic Industries Holdings Ltd	978	16.70		0.98

Over on The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.71 percent, dropping back to 691.22 points.

The Total Turnover on this market was about \$HK248.34 million, with the ratio of declining counters to advancing ones, being 1.29:One.

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

Heng Xin China Holdings Ltd (Code: 8046)

Up 1.52 percent to \$HK1.34 per share

Honbridge Holdings Ltd (Code: 8137)

Down 1.59 percent to \$HK2.48 per share

Sau San Tong Holdings Ltd (Code: 8200)

Up 13.46 percent to \$HK0.59 per share

Ruifeng Petroleum Chemical Holdings Ltd (Code:  
8096)

Unchanged at \$HK0.80 per share

Tsun Yip Holdings Ltd (Code: 8356)

Unchanged at \$HK0.213 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Holdings Ltd	8295	11.50		0.145
Crosby Capital Ltd	8088	11.50		0.097
Sau San Tong Holdings Ltd	8200	13.50		0.59
Thiz Technology Group Ltd	8119		17.70	0.065

On The Tokyo Stock Exchange, its TOPIX Index squeezed out a gain of about 0.12 percent, ending the day at 865.18 points.

The Nikkei-225 Stock Average only managed a gain of about 0.07 percent, coming to rest at the end of the trading day at ¥9,972.46.

Losing counters outnumbered gaining ones by the ratio of about 1.23:One.

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

The HKSAR	Hang Seng Index Minus 0.10 percent to 22,747.95 The Growth Enterprise Index Minus 0.71 percent to 691.22
Indonesia	Minus 0.74 percent to 3,924.13
Japan	TOPIX Index Plus 0.12 percent to 865.18 Nikkei-225 Stock Average Plus 0.07 percent to 9,972.46
Malaysia	Minus 0.03 percent to 1,581.85

The Philippines	Plus 0.41 percent to 4,439.61
The PRC	Shanghai Composite Index Plus 0.13 percent to 2,816.36 Shenzhen Composite Index Plus 0.58 percent to 1,195.83
Singapore	Minus 0.75 percent to 3,129.69
South Korea	Plus 0.77 percent to 2,161.75
Taiwan	Plus 0.11 percent to 8,784.44
Thailand	Minus 0.52 percent to 1,084.59

### **Wednesday**

Banking counters on most equity markets were hit hard, last Wednesday, from one corner of the world to another.

This followed strong suggestions that many international banks and finance houses were sitting on mountains of caustic assets.

On Wall Street, investors were hot to trot to offload banking counters, with Bank of America Corporation, the largest US bank, losing about 2.40 percent of its market capitalisation, dropping back to \$US10.74 per share.

In terms of The Dow Jones Industrial Average, the fall in the share price of Bank of America Corporation represented the biggest loser of the day for this, the benchmark index of the world's largest equity market.

The hurry to offload banking counters came about due to a number of completely unrelated factors.

As this medium reported on Tuesday, Moody's Investors Service had downgraded Portugal's debt to the level of junk, saying, inter alia, that there is a growing risk that the country would require a second cash bailout.

This shocked many a banker and finance house in Europe since the Moody's announcement came on the heels of its assessment of Greece's ability to meet its existing financial obligations – in spite of obtaining €12 billion in bail-out cash from The International Monetary Fund and the European Union.

Moody's, also, said that most banks in the People's Republic of China (PRC) had, on their books, trillions of renminbi-worth of non-performing loans.

In Singapore, the Republic's wholly-owned, investment company, named Temasek Holdings Pte Ltd sought to divest itself of 5.19 billion shares in the Issued and Fully Paid-Up Share Capital of Bank of China Ltd () and about 1.50 billion shares in the Issued and Fully Paid-Up Share Capital of China Construction Bank Corporation ().

Temasek Holdings Pte Ltd grossed about \$HK28.20 billion (about \$US3.62 billion) from the share sales.

These factors and others conspired to instil fear in many an investor in The Land of The Free and The Home of The Brave.

The Dow ended last Wednesday's trading session at 12,626.02 points, up about 0.45 percent on Tuesday's closing level.

The Composite Index of The NASDAQ rose about 0.29 percent to 2,834.02 points.

Trading continued on the light side, but gaining counters outnumbered losing ones by the ratio of about 1.33:One on The New York Stock Exchange and about 1.27:One on The NASDAQ.

In Europe, the key indices of **TARGET**'s preferred 6 bourses all lost traction, but Italy's MIBTEL Index came completely unstuck as the following list illustrates:

Amsterdam's AEX Index                      Minus 0.43 percent

France's CAC 40 Index                      Minus 0.43 percent

Germany's Frankfurt XETRA DAX Index   Minus 0.11 percent

Great Britain's FTSE 100 Index           Minus 0.35 percent

Italy's MIBTEL Index                      Minus 2.35 percent

Switzerland's Swiss Market Index       Minus 1.01 percent

### Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4325	1.4338	1.4316	+0.06%	1.4325	1.4330
GBP/USD	1.6005	1.6017	1.5998	+0.02%	1.6005	1.6009
USD/JPY	80.910	81	80.900	+0.01%	80.910	80.960
USD/CHF	0.83930	0.83980	0.83920	+0.02%	0.83930	0.83980
USD/CAD	0.96520	0.96570	0.96490	+0.02%	0.96520	0.96570
AUD/USD	1.0694	1.0707	1.0689	-0.04%	1.0694	1.0699

On The New York Mercantile Exchange (**NYMEX**), the last settlement of a barrel of light sweet crude oil for delivery in August came in at \$US96.65, off about 0.25 percent on the final quote of Tuesday.

As for delivery in September, the last settlement of a barrel of light sweet crude oil was \$US97.13,

representing a 0.26-percent drop on Tuesday's close.

In Asia, there were more losers than gainers in the equity markets in this part of the world, due in large part to the offloading of PRC banking counters, during the trading day.

In the Hongkong Special Administrative Region (HKSAR) of the PRC, the key indices of both equity markets received something of a walloping by investors.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index gave up about 1.01 percent, dropping to 22,517.55 points.

The Total Turnover, at about \$HK97.68 billion, was an increase of about 60 percent, compared with the volume of activity on Tuesday. This was mostly due to the large block sales of shares in Bank of China Ltd and China Construction Bank Corporation by the Government of Singapore's Temasek Holdings.

The ratio of declining counters to advancing ones was about 2.74:One.

The Ten Most Active counters were:

Bank of China Ltd (Code: 3988)  
Down 3.63 percent to \$HK3.72 per share

China Construction Bank Corporation (Code: 939)  
Down 3.24 percent to \$HK6.27 per share

Industrial and Commercial Bank of China Ltd  
(Code: 1398)  
Down 2.53 percent to \$HK5.78 per share

China Yurun Food Group Ltd (Code: 1068)  
Up 5.97 percent to \$HK22.20 per share

HSBC Holdings plc (Code: 5)  
Down 0.64 percent to \$HK77.75 per share

Agricultural Bank of China Ltd (Code: 1288)  
Down 4.78 percent to \$HK3.98 per share

CNOOC Ltd (Code: 883)  
Down 0.54 percent to \$HK18.30 per share

China Mobile Ltd (Code: 941)  
Down 0.48 percent to \$HK72.35 per share

AIA Group Ltd (Code: 1299)  
Down 1.09 percent to \$HK27.30 per share

Hutchison Whampoa Ltd (Code: 13)  
Down 0.99 percent to \$HK84.90 per share

As for the biggest movers on this market, there were only 3 counters that qualified:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Lee and Man Handbags Holding Ltd	1488	25.80		1.17

Radford Capital Investment Ltd	901		20.20	0.75
Shuanghua Holdings Ltd	1241	15.00		1.69

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index dropped back to 687.20 points, representing a one-day fall of about 0.58 percent.

The Total Turnover dipped to the lowest level of the year, at about \$HK181.14 million.

Losing counters outran gaining ones by the ratio of about 2.62:One.

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

Honbridge Holdings Ltd (Code: 8137)

Down 1.61 percent to \$HK2.44 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 1.49 percent to \$HK1.32 per share

Fairson Holdings Ltd (Code: 8132)

Up 1.28 percent to \$HK0.395 per share

China Vanguard Group Ltd (Code: 8156)

Up 7.94 percent to \$HK0.34 per share

Credit China Holdings Ltd (Code: 8207)

Down 1.32 percent to \$HK1.50 per share

There were only 2, double-digit movers on this (speculative) market:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Dahe Media Company Ltd	8243		10.20	0.265
Xi'an Haitian Antenna Technologies Company Ltd	8227		11.10	0.28

On The Tokyo Stock Exchange, its TOPIX Index rose about 0.96 percent to 873.51 points.

The Nikkei-225 Stock Average put on about 1.10 percent, ending the trading day at ¥10,082.48.

Advancing counters outnumbered declining ones by the ratio of about 2.71:One.

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

The HKSAR	Hang Seng Index Minus 1.01 percent to 22,517.55 The Growth Enterprise Index Minus 0.58 percent to 687.20
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Indonesia	Minus 0.39 percent to 3,908.96
Japan	TOPIX Index Plus 0.96 percent to 873.51 Nikkei-225 Stock Average Plus 1.10 percent to 10,082.48
Malaysia	Plus 0.60 percent to 1,591.34
The Philippines	Minus 0.92 percent to 4,398.75
The PRC	Shanghai Composite Index Minus 0.21 percent to 2,810.48 Shenzhen Composite Index Plus 0.40 percent to 1,200.58
Singapore	Minus 0.48 percent to 3,114.71
South Korea	Plus 0.44 percent to 2,171.19
Taiwan	Plus 0.46 percent to 8,824.44
Thailand	Minus 1.10 percent to 1,072.68

### **Thursday**

Suggestions that things were on the mend at the largest, single economy of the world caused a flurry of excitement on the world's largest and most-influential equity markets, last Thursday.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 0.74 percent to 12,719.49 points and, over on The NASDAQ, its Composite Index gained about 1.36 percent, ending the continued light trading conditions at 2,872.66 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.

Whether or not one should believe, as Gospel, statements, circulated by parties with vested interests, statements which may or may not be correct, based on certain assumptions, is risky in the extreme, it appears to this medium, but Wall Street gurus were quick to jump aboard any vehicle, or any brand or colour, if it was likely to lead to improved trading conditions on the world's largest equity market.

The fact that trading conditions on Wall Street are less than 80 percent of the average daily volume of activity of 2010 would, one might conjecture, suggest that a continued upward momentum is highly unlikely.

Be that as it may, few winners on Wall Street, last Thursday, were complaining.

But the suggestions that things could pick up, during the second half of 2011, caused speculators and hedging companies to cover all bets on the world's largest commodity exchanges.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in August came in at \$US98.67, up about 2.09 percent on Wednesday's close.

As for delivery in September, the last settlement of a barrel of light sweet crude oil was \$US99.14, representing a one-day, price-improvement of about 2.07 percent.

On European bourses, many investors appeared to embrace the euphoria of Wall Street, causing many share prices to rise.

However, by the close of their respective days of the largest equity markets of this part of the world, most of the gains were of small fractions as the following **TARGET** () list of its select bourses indicates:

Amsterdam's AEX Index	Plus	1.03 percent
France's CAC 40 Index	Plus	0.47 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.54 percent
Great Britain's FTSE 100 Index	Plus	0.86 percent
Italy's MIBTEL Index	Minus	0.11 percent
Switzerland's Swiss Market Index	Plus	0.51 percent

### News Wise

- In a 44-word statement, **The Bank of England**, which is The Central Bank of the United Kingdom, announced:

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

- From the **European Central Bank (ECB)**, last Thursday, it was announced:

*'At today's meeting the Governing Council of the ECB took the following monetary policy decisions:*

- 1. The interest rate on the main refinancing operations of the Eurosystem will be increased by 25 basis points to 1.50%, starting from the operation to be settled on 13 July 2011.*
- 2. The interest rate on the marginal lending facility will be increased by 25 basis points to 2.25%, with effect from 13 July 2011.*
- 3. The interest rate on the deposit facility will be increased by 25 basis points to 0.75%, with effect from 13 July 2011.'*

### Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4359	1.4367	1.4347	-0.03%	1.4359	1.4364
GBP/USD	1.5974	1.5977	1.5961	+0.01%	1.5974	1.5978
USD/JPY	81.260	81.300	81.240	+0.05%	81.260	81.320
USD/CHF	0.84400	0.84550	0.84430	-0.01%	0.84400	0.84450
USD/CAD	0.95830	0.95930	0.95810	-0.02%	0.95830	0.95880
AUD/USD	1.0764	1.0782	1.0761	-0.10%	1.0764	1.0769

In Asia, there were only fractional changes to the key indices of every equity market in the most-populous part of the world.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the volume of activity continued to sag.

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, rose about 0.06 percent to 22,530.18 points on a Total Turnover of about \$HK62.13 billion.

Declining counters outran advancing ones by the ratio of about 1.04:One.

The Ten Most Active counters were:

China Construction Bank Corporation (Code:  
939)

Unchanged at \$HK6.27 per share

Bank of China Ltd (Code: 3988)

Unchanged at \$HK3.72 per share

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

Up 0.17 percent to \$HK5.79 per share

CNOOC Ltd (Code: 883)

Down 0.66 percent to \$HK18.18 per share

AIA Group Ltd (Code: 1299)

Up 1.65 percent to \$HK27.75 per share

HSBC Holdings plc (Code: 5)

Up 0.32 percent to \$HK78.00 per share

China Mobile Ltd (Code: 941)

Up 0.28 percent to \$HK72.55 per share

China Yurun Food Group Ltd (Code: 1068)

Up 3.60 percent to \$HK23.00 per share

Agricultural Bank of China Ltd (Code: 1288)

Unchanged at \$HK3.98 per share

China National Building Material Company Ltd  
(Code: 3323)

Up 4.31 percent to \$HK16.96 per share

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Enviro Energy International Holdings Ltd	1102	18.70		0.57
Kam Hing International Holdings Ltd	2307	20.50		1.00
Li Ning Company Ltd	2331		15.80	11.54
Morning Star Resources Ltd	542	29.60		0.245

On The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained exactly 0.24 percent, ending the very light trading day at 685.55 points.

The Total Turnover on this market was about \$HK181.71 million.

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

Honbridge Holdings Ltd (Code: 8137)

Up 1.23 percent to \$HK2.47 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 0.76 percent to \$HK1.33 per share

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

Unchanged at \$HK0.159 per share

Longlife Group Holdings Ltd (Code: 8037)

Up 4.66 percent to \$HK0.247 per share

Credit China Holdings Ltd (Code: 8207)

Down 2.67 percent to \$HK1.46 per share

The GEM's double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Great World Company Holdings Ltd	8003		10.60	0.16
Ming Kei Holdings Ltd	8239	15.70		0.81

Pan Asia Mining Ltd	8173		11.80	0.41
Venturepharm Laboratories Ltd	8225	10.00		0.77

On The Tokyo Stock Exchange, its TOPIX Index lost about 0.35 percent, coming to rest at 870.48 points by supper-time.

The Nikkei-225 Stock Average shed 0.11 percent, edging back to ¥10,071.14.

Advancing counters outnumbered declining ones by the ratio of exactly 1.12:One.

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

The HKSAR	Hang Seng Index Plus 0.06 percent to 22,530.18 The Growth Enterprise Index Minus 0.24 percent to 685.55
Indonesia	Plus 0.78 percent to 3,939.47
Japan	TOPIX Index Minus 0.35 percent to 870.48 Nikkei-225 Stock Average Minus 0.11 percent to 10,071.14
Malaysia	Minus 0.07 percent to 1,590.24
The Philippines	Minus 0.52 percent to 4,375.85
The PRC	Shanghai Composite Index Minus 0.58 percent to 2,794.27 Shenzhen Composite Index Plus 0.14 percent to 1,202.32
Singapore	Plus 0.36 percent to 3,125.87
South Korea	Plus 0.43 percent to 2,180.59
Taiwan	Minus 0.58 percent to 8,773.42
Thailand	Plus 0.97 percent to 1,083.08

## **Friday**

The US Labour Department delivered the news with regard to the unemployment level in The Land of The

Free and The Home of The Brave for the month of June.

And the gurus of Wall Street, once again, had egg all over their stupid faces.

Mr Keith Hall, Commissioner, The Bureau of Labour Statistics, said, inter alia, that the unemployment level in the US for June had risen one percentage point to 9.20 percent and that a paltry 18,000 jobs had been created in the month of June.

The following is a verbatim statement of The Commissioner:

*'Nonfarm payroll employment was essentially unchanged in June (+18,000), and the unemployment rate, at 9.2 percent, also changed little. Over the past 2 months, job growth has slowed markedly. Employment rose by an average of 215,000 per month from February through April of this year, compared with an average of 22,000 for May and June.'*

*'Mining employment continued to expand in June, with a job gain in support activities for mining (+7,000). Employment in professional and technical services also continued to increase (+24,000). The industry has added 245,000 jobs since reaching a recent low in March 2010. Leisure and hospitality employment edged up over the month (+34,000).'*

*'Employment in manufacturing was flat in May and June, following 6 months of gains that totaled 164,000. Employment in temporary help services changed little in June and has shown little net growth so far this year. Most other private-sector industries showed little or no change over the month.'*

*'Employment in government continued to trend down (-39,000) in June. Federal employment declined by 14,000. The number of jobs in both state government and local government continued to trend down over the month and has been falling since the second half of 2008.'*

*'Average hourly earnings of all employees on private nonfarm payrolls were down by 1 cent in June to \$22.99. Over the past 12 months, average hourly earnings have risen by 1.9 percent. From May 2010 to May 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 3.4 percent.'*

*'Turning now to measures from the household survey, the unemployment rate was 9.2 percent in June, and 14.1 million people were unemployed. Since March, the unemployment rate has risen by 0.4 percentage point, and the number of unemployed persons has increased by 545,000.'*

*'The employment-population ratio declined to 58.2 percent in June. Among the employed, the number of individuals working part time who preferred full-time work was essentially unchanged at 8.6 million.'*

*'The labor force participation rate was little changed, at 64.1 percent, in June. Among those outside the labor force -- persons neither working nor looking for work -- the number of discouraged workers in June was 982,000, down from 1.2 million a year earlier. These individuals were not looking for work because they believed no jobs were available for them.'*

*'In summary, nonfarm payroll employment in June was essentially unchanged for the second consecutive month. The unemployment rate, at 9.2 percent, was 0.4 percentage point higher than in March.'*

Wall Street reacted: Down came the key indices of the both equity markets.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 0.49 percent, ending the very light trading day at 12,657.20 points.

The Composite Index of The NASDAQ shed about 0.45 percent as investors pulled it back to 2,859.81 points.

The volume of activity was about 70 percent of the average daily turnover of 2010.

The ratio of gaining counters to losing ones was about 2.00:One on both markets.

The tally for the 4-day trading week for the world's largest equity markets was:

<i>The New York Stock Exchange</i>	<i>Plus</i>	<i>0.59 percent</i>
<i>The Composite Index of The NASDAQ</i>	<i>Plus</i>	<i>1.55 percent</i>

*On European equity markets, the key indices of every one of them fell out of bed.*

*Investors in Europe were concerned, not only about the weak labour market in the US, but, also, about the cost of borrowing for debt-laden Portugal, Ireland and, perhaps, even Italy.*

*And, with interest rates rising in eurozone, there would be that added burden to corporate entities, trying to make ends meet.*

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

<i>Amsterdam's AEX Index</i>	<i>Minus 0.77 percent</i>
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<i>France's CAC 40 Index</i>	<i>Minus 1.66 percent</i>
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<i>Germany's Frankfurt XETRA DAX Index</i>	<i>Minus 0.91 percent</i>
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<i>Great Britain's FTSE 100 Index</i>	<i>Minus 1.05 percent</i>
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<i>Italy's MIBTEL Index</i>	<i>Minus 3.29 percent</i>
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<i>Switzerland's Swiss Market Index</i>	<i>Minus 0.94 percent</i>
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### **Currencies**

<i><b>Currency</b></i>	<i><b>Last</b></i>	<i><b>High</b></i>	<i><b>Low</b></i>	<i><b>Change</b></i>	<i><b>Bid</b></i>	<i><b>Ask</b></i>
<i><b>EUR/USD</b></i>	<i>1.4261</i>	<i>1.4367</i>	<i>1.4211</i>	<i>-0.71%</i>	<i>1.4261</i>	<i>1.4266</i>
<i><b>GBP/USD</b></i>	<i>1.6056</i>	<i>1.6076</i>	<i>1.5933</i>	<i>+0.53%</i>	<i>1.6056</i>	<i>1.6060</i>
<i><b>USD/JPY</b></i>	<i>80.630</i>	<i>81.470</i>	<i>80.530</i>	<i>-0.73%</i>	<i>80.630</i>	<i>80.690</i>

<i>USD/CHF</i>	<i>0.83690</i>	<i>0.85160</i>	<i>0.83640</i>	<i>-0.85%</i>	<i>0.83690</i>	<i>0.83740</i>
<i>USD/CAD</i>	<i>0.96260</i>	<i>0.96630</i>	<i>0.95750</i>	<i>+0.43%</i>	<i>0.96260</i>	<i>0.96310</i>
<i>AUD/USD</i>	<i>1.0752</i>	<i>1.0787</i>	<i>1.0707</i>	<i>-0.21%</i>	<i>1.0752</i>	<i>1.0757</i>

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in August was \$US96.20, down about 2.50 percent on Thursday's close.

As for delivery in September, the last settlement of a barrel of light sweet crude oil came in at \$US96.70, representing a one-day, price-fall of about 2.46 percent.

In Asia, there were many more counters that were gainers than losers on the region's equity markets.

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 made gains, but they were only of a fractional nature.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 0.87 percent to 22,726.43 points.

The Total Turnover was about \$HK63.82 billion, with the ratio of advancing counters to declining ones, being about 1.66:One.

The Ten Most Active counters were:

*China Construction Bank Corporation (Code: 939)*

*Up 0.48 percent to \$HK6.30 per share*

*China Mobile Ltd (Code: 941)*

*Up 1.72 percent to \$HK73.80 per share*

*Bank of China Ltd (Code: 3988)*

*Up 0.27 percent to \$HK3.73 per share*

*PetroChina Company Ltd (Code: 857)*

*Up 2.26 percent to \$HK11.78 per share*

*CNOOC Ltd (Code: 883)*

*Up 1.76 percent to \$HK18.50 per share*

*HSBC Holdings plc (Code: 5)*

*Up 0.32 percent to \$HK78.25 per share*

*Tencent Holdings Ltd (Code: 700)*

*Down 1.02 percent to \$HK212.60 per share*

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

*Up 1.38 percent to \$HK5.87 per share*

*China National Building Material Company Ltd  
(Code: 3323)*

*Up 1.30 percent to \$HK17.18 per share*

*China Yurun Food Group Ltd (Code: 1068)*

*Down 4.57 percent to \$HK21.95 per share*

The biggest movers of the day included:

<i>Name of Company</i>	<i>Code</i>	<i>Increase (%)</i>	<i>Decrease (%)</i>	<i>Closing Price (\$HK)</i>
<i>China Strategic Holdings Ltd</i>	<i>235</i>	<i>23.40</i>		<i>0.216</i>
<i>China Wireless Technologies Ltd</i>	<i>2369</i>	<i>15.10</i>		<i>1.83</i>
<i>Oriental Ginza Holdings Ltd</i>	<i>996</i>	<i>15.10</i>		<i>0.61</i>
<i>Pearl River Tyre (Holdings) Ltd</i>	<i>1187</i>	<i>34.30</i>		<i>3.25</i>

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index put on about 0.48 percent, limping up to 688.87 points.

The Total Turnover on this market was about \$HK206.12 million.

Declining counters on this (speculative) equity market outnumbered advancing ones by the ratio of about 1.37:One.

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

*Honbridge Holdings Ltd (Code: 8137)*

*Up 6.88 percent to \$HK2.64 per share*

*Gayety Holdings Ltd (Code: 8179)*

*\$HK1.50 per share\**

*Heng Xin China Holdings Ltd (Code: 8046)*

*Up 0.75 percent to \$HK1.34 per share*

*Fairson Holdings Ltd (Code: 8132)*

*Down 2.50 percent to \$HK0.39 per share*

*Bingo Group Holdings Ltd (Code: 8220)*

*Up 11.11 percent to \$HK0.19 per share*

*\* First Day of Trading*

The GEM's double-digit movers included:

<i>Name of Company</i>	<i>Code</i>	<i>Increase (%)</i>	<i>Decrease (%)</i>	<i>Closing Price (\$HK)</i>
<i>Bingo Group Holdings Ltd</i>	<i>8220</i>	<i>11.10</i>		<i>0.19</i>
<i>China 3D Digital Entertainment Ltd</i>	<i>8078</i>	<i>10.00</i>		<i>0.022</i>

<i>China Eco-Farming Ltd</i>	8166	16.90		0.097
<i>Epicurean and Company Ltd</i>	8213		12.70	0.103
<i>MelcoLot Ltd</i>	8198		12.00	0.132
<i>Pan Asia Mining Ltd</i>	8173	17.10		0.48
<i>Zheda Lande Scitech Ltd</i>	8106	42.20		0.33
<i>Zhi Cheng Holdings Ltd</i>	8130		13.30	0.26
<i>ZMAY Holdings Ltd</i>	8085	10.20		0.14

For the week, ended July 8, 2011, the tally for the second-largest equity market of Asia was:

<i>The Hang Seng Index</i>	<i>Plus 1.47 percent</i>
<i>The Growth Enterprise Index</i>	<i>Minus 0.96 percent</i>

On The Tokyo Stock Exchange, its TOPIX Index gained about 0.44 percent to 874.34 points.

The Nikkei-225 Stock Average ended the week with a gain of about 0.66 percent at ¥10,137.73.

The ratio of gainers to losers was about 1.44:One.

The tally for the week with regard to the largest equity market of Asia was:

<i>The TOPIX Index</i>	<i>Plus 3.51 percent</i>
<i>The Nikkei-225 Stock Average</i>	<i>Plus 2.73 percent</i>

This was how the situation looked on other Asian equity markets at the close of the trading week:

<i>The HKSAR</i>	<i>Hang Seng Index</i> <i>Plus 0.87 percent to 22,726.43</i> <i>The Growth Enterprise Index</i> <i>Plus 0.48 percent to 688.87</i>
<i>Indonesia</i>	<i>Plus 1.63 percent to 4,003.69</i>
<i>Japan</i>	<i>TOPIX Index</i> <i>Plus 0.44 percent to 874.34</i> <i>Nikkei-225 Stock Average</i> <i>Plus 0.66 percent to 10,137.73</i>
<i>Malaysia</i>	<i>Plus 0.28 percent to 1,594.74</i>
<i>The Philippines</i>	<i>Plus 0.36 percent to 4,391.46</i>

<i>The PRC</i>	<i>Shanghai Composite Index</i> <i>Plus 0.13 percent to 2,797.77</i> <i>Shenzhen Composite Index</i> <i>Minus 0.07 percent to 1,201.50</i>
<i>Singapore</i>	<i>Plus 0.81 percent to 3,151.28</i>
<i>South Korea</i>	<i>Minus 0.01 percent to 2,180.35</i>
<i>Taiwan</i>	<i>Minus 0.27 percent to 8,749.55</i>
<i>Thailand</i>	<i>Plus 0.50 percent to 1,088.46</i>

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