

**PRESIDENT BARACK HUSSEIN OBAMA PROPOSES
HIS \$US447-BILLION ‘AMERICAN JOBS ACT’,
BUT THERE ARE FEW BELIEVERS –
EQUITY MARKETS’ KEY INDICES FALL BACK**

While equity and commodity markets of The Land of The Free and The Home of The Brave were closed, last Monday, for a Labour Day holiday, in Europe and Asia, investors saw tens of billions of dollars, euros, baht, ringgit, won, yen, etc, wiped off the capitalisation of their favourite stocks and shares.

On European bourses, the key indices of the largest and most-influential ones fell fast and furiously as the following select list of **TARGET**’s top 6 equity markets illustrates:

Amsterdam’s AEX Index Minus 4.18 percent

France’s CAC 40 Index Minus 4.73 percent

Germany’s Frankfurt XETRA DAX Index Minus 5.27 percent

Great Britain’s FTSE 100 Index Minus 3.57 percent

Italy’s MIBTEL Index Minus 4.73 percent

Switzerland’s Swiss Market Index Minus 4.08 percent

The main reason for the sell-off of stocks and shares in this part of the world was, simply put, fear.

It was fear that the world was headed back into the second recession in 4 years.

It was fear that the combined debts of the 27 nations that comprise the **European Union (EU)** were top-heavy with no immediate, viable solution to the problems in sight.

It was fear that the US economy had stalled and that the unemployment situation in the country, at about 9.10 percent and having not fallen for the past few months, was beyond redemption.

And, it was fear of the consequences that will surely follow due to The (US) Federal Housing Finance Agency, a US Government-sponsored enterprise, which has issued lawsuits against 17 international banks for hundreds of billions of dollars in respect of alleged ‘*violations of federal securities laws and common law in the sale of residential private-label, mortgage-backed securities .*’

As one would have expected, banks and financials suffered at the hands of investors who sought to offload

scrip whenever buyers could be located.

The share price of many banks and finance houses lost between 6 percent and 9 percent of their market capitalisations, but there were some, also, whose share prices fell double digits. There were just too many material losers among this category of counters to report.

Fear can be a frightening thing for an equity market.

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4074	1.4097	1.4062	-0.16%	1.4074	1.4079
GBP/USD	1.6090	1.6118	1.6087	-0.17%	1.6090	1.6094
USD/JPY	76.850	76.940	76.870	-0.01%	76.850	76.900
USD/CHF	0.78450	0.78720	0.78450	-0.30%	0.78450	0.78490
USD/CAD	0.99050	0.99160	0.99000	+0.01%	0.99050	0.99090
AUD/USD	1.0524	1.0552	1.0513	-0.25%	1.0524	1.0529

On Asian equity markets, the only one, whose final figure with regard to its key index was not written in red ink, was that of Indonesia.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), both equity markets lost their respective footings and slipped down to considerably lower levels.

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, shed about 2.95 percent of its value, sliding back to 19,616.40 points.

The Total Turnover fell to about \$HK57.66 billion, down about 19.46 percent, compared with the volume of activity of Friday, September 2, 2011.

The ratio of losing counters to gaining ones was about 3.74:One.

The Ten Most Active counters were:

CNOOC Ltd (Code: 883)

Down 8.89 percent to \$HK13.84 per share

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

Down 4.69 percent to \$HK4.88 per share

China Construction Bank Corporation (Code: 939)

Down 3.66 percent to \$HK5.53 per share

HSBC Holdings plc (Code: 5)

Down 2.76 percent to \$HK65.30 per share

China Mobile Ltd (Code: 941)

Down 0.70 percent to \$HK77.95 per share

Bank of China Ltd (Code: 3988)

Down 2.59 percent to \$HK3.01 per share

China Life Insurance Company Ltd (Code: 2628)

Down 4.72 percent to \$HK17.76 per share

PetroChina Company Ltd (Code: 857)

Down 3.21 percent to \$HK9.36 per share

China National Building Material Company Ltd
(Code: 3323)

Down 8.35 percent to \$HK11.64 per share

Anhui Conch Cement Company Ltd (Code: 914)

Down 8.18 percent to \$HK29.20 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Financial Leasing Group Ltd	2312	26.80		0.09
China New Economy Fund Ltd	80		17.10	0.63
China Properties Investment Holdings Ltd	736		20.00	0.016
G-Vision International (Holdings) Ltd	657		16.30	0.41

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 0.93 percent, dropping to 533.58 points.

The Total Turnover on this market was about \$HK109.32 million, the lowest, single-daily volume of activity of about 3 years.

The ratio of losing counters to gaining ones was about 4.05:One.

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

ERA Mining Machinery Ltd (Code: 8043)

Up 4.30 percent to \$HK0.485 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Up 4.40 percent to \$HK0.095 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 1.00 percent to \$HK0.99 per share

China Post E-Commerce (Holdings) Ltd (Code:
8041)

Up 7.60 percent to \$HK0.184 per share

Viva China Holdings Ltd (Code: 8032)

Down 11.54 percent to \$HK0.115 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Asean Resources Ltd	8186	10.60		0.365
China Data Broadcasting Holdings Ltd	8016	15.50		1.94
China Trends Holdings Ltd	8171		12.50	0.014
Computech Holdings Ltd	8081		18.80	0.194
FAVA International Holdings Ltd	8108	14.30		0.072
First China Financial Network Holdings Ltd	8123	17.10		0.24
ITE (Holdings) Ltd	8092	27.40		0.079
Ming Kei Holdings Ltd	8239		13.30	0.52
National Arts Holdings Ltd	8228		11.10	0.64
Netel Technology (Holdings) Ltd	8256		12.60	0.076
Viva China Holdings Ltd	8032		11.50	0.115

On The Tokyo Stock Exchange, which is the largest equity market of Asia and the second-largest equity market of the world, its TOPIX Index gave up about 1.81 percent, ending the trading day at 755.82 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 down ¥166.28, or about 1.86 percent, ending the trading day at ¥8,784.46, compared with the closing level of Friday, September 2, 2011.

Declining counters outraced advancing ones by the ratio of 3.97:One.

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

The HKSAR	Hang Seng Index Minus 2.95 percent to 19,616.40 The Growth Enterprise Index Minus 0.93 percent to 533.58
-----------	---

Indonesia	Plus 0.64 percent to 3,866.17
Japan	TOPIX Index Minus 1.81 percent to 755.82 Nikkei-225 Stock Average Minus 1.86 percent to 8,784.46
Malaysia	Minus 0.74 percent to 1,463.12
The Philippines	Minus 0.24 percent to 4,382.56
The PRC	Shanghai Composite Index Minus 1.96 percent to 2,478.74 Shenzhen Composite Index Minus 2.43 percent to 1,097.07
Singapore	Minus 2.46 percent to 2,773.17
South Korea	Minus 4.39 percent to 1,785.83
Taiwan	Minus 2.65 percent to 7,551.57
Thailand	Minus 1.50 percent to 1,049.23

Tuesday

Stock and share prices tumbled on Wall Street, last Tuesday, the first day of trading of the week for investors of The Land of The Free and The Home of The Brave.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 100.96 points, equivalent to about 0.90 percent, ending the moderately active session at 11,139.30 points.

On The NASDAQ, its Composite Index gave up only 6.50 points, or about 0.26 percent, slipping back to 2,473.83 points.

Trading was equivalent to about 93.50 percent of the average daily turnover of 2010.

Losing counters outnumbered gaining ones on The New York Stock Exchange and The NASDAQ by the ratio of about 3.00:One and 2.00:One, respectively.

US investors, back from the booze-up of the 3-day, Labour Day holiday, were obviously concerned about their economy, especially in view of the unemployment level, which stands at about 9.10 percent, with little to no light at the end of that dark tunnel.

Then, with The (US) Federal Housing Finance Agency, having issued lawsuits against 17 domestic and international banks for hundreds of billions of US dollars, the question is: Is there a safe haven to which to

run?

In Europe, the situation, on the surface, appeared to be even worse than that of the US.

Many counters, listed on the most-important bourses of this part of the world, saw their share prices hit 2-year lows.

Making matters even worse was a General Strike that had been called in Italy over the Italian Government's new, €45-billion austerity measures. All airline flights, train services and bus services had been cancelled with government offices, being shut.

It is well known that, in every Italian, there is the dream of being an Enrico Caruso, but most Italians do not understand economics, at all – except the Mafioso, of course.

The 27-nation, European Union is beset with debt crises and it is accepted that a number of the member states are on the balls of their proverbial arses.

This was how the situation looked on **TARGET's** select list of equity markets on this side of that little pond, known as the Atlantic Ocean:

Amsterdam's AEX Index Minus 0.40 percent

France's CAC 40 Index Minus 1.13 percent

Germany's Frankfurt XETRA DAX Index Minus 0.99 percent

Great Britain's FTSE 100 Index Plus 1.06 percent

Italy's MIBTEL Index Minus 1.83 percent

Switzerland's Swiss Market Index Plus 4.39 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4023	1.4025	1.3996	+0.20%	1.4023	1.4028
GBP/USD	1.5950	1.5966	1.5937	+0.06%	1.5950	1.5954
USD/JPY	77.440	77.700	77.470	-0.27%	77.440	77.490
USD/CHF	0.85920	0.86250	0.85940	-0.30%	0.85920	0.85970
USD/CAD	0.98940	0.99070	0.98920	-0.07%	0.98940	0.98990
AUD/USD	1.0536	1.0542	1.0486	+0.52%	1.0536	1.0541

News Wise

- **The Swiss National Bank**, The Central Bank of Switzerland, has imposed an upward limit of 1.20 francs: €1.00. Due to this move, the Swiss franc lost about 10 percent of its value vis-à-vis the euro.

On international commodity exchanges, the price of crude oil hardly moved, last Tuesday.

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in October came in at \$US86.02, representing a fall of about one half of a percentage point, compared with the closing quote of Friday, September 2, 2011.

As for delivery in November, the last settlement of a barrel of light sweet crude oil was \$US86.31, also representing a drop of about one half of a percentage point, compared with the last settlement of Friday, September 2, 2011.

In Asia, bearishness continued for the majority of the largest equity markets in this 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 be on the low side, relative to the Total Turnover of just one month earlier.

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, gained about 0.48 percent, limping up to 19,710.50 points on a Total Turnover of about \$HK70 billion.

The ratio of declining counters to advancing ones was about 1.32:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 1.84 percent to \$HK64.10 per share
China Mobile Ltd (Code: 941)	Up 2.63 percent to \$HK80.00 per share
China National Building Material Company Ltd (Code: 3323)	Down 8.42 percent to \$HK10.66 per share
CNOOC Ltd (Code: 883)	Up 0.29 percent to \$HK13.88 per share
Anhui Conch Cement Company Ltd (Code: 914)	Down 9.25 percent to \$HK26.50 per share
China Construction Bank Corporation (Code: 939)	Up 1.08 percent to \$HK5.59 per share
Bank of China Ltd (Code: 3988)	Unchanged at \$HK3.01 per share
Industrial and Commercial Bank of China Ltd (Code: 1398)	Up 0.82 percent to \$HK4.92 per share
PetroChina Company Ltd (Code: 857)	Up 2.46 percent to \$HK9.59 per share

China Life Insurance Company Ltd (Code: 2628)

Up 1.24 percent to \$HK17.98 per share

The biggest movers on this market were the below-mentioned, 2 counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	15.90		0.365
China Agri-Products Exchange Ltd	149		15.80	0.17

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up exactly 0.30 percent, dropping back to 531.98 points.

The Total Turnover on this (speculative) market hit a new, 3-year low of about \$HK94.68 million.

Losing counters outnumbered gaining ones by the ratio of about 1.80:One.

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

China Netcom Technology Holdings Ltd (Code: 8071)

Up 11.58 percent to \$HK0.106 per share

China Leason Investment Group Company Ltd
(Code: 8270)

Unchanged at \$HK0.405 per share

ERA Mining Machinery Ltd (Code: 8043)

Down 2.06 percent to \$HK0.475 per share

Heng Xin China Holdings Ltd (Code: 8046)

Down 3.03 percent to \$HK0.96 per share

Gayety Holdings Ltd (Code: 8179)

Down 1.29 percent to \$HK2.29 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Resources (Holdings) Ltd	8025		10.00	0.45
Brilliance Worldwide Holdings Ltd	8312		10.30	0.13
China 33 Media Group Ltd	8087		11.80	0.75
China Netcom Technology Holdings Ltd	8071	11.60		0.106

GreaterChina Professional Services Ltd	8193		10.10	0.205
ITE (Holdings) Ltd	8092		15.20	0.067
Tianjin TEDA Biomedical Engineering Company Ltd	8189		14.50	0.53

On The Tokyo Stock Exchange, its TOPIX Index surrendered about 1.93 percent, falling back to 741.20 points.

The Nikkei-225 Stock Average shed about 2.21 percent as investors pulled it back to ¥8,590.57.

The ratio of losers to gainers on this, the premier equity market of The Land of The Rising Sun, was about 4.07:One.

News Wise

- **Honda Motor Company Ltd** announced that it would be recalling about 962,000 of its vehicles due to power-window and computer-equipment concerns. No serious injuries or fatal accidents have, so far, been reported due to the confirmed problems, the company said.

On other Asian equity markets, this was how the situation looked, last Tuesday night:

The HKSAR	Hang Seng Index Plus 0.48 percent to 19,710.50 The Growth Enterprise Index Minus 0.30 percent to 531.98
Indonesia	Plus 0.62 percent to 3,889.97
Japan	TOPIX Index Minus 1.93 percent to 741.20 Nikkei-225 Stock Average Minus 2.21 percent to 8,590.57
Malaysia	Minus 0.60 percent to 1,454.37
The Philippines	Minus 1.81 percent to 4,303.08
The PRC	Shanghai Composite Index Minus 0.33 percent to 2,470.52 Shenzhen Composite Index Minus 1.07 percent to 1,085.35
Singapore	Plus 0.04 percent to 2,774.33
South Korea	Minus 1.07 percent to 1,766.71

Taiwan	Minus 2.44 percent to 7,367.19
Thailand	Plus 0.61 percent to 1,055.60

Wednesday

Investors, locked into stocks and shares, listed on the largest equity markets of the world, got a pleasant shock, last Wednesday, which was the second trading day of the week, as prices bounced back, strongly.

On The New York Stock Exchange, the Dow Jones Industrial Average rose about 2.47 percent, ending the trading day at 11,414.86 points.

The Composite Index of The NASDAQ did even better than The Dow, gaining about 3.04 percent as investors pushed it up to 2,548.94 points.

With only about 7 billion shares, changing hands, equivalent to about 83 percent of the average daily turnover of 2010, one could hardly describe last Wednesday's trading session of the largest equity markets of the world as being bullish.

If anything, many investors were bargain-hunting or, in some cases, simply covering short positions in order to *'play it safe'*.

Be that as it may, there were smiles on the faces of many US investors, no doubt, as the share prices of banking counters and financials rose smartly, some by as much as 9 percent.

News Wise

- **The economy** of the United States of America is not making any headway. This is the message from the US Federal Reserve in its latest Beige-Book Release. The Release came out just one day before President Barack Hussein Obama was due to tell the citizens of the largest single economy of the world how he and his Administrative intends to turn the economy round and to create jobs.

On European stock markets, investors in this part of the world quickly jumped into stocks and shares that had suffered at the hands of the bears over the past few weeks.

Banks and finance houses were the main recipients of the buying splurge, but for what reason, this medium could not fathom.

'But who cares!' according to one guru in this part of the world. *'Money is money, ain't it?'*

The **European Central Bank (ECB)** had scheduled a meeting for the following day (Thursday, September 8, 2011), at which time, as is his wont, the President of the ECB, Mr Jean-Claude Trichet, is expected to give his opinion as to the state of the economies of the 27-member, European Union and how to tackle the laggards.

What he will state will be crucial for the short-term direction of the key indices of the most-important bourses, one supposes.

This was how the key indices of **TARGET's** select list of equity markets fared, last Wednesday:

Amsterdam's AEX Index Plus 2.82 percent

France's CAC 40 Index Plus 3.62 percent

Germany's Frankfurt XETRA DAX Index Plus 4.07 percent

Great Britain's FTSE 100 Index Plus 3.13 percent

Italy's MIBTEL Index Plus 4.08 percent

Switzerland's Swiss Market Index Plus 2.25 percent

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.4067	1.4099	1.4067	-0.20%	1.4067	1.4072
GBP/USD	1.5959	1.5990	1.5957	-0.19%	1.5959	1.5963
USD/JPY	77.300	77.410	77.240	+0.10%	77.300	77.360
USD/CHF	0.85870	0.85990	0.85770	+0.15%	0.85870	0.85920
USD/CAD	0.98510	0.98530	0.98360	+0.19%	0.98510	0.98560
AUD/USD	1.0634	1.0660	1.0633	-0.24%	1.0634	1.0639

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in October came in at \$US89.34, up about 3.86 percent on Tuesday's close.

As for delivery in November, the last settlement of a barrel of light sweet crude oil was \$US89.55, representing a one-day, price-improvement of about 3.75 percent.

On Asian equity markets, there were gainers as far as the eye could see.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), while the volume of activity stayed on the low side, the key indices of both equity markets made useful gains.

On the Main Board of The Stock Exchange of Hongkong Ltd, The Hang Seng Index rose about 1.71 percent to 20,048.00, exactly.

The Total Turnover was about \$HK65.42 billion, with the ratio of gaining counters to losing ones, being about 2.14:One.

The Ten Most Active counters were:

China Mobile Ltd (Code: 941)

Up 1.13 percent to \$HK80.90 per share

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

Up 2.44 percent to \$HK5.04 per share

China Construction Bank Corporation (Code: 939)

Up 2.50 percent to \$HK5.73 per share

CNOOC Ltd (Code: 883)

Up 2.31 percent to \$HK14.20 per share

China National Building Material Company Ltd
(Code: 3323)

Down 2.06 percent to \$HK10.44 per share

Bank of China Ltd (Code: 3988)

Up 1.33 percent to \$HK3.05 per share

Anhui Conch Cement Company Ltd (Code: 914)

Up 1.51 percent to \$HK26.90 per share

HSBC Holdings plc (Code: 5)

Up 0.78 percent to \$HK64.60 per share

PetroChina Company Ltd (Code: 857)

Up 3.17 percent to \$HK9.69 per share

Tencent Holdings Ltd (Code: 700)

Up 2.62 percent to \$HK187.70 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
National Investments Fund Ltd	1227	15.60		0.074
North Asia Resources Holdings Ltd	61	19.60		0.58
Sun East Technology (Holdings) Ltd	365	16.20		0.28

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gained exactly 1.10 percent, rising to 537.83 points.

The Total Turnover was about \$HK100.88 million, with advancing counters, outnumbering declining one by the ratio of about 1.65:One.

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

Ruifeng Petroleum Chemical Holdings Ltd (Code:
8096)

Up 1.25 percent to \$HK0.81 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Up 8.49 percent to \$HK0.115 per share

China Leason Investment Group Company Ltd
(Code: 8270)

Up 2.47 percent to \$HK0.415 per share

Heng Xin China Holdings Ltd (Code: 8046)

Up 3.13 percent to \$HK0.99 per share

Credit China Holdings Ltd (Code: 8207)

Up 1.08 percent to \$HK0.94 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	10.10		0.435
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd	8095	12.10		0.37
Epicurean and Company Ltd	8213	16.70		0.084
Hongkong Life Group Holdings Ltd	8212	21.40		0.425
ITE (Holdings) Ltd	8092	16.40		0.078
MelcoLot Ltd	8198		11.10	0.08
Tianjin TEDA Biomedical Engineering Company Ltd	8189	17.00		0.62

News Wise

- **HSBC Holdings plc** announced that it would be sacking about 3,000 of its workers in the HKSAR. That number represents about 10 percent of the total domestic workforce.

On The Tokyo Stock Exchange, its TOPIX Index put on about 1.68 percent, rising to 753.63 points.

The Nikkei-225 Stock Average gained about 2.01 percent, ending the lively trading day at ¥8,763.41 points.

The ratio of gainers to losers was about 3.46:One.

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

The HKSAR	Hang Seng Index Plus 1.71 percent to 20,048.00 The Growth Enterprise Index Plus 1.10 percent to 537.83
Indonesia	Plus 2.87 percent to 4,001.43

Japan	TOPIX Index Plus 1.68 percent to 753.63 Nikkei-225 Stock Average Plus 2.01 percent to 8,763.41
Malaysia	Plus 0.70 percent to 1,464.61
The Philippines	Plus 0.28 percent to 4,315.21
The PRC	Shanghai Composite Index Plus 1.84 percent to 2,516.09 Shenzhen Composite Index Plus 2.38 percent to 1,111.23
Singapore	Plus 2.08 percent to 2,832.13
South Korea	Plus 3.78 percent to 1,833.46
Taiwan	Plus 2.20 percent to 7,529.01
Thailand	Plus 1.24 percent to 1,068.72

Thursday

Shares on Wall Street were in the retreat, last Thursday, as everybody and his cat awaited the sage words of President Barack Hussein Obama and his grand plan for the economy.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 1.04 percent, drifting back to 11,295.81 points.

Over on The NASDAQ, its Composite Index gave up about 0.78 percent, ending the relatively quiet trading day at 2,529.14 points.

The volume of activity was about 88 percent of the daily average of 2010.

The consensus on Wall Street was that there was little to nothing that the President and his Administration could do about trying to repair the damage, done to the US economy since the recession of 2007, at least, not in the short term.

One recalled the President's \$US800-billion, stimulus plan for the economy of 2009 – which had very little effect, looked at in retrospect.

Now, 2 years later, the situation is, still, critical, with unemployment at about 9.10 percent, the housing market in disarray, with banks, still, holding onto mountains of repossessed properties, and, in the meantime, the country's debts have hit one record level after another as the months passed by.

To say that investors were not happy with the leadership on Capitol Hill would have been an understatement

of huge proportions.

On European bourses, investors, for the most part, adopted a wait-and-see attitude because, as the saying goes, where there is life there is hope.

And hope, as far as European investors were concerned, was for the President of the largest, single economy of the world to pull the chestnuts out of the fire.

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

Amsterdam's AEX Index Plus 0.83 percent

France's CAC 40 Index Plus 0.41 percent

Germany's Frankfurt XETRA DAX Index Plus 0.05 percent

Great Britain's FTSE 100 Index Plus 0.40 percent

Italy's MIBTEL Index Plus 0.58 percent

Switzerland's Swiss Market Index Plus 0.78 percent

News Wise

- **The Bank of England**, which is The Central Bank of the United Kingdom, announced that interest rates would remain unchanged. In a 3-line statement, The Bank of England said:

'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.'

- The **European Central Bank (ECB)** followed the line of The Bank of England, stating:

'At today's meeting the Governing Council of the ECB decided that the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 1.50%, 2.25% and 0.75% respectively.'

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3926	1.3929	1.3883	+0.34%	1.3926	1.3931
GBP/USD	1.5986	1.5989	1.5959	+0.18%	1.5986	1.5990
USD/JPY	77.480	77.580	77.450	+0.01%	77.480	77.540

USD/CHF	0.87240	0.87560	0.87180	-0.33%	0.87240	0.87290
USD/CAD	0.98700	0.98980	0.98720	-0.23%	0.98700	0.98750
AUD/USD	1.0627	1.0634	1.0574	+0.49%	1.0627	1.0632

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in October came in at \$US89.05, representing a fall of about 0.32 percent on Wednesday's closing level.

For delivery in November, the last settlement of a barrel of light sweet crude oil was \$US89.23, down about 0.36 percent, compared with Wednesday's final quote.

In Asia, the key indices of the 2 equity markets of the People's Republic of China (PRC), at Shenzhen and Shanghai, and the equity market of the Hongkong Special Administrative Region (HKSAR) of the PRC, all gave up ground, but the remainder of the equity markets of this region of the world, managed to record fractional improvements to their respective key indices by the close of the trading day.

In the HKSAR, the premier equity market, known as the Main Board of The Stock Exchange of Hongkong Ltd, gave up about 0.67 percent, with The Hang Seng Index, dropping to 19,912.82 points.

The Total Turnover was about \$HK64.10 billion, with declining counters, outpacing advancing ones by the ratio of about 1.56:One.

The Ten Most Active counters were:

Belle International Holdings Ltd (Code: 1880)

Down 8.49 percent to \$HK14.88 per share

China Life Insurance Company Ltd (Code: 2628)

Up 0.22 percent to \$HK18.62 per share

China Mobile Ltd (Code: 941)

Up 0.86 percent to \$HK80.00 per share

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

Down 0.99 percent to \$HK4.99 per share

China Construction Bank Corporation (Code:
939)

Unchanged at \$HK5.73 per share

Bank of China Ltd (Code: 3988)

Down 0.98 percent to \$HK3.02 per share

CNOOC Ltd (Code: 883)

Down 0.99 percent to \$HK14.06 per share

China Yurun Food Group Ltd (Code: 1068)

Down 16.13 percent to \$HK13.94 per share

HSBC Holdings plc (Code: 5)

Up 0.08 percent to \$HK64.65 per share

PetroChina Company Ltd (Code: 857)

Up 0.31 percent to \$HK9.72 per share

The biggest movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bestway International Holdings Ltd	718	18.00		0.059
China Yurun Food Group Ltd	1068		16.10	13.94
New Focus Auto Tech Holdings Ltd	360	108.10		3.58
Sino Golf Holdings Ltd	361		18.30	0.49

On The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index lost about 0.22 percent, dropping to 536.66 points.

The Total Turnover of this market was about \$HK101.62 million.

Losing counters outnumbered gaining ones by the ratio of about 1.16:One.

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

ERA Mining Machinery Ltd (Code: 8043)

Up 5.26 percent to \$HK0.50 per share

China Technology Solar Power Holdings Ltd
(Code: 8111)

Down 18.10 percent to \$HK0.475 per share

Gayety Holdings Ltd (Code: 8179)

Down 0.44 percent to \$HK2.29 per share

Phoenitron Holdings Ltd (Code: 8066)

Down 1.04 percent to \$HK0.475 per share

China Netcom Technology Holdings Ltd (Code:
8071)

Down 13.04 percent to \$HK0.10 per share

The GEM's double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Capital Resources (Holdings) Ltd	8025	10.00		0.495
China Netcom Technology Holdings Ltd	8071		13.00	0.10

China Technology Solar Power Holdings Ltd	8111		18.10	0.475
MelcoLot Ltd	8198	10.00		0.088
Timeless Software Ltd	8028	26.50		0.129
Xi'an Haitian Antenna Technologies Company Ltd	8227	22.20		0.22

On Asia's largest equity market, that of The Tokyo Stock Exchange, its TOPIX Index rose about one half of a percentage point, coming to rest at 757.41 points.

The Nikkei-225 Stock Average put on about 0.34 percent, ending the trading day at ¥8,793.12.

Advancing counters outran declining one by the ratio of about 1.87:One.

News Wise

- **Japan's Current Account Surplus** for the month of July was off by about 42.40 percent, Year-On-Year, the Government's Finance Ministry announced. The balance of international payments shrank for the fifth consecutive month.

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

The HKSAR	Hang Seng Index Minus 0.67 percent to 19,912.82 The Growth Enterprise Index Minus 0.22 percent to 536.66
Indonesia	Plus 0.10 percent to 4,005.39
Japan	TOPIX Index Plus 0.50 percent to 757.41 Nikkei-225 Stock Average Plus 0.34 percent to 8,793.12
Malaysia	Plus 0.36 percent to 1,469.83
The Philippines	Plus 0.96 percent to 4,356.73
The PRC	Shanghai Composite Index Minus 0.68 percent to 2,498.94 Shenzhen Composite Index Minus 0.96 percent to 1,100.53
Singapore	Plus 0.87 percent to 2,856.90
South Korea	Plus 0.72 percent to 1,846.64

Taiwan	Plus 0.26 percent to 7,548.37
Thailand	Plus 0.33 percent to 1,072.21

Friday

The talk on trading floors and boardrooms, last Friday, centred round the proposals of President Barack Hussein Obama with regard to his plans to turn round the economy of the US.

After trading on Wall Street ended, last Thursday night, speaking on television, the President said that he and his Administration had a \$US447-billion plan to put Americans back to work, reduce taxes, and increase Government spending.

He proposed that companies that hire new workers would be rewarded, given recognition by way of tax incentives, cutting taxes in half for every worker of every small-to-medium business entity. This will cost about \$US240 billion.

President Barack Hussein Obama called it his '*American Jobs Act*'.

He, also, proposed extending unemployment insurance for those who are out of work at a cost of about \$US49 billion, modernising schools at a cost of about \$US30 billion and investing in transportation infrastructural projects at a cost of about \$US50 billion.

Not everybody was convinced that the President's plan would work and there were grave doubts that The Congress would endorse it.

On Wall Street, last Friday, investors sold stocks and shares as soon as buyers could be located.

The Dow Jones Industrial Average lost about 2.69 percent, falling back to 10,992.13 points.

The Composite Index of The NASDAQ shed about 2.42 percent, ending the 4-day trading week at 2,467.99 points.

Trading was heavy, at about 104 percent of the average daily turnover of 2010.

It is rarely a good thing for the volume of activity to rise on an equity market, the key indices of which are in full retreat.

Aside from questions in respect of the proposals from President Barack Hussein Obama, investors on Wall Street, also, took note of the fact that a senior German official at the **European Central Bank (ECB)** had resigned in protest at the ECB's bond-buying programme for neutralising some of the eurozone debt crises.

The resignation of Mr Juergen Stark from the ECB was, to many people in the US, akin to hoisting the red flag over eurozone: '*Something is Rotten in the State of Denmark*', in the words of William Shakespeare.

In addition, it was reported that Bank of America Corporation is considering sacking 40,000 workers.

That went over like a lead balloon.

The tally for the 4-day trading week for the largest and most-influential equity markets of the world was:

The Dow Jones Industrial Average	Minus 2.24 percent
The Composite Index of The NASDAQ	Minus 0.50 percent

On European equity markets, the key indices of every one of them fell as the bears took control, as the following **TARGET**'s select list of the most-important ones illustrates:

Amsterdam's AEX Index Minus 2.57 percent

France's CAC 40 Index Minus 3.60 percent

Germany's Frankfurt XETRA DAX Index Minus 4.04 percent

Great Britain's FTSE 100 Index Minus 2.35 percent

Italy's MIBTEL Index Minus 4.53 percent

Switzerland's Swiss Market Index Minus 1.80 percent

On European equity markets, there was growing concern among economists and investors alike that the region's rot (the debt crises) cannot be contained in the short term.

Bank and finance houses' shares were among the hardest hit, last Friday, as a direct result:

- Barclays plc, down about 9.40 percent
- The Royal Bank of Scotland plc, down about 5.40 percent
- Deutsche Bank AG, down about 7 percent
- Société Générale S.A., down about 10.60 percent
- Crédit Agricole S.A., down about 7.80 percent

Investors noted that the market value of the euro vis-à-vis the US dollar hit a 195-day low ... and it looked as though it would continue to lose traction even after shedding 1.60 percent on the day.

Currencies

Currency	Last	High	Low	Change	Bid	Ask
EUR/USD	1.3926	1.3929	1.3883	+0.34%	1.3926	1.3931
GBP/USD	1.5986	1.5989	1.5959	+0.18%	1.5986	1.5990
USD/JPY	77.480	77.580	77.450	+0.01%	77.480	77.540
USD/CHF	0.87240	0.87560	0.87180	-0.33%	0.87240	0.87290
USD/CAD	0.98700	0.98980	0.98720	-0.23%	0.98700	0.98750

AUD/USD	1.0627	1.0634	1.0574	+0.49%	1.0627	1.0632
----------------	--------	--------	--------	--------	--------	--------

On The New York Mercantile Exchange (NYMEX), the last settlement of a barrel of light sweet crude oil for delivery in October came in at \$US87.24, down about 2.03 percent on Thursday's final quote.

As for delivery in November, the last settlement of a barrel of light sweet crude oil was \$US87.41, off about 2.08 percent on the Thursday's last settlement.

In Asia, most of the major equity markets were beset by buckets of selling orders.

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

The Hang Seng Index, which is the benchmark index of the Main Board of The Stock Exchange of Hongkong Ltd, lost about 0.23 percent, ending the trading session at 19,866.63 points.

The volume of activity dropped to about \$HK49.65 billion – which is the lowest, full day's single Total Turnover of the year.

The ratio of losers to gainers was about 1.68:One.

The Ten Most Active counters were:

China Life Insurance Company Ltd (Code: 2628)

Up 2.79 percent to \$HK19.14 per share

China Mobile Ltd (Code: 941)

Down 0.69 percent to \$HK79.45 per share

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

Down 0.80 percent to \$HK4.95 per share

HSBC Holdings plc (Code: 5)

Up 0.46 percent to \$HK64.95 per share

China Construction Bank Corporation (Code: 939)

Up 0.17 percent to \$HK5.74 per share

Bank of China Ltd (Code: 3988)

Down 0.33 percent to \$HK3.01 per share

China Yurun Food Group Ltd (Code: 1068)

Up 1.58 percent to \$HK14.16 per share

AIA Group Ltd (Code: 1299)

Down 2.25 percent to \$HK26.05 per share

CNOOC Ltd (Code: 883)

Down 0.43 percent to \$HK14.00 per share

Belle International Holdings Ltd (Code: 1880)

Down 1.88 percent to \$HK14.60 per share

The Main Board's biggest movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Flavors and Fragrances Company Ltd	3318	15.50		1.19
China Pipe Group Ltd	380	15.40		0.03
New Focus Auto Tech Holdings Ltd	360		41.60	2.09
Noble Jewelry Holdings Ltd	475	33.90		1.54
PacMOS Technologies Holdings Ltd	1010	20.00		0.72
Sheng Yuan Holdings Ltd	851	19.70		0.73

Over on The **Growth Enterprise Market (The GEM)** of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index rose about 0.71 percent, ending the trading day at 540.46 points.

The Total Turnover of this market was about \$HK125.79 million, with the ratio of declining counters to advancing ones, being about 1.51:One.

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

Honbridge Holdings Ltd (Code: 8137)

Up 25.18 percent to \$HK1.74 per share

China Technology Solar Power Holdings Ltd
(Code: 8111)

Down 9.47 percent to \$HK0.43 per share

ERA Mining Machinery Ltd (Code: 8043)

Down 1.00 percent to \$HK0.495 per share

Timeless Software Ltd (Code: 8028)

Up 16.28 percent to \$HK0.15 per share

Gayety Holdings Ltd (Code: 8179)

Up 0.87 percent to \$HK2.31 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	13.60		0.125
China Eco-Farming Ltd	8166		16.70	0.04
China Natural Investment Company Ltd	8250	15.00		0.115

Honbridge Holdings Ltd	8137	25.20		1.74
Merdeka Resources Holdings Ltd	8163		12.80	0.041
Timeless Software Ltd	8028	16.30		0.15
WLS Holdings Ltd	8021		13.00	0.087
ZMAY Holdings Ltd	8085		15.20	0.095

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

The Hang Seng Index	Minus 1.71 percent
The Growth Enterprise Index	Plus 0.34 percent

On The Tokyo Stock Exchange, its TOPIX Index lost about 0.23 percent, ending the day at 755.70 points.

The Nikkei-225 Stock Average lost about 0.63 percent, slipping back to ¥8,737.66.

The ratio of losing counters to gaining ones was about 1.18:One.

News Wise

- **The economy of Japan** contracted by about 2.10 percent in the second quarter of this year on an annualised basis, the Government announced.

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

The TOPIX Index	Minus 1.83 percent
The Nikkei-225 Stock Average	Minus 2.38 percent

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

The HKSAR	Hang Seng Index Minus 0.23 percent to 19,866.63 The Growth Enterprise Index Plus 0.71 percent to 540.46
Indonesia	Minus 0.17 percent to 3,998.50
Japan	TOPIX Index Minus 0.23 percent to 755.70 Nikkei-225 Stock Average Minus 0.63 percent to 8,737.66
Malaysia	Minus 0.05 percent to 1,469.12
The Philippines	Minus 0.24 percent to 4,346.07

The PRC	Shanghai Composite Index Minus 0.05 percent to 2,497.75 Shenzhen Composite Index Minus 0.59 percent to 1,094.03
Singapore	Minus 1.11 percent to 2,825.10
South Korea	Minus 1.83 percent to 1,812.93
Taiwan	Plus 0.82 percent to 7,610.57
Thailand	Minus 0.92 percent to 1,062.37

-- E N D --

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

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*