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IRG Technology, Media and Telecommunications

and

Life Sciences Weekly Market Review

Week of 29 December 2008 – 4 January 2009

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Equity Market Indicators					
Index	**Closing Level (1/2/2009)**	**% Change 1 Week Ago**	**% Change Month to Date**	**% Change 12/31/2008**	**% Change 12/31/2007**
S&P 500	931.80	6.8%	3.2%	3.2%	-36.5%
Dow Jones Industrial Avg.	9,034.69	6.1%	2.9%	2.9%	-31.9%
Dow Jones Tech. Index	259.87	6.0%	3.4%	3.4%	-43.4%
Dow Jones Telecom. Index	204.54	3.9%	2.4%	2.4%	-34.7%
NASDAQ Composite	1,632.21	6.7%	3.5%	3.5%	-38.5%
The Street.com Net	179.71	2.7%	0.0%	0.0%	-36.2%
Japan Nikkei 225	8,859.56*	1.4%	N.A.	N.A.	-42.1%
JASDAQ	48.20*	2.8%	N.A.	N.A.	-33.2%
Japan Mothers	323.47*	2.5%	N.A.	N.A.	-58.7%
Korea KOSPI Composite	1,157.40	3.5%	2.9%	2.9%	-39.0%
Korea Kosdaq	339.76	2.3%	2.3%	2.3%	-51.8%
Taiwan Stock Exchange	4,591.22*	3.8%	N.A.	N.A.	-46.0%
Singapore Straight Times	1,829.71	6.0%	3.9%	3.9%	-47.2%
Hong Kong Hang Seng	15,042.81	6.1%	4.6%	4.6%	-45.9%
Hong Kong GEM	381.70	2.2%	-1.0%	-1.0%	-71.7%
China Shanghai (A-Share)	1,911.79*	-1.7%	N.A.	N.A.	-65.4%
China Shenzhen (A-Share)	581.51*	-2.9%	N.A.	N.A.	-61.8%
China Shanghai (B-Share)	110.92*	0.6%	N.A.	N.A.	-69.7%
China Shenzhen (B-Share)	271.28*	0.7%	N.A.	N.A.	-61.8%

** No trading on January 1-2, 2009, thus level as of last trading date of 2008 has been shown.*

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Technology, Media, Telecommunications and Life Sciences Market Activity

NASDAQ/NYSE TMT and Life Sciences IPO Filings

Filing Date	Issuer	Industry Sector	Size (US$MM)	Description	Book-Runner	Co-Manager
N/A						

NASDAQ/NYSE Equity Markets: TMT and Life Sciences IPO Pricing

IPO Date	Issuer (Exchange)	Description	Size (US$MM)	Offer Price	Price on 2/15/08	% Change From Offer
N/A						

Asian Equity Markets: TMT and Life Sciences IPO Filings

Filing Date	Issuer	Industry Sector	Size (US$MM)	Description	Book-Runner	Co-Manager
N/A						

Asian Equity Markets: TMT and Life Sciences IPO Pricing

IPO Date	Issuer (Exchange)	Description	Size (US$MM)	Offer Price	Price on 2/15/08	% Change From Offer
N/A						

Asian Markets: TMT and Life Sciences Convertibles

Issuance Date	Issuer [Equity Ticker]	Description of Issuer	Maturity Date	Size (US$MM)	Per US$10,000 converts to	Convertible Until
N/A						

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Weekly Highlights

International

Media, Gaming and Entertainment

- **World of Warcraft, Tetris, and the PlayStation 2 each topped Nielsen's 2008 year-end scan of popular media trends in the U.S. World PC games chart.** The PS2's "usage minutes" 31.7 percent of total were actually double the number two console on the list. The Xbox 360 topped the Wii, 17.2 percent to 13.4 percent. The PS2's lead (down from 42.2 percent in 2007) was to be expected when factor the console's mammoth install base and the increasingly vibrant secondary market for used games. The Xbox, which held 13.9 percent of Nielsen's console usage numbers in 2007, beat the PlayStation 3 in 2008, 9.7 percent to 7.3 percent. There's a splash of cold water to the face.

Semiconductor

- **Global semiconductor sales fell 9.8 percent in November, the second straight monthly slide, as a deteriorating economy hurt chip demand.** Total sales fell to US$20.8 billion from US$23.1 billion a year earlier. In the first 11 months of 2008, sales rose 0.2 percent to US$232.7 billion from a year earlier. In October global chip sales declined 2.4 percent. Global stockpiles of semiconductors will almost triple in the last quarter of 2008 and issued a "red alert" on chip inventory levels for the first time. Gartner projected worldwide chip sales will fall 16 percent in 2009 and the Semiconductor Industry Association forecast global chip sales will drop 5.6 percent this year, the first decline since 2001.

Japan

Telecommunications

- **NTT DoCoMo has deferred its open offer for Tata Teleservices following a delay in approval from the Indian securities regulator.** NTT DoCoMo said in November it would pay $2.7 billion for a 26% stake in unlisted Tata Teleservices. The offer price has been fixed at 24.70 rupees ($0.5) per share. The open offer, by DoCoMo along with Tata Sons, was scheduled to begin on January 8 and close on January 27 next year.

Korea

Telecommunications

- **The number of subscribers to third-generation mobile phone services will top 24 million next year.** Third-generation (3G) mobile services went commercial in Korea at the end of 2005 with 1,000 early adopters. Korea was the world's first country to have a 3G cell phone service. The number of 3G mobile service users has jumped from 5.7 million last year to 15.8 million this year. The KCC will give more frequency bands to 3G service operators SK Telecom and KTF, believing that their frequency capacities will soon reach the saturation point.

China

Software

- **Microsoft would pre-install the Chinese household and student version of Microsoft Office in Dell PCs in China.** Shoppers can choose Microsoft Office-preinstalled PCs on the website of Dell. On top of that, these PCs are also available at sales outlets and some shopping malls. Dell hopes the partnership with Microsoft will boost up its sales in red-hot selling season during the New Year holiday and Chinese Spring Festival holiday. Microsoft has massively marked down its word-processing software and operating system in this country. Microsoft China cut the price of Chinese version of Windows XP from 960 yuan (US$140.68) to 399 yuan (US$58.47). It is one of the latest price cuts by the company in this country during the past few months. It lowered down prices of Office from 699 yuan (US$102.43) to 398 yuan (US$58.32), which can be installed in three PCs. The version that can only be installed in one PC has been cut down to 199 yuan (US$29.17).

Internet

- **China had recorded 290 million Internet users, 100 million blogs and 2.1 million websites by late November.** China's online population has grown by more than 31-fold in the last eight years. China had 253 million Internet users by late June.
- **China E-Learning Group has issued 350 million shares at HK$0.20 (US$0.03) apiece, upon the conversion of HK$70 million (US$9.0 million) convertible notes in the month of December.** The conversion shares represent 32.9 percent and 24.76 percent of the existing and enlarged issued share capital of the company. As at 31 December 2008, the aggregate outstanding principal amount of the convertible notes was HK$588 million (US$75.9 million).
- **13 million CN domain names have been registered by October 2008, making the national domain the largest in global ranking, showed the latest statistical data released by the China Internet Network Information Center (CNNIC).** Previously, Germany's national domain name DE was the largest around the world. CN overtook Britain's UK, and climbed to the number two in 2007. In the past year, CN domain name, benefited from the fast economic development and prosperity of the Internet industry, became more popular among the country's 253 million online users. On May 12, 2008, the areas struck by the earthquake lost communications with outside. In the emergency, Abazhou.gov.cn, the official government Web site of the Aba Autonomous Prefecture in Sichuan Province took on the responsibility of carrying information. In less than two days, its traffics reached 180,000 person-times. Many lives have been saved in time with its support.

Mobile/Wireless

- **Over 108 companies located in a region of Shenzhen City renowned as a handset manufacturing hub are to receive subsidies from the government as part of supportive measures in the face of the worsening economic situation.** Li Wang, vice president of Yulong Computer Telecommunication Scientific (Shenzhen) Co. Ltd., said that his company will receive RMB 3 million (US$437,995) from the government of Shenzhen City's Futian region to subsidize research and development of new products. ZTE Corp. is also on the list of companies to receive cash from the local government. Several mobile TV system and terminal companies that won bids in the first CMMB (China Mobile Multimedia Broadcasting) mobile TV tender recently held by the State Administration of Radio, Film and Television (SARFT) are also to receive local government financing.

- **China's Ministry of Industry and Information Technology (MIIT) has granted network access licenses to two mobile handsets that feature CMMB (China Mobile Multimedia Broadcasting) technology, marking the first time that CMMB handsets have been licensed in China.** The two models, Hisense Group's TM68 and Yulong's Coolpad 6168V, are both TD-SCDMA mobile phones with integrated CMMB mobile TV chips. MIIT has long prevented CMMB-enabled mobile phones from entering the open market by refusing to grant them with network access licenses. As a result, CMMB phones could only be provided for free to selected users. The operator is seeking to cooperate with local CMMB mobile TV operators over its mobile TV billing system, MMBMS, which will be launched for commercial use next year. China Satellite Mobile Broadcasting Corp had selected 120 companies to supply CMMB-enabled mobile terminals, which included CMMB-enabled GSM, CDMA, and TD-SCDMA mobile phones.

Telecommunications

- **China Mobile Limited has agreed to spend up to 1 billion yuan (US$146.5 million) renting the 3G TD-SCDMA network from its parent China Mobile Communications Corporation (China Mobile Group). China Mobile is not likely to get the TD-SCDMA assets from its parent in the near future, because the TD-SCDMA business is still at its infancy.** China Mobile Group has injected all its assets except for the TD-SCDMA assets into the New York- and Hong Kong-listed company. China Mobile is entitled to extend the lease in the future. China Mobile Group, which has poured 35 billion yuan (US$5.1 billion) in total into building the TD-SCDMA networks in the past two years, will make big investment in the network construction in the future.
- **The State Council decided that the time was ripe to issue 3G licenses based on TD-SCDMA, WCDMA and CDMA 2000 standards.** China Mobile is already operating the TD-SCDMA test network would lease the network from its parent for a year for a maximum fee of 1 billion yuan (US$146.5 million). China Unicom had completed construction and testing of a WCDMA trial network in more than 60 Shanghai locations by November. China Telecom expected to begin internal trials of the CDMA 2000 network in Beijing before the end of 2008.
- **Chinese experts predict slow uptake of 3G technology.** The progress of 3G in China in 2009 could be hobbled by lack of demand and consumer concern over pricing. China could develop as many as 73 million 3G users in 2009, with large numbers of users keen to transfer from 2G and 2.5G services. However, analyst Deng Zhongyuan from Analysys International is unsure of this forecast. Internet portal 3g.cn, the aspect of 3G that most concerns consumers is the cost of access. The second biggest concern is the price of upgrading to 3G handsets, a problem that will be particularly acute for China Mobile. The lack of complete 3G coverage across China is another factor that will hinder uptake of 3G.
- **China Mobile kicked off beta tests on the social networking service (SNS) platform 139 Community at www.139.com, which is tailored for its mobile phone subscribers.** Meanwhile, it is starting to take subscription applications for the new service in Guangdong. Besides regular functions like personal space, photo sharing, social networking, the SNS of China Mobile is highlighted for features such as online short messaging, free online hard disks, and management of short-message chat record and address list. The 139 email service launched by China Mobile previously has integrated into 139.com.

Media, Entertainment and Gaming

- **China's interactive entertainment portal site Nineyou is likely to buy in the Taiwan-based role-playing game developer Softstar Entertainment Inc.** The Taiwan company plans to collect about 20.7 million yuan (US$3.0 million) to 31.1 million yuan (US$4.6 million) via a private share placement. The new shareholder is expected to hold 10 percent to 20 percent shares in the Taiwan company. The share placement has attracted many game developers from the mainland, Hong Kong, and Taiwan, including Softstar's former shareholders, GigaMedia Ltd., Soft-World International Corp, and Nineyou. Most of people in the online game circle believed that Nineyou would be the winner. Nineyou is a well-known game operator and agency in China.
- **Kingdee announced that company CEO Ho Ching-hua has resigned due to health and family reasons.** Ho will remain at the company as a non-executive director and chief strategy consultant.
- **Online video site 56.com has won an online video broadcasting license from the State Administration of Radio, Film and Television.** The company revealed its new executive lineup with former Sohu vice president Wang Jianjun as CEO and current chief executive Zhou Juan taking over as president and chief operating officer in place of exiting president and chief financial officer Zhang Fuxing. 56.com plans to add webgame content to its platform soon.
- **The Software Industry Association said that the total revenue of China's overly-saturated game industry is expected to be over 54 billion yuan (US$7.9 billion) for the entire year.** There are more than 550 major online game companies in China and the total revenue of these companies will be over 20 billion yuan (US$2.9 billion) in 2008, accounting for 37 percent of the total revenue of the entire game industry. Game consoles and their related businesses will contribute about 32 billion yuan (US$4.7 billion) in revenues in the same period, accounting for 59.3 percent of the total revenue. Other games such as mobile phone games, training games and those in other areas, are expected to make about 2 billion yuan (US$293.1 million), accounting for 3.7 percent of the total revenue.

Hardware

- **Domestic demand for flat-screen TVs reached 12.2 million in 2008, with LED and plasma TVs making up 11 million and 1.2 million of the total.** Domestic brands captured most of the flat-screen market in 2008, and China's city residents owned a total of 28 million flat-panel TVs, 85 percent of which were LED TVs, by late 2008. CECC estimates that flat-screen demand will be 15 million in 2009, meaning that growth will fall to less than 30 percent for the first time. China's demand for flat-screen TVs was 8 million in 2007.

Taiwan

Semiconductor

- **Taiwan's economics ministry asked DRAM (dynamic random access memory) chip maker Powerchip to resubmit plans for a company turnaround as the government tries to engineer a rescue for the struggling sector.** Powerchip, along with other major DRAM makers in Taiwan, have recently submitted plans for turning around their operations, which have posted massive losses in recent quarters amid the sector's worst ever downturn. But the economics ministry said it asked Powerchip, Taiwan's largest DRAM maker, and its Rexchip joint venture, to resubmit a plan following its original proposal. That plan also involved Japan's Elpida , a technology supplier to Powerchip and the joint venture partner in Rexchip.

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Hong Kong

Telecommunications

- **PCCW Ltd said its minority shareholders have agreed for a postponement of a special meeting to consider a revised buyout offer for their shares from controlling shareholders.** PCCW announced that its principal shareholder Richard Li and second-largest shareholder China Netcom Group raised the buyout offer for minority shareholders to HK$4.50 (US$0.58) per share from HK$4.20 (US$0.54). Li's Singapore-listed Pacific Century Regional Developments Ltd (PCRD) approved the initial plan to privatize PCCW at an extraordinary general meeting. PCRD and China Netcom Group tabled a joint offer to buy out PCCW for HK$15.5 billion (US$2 billion) early last month. A court meeting and extraordinary general meeting of PCCW's shareholders were scheduled this morning to allow shareholders to vote on the privatization plan. But the shareholders' meeting has been put off following the revised buyout offer.

Internet

- **Tencent is about to launch customized network QQBook next year by cooperating with PC makers.** QQbook is reportedly to have a 10-inch screen, with a weight of 1.4 kilogram, supporting wireless Internet access and mobile phone SIM card Internet access. It will come with a basket of Tencent applications. The QQBook is likely to be priced at 3,000-4,000 yuan (US$439.6-$586.2), a very competitive price in comparison with mainstream netbooks out there in the market. Tencent will have to seek helps from old-world IT product distributors to market QQBooks for it has no its own selling networks offline. Tencent may build up an online e-commerce platform to sell the newest hit.

Singapore/Malaysia/Philippines/Indonesia/India

Mobile/ Wireless

- **Capital Technology Ventures, Inc. (ICTV) has partnered with a foreign and local company to develop one-way communication technology similar to the one used by walkie-talkies.** ICTV had signed a deal with local firm NextMobile, Inc. and REWSS A/S, a Danish network software company with a development hub in the Philippines, to develop push-to-talk technology. Using NextMobile's network infrastructure, the Danish firm will develop software for Motorola, Inc.'s integrated digital enhanced network (iDEN) technology.

Telecommunications

- **IP communications platform provider Jajah has opened a office in the Philippines which will be the hub for its global customer support and Asian operations.** Jajah had announced a number of new platform partnerships with a range of major telecommunication and technology companies, including Intel, Yahoo!, Comcast, and Telus, adding millions of users to the Jajah network.
- **Brunei Darussalam's telecommunication industry stakeholders are eyeing the Philippines' Mindanao as a preferred investment destination for information communication technology (ICT) after communication industry players recently visited some of the established Information Technology (IT) parks to explore business linkages with Filipino counterparts.** Telekom Brunei Berhad (TelBru) board chairman Dato Paduka Hj Othman expressed the company's interest in exploring collaborations with the IT-Business Process Outsourcing (IT-BPO) sector in Mindanao. Othman who headed a delegation from TelBru, a government-owned telephone company

in Brunei, met with Davao City's ICT players and visited two of the city's existing IT parks, Damosa Gateway and The Venue Compound.

- **Qatar Telecom, Qtel, has plans to invest US$250 million in the Philippines as part of its strategy to expand its foothold in Southeast Asia.** Qatar Telecom has formed an alliance with Philippines-based food and beverage company San Miguel to form a 60-40 partnership to jointly explore joint opportunities in the wireless broadband, mobile, and mobile broadband sectors in the Philippines, where the mobile phone penetration rate is now at about 70-75 percent.. Qtel acquired Philippines-based wireless voice and data communications services provider Liberty Telecom Holdings. It acquired a 65 percent stake in neighboring Indonesia's second-largest telephone company Indosat. San Miguel had signed a memorandum of understanding with Qatar Telecom and the signing was witnessed by Philippine President Gloria Macapagal Arroyo, who is in Qatar for an official visit. The joint venture will be pursued through illiquid Liberty Telecoms Holdings Inc., which Qatar Telecom acquired in May 2008.
- **True Move PCL plans to sell Apple Inc's 3G iPhone in Thailand from Jan. 16, a key driver which should boost revenue next year.** The deal will make True Move, a subsidiary of True Corp , the first operator to sell the new phone in the fast-growing Thai market. True Move will sell the 8GB model for an upfront payment of 6,999 baht (US$202) and monthly fees of 1,199 baht. Customers are required to use True Move services for at least 24 months. Advanced Info Service (AIS) was also in talks with Apple about selling the iPhone. Apple rolled out the iPhone in more than 20 countries in July and the phone was launched in Singapore in August.
- **True Corp. may raise cash should it decide to participate in the auction of 3G licenses in the 2.1 GHz band.** The operator is planning to offer 3G services based on the 850 MHz band in 2009: the acquisition of a license in the 2.1 GHz range will have a number of benefits, including access to the mobile broadband-ready spectrum as well as additional capacity for voice and data. The new licenses in the 2.1 GHz band will also free the winners of costly revenue-sharing terms that apply to the 850 MHz band. True Corp, which provides mobile services through True Move, is caught in a quandary. It plans to invest 3 billion baht (US$87.8 million) in its GSM network and 5 billion baht (US$146.3 million) in its 3G network in 2009. This includes investment in the 850 MHz band, future revenues from which will partly be shared with the government.
- **Thailand's three major mobile phone operators, AIS, Dtac and True Move, are jointly introducing a "smart pool mobile number" system to allow their customers to block unwanted and junk SMS messages.** The operators are responding to criticism of the Democrat party for sending SMS messages to people asking them to support new Prime Minister Abhisit Vejjajiva. Critics say messages were sent to users without their consent and could be seen as an invasion of their privacy. The new service should be available by the end of this year or early next year at the latest. A customer would simply need to call his or her operator's call centre to request that unsolicited SMS messages be blocked no matter where they originate. Mobile operators could not block SMS messages from providers who buy SMS time in bulk from operators to advertise their product campaigns.
- **Advanced Info Service PCL (AIS) plans to sell bonds worth 7.5 billion baht ($217 million) in two tranches.** The bonds would have maturities of 3.5 years and five years and be offered to institutional investors and the public in January. Proceeds would be used to finance debt repayment and fund business expansion.

- **CAT Telecom will battle against private telecom operators in the bidding for the 3G spectrum licence as part of next year's road map to develop both 3G and 4G services.** The state agency's president, Phisal Jorpocha-udom, said CAT was eager to secure the 2.1GHz licence to develop the 3G service and also the Long Term Evolution (LTE) technology or the 4G technology service. CAT wireless businesses include code division multiple access (CDMA) 2000 1-x cellular service in 51 provinces. Hutchison-CAT Wireless Multimedia, a CAT joint venture with Hong Kong telecom giant Hutchison Telecom, provides the cellular service on a separate CDMA network in 25 provinces. Phisal would ask Hutchison to upgrade its network in the 25 provinces to the evolution-data optimised (EV-DO) system to boost its data-transmission speed. CAT's network in 51 provinces already uses the EV-DO high-speed data-transmission technology.
- **Advanced Info Service (AIS) says it is likely to miss its 2008 revenue target of 100 billion baht (US$2.9 billion) due mainly to last month's closure of the two Bangkok airports.** AIS would cut its revenue growth goal for 2008 to 5 percent due to shrinking consumption spending. Double-digit falls in international inbound roaming revenue, call minutes and refill card sales volume in the fourth quarter. AIS currently has six million inbound roaming customers plus one million outbound users. Inbound roaming services generated up to 85 percent of total international roaming revenue, which contributed 10 percent of total non-voice revenue, estimated at 11 billion baht (US$321.9 million). There's a nine-month profit of 15.99 billion baht (US$468 million), up 43.3 percent year-on-year, on revenue of 85 billion baht (US$2.5 billion). AIS said more than 80 percent of its revenue this year would come from mobile operations and the rest from handset sales.
- **Indonesia will implement Wimax broadband technology next year to improve access to the Internet across the country.** The government was still testing the 2.3 GHz frequency for the Wimax technology. Indonesia ranks very low in the region in the use of broadband for Internet access. Engkos was in Medan to attend the promotion of IGOS (Indonesia Goes Open Source) and the launching of IGOS for North Sumatra (IGOS Sumut). IGOS, launched in 2004, was launched to promote the use of open source software throughout the country.
- **Neil Montefiore, chief executive officer of MobileOne, has decided to step down as CEO and director of M1, with effect from February 2009.** Mr. Montefiore, who joined M1 in April 1996 and has served as its CEO since then, has indicated that he wishes to pursue other personal interests. M1's chief financial officer, Ms Karen Kooi Lee Wah, will be appointed acting CEO in addition to her current duties. The appointment of Ms Kooi is subject to IDA's approval.

Business Process Outsourcing

- **Motif Inc. formally inaugurated its new 450-seat delivery centre in Quezon City in the Philippines.** The new centre was inaugurated by Philippines Economic Zone Authority (PEZA) director general Lilia B. de Lima. Motif has been serving clients in the Philippines since 2006. The new centre, which involved an initial investment of US$2.5 million, is equipped with the latest technology. Motif, which has over 800 employees across its delivery centers in Ahmedabad and Quezon City, provides back office support to research and analytics services in the U.S. that cater to Fortune 500 and mid-market clients in the retail, travel, financial services, and legal industries.
- **Convergys Corporation disclosed that its contract with PT Telekomunikasi Indonesia has been renewed and expanded for Convergys' relationship management solutions.** The Convergys BSS/OSS Solutions, Infinys Active Mediation and Infinys Rating and Billing Manager version 3.0, will be deployed at PT Telekomunikasi, to offer its wireless customers voice-grade telephone service (POTS) and digital subscriber lines (DSL), in addition to pre- and post-paid fixed

wireless services, to increase customer experience and revenues. PT Telekomunikasi can cross-sell its products and provide discounts to its subscribers.

Europe

Mobile/ Wireless

- **Nokia will focus on profit development amid a falling cell phone market in which many competitors are cutting prices.** Nokia lost some market share in the second half of last year as it shied away from some fierce price battles. Cell phone market is expected to see its weakest year in 2009, with analysts forecasting on average for a 6.6 percent fall in sales volumes. Nokia expects to weather the fall better than some rivals. Nokia aims to increase its cell phone market share in 2009, helped by consumers' appetite for cheaper models. Nokia has bought a dozen companies including an US$8.1 billion acquisition of mapping company Navteq to jump-start its Internet business as growth in the cell phone market stalls.
- **SmarTone-Vodafone has started an ambitious network expansion program that promises to bring its subscribers the fastest mobile broadband service in Greater China by next year.** The 3G mobile network operator has partnered with Swedish telecommunications equipment supplier Ericsson on the world's first pilot implementation of Mimo for multiple input, multiple output smart antenna technology. Mimo will enable SmarTone-Vodafone to deliver 3G mobile broadband transmission speeds of up to 28 megabits per second next summer and 42Mbps by the end of next year - advances that would help realize the potential of 3G services in Hong Kong.

Internet

- **Play.com said sales rose 24 percent over the Christmas holiday as Britons shopped online for "Mamma Mia!" DVDs, Take That's latest album and "Call of Duty" video games.** Revenue was "strong" across all product categories, staving off concern over the credit crunch and reduced gift spending. Business reached a peak on Dec. 8 as the company processed 1,000 orders a minute, up from 700 a year earlier. Play.com and competitors such as Amazon.com Inc. are winning business from store operators as consumers seek greater convenience and lower prices on the Internet.

Other Economic Data

Currency Exchange Rates

Currency	Units	Current Rate (on 1/2/09)	% Change 1 Week Ago	% Change Month to Date	% Change 1/1/2009	% Change 1/1/2008
Japanese yen	¥/US$	92.1900	1.6%	1.8%	-0.03%	-18.1%
Hong Kong dollar	HK$/ US$	7.7500	0.0%	0.001%	0.0%	-0.7%
Chinese renmenbi	RMB/ US$	6.8225	-0.3%	0.0%	0.0%	-6.6%
Singapore dollar	S$/ US$	1.4609	0.9%	2.1%	-0.03%	1.1%
South Korean won	KRW/ US$	1,316.5000	1.4%	4.3%	0.0%	40.7%
New Taiwan dollar	NT$/ US$	32.7700	-0.7%	0.05%	0.0%	0.8%
Australian dollar	US$/A$	0.7099	3.5%	0.4%	-0.04%	-18.8%
New Zealand dollar	US$/NZ$	0.5854	1.3%	0.3%	0.1%	-24.4%
Philippine peso	PHP/ US$	47.2000	-0.6%	-0.5%	0.0%	14.6%
Euro	US$/€	1.3918	-1.0%	-0.4%	0.3%	-5.4%
British pound	US$/£	1.4543	-0.7%	-0.6%	0.1%	-27.0%

Fixed Income Prices and Yields

Note	Currency	Current (on 1/2/09)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US$	133.73	2.81%	138.71	2.61%	128.12	3.05%
Japan 30-year	¥	113.07	1.73%	111.62	1.80%	102.95	2.24%
Hong Kong 10-year	HK$	102.60	1.34%	102.43	1.35%	99.80	1.64%
China (06/16)	US$	108.35	3.41%	108.35	3.41%	111.95	2.92%
Singapore 10-year	S$	116.18	2.14%	115.70	2.19%	117.55	2.00%
South Korea 20-year	KRW	9,470.89	5.98%	9,470.89	5.98%	9,470.89	5.98%
Australia 15-year	A$	116.90	4.00%	115.56	4.13%	113.02	4.38%
New Zealand (12/17)	NZ$	108.49	4.82%	107.52	4.95%	107.87	4.91%
Philippines 20-year	PHP	88.20	10.97%	88.20	10.97%	81.83	11.90%
India 30-year	INR	126.83	6.27%	118.99	6.79%	115.99	7.01%
UK 30-year	£	118.05	3.74%	118.83	3.70%	111.28	4.09%
Germany 30-year	€	113.35	3.53%	113.16	3.54%	109.19	3.74%