

IRG Technology, Media and Telecommunications and Life Sciences Weekly Market Review



Week of 7 March - 13 March 2004

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Equity Market Indicators					
Index	Closing Level (3/12/04)	% Change 1 Week Ago	% Change 1/1/2004	% Change 1/1/2003	% Change 2003 Low
S&P 500	1,120.57	-3.1%	0.8%	23.3%	38.2%
Dow Jones Industrial Avg.	10,240.08	-3.4%	-2.0%	19.0%	34.6%
Dow Jones Tech. Index	349.74	-2.1%	0.6%	52.3%	61.6%
Dow Jones Telecom. Index	189.11	-3.9%	1.9%	27.9%	48.6%
NASDAQ Composite	1,984.73	-3.1%	-0.9%	43.3%	52.9%
The Street.com Net	155.40	-3.5%	1.5%	73.3%	81.3%
Japan Nikkei 225	11,335.73	-1.5%	6.2%	30.1%	46.7%
Japan TOPIX	1,107.37	-2.1%	6.1%	28.8%	45.4%
Korea KOSPI Composite	848.80	-6.2%	4.7%	33.6%	68.8%
Korea Kosdaq	420.28	-4.5%	-6.3%	-9.8%	25.6%
Taiwan Stock Exchange	6,800.24	-2.1%	15.4%	50.3%	66.2%
Singapore Straits Times	1,835.08	-3.0%	4.0%	37.4%	52.2%
Hong Kong Hang Seng	12,932.23	-3.9%	2.8%	38.1%	54.9%
Hong Kong GEM	1,265.52	-7.6%	6.7%	32.7%	42.8%
China Shanghai (A-Share)	1,776.87	2.0%	13.2%	28.8%	28.8%
China Shenzhen (A-Share)	461.95	0.5%	17.4%	15.2%	26.9%
China Shanghai (B-Share)	116.28	0.3%	10.8%	3.6%	20.3%
China Shenzhen (B-Share)	289.03	-1.5%	6.2%	56.3%	57.8%

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Technology, Media, Telecommunications and Life Sciences Market Activity

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
3/10/04	Pan Jit Int'l [2481.TT]	Manufactures and markets Zener diodes, surface mount rectifier chips, glass passivated junction rectifiers, and transient voltage suppressors.	3/10/09	US\$20	9,005 Shares	2/8/09
3/11/04	CP Technology Co. [6150.TT]	Develops, manufactures, and markets video graphics accelerators (VGA) cards, multimedia products, interface cards, and other computer related products.	3/11/09	US\$8.4	1,859 Shares	3/1/09
3/12/04	Quanta Storage [6188.TT]	Manufactures and markets slim optical storage products, such as compact disc-read only memory (CD-ROM), disk versatile disk-read only (DVD-ROM), compact disc rewritable (CD-RW), and rewritable DVDs.	3/12/09	US\$100	1,389 Shares	3/2/09
3/12/04	SPI Electronics [3015.TT]	Designs and produces switching power supplies, inverters, open frames, adaptors, and other related products.	3/12/09	US\$30	4,543 Shares	3/2/09

NASDAQ/NYSE TMT and Life Sciences IPO Filings

File Date	Issuer	Industry Sector	Size (\$MM)	Description	Book-Runner	Co-Manager
3/11/04	Kanbay Int'l Inc. [KBAY.US] (NASDAQ)	Computers	US\$115	Provides global systems integration services to the insurance, banking, landing credit card, and securities industries.	UBS	Janney Montgomery Scott & Robert W. Baird and Co.

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

Pricing Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 3/12/04	% Change From Offer
3/11/04	Semiconductor Manufacturer ADR [SML.US] (NYSE)	Manufactures, trades, packages, tests, and provides computer-aided design integrated circuits, and other semiconductor services.	US\$1,803	US\$17.5	US\$17.5	0%

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Asian Equity Markets: TMT and Life Sciences IPO Pricing						
Pricing Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 3/12/04	% Change From Offer
3/8/04	Silitech Technology Corp. [3311.TT] (Taiwan)	Manufactures and markets keypads to be used in mobile phones. Telephones, remote controls, calculators, and computer keyboards.	US\$18.2	NT\$78	NT\$86.5	10.6%
3/8/04	M.P. Technologies [3734.JP] (TSE)	Develops middleware for VOD (video on demand) solutions using broadband Internet.	US\$11.3	¥780,000	¥1,830,000	134.6%
3/9/04	Chip Hope. Ltd. Inc. [8084.TT] (GRETAI)	Provides application design solutions for integrated circuits used in communication and computer peripheral products.	US\$1.4	NT\$20	NT\$25.3	26.5%
3/9/04	Hitachi Systems & Services [3735.JP] (TSE)	Provides computer systems integration and its maintenance services for financial and manufacturing industries.	US\$13	¥1,800	¥2,100	16.7%
3/11/04	Tom Online Inc. [8282.HK] (HKGEM)	Provides valued added multimedia products and services. The company delivers its products and services from its Internet portal to its users both through their mobile phones and through its websites.	US\$192.3	HK\$1.5	HK\$1.4	-9.3%
3/11/04	IM Technologies Ltd. [IM.SP] (Singapore)	Research and develops smart cards operating systems. The company also supplies smart cards, integrated circuit (IC) modules, scratch cards, and applications programs for use in mobile telecommunications industry.	US\$6.5	SG\$0.28	SG\$0.3	7.1%
3/12/04	Taiwan Surface Mounting Technologies [6278.TT] (GRETAI)	Assembles printed circuit boards (PCBs).	US\$4.1	NT\$20	NT\$26.7	33.5%

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Weekly Highlights

International

Hardware

- **LG Electronics Inc. and Intel Corp. signed a memorandum of understanding to cooperate on research and development of digital home network technologies.** The deal will expand their alliance from personal computers to consumer electronics, displays and mobile equipment. LG Electronics and Intel inked the deal but no detailed timetable was announced.

Japan

Hardware

- **Citizen Watch Co. has developed a device that facilitates the recording of data to two separate layers on one side of a DVD disc.** The device corrects for spherical aberrations of light from the write laser, allowing for faithful switching between a pair of recording layers that are separated by a distance of only several microns. Because of problems with spherical aberration, present DVD recorders can only write data to a single layer. DVD discs can hold data on both sides, but users still need to flip the disk over. With double-layer recording, DVD discs will be able to store 8.5 gigabytes or more than three hours of video on a single side.
- **The University of Texas has filed a damages suit against Nippon Telegraph and Telephone Corp. (NTT) over NTT's patented battery technology,** which it said was brought from the university. The university took the legal action in the United States in 2001, demanding an unspecified sum of damages and claiming a former NTT engineer took related technological information out when he studied at the university in 1993-1994. According to the NTT officials, the former engineer developed a technology to produce rechargeable batteries at a lower cost after returning to Japan from his study at the University of Texas. The technology, which uses an iron alloy called lithium iron phosphate, received a patent in Japan.

Information Technology

- **Eastman Kodak Co. of the U.S. filed a suit against Sony Corp.** and its two American units with the New York federal court for infringement on its patents related to digital camera technology. The world's top photo film manufacturer claimed that the Japanese electronic giant's unauthorized use of its patents has damaged the company, demanding a court order for Sony to stop using the technology in question as well as compensation for damage, the amount of which is unknown. According to Kodak's petition, Sony infringed on 10 patents mostly on technology to compress and preserve images for digital cameras and camcorders, which the U.S. company obtained between 1987 and 2003.

Media, Entertainment and Gaming

- **A joint venture between Toshiba Corp. and am3 Inc. will begin distributing comics online to users of Nintendo Co.'s Game Boy Advance** video-game consoles beginning this August. The deal is expected to be the largest ever involving the distribution of comics to portable handsets, since 50 million units of the Nintendo machine have been shipped worldwide. If the service catches on, it is

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expected to boost the electronic book business. Game Boy Advance users who wish to use the new service will have to purchase special data-recording cards developed jointly by Toshiba and am3. The cards use software developed by Tokyo software house Celsys Inc. Comics are downloaded onto the cards at kiosk terminals installed at game shops and other places, and can then be inserted into the consoles so that users can read the comics.

- **Mobile Broadcasting Corp. launched a satellite in Florida, designed to broadcast television and radio programs to dedicated portable terminals.** The firm, set up by Toshiba Corp., Toyota Motor Corp. and others, plans to commence in July a broadcasting service, if the launch succeeds. The terminals will be manufactured and sold by Toshiba and several other companies.

Korea

Mobile / Wireless

- **LG Electronics Inc. and Samsung Electronics Co. dominated the global code division multiple access handset market last year.** LG topped the ranking by selling 21.3 million CDMA mobile phone units, or 21.6 percent share last year. The company overtook Samsung and U.S.-based Motorola to secure the world's largest CDMA phone provider status. Samsung, the world's third-largest handset maker, shipped 20.4 million units during the same period, accounting for a 20.7 percent share. The combined market share of LG and Samsung reached 42.3 percent, reflecting the solid position of Korean phone makers when it comes to the CDMA standard developed by U.S.-based wireless technology company Qualcomm Incorporated.

Semiconductors

- **Hynix Semiconductor has developed a new high-speed memory chip for high-end personal computers and game equipment.** Volume production of the high-speed chips, 550MHz DDR SDRAMs (double data rate - synchronous dynamic random access memory), would be launched in April. Prices of the chips are expected to be about two times the price of existing 400MHz DDR SDRAM chips. Hynix said more than 30 percent of desktop PCs would adopt Intel's new chipset Grantsdale in the second half, which supported DDR and DDR2 SDRAM chips.

Telecommunications

- **Hanaro Telecom Inc. said it would increase marketing efforts to grab subscribers of rival KT Corp. who will be able to switch fixed-line telephone carriers without changing their number.** Number portability allows subscribers to switch carriers without having to change their phone numbers, and the new policy was applied to the mobile sector on Jan. 1, prompting fierce marketing battles among SK Telecom Co., KTF Co. and LG Telecom Company.

China

Internet

- **China's top Internet firms believe multimedia messaging services (MMS) will become a gold mine sustaining their profit growth,** and have earmarked large sums for aggressive development. Sohu.com, one of China's three large Nasdaq-listed portals, plans "huge investment" this year in a bid to outpace its two major rivals Sina.com and Netease.com in tapping the market. Unlike short messaging

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services (SMS), which allow transmissions of written text only, MMS enables users to send color pictures, animation, recorded sound and video. At the end of last year, eight million Chinese residents subscribed to MMS, and experts believed MMS for mobile subscribers would expand to an industry worth US\$22 billion by 2008. Sina has also said it would try to become a major player in the expanding MMS business, even though it currently only has "thousands" of MMS users.

Semiconductors

- **The initial public offering by Semiconductor Manufacturing International Corp (SMIC) has attracted a full book of retail orders, topping HK\$138 billion (US\$17.7 billion).** The retail allotment was 200 times oversubscribed, while the institutional portion was more than 13 times oversubscribed. SMIC, the mainland's largest chip foundry, hopes to raise US\$1.79 billion in its dual Hong Kong and New York listings. A sell-off in the Nasdaq Composite Index does not appear to have dampened appetites.
- **Semiconductor Manufacturing International Corp. is backing off statements made by its chief financial officer that contradicted information in documents filed for its pending IPO on the New York Stock Exchange.** In a filing with the Securities and Exchange Commission, SMIC, a semiconductor manufacturer based in Shanghai, said a company officer made an "inaccurate statement" about the company's ability to meet its capital requirements in 2005.
- **Intel Corp. may stop selling certain chips in China by June because of a Chinese government rule regarding wireless technology.** The new rule sets a June 1 deadline for wireless-data products to use a unique security standard developed by Beijing. Intel does not expect to comply by that date because of concerns over how computers with its chips would perform using the standard, among other factors. As a result, the world's largest maker of microprocessors expects to stop selling -- at least temporarily -- communication chips for laptops in the world's second-largest computer market. The rule is part of a push by China to set its own technical standards to boost domestic technologies and help Chinese companies in patent negotiations with manufacturers from other countries. Some foreign companies, eager to crack the fast-growing market, have faced increasing pressure from the government to share technology with Chinese companies or set up manufacturing operations in the country.

Taiwan

Mobile / Wireless

- **Top Japanese mobile phone operator NTT DoCoMo has agreed to help Far EasTone set up third-generation (3G) phone services this year.** The deal involves the wideband-code division multiple access (W-CDMA) network used by DoCoMo, which hopes to expand its use and help the spread of its own world-first 3G network around the globe. DoCoMo has invested ¥68 billion (US\$613 million) since November 2000 for a 21.4 percent in Taiwan's KG Telecommunications, but DoCoMo would own 5 percent of Far EasTone when it merges with KGT by the end of April.

Semiconductors

- **Taiwan Semiconductor Manufacturing Co. delivered the first 90-nanometer chips to U.S.-based Qualcomm Inc.** TSMC, the world's largest foundry chip maker, said the 90-nanometer manufacturing technology, the latest and most expensive technology in chip production, "greatly reduces" power consumption, improves processor performance and enables more features to be added to a single chip.

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That means the chips save battery life and run better. High-end manufacturing technology such as the 90-nanometer process command higher profit margins, which is significant as the foundry business model matures and margins narrow. Nanometers describe the measurement of a chip's transistor parts and the spaces between them. The smaller the transistors are and the more closely they can be packed together, the more powerful the chip.

- **United Microelectronics Corp (UMC), the world's second-largest contract chipmaker saw a 47.6 percent year-on-year jump in its February sales.** However, February sales at NT\$8 billion (US\$241 million) were down 3.1 percent from NT\$8.3 billion (US\$248.1 million) dollars in January. Sales for the first two months of the year rose to NT\$16.3 billion (US\$488.3 million) from NT\$10.8 billion (US\$324.4 million) previously.

Singapore / Malaysia / Philippines / Indonesia

Internet

- **The Singapore government is considering making Internet spam messages illegal** in a bid to curb the nuisance of unwanted e-mails flooding in-boxes. As a preparatory step, three local Internet service providers (ISPs) - SingNet, StarHub and Pacific Internet – are brainstorming with industry watchdogs to think of viable measures against spammers and the results of the discussions would be shared with the public within the next few months.

Semiconductors

- **Chartered Semiconductor Manufacturing raised its first-quarter sales and net-income outlook after recording stronger-than-expected sales,** especially to the communications industry, so far in the period. In a news release, the wafer-fabrication company forecast a loss of between US\$3 million and US\$11 million on total revenue of US\$279 million to US\$285 million. Previously, the Singapore-based company had predicted a loss of between US\$3.6 million and US\$13.6 million on total revenue of US\$276 million to US\$284 million.

Hong Kong

Internet

- **Tom Online Inc.'s shares finished flat in the U.S., an unusually weak U.S. debut** for a Chinese-based technology company, and fell 6.7% in Hong Kong. Tom Online sold 11.25 million American depositary receipts at the high end filing range of US\$13.6 to US\$15.6 per ADR. Each ADR represents 80 ordinary shares, which will trade on the Hong Kong Growth and Enterprise Market. In Hong Kong, the shares declined or 6.7% from their offer price of HK\$1.5 (US\$0.2).

Mobile / Wireless

- **Earnings at SmarTone Telecommunications Holdings grew just 5.4 percent in the six months to December,** as a price war that has hurt players across the industry undermined profitability. The firm reported interim earnings of HK\$235.1 million (US\$30.1 million). Turnover grew 6.5 percent to HK\$1.5 billion (US\$197.4 million). SmarTone added a recovery in roaming revenue following the SARS epidemic helped turnover growth. Roaming revenue accounted for about 25 percent of the company's turnover. The price war's impact on SmarTone was less than expected, but this was up 6 percent from

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the first six months of last year. In the six months to December, SmarTone's customer base grew 9.5 percent to 1 million users.

- **i-CABLE communication Ltd. announce 2003 final results.** The firm reported before tax profits doubled to **HK\$234 million (US\$30 million)** from last years HK\$117 million (US\$15 million) and net profit rose to HK\$220 million (US\$28.2 million), from previous years HK\$117 million (US\$15 million) after a one-off tax charge. The number of subscribers grew by 8% to 656,000 from 606,000 in 2002. This years turnover increased by 1% to HK\$1.7 billion (US\$222.3 million) versus 2002 numbers of HK\$1.7 billion (US\$219.4 million) which included the 2002 FIFA World Cup. Operating expenses fell by 8% to HK\$1 billion (US\$128.3 million) and EBITDA rose by HK\$105 million (US\$13.4 million) or 17% to HK\$733 million (US\$94 million).

United States / Canada

e-Commerce

- **A federal judge allowed a lawsuit to proceed that alleges Donaldson Lufkin & Jenrette, now owned by Credit Suisse First Boston Inc., deliberately under priced initial public offerings during the Internet boom.** The case was filed in 2002 by Xpedior Inc., an e-commerce consulting firm that DLJ took public in late 1999. Xpedior claimed that DLJ capitalized on the "irrational exuberance" of the late 1990s technology market by under pricing IPOs, then giving shares to favored clients who would in turn pay unusually high commissions to DLJ. Xpedior fell into bankruptcy and liquidated in 2002. The firm says DLJ breached its fiduciary duty as an underwriter to companies it took public.

Hardware

- **Cisco Systems Inc. agreed to pay US\$5 million in cash for Twingo Systems,** a closely held company that makes network-security software. Cisco said that Twingo's products will bolster the security of its own offerings, as it plans to incorporate Twingo's technology into its VPN 3000 Concentrator line. Cisco expects the deal to close sometime during its third fiscal quarter. The company will be part of Cisco's virtual private network and security unit after the deal closes.
- **Texas Instruments, the world's largest maker of chips used in cell phones, raised the low end of its first quarter sales and earnings guidance, a sign that demand for handsets and other consumer electronics devices appears to remain strong.** But analysts questioned whether the good news would be enough to put a stop to the two-day pullback in tech stocks and chip stocks in particular. The company now expects sales of US\$2.8 billion to US\$3 billion for the first quarter. TI was anticipating revenues of US\$2.7 billion to US\$3 billion.

Information Technology

- **The Justice Department is proposing that regulators adopt sweeping new wiretap rules for broadband Internet communications services.** The proposal was triggered in part by the rapid rise of Internet telephony, which the Federal Bureau of Investigation fears could be used to avoid wiretaps on conventional phones. But the proposal goes beyond Internet telephony, asking the Federal Communications Commission to consider rules making all broadband Internet services more compatible with wiretaps. And the proposal seeks rules requiring that new applications and services on the Internet be wiretap-ready before they are introduced to the market.

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- **Bain Capital, Silver Lake Partners and Warburg Pincus announced it has reached a definitive agreement with EDS to purchase UGS PLM Solutions, EDS' product lifecycle management subsidiary, for US\$2.05 billion in cash.** The transaction, in which each private equity firm is an equal investor, represents the largest private equity investment ever made in a technology company. UGS PLM Solutions is a global leader in PLM software and related services, with approximately 42,000 clients worldwide. In 2003, UGS PLM Solutions reported revenue of US\$897 million and net income of US\$104 million.

Internet

- **Revenue Science Inc., one of the major providers of behavioral-targeting technology, reported that Pearson PLC's FT.com and Reuters Group PLC's Reuters.com have signed deals to track users with its technology.** Sports site ESPN.com will also soon do the same. Newspaper sites, financial-news sites and other publishers are using web-surfing information, along with users' personal information as supplied when they register for the sites, to carve out audience segments for advertisers. For example, a car dealership in Chicago can show ads to surfers who are in Chicago and have visited articles and tools related to automobiles, even when those users are accessing content unrelated to cars.
- **LookSmart Ltd. raised its revenue estimate for the first quarter, citing growth at its core LookListings business and cost cutting.** The Internet search company now sees an adjusted loss of US\$10 million to US\$12 million for the first quarter. In February, the company had put the adjusted figure at US\$12 million to US\$14 million. The figure does include restructuring charges of US\$4 million to US\$5 million. In the year-ago first quarter LookSmart reported earnings of US\$1.1 million. LookSmart also raised its first-quarter revenue projection to US\$21 million to US\$23 million from US\$16 million to US\$18 million.
- **Ameritrade Holding Corp. was fined US\$10 million by the National Association of Securities Dealers (NASD) for allegedly extending credit to investor clients in an improper fashion.** The NASD said that the actions by the Ameritrade units -- Ameritrade Inc., Datek Online Financial Services LLC and iClearing LLC -- amounted to violations of the Federal Reserve's Regulation T, which the NASD said "requires that customers trading in cash accounts make full cash payment for each separate purchase without regard to unsettled proceeds of any securities sold." The NASD said the Ameritrade units permitted their clients "to make purchase transactions based on proceeds due from unsettled trades." This occurred in more than two million transactions in 30,000 customer cash accounts. The NASD also said it found day-trading violations at Ameritrade.
- **Civil lawsuits filed against hundreds of alleged spammers, using a new federal law that provides for stronger penalties and helps them track spammers more easily across state lines.** But industry analysts questioned whether the suits would be more effective than other efforts to control spam, or unsolicited commercial e-mail. As one sign of the limitations, all but seven of the 222 defendants in the six lawsuits were unnamed, because the Internet providers have not yet confirmed their true identities.

Media, Entertainment and Gaming

- **Viacom Inc. and EchoStar Communications Corp. ended a contractual dispute, restoring Viacom-owned cable networks including MTV, Nickelodeon and Comedy Central to more than 9 million DISH service customers nationwide.** The deal also restores CBS broadcasts to 1.6 million EchoStar viewers. The agreement follows EchoStar's removal of CBS in 16 local markets and 10 Viacom national channels from its service Tuesday as the companies had failed to reach an agreement

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on contract terms by a particular deadline. The new long-term agreement means that EchoStar will also air a new Viacom channel Nicktoons this spring.

Mobile / Wireless

- **Nine companies involved in the mobile-phone industry will jointly set up a new Internet names registry company to issue domain names for wireless devices**, in an attempt to boost mobile services. The new firm has to yet be approved by Internet Corp. for Assigned Names and Numbers, or ICANN, which registers domain names for the Internet. The new firm will establish a new as-yet-unnamed domain to simplify mobile access to the Internet, replacing the myriad of addresses with the mobile equivalent of the .com domain. The participating companies are Microsoft Corp., Nokia Corp., Vodafone Group PLC, Hutchison Whampoa Ltd.'s 3 unit, GSM Association, Hewlett-Packard Co., France Telecom SA's Orange unit, Samsung Electronics Co. and Sun Microsystems Incorporated.

Semiconductors

- **Chipmaker National Semiconductor Corp. posted a quarterly profit compared with a loss a year earlier amid stronger sales to the wireless and personal computing markets.** The maker of microchips for power management, imaging and audio earned US\$93 million for its fiscal third quarter ended Feb. 29, compared to a loss of about US\$36 million a year earlier. Sales rose to US\$513.6 million from US\$404.3 million.

Telecommunications

- **Qwest Communications International Inc. has decided to set aside a reserve to cover its estimated liability in regards to investigations and securities actions.** The company did not specify the size of the reserve. Qwest believes it will recover all but US\$100 million of the recorded reserve from insurance proceeds consisting of cash and letters of credit that were placed in a trust.
- **Global Crossing Ltd., which operates an undersea fiber-optic cable, reported a quarterly profit of nearly US\$25 billion**, the largest on record for a publicly traded company, entirely due to gains from its emergence from bankruptcy. Its revenue fell 6 percent on pricing pressure.

Europe

Mobile / Wireless

- **KPN's is unlikely to raise its bid for mmO2 PLC even if another bidder enters the fray.** KPN's original offer for mmO2 was based on an assessment of the intrinsic value of the U.K.-based operator plus a share of the cost savings that would arise from a merger of the two companies. mmO2 rejected an offer from KPN last month and there has been considerable speculation since that time that KPN will increase its bid.
- **T-Online International AG unexpectedly reported a net profit of €5.4 million (US\$6.7 million) in the fourth quarter**, mainly due to a gain from changes in French tax laws. T-Online reported a net loss of €61.6 million (US\$75.1 million) in the year-earlier period. Analysts had expected a quarterly loss due to slipping market share in high-speed Internet access, but T-Online said the tax change contributed to the bottom line.

Telecommunications

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- **BT Group PLC, under intense competitive pressure, unveiled low-priced Internet services that highlight how old-line telephone companies are having to take big risks to protect their market share.** BT is teaming up with Yahoo! Inc. of to launch a service this summer that can carry voice and video calls over an Internet connection. That move is designed to raise demand for BT's Internet services, but it will also help voice over Internet protocol, or VoIP, services better establish themselves in Europe.

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Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 3/12/04)	% Change 1 Week Ago	% Change 1/1/2003	% Change 1/1/ 2004	% Change Last 12 Mth.
Japanese yen	¥/US\$	110.8200	0.3%	-7.7%	-3.2%	6.9%
Hong Kong dollar	HK\$/ US\$	7.7932	0.0%	-0.1%	-0.4%	0.1%
Chinese renmenbi	RMB/ US\$	8.2771	0.0%	0.0%	0.0%	0.0%
Singapore dollar	S\$/ US\$	1.7127	-0.5%	-1.2%	-0.8%	3.0%
South Korean won	KRW/ US\$	1175.9000	-0.2%	-0.9%	1.4%	6.1%
New Taiwan dollar	NT\$/ US\$	33.4695	-0.3%	-3.7%	1.5%	3.7%
Australian dollar	US\$/A\$	0.7337	-3.4%	30.5%	-2.4%	23.6%
New Zealand dollar	US\$/NZ\$	0.6437	-5.1%	22.7%	-1.8%	17.4%
Philippine peso	PHP/ US\$	56.3050	0.0%	5.7%	-1.4%	-2.6%
Euro	US\$/€	1.2225	-1.5%	18.0%	-2.9%	15.0%
British pound	US\$/£	1.8002	-2.7%	12.9%	0.8%	14.7%

Fixed Income Prices and Yields

Note	Currency	Current (on 3/12/04)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	109.9688	4.72%	110.1094	4.71%	106.7969	4.92%
Japan 30-year	¥	102.0120	2.07%	101.4845	2.11%	103.3810	2.01%
Hong Kong 10-year	HK\$	125.0420	2.74%	125.0111	2.76%	124.1471	2.94%
China (10/2027)	US\$	141.2929	4.61%	139.1492	4.73%	137.8323	4.81%
Singapore 10-year	S\$	94.9900	2.86%	93.6821	3.03%	92.3933	3.20%
South Korea 10-year	US\$	121.4100	3.22%	121.5216	3.22%	120.5246	3.52%
Australia 15-year	A\$	108.3080	5.34%	107.2560	5.48%	106.8740	5.54%
New Zealand (07/2009)	NZ\$	106.7905	5.51%	105.8453	5.71%	105.9764	5.70%
Philippines 20-year	PHP	141.3364	12.63%	141.1131	12.65%	150.3283	11.78%
India 20-year	INR	151.7538	5.73%	150.3641	5.84%	150.4729	5.84%
UK 30-year	£	95.1180	4.55%	93.7745	4.65%	93.9125	4.64%
Germany 30-year	€	112.3240	4.68%	111.0695	4.76%	109.8784	4.84%

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