CHINA GLOBAL TRENDS ISSUE ● VOLUME 4

SPECIAL SITUATIONS

FEATURED COMPANIES:

China INSonline Corporation
OTC BB: CHIO

China Infrastructure Investment Corporation
OTC BB: CIIV

ANALYST RESEARCH REPORTS ON CHINESE COMPANIES AVAILABLE AT OUR WEBSITE
WWW.WALLSTREETRESEARCH.ORG

Keeps going and going and….

Thirty years following the introduction of its opening-up policy and continuing market reforms, which have brought about historic changes to the country and resulted in average GDP growth in excess of 10% per annum since 1978, China is on course to overtake Germany as the world's third-largest economy this year.

In 2007, China's GDP reached 24.95 trillion yuan ($3.6 trillion), an increase of 11.9% from the previous year, marking a fifth consecutive year of accelerating double-digit growth. Influenced by the global economic slowdown, China's first quarter real GDP growth slowed to 10.6% year over year in 2008. The softening was mainly attributable to slower growth in net exports, which is related directly to the current U.S. recession. Owing to the weaker outlook for exports, S&P expects China's economy to expand at a slower rate of 9.5% to 10% in 2008 and 9% to 9.5% in 2009, while the Economist forecasts GDP growth of 9.6% and 9.0% in these years respectively.

Aside from slowing exports, other segments of China's economy, including industrial production, retail sales and capital investments, continue to enjoy strong growth. According to figures released by the National Bureau of Statistics, China's retail sales of consumer goods in April rose 22.0% year-on-year to 814.2 billion yuan ($116.3 billion). Urban fixed-asset investment rose 25.7% year-on-year to 2.841 trillion yuan ($406 billion) in the first four months of 2008. Finally, the industrial output of China's major enterprises grew 15.7 percent year-on-year in April.

Coincidentally, over the past few years, China's central government has been intensifying efforts to limit the country's dependence on exports and put economic growth on a more socially and environmentally sustainable path, encouraging consumer spending, promoting the emergence of middle class and broadening the scope of prosperity beyond developed urban areas. Free compulsory education was made available to all rural students, marking an important milestone in the history of the development of education in China. The basic frameworks for a public health system and a system of basic medical services covering both urban and rural areas have been put in place. Effective since March 1, 2008, the government amended individual income tax law raising the non-taxable income tax threshold from 1,600 yuan ($230) a month to 2,000 yuan ($288). In light of the recent earthquake consequences, China's President, Hu Jintao, has again pledged to maintain sound development trends and safeguard social harmony and stability.

So even though during the opening March session the 11th National People's Congress of China, its parliament, Premier Wen Jiabao targeted the 2008 GDP growth rate at only about 8%, the prospects for companies doing business in China in the next few years remain bright. Notwithstanding the fact that lowered analyst and other estimates in the past have been often exceeded in reality, including last year's.

Alan Stone is the founder of Alan Stone & Company, LLC, a premier research, advisory and consulting firm specializing in small capitalization issues, particularly global and Chinese companies listed on U.S. markets, and a Managing Director of WallStreet Research, a leading independent analyst research boutique. In his career, Mr. Stone held positions as a securities analyst and assistant portfolio manager at Merrill Lynch Asset Management and an investment analyst at Prudential Capital Markets Group. He also worked as an investment banker and institutional broker at Ladenberg Thalmann and Thomson McKinnon. Mr. Stone served on the Advisory Board and occasionally writes for the Brentwood Media Group, publisher of community newspapers in Southern California, and also occasionally writes for "Equities Magazine," a leading investor publication. Mr. Stone received a BS in Economics from the Wharton School of the University of Pennsylvania, an MBA in Finance and Investments from New York University, and has completed additional studies at the London School of Economics and UCLA.

Alan Stone astone@alanstone.com
Managing Director & Publisher

CHINA INFRASTRUCTURE INVESTMENT CORPORATION (OTC BB: CIIV)

May 28th CLOSING PRICE: $4.50
AVERAGE VOLUME (90-DAY): 5,800
OUTSTANDING SHARES: 80.0 million
FLOAT: 3.7 million
MARKET CAPITALIZATION: $360.0 million

China Infrastructure Investment Corporation (www.ciicusa.com), incorporated in Nevada and headquartered in Henan Province, China, focuses on investing in, constructing, operating and managing development projects providing high quality infrastructure services and promoting regional economic growth in the People's Republic of China (PRC). The Company currently operates the Pinglin Expressway, a 106-kilometer (66-mile) dual carriageway four-lane toll road in the Henan Province in central China, which is a component of the Luoyang-Nanjing expressway, an important passage from the northwest Mainland areas to the southeast coastal China. The Company is also actively pursuing additional acquisition and expansion opportunities to participate in infrastructure development projects, including expressways, electricity, water supply and sewage treatment facilities.

INDUSTRY DATA

- In 2007, Chinese bought 5.5 million cars, minivans and SUVs and 3 million commercial vehicles, up from just 1.6 million vehicles sold in 1997. Sales are forecast to grow by 1 million vehicles annually through 2015. Source: JD Power and Associates
- Production of sedans in China reached 520,000 units in April 2008, an increase of 26.3 percent from a year earlier. Source: PRC National Bureau of Statistics
- Global automakers expect China's booming market to grow up to 65% in 2008 - a striking contrast to the gloom in the United States and elsewhere. First quarter sales of some models soared by up to 100 percent over the same period of last year, said executives speaking at the 2008 Beijing International Automotive Exhibition in April. China is already the world's No. 2 vehicle market after the U.S.

QUARTERLY REPORT NEWS RELEASE EXCERPTS — MAY 16th, 2008

China Infrastructure Investment Corporation (OTC BB: CIIV), an emerging infrastructure development and service company operating in the People's Republic of China, reported today that its fiscal third quarter revenues -- generated by its toll road operations on the Pinglin Expressway in Henan Province -- rose 18% to $11,630,749, compared with $9,857,195 in the year earlier three month period ending March 31, 2007. It added that revenues in the period would have been substantially higher if not for the impact of the unusually heavy snowstorms that affected much of China in January and the seasonal impact of lower commercial traffic during the 15 day Spring Festival vacation period in February. The net income for the three months ending March 31, 2008 was $1,823,863.

Through the first nine months of the fiscal year, however, reflecting increased toll rates and what the Company sees as a continuing overall trend of increased daily traffic volume on the Pinglin Expressway -- which grew approximately 35% in the period compared to the first nine months of the prior fiscal year -- revenues climbed more than 50% to $40,509,496 compared with $26,876,316 in the same period a year earlier. The Company said that the factors driving the increase in revenues in the first nine months, coupled with improved margins and operating efficiencies, also led to a substantial increase in net income in the period, from $4,481,805 in the first nine months of the prior fiscal year, to $8,370,026 in the period ending March 31, 2008, an increase of approximately 87%.

Commenting on these results, Mr. Li Xipeng, Chairman and CEO of the Company, stated, "We estimate the combined impact of the unusual bad weather and the Spring Holiday on our revenues in the third quarter was approximately $2.4 million. Going forward, we expect to see a return to the trending up in traffic volume that we have experienced since the opening of the Expressway in December 2005, and the completion of the second phase of construction in May of 2006, as drivers become familiar with this convenient passageway, which is a significant part of the national trunk linking the north-western regions to the south-eastern regions of the PRC… While working to optimize our Pingling Expressway operations, which currently are the Company's primary revenue generator, we also remain focused on additional investment opportunities in promising infrastructure projects in Henan Province and elsewhere in China, where we see significant potential for increased revenue and profit.

Complete WallStreet Research profiles on featured companies are available online at www.WallStreetResearch.org

CHINA INSONLINE CORPORATION (OTC BB: CHIO)

May 26th CLOSING PRICE: $4.70
AVERAGE VOLUME (90-DAY): 5,100
OUTSTANDING SHARES: 40.0 million
FLOAT: 6.1 million
MARKET CAPITALIZATION: $188.0 million

China INSonline Corporation (www.china-insonline.com), incorporated in Delaware and headquartered in Beijing, is a rapidly growing licensed insurance agency in the People's Republic of China. Representing major insurance underwriting firms in China, the Company offers online automobile, property and life insurance services through its industry web portal, www.soobao.cn. The Company's online platform also provides consumers, agents and insurance companies with online transaction capabilities, advertising, online inquiry, news circulation, statistical analysis and software development services.

MARKET LEADER

Owning 72% of outstanding shares of China Life Insurance, the PRC’s insurance industry leader, the Chinese government controls the entrance of new insurance companies and strictly regulates competition.

In 2007, China Life Insurance reported profits of approximately $5.5 billion, a growth of 95% over previous year. Its premiums reached about $28.1 billion, up 8.5%. Its market share of 39.7% decreased from 44.6% in 2006. In the first two months of 2008, the company's premiums increased year-on-year by 38.6%, while the industry's personal insurance premiums grew 58.2% year-on-year. Source: China Daily

INDUSTRY DATA

- Chinese insurance sector experienced a CAGR of approximately 20.2% since 1996. Total premium of life insurance and non-life insurance combined grew from $12.84 billion in 1996 to an estimated $97.23 billion in 2007.
- Life insurance segment grew from $7.14 billion in 1996 to $61.73 billion in 2007, a CAGR of 21.66%. Life insurance premiums in 2011 are expected to reach $108.12 billion, expanding at 15.04% per year.
- Non-life insurance segment grew from $5.70 billion in 1996 to $35.50 billion in 2007, a CAGR of 18.09%. Non-life premiums in 2011 are expected to reach $64.37 billion, expanding at 16.04% per year. Source: The Knowledge Centre, a wholly owned subsidiary of Sheffield Haworth Company

On July 1, 2006, China Insurance Regulatory Commission implemented mandatory third-party liability auto insurance for all vehicles in the rapidly growing automobile market. Currently these policies cannot be sold by multinational insurance companies in China.

QUARTERLY REPORT NEWS RELEASE EXCERPTS — MAY 16th, 2008

China INSonline Corporation (OTC BB: CHIO), an integrated licensed insurance services provider operating a leading industry web portal www.soobao.cn in the People's Republic of China, announced today the Company has filed a 10-QSB form reporting financial results for the third quarter of fiscal year 2008. Revenues for three months ended March 31, 2008 were $3,345,933, resulting in gross profit of $2,607,268, income from operations of $2,301,748 and net income of $1,610,186, or $0.04, exclusive of $374,563 gain on foreign currency translation. For nine months ended March 31, 2008, revenues reached $8,646,686, resulting in gross profit of $7,623,409, income from operations of $7,046,984 and net income of $5,648,389, or $0.18, exclusive of $560,144 gain on foreign currency translation.

Mrs. Betty Xu, Chief Executive Officer of China INSOnline Corp., commented, "We are pleased to report the results of another successful quarter with record revenues and very high profit margins. Our online network business model appears ideally fit for the rapidly growing Chinese insurance market, resulting in consistent expansion of our base of agents and customers." Mr. Zhenyu Wang, Chairman of the Board, elaborated, "Our strong proprietary software platform positions us extremely well for continued rapid growth."

Alan Stone & Company, LLC

590 Madison Ave, 21st floor
New York, NY 10022
Tel: 212.521.4102

10940 Wilshire Blvd, 16th floor
Los Angeles, CA 90024
Tel: 310.444.3940
Fax: 310.444.3941

astone@alanstone.com

WallStreet Research ("WSR") is a prominent research boutique led by Alan Stone, Managing Director of Alan Stone & Company LLC ("ASC"). The firms specialize in the microcap and smallcap investment arena, looking for emerging growth companies with strong management, unique or proprietary technology, significant market potential, financial strength, and outstanding long-term earnings growth possibilities. With one of the best track records in the industry, WSR is well known for discovering undervalued companies and bringing them to the attention of the investment community. The firm has offices in Los Angeles, CA, New York City, NY and Palm Beach, FL. For more information and WallStreet Research reports, please visit www.WallStreetResearch.org, and www.AlanStone.com and www.SmallCapConference.org.

ASC CHINA TEAM

Alan Stone, Managing Director
See biography on front page.

Aaron Zhu, Senior Associate
Mr. Zhu has extensive experience in strategic business planning and development of international publicly-listed companies, holding numerous executive positions in the U.S. and Asia. He was one of the founders and an Executive Director of DiChain Holdings, a Hong Kong based investment holding company with subsidiaries listed on Hong Kong and U.S. exchanges. Mr. Zhu obtained his BA in Economics in 1990 from the Shenzhen University of China and an MBA from Regent University in 1992 in Virginia.

Tytus Biniakiewicz, Senior Analyst
Mr. Biniakiewicz has a decade of investment analysis experience at ASC and WSR. In his career, he also consulted to emerging public companies in the areas of financial and business planning and analysis, capitalization, merger & acquisitions and regulatory compliance. Mr. Biniakiewicz received his BA in Finance and Accounting from the University of Cincinnati in 1995 and an MBA from Pepperdine University in 1998.

DISCLAIMER: The information presented in WallStreet Research reports or herein is not to be construed as an offer to sell, nor a solicitation of an offer to purchase any securities. It is based entirely on information available to the public and has been obtained from the featured companies, as well as other sources, in each case without independent verification. The information is considered reliable, but cannot be guaranteed as to accuracy or completeness. It is presented for the purpose of a visibility campaign and should not be construed as any form of a recommendation. The information includes certain forward-looking statements within the meaning of Section 21E of the SEC Act of 1934, which may be affected by unforeseen circumstances or certain risks. The reader is hereby advised to review all pertinent SEC filings for a more complete description of the companies' business, including the financial statements and all risk factors set forth therein. The reader is also advised to discuss contents with their investment advisors. Any mentioned securities may be deemed speculative, and not appropriate or suitable for all investors. By accepting and reading this information, the reader hereby acknowledges that neither Alan Stone & Company LLC (ASC), WallStreet Research (WSR), nor any officers, agents and other affiliates thereof make any representation, either express or implied, as to the accuracy, completeness, fitness for a particular purpose or future results, of any statement contained in the reports or herein, and accept any liability whatsoever for any such statements, including without limitation any liability for direct, consequential or special damages of any kind or nature. The nature of presented information is considered time sensitive, cannot be relied upon after a period of three months and is subject to change without notice. ASC and WSR are under no obligation to give any further notice to the readers on future events. ASC and/or WSR receive compensation for certain research, road show and other investor relations and consulting services from the respective companies, which may include cash, stock options or common stock. ASC or its associates may own shares of respective companies for investment purposes, and may increase or decrease its/their positions at any time, without notice.