

ASIA STARTED OFF WITH HOPE, BUT ENDED ON A DAMP SQUIB

General discontent over the administration of the Government of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) continued to plague the 416 square-mile enclave where there is a plethora of tergiversates and moguls, but it did not appear to influence trading on The Stock Exchange of Hongkong Ltd, last Monday.

Perhaps, that is something to look for in the future.

The Hang Seng Index, the '*barometer*' of The Stock Exchange, registered a gain of about 2.43 percent, up 408.71 points, compared with the closing level of the previous Friday.

The Total Turnover rose to about \$HK13.97 billion, which was about one third of the volume of activity when the HKSAR bulls were running in the Central Business District of that one-time, British Colony.

It was said that foreign funds, mainly institutional in nature, were looking for a home in Asia and, since the HKSAR market was somewhat low, compared with North American bourses, these funds were taking a fling, using The Stock Exchange of Hongkong Ltd as a springboard to other markets and investments.

However, on the streets of the HKSAR, on Sunday, July 9, there was a march of some 20,000 disgruntled employees of the HKSAR Government.

This followed more than one month of the Civil Servants of the Tung Chee Hwa Administration, making known their dissatisfaction at their lot.

As proof of their assertions as to discontent among their ranks, the Chief Secretary, Mrs Anson Chan Fang On Sang, was presented with a petition from Sunday's protestors -- bearing in excess of 40,000 Civil Servants' signatures.

And another unfolding furore was being given birth, last Monday, when it was confirmed that the former Chairman of The South China Morning Post had been, and appeared was still trying, to manipulate, indirectly, the direction of the political editorial content of his English-language newspaper; and, had tried to have one columnist sacked for daring to criticise a pro-Beijing group of moguls, which went to the Capital City of the PRC in order to meet the high muckamuck, there.

Mr Robert Kuok Hoch Nien, one of the richest men in Asia and the controlling shareholder of South China Morning Post (Holdings) Ltd (Code: 583), has been dabbling at improving his writing skills by penning letters to the editor of the South China Morning Post, complaining about alleged distortions in the political reporting standards of one of his newspaper's columnists.

Mr Kuok claims that the columnist wrote '*absolute exaggeration and fabrication*' of the facts that transpired when the handful of HKSAR moguls went to Beijing on a fact-finding mission ... at the request of the Beijing Government's muckamuck.

But speculators on The Stock Exchange of the Hongkong were not worried about such matters -- all they wanted was to make some money, in a hurry.

The most active counter was banking giant, HSBC Holdings plc (Code: 5), where about 20.05 million of its shares changed hands, with the price coming to rest at \$HK90.50 per share, after hitting a high of \$HK91 per share and a low of \$HK89.50 per share.

The volume of activity on this one counter accounted for nearly 13 percent of the Total Turnover.

The telecommunication sector of the market was right behind the counter of the fourth largest bank in the world, with China Mobile (Hongkong) Ltd (Code: 941) and China Unicom Ltd (Code: 762), taking the Number 2 spot and the Number 3 spot, respectively.

China Mobile's share price rose nearly 3 percent to hit \$HK74.50 per share, near the high spot of the day, while China Unicom gained 1.32 percent of its market capitalisation to hit \$HK19.20 per share after about 38.22 million shares changed hands.

These 3 top performers represented about 24.27 percent of the Total Turnover.

Since the HKSAR Government had bowed to the demands of private enterprise, to scrap the Government sales of low-cost flats to the less fortunate of the HKSAR, property issues rebounded with a vengeance.

As this columnist has said, many times before, the HKSAR is a Government Administration, ruled largely by complaint (please do not sack me, Mr Robert Kuok), first by Beijing, where the puppets' strings are manipulated, and, secondly, by big business requirements, stipulated by HKSAR moguls.

The leading lights to make substantial gains included: 21 CN CyberNet Corporation Ltd (Code: 241), up 18.18 percent to \$HK1.30 per share; Chevalier Construction Holdings Ltd (Code: 579), up 11.75 percent to 38 cents per share; Corasia Group Ltd (Code: 875), up 10.34 percent to 32 cents per share; Ecopora Hi-Tech Holdings Ltd (Code: 397), up 10.64 percent to 5.20 cents per share; Far East Hotels and Entertainment Ltd (Code: 37), up 17.31 percent to 61 cents per share; Hing Kong Holdings Ltd (Code: 535), up 13.40 percent to \$HK1.10 per share; Lai Sun Development Company Ltd (Code: 488), up 11.11 percent to 30 cents per share; Multifield International Holdings Ltd (Code: 898), up 20.46 percent to 53 cents per share; New World Development Company Ltd (Code: 17), up 15.46 percent to \$HK11.20 per share; Pacific Ports Company Ltd (Code: 659), up 11.32 percent to 59 cents per share; Savoy Concepts Ltd (Code: 680), up 11.86 percent to 13.20 cents per share; Shun Tak Holdings Ltd (Code: 242), up 10.64 percent to \$HK1.04 per share; and, Tomorrow International Holdings Ltd (Code: 760), up 10.91 percent to 30.50 cents per share.

There were quite a few losing issues, also, however, led by Chen Hsong Holdings Ltd (Code: 57), down 12.41 percent to \$HK1.20 per share; Fu Hui Holdings Ltd (Code: 639), down 12.15 percent to 9.40 cents per share; i100 Ltd (Code: 616), down 13.38 percent to \$HK1.23 per share; Nam Fong International Holdings Ltd (Code: 1176), down 13.39 percent to 9.70 cents per share; and, Victory Group Ltd (Code: 1139), down 16 percent to 31.50 cents per share.

The ratio of gainers to losers was 1.92:One.

While last Monday had all the makings of a beginning of the bulls, running in the HKSAR, it remained to be seen whether or not the bulls could continue to run for the rest of the week.

On The GEM, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index fell about 0.11 percent to 448.10 points as the Total Turnover was just about halved, compared with the Total Turnovers of the previous week, at about \$HK131.70 million.

The most active counters, once again, were Excel Technology International Holdings Ltd (Code: 8048) and Phoenix Satellite Television Holdings Ltd (Code: 8002), in that order.

These 2 counters presented about 34.59 percent of the Total Turnover.

The share price of Excel Technology lost about 4.84 percent of its market capitalisation, closing the session at \$HK1.18 per share, while the share price of Phoenix Satellite put on 2.65 percent of its value, rising to \$HK1.16 per share.

The biggest gainer on this market was Digitalhongkong.com (Code: 8007), the share price of which rose 10.87 percent to hit \$HK1.02 per share.

Gainers and losers were, just about, equal.

On The Tokyo Stock Exchange, the Nikkei-225 gained 174.44 yen to 17,572.68 yen, equal to about one percent, compared with the previous week's closing level.

The big news on this market was the beginning of talks, last Monday, between the US Government and Management of Nippon Telegraph and Telephone (NTT) over connection fees.

The US Government wants NTT to cut the cost by 41 percent; NTT is countering with an offer of 22.50 percent.

The share price of NTT rose 1.30 percent to 1.56 million yen in spite of the fact that any reduction in connection fees, charged by NTT to its competitors, will cut into the giant's Bottom Line.

NTT's mobile unit, NTT DoCoMo, gained about 3 percent to hit 3.07 million yen.

The ratio of gainers to losers was 1.95:One.

The premier Japanese bourse was, relatively, calm, last Monday, with little happening of any real note.

This is the way that Asia went to bed, last Monday:

Thailand	Plus 1.16 percent
Indonesia	Plus 0.07 percent
Malaysia	Plus 2.09 percent
The Philippines	Plus 0.45 percent
South Korea	Plus 1.16 percent
Singapore	Plus 0.26 percent
Taiwan	Minus 0.23 percent
Japan	Plus 1.00 percent

Tuesday

It took a little soul-searching, but the Judiciary of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) has, now, succumbed to the inevitable: The Standing Committee of the National People's Congress (NPC), a political wing of the Government of the PRC, rules the HKSAR Judiciary.

This was contained in a written determination of Mr Justice Wally Yeung Chun Kuen in his ruling that 103 migrants are not entitled to Right of Abode in the HKSAR.

Mr Justice Wally Yeung ruled that he (meaning, of course, the HKSAR Judiciary) had to abide by the NPC's re-interpretation of The Basic Law of the HKSAR with special regard to Right of Abode Section.

Thus, the HKSAR Judiciary has agreed to take its cue from The Standing Committee of the NPC; and, thus, the HKSAR falls in line with the US where justices of the highest court, The Supreme Court, are political appointees.

But investors on The Stock Exchange of Hongkong Ltd paid little attention to the good justice's determination, preferring, instead, to watch Wall Street when it opened on Monday, New York time.

On Wall Street, last Monday, the Dow Jones Industrial Average picked up another 10.60 points to close at 10,646.58 points while the tech-laden NASDAQ Composite Index lost 42.91 points, or about 1.07 percent, to close at 3,980.29 points.

Once again, Wall Street was concerned that the coming meeting of the Federal Reserve Board: Will it hold off, again, and not raise interest rates at its August 22 Open Committee Meeting?

The Hang Seng Index gained nearly 121 points, rising to 17,359.66 points, on a Total Turnover of \$HK15.02 billion.

The Index was being spurred on by trading in one counter: HSBC Holdings plc (Code: 5).

A total of about 20.78 million HSBC shares changed hands, with the share price, rising about 3.60 percent, to end the session at \$HK93.75 after hitting a high of \$HK94 per share.

The volume of trading in this counter represented nearly 29 percent of the Total Turnover: About \$HK1.93 billion.

Other banking counters appeared to take heart from the price gain at the HSBC '*shop*', with the share price of The Bank of East Asia Ltd (Code: 23), gaining 3.08 percent to close at \$HK20.06, and Hang Seng Bank Ltd (Code: 11), putting on 1.92 percent to \$HK79.75 per share.

Once again, attention was on property counters, following the HKSAR Government's decision of 3 weeks prior that it would halt the sale of Government-produced flats for sale to the poorer sector of society so that the private sector could make a bundle when supply of flats could not keep up with demand.

Charming!

Property counters to benefit, last Tuesday, included Sun Hung Kai Property Ltd (Code: 16), up 1.89 percent to \$HK67.50, Henderson Land Development Company Ltd (Code: 12), up 4.28 percent to \$HK39 per share, Hang Lung Development Company Ltd (Code: 10) up 6.11 percent at \$HK6.95 per share, and Sino Land Company Ltd (Code: 83), up 6.98 percent to \$HK3.45 per share.

What appeared to be happening in the HKSAR, by the fact that the Hang Seng Index moved very little while the Total Turnover increased by about 7.50 percent over Monday's volume, was that '*something*' else was driving up the Index.

Foreign funds were thought to be that driving force.

The double-digit gainers for last Tuesday included: China Overseas Land and Investment Ltd (Code: 688), up 12.05 percent to 93 cents per share; Fourseas.com Ltd (Code: 755), up 20.83 percent to 2.90 cents per share; Hing Kong Holdings Ltd (Code: 535), up 13.64 percent to \$HK1.25 per share; Karce International Holdings Company Ltd (Code: 1159), up 11.87 percent to 67 cents per share; Leading Spirit High-Tech (Holdings) Company Ltd (Code: 606), up 15.85 percent to 19 cents per share; Multifield International Holdings Ltd (Code: 898), up 37.74 percent to 73 cents per share; and, New World Infrastructure Ltd (Code: 301), up 14.58 percent.

There was only one, double-digit loser, last Tuesday. It was Yeebo (International Holdings) Ltd (Code: 259), the share price of which lost 13.11 percent, falling to 26.50 cents.

Gainers outnumbered losers by the ratio of about 1.41:One.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, everything appeared to be in reverse gear, yet again, with the Growth Enterprise Index, losing another 2.17 percent, probably in line with what was happening on Wall Street.

The Total Turnover on this market was \$HK129.06 million with the same duo of Phoenix Satellite Television Holdings Ltd (Code: 8002) and Excel Technology International Holdings Ltd (Code: 8048), hugging the limelight.

Phoenix Satellite represented about 29 percent of the Total Turnover while Excel Technology was responsible for nearly 14 percent of the Total Turnover.

The closing prices of these 2 counters were, Phoenix Satellite, down 4.31 percent to \$HK1.11 per share, and Excel Technology, 0.85 percent to end the session at \$HK1.17 per share.

The ratio of losers to gainers on this market was about 3.80:One.

In The Land of the Rising Sun, Tokyo had another quiet day as the Nikkei-225, the benchmark of The Tokyo Stock Exchange, lost just 68.32 yen, falling to 17,504.36.

Also following the US, NASDAQ Composite Index, hi-tech and Internet-related issues got hit hard as Softbank lost 6.85 percent of its market capitalisation, falling to 12,110 yen, Sony lost about 2.50 percent to 10,900 yen, Fujitsu shed 1.15 percent to 3,450 yen, and the '*darling*' of Tokyo, Nippon Telegraph and Telephone (NTT), gave up 1.28 percent of its value, falling to 1.54 million yen.

The talks between the US Government and NTT over connection fees still had not been finalised, last Tuesday (please see Monday's report for more on this topic).

The all-powerful Bank of Japan is scheduled to have its Policy Board Meeting this week, and investors knew this, last Tuesday.

The question, which everybody was pondering, was whether or not The Bank of Japan would signal the end of zero interest rates in the largest economy in Asia.

The ratio of losers to gainers was 1.34:One.

One little piece of news came from Prime Minister Yoshiro Mori, who was reported to have ordered a review of the bailout plan for bust departmental store operator, Sogo Company Ltd.

Sogo is in trouble to the extent of about \$HK136 billion.

The share price of Sogo fell a little more than 14 percent on the news, dropping to 67 yen per share.

This is the way that things came to a halt, last Tuesday, in Asia:

Thailand	Minus 0.28 percent
Indonesia	Plus 0.82 percent
Malaysia	Plus 0.95 percent
The Philippines	Plus 0.35 percent
South Korea	Minus 1.72 percent
Singapore	Plus 0.43 percent
Taiwan	Plus 0.05 percent
Japan	Minus 0.39 percent

Wednesday

It was confirmed: Hutchison Whampoa Ltd (Code: 13) had agreed to sell a 20-percent stake in its 3G UK Holdings Ltd to NTT Mobile Communications Network Incorporated (NTT DoCoMo) for 1.20 billion pounds, Sterling (about \$HK14 billion), and another 15-percent stake in the UK telephone licence holder to Royal KPN NV for another 900 million pounds (about \$HK10.70 billion).

NTT DoCoMo, also, confirmed that it had come into an agreement with the Dutch telephone giant, Royal KPN NV, in a 2.10-billion pound Sterling (about \$HK25 billion) deal whereby the duo would invest in Great Britain in order to attack the European mobile telephone market.

On the back of this news, the share price of Hutchison rose 4.07 percent to \$HK115 after hitting a high of \$HK117 in early trading.

Hutchison was the second most-active issue of the day, with about \$HK1.42-million worth of its scrip, changing hands.

The Hang Seng Index gained 192.60 points, or about 1.11 percent, compared with Tuesday's closing level, but it had been up as much as 307.83 points at the time that brokers took a break for luncheon.

Profit-taking in the afternoon session brought a little reason to the market because, even though Hutchison appeared to be riding high, there was still the matter of profits from operations: One cannot sell the *'family jewels'*, forever.

HSBC Holdings plc (Code: 5), one of the largest banks in the world, was the most-active counter n The Stock Exchange of Hongkong Ltd, as more than 23.37 million HSBC shares changed hands as The Bank's share price pushed to \$HK96.50, up nearly 3 percent on the day.

The Total Turnover on The Stock Exchange was about \$HK18.95 billion, with HSBC and Hutchison, accounting for about 19.26 percent of this figure.

Gainers outnumbered losers by the ratio of about 2.27:One.

With Hutchison as one of the focal points of the market, last Wednesday, it was only natural to find speculators, piling into other Li Ka Shing entities, especially since it is apparent that he and his 2 sons, Victor and Richard, will have a much larger influence in the Hongkong Special Administrative Region (HKSAR) in the near future in view of the trio's ever-expanding political influence.

Li Ka Shing entities to play the centre court included Pacific Century CyberWorks Ltd (Code: 1186), the third most-active counter, up 5.92 percent to \$HK16.10 per share, Cheung Kong (Holdings) Ltd (Code: 1), the fifth most-active counter, up 2.14 percent to \$HK95.50 per share, and Cable and Wireless HKT Ltd (Code: 8), the eighth most-active counter, up 2.87 percent to \$HK17.90 per share.

Aside from the news about Hutchison Whampoa, there was little else of great note happening in Asia, or the rest of the world, for that matter.

On Wall Street, the Dow Jones Industrial Average rose 80.61 points, about 0.76 percent, to 10,727.19, while the NASDAQ Composite Index was off about 0.60 percent to 3,956.38.

US Federal Reserve Chief, Dr Alan Greenspan, made a statement to the effect that the US economy was doing just fine, but everybody and his cat knows that fact.

This was viewed as indicating that, perhaps, the Fed will not raise interest rates at its August 22 meeting.

The following is just some of the double-digit gainers on the Main Board, last Wednesday: Beijing Datang Power Generation Company Ltd (Code: 991), up 16.40 percent to \$HK2.20 per share; China Southern Airlines Company Ltd (Code: 1055), up 14.29 percent to \$HK2.40 per share; Dah Hwa International (Holdings) Ltd (Code: 600), up 13.54 percent to 26 cents per share; Fourseas.com Ltd (Code: 755), up 20.69 percent to 3.50

cents per share; Hanny Holdings Ltd (Code: 275), up 14.29 percent to 52 cents per share; Honko International Holdings Ltd (Code: 673), up 28.57 percent to 18 cents per share; iQuorum Cybernet Ltd (Code: 472), up 14.58 percent to 5.50 cents per share; Logic International Holdings Ltd (Code: 1193), up 10.99 percent to \$HK1.01 per share; Nanjing Panda Electronic Company Ltd (Code: 553), up 11.76 percent to \$HK3.325 per share; New World CyberBase Ltd (Code: 276), up 18.18 percent to 52 cents per share; Sino-i.com Ltd (Code: 250), up 14.10 percent to 44.50 cents per share; Vitasoy International Holdings Ltd (Code: 345), up 13.50 percent to \$HK1.85 per share; and, Yeebo (International Holdings) Ltd (Code: 259), up 16.98 percent to 31 cents per share.

The share price of The Sincere Company Ltd (Code: 244) was the lone double-digit loser, shedding 10.47 percent of its market capitalisation, falling to 38.50 cents per share.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index gained 13.32 percent, hitting 496.77 points.

This is the largest, single-day gain ever.

The Total Turnover on this market, however, was still on the low side at \$HK307.45 million.

This would appear to indicate that those investors, who are holding onto GEM-listed scrip, are unwilling to let go of their holdings in a hurry.

Gainers outnumbered losers by the ratio of 2.43:One.

Mr Li Ka Shing's Internet-investment company, tom.com Ltd (Code: 8001), was the most-active counter, with the share price of this company, yet to make a nickel in profits, rising 31.49 percent from Tuesday's closing level.

The share price fluctuated from a low of \$HK4.525 to a high of \$HK6, settling at the close at \$HK5.95 per share.

Trading in the scrip of tom.com represented about 36.63 percent of the Total Turnover.

Other gainers on this market included: Asian Information Resources (Holdings) Ltd (Code: 8025), up 23.81 percent to 39 cents per share; Hongkong.com Corporation (Code: 8006), up 19.78 percent to \$HK1.09 per share; iMerchants Ltd (Code: 8009), up 13.25 percent to 47 cents per share; STAREASTnet.com Corporation (Code: 8010), up 14.01 percent to \$HK2.075 per share; and, Sunevision Holdings Ltd (Code: 8008), up 14.28 percent to \$HK7.20 per share.

New listing DigiTel Group Ltd (Code: 8030) made its debut on The GEM, but its share price did not budge from the Placing Price of \$HK1.05 per share.

This 5-customer, Internet engineering company placed a total of 100 million new shares with investors, and the free float is just about 115.30 million shares.

This means that this company's volume of activity on The GEM, last Wednesday, represented about 24.30 percent of the total number of shares in circulation.

(For a TARGET analysis of this company, please see [TARGET Intelligence Report, Volume II, Number 132](#), published last Friday, July 14)

In Japan, The Tokyo Stock Exchange watched as its Nikkei-225 Index shed 162.23 yen, falling to 17,342.13 yen.

This was in spite of the NTT DoCoMo announcement, which came just before the market closed.

NTT DoCoMo's share price had gained 1.60 percent on speculation that the announcement would be made, although it was expected one week prior.

But, by and large, Tokyo was in the dumps, with Internet-related issues, such as Softbank, whose share price was down about 4 percent, and Fujitsu, off 2.30 percent, just about the only movers ... down.

Aside from the stock markets of the HKSAR, things were relatively quiet in Asia as the following list of bourses illustrates:

Thailand	Minus 0.55 percent
Indonesia	Minus 0.32 percent
Malaysia	Plus 1.64 percent
The Philippines	Minus 0.54 percent
South Korea	Plus 0.35 percent
Singapore	Plus 0.30 percent
Taiwan	Minus 1.21 percent
Japan	Minus 0.93 percent

Thursday

HSBC Holdings plc (Code: 5) continued to be the most-active counter on The Stock Exchange of Hongkong Ltd, last Thursday, as more than \$HK2.82-billion worth of its stock changed owners, with the price, fluctuating between a low of \$HK97.25 per share and a high of \$HK100.50 per share.

The Bank's share price closed near its low, at \$HK97.50 per share, which was, nevertheless, a gain of about 1.04 percent, compared with Wednesday's closing level.

The volume of activity in this counter represented about 15.04 percent of the Total Turnover of \$HK18.51 billion.

There was no particular news that caused investors to chase after The Bank's stock, other than the fact that it was, still, one of the 4 largest banks in the world, in terms of market capitalisation, and it was, still, one of the best-managed banks in the world.

While these facts had been known for some time, investors have been so caught up in the hi-tech/Internet madness that they tended to overlook the fundamentals of old-world companies, which will be around long after fad companies have faded from the rolls of stock exchanges, around the world.

The gains in the share price of The Bank came on the back of a Hang Seng Index, which lost about 0.59 percent, falling to 17,449.50.

Aside from The Bank, investors went after telecommunication issues and, of course, the Li Ka Shing Group of Companies.

The reason for this was the confirmed tie-up between Hutchison Whampoa Ltd (Code: 13) and NTT Mobile Communications Network Incorporated (NTT DoCoMo) of Japan, along with Royal KPN NV, the Dutch telephone giant. (please see Wednesday report on this subject)

China Unicom Ltd (Code: 762) was the second most active counter of the day as about 65.54 million of its shares switched hands, with its share price, fluctuating between \$HK19.30 per share and \$HK20.55 per share.

The counter's last price was \$HK20.05 with trading in this issue, representing nearly 7 percent of the Total Turnover.

By and large, share prices were trapped in a very narrow band with a few notable exceptions: The big gainers and losers.

The ratio of losers to gainers was about 1.91:One.

The following is a list of some of the biggest movers: Brilliance China Automotive Holdings Ltd (Code: 1114), up 16.05 percent to \$HK1.88 per share; Computer and Technologies Holdings Ltd (Code: 46), up 17.65 percent to \$HK8 per share; Great Wall Cybertech Ltd (Code: 689), up 10.77 percent to 36 cents per share; Hang Fung Gold Technology Ltd (Code: 870), up 19.90 percent to 22.90 cents per share; KTP Holdings Ltd (Code: 645), up 10 percent to 44 cents per share; Midas Printing Group Ltd (Code: 1172), up 17.07 percent to 48 cents per share; NPH International Holdings Ltd (Code: 182), up 13.11 percent to 69 cents per share; Technology Venture Holdings Ltd (Code: 61), up 13.48 percent to \$HK4 per share; and, Union Bank of Hongkong Ltd (Code: 349), up 12.82 percent to \$HK8.80 per share.

The biggest losers included: Fourseas.com Ltd (Code: 755), down 17.14 percent to 22.90 cents per share; KEL Holdings Ltd (Code: 681), down 12.09 percent to 8 cents per share; and, Multifield International Holdings Ltd (Code: 898), down 38.96 percent to 47 cents per share.

On The GEM, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd, things were a little different to the Main Board.

The Growth Enterprise Index shed about 3.39 percent of its value, falling to 479.93 points on a Total Turnover of about \$HK664.81 million.

The volume of activity, which was about 116 percent higher than Wednesday's volume, was looked at with some dismay by some investors since one would have thought that investors would have been reluctant to let go while, in New York, the NASDAQ Composite Index was roaring ahead.

AcrossAsia Multimedia Ltd (Code: 8061), the second new listing of the week, dominated trading, with a turnover on this counter of about \$HK210.14 million, about 31.61 percent of the Total Turnover.

The share price of this Mochtar Riady Internet-cum-Indonesian telephone provider fluctuated between a low of \$HK3.15 per share and a high of \$HK4 per share.

It closed at \$HK3.90 per share -- which, probably, did not make Dr Riady too happy, all things considered.

While the ratio of losers to gainers was about 1.78:One, most issues, like the Main Board's counters, stayed within a very narrow trading range.

There was only one big mover, Qianlong Technology International Holdings Ltd. Its share price rose 15.91 percent to close at \$HK1.02 per share on a volume of 10,000 shares.

Which meant, exactly, nothing.

In Tokyo, Sogo Company Ltd was the talk of the day, following the departmental store operator, filing for the protection of the Court -- bankruptcy by any other name.

As the Japanese Government determined not to save the ailing company, abandoning its bailout plans, it became apparent that many banks and creditors would have to bite the proverbial bullet to the extent of about \$HK136 billion.

This is equal to the treasury deposits of many African countries.

It is the second largest corporate failure in the history of Japan.

The Sogo Saga set the stage for the Nikkei-225, the benchmark of The Tokyo Stock Exchange, to shed about 305.23 yen, falling to 17,036.90 yen.

Banking shares, the first to suffer from the Sogo collapse, got hit hard with The Industrial Bank of Japan (IBJ), losing about 7.86 percent of its market capitalisation, to hit 715 yen per share.

IBJ is known to be owed about \$HK17 billion by Sogo.

Fuji Bank was another loser, shedding 6.68 percent of its market value, with its share price, falling to 726 yen. It is owed about \$HK2.71 billion.

And so it went on, with banking shares, influencing strongly the direction of the Nikkei-225.

Investors in this market looked to companies that had the potential of the bust Sogo: Construction companies, especially, were viewed with great suspicion as investors thought it better to unload scrip of anything that remotely resembled trouble.

Two construction companies to see their share prices shaved more than moderately were Hazama, which gave up about 23 percent of its value, falling to 40 yen per share, and Kumagai Gumi, whose share price hit 41 yen, a drop of nearly 20 percent on the day.

Anything remotely connected to Sogo and thought to be in any kind of financial trouble got it in the neck.

Losers were ahead of gainers by the inspiring ratio of 5.24:One.

Wall Street was considered passe in Asia, last Thursday, with attention focused on what was happening in Japan and the Hutchison tie-up with NTT DoCoMo and the Dutch telephone operator.

Here is how other Asian markets fared last Thursday:

Thailand	Minus 1.07 percent
Indonesia	Minus 0.99 percent
Malaysia	Plus 0.17 percent
The Philippines	Plus 0.45 percent
South Korea	Plus 0.71 percent
Singapore	Minus 1.34 percent
Taiwan	Plus 2.58 percent
Japan	Minus 1.76 percent

Friday

In the final hour of trading on The Stock Exchange of Hongkong Ltd, things started to happen.

But, even then, it was an anticlimax to a week, which started out on a promise of hope, and ended on the realisation of a damp squib.

During the 2-and-a-half-hour morning session, the Hang Seng Index gained just 38.18 points, equal to about 0.22 percent, compared with Thursday's close, but trading picked up, considerably, in the 90-minute afternoon session, with the final 45 minutes of trading, being crucial, as The Index rose to 17,586.16 points, a gain of about 0.78 percent, compared with Thursday's level.

It was as though somebody was gambling on the Hang Seng Index, being above a certain level at the close of trading, last Friday (futures?).

The Total Turnover shrank back to about \$HK12.75 billion, down from Thursday's volume of about \$HK18.51 billion, a drop of about 31 percent.

It was a given that The Index would have been down, considerably, at any rate, had it not been for speculation in certain blue-chip stocks, especially Hutchison Whampoa Ltd (Code: 13).

Hutchison was being singled out because of its deal with NTT Mobile Communications Network Incorporated (NTT DoCoMo) of Japan and Royal KPN NV, the Dutch telephone giant (please see Wednesday's report on this subject).

It was the second, most-active counter as about 9.33 million Hutchison shares changed hands, representing a turnover on this counter of about \$HK1.10 billion, or about 8.63 percent of the Total Turnover.

Hutchison's share price hit a high of \$HK120.50 after touching a low of \$HK114, and closing the week out at \$HK119. This represented a gain on the day of nearly 4 percent.

The leading light, last Friday, was not Hutchison but China Unicom Ltd (Code: 762), the second largest telecommunications provider in the People's Republic of China (PRC).

China Unicom's Management watched as about 57.20 million of its shares changed owners, pushing the price up about 6.23 percent to \$HK21.30 per share.

The turnover on this counter represented about 9.49 percent of the Total Turnover.

HSBC Holdings plc (Code: 5) witnessed profit taking of a pretty substantial nature as its share price fell back to \$HK96.75, near the low for the day.

On Thursday, it had been trading at \$HK100.50 per share so that last Friday's close represented a fall of 3.73 percent from last week's high spot.

The other Li Ka Shing main corporate entity, Cheung Kong (Holdings) Ltd (Code: 1), went along with Hutchison's gains, with Cheung Kong's share price, rising about 3.49 percent to hit \$HK96.25 per share on a volume of \$HK511.12 million.

The Ten Most Active issues accounted for nearly 56 percent of the Total Turnover, with all of the big gainers, being among the select 10.

While, technically, the Hang Seng Index registered a gain, losers outnumbered gainers by the ratio of 1.29:One.

The biggest losers included: Akai Holdings Ltd (Code: 448), down 17.45 percent to 5.20 cents per share; Matrix Holdings Ltd (Code: 1005), down 18.75 percent to 32.50 cents per share; NPH International Holdings Ltd (Code: 182), down 14.49 percent to 59 cents per share; and, Wong's Kong King International (Holdings) Ltd (Code: 532), down 10.28 percent to 35 cents per share.

The biggest gainers were: Beijing Capital International Airport Company Ltd (Code: 694), up 10.26 percent to \$HK1.72 per share; Capital Automation Holdings Ltd (Code: 493), up 12.90 percent to 70 cents per share; Chun Tai Holdings Ltd (Code: 1013), up 22.22 percent to 44 cents per share; Fujian Group Ltd (Code: 181), up 10.48 percent to 11.60 cents per share; Guangnan (Holdings) Ltd (Code: 1203), up 10.34 percent to 32 cents per share; ING Beijing Investment Company Ltd (Code: 1062), up 40 percent to 35 cents per share; Kong Tai International Holdings Company Ltd (Code: 140), up 10.80 percent to 19.50 cents per share; Sinolink Worldwide Holdings Ltd (Code: 1168), up 10.98 percent to 45.50 cents per share; and, Star Cyberpower Holdings Ltd (Code: 1051), up 15.38 percent to 4.50 cents per share.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another day of losers as The Growth Enterprise Index shed about 1.22 percent, falling to 474.08 points.

The volume of activity, however, picked up quite considerably, rising to about \$HK740.97 million, an increase of about 11.46 percent, compared with Thursday's Total Turnover, and it was about 700 percent greater than the Total Turnovers of just one month prior.

Henderson Cyber Ltd (Code: 8023), a new listing on this speculative market, represented about 45.55 percent of The GEM's Total Turnover.

Henderson's Issue Share Price of \$HK1.25 was achieved, only fleetingly, as investors knocked down the share price to a low of \$HK1.17.

This is equal to a discount of about 7 percent off the Issue Price.

Thursday's new listing company, AcrossAsia Multimedia Ltd (Code: 8061), the second new listing of the week, was the second, most-active issue, with about 34.06 million shares, being traded, as the share price fluctuated between a low of \$HK3.40 and a high of \$HK4.10, coming to rest at \$HK3.75 per share for a loss on the day of about 3.85 percent.

Trading in Henderson and AcrossAsia counters accounted for about 65.18 percent of the Total Turnover.

The ratio of losers to gainers on this market was 1.36:One.

There were no double-digit losers or gainers on this market.

In Japan, The Tokyo Stock Exchange appeared to have forgotten about the Sogo Saga as the Nikkei-225 regained 106 yen to end the week at 17,142.90 yen. (please see Thursday's report on the Sogo Saga)

Japan appeared to be taking heart from Wall Street where, overnight, The New York Stock Exchange had noted that the NASDAQ Composite Index had gained about 1.84 percent, compared with Wednesday's close (New York time), rising to 4,174.86.

The Dow Jones Industrial Average, on the other hand, gained just 5.30 points, rising to 10,788.71.

The technology sector of the premier Japanese market was the recipient of quite a lot of investor attention, with Sony, gaining about 3.22 percent to hit 10,900 yen, Softbank, an Internet-investor, putting on another 5.80 percent, and NTT DoCoMo, rising about 3.60 percent.

While there were pockets of hope in the Japanese market, the gains were unconvincing, with many investors, wondering what the new week would bring.

This is the way that Asia viewed the week, ended July 14, 2000:

Thailand	Minus 1.52 percent
Indonesia	Minus 0.36 percent
Malaysia	Minus 0.53 percent
The Philippines	Minus 0.49 percent
South Korea	Minus 2.10 percent
Singapore	Minus 0.25 percent
Taiwan	Plus 2.78 percent
Japan	Plus 0.62 percent

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