

HUTCHISON WHAMPOA RETREATS
FROM GERMAN BID FOR 3-G MOBILE TELEPHONES
(and another dotcom company sacks workers)

It became official, last Monday, that direct foreign investment in Asia was dwindling at what some people saw as an alarming rate.

According to The Association of Investment Trust, an entity that tracks investments outside the United Kingdom, specifically, the value of funds in the Asia-Pacific Region fell about 2.39 percent in June, compared with the like period in 1999.

Cutting out investments from the UK in Japan, the amount of British-based funds, invested in the Asia-Pacific region, fell to about \$HK83 billion in June 2000, down about 3.02 percent, compared with the comparable period in 1999.

That explains, to some extent, at least, the reason that the volume of activity on The Stock Exchange of Hongkong Ltd has fallen, considerably, of late.

The Hang Seng Index, the '*barometer*' of The Stock Exchange of Hongkong Ltd, gave up about 1.26 percent of its value, last Monday, falling to just a tad below the 17,000 level: To 16,998.06.

The Total Turnover was about \$HK9.74 billion, on a par with the previous week's turnovers.

Pacific Century CyberWorks Ltd (Code: 8) suffered, dramatically, and probably was responsible for a great deal of the losses on the Hang Seng Index, as well as denting investor confidence, considerably.

Pacific Century CyberWorks's Management must have noted that about 68.44 million of its shares were traded, with the cash value of those trades, equal to about \$HK1.07 billion, or about 10.98 percent of the Total Turnover.

The company's share price fell 4.06 percent to \$HK15.35 after touching a low of \$HK15.25, down from a high of \$HK16.10.

It was the most active counter of the day.

Another major loser -- and it was, also, responsible for a great deal of the loss of investor confidence, last Monday -- was China Mobile (Hongkong) Ltd (Code: 941), one of the 3 major, mobile telephone providers in the People's Republic of China (PRC).

Its share price was cut down by about 2.85 percent, falling to \$HK59.75, its lowest point of the day.

It was, also, the second, most-active counter and represented about 9.74 percent of the Total Turnover.

The ratio of losers to gainers, last Monday, was about 1.37:One as, one by one of the '*darlings*' of the stock market of the Hongkong Special Administrative Region (HKSAR) came under fire from the bears on the stock market.

It was difficult not to be somewhat bearish about this market because more and more depressing news is being made public, of late.

Last Monday, it was announced that renren Media Ltd (Code: 59) -- formerly known as Ankor Group Ltd -- had sacked some 38 percent of its workforce, amounting to about 102 workers, in an effort to cut down monthly

expenses -- to a loss situation of close to \$HK8 million.

renren Media is 14 percent owned by media magnate Rupert Murdoch, via News Corporation.

The announcement follows tom.com Ltd (Code: 8001 -- The Growth Enterprise Market) sacking 27 percent of its total workforce on August 7. (please see [TARGET Intelligence Report, Volume II, Number 145 of August 2](#) for more information on this subject)

Sackings are one thing; failures are something else.

And there have been a number of important business failures of the past few months.

Hutchison Whampoa Ltd (Code: 13), the fourth, most-active counter on The Stock Exchange of Hongkong Ltd, last Monday, was in the news again as it was reported from London that the Li Ka Shing conglomerate had taken control of an Italian telephone operator in a bid to capture an Italian, third-generation mobile telephone licence.

The company announced that it had acquired a 51-percent stake in Tiscali's Andala SpA.

Tiscali's wants to land the licence for Italy's Universal Mobile Telecommunications Standard (UMTS), a mobile telephone system which permits wireless technology, incorporating high-speed Internet access, video transmission and other technologies via the mobile telephone handset.

It is said that about 60 percent of the total population of Italy -- about 34 million people -- already use cellular telephones.

What was clear about the HKSAR stock market, last Monday, was that domestic issues were overriding international considerations.

The previous Friday (August 11), share prices on The New York Stock Exchange took off, causing the Dow Jones Industrial Average to add 119.04 points, about 1.10 percent, rising to 11,027.80 -- crossing the 11,000 level for the first time since last April.

The tech-laden NASDAQ Composite Index put on another 0.80 percent, rising to 3,789.47 points, recovering from an intra-day loss of about 1.63 percent.

If the HKSAR stock market was to follow form, it should have taken heart from Wall Street.

But it did not.

Tuesday could well see the HKSAR stock market recover its feet, investors were speculating on Monday night as they ambled to their homes from trading floors.

The following is a list of double-digit gainers and losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723	10.33		0.235
Asia Commercial Holdings Ltd	104	17.14		0.41
Cheuk Nang Technologies (Holdings) Ltd	131	14.04		0.065
HiNet Holdings Ltd	155	10.87		0.415
i-CABLE Communications Ltd	1097	10.79		3.85
iQuorum Cybernet Ltd	472	12.20		0.046
Kunming Machine Tools Company Ltd	300	14.55		0.63
Matrix Holdings Ltd	1005	28.13		0.41
Multifield International Holdings Ltd	898	11.32		0.295
Peking Apparel International Group Ltd	761	13.40		0.55
PNF Food Holdings Ltd	702	17.14		1.64

Shenzhen High-Tech Holdings Ltd	106		11.67	0.265
Star Cyberpower Holdings Ltd	1051		14.29	0.048
Tomorrow International Holdings Ltd	760	17.65		0.50

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was announced that Mr Li Ka Shing's '*wild card*', tom.com Ltd (Code: 8001), was planning to spend about \$HK392 million in acquiring controlling interests in 3 PRC Internet sites.

The total consideration is to be settled by the issuance of new shares in the Issued and Fully Paid-Up Share Capital of tom.com Ltd, it was announced.

The companies to be acquired are Yang Cheng Press Advertising, Guangdong Yang Cheng Press Sports Development (70 percent of each) and 100 percent of Sharkwave Asia Pacific.

The news did not inspire The GEM to bigger and better things, however, since The Growth Enterprise Index shed about 1.74 percent, falling to 465.26 points.

The Total Turnover on this market was about \$HK508.06 million.

tom.com Ltd was not included in the Ten Most Active issues since it had been suspended from trading.

The principal '*player*' on The GEM was reserved for Phoenix Satellite Television Holdings Ltd (Code: 8002).

Phoenix Satellite broke new ground as its share price hit another record level of \$HK2.325 as about 109.13 million of its scrip changed hands.

The share price of this Rupert Murdoch company touched a low of \$HK1.98 per share during the day. It closed at \$HK2.025, down 10 percent compared with the previous Friday's last level.

The turnover on this counter represented about 46.14 percent of the entire volume of activity for the day.

Phoenix Satellite was not the lone loser on this market where losers outpaced gainers by the ratio of exactly 2:One.

Some of the biggest movers included: Shanghai Fudan Microelectronics Company Ltd (Code: 8102), off 21.23 percent to \$HK2.875 per share; Digitalhongkong.com (Code: 8007), down 13.33 percent to 52 cents per share; and, Fortune Tele.com Holdings Ltd, off 10.60 percent to 25.50 cents per share.

In Japan, The Tokyo Stock Exchange experienced dull trading conditions, for the most part.

The Nikkei-225 Index gained 36.41 yen, rising to 16,159.91 yen, improving on the previous Friday's gains of about 142 yen.

There were suggestions that foreign investment money may be returning to The Land of the Rising Sun , but there was no indication of this, last Monday, and the suggestions seemed to fly in the face of that which The Association of Investment Trust in the UK had been recording.

The previous Friday, The Bank of Japan, Japan's Central Bank, raised overnight interest rates to 0.25 percent per annum, up from the 18-month, zero percent rate that private banks charge each other.

The volume of activity on this market was about 80 percent of the volume of the previous Friday: 450.09 million shares traded compared with 565.24 million shares traded.

What was affecting '*Japan Incorporated*' was news that July bankruptcies in that country, the country with the most important economy in Asia, had hit the record level of 1,617 filings.

In terms of losses to creditors, it represents about \$HK305.37 billion.

This was about 3 times higher than any other previous statistic, relating to corporate failures in that country that once had ambitions to rule the world, along with Germany's Adolf Hitler.

That was the negative side of the Japan ledger, but, on the positive side, there was the report that June industrial production had risen by about 1.90 percent in June, compared with May.

Banks, in general, were winners, last Monday, on expectations that profits would rise due to The Bank of Japan's decision to lift interest rates, off the zero floor level.

Losers and gainers were, just about, equal at 606:605.

This is the way that other Asian markets fared, last Monday:

Thailand	Plus 2.32 percent
Indonesia	Minus 0.34 percent
Malaysia	Minus 0.29 percent
The Philippines	Minus 0.75 percent
South Korea	Plus 1.53 percent
Singapore	Plus 1.24 percent
Taiwan	Minus 1.58 percent
Japan	Plus 0.23 percent

Tuesday

As the consensus in the US appeared to be that interest rates in the US would not be boosted again at the August 22 meeting of the Federal Reserve, and on the back of a strong Wall Street, the Hongkong Special Administrative Region (HKSAR) took heart.

And share prices on The Stock Exchange of Hongkong Ltd started to take off.

There was no particular reason for the spurt in share prices: Investors just decided that, since April the HKSAR market had done nothing, it was time for a little fun and games.

The Hang Seng Index put on 2.74 percent, rising to 17,463.53 points on a Total Turnover of about \$HK11.35 billion.

HSBC Holdings plc (Code: 5) came back into popularity with a vengeance, spurting up to a level which took the bank to the record high of \$HK110 per share. A little more than 11.43 million HSBC shares changed hands.

The dollar value of these trades amounted to about \$HK1.24 billion, or, in terms of the Total Turnover, about 10.93 percent.

That this bank, one of the biggest in the world, deserves investors' interest is without question, but one cannot help but wonder as to the reason that some investors take such a long time to wake up to the fact that, in the end, fundamentals will, always, out.

With the Dow Jones Industrial Average at 11,176.14, up about 1.30 percent on Monday, alone, New York time, compared with the previous Friday's close, it was standing at its highest level since April 11.

As for the NASDAQ Composite Index, it managed a 1.59-percent rise, hitting 3,849.69 as US investors let caution blow in the wind.

This did not go unnoticed as Asian markets took their cue from the largest bourse in the world: If it is good enough for the North Americans, it should be good enough for Asia.

What was of interest to some investors on The Stock Exchange of Hongkong Ltd was that, on Friday, August 11, the Dow was also strong, yet Asia was exceedingly slow on the uptake.

The ratio of gainers to losers was about 1.78:One -- in spite of a bit of a sell-off in Pacific Century CyberWorks Ltd (Code: 8), Mr Li Ka Shing's Internet investment '*vehicle*' on the Main Board, the company that took over Cable and Wireless HKT Ltd in a record-breaking deal, at least, in HKSAR monetary terms.

Pacific Century CyberWorks was the third, most-active counter with its volume of activity equal to about 6.57 percent of the Total Turnover.

The share price of this company closed up 0.33 percent to \$HK15.40 after hitting a low of \$HK15.20 per share.

Monday's announcement from renren Media Ltd (Code: 59) about widespread sackings (please see Monday's report) did not seem to affect many people or their determinations in respect of share trading (other than in the renren counter, of course) because, in today's world, it is taken for granted that companies of this ilk are more than likely to lose money for a number of years.

And they may never see a profit.

Unlike Monday's market in the HKSAR, news of any specific import was difficult to be found, with investors, seemingly, intent to build up an inventory of shares in anticipation of bigger and better things to come.

One little snippet came from Chubb Corporation, the US insurance company, which announced that it had won approval to sell its wares in the People's Republic of China. The company said that it would open an office in Shanghai.

Thus the PRC keeps its world with the World Trade Organisation.

The following is a list of double-digit gainers and losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Akai Holdings Ltd	448	16.67		0.028
China United Holdings Ltd	273		44.00	0.028
Chinese Estates Holdings Ltd	127	12.73		1.24
Guangdong Kelon Electrical Holdings Company Ltd	921		16.54	2.775
Hing Kong Holdings Ltd	535	11.88		1.13
Kerry Properties Ltd	683	13.33		10.20
Lai Sun Development Company Ltd	488	12.50		0.315
LifeTec Group Ltd	1180	15.17		0.205
Man Yue International Holdings Ltd	894	11.54		0.435
Mei Ah Entertainment Group Ltd	391	17.50		2.35
Midas Printing Group Ltd	1172	14.29		0.60
netalone.com Ltd	336	10.45		0.74
New World Development Company Ltd	17	10.96		12.65
PNF Food Holdings Ltd	702	23.48		2.025
Pricerite Group Ltd	996		11.27	0.63
Shun Tak Holdings Ltd	242	13.33		1.19
South China Information and Technology Ltd	175	21.05		0.69
Star Cyberpower Holdings Ltd	1051		18.75	0.039

Sun Hing Vision Group Holdings Ltd	125		11.36	0.78
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On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index rose 2.07 percent to 474.90 points on an improved Total Turnover of about \$HK608.99 million.

Phoenix Satellite Television Holdings Ltd (Code: 8002) was, still, the favourite and continued its run, rising to \$HK2.10 per share on a turnover in the counter of about \$HK132.16 million, equivalent to about 21.77 percent of the Total Turnover.

Phoenix Satellite is part of the Rupert Murdoch Group, which had been prominent in the news of late, with News Corporation, Mr Murdoch's chief company, agreeing to purchase the US conglomerate, Chris-Craft Industries Incorporated, at the price tag of about \$HK42 billion.

Following closely behind Phoenix Satellite was Shanghai Fudan Microelectronics Company Ltd (Code: 8102) with \$HK129.11-million worth of its scrip switching owners.

The volume of activity on this counter represented about 21.20 percent of the Total Turnover.

And in the Number 3 Slot was Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095) with a turnover in its scrip worth about \$HK105.49 million, or about 17.32 percent of the Total Turnover.

The 3 leaders on this market represented not less than 60 percent of the entire volume of activity on this speculative market.

With the exception of Phoenix Satellite -- Rupert Murdoch has announced a multi-trillion-dollar flotation on The New York Stock Exchange for later this year -- there appeared to be little reason for the movements in the share price of the Number 2 and Number 3 movers on The GEM.

In spite of the fact that The Growth Enterprise Market had risen 2.07 percent, declining issues outpaced advancing issues by the ratio of 1.25:One.

Some of the biggest movers included: Shanghai Fudan Microelectronics Company Ltd (Code: 8102), up 22.61 percent to \$HK3.525 per share; Greencool Technology Holdings Ltd (Code: 8056), up 32.56 percent to \$HK2.05 per share; Digitalhongkong.com (Code: 8007), up 13.48 percent to 59 cents per share; Computech Holdings Ltd (Code: 8081), down 11.94 percent to 59 cents per share; and, T S Telecom Technology Ltd (Code: 8003), down 11.93 percent to 96 cents per share.

In Japan, The Tokyo Stock Exchange's Nikkei-225 moved up less than one percent, compared with Monday's close.

The Nikkei-225 ended last Tuesday's session at 16,298.29 yen, up 144.38 yen on a volume of about 465 million shares.

As with New York, hi-tech and Internet-related issues were in season.

Fuji Electronics ran with the tail-wind from New York, adding 11.40 percent onto its share price on the Japan NASDAQ.

Fuji Electronics had announced that it expected a Net Profit for its Financial Year, ending February 28, 2001, of about \$HK121 million, up about 38 percentile points, compared with earlier profit estimates.

Sony Corporation, a bellwether stock, as far as Japan is concerned, rose along with the sentiment of the day, adding on about 3.50 percent to its market capitalisation.

However, in the case of Sony, it announced a method to prolong the life of the batteries that power one of its personal computers by inserting a special chip in its PC.

And so it went on, with any excuse, being sufficient reason for an increase in the share price of this company of that company.

It is said that, when the market is moving, the slightest suggestion of bullish news sends the market reaching for higher and higher levels.

News from Japan was that the Governor of The Bank of Japan, Mr Masaru Hayami, made a statement that the economy would withstand the present crisis and all future crises, brought about by companies which had bitten off more than they could chew.

This is the way that other Asian stock markets saw the situation, last Tuesday night:

Thailand	Plus 1.53 percent
Indonesia	Minus 0.49 percent
Malaysia	Plus 0.81 percent
The Philippines	Plus 0.64 percent
South Korea	Plus 1.53 percent
Singapore	Plus 1.24 percent
Taiwan	Minus 0.04 percent
Japan	Plus 0.89 percent

Wednesday

The Stock Exchange of Hongkong Ltd publicly censured China Aerospace International Holdings Ltd (Code: 31) for 5 breaches of The Listing Rules.

The breaches involved related company deals that had not been disclosed.

The deals were worth nearly \$HK277 million.

But this news did not dampen the ardour of Hongkong investors who pushed up the Hang Seng Index another 1.55 percent to hit 17,734.15 by the close of trading, last Wednesday.

The Total Turnover was slightly better at about \$HK14.12 billion, with, once again, HSBC Holdings plc (Code: 5), accounting for just about 8.22 percent of that figure.

HSBC Holdings hit another new high of \$HK111 per share as a little more than 10.51 million HSBC shares changed hands.

The share price of this giant bank closed at \$HK110, for a gain of 0.48 percent over Tuesday's closing level.

Pacific Century CyberWorks Ltd (Code: 8) was prominent on The Stock Exchange of Hongkong Ltd for a number of reasons.

To begin with, it was the second, most-active counter, accounting for about 8.07 percent of the Total Turnover as the share price of this company, controlled by Mr Richard Li, the Number Two Son of mogul Li Ka Shing, hit \$HK15.80 by the close of trading, after fluctuating widely between a low of \$HK15.05 and a high of \$HK15.95.

Also, it was announced that Telstra Corporation of Australia, the Number One telephone operator in that country, was in talks with Pacific Century CyberWorks over Telestra's said to be avowed intent to take up to 51 percent of the Issued and Fully Paid-Up Share Capital of Keycorp Ltd, a software company which is based in Sydney.

Telestra owns about 2 percent of Pacific Century CyberWorks and wants to expand its horizons to include other areas in Internet-related activities.

And further news from Mr Richard Li was his announcement that he was resigning from his positions in certain of Dad's other companies in order that there be no obvious appearance of a conflict of interests.

He has resigned as Deputy Chairman of Hutchison Whampoa Ltd (Code: 13) and as an Executive Director of Hongkong Electric Holdings Ltd (Code: 6), the latter named, being a subsidiary of Hutchison Whampoa Ltd.

All of the major Li Ka Shing companies were in the Top Ten Most Active issues and accounted, in aggregate, for about 20 percent of the entire volume of activity on the market.

Gainers were ahead of losers by the ratio of about 1.59:One in spite of a small decline on Wall Street, which saw the Dow Jones Industrial Average slump just under one percent to 11,067 while the NASDAQ did little, gaining just 1.97 points to end last Tuesday's session (New York time) at 3,851.66.

New York, last Tuesday, was waiting to hear of fresh economic news before making any new commitments on the strongest and largest stock market in the world.

The following is a list of double-digit gainers and losers on The Stock Exchange of Hongkong Ltd:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723	10.00		0.275
Asia Commercial Holdings Ltd	104		10.00	0.36
Capital Automation Holdings Ltd	493		10.84	0.74
Computer and Technologies Holdings Ltd	46	10.58		5.75
Continental Holdings Ltd	513	12.00		0.56
Deson Development International Holdings Ltd	262		11.43	0.093
Dong-Jun (Holdings) Ltd	412		10.00	0.018
e2-Capital (Holdings) Ltd	378		10.00	0.63
Emperor Technology Venture Ltd	283	28.95		0.245
HiNet Holdings Ltd	155	10.13		0.435
Kin Dong Holdings Ltd	208	16.36		0.092
Luoyang Glass Company Ltd	1108	11.67		0.67
Midas Printing Group Ltd	1172		10.71	0.50
Midland Realty (Holdings) Ltd	1200	17.11		0.89
Playmates Interactive Entertainment Ltd	635	10.00		0.68
QPL International Holdings Ltd	243	20.63		7.60
Quality HealthCare Asia Ltd	593	14.63		2.35
Sinocan Holdings Ltd	1095		15.38	0.077
South China Information and Technology Ltd	175	11.59		0.77
Star Cyberpower Holdings Ltd	1051	10.26		0.043
Sun Hing Vision Group Holdings Ltd	125	10.26		0.86
SUNDAY Communications Ltd	866	14.89		1.08
Wai Kee Holdings Ltd	610	10.71		0.62
Yunnan Enterprises Holdings Ltd	455	26.32		0.99

On The GEM, the Growth Enterprise Market of The Stock Exchange of Hongkong Ltd, Arcontech Corporation (Code: 8097) made its debut.

Its share price fluctuating between a low of \$HK1.51 and a high of \$HK3.575.

A total of 148 million shares in this software company were Placed at \$HK1.35 per share so that the turnover on this counter, amounting to about 69.85 million shares, represented about 47.19 percent of the Placing shares.

Arcontech ended the session at \$HK3.10 per share for a \$HK1.75 gain over its Placing Price, equal to a rise of about 130 percent.

Only one GEM counter made a double-digit gain. That counter was Computech Holdings Ltd (Code: 8081).

Its share price rose 18.64 percent to close at 70 cents.

The Growth Enterprise Index ended the session at 472.98 points, up about 0.40 percent, compared with Tuesday's closing level, with nearly all of the Index's losses, having been incurred in the 90-minute afternoon session.

Losers were slightly ahead of gainers by the ratio of 1.13:One.

On The Tokyo Stock Exchange, trading was exceptionally quiet as the Nikkei-225 rose just 57.74 yen to 16,353.03, an improvement of about 0.35 percent on the day.

Hi-tech and Internet-related issues continued to be in demand, but gains and losses were held to a very narrow range, in the main.

However, there were some rather nice gains, which were recorded in certain quarters, as Toshiba Corporation put on 3.70 percent and NEC Corporation managed a 1.80-percent gain in its share price.

Dainippon Screen Manufacturing was one of those companies that shone out as its share price rose nearly 10 percent.

Bridgestone Tire continued to be hard-pressed as more and more news came out of the US about its killer tyres. Its share price plunged another 10 percent.

It was clear that, had it not been for a handful of stalwarts, the market would have registered a loss situation.

And in other parts of Asia, this was how the situation ended, last Wednesday:

Thailand	Plus 1.87 percent
Indonesia	Minus 1.03 percent
Malaysia	Plus 0.46 percent
The Philippines	Minus 0.01 percent
South Korea	Minus 2.44 percent
Singapore	Plus 1.51 percent
Taiwan	Plus 2.01 percent
Japan	Plus 0.35 percent

Thursday

While galloping inflation is the scourge of any economy, if the US economy were to slow too quickly, then it would have a knock-on effect on many other economies of the world.

And that was the main concern, last Thursday, that the Dow Jones Industrial Average fell 0.53 percent to 11,008.39 while the NASDAQ Composite Index limped along with a 9.54-point gain to end last Wednesday's session (New York time) at 3,861.20.

The Dow's losses of last Wednesday added to Tuesday's losses when the Dow gave up 109.14 points.

What was touching off grave concerns was that the US economy could be slowing too quickly, and too much.

July's Consumer Price Index (CPI) statistics, while being positive on the one hand, was negative for the economy as a whole because it indicated a change.

And markets do not take kindly to change in too much of a hurry.

The July CPI showed an increase of about 0.20 percent in July, down from about 0.60 percent in June.

This may well mean that the US Federal Reserve will leave interest rates untouched at its August 22 Open Market Committee Meeting, but that did not seem to allay the fears of Wall Street -- and a number of economists, to boot.

Inflation may be checked, but will there be a domino effect on the US economy, somewhere down the line?

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors on The Stock Exchange of Hongkong Ltd watched the US for a cue as to which way to move: Buy; sell; or, stay pat.

Last Thursday, investors started to take a more bearish attitude toward the short-term outlook of stocks and shares and sold the Hang Seng Index, forcing it down 112.14 points to 17,622.01 on a reduced Total Turnover of about \$HK12.23 billion.

Just about all of the stock market's '*darlings*' got hit, but it was not a rout, by any stretch of the imagination.

If anything, it appeared that many investors were pocketing their profits in order to see which way the wind would blow on the morrow.

The Li Ka Shing mob was hit hard, especially Pacific Century CyberWorks Ltd (Code: 8), the most active counter of the day.

The share price of Pacific Century CyberWorks shed 2.85 percent, falling to \$HK15.35 on a turnover in that counter of about \$HK1.25 billion.

This counter represented about 10.22 percent of the Total Turnover.

Cheung Kong (Holdings) Ltd (Code: 1) was second in line for a dubbing as its share price seesawed between a low of \$HK101 and a high of \$HK104, ending the session at \$HK102.50.

The volume of activity on this counter was about \$HK893.38 million, or about 7.30 percent of the Total Turnover.

Losers were ahead of gainers by the ratio of about 1.16:One, but the number of counters that held their ground was just about equal to those which advanced.

News was as rare as hen's teeth, as the saying goes, so that, when Midland Realty (Holdings) Ltd (Code: 1200) announced that it was in the process of negotiating with 3 parties over a merger of interests, it sparked some interest in the stock.

Midland had scooted up a little more than 17 percent on Wednesday.

But last Thursday, Midland Realty gave up 1.12 percent of its market capitalisation, falling to 88 cents per share.

The following is a list of double-digit gainers and losers on The Stock Exchange of Hongkong Ltd:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Dong-Jun (Holdings) Ltd	412	11.11		0.02
K.P.I. Company Ltd	605	12.89		0.219
Kin Don Holdings Ltd	208	27.17		0.117
Lai Fung Holdings Ltd	1125	22.58		0.57
Nanjing Panda Electronic Company Ltd	553		11.34	2.15
New World CyberBase Ltd	276	12.79		0.485
Ngai Hing Hong Company Ltd	1047		12.82	0.34
Shun Ho Resources Holdings Ltd	253	15.38		0.30
Sing Tao Holdings Ltd	233	11.11		1.40
Skynet (International Group) Holdings Ltd	577	13.25		0.265
vLink Global Ltd	563	14.71		0.195
Wah Tak Fung Holdings Ltd	297	12.90		0.14
Wing Lee International Holdings Ltd	899	11.11		0.17
Yunnan Enterprises Holdings Ltd	455		14.14	0.85

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the bears were having their way as decliners outpaced advancers by the ratio of 2.89:One.

The Growth Enterprise Index fell just short of one percent, coming to rest at 468.40 points on a Total Turnover of about \$HK581.93 million.

There was only one moment of excitement on this market as new listing, CyberM International (Holdings) Ltd, made its debut.

The share price of this software house ranged between a low of \$HK1.18 per share and a high of \$HK2.50 per share, ending the session at \$HK1.28 per share.

In total, about 69.44 million CyberM shares changed hands, during the day.

This number of shares, which were traded, represented about 139 percent of the number of shares, which were Placed. The Placing Price was 93 cents per share.

It was the most active counter of the day.

By far, the top performer of the day was Neolink Cyber Technology (Holdings) Ltd (Code: 8116), the share price of which rose 30 percent to close at 52 cents per share on a volume of 227.99 million shares.

The share price of Digitalhongkong.com (Code: 8007) was the second biggest gainer, scooting up 21.43 percent to come to rest at 88 cents per share after 385,000 shares changed hands.

Aside from these pockets of excitement, the market was featureless, more and less, and it was obvious that it was looking very tired.

Nothing could be worse for any market than to display investor apathy.

In Tokyo, it was another boring session as the Nikkei-225 lost about 195 yen, falling to 16,161.03 yen.

It was the first loss of the week, but the gains of Monday, Tuesday and Wednesday were only of a fractional nature.

It is said that the market that cannot rise must fall: It cannot stand still for very long.

Thus it was with the premier Japanese stock market: It fell to weary investors who sold out in order to see a direction in due course.

Nippon Telephone and Telegraph (NTT) was of some interest to investors, but it was the company's mobile unit, NTT DoCoMo, that was the centre of attention on reports that it may be striking out in the US, yet again.

The share price of Bridgestone Tire partially recovered from the sell-off of the previous week, but it was only a recovery of about 3.10 percent, with many investors expecting to see a further erosion in its share price as more information becomes available from the US where there is an on-going investigation into the company's killer tyres.

It was on this quiet note that Asian investors went home, last Thursday:

Thailand	Minus 1.51 percent
Indonesia	Minus 1.03 percent
Malaysia	Plus 1.36 percent
The Philippines	Plus 1.81 percent
South Korea	Minus 1.02 percent
Singapore	Plus 0.97 percent
Taiwan	Plus 1.75 percent
Japan	Minus 1.19 percent

Friday

Hutchison Whampoa Ltd (Code: 13) announced that it had pulled out of a bid to obtain, along with its former European partners, a licence to operate a new, third generation mobile telephone network in Germany -- because it would cost the Li Ka Shing camp too much money.

The announcement from one of the largest capitalised companies, listed on The Stock Exchange of Hongkong Ltd, came just hours before its was announced that its former European partner in the consortium to obtain the coveted mobile telephone licence had, in fact, won the day.

But the cost had been nearly \$HK60 billion.

The news, released on Friday, Hongkong time, shook the stock market, which had, already, been on shaky ground in the morning session, in any event.

The Hang Seng Index finished the week at 17,440, exactly, a 1.03-percent fall from Thursday's level.

The Total Turnover was about \$HK11.01 billion.

That there was a lack of interest in the market in general, being displayed by the majority of investors, was only too obvious.

And, to add insult to injury, after the stock market had closed, it was announced that another Internet company had sacked about 20 percent of its entire staff, representing about 47 technicians and software people.

The company is Hongkong.com Corporation (Code: 8006 -- The Growth Enterprise Market (The GEM).

Its Chairman, Legislative Councillor Raymond Chi'en Kuo Fung, said that it was difficult to survive in the industry with all the other Internet companies, snapping at each others' heels.

And so the list of hi-tech people to hit the streets of the HKSAR grows and grows and grows.

And, still, financially strapped dotcom companies are being listed on The GEM.

That Hutchison had pulled out of the German, 3-G telephone '*pool*' should not have been any great shakes, one would have supposed, because, from this Li Ka Shing Company's point of view, the deal was getting too rich for it, considering the potential rewards which may have been forthcoming in the years to come.

However, investors in the Hongkong Special Administrative Region (HKSAR) did not see it that way.

Hutchison's share trades on The Stock Exchange represented about 16.07 percent of the Total Turnover, as about 15.39 million Hutchison shares changed hands.

Its share price fluctuated between \$HK113 and \$HK119, ending the session at \$HK113.50, near the low of the day.

Pacific Century CyberWorks Ltd (Code: 8), another of Mr Li Ka Shing's listed entities, was the second, most-active counter with about 63.11 million of its shares, being traded. Its share price hit a low of \$HK15.10 and a high of \$HK15.55.

It closed at \$HK15.35 and, following this, the Board of Directors of the Company announced that all was well and good in respect of Cable and Wireless HKT Ltd, it, being, now, wholly owned by Pacific Century CyberWorks.

HSBC Holdings plc (Code: 5) fell to selling pressure as about 6.82 million HSBC shares changed owners, with its share price, falling about 0.46 percent to \$HK108.50.

Then, Cheung Kong (Holdings) Ltd (Code: 1), the flagship company of squillionaire Li Ka Shing, came next in line in the Ten Most Active issues, but its share price, too, fell to selling pressure as it lost about 2.44 percent of its market capitalisation, falling to \$HK100, after hitting a low of \$HK99.75.

The above, 4-mentioned counters accounted for about 38.15 percent of the Total Turnover.

The ratio of losers to gainers was about 1.56:One.

The fall in the Hang Seng Index came on the back of a stronger New York stock market, which saw the Dow Jones Industrial Average rise 0.40 percent to 11,055.64, while the NASDAQ Composite Index had a booming day, rising 2.06 percent to 3,940.87.

In spite of a strong Wall Street in hi-tech and Internet-related issues, however, The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd did not fare well as The Growth Enterprise Index shed 0.59 percent, falling to 465.63 points.

The Total Turnover on this market was about \$HK481.01 million, with Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095), being the Top Dog of the day as about \$HK134.09-million worth of its stock changed hands.

Beijing Beida's share price fluctuated between a low of \$HK19 per share and a high of \$HK21.20, ending the week at \$HK21 per share. This represented a gain of about 6.60 percent, compared with Thursday's closing level.

The amount of trades on this one counter was equal to about 27.88 percent of the Total Turnover.

In second place on the most-active list was Phoenix Satellite Television Holdings Ltd (Code: 8002), the Rupert Murdoch/News Corporation television broadcaster, with about \$HK95.20-million worth of share-trading activity titillating speculative buying and selling.

The share price of this counter hit \$HK2.225 before settling back to end the session at \$HK2.15, a gain of 6.17 percent on the day.

New listing CyberM International (Holdings) Ltd (Code: 8017), which had been the rage on Thursday, fell back down to earth as reality set in and speculators let go of the scrip as its price fell to \$HK1.14, a drop of about 10.94 percent, compared with Thursday's closing level.

The ratio of losers to gainers on this market was about 1.77:One.

The following is a list of double-digit gainers on the Main Board of The Stock Exchange of Hongkong Ltd. There were no double-digit losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Commercial Holdings Ltd	104	16.44		0.425
AV Concept Holdings Ltd	595	14.91		1.31
China United Holdings Ltd	272	12.00		0.028
Deson Development International Holdings Ltd	262	12.64		0.098
E. Bon Holdings Ltd	599	14.29		2.40
Huey Tai International Ltd	164	16.90		0.415
Interform Ceramics Technologies Ltd	1060	12.88		0.184
Kessel International Holdings Ltd	959	11.54		0.58
Sinocan Holdings Ltd	1095	10.39		0.085
Ta Fu International Holdings Ltd	1041	12.02		0.27

On The Tokyo Stock Exchange, the Nikkei-225 rose 119.46 yen to 16,280.49 yen, bouncing back from a very sluggish Thursday.

Taking its cue from Wall Street, Japanese investors took a shine to hi-tech and Internet-related issues, pushing up counters, such as Hikari Tsushin and Softbank, fast and furiously.

With regard to Hikari Tsushin, its share price rose 4.60 percent, while running mate, Softbank, gained 1.50 percent.

The largest mobile telephone operator in Japan, and a world force in its field, NTT DoCoMo, saw its share price rise another 1.90 percent, while its *'parent'*, Nippon Telephone and Telegraph, clawed back another 3.30 percent.

But there was some blood-letting, also, as Fuji Television lost 8.20 percent of its market capitalisation, following a sell-off in that company's stock.

Furniture fabricator, Takara Standard, also, got hit by sellers as its share price fell 10.30 percent.

Another counter to be hit hard was sewing machine manufacturer, Brother Industries. Its share price was clobbered to the extent of about 9.40 percent.

These losers, and others like them, held back the Nikkei-225 which, otherwise, would have had a booming session.

This was the way that other Asian stock markets ended the week of August 18, 2000:

Thailand	Minus 1.02 percent
Indonesia	Minus 0.45 percent
Malaysia	Minus 0.24 percent
The Philippines	Plus 0.46 percent
South Korea	Minus 2.04 percent
Singapore	Minus 0.98 percent

Taiwan	Plus 0.41 percent
Japan	Plus 0.74 percent

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

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