

**THE LI KA SHING CAMP CONTINUES TO GET ROCKED  
ON THE STOCK EXCHANGE OF HONGKONG LTD**

The 2 stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) took off in one of the most spectacular recoveries, seen in many a moon.

But the big question was whether or not it could be sustained, during the rest of the week.

The Main Board of The Stock Exchange of Hongkong Ltd saw its Hang Seng Index gain about 5.59 percent to hit 15,428.95 points, a gain of about 816.07 points.

The Total Turnover was very low, at about \$HK8.84 billion, indicating, without question, that buyers were chasing sellers ... and sellers were, clearly, few and far between.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index put on about 4.57 percent, rising back through to 400 level to 402.95 points.

Once again: Could the rise be sustained, during the rest of the week?

The Total Turnover on this speculative market was, also, quite low at about \$HK191.99 million.

The reasons for the obvious confidence, for the first day of the week, displayed, not just in the HKSAR, but also in Asia, in general, was due to a number of factors, the most important of which, no doubt, was the definitive actions of the US Government with regard to the month-old oil crisis, which is causing a great deal of consternation in just about every developed country in the Western world.

The previous Friday, US President Bill Clinton ordered that 30 million barrels of emergency oil supplies to be released, immediately.

This may appear, on the surface, to be only a Band-Aid on an open sore, but due to the balance of supply-demand factors in respect of oil prices, the Presidential Decree had an immediate effect on crude oil prices, internationally.

The US Government stockpiled 590 million barrels of oil -- the Strategic Oil Reserve -- back in 1973, following the Arab oil embargo.

The Organisation of Petroleum Exporting Countries (OPEC) faced the prospects, last Monday, of seeing their stranglehold over the world about to wane.

Immediately, in London, last Monday, crude oil prices fell 4 percent to their lowest levels in the previous month, cutting down the decade-high prices.

While it is noted that 30 million barrels of oil is just about 4 days' imports of crude oil into the US, the Presidential Decree tells the world that the US is determined not to be held to ransom by any single country, or group of countries, with regard to strategic commodities.

The other encouragement for equity investment, last Monday, was the success of 4 of the world's biggest banks to support the euro, the single currency of the European Union (EU).

The previous Friday, high-ranking officials of the US Federal Reserve Board, the European Central Bank and Bank of Japan had a meeting in Prague, the Czech Republic, in order to map out a policy to maintain the euro's value, vis-à-vis other 'hard' currencies.

With the determination of the US Government, in respect of oil prices, and the world's most important bankers, showing their determination that wild currency speculation is not desired and that they will take concerted action to constrain such moves, a great deal of faith was restored in international market places.

In early trading, last Monday, the euro climbed about 2.55 percent against the Japanese yen -- from 92.44 yen to 94.80 yen.

On the Main Board of The Stock Exchange of Hongkong Ltd, China Mobile (Hongkong) Ltd (Code: 941) became the '*darling*' of investors as the share price of this PRC-State-controlled telecommunications company became the most-active counter, whose trading volume represented about 12.10 percent of the Total Turnover.

The share price of China Mobile fluctuated about 6.12 percent, during the day, ending the session at \$HK52.

The closing price represented a gain of 10.17 percent over the previous Friday's closing price.

HSBC Holdings plc (Code: 5) was next in line on the Ten Most Active list with this giant banking group, adding about 4.85 percent to its share price as about 9.75 million of its shares changed hands.

Trading in the scrip of this bank represented about 11.76 percent of the Total Turnover. It closed the session at \$HK108 per share.

Other banking groups, domiciled in the HKSAR, followed HSBC Holdings's cue, as the share price of The Bank of East Asia Ltd (Code: 23) gained 3.10 percent, rising to \$HK16.65, Hang Seng Bank Ltd (Code: 11) put on 1.54 percent to close at \$HK82.50, and Dao Heng Bank Group Ltd (Code: 223) rose 8.62 percent to \$HK35.30.

The ratio of gainers to losers was 3.95:One.

Some of the biggest double-digit gainers and losers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723	10.66		0.218
B-Tech (Holdings) Ltd	412	14.29		0.016
C.P. Pokphand Company Ltd	43	20.30		0.16
Capital Automation Holdings Ltd	493	13.79		0.66
Celestial Asia Securities Holdings Ltd	1049	12.35		0.455
Cheuk Nang Technologies (Holdings) Ltd	131	12.86		0.079
China Sci-Tech Holdings Ltd	985	10.00		0.132
CIL Holdings Ltd	479		34.21	0.025
Climax International Company Ltd	439	10.99		0.202
CNPC (Hongkong) Ltd	135	11.76		0.57
COSCO International Holdings Ltd	517	11.25		0.89
Culturecom Holdings Ltd	343	10.29		0.75
Digital World Holdings Ltd	109	20.00		0.012

e-Kong Group Ltd	524	13.79		0.66
Emperor Technology Venture Ltd	283	15.79		0.33
Evergo China Holdings Ltd	631	10.00		0.11
Fourseas.com Ltd	755	11.11		0.02
Graneagle Holdings Ltd	147		10.00	0.027
Great Wall Technology Company Ltd	74	13.68		2.70
Guangdong Building Industries Ltd	818		11.11	0.40
Haywood Investments Ltd	905	10.00		0.88
Interchina Holdings Company Ltd	202	10.39		0.425
Jiangxi Copper Company Ltd	358	14.63		0.94
Johnson Electric Holdings Ltd	179	13.19		15.45
Legend Holdings Ltd	992	19.17		7.15
Leading Spirit High-Tech (Holdings) Company Ltd	606	13.85		0.148
MAE Holdings Ltd	851	12.17		0.129
Pacific Ports Company Ltd	659	10.20		0.54
Quality Food International Ltd	735	26.98		0.80
Rockapetta Holdings Ltd	1003	12.35		0.455
Singapore Hongkong Properties Investment Ltd	245	15.38		0.015
Sen Hong Resources Holdings Ltd	76	13.64		0.05
Shenzhen High-Tech Holdings Ltd	106	10.00		0.22
Sino Land Company Ltd	83	11.81		3.55
South East Group Ltd	726		10.00	0.027
Sun Man Tai Holdings Company Ltd	433	18.68		1.08
Tomorrow International Holdings Ltd	760	10.53		0.315
UDL Holdings Ltd	620	16.67		0.07
Vantage International (Holdings) Ltd	15	12.50		1.08
Vision Tech International Holdings Ltd	922	10.00		0.495
Wireless InterNetworks Ltd	261	13.04		0.026
Yizheng Chemical Fibre Company Ltd	1033	10.34		1.60

On The GEM, gainers were ahead of losers by the ratio of about 8.25:One

Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095) led the pack and was the most active counter of the day.

Trading in Beijing Beida's shares amounted to about 42.84 percent of the Total Turnover of about \$HK191.99 million as about 4.33 million of its scrip changed hands, pushing the share price back to \$HK19.45, up about 5.42 percent, compared with the previous Friday's closing level.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) was second in line for being the most active counter on this speculative marketplace as about 6.36 million of its shares changed hands.

The dollar value of these trades amounted to about 13.42 percent of the Total Turnover.

tom.com ended the session at \$HK4.05 per share, a gain of about 9.46 percent, compared with its close of the previous Friday.

Double-digit movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CyberM International (Holdings) Ltd	8017	10.57		1.36
ePro Ltd	8086	14.00		0.57
GreaterChina Technology Group Ltd	8032	13.33		0.34
Systek Information Technology (Holdings) Ltd	8103	14.93		0.77

In Japan, The Tokyo Stock Exchange had a bubbling day, but somewhat reserved, compared with what was taking place in the HKSAR.

The Nikkei-225 Index rose about 1.10 percent, 174.65 yen, to close the session at 15,992.90 yen.

The rally was led, mostly, by hi-tech stocks, such as Fujitsu, NEC and Toshiba.

The previous week's announcement by one of the world's largest chip makers, the US-based Intel Corporation, with regard to lower estimates for third-quarter profits, was all but forgotten as Asian investors ploughed back into the largest stock market in the populous part of the world.

By and large, the gains on this market were mostly single digit for the big names, with Fujitsu, up about 1.50 percent (Fujitsu is Japan's largest manufacturer of personal computers), NEC, up about 1.80 percent, and Toshiba, up about 0.90 percent.

What was telling about this market was that it was nowhere close to recovering its losses, even closely resembling the paring of the previous Friday.

An example was seen by the fact that Mitsubishi Electric, whose share price gained about 2.10 percent, last Monday, had lost about 7.40 percent the previous Friday.

Surprisingly, Toyota Motor, Japan's largest manufacturer of motor vehicles, only managed to add on about one percent to its share price after announcing that it was looking for first half Net Profits, to September 30, 2000, of about \$US952 million (about \$HK7.41 billion).

The announcement indicated a 43-percent increase from earlier forecasts.

This is the way that other Asian markets reacted to world events, last Monday.

Thailand	Plus 2.23 percent
Indonesia	Plus 0.98 percent
Malaysia	Minus 0.54 percent
The Philippines	Plus 0.25 percent
South Korea	Plus 5.67 percent
Singapore	Plus 2.31 percent
Taiwan	Plus 0.99 percent
Japan	Plus 1.10 percent

## **Tuesday**

It was the Li Ka Shing Camp that hugged the headlines, last Tuesday, and was, in a large part, responsible for the shaving down of the Hang Seng Index, the benchmark of the Main Board of The Stock Exchange of Hongkong Ltd.

It would be totally unfair to blame the Li Ka Shing Camp for everything that took place, last Tuesday, but fingers were being pointed in that direction, to be sure.

The first piece of shock news that hit the market was that Pacific Century CyberWorks Ltd (Code: 8) had not (and may, now, never) clinched its deal with the Australian telecommunications giant, Telstra Corporation, over a joint venture in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Ms Joan Wagner, spokesperson for Pacific Century CyberWorks, was reported to have stated that talks between Pacific Century CyberWorks and Telstra were continuing.

But everybody and his cat had always thought that it was a done deal!

And so, down came the share price of Pacific Century CyberWorks by another 6.99 percent, down to \$HK8.65 on a volume of about 110.41 million shares.

The Pacific Century CyberWorks-Telstra deal, widely reported earlier this year, was supposed to see billions of Hongkong dollars, being pumped into Pacific Century CyberWorks, with a view to having the 2 companies plan further strategies for the telecommunications industry in the HKSAR and other parts of Asia.

The previous week, Cable and Wireless plc, the London-based, multi-national telecommunications giant, which held a 20.20-percent stake in Pacific Century CyberWorks, sold 4.90 percent of the Issued and Fully Paid-Up Share Capital of the Pacific Century CyberWorks -- at a substantial discount to its buying-in price.

Cable and Wireless just wanted out.

The Hang Seng Index was rocked by the news of the Telstra no-show, as investors on The Stock Exchange of Hongkong Ltd became rather concerned about all the negative vibes, flowing out of what was once the '*darling*' of the trading floor.

The Hang Seng Index shed about 0.90 percent, falling to 15,290.85 points, on a continued low volume of activity, at \$HK7.35 billion.

The low Total Turnover was, no doubt, a God-sent for the market.

Pacific Century CyberWorks, the leader of the Ten Most Active issues, accounted for about 13.33 percent of the Total Turnover.

Then, the news hit that Mr Tse Sui Luen, the Founder of the jewellery giant, Tse Sui Luen Jewellery International Ltd (Code: 417), had been made a bankrupt by the High Court.

It had been known for some time that this company was in serious financial trouble, but, up until last Tuesday, it appeared that Mr Tse had been able to stave off his troublesome creditors.

But the bell tolled for him, at last.

The shares of the company that he founded were suspended from trading, pending a determination as to the impact on the group of this turn of events.

Definitely, Mr Tse must resign from all positions of authority in the company.

On a positive note, it was reported from Singapore that a group company of Hutchison Whampoa Ltd (Code: 13) had secured a 30-percent stake in Malaysia's Westport at a price of about \$HK824 million.

Klang Multi-Terminals manages Westport, an important port just north of the Perak coast of Malaysia, about 45 kilometres west of Kuala Lumpur, Malaysia's capital city.

The Hutchison deal did not influence the market, which, as at last Tuesday, had no knowledge of the deal, officially.

But what did affect the market was the response to the HKSAR Government's flotation of the Mass Transit Railway Corporation Ltd.

Queues of people formed outside 60 bank branches of the HKSAR as people, mainly the elderly, waited for their chance to obtain some of the 200 million shares on offer at a price of between \$HK8 and \$HK9.38 each.

The flotation will tie up at least \$HK50 billion until at least October 5 when trading in the shares of the HKSAR's only underground railway will commence.

In addition to all of this, Wall Street on Monday decided to reverse its direction, with the Dow Jones Industrial Average, losing 39.22 points, about 0.36 percent, falling to 10,808.15.

The technology sector of the market, gauged by the NASDAQ Composite Index, fell 62.54 points, about 1.64 percent, to end Monday's session (New York time) at 3,741.52 points.

And, to add to all of this, it was reported that it was likely that petrol prices at the pumps will not be too much affected by US President Bill Clinton's edict of the previous Friday to turn on the taps of that country's reserve supplies of oil.

In such an atmosphere of distrust, fear and disappointment, it was difficult for the HKSAR stock markets to move ahead.

The ratio of losers to gainers on the Main Board was about 1.77: One

The following is a list of some of the largest losers and gainers of last Tuesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Beijing North Star Company Ltd	588	17.54		0.67

C.P. Pokphand Company Ltd	43	12.50		0.18
Cheuk Nang Technologies (Holdings) Ltd	131		21.52	0.062
China Assets (Holdings) Ltd	170		12.90	1.35
China Cyberworld Ltd	298		11.43	0.31
China Internet Global Alliance Ltd	235	12.31		0.365
China Resources Beijing Land Ltd	1109	11.76		1.52
CIL Holdings Ltd	479	24.00		0.031
China National Aviation Company Ltd	1110	12.38		1.18
COSCO International Holdings Ltd	517	14.81		1.02
Dragonfield Holdings Ltd	578	13.04		0.026
Ecopro Hi-Tech Holdings Ltd	397		13.04	0.02
eForce Holdings Ltd	943		25.00	0.27
Gay Giano International Group Ltd	686		11.46	0.85
Hua Lien International (Holding) Company Ltd	969	19.05		0.50
Hung Fung Group Holdings Ltd	1141		15.00	0.034
Lamex Holdings Ltd	312		13.41	0.071
Millennium Sense Holdings Ltd	724		18.18	0.38
Paliburg Holdings Ltd	617		12.34	0.206
Qualipak International Holdings Ltd	1224	10.56		0.115
Singapore Hongkong Properties Investments Ltd	245		13.33	0.013
South East Asia Wood Industries Holdings Ltd	1205	11.76		0.095
Sun Man Tai Holdings Company Ltd	433	10.19		1.19
Welback Holdings Ltd	491		10.42	0.043

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, losers outpaced gainers by the ratio of exactly 5:One as The Growth Enterprise Index gave up about 2.03 percent, falling back to 394.79.

The Total Turnover on this market was about \$HK114.21 million.

The gains of Monday were nearly all wiped out by Tuesday's selling pressure, with nearly all the most popular issues, losing substantial ground.

It was announced in Beijing that the PRC Government would unleash rules and regulations in respect of foreign competition in the PRC in regard to the liberalisation of the country's telecommunications industry.

The PRC Government, it appears, will welcome long-term players, but will not take kindly to speculators or short-term investors.

The PRC Government was forced to liberalise its telecommunications industry and its entrenched Internet companies as a prerequisite to being admitted to the World Trade Organisation (WTO).

The PRC Government has a lot of soul-searching to do when it joins the WTO because, since about 1949, it has been used to having and enjoying State-run monopolies -- which have proved to be very inefficient.

Most of the companies, listed on The GEM, are companies that are engaged in Internet-related businesses as well as being engaged, directly or indirectly, in the telecommunications industry.

Companies, such as Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095), require PRC-State support since, without it, they would be unable to function.

Beijing Beida was the most active counter, last Tuesday, as about 1.55 million of its shares changed hands, with its share price fluctuating between a low of \$HK19.20 and a high of \$HK19.75.

The share price ended the session at \$HK19.30 for a loss of about 0.77 percent, compared with last Monday's closing level.

There were only 2 double-digit movers, both of which went south.

They were Digitalhongkong.com (Code: 8007), the share price of which shed about 10.38 percent to close at 47.50 cents, and Syscan Technology Holdings Ltd (Code: 8083), the share price of which gave up 11.67 percent, falling to 15.90 cents.

On The Tokyo Stock Exchange, the market was relatively quiet, with the Nikkei-225, losing just 0.40 percent, falling to 15,928.62 yen.

It appeared to be sell hi-tech, with NEC and Toshiba, leading the charge to the rear.

Snow Brand Milk Products Company -- Japan's largest producer of dairy products and the subject of a contaminated milk scandal that caused about 15,000 Japanese people to get ill in the summer -- announced that it would be sacking 1,300 workers, equal to about 19 percent of its total workforce.

The company is, presently, being investigated by the Authorities in Japan; it is likely that legal action against Management will be taken in due course.

Snow Brand has forecast a loss of about \$HK3.44 billion for the Current Financial Year, ending March 31, 2001.

Other than this piece of news, the market was, generally, quiet.

This is the way that other Asian stock markets viewed their respective situations, last Tuesday:

Thailand	Plus 0.65 percent
Indonesia	Plus 0.23 percent
Malaysia	Minus 0.01 percent
The Philippines	Plus 0.14 percent
South Korea	Plus 0.51 percent
Singapore	Plus 0.60 percent
Taiwan	Plus 1.07 percent



Japan	Minus 0.40 percent
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## Wednesday

Asian bourses got the wind up their tails, last Wednesday, following another bout of selling on the largest bourse in the world: The New York Stock Exchange.

The Stock Exchange of Hongkong Ltd witnessed its Hang Seng Index rise about one percent to 15,444.13, vindicating the suggestions by the more sophisticated investors, who, on Monday night, were pondering the possibility of Monday's substantial gains on the Hang Seng Index, being sustainable: Were they just a flash in the proverbial pan?

On Wall Street on Tuesday, New York time, stock prices fell sharply, following a report from Eastman Kodak that its profits for the third quarter would be considerably reduced due to rising material costs and the weakness of the euro vis-à-vis the US dollar.

Eastman Kodak, a constituent stock of the Dow Jones Industrial Average, lost nearly 25 percent of its market capitalisation as its share price fell to \$US44.19 (about \$HK344).

The NASDAQ Composite Index gave up about 1.39 percent to hit 3,689.10, while the Dow shed about 1.64 percent, ending the session at 10,631.32.

The fallout from New York hit Asia to some extent as investors were still feeling the pinch from so many events of the previous few weeks, all of which events appeared to be detrimental to the financial health of the world's most populous area.

The Hang Seng Index, with its 153.28-point gain, continued amid a low Total Turnover of about \$HK9.45 billion.

The low volume of activity indicated that the bulls had not returned, at least not in any force, and, as a result, the market would not be able to rise very much.

China Mobile (Hongkong) Ltd (Code: 941), having confirmed that it will need billions of dollars to take over certain assets from its parent company in the People's Republic of China (PRC), continued its retreat, losing 1.46 percent, falling to \$HK50.75 per share.

It was the most-active counter of the day and accounted for about 16.72 percent of the Total Turnover for the day.

Pacific Century CyberWorks Ltd (Code: 8) recovered slightly, as its share price regained 4.05 percent to close at \$HK9 even, after hitting a low of \$HK8.20 as about 123.46 million of its shares changed hands.

The volume of activity in this counter represented about 11.43 percent of the Total Turnover.

The smallish gains on the Main Board of The Stock Exchange of Hongkong Ltd of the Hongkong Special Administrative Region (HKSAR) of last Wednesday were on the back of news that oil prices had, definitely, cracked: Reports from the US indicated that a barrel of sweet crude could be purchased for about \$US31.50, last Tuesday, New York time.

This is equal to a reduction of about \$US7 per barrel, compared with the price of just one week earlier.

Advancing issues were ahead of retreating issues by the ratio of about 1.45:One on The Stock Exchange.

Here is a list of some of the double-digit gainers and losers of last Wednesday:

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<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (SHK)</b>
Anex International Holdings Ltd	723	14.68		0.25
Beijing Development (Hongkong) Ltd	154		11.00	0.89
Cheuk Nang Technologies (Holdings) Ltd	131	11.29		0.069
China Cyberworld Ltd	298	16.13		0.36
China Development Corporation Ltd	487	12.00		0.28
Chinney Investments Ltd	216		10.81	0.33
Coastal Realty Group Ltd	1124		11.67	0.265
COSCO International Holdings Ltd	517	30.39		1.33
Dah Hwa International (Holdings) Ltd	600	10.91		0.244
Global Applied Technology Holdings Ltd	930		10.65	1.51
Global Food Culture Group Ltd	970		13.33	0.169
Graneagle Holdings Ltd	147	14.29		0.024
Hikari Tsushin International Ltd	603	12.96		0.244
Hongkong Fortune Ltd	121		18.82	0.138
Hung Fung Group Holdings Ltd	1141	23.53		0.042
Jackin International Holdings Ltd	630	11.11		0.70
Matrix Holdings Ltd	1005	28.00		0.32
renren Media Ltd	59	27.87		0.078
Shun Ho Technology Holdings Ltd	219		11.78	0.30
Theme International Holdings Ltd	990	23.08		0.08
Tomorrow International Holdings Ltd	760	11.86		0.33
Zida Computer Technologies Ltd	859	10.11		0.98

The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd had a relatively quiet day as the Total Turnover fell back to about \$HK82.25 million.

The Growth Enterprise Index gave up about 0.66 percent, falling to 392.19 points, as gainers and losers were, just about, equal.

GEM stocks were watching the antics of Wall Street and, also, watching the PRC for its latest moves in regard to pre-admission to the World Trade Organisation (WTO).

There was only one counter that caught any serious attention since most counters saw smallish gains and losses.

However, Digitalhongkong.com (Code: 8007) shed 37.89 percent of its market capitalisation, falling to 29.50 cents per share -- on a volume of just 8,000 shares!

The only other mover was Syscan Technology Holdings Ltd (Code: 8083) whose share price retreated 11.95 percent to close the day at 14 cents per share.

In Japan, investors on the most important market in Asia, The Tokyo Stock Exchange, watched a full-scale retreat as the Nikkei-225 lost about 1.80 percent of its value, falling back to 15,639.95 yen.

Japan was following Wall Street's antics and was especially cognisant of the Eastman Kodak warning.

The share price of Fuji Photo Film, Japan's answer to Eastman Kodak, slumped nearly 8 percent, and Canon, one of the largest manufacturers of cameras and photocopiers in The Land of the Rising Sun, shed nearly 7 percent of its value.

Technology counters were falling in sympathy with their Wall Street counterparts as Fujitsu gave up about 4.70 percent of its market capitalisation and chipmaker, NEC, saw its share price fall 3.40 percent.

While Nippon Telegraph and Telephone (NTT), the largest company in Japan in terms of market capitalisation and one of the world's biggest telecommunications companies, gave up about 5.30 percent of its value, its subsidiary, NTT DoCoMo, a company which is engaged in the mobile telecommunications, was one of the star performers.

NTT DoCoMo's share price put on about 2 percent, bucking the general trend of the market.

The strength in this counter was due to an announcement from Management that stated that it would take a 43.20-percent stake in the Japanese subsidiary of the Internet service provider, America Online (AOL).

The deal is worth about \$HK778 million and means that NTT DoCoMo will take control of AOL Japan.

Aside from this little piece of excitement, there was little else to stimulate trading in Japan.

This is the way that other Asian markets braved the cold winds, blowing from Wall Street:

Thailand	Plus 1.17 percent
Indonesia	Minus 0.42 percent
Malaysia	Minus 0.96 percent
The Philippines	Plus 0.92 percent
South Korea	Plus 1.99 percent
Singapore	Minus 0.96 percent
Taiwan	Minus 0.47 percent
Japan	Minus 1.81 percent

### **Thursday**

Oil prices retreated, internationally, following an announcement from Saudi Crown Prince Abdullah bin Abdulaziz Al Saud who said that he would order his country to turn on the taps in whatever oil quantities were required in order *'to bring down prices'*.

And down came crude oil prices by one percent, the fourth decline in 6 days.

Brent crude for November settlement fell 49 cents (US), about 1.60 percent, to \$US30.05 per barrel on the International Petroleum Exchange in London.

That removed one of the most important single threats to the world's economy, at least for the time being, but the news came too late to affect trading on the world's largest stock exchange: The New York Stock Exchange.

On Wall Street, share prices continue to fall as the Dow Jones Industrial Average fell 2.96 points to 10,628.36 while the NASDAQ Composite Index shed 32.80 points, about 0.89 percent, falling to 3,656.30.

Investors on this market were still concerned about third quarter results of many of their favourites, most of which had been affected, one way or the other, by decade-high oil prices of late.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), share prices hardly moved on the Main Board, but, on the speculative, hi-tech and start-up market, known as The Growth Enterprise Market (The GEM), its Growth Enterprise Index shot up about 1.68 percent.

The trouble with many companies, listed on The Stock Exchange of Hongkong Ltd, was that many of them were beset by problems on a number of fronts, those at *'home'* and those from abroad.

The Hang Seng Index ended the session, last Thursday, down 28.38 points, about 0.18 percent, falling to 15,415.75 on a Total Turnover of \$HK8.57 billion.

Pacific Century CyberWorks Ltd (Code: 8) continued to be a dominant player and was the most active counter, representing a trading volume which was equal to about 9.45 percent of the Total Turnover.

A total of about 89.97 million Pacific Century CyberWorks's shares changed hands, with the share price fluctuating between a low of \$HK8.85 and a high of \$HK9.30.

It closed unchanged at Wednesday's price of \$HK9 per share.

What was continuing to stimulate interest in this company -- no doubt, Management would have preferred otherwise -- was its Interim Announcement that stated that it had lost about \$HK35 million in the first half of the Current Financial Year to June 30.

The Company, also, took the opportunity to assure its shareholders that it was *'hard at work'* to try to hook the Australian giant, Telstra Corporation, on its fishing line of investors in order to bring in a promised \$HK23 billion into the Pacific Century CyberWorks's pot. (please see Tuesday's report on this subject)

In addition to these matters, the company announced that it was investing another \$HK200 million in acquiring a 37.65-percent interest in ChinaBig, an online business directory in the PRC.

The ratio of gainers to losers was about 1.38:One, but it was an almost guarantee that, had certain issues, such as HSBC Holdings plc, not slumped, the ratio of gainers to losers would have been much wider.

With regard to HSBC Holdings, it returned to popularity as about 7.19 million of its shares changed hands, but its share price fell to \$HK108.50, after touching a high of \$HK110.50.

The closing price of this bank's shares, HSBC Holdings is one of the largest banks in the world, was equal to a loss of about 0.91 percent, compared with Wednesday's closing level.

The volume of activity on this counter represented about 9.10 percent of the Total Turnover.

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

Name of Company	Code			
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		<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
Anex International Holdings Ltd	723		16.00	0.21
Bossini International Holdings Ltd	592	16.10		1.37
Can Do Holdings Ltd	172	11.11		1.10
CCT Telecom Holdings Ltd	138	16.00		1.16
CIL Holdings Ltd	479		15.63	0.027
Daiwa Associate Holdings Ltd	1037	18.00		0.59
Ehealthcareasia Ltd	835		10.26	0.35
Hikari Tsushin International Ltd	603	12.70		0.275
i100 Ltd	616	10.71		0.62
iQuorum Cybernet Ltd	472	10.53		0.042
Kong Sun Holdings Ltd	295	20.00		0.48
New Media Ltd	282	10.53		0.63
Oriental Explorer Holdings Ltd	430	10.29		0.075
Plotio Holdings Ltd	499		14.52	0.53
Qualipak International Holdings Ltd	1224	12.20		0.138
Quality HealthCare Asia Ltd	593	20.97		2.25
Sino InfoTech Holdings Ltd	205	19.15		0.28
Softbank Investment International (Strategic) Ltd	648	15.58		0.89
Stone Electronic Technology Ltd	409	28.28		1.27
Suwa International Holdings Ltd	567	15.69		0.295
TCL International Holdings Ltd	1070	11.64		1.63
Vanda Systems and Communications Holdings Ltd	757	15.25		1.36
vLink Global Ltd	563	10.85		0.143

On The GEM, gainers outnumbered losers by the ratio of about 1.69:One, with Phoenix Satellite Television Holdings Ltd (Code: 8002), being the most active counter.

Phoenix Satellite, the most active counter, rebounded from earlier losses to close the day at \$HK1.95 per share after hitting a low of \$HK1.88 per share on a volume of trading, amounting to about 11.76 percent of the Total Turnover of about \$HK89.60 million.

This market was anticipating a return to favour on Wall Street in view of the fact that it was clear that oil prices would ease, and in the very near future.

Aside from Phoenix Satellite, the only 2 other counters that made any material movements, catching the attention of investors, were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Qianlong Technology International Holdings Ltd	8015	11.76		0.95
Shanghai Fudan Microelectronics Company Ltd	8102	17.39		1.62

In Japan, on The Tokyo Stock Exchange, the premier bourse in that country, the Nikkei-225 lost about 0.08 percent of its value, falling to 15,626.96 yen.

The telecom sector of the market was especially weak with the share price of NTT DoCoMo, falling about 3.83 percent to hit 3.01 million yen.

But Japan Telecom, another of the biggies in The Land of the Rising Sun, outdid NTT DoCoMo with a loss of about 8 percent as its share price fell to 3.11 million yen.

With Wall Street's NASDAQ Composite Index, having fallen for 5 days, consecutively, it was difficult for other markets to disregard the situation on the most important marketplace in the world.

It was apparent that, at any moment, Wall Street could take off like a rocket, but investors, round the world, were unsure as to when that day would be forthcoming.

Most other share-price movements on The Tokyo Stock Exchange were not of any material consequence, however, and the news of the turning on of the oil taps in Saudi Arabia had yet to be announced.

This is how other parts of Asia viewed the situation, last Thursday:

Thailand	Minus 1.97 percent
Indonesia	Plus 1.31 percent
Malaysia	Minus 1.04 percent
The Philippines	Plus 0.18 percent
South Korea	Plus 1.09 percent
Singapore	Minus 0.27 percent
Taiwan	Minus 2.27 percent
Japan	Minus 0.08 percent

## **Friday**

Fearing that it might be a long, cold winter before share prices could be as low as they were last Wednesday and Thursday, investors in both The Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) and Japan went on a mild buying spree.

But the big question was whether or not it would spill over into the following week, last Monday, being a public holiday in the HKSAR.

On Wall Street, buyers were out in force, pushing up share prices on The New York Stock Exchange, quite considerably.

Wall Street's Dow Jones Industrial Average, the widely accepted gauge of what is now referred to as '*old economy stocks*', put on 195.70 points to finish last Thursday's session (New York time) at 10,824.06 points. This was a one-day gain of about 1.84 percent.

On the hi-tech sector of the market, the NASDAQ Composite Index, the '*barometer*' of '*new economy stocks*', rushed up 122.02 points to close at 3,778.32 points.

This gain represented an improvement of about 3.34 percent, compared with Wednesday's close.

As though not to be outdone, the HKSAR's Main Board of The Stock Exchange of Hongkong Ltd rose moderately as the Hang Seng Index put on about 1.51 percent, rising to 15,648.98.

The 233.23-point gain on the Hang Seng Index was on the back of continued low volume, which reached just \$HK8.12 billion.

Advancing issues outpaced declining ones by the ratio of about 2.38:One.

Pacific Century CyberWorks Ltd (Code: 8) continued to be the most active issue as more than 85.29 million of its shares switched owners with the price hitting a low of \$HK8.75 before rebounding, slightly.

By the close of trading, the share price of Pacific Century CyberWorks was registering a 2.22-percent loss, compared with Thursday's closing level, at \$HK8.80.

Investors in Asia are not too happy with this company, at this time, especially in respect of the on-again, off-again situation with Telstra Corporation of Australia (please see Wednesday's report on this matter).

Hitting the Ten Most Active issues, for the first time in many a moon, was The Bank of East Asia Ltd (Code: 23) as investors piled into this banking stock (it is the largest local bank and is known to be have especially conservative Management policies).

The Bank of East Asia closed the week at \$HK17.50 per share, a gain of about 5.74 percent, compared with Thursday's closing level.

Most of the gains for many counters were fractional, but the following is a list of some of the major double-digit movers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Southern Airlines Company Ltd	1055	10.23		2.425
Ecopro Hi-Tech Holdings Ltd	397	15.00		0.023
EganaGoldpfeil (Holdings) Ltd	48	11.11		0.20
ehealthcareasia Ltd	835	14.29		0.40
Emperor (China Concept) Investments Ltd	296	11.11		0.04
FT Holdings International Ltd	559	15.09		0.61
Gay Giano International Group Ltd	686	26.14		1.11

Global Food Culture Group Ltd	970		14.84	0.132
Great Wall Cybertech Ltd	689	10.48		0.232
Lamex Holdings Ltd	312	11.27		0.079
Ocean Shores Group Ltd	764	10.00		0.55
OSK Asia Corporation Ltd	555		10.59	0.38
Paliburg Holdings Ltd	617	18.18		0.26
South China Morning Post (Holdings) Ltd	583	10.19		5.95
Simsen International Corporation Ltd	993	13.33		0.102
Suwa International Holdings Ltd	567	15.25		0.34
Tonic Industries Holdings Ltd	978	20.00		0.60
Victory Group Ltd	1139	30.51		0.231
Whimsy Entertainment Company Ltd	1188	11.84		0.85
Wiltec Holdings Ltd	1169		29.00	0.71

The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd (The GEM) was another story to the Main Board because, on this market, The Growth Enterprise Index continued the retreat, started earlier in the week.

The Growth Enterprise Index lost about 0.62 percent, falling to 396.31 points.

The Total Turnover on this market was boosted by the coming of Sino Biopharmaceutical Ltd, a new listing whose share price fluctuated nearly 48 percent, during the day, from its low point of \$HK1.05.

It closed the day at \$HK1.10 per share, which was an 8.33-percent fall, compared with its Offer Price of \$HK1.20 per share when it pitched its Prospectus, which offered 60 million shares last Wednesday.

The GEM was surprised to see that, on Wall Street, Apple Computer, one of the largest personal computer producers in the world, lost about 45 percent of its market capitalisation in after-hours trading on Thursday evening, New York time.

Apple Computer issued a warning about its quarterly profits, stating '*substantially below expectations*'.

That was sufficient to push down the share price of Apple Computer to \$US29.19 (about \$HK277). This compared with regular trading hours, which saw Apple Computer's stock actually climb about 9.32 percent to his \$US53.50.

In spite of The Growth Enterprise Index retreating, gainers were still ahead of losers by the ratio of 1.17:One.

In Japan, The Tokyo Stock Exchange seemed to be encouraged by Wall Street's power and, as a results, the Nikkei-225 Index gained about 0.77 percent, rising to 15,747.26 yen.

The Apple Computer situation did not appear to worry the largest bourse in Asia and Japanese chipmakers, contrary to expectations, had a booming session.



Chipmakers are especially vulnerable to lower sales of personal computers, those perceived and those real, so that one would have expected an announcement from a company of the size of Apple Computer to have put the fear of God into Japanese manufacturers of computer parts.

But Tokyo had had its fair share of losses, with last Friday's market, representing the market rising off its knees since, on Thursday, the Nikkei-225 hit its lowest level of the year.

A star performer for the day was Nissan Motor, the share price of which gained 15.50 percent.

Nissan is one of the motor-car companies of Japan that has yet to be the subject of scandal, at least, not a public one.

While it was true to say that '*Japan Incorporated*' appeared to be on the mend, most counters saw only fractional gains.

This is the way that Asia went home, last Friday, September 29, 2000, just before the 3-day weekend:

Thailand	Minus 0.88 percent
Indonesia	Plus 1.40 percent
Malaysia	Minus 1.02 percent
The Philippines	Minus 0.51 percent
South Korea	Plus 1.22 percent
Singapore	Plus 1.63 percent
Taiwan	Minus 2.02 percent
Japan	Plus 0.77 percent

***While TARGET makes every attempt to ensure accuracy of all data published,  
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