

**THE WORLD WAITS TO SEE WHO WILL BE THE NEXT U.S. PRESIDENT**

While the US was mesmerised by election fever, with Presidential hopefuls, Messrs Al Gore and George W. Bush, doing all they could in a last-ditch attempt to cast aspersions on the competition, Asian stock markets waited for the outcome.

Who is to replace US President Bill Clinton will have an immediate effect on stock markets, throughout the world.

On The New York Stock Exchange, the previous Friday, November 3, the Dow Jones Industrial Average lost 62.56 points, falling to 10,817.95 points. The Friday performance meant that the Dow had made a gain of about 2.10 percent for that week.

The broader-based NASDAQ Composite Index, on the other hand, helped itself to another 22.55-point gain, ending the week at 3,451.58 points, representing a 5.30-percent improvement, week-on-week.

Asia was hoping for a repeat performance for the week, starting November 6, but, at 4 pm, Hongkong time, last Monday, there was no guarantees: And investors were cautious.

The Stock Exchange of Hongkong Ltd saw its Main Board's Hang Seng Index make gains of just short of one half of one percent, ending the Monday session at 15,671.15, just 77.03 points better than the previous Friday's close.

The Total Turnover, however, was only \$HK10.73 billion, with China Mobile (Hongkong) Ltd (Code: 841), being responsible for about 14.73 percent of that figure.

China Mobile, by far, the largest mobile telephone operator in the People's Republic of China, regained some of the losses of the previous week as about 30.04 million of its scrip, changed hands.

The closing price, at \$HK53 per share, represented a gain of about 3.41 percent, compared with the last trade on Friday, November 3.

Pacific Century CyberWorks Ltd, the Li Ka Shing Internet investor and the owner of Cable and Wireless HKT Ltd, struggled to regain some of the lost ground of the previous week, but its turnover was only about 34 percent of that of China Mobile's.

After about 89.68 million Pacific Century CyberWorks's shares were traded, with the share price, ranging from a low of \$HK5.95 and a high of \$HK6.20, investors left the stock at the closing price of \$HK6, just a midget up on the previous Friday's closing level.

Other Li Ka Shing major companies, Hutchison Whampoa Ltd (Code: 13) and Cheung Kong (Holdings) Ltd (Code: 1), fared not too well, with Hutchison, losing 0.48 percent to end the day at \$HK104.50 per share, while Cheung Kong lost one percent, to close at \$HK92.25 per share.

The ratio of gainers to losers was 1.20:One.

Europe was still in a bit of a mess as it was reported that the European Central Bank (ECB) had been forced to intervene on the money markets, for the third time in 10 trading days, in order to prop up the euro, artificially.

The previous week the ECB had done the same thing. Also, to no avail.

The euro was trading at about 87 cents (US), last Monday. No improvement – again.

The following is a list of the double-digit gainers and losers for Monday, November 6, 2000:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
21 CN CyberNet Corporation Ltd	241	14.46		0.95
CCT Multimedia Holdings Ltd	1169	20.00		0.39
Cheuk Nang Technologies (Holdings) Ltd	131		10.53	0.051
China Cyberworld Ltd	298	11.11		0.30
DCP Holdings Ltd	497	11.29		0.345
Deson Development International Holdings Ltd	262		16.67	0.045
e-Kong Group Ltd	524	11.11		0.70
e-New Media Company Ltd	128	22.86		0.86
eForce Holdings Ltd	943	27.56		0.199
Emperor (China Concept)Investments Ltd	296	37.50		0.044
First Pacific Company Ltd	142	12.05		2.325
Fu Hui Holdings Ltd	639	10.00		0.066
Global China Technology Group Ltd	1105	16.39		0.71
Good Fellow Group Ltd	910	22.95		0.75
Group Sense (International) Ltd	601	10.39		0.425
Guangdong Kelon Electrical Holdings Company Ltd	921	10.50		2.00
HiNet Holdings Ltd	155	21.50		0.26
Hongkong Fortune Ltd	121	10.71		0.093
Honko International Holdings Ltd	673	30.73		0.234
Hop Hing Holdings Ltd	47		17.48	0.26
Hung Fung Group Holdings Ltd	1141	13.64		0.025
ITC Corporation Ltd	372	17.24		1.02
Kadar Holdings Company Ltd	180	11.65		0.23
Kin Don Holdings Ltd	208	27.67		0.078
Midas Printing Group Ltd	1172	16.13		0.36
Nam Fong International Holdings Ltd	1176	21.21		0.08
New Island Printing Holdings Ltd	377	19.17		2.30
New World CyberBase Ltd	276	15.70		0.28
Prime Success International Group Ltd	210	10.78		0.113
Prosper eVision Ltd	979	11.46		2.675
Seapower Resources International Ltd	269	29.71		0.179

Shun Ho Technology Holdings Ltd	219		13.79	0.25
Sino InfoTech Holdings Ltd	205	12.69		0.222
Skyinet (International Group) Holdings Ltd	577	10.00		0.187
Softbank Investment International (Strategic) Ltd	648	13.04		1.04
Soundwill Holdings Ltd	878	18.18		0.091
South East Group Ltd	726		19.23	0.021
Star Cyberpower Holdings Ltd	1051		10.53	0.017
Star East Holdings Ltd	198	20.73		0.495
Stone Electronic Technology Ltd	409	13.74		1.49
Styland Holdings Ltd	211		16.67	0.01
Sunway International Holdings Ltd	58	12.00		0.84
Tai Ping Carpets International Ltd	146		15.00	1.70
Theme International Holdings Ltd	990	24.71		0.106
Tung Fong Hung (Holdings) Ltd	279	18.81		0.24
Universal Appliances Ltd	419	16.85		0.104
vLink Global Ltd	563	10.53		0.126
Wah Tak Fung Holdings Ltd	297		18.67	0.061
Wireless InterNetworks Ltd	261		14.29	0.018
Yunnan Enterprises Holdings Ltd	455	20.73		0.65

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index ran up 1.22 percent to 362.52 points on a Total Turnover of about \$HK212.13 million.

The Li Ka Shing '*wild card*', tom.com Ltd (Code: 8001), was the leader of the small pack of gainers as about \$HK34.50-million worth of tom.com shares were traded.

The share price fluctuated between \$HK3.40 and \$HK3.625, closing at \$HK3.55 per share for a gain of about 5.19 percent, compared with the previous week's closing level.

Town Health International Holdings Company Ltd (Code: 8138), the '*darling*' of the previous fortnight, fell from grace as its share price drifted down to \$HK2.775 after about 8.92 million of its scrip found new owners.

It closed at \$HK2.85 per share, down 5.79 percent. It was the second most active counter.

The biggest mover was Yuxing InfoTech Holdings Ltd (Code: 8005), the share price of which rose 21.77 percent to \$HK1.51 on a volume of 9.97 million shares.

The ratio of gainers to losers on this market was about 1.53:One.

Without question, investors on this speculative market wanted to see which way the NASDAQ 'ball' would bounce on Monday, November 6, New York time, before making fresh commitments in Asia.

In Japan, the Nikkei-225, the benchmark of The Tokyo Stock Exchange, shot up 3.60 percent to 15,371.44, but the gains had to take into account the fact that the premier Japanese stock market was closed the previous Friday for a holiday.

And that was the day when things were popping in New York.

Softbank, one of the largest investors on the Internet, enjoyed a 14-percent rise, following a report from Qualcomm, a company whose shares are traded on The New York Stock Exchange, as to its fourth quarter results, which were far better than had been expected.

Advantest, a producer of semiconductor testing devices, had its share price marked up about 7.20 percent while Electron, a producer of chip-making equipment, saw its share price take off with a 9-percent improvement.

But the market was, by and large, not the most exciting of venues in Asia, with the Total Turnover far from being close to a record level.

The following is how other Asia markets fared for the first day of the week, beginning November 6:

Thailand	Plus 1.42 percent
Indonesia	Plus 1.33 percent
Malaysia	Plus 0.45 percent
The Philippines	Plus 6.48 percent
South Korea	Minus 0.67 percent
Singapore	Minus 2.67 percent
Taiwan	Minus 0.35 percent
Japan	Plus 3.60 percent

## **Tuesday**

The big news of the day came from the Li Ka Shing Camp, last Tuesday, as it was reported that Pacific Century CyberWorks Ltd (Code: 8), the Internet investment company and the owner of Cable and Wireless HKT Ltd, was about to bite the bullet – again.

It appears that its grand plan to have an international news service over the Internet is dragging its feet, while cost billions of dollars to get off the floor.

Network of the World (NOW) was said to have burnt a \$HK2.33-billion hole in the Li Ka Shing company pocket, with little to no chance of a recovery in site.

Staff cuts were being broadly mooted by senior management of Pacific Century CyberWorks as people waited for the news of the sharpening of the axe.

In such an atmosphere, it was hardly surprising that the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were skittish.

Pacific Century CyberWorks's share price zigzagged between a low of \$HK5.95 and a high of \$HK6.15 all the day, ending the session at \$HK6.10 after about 59.76 million of its shares were traded.

The Hang Seng Index, the benchmark of the Main Board, ended up about 0.96 percent at 15,820.79 points on a Total Turnover of about \$HK8.98 billion.

Once again, the low volume of activity was frightening for the gurus of the stock market because nothing could be worse than to have a market where there is little trading.

Interestingly enough, it was in the last hour of trading, between 3 pm and 4 pm, that the market made its move since, prior to 3 pm, the Hang Seng Index was off 89.31 points, compared with Tuesday's closing level.

In one hour of trading, therefore, the Hang Seng Index put on 239.15 points.

China Mobile (Hongkong) Ltd (Code: 941) continued to be a hot property for investors as investors weighed its intermediate prospects, following the successful acquisition of 7 new mobile telecommunication networks in the PRC at a cost of more than \$HK100 billion.

Its share price was locked within a range of \$HK1 for the entire day, between a low of \$HK52.25 and a high of \$HK53.75.

It closed the day at its highest point of \$HK53.75 per share after about \$HK949.71-million worth of its stock changed hands.

The Li Ka Shing Camp was very much in the news, throughout the day, first because of the vocal outbursts of Mr Li Ka Shing with regard to his defense of the roasting that he had received at the hands of the European Parliament, the previous week, and, second, due to the many Press Announcements that his group of companies had been making of late.

His company, listed on The Growth Enterprise Market (The GEM), tom.com Ltd (Code: 8001), announced last Tuesday that it had done a deal with a Greater China company, China Markets Ltd.

The new partnership is to allow the duo to broadcast multi-media financial information over the Internet.

Nobody paid too much attention to this link-up because, until the money is on the table, it means nothing.

More important than this type of dream, which may or may not metamorphose into cash in the kitty, was what was taking place in New York where, on the largest bourse in the world, the Dow Jones Industrial Average was moving up in a very speedy fashion.

The Dow ended the first day of trading of the new week with a hefty gain of 1.47 percent, just nudging the 11,000 level at 10,977.21 points.

The NASDAQ Composite Index, however, shed about 1.02 percent to fall to 3,416.21 points.

On the eve of the US Presidential Election, excitement was running high with a great deal of the trading on The New York Stock Exchange, being the result of investors, trying to outguess the election polls.

The hi-tech end of the market was concerned as to what Cisco Systems, the second largest company in the world, would report with regard to its first quarter earnings.

After the New York market closed, and shareholders had hedged their bets by straddling the stock, the computer networking monolith reported earnings of about \$US1.36 billion (about \$HK10.54 billion) for the first quarter, ended October 28, 2000.

Compared with the like 1999 period, sales had risen by about 66 percent (to \$US6.52 billion -- \$HK43.56 billion), according to Management.

This was far better than many expectations.

It was well expected that, notwithstanding the Presidential Elections, the NASDAQ would be the place to watch when Wall Street re-opened for business, last Tuesday, New York time.

But, in the HKSAR, there were still grave concerns, those political and those financial, and these concerns restrained the market from any major upward movements.

It was of note to many stock-market players that the Hang Seng Index, after being off about 112.21 points in 150-minute morning session, reversed its direction in the 90-minute afternoon session when it regained a total of 261.85 points, driving it back again into positive territory.

The ratio of gainers to losers on The Stock Exchange of Hongkong Ltd was about 1.25:One.

Some of the biggest movers of last Tuesday included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 CN CyberNet Corporation Ltd	241	13.68		1.08
Asia Logistics Technologies Ltd	682	24.43		0.275
China Online (Bermuda) Ltd	383	10.24		0.14
China Sci-Tech Holdings Ltd	985	11.67		0.134
China United Holdings Ltd	273	15.00		0.023
CIL Holdings Ltd	479	35.71		0.019
Deson Development International Holdings Ltd	262	17.78		0.053
e2- Capital (Holdings) Ltd	378	15.69		0.59
Easyknit International Holdings Ltd	1218	11.11		0.30
Far East Technology International Ltd	36	27.08		0.61
FT Holdings International Ltd	559	12.24		0.55
Fujian Group Ltd	181	16.92		0.075
G-Prop (Holdings) Ltd	286	13.79		0.33
Grand Field Group Holdings Ltd	115	15.00		0.23
Graneagle Holdings Ltd	147	23.91		0.026
Group Sense (International) Ltd	601		10.59	0.38
Hikari Tsushin International Ltd	603	23.89		0.28
i100 Ltd	616	23.53		0.84
ICG AsiaWorks Ltd	715	15.71		0.81
iQuorum Cybernet Ltd	472	15.79		0.044
Lamex Holdings Ltd	312	22.92		0.059
Luoyang Glass Company Ltd	1108	16.33		0.57
Netalone.com Ltd	336	20.00		0.30
Online Credit International Ltd	185	11.11		0.11
Prime Success International Group Ltd	210	16.81		0.132
Quality Food International Ltd	735		11.07	0.249
renren Media Ltd	59		10.00	0.072
Sinocan Holdings Ltd	1095	10.00		0.077
Softbank Investment International (Strategic) Ltd	648	41.35		1.47
Soundwill Holdings Ltd	878	29.67		0.118
South East Group Ltd	726	23.81		0.026
Wah Tak Fung Holdings Ltd	297	19.67		0.073
Wireless InterNetworks Ltd	261	11.11		0.02
Wonson International Holdings Ltd	651	15.91		0.051

The GEM, the speculative marketplace of The Stock Exchange of Hongkong Ltd, was very quiet as The Growth Enterprise Index squeezed out a one-half-point gain, rising to 363.02 points.

The Total Turnover was about \$HK205.92 million with the ratio of gainers to losers, being exactly even at 18:18.

The market was directionless and the announcement from tom.com Ltd did nothing for anybody. In fact, the share price of tom.com declined 1.41 percent on the strength of the news, ending the day at \$HK3.50 per share.

Only 2 counters made any appreciable move. They were Panda-Recruit Ltd (Code: 8073) and Syscan Technology Holdings Ltd (Code: 8083).

The share price of Panda-Recruit made a 16.46-percent gain, moving up to 9.20 cents while Syscan's share price rose 12.38 percent to end the day at 11.80 cents.

Which does not amount to a hill of beans because Panda-Recruit floated its shares at 30 cents per share on July 11, 2000 while Syscan's Offer Price was \$HK1.33 per share when it went to the marketplace on September 4, 2000.

In Japan, it was a similar story to most of Asia as the premier Japanese stock market found itself, trying to hang on to slim gains.

But the bears had their way by the close of trading as the Nikkei-225, the gauge of The Tokyo Stock Exchange, gave up 0.20 percent, falling to 15,340.33 yen.

There were few major movers on this market as the East turned its attention to the West and the all-important the US Presidential Elections.

It was the same story throughout Asia, with the exception of Taiwan where political unrest was fermenting.

This was how other Asian stock markets saw the situation, last Tuesday:

Thailand	Plus 0.15 percent
Indonesia	Plus 1.39 percent
Malaysia	Plus 0.02 percent
The Philippines	Plus 0.83 percent
South Korea	Minus 0.59 percent
Singapore	Plus 0.72 percent
Taiwan	Plus 3.89 percent
Japan	Minus 0.20 percent

### **Wednesday**

And the world waited as Americans counted the votes, which would determine who would replace the present perjurer and cocks man in the Whitehouse.

The New York Stock Exchange had long closed before it became known that there had been a bit of a screw-up in the counting of votes in the US Presidential race so that the indices of that market reflected speculation, only, on the part of US investors.

The Dow Jones Industrial Average closed down about 25.03 points to 10,952.18 points while the NASDAQ Composite Index ended the day almost unchanged at 3,415.79.

Cicso Systems, which delighted its shareholders with its first quarter results (please see Tuesday's report), saw its share price rise \$US1.63, about 2.96 percent, to close the day at \$US56.75.

The trepidation in the hearts of many investors with regard to the US Presidential race, however, was as clear as crystal since it was known which candidate was likely to be for and/or against which aspect of the present US

economy.

In the Hongkong Special Administrative Region (HKSAR) of the Peoples' Republic of China (PRC), The Stock Exchange of Hongkong Ltd recorded a loss of about 1.05 percent on its Main Board as the Hang Seng Index fell to 15,820.79 points.

The Total Turnover was about \$HK12.51 billion with just 2 counters, being responsible for about 20.06 percent of that figure.

The 2 counters were Pacific Century CyberWorks Ltd (Code: 8) and China Mobile (Hongkong) Ltd (Code: 941).

Pacific Century CyberWorks's Management watched as about 209.94 million of its shares, changed hands, with the price fluctuating between a low of \$HK6.10 and a high of \$HK6.50.

It ended the day at \$HK6.30 for a gain of about 3.28 percent, compared with Tuesday's closing level.

There had been some unconfirmed reports about what this company might be doing in the near future, but investors were looking at its record of continual losses, probably thinking that things could not, possibly, get worse.

But they can, especially with a company of this ilk.

As for China Mobile, this cellular telephone operator in the PRC had a turnover of about 21.89 million of its stock changing hands, with its share price, rising to a high of \$HK54 at one point in the day.

The closing price of this huge company, at \$HK52.50, represented a loss of about 2.33 percent, compared with Tuesday's closing level.

Most of the Ten Most Active counters lost ground, but most of the losses were of a fractional nature.

A news item, which should have worried the market, was interpreted as being not much more than a yawn: The Government of the PRC is to shoot 14 provincial Government officials for their role in a multi-billion renminbi smuggling ring in the Fujian Province.

There were 200 defendants, in all, with still about 186 more defendants to stand trial: A bullet a day keeps the crooks at bay?

(There is no suggestion on TARGET's part that the PRC's Army could run out of ammunition)

It is well that the PRC Government does not look too closely at the affairs of many of the officials, working in the HKSAR, otherwise, the HKSAR population might be considerably reduced.

As for the euro, it dropped in early London trades as it was thought, mistakenly, that George W. Bush would replace Bill Clinton as the next President of the US.

The thinking was that, as President Bush, the US Government would not cotton on to the idea of intervention in the money markets, whereas the opposite was said to be true should Al Gore get the biggest plum job in the world.

The euro was little changed at the end of the day – since nobody was quite certain as to what to do when it became known that there had been an election cock-up.

The ratio of losers to gainers on The Stock Exchange of Hongkong Ltd was about 1.63:One.

In such an atmosphere of uncertainty, Asia decided to wait for the international dust to clear.



The following is a list of the biggest gainers and losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139	10.00		0.044
B-Tech (Holdings) Ltd	412	11.76		0.019
Bestway International Holdings Ltd	718	16.67		0.049
China Cyberworld Ltd	298	11.86		0.33
China Elegance International Fashion Ltd	476	18.18		0.013
China Star Entertainment Ltd	326	13.46		0.295
CIL Holdings Ltd	479		15.79	0.016
Daido Concrete (Hongkong) Ltd	544	17.33		0.088
eForce Holdings Ltd	943		14.22	0.187
Elegance International Holdings Ltd	907	15.79		1.10
Fujikon Industrial Holdings Ltd	927	11.88		1.32
Gemzboh Holdings Ltd	1192	20.59		0.082
Global Food Culture Group Ltd	970	11.76		0.114
Global Link Cyber International Ltd	140	10.86		0.194
Hung Fung Group Holdings Ltd	1141		16.67	0.02
i100 Ltd	616		11.90	0.74
Lai Fung Holdings Ltd	1125	11.76		0.57
Magnificent Estates Ltd	201	19.05		0.05
Mandarin Resources Corporation Ltd	70	14.07		30.80
Netalone.com Ltd	336	10.00		0.33
Next Media Ltd	282	20.83		0.58
Ocean Shores Group Ltd	764	11.83		0.52
Quality Food International Ltd	735		16.06	0.209
Sega.com Asia Ltd	1196		10.98	1.46
Solartech International Holdings Ltd	1166	22.22		0.022
South East Group Ltd	726		11.54	0.023
vLink Global Ltd	563		12.59	0.118

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Total Turnover rose to about \$HK303.20 million as The Growth Enterprise Index put on about 1.08 percent, rising to 366.93 points.

The leading counter was Mr Li Ka Shing's tom.com Ltd (Code: 8001), following its announcement as to its first half results.

Which were, as expected: Terrible!

The company reported continued losses, amounting to about \$HK194 million, on a Turnover of about \$HK6 million.

(That Turnover figure of \$HK6 million is not a misprint on the part of anybody: It is a fact)

The company had laid off 130 staff members in the past few months in order to save some money.

The share price of this loser fluctuated between a low of \$HK3.50 and a high of \$HK3.85, ending the day at \$HK3.55 after 13.15 million tom.com shares changed owners.

Investors on this market had, at the time that the HKSAR was trading stocks and shares and what-have-you, not been apprised of the situation in the US where a San Francisco company, Pets.com, had closed its doors for good.

And, with this closure, hundreds of millions of US dollars in investors' money went down the drain.

For this company had been floated on the NASDAQ in February this year when it raised about \$US82.50 million (about \$HK640 million) on its Initial Public Offering.

Amazon.com has a piece of this e-failure, it was reported.

At one time, the share price of this company was in excess of \$US14 (about \$HK108).

The death watch in the US for dying e-commerce companies continues.

While, technically, The GEM was in the black, all the day, last Wednesday, there was a great deal of pulling and shoving, resulting in the ratio of gainers and losers, being exactly even at 19:19 – not unlike Tuesday's trading pattern.

Phoenix Satellite Television Holdings Ltd (Code: 8002) continued its run-up, hitting a high of \$HK2.20 per share on a turnover of about 15.61 million shares.

The share price of this Rupert Murdoch company has been a consistent winner since it went public on June 21, 2000.

The 5 double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Fortune Tele.com Holdings Ltd	8040	11.38		0.98
GreaterChina Technology Group Ltd	8032		11.88	0.26
iSteelAsia.com Ltd	8080	11.34		0.54
Neolink Cyber Technology (Holdings) Ltd	8116	20.00		0.60
techpacific.com Ltd	8088	13.33		0.34

In Japan, there was a great deal happening on the business front.

Honda Motor Company, the second largest motor-car manufacturer in The Land of The Rising Sun, reported disappointing results for the first half year, as profits fell about 10.60 percent, compared with the like period, one year earlier.

Nevertheless, it was in the black to the extent of about \$US1.13 billion (about \$HK8.76 billion) – which is, still, a respectable profit, by any standards.

Honda obtains about 90 percent of its profits from operations in North America so that a stronger yen means less profits for the company.

The Tokyo Stock Exchange was, once again, quiet, taking little notice of the Honda announcement and preferring to maintain the stance that the company will see better times ahead.

In fact, Honda's share price actually rose 1.50 percent while rival motor-car manufacturer, Mazda Motors, tailgated its senior with a 1.20-percent rise in its share price.

Toyota was the *'darling'* of the motor-car sector of the market as its share price rose about 1.80 percent.

The Nikkei-225, the benchmark of The Tokyo Stock Exchange, rose less than one half of one percent, ending the day at 15,399.64 yen, a gain of just 59.31 yen.

Gains, by and large, were of a fractional nature, for most of the counters, although there was the odd flash in the pan.

The market became a little squeamish when it became known that South Korea's Daewoo Motor Company was tossing in the towel after defaulting on a \$US155-million (about \$HK1.20 billion) debt-service payment.

The Government of South Korea was said to have gone into a huddle in order to take stock of the situation and to determine what action to take – if any.

More than 27,000 people's jobs are at stake in that Asian country with another 1,000 jobs at stake in England where Daewoo has a factory in Worthing, West Sussex.

The company has debts in excess of \$US10.60 billion (\$HK82 billion).

As the saying goes: The bigger they come, the harder they fall.

On such a note, Asia went to bed, wondering who would be the next man to sit in the hot seat of the most powerful country in the world.

This is the way that the most important bourses of Asia saw things, last Wednesday night:

Thailand	Plus 2.40 percent
Indonesia	Plus 1.20 percent
Malaysia	Minus 0.73 percent
The Philippines	Minus 2.60 percent
South Korea	Plus 0.86 percent
Singapore	Minus 0.24 percent
Taiwan	Plus 3.24 percent
Japan	Plus 0.39 percent

### **Thursday**

The world waited to learn who would succeed US President Bill Clinton as the most powerful man on the planet; and, in Florida, confusion reigned over the Presidential vote count.

Meanwhile, armies of American lawyers descended on the southern State in order to tackle some of the thorny issues, involved with voting irregularities.

Never in the history of the US had there been such confusion over the counting of one State's votes, a count known to have been less than 2,000 votes.

But those 2,000 votes separated the 2 Presidential hopefuls.

Stock markets were thrown into confusion, with the most important bourse in the world, The New York Stock Exchange, having a very choppy session, last Wednesday, New York time.

And even on Thursday morning, New York time, the situation had not been resolved.

The Dow Jones Industrial Average fell 45.12 points to 10,907.06 points, but the NASDAQ Composite Index gave up 184.09 points, about 5.39 percent, hitting 3,231.09.

Trading on The New York Stock Exchange could not be taken as being indicative of anything, other than uncertainty over the Presidential Elections.

And Asia was hit by the fallout of Wall Street.

Asia was worried that international relations could well be affected should George W. Bush get into the White House, whereas, if Vice President Al Gore got his boss's job, the status quo was likely to be maintained.

On The Stock Exchange of Hongkong Ltd, the Main Board's index, the Hang Seng Index, lost about 0.95 percent, falling to 15,504.80, while The Growth Enterprise Index, the index of the speculative Growth Enterprise Market (The GEM), lost about 1.34 percent, falling back to 362.03 points.

What was telling about both markets was that their individual Total Turnovers were considerably lower, with the Main Board's Total Turnover, down to about 8.39 billion, while The GEM's Total Turnover dropped back to 188.31 million.

There was, really, no other special news, other than the historic cliffhanger of a US Presidential race, that affected the stock markets of Asia, some of which appeared to come to a virtual standstill.

Most of the high-flyers had their wings clipped on the Main Board, led by China Mobile (Hongkong) Ltd (Code: 941), the share price of which shed 3.33 percent, falling to \$HK50.75 after about 23.71 million of its stock were traded.

The trading in this one counter amounted to about 14.42 percent of the Total Turnover.

The Li Ka Shing mob were all, up there, in the Ten Most Active counters, as Hutchison Whampoa Ltd (Code: 13), the second, most-actively traded stock, lost 1.42 percent of its value with its share price, falling to \$HK104.50 after \$HK674.35-million worth of its shares found new owners.

Mr Li Ka Shing's flagship company, Cheung Kong (Holdings) Ltd (Code: 1), was in the fourth slot position as about 4.68 million of Mr Li's prized scrip changed hands.

At the end of the day, the Cheung Kong share price stood at \$HK91.50, a loss of about 1.61 percent, compared with Wednesday's closing level.

In sixth position, as the most-active counter, was battered and mauled Pacific Century CyberWorks Ltd (Code: 8), the share price of which faltered in the uncertain market, but, nevertheless, managed to record a gain of about 0.79 percent of its market capitalisation to hit \$HK6.35 after it was confirmed that it was on the prowl for more cash to ease its debt burden.

With regard to Pacific Century CyberWorks, it was announced that the company had appointed Salomon Smith Barney to try to find a buyer(s) for the equity stake, which was held in the company by London-based Cable and Wireless plc.

In September, Cable and Wireless dumped about 4.90 percent of Pacific Century CyberWorks's shares and had made it known that, if a buyer came along, the rest of its holdings in the telecommunications and Internet-investment company was up for grabs.

It is evident that the British are not too happy, holdings on to the stock of Mr Li Ka Shing's company – which continues to suffer.

After the market closed for the day, it was reported that Pacific Century CyberWorks was making a deal with quite a number of its workers in order to induce them to accept '*early retirement*'.

Which is a nice way to say: '*Take this money and piss off! And, if you refuse, then just piss off!*'

The ratio of losers to gainers on the Main Board was about 1.87:One with 51.37 percent of the action, being restricted to just 10 counters.

The relatively few double-digit movers included:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (SHK)</b>
Asia Commercial Holdings Ltd	104		17.39	0.38
Asia Logistics Technologies Ltd	862	12.00		0.28
Continental Holdings Ltd	513	10.77		0.72
E-LIFE International Ltd	370		10.00	0.18
e-New Media Company Ltd	128	11.11		0.80
eBiz.hk.com Ltd	384	15.57		0.245
Far East Pharmaceutical Technology Company Ltd	399	24.49		1.22
Far East Technology International Ltd	36		19.35	0.50
First Sign International Holdings Ltd	933		12.44	0.19
Fu Hui Holdings Ltd	639	12.12		0.074
Grand Hotel Holdings Ltd 'B'	196		19.19	0.08
Honko International Holdings Ltd	673	15.09		0.305
Kin Don Holdings Ltd	208		10.13	0.071
Lamex Holdings Ltd	312		17.86	0.046
Mandarin Resources Corporation Ltd	70	10.39		34.00
Northern International Holdings Ltd	736	11.43		0.039
Pico Far East Holdings Ltd	752		10.96	0.65
Quality Food International Ltd	735		11.96	0.184
Sega.com Asia Ltd	1196		10.27	1.31
Solartech International Holdings Ltd	1166	18.64		0.025
Winsan (China) Investment Group Company Ltd	85	12.28		0.32

On The GEM, losers were ahead of gainers by the ratio of about 2.09:One with trading in the 90-minute afternoon session, completely dead.

If no news could be considered good news, then there was a lot of good news for this speculative marketplace.

The following are the 2, lone double-digit movers:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (SHK)</b>
36.com Holdings Ltd	8036		11.27	0.063
Neolink Cyber Technology (Holdings) Ltd	8116	18.33		0.71

In Japan, The Tokyo Stock Exchange was not the most pleasant of places for investors since the Nikkei-225 slid back 339.59 yen, hitting a low of 15,060.05 yen by the close of trading.

Two of the biggest losers were Nippon Telegraph and Telephone (NTT), the largest telecommunications company in the country, and the country's largest manufacturer of personal computers, Fujitsu.

While NTT only lost about 2.40 percent of its value, Fujitsu shed 5.10 percent of its market capitalisation in response to the NASDAQ's falls on Wall Street on Wednesday.

Honda Motor, which had announced its results for the first half of this year, being down about 10.60 percent on the like 1999 period (please see Wednesday's report), had not been hurt, during trading on Wednesday, but last Thursday, it was another matter.

Honda's share price got hit as it lost about 2.50 percent of its market capitalisation.

Mazda Motor, a strong competitor to Honda, followed suit with a loss of about 3.70 percent.

The Japanese motor-car industry has been watching what has been happening in South Korea, following the collapse of that country's third largest, motor-car producer, Daewoo Motor.

On Thursday, all of Daewoo's major, motor-car manufacturing production in South Korea came to a halt as suppliers demanded to be paid in cash.

And Daewoo did not have cash.

At one time, Daewoo was South Korea's largest, single conglomerate.

Today, it is a mess.

If such a thing could happen in South Korea, some Japanese investors were saying, for what reason could it not happen in Japan?

Japan has, already this year, experienced financial failures, such as the massive Sogo Department Store Company collapse, the largest corporate bankruptcy in the history of the country.

Japanese investors do not have short memories.

While the world awaited the US Presidential election outcome, Asia took caution as the rule of the day:

Thailand	Minus 1.93 percent
Indonesia	Minus 1.08 percent
Malaysia	Minus 0.67 percent
The Philippines	Plus 0.70 percent
South Korea	Plus 0.46 percent
Singapore	Minus 0.63 percent
Taiwan	Plus 0.36 percent
Japan	Minus 2.21 percent

## **Friday**

It was as though the Asian stock markets of the world had decided to come to grinding halt.

The Main Board of The Stock Exchange of Hongkong Ltd recorded a 0.74-percent loss on its Hang Seng Index, falling to 15,389.39, but the Total Turnover shrank even further, to just a tad below the \$HK7-billion mark.

The Growth Enterprise Index, The GEM, shed 1.16 percent as The Growth Enterprise Index dropped back to 357.83 points on a Total Turnover of about \$HK193.19 million.

The reason: The protracted US Presidential race which had suffered a major hiccup.

On Friday morning, after 3 days of bickering, there was no clear winner in the Presidential race for the White House.

Armies of lawyers from both sides of the political divide – Republicans and Democrats – fought with each other in a mad scramble to claim victory for their respective champions.

On The New York Stock Exchange on Thursday, New York time, the Dow Jones Industrial Average recorded a loss of 72.81 points, falling back to 10,834.25.

But, at one point during the proceedings, the Dow was off more than 288 points, about 2.60 percent, before investors thought that the market crash was a little overdone.

The NASDAQ Composite Index put up a loss of 31.35 points, just a smidgen less than one percent, but, like *'Big Brother'* Dow, it had been hit by a selling wave, during the day, a selling wave, which brought down the broad-based index by more than 4.56 percent.

Bargain hunting was definitely the reason for the fast pullback on the world's most important single stock market, to be sure, but it was a rattling that investors in New York would have preferred not to have had.

And it had all appearances of a meltdown for Friday, New York time.

On The Stock Exchange of Hongkong Ltd, it was noticeable that Mr Li Ka Shing's publicly listed entities came under fire as Hutchison Whampoa Ltd (Code: 13) saw its share price decline 1.91 percent, falling to \$HK102.50 after hitting a low of \$HK102, while Cheung Kong (Holdings) Ltd (Code: 1) gave up 0.82 percent to hit \$HK90.75 per share after touching, briefly, a low of \$HK90.50.

Hutchison was the third, most-active counter while Cheung Kong took the fourth slot.

Pacific Century CyberWorks Ltd (Code: 8) was another matter, however, as investors were becoming very weary of that company's corporate announcements, most of which were of a negative complexion.

On Friday morning, after more than a day of everybody knowing the situation, it was announced, officially, that Cable and Wireless HKT Ltd, the company's major asset that had been purchased from London-based Cable and Wireless plc, would shed about 2,500 workers.

Designated *'early retirement'*, the proposal to the selected workers will include a lump-sum payment ... to be negotiated, of course.

The idea of Mr Li Ka Shing's son, Richard, is to cut back recurrent expenses and the *'early retirement'* could save the company about \$HK700-million-plus annually for a one-time cost of less than \$HK30 million.

When the Li Ka Shing Camp took over Cable and Wireless HKT, earlier this year, it was stated that there would be no staff lay-offs.

Things change, to be sure.

The 2,500 workers represent about 18 percent of the entire workforce of Cable and Wireless HKT Ltd.

The Li Ka Shing *'rice bowl'* is no longer made of iron: That is a certainty.

The share price of Pacific Century CyberWorks lost 1.57 percent, falling to \$HK6.25 after about 42.87 million shares changed hands. It had hit \$HK6.15 before pulling back 10 cents per share.

The ratio of losers to gainers, last Friday, was about 1.76:One with almost as many counters, staying pat, as those that lost ground.

The list of double-digit gainers and losers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied International Holdings Ltd	519	12.02		0.233
Asia Logistics Technologies Ltd	862	28.57		0.36
China CyberPort Ltd	149		10.26	0.70
CNT Group Ltd	701	22.00		0.305
COSCO International Holdings Ltd	517	21.43		1.02
ehealthcareasia Ltd	835	12.00		0.28
Emperor (China Concepts) Investments Ltd	296	19.61		0.049
Far East Pharmaceutical Technology Company Ltd	399		11.48	1.08

Fujian Group Ltd	181		14.47	0.065
Goldwiz Holdings Ltd	586	15.22		0.53
Hanny Holdings Ltd	275	11.54		0.435
Hikari Tsushin International Ltd	603	14.55		0.315
Hudson Holdings Ltd	758	10.84		0.92
Hung Fung Group Holdings Ltd	1141		10.00	0.018
Interchina Holdings Company Ltd	202	18.67		0.89
iQuorum Cybernet Ltd	472	13.95		0.049
The Kwong Sang Hong International Ltd	189		10.23	0.395
Mandarin Resources Corporation Ltd	70	31.18		44.60
Savoy Concepts Ltd	680	10.89		0.112
Skyworth Digital Holdings Ltd	751	11.67		0.67
Softbank Investment International (Strategic) Ltd	648	15.67		1.55
Swank International Manufacturing Company Ltd	663	17.65		0.08
Takson Holdings Ltd	918	12.38		1.00

On The GEM, declining issues were ahead of advancing ones by the ratio of about 1.33:One, with those counters that moved not at all, being equal in number to those counters that made small advances.

So ‘dead’ was this market!

The market was dominated by trading in the shares of Neolink Cyber Technology (Holdings) Ltd (Code: 8116) as about \$HK62.02-million worth of its shares changed hands, forcing the share price to retreat to 67 cents, during the height of trading.

This low-water mark represented a differential of about 21 percent, compared with its high-water mark of 81 cents. It closed the week at 80 cents per share.

It was the only double-digit mover.

Trading in this counter’s shares represented about 32 percent of the Total Turnover.

In Japan, it was another dull and uninspiring day on The Tokyo Stock Exchange as the Nikkei-225 fell 71.51 yen to end the day at 14,988.54 yen.

Technology and telecommunications counters, generally, finished weak as Fujitsu, Japan’s largest manufacturer of personal computers, lost about 1.70 percent, while the largest manufacturer of consumer electronics in the world, Sony Corporation, was forced to surrender another 2.30 percent of its market value.

Trading was light, for the most part, but a number of Internet-related companies, such as Softbank, fell to investors, who were concerned as to which way the US Presidential Elections would go. Softbank, in fact, lost about 7.20 percent of its value.

The only other piece of news that affected Asia’s most important stock market was the announcement that the European Central Bank (ECB) had been standing in the money markets, for the third time, buying euros in an effort to stabilise the unified currency of most of the European Union (EU).

As a direct result, the euro gained more than one half a cent against the US dollar and a similar amount against the Japanese yen.

The euro ended the week at 86.68 cents (US), up from 85.58 cents (US) in late Wednesday’s trade.

With the US still in a state of turmoil at the Presidential elections, this is the way that Asia saw the situation last Friday night:

Thailand	Minus 0.12 percent
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Indonesia	Plus 1.30 percent
Malaysia	Minus 0.09 percent
The Philippines	Plus 0.01 percent
South Korea	Plus 0.81 percent
Singapore	Minus 0.88 percent
Taiwan	Minus 0.01 percent
Japan	Minus 0.47 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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