CABLE AND WIRELESS PLC DETERMINES : WE WANT OUT !

London-based Cable and Wireless plc obliquely announced, last Monday, that it wanted nothing more to do with the Li Ka Shing Camp – and promptly put its 15.30-percent interest in Pacific Century CyberWorks Ltd (Code: 8) on the auction block at the price of about $HK28 billion, or, presumably, any offer somewhere near that figure.

Merchant bankers were reported to have started *'doing the rounds'* in an effort to find a buyer in a hurry.

Cable and Wireless plc picked up a 20.20-percent interest in Pacific Century CyberWorks on August 17, 2000 when it sold about 54 percent of Cable and Wireless HKT Ltd to the Li Ka Shing Camp at the price, equal to about $HK122 billion, plus or minus about half a billion dollars to account for foreign exchange translation.

The purchase price was satisfied by about $HK50.44 billion in cash and 4.50 billion in shares in the Enlarged Issued and Fully Paid-Up Share Capital of Pacific Century CyberWorks.

The share price of Pacific Century CyberWorks, at the time of the agreement, was set at $HK15.80.

This meant, last Monday, therefore, that Cable and Wireless plc was willing to let go of its remaining interest in the Li Ka Shing telecommunications and Internet-investment company at a discount to the buying-in price of about 64 percent.

It had unloaded 4.90 percent of its interest in Pacific Century CyberWorks within months of receiving the shares, following what was, clearly, an obvious crack in the Pacific Century CyberWorks's *'mirror of opportunity'*.

Last Monday's actions by Cable and Wireless plc had to be considered as being not very complimentary of the Li Ka Shing Camp, one might well be tempted to comment.

(For further analysis on the Cable and Wireless plc situation, please see last Friday's TARGET Intelligence Report, Volume II, Number 224)

But the Cable and Wireless plc news was about the only exciting piece of news, last Monday, as Asia continued to wait to see who would sit in the White House.

Who would be the most powerful man on earth was being decided by a handful of plebeian votes.

It was reported that the election mess was headed for the highest court in Florida; Vice President Al Gore and Texas Governor George W. Bush had the world, hanging by a thread.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the Hang Seng Index, the *'barometer'* of the Main Board of The Stock Exchange of Hongkong Ltd, squeezed out a 1.09-percent gain on a Total Turnover that was the lowest since August 1999.

The Total Turnover, of just a tad over $HK5 billion, saw the 4 leaders on the Ten Most Active list account for about 26.20 percent.

The leaders were: China Mobile (Hongkong) Ltd (Code: 941); HSBC Holdings plc (Code: 5); Hutchison Whampoa Ltd (Code: 13); and, Pacific Century CyberWorks.

Gainers and losers were, just about, equal with about 58 percent of the total listings on The Stock Exchange of Hongkong Ltd, remaining unchanged.

To say that trading was dull would have been to state the obvious.

Over the previous weekend, it had been announced that union leaders, representing a chunk of Pacific Century CyberWorks's workers, requested a meeting with Management over their fears of the proposed voluntary redundancy plans, plans that would see about 2,500 workers hit the streets.

The workers are all from Cable and Wireless HKT Ltd.

Management's idea of laying them off by having them resign, voluntarily, is to save the company money by paying a lump sum in compensation while reducing recurrent expenses.

The union leaders fear that the action will lead to forced retrenchment of other workers, too.

Pacific Century CyberWorks ended the session at $HK5.70 after hitting a 13-month low of $HK5.45 per share.

But other than these, 2 pieces of news, little else happened, last Monday.

The double-digit losers and gainers, as few as they were, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price ($HK)
Cheung Tai Hong Holdings Ltd	199	19.82		0.133
eForce Holdings Ltd	943		17.27	0.115
Emperor (China Concept) Investments Ltd	296		16.28	0.036
Global China Technology Group Ltd	1105	20.00		0.78
Honko Internationa l Holdings Ltd	673	11.11		0.27
Innovative International (Holdings) Ltd	729	11.11		0.10
Sega.com Asia Ltd	1196		11.11	0.90
South China Information and Technology Ltd	175	10.61		0.73
Sun Television Cybernetworks Holdings Ltd	307	11.34		0.275

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index lost about 0.34 percent, falling to 347.96 points.

The Total Turnover on this market was down to $HK120.46 million, with Neolink Cyber Technology (Holdings) Ltd (Code: 8116), being responsible for about 35.65 percent of that figure.

Neolink Cyber Technology saw 56.76 million of its shares change hands as its share price fluctuated between a low of 70 cents and a high of 79 cents.

It ended the day at 76 cents, a loss of about 2.56 percent, compared with the previous Friday's closing level.

The second, most-active counter was Phoenix Satellite Television Holdings Ltd (Code: 8002) as investors spent about $HK15.97 million in purchasing about 7.20 million shares in the Rupert Murdoch company.

The closing level of $HK2.175 for a Phoenix Satellite share meant that trading in this one counter had been responsible for about 13.26 percent of the entire volume of activity for the day. Phoenix Satellite's closing level was unchanged from the previous Friday's close.

Losers were ahead of gainers by the ratio of about 1.64: One with those counters that were able to make headway, being about equal to those counters that were left unchanged.

There were no double-digit movers, at all.

In Japan, The Tokyo Stock Exchange continued to be a very unattractive bourse on which to trade as the Nikkei-225 lost 12.65 yen, falling to 14,531.65 yen.

Japanese investors waited for the outcome of the *'No-Confidence Motion'* in the Diet (Japan's equivalent of the British Parliament).

Prime Minister Yoshiro Mori was under intense pressure to step down since, if the Motion in the Diet passed, the Prime Minister would either have to resign or call for a General Election – which he was quite likely to lose in any event.

Regardless, the fact that the No-Confidence Motion had been, or was about to be, tabled in the Diet, in respect of the Prime Minister's leadership, was enough to dent confidence in his Government of national (dis?)unity.

Nissan Motor Company Ltd, the third largest motor-car manufacturer in Japan, announced that its Operating Profit had risen by about 130 percent for the first half of the 2000 Year, to September 30.

The company announced an Operating Profit for the first half of about $HK9.62 billion.

Nissan is owned as to 36.80 percent by the French motor-car manufacturer, Renault SA.

Nippon Telegraph and Telephone Corporation (NTT) reported that it had experienced booming sales of mobile telephones and Internet services during the first half of its Financial Year, to September 30.

NTT, Japan's third largest company in terms of market capitalisation, announced that it had recorded an Interim Operating Profit of about $HK35.53 billion. That figure represented an 8.23-percent increase over the comparable period in 1999.

NTT saw its share price rise 2.10 percent on the news, but it was noted that, in the previous week, its share price had fallen by about 3.50 percent.

Most counters that saw some action were held to fractional gains, with a few notable exceptions.

Aside from parochial matters in Japan, the world was still holding its breath over the US Presidential Elections since, after all, consideration as to who rules the world's most important economy and has control of the largest military might transcends all other considerations.

Here is how other Asia markets fared, last Monday:

Thailand	Minus 2.14 percent
Indonesia	Plus 1.22 percent
Malaysia	Plus 0.54 percent
The Philippines	Minus 0.37 percent
South Korea	Minus 2.51 percent
Singapore	Minus 0.99 percent
Taiwan	Minus 6.23 percent
Japan	Minus 0.09 percent

Tuesday

Shareholders on The Stock Exchange of Hongkong Ltd went on a bit of a roller coaster ride, last Tuesday, as the Main Board's Hang Seng Index sunk at the opening bell, wiping out more than 2 percent of Monday's value, with the Index, dropping to just a head above the 15,000 level.

At the luncheon break, brokers were starting to sweat, as there appeared to be no valid reason for the Hang Seng Index to fall to a level that could successfully challenge the 15,000 barrier.

The afternoon session, however, saw a partial recovery as the Hang Seng Index regained 162.20 points, ending the Tuesday's session at 15,188.30 points, just about 1 percent lower than Monday's close.

The Total Turnover, however, stayed abysmally low at about $HK6.54 billion.

With the lone exception of Taiwan, all major Asian stock markets suffered losses, but not one was knocked down more than 1.62 percent under Monday's closing levels.

Asia was reeling, to some extent, anyway, from 2 independent factors: The continued uncertainty as to who would sit in the White House; and, the 5-percent fall in the value of the NASDAQ Composite Index, the hi-tech sector of The New York Stock Exchange.

Probably, the NASDAQ took the cake as the primary cause of the last Tuesday's losses, internationally, as it fell to 2,875.64 points, the lowest level since about the end of October, last year.

The Dow Jones Industrial Average dropped in sympathy with the NASDAQ, falling 167.22 points, about 1.57 percent, to end last Monday's trading session (New York time, of course) at 10,462.65 points.

Traders on the world's largest marketplace were concerned about fourth quarter results of many of the US corporate *'darlings'*, plus, of course, the unresolved matter of the Presidency of the US Republic.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there was a little bit of excitement as The Bank of East Asia Ltd (Code: 23) put in a bid to take over FPB Bank Holdings Company Ltd (Code: 717).

The Bank of East Asia, the largest, Chinese-owned HKSAR bank and the third largest bank in the HKSAR, announced that it was willing to pay about $HK4.37 billion for 75 percent of the Issued and Fully Paid-Up Share Capital of FPB Bank Holdings.

The Controlling Shareholder of FPB Bank Holdings is First Pacific Company Ltd (Code: 142), which had a 41.25-percent stranglehold on its banking associate.

State-run interests in the PRC owned about 33.75 percent of FPB Bank Holdings, but First Pacific bought out this interest, putting it in the driving seat when it came to disposing of its bank.

And, it appeared, last Monday night, First Pacific had agreed to accept Chairman David Li Kwok Po's offer to buy up the little bank, which, since its inception, had done very little.

It has been some time since The Bank of East Asia had made a definitive move of this nature; the market was happy about the arrangements, so much so that the share price of The Bank of East Asia, on Monday, rose 45 cents per share, about 2.49 percent, to close the day at $HK18.50.

However, on Tuesday, The Bank of East Asia lost some of its shine, dropping to $HK18 per share, a fall of about 2.70 percent.

The sale of the controlling interest in FPB Bank Holdings had been on the cards for more than 6 months, and this, TARGET had reported, ad nauseam: Everybody and his cat knew of the impending sale.

The First Pacific Group of Companies has a reputation for being traders and not much else.

The Bank of East Asia did not make it on the Ten Most Active list, but FPB Bank Holdings took the 10th position as about 45.37 million of its stock changed hands, with the share price, rising back to $HK3.35, a gain of 8.06 percent over Monday's closing level.

The top 5 traded stocks represented about 31.04 percent of the Total Turnover, led by China Mobile (Hongkong) Ltd (Code: 941) which, by itself, represented about 10.09 percent of the entire volume of activity.

Losers outpaced gainers on the Main Board by the ratio of about 1.77: One with about 60 percent of the entire list of companies on this market, staying pat at Monday's levels.

Most of the losing issues were kept to below the 2-percent mark, but there were a few double-digit movers as the following table illustrates:

Name of Company	**Code**	**Increase (%)**	**Decrease (%)**	**Closing Price ($HK)**
Cedar Base Electronic (Group) Ltd	855	10.94		0.355
Cheung Tai Hong Holdings Ltd	199	10.53		0.147
Dransfield Holdings Ltd	632	13.64		0.10
Fujian Group Ltd	181		10.45	0.06
Hang Fung Gold Technology Ltd	870	11.11		0.12
Jilin Chemical Industrial Company Ltd	368	10.71		0.465
Ng Fung Hong Ltd	318	30.82		4.775
Pacific Century Insurance Holdings Ltd	65	13.48		2.525
Sega.com Asia Ltd	1196	12.50		0.90
Sinocan Holdings Ltd	1095		11.25	0.071
Top Glory International Holdings Ltd	268	13.04		0.52
Tsingtao Brewery Company Ltd	168		10.82	1.73
Wah Lee Resources Holdings Ltd	1215	10.00		0.187
Wah Tak Fung Holdings Ltd	297		10.17	0.053
Wo Kee Hong (Holdings) Ltd	720	11.58		0.106

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, all eyes were glued on the fast rise of Mr Rupert Murdoch's listing: Phoenix Satellite Television Holdings Ltd (Code: 8002).

Phoenix Satellite hit a new high of $HK2.525 on a turnover in the stock of about 51.93 million shares, representing a dollar value of about $HK123.79 million.

Trading in this one counter represented about 60.65 percent of the Total Turnover of about $HK204.11 million.

Investors have been in love with this counter since it was first introduced in June this year due to its clear business direction, a direction that has, already, started to show signs of being more than a little profitable.

The closing level of Phoenix Satellite, at $HK2.40 per share, represented a gain over Monday's closing level of about 10.34 percent.

The Growth Enterprise Index gained about 0.93 percent, rising to 351.19 points, pushed to a great extent by the value of trades in Phoenix Satellite.

Coming in a poor second place on the Most Active list was Neolink Cyber Technology (Holdings) Ltd (Code: 8116).

On a volume of about 14.73 million shares, amounting to a dollar value of about $HK11.32 million, Neolink Cyber's Management saw its share price rise from a low of 74 cents to a high of 80 cents, an intraday movement of about 8.11 percent.

It closed the day at 75 cents per share, almost unchanged from Monday's closing level.

In spite of the statistics, indicating that The Growth Enterprise Index had gained nearly one percent, the ratio of losers to gainers was, nevertheless, 1.92: One.

In Japan, hard-pressed Prime Minister Yoshiro Mori narrowly missed being called a pariah of the Diet as the *'Motion of No Confidence'* was defeated by the margin of about 1.25: One.

The Tokyo Stock Exchange took the news calmly, but the Nikkei-225 still lost 123.19 yen, falling to 14,408.46.

There were few interesting pieces of news about the most important bourse in Asia, but Mazda Motor did manage to make a bit of a splash as its share price ran up about 6.30 percent, extending its rally for the third consecutive day.

The losses on Wall Street plagued the Tokyo market, greatly.

The following is the list of the major stock markets of Asia and of their respective losses:

Thailand	Minus 0.47 percent
Indonesia	Minus 0.18 percent
Malaysia	Minus 1.62 percent
The Philippines	Minus 1.10 percent
South Korea	Minus 1.11 percent
Singapore	Minus 0.51 percent
Taiwan	Plus 5.32 percent
Japan	Minus 0.85 percent

Wednesday

The stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) could not help but be affected, adversely, by Japan, where The Tokyo Stock Exchange saw its major index, the Nikkei-225, hit its lowest level in the past 20 months.

The Main Board of The Stock Exchange of Hongkong Ltd had its Hang Seng Index shaved down by about 2.74 percent, falling to 14,772.51 on a slightly increased Total Turnover, which rose to about $HK9.95 billion.

For a change, trading on The New York Stock Exchange did not play much of a role in the affairs of Asia because the Dow Jones Industrial Average moved up only 0.30 percent to 10,495.50 while the tech-laden NASDAQ Composite Index gave up just 0.20 percent, to end Tuesday's session (New York time) at 2,871.30 points.

The Al Gore-George W. Bush Presidential nonsense continued apace, but people were getting especially tired of that saga though Japanese investors continued to ponder what would happen if this man got into power or that man, known to be pro-business, got knocked off his perch.

In the HKSAR, investors noted that all but 69 points of the losses on the Hang Seng Index occurred in the morning session, with the 90-minute afternoon session, being very lethargic.

China Mobile (Hongkong) Ltd (Code: 941) was the most active counter as about 43.82 million of this company's shares changed hands.

The PRC's largest cellular telephone operator saw its share price trapped within a $HK2.90 channel, falling from a high of $HK49.90 per share to a low of $HK47 per share.

At the close of trading, the shares were being dealt at $HK47.10 each, just a smidget over the share price's nadir.

The closing price of these shares represented a loss of about 6.27 percent, compared with Tuesday's closing level.

Trading in this one counter represented about 21.21 percent of the Total Turnover.

All kinds of reasons were given for the fall in the share price of this blue chip, but a lowered rating recommendation from one international brokerage house appeared to have been one of the deciding factors, to be sure.

China Mobile, the second largest company, in terms of market capitalisation, listed on The Stock Exchange of Hongkong Ltd, was, naturally, the major determinant to bring down the Hang Seng Index: It was said to have been singularly responsible for about 60-odd percent of the Index's losses.

Second on the totem pole of the most active counters on the Main Board was the largest company, in terms of market capitalisation, listed on The Stock Exchange of Hongkong Ltd: HSBC Holdings plc (Code: 5).

This counter saw a total of $HK752.58-million worth of its stock change owners, but its share price slumped back about 2.20 percent to end the session at $HK111.

The volume of activity in this counter represented about 7.54 percent of the Total Turnover.

With the 2 largest companies, in terms of market capitalisation, both experiencing large falls in their share prices, the Index had to come under pressure, thus causing it to nosedive nearly 3 percent.

But aside from HSBC Holdings and China Mobile, most other counters experienced fractional gains or losses.

The ratio of losers to gainers was about 3.23: One with about 53 percent of the counters, traded during the day, unchanged from Tuesday's closing levels.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price ($HK)
401.com Ltd	401		11.78	0.015
Asia Logistics Technologies Ltd	862		10.53	0.255
Chengdu Telecommunications Cable Company Ltd	1202	13.04		0.52
Cheung Tai Hong Holdings Ltd	199		16.33	0.123
Dan Form Holdings Company Ltd	271		10.37	0.242
DCP Holdings Ltd	497	13.33		0.34
eBiz.hk.com Ltd	384		22.50	0.186
Guangnan (Holdings) Ltd	1203		10.24	0.114
The HKCB Bank Holding Company Ltd	655	10.84		2.30
Innovative International (Holdings) Ltd	729	10.00		0.11

International Bank of Asia Ltd	636	10.65		1.87
iQuorum Cybernet Ltd	472		10.26	0.035
Jilin Chemical Industrial Company Ltd	368	16.13		0.54
K & P International Holdings Ltd	675		13.08	0.226
Lai Fung Holdings Ltd	1125		20.73	0.325
Midas Printing Group Ltd	1172		11.43	0.31
Oriental Explorer Holdings Ltd	430		12.70	0.055
Pacific Century Insurance Holdings Ltd	65	15.84		2.925
SEA Holdings Ltd	251		10.00	1.80
Sinocan Holdings Ltd	1095	14.08		0.081
South East Group Ltd	726		16.00	0.021
Yoshiya International Corporation Ltd	193		10.00	0.36

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index gave up about 1.40 percent, falling back to 346.28 points.

Losers were ahead of gainers by about 1.58: One with the number of losers, being exactly equal to the number of counters that saw no investor interest in their shares.

Phoenix Satellite Television Holdings Ltd (Code: 8002) was, once again, the most active counter with a turnover in this Rupert Murdoch company of about 25.63 million shares.

The dollar value of these trades represented about 41.71 percent of the Total Turnover of about $HK146.73 million.

Its share price fluctuated within a 20-cent range, the low, being $HK2.275, and the high, being $HK2.475. It closed the day at $HK2.325.

The relatively low volume of activity on this market with such dominance by just one counter meant that there was little about which to write home to mommy.

In Japan, The Tokyo Stock Exchange saw its Nikkei-225 lose 107.15 yen, falling to 14,301.31, the lowest level since March 1999.

The premier Japanese stock market was becoming rattled by a number of factors, the most important factors of which, of course, were the domestic ones, headed by the problems, associated with the Prime Minister, Mr Yoshio Mori, and the saga surrounding the US Presidential Elections.

It was the fifth session in a row that The Land of The Rising Sun had seen such a sunset for its stock prices.

The Nikkei-225 Index had shed about 3.36 percent of its value in a period of one week of trading.

Japan has been in the jaws of recession since the early 1990s and it has only been in the past year that there has been a crack in the cycle.

Many of Japan's major contractors are being choked by debts, and non-performing assets are draining away funds in debt service, funds that are the virtual lifeblood of many companies.

But the rot does not stop at contractors because, earlier in the year, Sogo Company Ltd, one of the largest, Japanese departmental stores caved in, resulting in Japan, having to record the largest bankruptcy in the history of the island nation which is, today, the second largest economy in the world.

In addition, it was announced last Wednesday that engineering and plant manufacturer, Chiyoda, was in the midst of trying to restructure its debts, as well as seeking to write off about $HK19 billion in debts to creditor banks and finance companies.

Its share price fell out of bed, losing about 15 percent, as investors knocked down the share price to 79 yen.

Japan's Diet (Parliament) enacted an extra budget, last Wednesday, during trading hours, whereby it was determined that extra funds would be pumped into the economy in order to ensure that there were no further economic hiccoughs.

A notable loser for the day was consumer finance company, Takefuji, whose share price shed about 12.40 percent.

In the previous 12 trading sessions, about 50 percent of this company's value has been wiped out.

The company was scheduled to make an announcement after the market closed.

While Takefuji saw its share price fall, dramatically, on the other side of the ledger, shipbuilding company, Hitachi Zosen Corporation, gained about 16.28 percent of its market capitalisation on confirmation that this giant had won a contract to build 8 Very Large Crude Carriers (VLCC's).

While the Nikkei-225 was struggling to maintain its balance, it was being strangled by Internet-related companies whose shares continued to come under intense selling pressure.

Two examples of this were the losses experienced in the most prominent Internet investment houses: Softbank; and, Hikari Tsushin.

Softbank gave up 7.40 percent of its value while Hikari Tsushin lost 11.50 percent of its market capitalisation.

The ratio of losers to gainers was about 1.17: One.

This is how other Asian markets saw the situation, last Wednesday:

Thailand	Minus 1.21 percent
Indonesia	Plus 1.45 percent
Malaysia	Minus 0.88 percent
The Philippines	Plus 0.53 percent
South Korea	Minus 1.72 percent
Singapore	Minus 0.69 percent
Taiwan	Plus 0.54 percent
Japan	Minus 0.74 percent

<u>Thursday</u>

A report, that the Government of the People's Republic of China (PRC) had approved a new billing system for mobile telephone operators in the PRC, brought down the share prices of 2 of the PRC's major, publicly listed, cellular telephone operators: China Mobile (Hongkong) Ltd (Code: 941); and, China Unicom Ltd (Code: 762).

With these 2 powerhouses, experiencing dramatic, downward share-price movements, it was hardly a surprise to anybody to see the Hang Seng Index, the *'barometer'* of the Main Board of The Stock Exchange of Hongkong

Ltd, fall like a rock in a still pool.

Having shed more than 551 points in early trading – a fall of about 3.49 percent, compared with Wednesday's closing level – vested interests appeared to step in to force up the Hang Seng Index, which ended the morning session at 14,546.59, about 225.29 points off Wednesday's close.

The 90-minute afternoon session saw a few more points, added to the Index, but it still could not end the day in black ink: It finished at 14,563.51, off 209 points, or about 1.42 percent.

The Total Turnover was abut $HK12.23 billion, but that volume of activity was misleading since trading in the shares of China Mobile, alone, accounted for about 24.78 percent of the Total Turnover.

And trading in the shares of HSBC Holdings plc (Code: 5), the largest capitalised company, listed on The Stock Exchange of the Hongkong Special Administrative Region (HKSAR) of the PRC, accounted for another 16.60 percent of the Total Volume.

Therefore, between China Mobile and HSBC Holdings, their aggregate volume of trading accounted for about 41.38 percent of the entire volume of activity for the day.

The PRC reports, with regard to PRC-domiciled mobile telephone operators, stated that the PRC's State Council had approved a new method of billing whereby users of mobile telephones would be billed at a different level than is now being employed.

In effect, it amounts to a change in the system of billing for mobile telephone calls whereby he who makes the call pays the tariff instead of both parties, having to pay for the cost of the telephone call.

The new system is expected to see profits of China Mobile and China Unicom lose about 20 percent of existing revenue.

China Mobile lost about 3.82 percent of its value, falling to $HK45.30 per share, while China Unicom, the PRC's second, largest mobile telephone operator, shed nearly 5.41 percent of its value, ending the day at $HK14, even.

Trading in the shares of China Unicom accounted for about 5.31 percent of the Total Turnover.

The fall in the price of HSBC Holdings was due to a report from an international brokerage house, which tended to deprecate UK-based banking issues, generally, mentioning HSBC Holdings, specifically.

(When one gets to be king, one has to expect to be under the public's microscope)

HSBC Holdings lost 3.15 percent of its value as its share price dropped to the midway point of the day, at $HK107.50, after about 18.98 million shares changed hands.

With 2 of the Hang Seng Index's biggest capitalised companies – HSBC Holdings and China Mobile – under intense selling pressure, it was estimated that about 70 percent of the total losses of the day could be attributed to their joint share-price falls.

If that was not enough, it was announced that New World Development Company Ltd (Code: 17) was having a bit of trouble in respect of its would-be, hi-tech company, New World CyberBase Ltd (Code: 276).

New World CyberBase announced that it had shut the doors on its ambitious plans to take on the CNN international powerhouse news service.

CDLNews.com, the former Internet financial news portal of New World CyberBase, was shut down and the 21-odd staff members, given their walking papers – including the Chief Operating Officer, Mr Billy Chan, who owns 15 percent of the portal.

CDLNews.com was just 6 months old.

Other than this, there was little else of any materiality, happening in Asia.

The US Presidential election fiasco was dragging on with nobody certain as to the probable winner.

On The New York Stock Exchange, on the eve of the Thanksgiving Holiday, the Dow Jones Industrial Average gave up another 95.18 points, about 0.91 percent, falling to 10,399.32 points.

However, the NASDAQ experienced its fifth day of losses in a row as the tech-laden index lost 116.11 points, falling to 2,755.34 points, a loss on the day of about 4.04 percent, compared with Tuesday's closing level, New York time.

Wall Street's losses were the direct result of the US President nonsense, plus concern about the strength of some of the high-flyers which, of late, had had their little wings clipped, considerably.

The ratio of losers to gainers on The Stock Exchange of Hongkong Ltd, last Thursday, was about 1.45: One, with 60 percent of the listings, seeing no action, at all.

The 13 double-digit gainers and losers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price ($HK)
Alpha General (Holdings) Ltd	73	17.15		0.28
Chevalier iTech Holdings Ltd	508		10.00	0.36
e2-Capital (Holdings) Ltd	378		10.64	0.42
eForce Holdings Ltd	943	45.45		0.08
Egana Jewellery and Pearls Ltd	926	11.32		0.236
IMC Holdings Ltd	117	12.70		0.71
KTP Holdings Ltd	645	10.87		0.51
Lamex Holdings Ltd	312	12.50		0.045
Saint Honore Holdings Ltd	192	29.35		1.19
Shougang Concord Grand (Group) Ltd	730		10.53	0.255
Sinocan Holdings Ltd	1095	32.10		0.107
Swank International Manufacturing Company Ltd	663	15.70		0.066
Tse Sui Luen Jewellery (International) Ltd	417		11.88	0.208

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – Phoenix Satellite Television Holdings Ltd (Code: 8002) would not be denied as its share price ran back to its former high, hit on Tuesday, of $HK2.525 per share.

Once again, it was the most active counter as about 33.75 million of its shares found new owners.

The dollar value of trades in this counter amounted to about $HK83.07 million, or about 54.45 percent of the Total Turnover on that market of about $HK154.54 million.

Many people are just beginning to realise that this Rupert Murdoch company, unlike most other companies, listed on this speculative marketplace, has a great future in broadcasting and television transmission to the PRC.

It and the other Rupert Murdoch company, unlisted in the HKSAR but recognised to be the strongest television broadcasting company in Asia, STAR Television – which owns about 30 percent of Phoenix Satellite – probably have the PRC market sewn up, at this time.

They can only get stronger in the coming years.

No other counter came close to the trading volume of Phoenix Satellite, with Mr Li Ka Shing's *'wild card'*, tom.com Ltd (Code: 8001), in a poor second place on the Most Active list as 4.05 million of its shares changed hands with the share price, falling to $HK2.85, during the session.

The Growth Enterprise Index finished the session at 347.43 points, up about one third of a percentage point on Wednesday's close.

The ratio of losers to gainers was about 1.71: One.

Japan's stock markets were closed for a public holiday.

This is the way that things looked in other parts of Asia, last Thursday night:

Thailand	Plus 0.23 percent
Indonesia	Plus 0.43 percent
Malaysia	Minus 1.64 percent
The Philippines	Minus 0.61 percent
South KoreA	Minus 1.54 percent
Singapore	Plus 1.53 percent
Taiwan	Plus 0.32 percent
Japan	Closed

Friday

Last Friday's trading on The Stock Exchange of Hongkong Ltd was almost a repeat performance of Thursday's trading pattern, with the exception that the Total Turnover was 33.52 percent lower than Thursday's, at about $HK8.23 billion.

China Mobile (Hongkong) Ltd (Code: 941) and China Unicom Ltd (Code: 762) both came in for bouts of selling as investors dumped the shares, following wider circulation the determination of the State Council of the Government of the People's Republic of China (PRC), making clearer its intentions with regard to a new tariff structure. (please see Thursday's report on this subject)

The share price of China Mobile – the most active counter of the day – fell another 7.06 percent to $HK42.10, just 10 cents off the floor price, while the share price of China Unicom – the second most active counter of the day -- dropped another 10 percent to end the week at $HK12.60, just 25 cents off the floor price.

Trading in these 2 counters represented about 29.52 percent of the volume of activity for the day.

The Main Board's Hang Seng Index shed 1.28 percent, falling back to 14,376.90 points, with 103 points of the 186.61-point loss, being the result of the morning's trading pattern.

After a rubbing of the 2 largest, cellular telephone operators in the PRC, it was the turn of HSBC Holdings plc (Code: 5) to take its knocks as the giant banking group lost about one half of one percentage point, falling back to $HK107 after hitting a low of $HK106.50.

HSBC Holdings, the third, most-active counter, represented about 5.90 percent of the Total Turnover.

At least 80 percent of the Hang Seng Index's falls of last Friday could be attributed, directly, to trading in the leaders on the Most Active list.

Wall Street was closed, last Thursday, in order to allow US citizens to pay homage to the runaway Brits that settled in New England in 1621 and had to eat turkey (without cranberry sauce, by the way) in order to obtain a plentiful supply of protein.

That being the case, Asia had to go it alone.

Two local pieces of news hit the Hongkong Special Administrative Region (HKSAR), during trading: An announcement that Cheung Kong (Holdings) Ltd (Code: 1) and Sun Hung Kai Properties Ltd (Code: 16) would both lower their respective prices for different housing projects; and, the Gross Domestic Product of the HKSAR grew by about 10.40 percent in the third quarter of this fiscal year, compared with the comparable period in 1999.

Of the 2 announcements, it was the reduced price of property that held investors' attention since that is something that has immediate impact on nearly everybody, resident in the HKSAR.

The ratio of losers to gainers was about 1.82: One with nearly 62 percent of all listed companies, seeing their share prices unmoved.

One could not say that the market was *'dead'*, but it was getting there, to be sure.

The tally for the week was that the Hang Seng Index had shed about 5.30 percent of its value.

The list of double-digit gainers and losers included:

Name of Company	**Code**	**Increase (%)**	**Decrease (%)**	**Closing Price ($HK)**
Cheung Tai Hong Holdings Ltd	199		10.57	0.11
Fu Hui Holdings Ltd	639		11.25	0.071
Hop Hing Holdings Ltd	47	17.39		0.27
Saint Honore Holdings Ltd	192		25.21	0.89
Shougang Concord Grand (Group) Ltd	730	11.76		0.285
Ta Fu International Holdings Ltd	1041	48.72		0.29
Truly International Holdings Ltd	732	15.97		1.67
Wah Tak Fung Holdings Ltd	297	15.69		0.059
Wing Lee International Holdings Ltd	899	10.34		0.128

On the more speculative market, The GEM, Phoenix Satellite Television Holdings Ltd (Code: 8002) continued to dominate the market, but on a reduced volume of activity amounting to about 16.26 million shares.

The dollar value of these trades represented about 34.68 percent of the Total Turnover of about $HK110.02 million.

The share price of this Rupert Murdoch company dropped to $HK2.35, down from an intraday high of $HK2.475.

But, with The Growth Enterprise Index down just 0.61 percent to 345.31 points, and with the volume of activity, continuing to be pitifully low, it was hardly any wonder that investors stayed shy of this marketplace of speculative company securities.

The ratio of losers to gainers was about 1.69: One.

In Japan, banks came in for trouble as investors started to unload some of their interests in financial institutions in fear that there would have to be more provisions in the next few months for cash-starved Japanese conglomerates.

The Nikkei-225, the benchmark of The Tokyo Stock Exchange, gained 14.04 yen, rising to 14,315.35.

The one tenth of one percentage point gain on the Nikkei-225 broke the 5-day selling spree, but the trading pattern was suspect, with many Japanese investors, expecting to see more selling pressure in the coming new week, beginning November 27.

Also, the value of the Japanese yen, vis-à-vis the US dollar, fell to a 9-month low of about 111.15 yen in late European trade on Thursday (London time).

Then, to add insult to injury, it was reported that Mitsui Construction had asked creditor banks to consider forgiving it some billions of US dollars to keep it afloat.

Mitsui Construction's share price lost nearly 5 percent on the news.

Sakura Bank, a major lender to Mitsui Construction, saw its share price drop back by about 4.90 percent in short order to end the week at 678 yen.

At the same time, Daiei asked its creditor banks to consider a debt-equity-swap of about $HK8.53 billion.

Daiei said that it would sack about 4,000 workers.

The share price of its preferred stock rose about 15.58 percent to 178 yen on the news.

But its principal banker, Sanwa Bank, had to give up 5.27 percent of its market capitalisation, falling to 827 yen on the news from one of its major borrowers.

While there were pockets of resistance, by and large the market was wary of forthcoming events, with the US Presidential Elections, still preying on the market watchers.

This was how other Asian markets finished the week of November 24, 2000:

Thailand	Plus 0.42 percent
Indonesia	Plus 0.15 percent
Malaysia	Plus 0.67 percent
The Philippines	Minus 0.38 percent
South Korea	Plus 3.21 percent
Singapore	Plus 2.27 percent
Taiwan	Plus 5.31 percent
Japan	Plus 0.10 percent

-- END --

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