

**THE FED SIGNALS THE END TO INTEREST-RATE INCREASES
– UP GO SHARE PRICES**

Share prices marked time on most of Asia's major stock markets, last Monday, as the world waited for the outcome of continuing legal manoeuvres in the Florida Supreme Court where a determination was being made, a determination which would, hopefully, decide the man to replace US President Bill Clinton in the White House.

The battle for the White House had hotted up over the weekend of December 2-3 with George W. Bush, winning some skirmishes, while Vice President Al Gore was still hoping for a campaign victory by the end of the protracted Presidential Election 'war'.

On The Stock Exchange of Hongkong Ltd, the volume of activity shrank, once more, as share prices, in general, held their ground, with a handful of counters, managing to make small gains.

Those counters, that managed to make double-digit moves, were either 'penny' stocks, or special situations.

For certain, the heavy hitters hardly moved a muscle.

Wall Street, the previous Friday, had been erratic: Few people took much stock of the gyrations of the Dow Jones Industrial Average or the NASDAQ Composite Index of the previous Friday.

The Hang Seng Index, the 'barometer' of the Main Board of The Stock Exchange of Hongkong, gained about 0.82 percent, rising to 14,559.24.

But the Total Turnover fell back to about \$HK7.52 billion.

Of the total volume of activity, one counter accounted for about 16.09 percent.

That counter was China Mobile (Hongkong) Ltd (Code: 941) as about 26 million of this telecommunications company's shares, the largest cellular operator in the People's Republic of China (RPC), gained about 2.19 percent, rising to \$HK46.60, after hitting a high of \$HK47.20.

Its running mate, so to speak, China Unicom Ltd (Code: 762), was not to be outdone as its share price ran to \$HK12.95 after hitting a high of \$HK13.85.

The volume of trading on this counter, amounting to about \$HK653.14 million, represented about 8.64 percent of the Total Turnover.

Trading in these 2 counters gave the premier stock market of the Hongkong Special Administrative Region (HKSAR) quite a fillip since, without them, it was quite likely that the Hang Seng Index would have been in negative territory.

Gaining issues were ahead of declining ones by the ratio of about 1.26:One, but nearly 60 percent of all the companies, listed on the Main Board, saw little to no activity, at all.

On the news front, the PRC Government announced that it had granted a telecommunications licence to a new company that had been spun off by the Ministry of Railways.

The new spin-off is to be known as China Railway Telecom.

It will compete, directly, with China Mobile Telecommunications and will represent the PRC Government's 6th major telecommunications company.

China Railway Telecom is expected to start offering its services by the end of this year.

As the PRC Government fragments its telecommunications industry so each company, afforded its slice of the PRC 'pie' by the State Council, looks less and less attractive.

However, when the PRC Government opens up its doors to foreign competition, in accordance with its promises, given to the World Trade Organisation (WTO), it will mean that it will be able to rake in the billions of US dollars by offering part of its telecommunications infrastructure to foreign investors.

Mr Wu Ji Chuan, the head of the PRC Government's Ministry of Information Industry (MII), made the statement last Monday that the MII expected the growth of the PRC telecommunications industry to be in the region of 20 percent compound, between now and the year 2005.

Other than news from the PRC Government, there was little else of materiality, happening in Asia, as investors waited the pleasure of Wall Street on Monday, New York time.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
139 Holdings Ltd	139	10.00		0.033
Asia Logistics Technologies Ltd	862	10.22		0.248
CEC International Holdings Ltd	759	14.13		1.05
China Motion Telecom International Ltd	989		22.90	1.01
China Sci-Tech Holdings Ltd	985	10.83		0.133
eForce Holdings Ltd	943		11.68	2.10
Emperor (China Concept) Investments Ltd	296	26.47		0.043
Everbest Century Holdings Ltd	578	15.00		0.023
Foruseas.com Ltd	755	25.00		0.02
GITIC Enterprises Ltd	340	17.24		0.34
Guangdong Building Industries Ltd	818	32.00		0.33
HyComm Wireless Ltd	499	13.18		0.249
Interchina Holdings Company Ltd	202		18.75	0.65
Jilin Chemical Industrial Company Ltd	368	18.68		0.54
Kin Don Holdings Ltd	208		12.96	0.047
Ngai Hing Hong Company Ltd	1047	12.20		0.46
Northern International Holdings Ltd	736	11.11		0.04
Pacific Century Insurance Holdings Ltd	65	20.18		3.275
Quality HealthCare Asia Ltd	593	14.00		1.71
Shougang Concord Century Holdings Ltd	103	15.94		0.24
Shougang Concord Grand (Group) Ltd	730	15.38		0.30
Shougang Concord International Enterprises Company Ltd	697	14.22		0.233
Shougang Concord Technology Holdings Ltd	521	17.86		0.33
Singamas Container Holdings Ltd	716	14.29		0.32
South East Asia Wood Industries Holdings Ltd	1205		16.84	0.079
Sun Man Tai Holdings Company Ltd	433		27.54	1.00
Swank International Manufacturing Company Ltd	663	18.33		0.071
Takson Holdings Ltd	918		12.79	0.75
VTech Holdings Ltd	303	12.50		8.10
Wah Tak Fung Holdings Ltd	297	13.64		0.05

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was an even quieter day than on the Main Board.

The Growth Enterprise Index fell 0.47 percent to 327.76 points on a dismal Total Turnover of just \$HK64.25 million.

The volume of activity was the lowest in the past year.

Losers were ahead of gainers by the ratio of about 1.36:One with about 40 percent of the counters not traded, at all.

Phoenix Satellite Television Holdings Ltd (Code: 8002) continued to hug the limelight as about 12.15 million shares of this Rupert Murdoch, Asian television broadcaster were switched, with the share price, fluctuating between a low of \$HK2 and a high of \$HK2.075. It closed the day at \$HK2.025.

With one counter representing about 38.38 percent of the Total Turnover, the remainder of the 42 counters had lean time of it.

However, for a change, there were 5 double-digit movers. They were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Grandmass Enterprise Solution Ltd	8108	15.91		0.153
GreaterChina Technology Group Ltd	8032	10.00		0.275
Proactive Technology Holdings Ltd	8089	11.43		0.78
Systek Information Technology (Holdings) Ltd	8103		10.00	0.36
T S Telecom Technologies Ltd	8003	10.42		0.53

In Japan, it was reported that the country was continuing to have its economic problems: It had failed to post any solid economic gains, indicating a sustained recovery.

Gross Domestic Product (GDP) rose 0.20 percent between the second quarter and the third quarter, representing a gain, on an annualised basis, of about one percent, only.

At the start of 2000, the Japanese economy appeared to be on course for a 10-percent GDP growth rate.

A slowdown in exports from the most important economy in Asia was said to be the real problem.

On The Tokyo Stock Exchange, the Nikkei-225 rose for the third successive session, putting on another 119.40 yen, ending the first day of the week at 14,954.73 yen.

But the Nikkei-225 had been as high as 15,067.19 yen so that, in the afternoon session, alone, it had shed about 112 yen, following the announcement by the Government in respect of the GDP statistics.

That the Nikkei-225 had failed to hold above the 15,000 level was seen as being somewhat ominous.

Most counters were up or down a percentage point, only, but trading house Nissho Iwai managed a 24.60-percent rise in its share price, following news of an agreement, signed between Indonesia Petroleum Ltd and it to develop, jointly, an oilfield in Brazil.

Other Asia stock markets looked like this just before brokers went home to a hot meal:

Thailand	Minus 0.87 percent
Indonesia	Plus 0.55 percent
Malaysia	Minus 0.27 percent
The Philippines	Minus 0.32 percent
South Korea	Minus 2.47 percent

Singapore	Minus 1.23 percent
Taiwan	Minus 1.96 percent
Japan	Plus 0.80 percent

Tuesday

As US Vice President Al Gore appeared to be facing his Maker, in respect of the US Presidential Election, the world held its proverbial breath in anticipation of the fighter extraordinaire, giving in to mounting legal precedents, which had all but eroded any hint of there being a reason for him to fight on.

On Tuesday, Florida time, Al Gore was hit from 2 sides, at the hands of the US Supreme Court – the highest court in the land – and at the Leon County Circuit Court.

The 2 Courts all but threw out Al Gore's legal case against the victory of George W. Bush at the polls – which was being contested.

Al Gore's legal troops scrambled in a last-ditch attempt, appealing within an hour of the Leon County Circuit Court determination to the Florida Supreme Court.

But the appeal was seen as being a desperation attempt -- nothing more: The better man had won.

The world watched, fascinated at the antics of the country, which preached *'The American Way'*; *'The Democratic Way'*.

Meanwhile, back in Asia, investors wondered what it all meant.

It was as though the top cricket team from the West Indies had visited the steppes of Mongolia to hold an international test cricket match, with the Mongolian natives, mounted on horses, wondering what was going on as the cricket ball was being tossed between 2 sets of 3 sticks, propped up in the soil, with a man, holding a piece of wood, trying to protect his 3 sticks from a cricket ball which was coming at him at about 100 miles per hour.

The Main Board of The Stock Exchange of Hongkong Ltd saw its Hang Seng Index rise just 0.096 percent as the Total Turnover continued to fall to a new low for the year of about \$HK6.77 billion, down from Monday's figure of \$HK7.52 billion.

The Hang Seng Index finished the session at 14,573.21 in what was described as a boring session.

Once again, one counter was seen as being responsible for a huge slice of the gains.

On Tuesday, that counter was HSBC Holdings plc (Code: 5), the giant banking conglomerate, rated in the top 10 banks in the world.

HSBC Holdings added about 2.34 percent to its market capitalisation, rising to \$HK109.50 by the close, which was just 50 cents off its high point of the day.

Totally, about \$HK460-million worth of HSBC Holdings's shares changed hands, representing about 6.79 percent of the Total Turnover.

China Mobile (Hongkong) Ltd (Code: 941) continued to be the most active counter, but it gave way to profit-taking as its share price fell back to \$HK45.90, down from \$HK47.10, the highest quote of the day.

Trading in this counter amounted to about \$HK601.25 million, or about 8.88 percent of the entire volume of activity.

While there were a couple of special situations, which saw some counters' share prices rise sharply or fall somewhat dramatically, due to one reason or another, the ratio of losers to gainers was about 1.14:One with about 54 percent of all the counters, being either untouched by investors' hands or seeing share prices, refusing to budge.

In addition to the antics with regard to the US Presidential Election, Asia looked at Wall Street's antics, last Monday, New York time, noting that, while the Dow Jones Industrial Average had gained 187.41 points, about 1.81 percent, to close the session at 10,560.95 points, the broader-based NASDAQ Composite Index had fallen by 29.54 points, or about 1.11 percent, to come down to 2,616.75 points.

While Americans were concerned about the lack of profits from some of the NASDAQ 'darlings', the US Presidential nonsense was a heavy weight to bear.

George W. Bush is seen as being pro-business and pro-oil while Al Gore is seen as being a boring moderate, as far as investors were concerned, rightly or wrongly.

But what investors on US bourses, also, noted was that the NASDAQ had been off by as much as 3 percent, during the day, after some healthy reports started to circulate investors and traders, alike.

The following are the double-digit gainers and losers of the day on The Stock Exchange of Hongkong Ltd:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Compass Pacific Holdings Ltd	1188		11.96	0.405
Fong's Industries Company Ltd	641	10.00		0.44
Fourseas.com Ltd	755	20.00		0.024
Fujian Group Ltd	181	11.11		0.06
Gemzboh Holdings Ltd	1192	14.28		0.08
Guangdong Building Industries Ltd	818	51.52		0.50
Guangdong Tannery Ltd	1058	25.00		0.18
HKCB Bank Holdings Company Ltd	655	18.39		2.575
Innovative International (Holdings) Ltd	729		12.70	0.11
Lippo China Resources Ltd	156	18.40		0.148
Mandarin Resources Corporation Ltd	70	14.12		0.97
Northern International Holdings Ltd	736		10.00	0.036
Ocean Grand Holdings Ltd	1220	12.66		0.178
Ocean Shores Group Ltd	764		17.24	0.36
Playmates Interactive Entertainment Ltd	635		11.25	0.355
Shougang Concord Century Holdings Ltd	103	12.50		0.27
SmarTone Telecommunications Holdings Ltd	315	13.10		14.25
Star Cruises Ltd	678		10.37	7.35
SunCorp Technologies Ltd	1063		13.04	0.06
SUNDAY Communications Ltd	866	10.07		0.65
Truly International Holdings Ltd	732	10.80		1.95
Wah Tak Fung Holdings Ltd	297	12.00		0.058
Wireless InterNetworks Ltd	261		23.08	0.01

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – the Total Turnover hit another low for the year of about \$HK59.44 million.

The Growth Enterprise Index shed about three quarters of one percent, falling to 325.31 points, but about 92 percent of the losses came in the 90-minute afternoon session when The Index dropped 2.25 points of the 2.45-point losses of the day.

The ratio of losers to gainers was about 2.33:One with more than half of the counters, seeing no action at all.

Phoenix Satellite Television Holdings Ltd (Code: 8002) continued to be the most active counter, accounting for about 36.41 percent of the entire volume of activity.

Its share price fluctuated between a low of \$HK1.95 and a high of \$HK2.025, ending the day at \$HK1.96 after a total of about 10.90 million shares changed hands.

In Japan, it was a different scenario as the premier Japanese stock market came in for some stick.

The Tokyo Stock Exchange saw its Nikkei-225 break its 4-day spree of rising share prices as about 259.68 yen was wiped off the benchmark, which finished the day at 14,695.05, a loss of about 1.74 percent, compared with Monday's closing level.

The biggest news of the day was a suggestion that Bridgestone/Firestone could be hit with claims for more than \$US50 billion (about \$HK390 billion) in respect of its killer tyres.

The share price of Firestone went down with a thump. At daily limit of 200 yen, the share price ended the day at 1,252 yen.

If the claims mount, the story was, Bridgestone/Firestone could seek the protection of the court by filing for bankruptcy.

Losses, generally speaking, were contained on Asia's most important stock market as Japan, like many other major Asian bourses, was waiting for the US Presidential '*dust*' to settle.

This was how it looked in other Asian stock markets:

Thailand	Closed
Indonesia	Plus 0.36 percent
Malaysia	Plus 0.79 percent
The Philippines	Minus 0.04 percent
South Korea	Plus 3.04 percent
Singapore	Plus 1.17 percent
Taiwan	Plus 0.49 percent
Japan	Minus 1.74 percent

Wednesday

If any one man could have been said to have been solely responsible for the boomlet of last Tuesday on The New York Stock Exchange, then, that man must be Dr Alan Greenspan, Chairman, US Federal Reserve.

And if any one event could have been said, last Tuesday, to have been solely responsible for a reconfirmation of investor confidence in corporate America, then that event must have been the strong probability that Vice President Al Gore had lost his bid to be the next President of the United States.

It was not that Al Gore was not the better man, because opinions are, still, split as to which of the candidates, Al Gore or George W. Bush, would be better suited for the most important job in the world, but the very notion, that the uncertainty was over, was the fillip that the people of the world needed to restore confidence.

But Dr Greenspan stole the world's thunder, last Tuesday, following his speech to New York bankers, a venue that he chose to issue the Fed's new, unofficial proclamation: The Fed is willing to consider reducing interest rates should there be the first inkling of a recession.

That was all the investors on US stock markets needed: Up went share prices in short order.

The NASDAQ Composite Index rang up a 10.48-percent gain, its biggest, one-day gain in its history.

The NASDAQ ended last Tuesday's session, New York time, at 2,889.80 points in a booming session.

The Dow Jones Industrial Average, not to be outdone, put on about 3.21 percent, rising to 10,898.72 points.

The stock markets of the world saw Dr Greenspan's comments as being a guide as to what the Fed would recommend at its interest-rate policy meeting, scheduled for December 19.

It was only too obvious that the US would try to keep its decade-long expansion boom going for a bit longer, at least.

The euphoria in the US did not spill over into Asia to the extent that one would have, at first, imagined, although the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) did experience a definite revival of interest from investors in share trading.

The big questions: Is the bear run over? Can Wall Street keep the impetus of Tuesday's gains, going for another week or so?

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index rose about 3.61 percent to 15,098.95.

The Total Turnover shot up to about \$HK14.43 billion, an increase of 113 percent over Tuesday's volume of activity.

Under any other conditions, one might have been tempted to state that last Wednesday's stock market had the beginnings of another bull run.

But one has seen so many false starts, of late: One becomes hesitant to make a definitive determination as to a stock market's direction on the basis of one day's trading results.

Further, the top 4 most active counters accounted for about 36 percent of the Total Turnover – and the top 4 counters were all blue chips.

Cheung Kong (Holdings) Ltd (Code: 1), HSBC Holdings plc (Code: 5), China Mobile (Hongkong) Ltd (Code: 941) and Hutchison Whampoa Ltd (Code: 13) were the leaders on the Ten Most Active list.

Cheung Kong put on 6.93 percent, rising to \$HK96.50, while HSBC Holdings saw its share price gain 3.65 percent, ending the session at \$HK113.50. China Mobile, the PRC's largest cellular telephone operator, gained 2.18 percent, raising its share price to \$HK46.90, and Hutchison Whampoa managed a gain of 4.56 percent, recovering some of its losses as its share price ran back to \$HK97.50.

The ratio of gainers to losers was 3.84:One while the number of counters that were unchanged from Tuesday's prices fell to just under 44 percent.

The gains on The Stock Exchange of Hongkong Ltd were the biggest in Asia, as most other bourses appeared to be totally unwilling to accept, at face value, the contents of Mr Alan Greenspan's speech in New York.

Still looming and still unresolved was the matter of the next President of the United States since it was clear that Vice President Al Gore had not rolled over and given up, at least, not as at last Tuesday.

Al Gore had one more card to play in this fiasco in his attempt to unseat his rival.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Orient Holdings Ltd	214	10.20		0.108
Beijing Development (Hongkong) Ltd	154	25.26		1.19
Chi Cheung Investment Company Ltd	112	60.00		0.112
Compass Pacific Holdings Ltd	1188	25.93		0.51
Dynamic Holdings Ltd	29		17.39	0.57
e-Kong Group Ltd	524	10.71		0.62
e-New Media Company Ltd	128	20.90		0.81
Everbest Century Holdings Ltd	578		13.64	0.019
Graneagle Holdings Ltd	147	20.00		0.024
Great Wall Technology Company Ltd	74	11.43		2.925
Guangdong Building Industries Ltd	818	64.00		0.82
Hikari Tsushin International Ltd	603	10.00		0.275
Hing Kong Holdings Ltd	535	11.59		0.77
Hongkong Building and Loan Agency Ltd	145	12.50		0.90
i-CABLE Communications Ltd	1097	20.66		3.65
i-Onyx Ltd	102		12.70	1.10
KEL Holdings Ltd	681	13.46		0.295
Kerry Properties Ltd	683	10.75		10.30
Kingmaker Footwear Holdings Ltd	1170	17.50		1.41
Magician Industries (Holdings) Ltd	526	26.98		0.08
Midland Realty (Holdings) Ltd	1200	10.91		0.61
New World CyberBase Ltd	276	10.33		0.235
Pearl Oriental Cyberforce Ltd	988	19.23		0.031
QPL International Holdings Ltd	243	10.11		4.90
RNA Holdings Ltd	501	11.43		0.38
Shougang Concord Century Holdings Ltd	103	20.37		0.325
Soundwill Holdings Ltd	878	12.00		0.084
South East Group Ltd	726	10.00		0.022
Takson Holdings Ltd	918		12.00	0.66
TCL International Holdings Ltd	1070	13.16		2.15
Technology Venture Holdings Ltd	61	11.25		2.225
Theme International Holdings Ltd	990	10.00		0.099
Truly International Holdings Ltd	732	29.49		2.525
Vision Tech International Holdings Ltd	92	17.24		0.34
vLink Global Ltd	563	10.20		0.108
Winsan (China) Investment Group Company Ltd	85	10.00		0.275
Wireless InterNetworks Ltd	261	40.00		0.014

On The Growth Enterprise Market – The GEM – of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Market followed the Main Board’s lead, rising 3.82 percent, running back to 337.72 points.

All but 0.39 points of the day’s gains came in the 150-minute morning session, however, since the 90-minute afternoon session became, once again, a dull event.

The Total Turnover rose to about \$HK161.70 million, up from Tuesday’s volume of about \$HK59.44 million, an increase of about 172 percent.

Phoenix Satellite Television Holdings Ltd (Code: 8002) was, once again, top dog as about 32.27 million shares of this Rupert Murdoch company found new owners.

The volume of business on this one counter represented about 42.20 percent of the Total Turnover.

The share price of this television broadcaster fluctuated between a low of \$HK2.025 and a high of \$HK2.20, ending the day at \$HK2.15.

The closing level represented a gain of about 9.69 percent, considering that the share price at the close of trading on Tuesday was \$HK1.96.

There was still a dearth of news from the companies, whose shares are listed on this speculative market, so that, with the exception of Phoenix Satellite, one has to consider this market more of a casino than anything else.

Gainers were, however, ahead of losers by the ratio of about 3.63:One with the number of counters, seeing no action at all, falling to about 27 percent of the 50 listings.

On Asia's most important bourse, The Tokyo Stock Exchange, the Nikkei-225 was 194.32 yen higher, at 14,889.37 yen.

The 1.32-percent rise was in direct response to what had happened on Wall Street on Tuesday, New York time.

Hi-tech counters in Japan were immediate beneficiaries of the Wall Street boomlet as Sony Corporation added about 4.14 percent to its market capitalisation, rising to 8,800 yen.

While Japan's top consumer electronics manufacturer had a good day, Japan's leading chipmaker, NEC, saw its share price jump about 5.29 percent, rising to 2,390 yen.

Electronics manufacturer, Mitsubishi Electric, was not left out of the run-up as its share price gained about 6.65 percent, ending the day at 722 yen.

And so it went on, with one counter after another, seeing its share price head for higher and higher ground.

There was one bit of negative news when, after The New York Stock Exchange closed its doors for the day, Apple Computer announced a warning that it expected to lose money in the fourth quarter of this year.

But Apple Computer is no longer considered in the same category as some of the high flyers so that the Asian markets did not place too much store in the Apple Computer warning.

Gaining issues were just ahead of losing ones on the premier Japanese stock market by the ratio of about 1.05:One.

Other Asian stock markets were a little more hesitant about jumping on the Wall Street wagon as the following list indicates:

Thailand	Plus 0.21 percent
Indonesia	Plus 0.53 percent
Malaysia	Plus 1.58 percent
The Philippines	Plus 0.87 percent
South Korea	Plus 0.18 percent
Singapore	Plus 1.09 percent
Taiwan	Minus 0.55 percent
Japan	Plus 1.32 percent

Thursday

Just how frail is investor sentiment, worldwide, was demonstrated, most poignantly, last Wednesday on Wall Street, when indices on The New York Stock Exchange went into a tailspin.

And Asia got it in the neck as a direct result.

While American investors on the world's largest bourse tend, these days, to be moved by the smallest indication of a signal, some bullish and some bearish, Asian investors indicated last week just *'how one should keep one's cool'* in these days of uncertainty, as the Americans like to say.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the euphoria of Wednesday vanished in short order as the Hang Seng Index, the guide to share prices on the Main Board of The Stock Exchange of Hongkong Ltd, shed about 0.58 percent, falling to 15,011.52.

The 87.43-point loss, registered at the end of the trading day, was an improvement over the morning session's figures – because they indicated that the Hang Seng Index had registered a loss of about 174.44 points, or about 1.16 percent, compared with Wednesday's closing level.

The 90-minute afternoon session saw the Index claw back exactly 87.01 points, just about 50 percent of the earlier losses.

But the volume of activity told the story even better since it sank to about \$HK9.48 billion, down about 34.30 percent, compared with the Total Turnover on the Main Board for Wednesday's booming session.

But even Wednesday Total Turnover of \$HK14.43 billion was hardly the stuff of which a bullish market is made, in any event.

Losses were widespread on the HKSAR's premier stock market, but Cheung Kong (Holdings) Ltd (Code: 1) saw its share price rise to \$HK97.75 after hitting a low of \$HK95.

Cheung Kong, the leader on the Ten Most Active list, was responsible for about \$HK1.41-billion worth of trades, representing about 14.87 percent of the Total Turnover.

Hutchison Whampoa Ltd (Code: 13), another of Mr Li Ka Shing's publicly listed entities, was second on the totem pole as about 8.76 million Hutchison shares changed hands.

The volume of activity in this counter represented about 8.86 percent of the Total Turnover.

Hutchison's share price ended the day, down 1.03 percent to \$HK96.50.

The entire situation with regard to share trading on the second largest Asian stock market was reversed on Thursday, compared with Wednesday, with the ratio of losers to gainers, being about 2.13:One.

About 58 percent of the entire market of listed companies did not move at all.

The reason for the sell-off in Asia, and especially in the HKSAR, was due to a US report about more companies whose profits were unlikely to please investors.

Bank of America warned, after the close of trading on The New York Stock Exchange on Wednesday, that its profits would not match previous expectations from analysts.

As a result, the Dow Jones Industrial Average declined about 2.15 percent to 10,664.38 while the broader based NASDAQ Composite Index gave up 3.23 percent, falling to 2,796.50.

The warning from Bank of America came on the heels of the Apple Computer warning of late Tuesday, New York time, a warning which signaled widespread selling on Wednesday.

Apple warned that it expected a fourth quarter loss, the first loss for any quarter in the previous 3 years.

Asia took careful note of what was taking place in the largest economy of the world because it was only too apparent that that which affected the US, affected the world.

Meanwhile, in Florida, Al Gore continued the good fight to beat off the challenge from George W. Bush in the Courts of that southern State.

The situation with regard to the US Presidential Elections was far from over, it appeared.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B-Tech (Holdings) Ltd	412		14.29	0.012
China Insurance International Holdings Company Ltd	966	11.82		1.23
Dynamic Holdings Ltd	29	26.32		0.72
Emperor International Holdings Ltd	163	25.00		0.65
Everbest Century Holdings Ltd	578	10.53		0.021
Fu Hui Holdings Ltd	639	12.31		0.073
Guangdong Building Industries Ltd	818		20.73	0.65
Interchina Holdings Company Ltd	202		12.86	0.61
S.A.S. Dragon Holdings Ltd	1184	15.09		0.61
Shougang Concord Grand (Group) Ltd	730		10.94	0.285
SunCorp Technologies Ltd	1063	23.21		0.069
Theme International Holdings Ltd	990	10.10		0.109
UDL Holdings Ltd	620	11.67		0.067

On The Growth Enterprise Market, The GEM, of The Stock Exchange of Hongkong Ltd, Trasy Gold Ex Ltd (Code: 8063) made its entrance in grand style.

The software maker of an electronic system of trading which can accommodate 4 precious metals, only, was the second most active counter on The GEM as about 146 million of its shares changed hands.

The dollar value of the trades in this company's shares, a company that has yet to make a nickel in profits, was about \$HK35.54 million, or just short of 27 percent of the Total Turnover of about \$HK131.67 million.

Trasy's share price ranged between a low of 21.70 cents and a high of 32 cents, ending the session at 22.90 cents.

The company Placed a total of 242.80 million, one-cent shares at a premium of 20 cents per share.

(For an analysis of this company, please see TARGET Intelligent Report, [Volume II, Number 234](#), published on December 8)

Phoenix Satellite Television Holdings Ltd (Code: 8002) continued to dominate trading on this speculative marketplace as about \$HK45.67-million worth of this Rupert Murdoch television broadcaster were traded.

Its share price ended the day at \$HK2.175, up 1.16 percent, compared with Wednesday's close.

The Growth Enterprise Index shed exactly 1.22 percent, falling to 333.60 points, most of which took place in the morning market.

There were no double-digit movers.

The ratio of losers to gainers was 2.78:One with about 39 percent of the counters, remaining unchanged.

In Japan, The Tokyo Stock Exchange lost some of its steam as the Nikkei-225 gave up 169.01 yen, about 1.14 percent, falling to 14,720.36 in what was described as an understandable, but disappointing market.

The market was squeamish for a number of reasons, notwithstanding Wall Street and the US Presidential Election farce.

Japanese investors wanted to see what data was contained in the TANKAN Survey of Bank of Japan, a survey that is supposed to indicate business sentiment in The Land of The Rising Sun.

The results of this survey are expected to be released on Wednesday.

In addition, the Japanese Government is due, this week, to release its finding with regard to the state of the Japanese economy.

Many of the companies, listed on the premier Japanese stock market, suffered at the hands of the bears as tens of billions of yen were wiped off the market capitalisations of many a company.

Softbank, a company with investments in a number of NASDAQ companies, lost about 5.83 percent of its value as investors marked down its share price by 5,650 yen.

Softbank has lost not less than 90 percent of its market capitalisation since its high in February.

But aside from Softbank, most counters were off a couple of percentage points, at most.

Losers outpaced gainers by the ratio of about 1.40:One.

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

Thailand	Plus 0.25 percent
Indonesia	Plus 0.44 percent
Malaysia	Minus 0.68 percent
The Philippines	Minus 0.19 percent
South Korea	Plus 1.14 percent
Singapore	Minus 0.82 percent
Taiwan	Plus 0.81 percent
Japan	Minus 1.14 percent

Friday

With the 2 exceptions of the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) and South Korea, all other major stock markets in Asia hardly moved, last Friday.

The Hang Seng Index, the would-be guide to trading on The Stock Exchange of Hongkong Ltd, gained 1.18 percent, rising to 15,189.33 in spite of Wall Street, having another rocky session and the matter of conundrum in respect of the next President of the United States, still being unresolved.

A very positive element in the international equation was oil – and a retreat from its price highs.

Crude oil prices fell, last Friday, amid further signs of an oversupply, plus strong suggestions that the United Nations was broking a deal between Iraq and the rest of the world so that the autocratic regime of Saddam Hussein would resume supply of about 2.50 million barrels, daily, to the rest of the world.

London's prices for Brent for January delivery was down 58 cents (US) to \$US26.89 per barrel. In the previous 7 days, the price of Brent in London had retreated about \$US5.79 per barrel.

On Wall Street, on Thursday, New York time, the Dow Jones Industrial Average fell about 0.44 percent to 10,617.36, pulled down, considerably, due to losses incurred in the share price of Microsoft Corporation.

The NASDAQ Composite Index, on the other hand, shed about 1.57 percent, dropping back to 2,752.65.

The reason for New York's falls of last Thursday was due to a number of factors, but the most compelling reason was continued investor disappointment with regard to earnings reports.

Microsoft, for instance, saw its share price drop another \$US3.81 (about \$HK30) after international brokerage houses determined that its profits were on the wane due to a slowdown in the sales of personal computers, worldwide.

Intel Corporation, the largest producer of semiconductors in the world, warned that its profits for the fourth quarter were likely to disappoint shareholders.

Intel said that it had suffered cancellations from large buyers of Intel's products.

Intel was but the latest in a series of such similar reports from other high-flyers, such as Gateway, Apple and Hewlett-Packard.

The share price of Intel fell about 5.60 percent to \$US30.50 (about \$HK240), last Thursday on The New York Stock Exchange.

How long such negative reports would affect trading, on an international basis, nobody could say, last Friday in the HKSAR, but most investors in Asia just shrugged their shoulders and suggested that *'all would come out in the wash'*.

It did appear, logically, that things should be on the mend in respect of improved investor sentiment in respect of trading in stocks and shares.

There was little in the way of special corporate news, emanating from the HKSAR, last Friday, as the Total Turnover on The Stock Exchange of Hongkong Ltd rose to \$HK10.65 billion – which is, still, a long way from what one would expect of the bullish market.

The Li Ka Shing *'mob'* ruled the Ten Most Active list, led by Mr Li's flagship company, Cheung Kong (Holdings) Ltd (Code: 1), the share price of which managed a small gain after being trapped in a \$HK2 *'channel'* the entire day.

Cheung Kong's volume of activity accounted for about 10.33 percent of the Total Turnover as its share price rose 1.02 percent to end the week at \$HK98.75.

Hutchison Whampoa Ltd (Code: 13) was second in line on the Most Active list as about 8.40 million Hutchison shares changed hands with its price, being trapped in a \$HK2.25 range the entire day.

The share price of Hutchison ended the week at \$HK98, a gain of about 1.55 percent, compared with Thursday's closing level.

Pacific Century CyberWorks Ltd (Code: 8), the third, most-important Li Ka Shing publicly listed entity, came in fourth place on the Ten Most Active list as about 125.16 million of this company's scrip changed hands, forcing up the price to \$HK5.85, a gain of about 8.33 percent, compared with Thursday's close.

The dollar value of trades in this company was about \$HK716.13 million, or about 6.76 percent of the entire volume of activity for the last day of the week.

The Li Ka Shing *'mob'*, therefore, accounted for about 24.79 percent of the Total Turnover.

Other than the dominance of Mr Li Ka Shing and his publicly listed companies, there was little else to write home to mommy.

The ratio of gainers to losers, last Friday, was about 1.55:One with about 55 percent of the counters not trading at all or having their share prices locked in at Thursday's closing prices.

What may have given Asian investors a little solace was a report from Washington, the US, issued by the Labour Department, a branch of the US Government, to the effect that the US unemployment rate had risen to about 4 percent in November, after holding pat at a 30-year low in the previous 2 months.

It was the first time since about August that the US unemployment rate was seen, definitely, to be on the rise.

That little snippet of information may be the last piece of the jigsaw puzzle, allowing the US Federal Reserve to be a little more sympathetic with investors in the US – and lower interest rates.

The following is the list of double-digit movers of the day:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B-Tech (Holdings) Ltd	412		16.67	0.01
Buildmore International Ltd	108	20.00		0.60
Far East Consortium International Ltd	35	10.20		0.54
GITIC Enterprises Ltd	340	12.50		0.36
Hongkong Construction (Holdings) Ltd	190	11.82		1.23
Hung Fung Group Holdings Ltd	1141	11.76		0.019
i-Onyx Ltd	102	14.29		1.20
Midas Printing Group Ltd	1172		10.14	0.31
Pacific Challenge Holdings Ltd	166	17.86		0.66
Pearl Oriental Cyberforce Ltd	988	10.34		0.032
Sinocan Holdings Ltd	1095		13.19	0.079
UDL Holdings Ltd	620	11.94		0.075
Wah Lee Resources Holdings Ltd	1215		15.12	0.174
Welback Holdings Ltd	491	10.26		0.043
Zida Computer Technology Ltd	859		10.81	0.66

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – The Growth Enterprise Index gave up 0.03 percent, ending the week at 333.57 points (Thursday's close was 333.60 points).

To say that the market was dull would be akin to flogging a dead horse.

The same 2 counters dominated trading on Friday, as they did on Thursday: Trasy Gold Ex Ltd (Code: 8063); and, Phoenix Satellite Television Holdings Ltd (Code: 8002).

Trasy Gold managed to make some headway on Friday, rising to 3.10 cents at the close, a gain of about 13.54 percent over its Thursday debut, while Phoenix Satellite was trapped in a 10-cent rut the entire day. It ended the week at \$HK2.15 per share.

Trading in the counters of Trasy Gold and Phoenix Satellite represented about 41.86 percent of the Total Turnover of this market of about \$HK106.25 million.

Gainers were slightly ahead of losers by the ratio of about 1.17:One with about 58 percent of the counters, seeing no action at all.

There were 3 big movers for the day:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
-----------------	------	--------------	--------------	----------------------

Syscan Technology Holdings Ltd	8083		16.19	0.088
Systek Information Technology (Holdings) Ltd	8103		10.26	0.35
T S Telecom Technology Ltd	8003	14.29		0.56

In Japan, it was a similar story to The GEM as The Tokyo Stock Exchange was not the place to be if one wanted some action.

The Nikkei-225 slipped just 23.85 yen to end the week on an unsure note of 14,696.51 yen as Japanese investors looked to Wall Street for succour ... and found none.

Share prices fluctuated between one percent and 2 percent of Thursday's levels as hi-tech and Internet-related counters found themselves on the selling end of things, following on from Wall Street's paring of Wednesday.

It was on such a dull note that trading came to a halt for the week, ended December 8, 2000. Here is how other Asian bourses saw the situation, last Friday:

Thailand	Plus 0.36 percent
Indonesia	Minus 0.88 percent
Malaysia	Minus 0.34percent
The Philippines	Plus 0.70 percent
South Korea	Plus 2.11 percent
Singapore	Minus 0.07percent
Taiwan	Plus 0.77 percent
Japan	Minus 0.24 percent

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

-- E N D --

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to editor@targetnewspapers.com or targnews@hkstar.com. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.