

**STAND BY FOR MORE ‘HITS’, DR GREENSPAN WARNS THE WORLD :
AND DOWN COME STOCK-MARKET PRICES**

Trading conditions were extremely quiet throughout most of Asia, last Monday, as everybody and his cat awaited 2 unrelated announcements: Dr Alan Greenspan's statement on the condition of the US economy, scheduled for Wednesday, Washington time; and, the trading results of one of the world's largest banks, HSBC Holdings plc (Code: 5).

Only on The Djakarta Stock Exchange JSX Index was there a move of more than a fraction, as all of Asia's other, most important bourses just limped along.

(Djakarta was down nearly 1.50 percent due to civil unrest in the south of the country, not caused by any economic consideration).

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the big question was what HSBC Holdings would announce in respect of its trading results for the 2000 Financial Year, ended December 31.

The Main Board's Hang Seng Index lost 50.34 points to end the day at 15,230.22, a loss of about 0.33 percent, compared with the previous Friday's close.

The Total Turnover was about \$HK10.14 billion, with trading in the 3 major, Li Ka Shing Camp counters – Hutchison Whampoa Ltd (Code: 13), Cheung Kong (Holdings) Ltd (Code: 1) and Pacific Century CyberWorks Ltd (Code: 8) – accounting for about 16 percent of that figure.

Hutchison Whampoa, the most active counter, lost about 1.10 percent of its market capitalisation, falling to \$HK89.75 per share, very close to the lowest point of the day.

HSBC Holdings, the second, most-active counter after Hutchison Whampoa, lost about 0.43 percent of its value, after about 5.04 million of its stock were traded.

It finished the day at \$HK116.50 per share, just off the low of the day of \$HK116 per share.

While the Hang Seng Index was off about 0.33 percent, it was noted that there were 339 gainers against 301 losers, a ratio of about 1.13:One.

About 55 percent of all the counters, listed on The Stock Exchange of Hongkong Ltd, were either deserted by investors or, simply, hung onto the previous Friday's levels.

While it would have been accurate to describe the HKSAR stock markets as being pretty lifeless and unexciting, it was noted that there were quite a number of counters that enjoyed, or suffered, double-digit movements as the following TARGET table illustrates:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		14.29	0.024
C.P. Pokphand Company Ltd	43	16.67		0.245
CATIC International Holdings Ltd	232	16.08		0.166
China DigiContent Company Ltd	1197	21.43		0.017
China Everbright International Ltd	257	23.75		0.495
China Everbright Technology Ltd	256	18.00		0.59

China Land Group Ltd	149	20.00		0.54
Climax International Company Ltd	439		11.70	0.234
Coastal Realty Group Ltd	1124		18.01	0.173
Companion Building Material International Holdings Ltd	2948/432		33.00	0.067
Dan Form Holdings Company Ltd	271	17.86		0.33
Emperor (China Concept) Investments Ltd	296	18.18		0.039
Evergo China Holdings Ltd	631	25.00		0.11
Fourseas.com Ltd	755		10.71	0.025
Golik Holdings Ltd	1118	13.48		0.295
Hon Kwok Land Investment Company Ltd	160	10.13		0.435
Interchina Holdings Company Ltd	202		12.63	0.249
Leading Spirit High-Tech (Holdings) Company Ltd	606	19.23		0.031
Min Xin Holdings Ltd	222	12.16		0.83
Paladin Ltd	495		19.19	0.139
Pearl Oriental Cyberforce Ltd	988	22.22		0.022
Poly Investments Holdings Ltd	263	10.34		0.32
Shenyin Wanguo (Hongkong) Ltd	218	16.16		1.15
Shougang Concord International Enterprises Company Ltd	697	10.71		0.31
Sinocan Holdings Ltd	1095	10.34		0.064
Sinolink Worldwide Holdings Ltd	1168	10.00		0.385
South China Online Ltd	619		10.95	0.122
Star Bio-Tech (Holdings) Ltd	1051	40.00		0.014
Sun Man Tai Holdings Company Ltd	433	19.18		0.435
Ta Fu International Holdings Ltd	1041		39.16	0.101
Tung Fong Hung (Holdings) Ltd	279	12.07		0.13
Winsan (China) Investment Group Company Ltd	85		10.34	0.26
Yunnan Enterprises Holdings Ltd	455	13.21		0.60
Zhu Kuan Development Company Ltd	908	18.52		0.48

It was, also, noted that events, about to unfold in the week of February 26 through to March 2, were playing a much bigger role in respect of trading in securities than any focus on Wall Street of the previous Friday, February 23.

The previous week, on The New York Stock Exchange, investors had been humbled by the NASDAQ Composite Index, having lost about 6.80 percent in 5 trading days, while the blue-chip, Dow Jones Industrial Average had given up about 3.30 percent of its value, during that same period.

After trading on the HKSAR stock markets came to a close, last Monday, it was announced that HSBC Holdings plc had enjoyed a 22-percent increase in Net Profits for the 2000 Financial Year.

The bank reported a 28-percent rise in Pre-Tax Profits, which rose to £7.10 billion.

The Chairman of HSBC Holdings, Sir John Bond, sounded more than a few words of caution about the Current Financial Year, ending December 31, 2001, however, citing the rapid slowdown in the US economy as likely to play a part in lowering the giant bank's 2001 trading results.

In London, last Monday morning, the share price of HSBC Holdings was marked down about 5 percent on the news.

'Not good enough' was the refrain from investors in respect of the bank's results.

Lastly, it was announced last Monday that there had been another dot.com tragedy: Internet toy retailer, eToys Incorporated, had filed for protection under (US) Federal Bankruptcy Laws.

The company had outstanding liabilities of more than \$US274 million (about \$HK2.13 billion) as at January 31, 2001, with no way to pay off its creditors.

The end of another dot.com company, listed on the NASDAQ.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story to that of the Main Board – even to the extent of the losses.

The Growth Enterprise Index gave up about 0.31 points, falling to 299.67 points, on a Total Turnover of about \$HK108.31 million.

Advancing issues were ahead of retreating ones by the ratio of about 1.25:One, with about half of all counters, seeing no action at all.

Phoenix Satellite Television Holdings Ltd (Code: 8002) continued to be the most active counter of the day as about 8.52 million of its shares were traded.

It ended the day at \$HK1.86 per share for a loss of about 1.59 percent, compared with the previous Friday's closing level.

The top 5 traded companies accounted for about 58 percent of the Total Turnover, with Phoenix Satellite Television, alone, representing about 14.69 percent of entire volume of activity.

In Japan, there was a great deal of news: Most of it of negative value.

The big news of the day was from Mitsubishi Motors Corporation and of its continuing problems.

The company announced that it would let go some 14 percent of its workforce, representing about 9,500 men and women.

Mitsubishi, the fourth largest vehicle manufacturer in Japan, has been suffering since its abject admission in the summer of last year when it was forced to own up to covering up motor-car defects for the previous 2 decades.

DaimlerChrysler AG, of Germany, is the largest, single shareholder in Mitsubishi, holding about 34 percent of the Issued and Fully Paid-Up Share Capital of the company, a stake that it picked up last October.

The Tokyo Stock Exchange was abuzz with the news as the Nikkei-225 slipped 44.86 yen, about 0.34 percent, to end the session at 13,201.14 yen.

Technology and telecommunications counters were the flavours of the day due to unrelated news events about both industries.

From London, England, it was announced that Vodafone Group plc was keen to buy up about 10 percent of the Issued and Fully Paid-Up Share Capital of Japan Telecom Company, a stake which was held by the US giant, AT&T Corporation.

The deal was worth about \$US1.35 billion (about \$HK10.52 billion).

Vodafone already has a 15-percent stake in the Japanese telecommunications giant, a stake that it acquired in late December 2000 for about \$US2.50 billion after doing a deal with West Japan Railway Company and Central Japan Railway Company, the previous owners of the shares.

The share price of Japan Telecom rose about 8.24 percent by the close of trading on The Tokyo Stock Exchange, at 1.84 million yen.

Murata Manufacturing Company, a manufacturer of electronic components, announced that its Financial Year, ending March 31, 2001, would not be as good as had been expected, trimming its profits' forecast by about 5 percent.

Its share price gave up 7.32 percent on the news as it fell to 10,250 yen.

That set the tone for many electronics as Kyocera Corporation shed 3.13 percent of its value, falling to 11,140 yen, and NEC Corporation gave up about 0.75 percent of its market capitalisation, falling back to 1,980 yen per share.

Japan was waiting, like the rest of Asia, to see whether or not Dr Alan Greenspan, the Chairman of the US Federal Reserve, would lower interest rates, giving the US economy a much-needed shot in the arm.

Asia awaited the pleasure of the good doctor, it seemed.

This was how other Asian stock markets fared last Monday:

Indonesia	Minus 1.48 percent
Japan	Minus 0.34 percent
Malaysia	Minus 0.26 percent
The Philippines	Minus 0.67 percent
Singapore	Plus 0.69 percent
South Korea	Plus 0.31 percent
Taiwan	Minus 0.19 percent
Thailand	Minus 0.89 percent

Tuesday

The Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) fell out of love with HSBC Holdings plc (Code: 5) -- and marked down its share price, accordingly.

And that brought down the Hang Seng Index, the '*barometer*' of the Main Board of The Stock Exchange of Hongkong Ltd, with a clunk.

The Hang Seng Index lost about 2.60 percent of its value, crashing through the 15,000 barrier as a hot knife cuts through soft butter.

The morning session, to 12:30 pm, saw the Hang Seng Index off 375.91 points to 14,854.31 points, and that chasm widened in the 90-minute afternoon session as the Index ended the day at 14,834.73.

The Total Turnover of the day was about \$HK14.62 billion, with trading in the shares of HSBC Holdings, accounting for 25.17 percent of that figure.

Totally, about 33.94 million HSBC Holdings's shares were traded, with the share price, fluctuating between a low of \$HK107 and a high of \$HK109.50, ending the day at \$HK107.50 for a loss of 7.73 percent, compared with Monday's closing price.

Needless to say, it was the most actively traded counter of the day.

But HSBC Holdings did not ride the HKSAR, stock-market, roller-coaster alone since its HKSAR subsidiary, Hang Seng Bank Ltd (Code: 11), was, certainly, not forgotten by investors.

Hang Seng Bank, the second, most-active counter of the day, saw about 8.14 million of its shares find new owners, with its share price, being knocked down by 6.65 percent as it slumped back to \$HK94.75.

Trading in this counter represented 5.40 percent of the Total Turnover.

Trading in the shares of HSBC Holdings and Hang Seng Bank, therefore, represented not less than 30.57 percent of the entire activity on Asia's second, most-important stock market.

Investor disillusionment, in respect of HSBC Holdings and Hang Seng Bank, was not over their respective achievements in the 2000 Financial Year, but in their perceived lack of action in facing the Current Financial Year's widely anticipated problems.

Also, having fewer Provisions for Bad and Doubtful Debts in the 2000 Year are not the same as earning larger profits, investors were saying.

The losses in the respective prices of these 2 banking counters were said to have been responsible for about 82 percent of the Hang Seng Index's decline.

Aside from banking counters, all of which are now very suspect, as far as HKSAR investors are concerned, market watchers were still waiting to see what would happen on the largest stock market in the world: The New York Stock Exchange, on Tuesday, New York time.

On Monday, on Wall Street, the Dow Jones Industrial Average jumped 200.63 points, about 1.92 percent, to 10,642 points, in what was described as a booming market.

Shrugging off fears of lower profit forecasts from market leaders, and shrugging off fears of the unknown, the tech-laden NASDAQ Composite Index bounced back with a gain of about 2.03 percent, rising to 2,308.50 points.

But, as more sophisticated investors were quick to point out, the gains on both the Dow and the NASDAQ could very easily be wiped out if the US Government does not come to the US economic 'party', very quickly.

The US Federal Reserve has scheduled a Policy Setting Committee Meeting for March 20, but the consensus, last Monday in New York, was that something would happen long before that date.

The Chairman of the Fed, Dr Alan Greenspan, was due to address the US House of Representatives Financial Services Committee, last Wednesday, and hopes were high that he would 'do his thing', yet again.

There was little in the way of historic breaking news, last Tuesday in the HKSAR, and although the Hang Seng Index was in the red, it was noted that it was terribly weighted by losses in banking counters.

The ratio of losers to gainers was 1.58:One.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21 CN CyberNet Corporation Ltd	241		11.11	0.56
China Apollo Holdings Ltd	512	14.60		0.157
China Land Group Ltd	149		12.96	0.47
Dah Hwa International (Holdings) Ltd	600		10.57	0.11
ehealthcareasia Ltd	835		15.25	0.25
Emperor (China Concept) Investments Ltd	296		10.26	0.035
Everbest Century Holdings Ltd	578	16.00		0.029
Guangzhou Shipyard International Company Ltd	317		10.77	0.58
Kin Don Holdings Ltd	208	11.11		0.04
Luks Industrial Company Ltd	366	11.48		0.68
Shenyin Wanguo (Hongkong) Ltd	218	19.13		1.37
Shun Cheong Holdings Ltd	650	10.53		0.315
SiS International Holdings Ltd	529		11.86	0.52
Skynet (International Group) Holdings Ltd	577		10.00	0.027

Solartech International Holdings Ltd	1166		11.76	0.015
South East Group Ltd	726		13.04	0.02
Sun Man Tai Holdings Company Ltd	433		14.94	0.37
Swank International Manufacturing Company Ltd	663	45.16		0.09
Theme International Holdings Ltd	990		10.19	0.097
Yeebo (International Holdings) Ltd	259	14.55		0.63
Yunnan Enterprises Holdings Ltd	455		11.67	0.53

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index fell to a new low of 297.98, down about 0.56 percent, compared with Monday's closing level.

In the 90-minute afternoon session, the market saw very little activity, with The Growth Enterprise Index, moving down just 4 tenths of a percentage point.

Losing issues were ahead of gaining ones by the ratio of about 1.22:One.

The Total Turnover rose to \$HK173.10 million, with the market, being dominated by one counter: Greencool Technology Holdings Ltd (Code: 8056).

About 27.20 million Greencool Technology shares found new owners, representing a cash value of about \$HK45.07 million, or about 26 percent of the Total Turnover.

The company made no announcement as to the reasons for the unusually high interest in the shares, the price of which shed about 3.39 percent to \$HK1.71.

There were 2, double-digit movers, last Tuesday: Panda-Recruit Ltd (Code: 8073); and, Prosten Technology Holdings Ltd (Code: 8026).

Panda-Recruit regained 14.29 percent of its market capitalisation, rising to 7.20 cents per share on a volume of 150,000 shares, while Prosten Technology's shares were cut down by 12.90 percent, ending the session at 54 cents.

In Japan, losers were far ahead of gainers on The Tokyo Stock Exchange, by the ratio of about 1.45:One, in fact.

The Nikkei-225 lost 141.28 yen, about 1.07 percent, falling back to 13,059.86 yen, which was just off the low for the day of about 13,041.33 yen.

As the Nikkei-225 approaches the 13,000 level, there appears to be a great deal of resistance to cracking this psychological barrier – but it has been done before, and, no doubt, it shall be done in the future.

The Number One stock market in Asia seemed unimpressed by Wall Street's strength on Monday, New York time, and went its own way.

It was reported that the largest advertising company in The Land of The Rising Sun, and one of the world's biggest advertising companies, to boot, was planning a public offering of between \$US1 billion and \$US2 billion (about \$HK7.79 billion and \$HK15.58 billion).

No schedule of the offering was announced, however.

A shocking bit of news came from Mazda Motor Corporation and Ford Motor Japan Ltd.

Mazda said that it would be recalling 2 of its models due to defects in the 2-litre engines, installed between June 1998 and August 1999. The recall will be for just 1,205 motor cars, in all.

Mazda Motor lost 3.36 percent of its value on the news with its share price, dropping back to 316 yen.

Other motors to lose included Honda, down 1.27 percent to 4,680 yen, Mitsubishi Motors, down 0.83 percent to 358 yen, and Suzuki Motor, off 1.32 percent to 1,350 yen per share.

Banking counters buckled under investor selling pressure as the world's largest banking group, Mizuho Holdings, saw its share price fall 6.50 percent, probably in sympathy to HSBC Holdings's reception on Monday night in London and its paring on the Main Board of the HKSAR stock market, last Tuesday.

Banks, felled in the sell-off, last Tuesday, included: Asahi Bank, off 1.35 percent to 365 yen; Bank of Tokyo-Mitsubishi, down 5.88 percent to 1,137 yen; Daiwa Bank, down 4.76 percent to 180 yen; Sakura Bank, down 4.69 percent to 691 yen; Sanwa Bank, down 5.84 percent to 839 yen; Sumitomo Bank, down 4.76 percent to 1,161 yen; and, Tokai Bank, down 6.56 percent to 513 yen per share.

In electronics, Advantest was cut down by 4.59 percent as its share price fell to 13,710 yen per share, and Japan's largest maker of personal computers, Fujitsu, lost about 2.12 percent of its value as its share price was felled to 1,663 yen.

Japan was still waiting for its cue from the world's largest economy, on which it is so dependent.

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

Indonesia	Plus 0.27 percent
Japan	Minus 1.07 percent
Malaysia	Plus 0.05 percent
The Philippines	Minus 0.23 percent
Singapore	Minus 1.18 percent
South Korea	Minus 1.32 percent
Taiwan	Minus 0.72 percent
Thailand	Plus 1.74 percent

Wednesday

Those investors, who thought, at the beginning of last week, that they would be able to make a killing by speculating on 'H' shares on The Stock Exchange of Hongkong Ltd, got a rude awakening, last Wednesday.

While the Government of the People's Republic of China (PRC) has opened up its stock markets in the PRC 'proper' to Chinese citizens, who may now purchase 'B' shares, those shares that were formerly reserved for gweilos (Europeans and other foreigners), it did not result, as had previous been hoped, in share prices of 'H' shares, listed on The Stock Exchange of Hongkong Ltd, rising to new highs.

And down came share prices of most of the PRC, State-run enterprises, listed in the Hongkong Special Administrative Region (HKSAR)'s stock markets.

The Main Board of The Stock Exchange of Hongkong Ltd saw its Hang Seng Index fall about 0.32 percent to 14,787.87 by the end of the session.

But the closing point was an improvement over the morning session, which had the Hang Seng Index at 14,589.17 points, down about 245.56 points, or about 1.66 percent, on Tuesday's closing level.

The Total Turnover was about \$HK14.21 billion, and, once again, trading in the scrip of HSBC Holdings plc (Code: 5) accounted for a goodly part of that amount of money.

About 25.82 million HSBC Holdings's shares were traded, during the course of the day, with its share price, fluctuating between a low of \$HK103 and a high of \$HK106.

At the closing bell, HSBC Holdings's share price stood at \$HK105, an erosion of 2.33 percent, compared with Tuesday's closing level.

The fallout from HSBC Holdings's 2000 Results' announcement was still smarting, and many investors were switching out of banks, fearing that the worst was still to come.

Trading in the scrip of HSBC Holdings represented about \$HK2.69 billion, or about 18.93 percent of the entire volume of activity for the day.

CNOOC Ltd (Code: 883), a PRC, State-run oil producer, made its global debut and the Offer Price of \$HK6.41 per share quickly rose to \$HK7.10 per share before being cut back to \$HK7 by the close of trading.

Totally 179.42 million CNOOC shares were traded, representing about \$HK1.19 billion, or about 8.37 percent of the Total Turnover.

The closing level of the Hang Seng Index did not reflect, completely, the extent of the losses in many counters, but it may be illustrated by the fact that the ratio of losers to gainers was about 2.40:One, with about 55 percent all of the counters, either holding onto Tuesday's closing levels, or being neglected by the investing public.

Interestingly, the Li Ka Shing mob did remarkably well, all things considered, with its 2 main listings, Hutchison Whampoa Ltd (Code: 13) and Cheung Kong (Holdings) Ltd (Code: 1), both managing to make gains of 2.78 percent and 1.89 percent, respectively.

Even beleaguered Pacific Century CyberWorks Ltd (Code: 8) managed to eke out a gain of 1.71 percent, with its share price, rising to \$HK4.45 by the close of trading.

On the news front, it was announced that Dickson Cyber Concepts Ltd, a subsidiary of Dickson Concepts (International) Ltd (Code: 113), would be sacking about half of its staff, amounting to about 117 workers.

The retailer, with a checkered past, in any event, started 6 Internet portals, only last year, and now has to write off about \$HK35 million against this venture.

Notwithstanding this little ditty, the HKSAR stock markets could be said to have been extremely resilient, considering what was taking place on the world's Number One stock market, The New York Stock Market.

Last Tuesday, the Dow Jones Industrial Average, the blue-chip index of The New York Stock Exchange, fell just 5.65 points to 10,636.88 points, but the perceived hi-tech end of the market, the NASDAQ Composite Index, was felled to the extent of about 4.36 percent, hitting the lowest level since December 1998 of 2,207.79 points.

Dr Alan Greenspan, the Chairman of the US Federal Reserve Board, had yet to deliver his statement to the US House of Representatives Financial Services Committee so Wall Street could have been said to have been taking a punt that he would not make any statements of a bullish nature.

Also, there were many people, who had fully expected an interest-rate cut prior to the good doctor's statement.

They were, obviously, disappointed.

Also, from New York came news that US consumer confidence was on the wane, illustrated by a large drop in housing sales: It tumbled to a 54-month low.

Wall Street was said to be praying that the US Government would do something, just about anything, to shore up the US economy.

Asia waited ... and watched.

The following is TARGET's list of double-digit movers for last Tuesday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
139 Holdings Ltd	139	40.00		0.035
Angang New Steel Company Ltd	347		10.53	0.85
CATIC Shenzhen Holdings Ltd	161		16.18	0.57
Chengdu PTIC Telecommunications Cable Company Ltd	1202		12.90	0.54
China DigiContent Company Ltd	1197		11.76	0.015
China Everbright Technology Ltd	256		12.07	0.51
China Merchants China Direct Investments Ltd	133		11.31	1.49
Chongqing Iron and Steel Company Ltd	1053		12.24	0.43
Companion Building Material International Holdings Ltd	2948		15.94	0.058
Dongfang Electrical Machinery Company Ltd	1072		12.50	0.56
Emperor (Chine Concept) Investments Ltd	296		11.43	0.031
First Shanghai Investments Ltd	227		21.92	0.57
First Tractor Company Ltd	38		13.51	0.64
Guangdong Kelon Electrical Holdings Company Ltd	951		12.76	1.71
Guangzhou Shipyard International Company Ltd	317		13.79	0.50
GZITIC Hualing Holdings Ltd	382		14.29	0.30
Harbin Power Equipment Company Ltd	1133		12.12	0.435
Harmony Asset Ltd	428	13.76		0.124
The Hongkong Building and Loan Agency Ltd	145		10.20	0.88
The HSBC China Fund Ltd	504		10.99	4.25
Jilin Chemical Industrial Company Ltd	368		11.27	0.63
Karce International Holdings Company Ltd	1159	10.81		0.41
Leading Spirit High-Tech (Holdings) Company Ltd	606		12.90	0.027
Luoyang Glass Company Ltd	1108		10.00	0.63
Maanshan Iron and Steel Company Ltd	323		10.19	0.485
Mansion House Ltd	547		25.42	0.44
Northeast Electrical T&T Machinery Manufacturing Company Ltd	42		13.46	0.45
Pearl Oriental Cyberforce Ltd	988		14.29	0.018
Poly Investments Holdings Ltd	263		14.29	0.30
Qualipak International Holdings Ltd	1224	10.92		0.132
Rockapetta Holdings Ltd	1003		11.36	0.39
Shenyin Wanguo (Hongkong) Ltd	218		27.74	0.99
Shougang Concord International Enterprises Company Ltd	697		15.38	0.275
Shougang Concord Technology Holdings Ltd	521		10.53	0.34
Shun Ho Technology Holdings Ltd	219	11.11		0.30
Sinocan Holdings Ltd	1095	10.00		0.066
South East Group Ltd	726	10.00		0.022
Star Bio-Tech (Holdings) Ltd	1051		15.38	0.011
Sun Man Tai Holdings Company Ltd	433		10.81	0.33
Top Glory International Holdings Ltd	268		11.29	0.55
Victory City International Holdings Ltd	539	25.39		0.34
Welback Holdings Ltd	491	14.29		0.04
Winfoong International Ltd	63	12.00		0.28
Yue Fung International Group Holdings Ltd	965	25.53		0.063

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, investors were, clearly, getting tired of the non-event on this speculative marketplace.

The Growth Enterprise Index gave up just 0.08 percent of its value, falling back to 297.75 points on a Total Turnover of about \$HK119 million.

There was nothing to stimulate trading in either direction as declining issues outpaced advancing ones by the ratio of about 1.40:One, with about 54 percent of all the counters, seeing no action, at all.

There were just 2 double-digit movers: iSteelAsia.com Ltd (Code: 8080); and, T S Telecom Technologies Ltd (Code: 8003).

iSteelAsia saw its share price rise 14.29 percent to 40 cents per share on a turnover of 86,000 shares and T S Telecom suffered a 10.53-percent loss to its market capitalisation as its share price fell to 34 cents after just 8,000 of its shares changed hands.

In Japan, it was a different story, again.

In corporate Japan, questions abounded about the future of the Japanese economy and whether or not the Japanese Government would come to its rescue.

The US was a long way off: The immediate problems were here, in The Land of the Rising Sun.

Japan's latest industrial production figures showed that the economy was in much worse condition than had hitherto been imagined.

The Government produced figures, indicating that production had fallen by 3.90 percent in January, compared with December 2000.

And the question was being asked: Is Asia's largest economy, falling into recession?

When the news hit the equity markets, sellers lined up, pushing down prices on The Tokyo Stock Exchange, whose main index, the Nikkei-225, fell to a 15-year low, intra-day.

By the close of trading, the Nikkei-225 was registering a loss of 176.32 yen, ending the session at 12,883.54 yen.

The 1.35-percent loss was helped along by Wall Street's slide of Tuesday, of course, but there were other factors, also.

The share price of Furukawa Electric Company Ltd was felled by about 10 percent, following its US affiliate, JDS Uniphase Corporation, announcing plans to sack about 3,000 of its workers.

JDS Uniphase is the world's Number One supplier of fibre optic components and is owned as to about 9.80 percent by Furukawa Electric.

The share price of Furukawa Electric lost about 11.30 percent of their value, mid-morning, hitting 1,532 yen, but recovered, during the day, to end at 1,550 yen, down 10.25 percent, compared with Tuesday's closing level of 1,727 yen.

On Wall Street, on Tuesday, JDS Uniphase's share price slid 15 percent to a new one-year low.

Other electronic counters followed the lead of Furukawa, with equipment, test-maker, Advantest, losing 1.90 percent of its value, falling to 13,450 yen, Fuji Electric lost 5.51 percent of its market capitalisation, falling to 326 yen per share, Fujitsu, the largest personal computer maker in Japan, shed 3.37 percent to end the day at 1,607 yen per share, Kyocera, lost 2.13 percent of its value, falling back to 10,590 yen, Matsushita Electric Works, dropped 1.65 percent to 1,249 yen, Nikon, gave up nearly 7 percent to end the day at 1,391 yen, Olympus lost 4.26 percent to 1,460 yen, Rohm was down 2.51 percent to 19,000 yen, Sanyo Electric was off 1.98 percent to 741 yen, Sharp was down 6.97 percent to 1,496 yen, and Sony's share price fell 1.52 percent to close out the day at 8,450 yen per share.

Most other counters in other sectors of the market were lower, but nothing compared to electronics and Internet-related counters.

After the market closed, The Bank of Japan slashed interest rates by 10 basis points to one quarter of one percent.

But it was too late for the investors on Japan's leading stock exchanges.

This was the way that other bourses in Asia saw the situation, last Wednesday:

Indonesia	Minus 1.16 percent
Japan	Minus 1.35 percent
Malaysia	Minus 0.27 percent
The Philippines	Minus 1.15 percent
Singapore	Plus 0.53 percent
South Korea	Plus 0.09 percent
Taiwan	Closed
Thailand	Minus 0.53 percent

Thursday

Only 2 counters of the 35 counters that executed double-digit movements on the Main Board of The Stock Exchange of Hongkong Ltd, last Thursday, were in the black – all the other 33 counters fell out of bed to the extent of 10 percent and more.

Peking Apparel International Group Ltd (Code: 761) was the biggest loser as its share price gave up 21.21 percent of its market capitalisation. (Please see TARGET's table of double-digit movers, below)

The Main Board's Hang Seng Index fell 2.89 percent to 14,360.56 points, a loss of 427.31 points, as investors stood in line to unload their scrip.

The ratio of losers to gainers was a resounding 4.96:One.

The main stock market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was in dire straits, to be sure, as heavyweights, such as China Mobile (Hongkong) Ltd (Code: 941), led the way in the blue-chip parade of losers, with a crashing loss of 6.09 percent as its share price fell to \$HK40.10.

And it was only too clear that more losses would come in the days to follow.

China Mobile's counter saw about 40.47 million of its shares change hands, representing a dollar value of about \$HK1.65 billion, or about 13.32 percent of the Total Turnover of about \$HK12.39 billion.

China Mobile's share price, as at last Thursday's closing level, had been cut back by about 21.37 percent since the beginning of the year.

HSBC Holdings plc (Code: 5) continued to be under pressure as its share price slumped to \$HK104, a loss that was just short of one percent.

And it was only too clear, here also, that more losses in this counter were bound to happen in the near future.

The value of the trades in this banking giant represented about \$HK1.29 billion, or about 10.41 percent of the entire volume of activity for the day.

And so it went on.

For many of the counters that found themselves under the gun, so to speak, the losses were considered to be of great shakes because shares of companies, such as HSBC Holdings and China Mobile, had been talked up to unrealistic levels, in any event.

However, many companies, which did not deserve such treatment, suffered a similar fate to those that had been the subject of stockbroker hype over the past year or so.

The HKSAR stock markets, disappointed that the Chairman of the US Federal Reserve, Dr Alan Greenspan, had not '*done his thing*', as many brokers put it, meaning he had not sent a clear message that interest rates would be reduced by 50 basis points or more, immediately, watched as the largest stock market in the world came under more and more pressure.

What is bad for Wall Street goes double for Asia, as everybody knows.

Dr Greenspan's statement to the US House of Representatives Financial Services Committee gave no definitive statement as to interest rates; and, that omission was taken to heart.

What the great man did say was that the worst was, probably, not over for the US economy.

It was made abundantly clear that the US stock markets would have to wait until March 20, the next Open Market Committee Meeting of the Fed, to learn whether or not interest rates would be cut back.

And so, down went stock prices on The New York Stock Exchange.

The Dow Jones Industrial Average fell 141.60 points, about 1.33 percent, to end last Wednesday session in New York at 10,495.28 points.

On the NASDAQ, its Composite Index gave up 2.54 percent of its value, falling back to 2,151.82 points.

Adding insult to injury, as far as stockbrokers were concerned, was a suggestion, flatly denied, later in the day, that Amazon.com was planning to file for protection from its creditors.

On the strength of this rumour, the share price of Amazon.com fell about 13 percent in short order.

One report, that was confirmed, however, came from WorldCom Incorporated, the Number Two long-distance telephone company in the US.

This company announced that it had sacked 6,000 of its workers.

Suggestions had hit the streets, on more than one occasion, that the number of workers to hit the streets from this company would be more like 11,500 workers.

It was not just one item of US news that affected Asian bourses, adversely, but the combination of all the negative aspects of the US economy, those aspects that had been confirmed and those that were feared, or placed in the category as being possibles.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		14.29	0.03
Beijing North Star Company Ltd	588		10.37	1.21
CASIL Telecommunications Holdings Ltd	1185		10.58	0.465
China DigiContent Company Ltd	1197		20.00	0.012

China Everbright Technology Ltd	256		12.75	0.445
Companion Building Material International Holdings Ltd	2948		13.79	0.05
Dongfang Electrical Machinery Company Ltd	1072		13.39	0.485
First Pacific Company Ltd	142		10.64	2.10
First Shanghai Investments Ltd	227		12.28	0.50
I-China Holdings Ltd	240		20.00	0.056
Kong Sun Holdings Ltd	295		11.43	0.248
Leading Spirit High-Tech (Holdings) Company Ltd	606		11.11	0.024
Luen Cheong Tai International Holdings Ltd	1190		11.27	0.126
Maanshan Iron and Steel Company Ltd	323		11.34	0.43
Nanjing Panda Electronic Company Ltd	553		13.79	2.50
Northeast Electrical T&T Machinery Manufacturing Company Ltd	42		11.11	0.40
Oriental Metals (Holdings) Company Ltd	1208		10.29	0.305
Peking Apparel International Group Ltd	761		21.21	0.26
Perfectech International Holdings Ltd	765		11.76	0.75
Qualipak International Holdings Ltd	1224		21.97	0.103
Shenyin Wanguo (Hongkong) Ltd	218		10.10	0.89
Shougang Concord Century Holdings Ltd	103		11.79	0.247
Shougang Concord Grand (Group) Ltd	730		10.94	0.285
Shun Ho Technology Holdings Ltd	219		15.00	0.255
Softbank Investment International (Strategic) Ltd	648		10.11	0.80
Star Bio-Tech (Holdings) Ltd	1051	18.18		0.013
SunCorp Technologies Ltd	1063		13.04	0.04
Ta Fu International Holdings Ltd	1041	11.88		0.113
TCL International Holdings Ltd	1070		12.18	1.37
Telecom Plus Holdings Ltd	1013		10.71	0.25
Victory Group Ltd	1139		12.50	0.021
Winton Holdings (Bermuda) Ltd	510		10.77	0.29
Yeebo (International Holdings) Ltd	259		16.67	0.475
Yugang International Ltd	613		10.29	0.061

The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd suffered a similar fate to the Main Board as its Growth Enterprise Index gave up another 1.22 percent of its value, falling to a new low of 294.13 points.

The ratio of losers to gainers was telling: 4.25:One.

The Total Turnover was about \$HK113.14 million.

There was no special news from this market and investors, more concerned than anything else, let go holdings, probably thinking that The GEM could fall in line with NASDAQ.

iLink Holdings Ltd (Code: 8107) announced that it would be Placing 110 million new shares; and, that it planned to see its company's shares traded this Friday.

(Please see this Wednesday's TARGET Intelligence Report, Volume III, Number 44, for an analysis of this new listing)

In Japan, The Tokyo Stock Exchange officials were more than a little aghast as the Nikkei-225 Index hit a 15-year low.

The Nikkei-225 fell to 12,681.66 yen, a loss of 201.88 yen, or about 1.57 percent.

Not since November 1985 had the Nikkei-225 seen this low level.

Japan was following the lead of Wall Street and paid little attention, it seemed, to any positive news of a parochial nature.

The share price of Furukawa Electric Company Ltd lost another 7.80 percent of its value, falling to 1,429 yen per share, adding to the 10.25-percent fall that it lost on Wednesday. (Please see Wednesday's report on this company)

That seemed to set the tone for the electronics and Internet-related issues of the largest stock market in Japan.

Advantest, a specialised manufacturer of electronic equipment as well as being a chipmaker in its own right, lost 1.90 percent of its market capitalisation, falling to 13,450 yen per share.

But Advantest was outdone by Fuji Electrical, whose share price shed 5.51 percent of its value, running back to 326 yen.

The largest manufacturer of personal computers in Japan, Fujitsu, was cut back to 1,607 yen, which was equal to a loss of 3.37 percent on the day. It was followed by electrical equipment maker, JVC, whose share price fell 3.83 percent to 703 yen.

Chipmaker NEC had to give up 4.19 percent of its value as investors marked down this company's shares to 1,829 yen, while Sanyo Electrical shed 5.67 percent of its value, falling back to 699 yen per share.

In the banking sector, banks were mixed with no major movements from the leaders, either way.

Mostly, it was the hi-tech and Internet-related counters that were under pressure.

This was how the day ended on the first day of March in other Asian stock markets:

Indonesia	Minus 1.00 percent
Japan	Minus 1.57 percent
Malaysia	Minus 1.04 percent
The Philippines	Minus 2.68 percent
Singapore	Minus 1.83 percent
South Korea	Closed
Taiwan	Minus 3.11 percent
Thailand	Minus 2.76 percent

Friday

As was widely expected, Asian stock markets came under intense pressure, last Friday, as investors started to panic.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index shed 2.75 percent of its value, ending the week at 13,966.43 points (who said that the Hang Seng Index would find resistance at 14,000?).

The Total Turnover was about \$HK13.68 billion with the 3, most-active counters, accounting for about 36.55 percent of that figure.

The 3 leaders on the Ten Most Active list were China Mobile (Hongkong) Ltd (Code: 941), HSBC Holdings plc (Code: 5) and Hutchison Whampoa Ltd (Code: 13), respectively.

China Mobile lost 10.47 percent of its market capitalisation, falling back to \$HK35.90 per share, HSBC Holdings had to part with 0.48 percent of its value, dropping to \$HK103.50 per share, and Hutchison Whampoa lost 2.21 percent of its market capitalisation, falling to \$HK88.50 per share.

Few counters were spared the bloodbath as investors, concerned that there would be further losses on Wall Street on Friday (New York time), and in the coming weeks, cleared their desks rather than take the chance of being caught short.

The ratio of losers to gainers, last Friday, was just shy of 2:One.

About 58 percent of all the counters on the Main Board were either cold-shouldered by investors or just clung onto Thursday's closing levels.

The tumble on the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) came on the back of a seemingly 'better' Wall Street.

'Seemingly' is the only way to describe a one-day upward movement on the world's largest bourse, as far as Asia is concerned, because investors have come to the realisation that indices on The New York Stock Exchange have a yo-yo mentality: Up one day and down the next.

The New York Stock Exchange, on Thursday, saw the Dow Jones Industrial Average lose 45 points, falling to 10,450 points, but the broader-based NASDAQ Composite Index clawed back 31 points to end the day at 2,183, a gain of about 1.44 percent over Wednesday's closing level.

But it was an unconvincing performance for the NASDAQ which, only about one hour before the close of The New York Stock Exchange, was hovering at 2,093.76 points, a new, 2-year low for the tech-laden index.

What was weighing on Wall Street – and this was being felt around the world – were numerous economic factors, all of a very negative character.

Last Thursday morning, it was announced by the National Association of Purchasing Management (NAPM) that US manufacturing activity in February had shrunk for the seventh consecutive month.

The NAPM figures showed that most sectors of the US economy are having extensive problems.

That was enough to send most major bourses, around the world, into reverse gear.

The reason: The statistics of the NAPM further reconfirmed that which Dr Alan Greenspan had told the world on Wednesday. (Please see Wednesday's report).

While in the HKSAR, would-be, stock-market pundits were giving all kinds of reasons for the sell-off on The Stock Exchange of Hongkong Ltd, last Friday, in reality, the HKSAR was just following the woes of the US on the logical premise that that which affects the largest economy in the world, would, eventually and ultimately, affect little Hongkong.

The following is TARGET's list of double-digit movers on the last day of trading, last week:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Strategic Holdings Ltd	235	11.01		0.121
China Unicom Ltd	762		11.01	10.10
Companion Building Material International Holdings Ltd	2948		22.00	0.039
E-LIFE International Ltd	370		11.33	0.133
Guangzhou Pharmaceutical Company Ltd	874	11.65		1.15
HiNet Holdings Ltd	155		10.23	0.079

I-China Holdings Ltd	240		25.00	0.042
Innovative International (Holdings) Ltd	729	10.29		0.075
Luen Cheong Tai International Holdings Ltd	1190	11.11		0.14
Magician Industries (Holdings) Ltd	526	15.91		0.111
Medtech Group Company Ltd	1031		10.77	0.058
Perennial International Ltd	725		18.57	0.285
Perfectech International Holdings Ltd	765	12.00		0.84
renren Media Ltd	59		34.38	0.021
Rockapetta Holdings Ltd	1003		26.32	0.28
Star Bio-Tech (Holdings) Ltd	1051		15.38	0.011
Sun Man Tai Holdings Company Ltd	433	15.15		0.38
SunCorp Technologies Ltd	1063	15.00		0.046
Yeebo (International Holdings) Ltd	2590	17.89		0.56

CyberM International (Holdings) Ltd (Code: 8017) was a massive loser on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, last Friday, as this company's share price fell 31.91 percent to end the day at 32 cents per share.

There were just 64,000 shares traded on this counter – so frail and sensitive is the share price of this company.

The Growth Enterprise Index, as had been widely expected, hit a new low of 289.64 points, losing 1.53 percent, last Friday.

The Total Turnover was about \$HK109.42 million.

E-silkroad Holdings Ltd (Code 8071) made it debut and its 20-cent Placement Price quickly shot up to 87 cents per share before coming back down to earth to end the session at 83 cents per share.

This closing level of 83 cents per share represents an increase over the Placement Price of about 315 percent.

And all this company has is a couple of websites!

(For TARGET's analysis of this GEM listing, please see [TARGET Intelligence Report, Volume III, Number 39 of February 28](#))

Aside from these 2 shockers, Excel Technology International Holdings Ltd (Code: 8048) lost 18.84 percent of its market capitalisation, falling back to 56 cents per share, and Pine Technology Holdings Ltd (Code: 8013) gave up 13.73 percent of its value, falling to 44 cents per share.

The ratio of losers to gainers on this market was, just about 2:One.

In Japan, the premier stock market, The Tokyo Stock Exchange, hit another 15-year record low as the Nikkei-225 plunged 419.86 yen to 12,261.80 yen, a retreat of about 3.31 percent, compared with Thursday's closing level.

The share price of Oracle Japan, a subsidiary of the US company, Oracle Incorporated, the world's Number Two software producer, shed about 8.60 percent of its market capitalisation, following a US report that stated that Oracle had said that it would not do very well in the third quarter of the year.

That put the skids under the Nikkei, to be sure, but there were other events that took some Japanese by surprise, last Friday.

It was announced that the number of Japanese out of work in January in The Land of The Rising Sun had risen to 4.90 percent of the workforce.

In addition, household spending in January had been flat and consumer prices continued to fall.

An official of the Japanese Government's Ministry of Public Management, Home Affairs, Posts and Telecommunications, told a news conference last Friday: *'The job market still looks very severe. We must carefully watch the situation ...'*

That did the trick: Japanese investors went on a selling spree.

One piece of positive news – which is difficult to find, these days – came from Fuji Photo Film Company.

It was announced that Xerox Corporation of the US was planning to sell half of its 50-percent stake in Fuji Xerox marketing venture in Asia to Fuji Photo for less than \$US1.50 billion (about \$HK11.69 billion).

Xerox is struggling and has to find a way to get some cash in a hurry.

Losses on The Tokyo Stock Exchange, last Friday, were right across the board, with few sectors not feeling the brunt of the selling pressure.

Electronics and Internet-related counters got hit the worst, but that was to be expected, considering what was happening in the US.

Fuji Electric lost 5.51 percent of its market capitalisation, falling to 326 yen per share, but this was outdone by chipmaker NEC, whose share price slumped 6.45 percent to 1,711 yen.

Sharp lost 5.24 percent of its share value as investors marked down this manufacturer of consumer electronics to 1,392 yen per share.

Banking counters were mixed, but Bank of Tokyo-Mitsubishi managed to buck the trend as its share price rose to 1,161 yen, a gain of 2.11 percent over Thursday's closing level.

Telecommunications counters were hit very hard as Nippon Telegraph and Telephone (NTT) shed nearly 4 percent of its value, falling to 749,000 yen per share, while its mobile unit, NTT DoCoMo, gave up 4.43 percent of its value, dropping back to 1.94 million yen per share.

Japanese investors took their licks, last Friday, as did most of the major stock markets of the world.

This was how the situation looked, last Friday, in Asia on other markets:

Indonesia	Plus 0.49 percent
Japan	Minus 3.31 percent
Malaysia	Plus 0.15 percent
The Philippines	Plus 1.70 percent
Singapore	Minus 0.24 percent
South Korea	Minus 3.23 percent
Taiwan	Minus 0.01 percent
Thailand	Minus 3.22 percent

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