

THE U.S. FEDERAL RESERVE FAILS TO LIFT MARKETS, WORLDWIDE

Trading in the shares of HSBC Holdings plc (Code: 5) caused The Stock Exchange of Hongkong Ltd to go into convulsions, last Monday, as the share price of this huge, internationally recognised financial institution fell to \$HK92.75, down about 2.88 percent, compared with the previous Friday's closing level.

The Main Board's Hang Seng Index was influenced, very considerably, by trading in the shares of HSBC Holdings, which happens to be among the 5 largest companies, listed in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), in terms of market capitalisation.

About 11.48 million HSBC Holdings's shares were traded, during the day, representing a cash value of about \$HK1.07 billion, or about 17.31 percent of the Total Turnover of about \$HK6.18 billion.

On the eve of the meeting of the US Federal Reserve, where interest rates will be decided for the near to intermediate term, Asia was jittery.

The Hang Seng Index gave up 0.48 percent of its value by the time that the bell rang, marking the end of a quiet, but somewhat frightening Monday session.

The Hang Seng Index's last value at 4 pm, 13,457.69 points, was in contrast to the 150-minute morning session when the Index moved only 22.94 points.

The losses in the share price of HSBC Holdings was among the largest losses for the day, as far as investors' favourites were concerned, since most of the other '*darlings*' either moved up or down less than a percentage point.

The Ten Most Actives accounted for about 52 percent of the entire volume of activity for the day.

The ratio of losers to gainers was about 1.39:One, with nearly 71 percent of all counters, either seeing no action, at all, or simply hanging onto the previous Friday's closing levels.

The HKSAR got off pretty lightly, last Monday, all things considered, because, on other Asian bourses, things were far more volatile.

Asia was looking at Wall Street's antics of the previous Friday, March 16, when investors on The New York Stock Exchange got more than a little bit of a roasting.

The Dow Jones Industrial Average shed about 2.07 percent of its value, falling to 9,823.41 points on the fateful Friday, as US investors became increasingly jittery about the near-term prospects for many US companies and, of course, concerns over the US economy.

The hi-tech sector of trading in New York saw the NASDAQ Composite Index give up 2.57 percent of its value, falling to 1,890.41 points.

The NASDAQ's falls of the March 12-16 week left the NASDAQ at its lowest levels since November 1998. It had dropped nearly 8 percent for the week.

As for the Dow, it had lost about 7.70 percent of its value in the 5 trading days to March 16: It was standing at a one-year low.

In addition to perceived fears on Wall Street, over the weekend of March 17-18, the Organisation of Petroleum Exporting Countries (OPEC) met in Vienna, Austria.

OPEC wants to stabilise oil prices at about \$US25 per barrel and so it decided, the previous Saturday, March 17, to cut oil output by about 4 percent, or about one million barrels per day.

OPEC's total production of crude oil represents about 40 percent of every drop of oil, used worldwide.

The decision by the 11-member cartel was about double the amount of the production cuts that had been anticipated.

OPEC's ability to hold the world to ransom is becoming a bit of a bore; there is talk in the US that oil exploration should take place in Alaska, immediately, in order that the largest economy in the world may be weaned off dependence on OPEC-produced oil.

In the face of OPEC, fanning the flames of economic uncertainty, internationally, with the US stock markets, going through a very rough period, and with the US Federal Reserve, expected to make an announcement as to near-term, interest rates within 48 hours of last Monday, it was hardly any wonder that Asian investors were concerned.

The HKSAR was, once again, awaiting the pleasure of Dr Alan Greenspan, the Chairman of the Fed, and his committee's decision about the amount of the cut in interest rates: The HKSAR was almost guaranteed to follow suit.

The following is TARGET's double-digit movers of last Monday:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		19.05	0.017
ABC Communications (Holdings) Ltd	30		12.50	0.42
Ananda Wing On Travel (Holdings) Ltd	1189		10.67	0.067
Asia Resources Transportation Holdings Ltd	899		13.64	0.038
China Development Corporation Ltd	487		15.00	0.102
Cosmopolitan International Holdings Ltd	120	11.11		2.50
Dransfield Holdings Ltd	632	10.26		0.086
E-LIFE International Ltd	370	13.79		0.165
Fujikon Industrial Holdings Ltd	927		10.00	0.63
Global Bio-chem Technology Group Company Ltd	809	17.86		0.99
Goldwiz Holdings Ltd	586	18.00		0.41
I-China Holdings Ltd	240	10.26		0.043
Jusco Stores (Hongkong) Company Ltd	984	11.25		0.89
Learning Concepts Holdings Ltd	680	15.94		0.08
RNA Holdings Ltd	501		17.95	0.16
Same Time Holdings Ltd	451		14.12	0.146
Tem Fat Hing Fung (Holdings) Ltd	661		11.32	0.047
Victory City International Holdings Ltd	539	11.54		0.29

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index hit a new low of 271.59 points on one of the lowest volumes, seen in many a moon.

The Total Turnover was down to about \$HK71.82 million.

The loss of about 1.98 percent on The Growth Enterprise Index was assisted by Mr Li Ka Shing's listing: tom.com Ltd (Code: 8001).

tom.com announced that it had enjoyed an Operating Loss of about \$HK421.05 million for the Financial Year, ended December 31, 2000, coming down (or, perhaps, that should read: Coming up?) to Loss Attributable to Shareholders of about \$HK436.07 million.

The 2000 Results compared with the Operating Loss of about \$HK53.34 million, coming up/down to a Loss Attributable to Shareholders of about \$HK53.06 million for the 1999 Financial Year.

Trading in the shares of tom.com brought the price up to \$HK2.10 per share, an increase of about 1.20-percent, compared with the previous close on Friday, March 16.

There were, in all, a total of 7, double-digit movers on The GEM, last Monday, with only one of them, managing to improve on its share price:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH on-line Ltd	8122		15.25	0.10
E-silkroad Holdings Ltd	8071		19.35	0.75
EVI Education Asia Ltd	8090		27.97	0.85
iSteelAsia.com Ltd	8080		12.50	0.28
Syscan Technology Holdings Ltd	8083		10.81	0.132
Timeless Software Ltd	8028	12.28		0.64
Trasy Gold EX Ltd	8063		18.52	0.022

The ratio of losers to gainers on this market was about 1.61:One.

In Japan, The Bank of Japan did an amount face and brought interest rates back to zero percent – as everybody in Japan had expected.

After a decade of economic woes, the zero, interest-rate policy of Japan's Central Bank has had little effect on the faltering economy of the world's Number Two powerhouse, which is said to represent, along with the US, about 65 percent of the world's Gross Domestic Product, looked at as a one-world entity.

After a bit of an early morning rally, mostly in hi-tech counters, The Tokyo Stock Exchange reverted to its quiet self.

By the close of trading, the Nikkei-225 Index was registering 12,190.97 yen, down 42.01 yen compared with the previous Friday's closing level.

Japan, like the rest of the world, was awaiting the pleasure of Dr Alan Greenspan in the US.

Banks and motors were very quiet, but electronics tended to drift lower, with some of the high-flyers, suffering:

Advantest	Down 3.42 percent to 11,010 yen per share
Casio Computer	Down 3.67 percent to 735 yen per share
Hitachi	Down 1.26 percent to 938 yen per share
Kyocera Corporation	Down 3.85 percent to 10,000 yen per share
NEC Corporation	Down 2.13 percent to 1,619 yen per share
Rohm Company	Down 5.37 percent to 17,980 yen per share
Sony Corporation	Down 2 percent to 8,270 yen per share

In the telecommunication sector of the market, only Japan Telecom made anything of a material movement as its share price put on about 5.67 percent, rising to 2.05 million yen.

NTT DoCoMo, the mobile unit of Nippon Telegraph and Telephone (NTT), stayed firm at 2 million yen, exactly.

While the world waited for Dr Alan Greenspan to make up his mind in respect of US interest rates, Asia pondered the global situation:

Indonesia	Plus 3.51 percent
Japan	Minus 0.34 percent
Malaysia	Minus 1.00 percent
The Philippines	Plus 0.61 percent
Singapore	Minus 2.82 percent
South Korea	Minus 0.81 percent
Taiwan	Minus 2.46 percent
Thailand	Minus 0.58 percent

Tuesday

The Li Ka Shing mob of publicly listed companies did its best to pull down share prices on The Stock Exchange of Hongkong Ltd, last Tuesday, as the Hang Seng Index, the *'barometer'* of the Main Board hit 13,223.86, a loss of about 1.74 percent, compared with Monday's closing level.

Cheung Kong (Holdings) Ltd (Code: 1), Hutchison Whampoa Ltd (Code: 13) and Pacific Century CyberWorks Ltd (Code: 8), the Number 3, Number 4 and Number 6 on the Ten Most Active list, respectively, all lost substantial ground.

Cheung Kong gave up 2.79 percent of its market capitalisation, falling to \$HK87 per share, Hutchison Whampoa lost 2.05 percent of its value, dropping back to \$HK83.50 per share, and Pacific Century CyberWorks shed 2.56 percent of its value, falling to \$HK3.80 per share.

Share prices were chopped down, one after another, as investors, concerned that Wall Street would not like whatever the US Federal Reserve decided in respect of short-term interest rates, decided that they would err on the side of caution.

And so, the operative word was: Sell!

The share price of HSBC Holdings plc (Code: 5) held onto Monday's closing level of \$HK92.75 after about 7.36 million of its shares changed hands.

But there were many investors who pondered the prospects of lower prices for this banking institution's share price before the week was out.

The Total Turnover of the day was about \$HK5.80 billion, another low for the year.

It was ominous that the Total Turnover could drop to such a low level while the Hang Seng Index was off about 1.74 percent.

Questions were being asked: Were some shareholders, being caught short in respect of margin purchases?

Counters that lost ground were ahead of those that gained ground by the ratio of about 2.85:One, with about 66 percent of all counters, either not having any share trades, at all, or just hanging on to Monday's closing prices.

One of the problems, plaguing the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), is that many publicly listed companies, the Li Ka Shing mob, inclusive, will have to take hits with regard to investments in companies which are suffering declining fortunes, due to one reason or another.

For companies, which invested in dot.com companies in the US, last year and in 1999, those companies, which are listed on the NASDAQ, especially, they will have to state the amount of the diminution in the value of those investments – and they are likely to be very substantial.

In New York, on Monday, on the eve of the US Federal Reserve's meeting, there was a rally as the Dow Jones Industrial Average, the blue-chip index of The New York Stock Exchange, gained 135.70 points, rising to 9,959.11 points.

The 1.38-percent rise in the value of the Dow was considered encouraging, but the NASDAQ's gains were even more encouraging.

On the technology laden NASDAQ, its Composite Index rang up a 3.23-percent rise, recovering a lot of the previous losses of Friday, March 16. It ended the day at 1,952.06 points.

There was no particular reason for the gains on either the Dow or the NASDAQ, both of which gains were thought to have been the result of speculative buying.

Rampant, speculative intra-day trading has become very widespread in the US, in the past 5 years or so, as more and more gambling money, much of it, being the result of the share price run-ups of dot.com companies, when they were the flavour of the day, that is, is still splashing around; and, this money is fueling short and sharp spurts on US, stock-market indices.

The consensus was that Wall Street was hoping for a 75-basis point, interest-rate cut and would settle for little else.

To many financial analysts, however, regardless of the amount of the Fed's interest-rate cut, be it 50 basis points or 75 basis points, it would not alter the fundamentals of the situation: Things were not that rosy in the garden of the US.

And what is not good for the US is not good for the rest of the world.

The Japanese stock market was closed for a public holiday, last Tuesday, so that that market's gyrations had no effect on the rest of Asia – which was nervous, in any event.

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	41.18		0.024
Asia Resources Transportation Holdings Ltd	899	15.79		0.044
China DigiContent Company Ltd	1197		11.76	0.015
FT Holdings International Ltd	559		21.79	0.305
I-Wood International Holdings Ltd	162		11.67	0.265
iRegent Group Ltd	575		20.83	0.19
Jusco Stores (Hongkong) Company Ltd	984	11.24		0.99
Kunming Machine Tool Company Ltd	300	11.72		1.62
Luks Industrial Company Ltd	366		10.53	0.68
Mascotte Holdings Ltd	136		11.67	0.265
Medtech Group Company Ltd	1031		24.14	0.044
Millennium Group Ltd	260	13.83		0.107
Oriental Explorer Holdings Ltd	430		10.71	0.05
Prosper eVision Ltd	979		10.34	0.104
RNA Holdings Ltd	501		12.50	0.14
South East Group Ltd	726		13.04	0.02
SunCorp Technologies Ltd	1063		13.04	0.04
Tem Fat Hing Fung (Holdings) Ltd	661		14.89	0.04

VTech Holdings Ltd	303		10.50	4.05
Wah Fu International Holdings Ltd	952		10.87	0.041

It is becoming increasingly boring to report, but the facts spoke for themselves: The Growth Enterprise Index sank to a new low of 267.08 points, a one-day loss of about 1.66 percent.

The Total Turnover continued to be very low at about \$HK78.96 million, with the market's action, being dominated to the extent of about 34 percent by just 2 counters.

Those counters were Neolink Cyber Technology (Holdings) Ltd (Code: 8116) and Emperor Entertainment Group Ltd (Code: 8078).

Neolink Cyber's Management witnessed a total of 12.78 million of its shares change hands, with the closing price, gaining 2.38 percent to end the day at \$HK1.29 per share.

As for Mr Albert Yeung Shau Sing's EEG -- Emperor Entertainment Group Ltd -- its share price ended the day at \$HK1.11, a loss of about 3.48 percent, compared with Monday's closing level.

The ratio of losers to gainers was about 1.71:One in a day that saw at least one, extremely wild ride for investors of E-silkroad Holdings Ltd (Code: 8071).

Investors carved out 60 percent of this company's share price, which moved down to 30 cents per share on a turnover in this counter of 728,000 shares.

It was the biggest loser for some time.

The other 4, large movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH on-line Ltd	8122	10.00		0.11
FlexSystem Holdings Ltd	8050		10.59	0.76
Fortune Tele.com Holdings Ltd	8040	10.26		0.43
Panda-Recruit Ltd	8073	11.11		0.10

The only other piece of news, of any materiality on this speculative market, was an official announcement from Kingdee International Software Group Company Ltd (Code: 8133).

It announced that the Net Profits Attributable to Shareholders for the Financial Year, ended December 31, 2000, was about \$HK22.36 million, up from the 1999 figure of about \$HK12.15 million.

Kingdee International's share price ended the day, down 1.27 percent to 78 cents per share.

And this was how other stock markets in Asia saw the situation, last Tuesday:

Indonesia	Minus 1.82 percent
Japan	Closed
Malaysia	Minus 1.37 percent
The Philippines	Minus 1.06 percent
Singapore	Plus 0.55 percent
South Korea	Minus 0.51 percent
Taiwan	Plus 0.01 percent

Thailand

Plus 0.63 percent

Wednesday

Wall Street said that it was not enough – and share prices retreated from Tuesday's levels on the world's largest bourse: The New York Stock Exchange.

What was not enough was the US Federal Reserve's decision to cut interest rates by 50 basis points, to 5 percent, last Tuesday, New York time.

The Dow Jones Industrial Average, the blue-chip guide to trading on The New York Stock Exchange, lost 2.39 percent of its value, falling to 9,720 points, the lowest level since March 1999.

The tech-heavy NASDAQ Composite Index shed 27.28 points, falling to 1,803.16 points, a one-day loss of 1.49 percent.

For the NASDAQ, it represented a fall to its lowest level in the previous 28 months.

The Fed's announcement was made in the afternoon session of The New York Stock Exchange so that the full impact of the announcement was not completely realised.

That would come on Wednesday, New York time, no doubt.

The Fed admitted that falling share prices were assisting the US economy's declining fortunes since there is a correlation between share price losses on The New York Stock Exchange and other US stock markets and a slowdown in US economic activity.

It was clear, from that which the Fed stated, officially, that there was a good chance of more interest-rate reductions in the near future.

New York may not have appreciated Dr Alan Greenspan's determination in respect of interest rates, last Tuesday, but Japan, certainly did like it.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average Index added 7.49 percent to its value, rising to 13,103.94 yen, last Wednesday, Tokyo time.

It was the seventh largest, one-day gain in the history of The Tokyo Stock Exchange.

Japan liked Dr Greenspan because, with The Bank of Japan, doing a back-flip and bringing interest rates back to zero, it all added up to prospective, potential improvements in the outlook for the Japanese economy, leaders of industry in the world's second-largest economy decided.

Banks were hot favourites on The Tokyo Stock Exchange as the world's largest bank, Mizuho Holdings, put on about 10 percent to its share price, rising to 690,000 yen.

But Mizuho Holdings was by no means the biggest gainers in this sector of the market.

Other banks to make substantial gains included:

Asahi Bank	Up 3.50 percent to 320 yen per share
Ashikaga Bank	Up 3.21 percent to 193 yen per share
Bank of Fukuoka	Up 2.73 percent to 489 yen per share
Bank of Yokohama	Up 9.81 percent to 495 yen per share
Bank of Tokyo-	Up 7.09 percent to 1,194 yen per share
Mitsubishi	Up 5 percent to 978 yen per share

Chugoku Bank	Up 7.43 percent to 405 yen per share
Daishi Bank	Up 7.38 percent to 160 yen per share
Daiwa Bank	Up 4.96 percent to 550 yen per share
Gunma Bank	Up 3.81 percent to 600 yen per share
Hachijuni Bank	Up 5.79 percent to 420 yen per share
Higo Bank	Up 11.11 percent to 470 yen per share
Hokkoku Bank	Up 6.17 percent to 705 yen per share
Iyo Bank	Up 9.62 percent to 433 yen per share
Joyo Bank	Up 4.187 percent to 750 yen per share
Sanwa Bank	

In electronics, there were very large movements as the following illustrates:

Advantest	Up 8.99 percent to 12,000 yen per share
Alps Electric	Up 5.91 percent to 1,094 yen per share
Casio Computer	Up 9.80 percent to 807 yen per share
Fujitsu Computer	Up 7.83 percent to 1,570 yen per share
Matsushita Electric	Up 5.72 percent to 2,125 yen per share
Mitsubishi Electric	Up 5.18 percent to 670 yen per share
NEC Corporation	Up 8.71 percent to 1,760 yen per share
Oki Electric	Up 5.08 percent to 600 yen per share
Sharp	Up 4.44 percent to 1,530 yen per share
Sony Corporation	Up 3.75 percent to 8,580 yen per share

In motors, Daihatsu Motor rose 9.07 percent to 770 yen, Hino Motors saw its share price rise to 584 yen, a gain of about 10.19 percent, and Honda Motor went along for the ride, regaining 5.73 percent of its market capitalisation to end the day at 5,350 yen per share.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors on the second, most important stock market in Asia were in no way enamoured with the US Fed.

The Stock Exchange of Hongkong Ltd was, once again, very quiet. Nevertheless, the Main Board's index, the Hang Seng Index, lost 268 points, or about 2.03 percent, in a morning session that saw investors knock down the key index to 12,955.86 points – below the magical 13,000 barrier.

The 90-minute afternoon session, however, saw a bit of a rally, which pushed the Hang Seng Index back to 13,154.44 points for a loss of just 69.42 points, or about 0.53 percent on Tuesday's close.

The Total Turnover was about \$HK8.43 billion with HSBC Holdings plc (Code: 5), continuing to be up there with the leaders on the Ten Most Actives.

Totally, about 9.13 million HSBC Holdings's shares were traded, with the share price, dropping to a low of \$HK91 before recovering to \$HK93.25, representing a gain of about 0.54 percent on Tuesday's closing rate.

Trading in the shares of the banking giant represented nearly 10 percent of the Total Turnover at about \$HK842.63 million.

It seemed only too obvious that the price of the shares of HSBC Holdings would drop below \$HK90 before the week was out.

China Mobile (Hongkong) Ltd (Code: 941) was the second, most active counter of the day as investors 'played' the counter to the extent of about \$HK731.81-million worth of shares.

The share price of this company, one of the largest, mobile telecommunications companies in the PRC, hit a low of \$HK35.50 before bouncing back to close out the day at \$HK36.90, a gain of about 0.27 percent on Tuesday's level.

But China Mobile looked to be on very shaky ground, last Wednesday, sporting for a bigger fall before the closing bell sounded the end of trading for the week.

The Li Ka Shing mob, however, did not fare well, at all, as the share prices of Cheung Kong (Holdings) Ltd (Code: 1), Hutchison Whampoa Ltd (Code: 13), and Pacific Century CyberWorks Ltd (Code: 8) all lost ground – 0.86 percent, 0.60 percent and 1.32 percent, respectively.

The Li Ka Shing mob was, as usual, part of the composition of the Ten Most Actives and accounted for about 16.61 percent of the entire volume of activity for the day.

Losers outpaced gainers on The Stock Exchange of Hongkong Ltd by the ratio of about 1.43:One, with about 65 percent of all counters, either not seeing any trades, at all, or just hanging onto Tuesday's price levels.

The biggest movers on the Main Board included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Commercial Holdings Ltd	104		20.63	0.25
Bright International Group Ltd	1163		14.04	0.98
Can Do Holdings Ltd	172	22.56		0.201
CATIC International Holdings Ltd	232	18.28		0.22
City e-Solutions Ltd	557	18.18		0.52
Daido Group Ltd	544		17.20	0.077
Fujikon Industrial Holdings Ltd	927		16.67	0.50
Gemzboh Holdings Ltd	1192		21.95	0.032
Greater China Sci-Tech Holdings Ltd	431	11.48		0.233
Guangzhou Shipyard International Company Ltd	317	12.96		0.61
I-China Holdings Ltd	240		20.00	0.032
Jusco Stores (Hongkong) Company Ltd	984		10.10	0.89
Multifield International Holdings Ltd	898		15.63	0.135
New Rank City Development Ltd	456	14.88		1.39
Ocean Shores Group Ltd	764	23.33		0.74
Oriental Explorer Holdings Ltd	430	16.00		0.058
Pacific Challenge Holdings Ltd	166		10.45	0.60
RNA Holdings Ltd	501	14.29		0.16
Skynet (International Group) Holdings Ltd	577	10.00		0.022
South East Group Ltd	726	25.00		0.025
Ta Fu International Holdings Ltd	1041		31.11	0.062
Tem Fat Hing Fung (Holdings) Ltd	661	35.00		0.054
Victory City International Holdings Ltd	539	10.53		0.315

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – after an early sell-off, which pushed The Growth Enterprise Index down to 265.48 points (a new low), buyers stepped in to bring back the Index to 267.11 points, just about equal to Tuesday's level, at the close of trading.

The Total Turnover on this market was about \$HK82.90 million.

Neolink Cyber Technology (Holdings) Ltd (Code: 8116) and Emperor Entertainment Group Ltd (Code: 8078) were the Number One and Number Two, most-active counters of the day, respectively.

Neolink Cyber gained another 5.43 percent, adding to Tuesday's gain of 2.38 percent. It closed the day at \$HK1.36 per share.

As for Emperor Entertainment, Mr Albert Yeung Shau Shing's little GEM listing, its share price shed about 0.90 percent, falling to \$HK1.10.

There were just 2, double-digit losers: E-silkroad Holdings Ltd (Code: 8071); and, L.P. Lammas International Ltd (Code: 8029).

E-silkroad lost another 10 percent of its value, falling back to 27 cents per share, while L.P. Lammas shed 19.28 percent of its market capitalisation, falling to 10.90 cents.

Grandmass Enterprise Solution Ld (Code: 8108) announced that it had lost about \$HK10.75 million for the Financial Year, ended December 31, 2000. This result contrasted with a Net Profit Attributable to Shareholders of about \$HK2.65 million for the 1999 Financial Year.

Grandmass Enterprise ended last Wednesday's session at 6.90 cents per share, a loss of about 1.43 percent for the day.

The ratio of losers to gainers on this market was about 2.46:One.

This was how other Asian stock markets reacted to the determination of the Chairman of the Fed, Dr Alan Greenspan, last Wednesday night:

Indonesia	Minus 1.82 percent
Japan	Plus 7.49 percent
Malaysia	Plus 2.55 percent
The Philippines	Minus 1.34 percent
Singapore	Minus 0.21 percent
South Korea	Plus 0.19 percent
Taiwan	Minus 0.34 percent
Thailand	Minus 0.65 percent

Thursday

The big story of the day was not that the Hang Seng Index, the guide to trading on Main Board of The Stock Exchange of Hongkong Ltd, had lost a tad over 4 percent, or that there was an absolute bloodbath of bourses, around the world, but that Mr Li Ka Shing's son, Richard, was seen to have more than a little 'egg' on his smacker.

Mr Richard Li Tzar Kai, the Number Two son of Mr Li Ka Shing, the universe's richest rich man, as well as being the most beloved of moguls since the birth of that man in the manger, a few thousand years ago, was in international hot water as it became widely known that he had not graduated from Harvard University, after all.

He admitted it, openly, from Tokyo, Japan, during the Thursday trading session.

But he did not explain the reason that his curriculum vitae, at his company's website, had stated that he was, in fact, a graduate of that august US university.

The website of Pacific Century CyberWorks Ltd (Code: 8, Main Board, The Stock Exchange of Hongkong Ltd) was, hurriedly, changed to reflect the changing academic situation of the great man.

Dad announced, later in the day, that his son was not a liar.

Which father could believe that his son was a liar?

Quite right, too!

Back on the leading bourse of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors sold ... and sold ... and sold.

What was very worrying to many stockbrokers was that the selling was so easy: People were willing to let go at much lower levels, regardless of their losses.

They just wanted to get into a cash position while it was still possible.

Shades of margin purchasers, having to shore up holes in accounts?

The Total Turnover of the day was about \$HK9 billion.

As expected, China Mobile (Hongkong) Ltd (Code: 941) and HSBC Holdings plc (Code: 5) bore the brunt of the selling pressure.

China mobile, the most-active counter of the day, lost 7.32 percent of its market capitalisation, falling back to \$HK34.20 per share.

In all, about 28.03 million China Mobile shares were traded, representing a dollar value of about \$HK982.85 million, or about 10.89 percent of the entire volume of activity for the day.

As for HSBC Holdings, the second, most-active counter, it lost 2.68 percent of its value, falling to \$HK90.75 per share after about 9.47 million of its scrip changed hands. Its closing price was just 50 cents off its low-water mark.

The Li Ka Shing Camp suffered, along with every other major counter, as Hutchison Whampoa Ltd (Code: 13), the third, most-active counter, gave up 3.31 percent of its value, falling to \$HK80.25 per share, Cheung Kong (Holdings) Ltd (Code: 1) shed 4.64 percent of its market capitalisation, coming to rest at \$HK82.25 per share, and Pacific Century CyberWorks Ltd, the tenth, most-active counter, fell to sellers as its share price was knocked down to \$HK3.60, a one-day loss of 4 percent.

The Ten Most Actives accounted for about 52 percent of the Total Turnover of the day.

The ratio of losers to gainers was about 6:One with about 54 percent of the total number of counters, seeing little to no trading activity.

After the market closed, Mr Li Ka Shing, in support of his son, Richard, told the world that he had every confidence in his son, and, by the way, my group did not do too well, last year, relative to the previous year.

Cheung Kong's Net Profits Attributable to Shareholders, for the Financial Year, ended December 31, 2000, dropped to about \$HK19.31 billion, down from the previous Year's Net of about \$HK58.49 billion.

Hutchison Whampoa's Bottom Line dropped to about \$HK34.12 billion, which contrasted greatly to the 1999 Bottom Line of about \$HK117.35 billion.

The declining fortunes of the Li Ka Shing Group of Companies had been widely anticipated, but the roasting by the world's Press of Mr Li Ka Shing's son, Richard, was a bit of a shock – at least, to some people.

The question was, of course: For what reason did the poor chap fall from grace?

The Hang Seng Index had hit a 17-month low; and, the question that many people were asking was: How low could it fall?

In New York, the Dow Jones Industrial Average, the blue-chip index of The New York Stock Exchange, had fallen, last Wednesday, 2.40 percent to 9,487, the lowest level since March 1999.

The NASDAQ Composite Index lost about 1.49 percent to end the day at 1,827.77, its lowest level since November 1998.

During last Wednesday's trading session in New York, there were periods when it appeared that the Dow and the NASDAQ could rise to be in positive territory, but avalanche after avalanche of selling pressure scotched that eventuality, for good.

To try to ascribe a reason for the falls on the largest bourse in the world was to flog a dead horse because, if it were not one reason, it was another, all the reasons, being valid, logically.

Asia and the world were responding to losses on Wall Street with only Taiwan, not seeing red ink, last Thursday.

The following are the double-digit movers of last Thursday on The Stock Exchange of Hongkong Ltd:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
139 Holdings Ltd	139		11.54	0.023
Anex International Holdings Ltd	723		13.10	0.146
Asia Resources Transportation Holdings Ltd	899		18.60	0.035
C.P. Pokphand Company Ltd	43		13.93	0.21
CATIC International Holdings Ltd	232	50.00		0.33
China Sci-Tech Holdings Ltd	985		13.79	0.05
China Unicom Ltd	762		11.22	8.70
Chinney Alliance Group Ltd	385		16.33	0.041
Daido Group Ltd	544		10.39	0.069
G-Prop (Holdings) Ltd	286		13.33	0.052
Hanny Holdings Ltd	275		11.38	0.109
The Hongkong Building and Loan Agency Ltd	145	12.50		0.99
Hongkong Exchanges and Clearing Ltd	388		10.41	12.05
Honko International Holdings Ltd	673		18.75	0.052
I-China Holdings Ltd	240	12.50		0.036
I-Wood International Holdings Ltd	162		13.21	0.23
Interchina Holdings Company Ltd	202		16.60	0.196
Kin Don Holdings Ltd	208		14.71	0.029
Kunming Machine Tool Company Ltd	300	13.33		1.70
Leading Spirit Hi-Tech (Holdings) Company Ltd	606		11.76	0.015
Medtech Group Company Ltd	1031	13.64		0.05
Orient Power Holdings Ltd	615		12.66	0.345
Seapower Resources International Ltd	269		11.21	0.103
Singamas Container Holdings Ltd	716		15.00	0.255
Sino Golf Holdings Ltd	361		14.06	0.55
Softbank Investment International (Strategic) Ltd	648		10.13	0.71
South China Information and Technology Ltd	175		12.50	0.56
South East Group Ltd	726		24.00	0.019
Star Bio-Tech (Holdings) Ltd	1051	18.18		0.013
Starlight International Holdings Ltd	485	12.20		0.138
Stelux Holdings International Ltd	84		19.23	0.21
Universal Appliances Ltd	419		11.76	0.06
Victory City International Holdings Ltd	539		11.11	0.28

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another day of losses as The Growth Enterprise Index gave up another 2.34 percent of its value, falling back to 260.86 points.

The Total Turnover was about \$HK94.64 million, with one counter, Neolink Cyber Technology (Holdings) Ltd (Code: 8116), accounting for a little more than 25 percent of that figure.

After 17.69 million Neolink Cyber shares were traded, at prices, ranging between a low of \$HK1.33 and a high of \$HK1.38, it ended the day just off the high at \$HK1.37, a gain of about 0.74 percent over Wednesday's closing level.

Emperor Entertainment Group Ltd (Code: 8078) was the second, most-active counter of the day, but Mr Albert Yeung Shau Sing's little GEM company was not as lucky as Neolink Cyber as investors knocked down Emperor Entertainment's share price to \$HK1.09, a loss of about 0.91 percent for the day.

Emperor Entertainment's trading volume, amounting to about \$HK10.25 million, represented 10.83 percent of the Total Turnover.

There were 4 double-digit movers, last Thursday, all losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
E-silkroad Holdings Ltd	8071		13.33	0.234
L.P. Lammas International Ltd	8029		42.20	0.063
Smartech Digital Manufacturing Holdings Ltd	8068		13.33	0.026
Town Health International Holdings Company Ltd	8138		10.00	1.53

The ratio of losing counters to advancing ones was 5.43:One.

In Japan, the value of the Japanese yen vis-à-vis the US dollar fell to a 22-month low of 124.40 yen.

The Japanese yen is under continuous pressure due to grave concerns, regarding bad-loan requirements for quite a number of Japanese banks.

Non-performing loans are a major concern for Japan, which is, still, the world's second, biggest economy.

On The Tokyo Stock Exchange, the Nikkei-225 fell 249.97 yen to 12,853.97 yen, chopping off a portion of Wednesday's 7.49-percent gain.

The ratio of losers to gainers was about 1.64:One, the complete reverse of the situation on Wednesday's market.

Questions were being asked as to whether or not Japan could go it alone in the face of what was happening, worldwide, where stock markets were shaking under the weight of sellers.

Banks were, generally, very weak, last Thursday, as the following list of losers, says it all. There was just one, lone gainer amid a sea of losers:

Bank of Fukuoka	Down 2.25 percent to 468 yen per share
Bank of Yokohama	Down 3 percent to 480 yen per share
Chugoku Bank	Down 2.85 percent to 785 yen per share
Daishi Bank	Down 3.46 percent to 391 yen per share
Daiwa Bank	Down 3.75 percent to 154 yen per share
Higo Bank	Down 5.48 percent to 397 yen per share
Hokkoku Bank	Down 5.32 percent to 445 yen per share
Iyo Bank	Down 7.03 percent to 674 yen per share
Joyo Bank	Down 4.85 percent to 412 yen per share
Juroku Bank	Down 3.92 percent to 466 yen per share
Sanwa Bank	Down 2.67 percent to 730 yen per share
	Down 3.22 percent to 1,050 yen per

Sumitomo Bank	share
Suruga Bank	Up 5.44 percent to 795 yen per share

In electronics, there was one substantial gainer: All others lost substantial ground.

The gainer was Rohm Company, a specialist producer of chips for the electronics industry. Its share price gained 8.24 percent, rising to 19,700 yen per share.

There was, generally, a feeling of hopelessness in Asia, last Thursday, as all but Taiwan's stock market fell to sellers.

This was how the situation looked as brokers went home, last Thursday night:

Indonesia	Minus 1.60 percent
Japan	Minus 1.91 percent
Malaysia	Minus 0.56 percent
The Philippines	Minus 0.36 percent
Singapore	Minus 2.57 percent
South Korea	Minus 1.04 percent
Taiwan	Plus 1.91 percent
Thailand	Minus 0.62 percent

Friday

The Hang Seng Index, the '*barometer*' of trading on the Main Board of The Stock Exchange of Hongkong Ltd, was the largest loser in Asia, last Thursday, and was, in fact, one of the 2 Asian bourses to lose ground.

While there was a general feeling in the world's most populous area, that the selling on stock markets in other areas had been overdone, in the early part of the week, it did not carry into the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Hang Seng Index finished off the week of April 23 with a loss of about 0.31 percent to 12,583.36 points on a Total Turnover of about \$HK11 billion.

The same counters led the Ten Most Actives with HSBC Holdings plc (Code: 5), being in first place, followed by China Mobile (Hongkong) Ltd (Code: 941), clinging to the second slot.

HSBC Holdings ended the day at \$HK89.50 per share for a loss of about 1.38 percent, compared with Thursday's closing price. The share price had sunk to a low of \$HK88 in earlier trading activity.

The dollar value of the 17.85 million, HSBC Holdings's shares that were traded represented about 14.45 percent of the Total Turnover, at about \$HK1.59 billion.

With regard to China Mobile, investors traded about 34.73 million of that company's scrip, which had a dollar value of about \$HK1.17 billion, or about 10.64 percent of the entire activity for the day.

The Li Ka Shing mob was in third and fourth positions, with Hutchison Whampoa Ltd (Code: 13), being the Number Three for the day, as investors bought and sold about 11.61 million Hutchison Whampoa's shares, resulting in that company's volume of activity in its scrip trades, representing about 8.55 percent of the Total Turnover.

Hutchison Whampoa's share price ended the day at \$HK81.50, a gain of about 1.56 percent on Thursday's close.

As for the flagship company of Mr Li Ka Shing, Cheung Kong, its share price lost about 2.13 percent, falling to \$HK80.50, after about 11.30 million of this company's shares were traded.

The Richard Li Tzar Kai Saga continued into last Friday as it became more and more evident that something was terribly wrong. (Please see Thursday's report)

In spite of the Hang Seng Index, falling slightly, gainers outnumbered losers by the ratio of about 1.38:One, with 63 percent of the entire market, either not seeing any investor action or just holding firmly onto Thursday's closing levels.

There was no special news from the HKSAR and, though it was the reporting season, it brought no particularly alarming results.

On Wall Street, The New York Stock Exchange reported that its Dow Jones Industrial Average, which tracks just 30 blue chips (assumed), lost about 1.03 percent of its value, falling to 9,389.48 points.

The wider-based NASDAQ Composite Index went in the other direction, regaining about 3.69 percent of its value, rising to 1,897.70 points.

The toing and froing on Wall Street was spurred along by reports, one after another, of companies, trimming the corporate and worker *'fat'*.

Charles Schwab Corporation, the listed discount and online brokerage company that broke the *'backs'* of many a US brokerage company, which, hitherto, had been charging an arm and leg to investors for buying and selling shares in the US, as well as starting a revolution in the US securities industry, announced that it would be cutting about 2,750 people from its workforce.

Proctor and Gamble Company, the giant soap powder and toothpaste producer, followed the pack by announcing that it would be sacking 9,600 of its workers.

And Motorola Incorporated announced, once again, that it would be letting go another 4,000 of its workers, bringing the total number of its people to have been given their walking papers in the past 3 months to about 22,000 workers.

Motorola is the second largest producer of mobile telephones in the world.

And these factors, no doubt, were being weighed by analysts, worldwide.

Certainly, in the HKSAR, there were grave concerns as to what it all meant.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	15.79		0.44
Anex International Holdings Ltd	723		10.96	0.13
CATIC International Holdings Ltd	232		12.12	0.29
CATIC Shenzhen Holdings Ltd	161	16.95		0.69
Chengdu PTIC Telecommunications Cable Company Ltd	1202	13.33		0.68
China Sci-Tech Holdings Ltd	985	20.00		0.06
Chongqing Iron and Steel Company Ltd	1053	13.10		0.475
Dongfang Electrical Machinery Company Ltd	1072	11.67		0.67
ehealthcareasia Ltd	835	10.81		0.205
First Tractor Company Ltd	38	11.86		0.66

Guangzhou Pharmaceutical Company Ltd	874	11.59		1.54
Guangzhou Shipyard International Company Ltd	317	12.28		0.64
Harbin Power Equipment Company Ltd	1133	10.71		0.465
HiNet Holdings Ltd	155	10.53		0.063
Hongkong Fortune Ltd	121		15.48	0.071
Hongkong Pharmaceutical Holdings Ltd	182	12.26		1.19
IFTA Pacific Holdings Ltd	371		25.00	0.15
iRegent Group Ltd	575	16.50		0.233
Learning Concepts Holdings Ltd	680	19.51		0.098
Luoyang Glass Company Ltd	1108	12.86		0.79
Maanshan Iron and Steel Company Ltd	323	10.84		0.46
Multifield International Holdings Ltd	898		24.80	0.094
Nanjing Panda Electronic Company Ltd	553	14.12		2.425
Northeast Electrical T&T Machinery Manufacturing Company Ltd	42	10.47		0.475
S.A.S Dragon Holdings Ltd	1184	13.33		0.51
Sen Hong Resources Holdings Ltd	76		12.59	0.07
Shandong Xinhua Pharmaceutical Company Ltd	719	11.03		1.51
South East Group Ltd	726	21.05		0.023
Tem Fat Hing Fung (Holdings) Ltd	661		10.34	0.052
Tianjin Capital Environmental Protection Company Ltd	1065	11.34		1.08
Wai Kee Holdings Ltd	610		15.00	0.34
Yau Lee Holdings Ltd	406		11.43	0.31
Yeebo (International Holdings) Ltd	259		18.64	0.48
Yunnan Enterprises Holdings Ltd	455	12.68		0.40

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – it was deadly quiet as The Growth Enterprise Index moved up just 0.13 percent to end the week at 261.19 points.

The Total Turnover on this market was just about \$HK95.90 million.

On the leader board, Neolink Cyber Technology (Holdings) Ltd (Code: 8116) continued to be the Number One counter to watch as its share price continued to fight for higher ground – succeeding in its quest.

The share price of Neolink Cyber ended the week with another gain of about 5.11 percent, rising to \$HK1.44.

For the week, this company's share price had risen about 12 percent, while most other counters had lost substantial ground.

There were 2, very substantial, double-digit gainers, last Friday: Grandmass Enterprise Solution Ltd (Code: 8108); and, L.P. Lammas International Ltd (Code: 8029).

Grandmass Enterprise's share price rose 73.91 percent to 12 cents per share while L.P. Lammas's share price gained 66.67 percent, rising to 10.50 cents per share.

No reason was given by the companies for their respective share-price gains.

The ratio of gainers to losers was about 1.18:One with about 68 percent of all counters, not seeing any movement in their share prices.

In Tokyo, there was another shock announcement: Japan's fifth largest insurance company went to the Tokyo District Court, seeking protection from creditors.

This is the polite way to say that Tokyo Mutual Life Insurance was bust, or nearly bust.

The company announced that it owed about \$HK2.14 billion, with Daiwa Bank, being the main creditor, it, refusing to give a further credit line to the insurer.

Japan's Prime Minister Yoshiro Mori urged Japan to clean up its act.

Investors on The Tokyo Stock Exchange seemed unmoved by the news of Tokyo Mutual Life and went on a little bit of a buying spree.

The Nikkei-225 Index gained about 360.57 yen, rising to 13,214.54 yen, a one-day gain of about 2.81 percent.

Gainers outnumbered losers by the ratio of about 2.49:One.

Banks and motors were mixed, but generally quiet, with few counters in these sectors of the market, seeing much movement.

But in electronics and computer-related industries, there were 7 major movers:

Advantest	Up 7.78 percent to 12,890 yen per share
Alps Electric	Up 9.59 percent to 1,200 yen per share
Fujitsu	Up 9.57 percent to 1,786 yen per share
Kyocera Corporation	Up 7.71 percent to 11,740 yen per share
NEC Corporation	Up 8.84 percent to 1,970 yen per share
Rohm Company	Up 7.57 percent to 21,180 yen per share
Sharp Corporation	Up 4.42 percent to 1,629 yen per share

Whether or not Japan would be able to hold onto its gains was another matter that would be decided by investors in the coming weeks.

What was weighing on the market was that many Japanese banks had yet to own up to their problems, wallowing as they are under the weight of non-performing loans.

This is the way that things looked, last Friday night, in the rest of Asia:

Indonesia	Plus 2.28 percent
Japan	Plus 2.81 percent
Malaysia	Minus 0.03 percent
The Philippines	Plus 2.36 percent
Singapore	Plus 1.89 percent
South Korea	Plus 2.07 percent
Taiwan	Plus 1.21 percent
Thailand	Plus 0.29 percent

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