

### **U.S. MARKETPLACE FEELS THE PINCH -- AND ASIAN PRODUCERS SQUIRM**

In what is bound to be a real shock to many manufacturers of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), one of the largest banks in Asia has presaged the strong probability that business in the most populous area of the world is, almost, guaranteed to slump much further, during the remainder of the year.

Bank of Tokyo-Mitsubishi Ltd, one of the 3 largest banks in Japan and one of the 10 largest banks in the world, has compiled a report, which indicates an ever-worsening retail situation in the world's largest economy: That of the United States of America.

Daily customer traffic in stores in the US has declined for 2 consecutive months, Bank of Tokyo-Mitsubishi has reported in its findings.

The bulk of US retail sales were consummated at lower-priced stores and wholesale clubs, it seems.

Chain stores posted weak May figures, compared with May of 2000, at a growth rate of about 1.60 percent.

In real terms, therefore, calculating into the equation the effects of inflation, this indicates a substantial decline in retail sales.

According to a TARGET source at Artfield Group Ltd (Code: 1229, Main Board, The Stock Exchange of Hongkong Ltd), the market for this company's products in the US is 'very slack'.

Artfield, a producer of middle to higher-end clocks, sells about 59 percent of its products to the US market, mainly through US importers and retailers.

Working on a Profit Margin of about 2.50 percent, Artfield is very sensitive to any economic changes in the US marketplace.

It appears, according to our source, that US importers and retailers are taking a very cautious approach to the retail trade in the US, preferring to deplete inventories ... [CLICK TO ORDER FULL ARTICLE](#)

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