

ASIAN MARKETS HIT NEW LOWS

In what was an attempt to climb aboard, what appeared on the surface to be, a Wall Street bandwagon of the previous Friday, share prices on the Main Board of The Stock Exchange of Hongkong Ltd rose at the opening, last Monday, and continued to give the appearance of strength, throughout the day.

But more sophisticated investors and fund managers pointed to the volume of activity of the day: It was only about \$HK4.36 billion.

Without a healthy volume of activity, no stock market, anywhere in the world, would be able to sustain any kind of forward momentum.

The consideration, that vested interests were standing in the market, made the rounds, yet again.

The Hang Seng Index, the guide to trading on the Main Board, rose 1.12 percent to end the day at 11,234.72 points, with the Top Ten Most Actives, accounting for a little more than 52 percent of the Total Turnover.

There was no news to indicate any valid reason for any kind of a stock-market rally, let alone a gain of more than one percent.

This worried some international investors since it indicated that the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was not reflecting a true situation, but a contrived one.

On The New York Stock Exchange, the previous Friday (August 24), there was a bit of a rally, as the major indices put on a show of strength, the biggest, in fact, of the previous 6 weeks.

The Dow Jones Industrial Average, the blue-chip index, regained about 1.90 percent of its value, rising to 10,423.17 points, while, on the NASDAQ, its Composite Index rose a whopping 4.01 percent to 1,916.80 points.

The reason for the stock markets of the largest economy of the world to rise the extent that they did was unclear, but there were hundreds of thousands of generalisations, all of which appeared to make some sense, to some people, at least.

Then again, one can always generalise any situation, can't one?

It was highly suspect that New York would be able to hold onto its gains for very long.

Investors of the HKSAR are quite willing to drop into any port in the current financial storms that are lashing the 2 stock markets of the 416 square miles that make up the territory.

While the Hang Seng Index was in positive territory, most blue-chip, share prices moved up only fractionally, or a few points, at the most.

An example of just how thin was last Monday's market was the fact that there were only 10, double-digit movers, with 5 of their number, being in negative territory.

Further, losers outnumbered gainers by the ratio of about 1.07:One, with about 71 percent of all the counters, either not trading, at all, or just hanging onto previous closing levels.

Those statistics were hardly the stuff that a rising stock market is made.

The 10, double-digit movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bestway International Holdings Ltd	718		16.67	0.02
Cheong Ming Investment	1196	10.71		0.31
China Elegance International Fashion Ltd	476	10.53		0.021
Climax International Company Ltd	439		30.00	0.014
Emperor (China Concept) Investments Ltd	296	12.90		0.035
Fu Hui Holdings Ltd	639	17.78		0.212
Hongkong Parkview Group Ltd	207		10.64	2.10
Kader Holdings Company Ltd	180		14.78	0.173
UDL Holdings Ltd	620		16.67	0.05
vLink Global Ltd	563	16.67		0.028

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a different story: The Growth Enterprise Index continued its losing streak, shedding another 0.52 percent of its value, falling to a new record low of 208.97 points.

The Total Turnover on this market was abysmally low at about \$HK53.28 million, as one counter after another hit bottom.

Xinao Gas Holdings Ltd (Code: 8149) was the most active counter of the day as investors traded about 6.59 million shares in this PRC company.

The share price lost about 1.55 percent of its value, falling to \$HK1.90.

Trading in this one counter represented about 23.68 percent of the entire volume of activity for the day.

So thin was trading on The GEM that the top 5 counters accounted for about 59.39 percent of the Total Turnover.

Declining share prices outnumbered advancing ones by the ratio of about 2.17:One.

There were just 4, double-digit movers on this speculative marketplace:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH on-line Ltd	8122		10.38	0.095
iAsia Technology Ltd	8101	11.29		0.69
L.P. Lammas International Ltd	8029	26.32		0.168
Smartech Digital Manufacturing Holdings Ltd	8068	11.11		0.03

There was one company announcement for the quarter, ended June 30, 2001.

It came from STAREASTnet.com Corporation (Code: 8010), which reported a loss for the quarter of about \$HK18 million.

That result compared with a loss of about \$HK60.23 million for the like period in 2000.

The loss was on a Turnover of about \$HK8.09 million, that Turnover, being not too dissimilar to the 2000 Turnover for the period of about \$HK8.38 million.

In Japan, the story was similar to that, being told in the HKSAR.

The blue-chip index of the premier stock market of The Land of The Rising Sun gained nearly one percent. The Nikkei-225 Stock Average ended the day at 11,275.01 yen.

While Japanese investors appeared to be somewhat jubilant over the Wall Street rally of the previous Friday, the Japanese stock markets appeared to run out of steam in a big hurry.

By midday, it was clear that the Nikkei-225 Stock Average was starting to curve down, again.

As was the case in the HKSAR, there was no earthly reason for Japan's stock markets to move to higher levels: Nothing of any note had happened to make one think that the situation in the second largest economy of the world was on the move up.

If anything, the opposite was indicated.

Over the weekend of August 25-26, there were 2 important announcements, both of which were of a negative complexion.

Mizuho Holdings Incorporated, the world's largest bank in terms of assets under its control, announced that one trillion yen would be taken from its profit and loss account in order to cover non-performing loans as well as provisions for losses in respect of other loans.

Never in the history of the world has one bank had to make such provisions.

From Japan's largest chipmaker, Toshiba Corporation, came news that it would be sacking about 20,000 of its workers, equal to about 10 percent of its workforce.

Gone are the days of Japan's employers, claiming that its workers have one job for life.

For the most part, with a handful of exceptions, share prices moved only fractionally.

In all of Asia's major stock markets, indices were registering positive figures, but the seeming euphoria was most suspect.

This was the way that things looked, last Monday night in other Asian bourses:

Indonesia	Plus 0.02 percent
Japan	Plus 0.97 percent
Malaysia	Plus 1.66 percent
The Philippines	Plus 0.11 percent
Singapore	Plus 1.25 percent
South Korea	Plus 1.66 percent
Taiwan	Plus 1.72 percent
Thailand	Plus 1.93 percent

Tuesday.

Fresh evidence of an ever-weakening US economy emerged, last Tuesday in Asia – and that was enough to put a damper on the fires that appeared to have been lit, last Monday, in the world's most populous area.

Further, it came to the attention of investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) that the considerations of the previous week had been confirmed: Vested interests had been picking up select shares on The Stock Exchange of Hongkong Ltd.

The Main Board of The Stock Exchange of Hongkong Ltd saw its Hang Seng Index rise 0.59 percent to end last Tuesday's session at 11,300.53 points on a continued low volume of activity, amounting to about \$HK5.28 billion.

The Li Ka Shing mob was, again, very much in evidence on the Ten Most Active List, with Cheung Kong (Holdings) Ltd (Code: 1) and Hutchison Whampoa Ltd (Code: 13), being in the Number 2 spot and the Number 4 spot, respectively.

Both counters made, what some people considered to be, spectacular gains, all things considered, with Cheung Kong's share price, rising 1.74 percent to \$HK73, while Hutchison Whampoa's share price put on 1.10 percent, ending the day at \$HK69.

Official records of Hongkong Exchanges and Clearing Ltd (Code: 388) confirmed that the Chairman of both Cheung Kong and Hutchison Whampoa, Mr Li Ka Shing, had been in the market, picking up shares in both entities.

Other Executive Directors of these 2 companies, also, confirmed that they had been buying up shares in the listed flagship companies of the Great Man.

Such buying of large, capitalised companies by people of the ilk of the Great Man and his workers was said to be good for trading on the second, most-important stock market in Asia because it made people think twice before going short.

One wonders whether or not international fund managers hold that view, too.

The buying by vested interests of shares in the Great Man's companies came in the same week that the Great Man announced rather poor trading results for the first 6 months of the year.

While the Great Man's companies' share prices rose, no such luck for the PRC's second- largest, mobile telecommunications company: China Unicom Ltd (Code: 762).

The share price of China Unicom lost 1.01 percent of its value, falling to \$HK9.80. It was the fifth, most-active counter of the day.

For the largest mobile telecommunications company in the PRC, however, it managed to regain about 4.05 percent of its market capitalisation, following the previous week's losses.

China Mobile (Hongkong) Ltd (Code: 941), the most-active counter of the day, saw its share price rise to \$HK25.70 on a turnover of about 33.53 million shares.

The top 5 counters of the day represented just under 43 percent of the total activity of the market.

Even though the Hang Seng Index had registered a gain for the day, losing counters dominated trading with the ratio of losers to gainers, being about 2.08:One.

Of the 22, double-digit movers, 12 of them were losers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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Asia Satellite Telecommunications Holdings Ltd	1135		10.11	12.00
Bright International Group Ltd	1163	17.65		0.60
Chi Cheung Investment Company Ltd	112		13.33	0.065
China Strategic Holdings Ltd	235		10.14	0.62
Climax International Company Ltd	439	14.29		0.016
Daiwa Associate Holdings Ltd	1037		14.04	0.49
Deson Development International Holdings Ltd	262	11.76		0.038
Dransfield Holdings Ltd	632		12.50	0.028
E-LIFE International Ltd	370		10.14	0.124
Fortuna International Holdings Ltd	530	10.34		0.032
Founder Holdings Ltd	418		18.52	1.10
Four Seas eFood Holdings Ltd	60	10.87		0.51
Golden Dragon Group (Holdings) Ltd	329	10.39		0.85
Hongkong Fortune Ltd	121	13.33		0.068
Innovative International (Holdings) Ltd	729		21.05	0.03
Mandarin Resources Corporation Ltd	70		10.53	0.068
Medtech Group Company Ltd	1031	15.38		0.03
Millennium Sense Holdings Ltd	724		10.71	0.25
O2New Technology Ltd	94	11.11		0.07
OSK Asia Corporation Ltd	555		13.79	0.25
Premium Land Ltd	164		10.17	1.06
Wah Fu International Holdings Ltd	952	14.29		0.04

The gains in the value of the Hang Seng Index were registered, following reports from the US that the economy was showing more signs of weakness.

Reports were making the rounds of the 3-percent fall in the number of homes, sold in the month of July, compared with the statistics, relating to home sales in the US in the month of June.

On an annualised basis, the 5.17 million units represent the lowest level of home sales – not new homes – since December 2000.

Deere and Company, one of the most respected names in the manufacture of farm equipment in the US, said on Monday, Illinois time, that it would unload nearly 2,000 of its staff and close, or sell, several of its manufacturing facilities.

The company said that it would take a charge of about \$US150 million in its fourth quarter, following a management determination to rid itself of its consumer products division – handheld blowers, trimmers and chainsaws, etc.

Trading on The New York Stock Exchange reflected the situation, as investors were not too enamoured by the news.

The Dow Jones Industrial Average – a guide to blue-chip trading on The New York Stock Exchange – lost 40.82 points, about 0.39 percent, dropping back to 10,382.35 points.

As for the NASDAQ, its Composite Index gave up 4.39 points to hit 1,912.41 points by the close, a fall of just 0.23 percent on Monday's level.

Unlike the HKSAR stock markets, there are very few individuals/institutions that have the power to support share prices in the way that the Great Man of the HKSAR can.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, a new low was reached as The Growth Enterprise Index gave up about 0.89 percent, falling to 207.12 points.

The Total Turnover was about \$HK41.37 million, with Xinao Gas Holdings Ltd (Code: 8149), continuing to be the most-active counter of the day.

After 5.12 million, Xinao Gas Holdings's shares had changed hands, its share price had stabilised at Monday's closing level of \$HK1.90. During intra-day trading, its share price had hit a low of \$HK1.85.

Trading in this one counter represented about 23 percent of the Total Turnover.

The Great Man's GEM company, tom.com Ltd (Code: 8001), was the second, most-active counter of the day, with investors, trading about \$HK8.21-million worth of this company's scrip.

tom.com's share price rose 2.14 percent on the day, ending the session at \$HK1.91.

Trading in this counter accounted for nearly 20 percent of the entire volume of activity for the day.

Trading in the counters, Xinao Gas Holdings and tom.com, therefore, represented about 43 percent of the Total Turnover.

The ratio of losers to gainers on The GEM was about 2.57:One, but there was little to no trading in about 65 percent of the entire market.

The 2, double-digit movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Neolink Cyber Technology (Holdings) Ltd	8116		16.10	0.495
Systek Information Technology (Holdings) Ltd	8103	14.17		0.137

Japan's stock markets continued to be buffeted by growing negative reports about the economy.

Last Tuesday, Japan was treated to the news that Japan's jobless level had hit a 48-year low (at least) of 5 percent of the workforce.

Investors were none too happy with the news.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average lost 85.61 yen, dropping to 11,189.40 yen.

Losers outpaced gainers by the ratio of about 1.06:One.

Wall Street's overnight retreat, coupled with layoffs in hi-tech companies (Please see Monday's report) put investors in no mood to make too many fresh commitments.

Early morning selling of electronics set the stage for the day.

The big losers in this section of the market included:

Advantest	Down 1.76 percent to 7,250 yen per share
Alps Electric	Down 2.77 percent to 877 yen per share
Fujikura	Down 4.53 percent to 695 yen per share
Furukawa	Down 3.47 percent to 945 yen per share
Matsushita Communications	Down 3.89 percent to 4,200 yen per share

But, aside from an occasional spurt of activity in this counter of that counter, trading was very quiet, for the most part.

In other parts of Asia, trading was very subdued:

Indonesia	Minus 0.08 percent
Japan	Minus 0.76 percent
Malaysia	Minus 0.40 percent
The Philippines	Minus 0.39 percent
Singapore	Minus 0.26 percent
South Korea	Minus 0.39 percent
Taiwan	Minus 0.37 percent
Thailand	Minus 0.91 percent

Wednesday

Amid more gloom and doom, internationally, the Li Ka Shing Camp of stalwarts beat off the bears on the Main Board of The Stock Exchange of Hongkong Ltd.

Both Cheung Kong (Holdings) Ltd (Code: 1) and Hutchison Whampoa Ltd (Code: 13) were among the very few counters on the Ten Most Active List to make headway in an otherwise falling market.

Cheung Kong, the third, most-active counter of the day, gained 1.71 percent over Tuesday's close, to end the day at \$HK74.25 per share.

Hutchison Whampoa, in fourth position, gained 0.36 percent, hitting \$HK69.25 by the close of trading.

As for the Hang Seng Index, the '*barometer*' of trading on the Main Board, it continued to lose ground, shedding another 0.51 percent of its value, falling to 11,242.41 points.

The Total Turnover continued to be very low, however, at about \$HK4.94 billion.

Which may be a good thing on a falling market.

The most active counter of the day continued to be China Mobile (Hongkong) Ltd (Code: 941), but its share price retreated to \$HK24.80, a fall of about 3.50 percent, compared with Tuesday's last trade.

HSBC Holdings plc (Code: 5), one of the 10 largest banks in the world, held onto Tuesday's closing level of \$HK92.25 per share after investors swapped about 4.43 million of this bank's scrip.

The aggregate value of trading in the 4 leading counters represented about 31.38 percent of the entire volume of activity of the day.

The ratio of losers to gainers was about 1.81:One, with about 74 percent of the entire market, either seeing no trades or just hanging onto previous levels.

The double-digit losers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
Ananda Wing On Travel (Holdings) Ltd	1189		11.11	0.088
AV Concept Holdings Ltd	595		10.00	0.36
Bestway International Holdings Ltd	718	20.00		0.024
Capital Automation Holdings Ltd	493	15.00		0.345

China Motion Telecom International Ltd	989		10.29	0.61
Dan Form Holdings Company Ltd	271		13.41	0.355
ehealthcareasia Ltd	835		18.92	0.03
Everest International Investments Ltd	204	19.17		0.143
Founder (Hongkong) Ltd	418		14.55	0.94
Global Green Tech Group Ltd	274	13.86		1.89
Guangdong Kelon Electrical Holdings Ltd	921		12.05	1.46
Hongkong Building and Loan Agency Ltd	145		11.94	0.59
Hua Lien International (Holding) Company Ltd	969	25.00		0.25
I-China Holdings Ltd	240		23.53	0.026
Keck Seng Investments (Hongkong) Ltd	184		13.79	0.50
Northern International Holdings Ltd	736		14.29	0.024
OSK Asia Corporation Ltd	555	12.00		0.28
RoadShow Holdings Ltd	888		12.20	1.08
Rockapetta Holdings Ltd	1003	12.50		0.36
Sen Hong Resources Holdings Ltd	76		13.33	0.065
Yip's Chemical Holdings Ltd	408	20.00		0.54

The smallish losses, registered on the Main Board of The Stock Exchange of Hongkong Ltd, were in direct contrast to what was taking place on the world's largest stock market: The New York Stock Exchange.

In the *'Big Apple'*, there was a bit of a sell-off as it became known that there had been another drop in consumer confidence in the US.

In addition, it was announced that the second largest vendor of personal computers, Gateway Incorporated, would sack about one quarter of its staff, representing about 4,600 bodies, and close down its facilities in Singapore, Malaysia, Japan, Australia and New Zealand.

There was still some question as to whether or not it would close down its European operations.

The company will take a charge of about \$US475 million in its third quarter of this year.

The share price of Gateway on The New York Stock Exchange fell to a one-year low of \$US8.60, down about 88 percent from the share price's high, one year earlier.

The blue-chip index of The New York Stock Exchange, The Dow Jones Industrial Average, cognizant of the situation in Gateway, and taking into consideration other factors with regard to the US economy, shed 160.32 points, about 1.54 percent, ending last Tuesday's session at 10,222.03 points.

The NASDAQ Composite Index, the tech-laden index of the NASDAQ, gave up 2.48 percent of its value, falling to 1,864.98 points.

Not the entire situation on the largest economy of the world had been factored into the Asian equation, to be sure, otherwise the Main Board of The Stock Exchange of Hongkong Ltd would have fallen much further, it would seem.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, however, there was no question of investors, not knowing of the US situation.

The Growth Enterprise Index lost about 1.22 percent, falling to a new low of 207.12 points.

The Total Turnover of the day, also, registered a new low: \$HK29.46 million.

Xinao Gas Holdings Ltd (Code: 8149) continued to be the most active share of the day as investors traded about 2.67 million of this PRC company's scrip, knocking down its price to \$HK1.89, a fall of 0.53 percent on Tuesday's close.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) continued to be the second, most-active counter of the day, and it, too, saw its share price lose 0.52 percent, falling to \$HK1.90.

The number of double-digit movers rose to 5 in number, with just one of their number in positive territory:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022		12.96	0.47
Computech Holdings Ltd	8081		10.71	0.50
Grandmass Enterprise Solution Ltd	8108	23.16		0.117
Neolink Cyber Technology (Holdings) Ltd	8116		11.11	0.44
Q9 Technology Holdings Ltd	8129		10.40	0.224

There was no special news from any GEM counter as the ratio of losers to gainers improved to 2.33:One.

About 70 percent of all the counters either saw no trades or stayed at Tuesday's closing levels.

On Japan's premier stock exchange, it was another bad day for The Land of The Rising Sun.

The Tokyo Stock Exchange's Nikkei-225 Stock Average cracked the 11,000 barrier as investors sold scrip for fear that the morrow would see even further falls.

The Nikkei-225 ended the day at 10,979.76 yen, off 209.64 yen, compared with Tuesday's statistic.

It was the lowest level in the past 17 years.

The Japanese economy has been in a period of stagnation for the past decade; it was only too apparent that things were getting worse, not better.

Tokyo was, of course, also watching the situation in the US, especially the antics of the NASDAQ-listed counters.

The electronic section of The Tokyo Stock Exchange, along with the banking section, got hit especially hard, as the following TARGET list makes it only too clear:

Electronics

Advantest	Down 4.14 percent to 6,950 yen per share
Fujikura	Down 3.31 percent to 672 yen per share
Furukawa Electric	Down 2.12 percent to 925 yen per share
Kyocera Corporation	Down 3.65 percent to 7,930 yen per share
OKI Electric Industries	Down 3.03 percent to 384 yen per share
Pioneer	Down 3.15 percent to 2,615 yen per share
Sanyo Electric	Down 2.64 percent to 590 yen per share
Sharp Corporation	Down 1.82 percent to 1,348 yen per share
Sony Corporation	Down 1.73 percent to 5,690 yen per share
Tokyo Electron	Down 1.78 percent to 6,610 yen per share

Banks

Bank of Fukuoka	Down 2.06 percent to 523 yen per share
Bank of Kyoto	Down 1.68 percent to 585 yen per share
Bank of Yokohama	Down 3.01 percent to 483 yen per share
Daiwa Bank	Down 3.27 percent to 148 yen per share
Gunma Bank	Down 2.23 percent to 570 yen per share
Hachijuni Bank	Down 3.29 percent to 617 yen per share
Hokuriku Bank	Down 2.44 percent to 200 yen per share
Hyakujushi Bank	Down 2.94 percent to 660 yen per share
Iyo Bank	Down 2.63 percent to 667 yen per share
Joyo Bank	Down 3.25 percent to 357 yen per share
UFJ Holdings	Down 5.10 percent to 633,000 yen per share

Other areas of the market, also, took a battering, but the brunt of the selling was in banks and electronics.

News wise, Suzuki Motor Corporation and Kawasaki Heavy Industries Ltd announced that they would jointly be developing motorcycles and all-terrain vehicles.

Suzuki Motor lost 0.88 percent on the news, its share price, falling to 1,460 yen, while Kawasaki Heavy Industries's share price gave up 5.63 percent of its value, ending the day at 201 yen.

Gateway Japan Incorporated announced that it was closing down its Japan operations, laying off all of its 698 employees.

Drugmaker Eisai Company said that it would shut down its vitamin factory in Pasadena, Texas, the factory, being operated by its US subsidiary, Eisai USA Incorporated.

Eisai gained about 2.27 percent on the news, its share price, rising to 2,925 yen per share.

Most of Asia looked uneasy, last Wednesday night:

Indonesia	Minus 0.70 percent
Japan	Minus 1.87 percent
Malaysia	Minus 0.35 percent
The Philippines	Minus 0.93 percent
Singapore	Minus 0.35 percent
South Korea	Minus 1.87 percent
Taiwan	Plus 3.21 percent
Thailand	Plus 0.75 percent

Thursday

With the lone exception of the Main Board of The Stock Exchange of Hongkong Ltd, all Asian stock markets headed south, last Thursday.

Many investors in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) looked at the Main Board and could not help but wonder whether or not vested interests were, once again, standing in the marketplace, artificially boosting key indices.

It made little sense that the Hang Seng Index should buck the international trend for lower levels while, at the same time, things in the HKSAR were worsening in the economic front.

In any event and for whatever reason people want to ascribe, history will record that the Hang Seng Index gained 0.65 percent of its value, last Thursday, ending the day at 11,315.63 points.

The Total Turnover was about \$HK5.80 billion.

The 4, most-active counters were HSBC Holdings plc (Code: 5), China Mobile (Hongkong) Ltd (Code: 941), Hutchison Whampoa Ltd (Code: 13), and Cheung Kong (Holdings) Ltd Code: 1), in that order.

HSBC Holdings's share price gained 1.36 percent, rising to \$HK93.50, China Mobile's scrip gained 0.81 percent, ending the day at \$HK25 per share, Hutchison Whampoa's management saw its share price lose 0.72 percent, falling back to \$HK68.75, while Mr Li Ka Shing's flagship company, Cheung Kong, added another 1.01 percent to its market capitalisation, closing out the day at \$HK75 per share.

The Great Man's telecommunications company, Pacific Century CyberWorks Ltd (Code: 8), however, lost another 4.02 percent of its value, falling to a new low of \$HK1.67 per share.

Pacific Century CyberWorks was the ninth, most-active counter of the day.

The aggregate trading value of these 5 counters accounted for about 39 percent of the entire volume of activity for the day.

The gains in the share prices of HSBC Holdings and Cheung Kong made little sense since, in respect of HSBC Holdings, it is almost a certainty that that giant banking group will have to make massive Provisions for Bad and Doubtful Debts in addition to Non-Performing Loans for this Financial Year, while, with regard to Cheung Kong, it must be struggling with its international investments, from investments in ports to investments in telecommunications, notwithstanding a sluggish property market in the HKSAR and the Property Division of this company was the division that used to bring home most of the Great Man's bacon (he is not of Jewish extraction, by the way).

The ratio of losers to gainers on The Stock Exchange of Hongkong Ltd was about 1.11:One, with about 68 percent of all counters, listed on the Main Board, either not trading or, simply, staying pat at Wednesday's closing levels.

The double-digit movers numbered 19 in all, with 9 of their number, making material gains:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Resources Transportation Holdings Ltd	899		16.67	0.03
Capital Automation Holdings Ltd	493	18.84		0.41
Chevalier Construction Holdings Ltd	579	10.00		0.11
Chi Cheung Investment Company Ltd	112		11.67	0.053
China Apollo Holdings Ltd	512		11.06	0.185
China Development Corporation Ltd	487		14.63	0.07
Climax International Company Ltd	439	12.50		0.018
Dong Jian Tech.com Holdings Ltd	649	20.83		0.29
Dransfield Holdings Ltd	632	11.54		0.029
ehealthcareasia Ltd	835	16.67		0.035
Great China Sci-tech Holdings Ltd	431		17.00	0.083
INNOMAXX Biotechnology Group Ltd	340	12.36		0.20

Kin Don Holdings Ltd	208		24.24	0.025
Leefung-Asco Printers Holdings Ltd	623		13.67	1.20
Mansion Holdings Ltd	547	20.00		0.042
Qualipak International Holdings Ltd	1224	10.53		0.21
Shun Cheong Holdings Ltd	650		12.50	0.245
Sing Tao Holdings Ltd	233		11.11	0.96
Yew Sang Hong (Holdings) Ltd	290		10.00	0.90

In the US, last Wednesday, it was another bad day for bulls, as the bears of Wall Street continued to savage The New York Stock Exchange and the NASDAQ.

On the world's largest bourse, the blue-chip, Dow Jones Industrial Average lost about 131.13 points, or about 1.28 percent, ending the session at 10,090.90 points.

The NASDAQ Composite Index shed another 21.81 points, or about 1.17 percent, falling to 1,843.17 points.

As far as The Dow was concerned, it was apparent that it was headed below the magical 10,000 mark – with the prospects of this happening, being strongly in favour before the week was out.

The anaemic US economy and corporate profits, falling from one low to another, in addition to widespread sackings of workers all conspired to weigh heavily on investor confidence.

Back in the HKSAR, the speculative marketplace, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd, with no moguls to support share prices, continued to hit one low after another.

Last Thursday, The Growth Enterprise Index gave up another 0.89 percent of its value, falling to 202.78 points.

It looked as though this Index would fall through the 200 level before the end of the week unless things picked up in a hurry – which was very unlikely, all things considered.

The Total Turnover continued to be very low at about \$HK46.89 million, with the ratio of losers to gainers, being about 1.90:One.

Angels Transport Technology Ltd (Code: 8112) made its debut and, after about 16.98 million shares of this transportation technology solutions company had changed hands, its share price had risen to 82 cents.

The closing level represented a 12-cent improvement over the 70-cent Placement price, or a gain for somebody of about 17.14 percent.

For those who had made a profit, it was incumbent on them to take those profits to the bank or see them eroded in short order.

Because there is no way, this side of Pluto, that the share price of Angels Transport Technology is worth anywhere near 50 cents, let alone the Placement Price, in TARGET's opinion.

(For full analysis of this company, please see [TARGET Intelligence Report, Volume III, Number 158](#), published on August 24, 2001)

The GEM's double-digit movers of the day, all losers, by the way, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Fast Systems Technology (Holdings) Ltd	8150	10.00		0.495
Fortune Telecom Holdings Ltd	8040		11.90	0.37
Q9 Technology Holdings Ltd	8129		11.61	0.198
Soluteck Holdings Ltd	8111		13.03	0.20

techpacific.com Ltd	8088		11.11	0.08
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In Tokyo, Japan, it was another slow day as the blue-chip index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, hardly moved.

By the close of trading, the Nikkei-225 was stuck at 10,938.45 yen, just about 41.31 yen lower than Wednesday's close.

To restate that the Nikkei-225 had hit another 17-year low was fast becoming a trite statement, last week – since it was, by then, generally accepted that indices would continue to fall.

The ratio of declining issues to advancing ones was 2.93:One.

More bad news hit the premier stock market of Japan, during the trading session, last Thursday.

Kyoto-based Kyocera Corporation announced that it would cut about 10,000 workers out of its payroll. That number of sackings represents about 20 percent of the company's total global workforce.

From telecommunications manufacturer, OKI Electric Company, it was announced that it would sack 2,200 of its workers, representing about 10 percent of its workforce.

Kyocera gained about 5.30 percent on its news as its share price reverted to 8,350 yen, while OKI Electric lost about 3.65 percent of its market capitalisation, falling back to 370 yen per share.

Another blow came from the Japanese Automobile Manufacturers Association when it reported that sales of motor cars, lorries and buses dropped by about 1.20 percent in July, compared with June's figures.

It represented the seventh consecutive month of losses for this important segment of Japan's economy.

From the Government of Japan came news that the combined sales by wholesalers and retailers had dropped by about 1.90 percent in July, compared with the like month in 2000.

It was the sixth consecutive month of such falls for the industry.

The bad news seemed to be never-ending.

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

Indonesia	Minus 0.80 percent
Japan	Minus 0.38 percent
Malaysia	Minus 0.27 percent
The Philippines	Minus 0.60 percent
Singapore	Minus 1.17 percent
South Korea	Minus 0.22 percent
Taiwan	Minus 0.11 percent
Thailand	Minus 1.89 percent

Friday

Well, it appeared, very clearly, last Friday, that, for the time being at least, vested interests had stopped supported prices on the Main Board of The Stock Exchange of Hongkong Ltd.

That must have been the case because the Main Board's Hang Seng Index shed 1.99 percent of its value, exactly, ending the week at just a tad over the 11,000 mark: 11,090.48 points.

Further, the losses were spread, pretty evenly, over the morning session and the shorter, 90-minute afternoon session.

The volume of trading picked up to about \$HK6.69 billion, which is never a good thing on a falling market.

The same 4 counters hugged the Ten Most Actives, their order, being slightly changed, however.

The most-active counter of the day was HSBC Holdings plc (Code: 5) as investors swapped about 8.11 million of this bank's scrip, the price of which slipped back to \$HK91.25, a fall of 2.41 percent over Thursday's close.

China Mobile (Hongkong) Ltd (Code: 941) was in second place, but investors appeared to believe that its share price had fallen, quite far enough, for, on a volume of trading of about 23.79 million shares, the price stayed within an 80-cent range: Between \$HK24 and \$HK24.80.

The closing price, however, was \$HK24.35, which still represented a 2.60-percent drop from the last trade on Thursday.

Mr Li Ka Shing's Cheung Kong (Holdings) Ltd (Code: 1) and Hutchison Whampoa Ltd (Code: 13) were in the Number 3 and Number 4 slots, respectively – and both counters saw a fast erosion in their share prices.

Cheung Kong saw 4 percent rubbed off its market capitalisation, falling back to \$HK72 per share, while Hutchison Whampoa lost 3.27 percent of its value, ending the week at \$HK66.50 per share.

Trading in the shares of these 4 counters represented about 33 percent of the entire volume of activity for the day.

The ratio of losers to gainers was about 1.82: One, with about 73 percent of all the counters, either not trading, at all, or sitting on previous levels.

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Resources Transportation Holdings Ltd	899	23.33		0.037
Bestway International Holdings Ltd	718	13.04		0.026
Chevalier Construction Holdings Ltd	579	13.64		0.125
Ecopro Hi-Tech Holdings Ltd	397		17.65	0.014
ehealthcareasia Ltd	835		22.86	0.027
Everest International Investments Ltd	204	14.49		0.158
I-China Holdings Ltd	240	14.29		0.032
Innovative International (Holdings) Ltd	729		13.79	0.025
Interchina Holdings Company Ltd	202		10.68	0.92
iRegent Group Ltd	575		18.18	0.18
Kin Don Holdings Ltd	208	32.00		0.033
Northern International Holdings Ltd	736		11.54	0.023
Shanxi Central Pharmaceutical International Ltd	327	19.05		0.50
SunCorp Technologies Ltd	1063	16.88		0.45
Theme International Holdings Ltd	990		12.50	0.091
Victory City International Holdings Ltd	539	10.34		0.32
Yew Sang Hong (Holdings) Ltd	290	11.11		1.00

News wise, The Hongkong Monetary Authority (HKMA) announced, during the day, that loan demand at banks, operating in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC),

continued to be slack.

A drop of about one percent had been recorded in respect of loans and advances for use in the HKSAR in the month of July, compared with June's figures.

Deposits in HKSAR banks were, also, lower in July, compared with June, by about 0.20 percent, the HKMA said.

Not a very healthy state of affairs, the HKSAR Government had to admit.

Wall Street, last Thursday, was hammered, yet again, as investors sold shares in droves on The New York Stock Exchange.

The major index of The New York Stock Exchange, the 30-stock, blue-chip Dow Jones Industrial Average, gave up 171.32 points, equal to about 1.70 percent, as it sunk below the 10,000 level, ending the day at 9,919.58 points.

As for the tech-laden NASDAQ, its Composite Index shed another 2.79 percent of its value, falling back to 1,791.67 points.

It was the fourth day of losses for the world's largest stock markets.

The US stock markets were being hit with a seemingly never-ending barrage of poor corporate news and companies, paring staff levels by the tens of thousands.

Charles Schwab, said to be the world's largest online stockbroker, said that it would sack another 2,400 of its staff.

In March, the company let go 3,400 of its workers.

From the beginning of the year, the trading volume has fallen by about 50 percent, the company said.

The staff levels of Charles Schwab are, now, back to 1999 levels.

From Switzerland, it was announced that the country's national carrier, Swissair, would cut out about 1,250 workers from its payroll.

The airline announced that its first quarter loss was about 234 million Swiss francs, compared with a profit of about 3 million Swiss francs for the first half of 2000.

All, very depressing stuff.

Back in Asia, on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another round of losses – the fifth straight day of losses for this speculative marketplace.

The Growth Enterprise Index fell 2.33 percent to hit another, all-time low of 198.05 points.

The Total Turnover was \$HK45.99 million with the ratio of losers to gainers, being 1.89:One.

Angels Transport Technology Ltd (Code: 8112) lost nearly all of its first day's gains, falling back to 72 cents per share after \$HK4.90-million worth of this company's scrip changed hands.

It was one of the largest losers of the day as the following TARGET table illustrates:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
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AcrossAsia Multimedia Ltd	8061		15.38	1.10
Angels Transport Technology Company Ltd	8112		12.20	0.72
L.P. Lammas International Ltd	8029		17.33	0.124
Prosten Technology Holdings Ltd	8026	10.26		0.43

In The Land of The Rising Sun, it was yet another disappointing day for those Japanese investors, who had been chanting incantations to their gods to stop the losses.

Because, on The Tokyo Stock Exchange, the Nikkei-225 Stock Average gave up another 224.94 yen, equal to a loss of about 2.06 percent, compared with Thursday's closing level.

The week came to an end with the Nikkei-225, resting at 10,713.51 yen.

Tokyo had the distinction of the being the second largest losers in Asia, last Friday.

There were many substantial losers on this stock market, but electronics and select motors took the brunt of the selling pressure:

Electronics

Advantest	Down 4.67 percent to 6,740 yen per share
Casio Computer	Down 4.88 percent to 701 yen per share
Fuji Electric	Down 4.72 percent to 363 yen per share
Hitachi	Down 4.32 percent to 974 yen per share
Konica Corporation	Down 2.62 percent to 706 yen per share
Kyocera Corporation	Down 3.83 percent to 8,030 yen per share
Matsushita Communications	Down 4.85 percent to 4,120 yen per share
NEC Corporation	Down 2.09 percent to 1,451 yen per share
OKI Electric Industries	Down 4.59 percent to 353 yen per share
Pioneer	Down 6.71 percent to 2,365 yen per share
Sanyo Electric	Down 4.46 percent to 535 yen per share
Sharp Corporation	Down 2.54 percent to 1,268 yen per share
Sony Corporation	Down 5.37 percent to 5,290 yen per share
Tokyo Electron	Down 3.69 percent to 6,520 yen per share
Toshiba Corporation	Down 4.09 percent to 609 yen per share

Banks

Bank of Kyoto	Down 3.08 percent to 566 yen per share
Suruga Bank	Down 3.87 percent to 894 yen per share

Motors

Honda Motor	Down 5.09 percent to 4,290 yen per share
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Isuzu Motors	Down 4.66 percent to 184 yen per share
Mitsubishi Motor	Down 5.49 percent to 327 yen per share

Telecommunications

Japan Telecom	Down 4.56 percent to 356,000 yen per share
KDDI	Down 3.14 percent to 339,000 yen per share

News from the Government of Japan was that Japan's workers were spending less and less – and on staples, too.

The Ministry of Public Management Home Affairs, Post and Telecommunications said that households in Japan spent 0.40 percent less in July than they did in July 2000.

Things in The Land of The Rising Sun looked as though the sun had set on the land of the sake, samurai and sumo wrestlers.

This is the way that things appeared in other parts of Asia, last Friday:

Indonesia	Plus 0.28 percent
Japan	Minus 2.06 percent
Malaysia	Closed
The Philippines	Plus 0.20 percent
Singapore	Plus 0.21 percent
South Korea	Minus 3.41 percent
Taiwan	Plus 0.12 percent
Thailand	Plus 1.20 percent

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