

### **U.S. BACKED COALITION GIVES THE STOCK MARKETS OF THE WORLD A RUDE AWAKENING**

Asia awoke, last Monday morning, to the news that warplanes from the United States of America and Great Britain had launched furious aerial attacks on airbases in Afghanistan.

The war on international terrorism, spearheaded by the US, which, by then, had gathered around it a host of international friends, had begun.

When the sun set on Asia, last Monday, only red ink flowed on stockbrokers' tally sheets, indicating losses in the hundreds of billions of dollars that had been wiped off market capitalisations of thousands of companies, listed on Asia's 7 major bourses.

(The 3 stock markets of Japan had been closed for a public holiday, last Monday, thus sparing Japan from suffering the same fate as the rest of Asia).

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors ran for cover ... but not before the Main Board of The Stock Exchange of Hongkong Ltd had suffered a loss of about 3.01 percent, falling back to 9,967.83 points.

The Total Turnover of the day was about \$HK6.78 billion, with losers far ahead of gainers by the ratio of about 2.35:One.

Trading in the shares of HSBC Holdings plc (Code: 5) was responsible for about 13.72 percent of the entire volume of activity of the day. Investors had traded about 11.23 million of HSBC Holdings's stock.

The 10, most-active counters of the day represented about 55.16 percent of the Total Turnover.

Only about 20 percent of all the counters, listed on The Stock Exchange of Hongkong Ltd, saw any movement in their share prices.

The counters that saw the most action included:

<b>Name of Company</b>	<b>Code</b>	<b>Increase (%)</b>	<b>Decrease (%)</b>	<b>Closing Price (\$HK)</b>
Allan International Holdings Ltd	684		12.50	0.56
Asean Resources Holdings Ltd	22		18.18	0.54
Benefun International Holdings Ltd	1130		33.33	0.10
CEC International Holdings Ltd	759		11.11	0.40
Climax International Company Ltd	439		10.00	0.018
China National Aviation Company Ltd	1110	11.46		1.07
Companion Building Material International Holdings Ltd	432	16.67		0.035
Emperor (China Concept) Investments Ltd	296	16.67		0.028
Everbest Century Holdings Ltd	578	17.39		0.027
HiNet Holdings Ltd	155		12.50	0.014
Hua Lien International (Holdings) Ltd	969	10.34		0.32
Luen Cheong Tai International Holdings Ltd	0.056		13.85	0.056
Oriental Explorer Holdings Ltd	430	11.76		0.057
Pearl Oriental Holdings Ltd	988	31.58		0.025
Sinocan Holdings Ltd	1095	11.32		0.059
Skynet (International Group) Holdings Ltd	211		16.31	0.195
Wo Kee Hong (Holdings) Ltd	720	17.50		0.047

The 10, most-active counters, in terms of dollar values of their respective trades, were:

HSBC Holdings plc (Code: 5)	Down 1.78 percent to \$HK83 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 2.41 percent to \$HK2.215 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 6.79 percent to \$HK23.35 per share
Hutchison Whampoa Ltd (Code: 13)	Down 3.67 percent to \$HK59 per share
CLP Holdings Ltd (Code: 2)	Down 0.67 percent to \$HK29.80 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 5.94 percent to \$HK47.50 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.60 percent to \$HK84.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 3.54 percent to \$HK61.25 per share
Henderson Land Development Company Ltd (Code: 12)	Down 6.20 percent to \$HK23.45 per share
China Unicom Ltd (Code: 762)	Down 2.27 percent to \$HK8.60 per share

While everybody and his cat had fully expected an attack on Afghanistan's ruling Taliban Regime, following the attacks by Muslim extremists, now confirmed to have been acting on the orders of Saudi Arabian multi-millionaire (in hiding in Afghanistan), Osama bin Laden, on September 11 on New York and Washington D.C., it was, nevertheless, unnerving.

Because nobody knew of the potential and, most likely, terrible retribution, which Muslim extremists might try to extract from the Americans and the British for their combined attacks on one of the heartlands of Islam.

In predominantly Muslim, Indonesia, the most populous Muslim country in the world, today, there were reports of the burning of buildings, used by foreigners in the Capital City of Djakarta, and calls for a Jihad (Holy War) against the US.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story as to what had transpired on the Main Board.

However, The Growth Enterprise Index did not fall as much as some people had expected, giving up just about 1.09 percent of its value.

By the close of the day, at 4 pm, The Growth Enterprise Index stood at 170.34 points, in spite of losers, being ahead of gainers by the ratio of about 2.83:One.

The Total Turnover on this market was about \$HK41 million, with trading in the Li Ka Shing counter, tom.com Ltd (Code: 8001), being responsible for about 29 percent of that figure.

After about 6.54 million tom.com shares changed hands, investors had marked down the share price to \$HK1.81, a one-day loss of about 2.16 percent.

There were just 3, double-digit movers of the day:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ePro Ltd	8086		16.67	0.10
L.P. Lammas International Ltd	8029		15.00	0.102
Proactive Technology Holdings Ltd	8089	11.67		0.335

When Europe woke up, after Asia had finished trading for the day, investors there following the lead of the most populous area of the world – and sold stocks and shares as though they had been infected with some horrible

disease.

In London, England, the FTSE 100 Index gave up more than 2 percent of its value; in Paris, France, the CAC 40 Index surrendered 2.80 percent of its value; and, Germany's DAX lost more than 3 percent.

This was the way that other Asian stock markets responded to the war news, last Monday night:

Indonesia	Minus 3.80 percent
Japan	Closed
Malaysia	Minus 1.52 percent
The Philippines	Minus 3.65 percent
Singapore	Minus 2.63 percent
South Korea	Minus 1.15 percent
Taiwan	Minus 1.82 percent
Thailand	Minus 1.28 percent

## **Tuesday**

Following on from Wall Street's reaction to the attacks on Afghanistan by its, and Great Britain's, warplanes on the first day of trading, last Monday, New York time, stock markets in Asia took heart and, in many cases, recovered all, or most, of Monday's losses.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), in the true style of investors in this part of Asia, caution was tossed aside in favour of taking a punt on The Stock Exchange of Hongkong Ltd.

(To Hell with the horses: This is better, faster, and more exciting!)

And both stock markets – the Main Board and The Growth Enterprise Market (The GEM) – made what must be considered spectacular gains.

The blue-chip index of the Main Board, the Hang Seng Index, gained about 3.92 percent, rising to 10,358.93 points on a Total Turnover of about \$HK7.46 billion.

However, some of the more conservative players on this market pointed to the fact that just about all of Tuesday's gains came in the 150-minute morning session, with the 90-minute afternoon session, seeing very dull trading conditions.

The Hang Seng Index gained an added 20.31 points, representing about 5.19 percent of the total gains of the day, in the afternoon session.

Investors in the stock markets of the HKSAR knew, fully well, that there was still a long way to go before the drums of war would stop beating.

Gainers were ahead of losers by the ratio of exactly 3.40:One, but, once again, a word of caution was raised when it was noted that only about 38 percent of all counters, listed on this bourse, saw any movement in their share prices.

And, once again, HSBC Holdings plc (Code: 5) was the most active counter as investors traded about 11.02 million shares in this giant banking group. That volume, in dollar terms, represented about 13.13 percent of the Total Turnover of the day.

The Ten Most Actives, in terms of their dollar values, were:

HSBC Holdings plc (Code: 5)	Up 2.41percent to \$HK85.00per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 4.71 percent to \$HK2.225 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 7.07 percent to \$HK25.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 4.66 percent to \$HK61.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.58 percent to \$HK49.20 per share
Hang Seng Bank Ltd (Code: 11)	Up 2.08 percent to \$HK86.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 4.32 percent to \$HK63.50 per share
CLP Holdings Ltd (Code: 2)	Down 0.17 percent to \$HK29.75 per share
China Unicom Ltd (Code: 762)	Up 4.65 percent to \$HK9.00 per share
The China Resources Enterprise Ltd (Code: 291)	Up 5.30 percent to \$HK6.95 per share

There were a total of 63, double-digit movers of the day, of which number, just 8, double-digit movers lost ground.

The biggest gainer of the day was Technology Venture Holdings Ltd (Code: 61), the share price of which put on 24 percent, rising to 4.60 cents.

The biggest loser of the day was Everbest Century Holdings Ltd (Code: 578) as its share price shed 22.22 percent, falling to 2.1 cents.

On The GEM, there was a decided return of the speculator as the Total Turnover moved to one of its highest levels in months: \$HK115.45 million.

The Growth Enterprise Index added about 5.58 percent to its value, closing out the day at 179.85 points.

The ratio of gainers to losers on this market was 4.45:One.

Mr Li Ka Shing's counter, tom.com Ltd (Code: 8001), was the most active counter of the day with about \$HK48.18-million worth of this company's stock, changing hands.

In terms of the Total Turnover, trading in this one counter accounted for nearly 42 percent of the entire volume of activity.

Vested interests?

The Ten Most Actives on this marketplace represented about 82.48 percent of the total trades of the day.

Considering that there are only 65 counters on this market, investors were, clearly, targeting certain counters.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
36.com Holdings Ltd	8036		11.54	0.023
ePro Ltd	8086	20.00		0.12
GP Nano Technology Group Ltd	8152	12.20		0.46
hongkong.com Corporation	8006	15.52		0.335
Kingdee International Software Group Company Ltd	8133	10.46		1.69
L.P. Lammas International Ltd	8029	17.65		0.12

Panda-Recruit Ltd	8073		10.07	0.053
Phoenix Satellite Television Holdings Ltd	8002	11.54		0.87
Prosperity International Holdings (Hongkong) Ltd	8139	11.28		0.148
Sinotronics Holdings Ltd	8115	16.25		0.93
SUNevision Holdings Ltd	8008	28.41		1.13
Techwayson Holdings Ltd	8089	20.55		0.88
Timeless Software Ltd	8028	13.40		0.55
tom.com Ltd	8001	13.26		2.05

On Wall Street, after a shaky start to business, investors determined that, with the attacks on the enemies of the country, having begun in earnest, at least it was clear what the future would bring, in the short term.

On The New York Stock Exchange, the blue-chip, Dow Jones Industrial Average lost 51.76 points, about 0.57 percent, ending the day at 9,068.01 points.

As for the NASDAQ, its Composite Index ended the session at 1,604.41 points, about 0.06 percent down on the previous Friday's session.

Reaction to the air strikes on Afghanistan was subdued, to be sure, because the entire picture had yet to be known:

1. How much damage had been done to the Taliban Regime?
2. When would the ground forces move in to try to take out Osama bin Laden and his gang of terrorists?
3. What would be the cost of the deployment of US military, in terms of the overall economy?

These were but some of the pressing considerations, as far as Americans were concerned, last Monday in New York and in other financial centres of the US.

Facing the unknown made it difficult for many Americans to take a definitive stand on the stock markets of the largest economy of the world, especially since most of them had been badly burnt over the past year or so due to economic considerations, which had pushed the economy into a tailspin which, in and of itself, would result, in due course, in the country, entering a recession.

From Europe, it was announced that investment banker, Credit Suisse First Boston (CSFB), would be sacking another 2,000 of its workers.

In Japan, it was the first day of trading for the week, last Tuesday, for the largest bourse in Asia: The Tokyo Stock Exchange.

Its blue-chip index, The Nikkei-225 Stock Average, ended last Tuesday's session, down 194.10 yen, about 1.90 percent, to 10,011.77 yen.

Any company, listed on The Tokyo Stock Exchange, which could be hurt, directly or indirectly, by the Afghanistan situation was a fair target for sellers.

Selling pressure on banks was the order of the day as Mizuho Holdings Incorporated, one of the world's largest banks, in terms of assets under its control, witnessed a fast erosion in its share price, which fell to 410,100 yen, off about 7.24 percent, compared with the previous Friday's closing level.

Other banks to be hit, very hard, included:

Asahi Bank

Down 2.94 percent to 132 yen per share

Ashikaga Bank	Down 7.09 percent to 118 yen per share
Bank of Yokohama	Down 4.09 percent to 446 yen per share
Chiba Bank	Down 10.39 percent to 457 yen per share
Chuo Mitsui Trust and Banking	Down 14.95 percent to 165 yen per share
Hokuriku Bank	Down 4.72 percent to 202 yen per share
Shizuoka Bank	Down 4.06 percent to 921 yen per share
Sumitomo Trust and Bank	Down 6.17 percent to 624 yen per share

Since Pakistan was, clearly, having its fair share of troubles with its home-grown, Islamic militants, many of whom were showing outward support for the Taliban, investors in Japan started to have grave concerns as to the safety of joint-venture projects in that neighbour of Afghanistan.

Japan's largest motor-vehicle manufacturer, Toyota Motor, has a plant in Pakistan – so its share price was knocked down by about 6.18 percent to 3,190 yen per share.

Likewise, Suzuki Motor, which has a joint venture in Pakistan, too, saw its share price shed 6.17 percent of its value, falling back to 1,125 yen per share.

Other motors to fall in sympathy included:

Hino Motors	Down 2.35 percent to 415 yen per share
Honda Motor	Down 7.04 percent to 3,960 yen per share
Isuzu Motors	Down 3.23 percent to 120 yen per share
Mabuchi Motor	Down 5.30 percent to 10,370 yen per share
Nissan Motor Company	Down 3.93 percent to 538 yen per share
Toyota Motor Company	Down 6.18 percent to 3,190 yen per share

Telecommunications companies were not forgotten by Japanese investors as they marked them down, considerably:

Japan Telecom	Down 4.38 percent to 371,000 yen per share
KDDI	Down 5.45 percent to 295,000 yen per share
NTT	Down 5.45 percent to 555,000 yen per share
NTT DoCoMo	Down 7.39 percent to 1.63 million yen per share

And so it went on as one section of the market after another came under fire.

In other Asian stock markets, this was the situation, last Tuesday night:

Indonesia	Plus 0.74 percent
Japan	Minus 1.90 percent
Malaysia	Plus 1.65 percent
The Philippines	Minus 1.48 percent
Singapore	Plus 2.49 percent
South Korea	Plus 2.31 percent
Taiwan	Plus 2.80 percent
Thailand	Plus 3.36 percent

### **Wednesday**

The Chief Executive of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), for all his avowed love of Confucius and his superiors in Beijing, in reverse order, of course, he will never make it to the head of the class as an orator: It just is not within his character, let alone being far above his intellectual inability.

Just when the HKSAR needed a psychological shot in the arm, Mr Tung Chee Hwa came – nearly empty handed.

He treated the symptoms, rather than attacking the cause of the economic sickness of the territory.

He told the nearly 7 million, mainly ethnically Chinese residents of the HKSAR, at his Annual Policy Speech to the Legislative Council, last Wednesday, that they should stand by for a rocky economy, a steeper economic fall than had, formerly, been expected, and a very much-delayed economic recovery.

The only offering, considered pitiful by many, was the creation of some 30,000 short-term, low-paid jobs on Government infrastructure projects.

Investors had been waiting for the speech ..., which turned out to be damp squib.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index moved down about 0.59 percent to 10,298.24 points.

The Total Turnover of the day was about \$HK7.21 billion with gainers and losers, almost neck to neck at 265:263.

The Ten Most Actives represented, in dollar terms, nearly 46 percent of the entire volume of activity for the day.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 2.35 percent to \$HK83.00per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.60 percent to \$HK25.65 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 2.25 percent to \$HK2.175 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.21 percent to \$HK61.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.02 percent to \$HK49.70 per share

Hang Seng Bank Ltd (Code: 11)	Down 0.58 percent to \$HK85.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.18 percent to \$HK62.75 per share
CLP Holdings Ltd (Code: 2)	Unchanged at \$HK29.75 per share
China Unicom Ltd (Code: 762)	Unchanged at \$HK9.00 per share
Henderson Land Development Company Ltd (Code: 12)	Down 1.59 percent to \$HK 24.70 per share

In view of confirmation of that which everybody in the HKSAR had known for some months, but had yet to be issued, officially, out of the mouth of the Chief Executive, property counters were hit as investors realised what the absence of any definitive Government economic moves meant to the overall economy.

Mr Cheng Yu Tung's New World Development Company Ltd (Code: 17) lost nearly 5 percent of its market capitalisation, falling back to \$HK5.75 per share.

New World has never been a market *'darling'*, in any event, because of the company's inability to keep up with some of the leaders in the field, it, lacking any real focus or objective management: Only Cheng Yu Tung's 2 sons try to run the show.

There were 28, double-digit movers of the day, of which number, 20, double-digit movers rose while 8, double-digit movers retreated.

The biggest gainer of the day was Fulbond Holdings Ltd (Code: 1041), the share price of which rose 21.95 percent to 5 cents.

The biggest loser of the day was Pricerite Group Ltd (Code: 996), as investors marked down its share price to 24 cents per share, off 20 percent on the previous close.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, losers and gainers were exactly even at 27:27 as The Growth Enterprise Index gained, just about, 0.30 percent, rising to 180.38 points.

The Total Turnover on this market was about \$HK103.64 million.

The 2 leading counters were those of Mr Li Ka Shing – tom.com Ltd (Code: 8001) – and Mr Rupert Murdoch – Phoenix Satellite Television Holdings Ltd (Code: 8002).

Between these 2 counters, investors traded \$HK49.15-million worth of stock, representing about 47.42 percent of the volume of activity for the day.

tom.com's share price ended the day at \$HK2.00, up 2.44 percent on Tuesday's closing level, while Phoenix Satellite Television Holdings's share price ended the day at 92 cents, up 5.75 percent on Tuesday.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Digitel Group Ltd	8030		10.00	0.27
Fortune Telecom Holdings Ltd	8040	12.31		0.365
Intcera High Tech Group Ltd	8041	10.71		0.31
Sing Lee Software (Group) Ltd	8076	10.00		0.55

On Wall Street, last Tuesday, New York time, investors on the largest bourse in the world were not particularly happy with the state of events in the world.



The US-led coalition continued to bomb Afghanistan, claiming victory in the air in spite of the fact that the Taliban does not have the wherewithal to defend itself in skies (which the Taliban deny).

On The New York Stock Exchange, the Dow Jones Industrial Average gave up 15.50 points, 0.17 percent, falling to 9,052.44 points.

As for the NASDAQ, its Composite Index had to give up 35.78 points after investors knocked it down to 1,570.17 points, a fall of about 2.23 percent, compared with Monday's close.

What was unsettling the US stock markets were repeated calls from certain parts of Asia for a Jihad (Holy War) against the US and Great Britain.

In Pakistan, 3 people died in violent protests against the air strikes on the country's Muslim neighbour: Afghanistan.

The Pakistan Government arrested 3 prominent Islamic leaders, all of whom are allied to the Taliban Regime of Afghanistan.

On the largest stock market in Asia, investors ran from banks as though they were plague-ridden since it was held that the war would take its toll on the Japanese economy in due course.

The Tokyo Stock Exchange's blue-chip index, The Nikkei-225 Stock Average, was only off by about 0.47 percent to 9,964.88 yen, but banking counters were hit extremely hard, led by one of the largest financial institutions in the world: Mizuho Holdings Incorporated.

Mizuho's share price fell about 7.32 percent to 380,000 yen.

Since the September 11 incident, therefore, Mizuho had lost about 27 percent of its market capitalisation.

Other banks to lose, heavily, last Wednesday, included:

Asahi Bank	Down 3.79 percent to 127 yen per share
Ashikaga Bank	Down 5.93 percent to 111 yen per share
Bank of Yokohama	Down 2.44 percent to 436 yen per share
Daiwa Bank	Down 5.11 percent to 130 yen per share
Mitsubishi Financial Group	Down 6.82 percent to 861,000 yen per share
Sumitomo Trust and Banking Company Ltd	Down 5.77 percent to 588 yen per share
Sumitomo Mitsui Banking Corporation	Down 6.91 percent to 741 yen per share
UFJ Holding	Down 8.68 percent to 484,000 yen per share

The Japanese unit of the US Starbucks Corporation, Starbucks Coffee Japan Ltd, made its debut on The Tokyo Stock Exchange with its initial offer price of 64,000 yen per share, quickly rising to 80,000 yen per share.

But that was, just about, all that she wrote: It, then, fell daily limit, 10,000 yen, to end the day at 70,000 yen per share.

Starbucks is trading at a Price-Earnings Ratio of about 70 times, historical.

Fast Retailing Company, Japan's largest casual-wear retailer, reported record sales and Pretax Profits for its Financial Year, ended August 31, 2001.

Pretax Profits rose to about 103.22 billion yen while total sales topped 418.56 billion yen.

Aeon Company, a publicly listed company that operates Jusco Supermarkets, announced a record first half Year, to February 28, 2001.

For the first half, the company logged in Consolidated Pretax Profits of 48.86 billion yen, up 22 percent on the comparable period in 2000.

Aeon's share price ended the day at 2,600 yen, up 1.96 percent on its previous close.

Electronics were spotty while all of the major telecommunications companies were off:

Japan Telecom	Down 3.77 percent to 357,000 yen per share
KDDI	Down 2.37 percent to 288,000 yen per share
NTT	Down 6.85 percent to 517,000 yen per share
NTT DoCoMo	Down 5.52 percent to 1.54 million yen per share

In other parts of Asia, it was mostly red ink that blotted stockbrokers' pads.

This was the way that things looked in the most populous area of the world, last Wednesday night:

Indonesia	Minus 0.41 percent
Japan	Minus 0.47 percent
Malaysia	Minus 0.94 percent
The Philippines	Minus 4.05 percent
Singapore	Minus 1.23 percent
South Korea	Minus 0.82 percent
Taiwan	Closed
Thailand	Plus 0.04 percent

### **Thursday**

One the first month's anniversary of the attacks on New York and Washington D.C. by Muslim extremists, investors poured into stocks and shares on The New York Stock Exchange.

Whereas, it was logical for share prices to fall on Wednesday, stockbrokers on the world's largest bourse suddenly changed the words of the same old song.

Regardless of the reasoning, the Dow Jones Industrial Average scored a 188.42-point gain, rising to 9,240.86 points.

The 2.08-percent gain on The Dow was eclipsed on the NASDAQ, however, as its Composite Index shot up 3.57 percent to end the booming session at 1,626.26 points.

(Open up the Champagne, if you please)

Logic, one would have deduced, required a further paring of share prices on The New York Stock Exchange since the cost of continuing the shelling and bombing of major areas of Afghanistan was certain to drive most major economies of the world further into economic recession.

However, such logic did not seem to bother the punters.

Motorola, a major player in the world's handset telephone industry, announced that it would be sacking a further 7,000 workers.

Since January, this industrial giant has sacked a total of 39,000 of its workers, equivalent to about 25 percent of its Establishment level, as at December 31, 2000.

Yahoo! Incorporated, the largest Internet media publisher, announced a third quarter loss of \$US24.10 million. That compared with a profit of \$US47.70 million for the like period in 2000.

And Wall Street was booming!

The Wall Street boom lit fires, throughout the Western World and stock markets, internationally, took heart.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors went on a buying binge.

The Main Board of The Stock Exchange of Hongkong Ltd was the place to be, last Thursday, as the Hang Seng Index shot up by about 2.18 percent, ending the day at 10,522.61 points.

The Total Turnover of the day was the highest for some months, at about \$HK9.26 billion, with trading in the giant banking group, HSBC Holdings plc (Code: 5), being responsible for about 12.74 percent of that figure.

Europe's largest bank, in terms of assets under its control, saw its share price gain about 3.61 percent to \$HK86 per share.

The Ten Most Active Counters, in value terms of their trades, accounted for about 43.20 percent of the entire volume of activity.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 3.61 percent to \$HK86.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.56 percent to \$HK26.05 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.87 percent to \$HK62.75 per share
Cheung Kong (Holdings) Ltd (Code: 13)	Up 4.78 percent to \$HK65.75 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 1.15 percent to \$HK2.20 per share
Hang Seng Bank Ltd (Code: 11)	Down 1.17 percent to \$HK84.50 per share

China Unicom Ltd (Code: 762)	Up 4.44 percent to \$HK9.40 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.11 percent to \$HK50.75 per share
China Resources Enterprise Ltd (Code: 291)	Up 3.21 percent to \$HK7.40 per share
CITIC Pacific Ltd (Code: 267)	Down 2.05 percent to \$HK16.70 per share

The ratio of gainers to losers was about 2.06:One, with about 45 percent of all the counters, listed on The Stock Exchange of Hongkong Ltd, holding flat at previous levels.

There were a total of 46, double-digit movers, of which number, 9, double-digit movers lost substantial ground.

The share price that moved up the greatest amount was Skynet (International Group) Holdings Ltd (Code: 577) as investors pushed up its price to 2.40 cents, a one-day gain of about 33.33 percent.

e-Kong Group Ltd (Code: 524) was the biggest loser, last Thursday, as its share price fell about 18.06 percent to 5.90 cents.

The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd was one of the few bourses in Asia, last Thursday, not to catch the Wall Street *'fever'*.

The Growth Enterprise Index gave up about 1.19 percent of its value, falling to 178.23 points.

However, share prices to rise were ahead of those that fell by about 1.79:One.

The Total Turnover of the day was about \$HK198.75 million, with abc Multiactive Ltd (Code: 8131), being the most active counter of the day as investors traded 160.70 million of this speculative company's scrip.

Its share price, however, was trapped to within a one-cent range, the entire day: Between 38 cents per share and 39 cents per share.

In terms of the value of the trades in this company, it represented about 31.53 percent of the Total Turnover.

tom.com Ltd (Code: 8001), Mr Li Ka Shing's GEM listing, was the second, most-active counter of the day with about 19.78 million shares, changing hands.

Its price gyrated between a low of \$HK1.94 and a high of \$HK2.125 per share.

It closed the day at \$HK2.00 per share, unchanged from last trade on Wednesday.

There were 7, double-digit movers on this market:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ePro Ltd	8086		15.97	0.10
Everpride Biopharmaceutical Company Ltd	8019	10.67		0.415
First Mobile Group Holdings Ltd	8110		16.67	0.50
Kingdee International Software Group Company Ltd	8133	10.29		1.93
MRC Holdings Ltd	8070	22.54		0.212
Rojam Entertainment Holdings Ltd	8075	12.28		0.192
Smartech Digital Manufacturing Holdings Ltd	8068	14.29		0.024

In Japan, The Tokyo Stock Exchange was the place to be as investors pushed up the Nikkei-225 Stock Average by about 3.86 percent to 10,347.01 yen.

This closing level compared with the close of September 11: 10,292.95 yen.

Electronics were the plays of the day as NEC Corporation, a major manufacturer of chips, saw its share price gain about 10.89 percent to 1,120 yen per share, and Sony Corporation, the world's largest manufacturer of consumer electronics, had investors mark up its share price by 11.60 percent to 4,820 yen per share.

Other large gainers in this section of the market included:

Advantest	Up 9.93 percent to 5,870 yen per share
Alps Electric	Up 12.37 percent to 845 yen per share
Casio Computer	Up 3.58 percent to 695 yen per share
Fuji Electric	Up 4.97 percent to 359 yen per share
Fujitsu	Up 6.03 percent to 1,003 yen per share
Furukawa Electric	Up 5.87 percent to 685 yen per share
Kyocera	Up 6.97 percent to 7,980 yen per share
Matsushita Electrical Industries	Up 5.19 percent to 1,520 yen per share
Matsushita Electrical Works	Up 4.50 percent to 1,045 yen per share
Mitsubishi Electric	Up 7.80 percent to 456 yen per share
Nikon	Up 9.98 percent to 1,003 yen per share
OKI Electrical Industries	Up 11.46 percent to 428 yen per share
Pioneer	Up 6.51 percent to 2,700 yen per share
Rohm	Up 7.49 percent to 12,920 yen per share
Ricoh Company	Up 7.07 percent to 2,060 yen per share
Sharp	Up 5.45 percent to 1,218 yen per share
Sony Corporation	Up 11.57 percent to 4,820 yen per share
Tokyo Electron	Up 12.05 percent to 4,650 yen per share

Toshiba Corporation

Up 5.29 percent to 498 yen per share

In the Motor Section of the market, the share price of Honda scooted up about 10.08 percent to 4,370 yen per share. It was the leader of the pack.

Other motors to make the grade included:

Mabuchi Motor	Up 6.18 percent to 10,990 yen per share
Mazda	Up 4.92 percent to 192 yen per share
Mitsubishi Motors	Up 5.02 percent to 230 yen per share
Nissan Motor	Up 8.62 percent to 592 yen per share
Suzuki Motor	Up 7.80 percent to 1,189 yen per share
Toyota Motor	Up 2.85 percent to 3,250 yen per share

Banks, however, did not benefit as much as electronics and motors, with most of the leaders, only making fractional gains.

In the telecommunications section of the market, the leaders all made impressive gains:

Japan Telecom	Up 11.20 percent to 397,000 yen per share
KDDI	Up 5.55 percent to 304,000 yen per share
Nippon Telegraph and Telephone (NTT)	Up 3.87 percent to 537,000 yen per share
NTT DoCoMo	Up 8.44 percent to 1.67 million yen per share

For Japanese investors, it was a rare treat to see the '*darlings*' roar back into favour.

In other parts of Asia, this was the situation:

Indonesia	Plus 0.62 percent
Japan	Plus 3.83 percent
Malaysia	Plus 0.91 percent
The Philippines	Minus 0.13 percent
Singapore	Plus 2.21 percent
South Korea	Plus 2.70 percent
Taiwan	Plus 4.73 percent
Thailand	Minus 0.10 percent

**Friday**

Wall Street continued to put on an amazing show of strength, last Thursday, New York time, as US investors continued to pile into stocks and shares.

On The New York Stock Exchange, the Dow Jones Industrial Average rose 169.59 points, about 1.84 percent, ending the session at 9,410.45 points.

The technology-laden, NASDAQ Composite Index gained even more than The Dow, rising to 1,701.47 points for a one-day gain of about 4.62 percent.

Investors on the largest stock market in the world were not in the least bit interested in logic, the latest US Government data, which indicated that the economic situation in the US was continuing to deteriorate, or anything else, save piling into the market while there was still time to catch, what they perceived to be, the latest Wall Street bus.

How long the push would last was anybody's guess, but brokers were helping it along by fanning the stock-market fires.

However, not all markets of the world were totally enamoured by the rise in share prices on Wall Street.

On the 2 stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), all major indices went into full and fast retreat.

The Main Board's Hang Seng Index lost about 2.36 percent of its value, falling to 10,274.13 points on a Total Turnover of trades, equal to a cash value of about \$HK8.60 billion.

For every share price that moved to higher ground, about 3.33 share prices lost ground.

It was said, in some quarters, that HKSAR punters were just trying to lock in the profits of the previous sessions, but that was highly unlikely since profits, on this market, are, almost, akin to an extinct bird.

If anything, concerns about Asia and its near-term economic prospects were the chief reasons for the sell-off.

Whereas, there is a lot of patriotic buying of stocks and shares in the US, in Asia, the only rationale to buying and selling stocks is to earn profits; patriotism is an unknown concept for most Asian stock-market players.

Further, the 2 stock markets of the HKSAR are the worst performing bourses in Asia, today; they have been for the past year or so.

What was unsettling the markets, somewhat, also, were reports in Asia with regard to protests against the US and her coalition allies in the bombing of Afghanistan.

Malaysian Muslims, like Indonesian Muslims, were having trouble in understanding the difference between bombing the Taliban and strongholds of Osama bin Laden and attacking Islam.

It was reported that there had been protests in Kuala Lumpur, the Capital City of Malaysia, with claimed-to-be, devout Muslims, yelling for the US and British forces to stop their attacks on one on the heartlands of Islam.

The Ten Most Actives on the Main Board were:

HSBC Holdings plc (Code: 5)	Down 0.29 percent to \$HK85.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 5.37 percent to \$HK24.65 per share
Hutchison Whampoa Ltd (Code: 13)	Down 2.39 percent to \$HK61.25 per share

Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.38 percent to \$HK65.50 per share
China Everbright International Ltd (Code: 257)	Down 12.12 percent to 29 cents per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 5.68 percent to \$HK2.07 per share
China Unicom Ltd (Code: 762)	Down 4.79 percent to \$HK8.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 5.02 percent to \$HK48.20 per share
CLP Holdings Ltd (Code: 2)	Down 0.17 percent to \$HK29.75 per share
Hang Seng Bank Ltd (Code: 11)	Down 2.37 percent to \$HK82.50 per share

Trading in the above 10 losing counters represented about 48 percent of the Total Turnover of the day.

There were a total of 28 double-digit movers, of which number, 5, double-digit movers rose while 23, double-digit movers fell.

The biggest gainer of the day was Innovative International (Holdings) Ltd (Code: 729) as investors pushed up its price to 2.90 cents, a one-day gain of about 38.10 percent.

The biggest loser of the day was Yanion International Holdings Ltd (Code: 82) as its share price fell about 21.80 percent to \$HK10.4.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index gave up about 3.05 percent of its value, finishing off the week at 172.79 points.

The Total Turnover on this market was about \$HK63.23 million, with trading in Mr Li Ka Shing's tom.com Ltd (Code: 8001), representing nearly 44 percent of that value.

The share price of tom.com fluctuated between a low of \$HK1.89 and a high of \$HK2.025. It ended the week at \$HK1.90 per share for a 2.56-percent loss for the day.

As for abc Multiactive Ltd, the most active counter on Thursday, it got hit hard as investors knocked down its share price to 36 cents, off 5.26 percent on the day.

The ratio of losers to gainers was about 3.57:One.

The Ten Most Actives accounted for about 76 percent of the entire volume of activity for the day.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
First Mobile Group Holdings Ltd	8110		10.00	0.45
ITE (Holdings) Ltd	8092	10.00		0.33
Smartech Digital Manufacturing Holdings Ltd	8068		12.50	0.021

In Japan, it was a different story, altogether.

On The Tokyo Stock Exchange, the blue-chip, Nikkei-225 Stock Average gained another 2.76 percent of its value, adding to the gains of Thursday and ending the week at 10,632.35 yen.



The Tokyo Stock Exchange's major index, therefore, had recovered all, and then some, of its losses, sustained following the September 11 attacks on New York and Washington D.C. by the Muslim madmen.

There were a number of public announcements from major Japanese banks, but mostly it was more gloomy news.

From Asahi Bank, it was announced that it would be posting a Net Loss Attributable to Shareholders of about 60 billion yen for the first half of its Financial Year, ended September 30, 2001.

This contrasted markedly to the previous company forecasts of a Net Profit of about 15 billion yen, that projection, having been made in May, this year.

Of the 8 top banks in Japan, only 2 other them, now, are able to make a profit for this year, it seems.

Asahi Bank's share price actually gained 5.56 percent on the news, ending the week at 133 yen per share.

While select banks made gains, the markets of Japan were looking more to electronics than any other section of the market, as the following table makes it only too clear:

Advantest	Up 13.80 percent to 6,680 yen per share
Casio Computer	Up 2.16 percent to 710 yen per share
Fujitsu	Up 3.69 percent to 1,040 yen per share
Hitachi	Up 2.86 percent to 934 yen per share
Kyocera	Up 7.89 percent to 8,610 yen per share
NEC	Up 6.25 percent to 1,190 yen per share
Olympus	Up 5.15 percent to 1,839 yen per share
Rohm	Up 7.66 percent to 13,910 yen per share
Sanyo Electric	Up 9.51 percent to 564 yen per share
Sharp	Up 7.14 percent to 1,305 yen per share
Sony	Up 4.98 percent to 5,060 yen per share
Tokyo Electron	Up 10.75 percent to 5,150 yen per share

In other news, England's Vodafone Group plc announced that it had completed obtaining control of Japan Telecom Company Ltd.

Vodafone, now, controls the third largest telecommunications company in The Land of The Rising Sun.

Japan Telecom ended the week at 411,000 yen per share, up 3.53 percent on Thursday's close.

The leading company in telecommunications in Japan, however, Nippon Telegraph and Telephone (NTT), gained only 0.56 percent, ending the day at 540,000 yen per share.

NTT's mobile offshoot, NTT DoCoMo, however, put on a bit of a spurt, shooting up 4.19 percent to 1.74 million yen per share.

In other leading bourses in the most populous area of the world, this was the situation, last Friday night:

Indonesia	Plus 2.16 percent
Japan	Plus 2.76 percent
Malaysia	Plus 0.32 percent
The Philippines	Plus 2.81 percent
Singapore	Plus 1.47 percent
South Korea	Minus 0.13 percent
Taiwan	Plus 0.31 percent
Thailand	Minus 0.51 percent

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