

STOCK MARKETS TURN ON A DIME

The People's Republic of China (PRC) joined the World Trade Organisation (WTO) officially, on Sunday, November 11, along with Taiwan, to be known in the WTO as '*Chinese Taipei*', which territory was admitted as a member of the WTO, one day later, that is Monday, November 12.

After nearly 2 decades of failed attempts, the PRC won the '*Holy Grail*' and, now, dons the purple of WTO office, along with all the other delegates of the world's most powerful international trading club.

But the official WTO announcements had little to any effect on trading in equities in Asia – because there was a flood of negative news, coming from many difference and diverse directions.

From Canada, on the same Sunday that China was admitted to the WTO, it was announced that Canada's second largest airline, Canada 3000, had gone belly up.

Canada 3000 carried 5 million passengers, annually, and used to fly to 100 destinations.

The company announced that bookings had fallen off from 95,000 passengers per week, that statistic, being the figure for the pre-September 11 attacks on the World Trade Center and Washington D.C. by Muslim madmen, to between 45,000 passengers per week and 66,000 passengers per week.

One of Canada 3000's aircraft had, already, been impounded in Manchester, England, for failure to pay airport charges.

Canada 3000 has (or, should that read, '*had*'?) about 4,400 employees, and it operated more than 40 aeroplanes.

Thank you Son of Laden.

Closer to home, in the Hongkong Special Administrative Region (HKSAR) of the PRC, the mighty Sun Hung Kai Properties Ltd Group of Companies (Code: 16, Main Board, The Stock Exchange of Hongkong Ltd), announced that it had tightened its belt with regard to its Growth Enterprise Market (The GEM) listing, SUNeVision Holdings Ltd (Code: 8008, The GEM).

SUNeVision, a subsidiary of Sun Hung Kai Properties, reported that it would be sacking about 50 of its staff members in an effort to save money.

The company lost \$HK171 million during its Financial Year, ended June 30, 2001.

On The Stock Exchange of Hongkong Ltd, last Monday, trading was extremely quiet, with the Total Turnover, falling to about \$HK5.32 billion.

The Main Board's Hang Seng Index fell about 0.16 percent to 10,592.45 points in what could only be described as a directionless market.

The Ten Most Actives included:

HSBC Holdings plc (Code: 5)

Down 0.56 percent to \$HK89.50
per share

China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK25.10 per share
China Unicom Ltd (Code: 762)	Up 4.49 percent to \$HK8.15 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.13 percent to \$HK67 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 4.81 percent to \$HK54.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 2.56 percent to \$HK70 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.31 percent to \$HK80 per share
CLP Holdings Ltd (Code: 2)	Down 0.67 percent to \$HK29.45 per share
Hongkong Electric Holdings Ltd (Code: 6)	Down 1.64 percent to \$HK29.90 per share
Henderson Land Development Company Ltd (Code: 12)	Up 7.16 percent to \$HK27.70 per share

The ratio of losers to gainers was about 1.22:One, but that ratio was only in respect of about 24 percent of the total number of counters, listed on The Exchange, because the other 76 percent of the counters, either saw no trades, or, merely, held onto previous closing levels.

Investors on Asia's second, most-important bourse knew not what to do and had no indication from Wall Street, in respect of the previous Friday's trading session, when both The New York Stock Exchange and the NASDAQ were, generally, directionless.

The biggest movers of the day on The Stock Exchange of Hongkong Ltd were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B-Tech (Holdings) Ltd	412		12.50	0.014
Can Do Holdings Ltd	172		30.53	0.091
China Sci-Tech Holdings Ltd	985	12.82		0.044
Climax International Company Ltd	439		27.50	0.029
Emperor (China Concept) Investments Ltd	296	16.13		0.036
Everbest Century Holdings Ltd	578	10.00		0.022
Graneagle Holdings Ltd	147		10.81	0.33
HiNet Holdings Ltd	155	15.79		0.022
HKC International Holdings Ltd	248		22.12	0.405
I-China Holdings Ltd	240		20.00	0.032
IFTA Pacific Holdings Ltd	371	13.17		0.275
Magnificent Estates Ltd	201		10.34	0.026
Ocean Shores Group Ltd	764		10.48	0.94
Pacific Concord Holding Ltd	438	12.00		0.56
Pacific Ports Company Ltd	659	10.96		0.405
Pico Far East Holdings Ltd	752	16.67		0.42
Prestige Properties Holdings Ltd	75	13.79		0.33
RNA Holdings Ltd	501		16.00	0.063
Sino InfoTech Holdings Ltd	205		12.90	0.162
South East Group Ltd	726	13.04		0.13
Symphony Holdings Ltd	1223		11.04	1.45
Victory City International Holdings Ltd	539		11.67	0.265

On The GEM, The Growth Enterprise Index moved down from the previous Friday's close of 179.79 points to 179.51 points, a change of 0.006 percent – if that means anything to anybody.

The Total Turnover dropped back to about \$HK79.22 million, with gainers, ahead of losers by the slim margin of 1.13:One.

SUNeVision Holdings (see above) lost about 1.89 percent of its market capitalisation, falling to \$HK1.04 per share.

SUNeVision Holdings, as at last Monday's closing price, had lost about 90 percent of its value since it went public on March 6, 2000.

Pity those investors who backed this Sun Hung Kai Properties's company with cash!

The double-digit movers of the day numbered just 2 counters:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
iSteelAsia.com Ltd	8080	18.33		0.142
Trasy Gold EX Ltd	8063	16.13		0.036

In Japan, it was a slightly different story to that, being told on The Stock Exchange of Hongkong Ltd.

The Tokyo Stock Exchange saw a further erosion of its blue-chip index, which dropped back to 10,081.56 yen, a loss of about 134.15 yen on the day.

Dwindling corporate profits and a continuing faltering economy were the main reasons for the weakness.

Over the weekend, there were unsubstantiated reports that a giant of the Japanese insurance industry, Asahi Mutual Life Insurance Company, was in talks with Tokio Marine and Fire Insurance Company over the prospects of the sale of one of its non-life divisions: Tokio Marine Life Insurance Company.

Tokio Marine lost 0.59 percent on the news, ending last Monday's session at 1,014 yen per share.

Mazda Motor Corporation, the Number 5, motor-vehicle producer in Japan, announced that it was, now, profitable.

For the first half of its Financial Year, Mazda earned 1.31 billion yen, it was reported.

But the announcement did little for the motor section of the market:

Daihatsu Motor	Down 2.31 percent to 550 yen per share
Hino Motors	Up 2 percent to 458 yen per share
Honda	Down 4.66 percent to 4,300 yen per share
Isuzu Motors	Down 2.83 percent to 103 yen per share
Kawasaki Heavy Industries	Down 2.44 percent to 120 yen per share
Mazda	Down 1.90 percent to 206 yen per share

Mitsubishi Motors	Down 2.10 percent to 233 yen per share
Nissan Motor*	Down 2.64 percent to 553 yen per share
Suzuki Motor	Down 4.13 percent to 1,208 yen per share
Toyota Motor*	Down 2.56 percent to 3,040 yen per share
Yamaha Motor	Up 0.82 percent to 741 yen per share

* Among the most active counters of the day

Electronics and banks were, generally, mixed, although a bright spark of last Monday's market was Asahi Bank, the share price of which scooted up 8.70 percent to 100 yen per share.

Asahi Bank lost about 20 percent of its market capitalisation, during the previous week, due to confirmation that it would have to bite the bullet in respect of billions of dollars' worth of non-performing loans and the requirements to make provisions for bad debts.

Asahi Bank was the most-active counter, last Monday, with more than 100.47 million-yen worth of its stock, changing hands.

It was the second day of losses for the premier Japanese stock market, which was continuing to stagger from one announcement after another, all emanating from the Japanese Government over the poor state of the economy of the second largest economy of the world.

This was how other Asian markets fared, last Monday night:

Indonesia	Minus 1.58 percent to 371.36
Japan	Minus 1.31 percent to 10,081.56
Malaysia	Plus 0.71 percent to 603.68
The Philippines	Minus 0.66 percent to 993.23
Singapore	Plus 0.55 percent to 1,370.32
South Korea	Plus 1.34 percent to 584.48
Taiwan	Plus 1.18 percent to 4,172.63
Thailand	Plus 1.36 percent to 271.75

Tuesday

As the Northern Alliance (Army) of Afghanistan continued to capture ground from the (ruling) Taliban Militia of the country, with the Capital City, Kabul, in sight, in New York, there was an horrendous crash of a commercial jetliner, killing all 246 passengers on board, plus the 9 crew members.

The aeroplane crashed in the toffy area of Queens, New York, at about 9:17 am, Monday, New York time, and, as the aircraft broke up, mid-air, raining its parts on the frightened residents of Queens, eyewitnesses claimed that they had seen an explosion on board the Airbus A300.

That was enough: The suggestion caught on like a wildfire – Osama bin Laden and his gang of cutthroats must have been behind the crash.

On The New York Stock Exchange, there was panic selling, early in the morning, but assurances from the Federal Bureau of Investigation (FBI) and other important US Governmental agencies placated investors – and the markets recovered early losses.

By the end of the trading session, last Monday, the Dow Jones Industrial Average stood at 9,554.37 points, off about 53.63 points, or about 0.56 percent, compared with the previous Friday's close.

As for the NASDAQ, its Composite Index closed up 11.65 points, or about 0.64 percent, rising to 1,840.13 points.

However, during the heat of the day, especially in the first 90 minutes of trading, indices were felled more than 2.50 percent as investors feared for the worst.

In Asia, there were grave concerns over the crash in New York, with the attendant selling of airline stocks.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gained about 0.67 percent to 10,663.42 points on a Total Turnover of about \$HK5.05 billion.

While reports from the US made it clear that the New York crash was unlikely to have been the work of Muslim terrorists, lingering doubts haunted Asian investors, and especially in the minds of investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

When in doubt, do nothing.

And that was, just about, what took place on the Main Board of The Stock Exchange of Hongkong Ltd, last Tuesday.

There was one little piece of information, emanating from HSBC Holdings plc (Code: 5), the largest capitalised company, listed on The Stock Exchange of Hongkong Ltd, as well as being the largest bank in Europe.

HSBC Holdings announced that it has ceased doing any stockbroking work in the Philippines. All 22 staff members in the Philippines got The Order of The Boot.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Up 1.81 percent to \$HK25.30 per share
HSBC Holdings plc (Code: 5)	Up 0.28 percent to \$HK89.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.37 percent to \$HK67.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.42 percent to \$HK71.50 per share
China Unicom Ltd (Code: 762)	Up 1.23 percent to \$HK8.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.79 percent to \$HK54.75 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.94 percent to \$HK80.25 per share

Hongkong Electric Holdings Ltd (Code: 6)	Up 0.17 percent to \$HK29.60 per share
CLP Holdings Ltd (Code: 2)	Up 0.68 percent to \$HK29.70 per share
Henderson Land Development Company Ltd (Code: 12)	Down 1.39 percent to \$HK28.40 per share

While the Hang Seng Index registered a positive figure, declining shares outran advancing ones by the ratio of 1.04: One.

Once again, however, of the 600 counters that saw any action at all, last Tuesday, only 22 percent of those counters saw any movement in their share prices.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241		20.69	0.23
Allied Group Ltd	373	11.90		0.47
Climax International Company Ltd	439		41.38	0.017
Dailywin Group Ltd	544	11.48		0.068
Everbest Century Holdings Ltd	578	18.18		0.026
Fortuna International Holdings Ltd	530	13.79		0.033
G-Prop (Holdings) Ltd	286		22.46	0.107
KTP Holdings Ltd	645	17.24		0.34
Lai Sun Development Company Ltd	488		13.39	0.11
Ocean Shores Group Ltd	764	40.43		1.32
Oriental Explorer Holdings Ltd	430	10.00		0.55
RNA Holdings Ltd	501		14.29	0.054
Shun Cheong Holdings Ltd	650		16.67	0.25
Sin InfoTech Holdings Ltd	205	12.35		0.182
Sunlord Chemical Group Ltd	362	11.34		0.54
Universal Appliances Ltd	419		10.00	0.054
Varitronix International Ltd	710	11.49		4.125
Yau Lee Holdings Ltd	406	12.12		0.37

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a very similar story to the one, being told on the Main Board.

The Growth Enterprise Index lost 0.13 percent of its value, falling back to 179.27 points.

The Total Turnover was about \$HK84.22 million, with losers ahead of gainers by the ratio of 1.85:One.

The Ten Most Actives accounted for nearly 79 percent of the entire volume of activity for the day.

Being quiet took on an entirely different meaning on this marketplace, last Tuesday.

There was only one, double-digit mover: FlexSystem Holdings Ltd (Code: 8050), whose share price gained 10.34 percent, rising to 32 cents per share.

The New York airline crash rattled investors on Asia's most important bourse, but it was a sell-off in banking counters that did most of the damage.

Asahi Bank – which lost about 20 percent of its market capitalisation, the previous week – announced that it would cut about 200 billion yen in bad and doubtful loans within a period of the next 2 years.

This was hardly news because it had been rumoured for at least 10 days, prior to the official announcement.

Asahi bank said that it would sell its problem loans to the relatively newly established Resolution and Collection Corporation, a Japanese, State-run entity, established by the Government, recently, as a method to clean up the trillions of yen of bad loans on balance sheets, those bad loans, having infested the country's banking industry over the past decade or so.

The official announcement did nothing for Asahi Bank, whose share price remained unchanged at 100 yen.

Other banks, however, did not fare as well as Asahi Bank on The Tokyo Stock Exchange where its blue-chip index, the Nikkei-225 Stock Average, gave up 51 yen, falling to 10,030.56 yen.

Other banking counters to be widely traded, last Tuesday, included:

Daiwa Bank*	Down 1.83 percent to 107 yen per share
Mizuho Holdings	Down 1.30 percent to 304,000 yen per share
Sumitomo Mitsui Banking Corporation*	Down 5.85 percent to 644 yen per share

* Among the most active counters of the day

Select electronics were singled out for large sell-offs, but there were few, really major losers in this section of the market, last Tuesday.

Airlines were weak, but that was simply the fall-out of the New York crash.

In pharmaceuticals, Chugai Pharmaceutical Company announced that its Consolidated Pre-Tax Profits had increased 10.20 percent in the first half of its Financial Year, to September 30, 2001.

The Bottom Line was, however, 9.14 billion yen, down about 11.40 percent, Year-on-Year.

The share price of Chugai Pharmaceutical fell 1.65 percent on the news to 1,673 yen per share.

From Shionogi and Company, another major pharmaceutical company, came news that its Consolidation Net Profits for the same period had fallen to 3.82 billion yen, a 5.40-percent decline, Year-on-Year.

And that was, just about, that for last Tuesday in The Land of The Rising Sun.

This was how other Asian markets performed, on that fateful day:

Indonesia	Minus 0.57 percent to 369.25
Japan	Minus 0.51 percent to 10,030.56
Malaysia	Plus 1.50 percent to 612.72
The Philippines	Minus 0.33 percent to 989.96
Singapore	Minus 0.29 percent to 1,366.33
South Korea	Plus 0.74 percent to 588.83

Taiwan	Minus 0.86 percent to 4,136.54
Thailand	Minus 0.31percent to 270.90

Wednesday

The Taliban surrendered Kabul, the Capital City of Afghanistan, the Northern Alliance moved into the city as though they were conquering heroes, amid cheers from the delighted citizenry (it is, always, advisable for the vanquished to applaud the victors because they have the most soldiers and carry the biggest guns), who lined the streets, shouting: *'Allah is Great!'* (which is, exactly, what the Taliban chant, also), and stock markets, throughout the free world, experienced quickly rising share prices.

On The New York Stock Exchange, last Tuesday, New York time, the Dow Jones Industrial Average moved up about 2.06 percent to 9,750.95 points, while, on the NASDAQ, its Composite Index gained about 2.82 percent, ending the hectic trading day at 1,892.09 points.

After Monday's big sell-off and, then, the recovery, and that event, being followed by the *'war'* news, investors seemed to be afraid that they might miss out on an opportunity to get in while the going was good.

Of course, in the accompanying excitement at the prospects that the Afghan ruling militia might have been defeated (which TARGET questions, anyway), people tended to forget that, even before the US-led coalition against international terrorism started its campaign, with Afghanistan, as its first target, the US economy was on its knees, with the level of sackings in corporate America, being among the higher in the history of the world.

Some investors on Wall Street tended to take the position that the war, being over (?), meant that the US was winning its campaign (what happened to the British troops, the Canadian troops, the French troops, and etc?).

Some share prices rose as much as 10 percent as investors ploughed into old favourites.

On the foreign exchange markets, the US dollar strengthened against the Japanese yen by a full one-percentage point over Monday's level, to 121.60 yen.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it was a similar story to that which was being spouted on Wall Street.

As a result, investors bought into stocks and shares, listed on The Stock Exchange of Hongkong Ltd, pushing up the Main Board's Hang Seng Index by about 2.69 percent to 10,950.04 points.

The Total Turnover, however, remained low at about \$HK7.51 billion, which is hardly indicative of a bullish market.

The ratio of gainers to losers was about 2.84:One, with investors, trading a much wider range of counters.

The Ten Most Actives were all in positive territory:

Hutchison Whampoa Ltd (Code: 13)	Up 4.09 percent to \$HK70 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 4.35 percent to \$HK26.40 per share
HSBC Holdings plc (Code: 5)	Up 1.68 percent to \$HK91 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 4.20 percent to \$HK74.50 per share

Legend Holdings Ltd (Code: 992)	Up 12.40 percent to \$HK3.40 per share
China Unicom Ltd (Code: 762)	Up 1.82 percent to \$HK8.40 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.65 percent to \$HK56.75 per share
Hang Seng Bank Ltd (Code: 11)	Up 1.87 percent to \$HK81.75 per share
CLP Holdings Ltd (Code: 2)	Up 0.67 percent to \$HK29.90 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 2.27 percent to \$HK2.25 per share

There was no special news from any publicly listed company, last Wednesday, with investors, grasping at any straw in the wind.

There were a total of 34, double-digit movers of the day, of which number, just 3, double-digit movers were off Tuesday's closing levels.

China Sci-Tech Holdings Ltd (Code: 985) was the biggest gainer of the day as its share price rose 39.53 percent to 6 cents.

Hop Hing Holdings Ltd (Code: 47) was the biggest loser of the day as its share price fell 18.75 percent to 26 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, in spite of one company after another, announcing declining fortunes, share prices started to rise.

The Growth Enterprise Index gained about 2.49 percent, rising to 183.73 points on a Total Turnover of about \$HK148.88 million.

The ratio of gainers to losers on this market was about 1.78:One.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) was the most active counter of the day, with its share price, rising to \$HK2.13, a one-day gain of 7.87 percent.

SUNeVision Holdings Ltd (Code: 8008), the GEM subsidiary of Sun Hung Kai Properties Ltd, saw its share price gain 11.32 percent to \$HK1.15. (Please see Monday's report)

The increase in the share price of SUNeVision came on the same day that the company announced that, for the quarter, ended September 30, 2001, it had lost about \$HK13.35 million.

That was an improvement over the corresponding 2000 quarter when the company announced a loss of about \$HK31.78 million.

Mr Rupert Murdoch's Phoenix Satellite Television Holdings Ltd (Code: 8002) managed to squeeze out a gain of 3.26 percent, hitting 95 cents per share by the close of the day.

A complete list of the double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
DigiTel Group Ltd	8030	31.11		0.295
iLink Holdings Ltd	8107		12.50	0.105

iSteelAsia.com Ltd	8080	14.67		0.172
MRC Holdings Ltd	8070	13.02		0.243
Q9 Technology Holdings Ltd	8129	13.02		0.243
SUNeVision Holdings Ltd	8008	11.32		1.18
Techwayson Holdings Ltd	8098		23.68	0.87

In Japan, there was little of the euphoria, seen on Wall Street or the HKSAR.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average gained just 0.56 percent, ending the day at 10,086.76 yen.

But the important thing was that the gains were the first in the previous 3 trading sessions, all of which registered losses.

Banking giant, Mizuho Holdings Incorporated, made the headlines when it announced that it would take a '*hit*' with regard to Mycal, the bust supermarket chain, which filed for bankruptcy.

Since no white knight had come to Mycal's rescue, Mizuho announced that, for the quarter, ended September 30, 2001, it would record a Net Loss of 260 billion yen instead of a Net Profit of 90 billion yen.

Mizuho's share price fell 1.64 percent on the news, to 299,000 yen, a record low for the world's largest bank in terms of assets under its control.

Mizuho set the trend as its '*brother*', Sumitomo Mitsui Banking, shed 1.71 percent of its market capitalisation, falling to 633 yen per share – which was just off its all-time low of 632 yen per share.

Other banks to lose ground included:

Asahi Bank	Down 2.00 percent to 98 yen per share
Daiwa Bank	Down 0.93 percent to 106 yen per share
Mitsui Trust	Down 2.31 percent to 127 yen per share

Electronics were mixed, but motors tended to be slightly softer in spite of the weaker yen rate vis-à-vis the US dollar.

Daihatsu Motor, for instance, lost 6.11 percent of its market capitalisation, falling to 507 yen per share, while Mazda shed about 1.52 percent of its value, falling back to 195 yen per share.

Yamaha Motor, on the other hand, gained 5.16 percent, rising to 775 yen per share.

On the news front, it was reported that Morgan Stanley Dean Witter and Company had pulled up stakes in The Land of The Rising Sun.

Another 100 Japanese workers will hit the street, it seems.

That leaves on Merrill Lynch and Company as the only gweilo brokerage house in Japan – and reports were circulating that it, too, might follow Morgan Stanley and make an exit from the largest bourse in Asia.

In other parts of Asia, last Wednesday, this was the situation:

Indonesia	Plus 0.96 percent to 372.79
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Japan	Plus 0.56 percent to 10,086.76
Malaysia	Closed
The Philippines	Plus 0.76 percent to 997.52
Singapore	Closed
South Korea	Plus 3.03 percent to 606.68
Taiwan	Plus 3.41 percent to 4,270.70
Thailand	Minus 1.37 percent to 267.20

Thursday

It seemed as though Asia were on fire, last Thursday, following what was generally believed to be the end of the war in Afghanistan.

The war news was rather smartly followed by some statistics, issued by the US Commerce Department, in respect of retail sales in the US. (Please see first story, this edition)

On Wall Street, investors continued to buy into equities, pushing up the blue-chip index on The New York Stock Exchange, quite substantially, at least in early trading.

By the close of the session, the Dow Jones Industrial Average stood at 9,823.61 points, a gain of about 0.74 percent on Wednesday's close, after being higher by about 2.01 percent in the morning session.

As for the NASDAQ, its Composite Index was up 0.58 percent to 1,903.19 points at the close of the day, but, like the Dow, it had been registering a gain, approaching 3 percent, during early trading.

The US Commerce Department announced that there had been a 7.10-percent rise in retail sales in the US in the month of October.

This was seen, by many a stockbroker, as being a vast improvement over the September figures, which were off about 2.20 percent, compared with August.

Strong motor-car sales in the US were said to have been the chief reason for the massive gains, but more experienced analysts pointed to the 0-percent financing arrangements, which the Big 3 motor-vehicle manufacturers – General Motors, DaimlerChrysler and Ford – had had to put into place in order to move inventories before the year was out.

Questions will, no doubt, be asked as to how this 0-percent financing arrangement had hit the bottom lines of the Big 3.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors threw caution to the wind and bought heavily into stocks and shares, listed on The Stock Exchange of Hongkong Ltd.

As a result, the Main Board's Hang Seng Index gained another 2.64 percent, adding to Wednesday's gains of about 2.69 percent.

The Hang Seng Index finished the day at 11,239.39 points on a Total Turnover of about \$HK11.30 billion.

The Total Turnover was becoming more and more to look as though the market, at long last, was trying to turn the tide of the bears.

However, business in the HKSAR had not improved in the period of the previous 2 days, and even the US Commerce Department's report, in respect of October retail sales, was hardly conclusive proof that the US economy had turned the proverbial corner.

To be trite: One swallow does not make a spring.

While the Hang Seng Index had made a 5.40-percent gain in 2 trading days, to be sure, there had been no trade statistics, or company reports, to justify the rationale for the gains.

The ratio of gainers to losers was fairly tight, also, at 1.46:One – hardly a strong indication of a return of the bulls.

Regardless, nobody likes to be considered a killjoy and so brokers fanned the dying embers of the coals of the stock markets of the HKSAR, which happen to be the worst performing ones in Asia.

The Ten Most Actives of the day included:

China Mobile (Hongkong) Ltd (Code: 941)	Up 5.49 percent to \$HK27.85 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 4.44 percent to \$HK2.35 per share
Hutchison Whampoa Ltd (Code: 13)	Up 4.64 percent to \$HK73.25 per share
HSBC Holdings plc (Code: 5)	Up 1.37 percent to \$HK92.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 4.03 percent to \$HK77.50 per share
China Unicom Ltd (Code: 762)	Up 5.36 percent to \$HK8.85 per share
PetroChina Company Ltd (Code: 857)	Down 3.50 percent to \$HK1.38 per share
Guoco Group Ltd (Code: 53)	Up 0.20 percent to \$HK50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.88 percent to \$HK57.25 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK81.75 per share

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AV Concept Holdings Ltd	595	18.00		0.295
C.P. Pokphand Company Ltd	43	18.11		0.15
China Motion Telecom International Ltd	989	20.00		0.66
Chinney Alliance Group Ltd	385	16.67		0.035
Climax International Company Ltd	439		13.64	0.019
CNT Group Ltd	701	13.78		0.223
FT Holdings International Ltd	559	10.84		0.46
Guangdong Brewery Holdings Ltd	124	10.00		0.55
Hop Hing Holdings Ltd	47	23.08		0.32
Leaptek Ltd	336	16.67		0.077

Luen Cheong Tai International Holdings Ltd	1190	13.56		0.067
Magnificent Estates Ltd	201	18.52		0.032
Pearl Oriental Holdings Ltd	988	30.00		0.052
Prime Investments Holdings Ltd	721	12.86		0.79
Same Time Holdings Ltd	451	11.34		0.108
Shun Cheong Holdings Ltd	650	18.52		0.32
Simsen International Corporation Ltd	993	18.92		0.044
United Power Investment Ltd	674		14.29	0.12
World Trade Bun Kee Ltd	380	12.82		2.20

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, there was no indication of a return of the bulls.

The Growth Enterprise Index reversed Wednesday's direction, giving up about 0.74 percent of its value and falling back to 182.38 points.

The Total Turnover was relatively high at about \$HK275.96 million.

However, trading on just one counter, Wah Sang Gas Holdings Ltd (Code: 8035), was responsible for 61.20 percent of the Total Turnover of the day so that, subtracting \$HK168.89 million (the aggregate value of the volume of trades in Wah Sang Gas), brought the Total Turnover back to about \$HK107.07 million.

Wah Sang Gas lost 7.14 percent of its market capitalisation, during the trading day, falling to 78 cents per share.

The ratio of declining counters to advancing ones was 1.75:One.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH Financial Services Group Ltd	8122		11.76	0.06
DigiTel Group Ltd	8030		18.98	0.239
iAsia Technology Ltd	8101		24.24	0.50
SIIC Medical Science and Technology (Group) Ltd	8018	10.18		1.84
Techwayson Holdings Ltd	8098		10.34	0.78

In The Land of The Rising Sun, smiles appeared on the faces of investors, for the first time in the past 3 months, as share prices moved up very smartly on The Tokyo Stock Exchange.

The Nikkei-225 Stock Average gained 403.13 yen, a full 4 percent, rising to 10,489.89 yen in a market that saw investors scrambling for scrip.

The retail sales figures in the US were said to have been the main reason for the scramble for shares.

The US dollar-Japanese yen rate strengthened, further, to 122 yen, even, and that only helped matters along on Japan's premier bourse.

The seeming upswing in investor sentiment caused short-sellers to cover positions, pushing up prices in short order lest they be left, holding onto rapidly depreciating positions.

Electronics stood out prominently as gainers, last Thursday, as the following TARGET list illustrates:

Advantest	Up 3.85 percent to 7,280 yen per share
Canon	Up 6.20 percent to 3,940 yen per share

Casio	Up 3.22 percent to 642 yen per share @
Fujitsu*	Up 6.01 percent to 935 yen per share
Hitachi*	Up 2.27 percent to 902 yen per share
Konica	Up 5.91 percent to 645 yen per share
Kyocera	Up 8.34 percent to 8,960 yen per share
Matsushita Electrical Industries*	Up 7.10 percent to 1,614 yen per share
NEC*	Up 4.19 percent to 1,219 yen per share
Nikon	Up 5.89 percent to 989 yen per share
OKI Electrical Industrial	Up 6.13 percent to 450 yen per share
Pioneer	Up 7.97 percent to 2,845 yen per share
Rohm	Up 3.49 percent to 17,180 yen per share
Sanyo Electric*	Up 7.35 percent to 643 yen per share
Sharp	Up 6.46 percent to 1,533 yen per share
Sony*	Up 9.76 percent to 5,400 yen per share
Tokyo Electron	Up 8.71 percent to 6,240 yen per share
Toshiba Corporation*	Up 4.42 percent to 520 yen per share

* Among the most active counters of the day

@ Please see accompanying report further in this report

From Casio Computer Company came the news that it would be sacking 3,000 of its workforce, equal to about 17 percent of the Total Establishment level.

For the quarter, ended September 30, 2001, the company reported a Consolidated Net Loss of 4.21 billion yen, which was a very sharp reversal from the comparable 2000 quarter when it turned in a Net Profit of 2.80 billion yen.

Trading house, Mitsui and Company, reported that, for the first half of its Financial Year, to September 30, 2001, it turned in a Net Profit of 23.42 billion yen, a fall of about 2.70 percent, compared with the like 2000 half.

Mitsui's share price lost 1.55 percent to 634 yen on the news.

For a change, a Japanese departmental store reported very positive results.

The departmental store was Hankyu Department Stores Incorporated, which reported a Consolidated Net Profit for its first half, to September 30, 2001, of 1.59 billion yen.

That was an increase of about 1,042 percent on the like 2000 period.

While electronics and motors were, generally, strong, banks continued to wilt, due to the trillions of yen losses that they will have to eat, sooner rather than later, too.

In other parts of Asia, this was how things looked, last Thursday night:

Indonesia	Plus 1.50 percent to 378.38
Japan	Plus 4.00 percent to 10,489.89
Malaysia	Plus 3.23 percent to 632.50
The Philippines	Plus 1.84 percent to 1,015.86
Singapore	Plus 4.82 percent to 1,432.17
South Korea	Minus 0.04 percent to 606.44
Taiwan	Plus 2.94 percent to 4,403.59
Thailand	Minus 0.97 percent to 268.28

Friday

If anything, profit-taking was the order of the day across Asia, last Friday.

Trading on major bourses slowed down, considerably, as investors banked profits rather than brave the unknown.

Investors in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) appeared to be losing some of the enthusiasm, which they displayed on Wednesday and Thursday.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index ended the week on a gain over Thursday's close of about 0.43 percent, to 11,287.37 points.

But the luncheon closing had the Hang Seng Index at 11,368.90 points, which means that there was considerable selling pressure during the 90-minute afternoon session as The Index was shaved by about 0.72 percent.

The Total Turnover of the day was about \$HK9.96 billion, with the Ten Most Actives, accounting for about 48 percent of the entire volume of activity.

While The Index was in positive territory for the entire trading session, losers dominated trading conditions, with the ratio of losers to gainers, being about 1.30:One.

The composition of the Ten Most Actives was a little different from the norm of the past few months, however:

Hutchison Whampoa Ltd (Code: 13)	Up 2.39 percent to \$HK75.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.15 percent to \$HK28.45 per share
PetroChina Company Ltd (Code: 857)	Down 6.52 percent to \$HK1.29 per share

HSBC Holdings plc (Code: 5)	Down 0.54 percent to \$HK91.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.61 percent to \$HK78.75 per share
China Unicom Ltd (Code: 762)	Up 1.69 percent to \$HK9.00 per share
Guoco Group Ltd (Code: 53)	Down 0.20 percent to \$HK49.90 per share
CNOOC Ltd (Code: 883)	Down 6.08 percent to \$HK6.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.87 percent to \$HK57.75 per share
Hong Kong Exchanges & Clearing Ltd (Code: 388)	Up 4.87 percent to \$HK11.85 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139.com Holdings Ltd	139	14.81		0.031
21CN CyberNet Corporation Ltd	241		14.63	0.21
B-Tech (Holdings) Ltd	412	16.67		0.014
Cedar Base Electronic (Group) Ltd	855	10.17		0.065
China Elegance International Fashion Ltd	476	35.71		0.019
China Online (Bermuda) Ltd	383	18.46		0.077
Chian Sci-Tech Holdings Ltd	985	15.38		0.075
Dailywin Group Ltd	897		18.06	0.127
Everbest Century Holdings Ltd	578		17.86	0.023
GeoMaxima (Hongkong) Holdings Ltd	702	20.55		0.88
Golden Harvest Entertainment (Holdings) Ltd	1132		19.35	0.50
GR Investment Holdings Ltd	310		15.49	0.06
iRegent Group Ltd	575		20.61	0.131
Leaptek Ltd	336	10.39		0.085
Ocean Shores Group Ltd	764		13.04	1.20
Pearl Oriental Holdings Ltd	988	11.54		0.058
Prime Investments Holdings Ltd	721		11.39	0.058
Quality Food International Ltd	735		14.58	0.041
Sunlord Chemical Group Ltd	362	13.73		0.58
Swank International Manufacturing Company Ltd	663	13.51		0.042
Wing Shan International Ltd	570	13.56		0.335

On The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd, again, while The Growth Enterprise Index registered a positive level of activity, losing counters outnumbered gaining ones by the ratio of 1.09:One.

The Growth Enterprise Index ended the day at 184.27 points, an improvement of about 1.04 percent on Thursday's close.

The Total Turnover was about \$HK156.53 million, with trading in the shares of Mr Li Ka Shing's tom.com Ltd (Code: 8001), accounting for about 45.58 percent of that figure.

tom.com's share price rose 4.71 percent to \$HK2.23 on a volume of about 31.74 million shares._

There appeared to be no valid reason for the increase in the share price of tom.com, but investors in the HKSAR are known to be mind-blowing gamblers – and this counter is, really, a huge gamble.

Another counter that managed to make headway in last Friday's GEM was SUNeVision Holdings Ltd (Code: 8008).

Its share price scooted up 5.98 percent to \$HK1.24 on a volume of about 8.37 million shares.

Both tom.com and SUNeVision Holdings have yet to make a cracker in profits in their entire corporate lives.

The double-digit movers on this market were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH Financial Services Group Ltd	8122	13.33		0.068
iAsia Technology Ltd	8101	20.00		0.60
Techwayson Holdings Ltd	8098	15.38		0.90

On The New York Stock Exchange, last Thursday, blue chips made very modest gains, by and large, as the world's largest stock market appeared to be consolidating, following the previous days' substantial gains.

The Dow Jones Industrial Average pegged up another 48.78 points, equal to about one half of one percentage point, ending the day at 9,782.39 points.

The NASDAQ's Composite Index, however, fell back to 1,900.66 points, a one-day loss of 2.53 points, or about 0.13 percent.

Profit-taking was the main reason for the fall-off on this market since there had been no adverse events, which should have affected trading, with the war news, continuing to be more positive than negative.

In Japan, investors continued to feel that their premier stock market still had a little way to run up.

The Tokyo Stock Exchange's blue-chip gauge, the Nikkei-225 Stock Average, gained 149.20 yen to end the week at 10,649.09 yen.

Helping the market along was the continuing weakness of the yen vis-à-vis the US dollar, with the rate, falling to 122.16 yen.

A weak yen causes Japan's exports to be more competitive against similar products, manufactured elsewhere in the world.

As a result of a weaker yen vis-à-vis the US dollar, plus a seemingly more positive sentiment in the US marketplace, electronics continued to be strongly sought-after:

Advantest	Up 4.40 percent to 7,600 yen per share
Canon	Up 3.30 percent to 4,070 yen per share
Fanuc	Up 6.33 percent to 5,880 yen per share
Fujitsu*	Up 8.66 percent to 1,016 yen per share
Hitachi*	Up 3.10 percent to 930 yen per share

JVC	Up 5.71 percent to 444 yen per share
Konica	Up 5.43 percent to 680 yen per share
Kyocera	Up 4.91 percent to 9,400 yen per share
Matsushita Electric Industrial*	Up 4.09 percent to 1,680 yen per share
NEC*	Up 7.47 percent to 1,310 yen per share
OKI Electric Industrial	Up 4.44 percent to 470 yen per share
Ricoh	Up 5.83 percent to 2,360 yen per share
Rohm	Up 3.84 percent to 17,840 yen per share
Sony*	Up 5.74 percent to 5,710 yen per share
Tokyo Electron	Up 5.77 percent to 6,600 yen per share
Toshiba Corporation*	Up 4.23 percent to 542 yen per share

* Among the most active counters of the day

There was a plethora of corporate news, some good and some bad.

Mitsubishi Heavy Industries Ltd announced Group Net Losses of 8.26 billion yen for the half year, ended September 30, 2001. That result compared with the like 2000 period when the company chalked up Group Net Losses of about 23.47 billion yen.

The share price of Mitsubishi Heavy Industries lost 9.07 percent on the news, falling to 331 yen per share.

Japan Tobacco Ltd announced that its Consolidated Net Profit, for its half year to September 30, 2001, was 35.63 billion yen, an increase of 4.20 percent on the like period in 2000.

Japan Tobacco's share price lost 6.52 percent, falling to 717,000 yen.

Telecommunications company, KDDI Corporation, announced that its Consolidated Net Profits for the 6-month period, ended September 30, 2001, were 6.69 billion yen, off 22.10 percent, compared with the 2000 half-year results.

Steamship company, Kawasaki Kisen Kaisha Ltd (KKK), said that its Consolidated Net Profits increased by 522.40 percent to 7.53 billion yen for the same period.

Mitsubishi Corporation announced that its Group Net Profits had fallen nearly 45 percent for the half year, ended September 30, 2001, compared with the like 2000 half, to 41.94 billion yen.

Mitsubishi's share price posted gains of 7.20 percent, rising to 863 yen.

Trading house, Itochu Corporation, joined in the fun and announced that its Net Profits had fallen about 55 percent for the first half of this year, to September 30, 2001, to 25.22 billion yen.

Itochu's share price gained 7.53 percent on the news, rising to 314 yen.

Another trading house, Marubeni Corporation, followed in the footsteps of Itochu by announcing that, for its half year, ended September 30, 2001, its Net Losses were 107 billion yen.

For the like 2000 first half, Marubeni earned Net Profits of about 6.13 billion yen.

Its share price gained about one percent in the strength of the news, rising to 102 yen per share.

Finally, Nissho Iwai Corporation, Japan's sixth largest trading house, announced that it recorded Net Profits of about 4.21 billion yen for the first half, that result, comparing poorly with the 2000 like period, being equal to a drop of about 25 percent, Year-on-Year.

Its share price put on about 4.72 percent to rise to 111 yen per share by the close of the day.

And that was just about that for a hectic week where there had been a complete reversal of international fortunes:

Indonesia	Plus 0.08 percent to 378.67
Japan	Plus 1.52 percent to 10,649.09
Malaysia	Plus 0.44 percent to 635.31
The Philippines	Plus 1.72 percent to 1,033.34
Singapore	Minus 0.70 percent to 1,422.17
South Korea	Plus 0.73 percent to 610.88
Taiwan	Plus 0.98 percent to 4,446.62
Thailand	Plus 2.71 percent to 275.54

-- E N D --

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